

ORLEN Group 3Q24 key financial data estimates



Warsaw, 5 November 2024

Key financial data estimates

PLN m	3Q23	3Q24	Δ (y/y)
EBITDA LIFO	10 258	8 808	-1 450
Refining	1 866	520	-1 346
Petrochemicals	-136	-118	18
Energy	1 348	949	-399
Retail	600	1077	477
Upstream	-211	3 312	3 523
Gas	7 239	3 462	-3 777
Corporate functions	-448	-394	54
Impact of one-offs on EBITDA LIFO	2683	-15	-2 697
Inventory write-downs (NRV)	-53	-136	-83
Usage of historical inventory layers	497	-263	-760
Baltic Power results (fair value measurement of IRS instrument)	201	-271	-472
PPA valuation*	2 038	655	-1 382
Impact of regulations (payments to the Price Difference Payment Fund and received compensations)	-1 041	678	1 719
Energy	562	111	-451
Upstream	-3 044	0	3 044
Gas	1 440	567	-873
EBITDA LIFO excluding one-offs and regulations	8 616	8 145	-472
Impairment write-downs on assets	-1 022	-3 526	-2 540

MACRO (3Q24 vs 3Q23)

- Model refining margin including differential lower by (-) 69% (6.6 USD/bbl vs 21.0 USD/bbl).
- Brent crude oil price lower by (-) 7% (80.3 USD/bbl vs 86.7 USD/bbl).
- TGEgasDA natural gas prices higher by 2% (172 PLN/MWh vs 169 PLN/MWh).
- TGeBase electric energy prices lower by (-) 14% (435 PLN/MWh vs 504 PLN/MWh).
- Strengthening of PLN vs USD by (-) 6% (3.90 vs 4.14) and vs EUR by (-) 5% (4.28 vs 4.50).

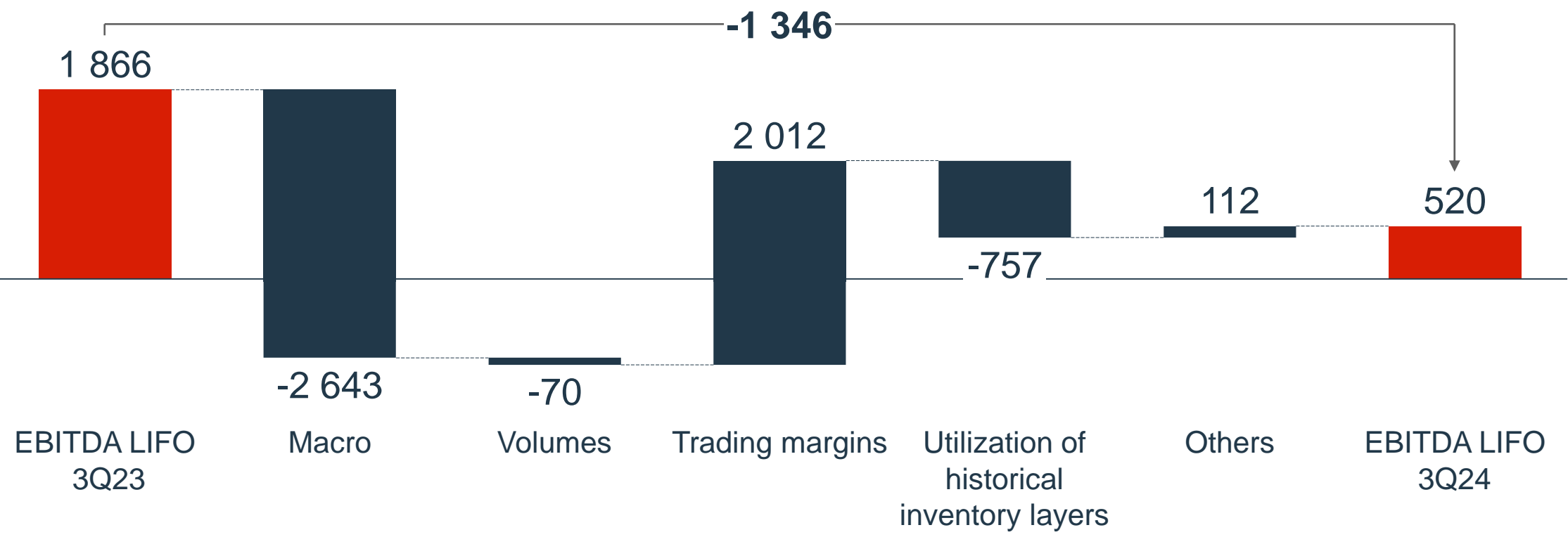
OPERATIONAL FACTORS (3Q24 vs 3Q23)

- 10.1 mt of crude oil throughput (94% utilisation ratio). Comparable level (y/y).
- Lower sales volumes in refining by ca. (-) 5% (y/y) due to high base effect (high fuel wholesale in Poland in 3Q23 as a result of low trading margins).
- Higher sales volumes in petrochemicals by ca. 3% (y/y) due to higher demand for petrochemical products from Europe resulting from logistical constraints.
- Higher sales volumes in retail by ca. 8% (y/y) due to higher number of fuel stations by 358.
- Higher hydrocarbon production by ca. 22% (y/y).
- Higher gas sales by ca. 5% (y/y) due to significantly higher demand for gas among industrial customers.

* Change in the result of gas segment for 3Q23 due to Purchase Price Allocation valuation.

Key events affecting the results

Impact of factors on Refining segment (PLN m)



Macro (y/y) – lower refining margins and strengthening of PLN against USD, partially offset by a positive effect of hedging.

Volumes (y/y) – decline in sales volumes by 5% (low trading margins in Poland in 3Q23 led to a significant increase in sales volumes during that period).

Trading margins (y/y) – positive impact of higher trading margins (record low trading margins in 3Q23 due to aggressive sales policy).

Utilization of historical inventory layers (y/y) – a negative impact primarily due to the use of operational and mandatory reserves in Q3 2023 in connection with the implementation of an aggressive pricing policy.

One-off events and regulatory impact

- Valuation of the fair value of IRS instrument – impact on the Energy segment amounting to PLN (-) 271m.
- In 3Q24, ORLEN was not burdened with a write-down on the Price Difference Payment Fund (FWRC). However, it received compensations totaling PLN 678 m, including PLN 111 m in Energy segment and PLN 567 m in Gas segment.
- In the base period (3Q23), the total effect of FWRC write-downs and compensations was negative and reduced the period's result by PLN (-) 1041m.
- In the base period (3Q23), revaluation of gas contract values as of the asset acquisition date in Gas segment occurred, amounting to PLN 2038m.

Impairment write-downs on assets in 3Q24

Results of impairment tests conducted on ORLEN Group's assets – impact on the consolidated financial statement

Impairments in 3Q24 amounted PLN 3 526m, including:

- **ORLEN S.A.** PLN (-) 912 m
The impairment of fixed assets in the petrochemical segment is mainly due to the persistently challenging economic conditions in the petrochemical products market and the capital expenditures incurred in the third quarter of 2024 for the construction of the Olefins III complex. As a result, based on current estimates, these assets will not generate positive cash flows in the future.
- **ORLEN Lietuva** PLN (-) 2 401 m
Mainly due to changes in economic conditions, which, with delays in the work schedule and increasing investment costs for the deep oil processing installation (Bottom of the Barrel), being under construction in ORLEN Lietuva, result in the loss of efficiency of this investment.



Information regarding publication of estimated financial data

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