

**May 16, 2022****Contact: Paul Greavu****Tel: 0372 / 276 125****Rompetrol Rafinare's results, in the first three months of 2022**

<b>Consolidated indicator*</b>		<b>Q1 2022</b>	<b>Q1 2021</b>
Gross turnover	USD	1,169,664.830	1,006,264,485
EBITDA	USD	(86,692,998)	29,454,593
Net result	USD	(132,802,674)	(14,733,140)

*\*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 (Rompetrol), had a gross turnover of 1.17 billion USD in the first quarter of 2022, up 16% from the same period of last year. The increase was due to higher petroleum products quotations than in the first three months of 2021.

However, financial indicators, such as operational profit (EBITDA) and the net result, were strongly impacted by the unfavorable global market environment. Thus, the company recorded a negative EBITDA of 86.6 million dollars, respectively a net negative result of 132 million dollars.

As a consequence of the current geopolitical context, the price of Brent crude oil rose to levels reached only in 2008, and the average price for the period January - March 2022 was 102.2 USD/bbl, 67% higher than in Q1 2021. The maximum level was reached on March 8, when the Dated Brent quotation reached 137.6 USD/bbl. Rompetrol Rafinare also felt the impact of rising utility prices, especially for gas and electricity.

Despite actual market conditions, with shortages in the supply of raw materials at regional level, the effect of the unfavorable weather conditions in the Black Sea, as well as the technological shutdown of the Petromidia refinery, Rompetrol Rafinare honored its previously concluded contractual obligations in the first quarter of the year and continued, without interruption, the delivery of petroleum products, from its own stocks or with the support of the trading division of the KMG International Group.

Of the production made in Q1 2022, about 65% was destined for the domestic market, up from last year's level. The rest of the total oil products were exported to the regional markets, where the company, through its efforts in the operational segment, supported the subsidiaries of the KMG International Group, Rompetrol being the largest supplier of oil products in the Republic of Moldova and Georgia, but also with a significant presence on the Bulgarian market.



The total value of exports made by Rompetrol Rafinare, in the period January - March 2022, amounted to 274 million dollars, increasing by 12% compared to the period January - March 2021.

Rompetrol Rafinare continued to be a major contributor to Romania's state budget, paying nearly 350 million dollars in the first quarter of 2022.

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 2022	Q1 2021
Gross turnover	USD	979,353,940	839,019,396
EBITDA	USD	(66,720,962)	6,911,165
Net result	USD	(100,349,838)	(12,577,741)
Operational indicator			
Raw materials processed - Petromidia	kt	980	1,265
Raw materials processed - Vega	kt	69	69
Fuel sales - internal	kt	466	551
Fuel sales - export	kt	239	366

\*Note: The refining segment includes the results of the Petromidia Năvodari and Vega Ploiești 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.

In the first quarter of 2022, the Petromidia refinery processed 980 thousand tons of raw materials, a level that decreased compared to Q1 2021, due to the cessation of the operational processes in the Petromidia refinery, for a period of 20 days in March, in order to carry out the works included in the scheduled technological shutdown.

With the help of the turnaround that took place from March 11 to April 3, Rompetrol Rafinare assumes the objective of developing the production activities of Petromidia refinery, at the highest standards of performance and safety, thus consolidating its strategic position for the energy sector in Romania, as well as for maintaining a stable contribution to the national economy.

In Q1 2022, the Petromidia refinery produced 260 thousand tons of gasoline, respectively 504 thousand tons of diesel and jet fuel, obtaining a white product yield of 85.3%wt.

In the first three months of this year, the Vega Ploiești refinery maintained its production at the same level from January - March 2021, with almost 70 thousand tons of raw materials processed, in order to obtain special petroleum products, with added value on the profile market.



Vega Refinery is the only one in Romania with the ability to obtain special products, such as road bitumen and bitumen with polymers, hexane or ecological solvents. Bitumen is traded exclusively domestically, with Rompetrol Rafinare having a market share of almost 20% of national demand, and products such as hexane and ecological solvents are largely dedicated to the European market.

**Petrochemical segment\***

<b>Financial indicator</b>		<b>Q1 2022</b>	<b>Q1 2021</b>
Gross turnover	USD	70,294,102	46,818,604
EBITDA	USD	(7,575,157)	2,897,612
Net result	USD	(11,322,679)	(4,189,759)
<b>Operational indicator</b>			
Propylene processed	kt	27	37
Ethylene processed	kt	10	5
Polymer total production	kt	28	28
Total sales	kt	40	34

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

The gross turnover of the petrochemical segment increased by 50%, from 46.8 million USD in Q1 2021 to 70.3 million USD in Q1 2022.

In the first quarter of 2022, the total polymer production of the petrochemical division was 28.2 thousand tons, slightly higher than in the same period of last year. In addition, the total sales of the petrochemical segment registered an increase of 19%, reaching 40 thousand tons sold in January - March 2022.

The Low Density Polyethylene (LDPE) plant of the petrochemical segment operates 100% with 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, including on the secondary product categories.

**Distribution segment\***

<b>Financial indicator</b>		<b>Q1 2022</b>	<b>Q1 2021</b>
Gross turnover	USD	772,603,944	676,530,821
EBITDA	USD	(4,544,141)	20,080,561
Net result	USD	(13,122,078)	2,615,065
<b>Operational indicator</b>			



Fuel sales - retail	kt	214	196
Fuels sales - wholesale	kt	203	276
LPG quantities sold	kt	75	89

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

In the first quarter of 2022, the consolidated gross turnover of the distribution segment amounted to 772 million dollars, an increase of 14% compared to the first quarter of 2021.

Platts quotations (FOB Med Italy) expressed in dollars (reference currency) increased by 85% for diesel and 66% for petrol, respectively. Due to the significant depreciation of the leu against the dollar, the international price of diesel increased, in the national currency (RON), by more than 100%, and the international price of gasoline, by more than 80%, compared to January - March 2021.

The distribution division managed to sell 9% higher volumes in the retail segment in the first three months of 2022, compared to the first three months of 2021. However, wholesale fuel sales lowered, due to factors independent of the company's activity, an example in this respect being the complex cyber attack that took place in the first part of March and that affected several services, including Fill & Go.

In the first three months of the year, Rompetrol Downstream continued its program to expand its fuel distribution network. Thus, from 1,068 points of sale in Q1 2021, the company reached, at the end of March 2022, a network of 1,217 points of sale (network of own stations, partner stations, mobile stations: express, internal bases of 9 and 20 cubic meters).

## **Department of Communication and Public Relations**

### **KMG International**