

ROMGAZ PRESS RELEASE

November 15, 2024

ROMGAZ GROUP published the Quarterly report on the economic financial activity of ROMGAZ Group on september 30, 2024 (january 01, 2024 – september 30, 2024)

The full version of the Quarterly report on the economic financial activity of ROMGAZ Group on september 30, 2024 (january 01, 2024 - september 30, 2024) is available on company's website www.romgaz.ro - [Investors](#) - [Annual Reports](#) and on Bucharest Stock Exchange website.

OVERVIEW

S.N.G.N. Romgaz S.A. is a Romanian natural gas producer and supplier, the main business segments of the Romgaz Group¹ being: gas exploration, gas production and supply, underground gas storage and electricity production.

ROMGAZ GROUP² PERFORMANCES

Romgaz Group keeps high operational and financial performances in the first nine months of 2024.

Consolidated net profit per share (EPS) was RON 0.59.

Margins of the main profitability indicators on September 30, 2024: net consolidated profit (40.39%), consolidated EBIT (46.19%) and consolidated EBITDA (53.81%) continue to keep at high levels (September 30, 2023: 31.84%, 57.36% and 63.07% respectively).

For the reporting period, Romania's estimated natural gas consumption³ was 70.41 TWh, approximately 1.7% higher than the consumption recorded in the similar period of 2023, of which around 13.87 TWh was covered by import gas and the difference of 56.54 TWh by domestic gas.

For the first nine months of 2024, Romgaz total deliveries, on the domestic market, represented 51.63% from the national estimated consumption, 3.3% lower than in the same period of last year. Concurrently, Romgaz natural gas deliveries from internal production on the Romanian market, represented 64.28% from the national consumption covered with gas from internal production.

Natural gas production for the first 9 months of 2024 was 3,671.96 million m³, by 4.46% namely 156.96 million m³, higher than production recorded in the similar period of 2023.

Electricity produced in the reporting period was 729.675 GWh, 13.75% increase (88.209 GWh) as compared to the same period of last year.

Romgaz produced in Q3 2024 278.906 GWh electricity, higher by 135.019 GWh, namely 93.83% more than in Q3 2023.

Relevant Consolidated Financial Results

RON million

Q3 2023**)	Q2 2024	Q3 2024	Δ Q3 (%)	Main indicators	9M 2023**)	9M 2024	Δ 9M (%)
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¹ Romgaz Group consists of S.N.G.N. Romgaz S.A. ("the Company"/"Romgaz") as parent company and the subsidiaries S.N.G.N. Romgaz S.A. - Filiala de Inmagazinare Gaze Naturale Depogaz Ploiesti SRL ("Depogaz") and Romgaz Black Sea Limited (former ExxonMobil Exploration and Production Romania Limited), both owned 100% by Romgaz.

² Romgaz Group consists of S.N.G.N. Romgaz S.A. (the "Company"/"Romgaz") as parent company and the subsidiaries owned 100% by Romgaz: Filiala de Inmagazinare Gaze Naturale Depogaz Ploiesti SRL ("Depogaz") and Romgaz Black Sea Limited.

³ Consumption is estimated as at the date hereof, ANRE did not publish the report on the natural gas market for August-September 2024.

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CIF: RO 14056826
Nr.ord.reg.com: J32/392/2001

1,913.0	1,623.9	1,732.8	-9.42	Revenue	6,810.3	5,629.7	-17.33
2,154.9	1,796.4	1,914.8	-11.14	Income	7,384.0	6,130.5	-16.98
1,114.6	1,115.7	1,372.0	23.09	Expenses	3,339.5	3,422.0	2.47
1.7	1.4	2.2	28.05	Share of the associates' result	3.3	5.6	69.51
1,042.1	682.1	545.0	-47.70	Gross profit	4,047.8	2,714.1	-32.95
559.0	90.2	108.6	-80.58	Profit tax	1,879.1	440.4	-76.56
483.1	591.9	436.4	-9.65	Net profit	2,168.7	2,273.7	4.84
1,007.7	632.4	523.3	-48.07	EBIT	3,906.3	2,600.4	-33.43
1,122.3	770.3	671.3	-40.19	EBITDA	4,295.5	3,029.1	-29.48
0.13	0.15	0.11	-9.65	Earnings per share (EPS ^{*)} (RON)	0.56	0.59	4.84
25.25	36.45	25.19	-0.26	Net profit rate (% from Revenue)	31.84	40.39	26.82
52.68	38.94	30.20	-42.67	EBIT ratio (% from Revenue)	57.36	46.19	-19.47
58.67	47.43	38.74	-33.97	EBITDA ratio (% from Revenue)	63.07	53.81	-14.69
5,951	5,948	5,967	0.27	Number of employees at the end of the period	5,951	5,967	0.27

The figures above are rounded. Therefore, small differences may result upon reconciliation.

* Earnings per share (EPS) was calculated to the current number of 3,854,224,000 shares for all periods presented.

** Information related to previous periods were changed following a revised presentation of financial statements. Income from works capitalized as non-current assets were offset by costs incurred for carrying out such investments. Currently, income from works capitalized as non-current assets are shown in a separate row in the statement of comprehensive income and expenses include such costs. The result of previous periods is not affected by this change in presentation (see Note 2 from the Condensed consolidated interim statement of comprehensive income on September 30, 2024).

A brief overview of the Group's main indicators during the 9M period ended September 30, 2024:

- Total revenue for the reporting period is lower by RON 1,253.50 million, recording a drop of 16.98% due to the following factors:
 - decrease by 21.28% of revenues from natural gas sales (RON 4,654.42 million in the nine-month period ended September 30, 2024 as compared to RON 5,912.94 million in the similar period of 2023), mainly due to drop of prices. As regards quantities, gas deliveries decreased by 4.53%.
 - electricity revenues increased by 6.52% (RON 307.31 million for the 9M ended September 30, 2024 as compared to RON 288.48 million in the similar period of 2023). Delivered electricity quantities were higher by 3.5% in the reviewed period as compared to the similar period of last year;
 - consolidated revenue from underground storage activities decreased by 6.77% (RON 395.58 million for the 9M ended September 30, 2024 as compared to RON 424.29 million for the similar period of 2023), due to the decrease of consolidated income from capacity booking and income from injection).
- Increase of total expenses in the 9M period ended September 30, 2024 was only of 2.47% (+RON 82.5 million);
- Consolidated net profit is RON 2,273.65 million, higher by 4.84% namely RON 104.96 million, as compared to the similar period of last year, a significant positive influence was the elimination of the solidarity contribution starting with 2024 (RON 1,388.39 million for Q3 2023);

Operational Results

Q3 2023	Q2 2024	Q3 2024	Δ Q3 (%)	Main Indicators	9 months 2023	9 months 2024	Δ 9 months (%)
1,131.7	1,195.9	1,185.0	4.7	Gas production (million m ³)	3,515.0	3,672.0	4.5
79.2	84.1	82.2	3.8	Petroleum royalty (million m ³)	246.2	257.9	4.7
5,544.0	9,028.0	8,993.0	62.2	Condensate production (tons)	16,483.0	25,461.0	54.5
143.9	186.9	278.9	93.83	Electricity production (GWh)	641.5	729.7	13.7
3.2	35.9	12.8	300.0	Invoiced UGS withdrawal services (million m ³)	1,160.5	996.4	-14.1
841.5	779.6	692.2	-17.7	Invoiced UGS injection services (million m ³)	1,701.2	1,512.9	-11.1

Note: the information is not consolidated, transactions between Romgaz and Depogaz are included.

In the first 9 months of 2024, Romgaz produced 3,672 million m³ natural gas, by 157 million m³ (4.54%) higher volumes than in the similar period of 2023.

Gas production for the first 9M 2024 was influenced by:

- Completion of investment works to extend the productive infrastructure that led to streaming in production 7 new wells;
- Significant number of wells were reactivated by performing specific investments in wells;
- Production optimization of wells with highest production potential;
- Continuous rehabilitation projects of the main mature gas reservoirs, these projects aim to maximise natural gas production and to increase the recovery factor.

We state that Caragele field had a significant contribution on the production level in the first 9 months of 2024, by drilling and streaming in production a development well, by optimizing production at the high depth well and by reactivating two wells after performing specific investments.

National *estimated natural gas consumption* for Q3 2024 was 14.46 TWh, approximately 6.17% higher than the consumption recorded in Q3 2023, of which 4.59 TWh was covered by import gas and the difference of 9.87 TWh by domestic gas. For this period, Romgaz delivered on the domestic market 11 TWh, representing 76.1% in the national consumption.

The volume of gas sold by Romgaz in the reporting period, representing deliveries to customers, without CTE lernut consumption, decreased by 4.5% as compared with 9M 2023.

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

	2022	2023	2024	Δ 2024/2023 (%)
1	2	3	4	5=4/3x100
Q 1	345,337	323,037	263,832	-18.33
Q 2	199,323	174,542	186,937	7.10
Q 3	294,806	143,887	278,906	93.84
9 months	839,465	641,466	729,675	13.75

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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