



SUPPLEMENTARY ANNOUNCEMENT REGARDING THE COVID-19 PANDEMIC

MOTOR OIL (HELLAS) CORINTH REFINERIES S.A. ("The Company") following the Hellenic Capital Market Commission letter dated 29.10.2020, with regard to the measures taken to mitigate the implications of the COVID-19 outbreak in the operation of the Company, issues the following supplementary note relating to its half year financial statements dated 30.6.2020.

The COVID-19 pandemic outbreak and the subsequent measures adopted as a means to prevent its spread, resulted in the creation of a negative economic and social climate, both at international and domestic level, which had a significant impact on the internationalized sector of oil refining and trading of petroleum products since the beginning of the year 2020.

The management of the Company is knowledgeable that the sector of oil refining and trading of petroleum products, by definition internationalized, belongs to those entrepreneurial categories notably impacted by the world economy slowdown as a result of the spread of the coronavirus.

Specifically, during the March – June 2020 period, the imposed transportation ban worldwide and the subsequent unprecedented demand drop for liquid fuels, led to the lowering of the demand for crude oil and petroleum products.

The oversupply of crude at a greater scale than the available storage capacity, caused a sharp and deep drop of crude prices to which the petroleum product prices did not adjust immediately.

The crude prices started to rebound within May – June 2020 following the reduction of the production from OPEC and Russia, combined with the increase of demand after the restart of the international economy.

It is noted that the Company sales consistently exceed the annual production capacity of its Refinery by a significant percent and at the same time the Company delivers refining margins at the top end of the sector. Nevertheless, the reduction of the sales volume due to the lower demand, combined with the tightening of benchmark refining margins, which moved to negative territory on certain occasions, and above all the sharp drop of crude and petroleum product prices had a negative impact on the Company first half 2020 financial results. It must also be noted that as of today the Company has taken all necessary measures, as analyzed next, to secure the uninterrupted supply of its Refinery with crude and feedstocks as well as its usual production operability, while no disruptions are expected in the foreseeable future. At the same time all the retail fuel outlets and other business segments of the Group remain fully operational.

The management of the Company and the Group constantly monitors and carefully evaluates the circumstances and the probable implications to the operations of the Group taking initiatives believed to tackle in the best possible manner the impact due to the pandemic.

More specifically, the management of the Group has secured additional credit of approximately Euro 320 million regarded as adequate for the uninterrupted continuation of its operations and the completion of the programmed capital expenditure projects.



Moreover, the Company and all major Greek based subsidiaries of the Group utilized the new fiscal and tax policies and regulations of the state regarding non-payment of the tax advance thus securing additional liquidity (Company: approximately Euro 68 million, Group: approximately Euro 71 million). Furthermore, the subsidiaries of the Group which rent retail fuel outlets, utilized the relevant clause regarding the reduction of rental rates due to the COVID-19 thus saving the amount of approximately Euro 1 million.

Also the Company competed at the beginning of the pandemic the programmed turnaround of the mild hydrocracker complex which, due to the preventive measures for the protection of the health and safety of the Refinery workforce, would not be possible to be performed later. This way the Company was not affected by the initial significant drop of demand.

It is also noted that since the early stages of witnessing the coronavirus incidents in the domestic front, the Group set out emergency plans in order to secure the continuation of its core business and the uninterrupted provision of its services.

Based on the above, the Group took all the necessary measures for the protection of the health of all its employees to avoid the coronavirus being spread in its premises.

Specifically:

- New procedures were established and guidelines were provided to the personnel, aiming in particular to minimize immediate contact, while the body temperature of each employee is taken and checks of mask application is performed on a daily basis to all the staff of the company premises and the working areas in general
- Within the context of remote working arrangements the employees are encouraged and advised to work from home utilizing the capabilities provided by the IT systems and software applications. At the same time, the appropriate procedures for the availability of the key personnel of the Company and the Group are applied.
 - Guidelines were provided and written procedures issued to the personnel aiming to limit the business trips and physical participation to meetings and the utilization of means such as mobile phone devices, teleconferencing practices, electronic correspondence and communication were promoted.
- The personnel is supplied on a daily basis with protection equipment (protective masks) as well as disinfectants
- Hygiene and sterilization procedures are applied to all working premises
- All employees are subjected to virus detection tests while sampling tests are performed regularly.
- The Group donated equipment of Euro 1.2 million to Intensive Care Units in order to support the National Health System
- A vaccination program for all personnel has been activated for the influenza virus

The Group adjusts all the procedures mentioned above on a continuous basis monitoring the constantly changing pandemic circumstances.

Maroussi, 10 November 2020

The Board of Directors