

# OMV Petrom Q1 2026 Conference Call – Q&A Transcript

OMV Petrom published its results for January – March and Q1 2026 on April 30, 2026. The investor and analyst conference call was broadcast as a live audio-webcast at 3:00 pm local time. **Below is the transcript of the question-and-answer session, with edits for readability and clarifications/additions included in brackets.**

**Question from Oleg Galbur (ODDO BHF):** I have several questions, and I will ask them one by one. First of all, in the E&P segment on the OPEX per boe costs, which has increased quarter-on-quarter, both in US dollar terms as well as in local currency. Could you please help us understand the drivers behind this increase? Because when looking at FX and the sales volume, those were rather stable or flat quarter-on-quarter. If I remember correctly, in the previous conference call, you indicated, or you hinted at least to lower unit cost to be reached in 2026. Considering the current market environment, would you expect the OPEX per boe for the full year to be closer to the 2024 level or rather to the last year's level of almost \$18 per boe? That would be my first question.

Then moving to the increase of royalty in the upstream segment. I am referring to royalties on gas production. The impact was not visible in Q1, and as you pointed in your presentation, it will be visible afterwards. I was wondering whether we should expect the booking of the missing higher costs from the first quarter in the second quarter, or this will be rather spread over the next three quarters?

Lastly, on the solidarity contribution in the E&P. Could you please help us assess the impact of this contribution? How is it calculated and for how long was it introduced?

**Answer from Alina Popa (CFO):** {I will} start with the E&P OPEX question. The main impact, if we look quarter-on-quarter, is related to a higher personnel cost. This is in the context where we negotiated our CLA that is applicable for 2026, and this is the outcome of the negotiation, a one-off payment that was made in Q1. We will not have a percentage salary increase, which we will see equally over the quarters, but we had a one-off payment which is also good in a way that is not affecting the future to the same extent, like a percentage increase. That is the main impact that you see if you look on a quarter-for-quarter basis, where indeed we have approximately \$1 per barrel increase. Now, coming to the second part of your question with regards to full year guidance. Indeed, as mentioned in our previous calls, we have a lot of cost management measures ongoing. However, what we are seeing is that there is a persisting inflationary pressure, and also we see a lot of negative FX effect. In this context, we have relooked at all our estimations, and we see the guidance for 2026 production cost rather similar to the previous year, 2025.

Now moving to the next second question about the royalties increase. What we have announced is that, in December 2025, we have agreed with the Romanian state a set of objectives that were planned to be implemented in Q1 2026. Part of these objectives are related to prolongation of E&P concession agreements, and in this context, {we are} talking about the 40% increase of royalties. Implementation was going on in Q1, with a lot of dialogues, however, it was not yet finalised. We expect this to be finalised in Q2, and then the increase in royalties will apply prospectively after implementation, because there will be legislation changes. Legislation changes are always of prospective application. Hope this covers your second question.

Now coming to the third one around the solidarity contribution. If it is okay, I would like to give a bit of a full overview of all the interventions that happened at the end of Q1, basically. In the context of the Middle East crisis, Romanian state declared a crisis situation for oil and fuels market. This crisis situation covers three months, April to June 2026. In this context of crisis situation, they came for this three months with three main interventions.

Number one is related to E&P, and it is a solidarity contribution, which depends on the average Brent quotations. It is starting from \$70 per barrel. It is a solidarity contribution rate, which is progressive. It starts from 1.5% and can go up to 9.9%. Now, as an example, for an oil price between \$100 and \$120 per barrel, we will have an impact of €10 million to €15 million per month. How is it calculated? We take Refining and Marketing sales of own products of the respective month, weighted with a share of domestic crude processed in 2025, which is approximately 60%. Revenues of own products multiplied with 60% and {then} multiplied with the rate, which is depending on where the

crude price is. This in a price environment of \$100 to \$120 gives you approximately €10 million to €15 million per month. That is the E&P impact.

The second intervention from Romanian state is related to Refining and Marketing. Here, the Romanian state imposed capped margins for gasoline and diesel in the sense that we are not allowed to sell with a margin higher than last year margin. A lot of complexities when it comes to implementation. We are still working on trying to find the best way to implement this. This is the principle. Gasoline and diesel {capped}, all the other products are reflecting the market. There is also always a stock effect that you need to consider if you try to estimate. All in all, the net effect of {these interventions}, basically what they are doing, they are taking a part of the upside coming from these higher prices. Not everything, but a part of it goes to either government or to the consumers when it comes to the {capped} margins.

The third intervention, just to mention it, is not directly impacting us. The government reduced excise for standard diesel by approximately 10%, aiming to support consumption. This shows that government also did something on their side, not just asking the oil and gas companies to support everything. All of these are applicable right now for three months. There is always the possibility of prolongation, but for the time being, that is the plan.

Sorry for the long answer, but I tried to cover all dimensions.

**Question from Oleg Galbur:** No, I like very much longer answers. Thank you very much for this clarification because it's helping us to understand how to at least try to project all these measures. Just one follow-up on the second question. Now that you had more time to think over this royalty impact, but also other measures that have been agreed with the government, would you be able to give us an update on the expected net impact on a yearly basis?

**Answer from Alina Popa:** Not yet. As soon as we will finalise everything, all the legislative changes will be clearly published, and then we will provide as soon as possible an impact on the intervention. Indeed, it is a royalty increase, but also it is a change in supplementary taxation. We do not have yet all the details finalised. That is why we ask for your patience a bit more.

**Question from Irina Răilean (Mosaiq8):** My first one is regarding the Refining & Marketing business. How do you see the impact? If we take the margin, the last year's 12-point-something margin in the Refining business as a reference for this cap on the margin that the government introduced, is this a relevant figure or not? Because we saw the average for last year for OMV Petrom, and we saw the average for the Q2 2025. Is this comparable, because Q2 is lower than the whole year. If you could guide us a little bit on the how much the impact could be here and how to correctly interpret? This is my first question.

The second one is related to the gas market. If you could tell us how much of the volume in 2026 for the remaining quarters do you plan or are you obliged to sell on the regulated market? That is all from my side.

**Answer from Alina Popa:** I will start with the R&M question on the impact. The question was around, to what extent is relevant the last year refining margin? We need to consider that this maximum cap is valid for gasoline and diesel, not for the other products. What we have seen, at least in April {there} were quite negative cracks for products other than gasoline and diesel. That is an effect to consider. Let us see how the following {months} will go. There is always also a stock effect because the regulation starts from accounting logic, not from the CCS logic. There is a bit of temporary stock {effect}. You start from stocks plus the margins. There are some complexities around that. I mean, you can use it as an indication, but then there are other considerations to be looked at when you calculate the full

impact. All in all, I said previously, there is a positive impact {at group level}. However, part of it is taken away from us at company level.

Second question around the regulated sales. In Q1/2026, we talk about sales to households at regulated price {of} 2.9 terawatt-hour, Q2/2026 {of} 1.9 terawatt-hour, and the full year, we talk about 6.6 terawatt-hour of volumes to be sold to households and district heating.

**Question from Irina Răilean:** Maybe just a follow-up regarding the supply on the whole market, how safe and secure you see it right now? Because a couple of weeks ago, I saw some headlines in the press that we do not have enough supplies on the fuel market. That is why I am asking how do you see the situation right now?

**Answer from Christina Verchere (CEO):** I will take that one overall. Just a reminder, as we said, in general, Romania is importing 80% of the crude needs. Obviously, it has got more than one refinery. We are not the only refinery. {Romania has} got two refineries operational. Also we are importing diesel as well on top of the crude that we are bringing in overall.

With regards to how we see the market, I will talk just for ourselves. I mean, we are able to see access to the crude that we need. We are comfortable that we're able to bring the crude in. We are comfortable that we are able, obviously, with our own production as well to make sure our refinery is full and therefore to be able to put that into the market overall.

What we do see is some local filling station supply disruptions, generally for where you might go dry for a while, just for a limited period of time. It is temporary in nature until we get the stock moved {there} so we do see some of that. That is really an effect of the fact that we have an administrative intervention in place and just trying to manage that overall.

The other question we do tend to get around is jet because there is conversation more at the European level on jet. For the domestic needs that we see here in Romania, that is generally supplied very well by the two refineries on the jet side.

It is a volatile period. We need to be careful about forward projection on this. Overall, {looking at} how the first two months of this {conflict period} have gone, {they were} turbulent but supply has been secured.

**Question from Irina Răilean:** One more follow-up, if I may, also on the fuel market. Regarding the exports, you have some restrictions there. I know you have a distribution in Moldova and Bulgaria. How will that affect you? Is that just you should ask for permitting for export, or can it actually impact your sales volumes?

**Answer from Christina Verchere:** No, I mean, there are some checks on exports, just to check it that the market does not run out or anything like that. We are also able to provide our other markets with locally provided product as well in that overall. So I do not see a disruption there. Just always to remind ourselves, as a market, we are generally long gasoline, short diesel. You could possibly see some exports of gasoline.

**Question from Daniela Mandru (Swiss Capital):** I have just two questions. One regarding the guidance for the gas price, tax and realised price for 2026 at least. Because you do not publish this indicator despite the fact that it is important.

The second one regards the Han Asparuh. We know that you have drilled two wells, both empty. Please update us on the development of Han Asparuh going further.

**Christina Verchere:** I will take the Han Asparuh question, and Alina can take why we do not disclose gas price question.

Maybe I will just start a bit on the big picture. We are actively beginning to do more deepwater exploration activity in the western part of the Black Sea. Obviously, we have Neptun Deep, that is in development right now. What we did is to have acreage in Bulgaria, and we have acreage in Romanian deepwater as well. You are absolutely right. We drilled two wells in Han Asparuh. Unfortunately, we were not able to find significant gas resources there. We have plugged and abandoned both of those wells. However, we have also at the same time picked up acreage in the block further south of Han Asparuh, the Han Tervel. We are in the process of entering that with 25% equity. Shell is the operator and TPAO is also in the block. That is going through government approval. Then after that, it will do some seismic activity before you look to see if there is a prospect that you can drill.

The main message is we continue to be very interested in the Black Sea. We have also a deepwater exploration well due to be drilled in the Neptun block. That will happen at the end of the Neptun Deep project drilling programme overall. Yes, unfortunately, we had these two dry holes, but still continue to look because we see the overall western part of the Black Sea as geologically prospective. There has been some questions in terms of the financial implications. The two wells cost approximately €170 million. However, that is gross. Our exposure to that was {around} €30 mn because we had actually brought in partners. When you bring in a partner, they carry a higher share of the cost as part of the entry into those wells. Of that €30 mn, we have written off about half of it {in Q1/2026}. The other half is expected in the second quarter. That is because we were still plugging and abandoning and actually the demobilisation of the rig. So some cost went into the second quarter. Hopefully that gives you the macro picture, the big picture, and then also the financial picture as well.

**Answer from Alina Popa:** Indeed, we do not say much about the gas price. We have a lot of limitations coming from competition requirements in this respect. What I can say that indeed the local prices trend is expected to follow the region and the large Western trading gas hub. If you are looking at those, you should be in line with what we expect to happen on the Romanian market as well. For Q2, we see the trend going potentially higher depending on the external market influences and mainly the Middle East conflict. For the full year {it} remains volatile and, yes, in Romania we will follow probably the trends on the large trading gas hub.

**Question from Daniela Mandru:** But when making the budget, what price you assumed?

**Answer from Alina Popa:** Unfortunately, I cannot disclose this due to the confidentiality restrictions that we have in place.

**Question from Oleg Galbur:** Thank you for allowing me to ask one additional question. This is about your oil and gas production. Because what we observe is that in the first quarter, the oil production continued to decline. You have named several drivers behind this decline, including some adverse weather conditions. My question is, going forward, would you rather expect the crude oil production to stay somewhere between first quarter and fourth quarter of last year levels? Or would you rather say that the levels we see in the first quarter are to be expected going forward due to the ongoing natural decline?

Then maybe you can say also a few words about the gas production, which was increasing. Should this trend continue, or we should rather expect it to stay at current levels or at levels seen in the first quarter?

**Answer from Christina Verchere:** Maybe I will start with the gas side overall. I mean, we are very pleased with the first quarter production on the gas side. We do generally see, Oleg, that when we look at our near field wells that we

drill, when we look at some of our exploration, we do tend to see a little bit more success in the gas side than in the oil side. You can start to see that therefore in how the production is trending overall.

It is fair to say in general, yes, oil was a little bit lower than normal because of weather, otherwise, it is generally going to be the one with a higher decline than the gas is going to be. This is the trend that we see.

Now we continue to look for more and more opportunities. As we said in the strategy update {in February this year}, we will continue to put more capital into our traditional E&P business because we see that there is opportunity there. They are not the Neptun Deeps of the world, but we can tie-in these new wells pretty fast and turn them into a revenue line. If we can get more oil, obviously we will as well. Geologically, we tend to see that it is the gas that has a stronger performance in that area.

**Question from Daniela Mandru:** Now regarding this solidarity tax, you are saying that it will apply by 26<sup>th</sup> June. What if the oil price will remain high going forward? It will apply just until 26<sup>th</sup> June?

**Answer from Alina Popa:** Based on the current legislation now, yes. Now if the Middle East crisis continues, it can be prolonged. If we read the law as it is written right now, this state of crisis for oil and fuel market is declared for three months.

**Question from Daniela Mandru:** You are saying that this year you will acquire less third parties gas. By how much less compared to last year? Can you provide an amount or a decline rate?

**Answer from Alina Popa:** We cannot provide a third party gas number. No, we cannot.

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