

**February 28, 2022****Contact: Paul Greavu****Tel: 0372 / 276 125****Rompetrol Rafinare's financial results in 2021**

Consolidated indicators*		2021	2020
Gross turnover	USD	4,619,086,978	3,465,662,381
EBITDA	USD	106,794,756	2,566,542
Net result	USD	(186,789,191)	(198,587,392)

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, a member company of the KMG International Group, managed to improve its financial indicators in 2021, amid a sales volume similar to the previous year, but also as a result of higher market quotations compared to similar periods from 2020.

However, the company's consolidated results were impacted by the shutdown of operational processes, caused by the technical incident that occurred on July 2, in the Diesel Hydrotreating Unit (HPM), an event that also affected other facilities in the Petromidia refinery.

In order to restart production activities, for over 80 days, extensive remediation works were carried out on the affected assets. The teams of Rompetrol Rafinare specialists, together with those from Rominserv and with the support of several companies with expertise, managed, in the 3rd quarter of 2021, to lead to the restart of the operational processes, and in the second half of October 2021, the facilities reached optimum operational efficiencies.

Thus, the gross turnover of Rompetrol Rafinare in 2021 was approximately 4.62 billion dollars, up 33% compared to 2020, and the operational profit (EBITDA) was about 106.8 million dollars. During the same period, the net result recorded a negative value of 186.8 million dollars.

The impact on the company's financial results was also generated by factors independent of the operational activity, such as the rising prices of Dated Brent crude oil, which had an upward trend during 2021, from about 50 USD / barrel at the beginning of the year, up to a level of about 80 USD / barrel, the highest threshold reached since October 2018.

Also, the European refining margin increased by 33.8 USD / MT only in the 4th quarter of 2021, compared to the very low level in the 4th quarter of 2020, of 4.2 USD / MT, while the increase on the whole year was 45%, the average level in 2021 being 22.9 USD / MT.



The total value of exports made in 2021 by Petromidia, Vega and Rompetrol Rafinare's Petrochemical Division amounted to approximately 959 million dollars, with Rompetrol Rafinare maintaining a constant presence in regional markets through the company's combined efforts to ensure the demand for fuels and other petroleum products, despite the non-operation of the Petromidia refinery.

Rompetrol Rafinare continued to be a major contributor to Romania's state budget, paying over 455 million dollars in the fourth quarter of 2021 and 1.63 billion dollars, throughout the year.

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		2021	2020
Gross turnover	USD	3,772,009.887	2,732,749,319
EBITDA	USD	31,598,260	(33,378,262)
Net result	USD	(193,621,902)	(186,634,742)
Operational indicator			
Raw materials processed - Petromidia	kt	4,586	4,864
Raw materials processed - Vega	kt	321	364
Fuel sales - internal	kt	2,333	2,380
Fuel sales - export	kt	1,167	1,248

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

The consolidated gross turnover for the refining segment rose to 3.77 billion dollars, while operational profit (EBITDA) went from a negative of 33.4 million dollars in 2020 to a positive of 31.6 million dollars.

In 2021, the Petromidia Năvodari refinery processed approximately 4.6 million tons of raw materials, obtaining 1.13 million tons of gasoline and almost 2.5 million tons of diesel and special aviation fuel.

The largest profile unit in Romania managed to obtain, in 2021, good operational performances, in the context of the cessation of the operational activity for almost three months: a yield of white products of 86.12%wt, increasing compared to 2020, a technological loss below initial estimates - 0.82%wt and the highest diesel and jet fuel yield ever achieved - 54.3%wt.

Regarding the Vega Ploiești refinery, the only domestic producer of bitumen and hexane, the total processing of raw materials was 321 kt, down from the 2020 indicators, the Prahova



refinery operating in perfect synergy with the Petromidia Năvodari refinery. Thus, Petromidia provides the Ploiești refinery with the raw materials / semi-finished products necessary to obtain special products with a high added value.

However, the Vega refinery achieved good operational results in the yield of hexane, which reached 50%, above the forecasts at the beginning of the year, at mechanical availability - 98.72% and energy consumption of 2.76 GJ / ton.

Petrochemical segment*

Financial indicator		2021	2020
Gross turnover	USD	186,396,379	149,171,871
EBITDA	USD	1,260,196	(26,274,984)
Net result	USD	(20,295,350)	(32,758,531)
Operational indicator			
Processed propylene	kt	110	117
Processed ethylene	kt	37	66
Polymer total production	kt	106	143
Total sales from own production	kt	111	160

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

In 2021, the petrochemical segment managed to increase its gross turnover to 186 million dollars, compared to 149 million dollars in 2020. Also, from a negative operational profit (EBITDA) of 26,3 million dollars, the petrochemical division recorded a positive EBITDA of 1.26 million dollars in 2021.

The total polymer production of the Petrochemical Division was 106 kt in 2021, down 26% compared to 2020, due to the non-functioning of the polymer installations between July and September 2021, due to the lack of necessary raw materials. However, the company managed to process a total of 110 kt of propylene, a level similar to that of 2020.

The Low Density Polyethylene (LDPE) plant of the petrochemical segment operates with 100% imported ethylene, and the Polypropylene (PP) plant operates with raw material 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 on the secondary product categories as well.

Distribution segment*

Financial indicator		2021	2020
Gross turnover	USD	3,256,820,738	2,455,679,338
EBITDA	USD	70,792,122	60,565,576



Net result	USD	24,604,050	19,592,252
Operational indicator			
Fuel quantities - retail	kt	935	799
Fuel quantities - wholesale	kt	1,181	1,190
LPG quantities sold	kt	319	351

**The distribution segment includes the results of the subsidiaries Rompetrol Downstream, Rom Oil, Rompetrol Quality Control, Rompetrol Logistics and Rompetrol Ga*

The consolidated gross turnover for the distribution segment was 3.25 billion dollars in 2021, and the operational profit (EBITDA) reached 70.8 million dollars, up 17% from 2020.

Fuel sales (retail and wholesale) amounted to 2.115 million tons, an increase of 6% compared to 2020, while quantities sold in retail increased by 17%. This segment brought total fuel sales (including LPG) to 2.43 million tons, up 4 percent from 2020.

In 2021, compared to 2020, the average Platts quotations (FOB Med Italy) expressed in USD (reference currency) increased by 60% for diesel and 75% for gasoline, respectively. Also, in the national currency, the international price of diesel increased by 57%, and the international price of gasoline increased by 72%, compared to 2020.

Last year, Rompetrol Downstream continued its program to expand its fuel distribution network. Thus, at the end of 2021 it reached a network of 1,207 units, compared to the 1,061 points existing at the end of 2020. The distribution network in Romania includes its own network of stations, partner stations and mobile stations: express, internal bases of 9 and 20 cubic meters.

Department of Communication and Public Relations

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