

ROMGAZ PRESS RELEASE

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ROMGAZ GROUP published BOARD OF DIRECTORS' REPORT 1ST HALF YEAR 2024

The full version of the Board of Directors' Report for 1st Half Year 2024, the Condensed Consolidated Interim Financial Statements for the six-month and three-month periods ended June 30, 2024 (unaudited) and the Condensed Separate Interim Financial Statements for the six-month period ended June 30, 2024 (unaudited), prepared in accordance with International Accounting Standard 34 as adopted by the European Union, are available on company's website www.romgaz.ro - Section Investors - Interim Reports and on Bucharest Stock Exchange website

Romgaz¹ Group Performances

Romgaz Group keeps high operational and financial performances in the first six months of 2024 (H1 2024).

National gas consumption recorded an increase of roughly 1% for the first 6 months of 2024 as compared to the similar period of last year, while Romgaz deliveries decreased by 4.6%. Therefore, Romgaz *market share*² is 45.31%, by 2.5% lower than the share held in the similar period of last year.

Natural gas production for the first half of 2024, was **2,486.9 million m³**, indicating a 4.34% production increase related to the production recorded in H1 2023.

Romgaz electricity production reached **450.769 GWh**, lower by 46.810 GWh than the production recorded in the similar period of 2023 (-9.41%). With this production Romgaz holds a market share of 1.68%³.

Net consolidated profit recorded by Romgaz Group in H1 2024 was RON 1,837.21 million, 8.99% higher as compared to H1 2023, namely RON 151.57 million. Compared to Q2 2023, net profit decreased by 17.29% and compared to Q1 2024 it decreased by 52.47%.

Consolidated net profit per share (EPS) was RON 0.48.

Margins of the main profitability indicators for H1 2024: net consolidated profit (**47.15%**), consolidated EBIT (**53.30%**) and consolidated EBITDA (**60.50%**) continue to keep at high levels (H1 2023: 34.42%; 59.19% and 64.79% respectively).

Relevant financial results (consolidated)

Summary of the Group's main indicators for H1 2024:

- *Natural gas production* for H1 2024 increased by 4.3% as compared to the similar period of 2023;
- *Total income* decreased by RON 1,013.4 million in H1 2024, recording a drop of 19.38% due to the following factors:
 - Decrease of revenue from natural gas sales (RON 3,250.23 million in H1 2024 as compared to RON 4,283.68 million in H1 2023), mainly due to a drop in prices. Gas quantities delivered in H1 2024 were by 4.2% lower than in H1 2023. Compared to Q1 2024, Q2 recorded lower gas deliveries by 14.29% while revenue from gas sales were lower by 31.11%. As of April 1, 2024 gas prices sold under Government Emergency Ordinance No.27/2022 dropped by 20%, from 150 RON/MWh to 120

¹ Romgaz Group consists of S.N.G.N. Romgaz S.A. ("the Company"/"Romgaz") as parent company and its wholly owned subsidiaries, Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL ("Depogaz") and Romgaz Black Sea Limited.

² Market share is calculated as a weight of Romgaz deliveries in the total national gas consumption.

³ Source: CNTEE Transelectrica SA

RON/MWh. Of the total delivered quantity, deliveries made under GEO No. 27/2022 represent 65.11%;

- Revenue from electricity sales also recorded a decrease (RON 180.27 million in H1 2024 as compared to RON 200.40 million in H1 2023) caused by low sale prices. According to GEO No. 27/2022 sale prices decreased by 11.1%, from 450 RON/MWh to 400 RON/MWh;
 - Revenue from storage services decreased by 3.7% (RON 276.65 million in H1 2024 as compared to RON 287.29 million in H1 2023), mainly following a decrease of income from capacity booking and of income from injection services. In 2024-2025 storage cycle (started on April 1, 2024) the storage tariff decreased by 1.74%.
- *Total expenses* decreased in H1 2024 by 7.86% (RON -174.9 million), mainly due to the reduced windfall tax for natural gas (RON - 256.86 million);
- *Net consolidated profit* of RON 1,837.21 million, by 8.99% higher, namely by RON 151.57 million, as compared to the similar period of last year, a significant positive influence was the elimination of the solidarity contribution (RON 970.92 million for the first half of 2023) starting with 2024.

Operational results

H1 2024 gas production was influenced by:

- well workover operations at wells with low productivity or inactive wells;
- ongoing rehabilitation projects of main mature gas fields;
- optimisation of gas field exploitation;
- investments to expand production infrastructure and to connect new wells to it;
- production decline specific for production of hydrocarbon reservoirs.

National gas consumption estimated for H1 2024 was 56 TWh, approximately 1% higher than the consumption recorded in H1 2023, out of which about 9.3 TWh was import gas and the difference of 46.7 TWh is gas from domestic production, Romgaz deliveries being 25.4 TWh, representing 45.3% of the national consumption and 54.3% of the consumption covered with gas from domestic production.

Electricity production is shown in the table below and its trend was closely related to the energy demand, price trends on competitive markets and equipment maintenance and repair activities.

MWh

	2023	2024	Variation
1	2	3	$4=(3-2)/2 \times 100$
Q1	323,037	263,832	-18.33
Q2	174,542	186,937	7.1
H1	497,579	450,769	-9.41

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. On August 1, 2022, Romgaz became sole shareholder of ROMGAZ BLACK SEA LIMITED (established ExxonMobil Exploration and Production Romania Limited), following the completion of the sale transaction, and the transfer of all issued shares (representing 100% of the share capital of) ExxonMobil Exploration and Production Romania Limited, which holds 50% of the acquired rights and obligations under the Petroleum Concession Agreement for the Deep Water Zone of XIX Neptun offshore block located in the Black Sea.

Further information

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