

May 14, 2021

**PRESS RELEASE****Quarterly Report on the economic-financial activity of ROMGAZ GROUP on March 31, 2021 (January 01, 2021 - March 31, 2021)**

The full version of the Quarterly Report on the Economic-Financial Activity of Romgaz Group on March 31, 2021 and the Consolidated Condensed Interim Financial Statements, are available on company's website [www.romgaz.ro](http://www.romgaz.ro) – Section Investor Relations – Interim Reports.

**ROMGAZ GROUP PERFORMANCES**

Romgaz Group recorded in Q1 2021 a revenue of RON 1,327.2 million, decreasing by 7.21%, namely RON 103.1 million, as compared to the revenue recorded in Q1 2020. However, Romgaz supplied in Q1 2021 gas quantities higher by 14.12% than in Q1 2020.

In 2021 Romgaz Group collected part of the receivables impaired at the end of 2020, that led to a net gain from impairment adjustments of RON 31.6 million.

Expenses with windfall tax decreased as compared to Q1 2020 by RON 63.9 million.

The Group recorded in Q1 2021 an additional provision for purchase of greenhouse gas emissions certificates of RON 67.3 million, due to the increase of certificate price as compared to the estimation made in December 2020.

Net consolidated profit of RON 463.8 million was lower by 18.91%, namely RON 108.2 million, versus the similar period of the previous year.

Net consolidated earnings per share (EPS) was RON 1.2.

The achieved margins of the consolidated net profit (34.9%), consolidated EBIT (41.3%) and consolidated EBITDA (52.4%) decreased slightly as compared to Q1 2020 (40.0%; 46.8% and 57.0% respectively) but maintains a high rate.

Natural gas consumption estimated<sup>[2]</sup> nationally for Q1 2021 was 49 TWh, approximately by 6% higher than the consumption recorded in Q1 2020.

*Natural gas production* was RON 1,311.5 million m<sup>3</sup>, by 3.7%, namely 50.8 million m<sup>3</sup> below the production recorded in Q1 2020.

*Electricity supplied* was of 185.8 GWh, by 22.67% lower than for the similar period of last year (240.3 GWh).

<sup>[2]</sup> The consumption is estimated as ANRE did not publish, until the date hereof, the reports on the gas market for February and March 2021

*Electricity production* reached 202.1 GWh, by 21.96% lower than production in the similar period of last year (258.9 GWh), the difference against the electricity supplied into the National Power Grid represents own consumption of the power plant.

*Natural gas production* recorded in Q1 2021 was 1,311.5 million m<sup>3</sup> by 3.7% lower than the production of Q1 2020.

Bearing in mind that every hydrocarbon production company records a production decline, the company recorded in Q1 2021 a relatively high production supported by:

- ✓ Continuous rehabilitation projects for main mature gas fields, mitigating production decline in such fields;
- ✓ Performing recompletion operations in wells that led to reactivation of several wells with important flow rates.

The conditions underlying these results were:

- ✍ Gas imports for consumption were approximately 9.66 TWh, 6.7% higher than the quantity of Q1 2020;
- ✍ Withdrawals from Romgaz UGS's were by 150% higher than in the similar period of last year.

National gas consumption estimated for Q1 2021 was 49.13 TWh, by approx. 6% higher than the consumption recorded in Q1 2020, out of which 9.66 TWh is covered by import gas and the difference of 39.47 TWh by domestic gas. Romgaz contribution is 18.14 TWh, representing 36.92% from the national consumption, and **45.96%** from the consumption supplied from internal gas. Romgaz market share rose by 2.5% as compared to the market share recorded in Q1 2020.

## **ROMGAZ PRESS OFFICE**

### **About ROMGAZ**

*S.N.G.N. Romgaz S.A. 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, with a history that began in 1909 and spans more than 100 years. Romgaz undertakes geological exploration with the aim of discovering new gas reserves, produces methane by exploiting the reservoirs included in the company's portfolio and stores natural gas in underground storages; it performs well interventions, workover and special operations, and ensures technological transportation professional services. In 2013, Romgaz extended its scope of work by taking over Iernut thermoelectric power plant, becoming electricity producer and supplier.*