

Gas Plus Group

Analyst Presentation *FY 2021 Financial Results*

*April 14th, 2022**



**Gas
Plus**

1

MARKET SCENARIO

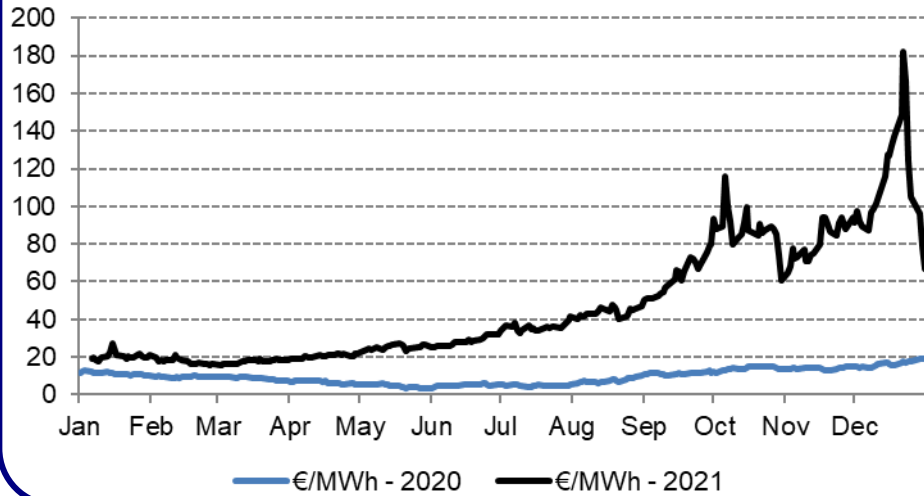
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HIGHLIGHTS

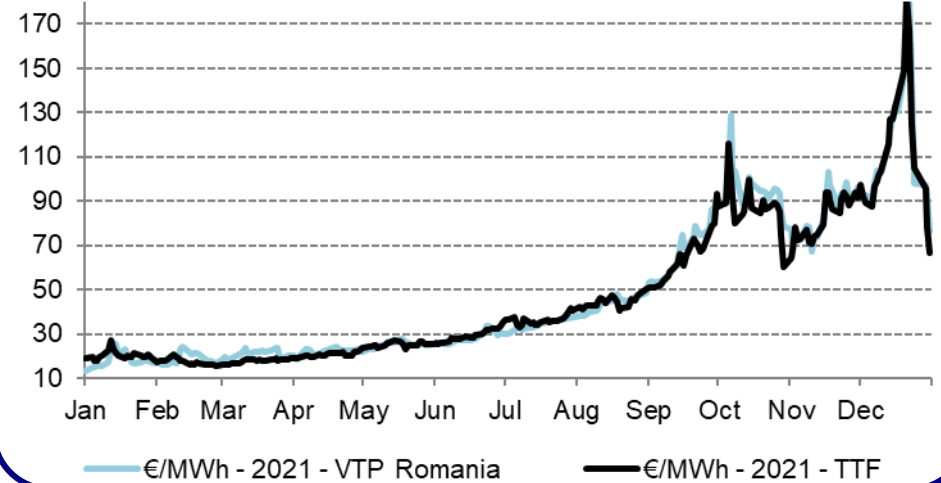
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FINANCIAL RESULTS

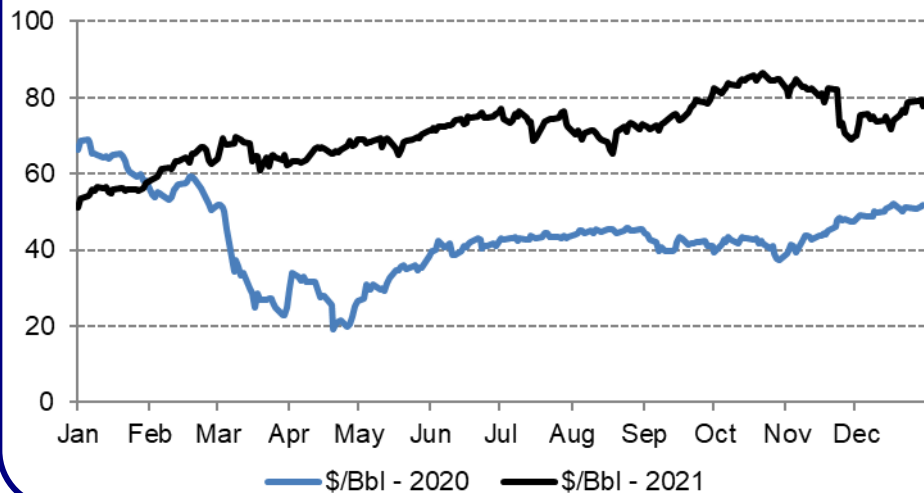
TTF Gas Price – Day Ahead



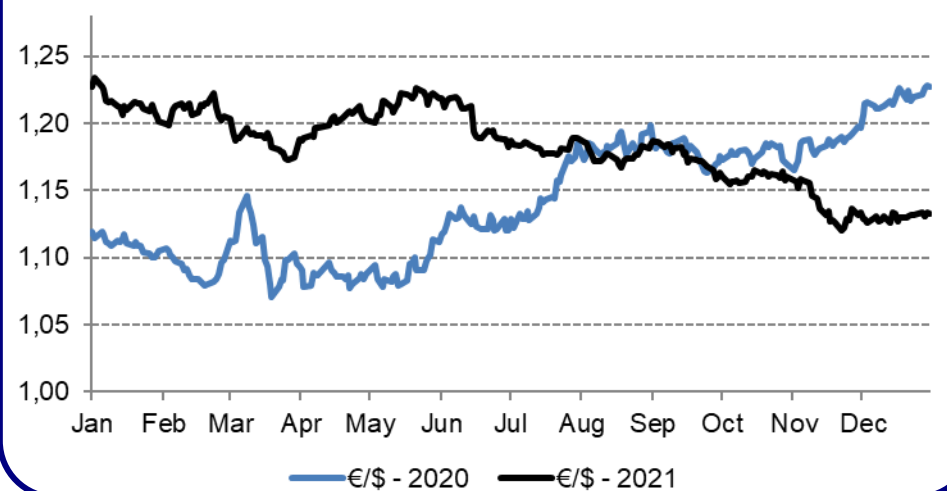
TTF vs VTP Romania Gas Price* – Day Ahead



Brent Price – Month+1



€/€ Exchange Rate - Spot



(*) source: BRM

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MARKET SCENARIO

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HIGHLIGHTS

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FINANCIAL RESULTS

E&P Italian Activities

- ✓ Significantly higher margins due to the recovery in energy scenarios. The effects of this price increase were, however, largely tempered by the commodity price hedging policies put in place in the first part of 2021 after the exceptional collapse in energy scenarios in 2020.
- ✓ Completion of the first of three new development wells for the Longanesi project.

E&P International Activities

- ✓ Romania: the project to develop the two gas fields in Romania has entered its final phase, with gas-in confirmed during the second half of 2022. The recovery in gas prices that is being recorded on international markets has brought prices in that country in line with those of the Western European market, therefore at higher values compared to those estimated in the economic assessments made at the start of the project.

Retail

- ✓ The EBITDA in FY2021 was largely impacted (-46.1% YOY) by gas price scenario rise recorded in Q4, affecting unitary margins of fixed price and variable with cap price commercial offers previously subscribed.
- ✓ Volumes sold increased in the period (+2.7% YOY) despite the moderate shrinking of the clients portfolio and the pandemic.

Network & Transportation

- ✓ Slight increase of EBITDA despite the decrease in regulatory revenue cap.

Outlook 2022

- ✓ Positive outlook 2022 with substantial growth in profitability in the second half of the year.

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MARKET SCENARIO

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HIGHLIGHTS

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FINANCIAL RESULTS

- E&P
- RETAIL
- NETWORK & TRANSPORTATION
- GROUP FINANCIAL RESULTS
- COMPANY PROFILE

FY 2021 P&L - E&P contribution

E&P (MScme)	FY21	FY20	Δ (%)
Hydrocarbon Production	128.2	133.3	(3.8%)
<i>of which natural gas</i>	93.9	100.0	(6.1%)
<i>of which oil and condensate</i>	34.5	33.3	3.6
EBITDA (M€)	10.1	(0.6)	n.a
Exploration Capex	0.2	0.3	(33.3%)
Development Capex	15.1	17.1	(11.7%)

E&P Reserves

E&P (MScme)	Dec 31, 2021	Dec 31, 2020	Δ (%)
Hydrocarbon Reserves	4,288.9	4,493.8	(4.6%)
<i>of which domestic</i>	3,563.9	3,765.8	(5.4%)
<i>of which international</i>	725.0	725.0	0%

➤ 2021 Results:

- Significant increase in Revenues (+6.4 M€) and EBITDA (+10.7 M€), mainly due to the recovery of energy scenarios, in particular in the second part of the year
- EBITDA is affected by the prudent hedging strategy applied which has partially limited the effect of the energy prices recovery

➤ Domestic activities:

- “Longanesi” project: completion of preliminary activities related to civil works and start of drilling activities with Longanesi 2 dir well fully drilled and Longanesi 3 well currently being drilled.
- Necessary verification and study activities will be carried out, following the adoption of the PITESAI, as such plan affects also the Group’s mining license, providing, among other things, in the cases set out by the PITESAI itself, the performance of cost-benefit analyses.

➤ International activities in Romania - Offshore concession “Midia Shallow XV”:

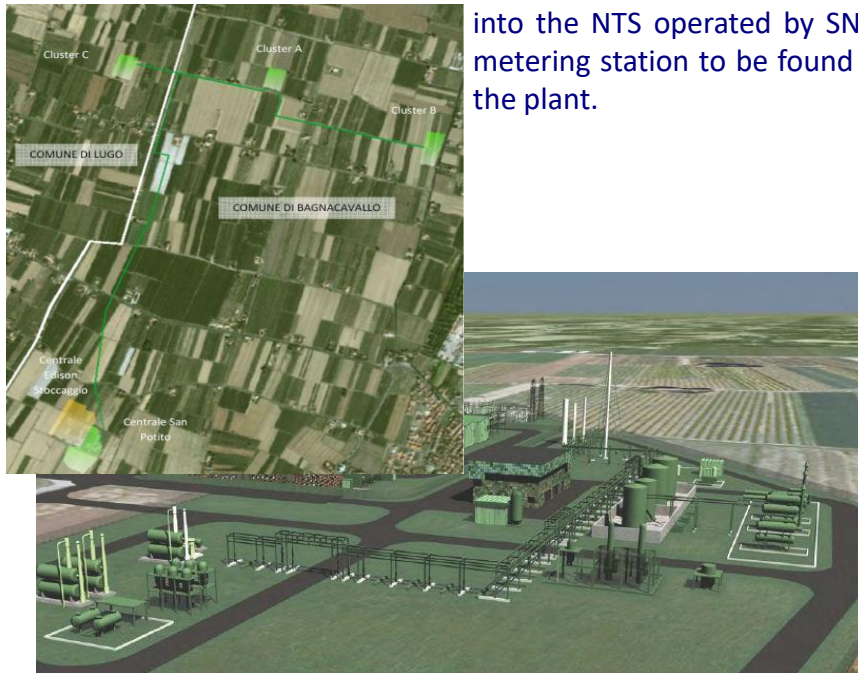
- despite the persistence of Covid-19, continuation of development phase, reaching 82% of project, with the gas-in expected for 2H of 2022
- completion of the installation of the 128km offshore pipeline connecting the coast to the Ana platform, which is already installed and ready for gas-in. In addition, the first ANA 100 well was drilled and completed, and the drilling campaign is underway with the drilling of further three wells in the ANA field and one in the DOINA field.
- COVID-19 case and current situation, price revisions were granted to the General Contractor (amounting to around 7% of the initial value of the investment). However, the increase would be fully offset by the increase in the gas sales price on the Romanian market, which continues to approach that of other European hubs

🌐 Longanesi Project - Italy

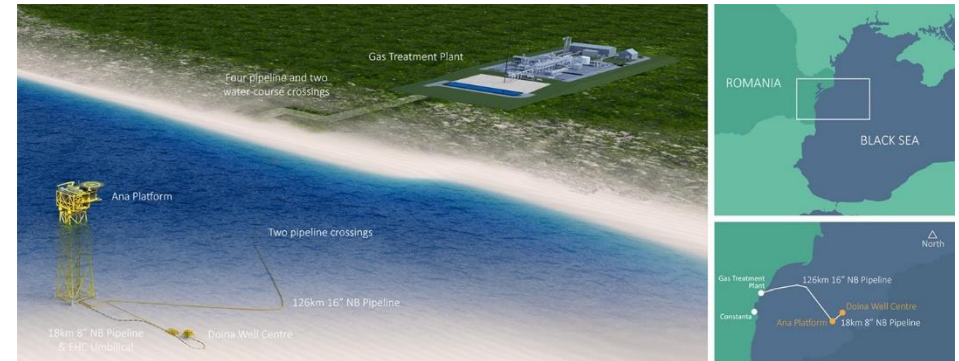
Longanesi Project consists of the Longanesi gas field (roughly 1.100 Msm³ reserves Gas Plus share) which were discovered in 2004 /2005 of latest , is of Pliocene age.

Longanesi Project consists of 5 production wells (3 new wells and 2 existing wells) that will be connected through a 5 km pipeline to reach the gas treatment plant, undergoing revamping for the tenders. At the moment, one new well has been drilled and second new well currently being drilled.

The processed gas will be delivered into the NTS operated by SNAM at metering station to be found within the plant.



🌐 MGD Project - Romania

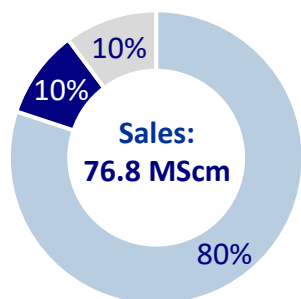


Midia Gas Development project (MGD project) consists of the Ana and Doina gas fields (roughly 725 Msm³ reserves Gas Plus share) which were discovered in 2007 and 1995 respectively. Both are of latest Miocene to Dacian age.

MGD project consists of 5 production wells (1 well at Doina field and 4 wells at Ana field) a subsea gas production system over the Doina well which will be connected through an 18 km pipeline with a new unmanned production platform located over Ana field. At the moment, 3 wells have been drilled, and one is being drilled. A 121 km subsea pipeline will ensure the delivery of the gas from Ana platform to the shore, where a 4.1 km underground pipeline will connect to the new GTP. The processed gas will be delivered into the NTS operated by Transgaz at the gas metering station to be found within the GTP.

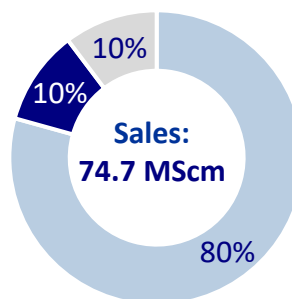
P&L - Retail

FY 2021



- Residential
- Small Business
- Industrial

FY 2020



Retail	FY21	FY20	Δ (%)
Sales (MScm)	76.8	74.7	2.7%
Residential	60.8	59.5	2.2%
Small Business/Multipod	8.1	7.6	5.8%
Industrial	8.0	7.7	3.9%
EBITDA (M€)	2.5	4.8	(46.1%)

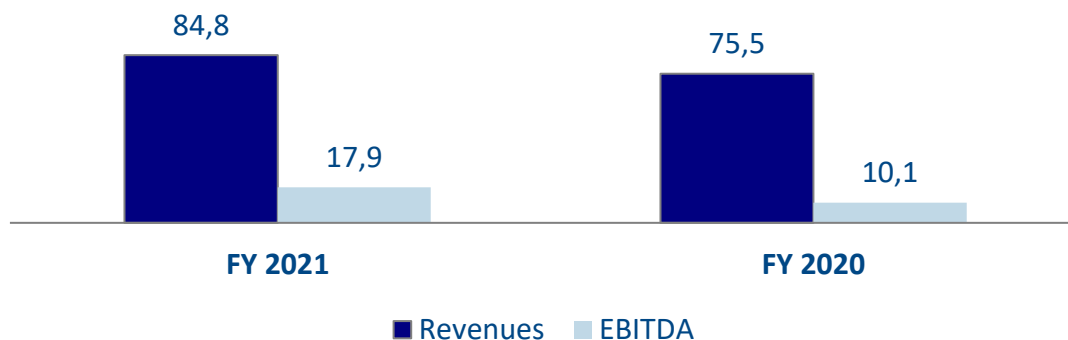
- Volumes sold in FY 2021 posted a moderate increase on the previous year due to temperatures slightly more rigid during winter-time
- The EBITDA in 2021 marked a negative YOY performance, reflecting the sharp worsening of the unitary marginality (-31.9% on FY 2020).
In detail:
 - Small Business clients unitary margin decreased by 52.6% YoY
 - Residential clients were down 17.6% YoY
- Unit margin drop was driven by some fixed and variable with cap commercial offerings which have been severely impacted by gas price scenario hike
- From a cost perspective, year-end result highlights a cautious spending to preserve overall margin

FY 2021 P&L – Network & Transportation Contribution

	FY21	FY20	Δ (%)
Distributed Volumes (MScm)	228.1	207.9	9.7%
Direct end users (#K)	109.2	109.0	0.2%
Pipeline (Km)	1,822.0	1,819,30	0.2%
EBITDA (M€)	7.6	7.5	1.3%
Capex (M€)	2.6	2.8	(7.1%)

- The lower temperature registered during 2021 have led to an increase in the distributed volumes of gas (+9.7%) compared to last year.
- Notwithstanding the additional restrictions on revenues cap from gas distribution, EBITDA results in slight increase compared to 2020.
- Slight Capex decrease (-7.1%).
- Limited impact of Covid-19 on BU Network: secured the essentials activities. No significant impact on collection from customers.
- The installation of the new G4-G6 smart meters is ongoing: 58% of the total was installed as of December 31st 2021, in line with the deadline set by the Authority (85% by 31/12/2023)
- No ATEM tenders involving Group concession have been launched to date. The Group intends to evaluate the new ATEM tenders in order to maintain the same perimeter of activities as a minimum

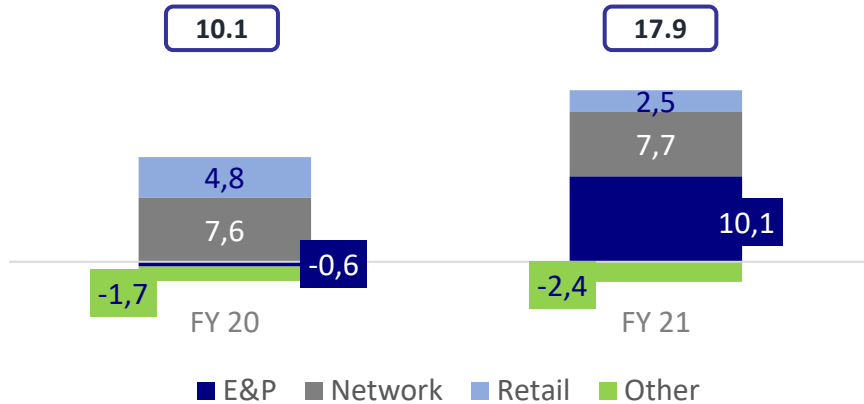
FY 2021 – Group P&L



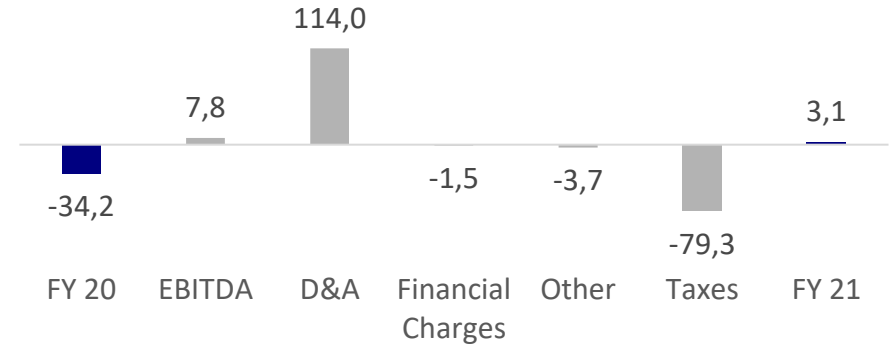
- **Revenues** increase mostly due to the recovery of energy scenarios
- **Operating costs** relatively stable
- Increase in **EBITDA** thanks to the strong contribution on margin of BU E&P
- Reassessment on assets previously depreciated (+13M€) thanks to the recovery of hydrocarbon prices
- Positive **net result after** other net charges (3,4 M€) and financial charges (7,3M€)

Group (M€)	FY 21	FY 20	Δ (%)
Revenues	84.8	75.5	12.3%
Operating Costs	66.9	65.4	2.3%
EBITDA	17.9	10.1	77.9%
EBIT	14.2	(107.7)	(113.1%)
EBT	3.4	(113.2)	(103.0%)
Net Result	3.1	(34.2)	(109.1%)
EPS (€)	0.07	(0.79)	(108.9%)

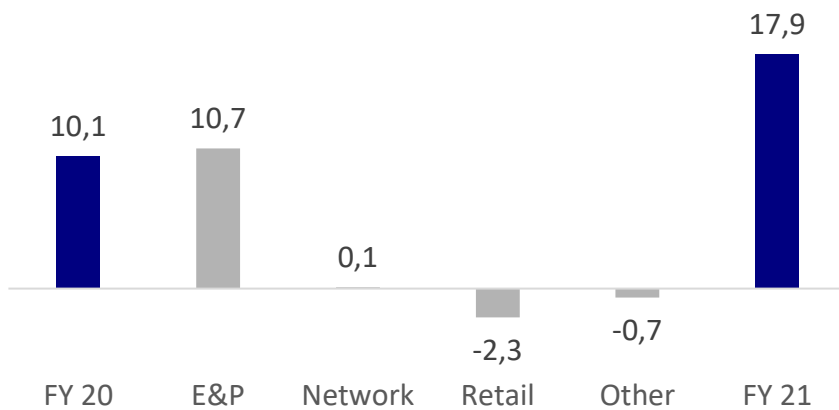
EBITDA Breakdown by BU (M€)



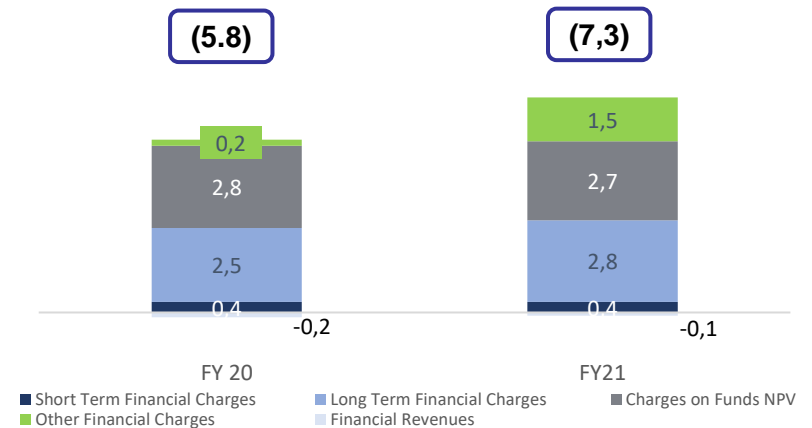
Group Net Result Evolution (M€)



Group Ebitda Evolution (M€)



Net Financial Charges Evolution (M€)

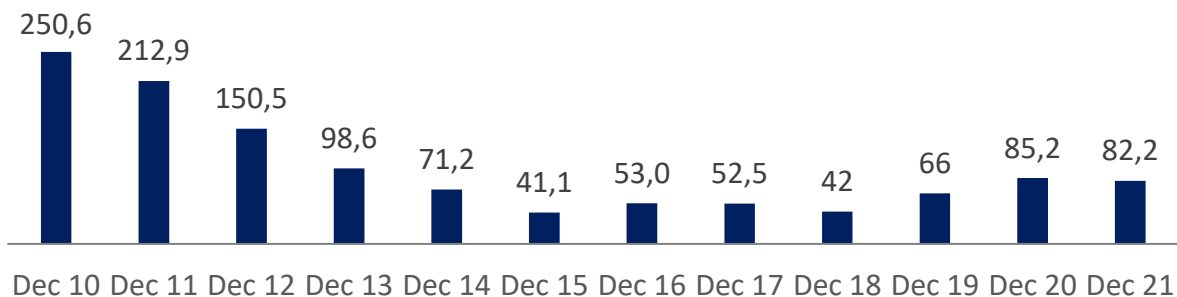


December 31, 2021 – Group Balance Sheet

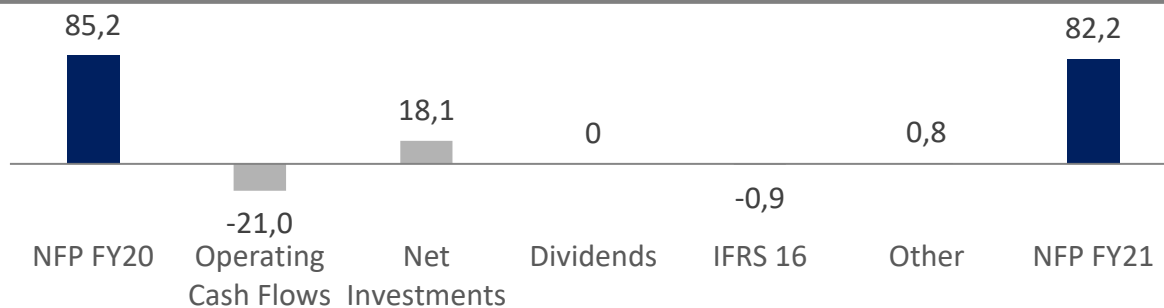
Group (M€)	Dec 31, 2021	Dec 31, 2020	Δ (%)
Inventories	3.4	3.2	6.2%
Receivables	37.1	24.1	53.9%
Payables	(32.5)	(25.6)	27.0%
Other Working Credits/Debits	(25.7)	4.7	<i>n.a.</i>
Non Current Assets	380.9	360.7	5.6%
Taxes, Abandonment, Severance and Other provision	(110.0)	(104.0)	5.8%
Net invested capital	253.2	263.1	(3.8%)
Net Financial Debt	82.2	85.2	(3.5%)
<i>of which long term</i>	73.6	55.2	33.3%
<i>of which short term</i>	8.6	30.0	(71.3%)
Equity	171.0	177.9	(3.9%)
Total Sources	253.2	263.1	(3.8%)

- Strong reduction in **Working Capital** due to the effect of negative value of hedging derivatives on commodities
- Increase of **Non Current Assets** due to investments for € 18,1 M and net reassessment on E&P assets (+13M€)
- Decrease in **Net Financial Debt** despite the investments (18,1 M€), as effect of the positive cash flows deriving from the main Business Units. At the beginning of the year, the Group obtained additional loans of € 20 M from its lending banks.
- **Debt/equity** ratio at 0.48 in line with FY 2020 (0.48 at 31/12/2020) despite the effects of negative value of hedging derivatives on equity

Group NFP Historical Trend (M€)

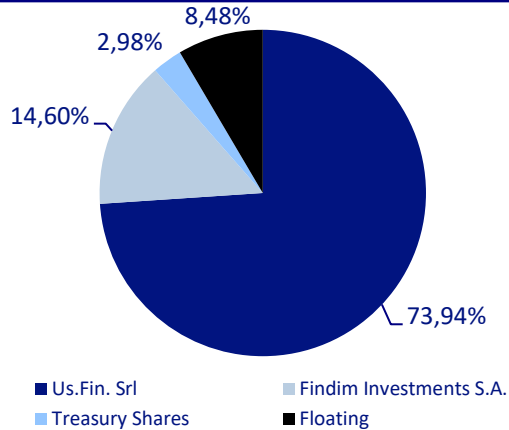


Group NFP Evolution (M€)



- The NFP remains at low levels, with a decrease compared to 2020 despite the investments (from 2019 onwards it also includes the effects of IFRS 16 on leasing contracts equal to -4.2 M € in December 2021)
- Positive **cash flow from operating activities** in FY2021 (€18,1M), despite the Covid-19 pandemic

Shareholding as at 1 March 2022



Share information

N. of share: 44,909,620

Share price as of 31.12.2021: € 3.36

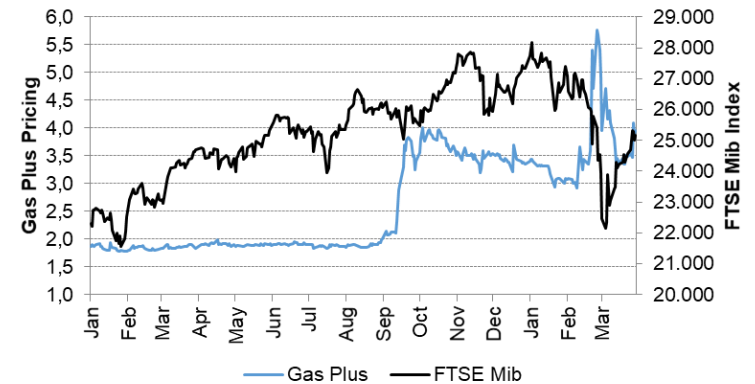
Share price as of 13.04.2022: € 3,9

Mkt cap 31.12.2021: € 150,9 million

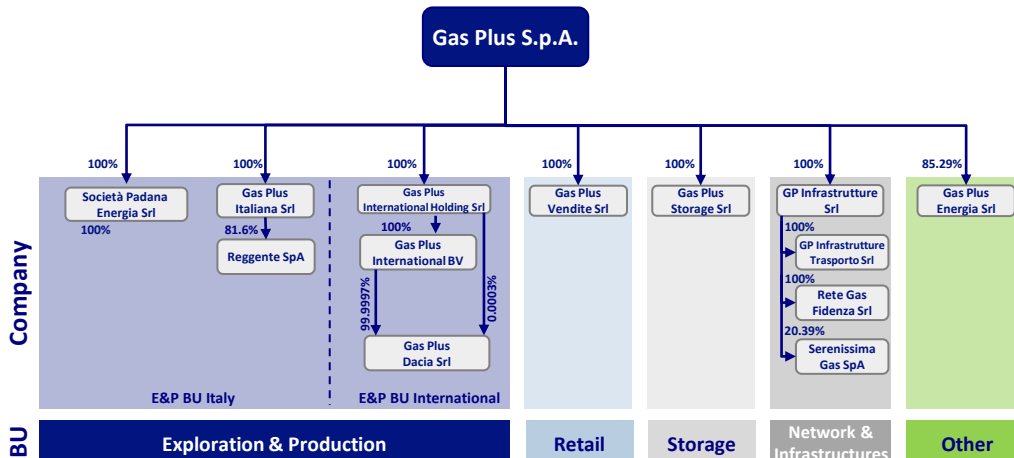
Italian Stock Exchange – Euronext Milan

Own shares as of 31.12.2021: 1.336.677

Share price performance



Group structure*



Management

Stefano Cao	Chairman – Gas Plus S.p.A.
Davide Usberti	CEO Gas Plus S.p.A.
Cinzia Triunfo	Group General Manager and Director of Gas Plus S.p.A.
Germano Rossi	Group CFO
Massimo Nicolazzi	Executive Director Dacia S.R.L.
Regulated Activity - Network	
Leonardo Dabrassi	Chairman – GP Infrastrutture S.r.l
Achille Capelli	Network Manager

(*) Gas Plus Group Structure as of 31 december 2021

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Gas Plus. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Gas Plus to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "objectives", "outlook", "probably", "project", "will", "seek", "target", "risks", "goals", "should" and similar terms and phrases. There are a number of factors that could affect the future operations of Gas Plus and could cause those results to differ materially from those expressed in the forward-looking statements included in this Report, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for the Group's products; (c) currency fluctuations; (d) drilling and production results; (e) reserve estimates; (f) loss of market and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including potential litigation and regulatory effects arising from re-categorisation of reserves; (k) economic and financial market conditions in various countries and regions; (l) political risks, project delay or advancement, approvals and cost estimates; and (m) changes in trading conditions.

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