

May 19, 2020

**PRESS RELEASE****Romgaz Management Performance led to an Increase of the Company's Share Price**

ROMGAZ share price follows an upward trend after the company published its **2020-2025 Development/Investment Strategy** estimating an investment schedule of RON 15.69 billion.

ROMGAZ CEO, Adrian Volintiru, stated: *„Investments play a decisive role in reducing natural decline of production by both discovery of new hydrocarbon reserves and current recovery rate improvement through rehabilitation, development and upgrading of existing facilities, but also in capitalizing new growth and diversification opportunities. Therefore, the referred investment period will greatly focus on natural gas production (approximately one third of the total amount), on offshore joint ventures (Black Sea) and electricity production and storing (another third of the total amount, i.e. RON 5.475 billion), and on diversification activities – petrochemistry and electricity production – the remaining difference to the total RON 15.69 billion investment schedule over the next 5 years. However, I wish to emphasize that the strategy was developed on the “business as usual” scenario not taking into account the current COVID 19 pandemic; a review of data is required as soon as macroeconomic forecasts with higher degree of certainty are available.”*

Also, in Mr. Volintiru's opinion, investors have understood the ambitious investment program the management has undertaken and the share price increase is a vote of confidence in Romgaz.

In spite the difficult period (a warm winter and COVID 19 pandemic) and the decrease in gas price and revenue, Romgaz managed to reduce expenses by 22% generating for Q1 a profit higher by RON 114 million as compared to the budget.

COVID 19 pandemic has significantly shaken up the global economy and has caused a high degree of uncertainty. A return to the initial economic growth rate largely depends on the company's capability to adapt to market requirements and to diversify its services and products.

Considering the above-mentioned aspects, Romgaz plans to be an active, profitable and competitive player on the gas and electricity production market, and to enter new markets such as petrochemical products market.

## **ROMGAZ Press Office**

### **About ROMGAZ**

*Romgaz is the largest natural gas producer and the main supplier in Romania. The company is listed on Bucharest Stock Exchange and GDRs are traded on London Stock Exchange. The majority shareholder is the Romanian State owning a 70% stake. The company has a vast experience in the field of gas exploration and production, and a history that began in 1909 and spans for more than 100 years.*

*Romgaz undertakes geological exploration with the aim of discovering new gas reserves, produces methane gas by exploiting reservoirs included in the company's portfolio, stores natural gas in underground storages, performs well interventions, workover and special operations, and ensures professional technological transportation services.*