



## Rompetrol Rafinare's results in 2020, in the pandemic context and unprecedented volatility of the oil market

Rompetrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its fourth quarter 2020 and full year 2020 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.

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[www.rompetrol-rafinare.ro](http://www.rompetrol-rafinare.ro)

### HIGHLIGHTS – CONSOLIDATED

		Q4 2020	Q4 2019	%	2020	2019	%
<b>Financial</b>							
Gross Revenues	USD	954,059,799	1,279,444,184	-25%	3,465,662,381	5,186,124,223	-33%
Net Revenues	USD	636,002,359	937,887,306	-32%	2,334,222,534	3,844,114,179	-39%
EBITDA	USD	22,651,545	29,980,018	-24%	988,520	131,130,649	-99%
EBITDA margin	%	3.6%	3.2%		0.0%	3.4%	
EBIT	USD	(17,482,226)	6,783,061	N/A	(129,529,039)	24,234,045	N/A
Net profit / (loss)	USD	(63,963,813)	(22,058,148)	190%	(220,152,178)	(48,977,553)	349%
Net Profit / (loss) margin	%	-10.1%	-2.4%		-9.4%	-1.3%	

Rompetrol Rafinare consolidated gross revenues reached over USD 954 million in Q4 2020 and over 3.46 billion in 2020, lower by 25% as against Q4 2019 and lower by 33% as against full year 2019 as result of lower market quotation vs. similar period last year alongside by lower level sales reached within 2020, with several events to count as factors – cyclical 4 years turnaround activities starting in March and continued in April until the beginning of May, oil & gas market unprecedented volatility and significant market demand drop caused by pandemic control measures.

The company's consolidated results in terms of EBITDA and Net result were affected by the high volatility of oil and gas market environment in the period, mainly triggering significant pressure in the gross refinery margins in Q4 and full year 2020, decreasing substantially from the comparison benchmark of 2019 similar periods and being affected by the global pandemic context (i.e. 26.6 \$/t vs 45.2 \$/t in Q4 2019 and 15.2 \$/t vs 39.5 \$/t for full year 2019).



## ECONOMIC ENVIRONMENT

		Q4 2020	Q4 2019	%	2020	2019	%
Brent Dated	USD/bbl	44.16	63.08	-30%	41.84	64.21	-35%
Ural Med	USD/bbl	44.39	62.80	-29%	41.58	64.19	-35%
Brent-Ural Differential	USD/bbl	(0.24)	0.28	N/A	0.26	0.02	1124%
Premium Unleaded 10 ppm FOB Med	USD/tonne	396	582	-32%	382	595	-36%
Diesel ULSD 10 ppm FOB Med	USD/tonne	365	578	-37%	362	586	-38%
RON/USD Average exchange rate		4.09	4.30	-5%	4.24	4.24	0%
RON/USD Closing exchange rate		3.97	4.26	-7%	3.97	4.26	-7%
RON/EURO Average exchange rate		4.87	4.77	2%	4.84	4.75	2%
RON/EURO Closing exchange rate		4.87	4.78	2%	4.87	4.78	2%
USD/EURO Closing rate		1.23	1.12	9%	1.23	1.12	9%
Inflation in Romania*		0.70%	1.08%	-35%	2.06%	4.04%	-49%

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

Dated Brent decreased by -18.9\$/bbl. (-30%) in Q4 2020 as against Q4 2019 and settled to an average of 44.16\$/bbl. and decreased by -22.4\$/bbl. (-34.8%) in 2020 as against 2019 and settled to an average of 41.84\$/bbl.

For crude market, the year started with a significant increase in crude oil price due to U.S. and Iran conflict. The price decline intensified by Saudi Arabia price war against Russia, oversupplied markets and unprecedented oil demand shock caused by the COVID-19 pandemic. Dated Brent reached 17.7\$/bbl. on March 31<sup>st</sup> 2020 - the lowest level in Q1 2020 since 2003, as OPEC's proposal to reduce production was declined by Russia.

Crude oil spot prices continued the movement with a sharp monthly drop in April (-44%) on a continuing growing oil surplus in the spot market. After that, in the 2<sup>nd</sup> part of Q2, the crude price shifted to an upward trend and finished Q2 at the level of 42\$/bbl. as the OPEC+ approved a 10 mil b/d cut starting with May.

After Q2 recovery, Dated Brent was quite stable during Q3 with some gains as the market was getting closer to the balance with demand gradually rising and helped by hopes for a stimulus deal to shore up the U.S. economic recovery. Meanwhile, in July, OPEC and Russia agreed to ease record oil supply cuts starting August as the global economy slowly recovers from the Coronavirus pandemic but in September the concerns about the market switching to oversupply started to raise.

During Q4, Dated Brent had an upward trend and succeed to surge above 50 \$/bbl. for the first time since early March, fueled by hopes of a faster demand recovery as countries start to roll out COVID-19 vaccines.

In December, OPEC+ members reached a deal to raise production, with a first scheduled increase of 0.5 mb/d in January followed by monthly meetings to decide on the pace of future hikes. This is a slower ramp-up than the previously planned 1.9 mb/d January increase.



Urals-Dated differential ended Q2 at the level of +2.5\$/bbl. from -5.4\$/bbl. on April, 1<sup>st</sup> as Russia's oil export remained low at -20%. After that, until end of Q3 it decreased to +0.26\$/bbl. due to decreased heavy oil demand in Asia and rise flow to Europe.

During Q4, the Urals-Dated Brent differential decreased to negative levels of -1\$/bbl. because Libya began exporting heavy oil at the end of September for the first time since January 2020 and based on expectations that OPEC+ will boost the heavy crude production in January 2021.

European margins decreased by -36.4\$/MT (-91%) in Q4 2020 as against Q4 2019 and settled to an average level of 3.5\$/MT and decreased by -18.6\$/MT (-56%) in 2020 as against 2019 and settled to an average level of 14.85\$/MT.

Refinery margins started 2020 under pressure due to weak diesel and jet cracks. Diesel crack was influenced by mild weather and higher Russian ULSD exports. In the 2<sup>nd</sup> part of Q1 margins increased on the back of crude price collapse and Urals-Dated Brent differential decrease. Diesel cracks recovered and performed strongly in March with reduced runs on the back of spring maintenance. At the same time, gasoline cracks weakened in Europe to lows last seen in 2008, as global stocks continued to build while jet demand strongly decreased across the aviation sector as borders lockdowns and travel bans was put in place across the world.

Refinery margins decreased during Q2 due to high stocks of products, and an increase in crude oil price based on OPEC production cuts. Diesel cracks collapsed during Q2 as storage was reportedly nearly 100% due to yield switching towards diesel and records exports from Russia and Asia. Gasoline cracks were low as global stocks increased amid a lack of demand and summer driving season did not help due to coronavirus restrictions. Jet cracks went negative in Q2 pressured by strong demand contraction due to the impact of COVID-19 on air travel. About 70% of Jet volume's yields has been shifted to diesel and 30% to gasoline in the refining process.

Refinery margins slightly recovered in Q3 vs Q2 on the back of increasing end-user demand for road fuels and after autumn maintenance season started, however still not at the levels from the beginning of the year. Gasoline cracks increased during Q3 to their highest level since early March (109\$/MT) as gasoline exports to West Africa picked up and regional demand recovered. Meanwhile diesel cracks reached their lowest level since June 1999 (18\$/MT) due to oversupply as exports from Middle East to Europe increased simultaneous with very weak regional demand. Jet fuel consumption remains the hardest hit section of the global oil market as passengers continued to avoid air travel.

During Q4, European refinery utilization rates reduced to 68% (-12.5% year-on-year) have temporarily lifted margins from their summer lows, but the drop in products demand, on the back of further movement restrictions introduced by European governments, has quickly capped those gains. However, in December the cracks increased as mobility indicators showed signs of a fast recovery as most countries eased restrictions for the Christmas holidays and COVID-19 vaccine started to be delivered.

In terms of exchange rates, internally, the RON/EUR exchange rate remained quasi-stable in the first part of Q1 2020, before embarking on a relatively steep upward path. Half way through Q1 2020, the RON/EUR saw, however, its downward movement reverse suddenly, embarking on an upward path under the influence of an abrupt rise in global risk aversion, given the rapid spread of the coronavirus epidemic, in Europe as well, and heightened concerns over its impact on the global economy.

In Q2 2020 the RON/EUR exchange rate continued its upward trend but tempered its fluctuations, averaging at 4.8367 - below the maximum level of H1 2020 but still at high levels.

In Q3 2020 the RON/EUR exchange rate remained quasi-stable in the first two months, facing in September two episodes of more accentuated growth, averaging at 4.8446, and reaching its maximum level of 4.8750 on 25<sup>th</sup> of September 2020 for full year 2020.



Looking at the average annual exchange rate dynamics in Q4, the national currency (i.e. RON) saw its nominal depreciation increase versus the EURO, but diminish against the US dollar. In Q4 2020 the RON/EUR exchange rate averaged at 4.8714 - the highest average level in the last 5 years.

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



## REFINING SEGMENT

		Q4 2020	Q4 2019	%	2020	2019	%
<b>Financial</b>							
Gross Revenues	USD	760,019,889	1,103,240,092	-31%	2,732,749,319	4,417,308,906	-38%
Net Revenues	USD	490,180,756	820,794,436	-40%	1,811,028,865	3,304,612,063	-45%
EBITDA	USD	15,087,956	36,233,843	-58%	(33,378,262)	108,211,674	N/A
EBITDA margin	%	3.1%	4.4%		-1.8%	3.3%	
EBIT	USD	(3,671,427)	24,081,940	N/A	(113,042,913)	42,799,069	N/A
Net profit / (loss)	USD	(52,528,023)	(7,078,712)	642%	(203,644,662)	(16,882,860)	1106%
Net profit / (loss) margin	%	-10.7%	-0.9%		-11.2%	-0.5%	
Gross cash refinery margin/tonne (Petromidia)	USD/tonne	26.6	45.2	-41%	15.2	39.5	-61%
Gross cash refinery margin/bbl (Petromidia)	USD/bbl	3.7	6.2	-41%	2.1	5.4	-61%
Net cash refinery margin/tonne (Petromidia)	USD/tonne	7.5	16.5	-54%	(11.2)	13.7	N/A
Net cash refinery margin/bbl (Petromidia)	USD/bbl	1.0	2.3	-54%	(1.5)	1.9	N/A
<b>Operational</b>							
Feedstock processed in Petromidia refinery	thousand tonnes	1,360	1,574	-14%	4,864	6,331	-23%
Feedstock processed in Vega refinery	thousand tonnes	99	111	-11%	364	436	-17%
Gasoline produced	thousand tonnes	330	416	-21%	1,159	1,628	-29%
Diesel & jet fuel produced	thousand tonnes	709	824	-14%	2,649	3,323	-20%
Motor fuels sales - domestic	thousand tonnes	642	654	-2%	2,380	2,557	-7%
Motor fuels sales - export	thousand tonnes	341	526	-35%	1,248	2,169	-42%
Export	%	35%	45%		34%	46%	
Domestic	%	65%	55%		66%	54%	

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 760 million in Q4 2020 and over USD 2.73 billion in 2020 showing a 31% decrease on quarter level, and a 38% decrease year-on-year level.

Year on year variance was mainly influenced by the decrease of international oil & gas market quotation evolution of petroleum products, alongside decrease in the volume of products sold, in the context of COVID-19 pandemic.

In Q4 and 2020, the total throughput for Petromidia refinery was 1.360 million tonnes, respectively 4.864 million tonnes, lower by 13.64% on quarter level, and also lower by 23% year-on-year level if compared with the same periods last year when the total throughput was 1.57 million tonnes in the quarter, alongside 6.331 million tonnes for full year 2019.

In 2020, the refining capacity utilization in Petromidia refinery was 71.8%, lower by 25.7% as compared with previous year.

This decrease is due to disruption of oil supply caused by the general turnaround started in March and continued in April, alongside the heavy market demand hit caused by the COVID-19 pandemics measures, the Black Sea weather conditions (strong wind) at the beginning of the year and by the restrictions imposed by the Midia Port Administration.

**Petromidia refinery managed to achieve a good refining operational performance in 2020, for its main technological and operational parameters, such as:**

- ✓ White finished products yield of 85.93%wt;
- ✓ Technological loss of 0.89%wt;
- ✓ Energy Intensity Index of 99.17%.

In respect of Vega refinery (the oldest processing unit operating in Romania (since 1905) and the only domestic producer of bitumen and hexane), the total throughput was 99,250 tonnes in Q4 2020, and 363,803 tonnes in 2020, lower by 10.87% on the fourth quarter, and lower by 16.56% for 2020 full year if compared with the same periods last year when the total throughput was 111,355 tonnes in Q4 of 2019 and 436,018 tonnes for full year 2019.

**Vega refinery also managed to achieve good refining performance results in 2020:**

- ✓ Technological loss of 0.75%;
- ✓ Energy consumption of 2.57GJ/t;
- ✓ Mechanical Availability of 98.7%.

The refining segment's financial results in 2020, were negatively affected by unfavorable market conditions, capturing the first 2 months of the year very low refining margins prior to shutting down for turnaround in March, and also impacted by the coronavirus pandemic after returning from turnaround at the beginning of May, and as such Petromidia's gross refinery margin was lower in 2020, 15.2 USD/to as against 39.5 USD/to in 2019.

Petromidia refinery continued its production process optimization programs (i.e. increase of processing capacity alongside increased production performance of valuable products yields; reduce technological loss, crude diet optimization; constant supply of the crude, alternative and other feedstock; downstream Units operation optimization; mitigation of slowdown/shutdown/ unplanned events) and operating costs optimization (energy efficiency and processing cost reduction), programs that started in 2014 and successfully continued until present days.

Oil Crisis 2020 impacted significantly Rompetrol Rafinare activity and results. Refinery market margin (component of the Profit & Loss gross margin as difference between market quotations weighted at the raw materials consumed and market quotations at sold volumes) was negative at the level of -13 \$/t compared with last year when this indicator reached 25.4 \$/t. Main discrepancy come from Jet A1 with a negative difference in market cracks of



-83.3\$/t, also diesel lower cracks by 57 \$/t, gasoline lower by 28.2 \$/t. This differences in market margin generated a significant negative effect in Rafinare results of around USD -143.3 million in 2020 compared with last year.

In addition to above, due to this crisis, Rompetrol Rafinare sales in 2020 decreased by 1.35 million tonnes compared with last year (i.e. up to 4.6 million tonnes), and this generated a negative effect in Rafinare results of around USD -63.1 million.

In these critical market conditions, Rompetrol Rafinare decreased as much possible market effects by insuring deliveries of fuel products to the most valuable distribution channels, mainly Romania market being in the same range as in 2019, and export of fuel oil was reduced. Also, Rompetrol Rafinare adapted the operation of the refinery to optimal valuable products structure, considering refining flexibility to react to the market changes; the main example is decreasing production of Jet A1, with the biggest dropdown in market cracks, and transferred into diesel yields.

Rompetrol Rafinare S.A. continued to be an important contributor to Romania's fiscal budget with over USD 376 million in Q4 2020 and over USD 1.14 billion in 2020.





## PETROCHEMICALS SEGMENT

		Q4 2020	Q4 2019	%	2020	2019	%
<b>Financial</b>							
Revenues	USD	49,049,382	38,491,506	27%	149,171,871	173,446,415	-14%
EBITDA	USD	(6,257,697)	(9,957,171)	-37%	(26,274,984)	(29,149,694)	-10%
EBIT	USD	(11,120,021)	(14,016,036)	-21%	(42,521,116)	(45,222,718)	-6%
Net profit / (loss)	USD	(7,634,289)	(12,617,518)	-39%	(37,313,397)	(48,355,331)	-23%
<b>Operational</b>							
Propylene processed	thousand tonnes	37	37	0%	117	153	-23%
Ethylene processed	thousand tonnes	18	11	53%	66	38	73%
Total polymers production	thousand tonnes	41	35	18%	143	127	13%
Sold from own production	thousand tonnes	49	40	24%	160	162	-1%
Sold from trading	thousand tonnes	2	-	N/A	3	1	275%
Total sold	thousand tonnes	52	40	30%	162	162	0%
Export	%	50%	46%		46%	41%	
Domestic	%	50%	54%		54%	59%	

*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 Q4 2020 and full year 2020, the total polymers production for Petrochemicals area was 41 thousand tons and 143 thousand tons, higher by 18% as against Q4 2019 when the total polymers production was 35 thousand tons, and higher by 13% as against full year 2019 when the total polymers production was 127 thousand tons. The increase in Q4 and full year 2020 as against the same periods last year is mainly due to operation schedule of LDPE unit in 2020.

Petrochemicals division continued to be affected by the market margin pressure, while the polyethylene division, with common efforts, both operational and commercial, reached higher results compared with Q4 last year.

The petrochemicals division has successfully developed a new product (RMB30H), a special type of polypropylene dedicated to protective medical masks. It's meant for the middle layer of the mask, the most important layer for filtering and protecting against pathogens.

RMB30H it is mainly used for obtaining filter material, for other applications in the area of medical products (protective masks, disposable equipment) or for industrial areas (professional filters with high absorption rate).

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

		Q4 2020	Q4 2019	%	2020	2019	%
<b>Financial</b>							
Gross Revenues	USD	680,856,208	779,464,978	-13%	2,455,679,338	3,078,017,249	-20%
EBITDA	USD	14,393,592	2,048,486	603%	58,987,554	51,571,501	14%
EBIT	USD	(2,071,204)	(4,510,518)	-54%	24,551,554	28,688,248	-14%
Net profit / (loss)	USD	(3,180,959)	(3,365,777)	-5%	19,592,252	18,662,421	5%
<b>Operational</b>							
Fuels quantities sold in retail	thousand tonnes	211	206	3%	799	789	1%
Fuels quantities sold in wholesale	thousand tonnes	326	329	-1%	1,190	1,296	-8%
LPG quantities sold	thousand tonnes	100	97	4%	351	417	-16%

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

In Q4 and full year 2020 the marketing segment had a turnover of over USD 680 million, and over USD 2.45 billion, lower by 13%, and lower by 20% compared with the same periods of 2019; Marketing Segment result performance for full year 2020 reached a level EBITDA of 59 million USD (i.e. +14%, or 7.4 million USD above full year 2019).

In the Q4 2020, the Platts quotations (FOB Med Italy) in the reference currency (i.e. USD) averaged a decrease of ~ 37% for diesel and a decrease of ~ 32% for gasoline compared with the similar period of 2019. Due to the ~ 5% appreciation of the RON against the US dollar (Q4 2020 vs. Q4 2019, on average) the international diesel price decreased, in the national currency (i.e. RON), by ~ 40%, in the same time the international gasoline price decreased, in the national currency RON, by ~ 35% compared to Q4 2019.

In 2020 compared to 2019, the Platt's quotations (FOB Med Italy-mean), expressed in the currency of reference (i.e. USD) were on average by ~ 38% lower for diesel and by ~ 36% lower for gasoline. Due to RON exchange rate against the USD in 2020 being at the same level as 2019 (year on year average), the decrease of the international quotation of diesel and gasoline in the national currency RON was equivalent to the same decrease as in USD.

Overall, fuel sales (retail and wholesale), for full year 2020 amounted to 1.99 million tons, -5% versus full year 2019, as a direct result of two opposite trends – higher sales vs last year in January and February followed by sharp decreases as the two months of lockdown were enforced. Also, the month of June signaled a strong recovery with retail channels over performing as against last year and in Q3 and Q4 2020 total fuel sales being slightly higher as against same periods in 2019.

New stations were open during in 2020, leading to retail improvement, also as a result of extensive development.

As of December 2020, the Rompetrol Downstream's distribution segment contained 1061 points of sale, including the network of owned stations, partner stations and mobile stations: expres, cuves and internal bases.



## APPENDIX 1 – CONSOLIDATED INCOME STATEMENT Q4 2020 AND 2020, UNAUDITED

Amounts in USD

	Q4 2020	Q4 2019	%	2020	2019	%
Gross Revenues	954,059,799	1,279,444,184	-25%	3,465,662,381	5,186,124,223	-33%
Sales taxes and discounts	(318,057,440)	(341,556,878)	-7%	(1,131,439,847)	(1,342,010,044)	-16%
<b>Net revenues</b>	<b>636,002,359</b>	<b>937,887,306</b>	<b>-32%</b>	<b>2,334,222,534</b>	<b>3,844,114,179</b>	<b>-39%</b>
Cost of sales	(598,046,422)	(884,633,677)	-32%	(2,243,249,528)	(3,624,595,337)	-38%
<b>Gross margin</b>	<b>37,955,937</b>	<b>53,253,629</b>	<b>-29%</b>	<b>90,973,006</b>	<b>219,518,842</b>	<b>-59%</b>
Selling, general and administration	(53,711,678)	(56,093,337)	-4%	(216,271,006)	(210,561,860)	3%
Other expenses, net	(1,726,485)	9,622,769	N/A	(4,231,039)	15,277,063	N/A
<b>EBIT</b>	<b>(17,482,226)</b>	<b>6,783,061</b>	<b>N/A</b>	<b>(129,529,039)</b>	<b>24,234,045</b>	<b>N/A</b>
Finance, net	(11,784,414)	(16,328,753)	-28%	(46,648,711)	(55,570,767)	-16%
Net foreign exchange gains / (losses)	(2,741,452)	123,473	N/A	(9,867,013)	(1,338,706)	637%
<b>EBT</b>	<b>(32,008,092)</b>	<b>(9,422,219)</b>	<b>240%</b>	<b>(186,044,763)</b>	<b>(32,675,428)</b>	<b>469%</b>
Income tax	(31,955,721)	(12,635,929)	153%	(34,107,415)	(16,302,125)	109%
<b>Net result</b>	<b>(63,963,813)</b>	<b>(22,058,148)</b>	<b>190%</b>	<b>(220,152,178)</b>	<b>(48,977,553)</b>	<b>349%</b>
<b>EBITDA</b>	<b>22,651,545</b>	<b>29,980,018</b>	<b>-24%</b>	<b>988,520</b>	<b>131,130,649</b>	<b>-99%</b>



## APPENDIX 2 – CONSOLIDATED BALANCE SHEET DECEMBER 31, 2020, UNAUDITED

Amounts in USD

	December 31, 2020	December 31, 2019	%
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	10,970,907	8,524,600	29%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,168,350,972	1,179,954,903	-1%
Right of use assets	76,543,589	62,843,821	22%
Financial assets and other	3,911,435	26,613,222	-85%
<b>Total Non Current Assets</b>	<b>1,342,648,609</b>	<b>1,360,808,252</b>	<b>-1%</b>
<b>Current assets</b>			
Inventories	202,167,399	261,673,893	-23%
Trade and other receivables	548,982,166	478,076,540	15%
Derivative financial Instruments	209,030	1,171,629	-82%
Cash and cash equivalents	100,655,956	13,196,424	663%
<b>Total current assets</b>	<b>852,014,551</b>	<b>754,118,486</b>	<b>13%</b>
<b>Total assets</b>	<b>2,194,663,160</b>	<b>2,114,926,738</b>	<b>4%</b>
<b>Equity and liabilities</b>			
<b>Total Equity</b>	<b>396,889,474</b>	<b>619,526,864</b>	<b>-36%</b>
<b>Non-current liabilities</b>			
Long-term debt	240,000,000	240,000,000	0%
Hybrid instrument - long-term portion	17,009,920	17,009,920	0%
Provisions	79,332,744	80,361,840	-1%
Net obligations under lease agreements	81,816,635	62,098,347	32%
Other	7,285,765	4,198,444	74%
<b>Total non-current liabilities</b>	<b>425,445,064</b>	<b>403,668,551</b>	<b>5%</b>
<b>Current Liabilities</b>			
Trade and other payables	1,277,685,756	1,026,909,009	24%
Contract liabilities	24,971,817	21,448,626	16%
Derivative financial instruments	375,916	3,704,969	-90%
Net obligations under lease agreements	4,003,884	3,977,909	1%
Short-term debt	65,291,249	35,690,810	83%
<b>Total current liabilities</b>	<b>1,372,328,622</b>	<b>1,091,731,323</b>	<b>26%</b>
<b>Total equity and liabilities</b>	<b>2,194,663,160</b>	<b>2,114,926,738</b>	<b>4%</b>



The financial figures are extracted from Company's consolidated unaudited IFRS financial report as of 31 December 2020.

The information contained in this report is provided at the date of this report and may be subject to update, review, modification or change without prior notice.

The analysis of the method of transposing the financial transactions of the company, for the financial year 2020, into the financial statements will continue until the financial statements are finalized and audited, which is why the presented information may change both in terms of value and of the way of presentation and classification.

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

\_\_\_\_\_  
**Yedil Utekov**

**General Manager**

\_\_\_\_\_  
**Felix Crudu-Tesloveanu**

**Financial Manager**

\_\_\_\_\_  
**Ramona-Georgiana Galateanu**

**ROMPETROL RAFINARE S.A.**

Individual financial statements prepared in compliance with Order of the Minister of Public Finance no. 2844/2016 for approval of the accounting regulations in compliance with the International Financial Reporting Standards, in LEI

**Unaudited Statement of the individual financial position as at December 31, 2020 in LEI**

	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Intangible assets	26,873,710	22,713,799
Goodwill	152,720	152,720
Property, plant and equipment	3,623,946,290	3,516,851,506
Rights of use assets	58,002,943	9,018,898
Investments in subsidiaries	1,629,020,055	1,629,020,055
Deferred tax asset	-	110,131,585
<b>Total non-current assets</b>	<b>5,337,995,718</b>	<b>5,287,888,563</b>
Inventories, net	527,073,050	822,822,149
Receivables and prepayments, net	1,167,390,890	1,784,692,732
Derivative Financial Instruments	-	2,585,313
Cash and cash equivalents	365,595,493	22,373,528
<b>Total current assets</b>	<b>2,060,059,433</b>	<b>2,632,473,722</b>
<b>TOTAL ASSETS</b>	<b>7,398,055,151</b>	<b>7,920,362,285</b>
Subscribed share capital	4,410,920,573	4,410,920,573
Share premium	232,637,107	232,637,107
Revaluation reserves, net of deferred tax impact	509,938,277	533,398,479
Other reserves	3,395,246,288	3,386,268,737
Accumulated losses	(6,567,312,044)	(6,242,510,389)
Current year result	(715,114,669)	(352,730,468)
<b>Total equity</b>	<b>1,266,315,533</b>	<b>1,967,984,039</b>
Hybrid loan - long-term portion	69,291,612	69,291,612
Long-term borrowings from banks	660,746,010	613,184,904
Provisions	297,034,901	342,060,438
Long-term lease debts	56,981,732	5,368,671
Deferred tax liability	9,417,626	-
<b>Total non-current liabilities</b>	<b>1,093,471,881</b>	<b>1,029,905,625</b>
Trade and other payables	4,774,877,899	4,701,068,748
Contract liabilities	91,363,247	47,196,182
Short-term lease debts	2,542,555	6,451,650
Derivatives	617,651	15,786,131
Short-term borrowings from related parties	48,949,030	103,891,017
Short-term borrowings from banks	119,917,355	48,078,893
<b>Total current liabilities</b>	<b>5,038,267,737</b>	<b>4,922,472,621</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>7,398,055,151</b>	<b>7,920,362,285</b>

**YEDIL UTEKOV**

President of the Board of Directors

**RAMONA GEORGIANA GALATEANU**

Financial Manager

**FELIX CRUDU-TEȘLOVEANU**

General Manager

**Prepared by, Alexandru Cornel Anton**

Chief Accountant

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Individual financial statements prepared in compliance with Order of the Minister of Public Finance no. 2844/2016 for approval of the accounting regulations in compliance with the International Financial Reporting Standards, in LEI

**Unaudited individual Profit and loss account as at December 31, 2020 in LEI**

	<b>January - December 2020</b>	<b>January - December 2019</b>
Net revenues from contracts with customers	8,275,110,517	14,750,359,139
Cost of sales	(8,646,900,936)	(14,411,331,213)
<b>Gross profit / (loss)</b>	<b>(371,790,419)</b>	<b>339,027,926</b>
Selling, general and administrative expenses	(464,816,047)	(344,429,727)
Other operating expenses	(201,406,922)	(59,734,969)
Other operating income	402,984,304	129,868,139
<b>Operating revenue / (loss)</b>	<b>(635,029,083)</b>	<b>64,731,369</b>
Financial expenses	(182,465,147)	(235,486,607)
Financial revenues	17,456,649	22,779,343
Net foreign exchange gains / (losses)	208,940,736	(145,469,631)
<b>Loss before income tax</b>	<b>(591,096,845)</b>	<b>(293,445,526)</b>
Deferred tax	(124,017,823)	(59,284,942)
<b>Net Loss</b>	<b>(715,114,669)</b>	<b>(352,730,468)</b>
<b>Earnings per share (bani/share) Basis</b>	<b>(1.62)</b>	<b>(0.80)</b>

**YEDIL UTEKOV**

President of the Board of Directors

**RAMONA GEORGIANA GALATEANU**

Financial Manager

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Individual financial statements prepared in compliance with Order of the Minister of Public Finance no. 2844/2016 for approval of the accounting regulations in compliance with the International Financial Reporting Standards, in LEI

**Unaudited Individual Statement of Comprehensive Income as at December 31, 2020 in LEI**

	January - December 2020	January - December 2019
<b>Net Loss</b>	<b>(715,114,669)</b>	<b>(352,730,468)</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<i>Other comprehensive income to be reclassified to income statement in subsequent periods (net of tax):</i>	<i>-</i>	<i>-</i>
Gains / (losses) from derivatives	-	(6,179,009)
<b>Total comprehensive income to be reclassified income statement in subsequent periods (net of tax):</b>	<b>-</b>	<b>(6,179,009)</b>
<i>Other comprehensive income not to be reclassified to income statement in subsequent periods (net of tax):</i>		
Actuarial gain / (losses) relating to retirement benefits	8,977,552	(16,512,245)
<b>Total other comprehensive income not to be reclassified to income statement in subsequent periods (net of tax):</b>	<b>8,977,552</b>	<b>(16,512,245)</b>
<b>Total other comprehensive result for the year, net of tax</b>	<b>8,977,552</b>	<b>(22,691,254)</b>
<b>Total comprehensive result for the year, net of tax</b>	<b>(706,137,117)</b>	<b>(375,421,722)</b>

**YEDIL UTEKOV**

President of the Board of Directors

**RAMONA GEORGIANA GALATEANU**

Financial Manager

**FELIX CRUDU-TEȘLOVEANU**

General Manager

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Chief Accountant

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**Unaudited Individual Cashflow Statement as at December 31, 2020 in LEI**

	December 31, 2020	December 31, 2019
<b>Net result before income tax</b>	<b>(591,096,845)</b>	<b>(293,445,526)</b>
<i>Adjustments for:</i>		
Depreciation and amortisation	373,391,169	367,196,858
Provisions for receivables and inventories (incl write-off)	(8,811,513)	(45,434,626)
Provision for environmental liabilities and litigations	(38,516,625)	(23,254,697)
Restructuring and retirement benefit provisions	(5,719,771)	(312,493)
Expenses with penalties	76,447	819,800
Interest expenses	174,276,737	220,886,585
Inrrest income	(16,647,024)	(21,719,706)
Income from dividends	(809,625)	(437,106)
Other non-monetary adjustments	(791,387)	-
Unrealised foreign exchange (gain)/loss	(18,121,459)	(47,301,537)
<b>Cash generated from / (used in) operations before working capital changes</b>	<b>(132,769,896)</b>	<b>156,997,552</b>
<i>Net working capital changes in:</i>		
Receivables and prepayments	602,451,271	(281,764,898)
Inventories	308,523,505	38,870,468
Trade and other payables and contract liabilities, including payables variation for capital expenditures	(300,796,373)	248,772,618
<b>Change in working capital</b>	<b>610,178,403</b>	<b>5,878,188</b>
Cash payments for derivatives, net	(18,389,025)	(1,974,750)
<b>Net cash provided by operating activities</b>	<b>459,019,482</b>	<b>160,900,990</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(471,594,487)	(253,881,014)
Purchase of intangible assets	(9,970,727)	(6,609,174)
Dividends received	809,625	437,106
Interest received	-	21,120,371
<b>Net cash used in investing activities</b>	<b>(480,755,589)</b>	<b>(238,932,711)</b>
<b>Cash flows from financing activities</b>		
Cash pooling receipt, net	445,630,333	594,719,063
Short - term loans received from banks	71,591,383	321,656,415
Long - term loans paid to banks	-	(383,452,125)
Long - term loans received from banks	69,454,582	99,126,521
Short - term loans repaid to shareholders and related parties	(43,677,500)	(301,893,603)
Repayment of lease liabilities	(4,383,624)	(7,194,511)
Interest and bank charges paid, net	(173,657,102)	(242,006,956)
<b>Net cash from financing activities</b>	<b>364,958,072</b>	<b>80,954,805</b>
<b>Increase / (Decrease) in cash and cash equivalents</b>	<b>343,221,965</b>	<b>2,923,084</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>22,373,528</b>	<b>19,450,444</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>365,595,493</b>	<b>22,373,528</b>

**YEDIL UTEKOV**

President of the Board of Directors

**RAMONA GEORGIANA GALATEANU**

Financial Manager

**FELIX CRUDU-TESLOVEANU**

General Manager

**Prepared by, Alexandru Cornel Anton**

Chief Accountant

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	<u>Share capital</u>	<u>Share premium</u>	<u>Accumulated losses</u>	<u>Revaluation reserves</u>	<u>Deferred tax on the revaluation reserve</u>	<u>Other reserves</u>	<u>Total equity</u>
<b>1<sup>st</sup> of January 2019</b>	<b>4,410,920,573</b>	<b>232,637,107</b>	<b>(6,279,313,076)</b>	<b>674,938,770</b>	<b>(107,990,204)</b>	<b>3,408,959,991</b>	<b>2,340,153,161</b>
Result carried out from application IFRS 16	-	-	(3,137,893)	-	-	-	(3,137,893)
<b>Restated opening balance at 1st of January 2019</b>	<b>4,410,920,573</b>	<b>232,637,107</b>	<b>(6,282,450,969)</b>	<b>674,938,770</b>	<b>(107,990,204)</b>	<b>3,408,959,991</b>	<b>2,337,015,268</b>
<b>Net loss for 2019</b>	-	-	<b>(352,730,468)</b>	-	-	-	<b>(352,730,468)</b>
Revaluation reserves	-	-	39,940,580	(39,940,580)	-	-	-
Deferred tax on the revaluation reserve	-	-	-	-	6,390,493	-	<b>6,390,493</b>
Actuarial gain/losses related to retirement benefits	-	-	-	-	-	(16,512,245)	<b>(16,512,245)</b>
Gains/losses related to derivative financial instruments	-	-	-	-	-	(6,179,009)	<b>(6,179,009)</b>
<b>Total other comprehensive income for 2019</b>	-	-	-	-	-	<b>(22,691,254)</b>	<b>(22,691,254)</b>
<b>Total comprehensive income for 2019</b>	-	-	<b>(352,730,468)</b>	<b>(39,940,580)</b>	<b>6,390,493</b>	<b>(22,691,254)</b>	<b>(375,421,722)</b>
<b>1<sup>st</sup> of January 2020</b>	<b>4,410,920,573</b>	<b>232,637,107</b>	<b>(6,595,240,857)</b>	<b>634,998,190</b>	<b>(101,599,711)</b>	<b>3,386,268,737</b>	<b>1,967,984,039</b>
<b>Net loss for 2020</b>	-	-	<b>(715,114,669)</b>	-	-	-	<b>(715,114,669)</b>
Revaluation reserves transferred to retained earnings	-	-	27,928,813	(27,928,813)	-	-	-
Deferred tax on the revaluation reserve	-	-	-	-	4,468,611	-	<b>4,468,611</b>
Actuarial gain/losses related to retirement benefits	-	-	-	-	-	8,977,552	<b>8,977,552</b>
<b>Total other comprehensive income for 2020</b>	-	-	-	-	-	<b>8,977,552</b>	<b>8,977,552</b>
<b>Total comprehensive income for 2020</b>	-	-	<b>(715,114,669)</b>	-	-	<b>8,977,552</b>	<b>(706,137,117)</b>
<b>31st of December 2020</b>	<b>4,410,920,573</b>	<b>232,637,107</b>	<b>(7,282,426,712)</b>	<b>607,069,377</b>	<b>(97,131,100)</b>	<b>3,395,246,288</b>	<b>1,266,315,533</b>

**YEDIL UTEKOV**

President of the Board of Directors

**RAMONA GEORGIANA GALATEANU**

Financial Manager

**FELIX CRUDU-TESLOVEANU**

General Manager

**Prepared by, Alexandru Cornel Anton**

Chief Accountant

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