

11 May 2023

Genel Energy plc

Trading and operations update

Genel Energy plc ('Genel' or 'the Company') issues the following trading and operations update relating to Q1 2023, ahead of the Company's Annual General Meeting ('AGM'), which is being held today.

Paul Weir, Chief Executive of Genel, said:

"The prolonged closure of the Iraq-Turkey pipeline is very disappointing and, although there continues to be speculation regarding the timing of resumption of exports, we cannot predict with any certainty when exports will recommence. In anticipation of exports resuming we are seeking clarity on future arrangements and a mechanism in place for regular and predictable payments going forward.

Delays in payments and the suspension of exports have resulted in significant cash generation being deferred and we are scaling back our planned activity accordingly. We continue to reduce costs so that the size and shape of the organisation matches the needs of the business.

Our financial position is robust, and we remain focused on using our significant liquidity to add new assets to the portfolio that will fund the long-term payment of our established dividend."

Q1 2023

- Zero lost time incidents in 2023, with over four million hours worked since the last incident
- Net production of 26,000 bopd in Q1 2023 (30,520 bopd in Q1 2022)
- Pending approval at the AGM today, a dividend distribution of 12¢ (9.6588 pence) per share will be paid on 19 May 2023
- \$61 million of cash proceeds were received from the Kurdistan Regional Government ('KRG') in Q1 2023, relating to August and September 2022
- Capital expenditure of \$24 million in Q1 2023, of which \$21 million was cost recoverable spend at Tawke and Taq Taq
- Cash of \$496 million at 31 March 2023 (\$495 million at 31 December 2022)
- Net cash under IFRS of \$229 million at 31 March 2023 (\$228 million at 31 December 2022)
 - Total debt of \$274 million at 31 March 2023 (\$274 million at 31 December 2022)

2023 OUTLOOK AND GUIDANCE

- Due to the closure of the Iraq-Turkey Pipeline on 25 March 2023 and resulting impact on production, Genel's production guidance of 27-29,000 bopd is no longer valid. New guidance will be issued once the pipeline reopens and investment plans are confirmed
- Genel now expects capital expenditure to be below \$100 million (previous guidance \$100-125 million)
- Payments totalling \$80 million are outstanding relating to production from October 2022 to January 2023, with \$110 million of total sales invoices submitted up to and including March 2023

PRODUCTION BUSINESS

- **Tawke PSC (25% working interest)**
 - Gross production averaged 93,880 bopd in Q1 2023 (106,470 bopd in Q1 2022), due to planned well intervention operations temporarily constraining overall production
 - Given the uncertain timing of export resumption and the delays in payments, spend at the Tawke licence has been scaled back, with the number of active rigs to drop from four at the start of 2023 to none in H2 2023
 - Five wells were completed and another three wells spudded in Q1 2023, with Tawke licence drilling to end in May

- **Sarta (30% working interest and operator)**
 - Gross production averaged 3,160 bopd in Q1 2023 (5,590 bopd in Q1 2022)
 - As previously stated, Genel's focus is on making ongoing production from Sarta profitable
- **Taq Taq PSC (44% working interest and joint operator)**
 - Gross production averaged 3,610 bopd in Q1 2023 (5,070 bopd in Q1 2022)
 - Taq Taq continues to produce into storage, with around one week of storage capacity remaining

PRE-PRODUCTION BUSINESS

- **Somaliland**
 - Preparation continues for the drilling of the Toosan-1 well on the highly prospective SL10B13 block (51% working interest and operator)
 - The Toosan prospect contains stacked Mesozoic reservoir objectives, with multiple individual prospective resource estimates each ranging from 100 to 200 MMbbls
 - Civil work at the wellsite is set to get underway shortly, and the Environmental, Social and Health Impact Assessment is nearing completion
 - Genel continues to target a spud date in H1 2024, acknowledging the challenges of operating in such a frontier area with limited existing infrastructure
- **Morocco**
 - The farm-out programme on the Lagzira block (75% working interest and operator) is ongoing

ESG

- Genel's 2022 Sustainability Report has been issued today, detailing our environmental performance and the positive impact that we strive to have on the communities in which we operate. Highlights include:
 - Zero LTIs across all Genel operations with 3 million hours worked incident free
 - Zero waste to landfill from operations at Sarta, with 91% recycled
 - Solar panel and battery storage unit operational at Sarta
 - Improvement in both CDP climate change and water security score

ARBITRATION

- The London-seated international arbitration regarding Genel's claim for substantial compensation from the KRG following the termination of the Miran and Bina Bawi PSCs is progressing. The trial remains scheduled for February 2024

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For further information, please contact:

Genel Energy +44 20 7659 5100
Andrew Benbow, Head of Communications

Vigo Consulting +44 20 7390 0230
Patrick d'Ancona

This announcement includes inside information.

Notes to editors:

Genel Energy is a socially responsible oil producer listed on the main market of the London Stock Exchange (LSE: GENL, LEI: 549300IVCJDWC3LR8F94). The Company is one of the largest London-listed independent hydrocarbon producers, with an asset portfolio that positions us well for a future of fewer and better natural resources projects. Genel has low-cost and low-carbon production from the Kurdistan Region of Iraq, and a committed dividend programme that is material and sustainable. Genel continues to seek opportunities to add new resilient and cash-generative assets to its portfolio, with the goal of progressing its dividend in the long-term. For further information, please refer to www.genelenergy.com