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**PRESS RELEASE**

**The contract for the construction of Residue Upgrade unit in Rijeka refinery signed**

**Zagreb, December 20, 2019 - A contract for the construction of a Residue Upgrade unit was signed today in Zagreb. The value of the signed contract is over HRK 3.3 billion, while the total investment in the project is around HRK 4 billion. This is the first step towards realization of the project after the INA Management and Supervisory Boards made a decision on the investment last week, supported both by the Croatian Government and MOL as the two major shareholders. The agreement was signed by Sándor Fasimon, President of Management Board of INA and Ivan Krešić, a member of INA Management board, and Pierroberto Folgiero, Managing Director of KT - Kinetics Technology, which will be the main contractor.**

Sándor Fasimon said: *“The construction of the unit is one of the largest investments in the history of the company in Croatia which is why we have carefully studied and analysed all the offers and details received. I believe that KT is the best choice for this project, given their extensive experience in this field and the expertise they have. I have no doubt that the cooperation will be excellent and that the works will go according to plan and the unit will be built by 2023.*”

Pierroberto Folgiero said: *“We are very happy for this important acquisition in Europe with a prestigious client like INA. This acquisition enforces the cooperation between INA and KT which started in the 80’s and strengthen the presence of KT in a strategic country like Croatia.”*

KT - Kinetics Technology is an international company based in Italy, specialized in services in the refining and petrochemical industries. The company is a part of Maire Tecnimont Group, and with its know-how and expertise in hydrocarbon processing industry and significant references in the field of Sulphur Recovery Facilities, Gas Processing, Hydrogen and Syngas Production, Refinery Process Units and the supply of Process Fired Heaters, KT is successfully executing projects for the worldwide process industries. The Company operates as a provider of proprietary technologies and as an EPC (Engineering, Procurement, Construction) Contractor in the chemical and oil & gas complexes.

Since the construction of Residue Upgrade unit is a complex and comprehensive project, a number of specialized companies will be involved in implementation besides KT. The process will also include numerous sub-contractors from Croatia as well.

Just to remind, due to Residue Upgrade unit, the product structure of Rijeka Refinery will improve by increasing the share of profitable white products, i.e. motor fuels. Our production will cover all market demand and eliminate import. Works on the new unit are expected to start soon, while commission is planned for 2023.

**About INA Group**

INA Group plays a leading role in Croatia’s oil business and a significant regional role in hydrocarbon exploration and production, oil processing, and the distribution of oil and oil products. INA Group consists of several affiliated entities, entirely or partially owned by INA, d.d. The Group is based in Zagreb, Croatia. INA has hydrocarbon exploration and production operations in Croatia, Angola, and Egypt. The oil is processed at INA’s oil refineries - RN Rijeka and RN Sisak, while INA’s regional retail network includes more than 500 retail sites in Croatia and the neighbouring countries. INA Group is a member of MOL Group.

**PR**

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