



Rompetrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its fourth quarter and full year 2021 financial and operational unaudited results. The figures include unaudited consolidated financial statements for this period prepared by the company in accordance with International Financial Reporting Standards („IFRS”).

Consolidated financial statements of Rompetrol Rafinare include the results of the parent company Rompetrol Rafinare S.A and its subsidiaries Rompetrol Downstream S.R.L, Rompetrol Gas S.R.L, Rompetrol Quality Control S.R.L, Rom Oil SA, Rompetrol Logistics S.R.L and Rompetrol Petrochemicals S.R.L.

The document is posted on our website in the Investor Relations section:

www.rompetrol-rafinare.ro

HIGHLIGHTS – CONSOLIDATED

		Q4 2021	Q4 2020	%	2021	2020	%
Financial							
Gross Revenues	USD	1,341,390,815	954,059,799	41%	4,619,086,978	3,465,662,381	33%
Net Revenues	USD	1,015,257,650	636,002,359	60%	3,348,256,153	2,334,222,534	43%
EBITDA	USD	19,850,091	24,229,567	-18%	106,794,756	2,566,542	4061%
EBITDA margin	%	2.0%	3.8%		3.2%	0.1%	
EBIT	USD	(82,139,332)	(15,904,204)	-416%	(106,533,450)	(127,951,017)	17%
Net profit / (loss)	USD	(128,992,731)	(42,399,027)	-204%	(186,789,191)	(198,587,392)	6%
Net Profit / (loss) margin	%	-12.7%	-6.7%		-5.6%	-8.5%	

Rompetrol Rafinare consolidated gross revenues reached USD 1.34 billion in Q4 2021 and approximately USD 4.62 billion in 2021, higher by 41% as against Q4 2020 and higher by 33% as against full year 2020 as a result of higher market quotation vs. similar period last year alongside similar level of sales reached within 2021 as against 2020.

The company's consolidated results for the year 2021 were impacted by the technical incident that occurred on July 2nd, 2021, at the Diesel Hydrotreater Unit (in Romanian “instalatia Hidrofinare Petrol Motorina” hereinafter HPM unit), which affected both the HPM plant and the Kerosene Hydrotreater (HPR) and Catalytic Reformer (RC).

As part of net asset remediation process of the Parent Company, Rompetrol Rafinare S.A., the company's share capital was reduced during the year 2021 by RON 1,755,000,000 from RON 4,410,920,572.60 to RON 2,655,920,572.60 by reducing the number of shares by 17,550,000,000 shares, respectively from 44,109,205,726 shares to 26,559,205,726 shares.

Starting with the financial year ended December 31, 2021, the Company implements the voluntary modification of the accounting policy regarding the recognition of all tangible assets of the Company and investments in its subsidiaries at fair value as the new method leads to more credible and secure information (“faithfull representation”), so that the end users of the financial statements will have information about the current market value of the Company's assets.



ECONOMIC ENVIRONMENT

		Q4 2021	Q4 2020	%	2021	2020	%
Brent Dated	USD/bbl	79.8	44.2	81%	70.9	41.8	69%
Ural Med	USD/bbl	78.2	44.4	76%	69.2	41.6	67%
Brent-Ural Differential	USD/bbl	1.5	(0.2)	N/A	1.7	0.3	544%
Premium Unleaded 10 ppm FOB Med	USD/tonne	748	396	89%	670	382	75%
Diesel ULSD 10 ppm FOB Med	USD/tonne	677	365	86%	580	362	60%
RON/USD Average exchange rate		4.33	4.09	6%	4.16	4.24	-2%
RON/USD Closing exchange rate		4.37	3.97	10%	4.37	3.97	10%
RON/EURO Average exchange rate		4.95	4.87	2%	4.92	4.84	2%
RON/EURO Closing exchange rate		4.95	4.87	2%	4.95	4.87	2%
USD/EURO Closing rate		1.13	1.23	-8%	1.13	1.23	-8%
Inflation in Romania*		2.49%	0.70%	255%	8.19%	2.06%	298%

Source: Platts, * INSSSE (Inflation in Romania is calculated based on CPI - i.e. Consumer Price Index)

Dated Brent increased by +35.6 \$/bbl. (+81%) in Q4 2021 as against Q4 2020 and settled to an average of 79.8 \$/bbl and increased by +29.1\$/bbl. (+69%) in 2021 as against 2020 and settled to an average of 70.9 \$/bbl.

Dated Brent had an upward trend during 2021, starting from a level of 50\$/bbl. and finishing the year around 80\$/bbl., reaching the highest level since October 2018.

In the first part of the year, crude price was supported by the optimism that the resumption of economic activity in the U.S. and Europe will help demand after noticeably falling newly confirmed coronavirus cases.

OPEC+ decided to gradually increase production in May (+350k bpd), June (+350k bpd) and July-December (+400k bpd each month), despite consumer calls for more oil and cheaper crude.

Another support for the crude price came after rising Middle East tensions and after U.S. inventories dropped to a two-year low because of disruption caused by Hurricane Ida.

In the first part of Q4 the crude price had the longest run since 2015, following a decision by OPEC+ to maintain its planned gradual increase of supply, despite the market facing a global energy crunch ahead of winter and the rising demand for the crude and oil products.

After that the market corrected on signs that U.S., China, and Japan are all preparing to tap national crude reserves as concerns over accelerating inflation intensify.

In December, the crude price had the biggest monthly decrease (-10%) since the early days of the coronavirus pandemic as investors weighed risks posed by the new Omicron variant, with a top drug maker saying the world may now need new vaccines.



European margins increased by +33.8\$/MT in Q4 2021 from a very low level of 4.2\$/MT in Q4 2020 and settled to an average level of 38\$/MT and increased by +7.1\$/MT (+45%) in 2021 vs. 2020 and settled to an average level of 22.9\$/MT.

During Q1, the refinery margins increased vs. end of 2020, driven by a consistent transatlantic product pull due to freezing weather hitting the Texas region.

During Q2, before summer, the margins strengthened, as the expeditious rollout of the vaccination programs provided renewed optimism for broader economic recovery.

During Q3, the margins reached their highest levels in 2021 on the back of crude price decrease and, also supported by strong domestic transportation fuel demand and by high transatlantic exports as US refinery sector was affected by Hurricane Ida.

During Q4, the European refinery margins sharply decreased, dragged down by fears concerning the reinstatement of lockdown measures across the continent because of diffusion of a new COVID-19 variant, but in December corrected upwards as fears regarding Omicron variant didn't materialize.

The main three products (accounting for approximately 75% of the production yields) market cracks year-on-year dynamics has been the following:

- Gasoline cracks against Urals (main crude oil type) recorded a level of 169 \$/MT in 2021 compared with 81\$/MT in 2020. European gasoline cracks increased to levels last seen in October 2019, supported by growing mobility in EU which sent the ARA (Amsterdam, Rotterdam and Antwerp) hub stocks to their lowest level since 2016 (almost 50% lower y-o-y at a total of 6.2mil bbl.) and by numerous bookings, especially from U.S., which was hit by very cold temperatures in February, and by Ida Hurricane in August, disrupting production.
- Diesel cracks settled at an average level of 79\$/MT in 2021 vs. 61\$/MT in 2020. Diesel cracks reached their highest value since April 2020 due to increasing export to the U.S. European domestic demand recovered considerably, supported by rising mobility levels and by a stronger performance of the agricultural and manufacturing sectors, which are fostering diesel consumption for goods transportation.
- Jet cracks have been 92\$/MT in 2021 compared with 40\$/MT in 2020. Jet cracks reached their highest level since the start of the COVID pandemic, helped by the removal of quarantine requirements across much of the EU countries and U.S. Also, favorable import-export dynamic helped the cracks, as flows from the Middle East and Asia to Europe dropped and departures from Europe towards the US have been trending significantly above 3-year average since early Q2.

In terms of exchange rates, internally, the RON/EUR exchange rate remained relatively stable in Q4 2021, on the highest level reached at the end of the previous quarter. Pressures on the RON/EUR exchange rate remained high in October and intensified in the second half of December, reaching an average level of 4.9486 in Q4 2021, the highest quarterly average level in the last 5 years.

Also, the RON/USD exchange rate continued its ascending evolution, having an average level of 4.3273 in Q4 2021.

From the perspective of the average annual change in the exchange rate recorded in Q4, the national currency (i.e. RON) slightly decreased its depreciation against the euro and substantially increased the one recorded against the US dollar.

**The information is based on analysis provided by JBC Energy GmbH, OPEC and National Bank of Romania*



REFINING SEGMENT

		Q4 2021	Q4 2020	%	2021	2020	%
Financial							
Gross Revenues	USD	1,143,538,425	760,019,889	50%	3,772,009,887	2,732,749,319	38%
Net Revenues	USD	872,719,995	490,180,756	78%	2,725,659,137	1,811,028,865	51%
EBITDA	USD	25,699,481	15,087,956	70%	31,598,260	(33,378,262)	N/A
EBITDA margin	%	2.9%	3.1%		1.2%	-1.8%	
EBIT	USD	(66,772,180)	(3,671,427)	-1719%	(138,461,975)	(113,042,913)	-22%
Net profit / (loss)	USD	(111,718,400)	(35,518,103)	-215%	(193,621,902)	(186,634,742)	-4%
Net profit / (loss) margin	%	-12.8%	-7.2%		-7.1%	-10.3%	
Gross cash refinery margin/tonne (Petromidia)	USD/tonne	56.0	26.6	111%	34.4	15.2	126%
Gross cash refinery margin/bbl (Petromidia)	USD/bbl	7.7	3.7	111%	4.7	2.1	126%
Net cash refinery margin/tonne (Petromidia)	USD/tonne	19.8	7.5	163%	1.8	(11.2)	N/A
Net cash refinery margin/bbl (Petromidia)	USD/bbl	2.7	1.0	163%	0.2	(1.5)	N/A
Operational							
Feedstock processed in Petromidia refinery	thousand tonnes	1,259	1,360	-7%	4,586	4,864	-6%
Feedstock processed in Vega refinery	thousand tonnes	95	99	-5%	321	364	-12%
Gasoline produced	thousand tonnes	359	330	9%	1,135	1,159	-2%
Diesel & jet fuel produced	thousand tonnes	635	709	-10%	2,480	2,649	-6%
Motor fuels sales - domestic	thousand tonnes	598	642	-7%	2,333	2,380	-2%
Motor fuels sales - export	thousand tonnes	349	341	2%	1,167	1,248	-7%
Export	%	37%	35%		33%	34%	
Domestic	%	63%	65%		67%	66%	

Refining segment comprises the results of the company Rompetrol Rafinare related to Petromidia and Vega refineries. Rompetrol Rafinare computes Gross refinery margin as follows - (Oil Product Sales – Cost of Feedstock) / Quantity of sales. Net Refinery margin is the EBITDA divided by quantity of sales.



Gross revenues of refining segment reached over USD 1.14 billion in Q4 2021 and over USD 3.77 billion in 2021, showing a 50% increase on quarter level and a 38% increase year-on-year level.

The production activities of the Petromidia refinery restarted at the end of September 2021, after the event that occurred on July 2nd, 2021 at HPM unit (Diesel Hydrotreater Unit); the technological installations restarted in stages, after a series of works took place for the restoration of the affected units. As for the Diesel Hydrotreater Unit (HPM), it has been technologically isolated, the completion of the reconstruction and restart will take place during 2022.

Although during the period after the incident and until the restart, production activity was completely stopped, in order to ensure sales on the domestic market and in the distribution network in Rompetrol Bulgaria, Georgia and Moldova, components were imported for auto fuels and also aviation fuels for the main airports from Romania.

In Q4 2021, the total throughput of Petromidia refinery was 1.26 million tonnes, lower by 7.4% compared to the same period last year, when the total throughput was 1.36 million tonnes, correlated with capability of refinery after restarting without Hydrotreater unit in operation and also availability of crude in November & December 2021 due to bad weather conditions in Novorossiysk port.

In 2021, the total throughput of Petromidia refinery was 4.59 million tonnes, lower by 5.7% compared to last year, when the total throughput was 4.86 million tonnes.

The results obtained for the main technological and operational parameters are the following:

- ✓ White finished products yield of 86.12%wt;
- ✓ Technological loss of 0.82%wt.

In respect of Vega refinery, the only domestic producer of bitumen and hexane, the total throughput was 94,526 tonnes in Q4 2021 and 321,052 tonnes in 2021, lower by 4.76% and by 11.75% compared with the same periods last year when the total throughput was 99,250 tonnes in Q4 2020 and 363,803 tonnes in 2020.

In 2021 the refining capacity utilization was 97.29%, lower by 12.95% compared to last year.

Vega refinery managed to achieve in 2021 the following refining results:

- ✓ Technological loss of 0.64%;
- ✓ Energy consumption of 2.76 GJ/t;
- ✓ Mechanical Availability of 98.72%.

Rompetrol Rafinare S.A. continued to be an important contributor to Romania's fiscal budget with over USD 455 million in Q4 2021 and over USD 1.63 billion in 2021.



PETROCHEMICALS SEGMENT

		Q4 2021	Q4 2020	%	2021	2020	%
Financial							
Revenues	USD	40,103,449	49,049,382	-18%	186,396,379	149,171,871	25%
EBITDA	USD	(8,701,355)	(6,257,697)	-39%	1,260,196	(26,274,984)	N/A
EBIT	USD	(14,087,226)	(11,120,021)	-27%	(17,257,882)	(42,521,116)	59%
Net profit / (loss)	USD	(14,813,801)	(3,079,423)	-381%	(20,295,350)	(32,758,531)	38%
Operational							
Propylene processed	thousand tonnes	36	37	-2%	110	117	-6%
Ethylene processed	thousand tonnes	10	18	-41%	37	66	-44%
Total polymers production	thousand tonnes	33	41	-20%	106	143	-26%
Sold from own production	thousand tonnes	23	49	-53%	111	160	-30%
Sold from trading	thousand tonnes	0.0	2.1	-98%	0.5	2.5	-79%
Total sold	thousand tonnes	23	52	-55%	112	162	-31%
Export	%	35%	50%		39%	46%	
Domestic	%	65%	50%		61%	54%	

Petrochemicals segment comprises the petrochemicals activity from Rompetrol Rafinare and the activity of Rompetrol Petrochemicals SRL

The current petrochemicals activity is carried out through PP and LDPE units.

In terms of low density polyethylene unit (LDPE), the petrochemicals segment works 100% with ethylene from import, and for PP (polypropylene) unit is ensured through raw material produced and distributed entirely by Petromidia refinery.

In 2021 the total polymers production for Petrochemicals area was 106 thousand tonnes lower by 26% as against 2020 when the total polymers production was 143 thousand tonnes. The decrease is mainly due to polymers units non-operating in Q3 2021, correlated with the shut-down of Petromidia refinery production and also due to LDPE unit shut down during the month of October and the first half of November 2021, in order to solve the issue appeared at high pressure V106 vessel.

The petrochemicals segment is the sole polypropylene and polyethylene producer in Romania and has constantly succeeded to increase its market share on secondary categories of products. Its dynamic development strategy has secured the company a competitive position on the domestic market and in the region – the Black Sea and Mediterranean region and the Eastern and Central Europe, aiming to keep the competitive advantage once the market stabilizes.



MARKETING SEGMENT

		Q4 2021	Q4 2020	%	2021	2020	%
Financial							
Gross Revenues	USD	931,151,820	680,856,208	37%	3,256,820,738	2,455,679,338	33%
EBITDA	USD	105,044	15,971,614	-99%	70,792,122	60,565,576	17%
EBIT	USD	(3,795,394)	(493,182)	-670%	46,658,284	26,129,576	79%
Net profit / (loss)	USD	(4,974,877)	(3,180,959)	-56%	24,604,050	19,592,252	26%
Operational							
Fuels quantities sold in retail	thousand tonnes	235	211	11%	935	799	17%
Fuels quantities sold in wholesale	thousand tonnes	324	326	0%	1,181	1,190	-1%
LPG quantities sold	thousand tonnes	89	100	-11%	319	351	-9%

Marketing segment includes the results of Rompetrol Downstream, Rom Oil, Rompetrol Quality Control, Rompetrol Logistics and Rompetrol Gas

In Q4 and full year 2021 the marketing segment had a turnover of over USD 931 million respectively over USD 3.25 billion, higher by 37% and by 33% as compared with same periods last year; Marketing Segment result performance for 2021 reached a level EBITDA of USD 70.8 million (i.e. +17% as against last year).

In the Q4 2021, the average Platts quotations (FOB Med Italy) in USD (reference currency) increased by +86% for Diesel and by +89% for Gasoline compared with the similar period of 2020. The international diesel quotation increased in the national currency by +96.7%, in the same time the international gasoline quotation increased in the national currency by +99.9% compared to Q4 2020.

In 2021, the average Platts quotations (FOB Med Italy) in USD (reference currency) increased by +60% for diesel and by +75% for gasoline compared with 2020. The international diesel quotation increased in the national currency by +57%, in the same time the international gasoline quotation increased in the national currency by +72% compared to 2020.

Fuel sales (retail and wholesale), for 2021 amounted to 2.115 million tonnes, +6% compared to last year, of which, the quantities sold in retail had an increase of 17%.

Overall, sales reached 2.435 million tonnes in 2021, higher as against last year by 4%.

At the end of December 2021, the Rompetrol Downstream's distribution segment contained 1207 points of sale, including the network of owned stations, partner stations and mobile stations: expres, cuves and internal bases.



APPENDIX 1 – CONSOLIDATED INCOME STATEMENT Q4 AND 2021, UNAUDITED

Amounts in USD

	Q4 2021	Q4 2020	%	2021	2020	%
Gross Revenues	1,341,390,815	954,059,799	41%	4,619,086,978	3,465,662,381	33%
Sales taxes and discounts	(326,133,165)	(318,057,440)	3%	(1,270,830,825)	(1,131,439,847)	12%
Net revenues	1,015,257,650	636,002,359	60%	3,348,256,153	2,334,222,534	43%
Cost of sales	(985,561,223)	(598,046,422)	65%	(3,141,182,174)	(2,243,249,528)	40%
Gross margin	29,696,427	37,955,937	-22%	207,073,980	90,973,006	128%
Selling, general and administration	(51,243,626)	(53,711,678)	-5%	(233,309,032)	(216,271,006)	8%
Other expenses, net	(60,592,133)	(148,463)	40713%	(80,298,398)	(2,653,017)	2927%
EBIT	(82,139,332)	(15,904,204)	-416%	(106,533,450)	(127,951,017)	17%
Finance, net	(20,261,940)	8,327,284	N/A	(52,052,049)	(26,661,947)	95%
Net foreign exchange gains / (losses)	2,972,458	(2,866,386)	N/A	6,077,398	(9,867,013)	N/A
EBT	(99,428,815)	(10,443,306)	-852%	(152,508,102)	(164,479,977)	7%
Income tax	(29,563,917)	(31,955,721)	-7%	(34,281,089)	(34,107,415)	1%
Net result	(128,992,731)	(42,399,027)	-204%	(186,789,191)	(198,587,392)	6%
EBITDA	19,850,091	24,229,567	-18%	106,794,756	2,566,542	4061%



APPENDIX 2 – CONSOLIDATED BALANCE SHEET DECEMBER 31, 2021, UNAUDITED

Amounts in USD

	December 31, 2021	December 31, 2020	%
Assets			
Non-current assets			
Intangible assets	9,469,707	10,970,907	-14%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,261,644,352	1,168,350,972	8%
Right of use assets	109,604,968	76,543,589	43%
Financial assets and other	3,158,078	4,161,618	-24%
Total Non Current Assets	1,466,748,811	1,342,898,792	9%
Current assets			
Inventories	329,204,005	202,167,399	63%
Trade and other receivables	690,531,906	553,537,032	25%
Derivative financial Instruments	23,958,794	209,030	11362%
Cash and cash equivalents	50,091,261	100,655,956	-50%
Total current assets	1,093,785,966	856,569,417	28%
Total assets	2,560,534,777	2,199,468,209	16%
Equity and liabilities			
Total Equity	462,575,190	421,297,060	10%
Non-current liabilities			
Long-term debt	191,729,052	240,000,000	-20%
Provisions	84,606,213	79,332,744	7%
Obligations under lease agreements	108,237,081	81,816,635	32%
Other	72,832,895	4,695,869	1451%
Total non-current liabilities	457,405,240	405,845,248	13%
Current Liabilities			
Trade and other payables	1,543,058,589	1,267,733,760	22%
Contract liabilities	44,880,252	30,912,849	45%
Derivative financial instruments	3,478,830	375,916	825%
Obligations under lease agreements	3,679,908	4,003,884	-8%
Short-term debt	42,421,794	65,291,249	-35%
Profit tax payable	3,034,974	4,008,243	-24%
Total current liabilities	1,640,554,347	1,372,325,901	20%
Total equity and liabilities	2,560,534,777	2,199,468,209	16%



The financial figures are extracted from Company's consolidated unaudited IFRS financial report as of 31 December 2021.

The information contained in this report is provided at the date of this report and may be subject to update, review, modification or change without prior notice.

The analysis of the method of transposing the financial transactions of the company, for the financial year 2021, into the financial statements will continue until the financial statements are finalized and audited, which is why the presented information may change both in terms of value and of the way of presentation and classification.

**Chairman of the Board of Directors
of ROMPETROL RAFINARE S.A.**

Yedil Utekov

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 *Yedil Utekov*
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General Manager

Felix Crudu-Tesloveanu

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Finance Manager

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