



## **Christina Verchere**

Chief Executive Officer and President of the Executive Board

## **Alina Popa**

Chief Financial Officer

The spoken word applies. Check against delivery.

## Christina Verchere – OMV Petrom – CEO

### Slide 1 – Intro

Good afternoon, ladies and gentlemen, and a warm welcome from my side. Thank you for joining our call. It is a real pleasure to present to you today OMV Petrom's performance for the first quarter of 2023.

### Legal disclaimer

This presentation 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 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 presentation, 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 presentation and any other information discussed in this presentation are provided as at the date of this presentation, have not been independently verified and may be subject to updating, revision, amendment or change without notice. Where this presentation 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 presentation, or any other material discussed verbally. No representation or warranty, express or implied, is given as to the accuracy, fairness or correctness 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 presentation or any of its content or otherwise arising in connection therewith.

This presentation 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.

None of the future projections, expectations, estimates or prospects in this presentation, including (without being limited to) zero emission target, EBIT target, dividend, production evolution, price assumptions should 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. By their nature, forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control, including (without being limited to): (a) price fluctuations and changes in demand for Company's products; (b) currency fluctuations; (c) drilling and production results; (d) reserves estimates; (e) loss of market share and industry competition; (f) environmental risks; (g) changes in legislative, fiscal and regulatory framework; (h) economic and financial market conditions in countries of operation; (i) political risks; (j) risks associated with the impact of pandemics, such as the COVID-19 (coronavirus); and (k) changes in trading conditions, 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. 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 presentation 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 presentation needs to make an independent assessment.

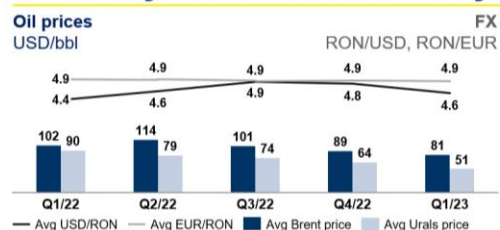
The Company undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this presentation that may occur due to any change in its expectations or to reflect events or circumstances after the date of this presentation.

This presentation 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.

**Slide 2 – Legal Disclaimer**

Please let me first draw your attention to our Legal Disclaimer, which you can read in detail on slide 2.

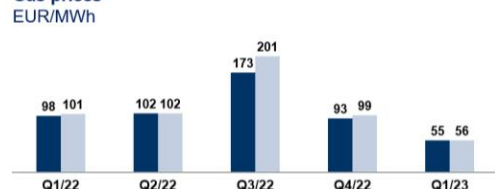
## Volatile yet lower commodity prices



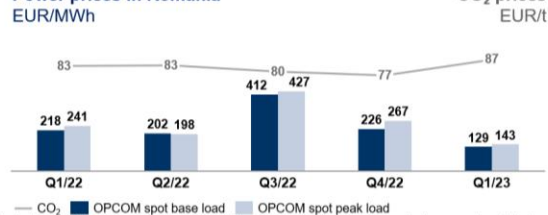
### OMV Petrom indicator refining margin<sup>1</sup>



### Gas prices<sup>2</sup>



### Power prices in Romania<sup>2</sup>



<sup>1</sup> Starting Q2/22, the indicator refining margin reflects the change in crude oil reference price from Urals to Brent. The values of the indicator refining margin for the previous periods were not restated;  
<sup>2</sup> Prices translated at NBR average RON/EUR rate; <sup>3</sup> Day-ahead price, un-weighted average computed based on daily trades published on BRM platform; <sup>4</sup> Day-ahead market Central European Gas Hub, un-weighted average

3 | OMV Petrom Q1/23 Results



### Slide 3 – Volatile yet lower commodity prices

Let me start by taking a look at the evolution of commodity prices and our main currencies in the first quarter of 2023.

Brent price continued its decline in the first quarter and averaged 81 dollars per barrel, 9 percent lower versus the previous quarter. In a year-on-year comparison, the average Brent price was down by 21 percent.

In the first quarter of 2023 and on a year-on-year basis, the RON depreciated versus the US dollar by 4 percent, but remained broadly stable against the Euro, supported by the central bank's interventions in the market.

OMV Petrom indicator refining margin reached 16 dollars and 61 cents per barrel in the first quarter, one dollar and 70 cents lower compared with the Urals based indicator refining margin from first quarter of 2022, also as a result of a decrease in product spreads, mainly for diesel.

In the natural gas market, the European spot prices fell by more than 40 percent during the quarter due to high storage levels as well as a mild winter.

At an average of 56 Euro per megawatt-hour, the CEGH price was down by around 45 percent both quarter-on-quarter and year-on-year.

Gas prices on the Romanian centralized market also decreased, with day-ahead prices 44 percent lower year-on-year to an average of 55 Euro per megawatt-hour.

Base load electricity prices in Romania, in Euro terms, increased 41 percent versus the first quarter of 2022, however decreased by 43 percent from the high levels recorded in the fourth quarter of 2022. Average market spark spread was negative in the first quarter, as the electricity price decrease outpaced the gas price decrease.

The average CO<sub>2</sub> price reached a record high of 87 Euro per ton, due to the upcoming compliance period.

## Romanian environment: negative demand evolution



Demand	Q1/23 yoy	2022 yoy
Fuels <sup>5</sup>	-3%	+2%
Gas <sup>6</sup>	-13%	-16%
Power <sup>7</sup>	-10%	-8%

<sup>1</sup> Romanian National Institute of Statistics (seasonally adjusted); <sup>2</sup> IMF, April 2023; <sup>3</sup> National Bank of Romania (February 2023 report); <sup>4</sup> Fitch (March 2023), Moody's, S&P (October 2022); <sup>5</sup> Fuels refer only to retail diesel and gasoline; OMV Petrom estimates; <sup>6</sup> According to company estimates; <sup>7</sup> According to preliminary data available from the grid operator

4 | OMV Petrom Q1/23 Results





### Slide 4 – Romanian environment: negative demand evolution

Moving to the macroeconomic environment, the latest available data shows that in the fourth quarter of 2022 Romanian GDP increased by 5 percent year-on-year, mostly supported by services and construction. In April, the IMF estimated the GDP growth for 2023 to be 2.4 percent, down from the previous forecast of 3.1 percent made in October last year. For 2024, the GDP growth was also slightly corrected to 3.7 percent, from the previous forecast of 3.8 percent. Romania's economy is set to slow down due to high inflation, tighter financial conditions and the risks and uncertainties generated by the prolonged war in Ukraine and the related sanctions.

The consumer price index in the month of March 2023 versus March 2022 was 14.5 percent, driven primarily by energy prices and their impact on associated goods and services. For 2023, the National Bank of Romania estimates a gradual decrease of the inflation rate, being more significant in the second half, with an average of 7 percent for the full year.

Looking at the energy sector in the first quarter of 2023, and in the context of the still high energy prices and inflation concerns, the demand for all our products decreased in Romania, with a significant reduction for gas and power.

Demand for retail fuels in Romania decreased by around 3 percent year-on-year, considering the high base effect from the first quarter of last year, at the start of the Ukraine conflict, while the commercial market demand increased by 2 percent year-on-year. Jet demand continued to recover, increasing by 44 percent year-on-year, and for the first time exceeded pre-pandemic levels.

According to our internal estimates, gas demand decreased by 13 percent year-on-year, the lowest level for a first quarter in the last two decades, as a result of warm weather and low industrial demand.

Power demand was lower by 10 percent year-on-year, while domestic power production increased by 4 percent year-on-year, Romania being a net exporter of power in the first quarter. Power production from hydro had a significantly higher contribution to the generation mix, gas was stable, while wind, coal and nuclear generation decreased year-on-year.

## High regulatory interventions

### Regulations in place

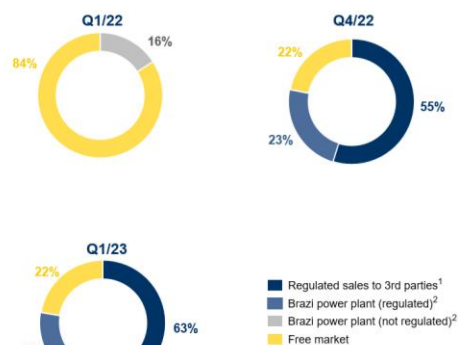
#### Gas and power market:

- ▶ **Law 357/2022:** approving GEO 119/2022; applicable until Mar 2025
- ▶ **GEO 153/2022:** obligation to sell a significant part of the electricity produced at a fixed price; applicability Jan 2023 – Mar 2025

#### EU solidarity tax - GEO 186/2022

- ▶ Implements in Romanian legislation the solidarity contribution for fossil fuel companies provided by the EU Regulation 1854 2022
- ▶ Related law sent back to Parliament for review

### Increasingly regulated gas sales portfolio



<sup>1</sup> Includes sales quantities subject to GEO 27/2022 and GEO 119/2022 (households, heat producers for households, cost plus, trading, supplier of last resort); <sup>2</sup> Brazi power plant is subject to GEO 119/2022 starting September 2022

5 | OMV Petrom Q1/23 Results





### Slide 5 – High regulatory interventions

In our previous calls, we mentioned the temporary measures implemented by the Romanian Government to address the high gas and power prices, applicable starting April 2022.

These regulatory measures were in place for the whole first quarter of 2023 and, as a result, almost 80 percent of our gas portfolio was subject to the new regulations. And for the full year 2023, we currently estimate that 90 percent of our gas portfolio will be regulated.

When it comes to power, starting January 2023, given the regulatory framework, all our power sales in Romania are subject to some form of regulation or taxation.

As mentioned previously, we recognize the need for the government to support consumers in these very unusual times. However, frequent interventions, particularly in the gas and power segments, and lack of consultations, bring volatility and instability for the market participants and increased risks of market disfunctions, including related to the security of supply. Price caps may support demand, but are a disincentive for investments in energy efficiency projects and send distorted signals to the market.

Therefore, interventions should be temporary in nature, targeted mostly to vulnerable consumers and taken only after robust impact assessment. In the medium term, free market principles are fundamental for investments.

The Government Emergency Ordinance 186/2022, which transposed the EU Regulation for a temporary solidarity contribution into Romanian legislation, is back in the Parliamentary approval process.

## Key messages Q1/23

Strong financial performance		
<b>Clean CCS Operating result</b> RON 2.1 bn <b>-7%</b> yoy	<b>Operating Cash Flow</b> RON 4.7 bn <b>+77%</b> yoy	<b>Clean CCS ROACE</b> 37.3% <b>+19pp</b> yoy
Good operational performance		Strategic focus
<ul style="list-style-type: none"> <li>▶ Contribution from drilling and workover partly offset natural decline</li> <li>▶ Refinery utilization: 98%</li> <li>▶ Refined products sales: +2% yoy</li> <li>▶ Gas sales volume: +3% yoy</li> <li>▶ Broadly similar net electrical output; increased revenues from balancing and ancillary services</li> </ul>		<ul style="list-style-type: none"> <li>▶ Neptun Deep:                             <ul style="list-style-type: none"> <li>▶ transport contract signed with Transgaz</li> <li>▶ FID estimated mid-2023<sup>1</sup></li> </ul> </li> <li>▶ Renewable power: good progress on PV projects</li> <li>▶ Energy transition EU funding: green hydrogen, e-mobility</li> <li>▶ MyAuchan: roll-out accelerated, reached 316 stores</li> </ul>
<b>TRIR<sup>2</sup>: 0.43</b>		<b>GHG intensity<sup>3</sup>: -11%</b>

<sup>1</sup> Assuming key prerequisites in place; <sup>2</sup> Total Recordable Injury Rate, April 2022-March 2023; <sup>3</sup> Greenhouse gases intensity 2022 vs. 2019

### Slide 6 – Key messages Q1/23

On slide 6, we present the key highlights for the quarter.

At Group level, Clean CCS Operating Result of 2.1 billion RON was 7 percent lower year-on-year. Our operating cash flow increased by 77 percent year-on-year, to 4.7 billion RON, helped by changes in net working capital. The Clean CCS ROACE significantly improved to 37 percentage points.

The lower result in Exploration and Production reflects the decrease in oil and gas prices, as well as lower sales volumes. The result in Refining and Marketing was broadly flat year-on-year, lower refining margins being almost offset by higher sales channels performance. In Gas and Power, the result was broadly similar to the first quarter of 2022, supported by strong margins from gas storage and power transactions outside Romania.

In Exploration and Production we recorded lower production, reflecting the natural decline in the main fields, partly offset by the contribution of workovers and new wells. In Refining and Marketing, Petrobrazi refinery had a very good utilization rate, of 98 percent, while our refined product sales increased year-on-year by 2 percent. In Gas and Power, total gas sales volumes increased by 3 percent year-on-year, driven by an overall resilient customer portfolio, as well as sales to the regulated market and to the large number of customers under the supply of last resort mechanism. Brazi power plant delivered a broadly similar net electrical output, with a higher contribution to balancing and ancillary services markets.

We have further focused on delivering on our three strategic directions and preparing OMV Petrom for capturing the energy transition opportunities.

Regarding regional gas and our Neptun Deep strategic project, we reiterate the need for a stable and predictable fiscal and regulatory environment, which is fundamental to ensure future investments. In March, we signed a contract for natural gas delivery from the Black Sea to the National Transport System with Transgaz. Assuming all key prerequisites are in place, we estimate the FID in mid-2023.

As part of Transition to low and zero carbon, we are progressing towards securing EU funding for various low and zero carbon projects. In March, we received the approval for the financing through the Recovery and Resilience National Plan for building a green Hydrogen production facility using water electrolysis. We also accessed an EU grant for further expanding our EV charging network, thus contributing to the creation of a corridor of fast-charging stations in our existing fuel stations. We are also progressing with developing a renewable power portfolio and towards producing sustainable aviation fuel and second-generation bioethanol.

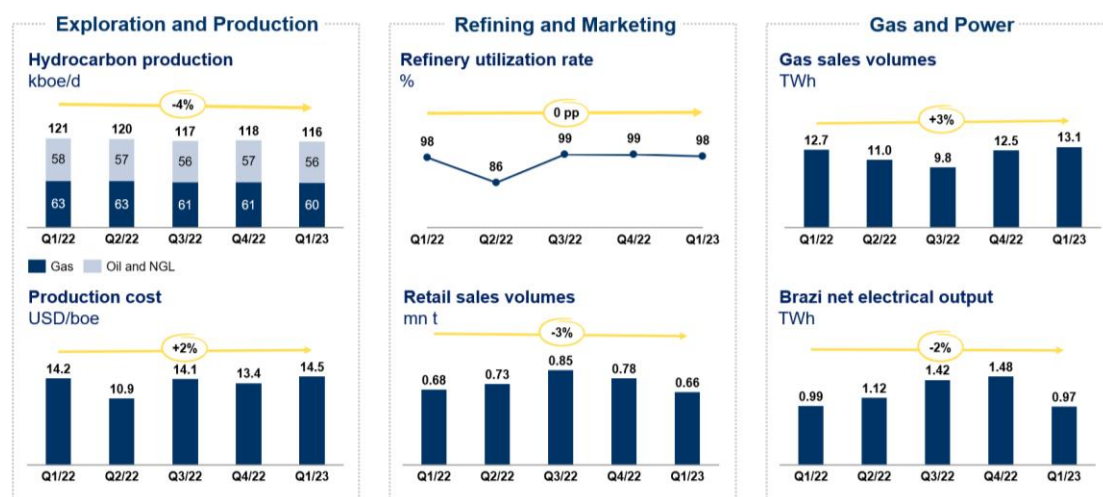
On our third strategic pillar, Optimizing our traditional business, in partnership with Auchan, we reached 316 stores in Petrom-branded filling stations at the end of March and we aim to finalize the roll-out to 400 stores by year-end.

On HSSE, the Total Recordable Injury Rate for the rolling period April 2022 to March 2023 was 0.43.

Moreover, we further continue our efforts to reduce GHG intensity with projects in all three business divisions.

This page was left blank intentionally.

## Good operational performance in the context of lower market demand



7 | OMV Petrom Q1/23 Results



**Slide 7 – Good operational performance in the context of lower market demand**

On slide 7, I would like to present the operational performance and I will start with **Exploration and Production**.

Hydrocarbon production decreased by only 4 percent, reflecting the natural decline in the main fields, partly offset by the contribution of workovers and new wells.

Production cost per barrel of oil equivalent increased by 2 percent year-on-year, to a level of 14 dollars and 48 cents. This was mainly due to lower production available for sale and inflation on most cost items. These were partly offset by the favorable FX evolution. We continue to focus on containing costs and counteracting the pressure coming from suppliers by intensifying our procurement activities.

In **Refining and Marketing**, the refinery utilization rate was well above the European average.

Total refined product sales volumes recorded a 2 percent year-on-year increase, driven by higher non-retail sales. Our Group retail sales volumes were lower by 3 percent, considering the high base effect from the first quarter of 2022 at the start of the Ukraine conflict. Non-retail sales increased by 9 percent year-on-year, mainly helped by the continuous recovery of the aviation business and increased exports.

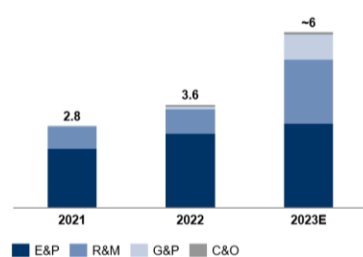
In **Gas and Power**, total gas sales volumes were 3 percent up year-on-year, while gas volumes sold to third parties increased by 4 percent year-on-year. We have proved once more the resilience of our customer portfolio, with new customers brought in. We supplied natural gas to the regulated market – both households and heat producers for household consumption, as per received allocation, as well as to last resort customers. The higher volumes extracted from storage compensated the lower gas supply from both equity and third party sources.

The Brazi power plant generated almost 1 terawatt-hour in the first quarter, broadly flat year-on-year, as the power plant was in planned outage for the entire capacity in both March 2022 and March 2023.



## Increasing CAPEX

Group CAPEX<sup>1</sup>  
RON bn



<sup>1</sup> CAPEX including E&A

8 | OMV Petrom Q1/23 Results

### Q1/23

#### ► RON 1.0 bn:

- 8 new wells and sidetracks; ~130 workovers
- Coke drums replacement
- Preparations for major turnaround in Petrobrazil refinery
- New aromatic unit
- Planned shutdown for Brazil power plant

### 2023E

#### ► RON ~6.0 bn:

- Wells and sidetracks: ~55; ~450 workovers
- Neptun Deep project
- Planned major turnaround in Petrobrazil refinery
- New aromatic unit
- Advanced ethanol and SAF/HVO in Petrobrazil
- Planned shutdown for Brazil power plant
- Additional new renewable power projects

## **Slide 8 – Increasing CAPEX**

Moving now to slide 8, total organic CAPEX amounted to almost 1 billion RON in the first quarter of 2023, 52 percent higher year-on-year.

More than half was directed to Exploration and Production, where we finalized the drilling of 8 new wells and sidetracks, including one exploration well and performed more than 130 workover jobs.

In Refining and Marketing, most of the 0.4 billion RON investments were dedicated to preparations for the major turnaround which is currently taking place at our Petrobrazil refinery, as well as for ongoing projects such as coke drums replacement, a new crude oil tank and new aromatic complex.

In Gas and Power, most investments were directed to the Brazil power plant planned maintenance shutdown.

For 2023, we maintain our investments guidance of around 6 billion RON, approximately 70 percent higher year-on-year, with increased investments dedicated mainly to the Neptun Deep project, accelerated low and zero carbon projects, as well as the Petrobrazil refinery turnaround and related tie-in projects.

## Progress on delivering on our sustainability targets recognized by ESG rating agencies



2022 Sustainability Report published

### Clear support for Paris Climate Agreement



### Improved and increased number of ESG ratings



<sup>1</sup> Group, 2022 vs. 2019; <sup>2</sup> according to Sustainalytics ratings as of end 2022, best score among BVB listed companies; <sup>3</sup> Based on OMV Group's response

9 | OMV Petrom Q1/23 Results

### **Slide 9 – Progress on delivering on our sustainability targets recognized by ESG rating agencies**

Moving now to slide 9, I am happy to share with you our progress in terms of sustainability. Yesterday, we published our Sustainability Report for 2022, the first year since we've started the implementation of our 2030 Strategy, with sustainability fully embedded.

Our Sustainability framework is built around three pillars: Environment, Social, and Governance with a clear commitment to run responsible operations, foster people and communities and leverage innovation and digitalization.

On our journey to reach Net Zero operations by 2050, we aim for a 30% reduction in the carbon emissions from our operations by 2030, versus 2019.

Last year, we decreased our Scope 1 and 2 carbon intensity by 11 percent versus the 2019 baseline. In addition, we reduced our methane emissions intensity by 70%, progressing towards our target of less than 0.2% by 2030.

We also continued our contribution to the largest privately funded forestation campaign and reached the goal of 2 million seedlings planted between 2020 and 2022.

In addition, we launched the OMV Petrom Foundation, with the aim to contribute decisively to the creation of a sustainable and fair society for all of us, by supporting education, focusing on environmental protection and improving the health care system.

With regards to our communities, we see ourselves as a strategic partner for their development. Last year, we spent 40 million euro in projects for long-term development of the communities in Romania, for one million direct beneficiaries.

The revised remuneration policy for the Executive Board members was approved by the Shareholders last year. The variable remuneration, which includes a Long-Term Incentive Plan and an annual bonus, is aligned with the Strategy 2030 and places a strong emphasis on sustainability performance, including additional ESG related key performance indicators and increased weights compared to the previous year.

Since 2020, when we became the first Romanian company to support the recommendations of the Task Force on Climate-related Financial Disclosures, we have improved our disclosure in terms of climate-related risks and opportunities as well as related governance, strategy, risk management, metrics and targets.

I want to highlight that our efforts to increase performance and disclosure in terms of ESG were recognized by an increasing number of ratings agencies. For example, Sustainalytics included OMV Petrom in their 2023 Top-Rated ESG Companies List, and ranked us in the top 5% of the Oil & Gas Producers Industry as of November 2022. The management of sustainability issues is rated as Strong and ranks OMV Petrom first of the Bucharest Stock Exchange listed companies.

Please let me now hand over to Alina, who will go into the financials and the outlook in detail.

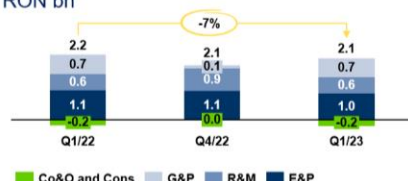
This page was left blank intentionally.



## Income Statement: resilient results

### Clean CCS Operating Result

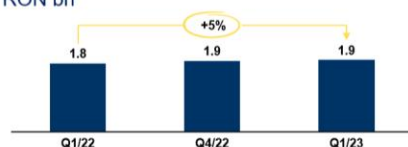
RON bn



- Q1/23 Clean CCS Operating Result reflects:
- Lower commodity prices and refining margin
  - Higher sales volumes of fuel products and gas
  - Lower industry specific taxation

### Clean CCS Net Income<sup>1</sup>

RON bn



- Q1/23 Clean CCS Net Income evolution reflects:
- Development of operating result
  - Higher interest on bank deposits
  - Lower taxes on income

<sup>1</sup> Attributable to stockholders of the parent

11 | OMV Petrom Q1/23 Results





**Slide 11 – Income Statement: resilient results**

Thank you, Christina, and good afternoon also from my side.

I will continue the presentation with slide 11, starting with some highlights of the Income Statement, with focus on the developments of the first quarter of 2023 versus the similar period of 2022.

Sales decreased by 20 percent year-on-year, following lower commodity prices and lower sales volumes of electricity. These were partly compensated by slightly higher sales volumes of petroleum products and natural gas.

Exploration and Production Clean Operating Result decreased to 985 million RON, from 1.1 billion RON in the first quarter of last year. The lower oil and gas prices and lower sales volumes were only partly offset by lower E&P taxation, lower exploration expenses and favorable FX.

Refining and Marketing Clean CCS Operating Result decreased by 2 percent year-on-year, reaching 616 million RON, mainly due to lower refining margin, partially offset by higher retail and commercial margins and higher sales volumes.

Gas and Power Clean Operating Result was broadly flat year-on-year, at 723 million RON, reflecting good operational performance in both gas and power business lines, in the context of increased regulatory interventions.

The clean consolidation line of (205) million RON in the first quarter of 2023 reflects mainly the increase in quantities of petroleum products to prepare for the refinery turnaround in the second quarter.

Consequently, the Group Clean CCS Operating Result decreased by 7 percent year-on-year to 2.1 billion RON.

For the first quarter of 2023, we recorded inventory holding losses of (122) million RON, mainly reflecting the decrease of crude prices over the quarter. For comparison, in the first quarter of last year we recorded inventory holding gains of 107 million RON.

Net special charges of (356) million RON were recorded in the first quarter of 2023, mainly related to net temporary losses from forward power contracts in the Gas and Power segment.

For comparison, in the first quarter of 2022 the net special charges of (162) million RON were also related mainly to temporary losses from power forward contracts.

The Clean CCS net income attributable to stockholders increased by 5 percent year-on-year to 1.9 billion RON.

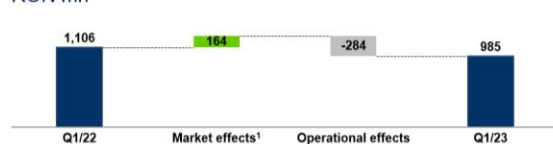
The reported Net income attributable to stockholders was 1.5 billion RON, 15 percent lower year-on-year.

This page was left blank intentionally.

## Clean CCS Operating Results supported by good performance, despite lower prices and reduced demand

### E&P

RON mn



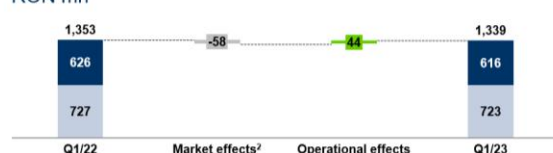
- Positive FX effect on revenues
- Lower E&P taxation



- Realized crude price -12%; lower realized gas price
- Hydrocarbon sales -4%
- Higher production costs

### R&M and G&P

RON mn



■ R&M ■ G&P



- Refined products sales +2%; improved non-fuel business margin
- Gas sales volumes +3%; strong margins on gas from storage
- Strong result from power transactions outside Romania



- Refining margin -9%; lower retail sales -3%

<sup>1</sup> Market effects defined as oil and gas prices, foreign exchange impact on revenues, price effect on royalties (including gas over-taxation); <sup>2</sup> Market effects based on refining indicator margin; starting Q2/22, the indicator refining margin reflects the change in crude oil reference price from Urals to Brent; the values of the indicator refining margin for the previous periods were not restated

**Slide 12 – Clean CCS Operating Results supported by good performance, despite lower prices and reduced demand**

Let me go on to slide 12, which shows the major building blocks for the development of the Clean CCS Operating Result.

I will start with Exploration and Production, where Clean Operating Result decreased to 985 million RON.

The market effect deviation of 164 million RON reflects the negative market effect of oil and gas prices and the positive effect from lower amount related to E&P taxes.

For gas, last year E&P taxes were based on abnormally high reference prices. By comparison, this year's taxes reflected high regulated sales quantities, which are exempted from overtaxation and for which royalties are calculated at capped prices instead of CEGH.

The operational effects include mainly the negative volume deviation, due to the 4 percent lower hydrocarbon sales

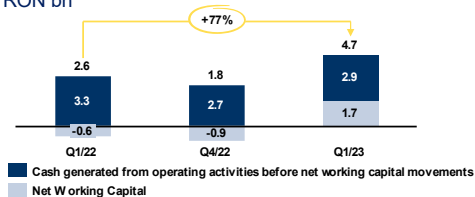
Looking at the lower chart, Refining and Marketing Clean CCS Operating Result slightly decreased by 2 percent compared to the first quarter of 2022. The negative market effect reflects the lower refining margin as a result of the decrease in product spreads, mainly diesel. Operational effects in Refining and Marketing were overall positive, derived mainly from higher refined products sales, as well as an improved performance in the non-fuel business margin.

In Gas and Power, the Clean Operating Result was broadly flat year-on-year. In the gas business the very good contribution from gas volumes extracted from storage partly offset the lower margins from equity and third party gas, in the context of highly regulated gas sales portfolio. The power business also had a very good performance built on transactions outside Romania and strong captured spark spreads, supported by contribution from balancing and ancillary services.

## Cash flow

### Cash Flow from Operating Activities

RON bn

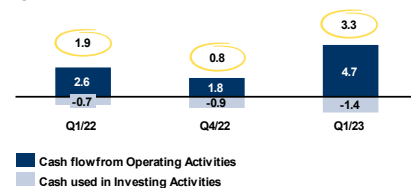


#### ► Q1/23 Cash Flow from Operating Activities

- Decrease in operating cash flow before working capital changes
- Positive NWC

### Free Cash Flow

RON bn



#### ► Q1/23 Free Cash Flow :

- Reflects trends in Operating Cash Flow
- Cash outflow from investing activities 88% higher yoy

### Slide 13 – Cash flow

On slide 13, I would like to continue with the highlights of our cash flow statement.

In the first quarter of 2023, we achieved an operating cash flow of 4.7 billion RON, 77 percent higher year-on-year, reflecting mainly the positive net working capital changes.

Regarding the evolution of the net working capital, in the first quarter of 2023 we recorded a cash inflow of 1.7 billion RON, compared to a cash outflow of 0.6 billion RON in the first quarter of 2022. The inflow in the first quarter of 2023 was mainly due to the decrease in trade receivables, following lower sales volumes for electricity and petroleum products, as well as lower prices for commodities. The inflow in the first quarter of 2023 also reflects the decrease in cash guarantees for transactions with energy products, which were built in the third quarter of 2022. The decrease in liabilities was mainly due to lower gas supplementary taxes, driven by lower volumes subject to gas overtaxation, lower royalties, driven by CEGH prices, as well as lower power overtaxation. In addition, inventories decreased driven mainly by natural gas extraction from storage, partially compensated by the built-up of fuel products stocks in preparation for the upcoming turnaround in Petrobrazil.

Our net payments for investments amounted to 1.4 billion RON in the first quarter of 2023, 88 percent higher year-on-year.

The net cash position including leases increased to 16.7 billion RON at the end of the first quarter of 2023 versus 11.3 billion RON at the end of the first quarter of 2022.

Our record high dividends for the financial year 2022, amounting to 2.3 billion RON, will be paid starting June 7, 2023.



## Outlook

Indicators	Actual Q1/23	Assumptions/ Targets 2023	Assumptions/ Targets 2024-2025 averages
Brent oil price	USD 81.2/bbl	USD >80/bbl	USD ~75/bbl
Production <sup>1</sup>	116 kboe/d	~110 kboe/d	95 – 100 kboe/d
Refining margin	USD 16.6/bbl	USD >9/bbl	USD ~9/bbl
CAPEX	RON 1.0 bn	RON ~6.0 bn	RON ~7.0 bn
FCF before dividends	RON 3.3 bn	Positive	Positive

<sup>1</sup> Excluding possible divestments.

14 | OMV Petrom Q1/23 Results



### Slide 14 – Outlook

Let me conclude our presentation with the Outlook, on slide 14.

We expect Brent oil price in 2023 to be above 80 dollars per barrel, significantly above the range of 65-70 dollars per barrel assumed in our Strategy 2030.

Our hydrocarbon production in 2023 is expected to be around 110 thousand barrels of oil equivalent per day, excluding divestments.

We expect inflationary pressure on our costs to persist throughout the year. However, a stronger USD, may support the production cost, estimated at around 15 dollars per barrel of oil equivalent for the year 2023.

In Refining and Marketing, we currently estimate an average refining margin higher than 9 dollars per barrel in 2023. The refinery utilization rate is estimated to be above 85 percent in 2023, considering the scheduled major refinery turnaround. Petrobrazil refinery started a planned six-week turnaround on April 21st with an estimated total impact in Clean CCS Operating Result of around 200 million RON, including OPEX and estimated margin loss.

With regards to the Brazil power plant, the shutdown was prolonged until the end of June due to findings identified during inspections. Consequently, we expect the result of Gas and Power segment to reflect the full shutdown of the plant for the entire second quarter and also the usual seasonal gas injection period.

As Christina mentioned earlier, CAPEX is expected to be around 6 billion RON in 2023, of which 2.9 billion RON dedicated to E&P, including Neptun Deep, 2.2 billion RON in R&M and the rest in G&P division.

In 2023, we expect a positive free cash flow before dividends, yet lower compared to 2022 value of 8.2 billion RON, mainly due to the higher investments.

We estimate demand for retail fuel products in Romania to be slightly above 2022. Demand for gas and power is expected to be lower compared to the previous year.

We expect total refined product sales to slightly decline compared to 2022, due to lower exports year-on-year, while our retail fuel sales are expected

to slightly increase year-on-year. Our total gas sales volumes are envisaged to be lower, mainly on lower supply, both from equity and third parties. Net electrical output is also expected to be lower year-on-year, in the context of the longer than initially planned outage of the Brazi power plant.

For 2024-2025, we maintain our guidance communicated in February.

In conclusion, we continue our journey to deliver on our Strategy 2030, including securing EU funds for low and zero carbon projects that underpins, with our significant increase in investments and competitive shareholders returns.

With this, I close our presentation and thank you for your attention.

We are now available for your questions.



## Sensitivities in 2023

2023 sensitivities		EBIT impact
Brent oil price	USD +1/bbl	~EUR +15 mn
OMV Petrom indicator refining margin	USD +1/bbl	~EUR +25 mn
Exchange rates EUR/USD	USD appreciation by 5 USD cents	~EUR +50 mn