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## PRESS RELEASE

### Quarterly Report on the economic - financial activity of ROMGAZ GROUP on September 30, 2022

The full version of the **Quarterly Report on the economic - financial activity of ROMGAZ GROUP on September 30, 2022 (January – september 2022)**, and the **Consolidated Condensed Interim Financial Statements for the Nine-Month and Three-Month periods ended September 30, 2022 (not audited, prepared in accordance with International Accounting Standard 34)**, are available on company's website [www.romgaz.ro](http://www.romgaz.ro) – Section [Investors](#) – [Interim Reports](#) and on Bucharest Stock Exchange website.

#### ROMGAZ GROUP<sup>1</sup> PERFORMANCES

In the first nine months of 2022, Romgaz Group recorded a **revenue** of **RON 10,812.55 million**, an increase by 209.24%, namely RON 7,316.02 million, as compared with the revenue achieved in the first 9 months of 2021.

**Net profit** of **RON 2,237.81 million** was higher by 93.52%, namely RON 1,081.43 million, as compared with the similar period of the previous year.

Consolidated net profit per share (**EPS**) was **RON 5.81**, by 93.5% higher than the one recorded in the first nine months of 2021.

For the reporting period, Romania's estimated natural gas consumption<sup>2</sup> was 78.34 TWh, approximately 14% lower than the consumption recorded in the similar period of 2021.

Thus, **Romgaz market share** estimated for the first 9 months of 2022, is 50.6%, by 5% higher than the market share recorded in the same period of the previous year.

**Natural gas production** for the first 9 months of 2022 was **3,687.4 million m<sup>3</sup>**, by 0.5% lower than production recorded in the similar period of last year, namely 19 million m<sup>3</sup>.

**Electricity produced** in the reporting period was **839.465 GWh**, 97.02% higher (+413.365 GWh) than in the same period of the previous year.

In Q3/2022 Romgaz produced 294.806 GWh, increasing by 71.806 GWh, namely 32.21% higher than in Q3/2021. With this production, Romgaz has a 2.32% market share.

A brief overview of the Group's main indicators during the 9M period ended September 30, 2022:

- ✓ Consolidated *gross result* for the reporting period is higher by 97.85% as compared with the similar period of the previous year (RON +1,320.4 million) due to the following influential factors:
  - Consolidated revenue recorded an increase of 209.24% (+ RON 7,316.0 million) compared to 9M 2021;
  - Revenues from natural gas sales increased by 210.92% (+ RON 6,296.8 million), quantities sold decreased by 6.22%;

<sup>1</sup> **Romgaz Group** consists of SNGN Romgaz SA (the "Company"/"Romgaz") as parent company and the subsidiaries Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL ("Depogaz") and Romgaz Black Sea Limited (former ExxonMobil Exploration and Production Romania Limited), both subsidiaries are 100% owned by Romgaz.

<sup>2</sup> Consumption is estimated as, at the date hereof, ANRE did not publish the report on the natural gas market for July-September 2022.

- For the 9M ended September 30, 2022, electricity revenues increased by 592.59% with a 97.02% higher production as compared with the previous period. In 2022 a new tax was introduced for electricity producers (a tax on additional revenue of electricity producers, which later became contribution to the Energy Transition Fund). The tax value was RON 293.9 million;
  - consolidated revenue from underground storage activities increased by 65.58%; the unconsolidated revenue from underground storage activities increased by approximately 42.11% as compared with the previous period. The booked capacity increased in 2022-2023 storage cycle by 25.4% as compared to storage cycle 2021-2022;
  - consolidated royalty expenses increased by RON 1,145.3 million (+330.1%) as compared to 2021, and tax on additional revenue from gas sales increased by RON 4,558.8 million (+1,252.4%) as compared with the nine-month period of 2021;
  - the increased electricity production triggered the increase of net expenses with greenhouse gas emission certificates by RON 80.71 million (+76%);
- ✓ *Net profit* is **RON 2,237.8 million**, higher by RON 1,081.5 million than the one recorded in the previous period due to the above mentioned reasons (+93.52%);
  - ✓ Romgaz completed in July 2022 the acquisition of all shares issued by ExxonMobil Exploration and Production Romania Limited, which holds 50% of the rights acquired and obligations under the Petroleum Agreement for the eastern area, deep water zone of Neptun XIX offshore Block in the Black Sea. The acquisition price was RON 5,125.6 million, financed both from own sources and from a bank loan of RON 1,606.5 million;
  - ✓ *Labour productivity* increased by 209.71%, as compared to the previous period, from RON 590.83 thousand revenue/employee in the first 9M/2021 to **RON 1,829.84 thousand revenue/employee** in the similar period of 2022;
  - ✓ *EPS* is **RON 5.81**, 93.52% higher than in the first 9M/2021;

During the first 9 months of 2022, Romgaz produced 3,687 million m<sup>3</sup> natural gas, 19 million m<sup>3</sup> (-0.5%) lower than in the similar period of 2021.

Gas production for the first 9 months of 2022 was influenced by:

- ✓ Implementation of actions to optimize exploitation of natural gas reservoirs;
- ✓ Continuation and extension of rehabilitation projects of the main mature gas reservoirs;
- ✓ Execution of well workover operations in low productivity or inactive wells;
- ✓ Completion of investments in the development of production infrastructure and connection of new wells to this infrastructure.

The volume of gas sold by Romgaz in the reporting period, representing deliveries to customers, without CTE lernut consumption, decreased by 6.2% as compared with 9M 2021.

The volume of electricity produced as shown in the table below is in close connection with the energy demand, the evolution of prices on competitive markets and the quantity of natural gas allocated to the production of electricity and the efficiency of said activity.

	*MWh*		
	2021	2022	Ratio
1	2	3	4=3/2x100
Q1	202,073	345,337	70.90%
Q2	1,010	199,323	19,634.95%
Q3	222,989	294,806	132.21%
<b>9 months</b>	<b>426,072</b>	<b>839,465</b>	<b>197.02%</b>

## ROMGAZ Press Office

### About ROMGAZ

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 lernut thermoelectric power plant, becoming electricity producer and supplier.