

**August 12, 2022****Contact: Paul Greavu****Tel: 0372 /276 125****Financial results of Rompetrol Rafinare, in the first half of 2022**

<b>Consolidated indicators*</b>		<b>Q2 2022</b>	<b>Q2 2021</b>	<b>H1 2022</b>	<b>H1 2021</b>
Gross turnover	USD	1,802,422,782	1,278,973,648	2,972,087,612	2,285,238,133
EBITDA	USD	261,084,856	39,368,684	174,391,857	68,823,277
Net result	USD	191,192,660	(8,091,367)	58,389,986	(22,824,507)

*\*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, recorded, in the first semester of this year, increasing financial indicators, on the background of developments in international quotations for raw materials (crude oil, bio components, etc.) and petroleum products, as well as refining margin.

"In the first half of the year, our company played an important role in the stability of fuel supply to customers in Romania and the region, despite the influences generated by the situation in the Black Sea region. The continuation of the investment program, the completion of scheduled turnaround works within the estimated period, the rapid alignment of production with the demand for petroleum products, the focus on the continuous improvement of operational flows and production costs supported the achievement of these positive results, in conditions of maximum safety, performance and environmental protection", said Felix Crudu-Tesloveanu, General Director of Rompetrol Rafinare.

Thus, between January and June 2022, the company recorded a gross turnover of almost 3 billion dollars, an operational profit (EBITDA) of about 174 million dollars and a positive net result of 58.3 million dollars.

The financial results were significantly influenced by market volatility, but also by a growing local and regional demand for petroleum products (agriculture and transport), factors that determined record levels of refining margins. The European refining margin increased by 302.2 USD/MT in Q2 2022 compared to Q2 2021 and averaged at 303.9 USD/MT. Half-yearly, the increase was weighed down by lower levels in the first quarter of the year, so the European margin averaged at 188.9 USD/MT.



Rompetrol Rafinare was, also in the first part of the year, an important contributor to Romania's state budget, with a contribution of 347 million dollars in the second quarter of the year and over 696 million dollars in the first half of 2022.

The significant 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\*

		Q2 2022	Q2 2021	H1 2022	H1 2021
Gross turnover	USD	1,582,858,251	1,049,547,992	2,562,212,191	1,888,567,388
EBITDA	USD	266,641,301	5,351,375	199,920,339	12,262,540
Net result	USD	218,604,096	(29,742,365)	118,254,258	(42,320,106)
<b>Operational</b>					
Raw materials processed – Petromidia	Kt	1,331	1,462	2,310	2,726
Raw materials processed – Vega	Kt	94	119	163	188
Gasoline production	Kt	344	360	605	701
Diesel & Jet production	Kt	693	750	1,197	1,378
Fuel sales - internal	Kt	613	671	1,079	1,222
Fuel sales - export	Kt	352	375	592	742

\*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 – Cost of raw materials)/Sales volume. Net refining margin is operating profit (EBITDA) divided by sales volume.

The refining segment's gross turnover exceeded 1.5 billion dollars in Q2 2022 and 2.5 billion dollars in H1 2022, up from the same periods last year. At the same time, the net result of the segment was a positive one, of approximately 118 million dollars.

In the first half of the current year, 2.31 million tons were processed in the Petromidia Năvodari refinery, down 15% compared to the same period last year, when 2.73 million tons were processed. The volumes were influenced by the technological stoppage in Petromidia between March and April, but which was followed by a stable return to optimal operational parameters.

During this period, the contractual obligations for the deliveries of petroleum products were secured from our own stocks or with the support of the Group's trading division – KMG Trading.

In the second quarter of the year, the Petromidia refinery had a high level of utilization, which supported the operation of the facilities at optimal capacities. At the half-yearly level, the



scheduled turnaround of the largest refinery in the country led to a decrease in the degree of utilization of Petromidia's processing capacity to approximately 75%.

In the first 6 months of the year, the unit from Năvodari managed to achieve good operational results for the yield of white products - 85.86%wt. The Petromidia refinery, which represents approximately 40% of the refining capacity in Romania, obtained, in January - June 2022, over 600 thousand tons of gasoline and about 1.2 million tons of diesel and jet fuel.

The Vega Ploiești refinery, the only domestic producer of bitumen and hexane, processed over 163 thousand tons of raw materials in the first half of the year. The unit from Ploiesti recorded good results in terms of energy consumption (2.53 GJ/t) and mechanical availability (98.72%).

The company has oriented its deliveries of petroleum products to ensure and cover domestic demand. Of the total products obtained (fuels and other petroleum products), 65% was intended for the domestic market, in a slight increase compared to the period January - June 2021.

The rest of the total oil products were exported to the regional markets, mainly to the subsidiaries of the KMG International Group. Rompetrol is the most important supplier of petroleum products in the Republic of Moldova and Georgia, but also one of the largest profile companies in Bulgaria.

In the first half of the year, Rompetrol Rafinare made exports worth 776 million dollars, and the total quantities decreased, from almost one million tons of petroleum products in H1 2021, to 743 thousand tons in H1 2022.

### Petrochemicals segment\*

		Q2 2022	Q2 2021	H1 2022	H1 2021
Gross turnover	USD	49,447,925	68,273,673	119,742,027	115,092,277
EBITDA	USD	(10,628,368)	11,410,878	(18,203,525)	14,308,490
Net profit / (loss)	USD	(17,275,120)	8,600,809	(28,597,799)	4,411,050
<b>Operational</b>					
Processed propylene	kt	32	35	59	72
Processed ethylene	kt	13	19	24	24
Total sales	kt	28	37	68	71

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



In H1 2022, 59 thousand tons of propylene were processed in the company's petrochemical segment. The total production of polymers was 63 thousand tons, a slight decrease compared to last year, and the sales volume stood at a total of 68 thousand tons.

The results of the petrochemical division were impacted by unfavorable market conditions for the segment's products. The gross turnover was at a level close to the same period of 2021 – 119.7 million dollars, and the operational profit (EBITDA) and the net result recorded negative values, of 18.2 million dollars and 28.6 million dollars, respectively.

The petrochemical complex is the only producer of polypropylene and polyethylene in Romania, and the main strategic objective is to maintain the competitive advantage, once the profile market stabilizes.

**Distribution segment\***

		<b>Q2 2022</b>	<b>Q2 2021</b>	<b>H1 2022</b>	<b>H1 2021</b>
Gross turnover	USD	1,027,163,609	837,785,125	1,799,767,553	1,514,315,946
EBITDA	USD	26,042,816	22,219,910	21,498,675	42,300,471
Net profit / (loss)	USD	11,187,169	12,745,681	(1,934,909)	15,360,746
<b>Operational</b>					
Fuel sales retail	Kt	224	229	438	424
Fuel sales wholesale	Kt	258	335	462	611
LPG quantities sold	Kt	84	96	160	185

*\*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 1.8 billion dollars in the first half of the year. The operational profit (EBITDA) recorded a value of 21 million dollars in S1 2022, while the net result was a negative one of about 1.9 million dollars.

The total quantities of fuel sold by Rompetrol Downstream in the January-June period were 1.06 million tons, down by about 13% compared to the volume recorded in the similar period of 2021.

Wholesale fuel sales decreased compared to the same period last year, but in the retail segment the company managed to sell 3% higher volumes compared to the same period in 2021.

At the end of June 2022, Rompetrol Downstream's distribution segment comprised 1,222 sales points, including the network of own stations, partner stations and mobile stations



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(express, internal bases of 9 and 20 cubic meters), up by 154 units compared to the number recorded at the end of June 2021.

**Department of Communication and Public Relations**

**KMG International**