

# Effects of the pandemic on the strategy of KMG International Group

The evolution of the pandemic at national and international levels combined with the measures adopted by local, central and European authorities determined an adaptation of the Group's strategy, which comprised all key directions: operational, human resources, financial and investments.

The key goal of the Group is to protect its employees and their families, by developing flexible work schedules and work-from-home programs.

In the context where at national level this period is characterized by series of decisions about technical unemployment, reduced work schedules and collective redundancies, the KMG International Group emphasizes its efforts to maintain the existing jobs.

Concurrently, the Group reiterates its focus on maintaining and expanding its core activities and operations - oil refining and fuel distribution in Romania and the region.

The KMG International Group focuses on continuing developing its strategic directions on the retail market – opening new petrol stations in Romania and the Black Sea region.

To these are added the efforts of the Group to comply with the commitments assumed within the Kazakh-Romanian Energy Investment Fund, which announced in August 2020 the selection of the general contractor for the turnkey construction of the cogeneration plant on the Petromidia platform.

In the same time, KMG International holds a range of non-core assets for the Group's activity in the region, such as the production of pipes and fittings – «Palplast» SA, design and manufacture of industrial fittings – «Rominserv Valves IAIFO» SRL, security services, protection and prevention of situations Emergency – «Global Security Sistem» SA or Oil Well Services – «Romp petrol Well Services» SA. As part of the broader strategy supported by the sole shareholder – JSC NC «KazMunayGas», KMG International Group is contemplating the divestment of its shareholdings in all the non-core assets to the extent that there are attractive takeover bids.

Corporate Development Department

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