

Gas Plus Group

Analyst Presentation
IH 2021 Financial Results

*September 10th, 2021**

**Gas
Plus**

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MARKET SCENARIO

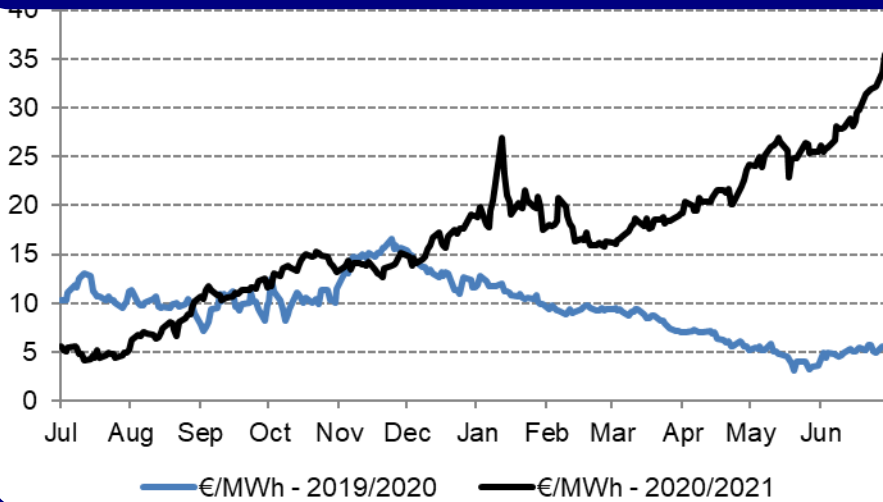
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HIGHLIGHTS

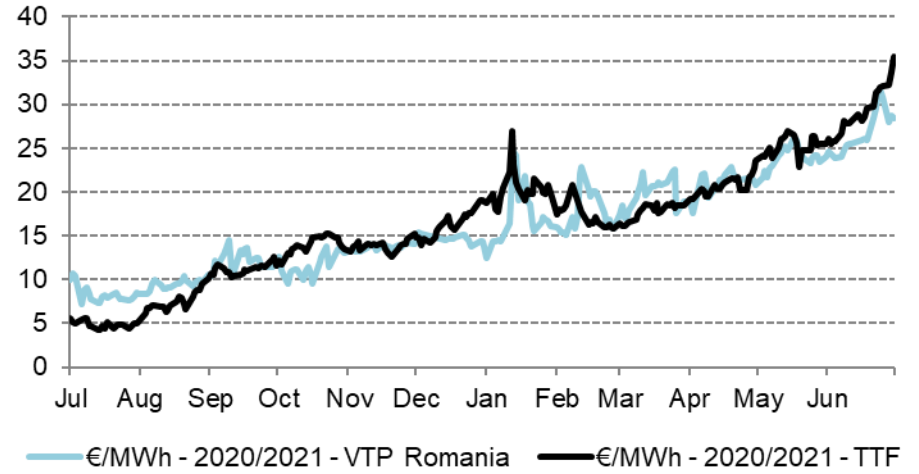
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FINANCIAL RESULTS

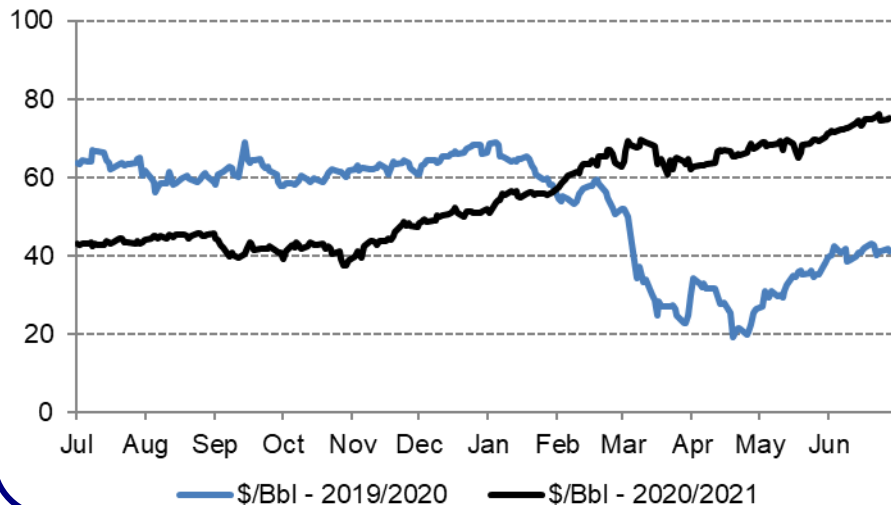
TTF Gas Price – Day Ahead



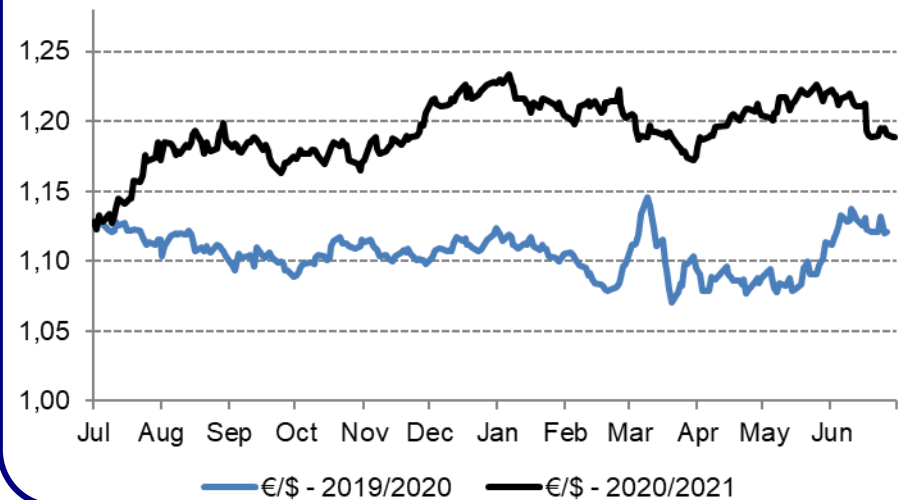
TTF vs VTP Romania Gas Price* – Day Ahead, since July '20



Brent Price – Month+1



€/€ Exchange Rate - Spot



(*) source: BRM; in July 2020 the legal market framework in Romania routed towards a liberalization of the market

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MARKET SCENARIO

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HIGHLIGHTS

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FINANCIAL RESULTS

E&P Italian Activities

- ✓ EBITDA growth (EBITDA +5.3 M€ in IH 2021 vs -1.4 M€ in IH 2020), thanks to the substantial increase in gas (+138%) and oil (+63%) prices, with production nearly stable (-4%).
- ✓ “Longanesi” project: in the first half of 2021, preliminary activities related to the civil works of the well locations that will host the drilling rigs for Longanesi project were completed.

E&P International Activities

- ✓ Romania: the development of the MGD (Midia Gas Development) gas project in the Romanian Black Sea has now reached two-thirds of the work programme and the gas-in is expected by the first half of 2022.

Retail

- ✓ The apparent contraction in the Business Unit's overall margin still derives from non-recurring components (€ -0.5 M in 1H21). The effects of Covid-19 pandemic on the consumption of certain types of customers and the gas price fluctuations on fixed-price contracts continue, however, to determine an atypical performance of certain sales segments both in terms of volumes and margins.

Network & Transportation

- ✓ Stable EBITDA despite the decrease in regulatory revenue cap

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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

IH 2021 P&L - E&P contribution

E&P (MScme)	IH21	IH20	Δ (%)
Hydrocarbon Production	67.2	70.2	(4.3%)
<i>of which natural gas</i>	49.5	51.1	(3.1%)
<i>of which oil and condensate</i>	17.7	19.1	(7.3%)
EBITDA (M€)	5.1	(1.7)	n.a
Exploration Capex	0.1	0.2	(50%)
Development Capex	5.7	6.2	-8.1%

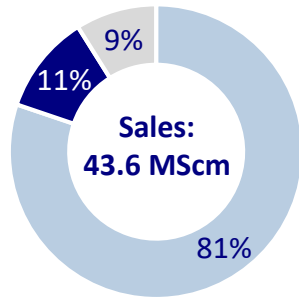
E&P Reserves

E&P (MScme)	Jun 30, 2021	Dec 31, 2020	Δ (%)
Hydrocarbon Reserves	4,423.7	4,490.8	(1.5%)
<i>of which domestic</i>	3,698.7	3,765.8*	(1.8%)
<i>of which international</i>	725.0	725.0	0%

- Increase in EBITDA due to:
 - ✓ the recovery of macroeconomic scenarios, in particularly hydrocarbon prices. Significant increase in revenues (+20%), with the production remaining substantially unchanged
 - ✓ cost containment
- **Domestic activities:**
 - “Longanesi” project:
 - concluded preliminary activities for the future drilling phase
 - continuation of procurement and engineering activities for treatment plant revamping and surface facilities
 - nonperformance by the non-operating partner, which does not currently affect the timing of the work programme
- **International activities in Romania - Offshore concession “Midia Shallow XV”:**
 - Continuation of development phase which has now reached two-thirds of its schedule and whose gas-in is expected to be in the first half of 2022
 - Due to the pandemic, the General Contractor has been requested price revisions, currently under negotiation. On the other side, Romanian market prices are aligning with the ones of the other European hubs and are significantly higher than the initial projections estimated in the evaluation phase of the project

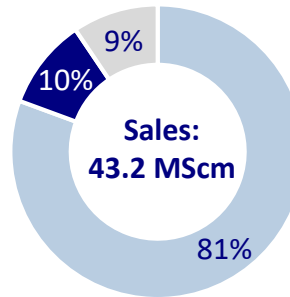
P&L - Retail

IH 2021



- Residential
- Small Business
- Industrial

IH 2020



Retail	IH21	IH20	Δ (%)
Sales (MScm)	43.6	43.2	1.1%
Residential	35.1	34.9	0.7%
Small Business/Multipod	4.6	4.3	7.0%
Industrial	3.9	4.0	(2.0%)
EBITDA (M€)	2.1	2.7	(21.8%)

- The first semester of 2021 has been characterized by the following events:
 - Sharp recovery of gas prices between 2020 and 2021
 - Drops in temperatures registered, in particular in the last part of the first semester, compared to last year.
- Limited impact of Covid-19 on Retail results thanks to the portfolio mix (~80% of residential customers) with limited impact on sales and on creditworthiness
- Decrease in EBITDA mainly due to a non-recurring component (€ 0.5 M); net of this effect, the overall unit margin would be in line with IH20
- Constant attention to limit the switch rate providing customized offers to reliable customers (*Residential and Small Business*). Further commercial analysis will be assessed considering the planned ending of “Mercato Tutelato” on the 1st of January 2023

IH 2021 P&L – Network Contribution (GP Infrastrutture – Rete Gas Fidenza)

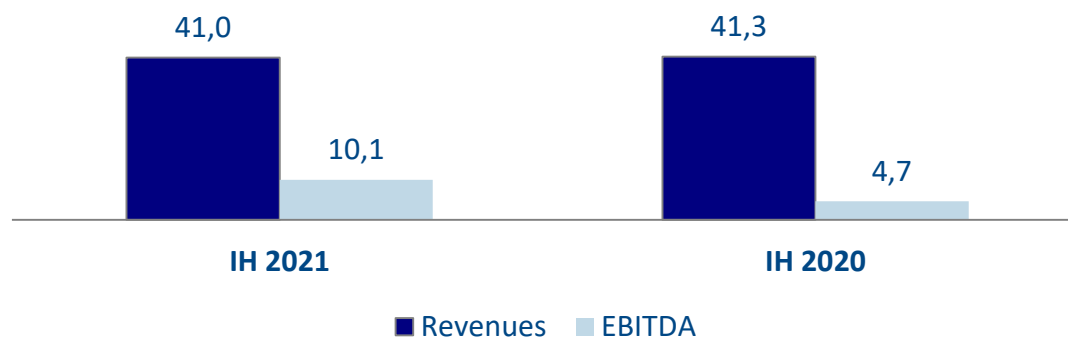
	IH21	IH20	Δ (%)
Distributed Volumes (MScm)	123.3	112.8	9.3%
Direct end users (#K)	108.9	108.7	0.2%
Pipeline (Km)	1,778.2	1,773.2	0.3%
EBITDA (M€)	4.1	4.1	0.8%
Capex (M€)	1.4	1.0	41.0%

IH 2021 P&L – Transportation Contribution (GP Infrastrutture Trasporto)

	IH21	IH20	Δ (%)
Transported Volumes (MScm)	6.0	5.0	19.0%
Direct end users (#K)	0.1	0.1	0.9%
Pipeline (Km)	41.8	41.8	0%
EBITDA (M€)	0.03	0.03	(3.6%)

- The lower temperature registered during the first semester of 2021 have led to an increase in the distributed volumes of gas (+9.3%) compared to the last year.
- Notwithstanding the additional restrictions on revenues cap from gas distribution, EBITDA results in line with IH20.
- Significant capex increase (+41%)
- Limited impact of Covid-19 on BU Network: secured the essential activities during lockdown period with a recovery of other activities from May 5th ,2020. No significant impact on collection from customers
- The installation of the new G4-G6 smart meters is ongoing: ~40% of the total was installed as of June 30th 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

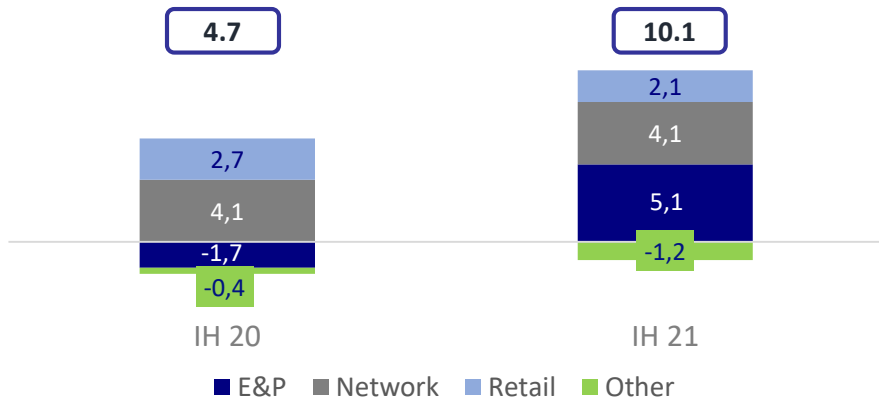
IH 2021 – Group P&L



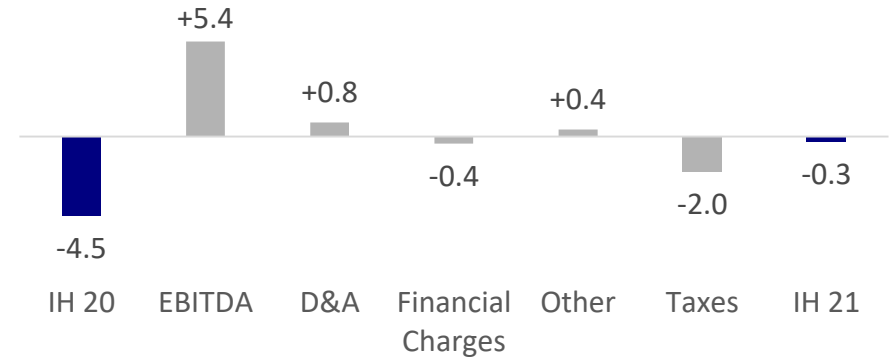
- Overall Revenues are in line with IH20; strong decrease in Operating Costs compared to the previous year (-15.5%) which was influenced by the presence of non-recurring items related to the BU E&P (€ 2.4 M)
- Significant EBITDA growth thanks to the recovery of energy scenarios and margins related to E&P activities
- Strong increase in EBIT due to lower depreciation
- Increase in Financial charges due to the progressive use of credit lines available for investments
- Net Result of the first half of the year in substantial economic breakeven

Group (M€)	IH 21	IH 20	Δ (%)
Revenues	41.0	41.3	(0.7)
Operating Costs	30.9	36.6	(15.5)
EBITDA	10.1	4.7	114.0
EBIT	1.9	(4.2)	145.9
EBT	(0.6)	(6.8)	90.5
Net Result	(0.3)	(4.5)	93.3
EPS (€)	(0.01)	(0.10)	n.a.

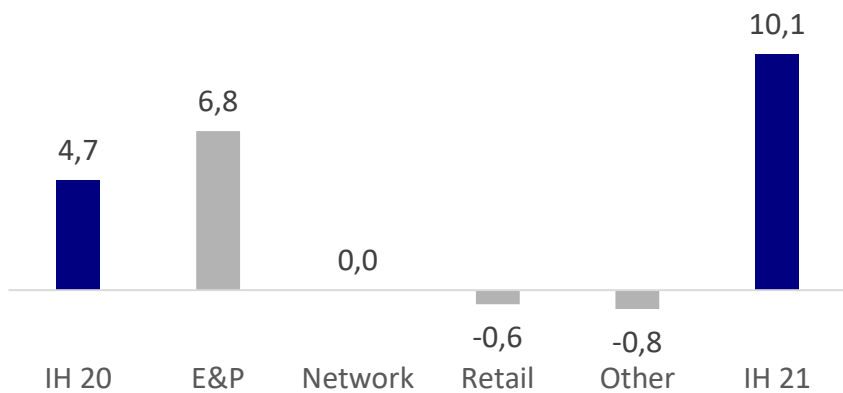
EBITDA Breakdown by BU (M€)



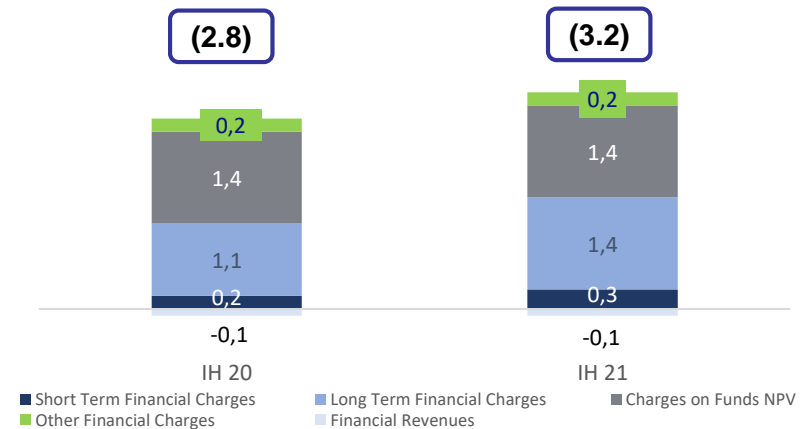
Group Net Result Evolution (M€)



Group EBITDA Evolution (M€)



Net Financial Charges Evolution (M€)

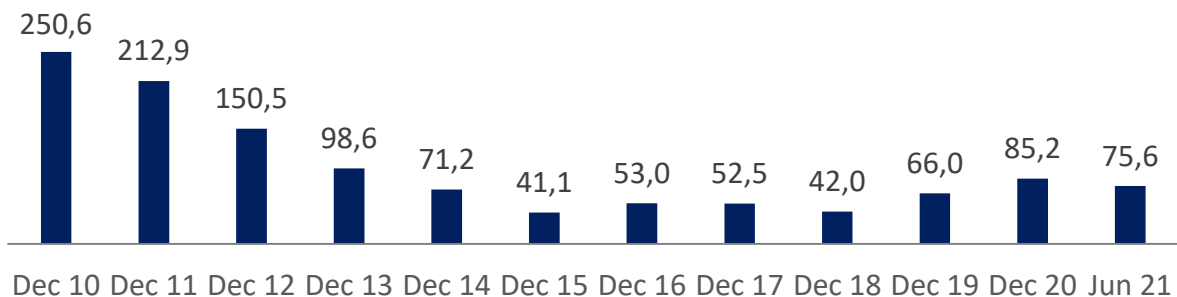


June 30, 2021 – Group Balance Sheet

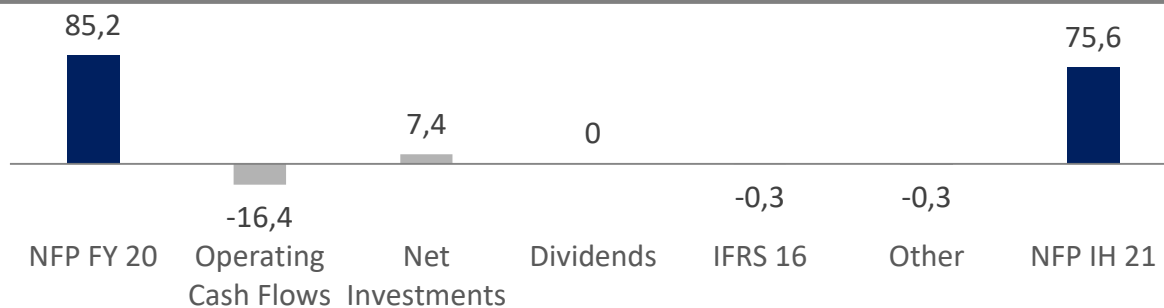
Group (M€)	Jun 30, 2021	Dec 31, 2020	Δ (%)
Inventories	3.7	3.1	19.3%
Receivables	17.2	24.0	(28.3%)
Payables	(17.7)	(25.6)	(30.9%)
Other Working Credits/Debits	(16.9)	4.9	<i>n.a.</i>
Non Current Assets	363.1	360.7	0.7%
Taxes, Abandonment, Severance and Other provision	(102.9)	(104.0)	(1,1%)
Net Invested Capital	246.5	263,1	(6.3%)
Net Financial Debt	75.6	85.2	(11.3%)
<i>of which long term</i>	75.9	55.3	37.2%
<i>of which short term</i>	(0.3)	29.9	<i>n.a.</i>
Equity	170.9	177.9	(3.9%)
Total Sources	246.5	263,1	(6.3%)

- Strong reduction in Working Capital due to the effect of negative value of hedging derivatives on commodities
- Slight increase of Non Current Asset considering investments for € 7.4 M
- Decrease in Net Financial Debt 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 0.44 (vs 0.48 at 31/12/2020)

Group NFP Historical Trend (M€)

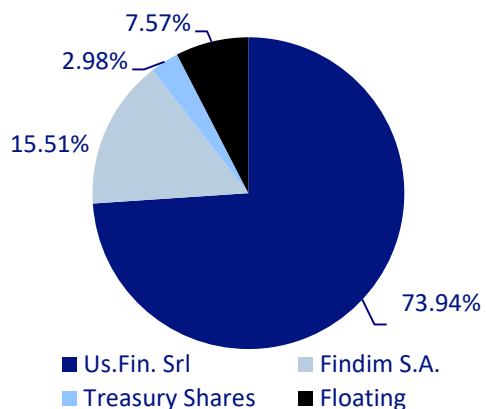


Group NFP Evolution (M€)



- NFP remains at low levels, with a decrease in IH21 despite of investments (from FY2019 onwards it also includes also the effects of IFRS 16 on leasing contracts amounting to €-4,6 M at June 2021)
- Positive cash flow from operating activities in IH21 (€ 16.4M), despite the Covid-19 pandemic

Shareholding as at 30 June 2021



Share information

N. of share: 44,909,620

Share price as of 30.06.2021: € 1.94

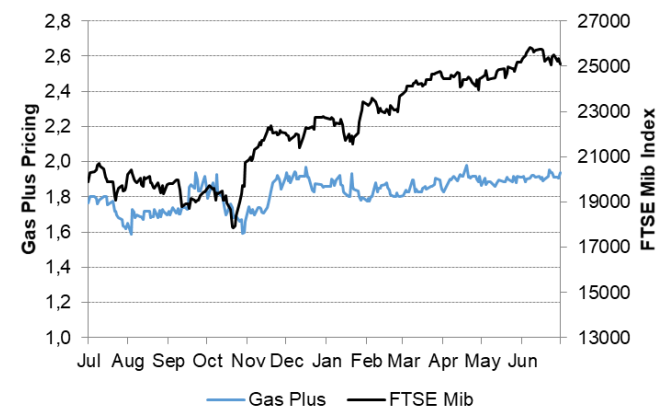
Share price as of 9.09.2021: € 2.09

Mkt cap 30.06.2021: € 87.1 million

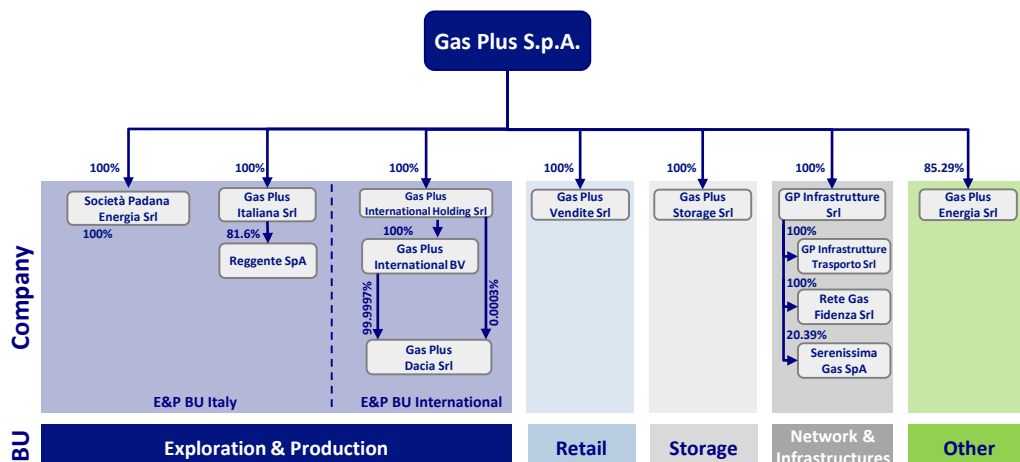
Italian Stock Exchange – segment MTA

Own shares as of 30.06.2021: 1,336,677

Share price performance



Group structure*



Management

Davide Usberti	CEO Gas Plus S.p.A.
Lino Gilioli	VP and Lead Independent Director 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 Gas Plus Dacia (E&P Int. Activities)
Regulated Activity - Network	
Leonardo Dabrassi	Chairman – GP Infrastrutture S.r.l
Achille Capelli	Network Manager

(*) Gas Plus Group Structure as of 30 June 2021

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