

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

**Trading Statement & Operational Update**

**London, 26 May 2022** - Energean plc (LSE: ENOG, TASE: אנאג) is pleased to provide an update on recent operations and the Group's trading performance in the 3-months to 31 March 2022.

**Highlights**

- Revenues for the period were \$170.7 million, an 80% increase versus Q1 2021 (\$94.9 million)
- EBITDAX for the period was \$89.6 million, a 172% increase versus Q1 2021 (\$32.9 million)
- Group cash as of 31 March 2022 was \$812.7 million (including restricted amounts of \$135.6 million)
- Production in the four-months to 30 April 2022 was 36.1 kboed (73% gas)
  - Within full-year guidance (excluding Israel) of 35-40 kboed
- First gas from Karish on track for Q3 2022, development was 93.2% complete and the FPSO 99.3% complete as at 30 April 2022
  - The Energean Power FPSO has sailed-away from Singapore and is expected to arrive in Israel in early June
- Inaugural dividend policy announced
- Commercial discovery made by the Athena exploration well, containing recoverable gas volumes of 8 bcm (283 bcf / 51 mmboe) on a standalone basis.
  - Discovery de-risks an additional 50 bcm (1.8 tcf / 321 mmboe) of mean unrisks prospective resources across Energean's Olympus Area (total 58 bcm / 372 mmboe including Athena).
- New GSPA signed in May 2022 for up to 0.8 bcm/yr to supply gas to the East Hagit Power Station

**Mathios Rigas, Chief Executive Officer of Energean, commented:**

*"I am pleased to report that Energean has had a strong start to the year. We have delivered record quarterly revenue and EBITDAX, our production performance is within guidance and our flagship project Karish is on track for first gas in Q3 this year."*

*"2022 will be a transformational year for Energean and we have already delivered on several of our 2022 milestones. We have announced our inaugural dividend policy, we have made a commercial gas discovery at Athena in our Israel drilling campaign, and we have signed an additional commercialisation agreement for our gas in Israel. I look forward to continuing to deliver on our promises to our shareholders and broader stakeholder communities for the remainder of the year."*

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## **Energean Operational & Financial Review**

### **Production**

In the 4-months to 30 April 2022, average working interest production was 36.1 kboed (73% gas), within the full year guidance range (excluding Israel) of 35.0 – 40.0 kboed.

	<b>Four-months to 30 April 2022</b>	<b>FY 2022 guidance</b>
	<b>Kboed</b>	<b>Kboed</b>
Israel	-	25.0 – 30.0 (including 1.0 – 1.3 bcm of gas)
Egypt	25.1	25.0 – 28.0
Italy	9.7	9.0 – 10.0
Greece, Croatia and UK	1.3	1.0 – 2.0
<b>Total production (including Israel)</b>	<b>N/A</b>	<b>60.0 – 70.0</b>
<b>Total production (excluding Israel)</b>	<b>36.1</b>	<b>35.0 – 40.0</b>

### **Israel**

#### ***Karish Project Progress***

Energean remains on track to deliver first gas from the Karish gas development project in Q3 2022. At 30 April 2022, the project was approximately 93.2% complete<sup>1</sup> and the FPSO 99.3% complete.

The Energean Power FPSO is expected to arrive in Israel in early June and will immediately commence hook-up and offshore commissioning operations, which includes risers and jumpers installation as well as the commissioning of the sales gas pipeline. Energean expects approximately three to four months of commissioning and hook-up activities between the FPSO's arrival and first gas.

	<b>% Completion at 30 April 2022<sup>2</sup></b>
Production Wells	100.0
FPSO	99.3
Subsea	84.3
Onshore	100.0
<b>Total</b>	<b>93.2</b>

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<sup>1</sup> As measured by project milestones under the TechnipFMC EPCIC

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## ***Growth Projects***

### **1. Karish North**

The KN-01 exploration well will be re-entered, side-tracked and completed as a production well as part of the Israel growth drilling campaign, expected during the summer 2022, following the completion of the Karish Main-04 appraisal well.

Karish North is expected to commence production in H2 2023.

### **2. Second oil train & riser**

The second oil train and second gas sales riser are progressing on schedule and are on track to come onstream in H2 2023.

## ***Drilling Campaign***

### **1. Athena Gas Discovery**

As announced on 9 May 2022, a commercial discovery was made by the Athena exploration well, Block 12, in the A, B and C sands. Preliminary analysis indicates that the Athena discovery contains recoverable gas volumes of 8 bcm (283 bcf / (51 mmboe)) on a standalone basis.

This discovery is particularly significant as it de-risks an additional 50 bcm (1.8 tcf / (321 mmboe)) of mean unrisked prospective resources across Energean's Olympus Area (total 58 bcm / 372 mmboe including Athena).

Multiple commercialisation options are under evaluation for a standalone tie-back to the Energean Power FPSO or as part of a new Olympus Area development.

### **2. Remaining Campaign**

In May 2022, the Stena IceMAX re-spudded the Karish Main-04 exploration and appraisal well, of which the top hole had already been drilled.

After KM-04 the following wells will be drilled, in order of sequence:

- Karish North - Development - Firm
- Hermes (Block 31) - Exploration - Optional
- Hercules (Block 23) - Exploration - Optional

A decision on whether to drill the optional wells, as part of this drilling campaign, will be made by the end of Q2 2022.

## ***Gas Contracts***

In May 2022, further to the claims raised by the parties in the related arbitration proceedings (including the counterclaim filed by Energean seeking a declaration that Energean is entitled to terminate the GSPA as well as damages), Dalia and Energean Israel agreed to end all claims and disputes between them. Both companies agreed that the Dalia GSPA (which represents up to 0.8 Bcm/yr) was lawfully terminated, that the arbitration proceedings are terminated, and that neither party owes or will be liable to the other for any payment in connection with and due to the Dalia GSPA, the arbitration proceedings and the facts subject thereof. This was agreed to be final and unappealable.

In May 2022, Energean announced that it had signed a new GSPA, representing up to 0.8 Bcm/yr, to supply gas to the East Hagit Power Plant Limited Partnership, a partnership between the Edeltech Group and Shikun & Binui Energy.

Also in May 2022, Energean Israel signed an amendment to the OPC GSAs with OPC Rotem and OPC Hadera. The amendment has secured additional near-term cash flows for Energean following first gas during the transition period, which is the period when the buyers transition from their existing agreements in the ramp-up period to the full total annual contracted quantities of 0.7 bcm/yr.

### **Egypt**

In the 4-months to 30 April 2022, working interest production from the Abu Qir area averaged 25.1 kboed (87% gas), within the full year production guidance (25.0 – 28.0 kboed).

NEA/NI was 53.1% complete as of 30 April 2022. Subsea installation operations began in late May, after which the first well will be drilled. First gas from the first well is expected in H2 2022.

### **Italy**

In the 4-months to 30 April 2022, working interest production from Italy averaged 9.7 kboed (41% gas), at the upper end of the full year production guidance (9.0 – 10.0 kboed).

First gas from Cassiopea remains on track for H1 2024.

### **Rest of Portfolio**

In the 4-months to 30 April 2022, working interest production from the rest of the portfolio averaged 1.3 kboed (32% gas), at the lower end of the full year production guidance of 1.0-2.0 kboed due to a delay in the re-start of the Prinos Assets in Greece to ensure full health and safety compliance.

### **Greece**

First oil from the Epsilon development is expected in mid-2023.

Pre-FEED for the Prinos CCS project is progressing well and is expected to complete during Q2 2022.

### **Croatia**

Energean is continuing FEED activities for the development of the Irena gas field, located five kilometres north of the Izabela field offshore Croatia, with the target to take FID on the project in Q4 2022. Energean is also undertaking an assessment of the adjacent Ivona prospect, which has the potential to add additional gas volumes in Croatia.

### **United Kingdom**

Energean has received interest from third parties with respect to the potential sale of its UK assets portfolio and is continuing to consider and develop its options.

### **Montenegro**

Energean is continuing to assess potential farm-out options for the drilling of a cluster of near shore gas prospects for Blocks 26 and 30 ahead of the licence expiry date of 14 July 2022.

### **Financial**

The table below presents Energean's key results to 31 March 2022.

		Three months to 31 March 2022
Revenues	\$ million	170.7
Cost of production (including flux)	\$ million	62.3
Cost of production (including flux)	\$/boe	19.2
G&A	\$ million	8.2
EBITDAX	\$ million	89.6
Capital expenditure	\$ million	74.3
Exploration expenditure	\$ million	5.8
Decommissioning expenditure	\$ million	0.6
Cash (including restricted amounts) <sup>3</sup>	\$ million	812.7
Net debt – consolidated	\$ million	2,148.3
Net debt – plc excluding Israel	\$ million	119.8
Net debt – Israel	\$ million	2,028.4

### **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.

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<sup>3</sup> Restricted amounts of \$135.6 million