Q4

Quarterly Report 2022

OMV Group

OMV

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Disclaimer regarding forward-looking statements

This report contains forward-looking statements. Forward-looking statements usually may be identified by the use of terms such as "outlook," "expect," "anticipate," "target," "estimate," "goal," "plan," "intend," "may," "objective," "will," and similar terms or by their context. These forward-looking statements are based on beliefs and assumptions currently held by and information currently available to OMV. By their nature, forward-looking statements are subject to risks and uncertainties, both known and unknown, because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of OMV. Consequently, the actual results may differ materially from those expressed or implied by the forward-looking statements. Therefore, recipients of this report are cautioned not to place undue reliance on these forward-looking statements. Neither OMV nor any other person assumes responsibility for the accuracy and completeness of any of the forward-looking statements contained in this report. OMV disclaims any obligation to update these forward-looking statements to reflect actual results, revised assumptions and expectations, and future developments and events. This report does not contain any recommendation or invitation to buy or sell securities in OMV.

OMV Group Report January–December and Q4 2022 including preliminary consolidated financial statements as of December 31, 2022

Key Performance Indicators[1]

Group

- Clean CCS Operating Result grew slightly to EUR 2,101 mn, due to better performance in Refining & Marketing and Exploration & Production
- Clean CCS net income attributable to stockholders of the parent decreased to EUR 700 mn;
  clean CCS Earnings Per Share were EUR 2.14
- Cash flow from operating activities excluding net working capital effects decreased to EUR 1,233 mn
- Organic free cash flow before dividends totaled EUR 534 mn
- Clean CCS ROACE stood at 19%
- Total Recordable Injury Rate (TRIR) was 1.23
- Regular dividend per share of EUR 2.80 proposed[2], up 22% compared to the previous year. In addition, special dividend of EUR 2.25 proposed[2]

Chemicals & Materials

- Polyethylene indicator margin Europe declined to EUR 370/t,
  polypropylene indicator margin Europe decreased to EUR 398/t
- Polyolefin sales volumes lessened to 1.42 mn t

Refining & Marketing

- OMV refining indicator margin Europe grew sharply to USD 17.5/bbl[3]
- Fuels and other sales volumes Europe decreased marginally to 4.33 mn t

Exploration & Production[4]

- Production decreased by 106 kboe/d to 385 kboe/d, mainly due to the change in the consolidation method of Russian operations
- Production cost increased by 43% to USD 9.1/boe

Notes: Figures in the following tables may not add up due to rounding differences. In the interest of a fluid style that is easy to read, non-gender-specific terms have been used. As of Q1/22 the gas business, previously reported in Refining & Marketing, was split into Gas Marketing Western Europe reported under Exploration & Production, and Gas & Power Eastern Europe reported under Refining & Marketing. For comparison only, 2021 figures are presented in the new structure.

[1] Figures reflect the Q4/22 period; all comparisons described relate to the same quarter in the previous year except where otherwise mentioned.

[2] As proposed by the Executive Board, subject to review by the Supervisory Board; subject to approval by the Annual General Meeting 2023

[3] As of Q2/22, the refining indicator margin reflects the change in the crude oil reference price from Urals to Brent at OMV Petrom.

[4] As of March 1, 2022, Russian operations are no longer included in Group operational KPIs, Operating Results, or cash flows.

Key events

- On January 12, 2023: Borealis acquires a majority stake in Renasci signalling on-going commitment to leading the transformation to a circular economy
- On January 10, 2023: OMV recognized as a leader in climate change action for seventh consecutive year and maintains Dow Jones Sustainability Index status and leadership score in CDP
- On December 14, 2022: OMV appoints Berislav Gaso as new Executive Board Member for Energy
- On December 13, 2022: OMV amends dividend policy with special dividends as new, additional instrument
- On December 13, 2022: Changes in the OMV Executive Board
- On December 1, 2022: OMV introduces new corporate structure to drive sustainable growth and innovation
- On November 25, 2022: OMV's geothermal experts welcome first results
- On November 16, 2022: Consortium formed for developing new process technology to produce Sustainable Aviation Fuel
- On November 15, 2022: OMV and Wizz Air sign MoU to supply Sustainable Aviation Fuel
- On November 2, 2022: OMV appoints Daniela Vlad as new Executive Board Member for Chemicals & Materials
- On November 2, 2022: OMV and Wood sign MoU for commercial licensing of ReOil® technology
- On October 27, 2022: OMV Executive Board will propose special dividend for the financial year 2022 in the amount of EUR 2.25 per share
- On October 27, 2022: Changes in the OMV Executive Board
- On October 27, 2022: OMV and ADNOC sign MoU in presence of UAE President, H.H. Sheikh Mohamed bin Zayed Al Nahyan and Austria's Federal Chancellor H.E. Karl Nehammer
- On October 27, 2022: OMV and Jadestone agree to terminate the intended divestment of OMV's stake in the Maari Field
- On October 7, 2022: OMV Schwechat Refinery is in full operation

Directors' Report (condensed, unaudited)

Group performance

Financial highlights

In EUR mn (unless otherwise stated)

Q4/22	Q3/22	Q4/21	Δ[1]		2022	2021	Δ
14,507	17,170	13,348	9%	Sales revenues	62,298	35,555	75%
2,101	**3,516**	**2,001**	**5%**	**Clean CCS Operating Result[2]**	**11,175**	**5,961**	**87%**
57	214	512	(89)%	Clean Operating Result Chemicals & Materials[2]	1,457	2,224	(34)%
714	600	358	99%	Clean CCS Operating Result Refining & Marketing[2]	2,415	945	155%
1,324	2,686	1,155	15%	Clean Operating Result Exploration & Production[2]	7,396	2,892	156%
(26)	(10)	(22)	(15)%	Clean Operating Result Corporate & Other[2]	(50)	(62)	19%
32	26	(2)	n.m.	Consolidation: elimination of intersegmental profits	(43)	(39)	(11)%
54	54	36	17	Clean CCS Group tax rate in %	48	36	12
917	1,645	1,239	(26)%	Clean CCS net income[2]	5,807	3,710	57%
700	**1,206**	**1,018**	**(31)%**	**Clean CCS net income attributable to stockholders of the parent[2, 3]**	**4,394**	**2,866**	**53%**
2.14	3.69	3.11	(31)%	Clean CCS EPS in EUR[2]	13.44	8.77	53%
2,101	**3,516**	**2,001**	**5%**	**Clean CCS Operating Result[2]**	**11,175**	**5,961**	**87%**
56	**153**	**(501)**	**n.m.**	**Special items[4]**	**861**	**(1,315)**	**n.m.**
(286)	(134)	89	n.m.	CCS effects: inventory holding gains/(losses)	210	418	(50)%
1,872	**3,535**	**1,590**	**18%**	**Operating Result Group**	**12,246**	**5,065**	**142%**
71	165	67	6%	Operating Result Chemicals & Materials	2,039	1,828	12%
724	623	(397)	n.m.	Operating Result Refining & Marketing	3,392	451	n.m.
1,081	2,737	1,947	(44)%	Operating Result Exploration & Production	6,936	2,910	138%
(45)	(17)	(26)	(73)%	Operating Result Corporate & Other	(86)	(74)	(16)%
40	26	(2)	n.m.	Consolidation: elimination of intersegmental profits	(35)	(51)	31%
(205)	(220)	(55)	n.m.	Net financial result	(1,481)	(194)	n.m.
1,667	3,314	1,535	9%	Profit before tax	10,765	4,870	121%
73	59	56	17	Group tax rate in %	52	42	10
448	1,359	677	(34)%	Net income	5,175	2,804	85%
308	833	538	(43)%	Net income attributable to stockholders of the parent[3]	3,634	2,093	74%
0.94	2.55	1.65	(43)%	Earnings Per Share (EPS) in EUR	11.12	6.40	74%
1,233	2,895	3,455	(64)%	Cash flow from operating activities excl. net working capital effects	9,843	8,897	11%
1,439	3,182	2,782	(48)%	Cash flow from operating activities	7,758	7,017	11%
499	2,287	2,321	(79)%	Free cash flow before dividends	5,792	5,196	11%
451	2,006	2,241	(80)%	Free cash flow after dividends	4,333	4,199	3%
534	2,484	2,024	(74)%	Organic free cash flow before dividends[5]	4,891	4,536	8%
683	1,160	4,771	(86)%	Net debt excluding leases	683	4,771	(86)%
2,207	2,661	5,962	(63)%	Net debt including leases	2,207	5,962	(63)%
3	4	22	(19)	Gearing ratio excluding leases in %	3	22	(19)
8	9	21	(14)	Leverage ratio in %	8	21	(14)
1,057	1,025	911	16%	Capital expenditure[6]	4,201	2,691	56%
1,031	848	907	14%	Organic capital expenditure[7]	3,711	2,650	40%
19	21	13	6	Clean CCS ROACE in %[2]	19	13	6
17	18	10	7	ROACE in %	17	10	7
22,309	22,273	22,434	(1)%	Employees	22,309	22,434	(1)%
1.23	1.12	0.96	28%	Total Recordable Injury Rate (TRIR)[8]	1.23	0.96	28%

Note: As of Q1/22, the gas business, previously reported in Refining & Marketing, was split into Gas Marketing Western Europe reported under Exploration & Production, and Gas & Power Eastern Europe reported under Refining & Marketing. For comparison only, 2021 figures are presented in the new structure.

[1] Q4/22 compared to Q4/21

[2] Adjusted for special items and CCS effects; further information can be found below the table "Special items and CCS effects"

[3] After deducting net income attributable to hybrid capital owners and net income attributable to non-controlling interests

[4] The disclosure of special items is considered appropriate in order to facilitate the analysis of the ordinary business performance. To reflect comparable figures, certain items affecting the result are added back or deducted. Special items from equity-accounted companies and temporary effects from commodity hedging for material transactions are included.

[5] Organic free cash flow before dividends is cash flow from operating activities less cash flow from investing activities excluding disposals and material inorganic cash flow components (e.g., acquisitions).

[6] Capital expenditure including acquisitions

[7] Organic capital expenditure is defined as capital expenditure including capitalized Exploration and Appraisal expenditure and excluding acquisitions and contingent considerations.

[8] Calculated as a 12-month rolling average per 1 mn hours worked

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

Consolidated sales revenues increased by 9% to EUR 14,507 mn due to higher market prices. The **clean CCS Operating Result** rose by EUR 100 mn to EUR 2,101 mn due to the improved performance of Refining & Marketing and Exploration & Production. The clean Operating Result of Chemicals & Materials decreased to EUR 57 mn (Q4/21: EUR 512 mn), while the clean CCS Operating Result of Refining & Marketing improved to EUR 714 mn (Q4/21: EUR 358 mn). In Exploration & Production, the clean Operating Result grew to EUR 1,324 mn (Q4/21: EUR 1,155 mn). The consolidation line was EUR 32 mn in Q4/22 (Q4/21: EUR (2) mn).

The **clean CCS Group tax rate** came in at 54%, higher than in the same quarter of the previous year (Q4/21: 36%), due to a higher share of Exploration & Production in the Group profits, and therein an increased contribution from Exploration & Production countries with a high tax regime. The **clean CCS net income** decreased to EUR 917 mn (Q4/21: EUR 1,239 mn). The **clean CCS net income attributable to stockholders of the parent** was EUR 700 mn (Q4/21: EUR 1,018 mn). **Clean CCS Earnings Per Share** declined to EUR 2.14 (Q4/21: EUR 3.11).

Net **special items** of EUR 56 mn were recorded in Q4/22 (Q4/21: EUR (501) mn) and were mainly driven by the release of a provision in the LNG business, partly offset by temporary hedging effects and net impairments in the Exploration & Production segment. **CCS effects** of EUR (286) mn were recorded in Q4/22. The reported **Operating Result** improved to EUR 1,872 mn (Q4/21: EUR 1,590 mn).

The **net financial result** came in lower at EUR (205) mn (Q4/21: EUR (55) mn). This development was mainly related to the negative foreign exchange result and the fair value adjustment of investments in Russia (for further details, see chapter “Selected notes to the preliminary consolidated financial statements,” section “Impact of Russia-Ukraine crisis”), and was partly offset by the increased net interest result, which was attributable mostly to higher interest income on cash deposits. The **Group tax rate** came in at 73% (Q4/21: 56%) and was mainly impacted by a positive contribution from countries with a high tax regime, and deferred tax asset valuation allowance for the Austrian Tax Group. **Net income** decreased to EUR 448 mn (Q4/21: EUR 677 mn) and **Net income attributable to stockholders of the parent** decreased to EUR 308 mn (Q4/21: EUR 538 mn). **Earnings Per Share** declined to EUR 0.94 (Q4/21: EUR 1.65).

As of December 31, 2022, **net debt excluding leases** decreased to EUR 683 mn from EUR 4,771 mn on December 31, 2021. As of December 31, 2022, the gearing ratio excluding leases stood at 3% (December 31, 2021: 22%). For further information on the gearing ratio, please see section “Financial liabilities” of the preliminary consolidated financial statements. The **leverage ratio** defined as (net debt including leases) / (equity + net debt including leases) amounted to 8% as of December 31, 2022 (December 31, 2021: 21%).

Total **capital expenditure** reached EUR 1,057 mn (Q4/21: EUR 911 mn) and was mainly driven by organic projects in all three business segments. In Q4/22, **organic capital expenditure** stepped up by 14% to EUR 1,031 mn (Q4/21: EUR 907 mn), mainly due to larger investments in Exploration & Production and Chemicals & Materials.

January to December 2022 compared to January to December 2021

Consolidated sales revenues increased by 75% to EUR 62,298 mn due to significantly higher market prices. The **clean CCS Operating Result** rose strongly from EUR 5,961 mn in 2021 to EUR 11,175 mn, mainly driven by the improved performance of Exploration & Production and Refining & Marketing. The clean Operating Result of Chemicals & Materials decreased to EUR 1,457 mn (2021: EUR 2,224 mn), while the clean CCS Operating Result of Refining & Marketing grew strongly to EUR 2,415 mn (2021: EUR 945 mn). In Exploration & Production, the clean Operating Result increased sharply to EUR 7,396 mn (2021: EUR 2,892 mn). The consolidation line was EUR (43) mn in 2022 (2021: EUR (39) mn).

The **clean CCS Group tax rate** in 2022 came in higher at 48% (2021: 36%) due to an increased contribution from Exploration & Production, in particular from countries with a high tax regime. The **clean CCS net income** went up substantially to EUR 5,807 mn (2021: EUR 3,710 mn). The **clean CCS net income attributable to stockholders** increased to EUR 4,394 mn (2021: EUR 2,866 mn). **Clean CCS Earnings Per Share** rose to EUR 13.44 (2021: EUR 8.77).

Net **special items** of EUR 861 mn were recorded in 2022 (2021: EUR (1,315) mn), and were mainly driven by temporary hedging effects, the sale of filling stations in Germany in May 2022, the Borouge IPO, and the revaluation of the fertilizer business. These were partly offset by non-cash value adjustments related to E&P Russia from the Yuzhno-Russkoye gas field, including a remeasurement of the contractual position toward Gazprom on the redetermination of the reserves and historical currency effects. **CCS effects** of EUR 210 mn were recorded in 2022. The reported **Operating Result** increased strongly to EUR 12,246 mn (2021: EUR 5,065 mn).

The **net financial result** decreased to EUR (1,481) mn (2021: EUR (194) mn). This development was mainly related to the impairment of the Nord Stream 2 loan in the amount of EUR 1,004 mn and the fair value adjustment of investments in Russia (for further details see chapter “Selected notes to the preliminary consolidated financial statements,” section “Impact of Russia-Ukraine crisis”), and was partly offset by the improved foreign exchange result and the increased net interest result, which was attributable mostly to higher interest income on cash deposits. The **Group tax rate** came in at 52% (2021: 42%), while net income increased substantially to EUR 5,175 mn (2021: EUR 2,804 mn). **Net income attributable to stockholders of the parent** was EUR 3,634 mn (2021: EUR 2,093 mn). **Earnings Per Share** rose strongly to EUR 11.12 (2021: EUR 6.40).

Total **capital expenditure** amounted to EUR 4,201 mn (2021: EUR 2,691 mn) and was driven by organic projects in all three business segments, as well as the equity injection to finance the Borouge 4 project. **Organic capital expenditure** went up by 40% to EUR 3,711 mn (2021: EUR 2,650 mn), mainly due to an increase in investments in Chemicals & Materials and Exploration & Production. Organic capital expenditure also included non-cash leases of EUR 646 mn, which were mainly related to the construction of the PDH plant in Kallo, Belgium, by Borealis.

Special items and CCS effect

In EUR mn

Q4/22	Q3/22	Q4/21	Δ%[1]		2022	2021	Δ%
2,101	**3,516**	**2,001**	**5**	**Clean CCS Operating Result[2]**	**11,175**	**5,961**	**87**
56	**153**	**(501)**	**n.m.**	**Special items**	**861**	**(1,315)**	**n.m.**
(1)	(2)	(7)	80	thereof personnel restructuring	(8)	(30)	75
(124)	45	(1,240)	90	thereof unscheduled depreciation/write-ups	58	(1,297)	n.m.
—	(7)	218	n.m.	thereof asset disposals	724	223	n.m.
182	117	528	(66)	thereof other	87	(210)	n.m.
(286)	(134)	89	n.m.	CCS effects: inventory holding gains/(losses)	210	418	(50)
1,872	**3,535**	**1,590**	**18**	**Operating Result Group**	**12,246**	**5,065**	**142**

[1] Q4/22 compared to Q4/21

[2] Adjusted for special items and CCS effects

The disclosure of **special items** is considered appropriate in order to facilitate the analysis of the ordinary business performance. To reflect comparable figures, certain items affecting the result are added back or deducted. These items can be divided into four subcategories: personnel restructuring, unscheduled depreciation and write-ups, asset disposals, and other.

Furthermore, to enable effective performance management in an environment of volatile prices and comparability with peers, the **Current Cost of Supply (CCS)** effect is eliminated from the accounting result. The **CCS effect**, also called inventory holding gains and losses, is the difference between the cost of sales calculated using the current cost of supply, and the cost of sales calculated using the weighted average method after adjusting for any changes in valuation allowances. In volatile energy markets, measurement of the costs of petroleum products sold based on historical values (e.g., weighted average cost) can have distorting effects on reported results. This performance measurement enhances the transparency of results and is commonly used in the oil industry. OMV therefore publishes this measurement in addition to the Operating Result determined in accordance with IFRS.

Cash flow

Summarized cash flow statement

In EUR mn

Q4/22	Q3/22	Q4/21	Δ%[1]		2022	2021	Δ%
1,233	2,895	3,455	(64)	Cash flow from operating activities excluding net working capital effects	9,843	8,897	11
1,439	3,182	2,782	(48)	Cash flow from operating activities	7,758	7,017	11
(940)	(895)	(461)	(104)	Cash flow from investing activities	(1,966)	(1,820)	(8)
499	2,287	2,321	(79)	Free cash flow	5,792	5,196	11
(12)	(1,208)	(1,321)	99	Cash flow from financing activities	(2,660)	(2,977)	11
(17)	5	(10)	(71)	Effect of exchange rate changes on cash and cash equivalents	(72)	(25)	(193)
471	1,084	990	(52)	Net (decrease)/increase in cash and cash equivalents	3,060	2,195	39
7,654	6,570	4,074	88	Cash and cash equivalents at beginning of period	5,064	2,869	77
8,124	**7,654**	**5,064**	**60**	**Cash and cash equivalents at end of period**	**8,124**	**5,064**	**60**
35	45	14	145	thereof cash disclosed within Assets held for sale	35	14	145
8,090	**7,608**	**5,050**	**60**	**Cash and cash equivalents presented in the consolidated statement of financial position**	**8,090**	**5,050**	**60**
451	**2,006**	**2,241**	**(80)**	**Free cash flow after dividends**	**4,333**	**4,199**	**3**
534	**2,484**	**2,024**	**(74)**	**Organic free cash flow before dividends**[2]	**4,891**	**4,536**	**8**

[1] Q4/22 compared to Q4/21

[2] Organic free cash flow before dividends is cash flow from operating activities less cash flow from investing activities excluding disposals and material inorganic cash flow components (e.g., acquisitions).

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

In Q4/22, **cash flow from operating activities excluding net working capital effects** decreased to EUR 1,233 mn (Q4/21: EUR 3,455 mn), mainly due to a special dividend payment received in Q4/21 from Abu Dhabi Polymers Company Limited (Borouge). Additional negative impacts came from higher tax payments in Q4/22, predominantly stemming from Norway, as well as the missing contribution from JSC GAZPROM YRGM Development in Q4/22. Net working capital effects generated a cash inflow of EUR 206 mn, compared to a cash outflow of EUR (672) mn in Q4/21. As a result, **cash flow from operating activities** came in at EUR 1,439 mn in Q4/22 (Q4/21: EUR 2,782 mn).

Cash flow from investing activities showed an outflow of EUR (940) mn compared to EUR (461) mn in Q4/21, as Q4/21 included a cash inflow of EUR 290 mn related to the sale of the stake in the Norwegian oil field Wisting.

Free cash flow amounted to EUR 499 mn (Q4/21: EUR 2,321 mn).

Cash flow from financing activities recorded an outflow of EUR (12) mn compared to EUR (1,321) mn in Q4/21, as Q4/21 was impacted by the repayment of bonds amounting to EUR 1.25 bn.

Free cash flow after dividends decreased to EUR 451 mn (Q4/21: EUR 2,241 mn).

Organic free cash flow before dividends totaled EUR 534 mn (Q4/21: EUR 2,024 mn).

January to December 2022 compared to January to December 2021

In 2022, **cash flow from operating activities excluding net working capital effects** grew to EUR 9,843 mn (2021: EUR 8,897 mn), primarily attributable to an improved market environment, however partly offset by lower dividends received from Abu Dhabi Polymers Company Limited (Borouge). Net working capital effects came in at EUR (2,084) mn and were negatively impacted by the filling of our natural gas storage facilities and increased natural gas prices. **Cash flow from operating activities** amounted to EUR 7,758 mn, up by EUR 742 mn compared to 2021.

Cash flow from investing activities showed an outflow of EUR (1,966) mn in 2022, compared to EUR (1,820) mn in 2021. Cash flow from investing activities in 2022 included inflows from the Initial Public Offering of Borouge PLC in the amount of EUR 745 mn, a partial loan repayment from Bayport Polymers LLC of EUR 602 mn, and the divestment of the retail network in Germany of EUR 432 mn. Moreover, cash flow from investing activities in 2022 included outflows from the capital contribution to Borouge 4 LLC of EUR (408) mn, as well as cash disposed of EUR (208) mn related to the loss of control of JSC GAZPROM YRGM Development. In 2021, cash flow from investing activities comprised cash inflows of EUR 443 mn related to the divestment of Gas Connect Austria, EUR 290 mn related to the sale of the stake in the Norwegian oil field Wisting, and EUR 94 mn related to the sale of shares in Kom-Munai LLP and Tasbulat Oil Corporation LLP (Kazakhstan).

Free cash flow improved to EUR 5,792 mn (2021: EUR 5,196 mn).

Cash flow from financing activities showed an outflow of EUR (2,660) mn compared to EUR (2,977) mn in 2021. Significantly higher dividend payments were made in 2022, however this was more than offset by higher repayments of bonds the previous year.

Free cash flow after dividends increased to EUR 4,333 mn in 2022 (2021: EUR 4,199 mn).

Organic free cash flow before dividends amounted to EUR 4,891 mn (2021: EUR 4,536 mn).

Risk management

As an international oil, gas, and chemicals company with operations extending from hydrocarbon exploration and production through to trading and marketing of mineral oil products, chemical products, and natural gas, OMV is exposed to a variety of risks, including market risks, financial risks, operational risks, and strategic risks. A detailed description of risks and risk management activities can be found in the 2021 Annual Report (pages 76–79).

The main uncertainties that can influence the OMV Group's performance are commodity price risk, FX risk, operational risks, and also political and regulatory risks. The commodity price risk is monitored continuously and appropriate protective measures with respect to cash flow are taken, if required. The inherent exposure to safety and environmental risks is monitored through HSSE (Health, Safety, Security, and Environment) and risk management programs, which have a clear commitment to keeping OMV's risks in line with industry standards.

OMV continues to closely monitor the ongoing Russian war on Ukraine and any additional sanctions and countersanctions resulting from it. The Company regularly reviews the potential further 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 purchased on average 2.8 TWh per month of natural gas under long-term supply agreements with Gazprom in Austria in the fourth quarter 2022, with curtailments of gas delivery volumes experienced continuously. This required replacement purchases on the market as well as adjustments to OMV's hedging ratios, resulting in a negative financial impact for OMV. The uncertainty regarding future curtailments and delivery volumes remains and could result in further substantial losses, in particular, in case actual deliveries materially deviate from previously hedged volumes, thus leading to partially unmitigated gas price exposure from Gazprom supply contracts.

In the event of further or even full gas supply disruptions from Russia, OMV can use gas in storage to supply customers and has access to other liquid gas market hubs in Europe. Relatively mild weather in Europe led to declining natural gas prices and higher than expected gas in storage in central Europe at the end of the fourth quarter. Additionally, OMV managed to secure 40 TWh of additional transport capacities to Austria for the current gas year (October 1, 2022–September 30, 2023) at the transfer points Oberkappel (pipeline from Germany) and Arnoldstein (pipeline from Italy). OMV continues to closely monitor developments and regularly evaluates the potential impact on the Group's cash flow and liquidity position.

High volatility in natural gas prices can potentially lead to peak liquidity demands to satisfy margin calls for exchange trading activities at short notice. OMV has unused committed and uncommitted credit facilities to meet such short-term requirements in case needed. OMV is responding to the situation with targeted measures to safeguard the Company's economic stability, as well as the secure supply of energy.

As a direct consequence to the energy crisis in Europe, regulatory measures like price caps, subsidy schemes and the EU solidarity contribution are being implemented in some of the countries OMV is active in. Also new regulatory and fiscal interventions may impact OMV Group financials. The Council Regulation (EU) 2022/1854 introduced a solidarity contribution, which was transposed into the local legislation of the Member States by the end of 2022 and is applicable for 2022 and/or 2023. It represents a contribution for surplus profits of companies operating in the crude petroleum, natural gas, coal and refinery sectors and is calculated based on the taxable profits of those companies, as determined under national tax rules, which are above a 20% increase of the average taxable profits generated in the period 2018 to 2021.

Based on the legislation in Austria, it is expected that two Austrian entities of OMV Group will be subject to the solidarity contribution (Energy Crisis Contribution) for the second half of 2022. Romania transposed this regulation via GEO (Government Emergency Ordinance) 186/2022, approved and published in December 2022. This GEO will subsequently follow the Parliamentary approval process, thus may be subject to changes. Based on OMV Petrom 2022 preliminary financials and the provisions of this Emergency Ordinance, OMV Petrom is expected not to be subject to the EU solidarity contribution for the fiscal year 2022, having less than 75% of its turnover in the defined areas: extraction of crude, extraction of natural gas, extraction of coal and refining business. Also, for OMV Group entities in Germany no solidarity contribution is expected for 2022.

For further details on the EU solidarity contribution please refer to the chapter "Preliminary consolidated financial statements – Notes to the income statement" in subchapter "Taxes on Income and Profit".

On June 3, 2022, an incident occurred at the Schwechat refinery that led to a delayed start-up of the refinery after the regular maintenance turnaround. Immediately after the incident, a broad-based on-site task force was set up with the remit of investigating the incident and at the same time working on restoring operations. At the end of September, the legally required water pressure test on the main column of the crude distillation unit was successfully completed. After the precisely prepared commissioning process, the OMV Schwechat refinery is now running at full capacity again. In parallel to the repair works, OMV established an alternative supply system to continue supplying the markets and customers served by the OMV Schwechat refinery.

The COVID-19 pandemic continues to have a major impact on global economic development. Increases in COVID-19 cases in China due to the easing of the zero COVID-19 policy, and in other countries, could lead to the emergence of new virus variants combined with further disruptions in supply chains. In combination with continued high price inflation and rising interest rates, this could lead to a significant deterioration in economic growth.

The credit quality of OMV's counterparty portfolio could be further negatively influenced by the risk factors mentioned above.

The consequences of the ongoing conflict between Russia and Ukraine, the European energy crisis and resulting regulatory measures, the COVID-19 pandemic, and other economic disruptions currently being observed, as well as the extent and duration of the economic impact cannot be reliably estimated at this stage. From today's perspective, we assume that based on the measures listed 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 preliminary consolidated financial statements for disclosures on significant transactions with related parties.

Outlook

On January 1, 2023, the Group introduced a new corporate structure, designed to fully enable the delivery of Strategy 2030. Following the reorganization and starting from Q1/23, the Group will report on the following business segments: Chemicals & Materials, Fuels & Feedstock (former Refining & Marketing), and Energy (former Exploration & Production). As part of the introduction of the new corporate structure, Gas & Power Eastern Europe, which includes Supply, Marketing, and Trading of gas in Romania and Turkey and one gas-fired power plant in Romania, was transferred from Fuels & Feedstock to the Energy business segment.

Market environment

In 2023, OMV expects the average Brent crude oil price to be above USD 80/bbl (2022: USD 101/bbl). For 2023, the average realized gas price is anticipated to be around EUR 35/MWh (2022: EUR 54/MWh), with a THE price forecast between EUR 60/MWh and EUR 70/MWh (2022: EUR 122/MWh).

Group

- In 2023, organic CAPEX is projected to come in at around EUR 3.7 bn[1] (2022: EUR 3.7 bn), including non-cash effective CAPEX related to leases of around EUR 0.2 bn.

Chemicals & Materials

- In 2023, the ethylene indicator margin Europe is expected to be around EUR 530/t (2022: EUR 560/t). The propylene indicator margin Europe is expected to be around EUR 480/t (2022: EUR 534/t).
- In 2023, the steam cracker utilization rate in Europe is expected to be around 90% (2022: 74%). Turnarounds are planned at the Schwechat cracker in Q2 and at the Porvoo cracker in Q3.
- In 2023, the polyethylene indicator margin Europe is forecast to be around EUR 350/t (2022: EUR 390/t). The polypropylene indicator margin Europe is expected to be around EUR 400/t (2022: EUR 486/t).
- In 2023, the polyethylene sales volumes excluding JVs are projected to be around 1.8 mn t (2022: 1.69 mn t). The polypropylene sales volumes excluding JVs are expected to be around 2 mn t (2022: 1.84 mn t).
- Organic CAPEX related to Chemicals & Materials is predicted to be around EUR 1.1 bn in 2023 (2022: EUR 1.4 bn).

Fuels & Feedstock

- In 2023, the OMV refining indicator margin Europe is expected to be between USD 10/bbl and USD 15/bbl (2022: USD 14.7/bbl).
- In 2023, fuels and other sales volumes in OMV's markets in Europe are projected to be slightly higher than in 2022 (2022: 15.5 mn t). Commercial margins are forecast to be above those in 2022. Retail margins are forecast to be around the 2022 level.
- In 2023, the utilization rate of the European refineries is expected to be around 95% (2022: 73%). A turnaround at the Petrobrazi refinery is planned in Q2.
- Organic CAPEX in Fuels & Feedstock is forecast at around EUR 1.0 bn in 2023 (2022: EUR 0.8 bn).

Energy

- OMV expects total production to be around 360 kboe/d in 2023 (2022: 392 kboe/d) due to the exclusion of the Russian volumes and natural decline, in particular in Norway and Romania.
- Organic CAPEX for Energy is anticipated to come in at around EUR 1.6 bn in 2023 (2022: EUR 1.4 bn).
- Exploration and Appraisal (E&A) expenditure is expected to be between EUR 200 mn and EUR 250 mn (2022: EUR 202 mn).

[1] Organic capital expenditure is defined as capital expenditure including capitalized Exploration and Appraisal expenditure and excluding acquisitions and contingent considerations.

Business segments

Chemicals & Materials

In EUR mn (unless otherwise stated)

Q4/22	Q3/22	Q4/21	Δ[1]		2022	2021	Δ
193	349	654	(71)%	Clean Operating Result before depreciation and amortization, impairments and write-ups	1,994	2,770	(28)%
57	214	512	(89)%	Clean Operating Result	1,457	2,224	(34)%
(23)	109	337	n.m.	thereof Borealis excluding JVs	967	1,437	(33)%
19	90	138	(86)%	thereof Borealis JVs	332	534	(38)%
15	(48)	(444)	n.m.	Special items	582	(396)	n.m.
71	165	67	6%	Operating Result	2,039	1,828	12%
351	401	268	31%	Capital expenditure[2]	1,896	835	127%
				Key Performance Indicators			
535	614	498	7%	Ethylene indicator margin Europe in EUR/t	560	468	20%
443	574	506	(12)%	Propylene indicator margin Europe in EUR/t	534	453	18%
370	312	458	(19)%	Polyethylene indicator margin Europe in EUR/t	390	582	(33)%
398	357	690	(42)%	Polypropylene indicator margin Europe in EUR/t	486	735	(34)%
83	63	92	(8)	Utilization rate steam crackers Europe in %	74	90	(16)
1.42	1.32	1.49	(5)%	Polyolefin sales volumes in mn t	5.66	5.93	(5)%
0.42	0.39	0.43	(3)%	thereof polyethylene sales volumes excl. JVs in mn t	1.69	1.82	(7)%
0.43	0.41	0.53	(19)%	thereof polypropylene sales volumes excl. JVs in mn t	1.84	2.13	(13)%
0.32	0.31	0.34	(6)%	thereof polyethylene sales volumes JVs in mn t[3]	1.25	1.25	(0)%
0.25	0.21	0.19	33%	thereof polypropylene sales volumes JVs in mn t[3]	0.88	0.74	19%

Note: Following the successful listing of 10% of the total issued share capital of Borouge PLC on June 3, 2022, Borealis now holds a 36% stake in Borouge PLC, thus lowering financial and operational contributions as of the date of listing.

[1] Q4/22 compared to Q4/21

[2] Capital expenditure including acquisitions; notably, 2022 included an equity injection to Borouge 4 of EUR 0.4 bn

[3] Pro-rata volumes of at-equity consolidated companies

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

- The clean Operating Result decreased by 89% to EUR 57 mn as a result of the slowdown of the chemicals sector, which led to weaker margins and demand, substantial negative inventory valuation effects in the nitrogen and polyolefins business, and a lower performance of the joint ventures.

- The contribution from the Borealis JVs declined by 86%. A softening market environment led to a lower contribution from Baystar and Borouge, which was only partially compensated for by a stronger USD. The Baystar ethane cracker saw operational challenges during the start-up and also experienced a shutdown caused by the hard freeze in December, limiting financial contributions. In addition, the decreased participation in Borouge following the successful listing of 10% of the Company's total issued share capital on June 3, 2022, impacted financial and operational contributions.

The **clean Operating Result** saw a decline of EUR 455 mn to EUR 57 mn (Q4/21: EUR 512 mn). A stronger result contribution from OMV base chemicals was more than offset by substantial negative inventory valuation effects in the nitrogen and polyolefins business, a strong decline in polyolefin indicator margins in Europe, lower sales volumes in Europe, and a lower contribution from Borealis JVs.

The result of OMV base chemicals increased compared to Q4/21, despite the impact of lower utilization of the Burghausen and Schwechat steam crackers, as it was supported by insurance proceeds related to the incident at the crude distillation unit at the Schwechat refinery on June 3, 2022. The **ethylene indicator margin Europe** increased by 7% to EUR 535/t (Q4/21: EUR 498/t), while the **propylene indicator margin Europe** declined by 12% to EUR 443/t (Q4/21: EUR 506/t). While ethylene experienced support from lower supply, propylene saw pressure from ample supply as a result of high refinery runs.

The **utilization rate of the European steam crackers** operated by OMV and Borealis decreased by 8 percentage points to 83% in Q4/22 (Q4/21: 92%), mainly due to lower overall European demand.

The contribution of **Borealis excluding JVs** dropped sharply by EUR 360 mn to EUR (23) mn (Q4/21: EUR 337 mn). Negative inventory valuation effects, around EUR 200 mn lower compared to Q4/21, lower polyolefin indicator margins compared to the strong levels seen in Q4/21, and lower polyolefin sales volumes in Europe weighed on the result. In addition, the Q4/21 result benefited from a one-time payment of a licensing fee related to the Borouge 4 expansion. In the base chemicals business, a weaker propylene indicator margin and slightly lower utilization of the steam crackers were to a large extent offset by greater light feedstock advantage and a higher phenol contribution. The contribution from the polyolefin business saw a substantial decline in light of negative inventory valuation effects, the decrease in polyolefin indicator margins, and lower sales volumes. Polyolefin indicator margins declined from the strong levels seen in Q4/21, when the market continued to experience a tight supply/demand balance as worldwide logistical constraints were still ongoing. The **European polyethylene indicator margin** declined by 19% to EUR 370/t (Q4/21: EUR 458/t), while the **European polypropylene indicator margin** decreased substantially by 42% to EUR 398/t (Q4/21: EUR 690/t). Polyolefin indicator margins in Q4/22 suffered as a result of the global economic slowdown and inflationary pressure on customers, which weakened demand. Polypropylene demand in particular was under pressure as it is more exposed to cyclical durable goods. Increased availability of imported volumes amplified these effects. Realized margins for standard products saw a substantial negative impact following the current demand weakness and higher utility costs, while margins for specialty products improved slightly. Polyethylene sales volumes decreased by 3% compared to Q4/21, while polypropylene sales volumes declined substantially by 19%. The decrease in sales volumes was mainly a result of lower demand, as a cautious European buying sentiment prevailed. The decline mainly affected sales volumes in the consumer products and infrastructure industries, while volumes in the mobility and energy industries saw slight increases compared to Q4/21. The result contribution from the nitrogen business saw a significant decline and turned negative in Q4/22, following substantial negative inventory valuation effects as a result of the strong decline in gas prices. Lower sales volumes were to some extent offset by higher margins.

The contribution of **Borealis JVs** decreased by EUR 119 mn to EUR 19 mn in Q4/22 (Q4/21: EUR 138 mn), mainly due to a negative contribution from Baystar and a lower contribution from Borouge. The favorable impact of a stronger USD managed to partially compensate for these effects. Additionally, the successful listing of 10% of Borouge's total issued share capital on June 3, 2022, lowered financial and operational contributions in comparison to Q4/21. **Polyethylene sales volumes from the JVs** decreased by 6%, while **polypropylene sales volumes from the JVs** grew by 33%. Compared to Q4/21, sales volumes at Borouge grew, with polypropylene sales volumes in particular benefiting greatly from the full ramp-up of the new polypropylene unit (PP5). The pricing environment in Asia weakened compared to Q4/21, as new polyolefin production capacities came online and consumer demand was dampened by COVID-19 lockdowns and the real estate crisis in China. At Baystar, the ethane cracker recorded a low utilization rate in Q4/22 due to operational challenges during the start-up and the hard freeze in December, which led to its shutdown. Combined with a weak market environment, the revenues at Baystar were limited, while costs increased due to the charge of full depreciation after the start-up and higher interest expenses, leading to a negative result contribution.

Net **special items** amounted to EUR 15 mn (Q4/21: EUR (444) mn) and were mainly due to commodity derivatives. Net special items in Q4/21 were mainly related to the impairment of the nitrogen business of Borealis. The **Operating Result** of Chemicals & Materials came in at EUR 71 mn in Q4/22 compared to EUR 67 mn in Q4/21.

Capital expenditure in Chemicals & Materials grew in Q4/22 to EUR 351 mn (Q4/21: EUR 268 mn). The increase was mainly driven by higher organic capital expenditure. In Q4/22, besides ordinary ongoing business investments, organic capital expenditure was predominantly related to the construction of the ReOil® demo plant in Austria.

January to December 2022 compared to January to December 2021

The **clean Operating Result** declined in 2022 by 34% to EUR 1,457 mn (2021: EUR 2,224 mn). A substantially higher contribution from the nitrogen business and the positive impact from stronger olefin margins were more than offset by considerably weaker European polyolefin margins, significantly lower positive inventory valuation effects, lower sales volumes in Europe, and a reduced contribution from the Borealis JVs.

The contribution of OMV base chemicals decreased despite higher ethylene and propylene indicator margins, mainly as a result of the planned turnaround of the Burghausen steam cracker and the incident at the crude distillation unit at the Schwechat refinery on June 3, 2022. The **ethylene indicator margin Europe** grew by 20% to EUR 560/t (2021: EUR 468/t), while the **propylene indicator margin Europe** increased by 18% to EUR 534/t (2021: EUR 453/t). While the first half of the year was characterized by strong demand for olefins and supply shortages, the second half saw a sharp decline in demand, which was partially compensated for by lower operational rates of European crackers. Declining naphtha prices, after the peak in the first quarter, provided support to the olefins indicator margins in a very volatile market environment. Lower production due to the reduced utilization rate at the Schwechat and Burghausen steam crackers, higher costs of the feedstock mix, which also includes other intermediates besides naphtha, and growing utility prices weighed on the result.

The **utilization rate of the European steam crackers** operated by OMV and Borealis went down by 16 percentage points to 74% (2021: 90%). The utilization rate in 2022 came in lower as a result of the planned turnaround of the steam crackers in Burghausen and Stenungsund, but also as a result of the incident at the crude distillation unit at the Schwechat refinery on June 3, 2022.

The contribution of **Borealis excluding JVs** declined by EUR 470 mn to EUR 967 mn (2021: EUR 1,437 mn). This was primarily due to substantially lower polyolefin indicator margins and significantly lower positive inventory valuation effects, while the outstanding performance of the nitrogen business and higher olefin indicator margins provided some support. The Borealis base chemicals business experienced a decline despite improved olefin indicator margins, mainly caused by negative inventory valuation effects and the impact from the planned turnaround at the Stenungsund steam cracker. The polyolefin business saw a strong decline in polyolefin indicator margins and substantially lower positive inventory valuation effects. In 2021, polyolefin indicator margins experienced historic highs, driven by strong demand in the European markets coupled with a tight supply-demand balance, as a result of a heavy maintenance season and worldwide logistical constraints. The **polyethylene indicator margin Europe** decreased by 33% to EUR 390/t (2021: EUR 582/t) while the **polypropylene indicator margin Europe** came down by 34% to EUR 486/t (2021: EUR 735/t). In the first half of 2022, polyolefin indicator margins started to normalize from the highs of 2021, at a slow pace to start, but deteriorated substantially in the second half of the year on the back of a slump in demand induced by the global economic slowdown and inflationary pressure on customers. In addition, increased availability of imported volumes into Europe put pressure on the margins. While the realized margins for standard products saw a substantial negative impact due to the emerging demand weakness and higher utility costs, margins for specialty products experienced slight improvements. Higher feedstock discounts and stronger prices, above market indicators, for certain product categories provided some relief. **Polyethylene sales volumes** went down by 7%, while **polypropylene sales volumes** decreased by 13% compared to 2021. The decrease in sales volumes stemmed mainly from the consumer products and infrastructure industries, while the mobility industry experienced a slight increase. The contribution from the nitrogen business saw a substantial increase compared to 2021. Fertilizer margins were substantially higher compared to 2021, as a tight supply situation more than offset the increased natural gas prices. The reclassification as asset held for sale also impacted the result positively.

The contribution of **Borealis JVs** declined by EUR 202 mn to EUR 332 mn (2021: EUR 534 mn), mainly due to lower contributions from Borouge and from Baystar. The favorable impact of a stronger USD managed to partially compensate for these effects. **Polyethylene sales volumes from the JVs** remained at the previous year's level, while **polypropylene sales volumes from the JVs** increased by 19%. In 2022, Borouge sales volumes benefited in particular from the ramp-up of the new polypropylene unit (PP5). A one-time effect from pension provisions negatively impacted the result in 2022 at Borouge, and the successful listing of 10% of Borouge's total issued share capital on June 3, 2022, lowered financial and operational contributions in comparison to 2021. The pricing environment in Asia weakened compared to 2021, as new polyolefin production capacities came online and consumer demand was dampened by COVID-19 lockdowns. Compared to 2021, Baystar experienced a softer market environment and was impacted by the full depreciation charge after the start-up of the ethane cracker and increased interest expenses, while the new unit experienced only a slow ramp-up in light of operational challenges.

Net **special items** amounted to EUR 582 mn (2021: EUR (396) mn) and were mainly related to the successful listing of a 10% share in Borouge, which led to a gain from disposal of around EUR 0.3 bn. In addition, the binding offer received from AGROFERT for Borealis' nitrogen business triggered a write-up of around EUR 0.3 bn. The **Operating Result** of Chemicals & Materials came in at EUR 2,039 mn, compared to EUR 1,828 mn in 2021.

Capital expenditure in Chemicals & Materials amounted to EUR 1,896 mn (2021: EUR 835 mn). The increase was driven by an equity injection to Borouge 4 of around EUR 0.4 bn in 2022 and growth in organic capital expenditure. In 2022, besides ordinary running business investments, organic capital expenditure was predominantly related to investments by Borealis in the construction of the new propane dehydrogenation plant in Belgium, which included non-cash effective CAPEX related to leases in the amount of around EUR 0.5 bn, the construction of the ReOil® demo plant in Austria, and the turnaround at the Burghausen refinery.

Refining & Marketing

In EUR mn (unless otherwise stated)

Q4/22	Q3/22	Q4/21	Δ[1]		2022	2021	Δ
813	708	466	75%	Clean CCS Operating Result before depreciation and amortization, impairments and write-ups[2]	2,832	1,373	106%
714	600	358	99%	Clean CCS Operating Result[2]	2,415	945	155%
114	104	14	n.m.	thereof ADNOC Refining & Trading	350	(11)	n.m.
30	261	117	(75)%	thereof Gas & Power Eastern Europe[3]	605	188	n.m.
304	158	(845)	n.m.	Special items	774	(924)	n.m.
(294)	(134)	89	n.m.	CCS effects: inventory holding gains/(losses)[2]	202	430	(53)%
724	623	(397)	n.m.	Operating Result	3,392	451	n.m.
274	226	315	(13)%	Capital expenditure[4]	821	633	30%
				Key Performance Indicators			
17.53	14.38	6.15	185%	OMV refining indicator margin Europe based on Brent in USD/bbl[5, 6]	14.71	3.66	n.m.
96	44	95	1	Utilization rate refineries Europe in %	73	88	(15)
4.33	3.71	4.35	(0)%	Fuels and other sales volumes Europe in mn t	15.51	16.34	(5)%
1.47	1.61	1.61	(9)%	thereof retail sales volumes in mn t	6.16	6.40	(4)%

As of Q1/22, the gas business was split into Gas Marketing Western Europe reported under Exploration & Production, and Gas & Power Eastern Europe reported under Refining & Marketing. Previously, the gas business was fully reflected in Refining & Marketing. For comparison only, 2021 figures are presented in the new structure.

[1] Q4/22 compared to Q4/21

[2] Adjusted for special items and CCS effects; further information can be found below the table “Special items and CCS effects”

[3] Includes OMV Petrom, Turkey, and Nord Stream 2

[4] Capital expenditure including acquisitions

[5] As of Q2/22, the refining indicator margin reflects the change in the crude oil reference price from Urals to Brent at OMV Petrom.

[6] Actual refining margins realized by OMV may vary from the OMV refining indicator margin due to factors including different crude oil slate, product yield, and operating conditions.

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

- The clean CCS Operating Result almost doubled to EUR 714 mn, driven by stronger refining indicator margins and the significantly improved performance of ADNOC Refining & ADNOC Global Trading. This was partly offset by the weaker result in Gas & Power Eastern Europe, as well as negative supply effects, increased utilities costs, and a lower retail result.
- ADNOC Refining & ADNOC Global Trading showed a substantially higher contribution to the result, mainly as a result of higher refining margins.
- The contribution of the Gas & Power Eastern Europe business decreased considerably to EUR 30 mn (Q4/21: EUR 117 mn), mainly because Petrom Gas & Power was significantly regulated through extended scope of capped prices and of overtaxation, for both gas and power.

The **clean CCS Operating Result** almost doubled to EUR 714 mn (Q4/21: EUR 358 mn), mainly due to stronger refining indicator margins and a significantly higher contribution from ADNOC Refining & ADNOC Global Trading. In addition, insurance proceeds in connection with the incident at the Schwechat refinery in June 2022 were recorded. However, it will be cash effective only in 2023. Partly offsetting this were the reduced result in Gas & Power Eastern Europe, negative supply effects, increased utilities costs, and a lower retail result.

The **OMV refining indicator margin Europe** strengthened markedly to USD 17.5/bbl (Q4/21: USD 6.2/bbl). Significantly higher cracks for diesel and jet fuel were only slightly offset by higher fuel and losses due to the further Brent price increase, and lower heavy fuel oil and naphtha cracks. In Q4/22, the **utilization rate of the European refineries** came in at 96% (Q4/21: 95%). At 4.3 mn t, **fuels and other sales volumes Europe** remained constant when compared to the same quarter of the previous year (Q4/21: 4.3 mn t). When adjusting for the divestment of the German retail business, the total fuels and other sales volumes Europe slightly increased as a result of higher jet fuel sales volumes following a recovery in aviation activity. The retail business performance declined as it was impacted by price regulations in Hungary and voluntary discounts in Romania, the missing contribution from Germany, and higher variable costs. This was partially compensated for by higher non-fuel business sales. The commercial business contribution was essentially unchanged.

The contribution of **ADNOC Refining & ADNOC Global Trading** to the clean CCS Operating Result increased significantly to EUR 114 mn (Q4/21: EUR 14 mn), mainly as a result of higher refining margins at ADNOC Refining. In addition, ADNOC Global Trading provided strong support to the result compared to the same period of the previous year.

The contribution of the **Gas & Power Eastern Europe business** to the result decreased considerably to EUR 30 mn (Q4/21: EUR 117 mn), mainly because Petrom Gas & Power was significantly regulated through extended scope of capped prices and of overtaxation, for both gas and power. Better gas and power margins were able to partially offset this.

Net **special items** amounted to EUR 304 mn (Q4/21: EUR (845) mn) and were primarily related to commodity derivatives. In Q4/21, the net special items included an impairment in ADNOC Refining amounting to EUR (669) mn.

In Q4/22, **CCS effects** of EUR (294) mn were recorded as a result of declining crude oil prices throughout the quarter. The **Operating Result** of Refining & Marketing increased sharply to EUR 724 mn (Q4/21: EUR (397) mn).

Capital expenditure in Refining & Marketing was EUR 274 mn (Q4/21: EUR 315 mn). In Q4/22, organic capital expenditure was predominantly related to the European refineries and the retail network.

January to December 2022 compared to January to December 2021

The **clean CCS Operating Result** increased significantly to EUR 2,415 mn (2021: EUR 945 mn). Exceptional refining indicator margins, a significantly better result in Gas & Power Eastern Europe, and a remarkable ADNOC Refining & ADNOC Global Trading result more than compensated for the negative production effects following the turnaround and incident at the Schwechat refinery, higher costs driven by turnaround activities, and a lower retail result.

The **OMV refining indicator margin Europe** went up sharply to USD 14.7/bbl (2021: USD 3.7/bbl). Higher cracks for diesel, gasoline, and jet fuel were only partially offset by rising fuel and losses due to the further Brent price increase, and lower heavy fuel oil cracks. In 2022, the **utilization rate of the European refineries** decreased by 15% to 73% (2021: 88%), mainly caused by the turnaround and the incident at the Schwechat refinery, as well as the turnaround at the Burghausen refinery in the second and third quarters of 2022. At 15.5 mn t, **fuels and other sales volumes in Europe** decreased slightly by 5%, mainly as a consequence of lower supply availability in Schwechat and the divestment of the German retail business, partly offset by higher jet fuel sales volumes. The result of the commercial business declined slightly, mainly due to the price cap regulations in several countries, especially in Hungary and Slovenia. This was partially offset by increased demand for jet fuel driven by the easing of travel restrictions. The contribution from the retail business to the result decreased significantly, mainly driven by the divestment of the German retail network in May 2022, higher utilities costs, lower fuel unit margins following the price caps in several countries, and higher fixed costs driven by inflation. This was partially offset by better performance in the non-fuel business and cost-cutting efficiency measures.

In 2022, the contribution **of ADNOC Refining & ADNOC Global Trading** to the clean CCS Operating Result grew substantially to EUR 350 mn (2021: EUR (11) mn), mainly as a result of higher refining margins, and robust operational performance at ADNOC Refining. In addition, ADNOC Global Trading provided strong support to the result compared to the same period of the previous year.

The contribution of the **Gas & Power Eastern Europe business** to the result more than tripled to EUR 605 mn (2021: EUR 188 mn), mainly due to the positive impact of increasing gas selling prices, high gas margins on gas transactions outside Romania, and better power results due to higher margins following higher power selling prices. This was partially offset by Petrom Gas & Power being significantly regulated through extended scope of capped prices and of overtaxation, for both gas and power.

Net **special items** amounted to EUR 774 mn (2021: EUR (924) mn) and were primarily related to the sale of the German filling stations in May 2022 and commodity derivatives. In 2021, special items were mainly related to an impairment in ADNOC Refining in the amount of EUR (669) mn. **CCS effects** of EUR 202 mn were recorded in 2022 as a consequence of increasing crude oil prices. The **Operating Result** of Refining & Marketing rose substantially to EUR 3,392 mn (2021: EUR 451 mn).

Capital expenditure in Refining & Marketing amounted to EUR 821 mn (2021: EUR 633 mn). Organic capital expenditure in 2022 was predominantly related to the European refineries and the retail network. The increase in capital expenditure in 2022 was mainly due to turnaround activities, repair works at the Schwechat refinery, and investments in the co-processing unit at Schwechat.

Exploration & Production

In EUR mn (unless otherwise stated)

Q4/22	Q3/22	Q4/21	Δ%[1]		2022	2021	Δ%
1,862	3,147	1,613	15	Clean Operating Result before depreciation and amortization, impairments and write-ups	9,127	4,515	102
1,324	2,686	1,155	15	Clean Operating Result	7,396	2,892	156
(77)	(162)	(7)	n.m.	thereof Gas Marketing Western Europe[2]	(300)	55	n.m.
(243)	51	792	n.m.	Special items	(460)	18	n.m.
1,081	2,737	1,947	(44)	Operating Result	6,936	2,910	138
415	390	318	31	Capital expenditure[3]	1,443	1,194	21
68	60	73	(7)	Exploration expenditure	202	210	(4)
105	56	153	(31)	Exploration expenses	250	281	(11)
9.14	8.17	6.37	43	Production cost in USD/boe	8.20	6.67	23
				Key Performance Indicators			
385	381	491	(22)	Total hydrocarbon production in kboe/d	392	486	(19)
204	203	192	6	thereof crude oil and NGL production in kboe/d	194	200	(3)
181	178	298	(39)	thereof natural gas production in kboe/d[4]	198	287	(31)
18.8	18.7	17.7	6	Crude oil and NGL production in mn bbl	70.8	72.9	(3)
96.5	95.1	161.3	(40)	Natural gas production in bcf[4]	419.2	613.2	(32)
367	385	467	(21)	Total hydrocarbon sales volumes in kboe/d	379	462	(18)
204	225	189	8	thereof crude oil and NGL sales volumes in kboe/d	201	196	2
163	160	277	(41)	thereof natural gas sales volumes in kboe/d[4]	178	265	(33)
88.87	100.84	79.76	11	Average Brent price in USD/bbl	101.32	70.91	43
86.33	98.75	77.05	12	Average realized crude oil price in USD/bbl[5, 6]	95.04	65.60	45
14.26	25.81	9.61	48	Average realized natural gas price in USD/1,000 cf[4, 5]	17.32	5.97	190
46.22	82.36	26.97	71	Average realized natural gas price in EUR/MWh[4, 5, 7]	53.78	16.49	n.m.
1.021	1.007	1.144	(11)	Average EUR–USD exchange rate	1.053	1.183	(11)

Note: As of Q1/22, the gas business was split into Gas Marketing Western Europe reported under Exploration & Production, and Gas & Power Eastern Europe reported under Refining & Marketing. Previously, the gas business was fully reflected in Refining & Marketing. For comparison only, 2021 figures are presented in the new structure.

[1] Q4/22 compared to Q4/21

[2] Includes Supply, Marketing, and Trading and Logistics in Germany, Austria, Hungary, the Netherlands, and Belgium; includes related overhead costs.

[3] Capital expenditure including acquisitions

[4] Does not consider Gas Marketing Western Europe

[5] Average realized prices include hedging effects.

[6] As of Q2/22, the transfer price at OMV Petrom between the E&P segment and the R&M segment is based on Brent instead of Urals. Previous figures have not been restated.

[7] The average realized gas price is converted to MWh using a standardized calorific value across the portfolio of 10.8 MWh for 1,000 cubic meters of natural gas.

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

- The clean Operating Result increased to EUR 1,324 mn thanks to substantially higher oil and gas prices, more than offsetting the adverse effects stemming mainly from the change in the consolidation method of Russian operations (for further details see chapter “Selected notes to the preliminary consolidated financial statements,” section “Impact of Russia-Ukraine crisis”).
- Production was down by 106 kboe/d to 385 kboe/d, mainly due to the change in the consolidation method of Russian operations.
- Gas Marketing Western Europe weighed on the result with EUR (77) mn, mainly due to Russian supply curtailments.

In Q4/22, the **clean Operating Result** improved from EUR 1,155 mn in Q4/21 to EUR 1,324 mn. Positive effects stemming from a favorable market environment were limited by the adverse effects stemming from the change in the consolidation method of Russian operations. Market effects boosted returns by EUR 544 mn owing to persistently strong commodity price growth for both crude oil and natural gas, as well as a positive FX influence. Additional taxation in Romania had a negative effect on results of around EUR (90 mn) in Q4/22. The result of Gas Marketing Western Europe and the missing contribution from Russia following the change in the consolidation method of operations there lowered the result. The negative result contribution of Gas Marketing Western Europe was mainly caused by the curtailments and the volatility of natural gas supply from Russia. A change in the reporting logic of the LNG result given the rising importance of LNG for natural gas supply diversification and a higher storage profit were partial compensators. Production decreased, mainly due to the change in the consolidation method of Russian operations. The increase in production in the United Arab Emirates was able to offset some of the minor declines in other countries.

In Q4/22, net **special items** amounted to EUR (243) mn (Q4/21: EUR 792 mn). A positive natural gas hedging result was confronted with adverse inventory valuation effects and net impairments to the tune of EUR 190 mn. Higher natural gas price assumptions led to write-ups in Austria and New Zealand, whereas in Romania, the impairments amounting to around EUR 400 mn were mainly driven by revised future production profiles for the assets due to a natural decline that was steeper than previously expected and by higher operating costs. The release of a provision in the LNG business in Q4/22 also had a positive effect. The **Operating Result** decreased to EUR 1,081 mn (Q4/21: EUR 1,947 mn).

Production cost excluding royalties increased to USD 9.1/boe (Q4/21: USD 6.4/boe), mainly driven by the change in the consolidation method of Russian operations as of March 1, 2022, as well as global cost pressures.

The **total hydrocarbon production** volume decreased by 106 kboe/d to 385 kboe/d. The main reasons for this reduction were the change in the consolidation method of Russian operations as of March 1, 2022, and natural decline in Romania and Austria. Production increased in the United Arab Emirates after a revision of OPEC+ restrictions. **Total hydrocarbon sales volumes** declined to 367 kboe/d (Q4/21: 467 kboe/d) on the back of the change in the consolidation method of Russian operations, partly offset by higher sales volumes in Libya and the revision of OPEC+ restrictions in the United Arab Emirates.

The oil price continued its decline during the fourth quarter, with the Chinese COVID-19 policy and OPEC+ production decisions being the key driving factors. The OPEC+ decision to cut output caused prices to rise in October, supported by a weaker USD, but limited by a renewal of pandemic containment measures in China. November saw a brief price surge to USD 100/bbl as China decided to ease COVID-19 restrictions, but this increase reversed quickly after the infection rate accelerated. Demand concerns fueled a degressive trend that continued until mid-December. At this point, a number of positive consumption signals provoked a minor price rebound that lasted until year-end. Compared to the third quarter, the **average Brent price** declined by 12%, averaging at USD 88.9/bbl. In a yearly comparison, the Group's **average realized crude oil price** increased by 12%, following the Brent price movement and the change of the transfer price calculation for Romanian crude oil production. On the natural gas side, European spot prices fell considerably during the quarter, by around 50%. The reason for this was the high filling level in European natural gas storage facilities in combination with the unusually mild weather, which reduced the likelihood of a natural gas supply shortfall in Europe in the winter of 2022/23. Adding to that was the perspective of increasing supply, founded on the expansion of LNG importing capacity to Europe, most notably the first regasification terminal in Germany that went into operation in late December. On a quarterly average, European natural gas prices remained at a similar level to the first two quarters of 2022, and was roughly half of the level of Q3/22. OMV's **average realized natural gas price** in EUR/MWh increased significantly compared to the same quarter of the previous year.

Capital expenditure including capitalized E&A rose from EUR 318 mn to EUR 415 mn in Q4/22 due to a higher level of activity compared to the same quarter in the previous year. In Q4/22, organic capital expenditure was primarily directed at projects in Romania, the United Arab Emirates, and Austria. **Exploration expenditure** decreased by 7% to EUR 68 mn in Q4/22 and was mainly related to activities in Norway, Romania, and at SapuraOMV.

January to December 2022 compared to January to December 2021

The **clean Operating Result** rose sharply from EUR 2,892 mn to EUR 7,396 mn in 2022. Exceptionally strong market effects of EUR 5,280 mn as a consequence of substantially higher oil and gas prices were partially offset by negative operational effects of EUR (679) mn due to the missing contribution of Russia following the change in the consolidation method, and a substantially lower Gas Marketing Western Europe result. In addition, production decreased in Romania, Malaysia, and Libya, while production increased in the United Arab Emirates after a revision of OPEC+ restrictions. Sales volumes decreased to a slightly lesser extent compared to production as a consequence of the scheduling of liftings. Depreciation of EUR (97) mn weighed on results, mainly driven by higher production in the United Arab Emirates and Norway. Gas Marketing Western Europe lowered the result, mainly due to losses caused by the Russian supply curtailments and volatility, receivables impairments, and valuation adjustments. A change in the reporting logic for LNG activities had a partially positive offsetting effect.

Net **special items** amounted to EUR (460) mn in 2022 (2021: EUR 18 mn), which were mainly caused by the change in the consolidation method for Russian operations and the fair value adjustment to contractual position related to the reserve redetermination for the Yuzhno-Russkoye natural gas field. Valuation effects of commodity derivatives in Gas Marketing Western Europe and temporary hedging effects were partial offsets. The release of a provision in the LNG business also had a positive effect. The **Operating Result** reached EUR 6,936 mn (2021: EUR 2,910 mn).

Production cost excluding royalties increased to USD 8.2/boe in 2022 (2021: USD 6.7/boe), mainly driven by the change in the consolidation method of Russian operations as of March 1, 2022, and general price inflation.

The **total hydrocarbon production volume** decreased by 95 kboe/d to 392 kboe/d, caused above all by the change in the consolidation method of Russian operations as of March 1, 2022. Natural decline in Romania, planned maintenance in Malaysia, and force majeure in Libya following politically motivated closures were the most prominent additional adverse factors. Production increased in the United Arab Emirates after a revision of OPEC+ restrictions.

Total hydrocarbon sales volumes dropped by a lesser extent than production volumes, to 379 kboe/d (2021: 462 kboe/d). The deviation between production and sales volumes is explained by the scheduling of liftings.

In 2022, the **average Brent price** reached USD 101.3/bbl, a substantial growth of 43% compared to the previous year. The Group's **average realized crude price** improved by 45%, supported by a change in the transfer price calculation for Romanian crude oil production. The **average realized gas price** in EUR/MWh more than tripled to EUR 53.80/MWh.

Capital expenditure including capitalized E&A was raised to EUR 1,443 mn in 2022 (2021: EUR 1,194 mn), rebounding from the previous austerity-induced level. Organic capital expenditure was primarily directed at projects in Romania, New Zealand, and Norway. **Exploration expenditure** was EUR 202 mn in 2022, and was thus broadly on a similar level compared to 2021. It was mainly related to activities in Malaysia, Romania, and Norway.

Proved reserves (1P) as of December 31, 2022, decreased to 1,037 mn boe (thereof OMV Petrom: 380 mn boe), with a one-year Reserve Replacement Rate (RRR) of (80)% in 2022 (2021: 77%). The three-year rolling average RRR is 40% (2021: 105%). There were material proved reserves additions realized in Norway and the United Arab Emirates, with commitment to execute more development drilling and encouraging reservoir performance in both countries. These additions were offset by the exclusion of reserves in Russia since OMV ceased fully consolidating and equity accounting Russian entities. **Proved plus probable reserves (2P)** decreased to 1,892 mn boe (thereof OMV Petrom: 741 mn boe), dominated by the exclusion of reserves in Russia, which overshadowed the positive revision in Romania due to the maturation of the Black Sea Neptun Deep project.

Preliminary Consolidated Financial Statements (condensed, unaudited)

Income statement (unaudited)

In EUR mn (unless otherwise stated)

Q4/22	Q3/22	Q4/21		2022	2021
14,507	17,170	13,348	Sales revenues	62,298	35,555
405	246	471	Other operating income	1,644	933
127	174	101	Net income from equity-accounted investments	869	600
15,039	**17,590**	**13,921**	**Total revenues and other income**	**64,811**	**37,087**
(9,820)	(10,635)	(7,662)	Purchases (net of inventory variation)	(39,298)	(20,257)
(1,361)	(1,242)	(1,162)	Production and operating expenses	(4,542)	(3,645)
(355)	(423)	(310)	Production and similar taxes	(1,663)	(658)
(826)	(630)	(1,846)	Depreciation, amortization, impairments and write-ups	(2,484)	(3,750)
(540)	(841)	(762)	Selling, distribution, and administrative expenses	(2,689)	(2,746)
(105)	(56)	(153)	Exploration expenses	(250)	(280)
(160)	(230)	(435)	Other operating expenses	(1,639)	(688)
1,872	**3,535**	**1,590**	**Operating Result**	**12,246**	**5,065**
1	4	0	Dividend income	11	19
99	79	44	Interest income	269	161
(107)	(103)	(83)	Interest expenses	(417)	(334)
(198)	(200)	(16)	Other financial income and expenses	(1,345)[1]	(40)
(205)	**(220)**	**(55)**	**Net financial result**	**(1,481)**	**(194)**
1,667	**3,314**	**1,535**	**Profit before tax**	**10,765**	**4,870**
(1,220)	(1,955)	(858)	Taxes on income	(5,590)	(2,066)
448	**1,359**	**677**	**Net income for the period**	**5,175**	**2,804**
308	833	538	thereof attributable to stockholders of the parent	3,634	2,093
18	18	19	thereof attributable to hybrid capital owners	71	94
122	508	120	thereof attributable to non-controlling interests	1,470	617
0.94	**2.55**	**1.65**	**Basic Earnings Per Share in EUR**	**11.12**	**6.40**
0.94	2.55	1.64	Diluted Earnings Per Share in EUR	11.11	6.40

[1] Including impairment of EUR 1,004 mn related to the financing agreements for Nord Stream 2

Statement of comprehensive income (condensed, unaudited)

In EUR mn

Q4/22	Q3/22	Q4/21		2022	2021
448	**1,359**	**677**	**Net income for the period**	**5,175**	**2,804**
(1,025)	630	313	Currency translation differences	603	946
(450)	165	19	Gains/(losses) on hedges	40	210
(9)	54	0	Share of other comprehensive income of equity-accounted investments	0	0
(1,484)	**849**	**332**	**Total of items that may be reclassified (“recycled”) subsequently to the income statement**	**643**	**1,156**
(113)	(4)	(14)	Remeasurement gains/(losses) on defined benefit plans	263	53
2	—	(1)	Gains/(losses) on investments	2	(1)
(55)	(26)	(15)	Gains/(losses) on hedges that are subsequently transferred to the carrying amount of the hedged item	(67)	17
7	(1)	(0)	Share of other comprehensive income of equity-accounted investments	6	(0)
(158)	**(31)**	**(30)**	**Total of items that will not be reclassified (“recycled”) subsequently to the income statement**	**204**	**69**
91	(31)	(4)	Income taxes relating to items that may be reclassified (“recycled”) subsequently to the income statement	(5)	(41)
(19)	24	11	Income taxes relating to items that will not be reclassified (“recycled”) subsequently to the income statement	(26)	8
72	**(6)**	**7**	**Total income taxes relating to components of other comprehensive income**	**(30)**	**(33)**
(1,569)	**812**	**309**	**Other comprehensive income for the period, net of tax**	**817**	**1,192**
(1,122)	**2,171**	**986**	**Total comprehensive income for the period**	**5,992**	**3,996**
(1,032)	1,539	812	thereof attributable to stockholders of the parent	4,381	3,164
18	18	19	thereof attributable to hybrid capital owners	71	94
(108)	614	155	thereof attributable to non-controlling interests	1,540	739

Statement of financial position (unaudited)

In EUR mn

	Dec. 31, 2022	Dec. 31, 2021
Assets		
Intangible assets	2,510	3,161
Property, plant, and equipment	19,317	18,569
Equity-accounted investments	7,294	6,887
Other financial assets	1,999	3,730
Other assets	115	113
Deferred taxes	1,150	1,265
Non-current assets	**32,384**	**33,724**
Inventories	4,834	3,150
Trade receivables	4,222	4,518
Other financial assets	3,929	5,148
Income tax receivables	97	107
Other assets	1,198	621
Cash and cash equivalents	8,090	5,050
Current assets	**22,369**	**18,595**
Assets held for sale	1,676	1,479
Total assets	**56,429**	**53,798**
Equity and liabilities		
Share capital	327	327
Hybrid capital	2,483	2,483
Reserves	16,339	12,695
Equity of stockholders of the parent	**19,149**	**15,505**
Non-controlling interests	7,478	6,491
Equity	**26,628**	**21,996**
Provisions for pensions and similar obligations	997	1,299
Bonds	6,030	7,275
Lease liabilities	1,322	887
Other interest-bearing debts	1,359	1,415
Provisions for decommissioning and restoration obligations	3,714	3,683
Other provisions	377	643
Other financial liabilities	489	587
Other liabilities	124	118
Deferred taxes	1,194	1,309
Non-current liabilities	**15,607**	**17,216**
Trade payables	5,259	4,860
Bonds	1,290	795
Lease liabilities	155	131
Other interest-bearing debts	128	350
Income tax liabilities	2,449	1,301
Provisions for decommissioning and restoration obligations	82	72
Other provisions	505	360
Other financial liabilities	2,172	4,367
Other liabilities	1,527	1,440
Current liabilities	**13,567**	**13,677**
Liabilities associated with assets held for sale	626	909
Total equity and liabilities	**56,429**	**53,798**

Statement of changes in equity (condensed, unaudited)

In EUR mn

	Share capital	Capital reserves	Hybrid capital	Revenue reserves	Other reserves[1]	Treasury shares	Equity of stockholders of the parent	Non-controlling interests	Total equity
January 1, 2022	**327**	**1,514**	**2,483**	**12,008**	**(824)**	**(3)**	**15,505**	**6,491**	**21,996**
Net income for the period	—	—	—	3,705	—	—	3,705	1,470	**5,175**
Other comprehensive income for the period	—	—	—	206	541	—	746	71	**817**
Total comprehensive income for the period	**—**	**—**	**—**	**3,911**	**541**	**—**	**4,451**	**1,540**	**5,992**
Dividend distribution and hybrid coupon	—	—	—	(847)	—	—	(847)	(621)	**(1,467)**
Share-based payments	—	4	—	—	—	1	4	—	**4**
Increase/(decrease) in non-controlling interests	—	—	—	5	(2)	—	3	45	**48**
Reclassification of cash flow hedges to balance sheet	—	—	—	—	33	—	33	23	**56**
December 31, 2022	**327**	**1,517**	**2,483**	**15,076**	**(252)**	**(2)**	**19,149**	**7,478**	**26,628**

[1] "Other reserves" contain currency translation differences, unrealized gains and losses from hedges, and the share of other comprehensive income of equity-accounted investments.

	Share capital	Capital reserves	Hybrid capital	Revenue reserves	Other reserves[1]	Treasury shares	Equity of stockholders of the parent	Non-controlling interests	Total equity
January 1, 2021	**327**	**1,506**	**3,228**	**10,502**	**(1,820)**	**(3)**	**13,739**	**6,159**	**19,899**
Net income for the period	—	—	—	2,187	—	—	2,187	617	**2,804**
Other comprehensive income for the period	—	—	—	61	1,009	—	1,071	121	**1,192**
Total comprehensive income for the period	**—**	**—**	**—**	**2,248**	**1,009**	**—**	**3,258**	**739**	**3,996**
Dividend distribution and hybrid coupon	—	—	—	(699)	—	—	(699)	(268)	**(967)**
Change in hybrid capital	—	—	(745)	(43)	—	—	(789)	—	**(789)**
Share-based payments	—	8	—	—	—	0	8	—	**8**
Increase/(decrease) in non-controlling interests	—	—	—	—	—	—	—	(147)	**(147)**
Reclassification of cash flow hedges to balance sheet	—	—	—	—	(13)	—	(13)	8	**(5)**
December 31, 2021	**327**	**1,514**	**2,483**	**12,008**	**(824)**	**(3)**	**15,505**	**6,491**	**21,996**

[1] "Other reserves" contain currency translation differences, unrealized gains and losses from hedges, and the share of other comprehensive income of equity-accounted investments.

Summarized statement of cash flows (condensed, unaudited)

In EUR mn

Q4/22	Q3/22	Q4/21		2022	2021
448	**1,359**	**677**	**Net income for the period**	**5,175**	**2,804**
905	671	1,958	Depreciation, amortization, and impairments including write-ups	2,667	3,935
57	3	(71)	Deferred taxes	85	10
6	2	(261)	Losses/(gains) on the disposal of non-current assets	(344)	(267)
(377)	88	(223)	Net change in provisions	(208)	(29)
194	772	1,375	Other adjustments	2,468	2,444
1,233	**2,895**	**3,455**	**Cash flow from operating activities excluding net working capital effects**	**9,843**	**8,897**
99	(275)	(252)	(Increase)/decrease in inventories	(2,188)	(1,084)
1,264	(250)	(1,434)	(Increase)/decrease in receivables	(397)	(1,932)
(1,157)	813	1,013	(Decrease)/increase in liabilities	501	1,136
1,439	**3,182**	**2,782**	**Cash flow from operating activities**	**7,758**	**7,017**
			Investments		
(910)	(735)	(758)	Intangible assets and property, plant, and equipment	(2,943)	(2,497)
(78)	(227)	(109)	Investments, loans, and other financial assets	(736)	(382)
			Disposals		
32	69	331	Proceeds in relation to non-current assets and financial assets	1,487	397
17	—	74	Proceeds from the sale of subsidiaries and businesses, net of cash disposed	440	661
—	(3)	—	Cash disposed due to the loss of control	(214)	—
(940)	**(895)**	**(461)**	**Cash flow from investing activities**	**(1,966)**	**(1,820)**
(50)	(861)	(1,330)	(Decrease)/increase in long-term borrowings	(1,046)	(2,037)
56	(66)	89	(Decrease)/increase in short-term borrowings	(184)	61
30	(0)	—	Increase/(decrease) in non-controlling interest	29	(4)
(47)	(281)	(80)	Dividends paid	(1,459)	(997)
(12)	**(1,208)**	**(1,321)**	**Cash flow from financing activities**	**(2,660)**	**(2,977)**
(17)	5	(10)	Effect of exchange rate changes on cash and cash equivalents	(72)	(25)
471	**1,084**	**990**	**Net (decrease)/increase in cash and cash equivalents**	**3,060**	**2,195**
7,654	6,570	4,074	Cash and cash equivalents at beginning of period	5,064	2,869
8,124	**7,654**	**5,064**	**Cash and cash equivalents at end of period**	**8,124**	**5,064**
35	45	14	thereof cash disclosed within Assets held for sale	35	14
8,090	**7,608**	**5,050**	**Cash and cash equivalents presented in the consolidated statement of financial position**	**8,090**	**5,050**
499	**2,287**	**2,321**	**Free cash flow**	**5,792**	**5,196**
451	**2,006**	**2,241**	**Free cash flow after dividends**	**4,333**	**4,199**

Selected notes to the preliminary consolidated financial statements

Legal principles

The preliminary condensed consolidated financial statements for 2022 have been prepared in line with the accounting policies that will be used in preparing the OMV Annual Report. The final audited, consolidated statements will be published in March 2023 as part of the 2022 Annual Report.

The preliminary condensed consolidated financial statements for 2022 are unaudited. An external review by an auditor has not been performed.

They have been prepared in million EUR (EUR mn, EUR 1,000,000). Accordingly, there may be rounding differences.

In addition to the preliminary consolidated financial statements, further information on the main items affecting the preliminary consolidated financial statements as of December 31, 2022, is given as part of the description of OMV's business segments in the Directors' Report.

Accounting policies

The accounting policies in effect on December 31, 2021, remained largely unchanged. The amendments effective since January 1, 2022, did not have a material effect on the preliminary consolidated financial statements.

Impact of Russia-Ukraine crisis

The attack of Russia on Ukraine on February 24, 2022, led to developments that had a significant impact on the preliminary consolidated financial statements.

OMV is represented in Russia by an interest in the Yuzhno-Russkoye gas field. The gas is produced by the operator and the license holder, OJSC Severneftegazprom (SNGP), in which OMV holds a 24.99% interest. The interest in SNGP was until February 28, 2022, accounted for at equity. The gas is sold through the trading company JSC GAZPROM YRGM Development (YRGM), in which OMV holds one preferred share entitling OMV to a dividend of 99.99% of the total net profit. Until February 2022, YRGM was fully consolidated because all its activities are predetermined and OMV was fully exposed to the variability of returns. In response to the sanctions of the Western countries, Russia passed several countersanctions, which have an impact on the operation of foreign companies in Russia. According to these countersanctions, among others, OMV lost power to receive dividends from YRGM, which led to the loss of control over YRGM and the loss of significant influence over SNGP.

For this reason, OMV ceased to fully consolidate YRGM and to equity account for SNGP in the consolidated financial statements. Starting March 1, 2022, the investments in SNGP and YRGM are accounted for at fair value through profit or loss according to IFRS 9. The deconsolidation led to a loss of EUR 658 mn; of that amount, EUR 399 mn was related to the recycling of the cumulative currency differences originally recognized in other comprehensive income. The total amount was included in other operating expenses. In addition, the deconsolidation had a negative impact on the cash flow from investing activities in the amount of EUR 208 mn due to the derecognized cash balance of YRGM, shown in the line "Cash disposed due to the loss of control." As of December 31, 2022, the fair value of the investments in YRGM and SNGP was further decreased to a book value of EUR 23 mn, leading to an additional loss of EUR 370 mn in the financial result. The fair value measurement takes into account the further deterioration of the political and legal environment in Russia and is based on a DCF model considering the production profile, expected gas prices and production costs, as well as an illiquidity discount of 90% on the remaining net present value of the cash flows and cash balance.

Due to the difficult political and legal environment in Russia, OMV no longer expects the contractual position toward Gazprom from the redetermination of the reserves of the Yuzhno-Russkoye gas field to be recoverable. As a consequence, a fair value loss of EUR 432 mn was recognized in other operating expenses which reduced the fair value of this position to zero.

The total payments by OMV as financial investor under the financing agreements for Nord Stream 2 amounted to EUR 729 mn. The total outstanding amount including accrued interest as of March 5, 2022, amounted to EUR 1 bn, and was fully impaired, negatively impacting the financial result.

OMV purchased on average 2.8 TWh per month of natural gas under long-term supply agreements with Gazprom in Austria in the fourth quarter 2022. There have not been any deliveries to Germany since end of August 2022. There were curtailments of gas delivery volumes since mid of June which required adjustments to OMV's hedging measures and replacement purchases on the market resulting in a negative financial impact for OMV. The uncertainty regarding future curtailments and delivery volumes remains and could result in further substantial losses in particular, in case actual deliveries materially deviate from previously hedged volumes leading to partially unmitigated gas price exposure from Gazprom supply contracts.

OMV took various measures to replace Russian gas supplies and to ensure that it can meet its supply obligations. This included the establishment of routes for deliveries from Northwest Europe (e.g., Norwegian equity gas or LNG supply via the Gate terminal) and Italy. In July, OMV managed to secure 40 TWh of additional transport capacities to Austria for the current gas year (October 1, 2022

– September 30, 2023) at the transfer points Oberkappel (pipeline from Germany) and Arnoldstein (pipeline from Italy). Furthermore, storages have been filled to maximize possible withdrawals in case of further supply cuts and OMV has access to liquid gas market hubs in Europe, if needed.

No onerous contract provisions have been recognized for the long-term gas supply contracts with Gazprom. The pricing of these contracts is based on current hub prices and it is not possible to estimate any negative impact from future gas curtailments. The hedges related to the supply from these contracts are measured at fair value and not subject to hedge accounting.

As a direct consequence of the energy crisis in Europe, regulatory measures like the EU solidarity contribution, price caps, and subsidy schemes are being implemented in some of the countries in which OMV is active. The impact from the country-specific EU solidarity contributions on the preliminary financial statements is disclosed in the section “Notes to the income statement – Taxes on income and profit.”

Changes in segment reporting

As of January 1, 2022, Gas Marketing Western Europe, which includes Supply, Marketing, Trading, and Logistics, was transferred from Refining & Marketing to Exploration & Production in order to extract synergies from the entire end-to-end gas value chain. The internal reporting and the relevant information provided to the chief operating decision-maker in order to assess performance and allocate resources have been updated to reflect the current organizational structure.

Refining & Marketing (R&M) refines and markets crude and other feedstock. It operates the Schwechat, Burghausen, and Petrobrazi refineries. In these refineries, crude oil is processed into petroleum products, which are sold to commercial and private customers. The business segment’s activities also cover supply and marketing of gas in Eastern Europe and the Group’s power business activities, with one gas-fired power plant.

Exploration & Production (E&P) engages in the business of oil and gas exploration, development, and production, and it focuses on the core regions Central and Eastern Europe, the North Sea, the Middle East and Africa, and Asia-Pacific. In addition, E&P is engaged in gas supply, marketing, trading, and logistics in Western Europe.

Segment reporting information of earlier periods has been adjusted accordingly to comply with IFRS 8.29. The tables below depict the segment reporting information as reported in 2021 and restated after the reorganization:

Intersegmental sales

In EUR mn

	Q1/21	Q2/21	Q3/21	Q4/21	2021
Reported					
Chemicals & Materials	193	256	310	351	1,109
Refining & Marketing	522	566	717	976	2,780
Exploration & Production	745	929	1,232	1,923	4,828
Corporate & Other	90	89	90	92	361
Total	**1,549**	**1,838**	**2,350**	**3,341**	**9,079**
Restated					
Chemicals & Materials	193	256	310	351	1,109
Refining & Marketing	488	528	633	803	2,452
Exploration & Production	664	787	961	1,301	3,713
Corporate & Other	90	89	90	92	361
Total	**1,435**	**1,659**	**1,995**	**2,546**	**7,636**

Sales to third parties

In EUR mn

	Q1/21	Q2/21	Q3/21	Q4/21	2021
Reported					
Chemicals & Materials	2,317	2,506	2,669	3,017	10,509
Refining & Marketing	3,634	4,346	5,688	9,480	23,148
Exploration & Production	475	410	151	848	1,884
Corporate & Other	3	3	4	4	14
Total	**6,429**	**7,266**	**8,512**	**13,348**	**35,555**
Restated					
Chemicals & Materials	2,317	2,506	2,669	3,017	10,509
Refining & Marketing	2,482	3,142	3,967	4,504	14,095
Exploration & Production	1,628	1,614	1,872	5,824	10,937
Corporate & Other	3	3	4	4	14
Total	**6,429**	**7,266**	**8,512**	**13,348**	**35,555**

Total sales (not consolidated)

In EUR mn

	Q1/21	Q2/21	Q3/21	Q4/21	2021
Reported					
Chemicals & Materials	2,509	2,762	2,979	3,368	11,618
Refining & Marketing	4,156	4,912	6,405	10,455	25,928
Exploration & Production	1,220	1,338	1,384	2,770	6,712
Corporate & Other	93	92	94	96	376
Total	**7,978**	**9,104**	**10,862**	**16,689**	**44,634**
Restated					
Chemicals & Materials	2,509	2,762	2,979	3,368	11,618
Refining & Marketing	2,970	3,670	4,601	5,306	16,547
Exploration & Production	2,292	2,401	2,833	7,125	14,650
Corporate & Other	93	92	94	96	376
Total	**7,864**	**8,925**	**10,507**	**15,895**	**43,191**

Operating Result

In EUR mn

	Q1/21	Q2/21	Q3/21	Q4/21	2021
Reported					
Chemicals & Materials	465	678	618	67	1,828
Refining & Marketing	400	207	134	182	922
Exploration & Production	349	383	339	1,368	2,439
Corporate & Other	(10)	(20)	(19)	(26)	(74)
Segment total	**1,204**	**1,248**	**1,071**	**1,591**	**5,115**
Consolidation: elimination of intersegmental profits	(46)	(10)	7	(2)	(51)
OMV Group Operating Result	**1,158**	**1,238**	**1,079**	**1,590**	**5,065**
Restated					
Chemicals & Materials	465	678	618	67	1,828
Refining & Marketing	331	219	298	(397)	451
Exploration & Production	418	371	174	1,947	2,910
Corporate & Other	(10)	(20)	(19)	(26)	(74)
Segment total	**1,204**	**1,248**	**1,071**	**1,591**	**5,115**
Consolidation: elimination of intersegmental profits	(46)	(10)	7	(2)	(51)
OMV Group Operating Result	**1,158**	**1,238**	**1,079**	**1,590**	**5,065**

Assets[1]

In EUR mn

	Mar. 31, 2021	June 30, 2021	Sep. 30, 2021	Dec. 31, 2021
Reported				
Chemicals & Materials	5,103	5,170	5,211	5,283
Refining & Marketing	3,787	3,794	3,793	3,989
Exploration & Production	12,533	12,369	12,427	12,217
Corporate & Other	248	243	242	241
Total	**21,671**	**21,576**	**21,673**	**21,730**
Restated				
Chemicals & Materials	5,103	5,170	5,211	5,283
Refining & Marketing	3,694	3,700	3,699	3,894
Exploration & Production	12,626	12,462	12,521	12,312
Corporate & Other	248	243	242	241
Total	**21,671**	**21,576**	**21,673**	**21,730**

[1] Property, plant, and equipment (PPE), intangible assets (IA), not including assets reclassified to assets held for sale

Clean CCS Operating Result

In EUR mn

	Q1/21	Q2/21	Q3/21	Q4/21	2021
Reported					
Chemicals & Materials	442	647	623	512	2,224
Refining & Marketing	108	181	361	351	1,001
Exploration & Production	361	498	816	1,163	2,837
Corporate & Other	(7)	(16)	(16)	(22)	(62)
Consolidation: elimination of intersegmental profits	(34)	(10)	7	(2)	(39)
Total	**870**	**1,299**	**1,790**	**2,001**	**5,961**
Restated					
Chemicals & Materials	442	647	623	512	2,224
Refining & Marketing	78	166	342	358	945
Exploration & Production	390	512	834	1,155	2,892
Corporate & Other	(7)	(16)	(16)	(22)	(62)
Consolidation: elimination of intersegmental profits	(34)	(10)	7	(2)	(39)
Total	**870**	**1,299**	**1,790**	**2,001**	**5,961**

Changes in the consolidated Group

Compared with the consolidated financial statements as of December 31, 2021, the consolidated Group changed as follows:

Changes in consolidated Group

Name of company	Registered office	Type of change[1]	Effective date
Chemicals & Materials			
Eifanes Beteiligungsverwaltungs GmbH[2]	Vienna	First consolidation	March 9, 2022
Borouge 4 LLC[3]	Abu Dhabi	First consolidation	March 11, 2022
RecycleMe Plastics GmbH[3, 4]	Herborn	First consolidation	April 19, 2022
Borouge PLC[3]	Abu Dhabi	First consolidation	April 28, 2022
Abu Dhabi Polymers Company Limited (Borouge)[3, 5]	Abu Dhabi	Deconsolidation (M)	June 1, 2022
Borouge Pte. Ltd.[3, 6]	Singapore	Partial disposal	June 1, 2022
Refining & Marketing			
OMV Petrom Biofuels SRL	Bucharest	First consolidation	March 31, 2022
OMV Retail Deutschland GmbH	Burghausen	Deconsolidation	May 1, 2022
OMV Supply & Trading AG	Baar	Deconsolidation (L)	August 30, 2022
PETRODYNE-CSEPEL Zrt.	Budapest	Deconsolidation (M)	December 31, 2022
Exploration & Production			
JSC GAZPROM YRGM Development	St. Petersburg	Deconsolidation (T)	March 1, 2022
OJSC Severneftegazprom[3]	Krasnoselkup	Deconsolidation (T)	March 1, 2022
OMV (YEMEN) Al Mabar Exploration GmbH	Vienna	Deconsolidation (I)	March 31, 2022
OMV Block 70 Upstream GmbH	Vienna	Deconsolidation (I)	March 31, 2022
OMV Jardan Block 3 Upstream GmbH	Vienna	Deconsolidation (I)	March 31, 2022
OMV Myrre Block 86 Upstream GmbH	Vienna	Deconsolidation (I)	March 31, 2022
SAPURAOMV UPSTREAM (MALAYSIA) SDN. BHD.	Kuala Lumpur	First consolidation	March 31, 2022
OMV Abu Dhabi E&P GmbH	Vienna	Deconsolidation (I)	September 30, 2022
OMV Gas Marketing & Trading Italia S.r.l.	Milan	Deconsolidation (I)	September 30, 2022
OMV Bina Bawi GmbH	Vienna	Deconsolidation (I)	September 30, 2022
OMV Offshore Morondava GmbH	Vienna	Deconsolidation (I)	September 30, 2022
OMV Middle East & Africa GmbH	Vienna	Deconsolidation (I)	September 30, 2022
OMV Offshore (Namibia) GmbH	Vienna	Deconsolidation (I)	September 30, 2022
OMV (NAMIBIA) Exploration GmbH	Vienna	Deconsolidation (I)	September 30, 2022
OMV Petroleum Exploration GmbH	Vienna	Deconsolidation (I)	September 30, 2022
S. PARC FOTOVOLTAIC ISALNITA S.A.[7]	Târgu Jiu	First consolidation	October 27, 2022
S. PARC FOTOVOLTAIC ROVINARI EST S.A.[7]	Târgu Jiu	First consolidation	October 27, 2022
S. PARC FOTOVOLTAIC TISMANA 1 S.A.[7]	Târgu Jiu	First consolidation	October 27, 2022
S. SOLARIST TISMANA 2 S.A.[7]	Târgu Jiu	First consolidation	October 27, 2022
SapuraOMV Upstream (Malaysia) Inc.	Nassau	Deconsolidation (L)	November 22, 2022
SapuraOMV Upstream (Southeast Asia) Inc.	Nassau	Deconsolidation (L)	November 22, 2022
OMV Green Energy GmbH	Vienna	First consolidation	November 23, 2022
OE SASR Beta Achtundvierzigste Beteiligungsverwaltung GmbH[8]	Vienna	First consolidation (A)	December 12, 2022

[1] “First consolidation” refers to newly formed companies, while “First consolidation (A)” indicates the acquisition of a company. “Deconsolidation (M)” refers to companies that were deconsolidated following a merger into another Group company. “Deconsolidation (L)” refers to subsidiaries that were liquidated. “Deconsolidation (T)” refers to companies that were transferred to other investments at fair value through profit or loss (FVTPL), for further details see chapter “Impact of Russia-Ukraine crisis.” Companies marked with “Deconsolidation (I)” have been deconsolidated due to immateriality.

[2] Renamed to Borealis Middle East Holding GmbH

[3] Company consolidated at-equity

[4] Renamed to Recelerate GmbH

[5] Shares transferred to Borouge PLC before the ADX listing. ADX listing changed OMV’s share in Abu Dhabi Polymers Company Limited through the shareholding in Borouge PLC from 40% to 36%.

[6] Shares partly transferred to Borouge PLC before the ADX listing. ADX listing changed OMV’s share in Borouge Pte. Ltd. from 49.15% to 45.76% (thereof 15.25% direct share and 30.51% through shareholding in Borouge PLC).

[7] Joint operation; accounting for OMV’s share of assets, obligations for liabilities, share of income and expenses

[8] Renamed to OMV Austria Geothermal GmbH

Chemicals & Materials

On June 3, 2022, Borouge PLC has successfully listed on ADX, the Abu Dhabi Securities Exchange. Based on the final offer price of AED 2.45 per share, the Initial Public Offering (IPO) has raised gross proceeds of EUR 1.9 bn for the offering of 10% of the Company’s total issued share capital. Based on the IPO, the shareholding in Borouge PLC has changed to Borealis owning a 36% stake in Borouge PLC and Abu Dhabi National Oil Company owning 54% respectively. Borouge PLC continues to be accounted for as an at-equity investment. The Borouge 4 project which is currently being executed, has not been part of the offering. It is intended to recontribute Borouge 4 at a later point in time. Further information on the impact on the income statement and the statement of cash flows is included in section "Notes to the income statement – Other operating income."

Other significant transactions

Chemicals & Materials

On September 26, 2022, Borealis AG and YILDIRIM Group's YILFERT Holding signed a binding agreement for the acquisition of Borealis' shares in Rosier SA. The offer values the business (enterprise value) at EUR 35 mn, resulting in a valuation of roughly EUR 11.65 per share. This led to the reclassification of the disposal group to assets and liabilities held for sale in Q3/22. As of December 31, 2022, Borealis was holding 98.09% of Rosier SA shares.

On November 9, 2022, as a result of the debt conversion into newly issued shares, OMV has increased its stake in Renasci N.V. from 10% to 27.42%. The nominal amount of the loan converted was EUR 24 mn. The investment continues to be accounted for at-equity.

Exploration & Production

In Q2/22, OMV signed an agreement to sell its relevant operating entities in Yemen, which led to the reclassification of assets and liabilities to held for sale.

Seasonality and cyclicality

Seasonality is of significance, especially in the Chemicals & Materials and Refining & Marketing business segments. For details, please refer to the section "business segments."

Notes to the income statement

Sales revenues

Sales revenues

In EUR mn

	2022	2021
Revenues from contracts with customers	54,416	34,792
Revenues from other sources	7,882	763
Total sales revenues	**62,298**	**35,555**

Revenues from other sources mainly include revenues from commodity transactions that are within the scope of IFRS 9 "Financial Instruments," the adjustment of revenues from considering the national oil company's profit share as income tax in certain production sharing agreements in the Exploration & Production business segment, the hedging result, and rental and lease revenues.

Revenues from contracts with customers

In EUR mn

					2022
	Chemicals & Materials	Refining & Marketing	Exploration & Production	Corporate & Other	**Total**
Crude oil, NGL, condensates	—	860	1,519	—	**2,379**
Natural gas and LNG	—	2,389	18,110	—	**20,499**
Fuel, heating oil, and other refining products	—	16,390	—	—	**16,390**
Chemical products	12,160	54	—	—	**12,214**
Gas storage, transmission, distribution, and transportation	—	—	104	—	**104**
Other goods and services	126	2,625	65	16	**2,831**
Total	**12,286**	**22,318**	**19,797**	**16**	**54,416**

Revenues from contracts with customers

In EUR mn

					2021
	Chemicals & Materials	Refining & Marketing	Exploration & Production	Corporate & Other	**Total**
Crude oil, NGL, condensates	—	1,071	1,057	—	**2,128**
Natural gas and LNG	—	915	9,235	—	**10,150**
Fuel, heating oil, and other refining products	—	10,460	—	—	**10,460**
Chemical products	10,347	56	—	—	**10,403**
Gas storage, transmission, distribution, and transportation	—	0	150	—	**151**
Other goods and services	160	1,278	48	13	**1,500**
Total	**10,507**	**13,780**	**10,491**	**13**	**34,792**

Other operating income

Related to the incident in June 2022 at OMV Schwechat refinery an insurance income of around EUR 200 mn was recognized in Q4/22. Insurance procedures have not yet been finalized.

Chemicals & Materials

On June 3, 2022, Borouge PLC has successfully listed on ADX, the Abu Dhabi Securities Exchange. This transaction led to a net gain of EUR 341 mn, which is part of the result line “Other operating income” in the consolidated income statement and included also FX recycling effects. OMV’s share of the proceeds of EUR 745 mn is included in the line “Proceeds in relation to non-current assets and financial assets” in the cash flow from investing activities.

Refining & Marketing

On May 1, 2022 OMV closed the transaction to sell its filling station business in Germany to EG Group. The agreed sales price before customary closing adjustments amounted to EUR 485 mn. The transaction led in 2022 to a gain recognized in other operating income of EUR 409 mn and a cash inflow of EUR 432 mn, shown in the line “Proceeds from the sale of subsidiaries and businesses, net of cash disposed” in the cash flow from investing activities.

Purchases

Net inventory impairments amounted to EUR 441 mn and were mainly related to impairments of gas in storage.

Selling, distribution, and administrative expenses

Exploration & Production

A positive outlook in the LNG business resulted in a release of EUR 344 mn of the provision for onerous contracts for the Gate LNG obligation in 2022.

Impairments and write-ups

Chemicals & Materials

On June 2, 2022, Borealis received a binding offer from AGROFERT, a.s. for the sale of the nitrogen business including fertilizer, melamine, and technical nitrogen products. This triggered a write-up of EUR 266 mn to reflect the fair value less cost to sell, reported in the line “Depreciation, amortization, impairments and write-ups.”

Exploration & Production

In Q4/22, OMV updated its commodity price assumptions. Whereas the European gas prices increased for the near and long-term, the expected production volume of some oil and gas assets in Romania decreased due to higher expected natural decline rates and operating costs increased. These effects led to pre-tax impairments of EUR 117 mn (net of write-ups) of some development and production oil and gas assets, related to assets in Romania, New Zealand, and Austria, reported in the line “Depreciation, amortization, impairments and write-ups.”

The detailed price assumptions in real terms are as follows:

Price assumptions

	2023	**2024**	**2025**	**2026**	**2027**	**2030**	**2040**	**2050**
Brent oil price (USD/bbl) – Mid-term plan current year	80	75	70	65	65	65	60	60
Brent oil price (USD/bbl) – Mid-term plan previous year	65	65	65	65	65	65	60	60
Gas price THE (EUR/MWh) – Mid-term plan current year	91	64	46	36	27	24	24	24
Gas price THE (EUR/MWh) – Mid-term plan previous year	22	22	22	22	22	22	22	22

Taxes on income and profit

Taxes on income and profit

In EUR mn (unless otherwise stated)

Q4/22	Q3/22	Q4/21		2022	2021
(1,163)	(1,952)	(929)	Current taxes	(5,505)	(2,056)
(57)	(3)	71	Deferred taxes	(85)	(10)
(1,220)	**(1,955)**	**(858)**	**Taxes on income and profit**	**(5,590)**	**(2,066)**
73	59	56	Effective tax rate in %	52	42

Current tax expense in 2022 included a solidarity contribution in the amount of EUR 90 mn related to two Austrian entities of OMV Group. In Romania, OMV Petrom is expected not to be subject to a solidarity contribution for the fiscal year 2022. Also, for OMV Group entities in Germany no solidarity contribution is expected for 2022.

Deferred taxes included the effects of changes in the corporate income tax rate in Austria as stipulated by the Eco Social Tax Reform Act, which came into force on January 20, 2022. Based on the Act, corporate income tax rates will be reduced from 25% to 24% in 2023 and further to 23% from 2024 onward.

Notes to the statement of financial position

Commitments

As of December 31, 2022, OMV had contractual obligations for the acquisition of intangible assets and property, plant, and equipment of EUR 1,736 mn (December 31, 2021: EUR 1,474 mn), mainly relating to exploration and production activities in the segment Exploration & Production and activities in Chemicals & Materials.

Equity

On June 3, 2022, the Annual General Meeting approved the payment of a dividend of EUR 2.30 per share, resulting in a total dividend payment of EUR 752 mn to OMV Aktiengesellschaft stockholders. Dividend distributions to minority shareholders amounted to EUR 621 mn in 2022.

For the financial year 2022, the Executive Board of OMV Aktiengesellschaft proposed a regular dividend of EUR 2.80 per eligible share, as well as a special dividend of EUR 2.25 per eligible share, which are subject to confirmation by the Annual General Meeting in 2023.

An interest payment to hybrid capital owners amounting to EUR 94 mn was also made in 2022.

The total number of own shares held by the company as of December 31, 2022, amounted to 201,674 (December 31, 2021: 261,326).

Financial liabilities

Gearing ratio excluding leases[1]

In EUR mn (unless otherwise stated)

	Dec. 31, 2022	Dec. 31, 2021	Δ
Bonds	7,320	8,070	(9)%
Other interest-bearing debts	1,487	1,765	(16)%
Debt excluding leases	**8,807**	**9,835**	**(10)%**
Cash and cash equivalents	8,124	5,064	60%
Net Debt excluding leases	**683**	**4,771**	**(86)%**
Equity	**26,628**	**21,996**	**21%**
Gearing ratio excluding leases in %	**3%**	**22%**	**(19)**

[1] Including assets and liabilities reclassified to held for sale

Fair value measurement

Financial instruments recognized at fair value are disclosed according to the fair value measurement hierarchy as stated in Note 2 of the OMV Consolidated Financial Statements 2021.

Fair value hierarchy of financial assets[1], other assets, and net amount of assets and liabilities held for sale at fair value

In EUR mn

	Dec. 31, 2022				Dec. 31, 2021			
	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	**Total**
Equity investments[2]	—	—	42	**42**	—	—	17	**17**
Investment funds	26	—	—	**26**	30	—	—	**30**
Derivatives designated and effective as hedging instruments	—	380	—	**380**	—	398	—	**398**
Other derivatives	14	2,853	—	**2,867**	40	4,180	—	**4,220**
Other financial assets at fair value[3]	—	—	—	**—**	—	—	432	**432**
Net amount of assets and liabilities associated with assets held for sale	—	58	824	**882**	—	(23)	377	**354**
Total	**40**	**3,291**	**866**	**4,198**	**70**	**4,556**	**826**	**5,451**

[1] Excluding assets held for sale

[2] Includes investments in JSC GAZPROM YRGM Development (YRGM) and OJSC Severneftegazprom (SNGP), which are accounted for at fair value through profit or loss according to IFRS 9 since March 1, 2022. For further details see chapter "Impact of Russia-Ukraine crisis."

[3] 2021 included an asset from reserves redetermination rights related to the acquisition of interests in the Yuzhno-Russkoye field. For further details see chapter "Impact of Russia-Ukraine crisis."

Fair value hierarchy of financial liabilities and other liabilities at fair value

In EUR mn

	Dec. 31, 2022				Dec. 31, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities on derivatives designated and effective as hedging instruments	—	44	—	**44**	17	85	—	**102**
Liabilities on other derivatives	0	1,571	—	**1,571**	42	3,935	—	**3,977**
Other liabilities at fair value[1]	—	132	—	**132**	—	—	—	**—**
Total	**0**	**1,747**	**—**	**1,747**	**59**	**4,019**	**—**	**4,079**

[1] Includes hedged items designated in fair value hedge relationships related to product swaps with national stockholding companies in Germany and Slovakia.

Financial assets and liabilities valued at amortized cost for which fair values are disclosed[1]

In EUR mn

	Carrying amount	**Fair value**	**Fair value level**		
			Level 1	**Level 2**	**Level 3**
		Dec. 31, 2022			
Bonds	52	52	—	52	—
Financial assets	**52**	**52**	**—**	**52**	**—**
Bonds	7,320	6,747	6,747	—	—
Other interest-bearing debt	1,487	1,320	—	1,320	—
Financial liabilities	**8,807**	**8,067**	**6,747**	**1,320**	**—**
		Dec. 31, 2021			
Bonds	63	63	—	63	—
Financial assets	**63**	**63**	**—**	**63**	**—**
Bonds	8,070	8,586	8,586	—	—
Other interest-bearing debt	1,765	1,742	—	1,742	—
Financial liabilities	**9,835**	**10,328**	**8,586**	**1,742**	**—**

[1] Excluding assets and liabilities that were reclassified to held for sale

Segment reporting

Intersegmental sales

In EUR mn

Q4/22	**Q3/22**	**Q4/21**	**Δ%[1]**		**2022**	**2021**	**Δ%**
336	168	351	(4)	Chemicals & Materials	1,181	1,109	6
720	469	803	(10)	Refining & Marketing	2,818	2,452	15
1,509	1,837	1,301	16	Exploration & Production	6,661	3,713	79
105	102	92	14	Corporate & Other	407	361	13
2,670	**2,577**	**2,546**	**5**	**Total**	**11,067**	**7,636**	**45**

Sales to third parties

In EUR mn

Q4/22	Q3/22	Q4/21	Δ%[1]		2022	2021	Δ%
2,587	2,894	3,017	(14)	Chemicals & Materials	12,269	10,509	17
6,930	7,142	4,504	54	Refining & Marketing	25,816	14,095	83
4,986	7,130	5,824	(14)	Exploration & Production	24,197	10,937	n.m.
5	4	4	5	Corporate & Other	17	14	16
14,507	**17,170**	**13,348**	**9**	**Total**	**62,298**	**35,555**	**75**

Total sales (not consolidated)

In EUR mn

Q4/22	Q3/22	Q4/21	Δ%[1]		2022	2021	Δ%
2,922	3,062	3,368	(13)	Chemicals & Materials	13,450	11,618	16
7,650	7,611	5,306	44	Refining & Marketing	28,634	16,547	73
6,495	8,968	7,125	(9)	Exploration & Production	30,857	14,650	n.m.
109	106	96	13	Corporate & Other	424	376	13
17,177	**19,747**	**15,895**	**8**	**Total**	**73,365**	**43,191**	**70**

Segment and Group profit

In EUR mn

Q4/22	Q3/22	Q4/21	Δ%[1]		2022	2021	Δ%
71	165	67	6	Operating Result Chemicals & Materials	2,039	1,828	12
724	623	(397)	n.m.	Operating Result Refining & Marketing	3,392	451	n.m.
1,081	2,737	1,947	(44)	Operating Result Exploration & Production	6,936	2,910	138
(45)	(17)	(26)	(73)	Operating Result Corporate & Other	(86)	(74)	(16)
1,832	3,508	1,591	15	Operating Result segment total	12,281	5,115	140
40	26	(2)	n.m.	Consolidation: elimination of intersegmental profits	(35)	(51)	31
1,872	**3,535**	**1,590**	**18**	**OMV Group Operating Result**	**12,246**	**5,065**	**142**
(205)	(220)	(55)	n.m.	Net financial result	(1,481)	(194)	n.m.
1,667	**3,314**	**1,535**	**9**	**OMV Group profit before tax**	**10,765**	**4,870**	**121**

[1] Q4/22 compared to Q4/21

Assets[1]

In EUR mn

	Dec. 31, 2022	Dec. 31, 2021
Chemicals & Materials	5,964	5,283
Refining & Marketing	4,223	3,894
Exploration & Production	11,407	12,312
Corporate & Other	234	241
Total	**21,826**	**21,730**

[1] Segment assets consist of intangible assets and property, plant, and equipment. They do not include assets reclassified to held for sale.

Other notes

Transactions with related parties

In 2022, there were arm's length supplies of goods and services between the Group and equity-accounted companies, except for transactions with OJSC Severneftegazprom, which were not based on market prices but on cost plus defined margin.

Material transactions with equity-accounted investments

In EUR mn

	2022		2021	
	Sales and other income	Purchases and services received	Sales and other income	Purchases and services received
ADNOC Global Trading LTD	3	32	3	—
Borouge investments[1]	677	416	439	501
Bayport Polymers LLC	8	—	6	—
GENOL Gesellschaft m.b.H.	141	10	124	0
Erdöl-Lagergesellschaft m.b.H.	119	208	43	81
Deutsche Transalpine Oelleitung GmbH	0	48	0	29
Kilpilahden Voimalaitos Oy	8	116	4	74
Neochim AD[2]	—	5	—	10
OJSC Severneftegazprom[3]	—	24	—	127
Société d'Intérêt Collectif Agricole Laignes Agrifluides (SICA Laignes Agrifluides)[2]	5	—	7	—
Trans Austria Gasleitung GmbH[4]	—	—	4	11

[1] Includes Borouge PLC, Abu Dhabi Polymers Company Limited (Borouge), and Borouge Pte. Ltd. For more details see "Changes in the consolidated Group."
[2] Neochim AD and Société d'Intérêt Collectif Agricole Laignes Agrifluides (SICA Laignes Agrifluides) were reclassified to held for sale in 2021.
[3] OJSC Severneftegazprom was deconsolidated as of March 1, 2022, and reclassified to other investments at fair value through profit or loss (FVTPL).
[4] Trans Austria Gasleitung GmbH was sold as of May 31, 2021, as part of the Gas Connect Austria disposal group.

Additional sales transactions in the amount of EUR 293 mn took place with Erdöl-Lagergesellschaft m.b.H., which are not disclosed in the above table as netting with expenses was applied in the income statement.

Balances with equity-accounted investments[1]

In EUR mn

	Dec. 31, 2022	Dec. 31, 2021
Loan receivables	697	1,017
Trade receivables	237	134
Other financial receivables	37	8
Contract assets	8	16
Advance payments	21	22
Trade liabilities	124	188
Other financial liabilities	29	1
Contract liabilities	100	120
Other non-financial liabilities	27	—

[1] OJSC Severneftegazprom was deconsolidated as of March 1, 2022, and reclassified to other investments at fair value through profit or loss (FVTPL).

Material dividend distributions from equity-accounted investments

In EUR mn

	2022	2021
Abu Dhabi Oil Refining Company	116	—
Abu Dhabi Petroleum Investments LLC	5	—
ADNOC Global Trading LTD	43	—
Borouge investments[1]	592	1,918
Bayport Polymers LLC	—	21
OJSC Severneftegazprom[2]	—	17
Pearl Petroleum Company Limited	41	30
Trans Austria Gasleitung GmbH[3]	—	9

[1] Includes Borouge PLC, Abu Dhabi Polymers Company Limited (Borouge), and Borouge Pte. Ltd. For more details see "Changes in the consolidated Group."
[2] OJSC Severneftegazprom was deconsolidated as of March 1, 2022, and reclassified to other investments at fair value through profit or loss (FVTPL).
[3] Trans Austria Gasleitung GmbH was sold as of May 31, 2021, as part of the Gas Connect Austria disposal group.

On April 19, 2022, Bayport Polymers LLC, which is accounted for using the equity method, partially repaid the loan towards the Group in the amount of EUR 602 mn. The repayment was financed from the two tranches of senior notes in the amount of EUR 324 mn and EUR 278 mn, which mature in 2027 and 2032 respectively. Senior notes issued by Bayport Polymers LLC are guaranteed by Borealis AG. Due to additional loan drawings, the undrawn financing commitment to Bayport Polymers LLC decreased to EUR 46 mn as of December 31, 2022 (December 31, 2021: EUR 251 mn).

Further decrease in the position loan receivables is mainly related to debt conversion into newly issued shares of Renasci N.V., which is explained further in chapter “Other significant transactions”.

Furthermore, a capital contribution amounting to EUR 408 mn was paid to Borouge 4 LLC in 2022.

Further information on related parties, including on government-related entities, can be found in the OMV Consolidated Financial Statements 2021 (Note 35 “Related parties”). There have been no changes up to the publication of preliminary condensed consolidated financial statements for Q4/22.

Subsequent events

As of January 1, 2023 the Group introduced a new corporate structure, designed to fully enable the delivery of Strategy 2030. Following the reorganization and starting from Q1/23, the Group will report on the following business segments: Chemicals & Materials, Fuels & Feedstock (former Refining & Marketing), and Energy (former Exploration & Production). As part of the introduction of the new corporate structure, Gas & Power Eastern Europe, which includes Supply, Marketing, and Trading of gas in Romania and Turkey and one gas-fired power plant in Romania, was transferred from Fuels & Feedstock to the Energy business segment. The internal reporting and the relevant information provided to the chief operating decision-maker in order to assess performance and allocate resources have been updated to reflect the new organizational structure, and comparative information for 2022 has been adjusted retrospectively.

On January 2, 2023, the sale of Borealis’ shares in Rosier SA to YILDIRIM Group’s YILFERT BENELUX B.V. has been completed. Following the completion of the sale, Borealis no longer holds any shares in Rosier SA.

On January 11, 2023, Borealis has further increased its stake in Renasci from 27.42% to 50.01%, signaling ongoing confidence in the potential of Renasci’s patented SCP concept to drive the circular transformation. The stake increase was reached through a capital increase of EUR 5 mn and the acquisition of 35,719 shares for EUR 10.5 mn. Following this transaction, Renasci will become a fully consolidated subsidiary in 2023 (2022: at-equity accounted).

Declaration of the Management

We confirm to the best of our knowledge that the preliminary and unaudited financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group as required by the applicable accounting standards, and that the Group Directors' Report gives a true and fair view of the development and performance of the business, and the position of the Group together with a description of the principal risks and uncertainties that the Group faces.

Vienna, February 2, 2023

The Executive Board

Alfred Stern m.p.
Chairman of the Executive Board,
and Chief Executive Officer

Reinhard Florey m.p.
Chief Financial Officer and
Executive Officer Energy

Martijn van Koten m.p.
Executive Officer Fuels & Feedstock

Daniela Vlad m.p.
Executive Officer Chemicals & Materials

Further Information

Next events

- OMV Group Trading Update Q1 2023: April 11, 2023
- OMV Group Report January–March 2023: April 28, 2023
- OMV Ordinary Annual General Meeting: May 31, 2023

The entire OMV financial calendar and additional information can be found at: www.omv.com

OMV contacts

Florian Greger, Senior Vice President Investor Relations & Sustainability
Tel.: +43 1 40440-21600; email: investor.relations@omv.com

Andreas Rinofner, Public Relations
Tel.: +43 1 40440-21472; email: public.relations@omv.com