

Energean plc
("Energean" or the "Company")

Trading Statement & Operational Update

London, 28 November 2024 - Energean plc (LSE: ENOG, TASEX: ENOG) is pleased to provide the following update on recent operations and the Group's trading performance in the nine-months to 30 September 2024. The numbers contained herein are unaudited and may be subject to further review and amendment.

Mathios Rigas, Chief Executive Officer of Energean, commented:

"We are pleased to announce another strong quarter, marked by a 61% year-on-year increase in adjusted EBIDTAX from our continuing operations^[1]. Our production in Israel remains unaffected by geopolitical events, recording a 39% year-on-year increase, and we welcome the announcement of the ceasefire in Lebanon.

"Our operations continue to deliver energy security to Israel and the broader region through the optimisation of production from our FPSO, which has been operating at 99% uptime^[2], underscoring our operational resilience. Progress on key development projects have also been robust: the Katlan area in Israel remains on schedule and the second oil train has been installed on the FPSO. Upon commissioning, the second oil train will increase the liquids production capacity, supporting enhanced operational performance.

"The targeted sale of our Egypt, Italy and Croatia portfolio (the "Transaction") to an entity controlled by Carlyle International Energy Partners ("Carlyle") is on track for completion by or just after year-end 2024, supporting our focus on core assets, deleveraging, and delivering incremental shareholder returns.

"Additionally, our Prinos carbon storage project in Greece, now recognised as an EU Project of Common Interest, has secured material funding from the Greek Recovery and Resilience Facility ("RRF").

"Energean is committed to delivering on its strategic priorities: operational excellence, maximising shareholder value, and broader sustainability objectives. A key pillar of our strategy is ensuring a reliable dividend, supported by our focus on securing long-term cash flows that are independent of commodity price fluctuations. We are also pleased to declare today another quarterly dividend, bringing the total distributed to shareholders since the announcement of our policy in 2022 to 541 million."

Operational Highlights

- Group production for the period was 156 kboed (83% gas), a 31% increase year-on-year (nine-months 2023: 119 kboed). Production from the continuing operations¹ for the period was 117 kboed (85% gas), a 40% increase year-on-year (nine-months 2023: 84 kboed).
 - In Israel, FPSO uptime² (excluding planned shutdowns) was 99% for the nine-months to 30 September 2024. Q3 production averaged 135 kboed.
 - Day-to-day production remains unimpacted by the ongoing geopolitical developments.
- Post-period end in October, the second oil train (Israel) lift was safely and successfully performed.
 - Post-lift, installation and commissioning activities are expected to take up to 6-months to complete, which will result in an increase in liquids production capacity.
- Katlan (Israel) development progressing on schedule, with first gas expected in H1 2027 as previously announced.
 - Energean is planning the drilling campaign for 2026, which will include the Athena and Zeus development wells plus options for further exploration and appraisal.
- Prinos carbon storage project (Greece) Front-End Engineering Design activities progressing:
 - NSAI CPR confirmed an annual storage capacity of up to 3 million tonnes and a total project-life capacity of 66 million tonnes (2C contingent) of CO₂.
 - In October, the European Commission approved, under EU state aid rules, the EUR 150 million grant from the Greek RRF to support the maturation and development of the first phase of the project, allowing the transition of Prinos into a new decarbonisation hub.
 - In addition EnEarth, the 100% owned subsidiary of Energean focused on carbon storage, has applied for funding under the Connecting Europe Facility.
- 20% reduction in Tors and Wenlock (UK) total decommissioning expenditure expected following the takeover by Energean as operator and signing of the Petrodec UK Limited ("Petrodec") contract^[3]; UK production has outperformed expectations year-to-date.
- Group Scope 1 and 2 emissions intensity of 9.0 kgCO₂e/boe, a 7.1% reduction (nine-months 2023: 9.7 kgCO₂e/boe). Scope 1 and 2 emissions intensity for the continuing operations¹ was 7.2 kgCO₂e/boe.

Financial and Strategic Highlights

- Revenues for the period were 1,363 million, a 35% increase (nine-months 2023: 1,016 million), of which 1,033 million is associated with the continuing operations¹.
- Adjusted EBIDTAX for the period was £94 million, a 44% increase (nine-months 2023: 623 million), of which 706 million is associated with the continuing operations¹.
- Group leverage^[4] (net debt/annualised adjusted EBIDTAX) maintained at 2.5x versus 30 June 2024 (2.5x) and lowered versus 31 December 2023 (3x).
 - Group cash as of 30 September 2024 was 284 million, including restricted amounts of 5 million, and total liquidity was 443 million^[5]. This includes cash for the continuing operations¹ of 272 million, including restricted amounts of 5 million, and total liquidity of 431 million⁵.
- Strategic sale of the Egypt, Italy and Croatia portfolio to an entity controlled by Carlyle targeted to complete by or just after year-end 2024, subject to customary regulatory and antitrust approvals, which are currently underway with a number having already been obtained.
 - UK carve out from the Transaction perimeter has been successfully completed.
 - Energean expects to have sufficient proceeds to redeem the 450 million PLC Corporate Bond or to fund growth opportunities or a combination of both, in accordance with the terms of its financing documents.

- Energean also continues to expect to have sufficient funds to facilitate a special dividend of up to 200 million.
- Energean intends to refinance its 2026 Energean Israel Limited bond and is evaluating a range of options to maintain an efficient capital structure, freeing up liquidity for its Katlan development and growth strategy.
- Q3 2024 dividend of 30 US cents/share declared today, scheduled to be paid on 30 December 2024^[6].
 - Including the Q3 2024 dividend, approximately 541 million will have been returned to shareholders since payments began, over half of the Group's target to return 1 billion to shareholders by the end of 2025.
 - The Group expects to redefine its dividend policy upon Transaction closing, consistent with its core objectives of capital discipline and maximising returns to shareholders.

Outlook

- 2024 Group production guidance updated to 150-155 kboed (from 155-165 kboed), of which 110-115 kboed is associated with the continuing operations¹. This reduction is due to Israel, which reflects lower than expected sales in November owing to weather conditions and market dynamics and, for the lower end, an assumption of flat month-on-month sales for December.
- 2024 Group exploration reduced to 95-120 million (from 115-150) million, of which 60-75 million is associated with the continuing operations¹, reflecting actual spend associated with the recent drilling operations in Morocco.
- 2025 guidance will be provided in January 2025 when Energean issues its next Trading Statement & Operational Update.

Production

	Nine-months to 30 September 2024 Kboed	Nine-months to 30 September 2023 Kboed	% change	Ten-months to 31 October 2024 Kboed
Israel	115	83	39%	112*
Europe	2.0	1.6	25%	1.9
Total continuing operations¹	117	84^[7]	40%	114
Disposal Group	39	34	15%	39
Total Group production	156	119⁷	31%	153

*October figure reflects the scheduled FPSO shutdown for the second oil train lift.

Financials

	30 Sept '24 Energean Group	30 Sept '23 Energean Group	Increase/ (Decrease) %	30 Sept '24 continuing operations ¹	30 Sept '23 continuing operations ¹	Increase/ (Decrease) %
Sales revenue (m)	1,363	1,016	35%	1,033	682	51%
Cash cost of production per barrel (including royalties; /boe)	10	11	(9)%	9	10	(10)%
Cash G&A (m)	27	26	4%	15	12	25%
Adjusted EBITDAX (m)	894	623	44%	706	439	61%
Development and production expenditure (m)	477	423	13%	248	207	20%
Exploration expenditure (m)	85	25	254%	61	21	191%
Decommissioning expenditure (m)	25	3	380%	11	2	450%

	30 September 2024 Energean Group	30 June 2024 Energean Group
Net debt (m) (including restricted cash)	2,965	2,902
Leverage ⁴ (net debt / adjusted EBITDAX)	2.5x	2.5x

Full Year 2024 guidance*

	Group	Continuing operations ¹
Total production (kboed)	150 - 155 (from 155 - 165)	110 - 115 (from 115 - 125)
Consolidated net debt (million)	2,900 - 3,000	-
Cash Cost of Production (operating costs plus royalties; million)	550 - 600	375 - 405
Development & production capital expenditure (million)	600 - 700	320 - 380
Exploration expenditure (million)	95 - 120 (from 115 - 150)	60 - 75 (from 80 - 105)
Decommissioning expenditure (million)	40 - 50	15 - 20

*Unchanged unless otherwise noted.

Enquiries

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Forward looking statements

This announcement contains statements that are, or are deemed to be, forward-looking statements. In some instances, forward-looking statements can be identified by the use of terms such as "projects", "forecasts", "on track", "anticipates", "expects", "believes", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements are subject to a number of known and unknown risks and uncertainties that may cause actual results and events to differ materially from those expressed in or implied by such forward-looking statements, including, but not limited to: general economic and business conditions; demand for the Company's products and services; competitive factors in the industries in which the Company operates; exchange rate fluctuations; legislative, fiscal and regulatory developments; political risks; terrorism, acts of war and pandemics; changes in law and legal interpretations; and the impact of technological change. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. The information contained in this announcement is subject to change without notice.

[1] On 20 June 2024, the Group publicly announced the decision of its Board of Directors to sell its portfolio in Egypt, Italy and Croatia (together referred to as "Energean Capital Limited Group" or "ECL"), fully owned and controlled by the Group. The continuing operations comprises of the Group's remaining operations in Israel, Greece, UK and Morocco.

[2] Uptime is defined as a percentage of the number of hours in a day that the Energean Power FPSO was operating.

[3] The Petrodec contract includes: the plugging and abandoning of eight platform wells with optional scope for one E&A well, the removal of three platforms and the cleaning of inter-field pipelines.

[4] Nine-months 2024 leverage based upon nine-months 2024 annualised adjusted EBITDAX. Six-months 2024 leverage based upon six-months 2024 annualised adjusted EBITDAX.

[5] Available liquidity includes amounts available under the Revolving Credit Facilities.

[6] Payment date is stated as the date upon which payment is initiated by Energean.

[7] Numbers may not sum due to rounding.

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