

OMV PETROM S.A.

**INTERIM CONDENSED SEPARATE
FINANCIAL STATEMENTS**

**AS OF AND FOR THE SIX MONTH PERIOD ENDED
JUNE 30, 2024**

Prepared in accordance with Order of the Ministry of Public
Finance no. 2844/2016 approving the accounting
regulations compliant with the International Financial
Reporting Standards
(condensed, unaudited)

Content

Interim condensed statement of financial position	3
Interim condensed income statement	4
Interim condensed statement of comprehensive income	5
Interim condensed statement of changes in equity	6
Interim condensed statement of cash flows	7
Notes to the interim condensed separate financial statements	8

Interim condensed statement of financial position (unaudited)

in RON mn	June 30, 2024	December 31, 2023
Assets		
Intangible assets	458.23	437.44
Property, plant and equipment	28,441.07	28,060.53
Investments	1,920.78	1,788.57
Other financial assets	2,457.76	2,395.58
Other assets	692.53	530.04
Deferred tax assets	1,901.97	1,873.41
Non-current assets	35,872.34	35,085.57
Inventories	2,868.86	2,585.62
Trade receivables	2,011.25	2,341.32
Other financial assets	1,638.18	1,957.37
Other assets	1,157.57	1,625.65
Cash and cash equivalents	12,496.65	12,950.15
Current assets	20,172.51	21,460.11
Total assets	56,044.85	56,545.68
Equity and liabilities		
Share capital	6,231.17	6,231.17
Reserves	32,209.89	31,699.22
Total equity	38,441.06	37,930.39
Provisions for pensions and similar obligations	186.48	186.37
Lease liabilities	286.58	300.44
Provisions for decommissioning and restoration obligations	8,497.77	8,633.90
Other provisions	767.84	747.03
Other financial liabilities	142.57	46.89
Other liabilities	47.82	48.50
Non-current liabilities	9,929.06	9,963.13
Trade payables	3,321.24	3,425.63
Interest-bearing debts	1,713.81	1,256.41
Lease liabilities	158.22	126.06
Income tax liabilities	222.40	130.96
Other provisions and decommissioning	780.06	1,117.39
Other financial liabilities	504.99	466.00
Other liabilities	974.01	2,129.71
Current liabilities	7,674.73	8,652.16
Total equity and liabilities	56,044.85	56,545.68

Interim condensed income statement (unaudited)

Q2/24	Q2/23	in RON mn	6m/24	6m/23
7,173.97	7,137.74	Sales revenues	14,432.38	15,486.99
41.46	58.19	Other operating income	222.96	248.41
611.71	603.05	Net income from consolidated subsidiaries and investments in associates	611.71	603.05
7,827.14	7,798.98	Total revenues and other income	15,267.05	16,338.45
(3,319.18)	(3,306.88)	Purchases (net of inventory variation)	(6,228.49)	(7,351.86)
(1,080.99)	(841.95)	Production and operating expenses	(2,419.61)	(1,943.99)
(276.79)	(614.25)	Production and similar taxes	(675.86)	(1,483.45)
(808.69)	(697.48)	Depreciation, amortization, impairments and write-ups	(1,643.60)	(1,380.10)
(341.41)	(306.36)	Selling, distribution and administrative expenses	(594.84)	(477.41)
(57.88)	(11.34)	Exploration expenses	(78.29)	(23.75)
(31.73)	(46.51)	Other operating expenses	(136.40)	(110.56)
1,910.47	1,974.21	Operating Result	3,489.96	3,567.33
233.44	294.77	Interest income	469.95	625.44
(204.80)	(162.05)	Interest expenses	(376.29)	(343.59)
(9.20)	(9.38)	Other financial income and expenses	(12.92)	(21.07)
19.44	123.34	Net financial result	80.74	260.78
1,929.91	2,097.55	Profit before tax prior to solidarity contribution	3,570.70	3,828.11
-	(1,982.62)	Solidarity contribution on refined crude oil	-	(1,982.62)
1,929.91	114.93	Profit before tax	3,570.70	1,845.49
(210.73)	(228.43)	Taxes on income	(478.48)	(507.60)
1,719.18	(113.50)	Net income/(loss) for the period	3,092.22	1,337.89

Interim condensed statement of comprehensive income (unaudited)

Q2/24	Q2/23 in RON mn	6m/24	6m/23
1,719.18	(113.50) Net income/(loss) for the period	3,092.22	1,337.89
9.57	(8.81) Gains/(losses) on hedges	(9.63)	1.21
9.57	Total of items that may be reclassified ("recycled") subsequently to the income statement	(9.63)	1.21
-	Gains/(losses) on hedges that are subsequently transferred to the carrying amount of the hedged item	0.66	(16.14)
-	Total of items that will not be reclassified ("recycled") subsequently to the income statement	0.66	(16.14)
(1.53)	1.41 Income tax relating to items that may be reclassified ("recycled") subsequently to the income statement	1.54	(0.19)
-	- Income tax relating to items that will not be reclassified ("recycled") subsequently to the income statement	(0.11)	2.58
(1.53)	1.41 Total income taxes relating to components of other comprehensive income	1.43	2.39
8.04	(7.40) Other comprehensive income/(loss) for the period, net of tax	(7.54)	(12.54)
1,727.22	(120.90) Total comprehensive income/(loss) for the period	3,084.68	1,325.35

Interim condensed statement of changes in equity (unaudited)

in RON mn	Share capital	Revenue reserves	Cash flow hedge reserve	Treasury shares	Total equity
January 1, 2024	6,231.17	31,693.94	5.30	(0.02)	37,930.39
Net income for the period	-	3,092.22	-	-	3,092.22
Other comprehensive income/(loss) for the period	-	-	(7.54)	-	(7.54)
Total comprehensive income/(loss) for the period	-	3,092.22	(7.54)	-	3,084.68
Dividend distribution	-	(2,573.46)	-	-	(2,573.46)
Reclassification of cash flow hedges to balance sheet	-	-	(0.55)	-	(0.55)
June 30, 2024	6,231.17	32,212.70	(2.79)	(0.02)	38,441.06

in RON mn	Share capital	Revenue reserves	Cash flow hedge reserve	Treasury shares	Total equity
January 1, 2023	6,231.17	32,913.44	(1.01)	(0.02)	39,143.58
Net income for the period	-	1,337.89	-	-	1,337.89
Other comprehensive income/(loss) for the period	-	-	(12.54)	-	(12.54)
Total comprehensive income/(loss) for the period	-	1,337.89	(12.54)	-	1,325.35
Dividend distribution	-	(2,336.68)	-	-	(2,336.68)
Reclassification of cash flow hedges to balance sheet	-	-	13.55	-	13.55
June 30, 2023	6,231.17	31,914.65	-	(0.02)	38,145.80

Interim condensed statement of cash flows (unaudited)

in RON mn	6m/24	6m/23
Profit before tax	3,570.70	1,845.49
Interest income	(455.05)	(531.74)
Interest expenses and other financial expenses	58.19	49.61
Dividend income	(581.69)	(603.05)
Net change in provisions	120.70	(57.25)
Net (gains)/losses on the disposal of businesses, financial assets and other non-current assets	(11.13)	0.36
Depreciation, amortization and impairments including write-ups	1,656.27	1,380.65
Other adjustments	(1,033.35)	720.65
Interest received	493.41	519.41
Interest and other financial costs paid	(57.68)	(52.58)
Dividends received	0.75	2.75
Tax on profit paid	(414.00)	(765.40)
Cash generated from operating activities before working capital movements	3,347.12	2,508.90
(Increase)/decrease in inventories	(294.52)	279.53
(Increase)/decrease in receivables and other assets	169.54	3,227.78
Increase/(decrease) in liabilities	175.96	(506.22)
Changes in net working capital components	50.98	3,001.09
Cash flow from operating activities	3,398.10	5,509.99
Investments		
Intangible assets and property, plant and equipment	(2,348.66)	(2,021.37)
Investments and other financial assets	(487.60)	(813.88)
Net (increase)/decrease in loans given to subsidiaries	52.10	46.38
Divestments and other investing cash inflows		
Proceeds in relation to non-current assets and financial assets	1,165.66	7.98
Proceeds from sale of investments and businesses	5.92	15.76
Cash flow from investing activities	(1,612.58)	(2,765.13)
Net increase in/(repayment of) loans taken from subsidiaries	445.49	(468.85)
Net repayments of other borrowings	(132.92)	(31.80)
Dividends paid	(2,553.89)	(2,316.98)
Cash flow from financing activities	(2,241.32)	(2,817.63)
Effect of exchange rate changes on cash and cash equivalents	2.30	(0.53)
Net increase/(decrease) in cash and cash equivalents	(453.50)	(73.30)
Cash and cash equivalents at beginning of period	12,950.15	13,852.78
Cash and cash equivalents at end of period	12,496.65	13,779.48

Selected notes to the interim condensed separate financial statements as of and for the period ended June 30, 2024 (unaudited)

1. Legal principles

The interim condensed separate financial statements of OMV Petrom S.A. (the Company) as of and for the six-month period ended June 30, 2024 (6m/24) have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed separate financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual separate financial statements as of December 31, 2023.

The interim condensed separate financial statements for 6m/24 included in this report are unaudited and an external review by an auditor was not performed.

The interim condensed separate financial statements for 6m/24 have been prepared in million RON (RON mn, RON 1,000,000). Accordingly, there may be rounding differences.

2. General accounting policies

The accounting policies in effect on December 31, 2023 remain largely unchanged. The IFRS amendments effective since January 1, 2024 did not have a material effect on the Company's interim condensed separate financial statements.

3. Seasonality and cyclicalities

Seasonality is of particular significance in Refining and Marketing and Gas and Power.

Consumption of natural gas, electricity and certain oil products is seasonal and is significantly affected by climatic conditions. Natural gas consumption is higher during the cold winter months. Electricity consumption is also generally higher during the winter, as a supplementary measure to produce heat, as well as due to fewer daylight hours and the need for more artificial lighting. In addition, during very hot summer periods, the increased usage of air cooling systems can also significantly increase electricity consumption. Natural gas sales and electricity generation may also be significantly affected by climatic conditions, such as unusually hot or cold temperatures. Consequently, the results reflect the seasonal character of the demand for natural gas and electricity, and may be influenced by variations in climatic conditions.

Accordingly, the results of operations of the Gas and Power business segment and, to a lesser extent, the Refining and Marketing business segment, as well as the comparability of results over different periods, may be affected by changes in weather conditions and comparison might be of limited relevance.

4. Exchange rates

Foreign currency transactions are recorded at the exchange rate ruling on transaction date. Monetary assets and liabilities expressed in foreign currency are converted into RON at the exchange rate on the balance sheet date, communicated by the National Bank of Romania ("NBR").

All differences resulting from foreign currency amounts settlements are recognized in the income statement in the period they occurred. Unrealized foreign exchange gains and losses related to monetary items are recognized in the income statement for the reporting period.

Q2/24	Q2/23	NBR FX rates	6m/24	6m/23
4.975	4.948	Average EUR/RON	4.974	4.934
4.620	4.545	Average USD/RON	4.601	4.565
4.977	4.963	Closing EUR/RON	4.977	4.963
4.649	4.575	Closing USD/RON	4.649	4.575

5. Commitments for acquisitions of intangible assets, property, plant and equipment, and leases commitments

The amount of commitments can be found in the OMV Petrom Separate Financial Statements 2023 (Note 7 "Property, Plant and Equipment", Note 33 "Commitment and Contingencies" and Note 34 "Interest in joint arrangements"). There were no new significant projects resulting in material commitments entered into since December 31, 2023.

6. Investments

On May 31, 2024, OMV Petrom finalized the acquisition of 100% shares in Renovatio Asset Management S.R.L, owning the largest charging network for electric vehicles in Romania.

7. Inventories

During the six months ended June 30, 2024, there were no material write-downs of inventories.

8. Equity

At the Annual General Meeting of Shareholders held on April 24, 2024, the shareholders of OMV Petrom S.A. approved the distribution of base dividends for the financial year 2023 for the gross amount of RON 2,573 mn (gross base dividend per share of RON 0.0413). Total dividends paid during six months 2024 amounted to RON 2,554 mn.

The total number of own shares held by the Company as of June 30, 2024 amounted to 204,776 (December 31, 2023: 204,776).

9. Fair value measurement

Financial instruments recognized at fair value are disclosed according to the following fair value measurement hierarchy as stated in Note 32 of the Company's annual separate financial statements as of December 31, 2023.

	June 30, 2024				December 31, 2023			
Fair value hierarchy of financial assets (in RON mn)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Trade receivables	-	4.11	-	4.11	-	-	-	-
Derivatives designated and effective as hedging instruments	-	-	-	-	-	6.31	-	6.31
Derivatives valued at fair value through profit or loss	-	202.20	-	202.20	-	279.16	-	279.16
Total	-	206.31	-	206.31	-	285.47	-	285.47

	June 30, 2024				December 31, 2023			
Fair value hierarchy of financial liabilities (in RON mn)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Derivatives designated and effective as hedging instruments	-	(3.32)	-	(3.32)	-	-	-	-
Derivatives valued at fair value through profit or loss	-	(243.27)	-	(243.27)	-	(163.03)	-	(163.03)
Other financial liabilities	-	(55.30)	-	(55.30)	-	-	-	-
Total	-	(301.89)	-	(301.89)	-	(163.03)	-	(163.03)

There were no transfers between levels of the fair value hierarchy. There were no changes in the fair value measurement techniques for assets and liabilities that are measured at fair value.

The carrying amount of financial assets and financial liabilities valued at amortized cost approximates their fair value.

10. Sales revenues

in RON mn	6m/24	6m/23
Revenues from contracts with customers	14,274.03	15,233.87
Revenues from other sources	158.35	253.12
Total sales revenues	14,432.38	15,486.99

Revenues from other sources mainly include revenues from commodity transactions that are within the scope of IFRS 9 “Financial Instruments”, largely related to power sales, the hedging result, as well as rental and lease revenues.

Revenues from contracts with customers

in RON mn	6m/24				
	Exploration and Production	Refining and Marketing	Gas and Power	Corporate and Other	Total
Crude oil and NGL	-	10.99	-	-	10.99
Natural gas, LNG and power	4.81	1.88	3,703.82	2.00	3,712.51
Fuels and heating oil	-	9,410.32	-	-	9,410.32
Other goods and services	19.11	1,089.33	17.96	13.81	1,140.21
Total	23.92	10,512.52	3,721.78	15.81	14,274.03

in RON mn	6m/23				
	Exploration and Production	Refining and Marketing	Gas and Power	Corporate and Other	Total
Crude oil and NGL	-	318.87	-	-	318.87
Natural gas, LNG and power	8.04	5.81	5,735.68	2.31	5,751.84
Fuels and heating oil	-	8,246.98	-	-	8,246.98
Other goods and services	18.13	879.50	9.54	9.01	916.18
Total	26.17	9,451.16	5,745.22	11.32	15,233.87

11. Solidarity contribution on refined crude oil

The solidarity contribution on refined crude oil was due for crude oil processed during 2022 and 2023, therefore is no longer applicable for 2024. In 2023, the solidarity contribution on refined crude oil in the amount of RON 2,729 mn was recognized in the Income statement for the quantities of crude oil processed during 2022 (RON 1,485 mn) and 2023 (RON 1,244 mn). The solidarity contribution on refined crude oil for the year 2023 was paid in June 2024, and is included in the Interim condensed statement of cash flows in the line item “Other adjustments”.

12. Income tax

Q2/24	Q2/23	in RON mn	6m/24	6m/23
210.73	228.43	Taxes on income - expense/(revenue)	478.48	507.60
221.58	87.68	Current taxes - expense/(revenue)	505.50	356.77
(10.85)	140.74	Deferred taxes - expense/(revenue)	(27.02)	150.82

13. Segment Reporting

OMV Petrom is organized into three operating business segments: Exploration and Production, Refining and Marketing and Gas and Power, while management, financing activities and certain service functions are concentrated in the Corporate and Other segment.

Intersegmental sales

Q2/24	Q2/23	in RON mn	6m/24	6m/23
2,621.46	3,113.14	Exploration and Production	5,238.25	6,247.56
6.86	6.96	Refining and Marketing	18.93	16.58
51.14	78.72	Gas and Power	125.11	166.43
45.85	37.71	Corporate and Other	88.66	71.44
2,725.31	3,236.53	Total	5,470.95	6,502.01

Sales with third parties

Q2/24	Q2/23	in RON mn	6m/24	6m/23
15.00	15.28	Exploration and Production	28.71	30.11
5,689.27	4,602.83	Refining and Marketing	10,501.82	9,466.77
1,457.21	2,509.42	Gas and Power	3,877.20	5,969.90
12.49	10.21	Corporate and Other	24.65	20.21
7,173.97	7,137.74	Total	14,432.38	15,486.99

Total sales

Q2/24	Q2/23	in RON mn	6m/24	6m/23
2,636.46	3,128.42	Exploration and Production	5,266.96	6,277.67
5,696.13	4,609.79	Refining and Marketing	10,520.75	9,483.35
1,508.35	2,588.14	Gas and Power	4,002.31	6,136.33
58.34	47.92	Corporate and Other	113.31	91.65
9,899.28	10,374.27	Total	19,903.33	21,989.00

Segment profit

Q2/24	Q2/23	in RON mn	6m/24	6m/23
832.20	1,155.76	Operating Result Exploration and Production	1,571.53	2,146.74
1,301.49	526.78	Operating Result Refining and Marketing	1,730.45	1,031.69
(32.87)	503.32	Operating Result Gas and Power	284.70	854.82
(53.25)	(33.55)	Operating Result Corporate and Other	(116.93)	(61.22)
2,047.57	2,152.31	Operating Result segment total	3,469.75	3,972.03
(137.10)	(178.10)	Consolidation	20.21	(404.70)
1,910.47	1,974.21	Operating Result	3,489.96	3,567.33
19.44	123.34	Net financial result	80.74	260.78
1,929.91	2,097.55	Profit before tax prior to solidarity contribution	3,570.70	3,828.11

Segment assets¹

in RON mn	June 30, 2024	December 31, 2023
Exploration and Production	21,929.54	21,708.46
Refining and Marketing	5,159.02	5,046.69
Gas and Power	1,334.54	1,278.83
Corporate and Other	476.20	463.99
Total	28,899.30	28,497.97

¹ Segment assets consist of intangible assets and property, plant and equipment.

14. Significant transactions with related parties

Significant transactions in form of supplies of goods and services take place on a constant and regular basis with companies from OMV Group.

During the first six months of the financial year 2024, OMV Petrom had the following significant transactions with related parties and balances as of June 30, 2024:

Related party (in RON mn)	Purchases	Balances payable
	6m/24	June 30, 2024
OMV Supply & Trading Limited	305.44	3.66
OMV Petrom Global Solutions S.R.L.	294.48	87.56
OMV Exploration & Production GmbH	60.45	32.91
OMV Petrom Marketing S.R.L.	19.17	133.20

Related party (in RON mn)	Revenues	Balances receivable
	6m/24	June 30, 2024
OMV Petrom Marketing S.R.L.	6,932.08	896.01
OMV Bulgaria OOD	422.45	90.21
OMV Downstream GmbH	203.46	33.15

During the first six months of the financial year 2024, OMV Petrom had the following significant transactions with related parties and balances as of December 31, 2023:

Related party (in RON mn)	Purchases	Balances payable
	6m/23	December 31, 2023
OMV Downstream GmbH	450.71	55.21
OMV Supply & Trading Limited	364.21	10.83
OMV Petrom Global Solutions S.R.L.	291.08	106.16
OMV Exploration & Production GmbH	57.65	28.35

Related party (in RON mn)	Revenues	Balances receivable
	6m/23	December 31, 2023
OMV Petrom Marketing S.R.L.	6,568.46	566.16
OMV Bulgaria OOD	240.04	45.98
Petrom Moldova S.R.L.	222.29	24.95

15. Subsequent events

On July 25, 2024, the Ordinary General Meeting of Shareholders of OMV Petrom S.A. approved the distribution of special dividends for the gross amount of RON 1,869 mn (gross special dividend per share of RON 0.030).

Bucharest, July 31, 2024

Christina Verchere
Chief Executive Officer
President of the EB

Alina Popa
Chief Financial Officer
Member of the EB

Cristian Hubati
Member of the EB
Exploration and Production

Franck Neel
Member of the EB
Gas and Power

Radu Căprău
Member of the EB
Refining and Marketing

Gabriela Mardare
Vice President Finance

Nicoleta Drumea
Head of Financial Reporting

Directors' Report on OMV Petrom S.A.'s interim condensed separate Financial Statements prepared in accordance with Ministry of Finance Order no. 2844/2016 and in compliance with the Regulation no. 5/2018, Appendix 14, issued by the Financial Supervisory Authority

Overview of the Company's nature

The Company's headquarters is located at Coralilor Street no. 22, district 1, Bucharest, Romania. The Company was set up according to the Government Ordinance no. 49/October 1997, approved by Law no. 70/April 1998. The Company is registered with the Trade Register under number J40/8302/1997 and has as unique fiscal registration code RO1590082. The Company has as main activities exploration and production of hydrocarbons, refining of crude oil, marketing of petroleum products, sale of natural gas, as well as production and sales of electricity. The Company performs its activity either directly (mainly in Romania) or through its affiliates in Romania (marketing of petroleum products and production of biofuels), Bulgaria (exploration of hydrocarbons and marketing of petroleum products), Georgia (exploration of hydrocarbons) and Serbia and Republic of Moldova (marketing of petroleum products).

The Company is the parent company of OMV Petrom Group ("the Group"). Interim condensed separate financial statements for the six month period ended June 30, 2024 are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU), as the Ministry of Finance Order (MOF) no. 2844/2016 stipulates that Romanian listed companies must prepare financial statements in accordance with IFRS as endorsed by European Union. The interim condensed consolidated financial statements are also prepared by the Company in accordance with IFRS as endorsed by the EU.

OMV Petrom S.A. ("OMV Petrom") has vertically integrated activities and is organized into three operating business segments: Exploration and Production, Refining and Marketing and Gas and Power, while the management, the financing activities and certain service functions are concentrated in the Corporate and Other segment.

As at June 30, 2024 and December 31, 2023 the total share capital amounted to RON 6,231,166,705.80, representing 62,311,667,058 shares (December 31, 2023: same number) with a nominal value of RON 0.1 per share.

The shareholders' structure as at June 30, 2024 and December 31, 2023 is presented below:

	No. of shares	Percent
OMV Aktiengesellschaft	31,876,679,783	51.157%
Romanian State	12,897,296,810	20.698%
Legal entities and private individuals	17,537,690,465	28.145%
Total	62,311,667,058	100.000%

The interim condensed separate financial statements for the six-month period ended June 30, 2024 are unaudited and an external review by an auditor was not performed.

Financial highlights

Q2/24	Q2/23	Δ% in RON mn	6m/24	6m/23	Δ%
7,174	7,138	1 Sales revenues ¹	14,432	15,487	(7)
1,910	1,974	(3) Operating Result	3,490	3,567	(2)
832	1,156	(28) Operating Result Exploration and Production ²	1,572	2,147	(27)
1,301	527	147 Operating Result Refining and Marketing	1,730	1,032	68
(33)	503	n.m. Operating Result Gas and Power	285	855	(67)
(53)	(34)	(59) Operating Result Corporate and other	(117)	(61)	(91)
(137)	(178)	23 Consolidation	20	(405)	n.m.
19	123	(84) Net financial result	81	261	(69)
1,930	2,098	(8) Profit before tax prior to solidarity contribution	3,571	3,828	(7)
-	(1,983)	n.a. Solidarity contribution on refined crude oil	-	(1,983)	n.a.
1,930	115	n.m. Profit before tax	3,571	1,845	93
11	199	(95) Effective tax rate (%)	13	28	(51)
1,719	(114)	n.m. Net income/(loss)	3,092	1,338	131
(10,338)	(11,920)	(13) Net debt/(cash) including leases	(10,338)	(11,920)	(13)

¹ Sales excluding petroleum excise tax;

² Excluding intersegmental profit elimination shown in the line Consolidation.

Key events 6m/24

- ▶ OMV Petrom announced in January the largest acquisition of green projects in Romania with Renovatio in renewable power and e-mobility.
- ▶ OMV Petrom announced in February the signing of the financing through the National Recovery and Resilience Plan for two green hydrogen production projects with a total capacity of 55 MW at Petrobrazi refinery.
- ▶ OMV Petrom announced in April the testing of an innovative carbon capture and utilization facility at Petrobrazi.
- ▶ At the Ordinary General Meeting of Shareholders (OGMS) held on April 24, 2024, the shareholders of OMV Petrom S.A. approved the distribution of base dividends for the financial year 2023 for the gross amount of RON 2,573 mn (gross base dividend per share of RON 0.0413). Total dividends paid during 6m/24 amounted to RON 2,554 mn.
- ▶ The OGMS approved the 2024 Income and Expenditure Budget of OMV Petrom S.A. with investments estimated at RON 8.0 bn (which also include contingent budget to cover low and zero carbon projects related to announced M&A transactions and various other opportunities).
- ▶ The OGMS approved the reappointment of KPMG Audit S.R.L. as the Company's financial auditor for 2024.
- ▶ The OGMS approved the appointment of Mr. Sorin-Dumitru Elisei as member of the Supervisory Board of OMV Petrom for the remaining period of the mandates of Mr. Niculae Havrilet, further to the waiver of his mandate as member of the Supervisory Board.
- ▶ In May 2024 OMV Petrom and Saint-Gobain Romania announce the signing of an agreement for the supply of green power.
- ▶ OMV Petrom announced in May 2024 the commissioning of the largest crude oil storage tank in Romania, at the Petrobrazi refinery.

- ▶ In May 2024 OMV Petrom announced closing of the transaction for the acquisition of the largest electric mobility network in Romania.
- ▶ In June 2024 OMV Petrom signed a new acquisition of photovoltaic projects in Romania.
- ▶ OMV Petrom announces in June 2024 that will invest ~EUR 750 mn to become the first major producer of sustainable fuels and green H2 in SEE.
- ▶ In June 2024 OMV Petrom confirms Strategy 2030 is on track, a transformation for a lower carbon future, while increasing dividend distributions to shareholders.
- ▶ OMV Petrom concluded a supply contract in June 2024 to secure the feedstock for SAF/HVO production in Petrobrazi refinery starting 2028.
- ▶ In June 2024 the Supervisory Board approved the proposal of Executive Board for the distribution of a special dividend in gross value of RON 0.030/share leading to a total value of special dividends of RON 1,869 mn, which was approved by the Ordinary General Meeting of Shareholders on July 25, 2024.

Analysis of performance

January to June 2024 (6m/24) vs. January to June 2023 (6m/23)

Sales revenues of RON 14,432 mn for 6m/24 decreased by 7% compared to 6m/23, negatively impacted by lower prices and sales volumes of natural gas and lower prices of electricity, partly offset by higher sales of petroleum products, and higher sales volumes of electricity. Refining and Marketing segment represented 73% of total sales revenues, Gas and Power segment accounted for 27%, while sales from Exploration and Production segment accounted only for 0.2% (sales in Exploration and Production segment being largely inter-segment sales rather than third-party sales).

The **Reported Operating Result** of RON 3,490 mn decreased compared to RON 3,567 mn in 6m/23, mainly due to lower contribution of Gas and Power segment following lower gas and power margins and a high base effect from the reversal of a provision in 6m/23, and due to lower contribution of Exploration and Production segment, mainly following lower sales volumes, partly offset by increased contribution from Refining and Marketing segment, as 6m/23 was impacted by the refinery turnaround. The result also reflected lower Exploration and Production specific taxes as well as decreased purchases, largely due to lower acquisitions of natural gas and traded petroleum products, partly offset by higher acquisitions of imported crude oil. The Consolidation line had positive a contribution in 6m/24 of RON 20 mn (6m/23: negative contribution of RON (405) mn).

Net financial result was a gain of RON 81 mn in 6m/24, lower compared to RON 261 mn in 6m/23, mainly due to the negative effect of the discounting of receivables and lower interest income on bank deposits.

Profit before tax prior to solidarity contribution for 6m/24 was RON 3,571 mn, lower than RON 3,828 mn in 6m/23.

Profit before tax for 6m/24 was RON 3,571 mn, higher compared with the result for the similar period of the previous year of RON 1,845 mn, as 2023 was impacted by **solidarity contribution on refined crude oil**, no longer applicable for 2024.

Income tax amounted to RON (478) mn, while the **effective tax rate** was 13% in 6m/24 (6m/23: 28%, mainly due to non-deductible solidarity contribution on refined crude oil).

Net income was RON 3,092 mn (6m/23: RON 1,338 mn).

Investments of RON 2,399 mn in 6m/24 were 2% higher than RON 2,349 mn in 6m/23. Exploration and Production investments in 6m/24 were RON 1,800 mn, compared to RON 1,167 mn in 6m/23 and accounted for 75% of total investments for 6m/24, mainly due to higher investments in the Neptun Deep project, currently in execution phase. Refining and Marketing investments amounted to RON 497 mn in 6m/24. While in 6m/23 the majority of investments were directed to the Petrobrazî refinery for projects connected with the planned turnaround, in 6m/24 investments were allocated to ongoing projects such as the new aromatic complex, sulphur acid gas treatment, the new SAF/HVO unit and also acquisition of Renovatio Asset Management S.R.L. (owning the largest EV charging points network in Romania). Gas and Power investments amounted to RON 62 mn, mostly directed to Brazî power plant planned shut down and maintenance. Corporate and Other investments were RON 40 mn (6m/23: RON 27 mn).

OMV Petrom reported a **net cash position including leases** of RON 10,338 mn as at June 30, 2024, lower than RON 11,267 mn as at December 31, 2023.

Summarized interim statement of financial position

in RON mn	June 30, 2024	December 31, 2023
Assets		
Non-current assets	35,872	35,086
Current assets	20,173	21,460
Total assets	56,045	56,546
Equity and liabilities		
Total equity	38,441	37,930
Non-current liabilities	9,929	9,963
Current liabilities	7,675	8,652
Total equity and liabilities	56,045	56,546

Compared to December 31, 2023 **non-current assets** increased by RON 787 mn, to RON 35,872 mn, mainly due to the increase in property, plant and equipment, as additions during the period exceeded the depreciation, net impairments and the decrease in decommissioning asset following reassessment.

The reduction in **current assets** reflected lower other financial assets following decrease in short-term investments, decrease in trade receivables following lower sales mainly in Gas and Power segment, decrease in other assets following surrender of emission certificates, as well as lower cash and cash equivalents. These effects were partially compensated by increase in inventories largely driven by higher volumes of crude oil in stock.

Equity increased to RON 38,441 mn as of June 30, 2024, compared to RON 37,930 mn as of December 31, 2023, as the net profit generated in 6m/24 was higher than the base dividend distributed for the financial year 2023. The equity ratio was 69% as of June 30, 2024, higher than the level of 67% as of December 31, 2023.

As at June 30, 2024, **total liabilities** decreased by RON 1,012 mn compared with December 31, 2023. The decrease in **current liabilities** was driven mainly by the decrease in other liabilities, largely related to the solidarity contribution on refined crude oil for 2023 paid in June 2024, and by lower other provisions mainly following the surrender of emission certificates related to 2023. The decrease in **non-current liabilities** was mainly due to the reassessment of provisions for decommissioning and restoration obligations, largely following increase in the net discount rates.

Cash flow

Summarized cash flow statement (in RON mn)	6m/24	6m/23	Δ%
Cash generated from operating activities before working capital movements	3,347	2,509	33
Cash flow from operating activities	3,398	5,510	(38)
Cash flow from investing activities	(1,613)	(2,765)	42
Free cash flow	1,786	2,745	(35)
Cash flow from financing activities	(2,241)	(2,818)	20
Effect of exchange rate changes on cash and cash equivalents	2	(1)	n.m.
Net increase/(decrease) in cash and cash equivalents	(454)	(73)	n.m.
Cash and cash equivalents at beginning of period	12,950	13,853	(7)
Cash and cash equivalents at end of period	12,497	13,779	(9)
Free cash flow after dividends	(768)	428	n.m.

January to June 2024 (6m/24) vs. January to June 2023 (6m/23)

In 6m/24, the net inflow of funds from profit before tax, adjusted for non-cash items such as depreciation and impairments, net change of provisions and for other adjustments, reflecting mainly solidarity contribution on refined crude oil for year 2023 paid, as well as net interest received and income tax paid was RON 3,347 mn (6m/23: RON 2,509 mn). Changes in **net working capital** generated a cash inflow of RON 51 mn (6m/23: RON 3,001 mn, largely due to lower trade receivables following lower sales and also due to decrease in the cash guarantees for transactions with energy products). **Cash flow from operating activities** decreased with RON 2,112 mn compared to 6m/23, reaching RON 3,398 mn driven mainly by unfavorable evolution of net working capital.

In 6m/24, **cash flow from investing activities** resulted in an outflow of RON 1,613 mn (6m/23: RON 2,765 mn) mainly related to payments for investments in property, plant and equipment, largely in the Exploration and Production segment, and net cash inflows from investments in short-term securities.

Free cash flow (defined as cash flow from operating activities less cash flow from investing activities) showed an inflow of funds of RON 1,786 mn (6m/23: RON 2,745 mn).

Cash flow from financing activities reflected an outflow of funds amounting to RON 2,241 mn (6m/23: RON 2,818 mn), mainly arising from the payment of dividends of RON 2,554 mn.

Free cash flow after dividends resulted in a cash outflow of RON 768 mn (6m/23: inflow of RON 428 mn).

Risk management

The scope of OMV Petrom's business activity, both existing and planned, and the markets in which the company operates expose the Company to significant commodity price, foreign exchange, operational and strategic risks. A detailed description of these risks and associated risk management activities can be found in the 2023 Annual Report (pages 51-55).

According to the latest OMV Petrom risk assessment exercise in March 2024, the main uncertainties which could impact the Company's performance remain the commodity price risks, foreign exchange risks, operational risks, as well as political and regulatory risk. The commodity price risk is monitored continuously and appropriate protective measures with respect to cash flow are taken, if required.

Through the nature of its business of extracting, processing, transporting and selling hydrocarbons, OMV Petrom is inherently exposed to safety and environmental risks. Through its HSSE (Health, Safety, Security, and Environment) and risk management programs, OMV Petrom remains committed to be in line with industry standards.

In terms of regulatory risk, the Company is in dialogue with the Romanian authorities on topics of relevance for the industry. In the last few years, we have seen a significant number of fiscal and regulatory initiatives implemented. This increases legislative volatility with influence on the overall business environment.

Moreover, in the context of the energy crisis in Europe, regulatory measures such as subsidy schemes, regulated/capped prices for gas and power and overtaxation or the EU solidarity contribution have been implemented. If energy prices in Europe increase, further regulatory and fiscal interventions may impact OMV Petrom financials.

OMV Petrom continues to closely monitor the ongoing conflict in Ukraine and any additional sanctions and countersanctions resulting from it. The Company regularly assesses the potential impact on its business activities. Continued and/or intensified disruptions in Russian commodity flows to Europe could result in further increases in European energy prices. Sanctions on Russia and countersanctions issued by Russia could lead to disruptions in global supply chains and shortages in, e.g., energy products, raw materials, agricultural products and metals, and consequently lead to further increases in operational cost. OMV Petrom continues to closely monitor developments and regularly evaluates the potential impact on the Company's cash flow and liquidity position. OMV Petrom is responding to the situation with targeted measures to safeguard the Company's economic stability as well as the secure supply of energy. This geopolitical context continued to have no significant negative impact on the interim condensed financial statements as of June 30, 2024, similar with previous year.

The Company revises periodically its sensitivities to oil prices, the indicator refining margin and FX (EUR/USD), which are published on company website: <https://www.omvpetrom.com/en/investors/publications/capital-market-story>.

OMV Petrom thoroughly monitors geopolitical developments, including the ongoing Russian war on Ukraine, as well as the ongoing attacks on Israel and the conflict in Gaza that have raised concerns about regional stability, and their potential impact on OMV Petrom's business activities. Geoeconomic fragmentation, trade restrictions and disruptions to global supply chains could lead to further cost increases for OMV Petrom. Coupled with persistently high interest rates, such situation has the potential to also negatively impact economic growth, which in turn, could affect demand for OMV Petrom's products.

The credit quality of OMV Petrom's counterparty portfolio could be negatively influenced by the risk factors mentioned above. OMV Petrom monitors its banking counterparties and the respective exposures in its standard credit risk management processes.

The consequences of the ongoing conflicts in Ukraine and the Middle East, the European energy crisis and resulting regulatory measures, other economic disruptions currently being observed, and further regulatory interventions, cannot be reliably estimated at this stage. From today's perspective, we assume that, based on the measures mentioned above, the Company's ability to continue as a going concern is not impacted.

More information on current risks can be found in the Outlook section of the Directors' Report.

Transactions with related parties

Please refer to the selected explanatory notes of the interim condensed separate financial statements for disclosures on significant transactions with related parties.

Outlook for the full year 2024

For the full year 2024, OMV Petrom expects the **average Brent oil price** to be around USD 85/bbl (2023: USD 82.6/bbl). **Refining margin** is expected to be around USD 10/bbl (2023: USD 14.0/bblⁱ). Demand for retail fuels and power is expected to be above 2023 level, while demand for gas to be stable yoy. Legislative measures for the gas and power markets remain in place, most until end-March 2025. A new government emergency ordinance, in place starting April 1, 2024, brought changes to the regulatory framework. Our current estimate of the negative net impact of these changes for April to December this year is high double digit million euro at Group level. However, the changes do bring some first steps towards market deregulation. A tax on turnover was introduced as of January 1, 2024 (0.5% for OMV Petrom S.A. and OMV Petrom Marketing S.R.L.) with an estimated total annual impact of below EUR 50 mn in 2024. The new tax is applicable in 2024-2025.

Strategic direction: Optimize traditional business

In **Exploration and Production** segment the production is expected to be above 106 kboe/d (2023: 113 kboe/d), considering no divestments. We will continue to focus on the most profitable barrels, through assessing selective fields divestments. At Group level, capital expenditure is expected to be around RON 4.7 bn (2023: RON 2.6 bn), of which around half for Neptun Deep. We plan to drill around 40 new wells and sidetracks and perform up to 500 workovers (2023: 45 new wells and sidetracks and 497 workovers).

In **Refining and Marketing** segment the refinery utilization rate is estimated to be above 95% (2023: 80% due to the planned turnaround). Total refined product sales are forecasted to be higher compared to previous year (2023: 5.5 mn t). Retail fuel sales at Group level are expected to be also higher.

In **Gas and Power** segment total gas sales volumes are estimated to be lower compared to previous year (2023: 47 TWh), mainly on lower supply and trading opportunities. Net electrical output is forecasted to be higher compared to previous year (2023: 4.2 TWh), reflecting a shorter Brazi power plant planned outage.

Strategic direction: Grow regional gas

In relation to **Neptun Deep**, following successful awarding of the main contracts, we continue to focus on permitting activities, start construction and prepare to spud the first well in 2025. At Group level, on the **Han Asparuh Offshore Exploration Block Bulgaria**, following successful approval of the license transfer, we continue exploration activity as operator and are looking for potential farm-down options.

Strategic direction: Transition to low and zero carbon

At Group level, we target to **reduce carbon intensity** by 30% until 2030 vs. 2019 (2023: ~11% lower vs. 2019). Regarding **E- mobility** we continue to accelerate the expansion of the EV charging network in the region, with the ambition to reach around 1,000 charging points by year-end, including from announced M&A transaction (year end 2023: around 270 charging points). Also, we progress in developing the **renewable power portfolio**. We expect to close in 2024 the announced M&A transactions, subject to regulatory approvals and we envisage gradually starting electricity production in 2024. We are working on securing **EU funds** for various low and zero carbon projects.

At Group level, we expect a positive **free cash flow before dividends**, in the context of higher investments (2023: RON 4.4 bn), and **organic capital expenditure** is estimated at up to RON 6.5 bn (2023: RON 4.7 bn), with increased yoy investments dedicated mainly to the Neptun Deep project as well as low and zero carbon projects, mostly SAF/HVO, renewables and charging points for EVs. Additional investments for the announced low and zero carbon M&A transactions would bring total capital expenditure to up to RON 8 bn. Investments require predictable and stable regulatory and fiscal environment.

ⁱ Based on Brent

Declaration of the management

We confirm to the best of our knowledge that the unaudited interim condensed separate financial statements for the six-month period ended June 30, 2024 give a true and fair view of OMV Petrom S.A. assets, liabilities, financial position and profit or loss, as required by the applicable accounting standards, and that the Directors' Report gives a true and fair view of important events that have occurred during the first six months of the financial year 2024 and their impact on the interim condensed separate financial statements, as well as a description of the principal risks and uncertainties.

Bucharest, July 31, 2024

The Executive Board

Christina Verchere
Chief Executive Officer
President of the Executive Board

Alina Popa
Chief Financial Officer
Member of the Executive Board

Cristian Hubati
Member of the Executive Board
Exploration and Production

Franck Neel
Member of the Executive Board
Gas and Power

Radu Căprău
Member of the Executive Board
Refining and Marketing

Further information

Abbreviation and definitions

bbl	barrel(s), i.e. 159 liters
bn	billion / billions
boe; kboe; kboe/d	barrels of oil equivalent; thousand barrels of oil equivalent; kboe per day
EB	Executive Board
Effective tax rate	Taxes on income divided by Profit before tax (%)
EU	European Union
EUR	euro(s)
EV	Electric Vehicles
FX	Foreign Exchange
GEO	Government Emergency Ordinance
HSSE	Health, Safety, Security and Environment
HVO	hydrotreated vegetable oil
IFRSs; IASs	International Financial Reporting Standards; International Accounting Standards
Investments	Include amounts for fixed assets acquisitions, financial investments, advance payments on fixed assets, land deeds, right of use of assets in accordance with IFRS 16 Leases and excludes increases from reassessment of provisions
LNG	Liquefied Natural Gas
m	month
mn	million / millions
MOF	Ministry of Finance Order
MW; MWh	megawatt; megawatt hour
n.a.	not applicable/not available (as the case may be)
n.m.	not meaningful i.e. deviation exceeds (+/-) 500% or comparison is made between positive and negative values
M&A	Merger & Acquisition
NBR	National Bank of Romania
Net debt/(cash) including leases	Interest bearing debts and lease liabilities less cash and cash equivalents
NGL	Natural Gas Liquids – it refers to condensate only
OGMS	Ordinary General Meeting of Shareholders
Operating Result	The “Operating result” includes the former indicator EBIT (“Earnings Before Interest and Taxes”) and the net result from consolidated subsidiaries and equity-accounted investments.
Q	quarter
RON	Romanian leu
S.A.; S.R.L.	Societate pe Actiuni (Joint-stock company); Societate cu Raspundere Limitata (Limited liability company)
SAF	sustainable aviation fuel
SEE	Southeast Europe or Southeastern Europe
t	metric tonne(s)
TWh	terawatt hour
USD	United States dollar(s)
Vs.	Versus
yoy	year-on-year