

PRESS RELEASE
regarding preliminary financial results for 2021

In 2021 Rompetrol Well Services S.A. (PTR) continued to consolidate and develop core activities, mainly those regarding the provision of special services at the well. On the background of effects generated by the COVID-19 pandemic and the evolution of the petroleum industry, the Company managed to maintain both its leading position in this area and record positive financial results.

Two main trends have impacted 2021: growth in quotations and demand for crude oil on the international markets and fluctuations in the supply chain of raw materials, typical for the upstream industry.

The evolution of crude oil followed an upward trend last year, the price of this raw material increasing by about 67%, from an average of \$41.6/bbl in 2020 to \$69.2/bbl in 2021 (Ural Med crude oil quotation).

Given the International context (COVID evolution – Delta and Omicron, resumption and growth of economic activities, production increases – OPEC, tensions in the Middle East, impact of Hurricane Ida), crude oil producers failed to keep up with this growth, development projects frozen in 2020 not being restarted at full capacity.

Also, the dynamics of quotations was not considered at the beginning of the year as a stable indicator for a long period, which contributed to maintaining a low level of activities, comparable to that registered in 2020.

To these were added divestment/ adjustment decisions of the operators' investment budgets, but also shortcomings in the supply chain of raw materials typical to the upstream industry in the second half of the year. The cumulative effect of these factors was reflected in even greater delays in starting and resuming drilling operations.

Despite the constantly changing market conditions, RWS has been able to secure its leading position in the specific market segment through diversity and flexibility in providing specialized services tailored to each client. The Company offers a wide range of services for oil and gas wells (cementing, consolidation stimulation, testing, equipment rental, tubular casing, etc.).

Last year, Rompetrol Well Services performed 90 primary cementing operations, 161 secondary cementing operations, and 477 stimulation operations, a total comparable to the previous year but with a different degree of complexity. Among the works carried out are the cementing of the geothermal well in Bihor County and the cementing of two new salt wells in Targu Ocna.

S.C. Rompetrol Well Services S.A.

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Company with Management System Certified by DNV GL
ISO 9001:2015 ISO 14001:2015 OHSAS 45001:2018

Trade Registry No: J 29/110/1991
Fiscal Identification No: RO1346607

IBAN RO34BACX0000000030551310
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In the first quarter of 2021, the Company managed to win, following a public tender organized by OMV Petrom, a contract for the provision of matrix stimulation (acidizing) services with an estimated value of about RON 57 million and a duration of 3 years.

RWS also continued its equipment modernization program in 2021, focusing on upgrading cementing and well stimulation technologies. Thus, during the year it was purchased a new two-line pumping unit. The equipment is equipped with high-pressure lines according to the current safety requirements of the industry.

All the Company's commitments were managed in conditions of financial balance, assuring all-cash availabilities for full and timely payment of the commercial commitments, salaries, and state budget payments. The sound liquidity position has allowed the Company to fully finance working capital from its own sources.

Rompotrol Well Services S.A. was established in 1951 as a state-owned company, subordinated to the Ministry of Oil and Chemistry, under the name "ICOTS" (Întreprinderea de Cimentări, Operațiuni și Transporturi Speciale – Emprise for cementing, Operations and Special Transports). Since 1990, the Company became Petros Ploiesti and in 1998 it was listed on the Bucharest Stock Exchange. In 2000 "The Rompotrol Group" (now KMG International) has taken over the majority stake, now holding a participation share of 73%.

RON

	12 months 2021	12 months 2020	Q IV 2021	Q IV 2020
Operating income, out of which:	45,961,136	48,595,858	13,392,577	12,411,789
Rendered services	44,185,086	47,249,182	12,476,863	11,678,612
Operating expenses	(46,227,637)	(47,713,572)	(13,500,784)	(11,857,246)
Operating result	(226,501)	882,286	(108,207)	554,543
EBITDA^{*)}	4,275,490	5,935,124	1,818,899	1,890,679
Net financial income	2,040,690	3,747,231	481,969	835,167
NET RESULT	1,629,635	4,362,955	355,063	1,612,083

^{*)} EBITDA = Operating result – value adjustments on fixed assets and current assets – adjustments on provisions

The full version of the Report on the preliminary financial results of Rompotrol Well Services SA (currently being audited) on 31.12.2021, is available on the Company's website: <https://petros.ro/relatia-cu-investitorii/rezultate-financiare-si-rapoarte/rapoarte-anuale> or on the website of the Bucharest Stock Exchange starting with 28.02.2022.

GENERAL MANAGER,
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