



Rompetrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its third quarter and 9 months 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

		Q3 2023	Q3 2022	%	9M 2023	9M 2022	%
Financial							
Gross Revenues	USD	1,348,121,203	1,897,586,422	-29%	4,054,601,269	4,869,674,034	-17%
Net Revenues	USD	1,050,370,966	1,549,278,723	-32%	3,194,430,211	3,982,253,354	-20%
EBITDA	USD	97,122,028	152,604,757	-36%	214,029,241	326,996,614	-35%
EBITDA margin	%	9.2%	9.9%		6.7%	8.2%	
EBIT	USD	71,429,259	112,195,987	-36%	100,355,538	190,253,154	-47%
Net profit / (loss)	USD	30,609,073	102,853,827	-70%	(3,535,967)	161,243,814	N/A
Net Profit / (loss) margin	%	2.9%	6.6%		-0.1%	4.0%	

Rompetrol Rafinare S.A. consolidated gross revenues reached over USD 1.3 billion in Q3 2023, and over USD 4 billion in 9 months 2023, lower by 29%, respectively 17% as against same periods last year, having as background of the volatility of international quotations for crude oil and refined products. The international quotations for petroleum products continued their downward trend in the third quarter as well (gasoline quotations decreased by 2%, and those for diesel decreased by 17% in Q3 2023 compared to Q3 2022), reaching in 9 months of 2023 a decrease of 16% for gasoline quotations and 23% for diesel quotations compared to the same period last year.



ECONOMIC ENVIRONMENT

		Q3 2023	Q3 2022	%	9M 2023	9M 2022	%
Brent Dated	USD/bbl	86.7	100.8	-14%	82.1	105.5	-22%
CPC Blend CIF	USD/bbl	84.7	94.7	-11%	78.9	98.0	-19%
Brent-CPC Differential	USD/bbl	2.1	6.2	-66%	3.2	7.5	-58%
Premium Unleaded 10 ppm FOB Med	USD/tonne	930	954	-2%	864	1,029	-16%
Diesel ULSD 10 ppm FOB Med	USD/tonne	881	1,065	-17%	809	1,049	-23%
RON/USD Average exchange rate		4.55	4.88	-7%	4.56	4.65	-2%
RON/USD Closing exchange rate		4.69	5.05	-7%	4.69	5.05	-7%
RON/EURO Average exchange rate		4.95	4.91	1%	4.94	4.93	0%
RON/EURO Closing exchange rate		4.97	4.95	1%	4.97	4.95	1%
USD/EURO Closing rate		1.06	0.98	8%	1.06	0.98	8%
Inflation in Romania*		1.48%	2.80%	-47%	5.74%	13.06%	-56%

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

In Q3 2023, Dated Brent decreased by -14.1\$/bbl. (-14%) compared to Q3 2022, settling at an average of 86.7\$/bbl. Over the nine months period of 2023, Dated Brent decreased by -23.4\$/bbl. (-22%) compared to the same period of 2022 reaching an average of 82.1\$/bbl.

During the same period, the CPC quotation also registered a decline, dropping by -10\$/bbl. (-11%) in Q3 2023 when compared to Q3 2022, with an average of 84.7\$/bbl. For 9M 2023, the CPC quotation decreased by -19.1\$/bbl. (-19%) compared to 9M 2022, averaging 78.9\$/bbl. Decrease of crude quotations was attributed to the correction in the oil market from the peak reached in March 2022, a level not seen since 2008.

Focusing on the movement of Dated Brent in Q1 2023, the crude oil price displayed a volatile trajectory. It reached its highest point at 88.21\$/bbl. on January 23rd, marking the highest level since early December. This increase was driven by optimism about a rapid recovery in Chinese demand following the relaxation of Covid Zero restrictions and a weaker US currency. Additionally, supply disruptions in the Middle East and Turkey, caused by two earthquakes in February, contributed to the price increase.

However, in mid-March, the crude oil price declined to 71.71\$/bbl. following the bankruptcy of Silicon Valley Bank, the most significant US bank collapse since 2008.

The downward trend was short-lived, as by the end of Q1, OPEC+ announced a "voluntary" collective output cut of 1.66 million b/d, which took effect in May and was set to continue until the end of 2023. Subsequently, Dated Brent dropped to around 75\$/bbl. and remained at this level throughout Q2 due to concerns about China's economic outlook, a cooling US labor market, and renewed concern about the US banking sector, as the Federal Reserve signaled that rate increases were not yet over.

During Q3, Dated Brent displayed an upward trend, starting at 75\$/bbl. at the beginning of July and reaching 98\$/bbl. by the end of September, the highest level since November 2022. This was influenced by the announcement from OPEC+ leaders, Saudi Arabia and Russia, that they would extend supply curbs through the end of the year, tightening the global market. Additionally, global demand reached a historic high of 102.8 million b/d in July, with the 2023 demand estimate revised upward by approximately 550,000 b/d to 1.5 million b/d.



On September 12th, OPEC stated that it is expected a global shortfall of 3.3 million b/d in Q4 2023, while the US Energy Information Administration predicted a more modest 230,000 barrel deficit. These statements contributed to the continued upward trajectory of crude oil prices.

Goldman Sachs increased their 12-month ahead Brent forecast from 93\$/bbl. to 100\$/bbl. due to the anticipation of sharper inventory draws. This is mainly driven by significantly lower OPEC supply and higher demand, which more than offset the increase in US supply.

European margins decreased by -14.6\$/MT (-11%) in Q3 2023 vs. Q3 2022 and settled to an average level of 116.1\$/MT and decreased by -20\$/MT (-15.8%) in 9M 2023 vs. 9M 2022 and settled to an average level of 106.4\$/MT.

The refinery margins followed a downward trend during the period from January to April, reaching 38\$/MT, which marked the lowest level since the beginning of last year. This decline can be attributed to a combination of factors: rising diesel stocks in Europe prior to the Russian diesel embargo from 5th of February, weak macroeconomic indicators which have reduced expectations of demand in the market, consistent crude oil price increase following OPEC+ agreement to cut production, refineries coming out of maintenance season, particularly in the Mediterranean region.

Subsequently, margins gradually recovered, reaching 105\$/MT by June. This recovery was driven by a series of unplanned outages at European refineries and increasing demand as the summer season got underway.

During Q3, the refinery margins had an upward trend in July and August, reaching 162.5\$/MT, the highest level since the beginning of the year. This increase was fueled by sustained summer demand for core refined products and limited supply, attributed to a drawdown in US gasoline inventories and low water levels in the Rhine, which pushed up diesel cracks.

After that, the margins decreased until end of September, to the level of 75\$/MT due to seasonal decrease in products demand and a relative moderate maintenance season. According to JBC Energy's perspective, European refining margins are expected to face substantial challenges, particularly toward the end of 2023 and the early months of the following year. This is due to a decline in domestic demand for petroleum products and the influx of competitive refining capacity from the Middle East and Asia.

Gasoline cracks remained high throughout 9M 2023, as European gasoline demand appears to get close to levels seen a year ago (and those in 2019).

In August 2023, the gasoline cracks reached the highest level in a year, surpassing expectations due to a high summer demand in a tight market influenced by refinery outages and hurricane seasons. Subsequently, in September, the cracks saw a decline, primarily due to the typical seasonal decrease in driving demand, a progressively lighter crude slate in post-embargo times and decreasing export opportunities to US and Nigeria.

In the first half of the year, diesel cracks were under pressure due to ARA (Amsterdam-Rotterdam-Antwerp) diesel inventories exceeding levels from both 2021 and 2022 levels, despite the decline in imports from the Russian Federation. This highlights a flat European diesel demand, which is usually a good leading indicator for economic performance, pointing to ongoing economic headwinds up ahead.

However, in the third quarter, the Diesel cracks remained robust as Amsterdam-Rotterdam-Antwerp diesel stocks fell below the five-year average. Early in July, reduced water levels in the Rhine River significantly limited the load capacity of barges, increasing the strain on inventory. The impact of the absence of Russian products was more pronounced, with August diesel imports to Europe reaching their lowest point in nearly 20 months.



Jet cracks registered a significant rise in the first half of the year, primarily driven by a substantial surge in travelers during the Easter period in Europe and Eid Mubarak celebrations in the Middle East, coupled with the commencement of the holiday season in June. European air traffic reached 88% of 2019 levels, according to Platts, and Amsterdam-Rotterdam-Antwerp (ARA) jet fuel inventories came remarkably close to the lower end of the five-year range.

During Q3 the jet cracks reached the highest level since January due to high summer demand. Amsterdam-Rotterdam-Antwerp jet inventories decreased to 682,000 mt, marking the lowest level for the year and a 15% decrease compared to the previous year.

Internally, the RON/EUR exchange rate witnessed somewhat stronger fluctuations in the last two months of Q3, reaching an average level of 4.9491 in Q3 2023 and an average level of 4.9389 in 9M 2023.

In terms of RON/USD exchange rate, it continued its upward evolution, reaching an average level of 4.5481 in Q3 2023 and an average level of 4.5595 in 9M 2023.

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



REFINING SEGMENT

		Q3 2023	Q3 2022	%	9M 2023	9M 2022	%
Financial							
Gross Revenues	USD	1,140,823,828	1,596,921,222	-29%	3,461,968,417	4,159,133,413	-17%
Net Revenues	USD	903,950,958	1,352,348,033	-33%	2,762,392,906	3,476,352,421	-21%
EBITDA	USD	100,875,781	143,810,651	-30%	213,902,229	343,730,989	-38%
EBITDA margin	%	11.2%	10.6%		7.7%	9.9%	
EBIT	USD	88,095,739	115,284,197	-24%	135,669,972	241,832,760	-44%
Net profit / (loss)	USD	53,876,192	116,936,453	-54%	39,264,475	235,190,711	-83%
Net profit / (loss) margin	%	6.0%	8.6%		1.4%	6.8%	
Gross cash refinery margin/tonne (Petromidia)	USD/tonne	131.9	127.1	4%	104.6	139.7	-25%
Gross cash refinery margin/bbl (Petromidia)	USD/bbl	18.2	17.5	4%	14.4	19.2	-25%
Net cash refinery margin/tonne (Petromidia)	USD/tonne	89.0	94.0	-5%	57.7	95.1	-39%
Net cash refinery margin/bbl (Petromidia)	USD/bbl	12.2	12.9	-5%	7.9	13.1	-39%
Operational							
Feedstock processed in Petromidia refinery	thousand tonnes	1,158	1,507	-23%	3,840	3,817	1%
Feedstock processed in Vega refinery	thousand tonnes	94	105	-10%	287	268	7%
Gasoline produced	thousand tonnes	314	398	-21%	1,032	1,003	3%
Diesel & jet fuel produced	thousand tonnes	559	774	-28%	1,895	1,971	-4%
Motor fuels sales - domestic	thousand tonnes	596	677	-12%	1,847	1,756	5%
Motor fuels sales - export	thousand tonnes	245	439	-44%	943	1,030	-9%
Export	%	29%	39%		34%	37%	
Domestic	%	71%	61%		66%	63%	

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.

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 located in Navodari city has a stable flow of raw materials, mainly thanks to deliveries of Kazakh crude oil made with the support of KazMunayGas, the national oil and gas company of Kazakhstan. This year, in vast proportion, Petromidia processed Kazakh crude oil – KEBCO and CPC.

Gross revenues of refining segment reached over USD 1.1 billion in Q3 2023 and over USD 3.4 billion in 9M 2023, showing a 29% decrease, respectively 17% decrease as against same periods last year.

In Q3 and 9M 2023, the total throughput for Petromidia refinery was 1.16 million tons, respectively 3.84 million tons lower by 23% and higher by 1% as against same periods last year when the total throughput was 1.5 million tons for Q3 2022 and 3.82 million tons for 9M 2022.



The decrease in Q3 2023 was affected by operation of Petromidia refinery without the Mild Hydrocracking unit (MHC), due to a technical incident that occurred on 21st of June 2023. During Q3 and at the present time, all Petromidia Refinery units are in operation, except MHC, so that Rompetrol Rafinare continues to provide the petroleum products needed on the Romanian market. The rehabilitation works of MHC unit are carried out by the company's contractor, Rominserv, with the support of specialized subcontractors from the region, and are expected to be completed by the end of November.

In Q3 2023 the refining capacity utilization in Petromidia refinery was 65.3% and in 9M 2023 this indicator reached 83.7%, lower as against same periods last year.

Petromidia refinery achieved in 9M 2023 a good refining operational performance for the main operational parameters, such as:

- ✓ White finished products yield of 84.11%wt;
- ✓ Technological loss of 0.65%wt;

In respect of Vega refinery (the only domestic producer of bitumen and hexane), the total throughput was 93,739 tons in Q3 2023, respectively 287,088 tons in 9M 2023, lower by 10.38%, respectively higher by 7.23%, compared with the same periods last year when the total throughput was 104,595 tons for Q3 2022 and 267,728 tons for 9M 2022.

In Q3 and 9M 2023 the refining capacity utilization for Vega refinery was lower by 13.16%, respectively higher by 7.82% compared with the same periods last year.

Vega refinery also managed to achieve in 9M 2023 good refining performance results, of which the following are emphasized:

- ✓ Technological loss of 0.58%;
- ✓ Energy consumption of 2.26 GJ/t;
- ✓ Mechanical Availability of 98.50%.

Considering that Rompetrol Rafinare is subject to the solidarity contribution regulated by Government Emergency Ordinance 186, issued December 28th, 2022 approved by Law 119/May 12, 2023, a measure grounded on the provisions of Council Regulation (EU) 2022/1854, Rompetrol Rafinare estimated a contribution for 9M 2023 of USD 34.1 million. The company also considers steps regarding the tax, in the sense of analyzing from the legal perspective the level of the tax and in order to protect the interests of the shareholders, the company makes financial efforts, in order to support this tax.

Rompetrol Rafinare S.A. continued to be an important contributor to Romania's fiscal budget with over USD 378 million in Q3 2023 and over USD 1.2 billion in 9M 2023 of which USD 128 million representing solidarity contribution for year 2022, paid on June 23, 2023.



PETROCHEMICALS SEGMENT

		Q3 2023	Q3 2022	%	9M 2023	9M 2022	%
Financial							
Revenues	USD	27,362,375	46,657,859	-41%	98,313,692	166,399,887	-41%
EBITDA	USD	(20,865,223)	(28,138,933)	26%	(58,615,840)	(46,342,459)	-26%
EBIT	USD	(23,973,905)	(31,681,993)	24%	(68,762,456)	(57,066,686)	-20%
Net profit / (loss)	USD	(24,244,241)	(34,428,289)	30%	(64,567,263)	(63,026,088)	-2%
Operational							
Propylene processed	thousand tonnes	28	34	-16%	90	92	-3%
Ethylene processed	thousand tonnes	0	8	-100%	14	31	-56%
Total polymers production	thousand tonnes	21	31	-33%	78	94	-16%
Sold from own production	thousand tonnes	28	38	-26%	91	106	-14%
Sold from trading	thousand tonnes	-	-	N/A	0.0	-	N/A
Total sold	thousand tonnes	28	38	-26%	91	106	-14%
Export	%	51%	45%		47%	41%	
Domestic	%	49%	55%		53%	59%	

Petrochemicals segment comprises the petrochemicals activity from Rompetrol Rafinare and the activity of Rompetrol Petrochemicals SRL

The polypropylene (PP) plant operates with raw material produced and delivered internally by the Petromidia refinery, and the low-density polyethylene (LDPE) plant uses imported ethylene as a raw material.

In Q3 and 9M 2023, the total production of polymers in petrochemical division was 21 thousand tons, respectively 78 thousand tons, down by 33%, respectively by 16% compared to the similar periods of last year when it produced 31 thousand tons at the level of the quarter and 94 thousand tons at the level of 9M, a decrease mainly influenced by LDPE plant which was not operated continuously, due to unfavorable petrochemicals market conditions for these products.

The petrochemical segment is the only producer of polypropylene and polyethylene in Romania, with the ability to regain its competitive position on the domestic and regional market, once the profile market stabilizes.



MARKETING SEGMENT

		Q3 2023	Q3 2022	%	9M 2023	9M 2022	%
Financial							
Gross Revenues	USD	958,260,230	1,139,463,663	-16%	2,596,227,086	2,939,231,216	-12%
EBITDA	USD	23,137,744	19,921,833	16%	63,123,556	41,420,508	52%
EBIT	USD	14,086,471	11,862,146	19%	40,080,157	18,084,366	122%
Net profit / (loss)	USD	7,757,452	3,615,314	115%	28,402,901	1,680,405	1590%
Operational							
Fuels quantities sold in retail	thousand tonnes	327	283	15%	845	721	17%
Fuels quantities sold in wholesale	thousand tonnes	202	271	-25%	624	732	-15%
LPG quantities sold	thousand tonnes	64	93	-31%	208	253	-18%

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

In Q3 and 9M 2023 the marketing segment had a turnover of over USD 958 million, respectively approximately USD 2.6 billion lower by 16% and by 12% as compared with Q3 2022 and 9M 2022.

In the Q3 2023, the average Platts quotations (FOB Med Italy) in USD (reference currency) decreased by -17% for diesel and by -2% for gasoline compared with the similar period of 2022. Due to the ~7% appreciation of the RON against the US dollar (Q3 2023 vs. Q3 2022, on average) the international diesel quotation decreased in the national currency by -23%, at the same time the international gasoline quotation decreased in the national currency by -9% compared to Q3 2022.

In the 9M 2023, the average Platts quotations (FOB Med Italy) in USD (reference currency) decreased by -23% for diesel and by -16% for gasoline compared with the similar period of 2022. Due to the ~2% appreciation of the RON against the US dollar (9M 2023 vs. 9M 2022, on average) the international diesel quotation decreased in the national currency by -24%, at the same time the international gasoline quotation decreased in the national currency by -18% compared to 9M 2022.

In terms of retails sales to Romanian market, they increased with 15% in Q3 2023 and with 17% in 9M 2023 against same periods last year; this is due to company strategy to address Romanian market needs with priority. For 9M 2023 the sales in wholesale decreased compared with 9M 2022.

At the end of September 2023, the Rompetrol Downstream's distribution segment contained 1312 points of sale, including the network of owned stations, partner stations and mobile stations: expres, cuves and internal bases.



APPENDIX 1 – CONSOLIDATED INCOME STATEMENT Q3 AND 9M 2023, UNAUDITED

Amounts in USD

	Q3 2023	Q3 2022	%	9M 2023	9M 2022	%
Gross Revenues	1,348,121,203	1,897,586,422	-29%	4,054,601,269	4,869,674,034	-17%
Sales taxes and discounts	(297,750,237)	(348,307,699)	-15%	(860,171,058)	(887,420,680)	-3%
Net revenues	1,050,370,966	1,549,278,723	-32%	3,194,430,211	3,982,253,354	-20%
Cost of sales	(915,536,400)	(1,378,348,634)	-34%	(2,877,232,429)	(3,594,261,337)	-20%
Gross margin	134,834,566	170,930,090	-21%	317,197,782	387,992,016	-18%
Selling, general and administration	(75,004,583)	(54,642,404)	37%	(206,730,687)	(172,320,411)	20%
Other expenses, net	11,599,276	(4,091,698)	N/A	(10,111,557)	(25,418,452)	-60%
EBIT	71,429,259	112,195,987	-36%	100,355,538	190,253,154	-47%
Finance, net	(22,628,432)	(14,158,903)	60%	(57,082,920)	(42,044,301)	36%
Net foreign exchange gains / (losses)	1,403,089	7,737,453	-82%	(4,753,501)	17,383,206	N/A
EBT	50,203,916	105,774,538	-53%	38,519,117	165,592,059	-77%
Profit tax*	(19,594,843)	(2,920,711)	571%	(42,055,084)	(4,348,246)	867%
Net result	30,609,073	102,853,827	-70%	(3,535,967)	161,243,814	N/A
EBITDA	97,122,028	152,604,757	-36%	214,029,241	326,996,614	-35%

*it includes estimated solidarity tax based on preliminary fiscal results as of September 30, 2023



APPENDIX 2 – CONSOLIDATED BALANCE SHEET SEPTEMBER 30, 2023, UNAUDITED

Amounts in USD

	September 30, 2023	December 31, 2022	%
Assets			
Non-current assets			
Intangible assets	4,950,472	6,943,884	-29%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,098,042,470	1,178,598,536	-7%
Right of use assets	253,369,376	124,769,238	103%
Financial assets and other	6,775,343	3,811,865	78%
Total Non Current Assets	1,446,009,367	1,396,995,228	4%
Current assets			
Inventories	428,390,436	333,870,058	28%
Trade and other receivables	810,582,171	642,376,936	26%
Derivative financial Instruments	1,136,684	2,612,061	-56%
Cash and cash equivalents	178,942,607	16,973,215	954%
Total current assets	1,419,051,898	995,832,269	42%
Total assets	2,865,061,265	2,392,827,498	20%
Equity and liabilities			
Total Equity	535,409,181	536,784,519	0%
Non-current liabilities			
Long-term debt	265,900,000	-	N/A
Provisions	115,340,643	115,340,643	0%
Obligations under lease agreements	244,926,111	120,283,737	104%
Other	57,368,846	57,115,840	0%
Total non-current liabilities	683,535,600	292,740,220	133%
Current Liabilities			
Trade and other payables	1,518,415,098	1,295,310,569	17%
Contract liabilities	49,926,090	41,914,153	19%
Derivative financial instruments	-	4,592,619	-100%
Obligations under lease agreements	7,553,218	4,723,011	60%
Short-term debt	33,046,642	86,210,918	-62%
Profit tax payable	37,175,436	130,551,489	-72%
Total current liabilities	1,646,116,484	1,563,302,759	5%
Total equity and liabilities	2,865,061,265	2,392,827,498	20%



The financial figures are extracted from Company's consolidated unaudited IFRS financial report as of 30 September 2023.

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

Batyrzhan Tergeussizov

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 *Batyrzhan Tergeussizov*
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General Manager

Florian-Daniel Pop

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Finance Manager

Ramona-Georgiana Galateanu

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