



Rompetrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its first quarter 2023 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:

<https://rompetrol-rafinare.kmginternational.com/>

## HIGHLIGHTS – CONSOLIDATED

		Q1 2023	Q1 2022	%
<b>Financial</b>				
Gross Revenues	USD	1,284,180,516	1,169,664,830	10%
Net Revenues	USD	1,032,234,060	919,121,407	12%
EBITDA	USD	100,895,549	(86,692,998)	N/A
EBITDA margin	%	9.8%	-9.4%	
EBIT	USD	65,866,449	(123,940,233)	N/A
Net profit / (loss)	USD	14,449,232	(132,802,674)	N/A
Net Profit / (loss) margin	%	1.4%	-14.4%	

Rompetrol Rafinare consolidated gross revenues reached approximately USD 1.3 billion in Q1 2023, higher by 10% as against Q1 2022 as a result of increase in volumes sold, but also against the background of the increase in feedstock processed and of the finished products obtained in Petromidia refinery. The results were achieved, even if there were decreases in the international market quotations of crude oil and refined products (crude oil quotations decreased by approximately 20% in Q1 2023 compared to Q1 2022, gasoline decreased by 10% and diesel decreased by 8%).



## ECONOMIC ENVIRONMENT

		Q1 2023	Q1 2022	%
Brent Dated	USD/bbl	81.2	102.2	-21%
CPC Blend CIF	USD/bbl	77.3	94.9	-19%
Brent-CPC Differential	USD/bbl	3.9	7.3	-47%
Premium Unleaded 10 ppm FOB Med	USD/tonne	837	929	-10%
Diesel ULSD 10 ppm FOB Med	USD/tonne	833	903	-8%
RON/USD Average exchange rate		4.58	4.41	4%
RON/USD Closing exchange rate		4.55	4.45	2%
RON/EURO Average exchange rate		4.92	4.95	-1%
RON/EURO Closing exchange rate		4.95	4.95	0%
USD/EURO Closing rate		1.09	1.11	-2%
Inflation in Romania*		2.34%	3.99%	-41%

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

Dated Brent decreased by -21.1\$/bbl. (-20.6%) in Q1 2023 vs. Q1 2022 and settled to an average of 81.2\$/bbl.

The CPC quotation decreased by -17.7\$/bbl. (-18.6%) in Q1 2023 vs. Q1 2022 and settled to an average of 77.3\$/bbl., as the oil market corrected from the highest level reached in March 2022, level that was not seen since 2008.

Looking only into Q1 2023 Dated Brent movement, the crude price had a volatile evolution, reaching 88.21\$/bbl. on 23<sup>rd</sup> of January, the highest level since early December on optimism that Chinese demand will recover rapidly following the abandonment of Covid Zero restrictions and due to a weaker US currency. The crude price also increased following some supply disruptions in Iraq (Kurdistan dispute) and Turkey (after two devastating earthquakes).

On the other hand, at the mid of March the crude price sharply decreased to the level of 71.71\$/bbl. following the bankruptcy of the Silicon Valley Bank, the biggest US bank collapse since 2008.

However, the downward movement didn't last too much, as in the end of Q1, the OPEC+ announced a surprise "voluntary" collective output cut totaling 1.66 million b/d, which will take effect from May till the end of 2023, which brought Dated Brent again to 79 \$/bbl.

According to Platts, oil prices will remain under pressure with inventory builds expected until May 2023. But in second half of 2023, stocks should decrease, and prices increase. Dated Brent prices are expected to average near 82-83\$/bbl. until May, recovering toward 90\$/bbl. during the year.

European margins increased by +73.2\$/MT (+127%) in Q1 2023 vs. Q1 2022 and settled to an average level of 130.8\$/MT.



Even if the margins remained strong during Q1 2023, they had a downward trend in the first half of the quarter mostly because of rising diesel stocks in Europe before the entry into force of the embargo from 5<sup>th</sup> of February, which targets product shipments from the Russian Federation. Also, the margins were influenced by relatively elevated refinery runs in the region and the weak macroeconomic indicators reduced the expectations regarding the market demand.

Gasoline cracks increased due to high demand from US and West Africa.

Diesel cracks decreased because of high stocks in the ARA (Amsterdam, Rotterdam, Antwerp) region, as market participants prepared for the embargo on Russian oil products. Also, the demand was the lowest Q1 demand for any non-pandemic year since 2017.

The Jet cracks continued to remain strong due to tight supply, with reduced jet yields to increase diesel yields.

In 2023, a stability and consolidation of refining margins is estimated, which will be supported by diesel and gasoline cracks, with the transition to summer specifications. Diesel cracks will stabilize as refineries shift yields seasonally toward gasoline. With the switch to summer-grade gasoline, gasoline cracks should remain strong.

In terms of exchange rates, internally, the RON/EUR exchange rate remained relatively stable, on the higher level, reaching an average level of 4.9192 in Q1 2023.

In terms of RON/USD exchange rate, it continued its downward evolution, reaching an average level of 4.5848 in Q1 2023.

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



## REFINING SEGMENT

		Q1 2023	Q1 2022	%
<b>Financial</b>				
Gross Revenues	USD	1,117,123,660	979,353,940	14%
Net Revenues	USD	903,918,111	772,323,636	17%
EBITDA	USD	100,061,689	(66,720,962)	N/A
EBITDA margin	%	11.1%	-8.6%	
EBIT	USD	75,792,935	(92,615,697)	N/A
Net profit / (loss)	USD	22,246,781	(100,349,838)	N/A
Net profit / (loss) margin	%	2.5%	-13.0%	
Gross cash refinery margin/tonne (Petromidia)	USD/tonne	138.1	(26.4)	N/A
Gross cash refinery margin/bbl (Petromidia)	USD/bbl	19.0	(3.6)	N/A
Net cash refinery margin/tonne (Petromidia)	USD/tonne	84.8	(78.6)	N/A
Net cash refinery margin/bbl (Petromidia)	USD/bbl	11.7	(10.8)	N/A
<b>Operational</b>				
Feedstock processed in Petromidia refinery	thousand tonnes	1,279	980	31%
Feedstock processed in Vega refinery	thousand tonnes	76	69	10%
Gasoline produced	thousand tonnes	343	260	32%
Diesel & jet fuel produced	thousand tonnes	620	504	23%
Motor fuels sales - domestic	thousand tonnes	572	466	23%
Motor fuels sales - export	thousand tonnes	329	239	37%
Export	%	37%	34%	
Domestic	%	63%	66%	

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 1.1 billion in Q1 2023, showing a 14% increase as against Q1 2022.

Petromidia refinery is one of the most modern in the Black Sea region and represents approximately 40% of the refining capacity in Romania. The unit in Navodari city has a stable flow of raw materials, thanks to deliveries of Kazakh crude oil made with the support of KazMunayGas, the national oil and gas company of Kazakhstan.



In Q1 2023, the total throughput for Petromidia refinery was 1.28 million tons, higher by 31% than previous year the same period when the total throughput was 0.98 million tons, being correlated with planned shutdown of the refinery for 20 days in March 2022, thus leading to refining capacity utilization of 86% for Q1 2023. In February 2023, Rompetrol Rafinare carried out a series of planned technological operations, in order to support the corresponding operational activity of the Petromidia refinery (for approximately 10 days); thus, work was carried out to change and regenerate the catalysts, decoking and other specific maintenance operations.

Petromidia refinery managed to achieve in Q1 2023 a good refining operational performance for the main operational parameters, such as:

- ✓ White finished products yield of 83.51%wt;
- ✓ Technological loss of 0.77%wt, lower by 11% vs. previous year;
- ✓ Energy Intensity Index of 96.2%, lowest level in Petromidia refinery's history in wintertime.

In respect of Vega refinery (the only domestic producer of bitumen and hexane), the total throughput was 76,297 tonnes in Q1 2023, higher by 9.87%, compared with the same period last year when the total throughput was 69,444 tonnes.

In Q1 2023 the refining capacity utilization for Vega refinery was higher by 8.31% compared with the same period last year.

Vega refinery also managed to achieve in Q1 2023 good refining performance results, of which the following are emphasized:

- ✓ Technological loss of 0.59%;
- ✓ Energy consumption of 2.62 GJ/t;
- ✓ Mechanical Availability of 98.69%.

Rompetrol Rafinare S.A. continued to be an important contributor to Romania's fiscal budget with over USD 367 million in Q1 2023.

Considering that Rompetrol Rafinare is subject to the solidarity contribution regulated by Government Emergency Ordinance 186, issued December 28th, 2022 ("GEO 186"), a measure grounded on the provisions of Council Regulation (EU) 2022/1854, Rompetrol Rafinare estimated a contribution for Q1 2023 of USD 28.8 million, taking in account the present norms of the "GEO 186".



## PETROCHEMICALS SEGMENT

		Q1 2023	Q1 2022	%
<b>Financial</b>				
Revenues	USD	41,519,090	70,294,102	-41%
EBITDA	USD	(19,723,976)	(7,575,157)	-160%
EBIT	USD	(23,161,054)	(11,224,900)	-106%
Net profit / (loss)	USD	(19,902,393)	(11,322,679)	-76%
<b>Operational</b>				
Propylene processed	thousand tonnes	32	27	17%
Ethylene processed	thousand tonnes	4	10	-56%
Total polymers production	thousand tonnes	26	28	-7%
Sold from own production	thousand tonnes	36	40	-10%
Sold from trading	thousand tonnes	0.0	-	N/A
Total sold	thousand tonnes	36	40	-10%
Export	%	45%	38%	
Domestic	%	55%	62%	

*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 Q1 2023 the total polymers production for Petrochemicals area was 26.3 thousand tonnes, lower by 6.6% as against Q1 2022 when the total polymers production was 28.2 thousand tonnes, mainly due to continuous non – operating LDPE unit during the first months of 2023.

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

		Q1 2023	Q1 2022	%
<b>Financial</b>				
Gross Revenues	USD	792,860,536	772,603,944	3%
EBITDA	USD	20,684,522	(4,544,141)	N/A
EBIT	USD	14,116,160	(12,092,950)	N/A
Net profit / (loss)	USD	12,987,743	(13,122,078)	N/A
<b>Operational</b>				
Fuels quantities sold in retail	thousand tonnes	242	214	13%
Fuels quantities sold in wholesale	thousand tonnes	195	203	-4%
LPG quantities sold	thousand tonnes	68	75	-9%

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

In Q1 2023 the marketing segment had a turnover of over USD 792 million, higher by 3% as compared with Q1 2022.

In the Q1 2023, the average Platts quotations (FOB Med Italy) in USD (reference currency) decreased by -7.8% for diesel and by -9.9% for gasoline compared with the similar period of 2022. Due to the ~4% depreciation of the RON against the US dollar (Q1 2023 vs. Q1 2022, on average) the international diesel quotation decreased in the national currency by -4.1%, in the same time the international gasoline quotation decreased in the national currency by -6.4% compared to Q1 2022.

In terms of retails sales to Romanian market, they increased with 13% in Q1 2023 as against same period last year; this is due to company strategy to address Romanian market needs with priority. For Q1 2023 the sales in wholesale decreased compared with Q1 2022.

At the end of March 2023, the Rompetrol Downstream's distribution segment contained 1284 points of sale, including the network of owned stations, partner stations and mobile stations: expres, cuves and internal bases.



## APPENDIX 1 – CONSOLIDATED INCOME STATEMENT Q1 2023, UNAUDITED

*Amounts in USD*

	Q1 2023	Q1 2022	%
Gross Revenues	1,284,180,516	1,169,664,830	10%
Sales taxes and discounts	(251,946,456)	(250,543,423)	1%
<b>Net revenues</b>	<b>1,032,234,060</b>	<b>919,121,407</b>	<b>12%</b>
Cost of sales	(902,228,357)	(989,911,858)	-9%
<b>Gross margin</b>	<b>130,005,703</b>	<b>(70,790,451)</b>	<b>N/A</b>
Selling, general and administration	(61,996,516)	(61,824,632)	0%
Other expenses, net	(2,142,738)	8,674,850	N/A
<b>EBIT</b>	<b>65,866,449</b>	<b>(123,940,233)</b>	<b>N/A</b>
Finance, net	(15,559,480)	(13,408,734)	16%
Net foreign exchange gains / (losses)	(3,306,737)	5,454,257	N/A
<b>EBT</b>	<b>47,000,232</b>	<b>(131,894,709)</b>	<b>N/A</b>
Profit tax	(32,551,000)	(907,965)	3485%
<b>Net result</b>	<b>14,449,232</b>	<b>(132,802,674)</b>	<b>N/A</b>
<b>EBITDA</b>	<b>100,895,549</b>	<b>(86,692,998)</b>	<b>N/A</b>





## APPENDIX 2 – CONSOLIDATED BALANCE SHEET MARCH 31, 2023, UNAUDITED

Amounts in USD

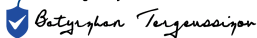
	March 31, 2023	December 31, 2022	%
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	6,168,774	6,943,884	-11%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,151,036,193	1,178,598,536	-2%
Right of use assets	123,265,190	124,769,238	-1%
Financial assets and other	3,861,985	3,811,865	1%
<b>Total Non Current Assets</b>	<b>1,367,203,847</b>	<b>1,396,995,228</b>	<b>-2%</b>
<b>Current assets</b>			
Inventories	376,661,594	333,870,058	13%
Trade and other receivables	703,722,154	642,376,936	10%
Derivative financial Instruments	70,035	2,612,061	-97%
Cash and cash equivalents	164,654,574	16,973,215	870%
<b>Total current assets</b>	<b>1,245,108,356</b>	<b>995,832,269</b>	<b>25%</b>
<b>Total assets</b>	<b>2,612,312,203</b>	<b>2,392,827,498</b>	<b>9%</b>
<b>Equity and liabilities</b>			
<b>Total Equity</b>	<b>553,122,274</b>	<b>536,784,519</b>	<b>3%</b>
<b>Non-current liabilities</b>			
Provisions	115,340,643	115,340,643	0%
Obligations under lease agreements	120,604,656	120,283,737	0%
Other	57,371,696	57,115,840	0%
<b>Total non-current liabilities</b>	<b>293,316,995</b>	<b>292,740,220</b>	<b>0%</b>
<b>Current Liabilities</b>			
Trade and other payables	1,236,715,758	1,295,310,569	-5%
Contract liabilities	57,572,307	41,914,153	37%
Derivative financial instruments	-	4,592,619	-100%
Obligations under lease agreements	4,122,905	4,723,011	-13%
Short-term debt	301,830,152	86,210,918	250%
Profit tax payable	165,631,812	130,551,489	27%
<b>Total current liabilities</b>	<b>1,765,872,934</b>	<b>1,563,302,759</b>	<b>13%</b>
<b>Total equity and liabilities</b>	<b>2,612,312,203</b>	<b>2,392,827,498</b>	<b>9%</b>



The financial figures are extracted from Company's consolidated unaudited IFRS financial report as of 31 March 2023.


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

**Batyrzhan Tergeussizov**

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**General Manager**

**Felix Crudu-Tesloveanu**

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