

## PETROPERÚ S.A. - INVESTMENT PROJECT SHEETS REFINERY MODERNIZATION

### 1. Description

The Talara Refinery Modernization Project is an engineering, supply and construction megaproject, which consists of the installation of new process units and facilities aimed at improving the quality of products, increasing the refinery's production capacity and new, more complex, processes with more advanced technology. The economic and socio-environmental benefits are as follows:

- Process heavier and cheaper crudes.
- Improve the octane value of gasoline.
- Reduce the production of residuals.
- Implement new facilities that the Modernized Refinery will require.
- Produce cleaner fuels with higher commercial value."

### 2. Components of the investment

- Feasibility study.
- Environmental Management.
- Social Management.
- Financial Advisory
- Interest on Financing.
- FEED - EPC.
- PMC - PMO.
- Social Projects
- Complementary Facilities.
- Administrative costs of surety letter.
- Import fees for materials and equipment.
- Improvement of the spent soda treatment.
- Basic services.
- Fixes to operating systems.
- Acquisition of laboratory equipment.
- Auxiliary units.

### 3. Funding source

The funding structure of the PMRT is as follows:

- Capital Contribution: USD 325 MM.
- Own Resources: USD 821 MM.
- Issuance of Bond I (15 and 30 years): USD 2,000 MM.
- Financing guaranteed by the Export Credit Insurance Company (CESCE): USD 1.3 billion.
- Issue or Syndicated Borrowing: USD 148 MM (in structuring process).
- Issuance of Bond II: USD 1.155 billion.

#### 4. Physical and financial progress to Q2

Components	Financial Progress (M S/)				Physical Progress <sup>2</sup> (%)	
	Total Investment <sup>1</sup>	Cumulative execution	Budget Year 2022 <sup>1</sup>	Execution Year 2022	Scheduled for Q2	Real to Q2
Project management	385,613	381,165	32,797	25,203	LOE <sup>3</sup>	LOE <sup>3</sup>
Financial Consulting	37,371	20,032	19,434	840	LOE <sup>3</sup>	LOE <sup>3</sup>
FEED services	47,169	40,802	6,770	0	LOE <sup>3</sup>	LOE <sup>3</sup>
PMC Services	1,198,113	1,145,707	115,021	52,188	LOE <sup>3</sup>	LOE <sup>3</sup>
Technologies and Licenses	95,924	50,477	52,379	3,695	LOE <sup>3</sup>	LOE <sup>3</sup>
PMRT Social Projects	72,495	50,154	27,856	3,717	LOE <sup>3</sup>	LOE <sup>3</sup>
Acquisition of real estate in Talara	30,226	27,674	2,734	18	LOE <sup>3</sup>	LOE <sup>3</sup>
Interest on Financing	2,501,153	2,507,973	0	0	LOE <sup>3</sup>	LOE <sup>3</sup>
EPC Phase - PMRT - USD	5,819,598	5,617,556	59,759	18,810		
EPC phase - PMRT - EUR	2,798,967	2,633,786	101,668	6,169		
EPC Phase - PMRT - YEN	147,643	142,304	5,918	46		
Variations Approved by PO	844,825	800,705	285,639	184,593		
EURO 6 impact on EPC Process Units	72,386	72,190	29,601	267	99.97%	99.36%
Jobs Assumed by PP by Agreement of Principles	119,206	34,918	46,050	12,075		
Amount for longer term of execution EPC (Agreement of Principles: P&M, EoT, Risks, Vendors)	1,139,422	1,470,815	131,641	223,698		
Complementary PMRT Facilities	152,538	138,175	15,310	25.5	LOE <sup>3</sup>	LOE <sup>3</sup>
EPC Bond Letter Costs	105,897	103,258	36,501	31,321	LOE <sup>3</sup>	LOE <sup>3</sup>
PMO services	114,708	114,707	0	0	LOE <sup>3</sup>	LOE <sup>3</sup>
Fees for materials and equipment.	9,687	3,991	6,059	3	LOE <sup>3</sup>	LOE <sup>3</sup>
Sanitation of operating systems	108,642	95,484	13,988	0	LOE <sup>3</sup>	LOE <sup>3</sup>
New buildings technical area	180,669	180,580	0	-2,736	100.00%	94.17%

Complementary Works	466,213	371,765	81,489	-19,240	100.00%	94.17%
Basic services TR Camps	10,253	2,757	8,059	72	LOE <sup>3</sup>	LOE <sup>3</sup>
Access control	10,931	8,246	3,230	327	LOE <sup>3</sup>	LOE <sup>3</sup>
Exec. Auxiliary Units	2,643,640	2,750,306	153,420	357,320	100.00%	94.17%
El Faro Hill	44,274	44,279	0	1	100.00%	100.00%
Services and Supplies for Commissioning	212,068	99,445	137,486	21,103	LOE <sup>3</sup>	LOE <sup>3</sup>
Capital Spare Parts for Return		763	0	763		
Agreements of Principles - Cobra	207,791	71,995	29,151	7,172	(*)	(*)
Change Orders - Cobra	292,469	257,633	312,525	29,530	(*)	(*)
O&M Services for COM and Start-up	17,092	0	16,041	0		
Acquisition of PMRT Vehicles	330	330	0	0	LOE <sup>3</sup>	LOE <sup>3</sup>
Demolition and Construction of Villarreal School Buildings	14,006	14,036	0	0	100.00%	100.00%
Demolition and Construction of DICAPI Buildings	12,666	158.52305	13,436	159	(**)	(**)
Insurance and Guarantees to be contracted by PETROPERÚ	46,800	46,998	4,045	3,902	LOE <sup>3</sup>	LOE <sup>3</sup>
Temporary Utilities for Pre-Commissioning	55,940	45,328	14,537	2,919	LOE <sup>3</sup>	LOE <sup>3</sup>
PMRT Contingencies			0	0	LOE <sup>3</sup>	LOE <sup>3</sup>
<b>Total</b>	<b>20,016,726</b>	<b>19,346,493</b>	<b>1,762,542</b>	<b>963,959</b>	<b>99.98%</b>	<b>97.84%</b>

1. On 03.24.2022, with Board Agreement 033-2022-PP, the update of the Investment Amount of the PMRT was approved. Likewise, the updating of the 2022 Budget of the project was authorized.
2. Progress calculated based on the Work Breakdown Structure (WBS) of the Project.
3. LOE (Level of Effort): Activity that does not produce final final products and that is measured over time, that is, it does not generate physical progress. These activities are directly related to the integrated progress of the Project.

(\*) Physical progress is reported within Cobra's comprehensive advance.

(\*\*) These data will be reported once the contractor in charge of executing this work presents the contractual execution schedule.

## 5. Main activities carried out and current situation

- To date, there is a technical acceptance of Master Schedule Level 3 Rev.9 presented by Técnicas Reunidas and is in the process of approval by the corresponding levels of PETROPERÚ. For Auxiliary Units, there is an estimate by Cía. Supervisora CPT and is subject to modification when the EPC Cobra-SCL Contractor presents its updated Master Schedule. At the same time, it is necessary to indicate that Rev. 10 of the schedule proposed by Técnicas Reunidas is being analyzed.
- With A.D. No. 033-2022-PP dated 03.24.2022 the investment amount of the project was updated, amounting to 5,083.9 MMUSD (without operating interest).
- The overall progress of the project is 97.84% vs. 99.98% programmed.
- The integral progress of the EPC Contract signed with Reunited Techniques (Process Units) is 99.36%.
  - Engineering Progress: 100.00%.
    - Advance of Procurement: 99.99%.
    - Construction Progress: 99.60%.
    - Commissioner Advance: 79.70%
- The Integral Advance of the EPC Contract with the Consortium Cobra SCL UA&TC is 94.17%.
  - Engineering progress: 99.71%.
  - Procurement progress: 96.26%.
  - Construction Progress: 94.82%.
  - Commissioner's progress: 55.63%.
- The total labor force as of June 30, 2022 was 3,288 jobs; the unskilled local labor force had a participation of 96.7% (out of a total of 421 Unskilled), exceeding the minimum established in the EIA (70%). Meanwhile, the local skilled labor force had a participation of 55.5% (out of a total of 2,867 Skilled)."



/Petroperu



/@petroperu\_sa



/canalpetroperu



/petroperu