

# Q1

Quarterly Report 2021



**OMV Petrom**

The energy for a better life.

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## OMV Petrom Group results<sup>i</sup> for January – March 2021

including unaudited interim condensed consolidated financial statements  
as of and for the period ended March 31, 2021

### Highlights Q1/21<sup>ii</sup>

#### Group

- ▶ Swift measures and the integrated business model partly counterbalanced the challenging environment
- ▶ Clean CCS Operating Result at RON 0.7 bn, 33% lower
- ▶ Clean CCS net income attributable to stockholders at RON 0.5 bn, down 32%
- ▶ Cash flow from operating activities at RON 1.2 bn, 15% lower
- ▶ CAPEX at RON 0.6 bn, down 40%
- ▶ Free cash flow after dividends at RON 0.4 bn, 212% higher
- ▶ Clean CCS ROACE at 5.7%, 7 pp lower
- ▶ TRIR 0.38 (Q1/20: 0.60)<sup>iii</sup>

#### Upstream

- ▶ Clean Operating Result at RON 311 mn vs. RON 157 mn in Q1/20, mainly due to higher oil price and lower total costs
- ▶ Production decreased by 7.6%, due to natural decline in main fields and lower investment level in 2020
- ▶ Production cost increased by 15% to USD 12.5/boe, driven by lower production available for sale and unfavorable FX, partly compensated by ongoing cost optimization

#### Downstream Oil

- ▶ Clean CCS Operating Result at RON 308 mn, down 40%, reflecting the weaker margins environment, as well as the high base effect due to one-off revenues in Q1/20
- ▶ OMV Petrom indicator refining margin at USD 2.80/bbl, down 58%, as a result of falling product spreads
- ▶ Refinery utilization rate at 95%, above European refineries' average
- ▶ Retail volumes flat, mainly on recovering demand, particularly in Romania

#### Downstream Gas

- ▶ Clean Operating Result at RON 181 mn, 23% higher vs Q1/20, driven by better performance of both the gas and power businesses
- ▶ Gas sales volumes down by 23%, in part due to a high base effect from regulatory-driven sales in Q1/20
- ▶ Net electrical output at 1.18 TWh, 6% higher, on supportive spark spreads

#### Key events

- ▶ OMV Petrom will be the operator of Neptun Deep block, in case Romgaz becomes a partner in the Neptun Deep project
- ▶ OMV Petrom signed the Production Sharing Contract for Block II, offshore Georgia
- ▶ OMV Petrom is investing approximately EUR 32 mn in a drilling campaign in the shallow Black Sea

<sup>i</sup> The financials are unaudited and represent OMV Petrom Group's (herein after also referred to as "the Group") interim consolidated results prepared according to IFRS; all the figures refer to OMV Petrom Group, unless otherwise stated; financials are expressed in RON mn and rounded to the closest integer value, so minor differences may result upon reconciliation; OMV Petrom uses the National Bank of Romania exchange rates for its consolidation process. Unless specified differently, amounts related to Downstream represent totals of Downstream Oil and Downstream Gas.

<sup>ii</sup> All comparisons described relate to the same quarter in the previous year except where mentioned otherwise.

<sup>iii</sup> Total Recordable Injury Rate; the number of recordable injuries (fatalities + lost workday cases + restricted work day cases + medical treatment cases) calculated as 12 months rolling average per 1,000,000 hours worked.

## Directors' report (condensed, unaudited)

### Financial highlights

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup> in RON mn	2020
4,861	4,595	6,086	(20) Sales revenues <sup>2</sup>	19,717
<b>653</b>	<b>467</b>	<b>975</b>	<b>(33) Clean CCS Operating Result <sup>3</sup></b>	<b>2,287</b>
311	26	157	99 Clean Operating Result Upstream <sup>3,4</sup>	7
489	505	661	(26) Clean CCS Operating Result Downstream <sup>3</sup>	2,171
(24)	(30)	(22)	(9) Clean Operating Result Co&O <sup>3</sup>	(84)
(122)	(34)	180	n.m. Consolidation	193
16	15	18	(10) Clean CCS Group effective tax rate (%)	16
520	382	760	(32) Clean CCS net income <sup>3</sup>	1,931
<b>520</b>	<b>382</b>	<b>760</b>	<b>(32) Clean CCS net income attributable to stockholders <sup>3,6</sup></b>	<b>1,931</b>
0.0092	0.0067	0.0134	(32) Clean CCS EPS (RON) <sup>3,6</sup>	0.0341
<b>653</b>	<b>467</b>	<b>975</b>	<b>(33) Clean CCS Operating Result <sup>3</sup></b>	<b>2,287</b>
(61)	31	94	n.m. Special items <sup>5</sup>	(425)
114	41	(239)	n.m. CCS effects: Inventory holding gains/(losses)	(396)
<b>707</b>	<b>539</b>	<b>830</b>	<b>(15) Operating Result Group</b>	<b>1,467</b>
302	100	130	132 Operating Result Upstream <sup>4</sup>	(985)
619	507	318	95 Operating Result Downstream	2,317
(34)	(32)	(43)	22 Operating Result Co&O	(105)
(182)	(35)	425	n.m. Consolidation	240
(34)	(17)	(50)	31 Net financial result	12
<b>672</b>	<b>522</b>	<b>780</b>	<b>(14) Profit before tax</b>	<b>1,479</b>
15	11	16	(9) Group effective tax rate (%)	13
573	465	653	(12) Net income	1,291
<b>573</b>	<b>465</b>	<b>653</b>	<b>(12) Net income attributable to stockholders <sup>6</sup></b>	<b>1,291</b>
0.0101	0.0082	0.0115	(12) EPS (RON) <sup>6</sup>	0.0228
-	-	-	- Dividend/share (RON)	0.0310
1,152	1,249	1,358	(15) Cash flow from operating activities	5,556
424	697	136	212 Free cash flow after dividends	652
(6,881)	(6,486)	(6,095)	13 Net debt/(cash) including leases	(6,486)
(7,550)	(7,167)	(6,797)	11 Net debt/(cash) excluding leases	(7,167)
571	821	958	(40) Capital expenditure	3,206
5.7	6.4	12.5	(55) Clean CCS ROACE (%) <sup>3</sup>	6.4
3.9	4.1	11.0	(64) ROACE (%)	4.1
9,224	10,761	12,135	(24) OMV Petrom Group employees end of period	10,761
0.38	0.29	0.60	n.m. TRIR <sup>7</sup>	0.29

<sup>1</sup> Q1/21 vs. Q1/20

<sup>2</sup> Sales revenues excluding petroleum excise tax;

<sup>3</sup> Adjusted for special items; Clean CCS (current cost of supply) figures exclude special items and inventory holding effects (CCS effects) resulting from Downstream Oil; special items include temporary hedging effects (in order to mitigate Income Statement volatility);

<sup>4</sup> Excluding intersegmental profit elimination shown in the line "Consolidation";

<sup>5</sup> Special items, representing exceptional, non-recurring items, are added back or deducted from the Operating Result; for more details please refer to each specific segment;

<sup>6</sup> After deducting net result attributable to non-controlling interests;

<sup>7</sup> Total Recordable Injury Rate; the number of recordable injuries (fatalities + lost workday cases + restricted work day cases + medical treatment cases) calculated as 12 months rolling average per 1,000,000 hours worked.

## Group performance

### First quarter 2021 (Q1/21) vs. first quarter 2020 (Q1/20)

**Consolidated sales** decreased by 20% compared to Q1/20, negatively impacted by lower sales volumes of natural gas, petroleum products and electricity, as well as lower prices for natural gas, partially offset by higher prices for electricity. Downstream Oil represented 73% of total consolidated sales, while Downstream Gas accounted for 26% and Upstream for 2% (sales in Upstream being largely intra-group sales rather than third-party sales).

The **Clean CCS Operating Result** of RON 653 mn in Q1/21 was lower than RON 975 mn in Q1/20, mainly due to lower refining margins in Downstream Oil, partly offset by better market conditions in Upstream, mainly triggered by the increase in crude oil prices, and the increased contribution of the power segment within Downstream Gas. The Consolidation line had a negative contribution in Q1/21 of RON (122) mn, while in Q1/20 the impact was positive, amounting to RON 180 mn, the result of both periods being linked to the quotations evolution. The **Clean CCS Group effective tax rate** was 16% (Q1/20: 18%). **Clean CCS net income attributable to stockholders** was RON 520 mn (Q1/20: RON 760 mn).

**Special items** comprised net charges of RON (61) mn mainly in relation to net temporary losses from forward contracts in Downstream Gas. **Inventory holding gains** amounted to RON 114 mn in Q1/21, mainly as a result of the increase in crude oil prices. In Q1/20, **special items** comprised net income of RON 94 mn mainly consisting of net temporary gains from forward contracts in Downstream Gas, while **inventory holding losses** amounted to RON (239) mn, mainly as a result of a steep decline in crude oil prices.

**Reported Operating Result** for Q1/21 decreased to RON 707 mn, compared to RON 830 mn in Q1/20, driven mainly by the unfavorable market environment.

**Net financial result** improved to RON (34) mn in Q1/21 from RON (50) mn in Q1/20.

As a result, the **profit before tax** for Q1/21 was RON 672 mn, lower compared to RON 780 mn in Q1/20.

**Income tax** amounted to RON (99) mn, while the **effective tax rate** was 15% in Q1/21 (Q1/20: 16%).

**Net income attributable to stockholders** of the parent was RON 573 mn (Q1/20: RON 653 mn).

**Cash flow from operating activities** amounted to RON 1,152 mn, lower than RON 1,358 mn in Q1/20, impacted by adverse evolution of all net working capital components, mainly as a result of increased quotations during Q1/21. Due to lower cash out for investments in Q1/21 compared to Q1/20, **free cash flow after dividends** resulted in a cash inflow of RON 424 mn (Q1/20: RON 136 mn).

**Capital expenditure** amounted to RON 571 mn in Q1/21, 40% lower than in Q1/20 mainly as a result of the pandemic crisis and a high base effect in Downstream Oil in Q1/20. Out of total capital expenditure, RON 511 mn were directed to Upstream (Q1/20: RON 657 mn). Downstream investments amounted to RON 57 mn (Q1/20: RON 295 mn), thereof RON 56 mn in Downstream Oil (Q1/20: RON 295 mn). Corporate and Other investments were RON 4 mn (Q1/20: RON 6 mn).

## Special items and CCS effect

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup>	Special items and CCS effect (in RON mn)	2020
653	467	975	(33)	Clean CCS Operating Result	2,287
(61)	31	94	n.m.	Special items	(425)
(18)	29	(10)	(91)	thereof personnel and restructuring	(110)
-	104	(28)	n.a.	thereof unscheduled depreciation	(331)
(42)	(101)	132	n.m.	thereof other	16
114	41	(239)	n.m.	CCS effect: Inventory holding gains/(losses)	(396)
<b>707</b>	<b>539</b>	<b>830</b>	<b>(15)</b>	<b>Operating Result Group</b>	<b>1,467</b>

<sup>1</sup> Q1/21 vs. Q1/20

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. They are being disclosed separately. These items can be divided into three categories: personnel and restructuring, unscheduled depreciation 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 or losses, represents 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 case the net realizable value of the inventory is lower than its cost. In volatile energy markets, measurement of the costs of petroleum products sold based on historical values (e.g. weighted average cost) can have a distorting effect on the reported results. This performance measurement enhances the transparency of the results and is commonly used in the oil industry. OMV Petrom, therefore, published this measurement in addition to the Operating Result determined according to IFRS.

## Summarized interim consolidated statement of financial position (unaudited)

in RON mn	March 31, 2021	December 31, 2020
<b>Assets</b>		
Non-current assets	33,990.20	34,505.37
Current assets (including assets held for sale)	13,872.92	13,115.45
<b>Total assets</b>	<b>47,863.12</b>	<b>47,620.82</b>
<b>Equity and liabilities</b>		
Total equity	33,626.77	33,071.13
Non-current liabilities	8,575.89	8,844.19
Current liabilities (including liabilities associated with assets held for sale)	5,660.46	5,705.50
<b>Total equity and liabilities</b>	<b>47,863.12</b>	<b>47,620.82</b>

Compared to December 31, 2020, **non-current assets** slightly decreased by RON 515 mn to RON 33,990 mn, mainly due to decrease in property, plant and equipment, as depreciation, net impairments and decrease in decommissioning asset following reassessment, exceeded the additions during the period.

The net increase in **current assets (including assets held for sale)** was mainly due to higher cash and cash equivalents and increase in trade receivables, as sales in Q1/21 were higher compared to Q4/20.

**Equity** increased to RON 33,627 mn as of March 31, 2021, compared to RON 33,071 mn as of December 31, 2020, mainly as a result of the net profit generated in the current period. The Group's equity ratio was 70% as of March 31, 2021, compared with 69% as of December 31, 2020.

As at March 31, 2021, **total liabilities** decreased by RON 313 mn compared to December 31, 2020, mainly due to decrease in **non-current liabilities** following the reassessment of provisions for decommissioning and restoration obligations. **Current liabilities (including liabilities associated with assets held for sale)** decreased by RON 45 mn due to lower trade payables following lower acquisitions, partially compensated by higher financial liabilities mainly in relation to derivatives and higher provisions.

## Cash flow

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup>	Summarized cash-flow statement (in RON mn)	2020
<b>1,579</b>	<b>1,006</b>	<b>1,458</b>	<b>8</b>	<b>Sources of funds</b>	<b>4,592</b>
1,152	1,249	1,358	(15)	Cash flow from operating activities	5,556
(728)	(552)	(1,222)	40	Cash flow from investing activities	(3,163)
<b>424</b>	<b>698</b>	<b>136</b>	<b>212</b>	<b>Free cash flow</b>	<b>2,393</b>
(65)	(23)	(19)	(245)	Cash flow from financing activities	(1,921)
11	(4)	4	205	Effect of exchange rate changes on cash and cash equivalents	(4)
<b>370</b>	<b>671</b>	<b>121</b>	<b>206</b>	<b>Net increase in cash and cash equivalents</b>	<b>468</b>
7,481	6,810	7,014	7	Cash and cash equivalents at beginning of period	7,014
7,851	7,481	7,134	10	Cash and cash equivalents at end of period	7,481
43	31	-	n.a.	Thereof cash disclosed within assets held for sale	31
<b>7,808</b>	<b>7,451</b>	<b>7,134</b>		<b>Cash and cash equivalents at end of period presented in the consolidated statement of financial position</b>	<b>7,451</b>
<b>424</b>	<b>697</b>	<b>136</b>	<b>212</b>	<b>Free cash flow after dividends</b>	<b>652</b>

<sup>1</sup> Q1/21 vs. Q1/20

### First quarter 2021 (Q1/21) vs. first quarter 2020 (Q1/20)

In Q1/21, the inflow of funds from profit before tax, adjusted for non-cash items such as depreciation and impairments, net change of provisions and other non-cash adjustments, as well as net interest received and income tax paid, was RON 1,579 mn (Q1/20: RON 1,458 mn). Changes in **net working capital** generated a cash outflow of RON 428 mn (Q1/20: outflow of RON 101 mn). **Cash flow from operating activities** decreased by RON 206 mn compared to Q1/20, reaching RON 1,152 mn.

In Q1/21, **cash flow from investing activities** resulted in an outflow of RON 728 mn (Q1/20: RON 1,222 mn), mainly related to payments for investments in intangible assets and property, plant and equipment, largely in the Upstream segment.

**Free cash flow** (defined as cash flow from operating activities less cash flow from investing activities) showed an inflow of funds of RON 424 mn (Q1/20: RON 136 mn).

**Cash flow from financing activities** reflects an outflow of funds amounting to RON 65 mn (Q1/20: RON 19 mn).

**Free cash flow after dividends** resulted in a cash inflow of RON 424 mn (Q1/20: RON 136 mn).

## Risk management

The scope of OMV Petrom's business activity, both existing and planned, and the markets in which the company operates expose the Group to significant commodity price, foreign exchange, operational and strategic risks. A detailed description of risks and risk management activities can be found in the 2020 Annual Report (pages 47-50).

According to the last OMV Petrom Group risk assessment exercise in March 2021, the main uncertainties which could impact the Group's performance remain the commodity price risk, operational risks, as well as political and regulatory risk.

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

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

The global outbreak of the COVID-19 pandemic continues to have a major impact on global economic development. While oil prices continued to increase during the first quarter, following supply reductions in 2020 despite expectations of increased demand and further positive effects from the start of the vaccinations, they still remain significantly volatile. Continued increases in COVID-19 cases around the world and in particular in Europe could lead to delays in the assumed demand recovery, following the response of governments and citizens. Thus, the consequences of the COVID-19 pandemic and the extent and duration of the economic impact cannot be reliably estimated from today's perspective. However, OMV Petrom is closely monitoring the development and regularly evaluating the impact on the Group's cash flow and liquidity position. OMV Petrom is responding to the situation with targeted measures to safeguard the Group's economic stability and the secure supply of energy. The health and wellbeing of every employee is the top priority. At the same time, OMV Petrom is implementing targeted measures to safeguard the Group's financial strength, namely reduction of investments and cost cutting.

From today's perspective, we assume that based on the measures listed above the Group's ability to continue as a going concern is not impacted.

Also refer to the Outlook section of the Directors' report for more information on current risks.

## Transactions with related parties

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



## Outlook for the full year 2021

All the below is based on the assumption of no significant lockdowns by year end.

### Market environment

- ▶ For the full year 2021, OMV Petrom expects the **average Brent oil price** to range between USD 60/bbl and USD 65/bbl (previous forecast: between USD 50/bbl and USD 55/bbl; 2020: USD 42/bbl)
- ▶ **Refining margins** are expected to be above 4 USD/bbl (2020: USD 2.9/bbl)
- ▶ **Demand for oil products** and **power** is expected to be above 2020, while **demand for gas** is expected to be broadly similar to 2020.

### OMV Petrom Group

- ▶ **CAPEX** excluding acquisitions is anticipated to be around RON 2.9 bn (2020: RON 3 bn)
- ▶ We expect a **positive free cash flow before dividends** (2020: RON 0.7 bn)
- ▶ **Neptun Deep**: OMV Petrom sees a strong need for the Offshore Law to be amended
- ▶ **Partnership with Auchan**: up to 100 MyAuchan stores to be opened in upgraded Petrom-branded filling stations in 2021 (at year-end 2020: 25 stores)
- ▶ We target to **reduce carbon intensity** by 27% until 2025 vs. 2010 (2020: 26% lower vs. 2010).

### Upstream

- ▶ **Production**: maintain decline at around 5% yoy in Romania, excluding portfolio optimization (2020: below 5%)
- ▶ **Portfolio optimization**: continue to focus on the most profitable barrels:
  - ▶ Transfer of 40 marginal fields to Dacian Petroleum, closing expected in Q2/21
  - ▶ Kazakhstan assets divestment to Magnetic Oil Limited, closing expected in Q2/21
- ▶ **Investments, excluding acquisitions**: at RON 1.8 bn (2020: RON 2.2 bn):
  - ▶ Drill up to 40 new wells and sidetracks and perform more than 700 workovers (2020: 63 new wells and sidetracks; 830 workovers)
- ▶ **Exploration**: exploration expenditures around RON 0.2 bn (2020: RON 0.2 bn)
- ▶ **Regional expansion**:
  - ▶ Han Asparuh offshore Bulgaria: seismic data processing towards maturing future drilling candidates
  - ▶ Georgia Offshore Exploration Block II: Production Sharing Contract signed in Q1/21.

### Downstream

- ▶ The **refinery utilization rate** is estimated to be above 95% (2020: 92%)
- ▶ Total **refined product sales** are forecasted to be higher compared to 2020 (2020: 5.0 mn t)
- ▶ Total **gas sales volumes** are estimated to be lower vs. 2020 (2020: 57 TWh), in part due to regulatory-requirements in 2020
- ▶ **Net electrical output** is forecasted to be higher vs. 2020 (2020: 4.2 TWh); Brazi power plant: planned shutdown in Q2/21 (2020: in Q4).

## Business segments

### Upstream

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup> in RON mn	2020
897	656	772	16	Clean Operating Result before depreciation and amortization, impairments and write-ups <sup>2</sup> 2,448
311	26	157	99	Clean Operating Result <sup>2</sup> 7
(9)	73	(27)	67	Special items (992)
302	100	130	132	Operating Result <sup>2</sup> (985)
511	614	657	(22)	Capital expenditure <sup>3</sup> 2,382
16	79	72	(78)	Exploration expenditures 195
18	89	46	(62)	Exploration expenses 814
12.53	11.42	10.87	15	OPEX (USD/boe) 10.88

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup> Key performance indicators	2020
138.9	140.2	150.3	(8)	Total hydrocarbon production (kboe/d) 144.8
67.2	67.2	71.7	(6)	thereof crude oil and NGL production (kbb/d) 69.7
71.7	73.0	78.6	(9)	thereof natural gas production (kboe/d) 75.1
12.50	12.90	13.68	(9)	Total hydrocarbon production (mn boe) 52.98
6.05	6.18	6.52	(7)	Crude oil and NGL production (mn bbl) 25.51
0.99	1.03	1.10	(10)	Natural gas production (bcm) 4.21
34.90	36.31	38.68	(10)	Natural gas production (bcf) 148.56
11.79	12.27	12.87	(8)	Total hydrocarbon sales volume (mn boe) 50.33
131.0	133.3	141.4	(7)	Total hydrocarbon sales volume (kboe/d) 137.5
69.6	70.4	73.9	(6)	thereof crude oil and NGL sales volume (kbb/d) <sup>4</sup> 72.7
61.5	62.9	67.6	(9)	thereof natural gas sales volume (kboe/d) 64.8
60.05	44.39	48.10	25	Average Urals price (USD/bbl) 41.58
50.92	37.22	40.60	25	Average Group realized crude price (USD/bbl) 34.51

<sup>1</sup> Q1/21 vs. Q1/20;

<sup>2</sup> Excluding intersegmental profit elimination;

<sup>3</sup> Including capitalized exploration and appraisal and acquisitions;

<sup>4</sup> Includes sales of liquids obtained from separation and processing of rich natural gas; rich natural gas production is included under natural gas production above.

#### First quarter 2021 (Q1/21) vs. first quarter 2020 (Q1/20)

- ▶ **Clean Operating Result at RON 311 mn vs. RON 157 mn in Q1/20, mainly due to higher oil price and lower total costs**
- ▶ **Production decreased by 7.6% due to natural decline in main fields and lower investment level in 2020**
- ▶ **Production cost increased by 15% to USD 12.53/boe, driven by lower production available for sale and unfavorable FX, partly compensated by ongoing cost optimization**

**Clean Operating Result** was RON 311 mn, 99% higher vs. Q1/20, driven by higher oil price and lower depreciation, exploration expenses, Upstream specific taxation, which were partly offset by lower sales volumes, lower gas price, and unfavorable FX.

**Special items** amounted to RON (9) mn in Q1/21 mainly reflecting restructuring charges, while in Q1/20 they amounted to RON (27) mn, mainly related to impairment of production assets. **Reported Operating Result** was RON 302 mn, 132% higher vs. Q1/20.

**Group production costs** (OPEX) increased by 15% to USD 12.53/boe, due to lower production available for sale and unfavorable FX (USD depreciated against RON by 7%), which were partly offset by ongoing cost optimization. In Romania, production costs in USD increased by 15% to USD 12.55/boe, while in RON terms they increased by 6.8% to RON 50.81/boe.

**Group hydrocarbon production** decreased by 7.6% due to lower production both in Romania and Kazakhstan.

**In Romania**, hydrocarbon production was 11.95 mn boe or 132.7 kboe/d (Q1/20: 13.04 mn boe or 143.3 kboe/d). Crude oil and NGL production in Romania dropped by 6.5% to 5.58 mn bbl mainly due to natural decline. Gas production in Romania decreased by 10.0% to 6.37 mn boe due to natural decline in the main fields (Totea Deep and Lebada East) and well 4461 Totea South, as well as planned maintenance activities.

**In Kazakhstan**, hydrocarbon production decreased by 13% to 0.55 mn boe mainly due to planned maintenance works and unplanned shutdowns.

**Group hydrocarbon sales volumes** decreased by 8% due to lower sales in Romania, while in Kazakhstan they increased by 1%.

**Exploration expenditures** decreased to RON 16 mn, due to less seismic acquisition and onshore drilling activities.

**Exploration expenses** decreased to RON 18 mn, due to less seismic acquisition activities, as Q1/20 was marked by the completion of the seismics acquisition in the VIII - Urziceni East block.

**Capital expenditure** declined by 22%, mainly due to reduced drilling activities and slower pace of facilities projects following reprioritization measures started last year.

In Q1/21 we finalized the drilling of 12 new wells and sidetracks (Q1/20: 20 new wells and sidetracks).

## Downstream

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup> in RON mn	2020	
716	727	873	(18)	Clean CCS Operating Result before depreciation and amortization, impairments and write-ups <sup>2</sup>	3,032
489	505	661	(26)	Clean CCS Operating Result <sup>2</sup>	2,171
308	275	514	(40)	thereof Downstream Oil	1,454
181	230	147	23	thereof Downstream Gas	718
(43)	(40)	142	n.m.	Special items	588
174	42	(484)	n.m.	CCS effect: Inventory holding gains/(losses) <sup>2</sup>	(442)
619	507	318	95	Operating Result	2,317
57	198	295	(81)	Capital expenditure	802

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup> Key performance indicators Downstream Oil	2020	
2.80	2.00	6.75	(58)	Indicator refining margin (USD/bbl) <sup>3</sup>	2.89
1.14	1.18	1.17	(3)	Refining input (mn t) <sup>4</sup>	4.50
95	96	96	(1)	Refinery utilization rate (%)	92
1.15	1.27	1.20	(4)	Total refined product sales (mn t)	4.99
0.62	0.68	0.62	(0)	thereof retail sales volumes (mn t) <sup>5</sup>	2.62
<b>Key performance indicators Downstream Gas</b>					
14.36	13.25	18.61	(23)	Gas sales volumes (TWh)	57.03
11.65	10.62	16.08	(28)	thereof to third parties (TWh)	47.75
—	—	5.52	n.m.	thereof to the regulated market (TWh)	6.97
1.18	1.18	1.12	6	Net electrical output (TWh)	4.17
257	242	196	31	OPCOM spot average electricity base load price (RON/MWh)	191

<sup>1</sup> Q1/21 vs. Q1/20;

<sup>2</sup> Current cost of supply (CCS): the Clean CCS Operating Result eliminates special items and inventory holding gains/losses (CCS effects) resulting from Downstream Oil;

<sup>3</sup> The actual refining margins realized by OMV Petrom may vary from the indicator refining margin due to different crude slate, product yield and operating conditions;

<sup>4</sup> Figures include crude and semi-finished products, in line with the OMV Group reporting standard;

<sup>5</sup> Retail sales volumes refer to sales via the OMV Petrom Group's filling stations in Romania, Bulgaria, Serbia, Moldova.

### First quarter 2021 (Q1/21) vs. first quarter 2020 (Q1/20)

- ▶ **Downstream Oil: Clean CCS Operating Result at RON 308 mn, down 40%, reflecting the weaker margins environment, as well as the high base effect due to one-off revenues in Q1/20; refinery utilization rate at 95%; retail sales volumes flat**
- ▶ **Downstream Gas: Clean Operating Result at RON 181 mn, up 23%, reflecting improved contribution from both gas and power businesses**

**Clean CCS Operating Result** decreased to RON 489 mn in Q1/21 (Q1/20: RON 661 mn), triggered by the weaker result in Downstream Oil, partly offset by the significant improvement of the Downstream Gas result. **Reported Operating Result** of RON 619 mn reflected also positive CCS effects of RON 174 mn and special charges of RON (43) mn.

In Q1/21, **Downstream Oil Clean CCS Operating Result** decreased to RON 308 mn (Q1/20: RON 514 mn), impacted by the weaker margins environment, reflecting also a high base effect from the CO2 certificates sale and positive hedging impact in Q1/20.

**OMV Petrom indicator refining margin** decreased by USD 3.95/bbl to USD 2.80/bbl in Q1/21, as a result of falling product spreads, mainly for diesel. The **refinery utilization rate** was 95% in Q1/21, marginally lower than the Q1/20 level of 96%, but

remaining above the average utilization rate of European refineries of around 71%<sup>iv</sup>. The high refinery utilization rate in Q1/21 was supported by placing more equity products on all our markets while reducing third-party supply.

**Total refined product sales** volumes were down 4% vs. Q1/20, mainly impacted by weaker demand in the aviation business. Group retail sales volumes, which accounted for 54% of total refined product sales, were flat compared to Q1/20 mainly on recovering demand, particularly in Romania. Q1/21 non-retail sales volumes decreased by 8% yoy, mainly due to the decline in the aviation business, partially compensated by higher exports.

**Downstream Gas Clean Operating Result** was RON 181 mn in Q1/21 (Q1/20: RON 147 mn), reflecting better power business result, mainly from higher balancing market and ancillary services revenues, as well as improved contribution from the gas business, supported by better margins on gas extracted from storage, despite lower gas prices and lower volumes.

As per OMV Petrom's estimates, national gas consumption increased by approximately 6% compared to Q1/20.

On the Romanian centralized markets, the weighted average price of natural gas for transactions with medium and long-term standardized products closed in Q1/21 (11.4 TWh) was RON 81/MWh<sup>v,vi</sup> (Q1/20: RON 71/MWh for standard products traded). Regarding short-term deliveries, on BRM day-ahead market, the average price<sup>vii</sup> in Q1/21 was RON 95/MWh (Q1/20: RON 66/MWh).

In Q1/21, OMV Petrom's total gas sales volumes decreased by 23% to 14.36 TWh, in part due to the regulatory-driven large sales volumes in Q1/20 creating a high base effect; starting July 2020, the obligation to supply gas to the regulated market ceased, while Q1/20 sales included 5.5 TWh delivered to the regulated market. The total gas sales volumes sold to third parties were 11.65 TWh, 28% lower vs. Q1/20.

On the centralized markets, OMV Petrom sold 3.8 TWh in standard products in Q1/21 at an average price in line with the market price<sup>v</sup>. At the end of Q1/21, OMV Petrom had 0.4 TWh natural gas in storage, compared to 0.3 TWh at the end of Q1/20.

As per currently available information from the grid operator, national **electricity** consumption was 4% higher compared to the same quarter of 2020, while national production increased by 5%, Romania still being a net importer in Q1/21.

The Brazi power plant generated in Q1/21 a net electrical output of 1.18 TWh, 6% higher than the 1.11 TWh in Q1/20, on supportive spark spreads. The results of our spot and forward power sales were complemented by Brazi power plant revenues from the ancillary services and balancing markets, proving its sustainable support to the electricity security of supply and systems balancing at the national level.

Total **Downstream investments** amounted to RON 57 mn (Q1/20: RON 295 mn), thereof RON 56 mn in Downstream Oil (Q1/20: RON 295 mn). In Q1/21, most amounts in Downstream Oil were routed to ongoing investments in the tank farm area and to preliminary works related to coke drums replacement at Petrobrazi refinery. In Q1/20, investments were significantly higher, mostly directed to refining, mainly for securing long term logistic access through railway lines at Petrobrazi refinery and for the upgrade of unloading and storage facilities for bio-blending components project.

<sup>iv</sup> OMV Petrom computation based on available public information;

<sup>v</sup> OMV Petrom estimates based on available public information;

<sup>vi</sup> Standard products refers to all products offered on the BRM and OPCOM trading platforms i.e. weekly, monthly, quarterly, yearly products etc. and the price could include storage related tariffs in connection with the gas volumes sold/extracted from storage;

<sup>vii</sup> Average computed based on daily trades published on BRM platform.

## Interim condensed consolidated financial statements as of and for the period ended March 31, 2021 (unaudited)

### Interim condensed consolidated income statement (unaudited)

Q1/21	Q4/20	Q1/20	in RON mn	2020
4,861.08	4,594.85	6,085.65	Sales revenues	19,716.98
36.93	100.50	206.58	Other operating income	428.95
2.89	0.15	3.88	Net income from investments in associates	4.47
<b>4,900.90</b>	<b>4,695.50</b>	<b>6,296.11</b>	<b>Total revenues and other income</b>	<b>20,150.40</b>
(1,685.08)	(1,699.29)	(2,694.11)	Purchases (net of inventory variation)	(8,209.70)
(917.22)	(949.25)	(944.20)	Production and operating expenses	(3,488.97)
(225.17)	(163.20)	(325.01)	Production and similar taxes	(873.30)
(819.83)	(729.60)	(866.47)	Depreciation, amortization, impairments and write-ups	(2,996.06)
(480.40)	(478.34)	(528.00)	Selling, distribution and administrative expenses	(1,952.35)
(17.57)	(89.27)	(45.90)	Exploration expenses	(814.47)
(48.89)	(47.53)	(62.82)	Other operating expenses	(348.46)
<b>706.74</b>	<b>539.02</b>	<b>829.60</b>	<b>Operating Result</b>	<b>1,467.09</b>
35.34	60.67	52.46	Interest income	337.33
(77.97)	(62.28)	(107.40)	Interest expenses	(295.44)
8.14	(15.79)	5.25	Other financial income and expenses	(30.28)
<b>(34.49)</b>	<b>(17.40)</b>	<b>(49.69)</b>	<b>Net financial result</b>	<b>11.61</b>
<b>672.25</b>	<b>521.62</b>	<b>779.91</b>	<b>Profit before tax</b>	<b>1,478.70</b>
(98.90)	(56.93)	(126.48)	Taxes on income	(187.69)
<b>573.35</b>	<b>464.69</b>	<b>653.43</b>	<b>Net income for the period</b>	<b>1,291.01</b>
<b>573.34</b>	<b>464.67</b>	<b>653.43</b>	<b>thereof attributable to stockholders of the parent</b>	<b>1,290.96</b>
0.01	0.02	-	thereof attributable to non-controlling interests	0.05
<b>0.0101</b>	<b>0.0082</b>	<b>0.0115</b>	<b>Basic and diluted earnings per share (RON)</b>	<b>0.0228</b>

## Interim condensed consolidated statement of comprehensive income (unaudited)

Q1/21	Q4/20	Q1/20	in RON mn	2020
<b>573.35</b>	<b>464.69</b>	<b>653.43</b>	<b>Net income for the period</b>	<b>1,291.01</b>
18.11	(10.23)	10.93	Exchange differences from translation of foreign operations	(2.63)
(61.70)	(123.51)	414.22	Gains/(losses) on hedges	96.49
<b>(43.59)</b>	<b>(133.74)</b>	<b>425.15</b>	<b>Total of items that may be reclassified ("recycled") subsequently to the income statement</b>	<b>93.86</b>
-	(11.45)	-	Re-measurement gains/(losses) on defined benefit plans	(11.45)
19.51	21.67	(186.81)	Gains/(losses) on hedges that are subsequently transferred to the carrying amount of the hedged item	(134.60)
<b>19.51</b>	<b>10.22</b>	<b>(186.81)</b>	<b>Total of items that will not be reclassified ("recycled") subsequently to the income statement</b>	<b>(146.05)</b>
9.87	19.93	(66.38)	Income tax relating to items that may be reclassified ("recycled") subsequently to the income statement	(15.07)
(3.12)	(1.63)	29.89	Income tax relating to items that will not be reclassified ("recycled") subsequently to the income statement	23.37
<b>6.75</b>	<b>18.30</b>	<b>(36.49)</b>	<b>Total income taxes relating to components of other comprehensive income</b>	<b>8.30</b>
<b>(17.33)</b>	<b>(105.22)</b>	<b>201.85</b>	<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>(43.89)</b>
<b>556.02</b>	<b>359.47</b>	<b>855.28</b>	<b>Total comprehensive income/(loss) for the period</b>	<b>1,247.12</b>
556.00	359.45	855.28	thereof attributable to stockholders of the parent	1,247.06
0.02	0.02	-	thereof attributable to non-controlling interests	0.06

## Interim condensed consolidated statement of financial position (unaudited)

in RON mn	March 31, 2021	December 31, 2020
<b>Assets</b>		
Intangible assets	2,830.09	2,811.51
Property, plant and equipment	27,252.84	27,802.20
Investments in associated companies	34.57	31.68
Other financial assets	2,067.09	2,092.96
Other assets	262.83	233.28
Deferred tax assets	1,542.78	1,533.74
<b>Non-current assets</b>	<b>33,990.20</b>	<b>34,505.37</b>
Inventories	2,168.86	2,102.90
Trade receivables	1,457.49	1,258.13
Other financial assets	1,283.81	1,213.11
Other assets	208.15	229.77
Cash and cash equivalents	7,808.39	7,450.64
<b>Current assets</b>	<b>12,926.70</b>	<b>12,254.55</b>
Assets held for sale	946.22	860.90
<b>Total assets</b>	<b>47,863.12</b>	<b>47,620.82</b>
<b>Equity and liabilities</b>		
Share capital	5,664.41	5,664.41
Reserves	27,961.84	27,406.22
<b>Stockholders' equity</b>	<b>33,626.25</b>	<b>33,070.63</b>
Non-controlling interests	0.52	0.50
<b>Total equity</b>	<b>33,626.77</b>	<b>33,071.13</b>
Provisions for pensions and similar obligations	210.92	213.69
Interest-bearing debts	79.71	108.94
Lease liabilities	524.79	543.06
Provisions for decommissioning and restoration obligations	7,011.31	7,272.42
Other provisions	645.68	645.12
Other financial liabilities	50.59	46.87
Other liabilities	52.89	14.09
<b>Non-current liabilities</b>	<b>8,575.89</b>	<b>8,844.19</b>
Trade payables	2,420.51	2,858.64
Interest-bearing debts	178.83	175.03
Lease liabilities	143.86	137.33
Income tax liabilities	96.17	43.60
Other provisions and decommissioning	605.46	516.87
Other financial liabilities	960.74	802.61
Other liabilities	833.20	758.74
<b>Current liabilities</b>	<b>5,238.77</b>	<b>5,292.82</b>
Liabilities associated with assets held for sale	421.69	412.68
<b>Total equity and liabilities</b>	<b>47,863.12</b>	<b>47,620.82</b>



## Interim condensed consolidated statement of changes in equity (unaudited)

in RON mn	Share capital	Revenue reserves	Other reserves <sup>1</sup>	Treasury shares	Stockholders' equity	Non-controlling interests	Total equity
<b>January 1, 2021</b>	<b>5,664.41</b>	<b>27,262.19</b>	<b>144.05</b>	<b>(0.02)</b>	<b>33,070.63</b>	<b>0.50</b>	<b>33,071.13</b>
Net income for the period	-	573.34	-	-	573.34	0.01	573.35
Other comprehensive income/(loss) for the period	-	-	(17.34)	-	(17.34)	0.01	(17.33)
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>573.34</b>	<b>(17.34)</b>	<b>-</b>	<b>556.00</b>	<b>0.02</b>	<b>556.02</b>
Reclassification of cash flow hedges to balance sheet	-	-	(0.38)	-	(0.38)	-	(0.38)
<b>March 31, 2021</b>	<b>5,664.41</b>	<b>27,835.53</b>	<b>126.33</b>	<b>(0.02)</b>	<b>33,626.25</b>	<b>0.52</b>	<b>33,626.77</b>

in RON mn	Share capital	Revenue reserves	Other reserves <sup>1</sup>	Treasury shares	Stockholders' equity	Non-controlling interests	Total equity
<b>January 1, 2020</b>	<b>5,664.41</b>	<b>27,736.81</b>	<b>99.66</b>	<b>(0.02)</b>	<b>33,500.86</b>	<b>0.51</b>	<b>33,501.37</b>
Net income for the period	-	653.43	-	-	653.43	-	653.43
Other comprehensive income for the period	-	-	201.85	-	201.85	-	201.85
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>653.43</b>	<b>201.85</b>	<b>-</b>	<b>855.28</b>	<b>-</b>	<b>855.28</b>
Reclassification of cash flow hedges to balance sheet	-	-	50.85	-	50.85	-	50.85
<b>March 31, 2020</b>	<b>5,664.41</b>	<b>28,390.24</b>	<b>352.36</b>	<b>(0.02)</b>	<b>34,406.99</b>	<b>0.51</b>	<b>34,407.50</b>

<sup>1</sup> Other reserves contain mainly exchange rate differences from the translation of foreign operations, reserves from business combinations in stages, unrealized gains and losses from hedges, exchange differences on loans considered net investment in a foreign operation and land for which ownership was obtained but was not included in share capital.

## Interim condensed consolidated statement of cash flows (unaudited)

Q1/21	Q4/20	Q1/20	Summarized statement of cash flows ( in RON mn)	2020
<b>672.25</b>	<b>521.62</b>	<b>779.91</b>	<b>Profit before tax</b>	<b>1,478.70</b>
82.00	(290.83)	79.14	Net change in provisions	47.84
(5.11)	(12.89)	(0.57)	Net gains on the disposal of non-current assets	(41.25)
823.17	756.19	868.18	Depreciation, amortization and impairments including write-ups	3,677.85
20.30	49.05	39.97	Net interest received	166.72
(37.53)	(90.55)	(179.11)	Tax on profit paid	(401.24)
24.25	73.63	(129.07)	Other non-monetary adjustments	(336.77)
<b>1,579.33</b>	<b>1,006.22</b>	<b>1,458.45</b>	<b>Sources of funds <sup>1</sup></b>	<b>4,591.85</b>
(86.06)	(46.79)	(9.71)	(Increase)/decrease in inventories	297.09
(171.20)	190.20	157.95	(Increase)/decrease in receivables	798.20
(170.45)	99.61	(248.77)	Increase/(decrease) in liabilities	(131.41)
<b>1,151.62</b>	<b>1,249.24</b>	<b>1,357.92</b>	<b>Cash flow from operating activities</b>	<b>5,555.73</b>
(754.74)	(656.45)	(1,224.34)	Intangible assets and property, plant and equipment	(3,445.27)
27.22	33.36	2.51	Proceeds in relation to non-current assets	210.50
-	71.59	-	Proceeds from the sale of subsidiaries and businesses, net of cash disposed	71.59
<b>(727.52)</b>	<b>(551.50)</b>	<b>(1,221.83)</b>	<b>Cash flow from investing activities</b>	<b>(3,163.18)</b>
(64.59)	(21.88)	(18.67)	Net decrease in borrowings	(180.56)
(0.40)	(1.19)	(0.18)	Dividends paid	(1,740.38)
<b>(64.99)</b>	<b>(23.07)</b>	<b>(18.85)</b>	<b>Cash flow from financing activities</b>	<b>(1,920.94)</b>
10.97	(3.81)	3.60	Effect of exchange rate changes on cash and cash equivalents	(3.93)
<b>370.08</b>	<b>670.86</b>	<b>120.84</b>	<b>Net increase in cash and cash equivalents</b>	<b>467.68</b>
7,481.22	6,810.36	7,013.54	Cash and cash equivalents at beginning of period	7,013.54
7,851.30	7,481.22	7,134.38	Cash and cash equivalents at end of period	7,481.22
42.91	30.58	-	Thereof cash disclosed within assets held for sale	30.58
<b>7,808.39</b>	<b>7,450.64</b>	<b>7,134.38</b>	<b>Cash and cash equivalents at end of period presented in the consolidated statement of financial position</b>	<b>7,450.64</b>
<b>424.10</b>	<b>697.74</b>	<b>136.09</b>	<b>Free cash flow</b>	<b>2,392.55</b>
<b>423.70</b>	<b>696.55</b>	<b>135.91</b>	<b>Free cash flow after dividends</b>	<b>652.17</b>

<sup>1</sup> Representing cash generated from operating activities before working capital movements.

## Selected notes to the interim condensed consolidated financial statements as of and for the period ended March 31, 2021 (unaudited)

### Legal principles

The unaudited interim condensed consolidated financial statements as of and for the three-month period ended March 31, 2021 (Q1/21) have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2020.

The interim condensed consolidated financial statements for Q1/21 included in this report are unaudited and an external review by an auditor was not performed.

The interim condensed consolidated financial statements for Q1/21 have been prepared in million RON (RON mn, RON 1,000,000). Accordingly there may be rounding differences.

In addition to the interim condensed consolidated financial statements, further information on main items affecting the interim condensed consolidated financial statements as of March 31, 2021 is given as part of the description of Group performance and Business Segments in the Directors' Report.

### Accounting policies

The accounting policies and valuation methods adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2020. The amendments effective since January 1, 2021, did not have a material effect on the Group's interim financial statements.

### Changes in the consolidated Group

Compared with the annual consolidated financial statements as of December 31, 2020, there were no changes in the consolidated Group.

The detailed structure of the consolidated companies in OMV Petrom Group at March 31, 2021 is presented in Appendix 1 to the current report.

### Seasonality and cyclicity

Seasonality is of particular significance in Downstream.

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

Accordingly, the results of operations of the Downstream Gas business segment and, to a lesser extent, the Downstream Oil business segment, as well as the comparability of results over different periods, may be affected by changes in weather conditions.

For details, please refer to the section “Business Segments”.

## Exchange rates

OMV Petrom uses the National Bank of Romania (NBR) exchange rates in its consolidation process. Income statements of foreign subsidiaries are translated to RON using the average of daily exchange rates published by the National Bank of Romania, detailed below.

Statements of the financial position of foreign subsidiaries are translated to RON using the closing rate method based on exchange rates published by the National Bank of Romania, and are detailed below.

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup>	NBR FX rates	2020
4.879	4.871	4.797	2	Average EUR/RON	4.838
4.049	4.087	4.352	(7)	Average USD/RON	4.241
4.925	4.869	4.825	2	Closing EUR/RON	4.869
4.197	3.966	4.398	(5)	Closing USD/RON	3.966

<sup>1</sup> Q1/21 vs. Q1/20

## Notes to the income statement

### Sales revenues

in RON mn	Q1/21	Q1/20
Revenues from contracts with customers	4,585.58	5,612.12
Revenues from other sources	275.50	473.53
<b>Total sales revenues</b>	<b>4,861.08</b>	<b>6,085.65</b>

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

### Revenues from contracts with customers

in RON mn						Q1/21
	Upstream	Downstream	thereof Downstream Oil	thereof Downstream Gas	Corporate and Other	Total
Crude oil and NGL	68.81	14.12	14.12	-	-	82.93
Natural gas, LNG and power	1.57	1,032.34	2.47	1,029.87	-	1,033.91
Fuels and heating oil	-	2,624.99	2,624.99	-	-	2,624.99
Other goods and services	8.09	831.43	811.14	20.28	4.23	843.75
<b>Total</b>	<b>78.47</b>	<b>4,502.88</b>	<b>3,452.72</b>	<b>1,050.15</b>	<b>4.23</b>	<b>4,585.58</b>

in RON mn						Q1/20
	Upstream	Downstream	thereof Downstream Oil	thereof Downstream Gas	Corporate and Other	Total
Crude oil and NGL	64.59	28.11	28.11	-	-	92.70
Natural gas, LNG and power	1.69	1,750.33	2.94	1,747.39	-	1,752.02
Fuels and heating oil	-	2,892.12	2,892.12	-	-	2,892.12
Other goods and services	9.87	862.01	842.32	19.69	3.40	875.28
<b>Total</b>	<b>76.15</b>	<b>5,532.57</b>	<b>3,765.49</b>	<b>1,767.08</b>	<b>3.40</b>	<b>5,612.12</b>

#### Income tax

Q1/21	Q4/20	Q1/20	In RON mn	2020
98.90	56.93	126.48	Taxes on income - expense/(revenue)	187.69
99.02	58.67	123.64	Current taxes	238.07
(0.12)	(1.74)	2.84	Deferred taxes	(50.38)
15%	11%	16%	Group effective tax rate	13%

## Notes to the statement of financial position

### Commitments

As at March 31, 2021 OMV Petrom Group's commitments for the acquisition of intangible assets and property, plant and equipment amounted to RON 952 mn (December 31, 2020: RON 841 mn), mainly relating to exploration and production activities in Upstream.

### Inventories

During the year ended March 31, 2021, there were no material write-downs of inventories.

### Equity

At the Annual General Meeting of Shareholders held on April 27, 2021, the shareholders of OMV Petrom S.A. approved the distribution of dividends for the financial year 2020 for the gross amount of RON 1,756 mn (gross dividend per share of RON 0.031).

The total number of own shares held by the Company as of March 31, 2021 amounted to 204,776 (December 31, 2020: 204,776).

### Financial liabilities

As of March 31, 2021, short and long-term interest-bearing debts and lease liabilities amounted to RON 927 mn (December 31, 2020: RON 964 mn), thereof RON 669 mn lease liabilities (December 31, 2020: RON 680 mn).

### Fair value measurement

Financial instruments recognized at fair value are disclosed according to the fair value measurement hierarchy as stated in Note 33 of the Group's annual consolidated financial statements as of December 31, 2020.

Financial assets and assets and liabilities held for sale (in RON mn)	March 31, 2021				December 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Derivatives designated and effective as hedging instruments	-	22.28	-	<b>22.28</b>	-	16.33	-	<b>16.33</b>
Other derivatives	-	760.84	-	<b>760.84</b>	-	631.19	-	<b>631.19</b>
Net amount of assets and liabilities associated with assets held for sale	-	484.03	-	<b>484.03</b>	-	448.22	-	<b>448.22</b>
<b>Total</b>	<b>-</b>	<b>1,267.15</b>	<b>-</b>	<b>1,267.15</b>	<b>-</b>	<b>1,095.74</b>	<b>-</b>	<b>1,095.74</b>

Financial liabilities (in RON mn)	March 31, 2021				December 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Derivatives designated and effective as hedging instruments	-	(39.27)	-	<b>(39.27)</b>	-	(19.58)	-	<b>(19.58)</b>
Other derivatives	-	(640.31)	-	<b>(640.31)</b>	-	(453.06)	-	<b>(453.06)</b>
Other financial liabilities	-	-	(15.88)	<b>(15.88)</b>	-	-	(15.88)	<b>(15.88)</b>
<b>Total</b>	<b>-</b>	<b>(679.58)</b>	<b>(15.88)</b>	<b>(695.46)</b>	<b>-</b>	<b>(472.64)</b>	<b>(15.88)</b>	<b>(488.52)</b>

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

Interest-bearing debts amount to RON 259 mn (December 31, 2020: RON 284 mn). The estimated fair value of these liabilities (Level 2) was RON 261 mn (December 31, 2020: RON 287 mn). The carrying amount of other financial assets and financial liabilities approximates their fair value.

## Segment reporting

### Intersegmental sales

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup> in RON mn	2020
1,771.55	1,445.68	1,839.25	(4) Upstream	5,852.05
44.66	54.10	61.30	(27) Downstream <sup>2</sup>	214.89
12.08	22.79	25.58	(53) thereof Downstream Oil	92.10
72.77	67.67	80.43	(10) thereof Downstream Gas	256.74
(40.19)	(36.36)	(44.71)	10 thereof intersegmental elimination Downstream	(133.95)
43.30	50.73	51.86	(17) Corporate and Other	197.52
<b>1,859.51</b>	<b>1,550.51</b>	<b>1,952.41</b>	<b>(5) Total</b>	<b>6,264.46</b>

<sup>1</sup> Q1/21 vs. Q1/20;

<sup>2</sup> Sales Downstream = Sales Downstream Oil + Sales Downstream Gas – intersegmental elimination Downstream Oil and Downstream Gas.

### Sales to external customers

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup> in RON mn	2020
80.06	69.39	77.58	3 Upstream	309.87
4,772.95	4,518.43	6,000.77	(20) Downstream <sup>2</sup>	19,376.70
3,530.04	3,295.64	3,853.19	(8) thereof Downstream Oil	13,564.84
1,242.91	1,222.79	2,147.58	(42) thereof Downstream Gas	5,811.86
8.07	7.03	7.30	11 Corporate and Other	30.41
<b>4,861.08</b>	<b>4,594.85</b>	<b>6,085.65</b>	<b>(20) Total</b>	<b>19,716.98</b>

<sup>1</sup> Q1/21 vs. Q1/20

### Total sales (not consolidated)

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup> in RON mn	2020
1,851.61	1,515.07	1,916.83	(3) Upstream	6,161.92
4,817.61	4,572.53	6,062.07	(21) Downstream <sup>2</sup>	19,591.59
3,542.12	3,318.43	3,878.77	(9) thereof Downstream Oil	13,656.94
1,315.68	1,290.46	2,228.01	(41) thereof Downstream Gas	6,068.60
(40.19)	(36.36)	(44.71)	10 thereof intersegmental elimination Downstream	(133.95)
51.37	57.76	59.16	(13) Corporate and Other	227.93
<b>6,720.59</b>	<b>6,145.36</b>	<b>8,038.06</b>	<b>(16) Total</b>	<b>25,981.44</b>

<sup>1</sup> Q1/21 vs. Q1/20;

<sup>2</sup> Sales Downstream = Sales Downstream Oil + Sales Downstream Gas – intersegmental elimination Downstream Oil and Downstream Gas.

### Segment and Group profit

Q1/21	Q4/20	Q1/20	Δ% <sup>1</sup>	in RON mn	2020
302.48	99.71	130.10	132	Operating Result Upstream	(985.10)
619.45	506.52	318.20	95	Operating Result Downstream	2,317.41
486.33	337.94	56.56	n.m.	thereof Operating Result Downstream Oil	1,060.30
133.12	168.58	261.64	(49)	thereof Operating Result Downstream Gas	1,257.11
(33.54)	(32.10)	(43.20)	22	Operating Result Corporate and Other	(104.88)
<b>888.39</b>	<b>574.13</b>	<b>405.10</b>	<b>119</b>	<b>Operating Result segment total</b>	<b>1,227.43</b>
(181.65)	(35.11)	424.50	n.m.	Consolidation	239.66
<b>706.74</b>	<b>539.02</b>	<b>829.60</b>	<b>(15)</b>	<b>OMV Petrom Group Operating Result</b>	<b>1,467.09</b>
<b>(34.49)</b>	<b>(17.40)</b>	<b>(49.69)</b>	<b>31</b>	<b>Net financial result</b>	<b>11.61</b>
<b>672.25</b>	<b>521.62</b>	<b>779.91</b>	<b>(14)</b>	<b>OMV Petrom Group profit before tax</b>	<b>1,478.70</b>

<sup>1</sup> Q1/21 vs. Q1/20.

### Assets<sup>1</sup>

in RON mn	March 31, 2021	December 31, 2020
Upstream	22,588.30	22,906.69
Downstream	7,109.52	7,272.13
thereof Downstream Oil	5,656.31	5,785.32
thereof Downstream Gas	1,453.21	1,486.81
Corporate and Other	385.11	434.89
<b>Total</b>	<b>30,082.93</b>	<b>30,613.71</b>

<sup>1</sup> Segment assets consist of intangible assets and property, plant and equipment. Assets reclassified to held for sale are not included.

### Other notes

#### Significant transactions with related parties

Significant transactions in form of supplies of goods and services take place on a constant and regular basis with companies from OMV Group. The most significant are disclosed in the Appendix 2.

#### Financial Ratios (presented in accordance with the requirements of the Financial Supervisory Authority's Regulation no. 5/2018 on issuers of financial instruments and market operations)

Financial Ratio	Formula	Value
Current ratio	Current Assets / Current Liabilities <sup>1</sup>	2.45
Indebtness Ratio	Interest-bearing debts (long term)/ Equity *100	0.24
	Interest-bearing debts (long term)/ (Interest-bearing debts (long term) + Equity) *100	0.24
Days in receivables	Receivables average balance / Turnover*90	25.14
Fixed assets turnover <sup>2</sup>	Turnover / Fixed assets	0.65

<sup>1</sup> Current Assets include Assets held for sale and Current Liabilities include Liabilities associated with assets held for sale;

<sup>2</sup> Fixed assets turnover is calculated based on turnover for Q1/21\*(360/90) days.



## Declaration of the management

We confirm to the best of our knowledge that the unaudited interim condensed consolidated financial statements for the three month period ended March 31, 2021 give a true and fair view of OMV Petrom Group's assets, liabilities, financial position and profit or loss, as required by the applicable accounting standards, and that the Group Directors' Report gives a true and fair view of important events that have occurred during the first three months of the financial year 2021 and their impact on the interim condensed consolidated financial statements, as well as a description of the principal risks and uncertainties.

**Bucharest, April 29, 2021**

### **The Executive Board**

**Christina Verchere**  
**Chief Executive Officer**  
**President of the Executive Board**

**Alina Popa**  
**Chief Financial Officer**  
**Member of the Executive Board**

**Christopher Veit**  
**Member of the Executive Board**  
**Upstream**

**Franck Neel**  
**Member of the Executive Board**  
**Downstream Gas**

**Radu Caprau**  
**Member of the Executive Board**  
**Downstream Oil**

## Further information

### Abbreviation and definitions

bbl	barrel(s), i.e. 159 liters
bcf	billion cubic feet; 1 bcm = 35.3147 bcf for Romania or 34.7793 bcf for Kazakhstan
boe; kboe; kboe/d	barrels of oil equivalent; thousand barrels of oil equivalent; kboe per day
bn	billion
bcm	billion cubic meters
Capital employed	equity including minorities plus net debt/(cash)
CEO	Chief Executive Officer
Co&O	Corporate and Other
CAPEX	Capital expenditure
Clean CCS Operating Result	Operating Result adjusted for special items and CCS effects. Group clean CCS Operating Result is calculated by adding the clean CCS Operating Result of Downstream Oil, the clean Operating Result of the other segments and the reported consolidation effect adjusted for changes in valuation allowances, in case the net realizable value of the inventory is lower than its cost.
Clean CCS net income attributable to stockholders	Net income attributable to stockholders, adjusted for the after tax effect of special items and CCS
Clean CCS EPS	Clean CCS Earnings per share = Clean CCS net income attributable to stockholders divided by weighted number of shares
Clean CCS ROACE	Clean CCS Return On Average Capital Employed = NOPAT (as a sum of current and last three quarters) adjusted for the after tax effect of special items and CCS, divided by average Capital Employed (on a rolling basis, as an average of last four quarters) (%)
Clean effective tax rate	Taxes on income adjusted for the tax effect of special items and CCS, divided by Clean CCS Profit before tax (%)
EPS	Earnings per share = Net income attributable to stockholders divided by weighted number of shares
Effective tax rate	Taxes on income divided by Profit before tax (%)
EUR	euro
E&A	Exploration and appraisal
FX	Foreign Exchange
HSSE	Health, Safety, Security and Environment
IFRSs; IASs	International Financial Reporting Standards; International Accounting Standards
LNG	Liquefied natural gas
mn	million
MWh	megawatt hour
NBR	National Bank of Romania
Net debt/(cash) including leases	Interest-bearing debts plus lease liabilities less cash and cash equivalents
Net debt/(cash) excluding leases	Interest-bearing debts less cash and cash equivalents
NGL	Natural Gas Liquids
n.a.	not applicable/not available (as the case may be)
n.m.	not meaningful i.e. deviation exceeds (+/-) 500% or comparison is made between positive and negative values
NOPAT	Net Operating Profit After Tax = Net income attributable to stockholders of the parent, adjusted for net interest on net borrowings, +/- result from discontinued operations, +/- tax effect of adjustments
OPCOM	The administrator of the Romanian electricity market
Operating Result	The "Operating result" includes the former indicator EBIT ("Earnings Before Interest and Taxes") and the net result from equity-accounted investments.
Clean Operating Result before depreciation and	Former EBITD adjusted for special items and CCS effects = Operating Result Before Interest, Taxes, Depreciation and amortization, impairments and write-ups of fixed assets, including reversals adjusted for special items and CCS effects

amortization, impairments and write-ups	
OPEX	Operating Expenses
Q	quarter
ROACE	Return On Average Capital Employed = NOPAT (as a sum of current and last three quarters) divided by average Capital Employed (on a rolling basis, as an average of last four quarters) (%)
RON	Romanian leu
S.A.; S.R.L.	Societate pe Actiuni (Joint-stock company); Societate cu Raspundere Limitata (Limited liability company)
t	metric tonne(s)
TWh	terawatt hour
USD	United States dollar
yoy	year-on-year

## Appendix 1

### Consolidated companies in OMV Petrom Group at March 31, 2021

#### Parent company

**OMV Petrom S.A.**

#### Subsidiaries

<b>Upstream</b>		<b>Downstream Oil</b>	
Tasbulat Oil Corporation LLP (Kazakhstan)	100.00%	OMV Petrom Marketing S.R.L.	100.00%
Kom Munai LLP (Kazakhstan)	100.00%	OMV Petrom Aviation S.R.L. <sup>1</sup>	100.00%
OMV Offshore Bulgaria GmbH (Austria)	100.00%	Petrom Moldova S.R.L. (Moldova)	100.00%
		OMV Bulgaria OOD (Bulgaria)	99.90%
		OMV Srbija DOO (Serbia)	99.96%
<b>Downstream Gas</b>		<b>Corporate &amp; Other</b>	
OMV Petrom Gas S.R.L.	99.99%	Petromed Solutions S.R.L.	99.99%

<sup>1</sup> (one) equity interest owned through OMV Petrom Marketing S.R.L.

#### Associated company, accounted for at equity

**OMV Petrom Global Solutions S.R.L.** **25.00%**

Appendices 1 and 2 form part of the interim unaudited condensed consolidated financial statements.

## Appendix 2

### Significant transactions with related parties

During the first three months of the financial year 2021, OMV Petrom Group had the following significant transactions with related parties and balances as of March 31, 2021:

Related party (in RON mn)	Purchases	Balances payable
	Q1/21	March 31, 2021
OMV Supply & Trading Limited	463.71	164.89
OMV Petrom Global Solutions S.R.L.	139.22	99.16
OMV Gas Marketing & Trading GmbH	71.58	44.88
OMV Downstream GmbH	39.34	73.56
OMV - International Services Ges.m.b.H.	2.40	59.52

Related party (in RON mn)	Revenues	Balances receivable
	Q1/21	March 31, 2021
OMV Deutschland Marketing & Trading GmbH & Co. KG	74.95	53.18
OMV Supply & Trading Limited	58.97	-
OMV Gas Marketing & Trading GmbH	37.47	16.17
OMV - International Services Ges.m.b.H.	-	15.71

During the first three months of the financial year 2020, OMV Petrom Group had the following significant transactions with related parties and balances as of December 31, 2020:

Related party (in RON mn)	Purchases	Balances payable
	Q1/20	December 31, 2020
OMV Supply & Trading Limited	493.69	238.76
OMV Petrom Global Solutions S.R.L.	135.90	121.58
OMV Gas Marketing & Trading GmbH	88.20	115.20
OMV Downstream GmbH (former OMV Refining & Marketing GmbH)	41.38	55.33
OMV Exploration & Production GmbH	24.35	34.93

Related party (in RON mn)	Revenues	Balances receivable
	Q1/20	December 31, 2020
OMV Gas Marketing & Trading GmbH	197.33	0.45
OMV Deutschland GmbH	68.59	-
OMV Downstream GmbH (former OMV Refining & Marketing GmbH)	26.22	4.73
OMV - International Services Ges.m.b.H.	-	12.59

Appendices 1 and 2 form part of the interim unaudited condensed consolidated financial statements

### Contact

OMV Petrom Investor Relations  
Tel: +40 372 161930; Fax: +40 21 30 68518  
E-mail address: investor.relations.petrom@petrom.com