

Highlights Q2/22ⁱ

Group

- ▶ Clean CCS Operating Result at RON 3.7 bn, 330% higher, in the context of unprecedentedly high and volatile commodity prices driven by the geopolitical context
- ▶ Clean CCS net income attributable to stockholders at RON 3.0 bn, up 341%
- ▶ Cash flow from operating activities at RON 3.7 bn, 148% higher
- ▶ CAPEX at RON 0.8 bn, up 19%
- ▶ Free cash flow after dividends improved to RON 1.1 bn from an outflow of RON 0.4 bn
- ▶ Clean CCS ROACE at 26.9%, 20 pp higher
- ▶ TRIR: 0.48 (Q2/21: 0.53)ⁱⁱ

Exploration and Production

- ▶ Clean Operating Result at RON 1,889 mn vs. RON 473 mn in Q2/21, mainly due to higher oil and gas prices as well as stronger USD
- ▶ Production decreased by 10.2%, mainly due to divestments and high natural decline
- ▶ Production cost improved by 12% to USD 10.9/boe, mainly driven by a one-off effect and favorable FX, partly offset by lower production available for sale

Refining and Marketing

- ▶ Clean CCS Operating Result at RON 1,197 mn, up 197%, mainly reflecting favorable refining margins environment
- ▶ OMV Petrom indicator refining marginⁱⁱⁱ at USD 24.4/bbl, up 473% on higher product spreads, mainly for diesel and gasoline
- ▶ Refinery utilization rate at 86%, compared to 91% in Q2/21, reflecting planned maintenance in April
- ▶ Retail volumes 1% higher, however on lower margins

Gas and Power

- ▶ Clean Operating Result at RON 816 mn vs. RON 61 mn in Q2/21, with higher contributions from both gas and power lines of business
- ▶ Slightly lower gas sales volumes enabled by third party gas acquisitions, in the context of lower market demand
- ▶ Higher net electrical output at 1.1 TWh, supported by improved availability and very good optimization of the power plant

Key events

- ▶ OMV Petrom announced in June the first batch of sustainable aviation fuel at Petrobrazî
- ▶ OMV Petrom and Auchan Romania reached more than 200 MyAuchan stores in Petrom stations
- ▶ On July 26, the OGMS approved the distribution of RON 0.045/share special dividend, leading to record high dividends: base dividends of RON 1.9 bn paid from June 6 and special dividends of RON 2.5 bn to be paid starting September 2

ⁱ All comparisons described relate to the same quarter in the previous year except where mentioned otherwise.

ⁱⁱ Total Recordable Injury Rate; the number of recordable injuries (fatalities + lost workday cases + restricted work day cases + medical treatment cases) calculated as 12 months rolling average per 1,000,000 hours worked.

ⁱⁱⁱ Starting Q2/22, the refining indicator margin reflects the change in crude oil reference price from Urals to Brent in OMV Petrom.

Financial highlights

Q2/22	Q1/22	Q2/21	Δ% ¹	in RON mn	6m/22	6m/21	Δ%
13,683	11,898	5,264	160	Sales revenues ²	25,581	10,126	153
3,660	2,241	851	330	Clean CCS Operating Result³	5,901	1,504	292
1,889	1,106	473	300	Clean Operating Result Exploration and Production ^{3,4}	2,995	784	282
1,197	626	403	197	Clean CCS Operating Result Refining and Marketing ³	1,824	710	157
816	727	61	n.m.	Clean CCS Operating Result Gas and Power	1,543	243	n.m.
(15)	(22)	(9)	(64)	Clean Operating Result Co&O ³	(37)	(33)	(11)
(228)	(195)	(77)	(196)	Consolidation	(423)	(199)	(113)
17	17	17	(3)	Clean CCS Group effective tax rate (%)	17	17	1
2,980	1,788	675	341	Clean CCS net income ³	4,768	1,195	299
2,980	1,788	675	341	Clean CCS net income attributable to stockholders^{3,6}	4,768	1,195	299
0.0526	0.0316	0.0119	341	Clean CCS EPS (RON) ^{3,6}	0.0842	0.0211	299
3,660	2,241	851	330	Clean CCS Operating Result³	5,901	1,504	292
(450)	(162)	(403)	(12)	Special items ⁵	(612)	(464)	(32)
322	107	83	290	CCS effects: Inventory holding gains/(losses)	429	197	118
3,532	2,185	531	n.m.	Operating Result Group	5,718	1,237	362
1,887	1,105	357	429	Operating Result Exploration and Production ⁴	2,992	659	354
1,590	707	511	211	Operating Result Refining and Marketing	2,298	998	130
323	599	(240)	n.m.	Operating Result Gas and Power	922	(107)	n.m.
(40)	(30)	(20)	(98)	Operating Result Co&O	(70)	(54)	(30)
(228)	(195)	(77)	(196)	Consolidation	(423)	(259)	(64)
(91)	(82)	(38)	(143)	Net financial result	(173)	(72)	(140)
3,441	2,104	493	n.m.	Profit before tax	5,545	1,165	376
16	17	18	(10)	Group effective tax rate (%)	16	16	2
2,898	1,748	406	n.m.	Net income	4,646	980	374
2,898	1,748	406	n.m.	Net income attributable to stockholders⁶	4,646	980	374
0.0512	0.0309	0.0072	n.m.	EPS (RON) ⁶	0.0820	0.0173	374
3,746	2,640	1,510	148	Cash flow from operating activities	6,386	2,662	140
1,111	1,911	(423)	n.m.	Free cash flow after dividends	3,022	1	n.m.
(12,337)	(11,257)	(6,474)	91	Net debt/(cash) including leases	(12,337)	(6,474)	91
(12,987)	(11,927)	(7,127)	82	Net debt/(cash) excluding leases	(12,987)	(7,127)	82
760	629	637	19	Capital expenditure	1,389	1,208	15
26.9	17.8	7.4	265	Clean CCS ROACE (%) ³	26.9	7.4	265
25.3	15.5	5.0	411	ROACE (%)	25.3	5.0	411
7,839	7,907	8,747	(10)	OMV Petrom Group employees end of period	7,839	8,747	(10)
0.48	0.33	0.53	(9)	TRIR ⁷	0.41	0.48	(15)

¹ Q2/22 vs. Q2/21

² Sales revenues excluding petroleum excise tax;

³ Adjusted for special items; Clean CCS (current cost of supply) figures exclude special items and inventory holding effects (CCS effects) resulting from Refining and Marketing; special items include temporary hedging effects (in order to mitigate Income Statement volatility);

⁴ Excluding intersegmental profit elimination shown in the line "Consolidation";

⁵ Special items, representing exceptional, non-recurring items, are added back or deducted from the Operating Result; for more details please refer to each specific segment;

⁶ After deducting net result attributable to non-controlling interests;

⁷ Total Recordable Injury Rate; the number of recordable injuries (fatalities + lost workday cases + restricted work day cases + medical treatment cases) calculated as 12 months rolling average per 1,000,000 hours worked;

Outlook for the full year 2022

All the below is based on the assumption of no significant lockdowns and no significant supply disruptions.

Market environment

- ▶ For the full year 2022, OMV Petrom expects the **average Brent oil price** to be above USD 100/bbl (previous guidance: around USD 95/bbl; 2021: USD 71/bbl)
- ▶ **Refining margin** is expected to be above USD 15/bbl (2021: USD 5.5/bbl^{iv})
- ▶ **Retail demand for oil products** is expected to be broadly flat; market demand for **gas and power** is expected to be lower than in 2021
- ▶ Temporary measures were introduced for the gas and power markets applicable between April 2022 – March 2023 with regards to prices, margins, storage and taxes; also measures to reduce fuel prices are applicable in Q3/22 on a voluntary basis

Financial highlights

- ▶ **CAPEX** is anticipated to increase to around RON 4 bn, depending on the investment climate (2021: RON 2.8 bn)
- ▶ We expect a **positive free cash flow after dividends** (2021: RON 3 bn)
- ▶ **Attractive returns to shareholders**: a base dividend of RON 0.0341/share (10% higher yoy) was paid starting June and a special dividend of RON 0.0450/share was approved by the OGMS and will be paid starting September

Strategic direction: Optimize traditional business

Exploration and Production

- ▶ **Production**: contain decline below 7% yoy in Romania, excluding portfolio optimization (previously around 7%; 2021: -7.6%)
- ▶ **Portfolio optimization**: continue to focus on the most profitable barrels, through assessing selective fields divestments
- ▶ **Investments**: around RON 2.6 bn (2021: RON 2.0 bn): drill around 60 new wells and sidetracks and perform around 600 workovers (2021: 36 new wells and sidetracks; 695 workovers)

Refining and Marketing

- ▶ **Partnership with Auchan**: accelerate to more than 280 MyAuchan stores in upgraded Petrom-branded filling stations at year-end, ahead of plan (at year-end 2021: 128 stores)
- ▶ The **refinery utilization rate** is estimated to be above 95% (2021: 97%)
- ▶ Total **refined product sales** are forecasted to be broadly similar to previous year (2021: 5.3 mn t)

Gas and Power

- ▶ Total **gas sales volumes** are estimated to be lower yoy (2021: 49 TWh), mainly on lower supply
- ▶ **Net electrical output** is forecasted to be higher yoy (2021: 4.8 TWh)

Strategic direction: Grow regional gas

- ▶ **Neptun Deep**: transfer of operatorship to OMV Petrom is expected in Q3/22; assuming key prerequisites are in place, final investment decision is estimated in mid-2023
- ▶ **Han Asparuh offshore Bulgaria**: spud one exploration well in 2023 and continue prospectivity and evaluation
- ▶ **Georgia Offshore Exploration Block II**: seismic acquisition tendering ongoing; timing to be determined

Strategic direction: Transition to low and zero carbon

- ▶ We target to **reduce carbon intensity** by 30% until 2030 vs. 2019 (2021: ~10% lower vs. 2019)
- ▶ **Alternative mobility**: approximately 100 recharging stations will be installed at year-end
- ▶ Progress in developing a **renewable power portfolio via partnerships**
- ▶ Project development towards producing **sustainable aviation fuel and second generation bioethanol**

^{iv} Based on Urals

Business segments

Second quarter 2022 (Q2/22) vs. second quarter 2021 (Q2/21)

Exploration and Production

- ▶ **Clean Operating Result** at RON 1,889 mn vs. RON 473 mn in Q2/21, mainly due to higher oil and gas prices and stronger USD
- ▶ **Production** decreased by 10.2% mainly due to divestments and high natural decline
- ▶ **Production cost** improved by 12% to USD 10.9/boe, mainly driven by a one-off effect and favorable FX, partly offset by lower production available for sale

Clean Operating Result was RON 1,889 mn vs. RON 473 mn in Q2/21, driven by higher oil and gas prices and favorable FX (stronger USD vs. RON), partly offset by higher E&P taxation, electricity and service costs and lower volumes. The average realized crude oil price advanced by 74%, also driven by a change of the transfer price calculation from Urals to Brent starting Q2/22.

Special items amounted to RON (3) mn reflecting sponsoring and restructuring costs in Q2/22, while in Q2/21 they amounted to RON (116) mn reflecting mainly the recycling of currency translation differences related to the sale of Kazakhstan subsidiaries and personnel restructuring charges. **Reported Operating Result** was RON 1,887 mn vs. RON 357 mn in Q2/21.

Hydrocarbon production decreased by 10.2% due to the divestment of production assets from Kazakhstan in Q2/21 (resulting in a 2.7 kboe/d decrease), the transfer of 40 marginal onshore oil and gas fields to Dacian Petroleum in Q4/21 (resulting in a 1.1 kboe/d decrease), and the high natural decline in the main fields in Romania.

In Romania, hydrocarbon production declined by 8.4% to 10.9 mn boe or 120.1 kboe/d (Q2/21: 11.9 mn boe or 131.1 kboe/d), or 7.6% excluding portfolio optimization. Crude oil and NGL production dropped by 8.0% to 5.2 mn bbl mainly due to high natural decline and the transfer of marginal fields to Dacian Petroleum. Gas production decreased by 8.7% to 5.7 mn boe due to high natural decline in the main fields (Totea Deep and Lebada East), well 4461 Totea South and the transfer of marginal fields to Dacian Petroleum.

Hydrocarbon sales volumes decreased by 10% due to the same factors which affected the production.

Production cost improved by 12% to USD 10.9/boe, mainly due to a one-off effect related to a tax audit and favorable FX, partly offset by lower production available for sale. In Romania, production cost in USD improved by 12% to USD 10.9/boe, while in RON terms it was relatively stable at RON 50.9/boe.

Exploration expenditures increased to RON 31 mn, due to higher drilling costs for wells.

Exploration expenses decreased to RON 15 mn, due to lower write-offs and less geological and geophysical studies.

Capital expenditure increased to RON 569 mn, due to higher investments for workovers, energy efficiency and EOR projects as well as for running business projects.

Refining and Marketing

- ▶ **Clean CCS Operating Result** at RON 1,197 mn, up 197%, mainly reflecting favorable refining margins
- ▶ **OMV Petrom indicator refining margin** at USD 24.4/bbl, up 473%, on higher product spreads, mainly for diesel and gasoline
- ▶ **Retail sales volumes** up by 1%, however margins were lower

Refining and Marketing Clean CCS Operating Result increased to RON 1,197 mn in Q2/22 (Q2/21: RON 403 mn), mainly due to higher refining margin, partially offset by lower utilization and lower retail margins. **Reported Operating Result** of

RON 1,590 mn (Q2/21: RON 511 mn), reflected RON 71 mn net special gains (mainly in relation to hedging), as well as positive CCS effects of RON 322 mn.

In the context of an extraordinarily high Urals-Brent differential, triggered by the geopolitical context, starting Q2/22 the transfer price between Exploration & Production and Refining & Marketing is based on Brent instead of Urals, as Urals is no longer a relevant reference. Consequently, starting Q2/22 the refining indicator margin at Petrobrazî is also based on Brent. Historical financials have not been adjusted. For simplicity, comments are based on the evolution of the new refining indicator margin.

OMV Petrom indicator refining margin increased by USD 20.2/bbl to USD 24.4/bbl in Q2/22, as a result of higher product spreads, mainly for diesel and gasoline. The **refinery utilization rate** was 86% in Q2/22 (Q2/21: 91%), impacted by the April planned shut down.

Total refined product sales volumes were up 6% vs. Q2/21, driven by improved demand. Group retail sales volumes, which accounted for 55% of total refined product sales, slightly increased by 1% compared to Q2/21. In addition we registered an improved performance in the non-fuel business margin. Q2/22 non-retail sales volumes increased by 14%, mainly helped by the partial recovery of the aviation business and the increased sales on the local market.

Refining and Marketing investments amounted to RON 141 mn (Q2/21: RON 143 mn). In Q2/22, the majority of the investments were directed for the ongoing major projects in the Petrobrazî refinery for coke drums replacement and for a new crude oil tank, while in Retail for the modernization of MyAuchan stores.

Gas and Power

- ▶ **Clean CCS Operating Result at RON 816 mn vs. RON 61 mn, with higher contributions from both gas and power lines of business**
- ▶ **Slightly lower gas sales volumes enabled by third party gas acquisitions, in the context of lower market demand**
- ▶ **Higher net electrical output at 1.1 TWh, supported by improved availability and very good optimization of Brazi power plant**

Gas and Power Clean Operating Result was RON 816 mn in Q2/22 (Q2/21: RON 61 mn), reaching a record high built on strong business performance in both gas and power lines of activity. **Reported Operating Result** of RON 323 mn (Q2/21: RON (240) mn) reflected RON (493) mn net special charges, mainly in relation to temporary losses from electricity forward contracts.

The excellent gas result was generated mainly by international gas transactions, with volumes acquired at lower prices in previous periods. The very good power business result was supported by the increasing prices and by the higher Brazi power plant production, only partly offset by the negative impact from the power forward sale contracts concluded in previous periods and the newly introduced power over taxation.

As per OMV Petrom's estimates, national **gas** consumption decreased by approximately 19% compared to Q2/21, as some end users consumption was impacted by high energy prices. In addition, the decrease is also due to the higher base effect, with consumption in Q2/21 at unusually high level due to cold weather.

On the Romanian centralized markets, the weighted average price of natural gas for transactions with medium and long-term standardized products concluded in Q2/22 irrespective of delivery period (5.2 TWh) was RON 471/MWh^v (Q2/21: RON 120/MWh). The average price for the quantities delivered during the quarter was RON 406/MWh (Q2/21: RON 80/MWh)^{vii}.

^v OMV Petrom estimates based on available public information;

^{vi} Standard products refers to all products offered on the BRM and OPCOM trading platforms i.e. weekly products, monthly products, quarterly products, gas-year products etc. and the price could include storage related tariffs in connection with the gas volumes sold/extracted from storage;

^{vii} Based on monthly data, as published by BRM on <https://www.brm.ro/cotatii-gaze-naturale/>; retrieved on July 26th, 2022;

Regarding short-term deliveries, on BRM day-ahead market, the average price^{viii} in Q2/22 was RON 506/MWh (Q2/21: RON 116/MWh).

In Q2/22, OMV Petrom's total gas sales volumes were slightly lower, at 11.0 TWh. In the context of supply tightness, we managed to increase third party acquisitions, compensating the lower equity gas production. Gas volumes sold to third parties were 9% lower vs. Q2/21. Gas sales volumes in Romania were at 9.8 TWh, of which around 70% from equity gas and 30% from third parties.

On the centralized markets, OMV Petrom sold 4.0 TWh in standard products in Q2/22 independent of delivery period at an average price in line with the market price^v. At the end of Q2/22, OMV Petrom had 1.5 TWh natural gas in storage (end of Q2/21: 1.4 TWh).

As per currently available information from the grid operator, national **electricity** consumption decreased by 6% in Q2/22 compared to the same quarter of 2021, while national production decreased by 10%. Romania was a net power importer in Q2/22, compared to a net power exporter in Q2/21.

In Q2/22 the Brazi power plant generated a net electrical output of 1.1 TWh, well above the 0.7 TWh in Q2/21, representing 8% in Romania's generation mix. The power plant was in a planned outage for half of its capacity in April 2022 versus full capacity in April 2021.

Gas and Power investments amounted to RON 43 mn (Q2/21: RON 8 mn). In both Q2/22 and Q2/21, the majority of the investments were directed to the Brazi power plant planned outages.

Disclaimer

This report does not, and is not intended to, constitute or form part of, and should not be construed as, constituting or forming part of, any actual offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares issued by OMV Petrom S.A. (the Company) or any of its subsidiaries in any jurisdiction or any inducement to enter into investment activity; nor shall this document or any part of it, or the fact of it being made available, form the basis of, or be relied on in any way whatsoever. No part of this report, nor the fact of its distribution, shall form part of or be relied on in connection with any contract or investment decision relating thereto; nor does it constitute a recommendation regarding the securities issued by the Company. The information and opinions contained in this report are provided as at the date of this report and may be subject to updating, revision, amendment or change without notice. Where this report quotes any information or statistics from any external source, it should not be interpreted that the Company has adopted or endorsed such information or statistics as being accurate.

No reliance may be placed for any purpose whatsoever on the information contained in this report, or any other material discussed verbally. No representation or warranty, express or implied, is given as to the accuracy, fairness or currentness of the information or the opinions contained in this document or on its completeness and no liability is accepted for any such information, for any loss howsoever arising, directly or indirectly, from any use of this report or any of its content or otherwise arising in connection therewith.

This report may contain forward-looking statements. These statements reflect the Company's current knowledge and its expectations and projections about future events and may be identified by the context of such statements or words such as "anticipate," "believe", "estimate", "expect", "intend", "plan", "project", "target", "may", "will", "would", "could" or "should" or similar terminology. By their nature, forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control that could cause the Company's actual results and performance to differ materially from any expected future results or performance expressed or implied by any forward-looking statements.

None of the future projections, expectations, estimates or prospects in this report should in particular be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared or the information and statements contained herein are accurate or complete. As a result of these risks, uncertainties and assumptions, you should in particular not place reliance on these forward-looking statements as a prediction of actual results or otherwise. This report does not purport to contain all information that may be necessary in respect of the Company or its shares and in any event each person receiving this report needs to make an independent assessment. The Company undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this report that may occur due to any change in its expectations or to reflect events or circumstances after the date of this report. This report and its contents are proprietary to the Company and neither this document nor any part of it may be reproduced or redistributed to any other person.

Contact

OMV Petrom Investor Relations

Tel: +40 372 161930; Fax: +40 21 30 68518

E-mail address: investor.relations.petrom@petrom.com

^{viii} Average computed based on daily trades published on BRM platform.