Q3 2022 Results Conference Call

Alfred Stern
Chairman of the
Executive Board and CEO

October 28, 2022

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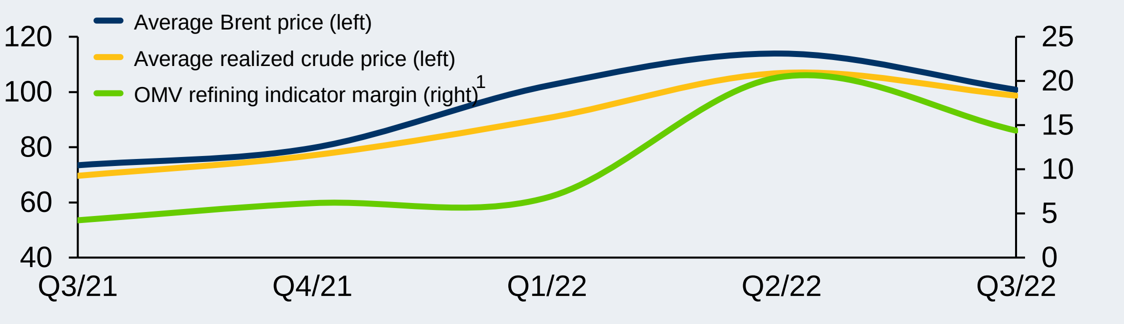
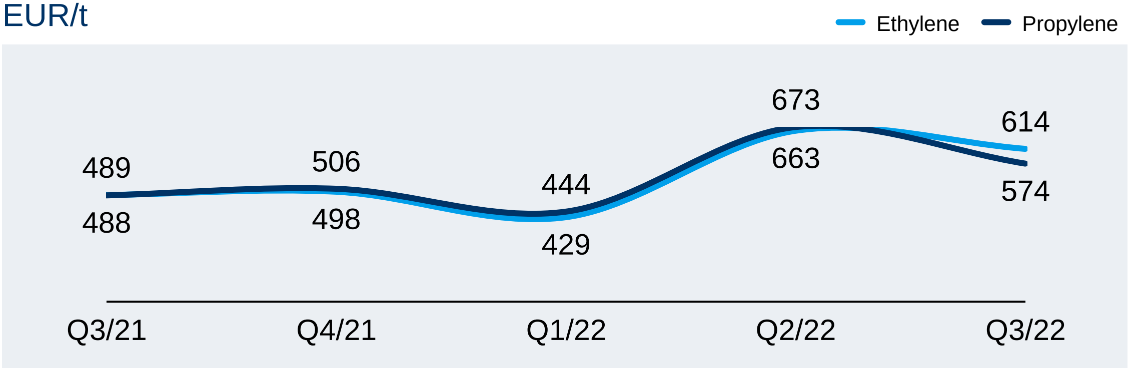
Macro environment

Strong oil and gas prices and strong refining margins, while polyolefin margins dropped from record high levels

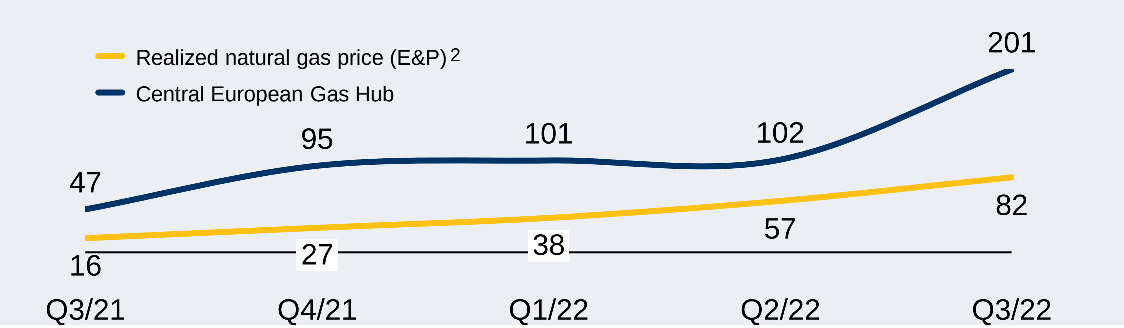
Oil prices and refining indicator margin Europe
USD/bbl



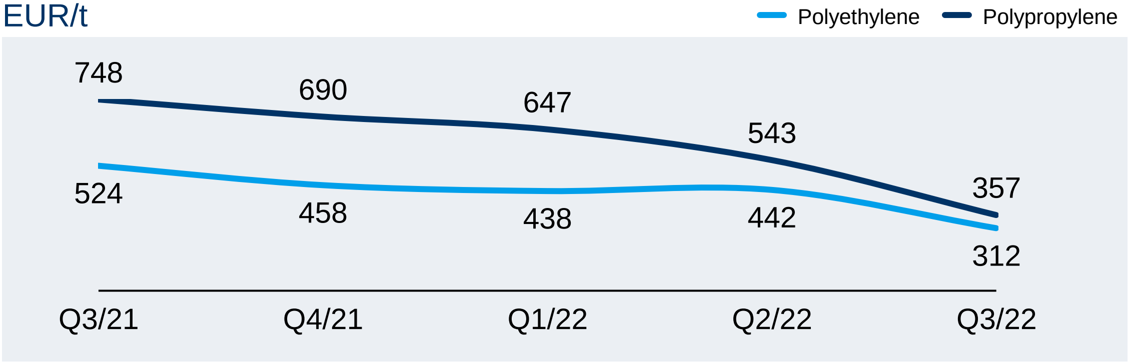
Olefin indicator margins Europe[3]
EUR/t



Gas prices
EUR/MWh



Polyolefin indicator margins Europe
EUR/t



Note: All figures are quarterly averages.
[1] Refining indicator margin recalculated based on Brent, due to the change of transfer price at OMV Petrom from Urals to Brent
[2] Converted to MWh using a standardized calorific value across the portfolio
[3] Spread between market prices of ethylene/propylene and naphtha including standard processing consumption of 18%

Q3 2022 Results conference call

Key messages

FINANCIAL PERFORMANCE Q3/22

Clean CCS Operating Result of
EUR 3.5 bn
+96% y-o-y

Quarterly cash flow from operating activities excluding NWC of
EUR 2.9 bn
+44% y-o-y

OPERATIONS Q3/22

Polyolefin sales incl. JVs
(12)% y-o-y

Total fuel sales
(21)% y-o-y

Cracker utilization rate Europe
63%

Refinery utilization rate Europe
44%

Total hydrocarbon production
(19)% y-o-y

DELIVERING THE STRATEGY

Sustainable Aviation Fuels: signed MoU with Ryanair and Lufthansa Group

PV: expanded the **plant in Austria** and announced construction of **4 parks in Romania**

Started two geothermal projects

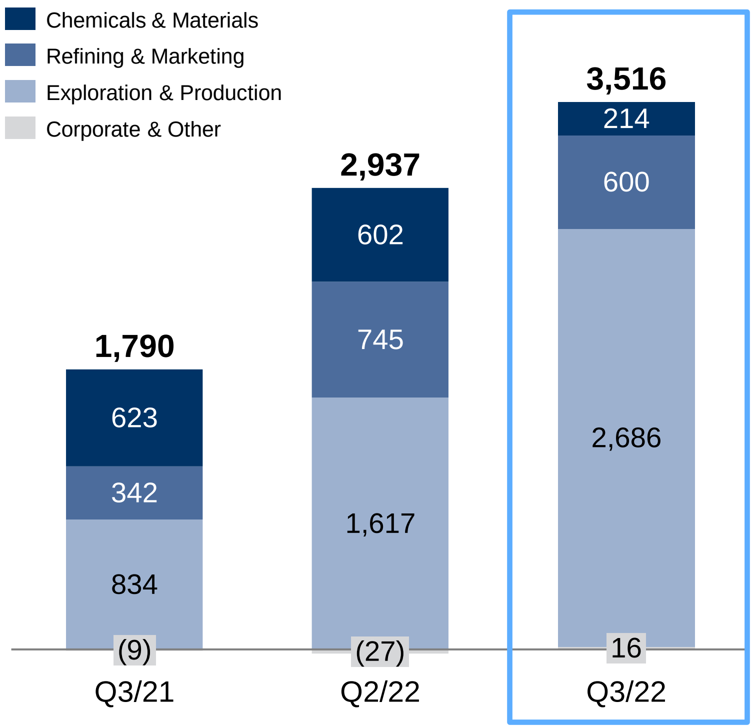
Recycling: announced the FEED for the construction of **an advanced commercial-scale mechanical recycling plant in Austria**

Launched the **Borstar® Nextension** breakthrough technology

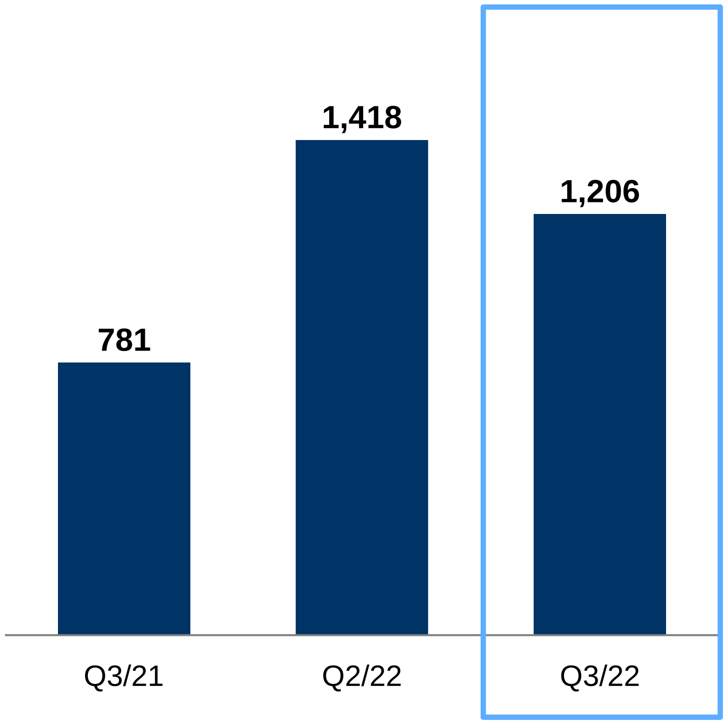
Clean CCS Earnings

Continued strong performance primarily driven by high oil and gas prices

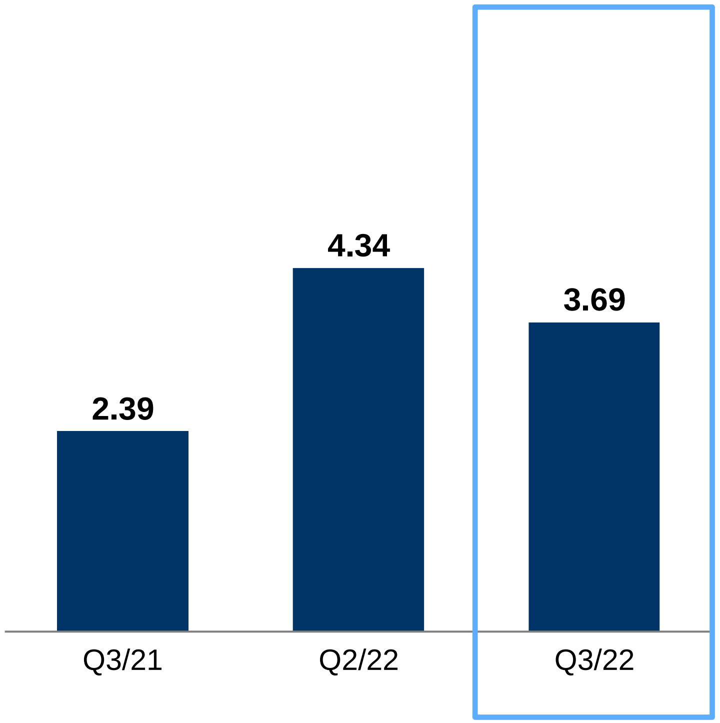
Clean CCS Operating Result
EUR mn



Clean CCS net income attributable to stockholders
EUR mn



Clean CCS Earnings Per Share
EUR

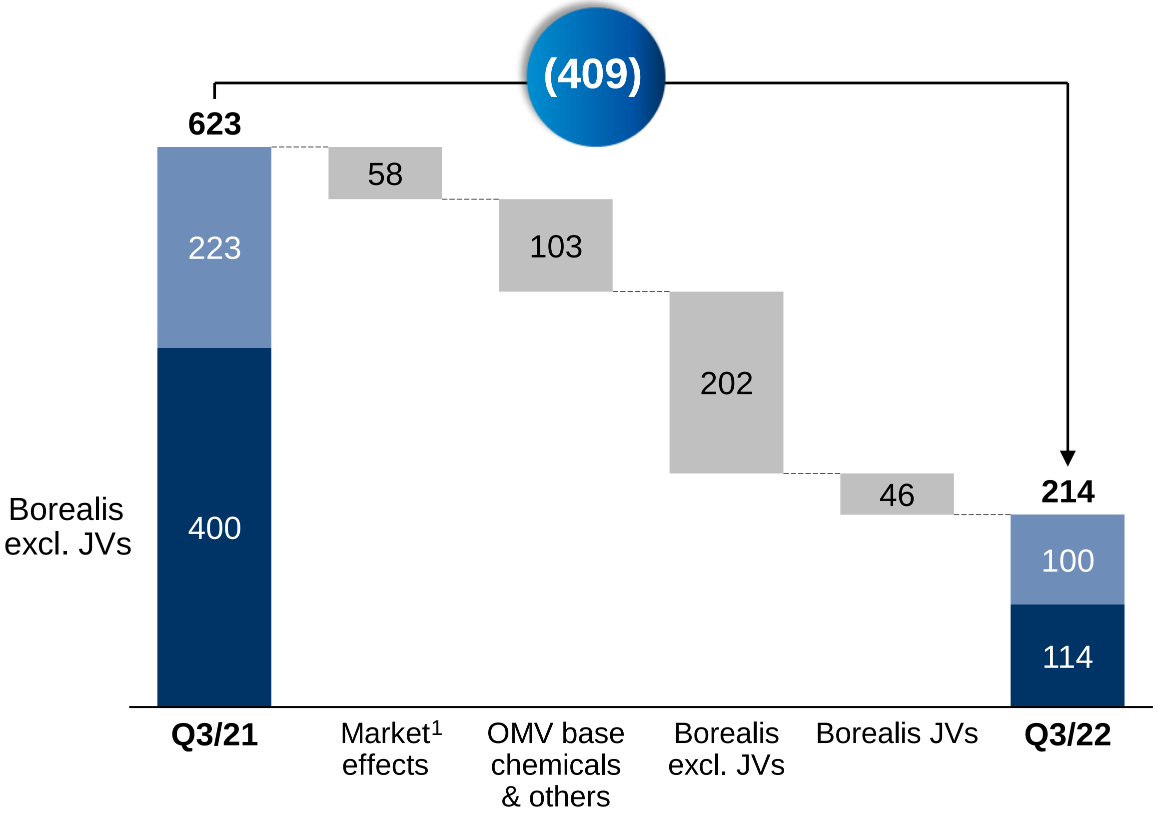


Note: Starting January 1, 2022 Gas Marketing Western Europe was transferred from R&M to E&P. Results were restated for previous periods.

Chemicals & Materials

Low base chemicals production due to refinery repairs, weaker polyolefin margins, and negative inventory valuation effects

Clean Operating Result
EUR mn



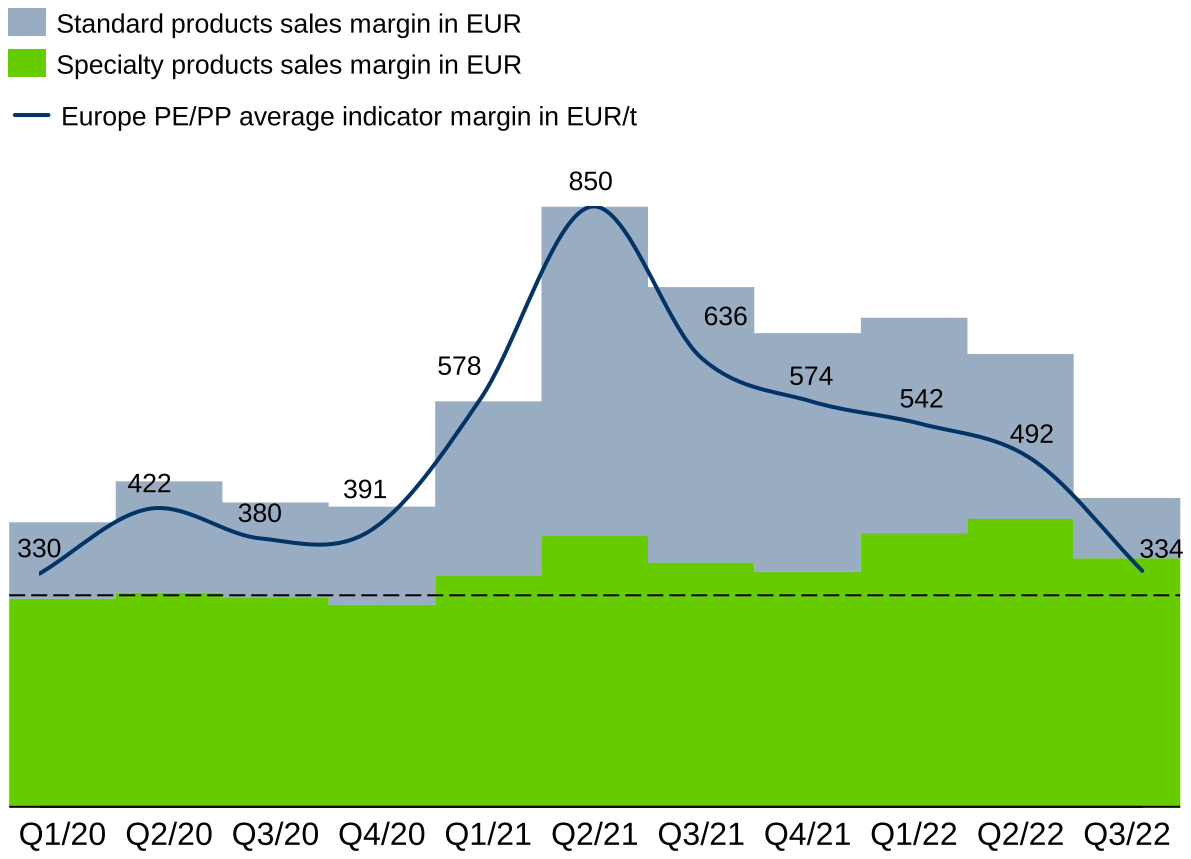
[1] Based on externally published quotations and volumes for the main product categories for OMV base chemicals and Borealis excl. JVs; excluding inventory effects; not adjusted to account for effect of inter-company profit elimination

- Market environment
  - Higher European ethylene and propylene indicator margins (+26%, +18%)
  - Significantly lower European PE and PP indicator margins (-40%, -48%)
- Lower steam cracker utilization rate Europe (63% vs. 88%) due to planned Burghausen cracker turnaround and repair works at Schwechat refinery
- Significantly lower OMV operated base chemicals contribution due to plummeting sales volumes, as both refineries were running at a very reduced capacity due to turnaround and repairs, and feedstock had to be purchased externally with higher costs
- Borealis excluding JVs
  - Lower inventory effects in base chemicals and polyolefins of almost EUR 200 mn
  - Base chemicals: significant negative inventory valuation effects and reduced light feedstock advantage
  - Polyolefins: significant negative inventory valuation effects and lower sales volumes, impacted by the Schwechat refinery incident
  - Nitrogen: stronger contribution mostly due to higher inventory valuation effects
- Borealis JVs
  - Weaker contribution, driven by softer market environment and lower shareholding in Borouge, following the successful 10% listing in June 2022, partially compensated for by stronger USD vs. EUR

Chemicals & Materials

Specialty polyolefin margins and volumes in Europe have proven very resilient

Polyolefin clean sales margin of Borealis excluding JVs

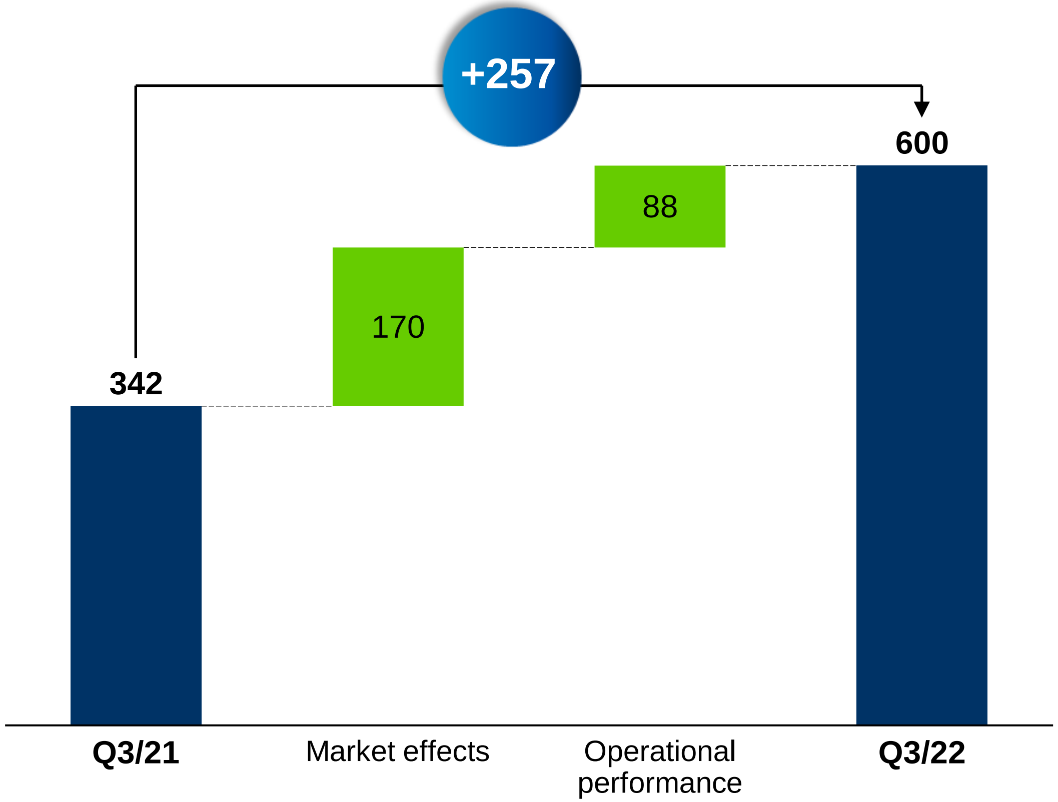


- Specialty products are supplied to end-industries such as Energy, Automotive, Health Care, Consumer Products
  - Global leading supplier for high-voltage cables
  - One of leading suppliers to global Automotive OEMs
  - Leader in polyolefins with recycled content
- Specialty business provides stable earnings base
- Pricing of specialty products is based on performance, driven by innovation and technology
- Over the cycle
  - Specialty product unit margin is double vs standard product unit margin
  - Specialty products account for 40% of the total volume and represent about 60% of the total margin

Refining & Marketing

Higher Gas & Power East, improved ADNOC Refining and Trading, stronger refining margins, partially offset by a drop in production

Clean CCS Operating Result
EUR mn



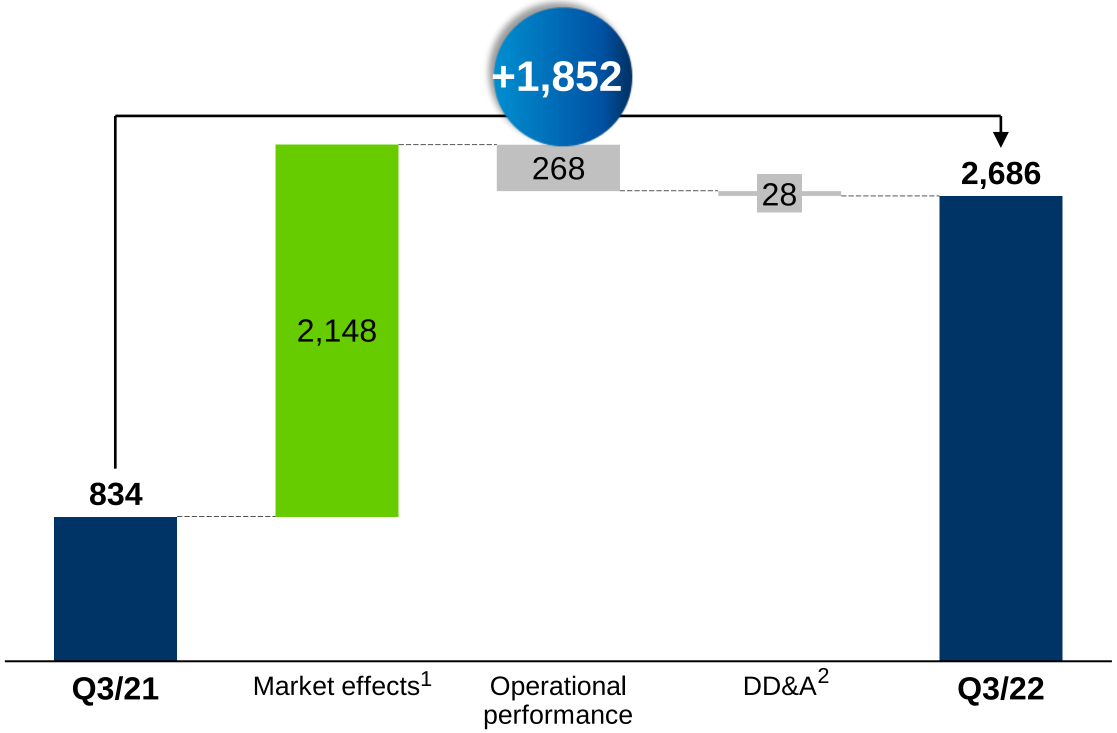
- Significantly higher refining indicator margin Europe (USD 14.4/bbl vs. 4.2/bbl)
- Operational performance
  - Substantially lower refinery utilization rate Europe due to Schwechat refinery incident and Burghausen turnaround (44% vs. 91%)
  - Lower retail contribution due to lower fuels sales, missing contribution from Germany, and voluntary discount to pump prices in Romania
  - Slightly lower commercial performance driven by lower volumes and price caps, partially compensated for by higher jet fuel demand
  - No more contribution from refining margin hedges
  - Significantly higher ADNOC Refining and Trading contribution due to outstanding refining margins and improved contribution from Trading
  - Significantly higher contribution from the Gas & Power business in Romania due to higher gas and power margins

Note: As of January 1, 2022 Gas Marketing Western Europe was transferred from R&M to E&P. Results were restated for previous periods.

Exploration & Production

Substantially higher oil and gas prices, partly offset by lower volumes and a significantly weaker Gas West business result

Clean Operating Result
EUR mn



- Significantly stronger market environment
  - Average realized crude oil price increased by 42%
  - Average realized natural gas price increased by 426%
  - Positive FX impact due to stronger USD/EUR
- Production of 381 kboe/d (-89 kboe/d)
  - UAE (+13 kboe/d)
  - Russia (-89 kboe/d), following the change in consolidation method as of March 1, 2022
  - Romania (-6 kboe/d)
  - Libya, Austria (-2 kboe/d each)
- Sales volumes decreased by 80 kboe/d mainly due to change in consolidation method for Russia, partly compensated for by higher sales in the UAE and Norway
- Production costs increased to USD 8.2/boe (+22%) mainly because of the change in consolidation method for Russian operations
- Negative results in Gas Marketing Western Europe business, primarily due to supply curtailments by Gazprom

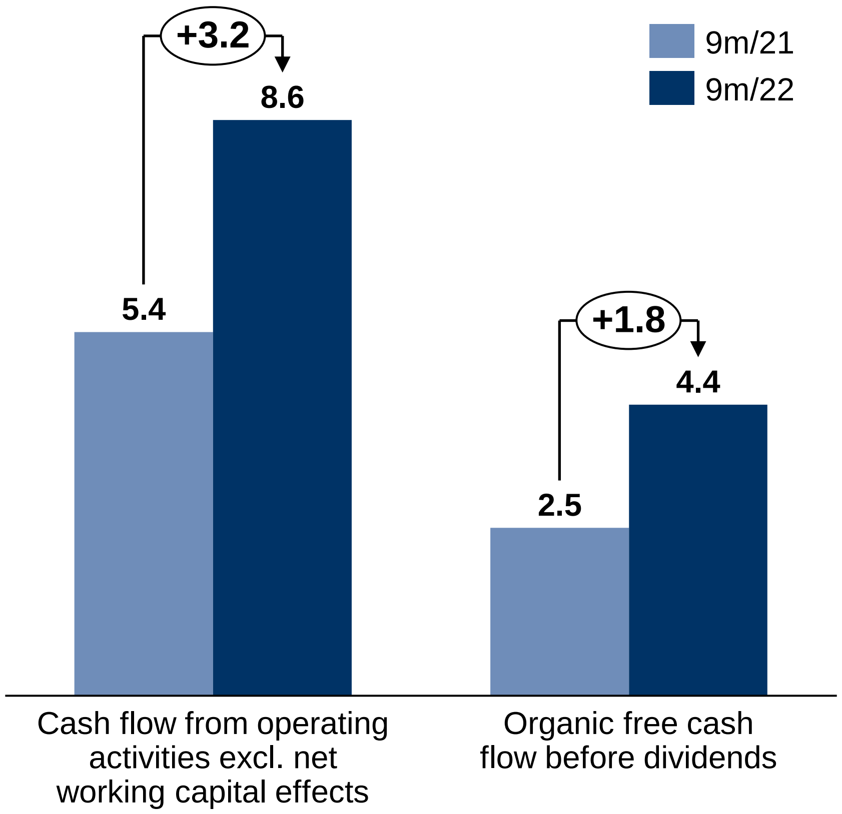
[1] Market effects defined as oil and gas prices, foreign exchange impact, price effect on royalties, and hedging

[2] Depreciation, Depletion, and Amortization, including write-ups

Note: As of January 1, 2022, Gas Marketing Western Europe was transferred from R&M to E&P. Results were restated for previous periods.

Cash flow from operating activities excluding net working capital effects in 9m/22 increased to EUR 8.6 bn

Cash flow 9m/22 vs. 9m/21
EUR bn

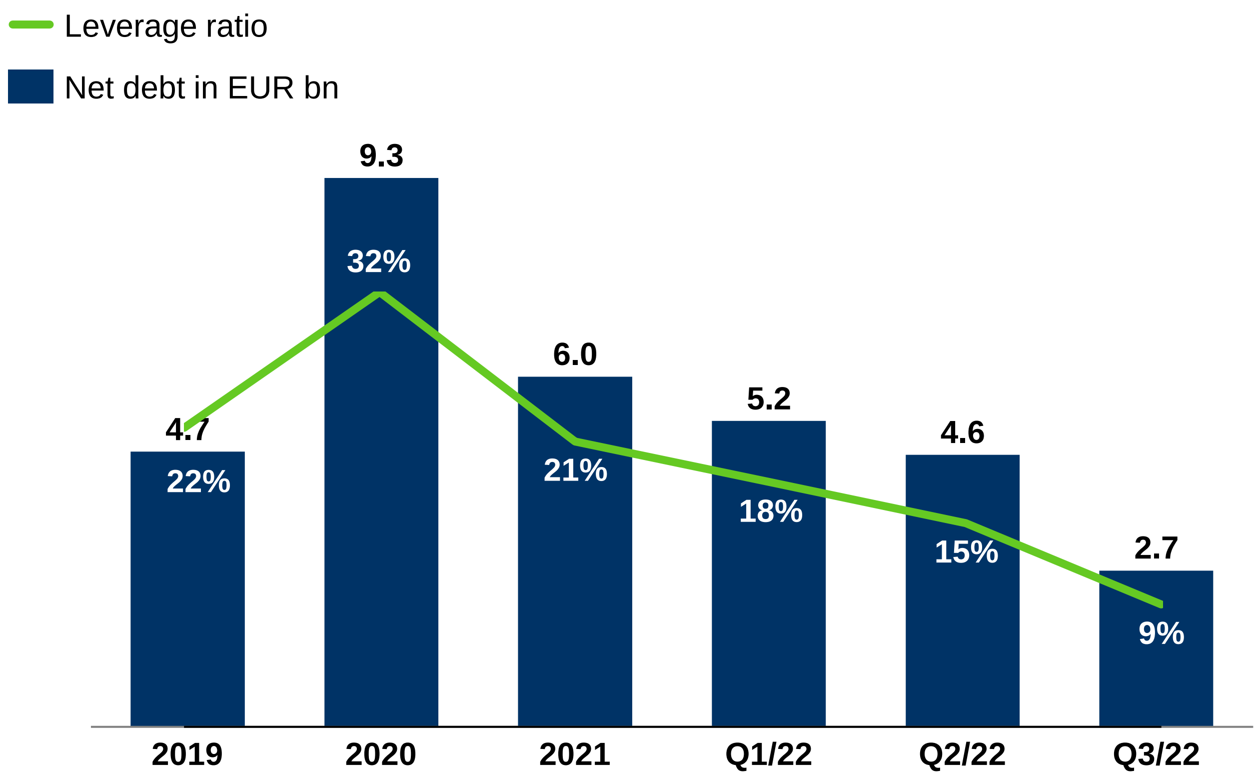


- Increase of ~ **EUR 3.2 bn** in cash flow from operating activities excluding net working capital effects vs. 9m/21
- Net working capital effects of EUR (2.3) bn (9m/21: EUR (1.2) bn)
- **Cash flow from operating activities of EUR 6.3 bn** (9m/21: EUR 4.2 bn)
- Organic cash flow from investing activities[1] of EUR (2.0) bn (9m/21: EUR (1.7) bn)
- **Organic free cash flow before dividends[2] of EUR 4.4 bn** (9m/21: EUR 2.5 bn)
- Dividends paid of EUR (1,411) mn, thereof:
  - OMV stockholders: EUR (752) mn (9m/21: EUR (605) mn)
  - OMV Petrom minority shareholders: EUR (436) mn, thereof EUR (248) mn special dividends in Q3 (9m/21: EUR (171) mn)
  - Borealis minority shareholders: EUR (175) mn (9m/21: EUR (38) mn)
  - Hybrid owners: EUR (48) mn (9m/21: EUR (48) mn)
- **Inorganic cash flow from investing activities of EUR (973) mn**

[1] Organic cash flow from investing activities is cash flow from investing activities excluding divestments and material inorganic cash flow components (e.g. acquisitions).
[2] Organic free cash flow before dividends is organic cash flow from operating activities minus organic cash flow from investing activities.

Strong balance sheet

Leverage ratio fell to 9%, reflecting the strong underlying cash generation



End of Sep 2022
OMV cash position[1]

EUR 7.7 bn

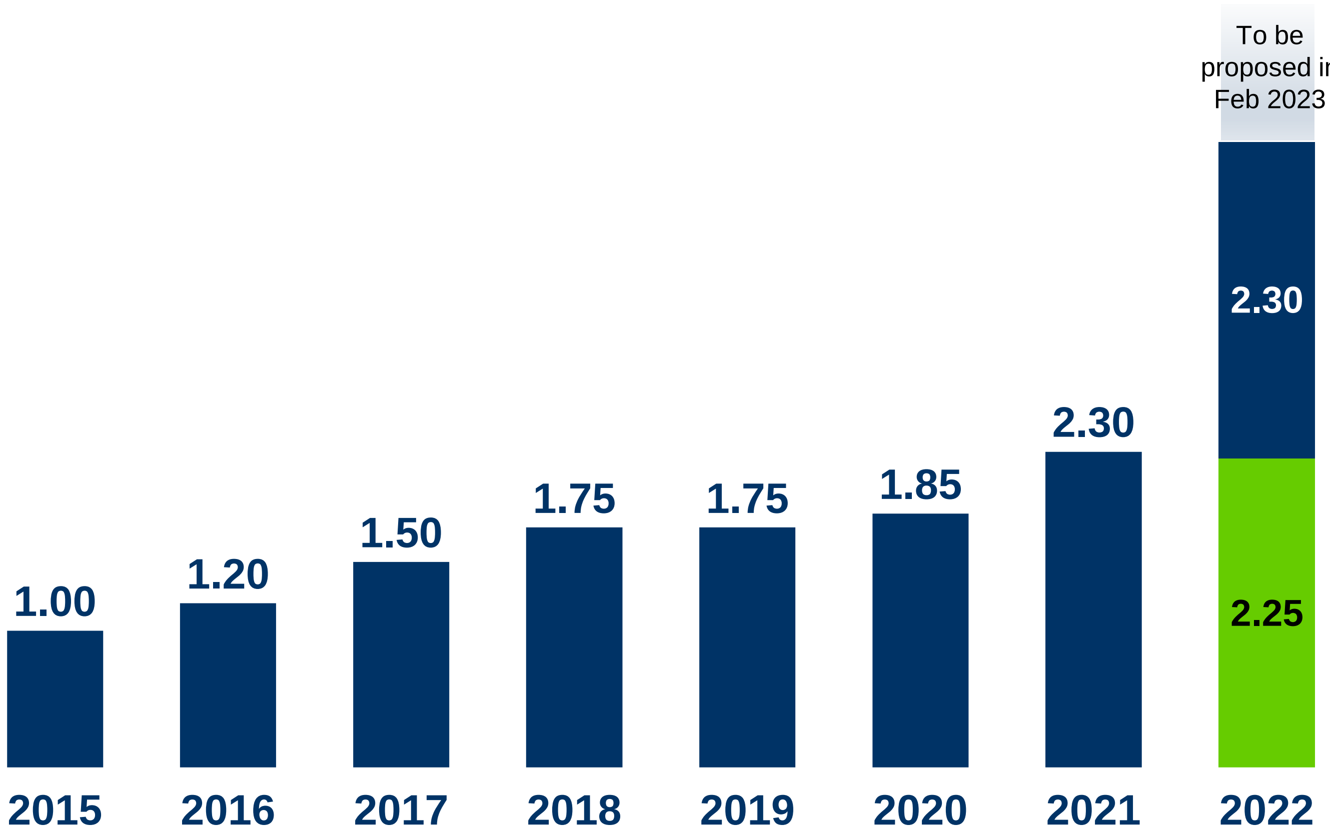
End of Sep 2022
OMV undrawn committed credit facilities

EUR 4.2 bn

[1] including cash from assets held for sale

Note: Leverage ratio is defined as net debt including leases to capital employed.

Proposal of special dividend of EUR 2.25 per share for financial year 2022



Progressive dividend policy

OMV aims to increase dividends every year or at least to maintain the level of the respective previous year.

Special dividend

Q3 2022 Results

Updated outlook 2022

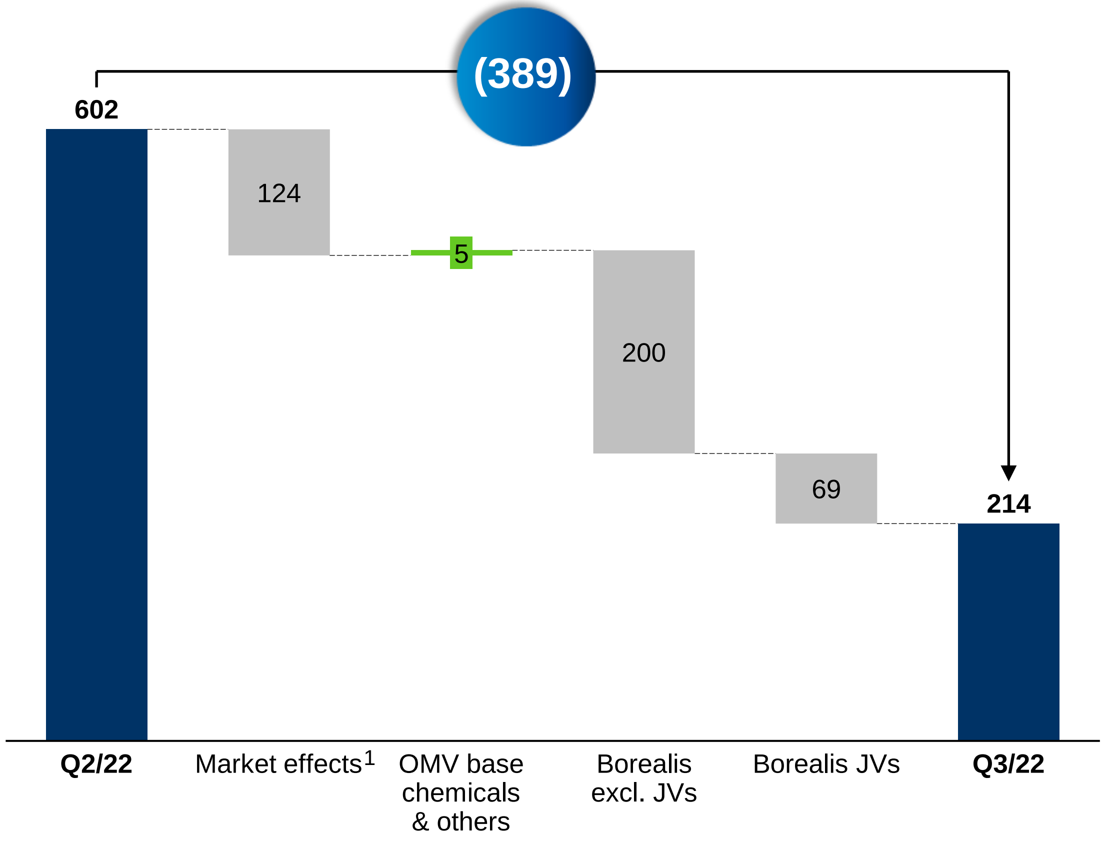
	2021	2022
Brent oil price (USD/bbl)	71	>100
Average realized gas price (EUR/MWh)	16.5	**55-60** (previous: ~45)
Europe ethylene indicator margin (EUR/t)	468	>468
Europe propylene indicator margin (EUR/t)	453	>453
Europe polyethylene indicator margin (EUR/t)[2]	582	~400
Europe polypropylene indicator margin (EUR/t)[3]	735	~500
Borealis polyolefin sales volumes excluding JVs (mn t)	3.95	**<3.95** (previous: slightly <3.95)
Utilization rate steam crackers Europe (%)	90	**<80** (previous: <90)
OMV refining indicator margin Europe (USD/bbl)[4]	3.7	~15
Utilization rate European refineries (%)	88	<<88
Total hydrocarbon production (kboe/d)	486	~390[1]
Organic CAPEX (EUR bn)	2.6	~3.7

[1] As of March 2022, production volumes from Russia are excluded, due to the change in the consolidation method. In 2021, Russia contributed 96 kboe/d and in Q1/22 70 kboe/d.
[2] HD BM FD EU Domestic EOM (ICIS low) – Ethylene CP WE (ICIS)
[3] PP Homo FD EU Domestic EOM (ICIS low) – Propylene CP WE (ICIS)
[4] Refining indicator margin calculated based on Brent for all refineries

APPENDIX

Lower sales volumes in a weaker market environment, negative inventory effects, and lower Borouge performance

Clean Operating Result
EUR mn

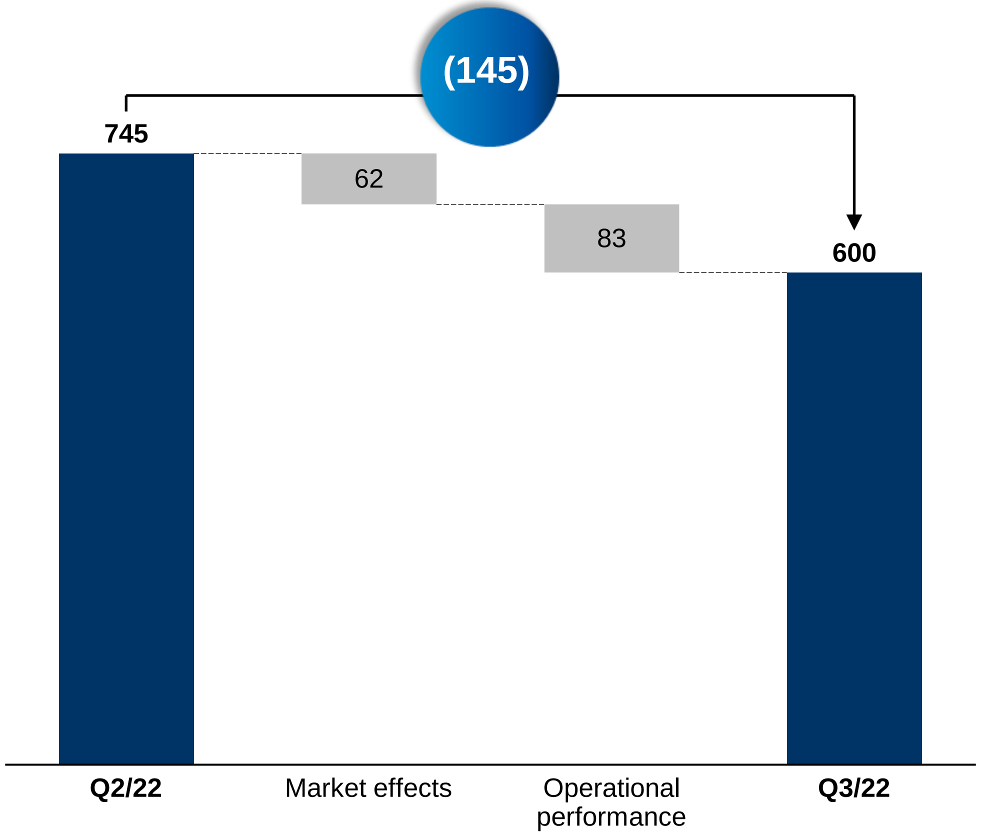


[1] Based on externally published quotations and volumes for main product categories for OMV base chemicals and Borealis excl. JVs; excluding inventory effects; not adjusted for effect from intercompany profit elimination

- Market environment
  - Lower ethylene and propylene indicator margins (-7%, -15%)
  - Lower European PE and PP indicator margins (-29%, -34%)
- Higher steam cracker utilization rate Europe (63% vs 56%) due to return to full operations of the Stenungsund cracker after the turnaround, partially offset by the planned turnaround in Burghausen and Schwechat refinery incident
- OMV base chemicals & others
  - Significantly lower OMV base chemicals contribution due to decreased production due to refinery repairs
  - Positive consolidation line driven by lower olefin margins
- Borealis excluding JVs
  - Base chemicals: lower inventory valuation effects and lower light feedstock advantage
  - Polyolefins: negative inventory valuation effect, lower sales volumes driven by weaker demand and supply constraints
  - Nitrogen: lower margins due to higher gas prices, partially offset by positive inventory effects and higher sales volumes
- Borealis JVs
  - Lower performance, driven by weaker market environment and lower shareholding in Borouge, following the 10% successful listing of Borouge in June 2022

Softening refining margins and lower refining contribution due to reduced production

Clean CCS Operating Result
EUR mn

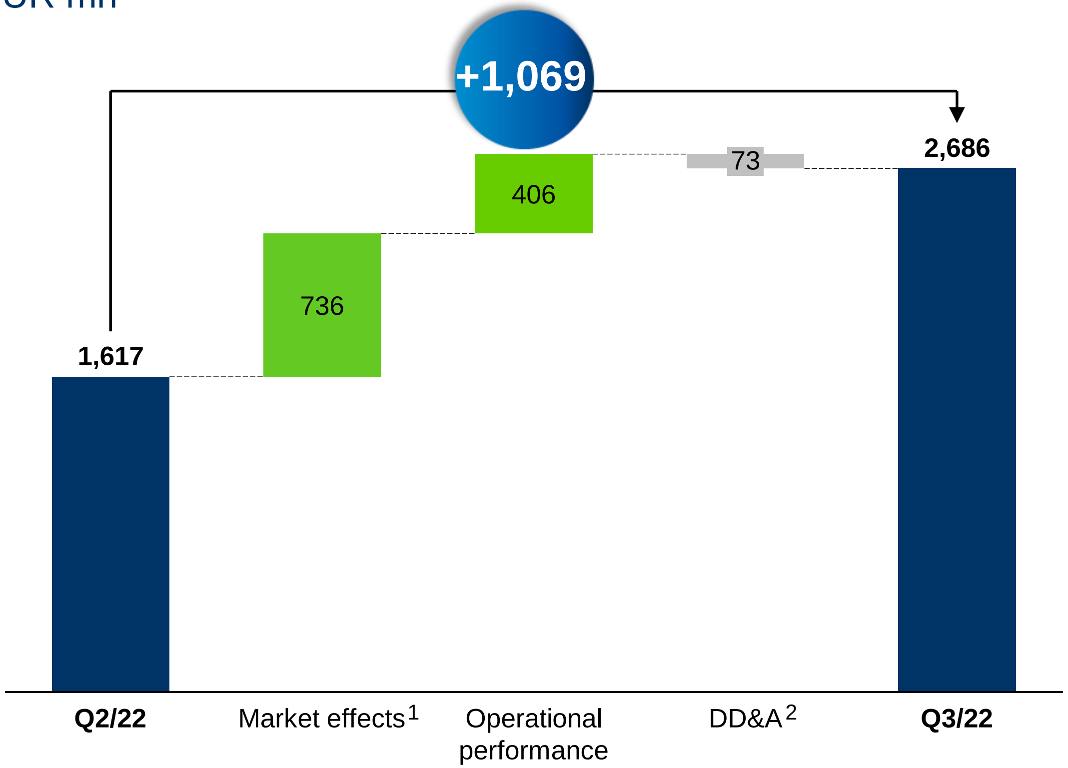


- Lower refining indicator margin Europe (USD 14.4. vs. 20.5/bbl)
- Operational performance
  - Lower refinery utilization rate Europe due to planned Burghausen turnaround and Schwechat refinery incident in June (44% vs 58%)
  - Lower total fuels sales, due to missing contribution from Germany, partially offset by higher jet volumes
  - Higher retail and commercial performance driven by higher fuel margins, partially offset by voluntary discount to pump prices in Romania
  - Lower ADNOC Refining & Trading JV contribution due to declining refining margins
  - Higher contribution from the Gas & Power business in Romania mainly due to higher gas and power margins

Note: As of January 1, 2022 Gas Marketing Western Europe was transferred from R&M to E&P. Results were restated for previous periods.

Favorable market environment and additional liftings in Libya partly offset by negative Gas Marketing Western Europe result

Clean Operating Result
EUR mn



- Improved market environment
  - Realized oil price decreased by (8)%
  - Realized gas price increased by 46%
  - Positive FX impact due to stronger USD/EUR
- Production of 381 kboe/d (+36 kboe/d)
  - Libya (+13 kboe/d)
  - Malaysia (+8 kboe/d)
  - New Zealand (+7 kboe/d)
  - Norway (+7 kboe/d)
  - UAE (+5 kboe/d)
- Higher sales volumes (+71 kboe/d) following production and higher liftings in Libya
- Production costs stable at USD 8.2/boe (-1%)
- Negative result in Gas Marketing Western Europe business due to Gazprom supply curtailments

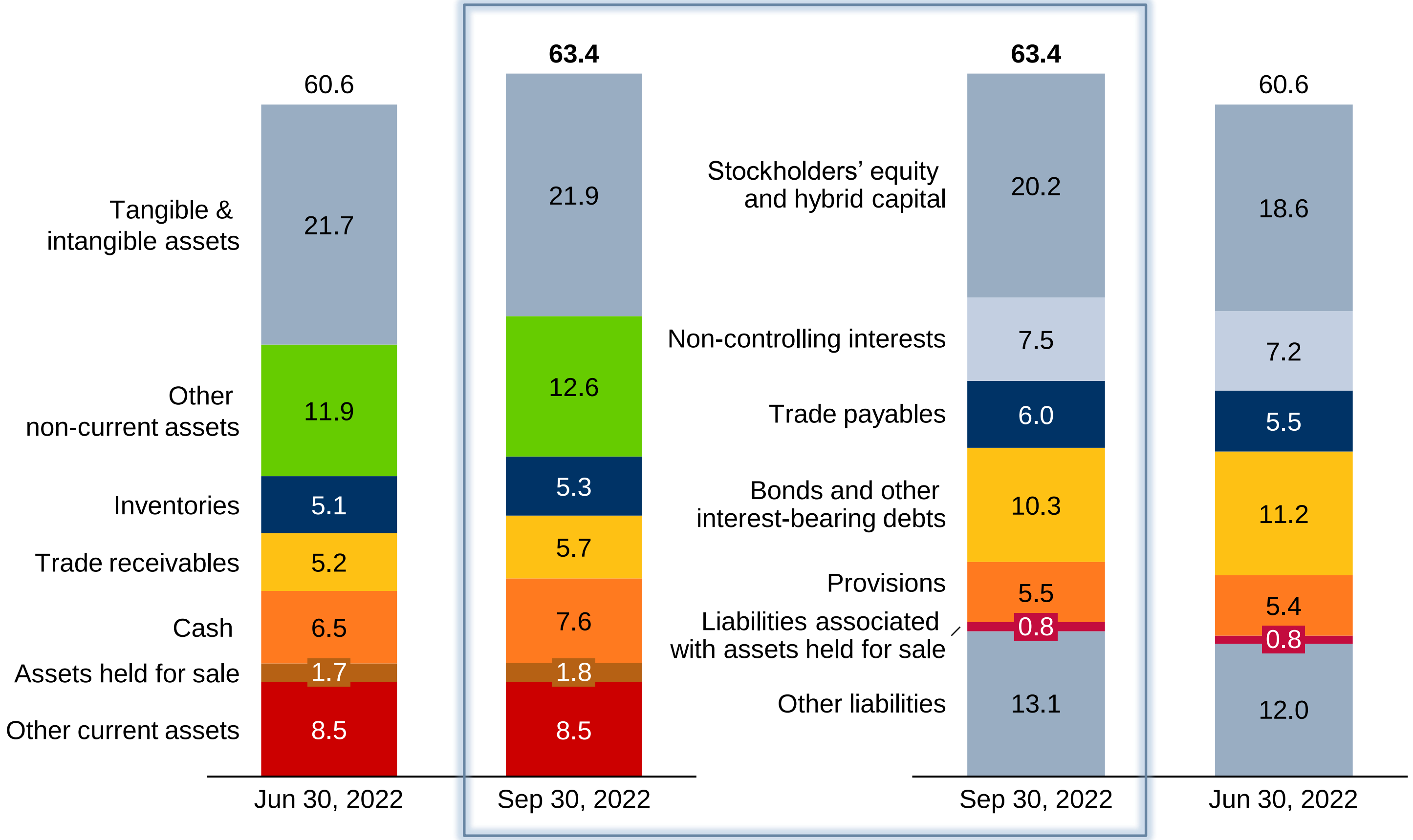
[1] Market effects defined as oil and gas prices, foreign exchange impact, price effect on royalties and hedging

[2] Depreciation, Depletion, and Amortization, including write-ups

Note: As of January 1, 2022, Gas Marketing Western Europe was transferred from R&M to E&P. Results were restated for previous periods.

Strong balance sheet

Balance sheet September 30, 2022 vs. June 30, 2022
EUR bn



- **At-equity accounted investments** increased, predominantly driven by a stronger USD
- Strong net income together with positive FX impacts from USD were the main driver for the increase in **stockholders' equity**
- The same impacts applied to **non-controlling interests**, however the increase was partly offset by a special dividend distribution of OMV Petrom
- **Bonds** decreased due to the repayment of a EUR 750 mn senior bond

2022 Sensitivities

Sensitivities of the OMV Group results in 2022

Annual impact excl. hedging in EUR mn	**Clean CCS Operating Result**	**Operating cash flow**
Brent oil price (USD +1/bbl)	+55	+25
Realized gas price (EUR +1/MWh)	+85	+55
OMV indicator refining margin Europe (USD +1/bbl)	+95	+75
Ethylene indicator margin Europe (EUR +10/t)	+20	+15
Propylene indicator margin Europe (EUR +10/t)	+20	+15
Polyethylene indicator margin Europe (EUR +10/t)	+10	+10
Polypropylene indicator margin Europe (EUR +10/t)	+10	+10
EUR/USD (USD changes by USD +0.01)	+25	+15

Note: Materially different Brent and FX levels (vs. current levels) would lead to different sensitivity results.