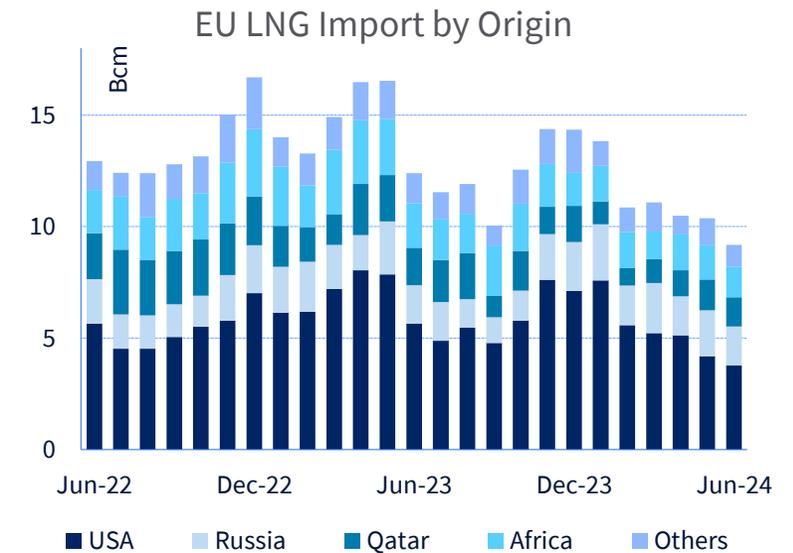
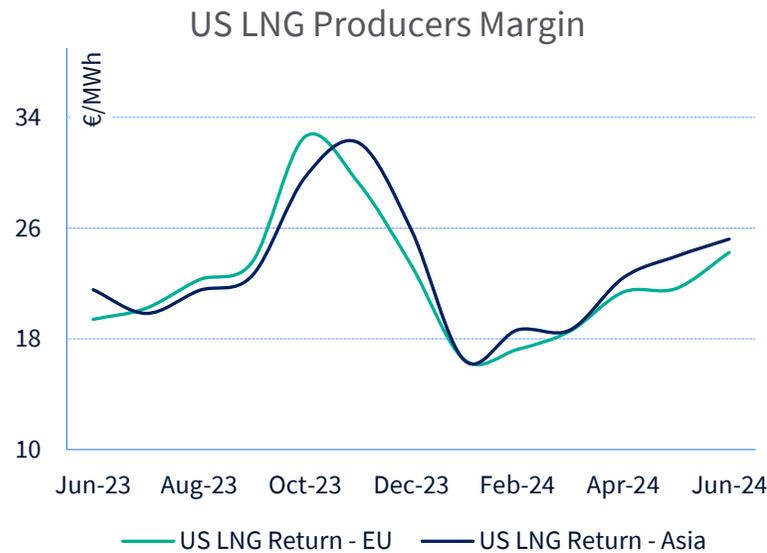
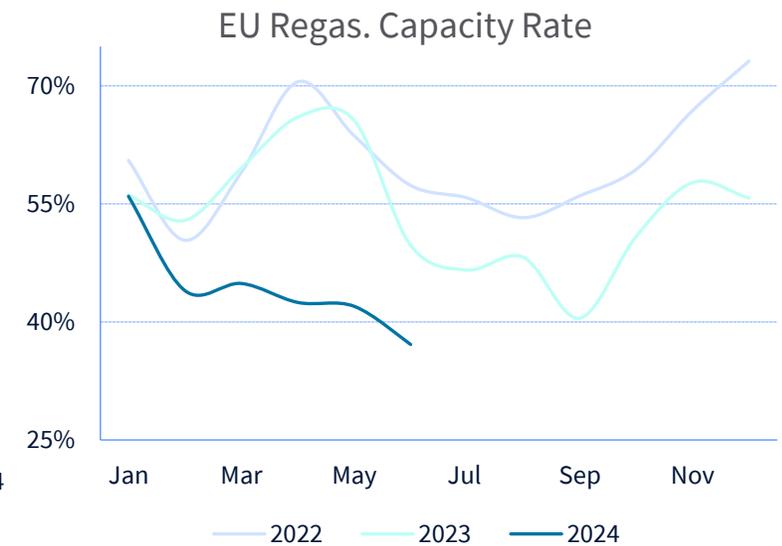
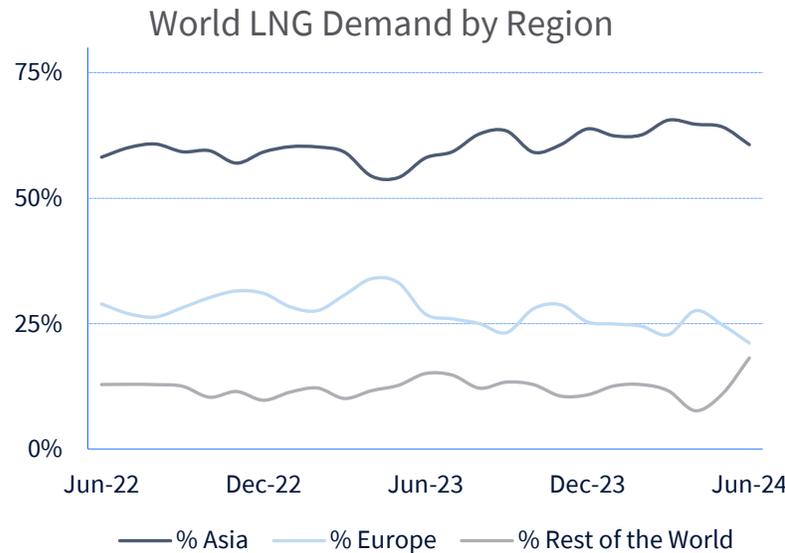


Subdued European Demand Maintains Market Equilibrium

- India's LNG import surged in June amid record high temperatures, boosting power demand for cooling. LNG demand remains strong across Asia overall, targeting a +10% y/y growth in 2024, primarily driven by China.
- Heatwaves pushed LNG demand worldwide though, having supported LNG demand from Middle East, Central America and other minor countries in the Pacific area.
- LNG demand from Europe remained subdued instead, thereby maintaining equilibrium in the worldwide LNG market.
- Strong procurement in the Pacific basin kept the Asian LNG price premium to Europe open, close to 5 €/MWh, incentivizing shipments from US.
- Despite arrivals to Europe having slowed, Algerian LNG export to Europe remained strong, bolstered by the halt of LNG vessel transit through the Red Sea, which weighed heavily on the country's ability to deliver cargoes to Asia towards the Suez Canal.

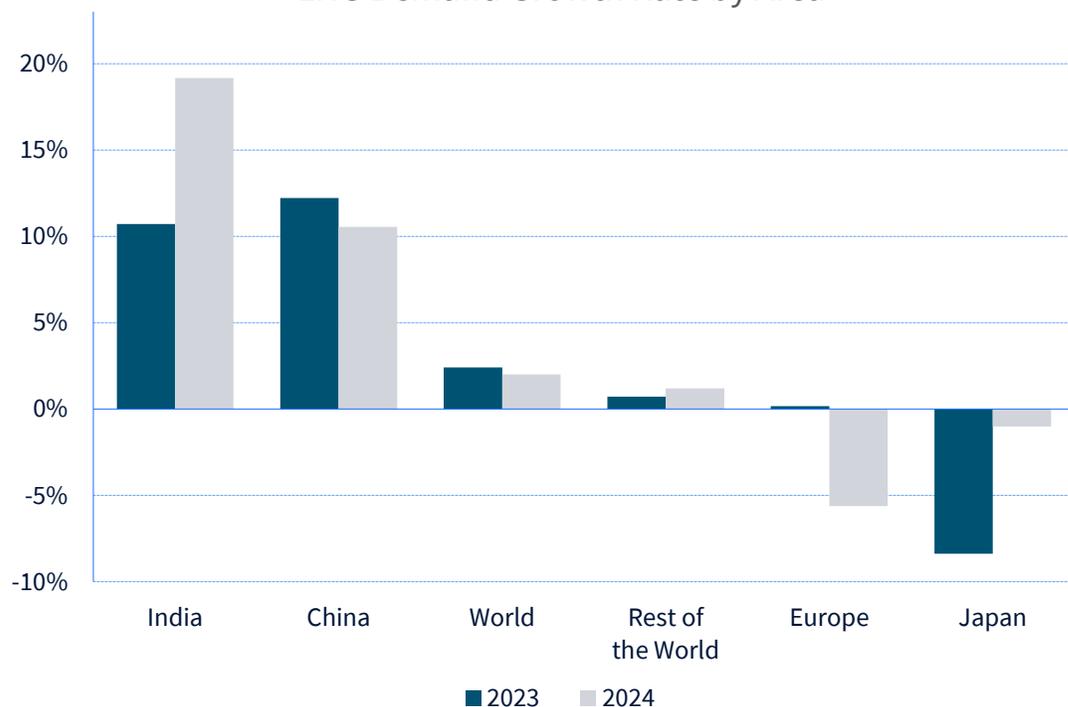


Global LNG Demand Is Set For the Growth

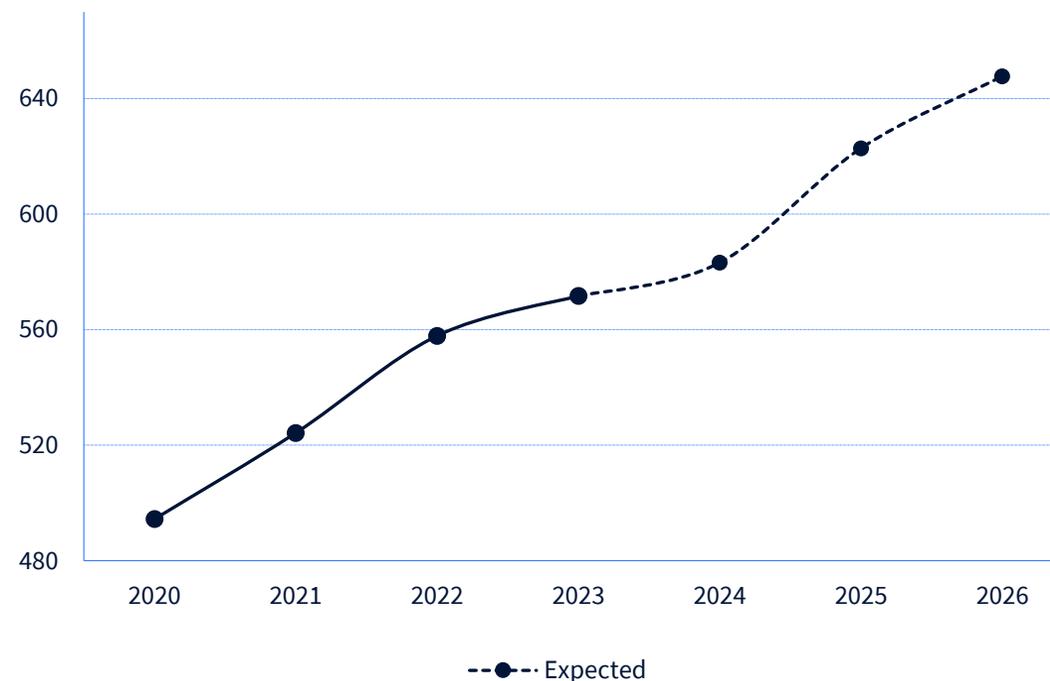
Subdued LNG demand in Europe keeps limited pressure on prices. However, despite low competition for LNG supplies, **strong LNG demand emerging from Asian markets** plays a key role in increasing prices volatility.

Global LNG demand grows to 650 Bcm in 2026, from when is expected to **gradually slowdown**, coherently with increasing renewable energy production and energy efficiency measures improvements.

LNG Demand Growth Rate by Area



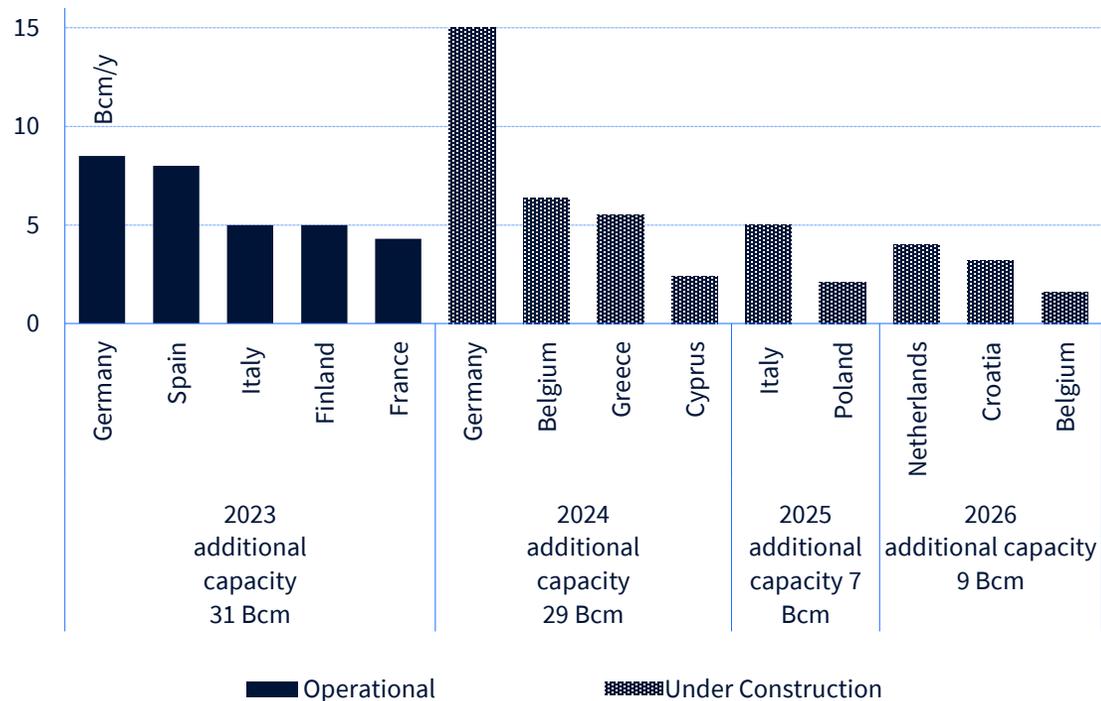
Global LNG Demand Growth



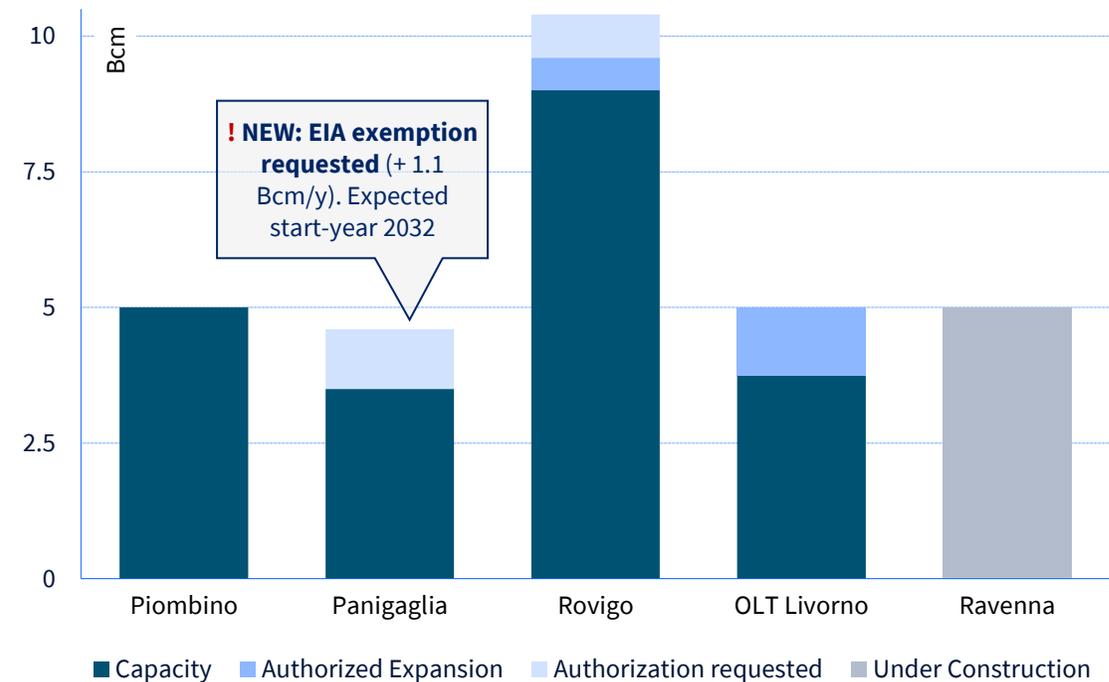
European Regasification Capacity Develops Despite Low LNG Demand

Europe LNG import capacity is expanding as scheduled (+30 Bcm in 2024, +10% y/y) despite low LNG demand. Some delays in under construction projects are in evidence though, particularly in Germany. In Italy, Snam plans to increase the current capacity of the onshore terminal in Panigaglia by 1.1 Bcm/y, bringing it to 4.6 Bcm/y by 2032. The project should be exempted by the Environmental Impact Assessment (EIA) since an expansion request had already been positively evaluated in 2010.

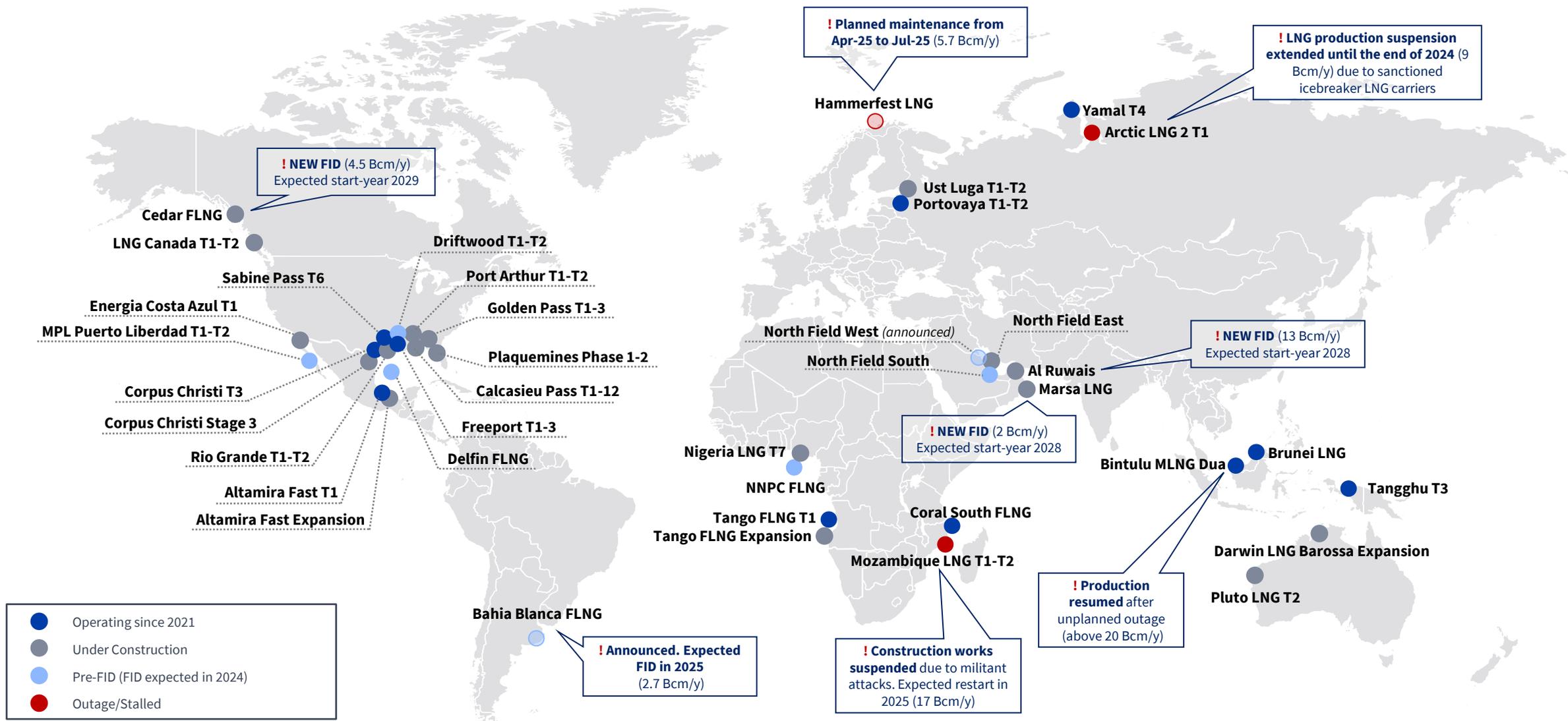
New Regasification Capacity in Europe



Italian Regasification Capacity

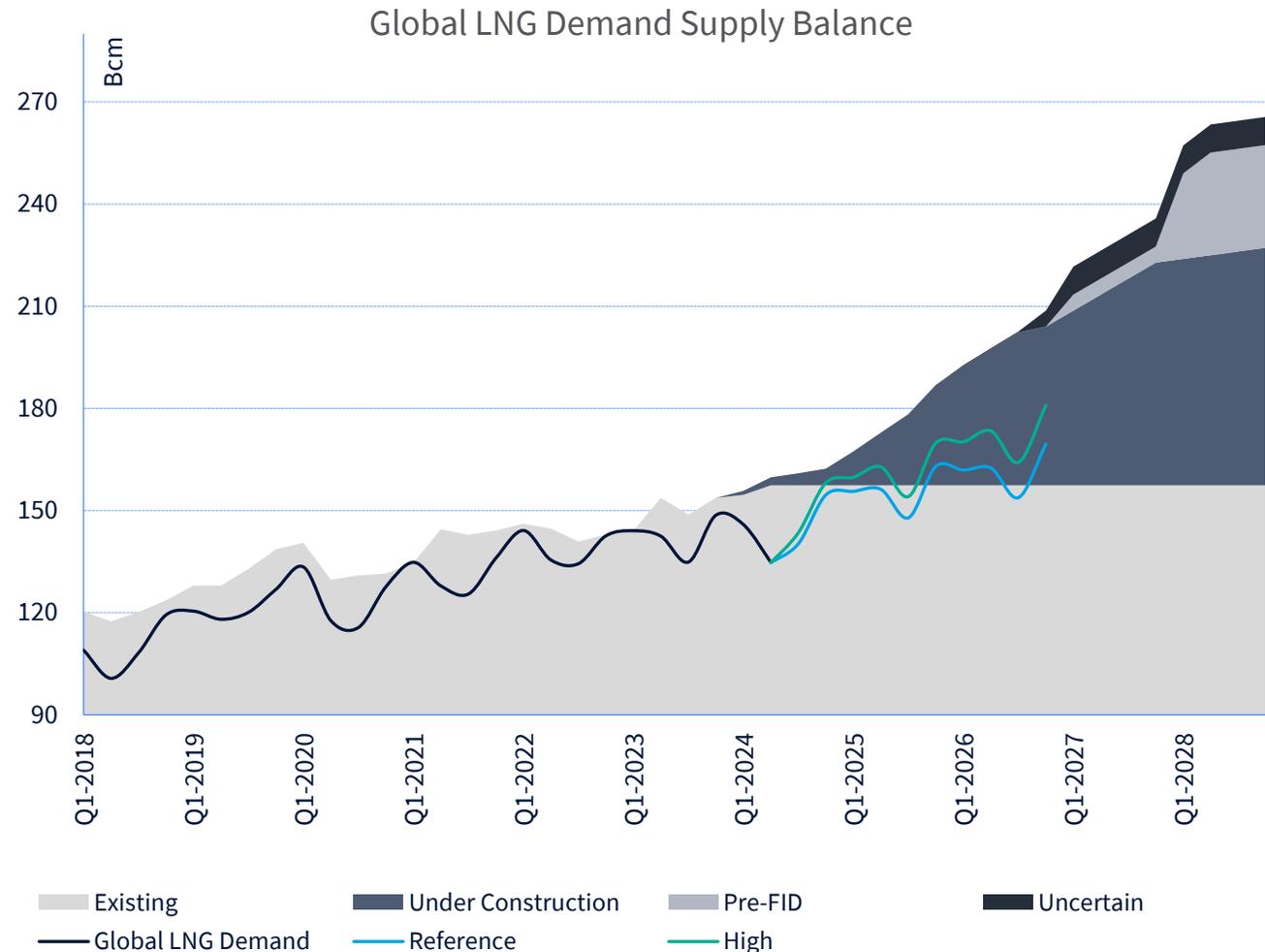


Worldwide LNG Liquefaction Projects



LNG Demand Growth Stabilizes Just Below the 5% y/y Threshold

- The global LNG market is anticipated to remain **stable in the short term**, thanks to decreased competition between Europe and Asia alongside new capacity set to come online in 2025. This development is expected to mitigate the risk of a supply shortage, even with the global growth in LNG supply constrained in 2024.
- However, there is a **risk that further delays in the completion of LNG facilities** currently under construction could disrupt the balance of demand and supply in 2025 and 2026. Such delays, often a consequence of sustained low prices deterring investment, could hinder timely expansions in production capacity.
- The introduction of new liquefaction capacity, led by the U.S. and Qatar by 2026, is crucial for achieving a structural shift in the global LNG market balance.

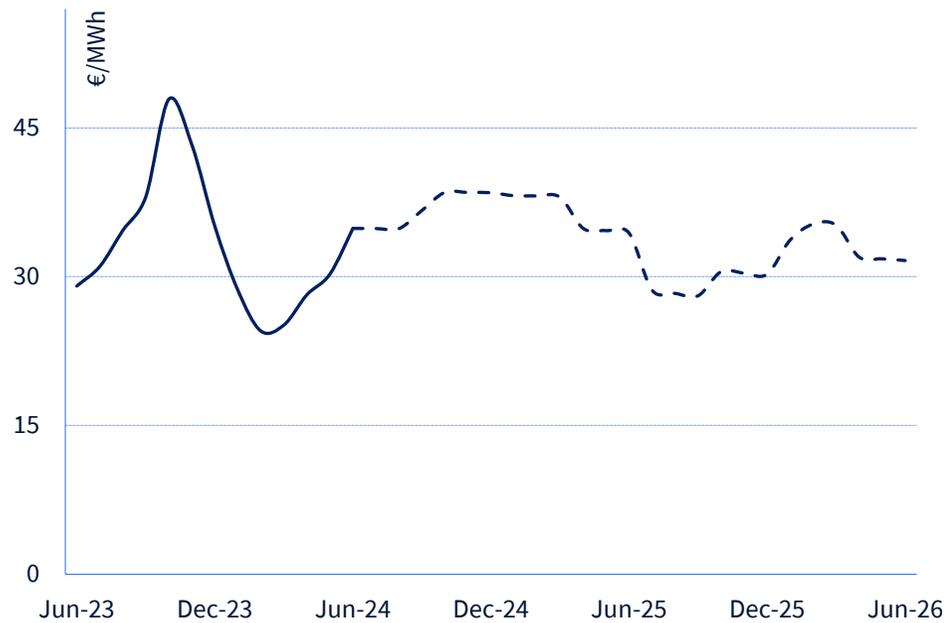


Despite subdued European LNG demand and the nearly full return into operation of key liquefaction plants, prices remained stable discounting the possibility of a further acceleration of the spot LNG demand form Asia.



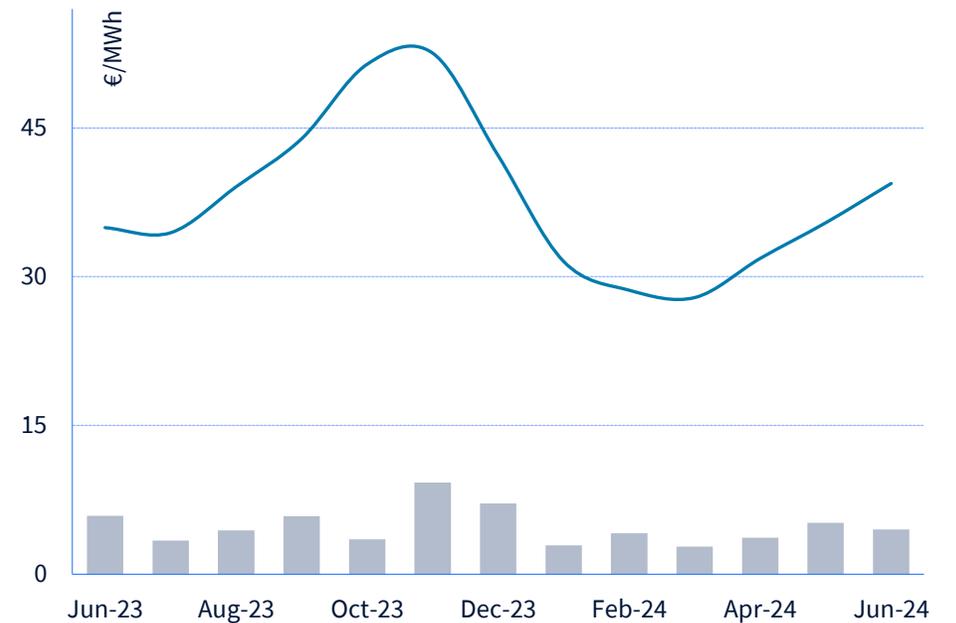
LNG

South West Europe LNG Spot Price



- - - Expected

North East Asia LNG Spot Price



█ Spread NE Asia - SW EU LNG

— North East Asia LNG