



Rompetrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its second quarter and first semester 2022 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

		Q2 2022	Q2 2021	%	H1 2022	H1 2021	%
Financial							
Gross Revenues	USD	1,802,422,782	1,278,973,648	41%	2,972,087,612	2,285,238,133	30%
Net Revenues	USD	1,513,853,224	932,517,408	62%	2,432,974,631	1,645,165,714	48%
EBITDA	USD	261,084,856	39,368,684	563%	174,391,857	68,823,277	153%
EBITDA margin	%	17.2%	4.2%		7.2%	4.2%	
EBIT	USD	201,997,399	5,311,481	3703%	78,057,166	(1,194,254)	N/A
Net profit / (loss)	USD	191,192,660	(8,091,367)	N/A	58,389,986	(22,824,507)	N/A
Net Profit / (loss) margin	%	12.6%	-0.9%		2.4%	-1.4%	

Rompetrol Rafinare consolidated gross revenues reached over USD 1.8 billion in Q2 2022 and over USD 2.9 billion in H1 2022, higher by 41% for the quarter and higher by 30% as against H1 2021 as a result of higher market quotation vs. similar periods last year.

The impact from utilities prices increase, specifically for natural gas and electricity, impacted the results for H1 2022 compared with similar period last year.

The negative hedge result booked in H1 2022 was a consequence of Russia’s invasion over Ukraine and market volatility after invasion. Crude price increased to levels last seen in 2008 (Rompetrol Rafinare’s hedge strategy for the inventory is protection against price decrease) and the Urals heavy crudes grades spread over Dated Brent moved in a very wide range after Russian invasion, some of them reaching the historical low levels. On the other hand, the Refinery margins increased to record levels due to very strong oil products cracks coming from tight supply and increasing mobility in European countries and due to the Urals-Dated Brent differential collapsed to historical low of -34\$/bbl., while its average level of the past 10 years is -1\$/bbl.



ECONOMIC ENVIRONMENT

		Q2 2022	Q2 2021	%	H1 2022	H1 2021	%
Brent Dated	USD/bbl	113.9	69.0	65%	107.9	65.0	66%
Ural Med	USD/bbl	79.3	67.3	18%	84.9	63.6	33%
Brent-Ural Differential	USD/bbl	34.7	1.7	1919%	23.1	1.4	1558%
Premium Unleaded 10 ppm FOB Med	USD/tonne	1,215	649	87%	1,069	604	77%
Diesel ULSD 10 ppm FOB Med	USD/tonne	1,184	550	115%	1,040	519	101%
RON/USD Average exchange rate		4.64	4.09	14%	4.52	4.07	11%
RON/USD Closing exchange rate		4.74	4.14	14%	4.74	4.14	14%
RON/EURO Average exchange rate		4.94	4.92	0%	4.95	4.90	1%
RON/EURO Closing exchange rate		4.95	4.93	0%	4.95	4.93	0%
USD/EURO Closing rate		1.04	1.19	-12%	1.04	1.19	-12%
Inflation in Romania*		5.76%	1.25%	363%	9.98%	3.42%	191%

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

Dated Brent increased by approximately +45\$/bbl. (+65%) in Q2 2022 vs. Q2 2021 and settled to an average of 113.9\$/bbl and increased by approximately +43 \$/bbl. (+66%) in H1 2022 vs. H1 2021 and settled to an average of 107.9 \$/bbl.

During January, the Dated Brent increased from 79 to 92.5\$/bbl., the highest since 2014, and the best January performance in at least 30 years, on signs of sustained global demand together with decreasing US crude inventories to the lowest level since 2018, and because of geopolitical risks driven by warnings Russia may invade Ukraine.

The invasion of Ukraine had a volatile effect on markets and fueled fears of a supply crunch, driving prices to their highest since 2008. Dated Brent price touched even 137.6\$/bbl. on 8th of March.

On 2nd of March, OPEC+ ratified the 400,000-bpd production increase that was scheduled for April and wrapped up in a record time of just 13 minutes.

After 10th of March the Dated Brent price corrected as much as -15\$/bbl. and traded in a very wide range (106-118\$/bbl.) as a combination of several factors: COVID concerns in China, Germany's Prime Minister rejects calls to ban Russian oil and gas, some improvement in negotiations between Ukraine and Russia, comments from UAE ambassador about potentially adding more crude production (+800 kbbl./day) and the restart of bilateral talks between Venezuela and US.

During Q2, in a very tight crude market, where the global crude inventories remain near multi-year lows, the European Union leaders agreed to pursue a partial ban on imports of crude from Russia while China further eased anti-virus curbs, aiding demand.

Another support for the crude price came after OPEC+ effectively failed to increase output at all during Q2 as members remained overwhelmed by capacity constraints.



Meantime, Russian crude keeps finding its way into the market and Indian, Chinese, and Turkish refiners ramped up their Urals sourcing during Q2, roughly the amount by which European refiners cut their respective Urals supplies.

Until the Russia's invasion over Ukraine, the Urals-Dated Brent differential had a normal evolution, averaging around -2\$/bbl. After 24th of February, Russia's flagship crude traded at historical low level (-34\$/bbl.) as traders worry about how the crisis over Ukraine will play out and because nobody wants to buy anymore Russian crude.

Goldman Sachs lowered second half of 2022 Brent price forecast from 135 to 125\$/bbl. and raised 2023 Brent forecast from 110 to 115\$/bbl.

European margins increased by +302.2\$/MT in Q2 2022 vs. Q2 2021 and settled to an average level of 303.9\$/MT and increased by +188.2\$/MT in H1 2022 vs. H1 2021 and settled to an average level of 188.9\$/MT.

Until the invasion, the refinery margins were at normal levels, averaging around 33.7\$/MT. But, starting with 24th of February, the margins increased to a record level of 270\$/MT due to collapsed of Urals-Dated Brent differential and strong diesel cracks, following Ukraine invasion, considering that Russia is one of the major middle-distillates suppliers for Europe.

Refining margins in Europe are very strong amid robust gasoline and distillate cracks. The ongoing recovery of refined product demand, combined with expectations for a drop in Russian imports and low inventories in Europe, continues to boost cracks to record levels.

Gasoline cracks increased, with support coming from U.S. bookings as demand there exceed the five-year average. Also, the ARA gasoline inventory level was below the 2021 average, helping the European cracks.

Diesel cracks rose to levels not seen since 2008 (425\$/MT). Stocks of middle distillates, which include diesel, at key global hubs were at the lowest level in five years just as the war began, and the likely loss of Russian flows is set to tighten the market further.

Jet cracks also reached the historical record value (470\$/MT) because refiners have continued to minimize jet yields and maximize diesel, especially since Russian invasion. Air mobility is recovering across the region, with European air traffic standing at 86% of 2019 levels.

In terms of exchange rates, internally, the RON/EUR exchange rate remained relatively stable, on the higher level, reaching an average level of 4.9456 in H1 2022.

In terms of RON/USD exchange rate, it continued its ascending evolution, reaching an average level of 4.5242 in H1 2022.

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



REFINING SEGMENT

		Q2 2022	Q2 2021	%	H1 2022	H1 2021	%
Financial							
Gross Revenues	USD	1,582,858,251	1,049,547,992	51%	2,562,212,191	1,888,567,388	36%
Net Revenues	USD	1,351,680,752	761,844,734	77%	2,124,004,388	1,348,459,397	58%
EBITDA	USD	266,641,301	5,351,375	4883%	199,920,339	12,262,540	1530%
EBITDA margin	%	19.7%	0.7%		9.4%	0.9%	
EBIT	USD	219,164,260	(16,763,589)	N/A	126,548,563	(35,261,002)	N/A
Net profit / (loss)	USD	218,604,096	(29,742,365)	N/A	118,254,258	(42,320,106)	N/A
Net profit / (loss) margin	%	16.2%	-3.9%		5.6%	-3.1%	
Gross cash refinery margin/tonne (Petromidia)	USD/tonne	272.7	21.9	1147%	142.7	27.5	418%
Gross cash refinery margin/bbl (Petromidia)	USD/bbl	37.5	3.0	1147%	19.7	3.8	418%
Net cash refinery margin/tonne (Petromidia)	USD/tonne	219.7	(4.6)	N/A	90.2	(2.2)	N/A
Net cash refinery margin/bbl (Petromidia)	USD/bbl	30.3	(0.6)	N/A	12.4	(0.3)	N/A
Operational							
Feedstock processed in Petromidia refinery	thousand tonnes	1,331	1,462	-9%	2,310	2,726	-15%
Feedstock processed in Vega refinery	thousand tonnes	94	119	-21%	163	188	-13%
Gasoline produced	thousand tonnes	344	360	-4%	605	701	-14%
Diesel & jet fuel produced	thousand tonnes	693	750	-8%	1,197	1,378	-13%
Motor fuels sales - domestic	thousand tonnes	613	671	-9%	1,079	1,222	-12%
Motor fuels sales - export	thousand tonnes	352	375	-6%	592	742	-20%
Export	%	36%	36%		35%	38%	
Domestic	%	64%	64%		65%	62%	

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 1.5 billion in Q2 2022 and over USD 2.5 billion in H1 2022, showing a 51%, respectively 36% increase as against the same periods last year.



In Q2 2022, the total throughput for Petromidia refinery was 1.33 million tons, lower by 9% as against Q2 2021 when the total throughput was 1.46 million tons as a result of technological shutdown of the refinery in March-April and gradual return to optimal processing capacity. Another factor that influenced the total throughput was also the availability of crude supply which was affected by bad weather conditions in the loading terminals.

In H1 2022, the total throughput for Petromidia refinery was 2.31 million tons, lower by 15% as against H1 2021 when the total throughput was 2.73 million tons.

In Q2 2022 the refining capacity utilization in Petromidia refinery was 89% lower by 4% compared with the same period from last year correlated with planned shutdown of the refinery and the phased return to the normal performance of the units in technological flow.

At the same time, the refining capacity utilization in Petromidia decreased by 14% in H1 2022, reaching a level of 75%.

Petromidia refinery managed to achieve in H1 2022 a good refining operational performance for the main operational parameters, such as:

- ✓ White finished products yield of 85.86%wt;
- ✓ Technological loss of 0.82%wt;
- ✓ Energy Intensity Index of 102.3%.

In respect of Vega refinery (the only domestic producer of bitumen and hexane), the total throughput was 93,688 tonnes in Q2 2022, respectively 163,132 tonnes in H1 2022, lower by 21.42%, respectively lower by 13.31% as against the same periods last year when the total throughput was 119,225 tonnes in Q2 2021 and 188,187 tonnes in H1 2021.

In H1 2022 the refining capacity utilization for Vega refinery was 98.87%, lower by 15.18% as against the same period last year.

Vega refinery also managed to achieve in the first half of 2022 good refining performance results, of which the following are emphasized:

- ✓ Technological loss of 0.59%;
- ✓ Energy consumption of 2.53 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 347 million in Q2 2022 and over USD 696 million in H1 2022.



PETROCHEMICALS SEGMENT

		Q2 2022	Q2 2021	%	H1 2022	H1 2021	%
Financial							
Revenues	USD	49,447,925	68,273,673	-28%	119,742,027	115,092,277	4%
EBITDA	USD	(10,628,368)	11,410,878	N/A	(18,203,525)	14,308,490	N/A
EBIT	USD	(14,159,793)	6,609,019	N/A	(25,384,693)	5,483,754	N/A
Net profit / (loss)	USD	(17,275,120)	8,600,809	N/A	(28,597,799)	4,411,050	N/A
Operational							
Propylene processed	thousand tonnes	32	35	-10%	59	72	-19%
Ethylene processed	thousand tonnes	13	19	-31%	24	24	-3%
Total polymers production	thousand tonnes	35	40	-14%	63	68	-8%
Sold from own production	thousand tonnes	28	37	-24%	68	70	-3%
Sold from trading	thousand tonnes	-	0.0	-100%	-	0.5	-100%
Total sold	thousand tonnes	28	37	-24%	68	71	-3%
Export	%	42%	48%		40%	44%	
Domestic	%	58%	52%		60%	56%	

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 Q2 2022 the total polymers production for Petrochemicals area was 34.5 thousand tonnes lower by 14% as against Q2 2021 when the total polymers production was 40.2 thousand tonnes.

In H1 2022 the total polymers production for Petrochemicals area was 62.7 thousand tonnes lower by 8% as against H1 2021 when the total polymers production was 68 thousand tonnes.

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

		Q2 2022	Q2 2021	%	H1 2022	H1 2021	%
Financial							
Gross Revenues	USD	1,027,163,609	837,785,125	23%	1,799,767,553	1,514,315,946	19%
EBITDA	USD	26,042,816	22,219,910	17%	21,498,675	42,300,471	-49%
EBIT	USD	18,315,170	15,160,558	21%	6,222,220	28,857,269	-78%
Net profit / (loss)	USD	11,187,169	12,745,681	-12%	(1,934,909)	15,360,746	N/A
Operational							
Fuels quantities sold in retail	thousand tonnes	224	229	-2%	438	424	3%
Fuels quantities sold in wholesale	thousand tonnes	258	335	-23%	462	611	-24%
LPG quantities sold	thousand tonnes	84	96	-12%	160	185	-14%

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

In Q2 2022 the marketing segment had a turnover of over USD 1.02 billion, higher by 23% as compared with Q2 2021 and over USD 1.79 billion in H1 2022, higher by 19 % as against the same period last year.

In Q2 2022, the average Platts quotations (FOB Med Italy) in USD (reference currency) increased by +115% for diesel and by +87% for gasoline compared with the similar period of 2021. Due to the 14% depreciation of the RON against the US dollar (Q2 2022 vs. Q2 2021, on average) the international diesel quotation increased in the national currency by +144.3%, in the same time the international gasoline quotation increased in the national currency by +112.7% compared to Q2 2021.

In H1 2022, the average Platts quotations (FOB Med Italy) in USD (reference currency) increased by +101% for diesel and by +77% for gasoline compared with the similar period of 2021. Due to the 11% depreciation of the RON against the US dollar (H1 2022 vs. H1 2021, on average) the international diesel quotation increased in the national currency by +123.1%, in the same time the international gasoline quotation increased in the national currency by +96.8% compared to H1 2021.

The sales in wholesale and LPG decreased compared with last year similar period, but in retail segment, the company managed to deal higher volumes with 3% compared with the same period from 2021. The wholesale segment decrease was triggered by factors independent of the company's activity, such as the complex cyberattack that took place on the first part of March and affected several services, including Fill&Go, both for fleets and for private customers.

At the end of June 2022, the Rompetrol Downstream's distribution segment contained 1222 points of sale, including the network of owned stations, partner stations and mobile stations: expres, cuves and internal bases.



APPENDIX 1 – CONSOLIDATED INCOME STATEMENT Q2 AND H1 2022, UNAUDITED

Amounts in USD

	Q2 2022	Q2 2021	%	H1 2022	H1 2021	%
Gross Revenues	1,802,422,782	1,278,973,648	41%	2,972,087,612	2,285,238,133	30%
Sales taxes and discounts	(288,569,558)	(346,456,240)	-17%	(539,112,981)	(640,072,419)	-16%
Net revenues	1,513,853,224	932,517,408	62%	2,432,974,631	1,645,165,714	48%
Cost of sales	(1,226,000,846)	(870,839,648)	41%	(2,215,912,704)	(1,532,650,870)	45%
Gross margin	287,852,378	61,677,760	367%	217,061,927	112,514,844	93%
Selling, general and administration	(55,853,375)	(53,805,630)	4%	(117,678,007)	(104,025,941)	13%
Other expenses, net	(30,001,604)	(2,560,649)	1072%	(21,326,754)	(9,683,157)	120%
EBIT	201,997,399	5,311,481	3703%	78,057,166	(1,194,254)	N/A
Finance, net	(14,476,664)	(9,845,342)	47%	(27,885,398)	(19,461,190)	43%
Net foreign exchange gains / (losses)	4,191,496	(2,068,281)	N/A	9,645,753	577,696	1570%
EBT	191,712,230	(6,602,142)	N/A	59,817,521	(20,077,748)	N/A
Income tax	(519,570)	(1,489,225)	-65%	(1,427,535)	(2,746,759)	-48%
Net result	191,192,660	(8,091,367)	N/A	58,389,986	(22,824,507)	N/A
EBITDA	261,084,856	39,368,684	563%	174,391,857	68,823,277	153%



APPENDIX 2 – CONSOLIDATED BALANCE SHEET JUNE 30, 2022, UNAUDITED

Amounts in USD

	June 30, 2022	December 31, 2021	%
Assets			
Non-current assets			
Intangible assets	7,994,950	9,469,707	-16%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,238,848,848	1,261,644,352	-2%
Right of use assets	112,129,864	109,604,968	2%
Financial assets and other	3,949,946	3,139,455	26%
Total Non Current Assets	1,445,795,314	1,466,730,188	-1%
Current assets			
Inventories	486,850,247	329,204,005	48%
Trade and other receivables	895,714,730	690,550,529	30%
Derivative financial Instruments	8,096,767	23,958,794	-66%
Cash and cash equivalents	20,483,405	50,091,261	-59%
Total current assets	1,411,145,149	1,093,804,589	29%
Total assets	2,856,940,463	2,560,534,777	12%
Equity and liabilities			
Total Equity	438,485,274	462,580,486	-5%
Non-current liabilities			
Long-term debt	-	191,729,052	-100%
Provisions	84,606,213	84,606,213	0%
Obligations under lease agreements	103,337,177	108,237,081	-5%
Other	72,818,695	72,832,895	0%
Total non-current liabilities	260,762,084	457,405,240	-43%
Current Liabilities			
Trade and other payables	1,673,334,677	1,543,053,293	8%
Contract liabilities	82,143,343	44,880,252	83%
Derivative financial instruments	64,757,382	3,478,830	1761%
Obligations under lease agreements	4,919,927	3,679,908	34%
Short-term debt	332,537,778	42,421,794	684%
Profit tax payable	-	3,034,974	-100%
Total current liabilities	2,157,693,105	1,640,549,051	32%
Total equity and liabilities	2,856,940,463	2,560,534,777	12%



The financial figures are extracted from Company's consolidated unaudited IFRS financial report as of 30 June 2022.

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

Yedil Utekov

DocuSigned by:

2D8DB454E0ED4A0...
General manager

Felix Crudu-Tesloveanu

DocuSigned by:

8C456324FA134C6...

Finance Manager

Ramona-Georgiana Galateanu

DocuSigned by:

13328E857004454...