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ROMGAZ

2019 Financial and Operational Results

April 2020



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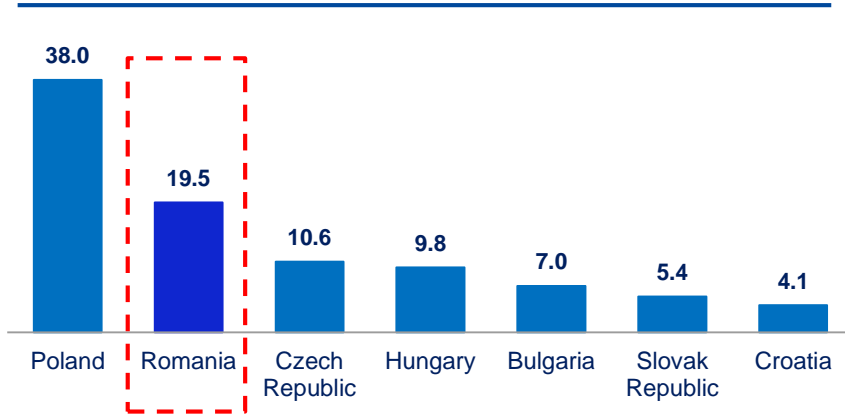
All figures included in this presentation are rounded ("round to nearest" method).

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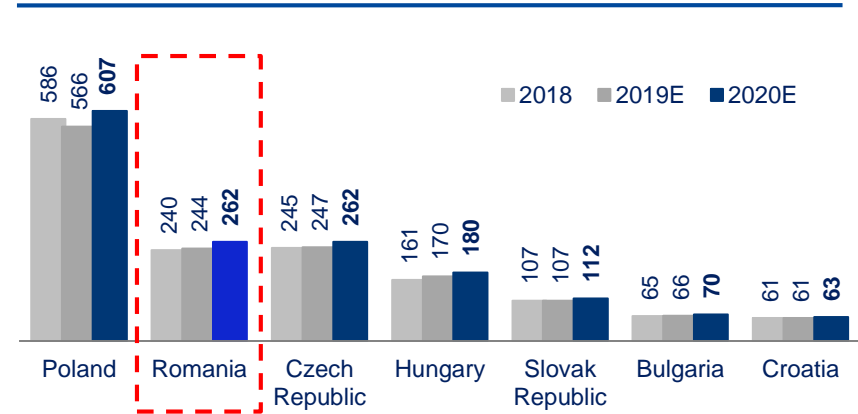
Economic context and gas market

Romania: Large country, manageable debt, growth potential

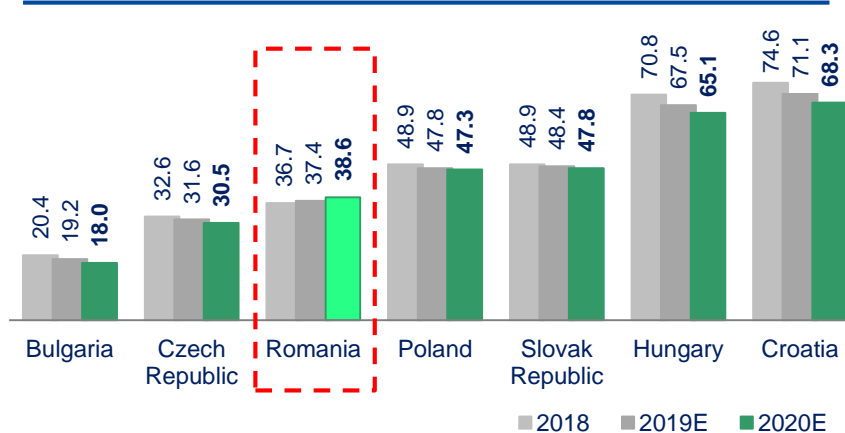
Population¹ 2019E (mIn)



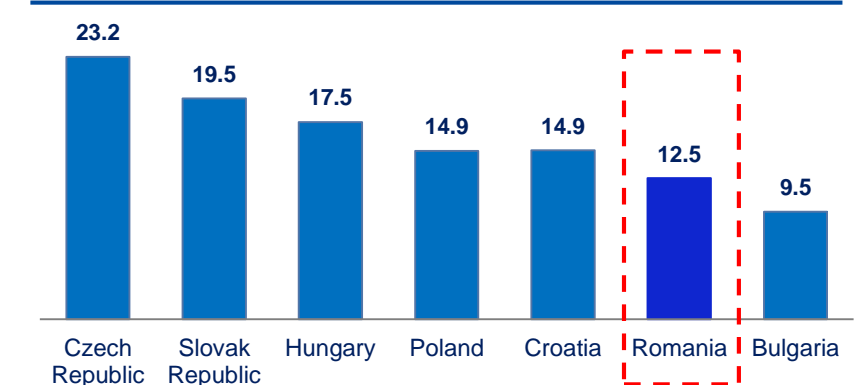
GDP¹ (USD bn)



Public debt² (% of GDP)



GDP per capita³ 2019E (USD '000)



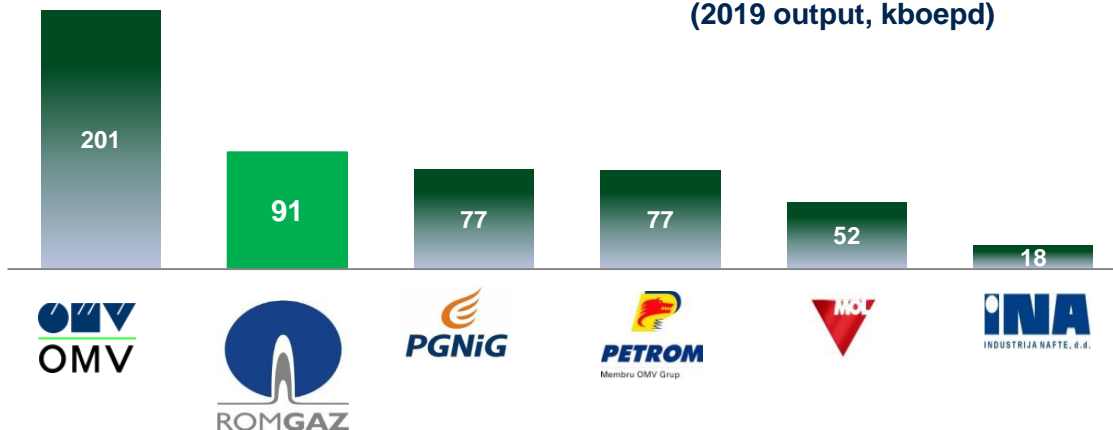
Source: IMF World Economic Outlook – Oct 2019

¹ Gross Domestic Product, current prices ² General Government Gross Debt, % of GDP ³ Gross Domestic Product per Capita, current prices

Economic context and gas market

Romania: among TOP gas consumers & producers / ROMGAZ: among TOP players in region

ROMGAZ: Among top Gas Producers in the region¹
(2019 output, kboepd)

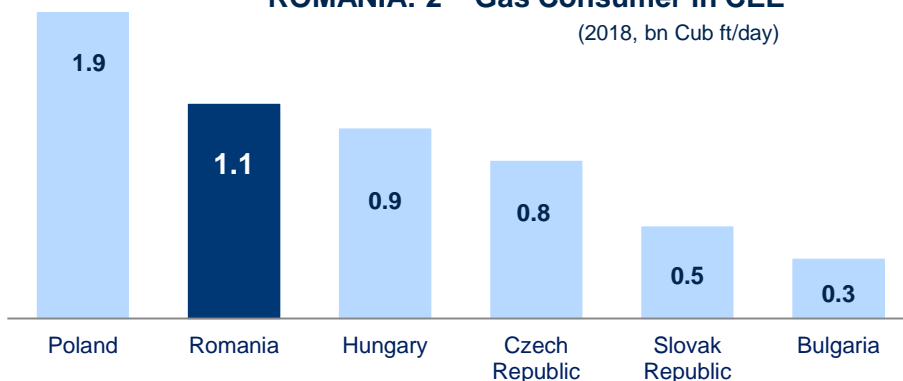


Natural gas - important clean source of energy.

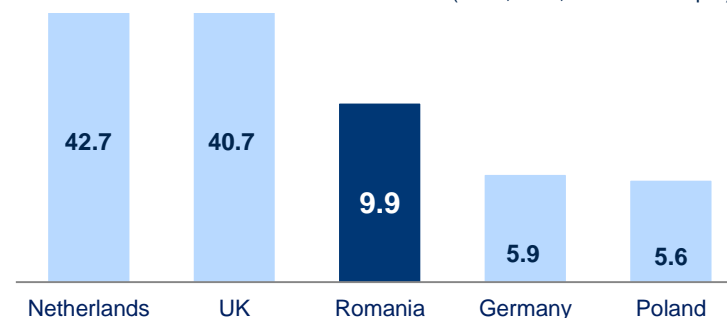
In the region:

- ⇒ ROMGAZ – 2nd gas producer !
- ⇒ ROMANIA – 2nd gas consumer in CEE and 3rd producer in the EU !

ROMANIA: 2nd Gas Consumer in CEE²
(2018, bn Cub ft/day)



ROMANIA: 3rd Gas Producer in the EU²
(2018, bcm, marketed output)



Source:

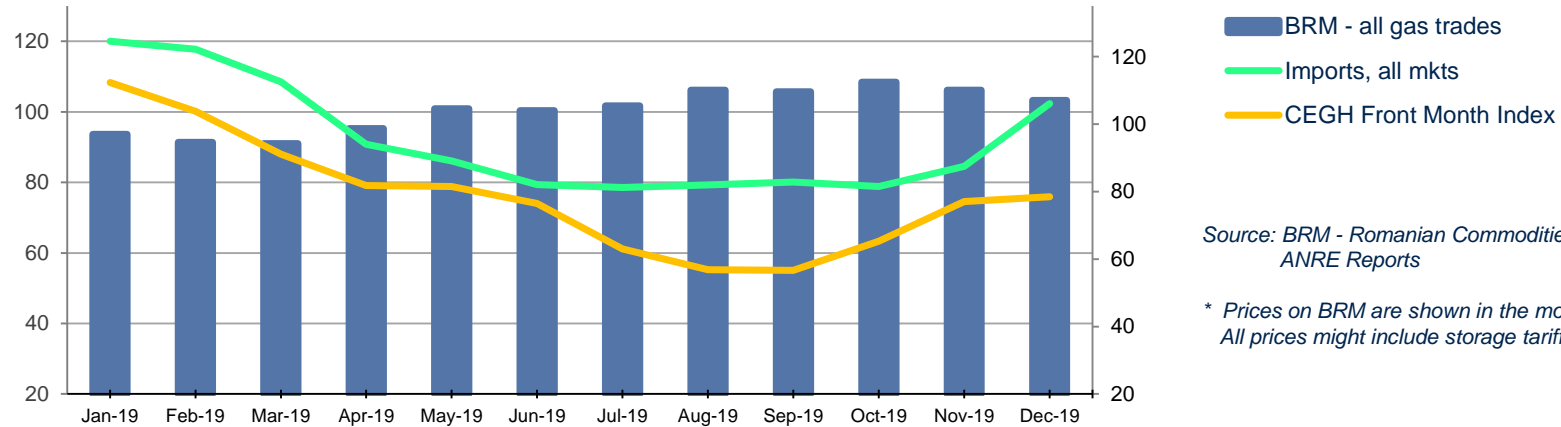
¹ Romgaz computation based on companies' reports, Petrom: Romania+abroad, OMV excluding Petrom.

² CEIC Data;

Economic context and gas market

Romania: Gas Prices on BRM, Gas Producers and Final Consumers

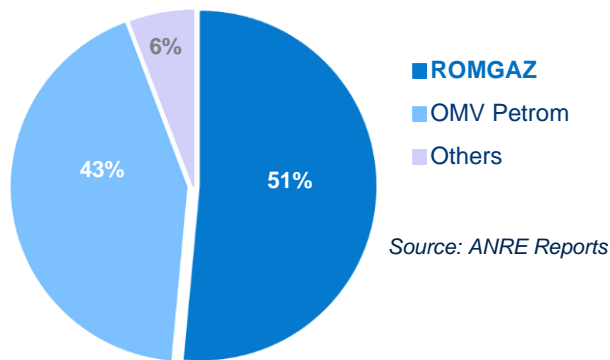
Natural Gas Prices in Romania and on CEGH (RON/MWh) *



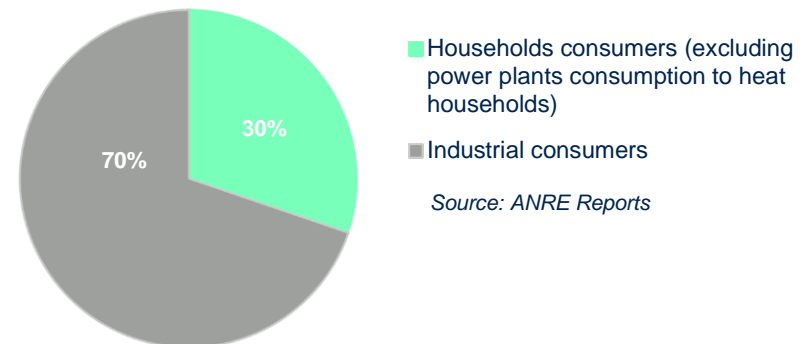
Source: BRM - Romanian Commodities Exchange, ANRE Reports

* Prices on BRM are shown in the month of delivery
All prices might include storage tariffs.

Gas producers in Romania (FY2019)



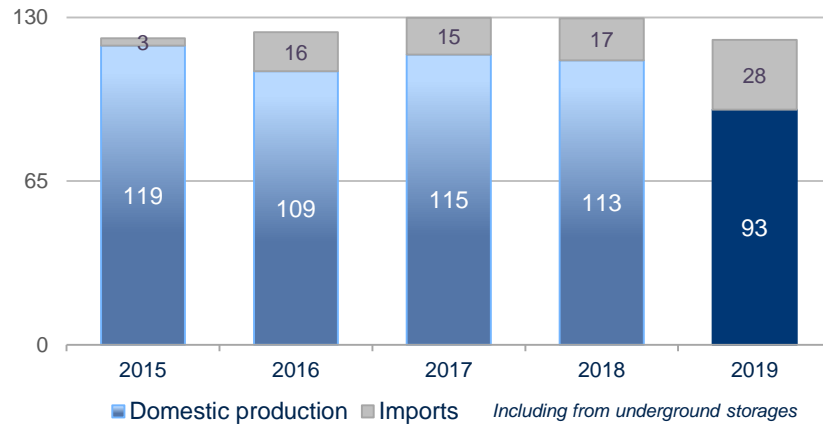
Final Consumers in Romania (FY/2019)



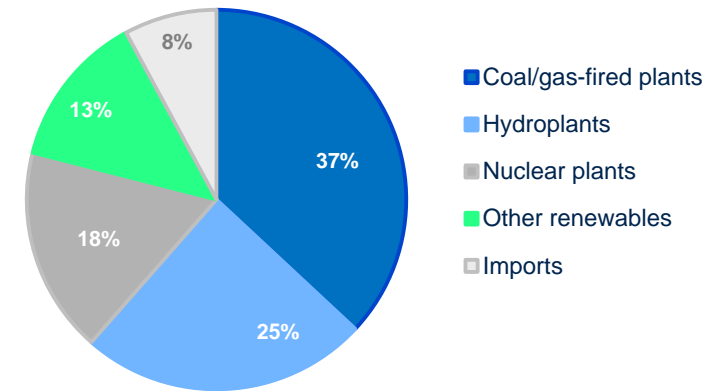
Economic context and gas market

Romania: Gas consumption lower in 2019

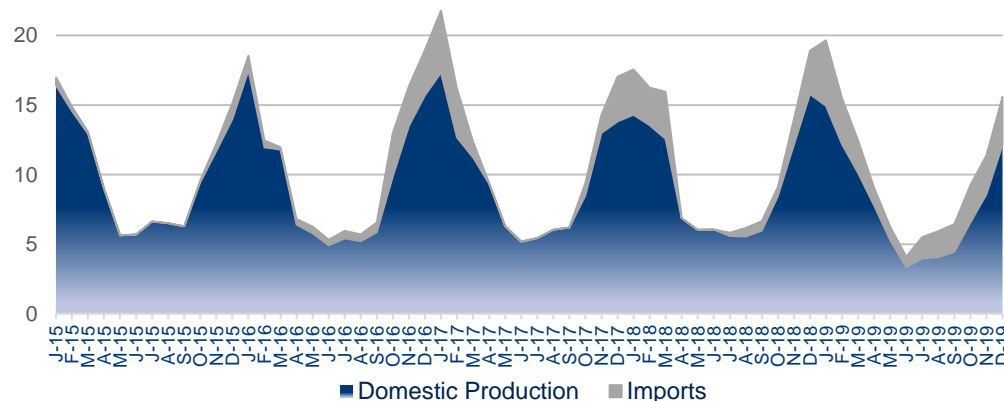
Natural gas consumption* (mln MWh)



Mix of Energy Resources (FY 2019)**



Seasonality of Gas Consumption* (mln MWh)



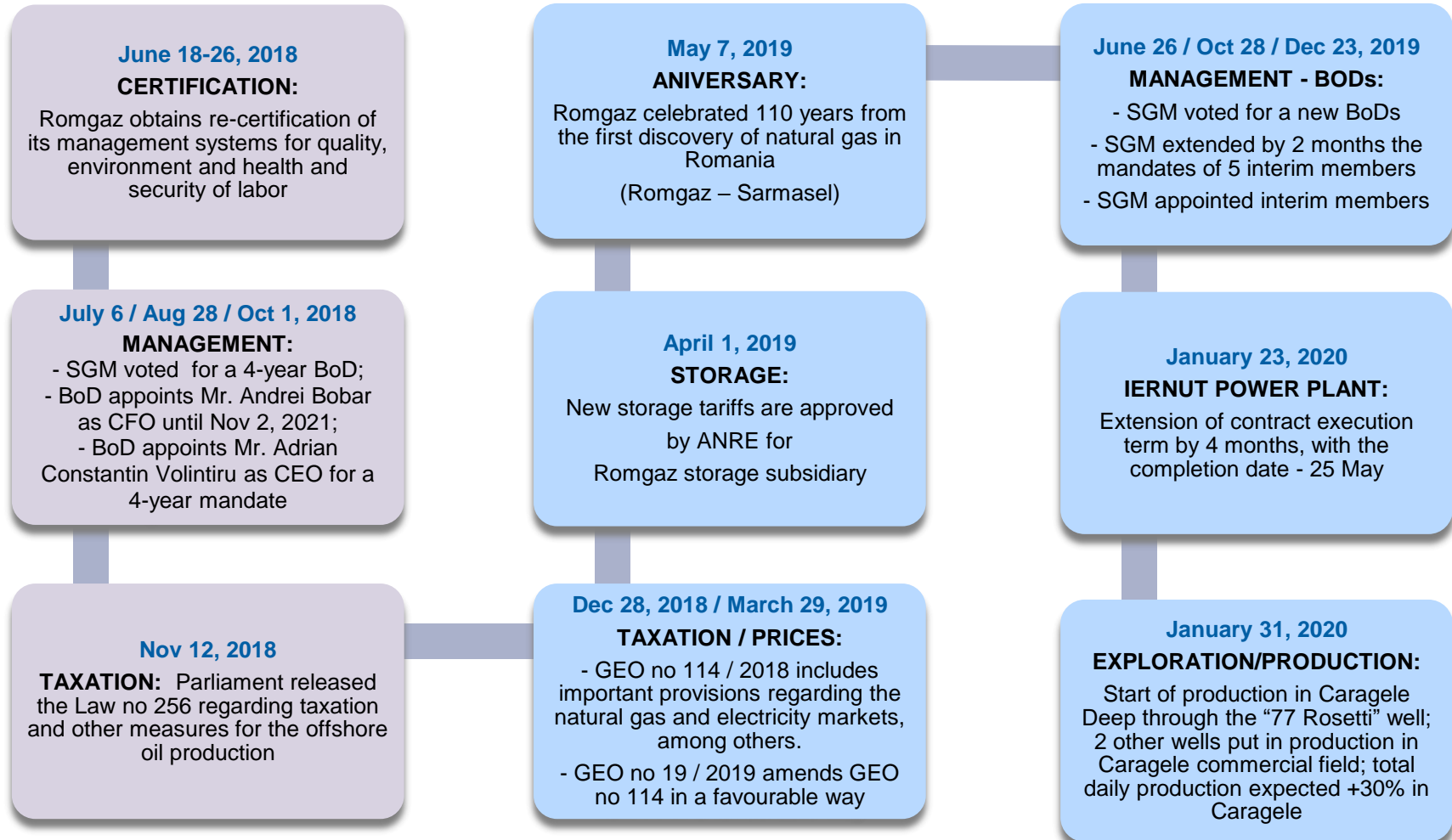
Sources of charts data:

* ANRE Reports;

** Statistics Institute

ROMGAZ Group: Highlights of events

Selected Events – relevant for our recent activity



ROMGAZ Group: Highlights regarding taxation

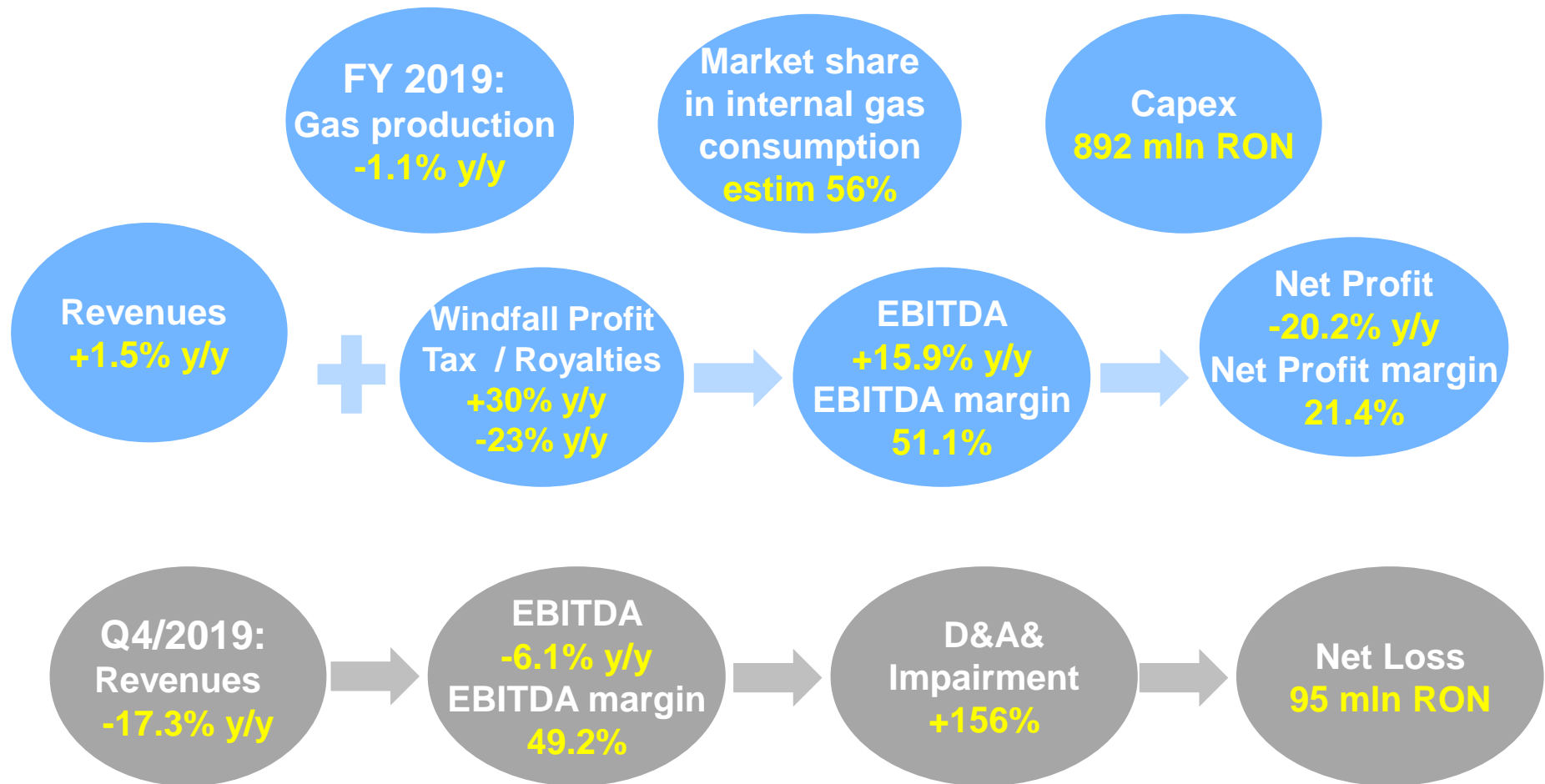
Fiscal framework in place - with impact on Group's operations

UPDATE: GEO no. 1 / Jan 2020 – amended the GEO no. 114 / 2018 as follows:

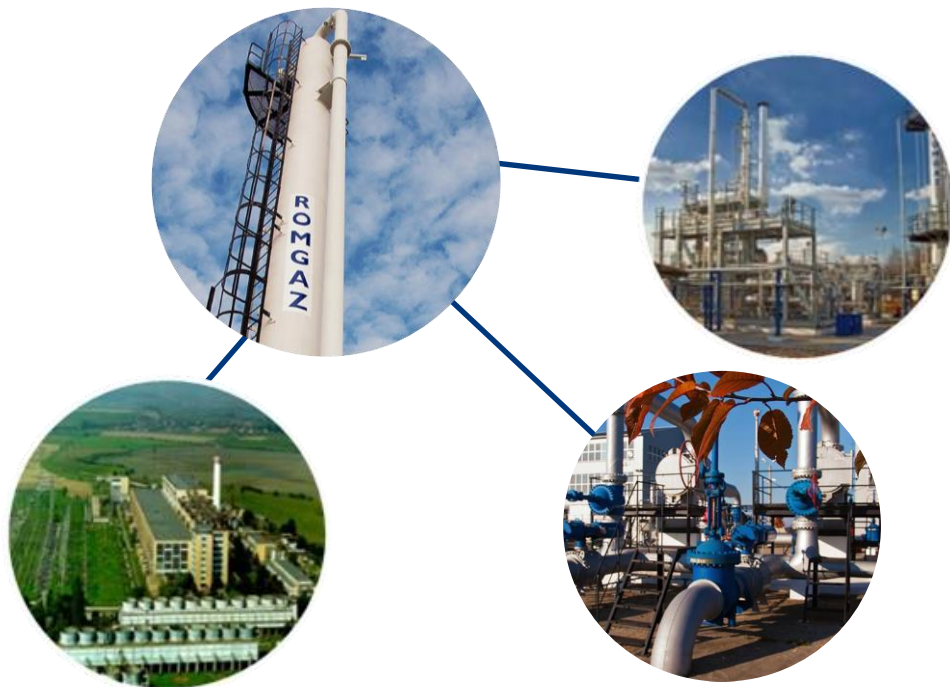
- Free gas prices for gas producers starting July 1, 2020
 - Regulated gas prices for the volumes sold by gas producers to HHs: RON 68 /MWh if average pricing in the market exceeds this value;
 - Free electricity prices for power producers starting Jan 1, 2021;
 - 2% fee on gas and power revenues – cancelled.
- GEO no. 19 / March 2019 and GEO no. 114 / Dec 2018 – main provisions for the gas & electricity market include:
 - Gas selling price capped for producers, for the gas sold to households and district heating plants for households: RON 68/MWh;
 - Regulated power prices for households;
 - 2% fee on gas and power revenues or on profit from resales, with deductions;
 - Distribution of 35% of the equity reserves at end-2018, if distribution does not impact capex plan and is available as cash.
 - Windfall profit tax - includes an 80% tax on producers' gas additional revenues for the selling price portion exceeding RON 85/ MWh (since April 1, 2018)
 - Gas royalties - CEGH spot prices represent the reference price (since mid-Feb 2018).

ROMGAZ Group: Highlights for Q4/FY 2019

Significant developments of Romgaz Group



Major Producer and Supplier of Natural Gas, Operator of UGS in Romania



Other activities

- Include wells workover and recompletions and special well operations, and also - technological transport and maintenance
- Support operations at Group level and third-party clients.

Gas Exploration, Production & Supply

- 8 exploration blocks (Romgaz - 100% working interest) - significant onshore and offshore exploration potential, important discoveries and enhancements made lately
- **The most important gas producer in Romania** (output of 5.3 bcm in 2019)
- Significant market share in the total gas supply in Romania.

Underground Gas Storage

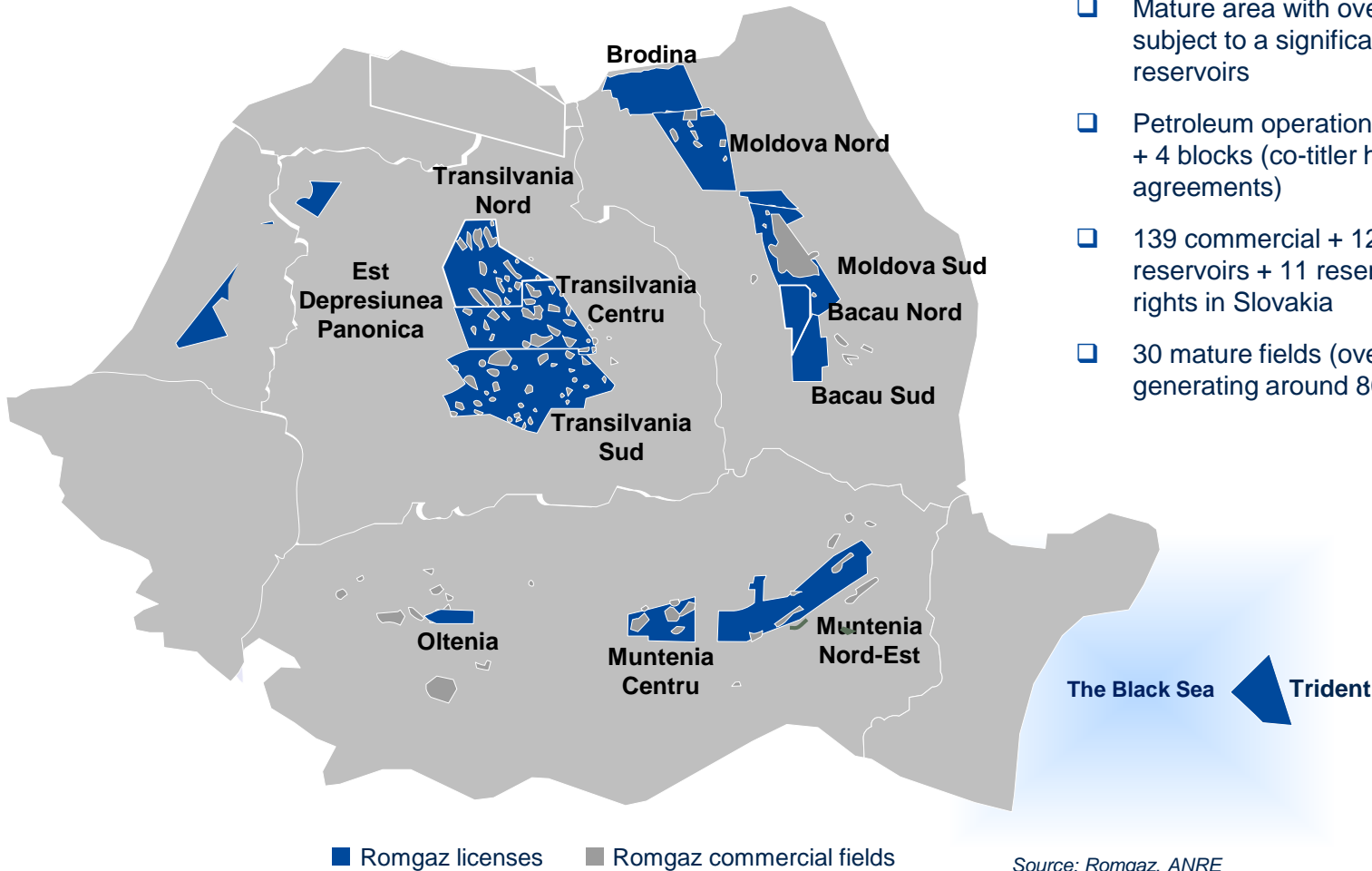
- Working capacity: 2.82 bcm at end - December 2019
- Important investments to secure the gas supply
- **Market share of 94% in Romania**
- Regulated activity

Electricity Production

- **New power plant in construction (430 MW)**
- Old power plant shrinking operations
- Market share of 1.0% in terms of production in 2019.

Group Overview

Major Producer and Supplier of Natural Gas in Romania



- ❑ Mature area with over 100-year production history – subject to a significant production enhancement of main reservoirs
- ❑ Petroleum operations in 9 E/D/P blocks (100% interest) + 4 blocks (co-titler holder under concession agreements)
- ❑ 139 commercial + 12 experimental production reservoirs + 11 reservoirs operated with Amronco; E/P rights in Slovakia
- ❑ 30 mature fields (over 30-year old) are currently generating around 80% of total production

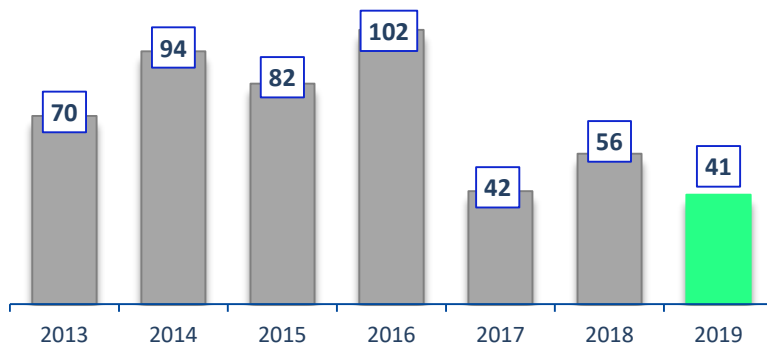
- **Recent use of new technologies** to mitigate production decline
- **Largest hydrocarbon discovery in the past 30 years (Caragele)** - to be brought on stream
- **Offshore discovery** in the Black Sea as well.

Source: Romgaz, ANRE

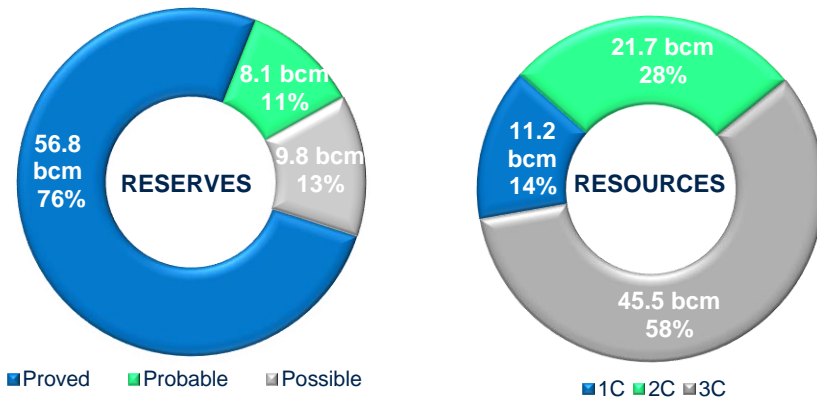
Group Overview

Important progress in 2019, strong portfolio of resources and reserves

Reserves Replacement Rates (RRR) (%)



Audited Gas Reserves and Contingent Resources¹
Dec 31, 2017 (bcm, % of total)



❑ **RRR of 41% in 2019:** due to reduced volume of revalued commercial fields and postponed investments in infrastructure for commissioning production facilities

❑ **3 bcm added to contingent resources** (from prospective resources) by 2 wells (well 7 Merii and well 4 Tapu)

✓ Recovery factors between 55-85% for most fields (90% in more mature fields)

✓ Maintaining and extending our gas reserves and resources represent a strategic priority !

✓ Diversification / improvement of the gas resources and reserves is achieved through: *New discoveries + Enhancement of the recovery rate of the proved reserves*

Next audit to be performed in-house, our estimates proved reliable

Last external audit of our gas reserves and resources (US DeGolyer & MacNaughton, end-2017):

❑ *total C Resources of 78.4 bcm, +55% vs previous audit*

❑ *5-year average RRR of 78% - well above our target of 70%.*

Source: External audit prepared by DeGolyer&MacNaughton USA, as of Dec 31, 2017

¹ 1C Contingent Resources include developed proved reserves with exploitation programme after Dec 31, 2042 (which is the expiration date for ongoing concessions)

Exploration Activities

FY 2019: Efforts undertaken to unlock the resource potential and secure production



- ❑ **6 exploration wells recorded successful production tests** (out of a total of 10 wells) – temporarily halted, to enter experimental or final production after infrastructure construction
- ❑ **As a result, success rate stood at 60% in 2019** (positively at the upper range of 35-65% internationally)
- ❑ **2 small discoveries located in Transylvania** put into experimental production at the beginning of 2019; we need to drill new wells to evaluate
- ❑ Exploration works designed in-house, using professional software to assess prospects of hydrocarbon accumulation, followed by exploration operations

Overall: Concession Agreements in 8 onshore blocks for petroleum operations for 30 years, since Oct 1997

16,210 km² in Transylvania, Moldova, Oltenia and Muntenia basins, with 100% working interests

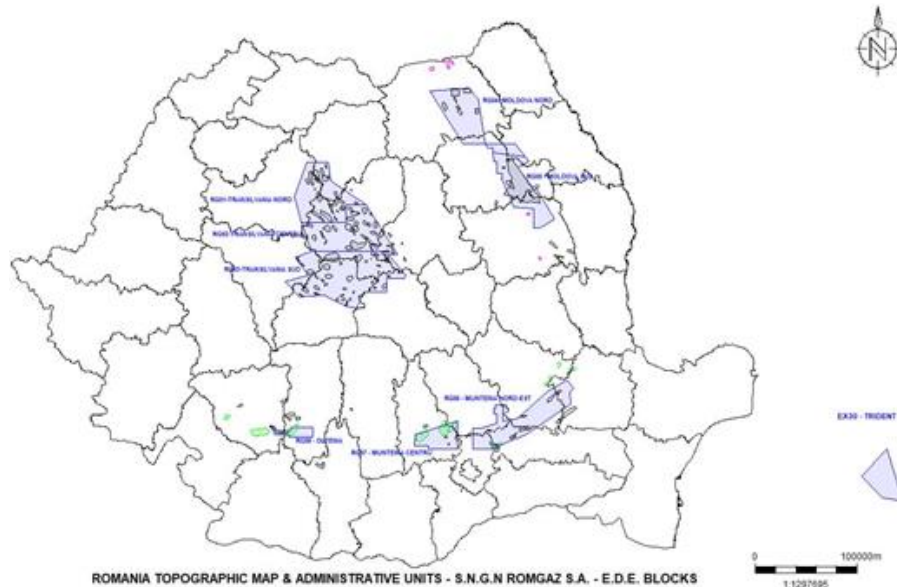
Plus 1 petroleum agreement for offshore E&P in the Black Sea (with Lukoil)

Romgaz: Oct/2016 – Oct/2021 Minimum Working Commitment as agreed with the National Agency for Mineral Resources (ANRM)

Seismic activities	2D studies (km)	200
	3D studies (km ²)	1,000
Drilling	No. of wells	43
	Drilling (meters)	113,000
Total investment value agreed (USD mln)		289

Exploration Activities

Significant discoveries of natural gas



ON-SHORE:

- **Largest hydrocarbon discovery in the past 30 years (June 2016):** located in NE of the Moesian Platform in **Caragele** structure – confirmed by production tests with 2 wells
- Estimated contingent resource of 150-170 mln boe (25-27 bcm) at depths between 4,100 - 4,200 m
- **Current stage:**
 - Started production with the “77 Rosetti” well, output potential of 1,500 boe/day
 - Final phase of obtaining construction authorisations for building 5 evaluation wells (2019-2020) and verification with 4 wells of possible extensions of hydrocarbon accumulations.

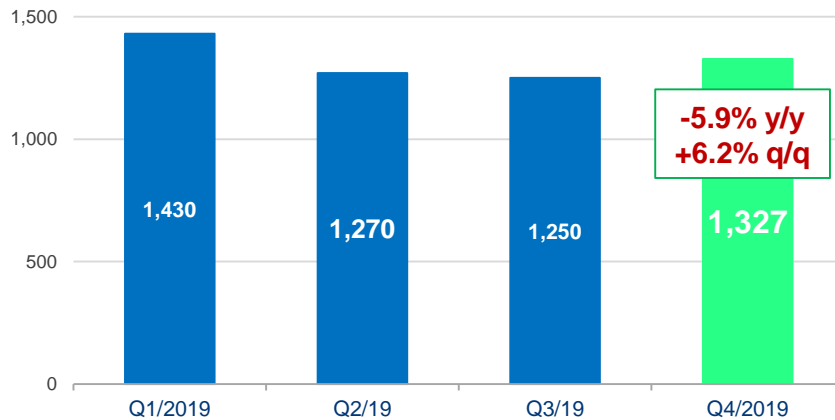
OFF-SHORE:

- Large discovery announced in the Black Sea, **Trident block** (Oct 2015): gas estimated contingent resource can exceed 30 bcm.
- March 2018: SGM approved the increase of Romgaz working interest in the offshore exploration-development-production block EX-30 Trident to 12.2%.
- **Current stage:** drilling of the 2nd exploration well has started in early-Nov 2019; evaluation tests to follow.

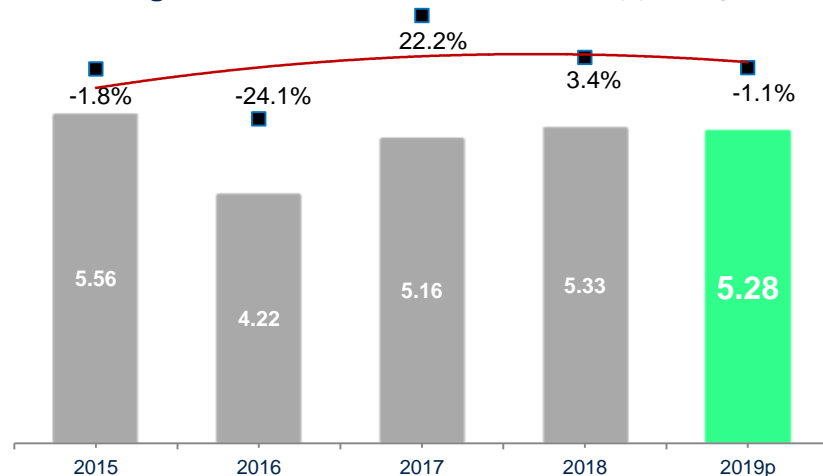
Natural Gas Production

FY 2019: Favorable developments, including in Caragele field

Romgaz: Significant Production level in 2019 (mln cm)



Romgaz: Annual Gas Production (bcm, y/y change)



➤ **CARAGELE:** we started production in Caragele Deep (our discovery) at end - Jan 2020 with 1 well (1,500 boe/day)

➤ **2 other wells put in production in Caragele commercial field (1,000 boe/day jointly)**

These 3 production wells are expected to enhance production in CARAGELE by 30% (Romgaz total gas production +1.4% in Jan)

➤ We also successfully limited the Natural Production Decline at 1.4% starting 2013.

➤ **FY2019: natural gas production of 5.28 bcm, south by 1.05% y/y - we achieved almost 99% of the budgeted figure**

➤ Main developments include:

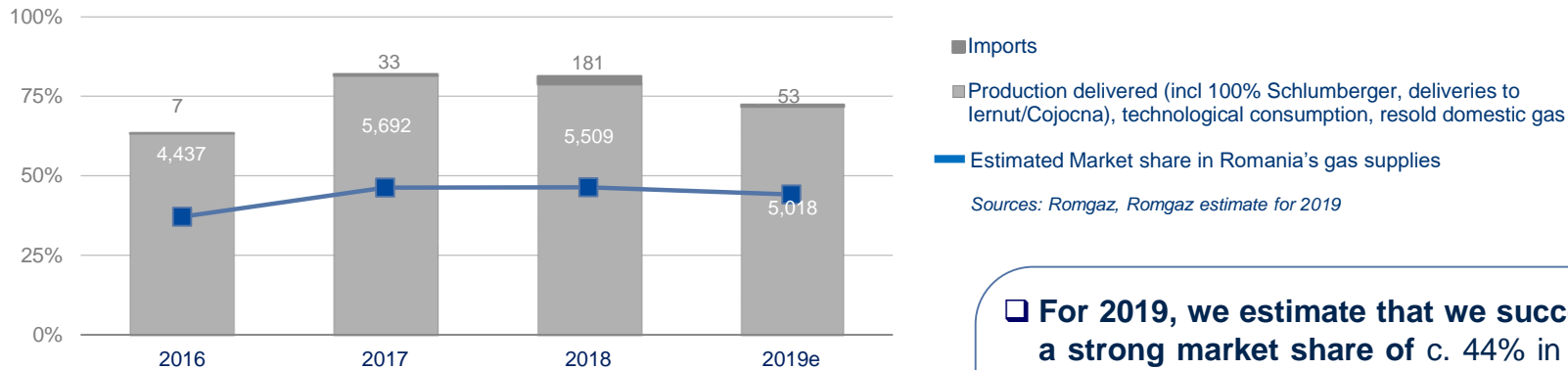
- **CARAGELE:** extention/upgrade of surface facilities + commissioning of new wells had a gas production contribution of 6.9%, and condensate output of 62% in Romgaz output
- Continuous production rehabilitation of main mature fields (which positively stopped the production decline in these fields) e.g. Fititelnic, Delenii, Lasau, Sadanca, Copsa Mica, Nas-Prod-Seleus
- Repair and well recompletion works in 169 wells – with a contribution of **3.7% in total output**
- Commissioning of new compressor units

➤ **Q4/19 alone: gas production -5.9% vs Q4/18 on warm weather, lower both lernut and domestic consumption, +6.2% vs Q3/19**

Gas Supply & Sales

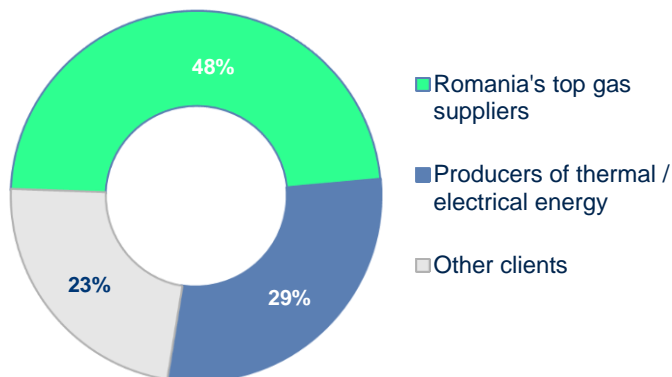
2019: Strong market share and client portfolio

Romgaz: Market share in domestic consumption (% , mln cm)



Sources: Romgaz, Romgaz estimate for 2019

Romgaz: Portfolio of Clients (quantities of gas sold, FY 2019)



Portfolio breakdown reflects specific quarterly characteristics of gas demand

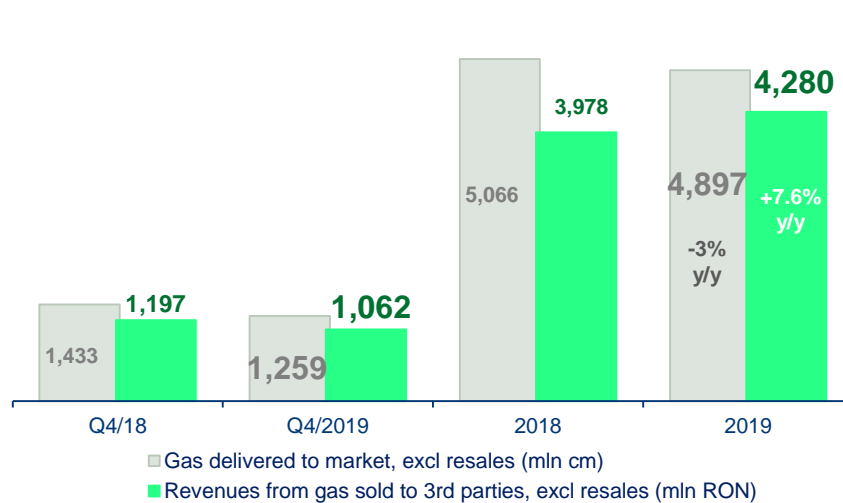
- For 2019, we estimate that we succeeded to maintain a strong market share of c. 44% in total gas deliveries in Romania
- Also, we estimate that Romgaz share increased to around 56% in the country's gas consumption from domestic production
- We continue efforts to enhance our sale strategy

- We enjoy a strong portfolio of clients
- **Our gas trading strategy aims to:**
 - secure a balanced client portfolio
 - ensure price flexibility by trading on free markets
 - fulfill the domestic market demand.

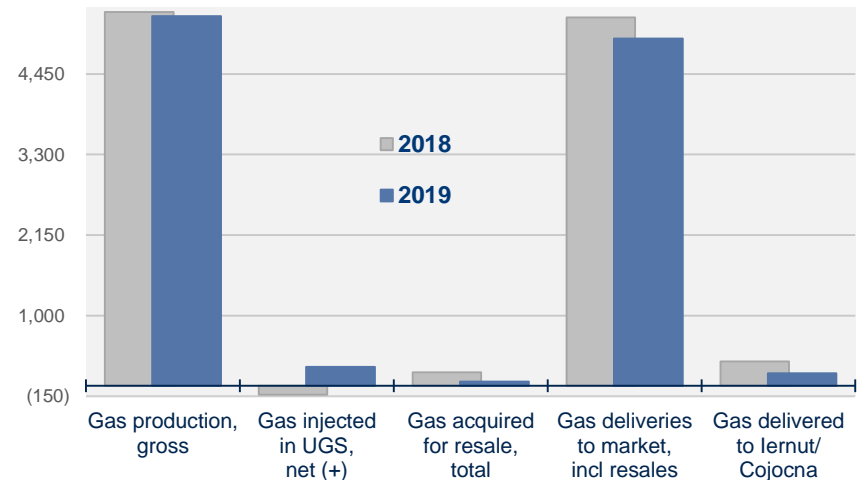
Gas Supply & Sales

Q4/FY 2019: Strong gas sales to third parties, timely gas chain management

Romgaz: Gas Sales from production
- revenues and volumes -



Romgaz: Gas Chain Management (mln cm) to meet seasonality and demand



- ❑ **FY 2019: Consolidated Revenues from gas sold to 3rd parties (excluding gas acquired for resale) +8% y/y, on volumes delivered -3% y/y**

Total Gas volumes sold at regulated prices: 31%

Total Gas volumes delivered to 3rd parties: -6% y/y

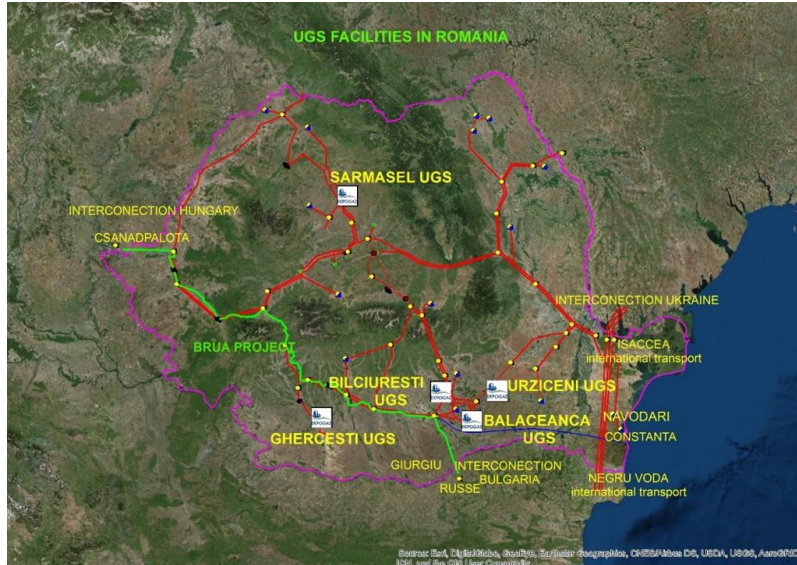
- ❑ **Q4/2019 alone:** Gas revenues -11% y/y, on volumes sold -12% y/y (excluding resales)

- ❑ Management of gas flow from production to clients is important
- ❑ Gas sales are generally peaking in Q1 and Q4
- ❑ Gas sales are accompanied by revenues from storage and electricity production & trade activities
- ❑ Optimisation of our gas value chain is a priority !
- ❑ We make continuous efforts to improve the gas sale strategy

UPSTREAM SEGMENT CONTRIBUTION IN 2019: 91% in Revenue and in EBITDA (consolidated)

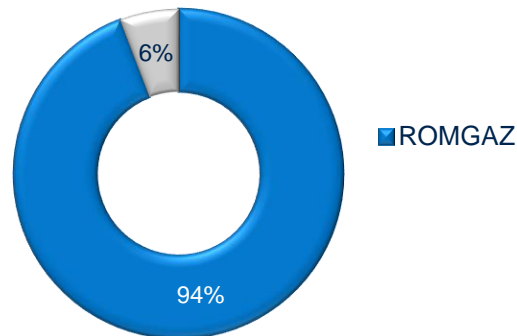
Underground Gas Storage

Romgaz Group: Romania's Largest Operator of UGS (Underground Storage) facilities



Romgaz Group: Underground Gas Storages at end - 2019 - working capacities (mln cm/cycle) -			
Bilciuresti	1,310	Ghercesti	150
Sarmasel	900	Balaceanca	50
Urziceni	360		
Total Working Capacity: 2,770 (starting Jan 1, 2019)			

ROMGAZ Group UGS Market share

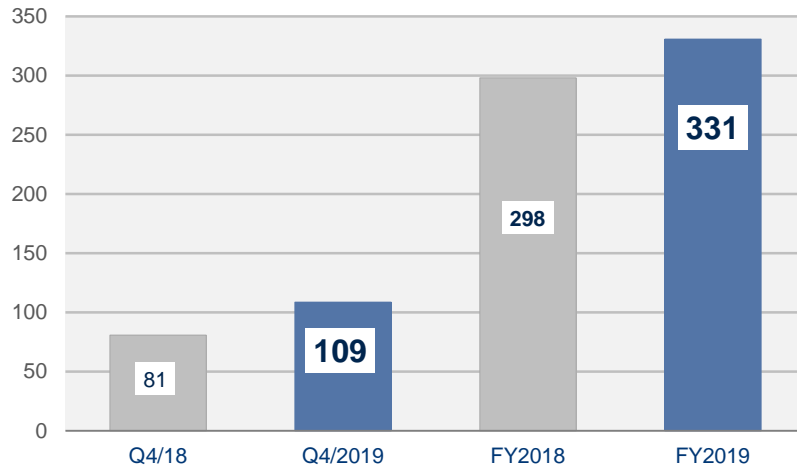


- ❑ Romgaz Group has 5 storage facilities, with a total working capacity of 2.77 bcm (total capacity of 3.97 bcm)
- ❑ Romgaz also owns 40% of Depomureş (0.30 bcm), a JV with Engie
- ❑ Investment plans aim to extend the existing capacity and build a new one – in order to secure gas supply long-term
- ❑ Storage activity is regulated by ANRE, royalties of 3% of operating revenues
- ❑ The UGS activity was separated into a distinct legal entity (DEPOGAZ) on April 01, 2018

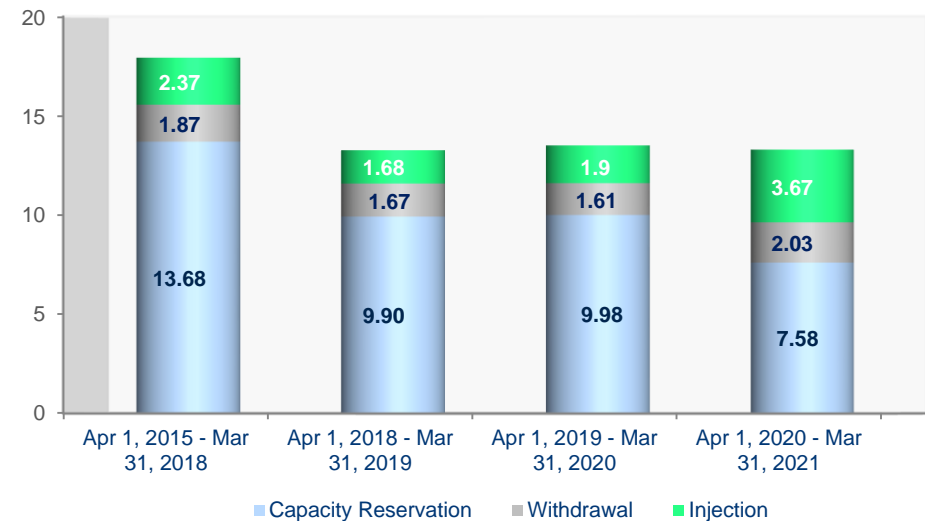
Underground Gas Storage¹

Favorable performance reported in Q4/FY 2019

Romgaz: Revenue from Storage Services (mIn RON)
- capacity reservation, withdrawal, injection -



Romgaz: Regulated storage tariffs (RON/MWh)



- ❑ **FY 2019: UGS revenues of RON 331 mln, +11% y/y**
- ❑ **Q4/2019: UGS revenues +34% y/y**
- ❑ Evolution mainly reflects the regulated storage tariffs and market environment over the period.

- ❑ **2019: stored gas volumes at 69% of UGS total working volume**
- ❑ **New tariffs starting with April 1st, 2020**
- ❑ Capacity reservation activity provides the bulk of the UGS revenues (roughly 77%).

¹ Consolidated figures, 2018 restated

STORAGE SEGMENT CONTRIBUTION IN 2019: 6% in Revenue and in EBITDA (consolidated)

Electricity Production & Trading

“GAS to POWER” Investment: Construction of a new power plant

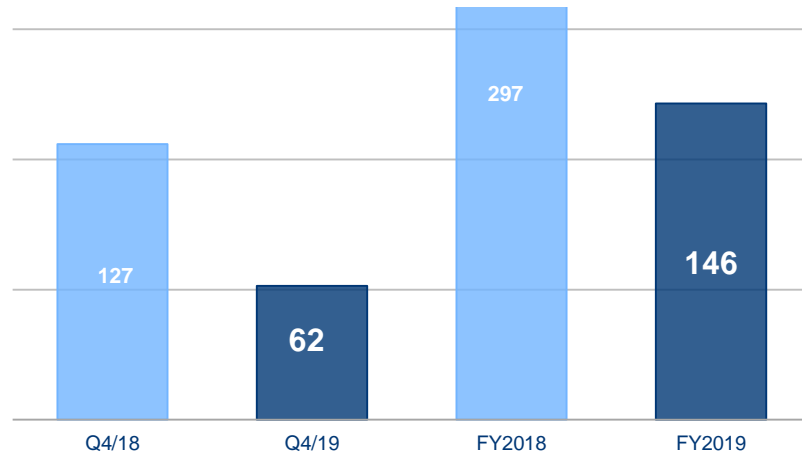
- **Gross electric power capacity: 430 MW**
 - **Gross electrical efficiency at nominal load: 56.4%**
 - **CCGT Iernut benefits from a strategic positioning** – in the middle of the national electricity system
 - **Main roles:** cover national power consumption by acting in the wholesale and balancing markets, ensure ancillary services to the national system, eliminate network constraints in NW Romania
 - 25% of the total eligible investment costs represent a non-refundable financing from the National Investment Plan
-
- The plant consists of:
 - 4 gas turbines*
 - 4 recovery boilers for steam production with 3 pressure levels*
 - 2 steam turbines*
 - Investment is planned to be finalized at end-2020.



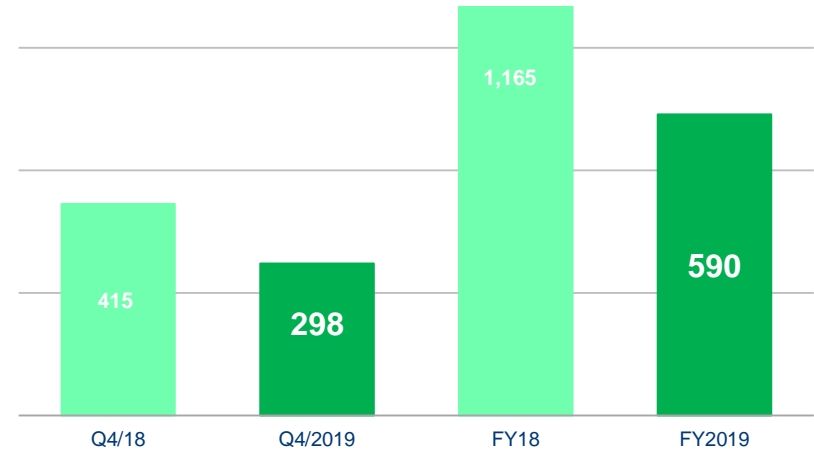
Electricity Production & Trading¹

Q4/FY 2019: activity gradually lower to make room for the new plant

Romgaz: Revenues from Electricity (mln RON)



Romgaz: Production of Electricity (GWh)



- ❑ **FY 2019: Revenues from Electricity of 146 mln RON, as a result of works on the new power plant**
- ❑ **Q4 alone: Revenues of 62 mln RON**
- ❑ Expectedly lower market share in terms of electricity production last year (1.0% in 2019).

- ❑ Lower installed capacity to make room for the new plant
- ❑ **2 energy groups operational at end-2020 (300 MWh jointly)**
- ❑ **New power plant – scheduled to be finalized at end-2020**

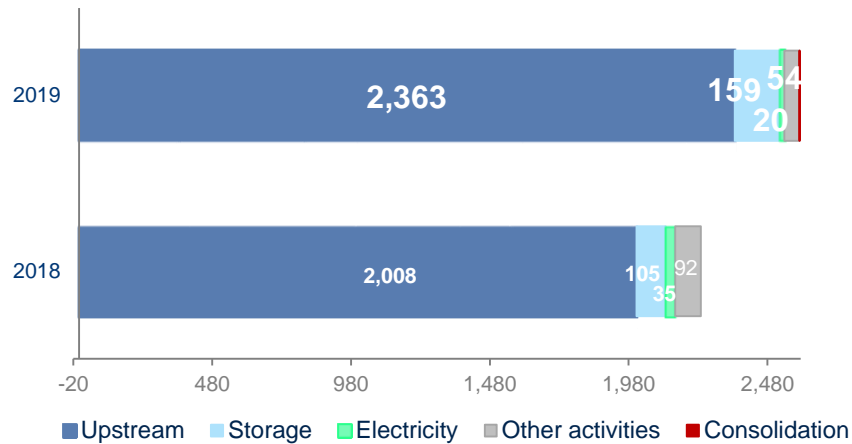
¹ Consolidated figures, 2018 restated

ELECTRICITY SEGMENT CONTRIBUTION in 2019: 3% in Revenue and 1% in EBITDA (consolidated)

Financial Performance¹

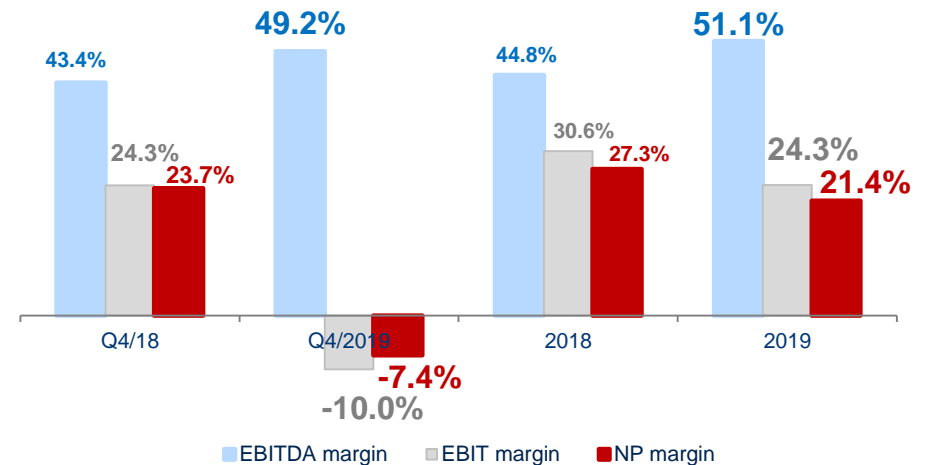
FY 2019: Strong EBITDA levels

Romgaz Group: EBITDA by Segments (mln RON)



- 2019: EBITDA +16% y/y
- The bulk of Revenues and EBITDA is generated by our core segment Gas Upstream (Exploration & Production)

Romgaz Group: Robust Profitability Rates



- Both in Q4/FY2019, EBITDA margin showed improved profitability compared to 2018
- In Q4/19 alone, EBIT and NP went into a red territory, as a result of higher Depreciation, amortization and impairment expenses.

¹ Consolidated figures, 2018 restated

Financial Performance¹

FY2019: Important profitability margins in spite of higher provisions

Summary FY2019 (vs FY2018)

Revenues - total	5,080 mln RON (↗2%)
EBITDA	2,595 mln RON (↗16%)
Net Profit	1,090 mln RON (↘20%)
EBITDA margin	51.1% (↗)
NP margin	21.4% (↘)

Summary Q4/2019 (vs Q4/2018)

Revenues - total	1,290 mln RON (↘17%)
EBITDA	635 mln RON (↘6%)
EBITDA margin	49.2% (↗)
Net Loss	95 mln RON

- ❑ **Revenues +2% in 2019** due to sales from our gas production
- ❑ **Higher total taxes in 2019** (included in “Other expenses”) - breakdown as follows:
 - windfall profit tax of RON 717 mln (FY18: RON 551 mln)
 - gas&UGS royalties of RON 343 mln (FY18: RON 445 mln)
 - the new 2% tax: RON 87 mln
- ❑ **Total adjustments of noncurrent assets of RON 837 mln vs RON 117 mln in 2018** (these included an impairment loss of RON 388 mln as a result of negative reevaluation of storage assets, recorded in Q4)
- ❑ **EBITDA and EBITDA margin advanced both in Q4 and in FY2019**

Million RON	2017	2018	2019	%ch	Q4/18	Q4/19	%ch
Revenues - of which	4,585	5,004	5,080	2%	1,560	1,290	-17%
Gas Production	3,512	3,978	4,280	8%	1,197	1,062	-11%
Gas acquired for resale	51	217	101	-53%	61	4	-94%
Storage	506	298	331	11%	81	109	34%
Electricity	464	297	146	-51%	127	62	-51%
Other services	34	189	185	-2%	86	47	-45%
Other income*	364	18	33	78%	8	8	4%
Cost of commodities sold	(61)	(245)	(108)	-56%	(60)	(5)	-91%
Changes in inventory	(187)	(32)	80		(51)	1	
Raw materials	(64)	(75)	(76)	1%	(22)	(16)	-27%
Exploration expense	(183)	(247)	(25)	-90%	(52)	(0)	-100%
Headcount expense	(563)	(621)	(670)	8%	(186)	(189)	1%
Other gains and losses	(122)	(103)	(63)	-39%	(45)	(33)	-27%
Impairment losses on trade receivables**	-	(20)	(81)	307%	176	(50)	
Associate's result share	1	1	1		1	0	
Other expenses	(1,102)	(1,409)	(1,552)	10%	(468)	(363)	-22%
EBITDA	2,650	2,240	2,595	16%	676	635	-6%
EBITDA margin	57.8%	44.8%	51.1%		43.4%	49.2%	
D&A	(552)	(708)	(1,358)	92%	(298)	(764)	156%
EBIT	2,097	1,532	1,237	-19%	378	-129	
EBIT margin	45.7%	30.6%	24.3%		24.3%	-10.0%	
Net Interest income	22	53	38	-28%	13	8	-40%
PROFIT BEFORE TAX	2,120	1,585	1,275	-20%	392	-121	
Income tax	(316)	(219)	(186)	-15%	(22)	25	
NET PROFIT	1,804	1,366	1,090	-20%	370	-95	
Net margin	39.3%	27.3%	21.4%		23.7%	-7.4%	

* 2017: we recorded one-off income of RON 244 mln

** Separated from “Other gains and losses” due to the application of IFRS 15 in 2018

Financial Performance¹

Strong B&S Structure, Debt-free at end-2019

- **Debt-free Balance Sheet**
- **At end-2019, total cash position amounted to RON 1,439 mln** (cash, bank depos and govt's treasury bonds)

Romgaz: Selected Cash Flow Items

Mln RON	2017 restated	2018 restated	2019 restated
Net profit for the period	1,804	1,366	1,090
Operating Cash Flow before Δ WC and Income tax	2,957	2,537	2,730
Movements in working capital	104	(60)	0
Net Cash flows from operating activities	2,751	2,143	2,432
Net Cash flows from investing activities	(585)	814	(1,027)
Net Cash flows from financing activities	(2,220)	(2,617)	(1,608)
Net change in cash and cash equivalents *	(53)	340	(203)

* This line reflects only the change in "Cash and equivalent" (i.e. bank accounts with maturity lower than 3 months)

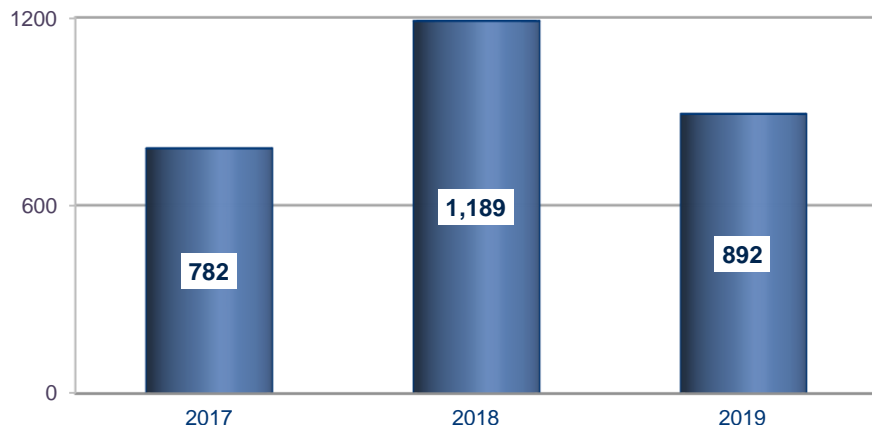
¹ Consolidated figures

Romgaz Group: Selected Balance Sheet Items

Mln RON	Dec 31, 2017 restated	Dec 31, 2018 restated	Dec 31, 2019
Total non-current assets, thereof	6,393	6,445	5,822
Property plant and equipment	6,222	6,280	5,543
Investment in associates	23	23	25
Deferred tax asset	70	127	231
Other financial investments	70	10	5
Other assets (leasing related)			9
Total current assets, thereof	4,526	2,690	2,431
Inventories	390	246	311
Trade and other receivables	816	826	638
Other financial assets - govt securities and bank depos (+3mo maturity)	2,787	881	1,075
Cash and equivalents	227	567	364
Contract costs	-	1	0
Other assets	306	169	42
Total assets	10,919	9,135	8,253
Shareholders' Equity			
Share capital	385	385	385
Reserves	2,313	1,825	1,587
Retained earnings	6,277	5,458	5,201
Total Shareholders' Equity	8,995	7,669	7,174
Non-current liabilities, thereof	802	670	511
Provisions	682	510	366
Retirement-related provisions	119	139	115
Current liabilities, thereof	1,142	796	568
Trade payables	606	187	110
Contract liabilities	-	46	43
Current tax liabilities	129	68	64
Provisions	77	94	83
Total liabilities	1,943	1,466	1,079
Total equity and liabilities	10,919	9,135	8,253

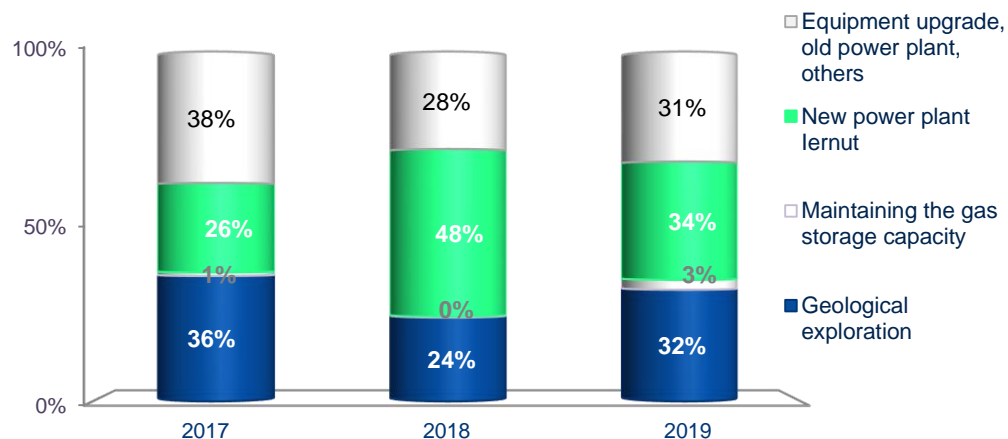
Key role in the company's sustainable development – FY 2019 developments

Romgaz Group: Capital Expenditures (RON mln)



- ❑ **2019: Total CAPEX of ROMGAZ Group amounted to RON 892 mln**, which accounted for 67% of the budget planned for this period
- ❑ Investments are financed from the company's own sources and from National Investment Plan for the new Power Plant.

Romgaz Group: Breakdown of Investments



- We finalised 9 exploration wells, at 4 wells drilling is in progress, 14 wells are under drilling procurement, and 21 wells are in process to obtain approvals
- We also performed in-house recompletion, reactivation and capitalizable repairs for 169 wells
- For the new power plant Iernut, construction works were carried out for the electric and command buildings, the engine room, the water treatment station, the cooling water pumping station and the foundations and the superstructure for equipments and technological installations
- UGS - we put into operation fixed assets (modernisation of Ghercesti storage, gas heaters, equipment upgrade)
- We carried out preparatory activities for the new objectives.

¹ Consolidated figures

Strong Commitment for Business Development

GROUP DEVELOPMENT STRATEGY

- Romgaz proposes to be an active, profitable and competitive player on the gas & electricity production market
- Romgaz has to pursue both an intensive development on the local market and an international development in order to become an important player on the regional energy market

Increase the gas resources and reserves portfolio.
Discovery of new resources.
Increase production efficiency of current resources

Consolidate the position on the energy supply markets.
Integration on the renewable energy market

Create value for shareholders by developing new services and products

Business development by approaching new internal and international markets

Main Strategic Objectives

Strong Commitment for Business Development

Main development directions taken into account:

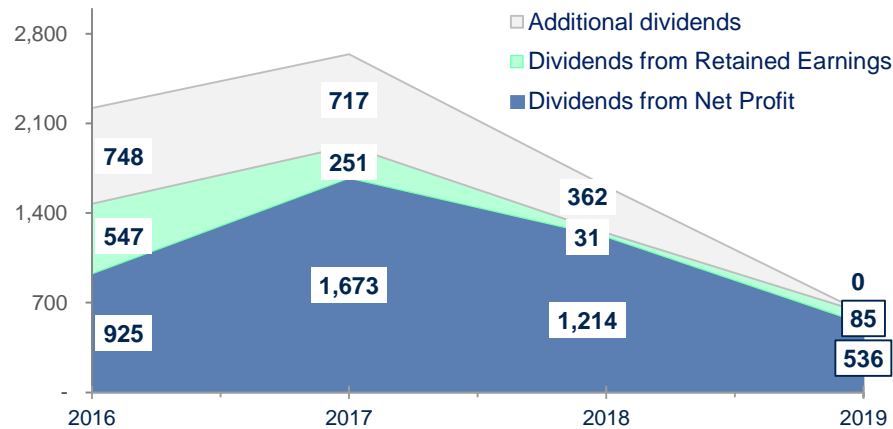
- Improve the efficiency of our gas production in new value-added production activities
- Consolidate our position on the energy supply markets (gas-fired / possibly renewable energy)
- Looking to the petrochemical industry
- Continue to invest in our UGS to improve storage capacity
- Diversify gas exploration by entering new off-shore partnerships (EGM held on March 11, 2020 approved purchasing of external legal advisory services for the potential acquisition of an interest in Neptun Deep block)
- Also, we intend to participate in Round XI of auctions for the concession of exploration/development/production activities in 28 blocks as announced by ANRM (National Agency for Mineral Resources)
- Continue our gas production rehabilitation programmes and to bring gas discoveries into the development stage.

Dividend distribution

FY2019: Payout ratio of 57% approved by shareholders

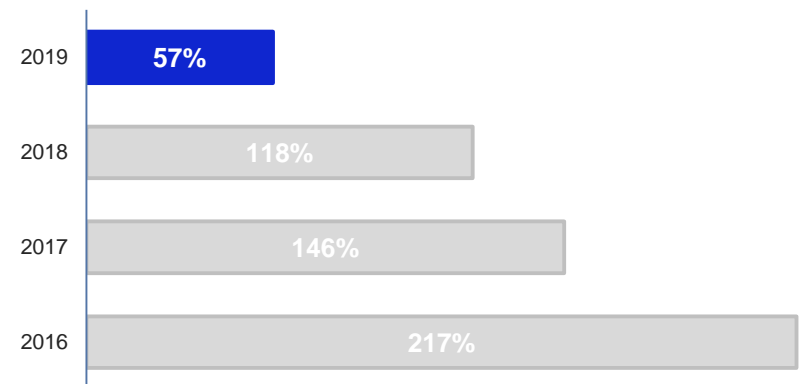
Romgaz: Gross Dividend Distributions¹ (RON mln)

¹ For the fiscal years 2016-2019: Dividends were paid in the next fiscal year



Romgaz: Gross Dividend Payout ratios*

* Payout ratios computed as:
Total Gross Divids (incl Additional Divids) / annual Net Profit of the Group



- ❑ **Gross Dividend approved by the SGM on April 22, 2020: RON 1.61 / share in total** (of which: RON 1.39 from the annual NP and RON 0.22 from reserves) – dividend ex-date is July 2
- ❑ Majority state-owned companies are required to distribute at least 50% of the annual NP in the form of dividends to shareholders

Romgaz Group – Investment Case



Why to invest in Romgaz shares

<ul style="list-style-type: none"> ➤ Operational excellence / robust margins 	EBITDA margin of 51.1%, EBIT margin of 24.3% and Net Profit margin of 21.4% in 2019
<ul style="list-style-type: none"> ➤ High dividend payout ratios to please investors 	Gross Dividend payout ratio of 118% for 2018 (computed as Total Gross Dividends per 2018 Net Profit of the group)
<ul style="list-style-type: none"> ➤ Net cash reserves ➤ Debt free B&S 	We recorded total cash&equivalent of RON 1.4 bn at end-2019 Cash ¹ / Mktcap = 13% (share price on April 13, 2020)
<ul style="list-style-type: none"> ➤ Among top gas producers in Romania and one of the largest in the region as well 	Favorable market share in terms of gas production in Romania Main operator of the Underground Gas Storages in Romania Holder of large gas reserves among European countries
<ul style="list-style-type: none"> ➤ Strong base of gas reserves in Romania 	Based on our investment policy, we intend to maintain the reserves level and the high RRR (avg of 78% during 2013-2017)
<ul style="list-style-type: none"> ➤ Expected opening of the export gas markets 	Export markets will enlarge our client portfolio, with positive outcome on revenues
<ul style="list-style-type: none"> ➤ Important investment plans in Romania 	We are now building a new power plant to strengthen position on the electricity market; also we plan to diversify our investment portfolio in order to increase profitability
<ul style="list-style-type: none"> ➤ Diversification of investment projects abroad 	Top management has a strong commitment for Business Development
<ul style="list-style-type: none"> ➤ Strong management team, skilled workforce 	Management team has significant expertise in the sector, headcount is strongly committed

¹ considering all cash equivalents at end-2019, consolidated figure

The Board of Romgaz SA: Balanced Team of Professionals



Manuela Petronela Stan Olteanu BoDs Chairperson

Manuela Petronela Stan Olteanu – mandate as interim board-member was prolonged by 2 months by the SGM on April 13, 2020. Expertise of Ms. Manuela Petronela Stan Olteanu includes top positions such as Chairperson / BoDs member or special administrator in Romgaz (since mid-2019), in the Black Sea offshore oil&gas regulator ACROPO (since 2018), Conpet and Hidroserv (2017-2018), Powerplant Midia (since 2017), Electrocentrale Group and Electrocentrale Bucuresti (2017). Also, she held top positions with the Romanian Government and AVAS. She holds a Master Degree in Advanced Civil Law and Civil Procedure Law.

Marius Aristotel Jude

Marius Aristotel Jude – mandate as interim board-member was prolonged by 2 months by the SGM on April 13, 2020. Expertise of Mr. Marius Aristotel Jude includes the positions of Board member of Romgaz (during 2016-2017 and 2018-2019), Secretary of State for the Ministry of Energy (2015- 2017), Board member of Romgaz (during 2016-2017, 2018-2019), of Depomures SA (2010-2014) and of Amgaz SA (2009-2015). He also had various management positions in SNGN Romgaz SA. He holds an MBA in Company Management.

Tudorel Harabor Independent Chairman of the Strategy Committee

Tudorel Harabor – mandate as interim board-member was prolonged by 2 months by the SGM on April 13, 2020. Mr. Tudorel Harabor holds this position since mid-2019. His experience also includes positions such as General Manager of the Federation of European Producers of Abrasives FEPA (2007-2019), special administrator of Gerovital Cosmetics (2017) and Economic Manager of the Health Insurance House (2005-2006).

Marius Dumitru Marin Independent

Marius Dumitru – mandate as interim board-member was prolonged by 2 months by the SGM on April 13, 2020. Experience of Mr. Marius Dumitru Marin includes top positions such as CEO of MDM Consultancy (since 2019), CEO and Board member of MACON Group (2006-2018), COO of MEFIN SA (2004-2006), Technical and Quality System Director of PCC STEROM SA (2001-2003), President and CEO of UTON Onesti SA (1994-1999). He holds a PhD in Engineering.

Balazs Botond Chairman of the Nomination and Remuneration Committee

Balazs Botond – mandate as interim board-member was prolonged by 2 months by the SGM on April 13, 2020. Mr. Balazs Botond previously held positions of Head of Legal Department of SNGN Romgaz (since 2019), Legal counsellor (2011-2019). He is also Board member of SC Meditur SA (since 2018) and of SC ECO-SAL SA (since 2016). He holds a Master Degree in Private Law Institutions.

Romeo Cristian Ciobanu Independent

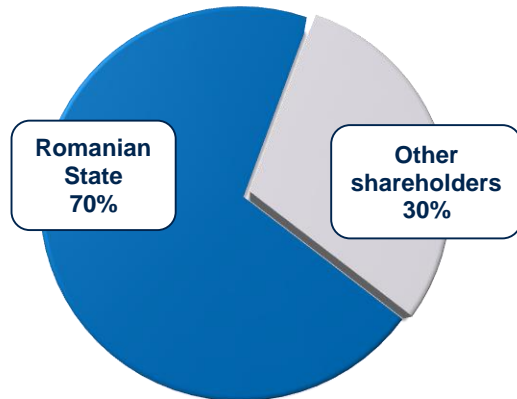
Romeo Cristian Ciobanu was re-confirmed member of ROMGAZ BoDs in June 2019 (4-year mandate starting mid-2018). Mr. Romeo Cristian Ciobanu was also member of BoDs of Romgaz (since 2017), of Electrocentrale Iasi (2002-2004) and of other companies (1997-2002). He is Manager of Politech Iasi (since 2016) and Professor at Technical University of Iasi (since 2000). He holds an MBA at Technical University of Iasi, a PhD in Electronic Technology and Reliability, and a PhD in Chemistry and Chemical Technology.

Petrus Antonius Maria Jansen Independent Chairman of the Audit Committee

Petrus Jansen was re-confirmed member of ROMGAZ BoDs in June 2019 (4-year mandate starting mid-2018). Mr. Petrus Antonius Maria Jansen held this position previously during 2013-2018. He is Principal Lecturer / Director of Academic Program at London School of Business and Finance (since 2013). Petrus Jansen holds an MBA at NIMBAS, Utrecht, University of Bradford UK.

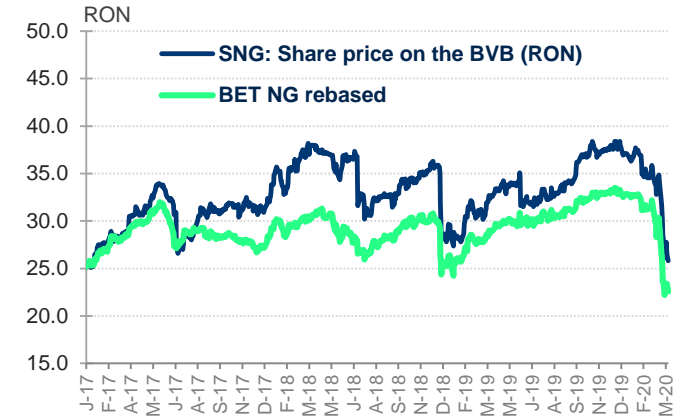
Shareholding Structure and Stock Performance

Romgaz: Among blue-chips on the domestic capital market



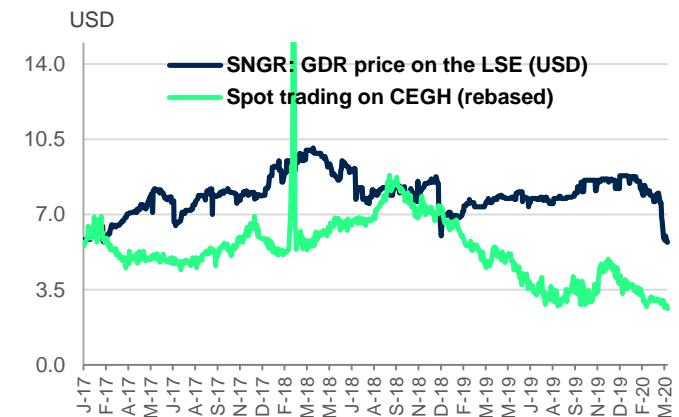
12M - Share Price Performance on the BVB		
Period	Min (RON)	Max (RON)
Q1/19	27.35	32.70
Q2/19	31.50	35.10
Q3/19	31.75	36.95
Q4/19	36.70	38.40

12M Total Traded Value (FY2019):
945 million RON or 0.8 million EUR/day



- ❑ Shareholding structure: the Romanian State (Ministry of Economy, Energy and Business Environment) majority shareholder – **70%**, Free Float - **30%** (shares traded on the BVB and GDRs traded on the LSE)
- ❑ Romgaz ranks the **3rd largest domestic stock** traded on the BVB – mktcap of EUR 2.4bn *)
- ❑ **In the top 3 most traded stocks** on the BVB *)
- ❑ Included in BVB's main indices (weighing 29% in energy and utilities BET-NG index, and between 9%-11% in BET, BET-XT, BET-TR, ROTX)
- ❑ Included in main global indices with allocation on Romania (such as FTSE, MSCI, S&P, STOXX, Russell Frontier).

Total no of shares: 385.42m



*) Based on the trading price on April 13, 2020, and on BVB's past 6M/12M trading statistics

THANK YOU FOR YOUR ATTENTION !



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Financial Calendar - 2020

- Feb 25: Release of the 2019 Preliminary Financial Results
Confcall with financial analysts & investors
- April 22: SGM to approve the 2019 Financial Results
- April 23: Release of the 2019 Financial Results
- May 15: Release of the Q1 2020 Financial Results
- May 18: Confcall with financial analysts & investors
- Aug 14: Release of the H1/Q2 2020 Financial Results
- Aug 17: Confcall with financial analysts & investors
Press Conference
- Nov 13: Release of the 9M/Q3 2020 Financial Results
- Nov 16: Confcall with financial analysts & investors