

**February 28, 2023****Contact: Paul Greavu****Tel: 0372 / 276 125****The unaudited preliminary financial results of Rompetrol Rafinare, in 2022**

Consolidated indicators*		2022	2021
Gross turnover	USD	6,572,037,534	4,619,086,978
EBITDA	USD	464,457,570	106,794,756
Net result	USD	90,343,783	(186,783,895)

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, member company of the KMG International Group, recorded, in 2022, an improvement in financial indicators, as a result of higher European refining margins compared to 2021, supported by an increasing production level.

"Rompetrol Rafinare remained, in 2022, a factor of national and regional stability, through the impact generated by the petroleum products distributed in Romania and the Black Sea area. The previous year was a complex one, with an atypical regional context and an general turnaround carried out in time and in complete safety. However, our refineries had a high degree of utilization and supported the designed operational plans, in the best conditions of work safety and environmental protection", said Felix Crudu - Tesloveanu, General Manager of Rompetrol Rafinare.

The gross turnover achieved by Rompetrol Rafinare, in 2022, was more than 6.5 billion dollars, increasing by 42%, the operational profit (EBITDA) was about 464 million dollars, and the net result recorded a positive value of 90.3 million dollars.

In 2022, there were a number of factors that had an impact on the preliminary financial results, such as the sanctions imposed by the European Union, which influenced the supply of raw materials in the market or the increase in utility prices, especially natural gas and electricity.

However, the company took all the necessary measures to to adapt to market conditions and managed, with the support of KazMunayGas and the trading division of the KMG International Group (Rompetrol), to ensure a stable flow of crude oil for the Petromidia refinery, thus securing uninterrupted deliveries, especially for the Romanian market.

In 2022, Rompetrol Rafinare made exports of more than 1.7 billion dollars. The total quantities exported by the Petromidia, Vega refineries and the Petrochemical Division of Rompetrol Rafinare amounted to approximately 1.8 million of tons.



The company is also a major contributor to Romania's state budget, paying over 425 million USD in the 4th quarter of 2022, respectively 1.56 billion USD throughout the previous year. The value includes all taxes owed and paid by Rompetrol Rafinare to the Romanian state, such as: excise duties, VAT, salary contributions and other taxes.

Regarding the windfall tax, the company estimates a contribution of 124.6 million dollars, reflected it in the unaudited preliminary financial statements for the year 2022. In accordance with the law that will approve OUG 186, the exact amount of the windfall tax will be determined, which Rompetrol Rafinare would pay, complying with all the regulations in force.

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*

Financial indicator		2022	2021
Gross turnover	USD	5,592,084,863	3,772,009,887
EBITDA	USD	467,592,027	31,598,260
Net result	USD	155,227,307	(193,616,606)
Operational indicator			
Raw materials processed - Petromidia	kt	5,258	4,586
Raw materials processed - Vega	kt	373	321
Fuel sales - domestic	kt	2,419	2,333
Fuel sales - export	kt	1,445	1,167

*The refining activity includes the results of the Rompetrol Rafinare company, related to 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 consolidated gross turnover of the refining segment reached 5.6 billion dollars, the operating profit (EBITDA) reached a value of about 467.5 million dollars, while the net result was about 155 million of dollars.

The rising results were supported by margins across the refining industry. A relevant indicator is the European margin, which in 2022 registered record increases, reaching 270 USD/ton, starting from a average of 33.7 USD/ton. The average level of the European refining margin was 130.4 USD/ton in 2022.

In 2022, the Petromidia Năvodari refinery processed approximately 5.26 million tons of raw materials, managing to produce 1.41 million tons of gasoline and almost 2.7 million tons of diesel and special aviation fuel. Of the nearly 4.1 million tons of fuels, 63% were directed to the domestic market.



The operational results were supported by a high degree of utilization of the refining capacity, of 87%, in the conditions in which Petromidia had the technological flows stopped in the period from March to April 2022, for the performance of the general turnaround works.

The Petromidia Refinery managed to achieve, in 2022, very good operational performances, such as white product yield of 85.55%wt, a record aviation fuel yield of 6.5%, double that of 2021, as a result of optimized recipes of crude oil and diesel production and a technological loss of only 0.80%wt, the lowest value recorded after the implementation of the "Package 2010" - the most extensive investment program carried out in the history of the refinery.

Vega Ploiești, the only producer of bitumen and hexane in Romania, processed approximately 373 thousand tons of raw materials, an increase of 16% compared to 2021.

The Vega refinery achieved very good operational results in terms of energy consumption - 2.34 GJ/ton, respectively in terms of mechanical availability - 98.69%. 2022 also saw the development of a new product, n-heptane, a solvent that will have applications in the petrochemical area, in polymer production processes.

Petrochemical segment*

Financial indicator		2022	2021
Gross turnover	USD	202,248,543	186,396,379
EBITDA	USD	(66,597,392)	1,260,196
Net result	USD	(85,840,6566)	(20,295,350)
Operational indicator			
Processed propylene	kt	126	110
Processed ethylene	kt	44	37
Polymer total production	kt	129	106
Total sales	kt	138	111

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

In 2022, the petrochemical segment managed to increase its gross turnover to 202 million dollars, compared to 186 million dollars in 2021. The petrochemical division processed 170 thousand tons of raw materials in 2022 (propylene and ethylene), increasing by about 15% compared to 2021.

The Petrochemical Division's total polymer production was 129 kt in 2022, up 21% from 2021, driven by steady operation of polypropylene (PP) and low density polyethylene (LDPE) units.

Through the operational activity of 2022, the sole domestic polymer producer continued to honor its deliveries to partners in the profile industries and horizontally supported various manufacturing sectors.



Rompetrol Rafinare's petrochemical segment is the only producer of polypropylene and polyethylene in Romania and is approaching a dynamic development strategy, aiming to maintain a competitive advantage once the market stabilizes.

Distribution segment*

Financial indicator		2022	2021
Gross turnover	USD	3,958,874,423	3,256,820,738
EBITDA	USD	72,145,890	70,792,122
Net result	USD	32,433,701	24,604,050
Operational indicator			
Fuel sales - retail	kt	994	935
Fuel sales - wholesale	kt	977	1,181
LPG quantities sold	kt	337	319

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

The consolidated gross turnover for the distribution segment recorded almost 4 billion dollars in the year 2022, and the operational result (EBITDA) reached a level of 72.1 million dollars.

Fuel sales (retail and wholesale) amounted to 1.97 million tons, down 6.8% from 2021, while quantities sold at retail increased by 6.4%. The distribution segment recorded total fuel sales (including LPG) at 2.3 million tons.

In 2022, compared to 2021, average Platts quotes (FOB Med Italy) expressed in USD (reference currency) saw an increase of 78.8% for diesel and 47% for gasoline. Also, in the national currency, the international quotation of diesel fuel increased by 101.5%, and the international quotation of gasoline increased by 65.8%, compared to 2021.

Rompetrol Downstream, a subsidiary of Rompetrol Rafinare, voluntarily complied with the measures adopted by the Government to reduce fuel prices in 2022. The impact of compensating fuel prices by 25 bani per liter (the difference up to 50 bani per liter being supported by the state) is 35 million dollars, an amount that was borne by the company to support the measure taken by the authorities.

At the end of 2022, the distribution network in Romania reached 1,257 sales points, including the network of own stations, partner stations and mobile stations: express, internal bases of 9 and 20 cubic meters.

Corporate Communication and Public Relations

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