

# Gas Plus Group

**Analyst Presentation**  
*IH 2023 Financial Results*

*September 8<sup>th</sup>, 2023\**

**Gas  
Plus**

**1**

**MARKET SCENARIO**

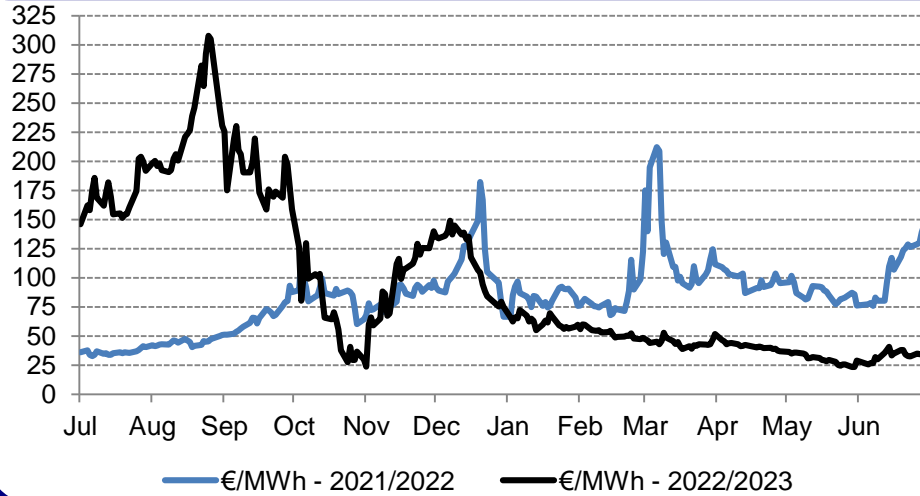
**2**

**HIGHLIGHTS**

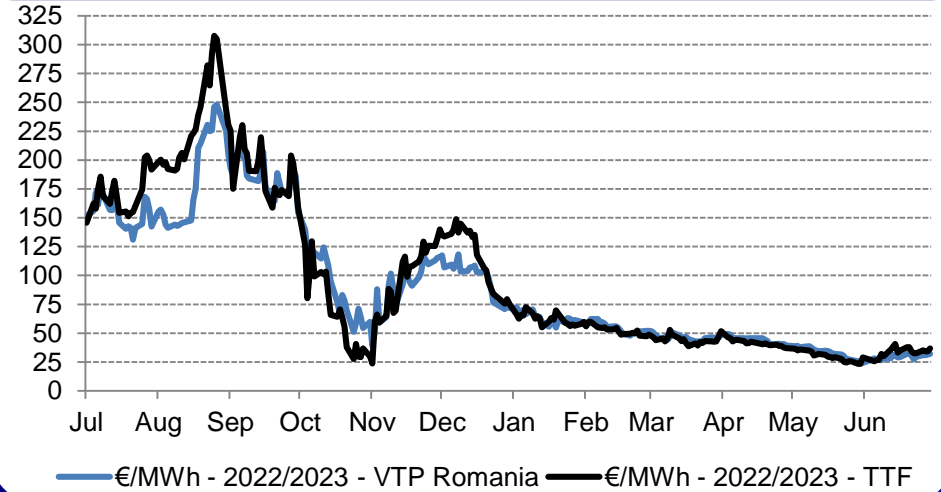
**3**

**FINANCIAL RESULTS**

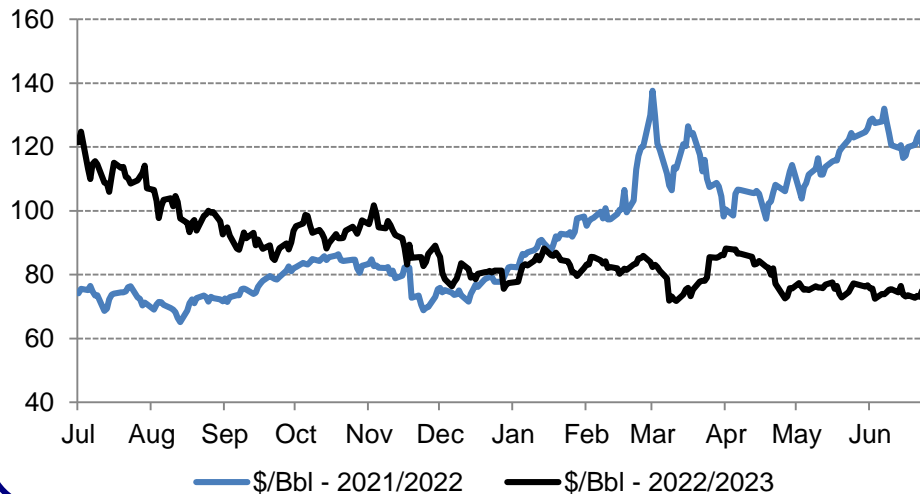
### TTF Gas Price – Day Ahead



### TTF vs VTP Romania Gas Price\* – Day Ahead



### Brent Price – Month+1



### €/€ Exchange Rate - Spot



(\*) source: BRM

1

**MARKET SCENARIO**

2

**HIGHLIGHTS**

3

**FINANCIAL RESULTS**

Remarkable first half of the year results thanks to:

## **E&P production:**

- ✓ stable contribution from the Romanian fields after the gas-in of June 2022
- ✓ positive performance of the domestic fields (+4.5%), which more than balanced natural depletion

## **Downstream results:**

- ✓ return to profitability of Retail
- ✓ growth in the EBITDA margin of the Network as an effect of a cost containment policy

In addition, as previously communicated, in May 2023 Romanian Law no. 119 amended the provisions concerning the Solidarity Contribution for the financial years 2022 and 2023 providing an exclusion from these contributions for the companies – such as Gas Plus Romanian subsidiary – that did not produce hydrocarbons in the 2018-2021 period. Subsequently, IH 2023 results benefit of a tax relief for the amount of the 2022 Romanian Solidarity Contribution reported in the 2022 Consolidated Financial Statement (€ 21.6 M€) and of no additional charges of Solidarity Contribution on 2023 incomes.

## **Outlook FY 2023:**

Assuming stable production levels, and with current declining gas price scenarios, we expect a EBITDA FY 2023 in line with 2022, or slightly lower, depending on the gas price trends with the beginning of the winter season.

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**MARKET SCENARIO**

2

**HIGHLIGHTS**

3

**FINANCIAL RESULTS**

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

## IH 2023 P&L - E&P contribution

E&P (MScme)	IH23	IH22	Δ (%)
Hydrocarbon Production	118.5	64.1	84.9%
<i>of which natural gas</i>	<i>107.0</i>	<i>49.7</i>	<i>115.3%</i>
<i>of which oil and condensate</i>	<i>11.5</i>	<i>14.4</i>	<i>(20.1%)</i>
<b>EBITDA (M€)</b>	<b>37.0</b>	<b>13.1</b>	<b>182.4%</b>
Exploration Capex	0.2	0.0	<i>n.a.</i>
Development Capex	12.8	18.2	<i>(29.7%)</i>

## E&P Reserves

E&P (MScme)	Jun 30, 2023	Dec 31, 2022	Δ (%)
Hydrocarbon Reserves	3,978.1	4,096.6	<i>(2.9%)</i>
<i>of which domestic</i>	<i>3,331.1</i>	<i>3,394.2</i>	<i>(1.9%)</i>
<i>of which international</i>	<i>647.0</i>	<i>702.4</i>	<i>(7.9%)</i>

### EBITDA:

- Excellent performance of the E&P activities led to a strong growth in EBITDA due mainly to:
  - significant increase of natural gas production (+115.3%) thanks to the Romanian activities (full IH 2023 of production vs only fifteen days in June 2022) and to the Italian activities (+12%);
  - positive effects of hedging policy.

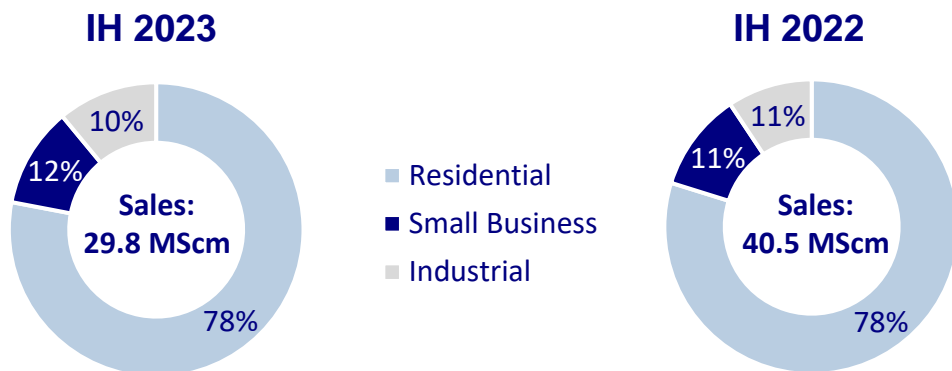
### Domestic activities:

- Longanesi project:
  - drilling of three new development wells completed, as well as workover of the pre-existing well;
  - tenders for surface facilities launched.
- development CAPEX increase (12.8 M€ vs 11.1 M€).

### International activities:

- Romania:
  - development project completed;
  - start of development of renewable generation: after end IH 2023, the permitting process of a power corridor in the Black Sea has started along the existing MGD Project infrastructure to connect future offshore wind farms to the Transelectrica national power grid (SEN).
- Netherlands: at the beginning of August the exploration well E-15-1 in the Dutch North Sea had a negative result.

## P&L - Retail



Retail	IH23	IH22	Δ (%)
Sales (MScm)	29.8	40.5	(26.4%)
Residential	23.3	31.7	(26.5%)
Small Business/Multipod	3.5	4.4	(20.5%)
Industrial	3.0	4.4	(31.8%)
<b>EBITDA (M€)</b>	<b>2.0</b>	<b>(6.1)</b>	<b>n.a.</b>

- EBITDA: the significant margin recovery (approximately +8.1 M€) in the first half of the year is the outcome of the procurement and customer sales strategy implemented after overcoming the turbulent energy market conditions, which had significantly impacted procurement conditions of the previous year.
- Volumes sold in IH 2023 posted a decrease versus the previous year due to warmer temperatures and reduction of consumption in all market segments.
- Market provisions: ARERA regulated the modalities by which natural gas sellers will have to manage the removal of the protected price scheduled on January 1, 2024 for the end of gas protection market (*regime di tutela*) and for the identification of vulnerable gas customers with Resolutions 100/2023/R/GAS and 102/2023/R/GAS.

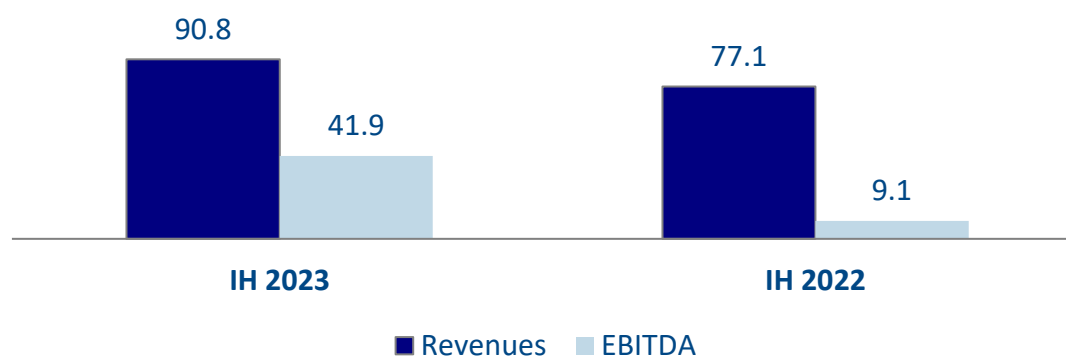


## IH 2023 P&L – Network Contribution

	IH 23	IH 22	Δ (%)
Distributed Volumes (MScm)	100.8	120.2	(16.1%)
Direct end users (#K)	109.0	109.0	0.0%
Pipeline (Km)	1,829.7	1,823.5	0.3%
<b>EBITDA (M€)</b>	<b>4.1</b>	<b>3.3</b>	<b>24.2%</b>
Capex (M€)	2.3	1.5	53.3%

- The warmer temperatures registered during IH 2023 have led to a decrease in the distributed volumes of gas (-16.1%) compared to last year.
- EBITDA results higher than last year (+24.2%) due to:
  - strong decrease of Opex, mainly due to reduction of energy related costs;
  - improvement in revenues cap from gas distribution, motivated by RAB's increase as a result of higher investments.
- The installation of the new G4-G6 smart meters is ongoing: 75% of the total was installed as of June 30st 2023, 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.

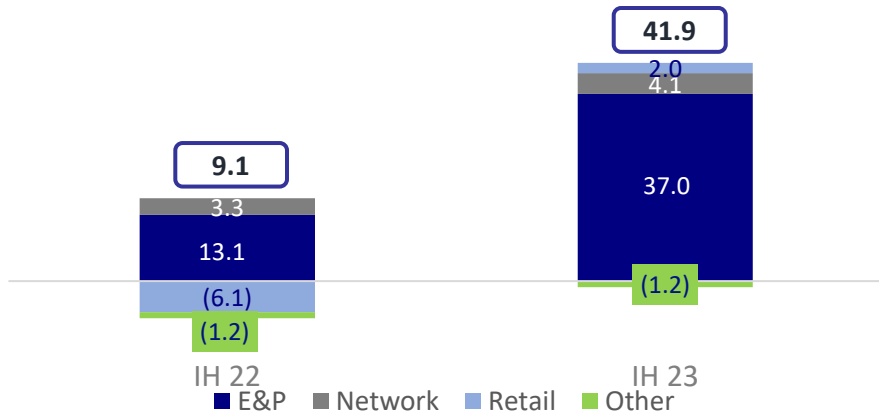
## IH 2023 – Group P&L



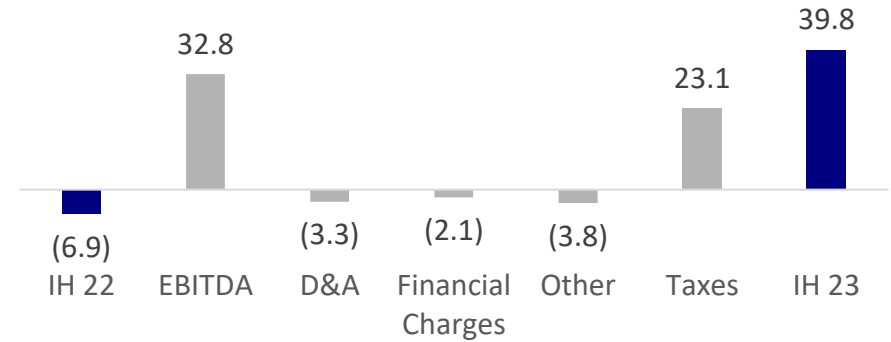
- Increase in Revenues as effect of higher gas productions (+115.3%). Decrease in Operating costs due to the lower gas purchase costs (-18.5 M€).
- Strong growth in EBITDA thanks to the positive economic performance of all Group activities and, in particular, of the B.U. E&P.
- Amortization and depreciation growing for the increase in E&P productions.
- Strong growth in net profit thanks to the increase in EBITDA and non-recurring income (21.6 M€) following the non-payment of the extraordinary solidarity contribution in Romania.

Group (M€)	IH 23	IH 22	Δ (%)
Revenues	90.8	77.1	17.8%
Operating Costs	48.9	68.0	(28.1%)
<b>EBITDA</b>	<b>41.9</b>	<b>9.1</b>	<b>360.4%</b>
<b>EBIT</b>	<b>30.3</b>	<b>0.8</b>	<b>3,687.5%</b>
<b>EBT</b>	<b>25.1</b>	<b>1.5</b>	<b>1,573.3%</b>
Net Result	39.8	(6.9)	<i>n.a.</i>
EPS (€)	0.91	(0.16)	<i>n.a.</i>

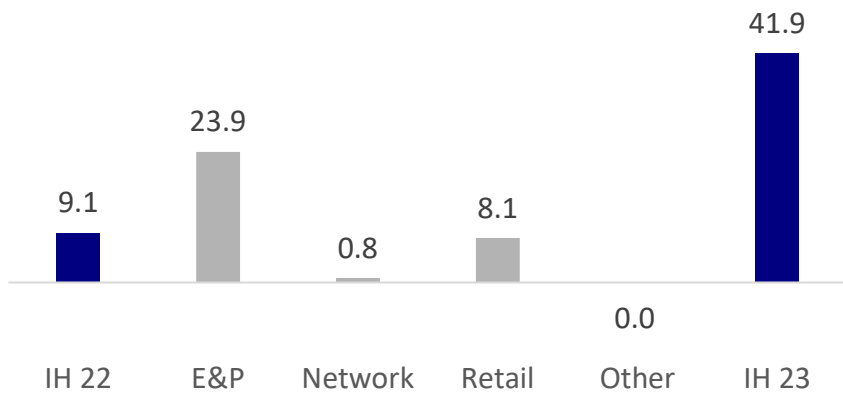
### EBITDA Breakdown by BU (M€)



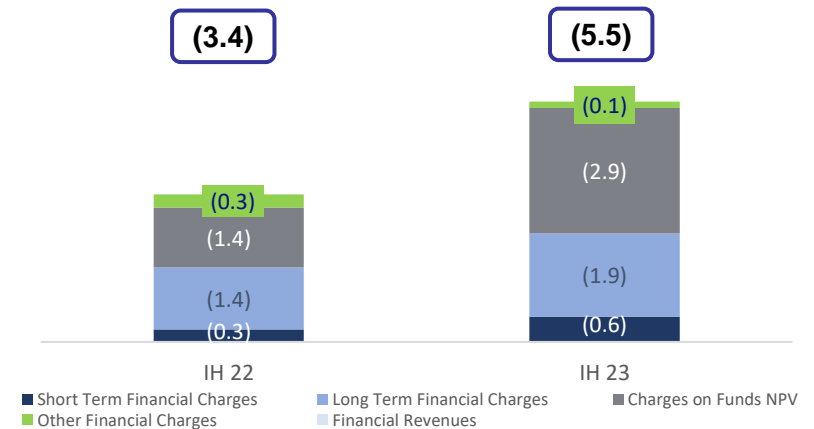
### Group Net Result Evolution (M€)



### Group EBITDA Evolution (M€)



### Net Financial Charges Evolution (M€)

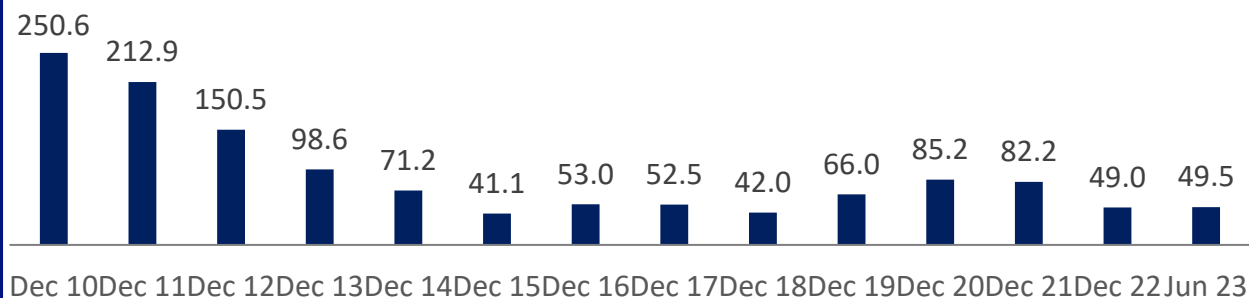


## June 30, 2023 – Group Balance Sheet

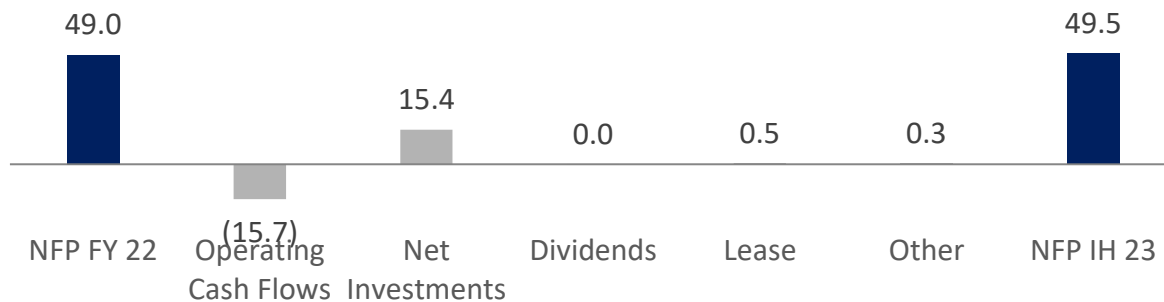
Group (M€)	Jun 30, 2023	Dec 31, 2022	Δ (%)
Inventories	4.4	3.4	29.4%
Receivables	18.1	50.6	(64.2%)
Payables	(26.9)	(51.8)	(48.1%)
Other Working Credits/Debits	(2.2)	(43.9)	(94.9%)
Non Current Assets	399.5	399.7	(0.0%)
Taxes, Abandonment, Severance and Other provision	(120.9)	(122.5)	(1.3%)
<b>Net Invested Capital</b>	<b>272.0</b>	<b>235.5</b>	<b>15.5%</b>
Net Financial Debt	49.5	49.0	1.0%
of which long term	43.2	53.1	(18.8%)
of which short term	6.3	(4.1)	n.a.
Equity	222.5	186.5	19.3%
<b>Total Sources</b>	<b>272.0</b>	<b>235.5</b>	<b>15.5%</b>

- Non Current Assets in line with FY22 after investments for 15.4 M€.
- Decrease in negative amount of Working Capital due to the payment of tax debts (royalties, Windfalltax).
- Despite the investments slight increase in Net Financial Debt as effect of positive cash flows of all activities.
- Debt/equity ratio at 0.22 (vs 0.26 at 31/12/2022).

## Group NFP Historical Trend (M€)

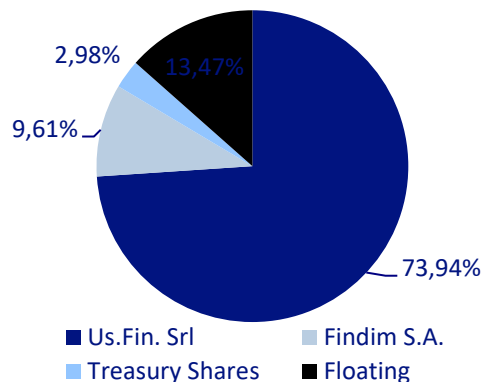


## Group NFP Evolution (M€)



- The NFP confirms a significant reduction despite the investments.
- NFP is close to its lowest levels since 2010 and also includes the effects of IFRS 16 on leasing contracts equal to 3.5 M€.
- The operating cash flows exceeded expenditure on investments.

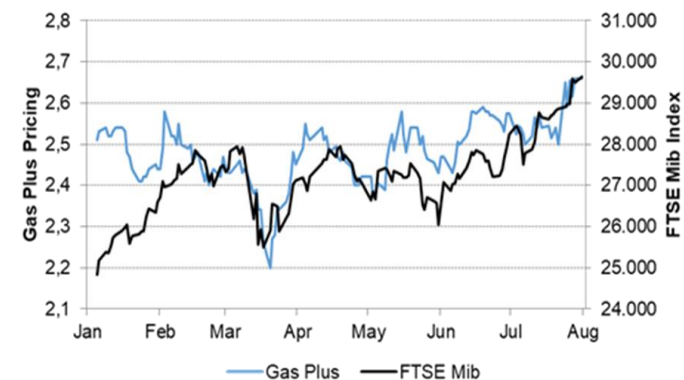
## Shareholding as at 30 June 2023



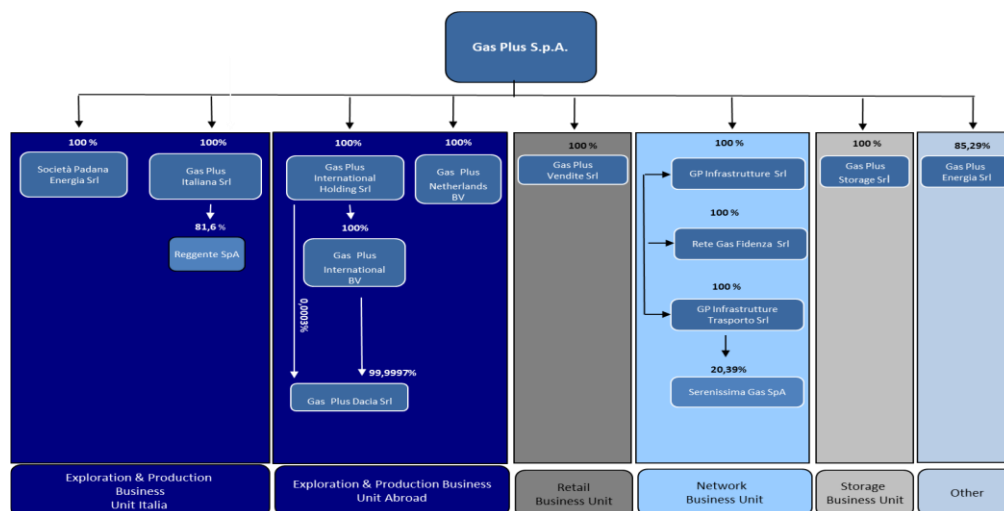
## Share information

N. of share: 44,909,620  
 Share price as of 30.06.2023: € 2,57  
 Share price as of 07.09.2023: € 2,73  
 Mkt cap 30.06.2023: € 115,4 million  
 Italian Stock Exchange – segment MTA  
 Own shares as of 30.06.2023: 1,336,677

## Share price performance



## Group structure\*



(\* ) Gas Plus Group Structure as of 30 June 2023

## Management

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

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