

12 May 2022

Genel Energy plc

Trading and operations update

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

Bill Higgs, Chief Executive of Genel, said:

“Our robust financial position continues to strengthen, supporting investment in our organic portfolio as well as our progressive dividend. Despite the result of Sarta-5, the well delivered useful data that we will incorporate together with the results of our next well, Sarta-6, into our forward plans for the field. As we look to add production and further bolster our progressive dividend and create value for stakeholders, we continue to review both organic and inorganic opportunities.”

FINANCIAL PERFORMANCE

- \$95 million cash proceeds received in Q1 2022 from the Kurdistan Regional Government
- Free cash flow of \$43 million in Q1 2022
 - Margin of \$30/bbl in Q1 2022 (2021: \$24/bbl), with Brent averaging \$102/bbl (2021: \$71/bbl)
 - Capital expenditure of \$35 million in Q1 2022, of which \$19 million was spent at Tawke, and \$12 million at Sarta
 - Of the \$35 million total invoiced for December 2021 oil sales, \$17 million was received in Q1 2022, with \$18 million of invoices being received after period end
- Cash of \$356 million at 31 March 2022 (\$314 million at 31 December 2021)
- Net cash of \$86 million at 31 March 2022 (\$44 million at 31 December 2021)

PRODUCTION

- Net production of 30,520 bopd in Q1 2022, in line with guidance
- Zero lost time injuries or Tier 1 losses of primary containment in Q1 2022
- **Tawke PSC (25% working interest)**
 - Gross production of 106,470 bopd in Q1 2022, 26,620 net to Genel, of which Peshkabir contributed 64,500 bopd and Tawke 41,970 bopd
 - A high level of activity was maintained at Tawke in Q1 2022, with five wells spud across the Tawke and Peshkabir fields, with a fourth drilling rig set to be added
 - The Peshkabir-Tawke gas project has captured 12 billion cubic feet of otherwise flared gas, equivalent to 766,000 tonnes of CO2 equivalent, since start up in mid-2020 through the first quarter of 2022. Phase 2 is a \$25 million expansion underway at the Tawke field to capture breakthrough gas, set to start in the fourth quarter of 2022. The operator, DNO, is also debottlenecking the Peshkabir gas plant originally designed for 50,000 bopd to handle larger volumes of associated gas from higher field production, which is now averaging 65,000 bopd
- **Sarta (30% working interest and operator)**
 - Gross production of 5,590 bopd in Q1, 1,670 bopd net to Genel
 - Sarta-1D was brought onto production on 8 March from the Mus and Upper Adaiyah reservoirs, the same zone on production at Sarta-2. On well test at Sarta-1D the Lower Adaiyah produced at low oil rates with a high water cut while oil was discovered in the Butmah, achieving flow rates of over 1500 bopd, but again with a high water cut. Since coming onstream, production from the Mus and Upper Adaiyah reservoirs at Sarta-1D has been choked back in order to manage pressure decline between the two adjacent take points of Sarta-1D and Sarta-2, and water cut at Sarta-1D
 - Total field production has averaged c.6,150 bopd in May, as we continue to work through a programme to optimise production from the three producing wells
 - Sarta-5 testing completed on 9 May and the well is now suspended. As previously stated, the presence of oil associated with both the primary and secondary Jurassic reservoir intervals, 12

km southeast of the Sarta pilot EPF, will be subject to further investigation and integration into the joint venture's understanding of the Sarta field and future planning

- Test results from the Sarta-6 well, c.6 km to the west of the pilot EPF, are expected in Q3
- **Taq Taq PSC (44% working interest and joint operator)**
 - Gross production of 5,070 bopd, 2,230 bopd net to Genel
 - As the margins at Taq Taq have increased, planning is underway for the resumption of drilling, with a well expected to spud around the end of 2022

PRE-PRODUCTION

- **Qara Dagh (40% working interest and operator)**
 - The evaluation of the QD-2 well and its results is underway, with a decision on licence next steps to be taken later this year
- **Somaliland (51% working interest and operator)**
 - Following the successful farm-out in December 2021, preparation is under way for the drilling of a well on the highly prospective SL10B13 block around the end of 2023
- **Morocco (75% working interest and operator)**
 - Petroleum Agreement and Association Contract expected to be signed with ONHYM in Q2 2022, with a farm-out programme scheduled to begin later this year

ESG

- Genel's 2021 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. 2021 highlights include:
 - 11 social investment and community projects funded and delivered in 2021
 - Zero waste to landfill from operations at Sarta, with 92% recycled
 - Renewable energy feasibility study progressing at Sarta
- Genel is marking twenty years of operating in the KRI with its Genel20 programme, increasing the scope of our social activities, including a new education initiative set to be launched next week at an event in Dohuk

2022 OUTLOOK AND GUIDANCE

- Guidance reiterated, with production for 2022 at around the same level as the 2021 average
- The Board is recommending the approval of a final dividend of 12¢ per share (2021: 10¢ per share) at today's AGM, a distribution of \$33.5 million, as we continue to fulfil our aim of paying a progressive dividend

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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 Sarta, Taq Taq, and Tawke licences in the Kurdistan Region of Iraq, providing financial resilience that

allows investment in growth and the payment of a material and progressive dividend. Genel also continues to pursue further growth opportunities. For further information, please refer to www.genelenergy.com