OMV Group Factsheet Q1 2024

April 30, 2024

Key Performance Indicators[1]

Group

- Clean CCS Operating Result decreased to EUR 1,483 mn due to lower contributions from Fuels & Feedstock and Energy, while the Chemicals & Materials result improved
- Clean CCS net income attributable to stockholders of the parent declined to EUR 696 mn; clean CCS Earnings Per Share were EUR 2.13
- Cash flow from operating activities excluding net working capital effects came in strong at EUR 1,858 mn
- Organic free cash flow totaled EUR 1,028 mn
- Clean CCS ROACE stood at 11%
- Total Recordable Injury Rate (TRIR) was 1.28

Chemicals & Materials

- Polyethylene indicator margin Europe increased to EUR 403/t, polypropylene indicator margin Europe remained unchanged at EUR 395/t
- Polyolefin sales volumes increased slightly to 1.45 mn t

Fuels & Feedstock

- OMV refining indicator margin Europe decreased to USD 10.8/bbl
- Fuels and other sales volumes Europe declined slightly to 3.57 mn t

Energy

- Production dropped by 24 kboe/d to 352 kboe/d
- Production cost increased by 3% to USD 9.6/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.

[1] Figures reflect the Q1/24 period; all comparisons described relate to the same quarter in the previous year except where otherwise mentioned.

Outlook

Market environment

In 2024, OMV expects the average Brent crude oil price to be around USD 85/bbl (previous forecast: around USD 80/bbl; 2023: USD 83/bbl). For 2024, the average realized gas price is anticipated to be between EUR 20/MWh and EUR 25/MWh (previous forecast: around EUR 25/MWh; 2023: EUR 29/MWh), with a THE price forecast of slightly below EUR 30/MWh (previous forecast: between EUR 30/MWh and EUR 35/MWh; 2023: EUR 41/MWh).

Group

- In 2024, organic CAPEX is projected to come in at around EUR 3.8 bn[1] (2023: EUR 3.7 bn), including non-cash effective CAPEX related to leases of around EUR 0.2 bn.

Chemicals & Materials

- In 2024, the ethylene indicator margin Europe is expected to be around EUR 490/t (2023: EUR 507/t). The propylene indicator margin Europe is forecast at around EUR 370/t (2023: EUR 389/t).
- In 2024, the steam cracker utilization rate in Europe is expected to be around 85% (2023: 80%).
- In 2024, the polyethylene indicator margin Europe is forecast to be between EUR 350/t and EUR 400/t (previous forecast: around EUR 320/t; 2023: EUR 322/t). The polypropylene indicator margin Europe is expected to be between EUR 350/t and EUR 400/t (previous forecast: around EUR 320/t; 2023: EUR 355/t).
- In 2024, polyethylene sales volumes excluding JVs are projected to be around 1.9 mn t (2023: 1.63 mn t). Polypropylene sales volumes excluding JVs are expected to be around 2.0 mn t (2023: 1.86 mn t).
- Organic CAPEX related to Chemicals & Materials is predicted to be around EUR 1.0 bn in 2024 (2023: EUR 1.2 bn).

Fuels & Feedstock

- In 2024, the OMV refining indicator margin Europe is expected to be around USD 8/bbl (2023: USD 11.7/bbl).
- In 2024, fuels and other sales volumes in OMV's markets in Europe are projected to be higher than in 2023 (2023: 16.3 mn t). Commercial margins are forecast to be below those in 2023. Retail margins are forecast to be slightly below the 2023 level.
- In 2024, the utilization rate of the European refineries is expected to be around 95% (2023: 85%).
- Organic CAPEX in Fuels & Feedstock is forecast at around EUR 0.8 bn in 2024 (2023: EUR 1.0 bn).

Energy

- OMV expects total hydrocarbon production in 2024 to be between 330 kboe/d and 350 kboe/d (2023: 364 kboe/d), depending on the timing of the divestment of the assets in Malaysia, the situation in Libya, and also due to natural decline.
- Organic CAPEX for Energy is anticipated to come in at around EUR 1.9 bn in 2024 (2023: EUR 1.5 bn).
- In 2024, Exploration and Appraisal (E&A) expenditure is expected to be around EUR 200 mn (2023: EUR 248 mn).

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

Group performance

Financial highlights

In EUR mn (unless otherwise stated)

Q1/24	Q4/23	Q1/23	Δ[1]		2023
8,172	10,047	10,964	–25%	Sales revenues	39,463
1,483	**1,432**	**2,079**	**–29%**	**Clean CCS Operating Result[2]**	**6,024**
129	5	94	37%	Clean Operating Result Chemicals & Materials[2]	94
303	368	581	–48%	Clean CCS Operating Result Fuels & Feedstock[2]	1,651
1,050	1,041	1,479	–29%	Clean Operating Result Energy[2]	4,357
–18	–11	–7	–154%	Clean Operating Result Corporate & Other[2]	–51
19	29	–69	n.m.	Consolidation: elimination of intersegmental profits	–27
39	41	39	–0	Clean CCS Group tax rate in %	43
911	845	1,260	–28%	Clean CCS net income[2]	3,421
696	**665**	**1,025**	**–32%**	**Clean CCS net income attributable to stockholders of the parent[2]**	**2,593**
2.13	2.03	3.13	–32%	Clean CCS EPS in EUR[2]	7.93
1,483	**1,432**	**2,079**	**–29%**	**Clean CCS Operating Result[2]**	**6,024**
–268	**–172**	**–533**	**50%**	**Special items[3]**	**–668**
18	–86	–168	n.m.	CCS effects: inventory holding gains/(losses)	–130
1,233	**1,174**	**1,378**	**–10%**	**Operating Result Group**	**5,226**
106	–77	76	41%	Operating Result Chemicals & Materials	–120
246	259	427	–42%	Operating Result Fuels & Feedstock	1,671
878	975	956	–8%	Operating Result Energy	3,771
–17	–16	–7	–130%	Operating Result Corporate & Other	–65
20	33	–73	n.m.	Consolidation: elimination of intersegmental profits	–31
9	–27	–5	n.m.	Net financial result	–70
1,242	1,147	1,373	–10%	Profit before tax prior to solidarity contribution	5,156
—	–75	—	n.a.	Solidarity contribution on refined crude oil	–552
1,242	1,072	1,373	–10%	Profit before tax	4,604
46	70	57	–11	Group tax rate in %	58
670	319	592	13%	Net income	1,917
468	236	390	20%	Net income attributable to stockholders of the parent	1,480
1.43	0.72	1.19	20%	Earnings Per Share (EPS) in EUR	4.53
1,858	1,143	2,003	–7%	Cash flow from operating activities excl. net working capital effects	4,638
1,823	1,092	2,687	–32%	Cash flow from operating activities	5,709
1,003	88	1,702	–41%	Free cash flow	2,682
1,003	–317	1,702	–41%	Free cash flow after dividends	349
1,028	148	1,839	–44%	Organic free cash flow[4]	2,272
1,222	2,120	639	91%	Net debt	2,120
4	8	2	2	Leverage ratio in %	8
733	1,181	809	–9%	Capital expenditure[5]	3,965
687	1,022	793	–13%	Organic capital expenditure[6]	3,748
11	12	19	–8	Clean CCS ROACE in %[2]	12
7	7	16	–10	ROACE in %	7
21,091	20,592	22,194	–5%	Employees	20,592
1.28	1.37	1.30	–2%	Total Recordable Injury Rate (TRIR)[7]	1.37

[1] Q1/24 compared to Q1/23

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

[3] 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.

[4] Organic free cash flow is cash flow from operating activities and cash flow from investing activities excluding disposals and material inorganic cash flow components.

[5] Capital expenditure including acquisitions

[6] Organic capital expenditure is defined as capital expenditure including capitalized E&A expenditure and excluding acquisitions and contingent considerations.

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

OMV

First quarter 2024 (Q1/24) compared to first quarter 2023 (Q1/23)

Consolidated sales revenues declined by 25% to EUR 8,172 mn, mainly due to the decrease in natural gas prices. The **clean CCS Operating Result** lessened by EUR 595 mn to EUR 1,483 mn due to weaker performance in Fuels & Feedstock and Energy, while the Chemicals & Materials result improved. The clean Operating Result of Chemicals & Materials increased to EUR 129 mn (Q1/23: EUR 94 mn), while in Fuels & Feedstock the clean CCS Operating Result declined to EUR 303 mn (Q1/23: EUR 581 mn). The contribution of the Energy segment was lower at EUR 1,050 mn (Q1/23: EUR 1,479 mn). The consolidation line was at EUR 19 mn in Q1/24 (Q1/23: EUR –69 mn).

The **clean CCS Group tax rate** came in at 39% (Q1/23: 39%). The **clean CCS net income** decreased to EUR 911 mn (Q1/23: EUR 1,260 mn). The **clean CCS net income attributable to stockholders of the parent** was EUR 696 mn (Q1/23: EUR 1,025 mn). **Clean CCS Earnings Per Share** amounted to EUR 2.13 (Q1/23: EUR 3.13).

Net **special items** amounted to EUR –268 mn in Q1/24 (Q1/23: EUR –533 mn) and were mainly driven by temporary valuation effects. **CCS effects** of EUR 18 mn were recorded in Q1/24. The reported **Operating Result** declined to EUR 1,233 mn (Q1/23: EUR 1,378 mn).

The **net financial result** amounted to EUR 9 mn (Q1/23: EUR –5 mn). The deviation is mainly due to the improved foreign exchange result. The **Group tax rate** decreased to 46% (Q1/23: 57%), and was mainly impacted by a lower share in the overall Group profits of the Energy segment companies located in countries with a high tax regime. **Net income** increased to EUR 670 mn (Q1/23: EUR 592 mn) and **net income attributable to stockholders of the parent** went up to EUR 468 mn (Q1/23: EUR 390 mn). **Earnings Per Share** increased to EUR 1.43 (Q1/23: EUR 1.19).

The **leverage ratio** defined as (net debt including leases) / (equity + net debt including leases) was 4% as at March 31, 2024 (March 31, 2023: 2%). For further information on the leverage ratio, please see the section “Financial liabilities” of the condensed consolidated interim financial statements.

Total **capital expenditure** decreased to EUR 733 mn (Q1/23: EUR 809 mn), mainly because of lower investments in Fuels & Feedstock, predominantly in Refining. In Q1/24, **organic capital expenditure** went down by 13% to EUR 687 mn (Q1/23: EUR 793 mn), mainly due to lower investments in Fuels & Feedstock and Chemicals & Materials.

OMV

Business segments

Chemicals & Materials

First quarter 2024 (Q1/24) compared to first quarter 2023 (Q1/23)

- The clean Operating Result increased to EUR 129 mn, mainly driven by positive inventory effects and a higher result from Borealis JVs.
- The contribution from the Borealis JVs improved due to a better contribution from both Borouge and Baystar.

The **clean Operating Result** increased to EUR 129 mn (Q1/23: EUR 94 mn), mainly due to the positive impact from inventory effects and a better result from Borealis JVs. This was partly offset by the less favorable market environment for olefins, a weaker polyolefin business, and the absent contribution from the nitrogen business.

The result of OMV base chemicals decreased slightly in Q1/24 driven by lower olefin indicator margins, partly offset by a higher benzene margin. The **ethylene indicator margin Europe** decreased by 2% to EUR 475/t (Q1/23: EUR 485/t), while the **propylene indicator margin Europe** experienced a stronger decline of 9% to EUR 348/t (Q1/23: EUR 381/t). The weakening of the indicator margins was primarily due to lower contract prices as a result of overall weak chemical demand. In addition, propylene contract prices also experienced the impact of ample supply in light of high refinery throughput in Europe. Lower naphtha prices compared to Q1/23 were only able to provide limited support.

The **utilization rate of the European steam crackers** operated by OMV and Borealis decreased in Q1/24 to 87% (Q1/23: 92%). The decline was mainly due to short stoppages at the Porvoo steam cracker caused by strikes, and minor operational issues at the Burghausen and Schwechat steam crackers.

The contribution of **Borealis excluding JVs** increased to EUR 90 mn (Q1/23: EUR 76 mn), mainly as a result of higher inventory valuation effects. This was partly offset by the lower result of the polyolefin business and the missing contribution from the nitrogen business, which was disposed of in July 2023. Inventory valuation effects, excluding the nitrogen business, were positive and improved by around EUR 60 mn compared to Q1/23. The contribution of the base chemicals business increased despite weaker olefin indicator margins in Europe, due to positive inventory valuation effects and higher production volumes, as Q1/23 was impacted by a turnaround at the Kallo PDH plant. The decline of the polyolefin business was mainly due to lower realized margins, a less favorable product mix, and higher fixed costs caused by inflation. This was compensated for in part by the positive inventory valuation effects. The **European polyethylene indicator margin** increased by 16% to EUR 403/t (Q1/23: EUR 348/t), while the **European polypropylene indicator margin** remained constant at EUR 395/t (Q1/23: EUR 395/t). The polyethylene indicator margin in Q1/24 increased due to fewer imports following the Red Sea and Panama canal bottlenecks and concerns about the security of supply. Although **polyethylene sales volumes excluding JVs** were at the same level as in Q1/23, **polypropylene sales volumes excluding JVs** grew by 4%, mainly as a result of limited supply coming from Asia and the Middle East. While sales volumes in the consumer products, mobility, infrastructure, and health care industries saw some improvement, volumes in the energy industry declined compared to Q1/23. The sale of the nitrogen business to AGROFERT, a.s. was completed in early July 2023, meaning the contribution of the nitrogen business of EUR 7 mn in Q1/23 was no longer present.

The contribution of **Borealis JVs**, accounted for as OMV's share of clean net income of the at-equity consolidated companies, improved to EUR 22 mn in Q1/24 (Q1/23: EUR 1 mn), mainly due to a stronger contribution from Borouge and a slightly better result in Baystar. **Polyethylene sales volumes from the JVs** increased by 26%, while **polypropylene sales volumes from the JVs** declined by 21%. The Borouge result came in higher, as Q1/23 was affected by the planned turnaround at Borouge 2 that led to lower polyethylene sales volumes that quarter. This was partly offset by the pricing environment in Asia, which continued to be subdued as new production capacities led to oversupplied markets. Polypropylene sales volumes decreased due to lower supply from ADNOC Refining as a result of a turnaround at the RFCC unit in Q1/24 limiting production at Borouge. At Baystar, polyethylene sales volumes saw a small increase compared to Q1/23, which was the result of the ongoing ramp-up process of the new polyethylene unit Bay 3. The utilization rate of the ethane cracker increased in Q1/24, however was still at a low level due to the outage in the first half of Q1/24 caused by the winter freeze. The Baystar result showed only a slight increase compared to Q1/23, as the start-up of the Bay 3 unit led to higher depreciation and interest expenses being recorded in Q1/24.

Net **special items** amounted to EUR –23 mn (Q1/23: EUR –19 mn). The **Operating Result** of Chemicals & Materials increased to EUR 106 mn compared to EUR 76 mn in Q1/23.

Capital expenditure in Chemicals & Materials increased slightly to EUR 278 mn (Q1/23: EUR 272 mn). Capital expenditure in Q1/24 included the acquisition of Integra. Besides ordinary ongoing business investments, organic capital expenditure in Q1/24 was predominantly related to Borealis' construction of the new PDH plant in Kallo, Belgium, the construction of the sorting facility for chemical recycling in Walldürn, Germany, and the construction of the ReOil® plant in Austria.

OMV

Fuels & Feedstock

First quarter 2024 (Q1/24) compared to first quarter 2023 (Q1/23)

- The clean CCS Operating Result decreased significantly to EUR 303 mn, driven by lower refining indicator margins, lower refinery utilization rates in Europe and the Middle East, and a reduced contribution from the retail and commercial business. Only partially offsetting were lower utility costs.

- ADNOC Refining & ADNOC Global Trading recorded a substantially lower contribution to the result, mainly due to a lower refinery utilization rate and relatively weaker market environment.

The **clean CCS Operating Result** decreased markedly to EUR 303 mn (Q1/23: EUR 581 mn), mainly as a result of lower refining indicator margins and refinery utilization rates in Europe and the Middle East, lower retail and commercial margins, and the missing contribution from the divested Slovenian retail and wholesale business. Partly compensating were the reduced utility costs and a better non-fuel business performance.

The **OMV refining indicator margin Europe** decreased to USD 10.8/bbl (Q1/23: USD 14.8/bbl), mainly due to lower cracks for naphtha and middle distillates. In Q1/24, the **utilization rate of the European refineries** declined to 85% (Q1/23: 93%) due to short planned and unplanned plant outages at the Schwechat, Burghausen and Petrobrazi refineries and reduced middle distillate demand. At 3.6 mn t, **fuels and other sales volumes Europe** slightly decreased, mainly due to lower retail sales volumes following the divestment of the Slovenian retail business in June 2023. The retail business performed well, however the result lessened, following lower fuel unit margins compared to the strong prior-year quarter, which benefitted from the removal of price caps in Hungary at the end of 2022, as well as the missing contribution from the divested Slovenian retail stations. Partly compensating was the better non-fuel business contribution. The performance of the commercial business was impacted by decreased margins driven by lower term prices.

The contribution from **ADNOC Refining & ADNOC Global Trading,** accounted for as OMV's share of clean CCS net income of the at-equity consolidated companies, decreased significantly to EUR 48 mn (Q1/23: EUR 108 mn). This was caused mainly by a lower refinery utilization rate following a planned turnaround at the RFCC unit, and relatively weaker market environment.

Net **special items** amounted to EUR –74 mn (Q1/23: EUR 9 mn) and were primarily related to commodity derivatives. In Q1/24, **CCS effects** of EUR 17 mn were recorded as a result of increasing crude oil prices throughout the quarter (Q1/23: EUR –164 mn). The **Operating Result** of Fuels & Feedstock decreased significantly to EUR 246 mn (Q1/23: EUR 427 mn).

Capital expenditure in Fuels & Feedstock was EUR 103 mn (Q1/23: EUR 186 mn). In Q1/24, organic capital expenditure was predominantly related to the European refineries. Besides ordinary ongoing business investments, organic capital expenditure mainly comprised investments in the co-processing plant in Schwechat and the aromatic unit in Petrobrazi.

Energy

First quarter 2024 (Q1/24) compared to first quarter 2023 (Q1/23)

- The clean Operating Result decreased considerably to EUR 1,050 mn (Q1/23: EUR 1,479 mn), mainly due to substantially lower natural gas prices and reduced hydrocarbon sales volumes.
- The Gas Marketing & Power result lessened to EUR 296 mn (Q1/23: EUR 358 mn), primarily because of a lower contribution from Gas & Power Eastern Europe caused by weaker margins.
- Hydrocarbon production was down by 24 kboe/d to 352 kboe/d, essentially attributable to unplanned outages and natural decline in several countries.

In Q1/24, the **clean Operating Result** declined significantly from the Q1/23 figure of EUR 1,479 mn to EUR 1,050 mn, primarily due to the substantial decline in natural gas prices and reduced hydrocarbon sales volumes. Net market effects lowered the result by EUR 238 mn, mainly because of the sharp drop in natural gas prices. The result for Gas Marketing & Power declined to EUR 296 mn (Q1/23: EUR 358 mn), mainly due to a lower contribution from Gas & Power Eastern Europe, as the Q1/23 result had been positively impacted by exceptional gas storage withdrawal and power margins, which did not materialize again this quarter. The Gas Marketing Western Europe result was slightly lower compared to Q1/23. While the supply result was significantly higher than in Q1/23, when there were still Russian supply curtailments, the realized storage margins came down from the exceptional level of Q1/23.

In Q1/24, net **special items** amounted to EUR –172 mn (Q1/23: EUR –524 mn), mainly as a result of temporary valuation effects. The **Operating Result** fell to EUR 878 mn (Q1/23: EUR 956 mn).

Production cost excluding royalties increased to USD 9.6/boe (Q1/23: USD 9.3/boe), primarily due to lower production volumes.

Total hydrocarbon production volumes decreased by 24 kboe/d to 352 kboe/d. This was mainly a consequence of lower production in New Zealand due to unplanned outages and lower well productivity, natural decline in Norway and Romania, and force majeure in Libya in January 2024. Increased output in the United Arab Emirates following revised OPEC quota restrictions was the main offsetting factor. **Total hydrocarbon sales volumes** weakened to 322 kboe/d (Q1/23: 360 kboe/d), mainly due to an unfavorable lifting schedule in Libya in Q1/24 and lower hydrocarbon production in New Zealand, Norway, and Romania.

The Brent oil price benchmark experienced an upward trend during most of Q1/24. Brent ended 2023 at a price of around USD 78/bbl, and by the end of Q1/24 it had risen to around USD 87/bbl. Oil prices rose steadily throughout January due to concerns over the situation in the Red Sea. The Brent price continued to increase in February but maintained a narrow range after some initial weakness. In March, the crude oil benchmark price increased for the third month in a row, driven by bullish sentiment on revised demand expectations and the anticipated continuation of the OPEC+ production cuts. Compared to Q1/23, the **average Brent price** increased slightly by 2% to USD 83.2/bbl. In a yearly comparison, the Group's quarterly **average realized crude oil price** increased by 2%, similar to the Brent price movement. On the natural gas side, European hub prices ended 2023 at around EUR 34/MWh but declined by the end of Q1/24 to close to EUR 28/MWh. European hub prices decreased in January and February due to high gas storage levels and a mild winter in Europe. The price trend reversed in March when natural gas prices increased slightly. On average, European natural gas hub prices in Q1/24 were almost 50% lower than the exceptionally high level of Q1/23. The decrease of 38% in OMV's **average realized natural gas price** in EUR/MWh was less pronounced than that of the European benchmark prices, thanks to OMV's international portfolio.

Capital expenditure including capitalized E&A was essentially unchanged at EUR 343 mn compared to EUR 347 mn in Q1/23, with organic capital expenditure being directed primarily at projects in Romania, the United Arab Emirates, and Norway. **Exploration expenditure** decreased to EUR 40 mn in Q1/24 and was mainly related to activities in Austria and the United Arab Emirates.

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