



All Things Energy Forum Black Sea Gas: a Unique Opportunity for Romania and the region

Ionut Cristian CIUBOTARU

2nd of June, 2021

OMV Petrom SA

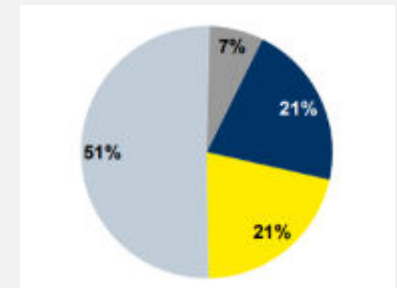
OMV Petrom

The Energy for a Better Life



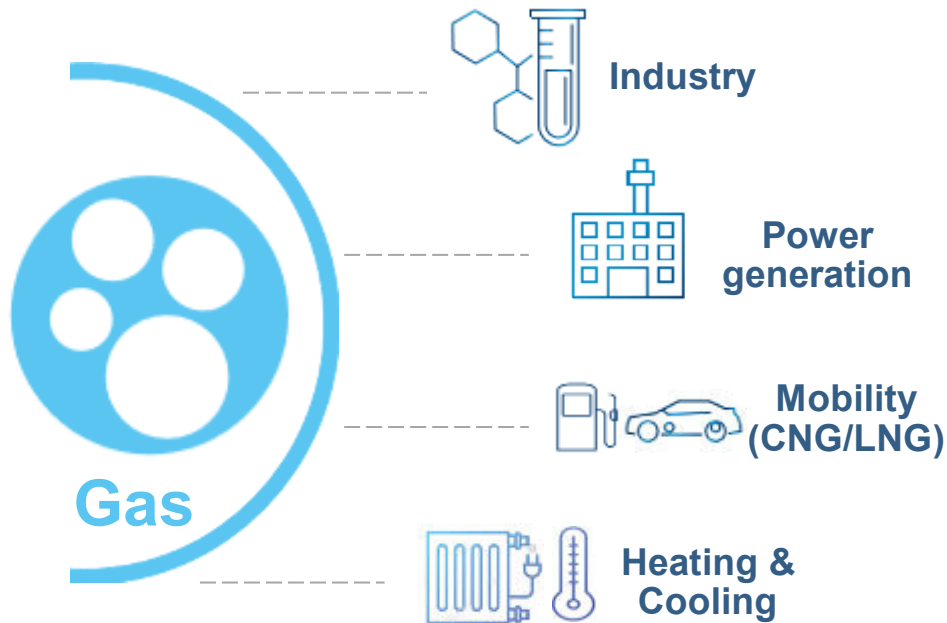
- ▶ Romania: main market
- ▶ Regional presence in
 - ▶ Bulgaria, Serbia & Moldova with filling stations OMV & Petrom
 - ▶ Georgia & Bulgaria with exploration activities
- ▶ Covers ~40% of Romania's fuels & gas national demand
- ▶ Turnover: 4.1 bn euro in 2020
- ▶ Top investor
- ▶ Top tax payer
- ▶ Top private employer

- ▶ Shareholder structure
 - ▶ OMV: 51%
 - ▶ Property Fund: 7%
 - ▶ Romanian State: 21%
 - ▶ Free float: 21%
- Data as of 31st of December 2020

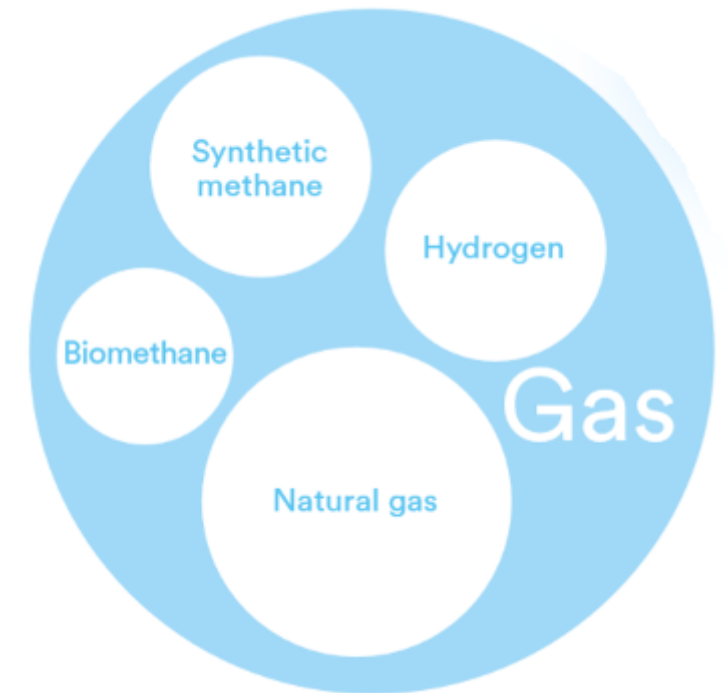


Gas is the energy carrier of the future, supporting both the economy and the environment

Multiple opportunities for gas as fuel of transition

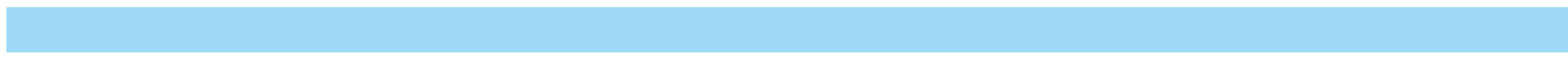


Gas is more!



Climate-neutral gas

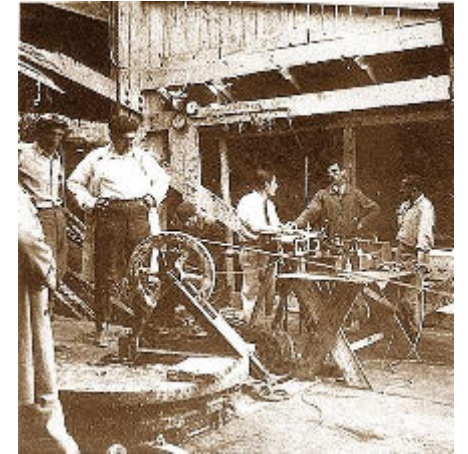
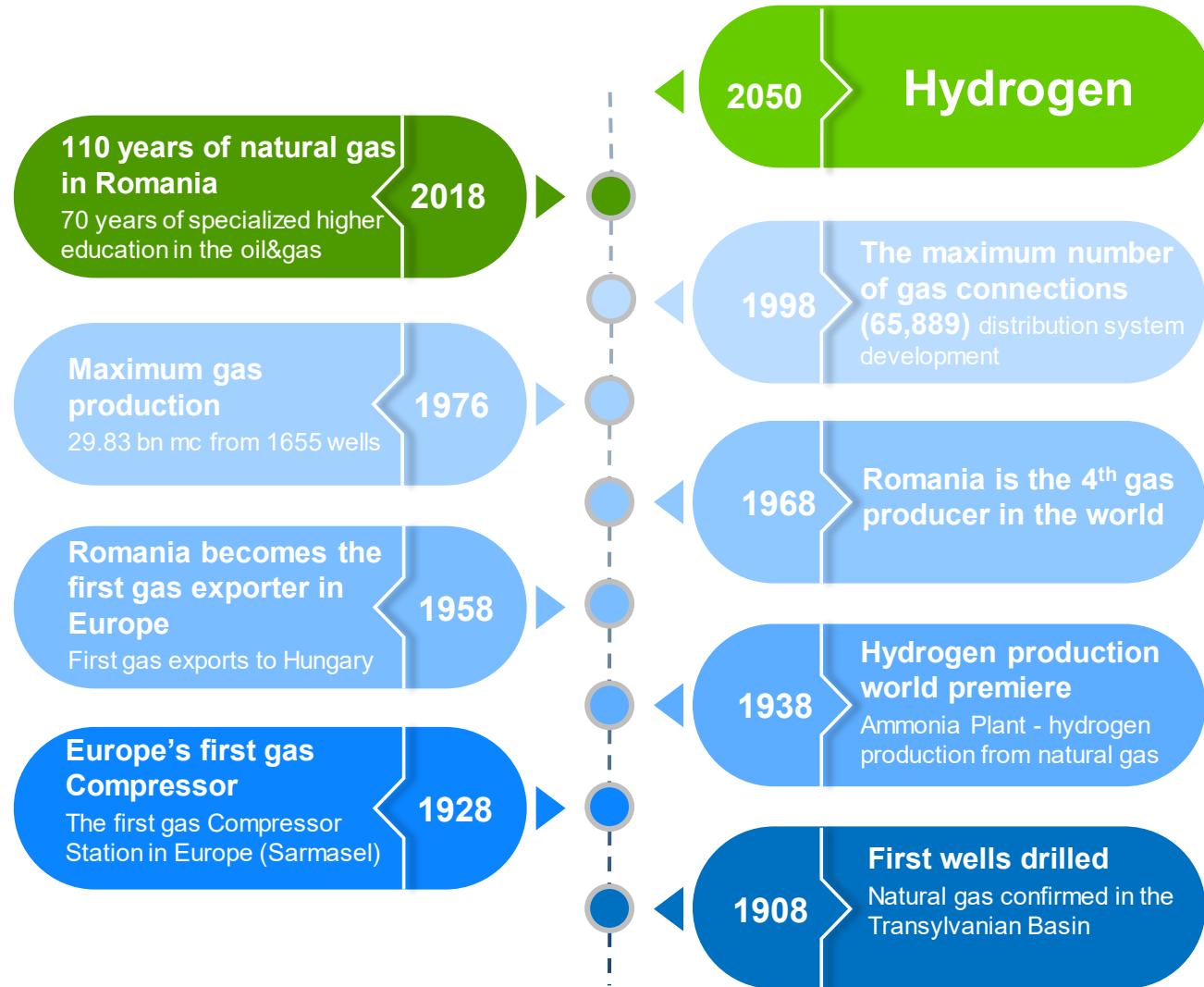
2021



2050

...zero emissions

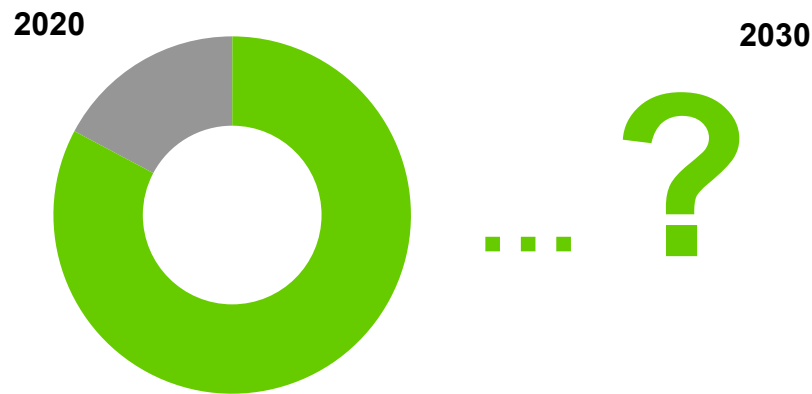
The Romanian gas industry covers over 110 years of activity and over 40 years of offshore experience in the Black Sea



While also, Romania has the highest development potential in the regional gas market ...

Within the region, Romania has the largest share of domestic gas in consumption

Domestic production and imports share in consumption



- Domestic gas production: substantial differentiator
- Infrastructure developments

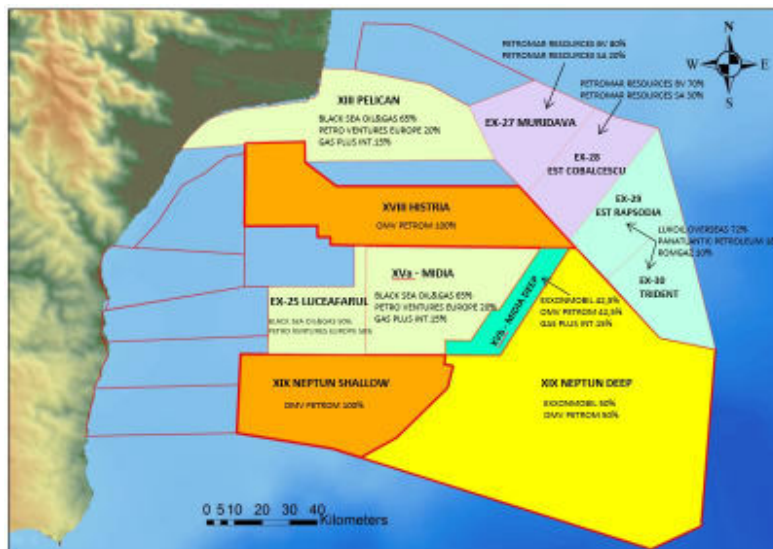
Reserve replacement requires large scale & long cycle investments



- Depletion reserve horizon: 15 - 20 years
- Significant new discoveries in the pipeline

Sources: ANRE, The Outlook for natural gas in Romania and proposals for its value-added capitalization, 2018

... with Black Sea gas, the most important growth option in the region



BENEFITS

ENERGY SECURITY

EMPLOYEMENT

SIGNIFICANT ECONOMIC IMPACT

TECHNOLOGY

ENERGY EFFICIENCY

ENVIRONMENT

Black Sea Development is a Great Opportunity, with major advantages



Romania becomes independent from gas supply perspective

- ▶ Black Sea production will off-set the decline in domestic onshore gas production and position Romania as a net exporter in Europe
- ▶ Long-term supply diversity/ independence offered by new infrastructure and 2-way interconnections
- ▶ Increased competition coupled with energy efficiency measures and appropriate protection of vulnerable consumers will benefit end users



Significant impact in the national economy of Romania

15.7 bn USD cumulative investment would result in additional¹:

- ▶ 71.3 bn USD in the National GDP
- ▶ 26 bn USD in State Revenues
- ▶ 30,605 average annual jobs (direct & indirect)



Contribution to Environment and People development

- ▶ Contributes to the reduction of solid fuels share in the consumption mix for Romania, supporting also further CO2 reduction
- ▶ Provides opportunity for development of qualified skilled workforce in Oil and Gas industry

¹ Deloitte: The contribution of Black Sea Oil&Gas projects to the development of the Romanian economy, May 2018, estimation for the period 2018 – 2040

Looking forward to the future...



The entire natural gas value chain is creating many **opportunities** in the short, mid and long-term



Unlocking new gas projects would generate a **win-win situation**: contribution to **low carbon energy** (gas as enabler), while contributing to the countries' **economic recovery** (investments)



With the **Black Sea** gas projects, **Romania** is by far the **largest gas producer in the EU**