



ROMGAZ

Q1 2021 Results / Group Overview

May 2021



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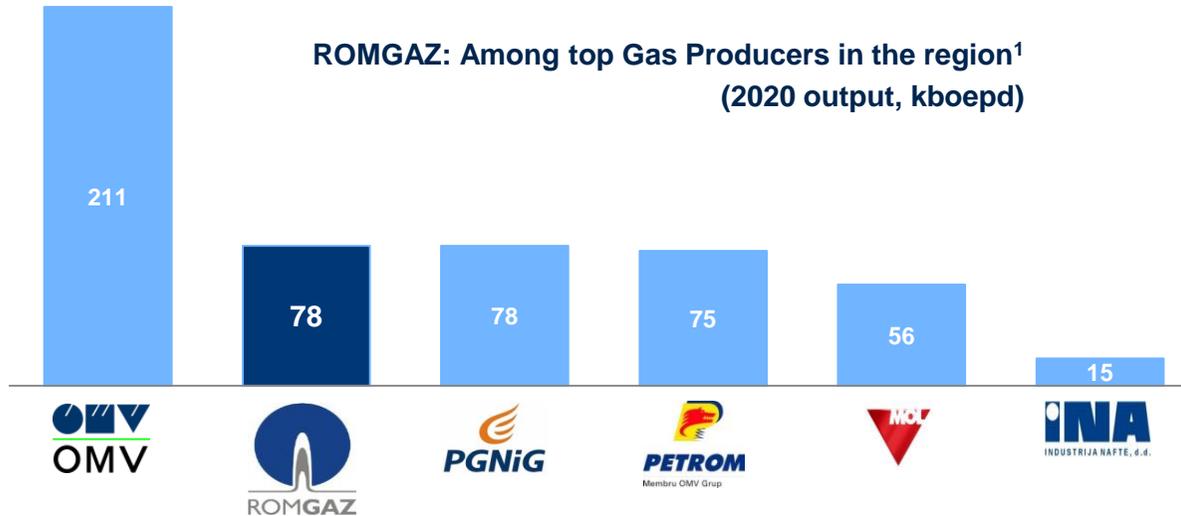
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All figures included in this presentation are rounded ("round to nearest" method).

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Gas market overview

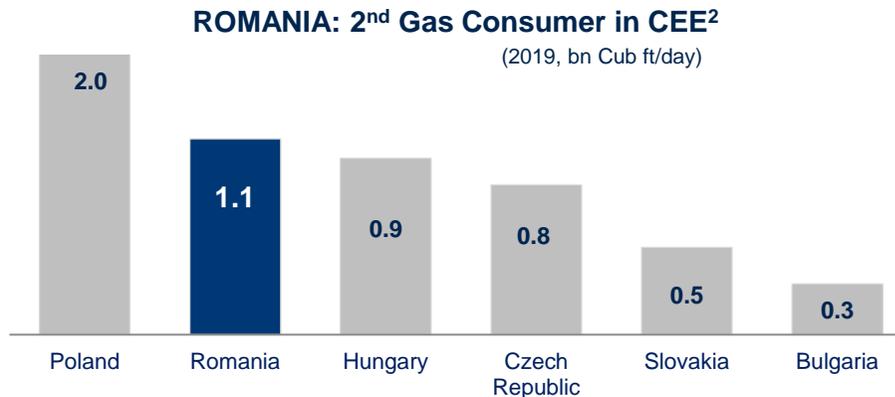
Romania: among TOP gas consumers & producers in the region



Source:

¹ Companies' reports, Romgaz computation, Petrom: Romania+abroad, OMV excluding Petrom.

² CEIC Data;



Natural gas - important clean source of energy.

In the region:

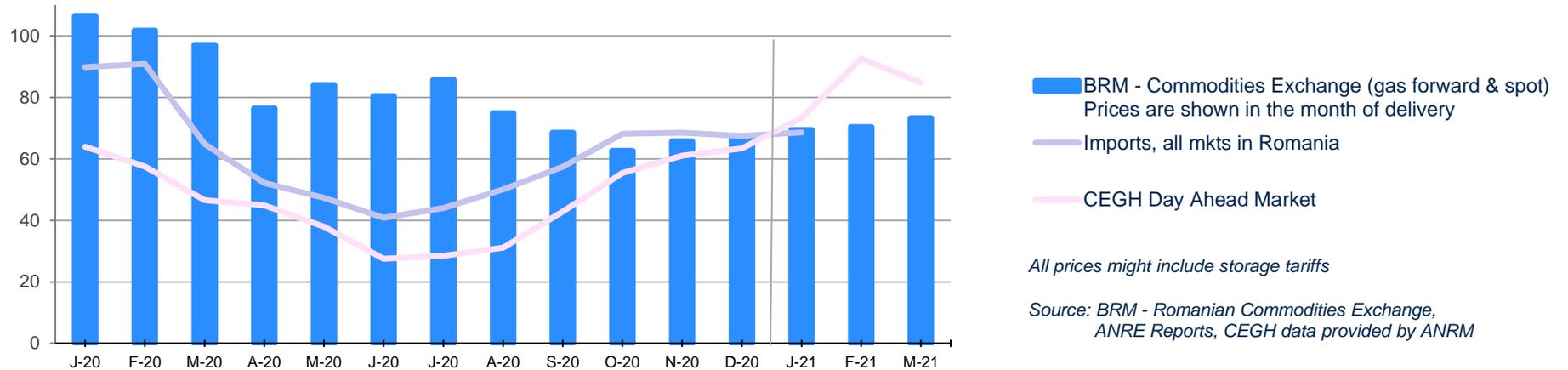
⇒ **ROMGAZ – important gas producer**

⇒ **ROMANIA – among top gas consumers in CEE !**

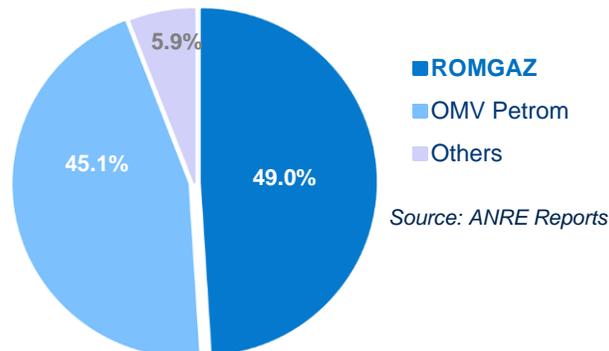
Gas market overview

Romania: Prices on the Commodities Exchange 2020/2021, Market structure

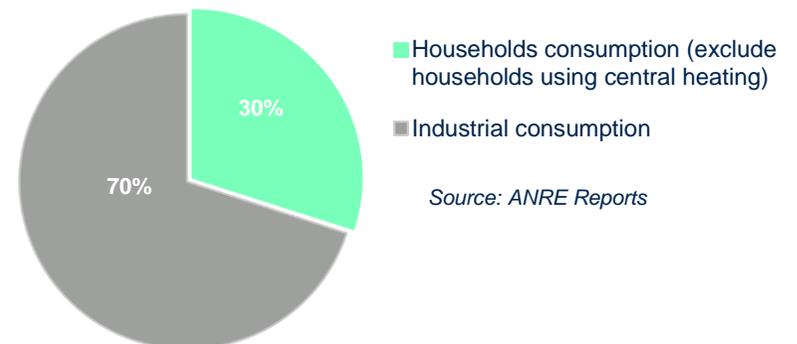
Natural Gas Prices on BRM, Imports and CEGH (RON/MWh)



Gas producers in Romania (2020)



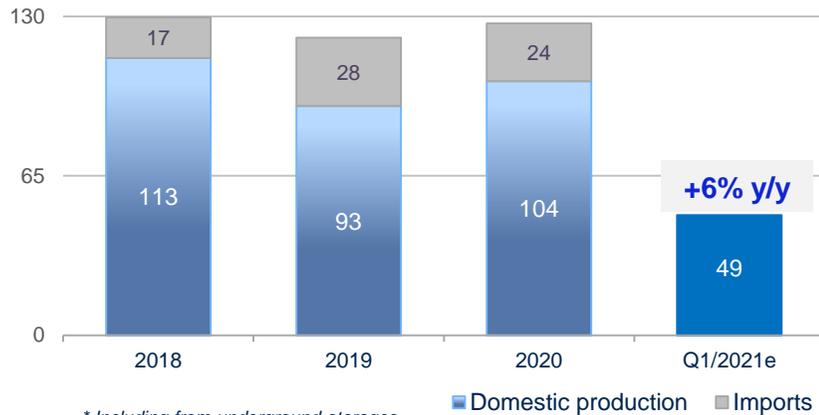
Final Consumption in Romania (2020)



Gas market overview

Romania: Total Gas consumption estimated higher y/y in Q1/2021

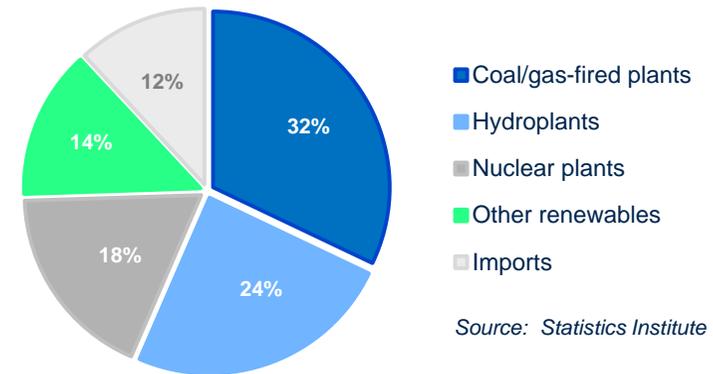
Total Natural Gas Consumption* (mln MWh)



* Including from underground storages

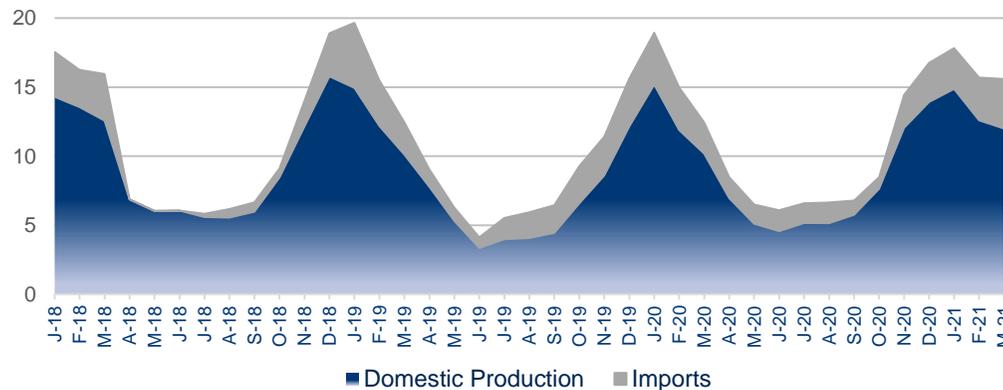
Source : ANRE Reports, Romgaz estimate for Q1/2021

Mix of Energy Resources (2020)



Source: Statistics Institute

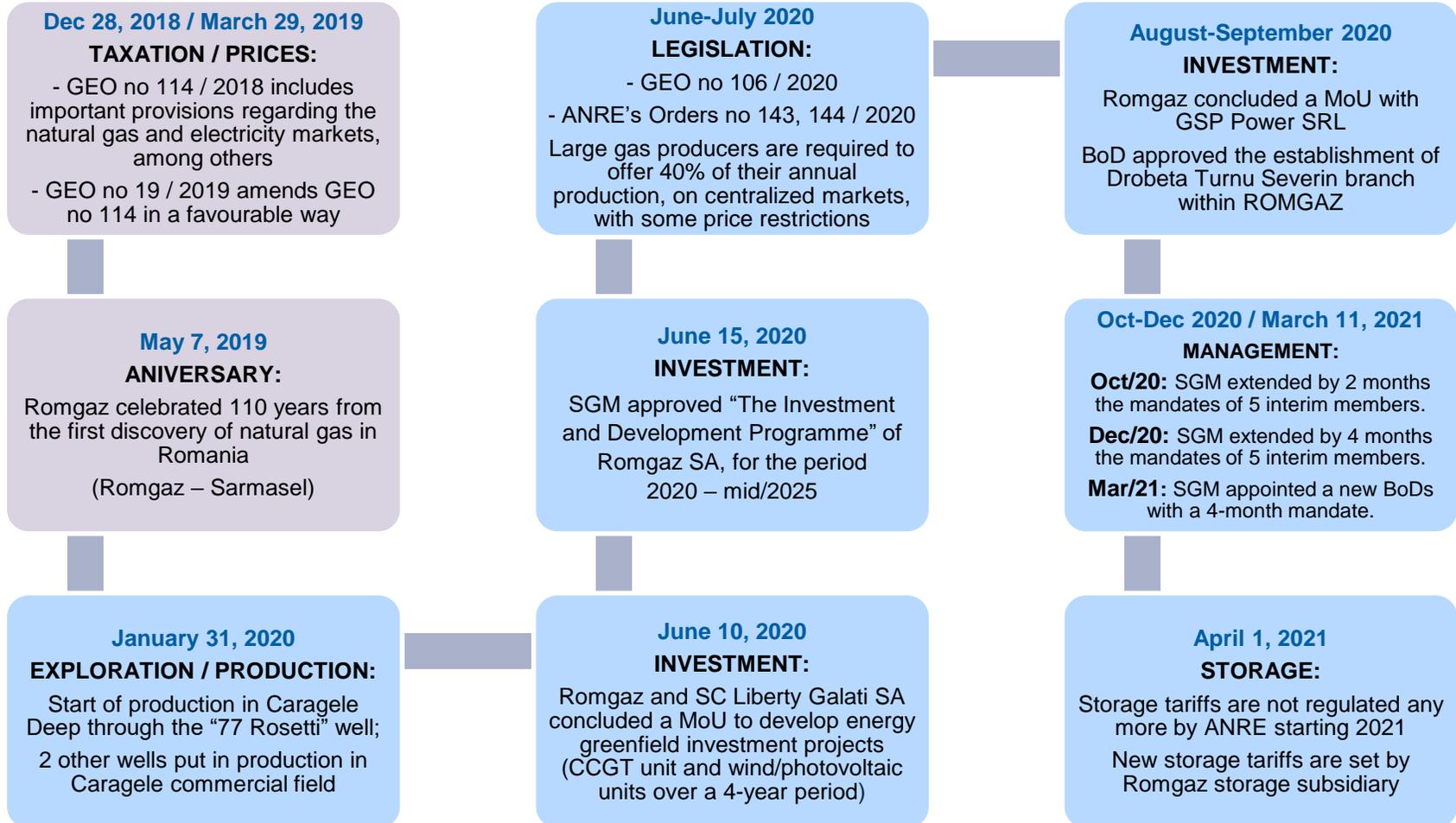
Seasonality of Gas Consumption (mln MWh)



Source: ANRE Reports, Romgaz estimates for Q1/2021

ROMGAZ Group: Highlights of events

Selected Events – relevant for our activity



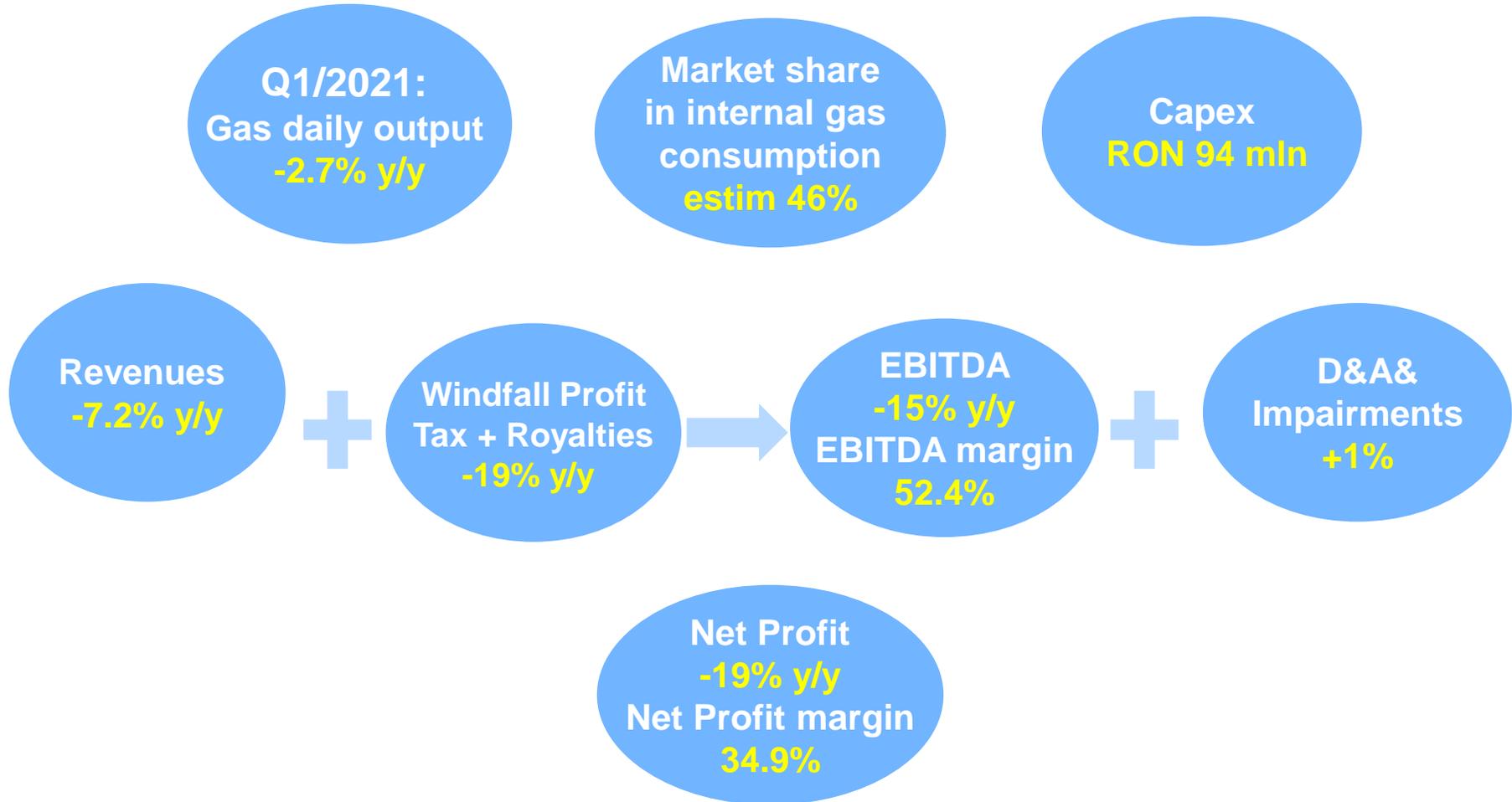
ROMGAZ Group: Highlights regarding legislation

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

- **GEO no. 106 / June 2020, ANRE Orders no. 143 and 144 / July 2020:**
 - Large gas producers are required to offer on centralized markets around 40% of the previous year gas production, with a discount of at least 5% from the average price of the previous 60 days of the standardized products – until end-2022
 - Gas quantities to be set by ANRE for each large gas producer
- **GEOs no. 1 / Jan 2020, no. 19 / March 2019 and no. 114 / Dec 2018 – main provisions for the gas & electricity market include:**
 - Regulated gas prices for the volumes sold by gas producers to HHs and assimilated consumers, capped at RON 68/MWh – during May 2019 and until June 30, 2020;
 - Regulated electricity prices for households - during May 2019 and until Dec 31, 2020;
 - For 2019 until early-Jan 2020: a 2% fee on gas and power revenues or on profit from resales, with deductions;
 - In 2019, dividend distribution of 35% of the end-2018 equity reserves, if distribution did not impact capex plan and was available as cash.
- **Windfall profit tax - includes an additional 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 Q1/2021

Strong developments in Q1/2021 considering the current environment



ROMGAZ Group: Highlights for 2020/2021

Safety Measures against COVID-19 pandemic to protect employees and business

We are a Strategic Company – business continuity and employees safety are priority

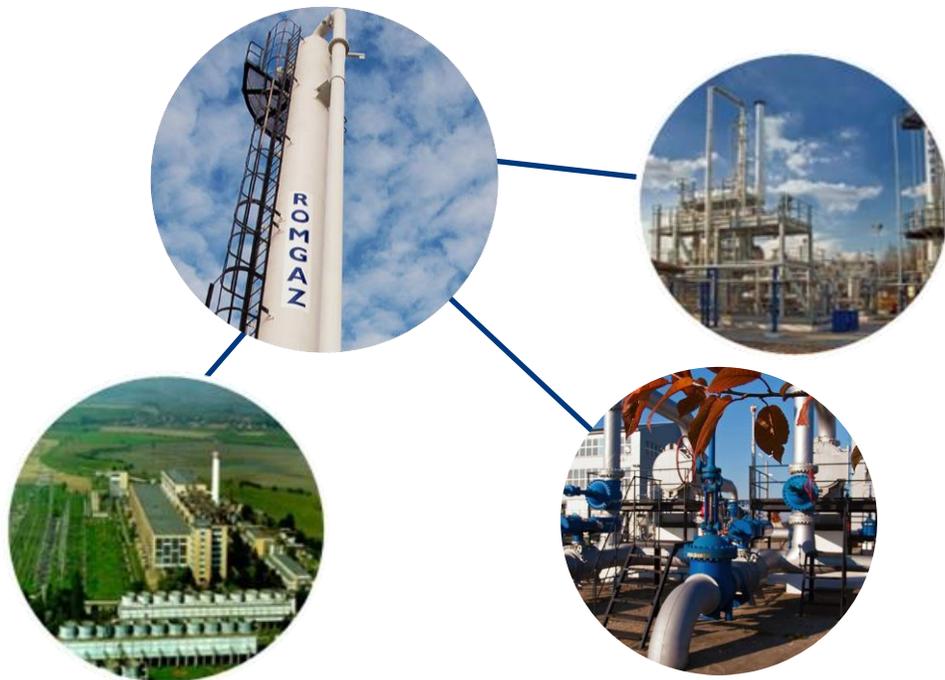
- ❑ Teleworking since March 2020, applied with flexibility within organization
- ❑ Activity temporary adjusted in some departments in 2020, organizational measures periodically revised
- ❑ Efficient sanitary measures in place, protection equipment for employees where needed
- ❑ Safety measures - with possibility to be prolonged / amended / stopped if necessary
- ❑ Strong measures to ensure production and investments security
- ❑ Supporting vaccination of employees
- ❑ Business continuity and development is a focus !

“Together for Romania”

Romgaz is involved and actively supports the fight against Covid-19 pandemic with the following main actions:

- ✓ Supports the Red Cross Romania financially and with an information and prevention campaign
- ✓ Financial aid for the Municipal Hospital Medias to equip the Intensive Care Unit
- ✓ Financial aid for the Emergency Clinic Hospital Sibiu to extend and develop the Intensive Therapy and Anesthesia Unit
- ✓ Financial aid for other Emergency Hospitals, such those in Alba, Slatina, Vaslui and Tg Mures.

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
- **Among top gas producers in Romania** (output of 1.3 bcm in Q1/2021, 4.5 bcm in 2020)
- Significant market share in the total gas supply in Romania.

Underground Gas Storage

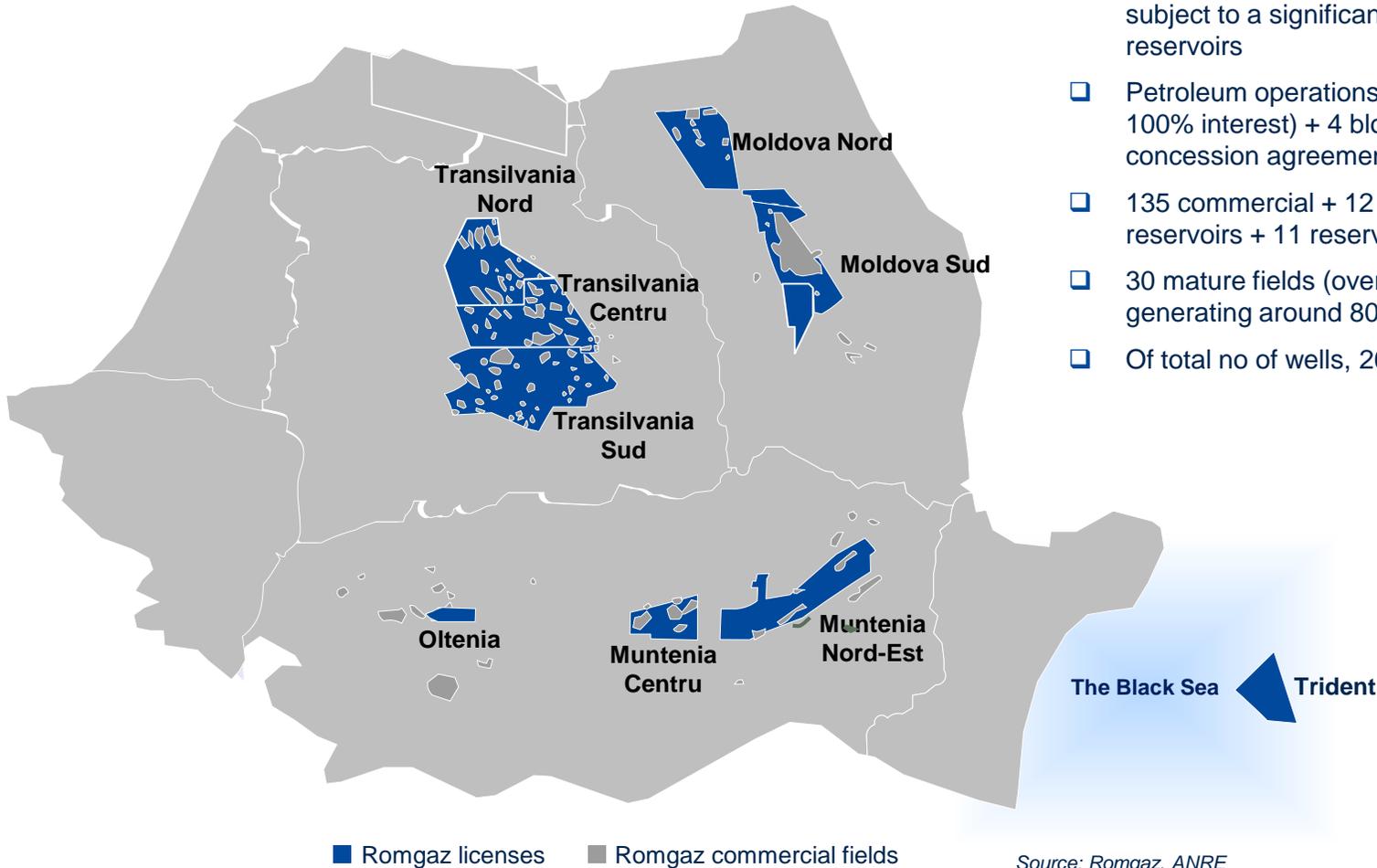
- Working capacity: 2.77 bcm at end-March 2021
- Important investments to secure the gas supply
- **Market share of 94% in Romania**
- Regulated activity

Electricity Production

- **New power plant in construction (430 MW)**
- Old power plant adjusted operations
- Market share of 1.7% in terms of production in 2020.

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 8 E/D/P blocks (operator with 100% interest) + 4 blocks (co-titler holder under concession agreements)
- ❑ 135 commercial + 12 experimental production reservoirs + 11 reservoirs operated with Amromco
- ❑ 30 mature fields (over 30-year old) are currently generating around 80% of total production
- ❑ Of total no of wells, 26% are located below 2000 m

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

Source: Romgaz, ANRE

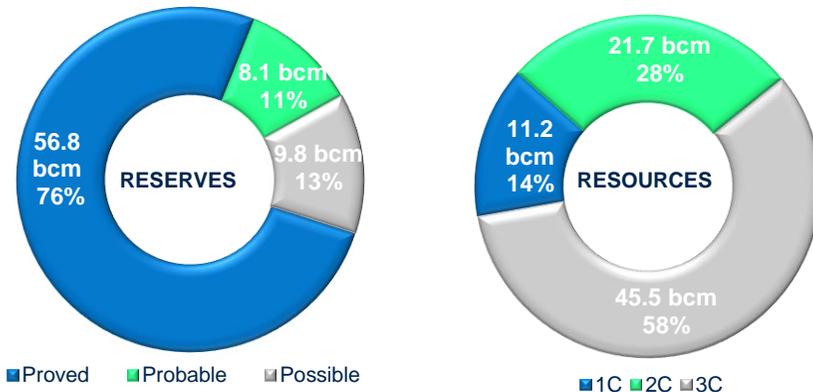
Group Overview

Significant portfolio of reserves and resources – Next independent audit

Reserves Replacement Ratios (RRR) (%)



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



We assessed a RRR of 63% for 2020

RRR is mainly due to revaluation of commercial fields (updates of reserves and resources assessment studies) and by completion of investments in infrastructure for commissioning production facilities

2.3 bcm added to Contingent Resources in 2020.

✓ 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 independent audit

We launched the procedure for selection of an independent auditor of our gas reserves and contingent resources.

¹ External audit prepared by DeGolyer&MacNaughton USA, as of Dec 31, 2017

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

Exploration Activities

Q1/2021: Development of our natural gas discoveries

Q1/2021: We continue efforts to unlock the resource potential:

- ❑ **Drilling of 2 exploration wells in total, of which 1 was completed**
- ❑ **The “78 Rosetti” well has started drilling on Jan 16, 2021 for the evaluation of the Rosetti discovery (part of **Caragele-Deep discovery**)**
- ❑ **We finalised the negotiations with NAMR regarding the extension of the exploration programme with a new phase (2021-2027) – waiting for Governmental approval**

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

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

ON-SHORE:

- **CARAGELE DEEP:** Estimated contingent resource of 150-170 mln boe (25-27 bcm) at depths between 4,100 - 4,200 m
- **Current stage:**
 - **“77 Rosetti” well has already produced 300 mln cm and over 12,000 tons of condensate**
 - We launched the procedure to select the constructor for drilling of 3 evaluation wells
 - Other 3 wells are in preparation for the same procedure.

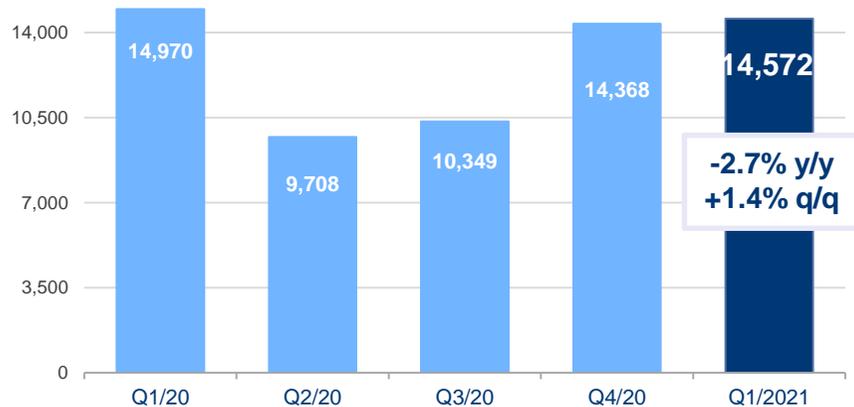
OFF-SHORE:

- **TRIDENT BLOCK:** 12.2% working interest; gas estimated contingent resource can exceed 30 bcm
- **Current stage** - for the 2nd exploration well Trinity 1X drilled in Q4/2019:
 - **In progress – processing obtained data; preparation of the resource development plan in order to include it in our economic analysis**
 - Oct 2020: updated parameters to redo the development plan
 - Sept 2020: completed the reserves re-assessment
 - July 2020: completed the interpretation of geological tests.

Natural Gas Production

Q1/2021: Strong recovery of our Daily Production, Natural decline arrested

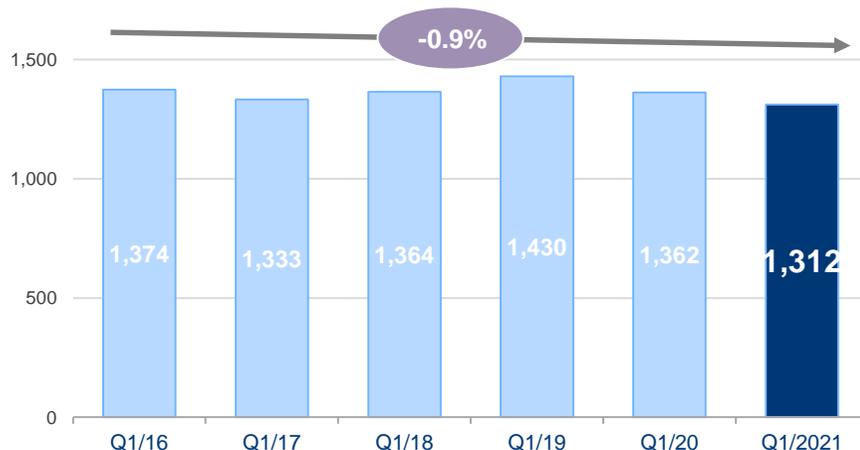
Romgaz: Daily production (k cm)



Q1/2021: We continue production recovery

- ❑ Production influenced by the natural decline, infrastructure upgrade and mild weather in certain periods of the quarter
- ❑ Total gas production declined by 3.7% y/y in Q1
- ❑ **Total production daily-adjusted: -2.7% y/y, but positively +1.4% vs Q4**
- ❑ We continue rehabilitation programmes in main fields
- ❑ We reactivated certain high-flow wells through the overhaul and intervention programmes.

Romgaz: CAGR of Q1 Total Production (mln cm)



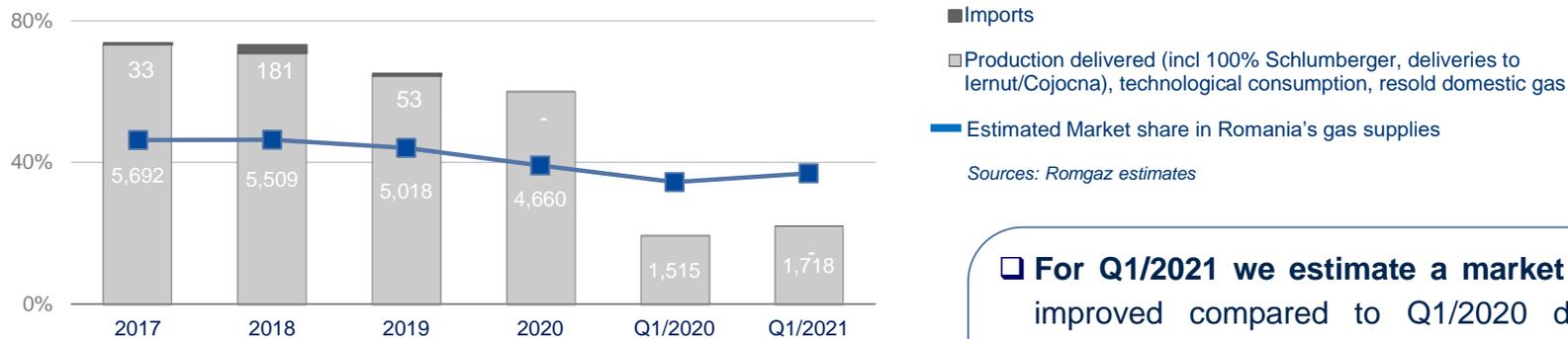
Potential of quarterly gas production – consolidated

- ✓ We have consolidated and stabilised the potential of our gas production – **at the level of 1.3-1.4 bcm in Q1**
- ✓ Gas production in the past 5 years: CAGR of (0.9%) in Q1
- ✓ 168 wells in 2020 completed workover and recompletion operations
- ✓ We increased efforts to build production infrastructure for discoveries made in previous years (Fulga, Salcii, Merii)

Gas Supply & Sales

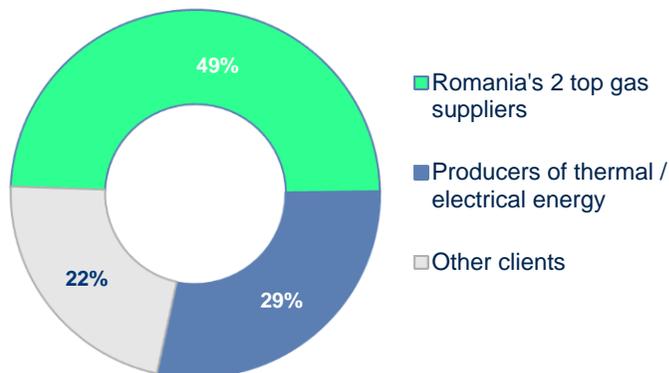
Q1/2021: Higher market shares in natural gas deliveries

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



Sources: Romgaz estimates

Romgaz: Portfolio of Clients (quantities of gas sold, 2020)



Portfolio breakdown reflects specific quarterly characteristics of gas demand

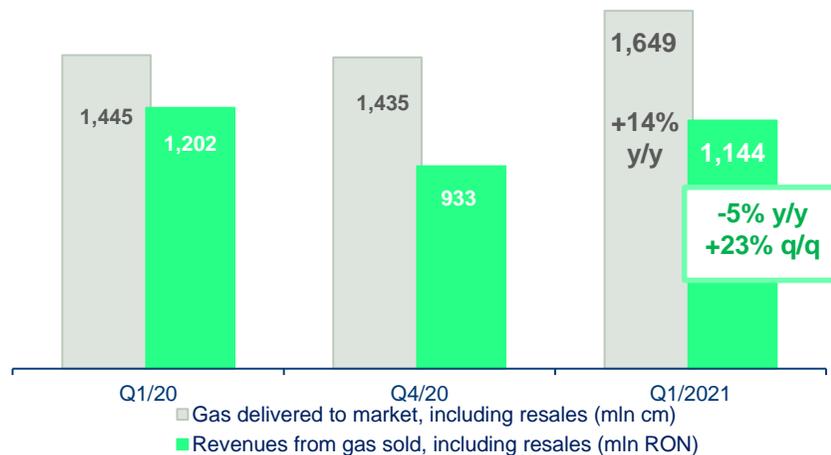
- ❑ For Q1/2021 we estimate a market share of c. 37% - improved compared to Q1/2020 due to higher gas volumes delivered including from the UGS
- ❑ We estimate a market share of 46% in deliveries from internal production in Q1/2021 – higher compared to the same period of the previous year.

- We enjoy a strong portfolio of clients
- Our gas trading strategy aims to:
 - secure an optimal client portfolio
 - fulfill the domestic market demand
 - improve price flexibility.

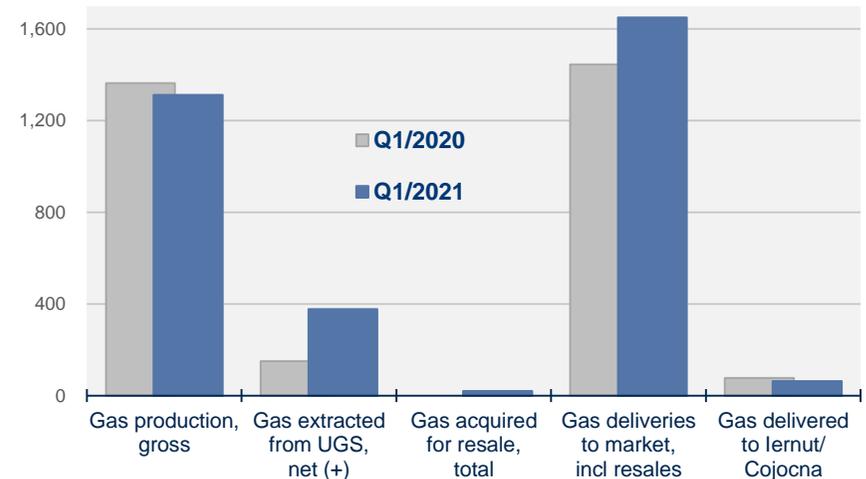
Gas Supply & Sales

Q1/2021: Volumes sold were higher both y/y and q/q, Revenues were significant

Romgaz: Gas Sales (including resales)
- revenues and volumes -



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



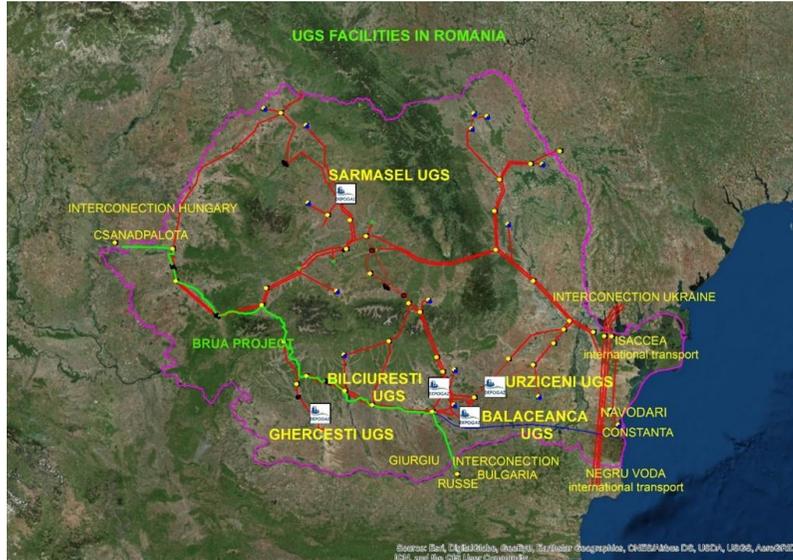
- ❑ In Q1, we continued to restore the gas volumes sold, and gas revenues were strong given the current sanitary environment
- ❑ Q1/2021 vs Q1/2020 (y/y): Volumes sold +14%, Gas Revenues -5%
- ❑ Q1/2021 vs Q4/2020 (q/q): Volumes sold +15%, Revenues +23%

- ❑ Management of gas flow from production to clients is important
- ❑ Gas sales are generally peaking in Q1 and Q4
- ❑ Optimisation of our gas value chain is a priority
- ❑ We make continuous efforts to improve the gas sale strategy

UPSTREAM SEGMENT CONTRIBUTION in Q1/2021: 92% in Revenue and 97% in EBITDA (consolidated)

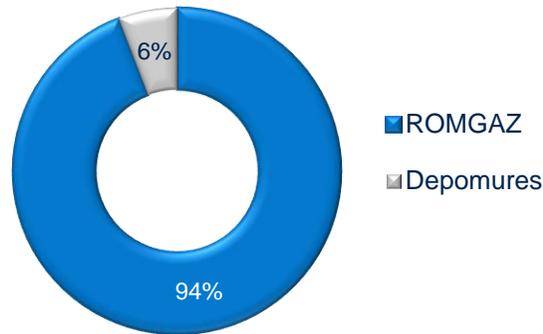
Underground Gas Storage

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



Romgaz Group: Underground Gas Storages at end-March 2021 - working capacities (mln cm/cycle) -			
Bilciuresti	1,310	Ghercesti	150
Sarmasel	900	Balaceanca	50
Urziceni	360		
Total Working Capacity: 2,770 mln cm			

ROMGAZ Group UGS Market share

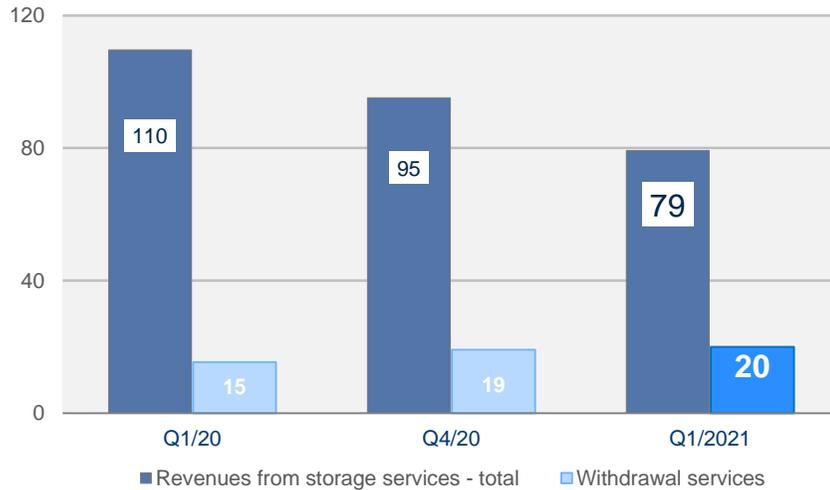


- ❑ Romgaz Group operates 5 storage facilities, with a total working capacity of 2.77 bcm (total capacity of 3.97 bcm) – Depogaz Subsidiary
- ❑ Romgaz also owns 40% of Depomureş (0.30 bcm), a JV with Engie
- ❑ 25% good ratio of working gas volume to annual consumption in 2020 – at the upper half chart of European players; also, 102% ratio of stored volumes to the working volume in 2020
- ❑ Investment plans aim to extend the storage capacity and the extraction capacity – in order to secure gas supply long-term
- ❑ Storage activity not regulated any more by ANRE starting with April 1, 2021; royalties of 3% of operating revenues.

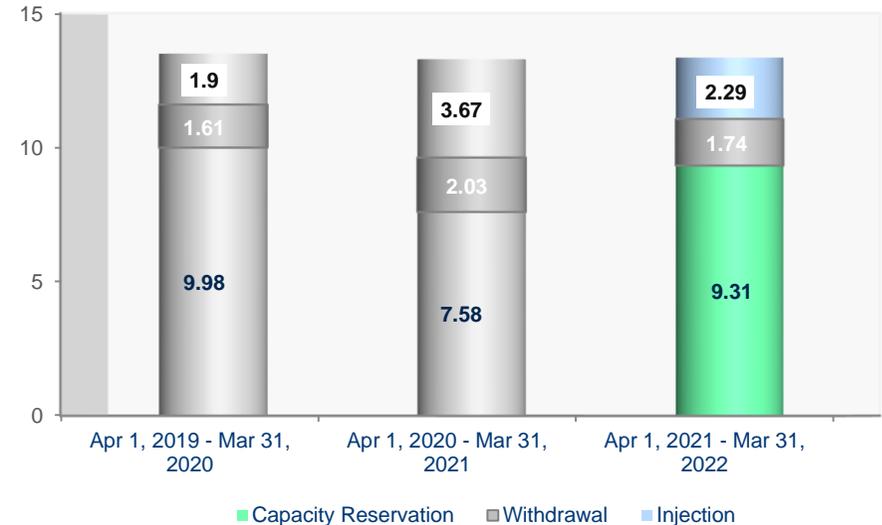
Underground Gas Storage¹

Q1/2021: Withdrawal activity provided higher revenues

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



Romgaz: Storage tariffs (RON/MWh)



- ❑ **Q1/2021:** Revenues from Withdrawal Services rose by 30% y/y reflecting higher activity in the period
- ❑ Overall, UGS revenues added RON 79 mln to the top line (-28% y/y)

- ❑ **Storage tariffs in force starting with April 1st, 2021 totaled 13.34 RON/MWh**
- ❑ Capacity reservation activity provides the bulk of the UGS revenues (74% in Q1/2021).

¹ Consolidated figures

STORAGE SEGMENT CONTRIBUTION in Q1/2021: 5% in Revenue and in EBITDA (consolidated)

Electricity Production & Trading

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

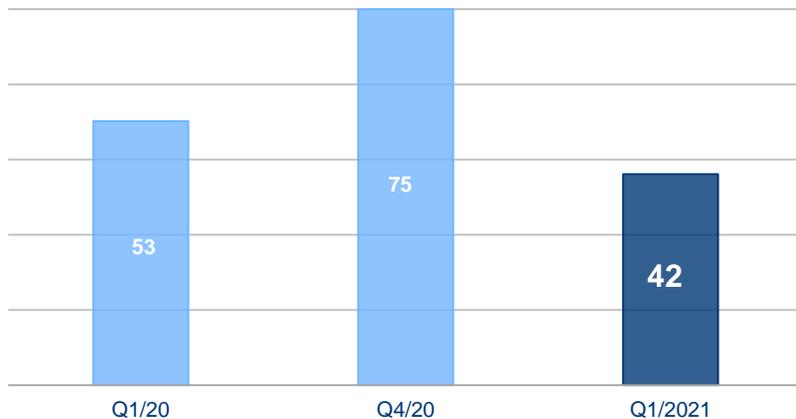
- **Gross electric power capacity: 430 MW**
 - **Gross electrical efficiency at nominal load: 56.4%**
 - **Max emissions: NOx 50 mg/Ncm, CO 100 mg/Ncm**
 - **CCGT lernut benefits from a strategic positioning** – in the middle of the national electricity system
 - **Main roles:** cover national power consumption by acting in the wholesale and balancing markets, ensure ancillary services to the national system, eliminate network constrains in NW Romania
 - 25% of 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*
 - We are in process to assess optimal solutions to finalise construction works, receive the last equipment, and perform technological and commissioning tests.



Electricity Production & Trading¹

Q1/2021: Revenues and production of Iernut old power plant - supportive

Romgaz: Revenues from Electricity (mln RON)



- ❑ **Q1/2021: We recorded Revenues from Electricity of RON 42 mln, -20% y/y**
- ❑ Evolution in Q1/2021 is mostly linked to the development of the electricity segment and overall market demand.

Romgaz: Electricity Production (GWh)



- ❑ **Q1/2021: Energy production of 202 GWh, -22% y/y**
- ❑ Overall lower installed capacity to make room for the new plant
- ❑ 2 old units (4&5) in operation at end-2020, 300 MW capacity in total (burning system of unit 5 adapted to reduce emissions below the legally-required limit).

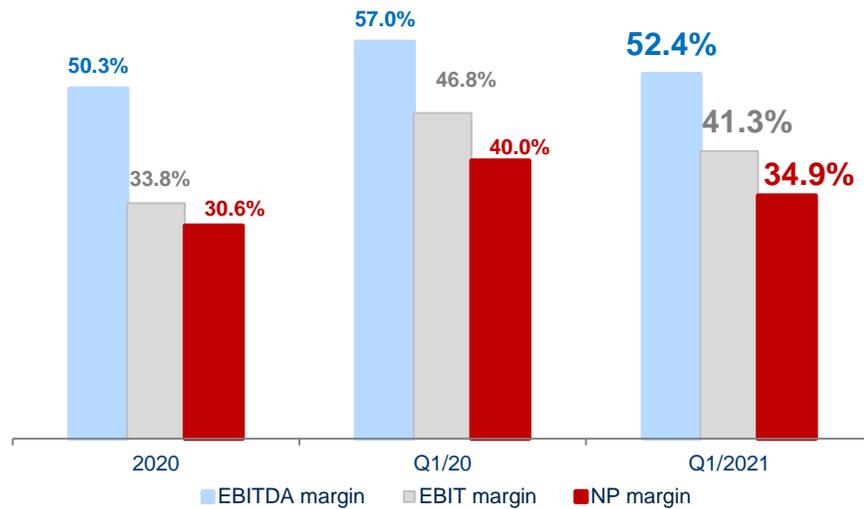
ELECTRICITY SEGMENT CONTRIBUTION in Q1/2021: 3% in Revenue (consolidated)

¹ Consolidated figures

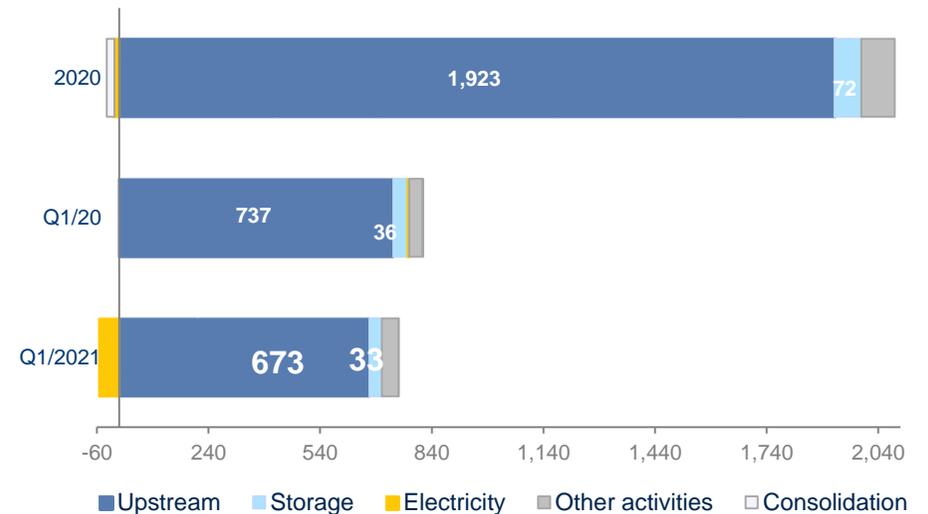
Financial Performance¹

Q1/2021: Profitability margins significantly exceeded the levels recorded in FY2020

Romgaz Group: Profitability Rates



Romgaz Group: EBITDA by Segments (mIn RON)



□ In Q1/2021, all EBITDA, EBIT and NP margins were reported at significant levels, in spite of the current market and sanitary environment – exceeding the profitability rates reported in Full Year 2020

□ The bulk of Revenues and EBITDA is generated by our core segment Gas Upstream (Exploration & Production)

□ Electricity segment was in the red in Q1/2021 and partially in 2020 due to the on-going investment in the new power plant.

¹ All figures are consolidated

Financial Performance*

Q1/2021: High NP level – recovering from the summer unfavorable environment

Summary Q1/2021 (vs Q1/2020)

Revenues - total	1,327 mln RON (↘7%)
EBITDA	696 mln RON (↘15%)
Net Profit	464 mln RON (↘19%)
EBITDA margin	52.4%
NP margin	34.9%
No of employees	6,126 (↘2%)

- ❑ Gas sales came strong in Q1/2021 considering the current environment
- ❑ Main tax expenses in Q1/2021 (included in “Other expenses”) were lower by 19% y/y, split as follows:
 - windfall profit tax of RON 115 mln (Q1/2020: RON 178 mln)
 - gas&UGS royalties of RON 86 mln (Q1/2020: RON 70 mln)
- ❑ Net Profit reached RON 464 mln, and profitability rates remain strong.

Million RON	2018	2019*	2020	Q1/20	Q1/21	%ch
Revenues - of which	5,004	5,080	4,075	1,430	1,327	-7%
Gas Production	3,978	4,280	3,293	1,199	1,119	-7%
Gas acquired for resale	217	101	16	3	25	
Storage	298	331	375	110	79	-28%
Electricity	297	146	189	53	42	-20%
Other services	189	185	176	57	52	-9%
Other income	18	33	25	7	10	38%
Cost of commodities sold	(245)	(108)	(19)	(5)	(28)	503%
Changes in inventory	(32)	80	(16)	(35)	(95)	173%
Raw materials	(75)	(76)	(58)	(16)	(20)	24%
Exploration expense	(247)	(2)	(27)	(0)	(0)	
Headcount expense	(621)	(670)	(767)	(150)	(159)	6%
Other gains and losses	(103)	8	(7)	(3)	(0)	-86%
Impairment losses on trade receivables	(20)	(81)	18	(22)	32	
Associate's result share	1	1	1	0	(0)	
Other expenses	(1,409)	(1,552)	(1,158)	(387)	(366)	-5%
EBITDA	2,240	2,689	2,051	815	696	-15%
EBITDA margin	44.8%	52.9%	50.3%	57.0%	52.4%	
D&A	(708)	(1,452)	(672)	(146)	(147)	1%
EBIT	1,532	1,237	1,379	669	549	
EBIT margin	30.6%	24.3%	33.8%	46.8%	41.3%	
Net Interest income	53	38	48	11	14	26%
PROFIT BEFORE TAX	1,585	1,275	1,427	680	562	-17%
Income tax	(219)	(186)	(179)	(108)	(99)	-9%
NET PROFIT	1,366	1,090	1,248	572	464	-19%
Net margin	27.3%	21.4%	30.6%	40.0%	34.9%	

* 2019 restated; All figures are consolidated

Financial Performance¹

Strong B&S Structure, Debt-free so far

- **Debt-free Balance Sheet**
- **At Q1/2021, total cash position amounted to RON 2,913 mln** (cash, bank depos and govt's treasury bonds)

Romgaz: Selected Cash Flow Items

Min RON	2019 restated	2020	Q1/2021
Net profit for the period	1,090	1,248	464
Operating Cash Flow before Δ WC and Income tax	2,730	2,148	735
Movements in working capital	0	114	(97)
Net Cash flows from operating activities	2,432	2,037	579
Net Cash flows from investing activities	(1,027)	(1,477)	(657)
Net Cash flows from financing activities	(1,608)	(507)	(0)
Net change in cash and cash equivalents *	(203)	53	(79)

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

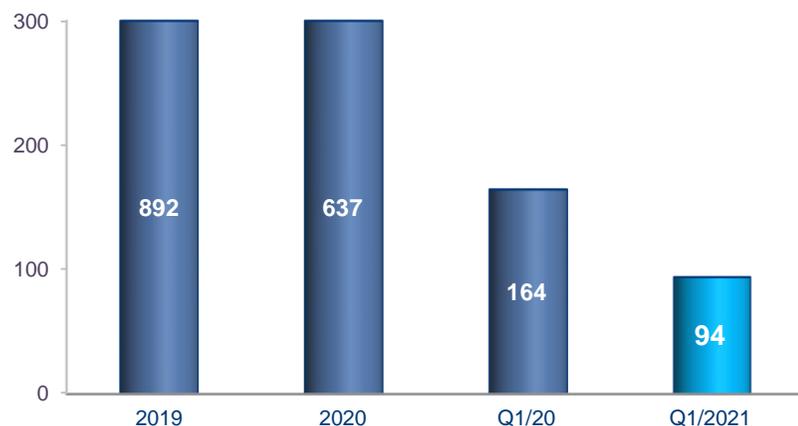
¹ 2019 restated; All figures are consolidated

Romgaz Group: Selected Balance Sheet Items

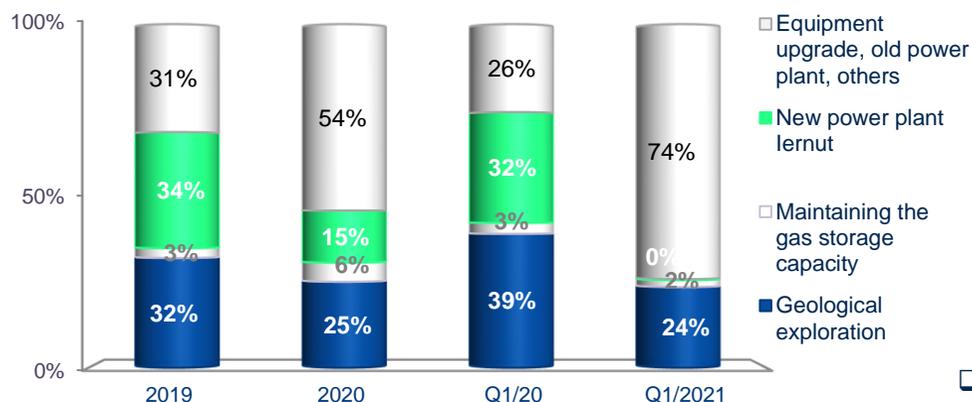
Min RON	Dec 31, 2018 restated	Dec 31, 2019 restated	Dec 31, 2020	Mar 31, 2021
Total non-current assets, thereof	6,445	5,822	5,943	5,864
Property plant and equipment	6,280	5,543	5,613	5,551
Other intangibles	5	9	15	14
Investment in associates	23	25	26	26
Deferred tax asset	127	231	275	260
Other financial investments	10	5	5	6
Other assets (leasing related)	-	9	8	8
Total current assets, thereof	2,690	2,431	3,319	3,906
Inventories	246	311	245	142
Trade and other receivables	826	638	593	780
Other financial assets - govt securities and bank depos (+3mo maturity)	881	1,075	1,996	2,576
Cash and equivalents	567	364	417	338
Other assets	169	42	68	70
Total assets	9,135	8,253	9,261	9,770
Shareholders' Equity				
Share capital	385	385	385	385
Reserves	1,825	1,587	2,252	2,252
Retained earnings	5,458	5,201	5,150	5,614
Total Shareholders' Equity	7,669	7,174	7,787	8,251
Non-current liabilities, thereof	670	511	812	807
Provisions	510	366	539	539
Deferred revenues	21	21	136	136
Retirement benefit obligation	139	115	129	124
Current liabilities, thereof	796	568	662	712
Trade payables	187	110	89	85
Contract liabilities	46	43	81	54
Current tax liabilities	68	64	60	83
Provisions	94	83	156	228
Total liabilities	1,466	1,079	1,474	1,519
Total equity and liabilities	9,135	8,253	9,261	9,770

Capex – sanitary environment took the toll

Romgaz Group: Capital Expenditures (RON mln)



Romgaz Group: Breakdown of Investments



¹ Consolidated figures

- ❑ ROMGAZ Group invested a total amount of RON 94 mln in Q1/2021 – or 61% of the budgeted level, driven by lower drilling activity and difficulties in Iernut new plant investment
- ❑ Main developments in Q1/2021:
 - *Exploration*: we finalised 1 exploration well
 - *Production*: we finalised 1 exploitation well and finalised 2 surface facilities
 - Wells recompletion and repairs: for 28 wells
- ❑ Main developments in 2020:
 - *Exploration*: we finalised 9 exploration wells, 4 are in progress, and 22 wells are in drilling preparation process
 - *Development*: 19 wells in design /design acquisition
 - *Production*: we completed 1 production well, finalised 8 surface facilities (to put in production 10 wells), in construction 6 surface facilities (to put into production 5 wells), in process to get permits for 15 surface facilities
 - *Wells recompletion operations and repairs*: for 168 wells
 - *New power plant Iernut*: sewage/water networks, some equipment delivered
 - *UGS*: modernisation of walls / electric engines control system, feasibility study for Sarmasel, started works for the dehydration station in Bilciuresti
- ❑ Investments are financed from the company's own sources, as well as from National Investment Plan for the new Power Plant

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

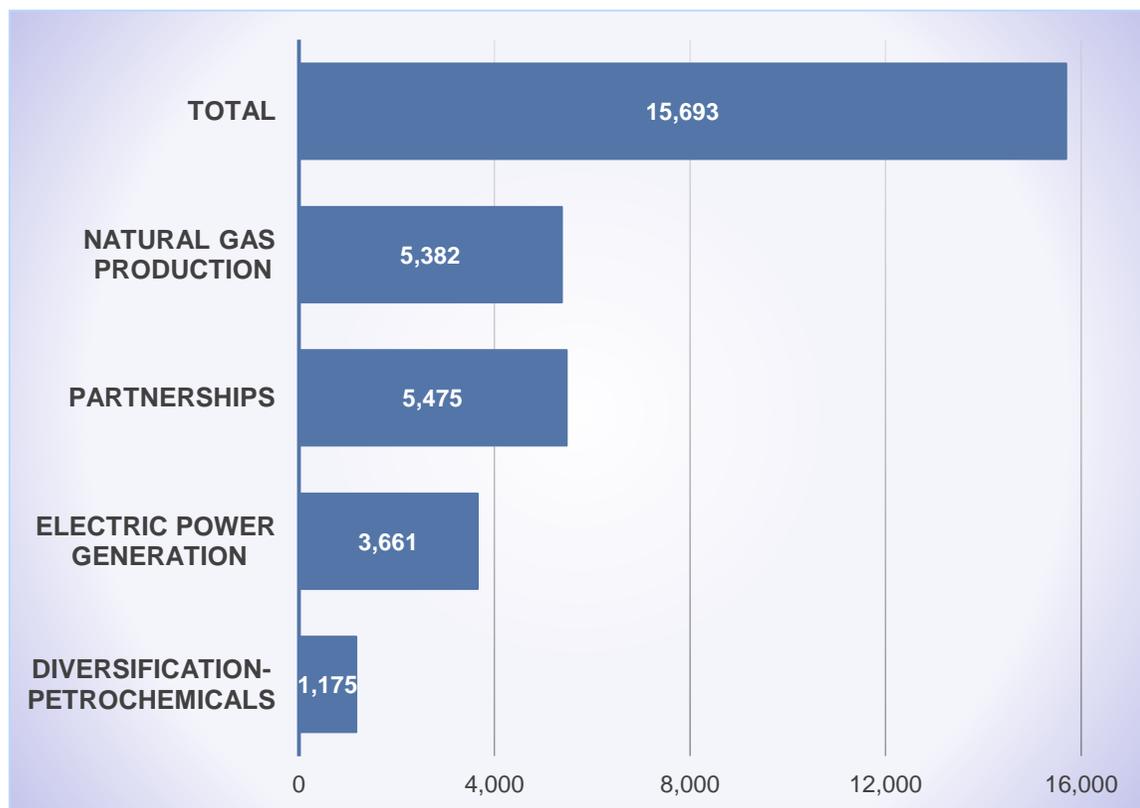
Create value for shareholders by developing new services and products

Business development by approaching new internal and international markets

Main Strategic Objectives

Strong Commitment for Business Development

2020 - 2025 Investment and Development Program of Romgaz SA, June 2020 (RON mln)



- ❑ The “Investment and Development Programme” of Romgaz SA for the period 2020 - H1/2025 was approved in June 2020 by the SGM
- ❑ **The Programme is now in a re-assessment process to take into consideration the latest developments**
- ❑ The financing source structure is based on:
 - 49% own sources
 - 7% EU funds
 - 44% to be covered through bank loans and/or bonds.
- ❑ The group has also ongoing investment plans for Depogaz branch, aiming to extend the UGS capacities.

Main Strategic Objectives

Strong Commitment for Business Development

Main development directions taken into account (June 2020):

Discovery of new gas reserves through continuous geological research

Development of our gas production potential by adding new facilities

Increase production safety & efficiency by improved performance of facilities / equipment

Associations / partnerships

Electric Power Generation

Methanol Production

- Drilling of exploration and production wells
- Technological surface facilities at successfully-tested gas wells
- Gas dehydration stations
- Gas compressor stations
- Gas gathering pipelines
- Modernisation/reactivation/ repair at production wells
- Offshore projects (Black Sea) and electric power generation / storage
- CCGT Combined Cycle Gas Turbine power plants (Iernut, Mintia)
- Renewable sources
- Building our own facility

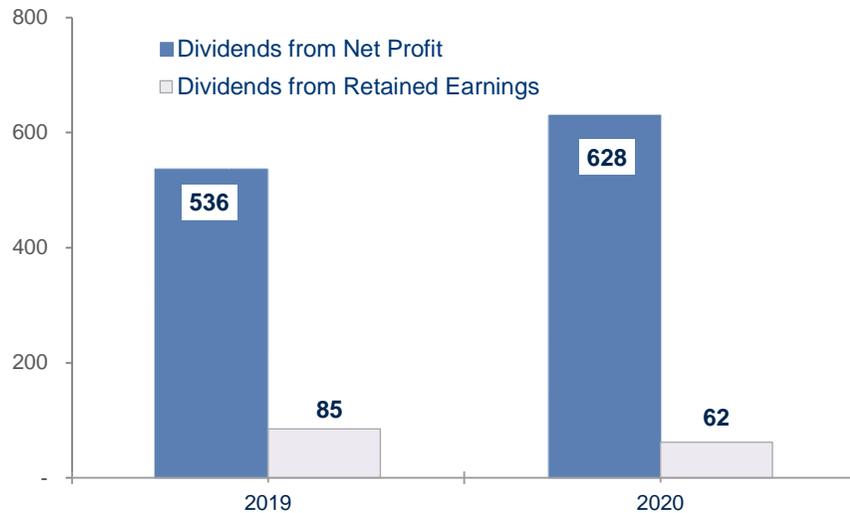
Continuous Gas Exploration / Improve the Gas-Value-Chain / New Business Development

Dividend distribution

SGM in April this year approved a gross dividend of RON 1.79 /share

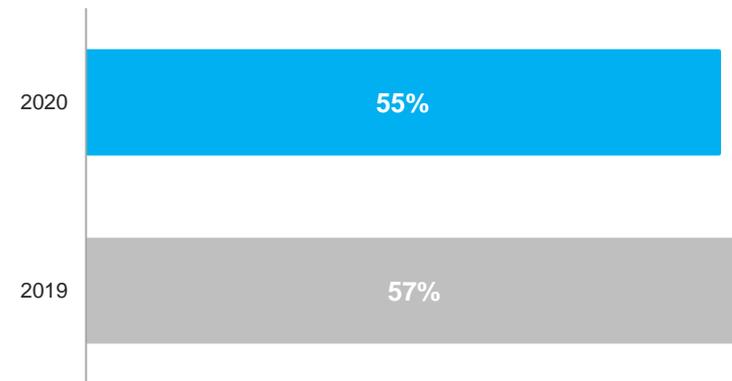
Romgaz: Gross Dividend Distributions¹ (RON mln)

¹ For the fiscal years 2019-2020: Dividend payment in the next fiscal year



Romgaz: Gross Dividend Payout ratios*

* Payout ratios computed as:
Total Gross Dividends / annual Net Profit of the Group



- Majority state-owned companies are required to distribute at least 50% of the annual NP in the form of dividends to recorded shareholders
- The annual SGM held in April approved a total Gross Dividend of RON 1.79 / share** (of which: RON 1.63 from the 2020 NP and RON 0.16 from reserves) – registration date is June 8 (ex-date: June 7)
- For the 2020-2025 period, the “The Investment and Development Programme” indicates a 50% distribution level

Romgaz Group – Investment Case

Why to invest in Romgaz shares

<ul style="list-style-type: none"> ➤ Operational excellence / robust margins 	<p>EBITDA margin of 52%, EBIT margin of 41% and Net Profit margin of 35% in Q1/2021</p>
<ul style="list-style-type: none"> ➤ Minimum dividend payout ratio required is 50% 	<p>Gross Dividend payout ratio of 55% for 2020 (computed as Total Gross Dividends per 2020 Net Profit of the group). Minimum required level is 50%.</p>
<ul style="list-style-type: none"> ➤ Net cash reserves ➤ Debt free B&S 	<p>We recorded total cash&equivalent of RON 2.9 bn at March 31, 2021 Cash¹ / Mktcap = 23% (share price on May 12, 2021)</p>
<ul style="list-style-type: none"> ➤ Among top gas producers in Romania and one of the largest in the region as well 	<p>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</p>
<ul style="list-style-type: none"> ➤ Strong base of gas reserves in Romania 	<p>Based on our investment policy, we intend to maintain the reserves level and the high RRR (avg of 60% during 2016-2020)</p>
<ul style="list-style-type: none"> ➤ Expected opening of the export gas markets 	<p>Export markets will enlarge our client portfolio, with positive outcome on revenues</p>
<ul style="list-style-type: none"> ➤ Diversification of investment projects 	<p>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</p>
<ul style="list-style-type: none"> ➤ Development & Investment Strategy approved by the SGM in June/2020 – in reassessment process 	<p>Shareholders approved “The Development and Investment Strategy” of Romgaz SA for 2020-2025, which is now in a reassessment process due to the latest developments</p>
<ul style="list-style-type: none"> ➤ Strong management team, skilled workforce 	<p>Management team has significant expertise in the sector, headcount is strongly committed</p>

¹ considering all cash equivalents at March 31,2021, consolidated figure

The Board of Romgaz SA: Balanced Team of Professionals



Dan Dragos Dragan BoDs Chairman

Dan Dragos Dragan – was appointed interim member of ROMGAZ BoDs in March 2021 for a 4-months mandate.

Expertise of Mr. Dan Dragos includes top positions such as CEO/Country Manager of Repower Furnizare Romania (2007-2017), Executive and Trading Manager of Petprod (2005-2007), State Secretary within the Ministry of Economy, Energy and Business Environment since 2020.

Also, he holds a Bachelor of Economy Degree issued by A.S.E. Bucharest.

George Sergiu Niculescu

George Sergiu Niculescu – was appointed interim member of ROMGAZ BoDs in March 2021 for a 4-months mandate.

Experience of Mr. George Sergiu Niculescu includes different positions such as Manager of S.C. CDG S.R.L.(2020-2021), Commercial Manager of S.C. Covasna Estival 2002 (2012-2019), Manager of S.C. OMB Group Invest S.A. (2015-2019), State Secretary within the Ministry of Economy, Energy and Business Environment since 2021.

He holds an MBA in Entrepreneurship and Business Administration in Energy

Nicolae Bogdan Simescu

Nicolae Bogdan Simescu – mandate as interim board-member was prolonged by 4 months by the SGM held on March 11, 2021. His experience includes different positions within S.N.G.N. Romgaz S.A. such as Engineer (2005-2015), Head of Rehabilitation projects (2015-2020).

He holds a Master Degree in Company Management and Marketing Strategies and Policies.

Gheorghe Silvian Sorici Chairman of both the Audit and the Nomination and Remuneration Committee Independent Member

Gheorghe Silvian Sorici – was appointed interim member of ROMGAZ BoDs in March 2021 for a 4-months mandate.

Mr. Gheorghe Silvian Sorici was previously CEO of COVTEX-FEIZY (1999-2006), Manager and ITAD Project Manager of S.C. SOBIS Solutions S.R.L. (since 2006).

Also, he holds a Bachelor Degree in Economy issued by Craiova University.

Marius Aristotel Jude CEO of Romgaz

Marius Aristotel Jude – mandate as interim board-member was prolonged by 4 months by the SGM held on March 11, 2021.

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 Depomures S.A. (2010-2014) and of Amgaz S.A. (2009-2015). He also had various management positions in S.N.G.N. Romgaz S.A.

He holds an MBA in Company Management.

Manuela Petronela Stan Olteanu

Manuela Petronela Stan Olteanu – mandate as interim board-member was prolonged by 4 months by the SGM held on March 11, 2021.

Expertise of Ms. Manuela Petronela Stan Olteanu includes top positions such as Chairperson/BoDs member 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.

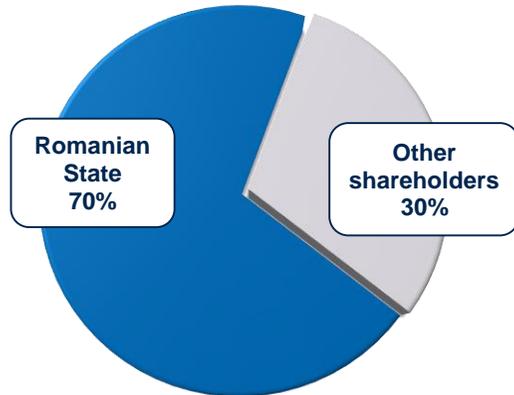
Balazs Botond Chairman of the Strategy Committee

Balazs Botond – mandate as interim board-member was prolonged by 4 months by the SGM held on March 11, 2021. Mr. Balazs Botond previously held positions of Head of Legal Department of S.N.G.N. Romgaz S.A.(since 2019), Legal counsellor (2011-2019). He is also Board member of S.C. Meditur S.A. (since 2018) and of S.C. ECO-SAL S.A. (since 2016).

He holds a Master Degree in Private Law Institutions.

Shareholding Structure and Stock Performance

Romgaz: Among blue-chips on the domestic capital market



12-Month: Share Price Performance on the BVB

Period	Min (RON)	Max (RON)
Q2/20	27.25	32.40
Q3/20	28.00	31.85
Q4/20	25.75	28.55
Q1/21	28.35	33.20

12M Total Traded Value (Q2/20 – Q1/21):
639 mln RON or 0.5 million EUR/day



- ❑ Shareholding structure: the Romanian State (Ministry of Energy) 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 2.6 bn*)
- ❑ **The 4th most traded stock** on the BVB *)
- ❑ Included in BVB's main indices (weighing 26% in energy and utilities BET-NG index, and between 7%-9% 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 May 12, 2021, and on BVB's latest 12M trading statistics

THANK YOU FOR YOUR ATTENTION !



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Financial Calendar - 2021

Feb 25: Release of 2020 Preliminary Financial Results
Feb 26: Conference call with financial analysts and investors

April 27: SGM to approve the “2020 BoDs Report”
April 28: Release of the “2020 BoDs Report”

May 14: Release of Q1 2021 Financial Results
May 17: Conference call with financial analysts and investors

Aug 13: Release of H1/Q2 2021 Financial Results
Aug 16: Conference call with financial analysts and investors

Nov 12: Release of 9M/Q3 2021 Financial Results
Nov 15: Conference call with financial analysts and investors