

PRESS RELEASE

Exploration & Production Business Area / VNG Norge AS / VNG 2030+

VNG finds new partner for VNG Norge AS

VNG Group continues consistent implementation of “VNG 2030+” strategy

Leipzig, June 28, 2018. Today in Oslo, VNG AG (VNG) signed an agreement in relation to the sale in VNG Norge AS (VNG Norge) to Neptune Energy Norge AS (Neptune Energy). The transaction will be implemented with economic effect from January 1, 2018 and is subject to approval by the Supervisory Board of VNG, as well as customary regulatory approvals, with completion in Q4 2018. The agreement is the result of a review of strategic options for the Exploration & Production (E&P) business area of VNG, which was initiated at the beginning of 2018 within the framework of the “VNG 2030+” strategy.

“As we were formulating the “VNG 2030+” strategy together with our colleagues from VNG Norge, it has already become clear that VNG as the sole shareholder could not unleash the full growth potential of VNG Norge. After reviewing various options, we found that the agreement with Neptune Energy offered the best solution for all stakeholders,” Ulf Heitmüller, Chairman of the Executive Board of VNG, comments.

With the “VNG 2030+” strategy VNG opened a new chapter in its development last year and decided to comprehensively reorganize its business portfolio over the next few years. The objective of “VNG 2030+” is for VNG to become instrumental in shaping a green, digital, gas-based future on the basis of a strong position in the gas value chain. The focus is on optimization of VNG’s existing business areas as well as the substantial development of new business areas.

“As a result of the agreement with Neptune Energy, we will be able to consistently implement the strategic transformation process with a capital base that has been further strengthened. We are now in a position to invest more focused into the development of new business areas such as digital infrastructure, biogas and local energy solutions and to further strengthen our gas infrastructure and gas trading businesses,” Ulf Heitmüller added. Major steps already undertaken in this context over the past few months have been the establishment of VNG ViertelEnergie GmbH, the acquisition of further biogas plants in Central Germany and the participation of the independent transmission system operator ONTRAS Gastransport GmbH in the EUGAL consortium.

“It was not an easy, however, strategically consistent decision to withdraw from the E&P business, especially in view of the very positive development of VNG Norge. We are convinced that VNG Norge will have great opportunities to further grow the business with Neptune Energy as the new owner. Neptune Energy has the same basic strategic understanding and is firmly convinced of the growth potential of VNG Norge in Norwegian E&P business,” says Hans-Joachim Polk, Executive Board Member of VNG responsible for Infrastructure and Technology.

VNG entered the E&P business in 2006 and has since achieved a very successful development with VNG Norge, most recently with the discovery of and development of the Fenja field (formerly

Pil). With regard to the employees of VNG Norge, Ulf Heitmüller adds: “On behalf of all VNG employees, we would like to thank our colleagues at VNG Norge for their extraordinary dedication over the past 12 years. We firmly believe in the future success of the company with Neptune Energy as the new owner. In addition, VNG will remain a reliable partner to Norway, not least through its gas trading activities.”

Citigroup has been acting as sole financial adviser to VNG in connection with the sale of VNG Norge.

VNG AG

VNG AG, headquartered in Leipzig, is the parent company of the VNG Group, which is active throughout the whole value chain of the German and European natural gas industry and focuses on the business areas of trading & sales, transport and storage. With 60 years of experience, the VNG Group makes a key contribution to ensuring security of supply in the area of natural gas. The Group employs approx. 1,200 people and generated sales of approx. €10.3 billion in 2017. Shareholders are EnBW Energie Baden-Württemberg AG, Karlsruhe (74.21%), VNG Verbundnetz Gas Verwaltungs- und Beteiligungsgesellschaft mbH, Leipzig (21.58%) and OEW Energie-Beteiligungs GmbH, Ravensburg (4.21%). Further information is available at www.vng.de.

VNG Norge AS

VNG Norge AS, based in Stavanger and Oslo, was responsible for VNG Group’s oil and gas exploration and production (E&P) activities. Established in 2006, VNG Norge operates in Norway and Denmark. The company has 94 employees and generated sales of approximately €65 million in 2017. More at www.vng.no.

Neptune Energy Group

Neptune is an independent global E&P company and, having completed the acquisition of the exploration and production business of the ENGIE group in February 2018, is now active across the North Sea, North Africa and Asia Pacific. The business had production of 165,000 net barrels of oil equivalent per day during Q1 2018 and 2P reserves at 31st December 2017 of 542 million barrels of oil equivalent. The Company is backed by funds advised by three investors, CIC, The Carlyle Group and CVC Capital Partners.

In Norway, Neptune’s key interests are: Gjoa (30% and operator); Cara (30% and operator); Gudrun (25%); Njord (20%); Bauge (10%); Fram (15%); and Snøhvit (12%). Neptune Energy Norge operates from offices in Stavanger and Florø. More information: www.neptuneenergy.com/en.