

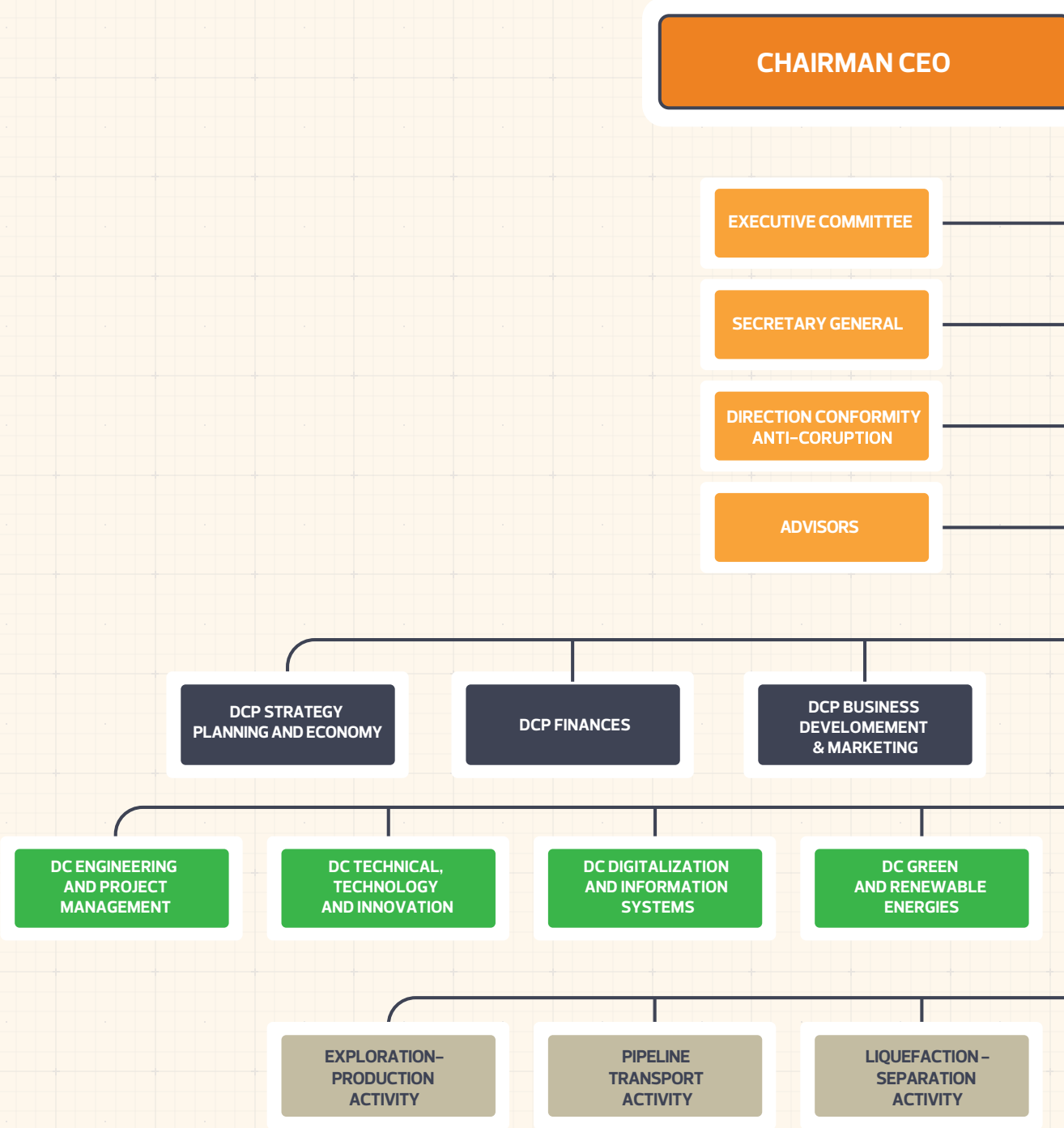


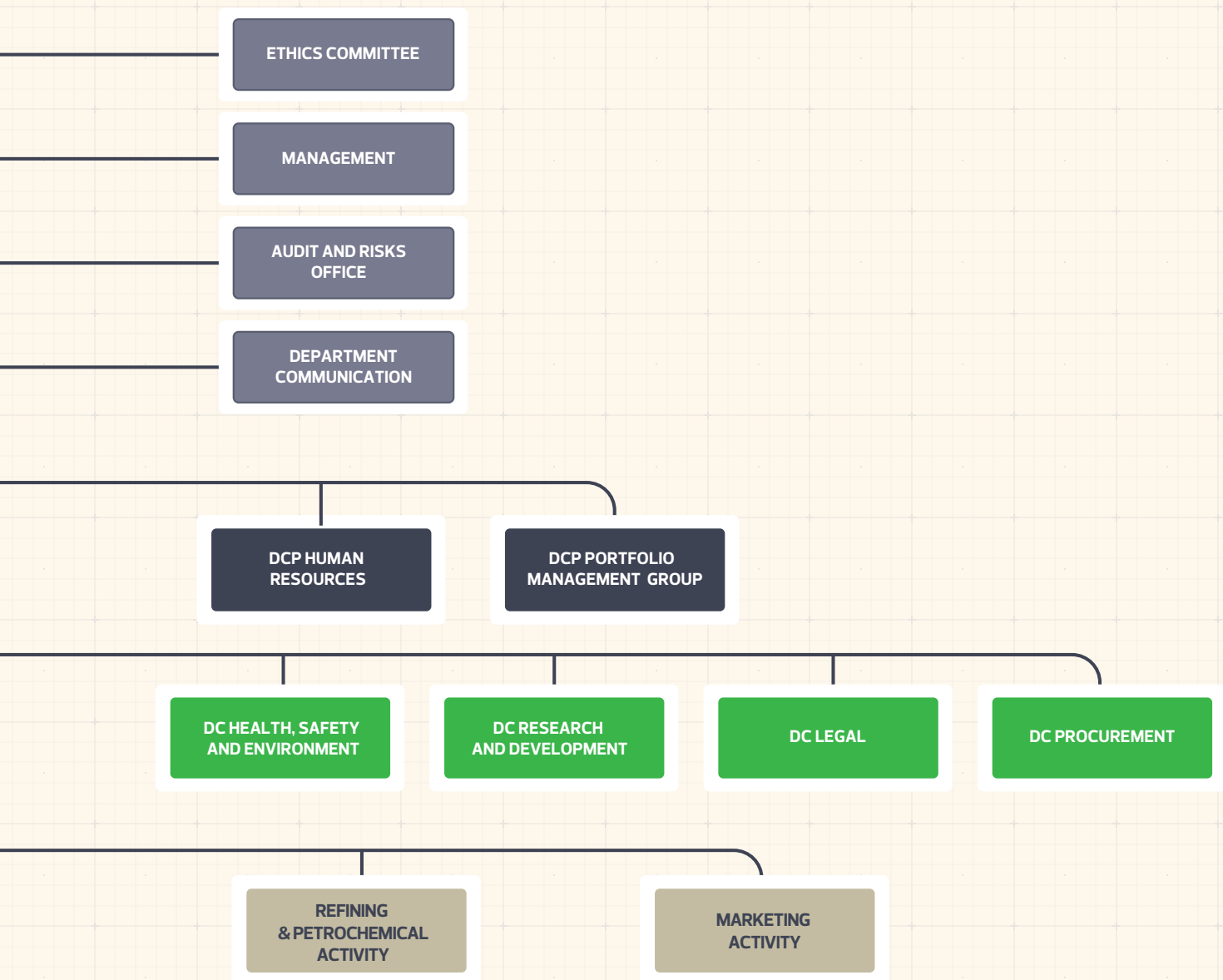
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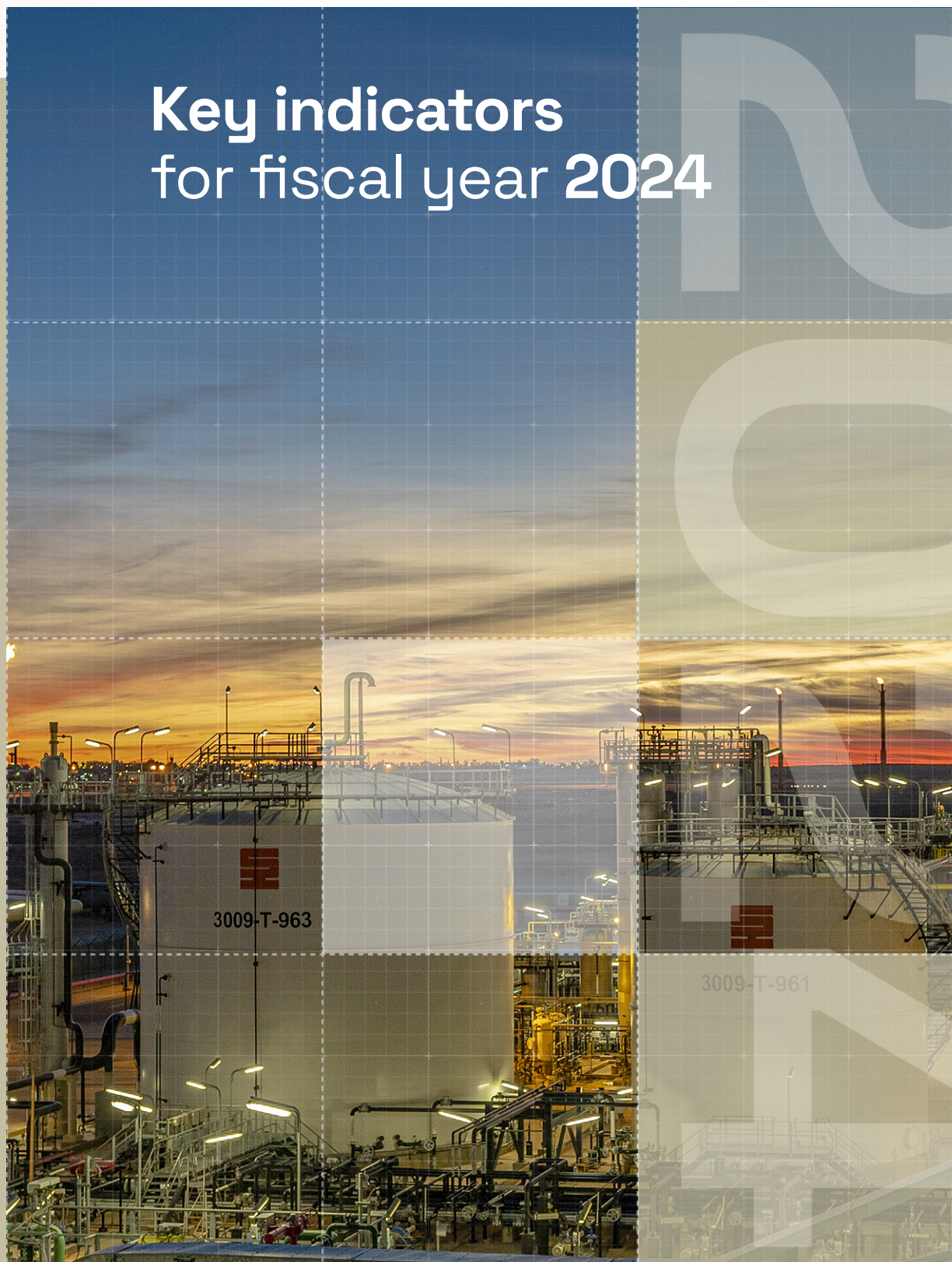
Organizational Chart





The Company's Achievements

Key indicators
for fiscal year 2024



In an international context marked by geopolitical uncertainties, exacerbated conflicts, and a slowdown in the global economy, oil and gas markets registered a general downward trend in 2024.

Like other major international companies, SONATRACH was affected by the drop in oil and gas prices.

Notably, in the face of this crisis, the company showed great resilience and adaptability, resolutely pursuing the investments outlined in its development plan.

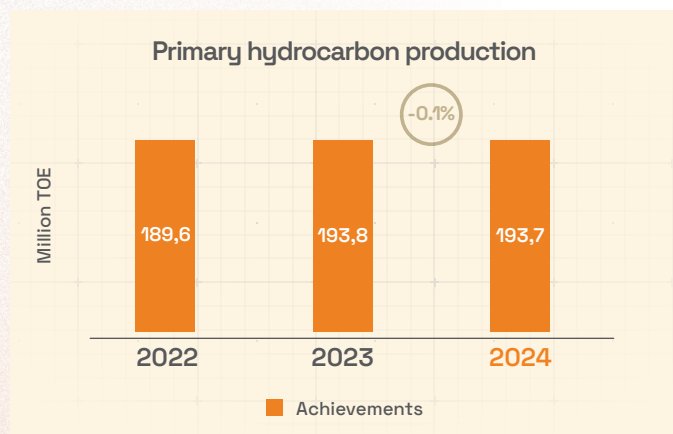
In 2024, SONATRACH's hydrocarbon production remained stable, reaching a volume of 193.7 million TOE.

Downstream, sales activity results were affected by the slump in the oil market. Despite the uncertainties of the economic situation, SONATRACH recorded numerous achievements, notably through record production of land-based fuels:

- 10.8 million tons of diesel produced.
- 3.7 million tons of gasoline produced.
- Export revenue is 6 019 billion of DZD (45 billion USD equivalent).
- Total revenue is 6523 billion of DZD.
- Oil tax paid is 3872 billion of DZD.
- SONATRACH achieved a net profit of 812 billion of DZD.

Exploration-Production

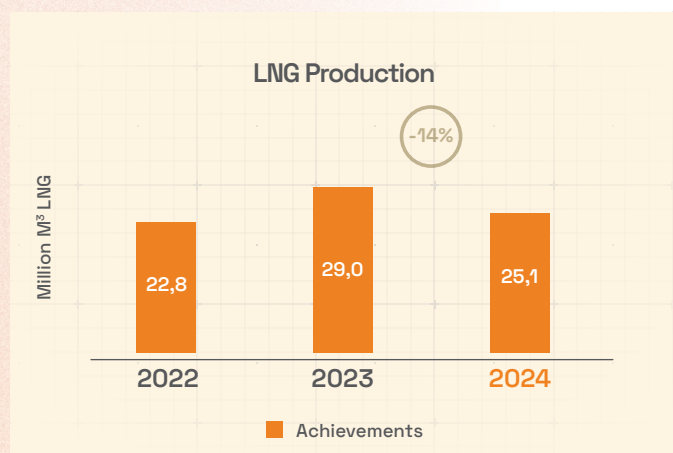
The development of the Exploration/ Production Activity has been at the top of the company's priorities during the fiscal year 2024. Hydrocarbon primary production stood in 2024 at 193.7 Million TOE, a decrease of 0.1% compared to 2023.



Hydrocarbon Transformation

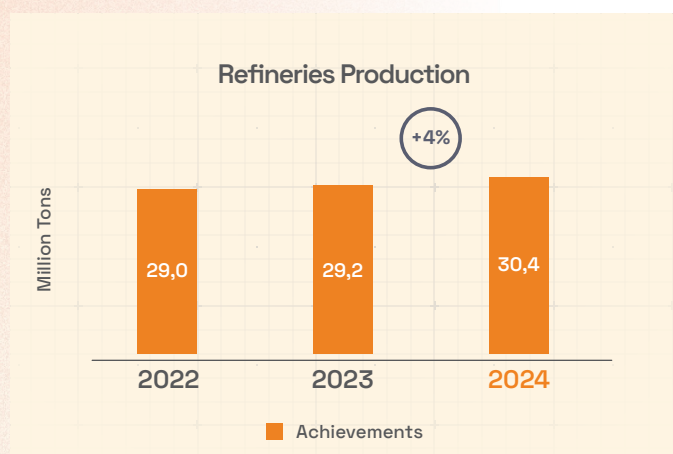
LPG Liquefaction & Separation

LNG production in 2024 reached 25.1 Million m³ of LNG, declining by 14% compared to 2023.

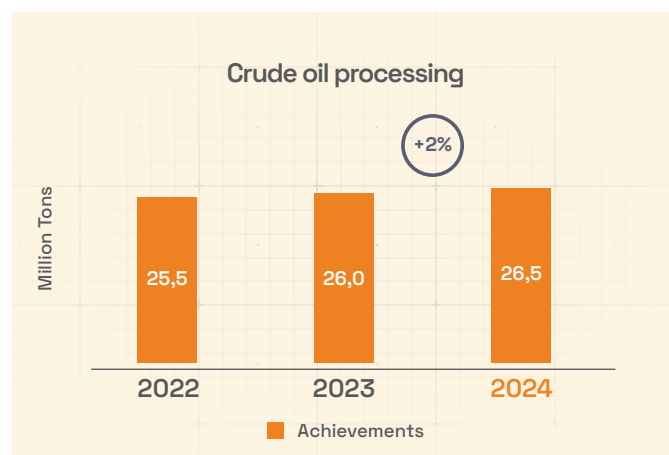


Refining

Refineries production continued its upward trend, an increase of 4% compared to 2023.

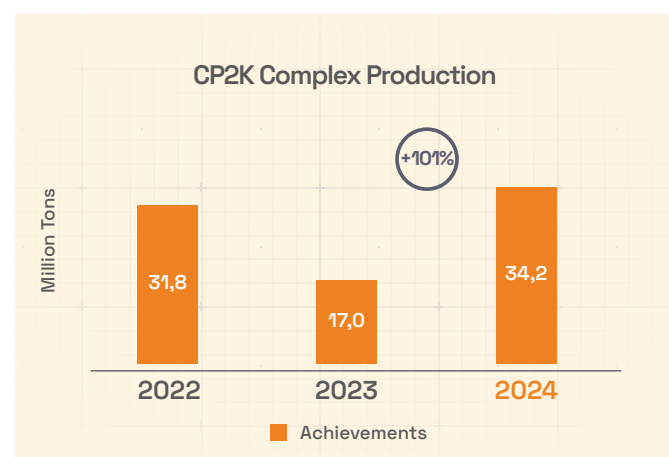


The volume of processed crude oil reached 26.5 Million Tons, up by 2% compared to 2023.



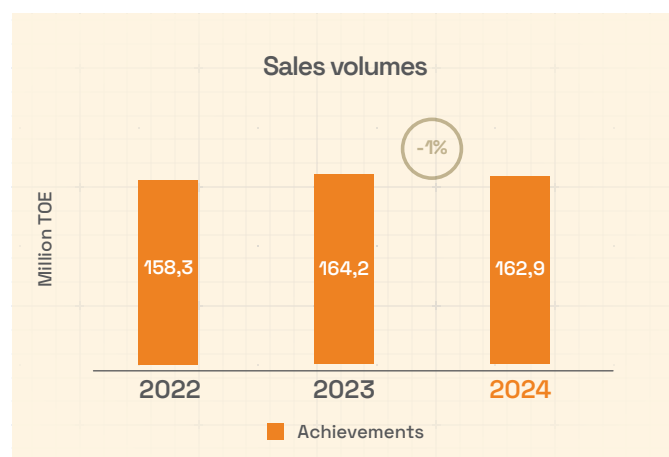
Petrochemicals

The petrochemical complexes registered significant performance during the fiscal year 2024. The GP2K Skikda complex recorded a production of 34.198 Tons of PEHD, an increase of 101% compared to 2023.

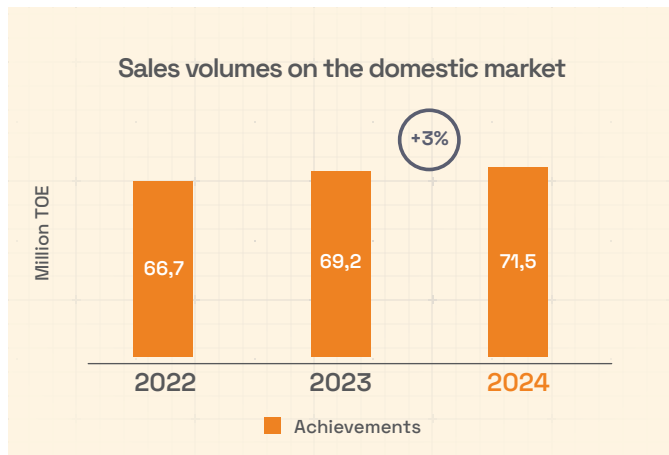


Marketing

- The overall volume of hydrocarbons in 2024 reached 162.9 Million TOE, a slight decrease (1%) compared to the previous fiscal year.



- Hydrocarbon sales on the national market peaked at 71.5 Million TOE , up by 3% Compared to 2023..

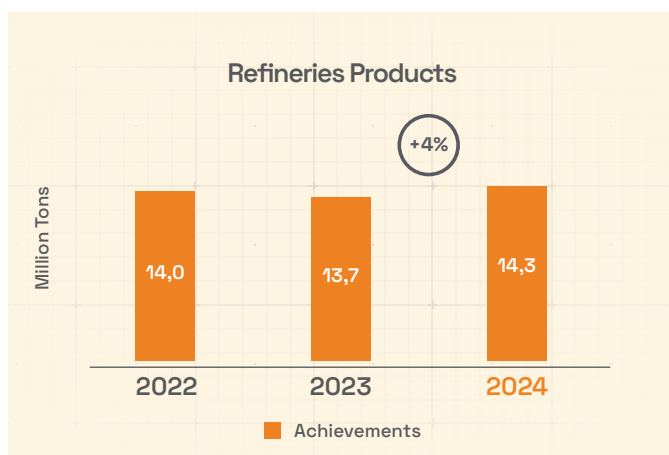


Exports

- Hydrocarbon exports of SONATRACH and its associates stood at 91.4 Million TOE, namely, a decrease of 4% compared to 2023. These volumes include gas sales on behalf of partners, whose contracts are governed by Laws 05-07 and 09-13 (participation).



- Refined products exports reached 14.3 Million tons up by 4% in 2024 compared to 2023.




Imports

Volume of 209 thousand tons was imported in 2024, compared to 142 thousand tons in 2023, representing an increase of 47%. This rise is mainly explained by the import of 40 thousand tons of BRI, as well as the increase in imports of MTBE (+19%), ethylene (+42%), and hexene (+83%).”



Achievements by **Activities**





Present throughout the hydrocarbon value chain, SONATRACH's main mission is to ensure hydrocarbon supply to the national market, optimize and valorize hydrocarbons destined to exports, maximize the country's revenues and contribute to its economic development. SONATRACH operates in exploration, production, pipeline transport, processing and hydrocarbons trading.

SONATRACH has placed the development of its oil upstream at the top of its priorities in order to renew reserves and guarantee energy security of the country for the mid and long-terms.

SONATRACH's medium-term development plan requires accelerating downstream development by allocating important investments to expand refining, petrochemical, and natural gas liquefaction industries. Investments in the development and rehabilitation of refining facilities have already borne fruit through the maximization of domestic production and the complete cessation of fuel imports. The development of a strong petrochemical industry is also among the company's strategic objectives. The goal is to leverage available raw materials across all Activities of the hydrocarbon chain, reduce import costs, and position itself on the global petrochemical market.

Exploration-Production

Still largely unexplored, the national mining domain, spanning across 1.5 million km², contains a tremendous resource potential, in both conventional and unconventional fields as well as offshore.

Exploration and Production occupies a central place in SONATRACH's core businesses. It encompasses prospecting, research, exploration, development, and exploitation of oil and gas fields.

SONATRACH places paramount importance on developing its upstream oil sector and devotes more than 70% of its annual budget each year to renewing and expanding its reserve portfolio, particularly by intensifying research efforts in underexplored basins and complex areas, as well as improving the recovery rates of deposits in operation.

To accelerate the development of its upstream oil sector, SONATRACH relies on the partnership option; a strategic choice that allows the investment effort and risks associated with Exploration/Production Activity to be shared. In this perspective, Law 19-13 relating to hydrocarbons offers foreign investors a favorable environment thanks to a clear regulatory framework and attractive tax benefits.

Key achievements

- **Hydrocarbon discoveries: 18 discoveries, all self-developed.**
- **Primary hydrocarbon production: 193.7 million TOE.**
- **Crude oil TOE: 46.9 million TOE.**
- **Natural gas: 127.9 billion TOE.**
- **Condensate: 9.1 million TOE.**
- **LPG in the fields: 9.7 million TOE.**

Highlights

Contract signing

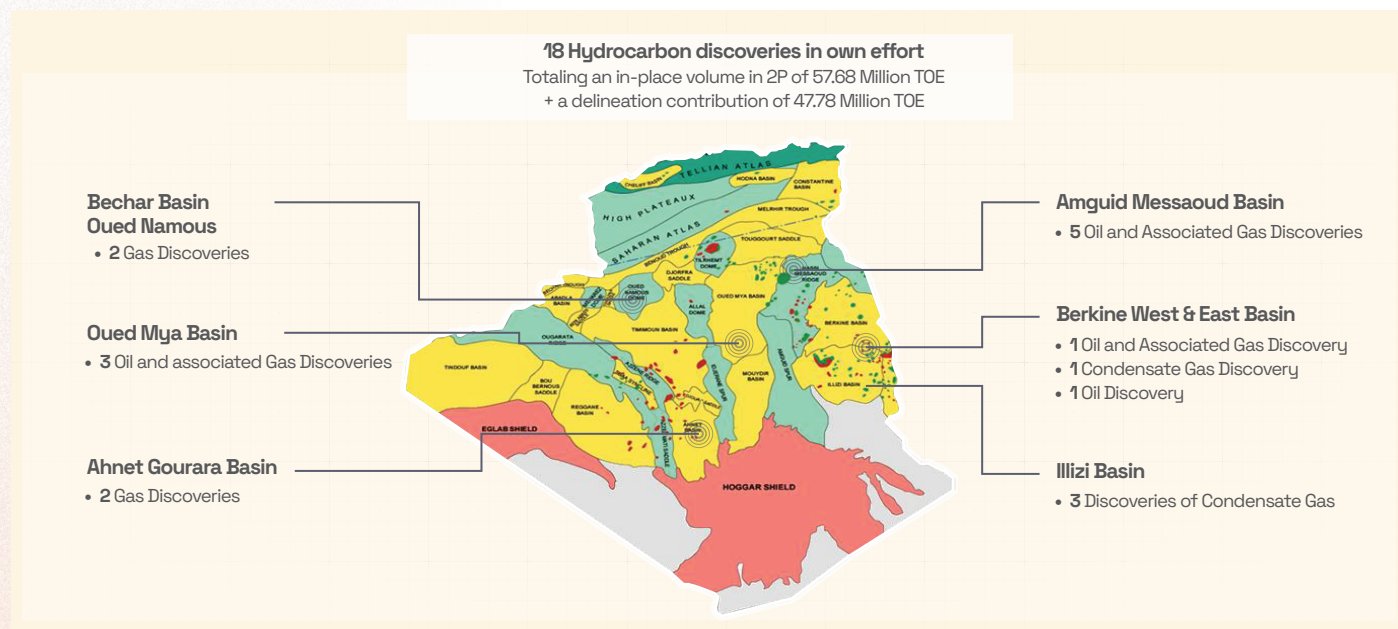
- with the Baker Hughes / Nuovo Pignone International Srl & Tecnimont S.p.A. Consortium for the construction of the Boosting Facilities, Phase III – Stage 2, at the Hassi R'Mel gas field.
- with China Petroleum Engineering and Construction Corporation (CPECC) regarding the implementation of the Alrar Gas Field Boosting Phase III project.

Signing of Memoranda of Understanding and Agreement

- with SINOPEC, with a view to concluding a hydrocarbon contract on the Hassi Berkane North exploration area.
- with Eni and Equinor, for the resumption of exploration and development activities in the In Salah and In Amenas regions.
- with TotalEnergies, to assess and develop hydrocarbon resources in the northeast Timimoun region in synergy with existing processing facilities in the region.
- with ExxonMobil, to study opportunities for developing hydrocarbon resources in the Ahnet and Gourara basins.
- with Eni, dedicated to exploration and exploitation work in the Zemoul El Kbar, Rourde El Louh-Sif Fatima, and Rhourde Messaoud Nord areas.
- with Chevron FEA International Ventures Ltd., for the development of hydrocarbon resources in the Ahnet and Berkine basins.

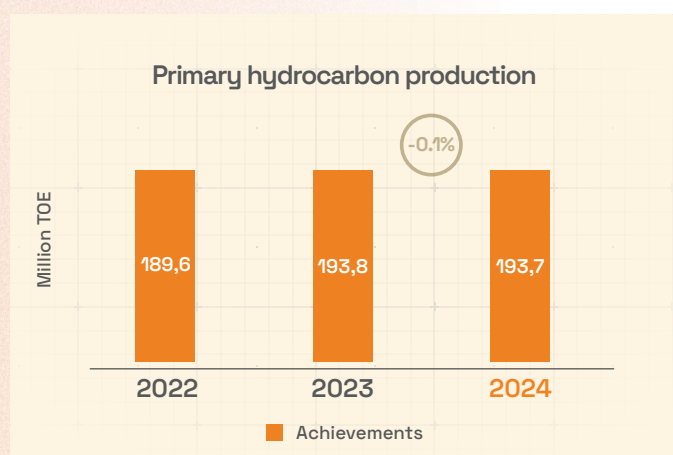
Exploration and New Hydrocarbon Discoveries

SONATRACH made eighteen (18) new hydrocarbon discoveries during 2024, all through its own efforts. These discoveries, divided between oil (51%) and gas (49%), have enabled the identification of a proven and probable volume of hydrocarbons in place of 57.68 million TOE and a delineation contribution of 45.78 million TOE.

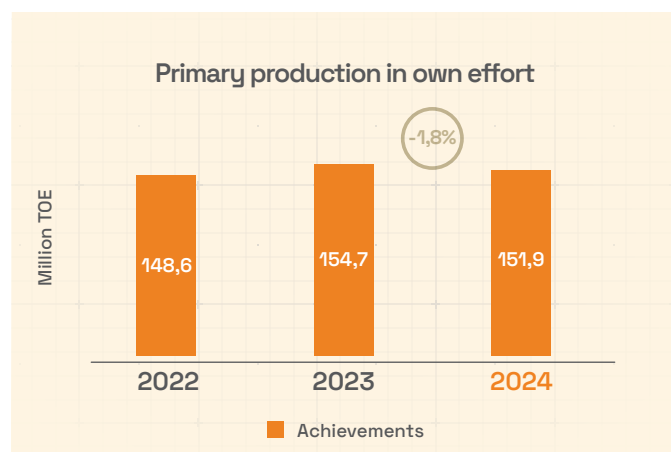


Primary hydrocarbon production

Primary hydrocarbon production stood at 193.7 Million TOE in 202.

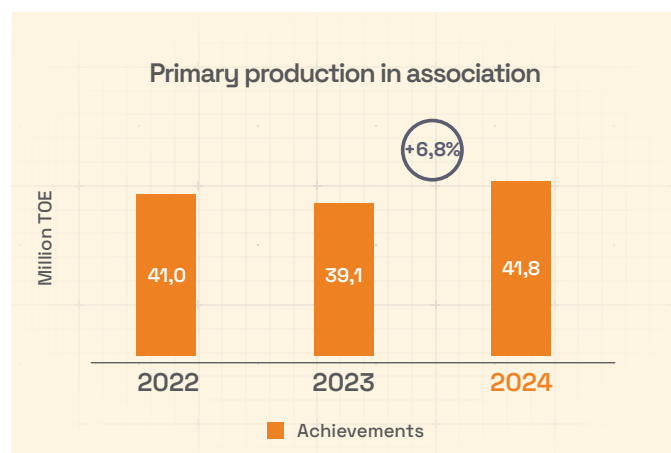
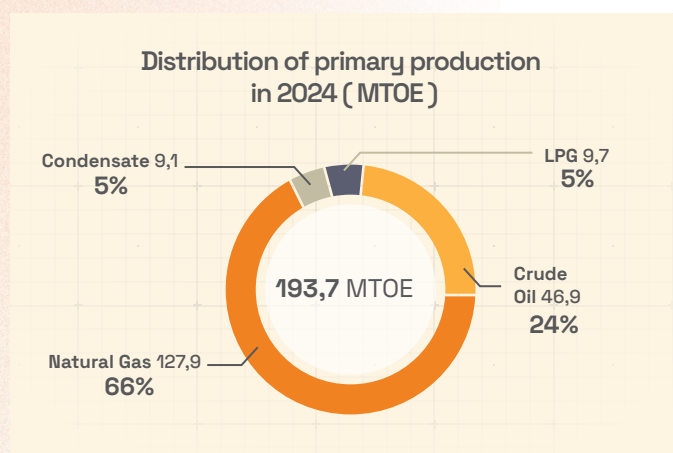


Primary production in own effort reached 151,9 Million TOE.



Deposit production operated in association amounted to 41,8 Million TOP, namely.

This primary production is composed of 66% natural gas, 24% crude oil, 5% condensate and 5% LPG.





Pipeline Transportation



The pipeline transportation network plays an important role in regulating the flow of liquid and gaseous hydrocarbons in accordance with fluctuating domestic and international market demand.

This 21,190 km long network currently provides SONATRACH with the status of a reliable and trustworthy supplier to its local and foreign customers.

The TRC transportation network is subdivided into two complementary parts:

- **The Southern Network, which originates from the fields and transports effluents to the Haoud El Hamra Liquid Hydrocarbon Dispatching Center (CDHL) for crude oil and condensate, and to the National Gas Dispatching Center located in Hassi R'Mel (CNDG). As for LPG, it is transported directly from the fields to the Separation Complexes in Arzew.**
- **The Northern Network, which transports:**
 - Crude oil from the CDHL to refineries and export ports.
 - Condensate from the CDHL and the Hassi R'Mel field to the Skikda refinery and export ports.
 - Natural gas from the CNDG to the national market network, export pipelines, and liquefaction complexes.
 - LPG from Hassi R'Mel to separation complexes.

Key achievements

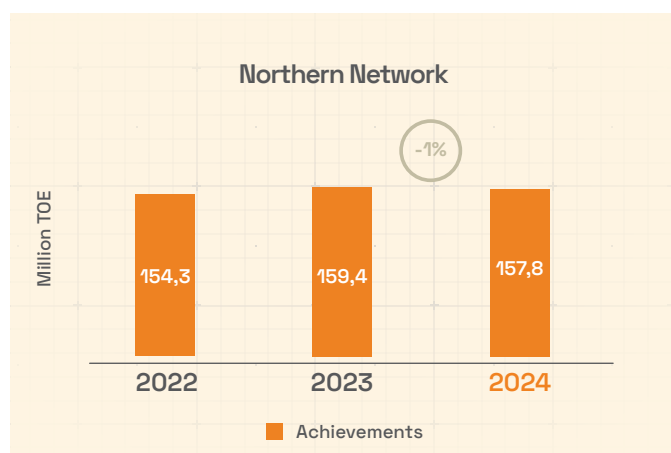
- **Volumes evacuated via the Northern network: 157.8 million TOE.**
- **Volumes evacuated via the Southern network: 85.7 million TOE.**

Highlights

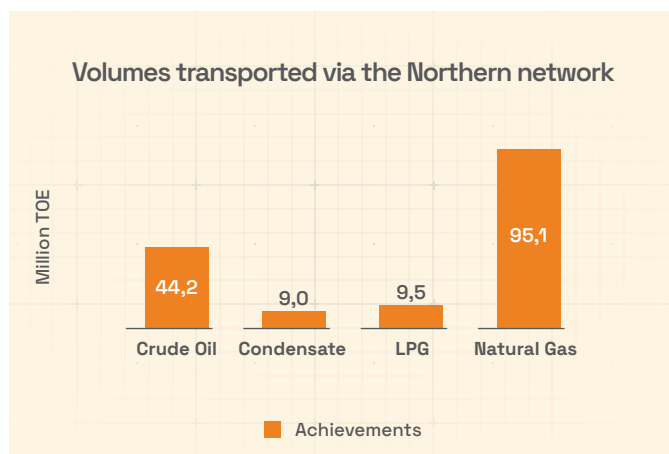
- **Signing of contracts for three projects :**
 - Replacement of the OH1 SP1 In Amenat – PK 66 oil pipeline: January 29, with GCB.
 - Rehabilitation of the OB1 24"/22" oil pipeline (SP1 Bis Djemaa - SP3 Msila), July 22, with ENAC Spa.
 - Replacement of the OD1 in Ø16" - Section (PC01-TA / Mesdar) on December 4, with the ENAC/ GCB consortium.

Volumes transported via the Northern network

The quantities of hydrocarbons transported in 2024 by the Northern network amount to 157.8 million TOE, a slight decrease (1%) compared to financial year 2023.

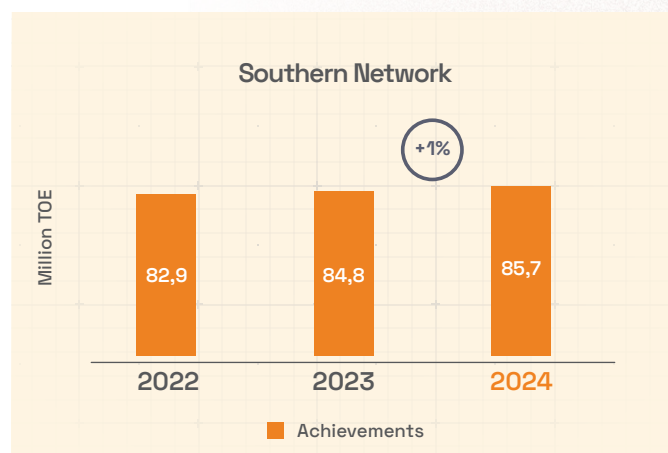


Volumes dispatched towards the Northern by product :

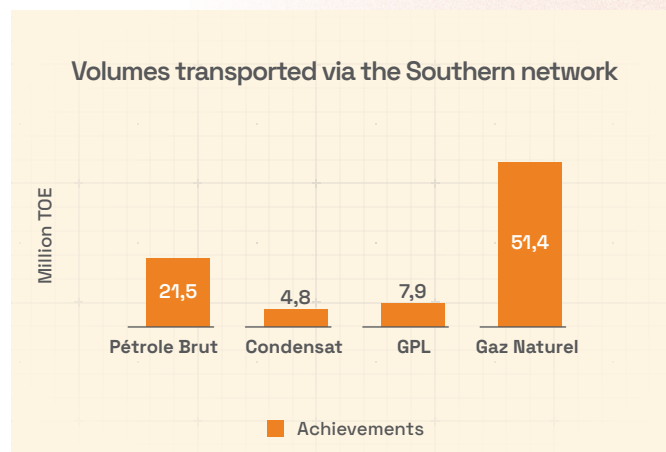


Volumes transported via the Southern network

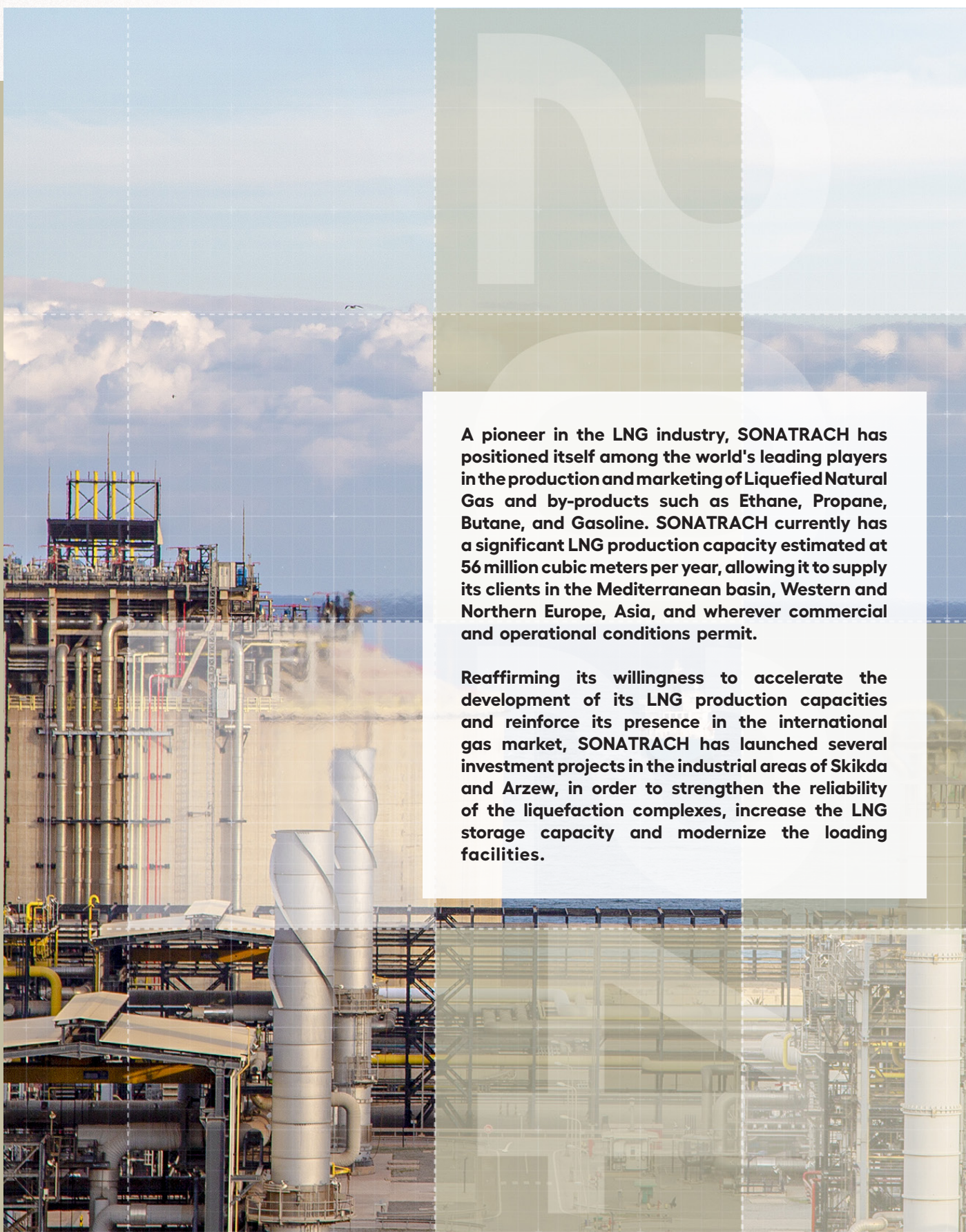
the volumes transported via the Southern network stood at 85,7 Million TOE up by 1% compared to 2023.



Detail by product of volumes transported via the Southern network



Liquefaction-Separation



A pioneer in the LNG industry, SONATRACH has positioned itself among the world's leading players in the production and marketing of Liquefied Natural Gas and by-products such as Ethane, Propane, Butane, and Gasoline. SONATRACH currently has a significant LNG production capacity estimated at 56 million cubic meters per year, allowing it to supply its clients in the Mediterranean basin, Western and Northern Europe, Asia, and wherever commercial and operational conditions permit.

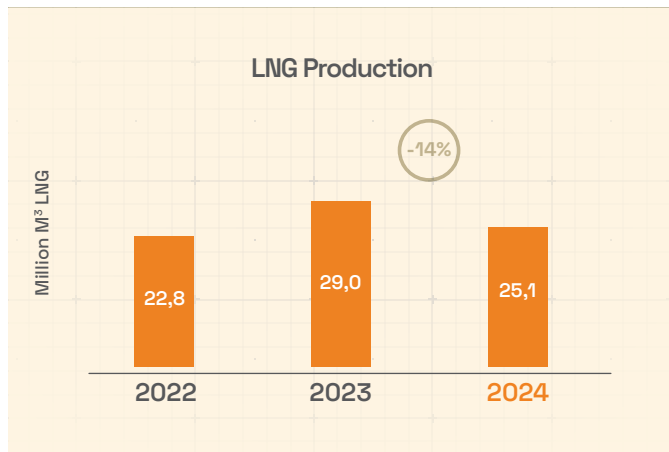
Reaffirming its willingness to accelerate the development of its LNG production capacities and reinforce its presence in the international gas market, SONATRACH has launched several investment projects in the industrial areas of Skikda and Arzew, in order to strengthen the reliability of the liquefaction complexes, increase the LNG storage capacity and modernize the loading facilities.

Main achievements

- **LNG Production : 25,1 Million m³ LNG.**
- **Propane Production: 4,58 Million Tons.**
- **Butane Production : 3,50 Million Tons.**

LNG Production

LNG volumes produced in 2024 amounted to 25,1 Million cubic meters of LNG.



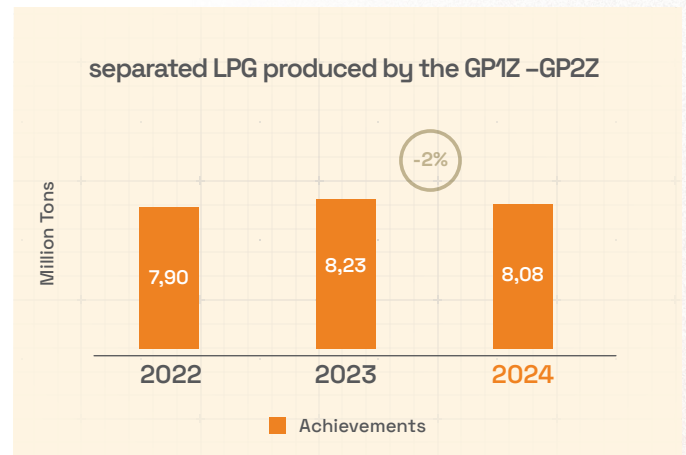
Volume of gas delivered to LNG Complexes

The volume of gas at the entrance of LNG complexes reached 19.5 billion cubic meters.



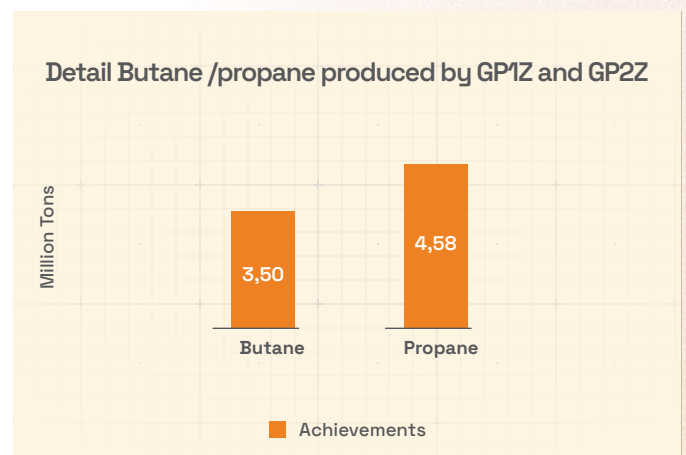
Volumes of separated LPG produced by the GP1Z –GP2Z complexes

The volume of propane and butane produced by the complexes GP1Z –GP2Z stood at 8,1 Million Tons.

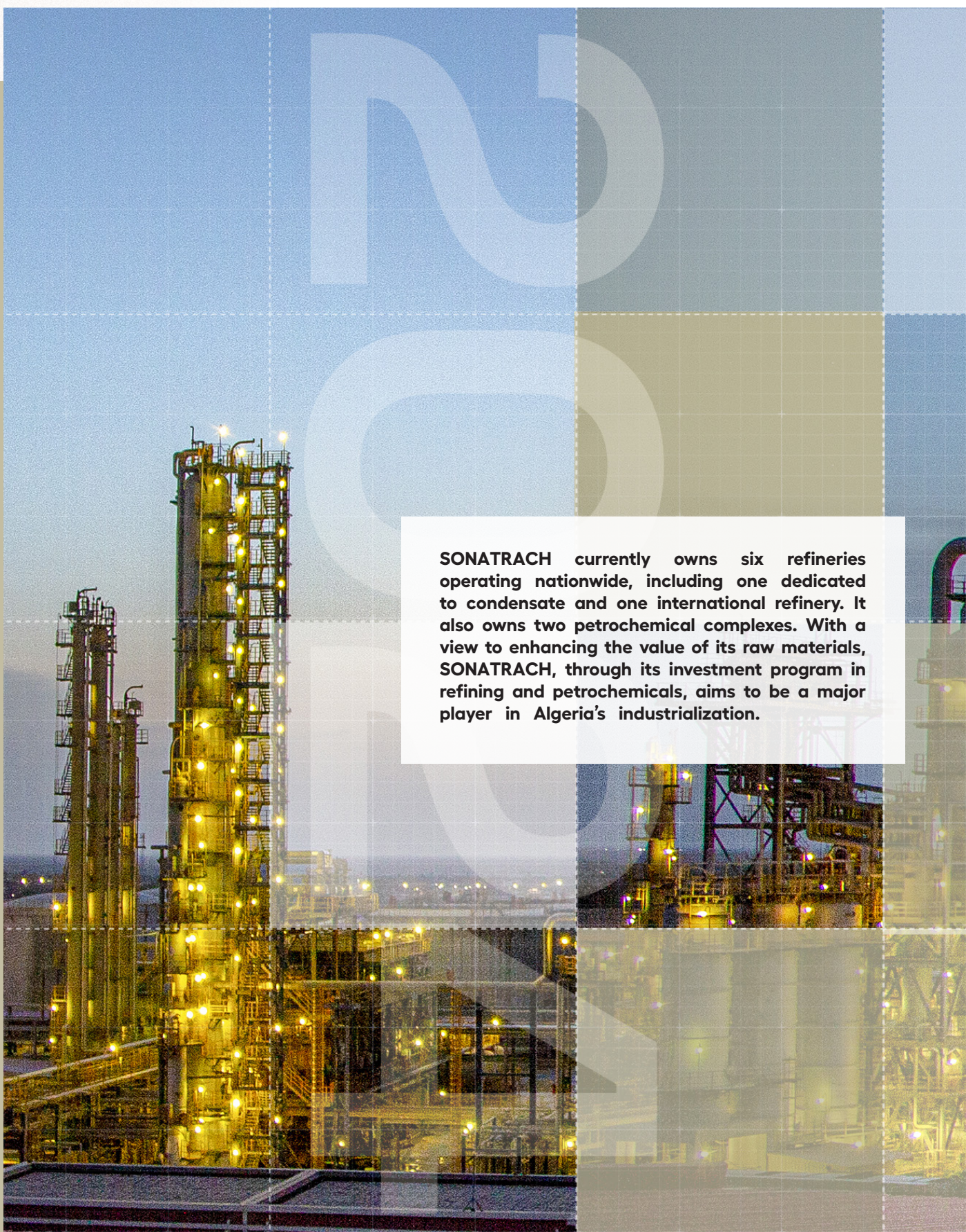


Distribution of the production of GP1Z- GP2Z Complexes

Propane volume produced amounted to 4,58 Million Tons against 3,50 Million Tons of butane.



Refining and Petrochemicals



SONATRACH currently owns six refineries operating nationwide, including one dedicated to condensate and one international refinery. It also owns two petrochemical complexes. With a view to enhancing the value of its raw materials, **SONATRACH**, through its investment program in refining and petrochemicals, aims to be a major player in Algeria's industrialization.

Main achievements

- **Global Refineries production ; 30.4 Million tons.**
- **CP1Z/CP2K Petrochemical complexes production: 148 900 tons.**

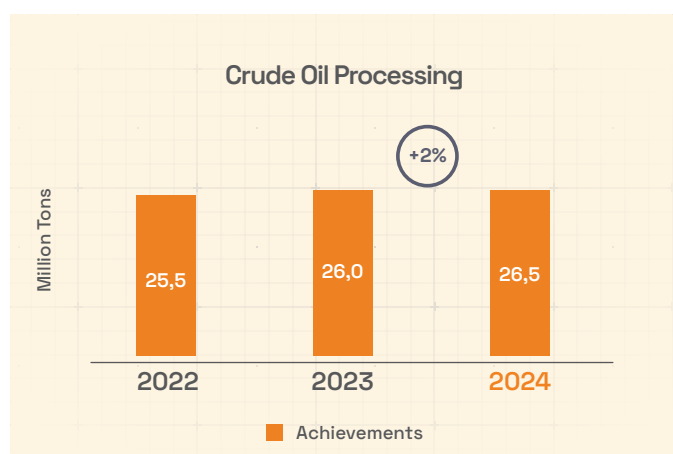
Highlights

- **Signing of contracts for the realization of two major projects:**
 - The petrochemical complex for the production of Linear Alkyl Benzene (LAB) with Tecnimont SPA.
 - The new HMD refinery, with the group Técnicas Reunidas & SINOPEC (GPEC).
- **Maximization of land fuel production to meet national market demand: 10.8 million tons of diesel and 3.7 million tons of gasoline.**

Refining

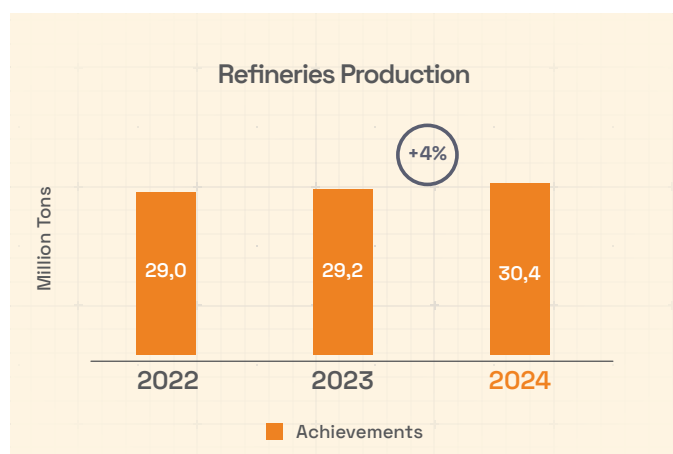
Volume of crude oil processed by refineries

The volume of crude oil processed by refineries in Algeria reached 26,5 Million Tons, up by 2% compared to 2023.

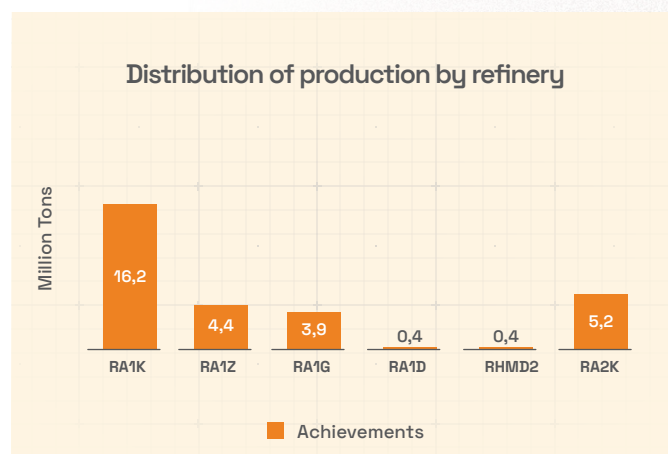


Global oil products Production of refineries

Refineries global production stood at 30,4 Million Tons, increasing by 4% compared to 2023.



Distribution of production by refinery



Petrochemicals

Production of petrochemical complexes CP1Z/ CP2K

- The Arzew CP1Z complex's production reached a volume of 114,702 Tons. CP1Z sales reached 13,294 Tons in the domestic market and 80,920 Tons for export.
- The Skikda CP2K petrochemical complex recorded a production of 34,198 Tons of HDPE. Sales in the domestic market amounted to 40,858 Tons.

Marketing



Through its Marketing activity, SONATRACH seeks, on the one hand, to ensure the security of the energy supply for the national market and, on the other hand, to optimize the value of hydrocarbons intended for export. Internationally, SONATRACH owns real assets that allow it to position itself as a major player in the global gas market, particularly through:

- Its presence in all Activities of the gas industry.
- Its reputation as a reliable energy supplier.
- The flexibility of its transport infrastructures (LNG and intercontinental pipelines).
- The geographical vicinity to Europe.
- A proven ability to adapt to market evolvments and conditions. In recent years.

SONATRACH has managed to adapt its commercial instruments to the evolution of gas markets, among other things, by concluding medium and short-term contracts.

Today, SONATRACH is:

- **1st** supplier of natural gas to Italy.
- **2nd** supplier of natural gas to Spain.
- **2nd** supplier of LNG to Turkey.
- **2nd** supplier of LNG to Greece.

Main achievements 2024

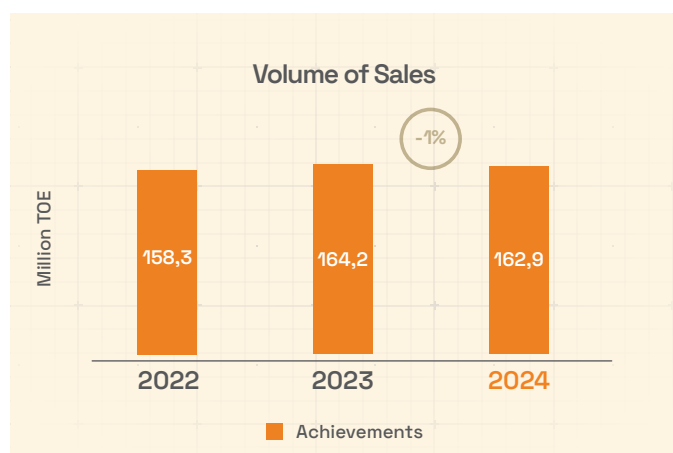
- **Commercialized production: 162.9 million tons of oil equivalent.**
- **Export: 91.4 million tons of oil equivalent.**
- **Volume of sales on the domestic market: 71.5 million tons of oil equivalent.**
- **Export revenue: 6,019 billion DZD, equivalent to 45 billion USD.**

Highlights

- **Signing of commercial agreements for gas exports**
 - January 31, with Grain LNG (UK), for a duration of 10 years starting from January 2029, for a regasification capacity of 3 million tonnes per year of LNG.
 - February 8, with the German company VNG, for a duration of two years, starting from January 1, 2024.
 - May 22, export of the first LNG cargo to Croatia, from GL3Z.
 - On May 27, framework agreement with the Slovenian company GEOPLIN concerning the increase in the volumes of natural gas delivered to Slovenia via the pipeline connecting Algeria to Italy.
 - On August 22, conclusion of a natural gas sales contract with the Czech company CEZ, for a duration of one year starting from October 1, 2024. Delivery takes place via the Transmed pipeline.
 - Conclusion of spot sales agreements with the client Gunvor for the delivery of LNG volumes to the Italian market.

Total Volume of Sales

The total volume total of hydrocarbons sales in 2024 amounted to 162,9 Million TOE , slightly down by 1% compared to 2023.



Volume of hydrocarbon exports

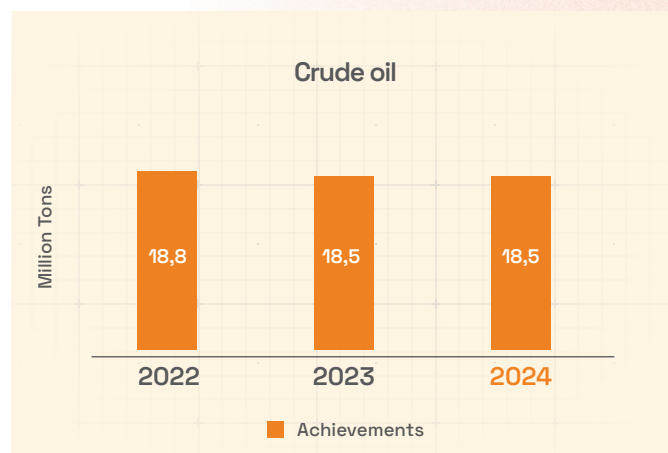
SONATRACH and its associates' total volume of hydrocarbons exports stood at 91,4 Million TOE. These volumes include gas sales on behalf of partners, whose contracts are governed by Laws 05-07 and 09-13 (participation).



Distribution of exports by product

Crude oil

Crude oil exports in 2024 reached a volume of 18,5 Million Tons.



Condensate

Condensate reached 2,7 Million Tons in 2024.



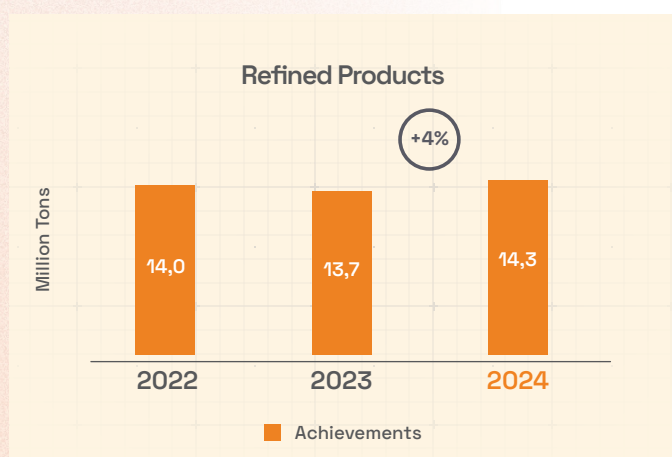
LPG

LPG exports amounted to 6,1 Million Tons in 2024.



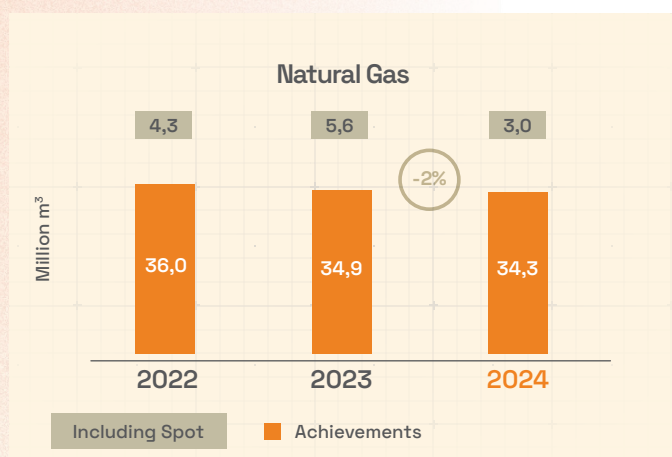
Refined products

Refined products exports reached 14,3 Million Tons in 2024.



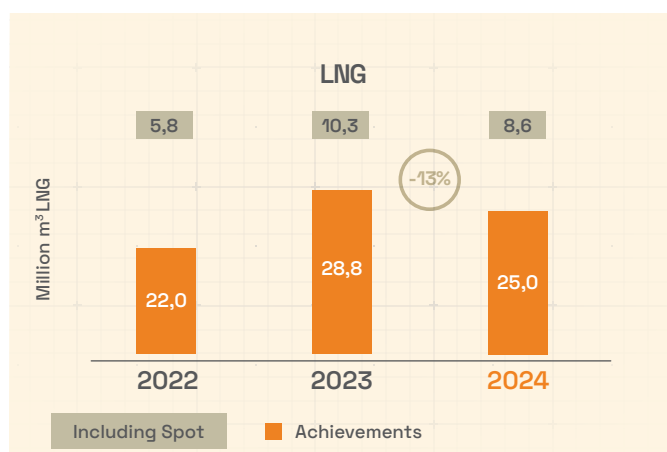
Natural gas

Natural gas exports amounted to a volume of 34,3 M Billion m³ in 2024, down by 2% compared to 2023.



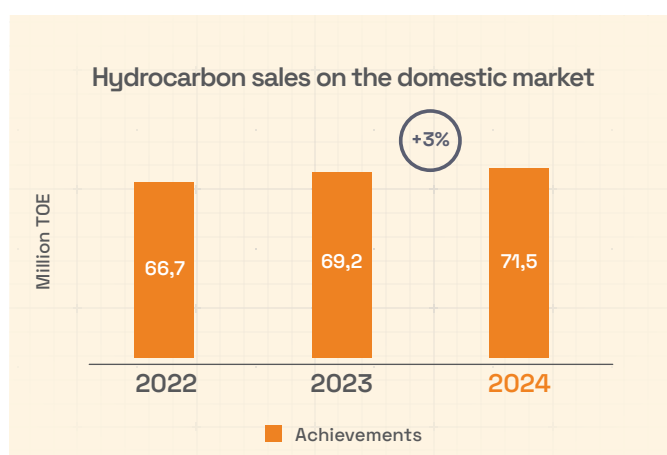
Liquefied Natural Gas

LNG exports reached a volume of 25,0 Million m³ in 2024.



Hydrocarbon sales on the domestic market

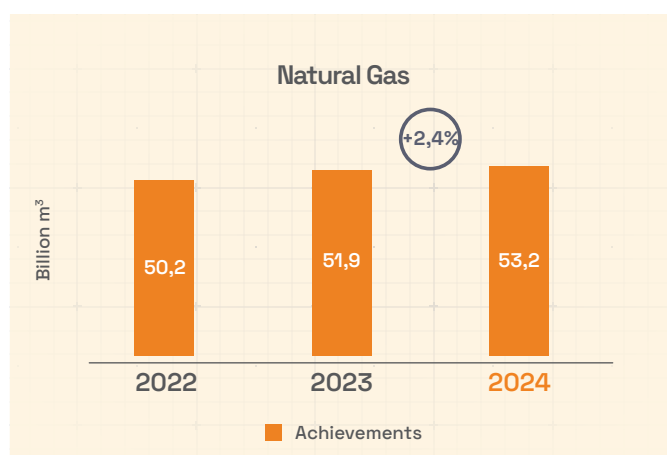
Hydrocarbon sales on the domestic market reached 71,5 million TOE in 2024, an increase of 3% compared to 2023.



Distribution of sales on the domestic market by product

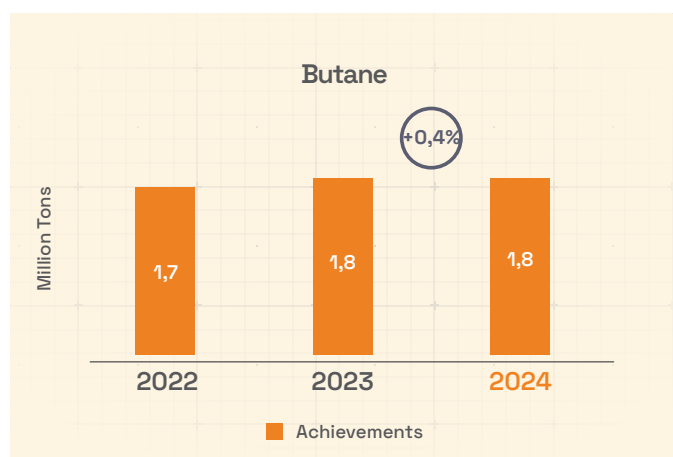
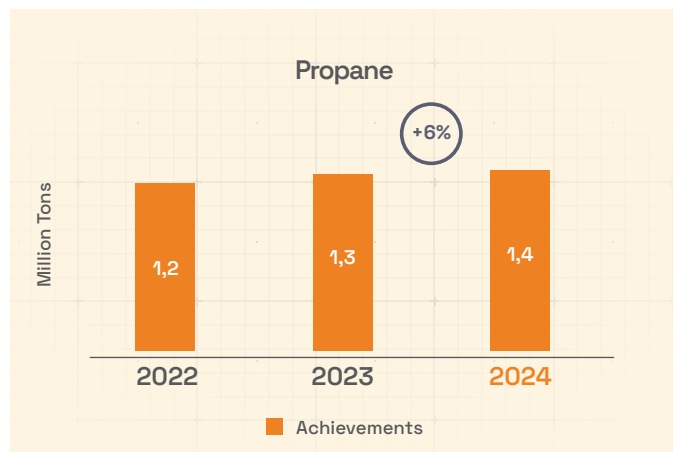
Natural gas

Natural gas sales on the domestic market registered 53,2 Billion m³, namely.



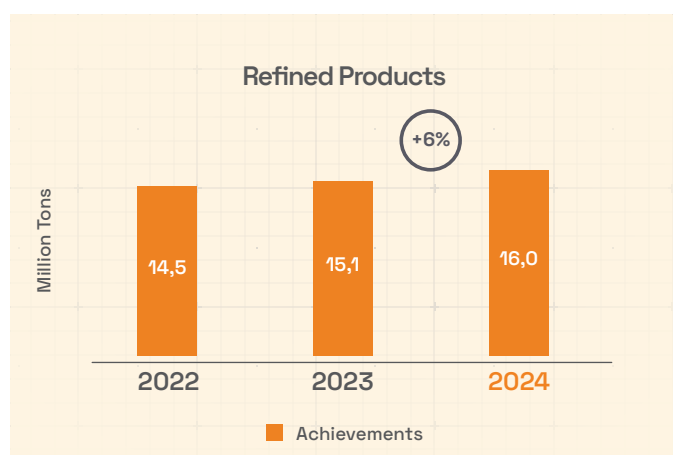
Propane and Butane

Propane and Butane sales in the domestic market in 2024 reached 3.1 million tons (1.4 million tons for Propane and 1.8 million tons for Butane, rising by 6% and 0.4% respectively compared to 2023).

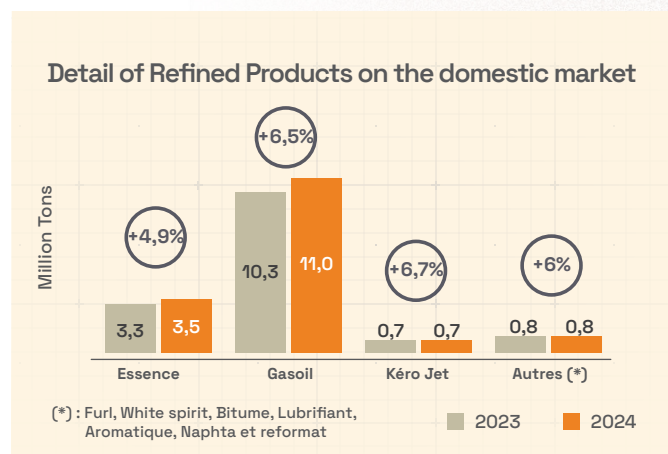


Refined products

Sales of refined products on the domestic market reached 16 million tons in 2024, an increase of 6% compared to 2023.



In detail, the increase in sales of refined products in the domestic market is mainly attributed to the rise in diesel consumption (+6.5%, +675 thousand tons) and gasoline (4.9%, +162 thousand tons).



Imports of oil products

Imports of petroleum products reached 209 thousand tons, an increase of 47%.



Oil and Gas Market Developments

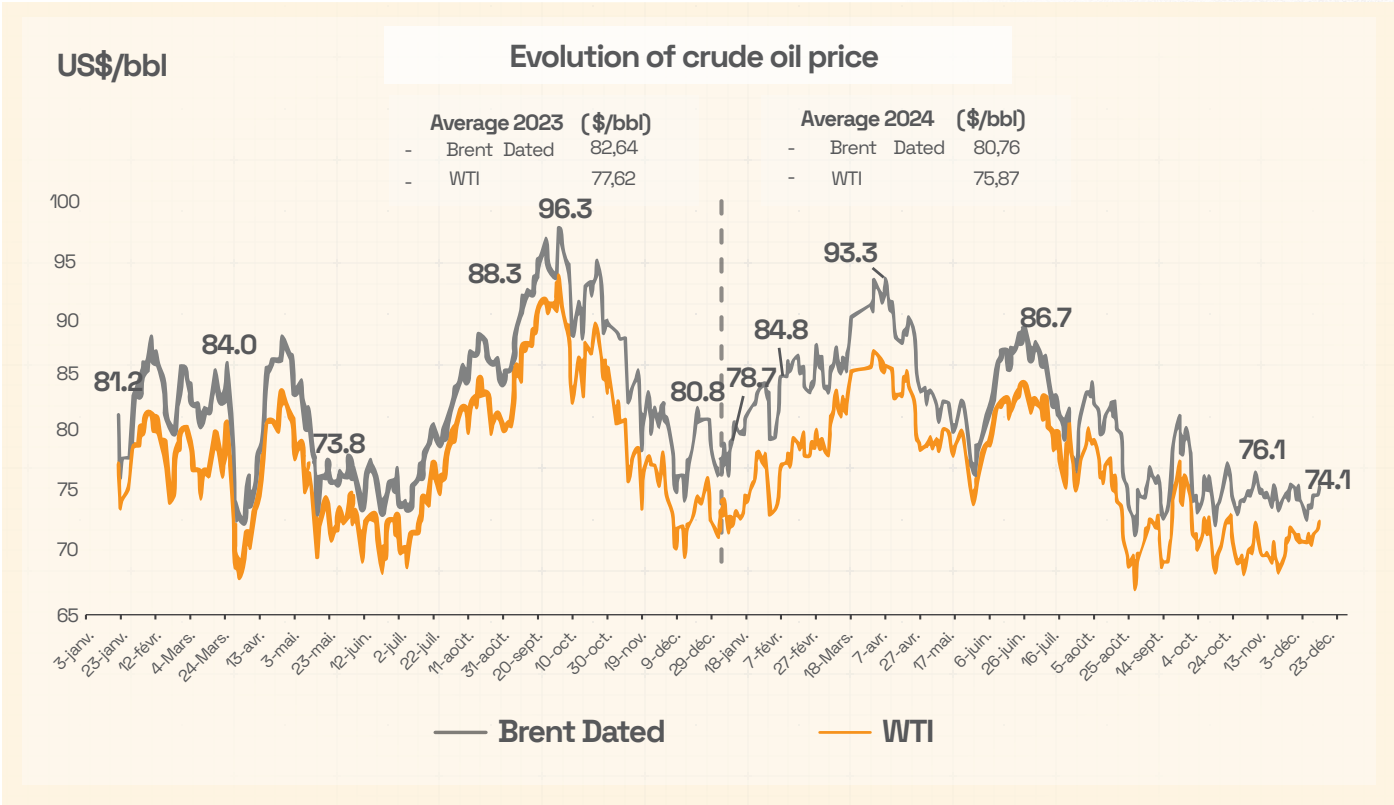


The oil market's developments during 2024 were significantly impacted by a combination of factors, including increased global crude oil production, slowing demand, and worsening geopolitical upheavals.

In this same context, the gas market registered a downward trend compared to 2023, despite geopolitical dissensions and supply concerns.

Oil and gas markets outlook

- Brent decline by 2.27%



The price of DTD Brent recorded a 2.27% decline in 2024, reaching US\$ 80.76/bbl, compared to US\$ 82.64/bbl in 2023. WTI, for its part, registered a similar decline in 2024, with an annual average of US\$ 75.87/bbl, compared to US\$ 77.62/bbl in 2023.

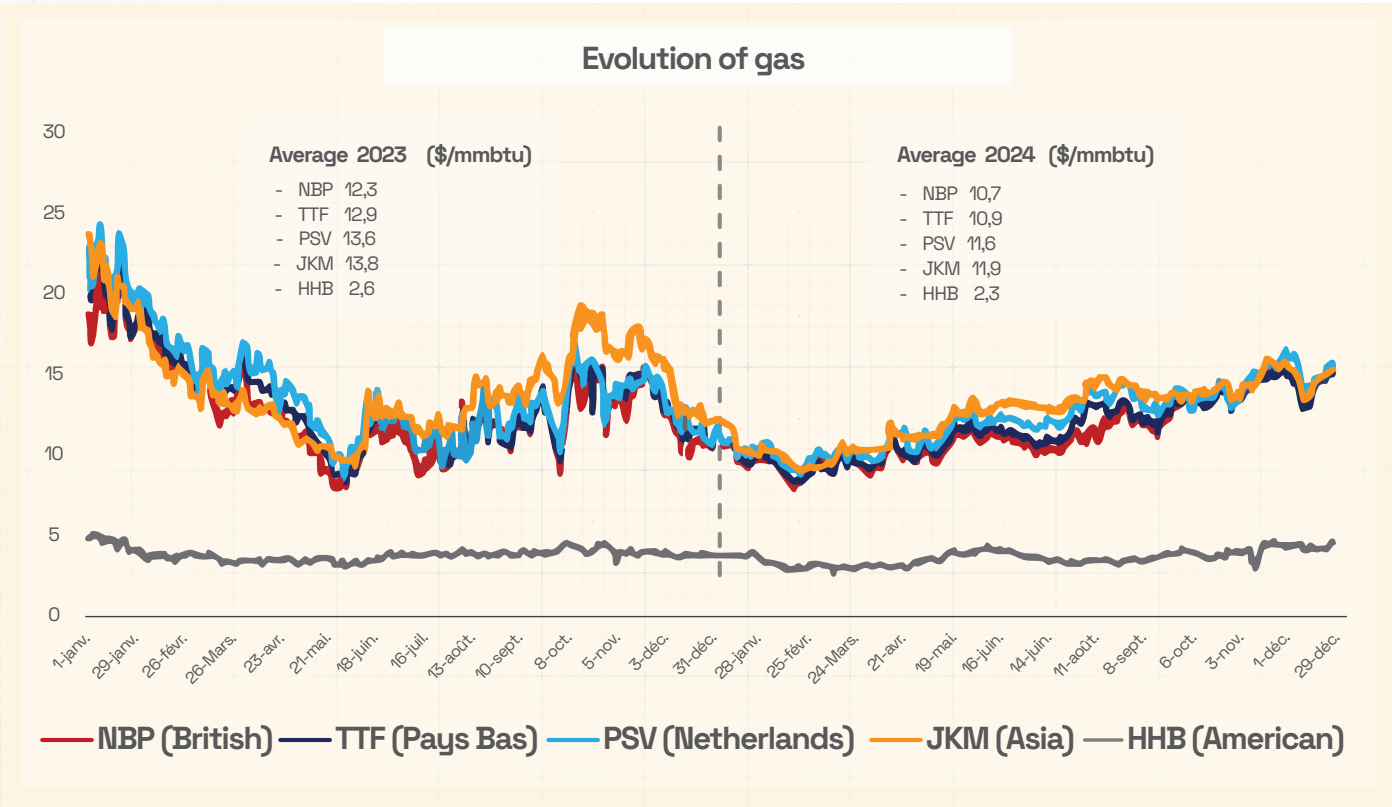
The market was characterized by:

- Rising prices in the first quarter of 2024, driven by a very cold winter in the United States, worsening geopolitical warfare in the Middle East, and the Russia-Ukraine conflict.
- Brent reached its annual peak in April at over US\$ 90/bbl, boosted by the developments in the Middle East crisis, with threats of military conflict between Iran and Israel exacerbating concerns about crude oil supply to the market. However, prices fell back to below US\$ 85/bbl in May impacted by disagreements within OPEC+ and the poor global economic outlook.

The oil market depression was fueled by a series of events, including:

- Slowing global demand and high inventory levels.
- Modest growth of 0.7% in the Eurozone, below forecasts, due to weak consumption and limited investment.
- Deteriorating manufacturing performance in the US, Europe, and Asia.
- Rising crude oil inventories in the United States.
- A sharp increase in inventories at the Amsterdam-Rotterdam-Antwerp (ARA) petroleum product hub: increases in diesel (+18%) and gasoline (+4%) inventories in November.
- The extension of the OPEC+ reduction agreement of 3.66 million bbl/d until the end of 2024 and the decision by eight OPEC+ members on a voluntary reduction of 2.2 million bbl/d from September 2024 to March 2025.

- Gas Prices on a downward trend



For the natural gas market, the year 2024 was marked by the confirmation of a downward trend and price volatility, both in Europe and worldwide.

Average prices in 2024 decreased by 13% for Henry Hub, 15% for TTF, and 14% for JKM compared to 2023.

The main factors driving price volatility in the gas market are:

- High inventory levels, over 90% full, particularly in Europe, by the end of the first quarter of 2024.
- Mild weather during the winter of 2023/2024 and the resulting decline in demand for natural gas for heating.
- Increased demand in Europe at the end of 2024 following a cold winter of 2024/2025.

- The securing of year-end inventories by European Union countries.
- The significant increase in renewable energy production in Europe, estimated at +36% over the period 2021-2023.
- The persistence of the Russia-Ukrainian conflict and its impact on Europe’s security of supply.
- The expiry of the transit agreement of Russian gas to Europe via Ukraine at the end of 2024.
- European LNG imports from the USA and Qatar still significant , namely, approximately 70% of total EU LNG imports.



Investments

- In 2024, investment achievements in Algeria reached 835 billion DZD (equivalent to 6.0 billion US\$), an increase of 11% compared to 2023.
- The share of "dinars" in the achievements reached 73% of the total investments.
- A large share of these investments (79%) was dedicated to the development of Exploration/Production activities.



Exploration - Production

Investments dedicated to the Exploration-Production Activity accounted for most of the achievements (79% of the total) with a level of 662 billion DZD (equivalent to 4.7 billion US\$), distributed as follows:

- SONATRACH's own efforts: 483 billion DZD (equivalent to 3.5 billion US\$).
- SONATRACH in partnership: 179 billion DZD (equivalent to 1.3 billion US\$).

Investments realized in partnership represented 27% of the total for the Exploration-Production Activity in 2024 compared to 26% in 2023.

In Billions of DZD	2023 Achievement	2024 Achievement	Growth Rate 2024/2023
Exploration	83	99	20%
Sonatrach in Own Effort	78	96	22%
Sonatrach in Partnership	5	4	-15%
Field Development and Production	537	562	5%
Sonatrach in Own Effort	382	387	1%
Sonatrach in Partnership	156	175	12%
Total E&P Activity	621	662	7%
Total in Billion US\$ Equivalent	4.1	4.7	14%

Exploration

In 2024, investissements dedicated to exploration reached 100 Billion of DZD (711 million USD equivalent), recording an increase of 20% compared to 2023. These investments were mainly focused on the acquisition of 7757 km of 2D seismic profiles, 16,387 km² of 3D seismic profiles, and the drilling of 59 wells, of which 39 have been delivered.

	2023 Achievement	2024 Achievement	Growth Rate 2024/2023
Sonatrach in Own Effort			
2D Seismic (Km)	5 991	7 757	29%
3D Seismic (Km ²)	13 579	16 387	21%
Number of Wells Drilled	45	57	27%
Number of Wells Completed	30	38	27%
Sonatrach in Partnership			
2D Seismic (Km)			
3D Seismic (Km ²)			
Number of Wells Drilled	2	2	0%
Number of Wells Completed	2	1	-50%
Overall Effort			
2D Seismic (Km)	5 991	7 757	29%
3D Seismic (Km²)	13 579	16 387	21%
Number of Wells Drilled	47	59	26%
Number of Wells Completed	32	39	22%

Development and exploitation of deposits

The amount of investments dedicated to the development and operation of fields reached, in 2024, 562 billion DZD (equivalent to 4.0 billion US\$), of which 69% was accomplished through own efforts.

These investments have mainly been allocated to the realization of:

- Major development projects for fields such as: Isarène, Touat, Touggourt, Tinrhert, Rhourde Chegga, the GPL Rhourde El Baguel plant, TFT, as well as production maintenance projects like the Boosting Hassi R'Mel phase III Step II and the Boosting Alrar Phase III, and other connection projects at Hamra, Ohanet, and In Salah.
- The development drilling program, which has established a physical effort of 171 completed wells, including 114 wells from own efforts.

	2023 Achievement	2024 Achievement	Growth Rate 2024/2023
Sonatrach in Own Effort			
Activity Volume (Meters Drilled)	267 098	345 946	30%
Number of Wells Completed	87	114	31%
Sonatrach in Partnership			
Activity Volume (Meters Drilled)	124 267	154 937	25%
Number of Wells Completed	36	57	58%
Overall Effort			
Activity Volume (Meters Drilled)	391 365	500 883	28%
Number of Wells Completed	123	171	39%



Pipeline Transport

Investment achievements in 2024 reached nearly 64 billion DZD (equivalent to 454 million US\$), an increase of 13% compared to 2023. This Activity represents 8% of SONATRACH's total investments.

More than 50% of the achievements focused on development and rehabilitation projects of installations and infrastructures, mainly the rehabilitation of pipelines GZ2, OB1, OD1, and OH1 as well as CNDG and CDHL, replacement of the SP1 HEH departure station of OK1, compliance of detection/extinction systems and fire protection networks, replacement of the pipelines OD1 and OH1, implementation of gas coolers for stations GZ1/2/3, and upgrading and extending TA GZ4.

In Billions of DZD	2023 Achievement	2024 Achievement	Growth Rate 2024/2023
Development	1.3	1	-22%
Rehabilitation	28	31	12%
Infrastructure	11	12	13%
Operations	12	13	9%
Maintenance/Telecommunication/Headquarters	4	6	46%
Total TRC Activity	56	64	13%
Total in Millions of US\$ Equivalent	374	454	21%

Liquefaction and Separation

The investments allocated to the Liquefaction and Separation Activity amount to 44 billion DZD (equivalent to 312 million USD), which is 5% of the total investments.

Most of the achievements have focused on projects for the construction of a new jetty at the Skikda port, the construction of a new LNG storage tank at the GL1K complex, the supply and installation of (04) main exchangers at the GL1Z and GL2Z complexes, as well as investments in maintenance, reliability, and safety of the facilities.

In Billions of DZD	2023 Achievement	2024 Achievement	Growth Rate 2024/2023
Development	18.4	17.7	-4%
Infrastructures	1.7	5.6	227%
Maintenance, Reliability and Security	8.9	14.6	65%
RIZ	1.9	4.6	139%
RIK	1	0.7	-28%
Head Office Management Direction LQS-GTS	0.5	0.5	-3%
Total LQS Activity	32	44	35%
Total in Millions of US\$ Equivalent	216	312	44%

Refining and Petrochemicals

The investments achieved in the Refining and Petrochemical Activity amount to nearly 51 Billion DZD (361 Million US\$ equivalent), namely, 6% of the overall investments.

In Billions of DZD	2023 Achievement	2024 Achievement	Growth Rate 2024/2023
Development	25	39	57%
Refining	1	3	299%
Petrochemicals	24	36	50%
Maintenance, reliability, and security	7	11	65%
RPC Headquarters	0	1	116%
Total RPC Activity	32	51	59%
Total in millions of US\$ equivalent	212	361	71%



Human Resources

Operational and managerial excellence, responsibility, equity and Transparency are the key guidelines which conduct SONATRACH's Human Resources policy.

The company strives to optimize in a sustainable manner the career management of its employees by promoting the emergence of competencies and skills and inciting the adhesion of the workforce to the success and growth of the company.

In order to achieve a high level of operational efficiency across all its activities, SONATRACH ensures to:

- Meet the human resources needs of its various activities.
- Recruit the best talents from universities and prestigious schools, particularly through the organization of competitions.

The company encourages a recruitment process based accordance between merit and position profile , prioritizing local employment in its areas of activity.



SONATRACH places great importance on the continuous training of its employees to elevate their skills to the highest levels. The training plans implemented by the Company aim in particular to:

- Strengthen technical and managerial skills.
- Adapt to new technologies and the demands of the energy transition.
- Promote research and innovation.

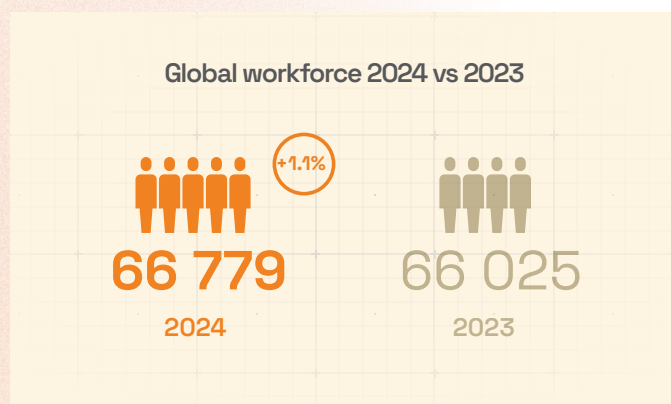
To achieve its objectives, SONATRACH relies on two major high-performance training institutions:

- IAP, the Algerian Institute of Petroleum, the main tool for SONATRACH's technical training.
- SMA, SONATRACH Management Academy, an improvement center of the Company, specialized in the development of managerial skills.

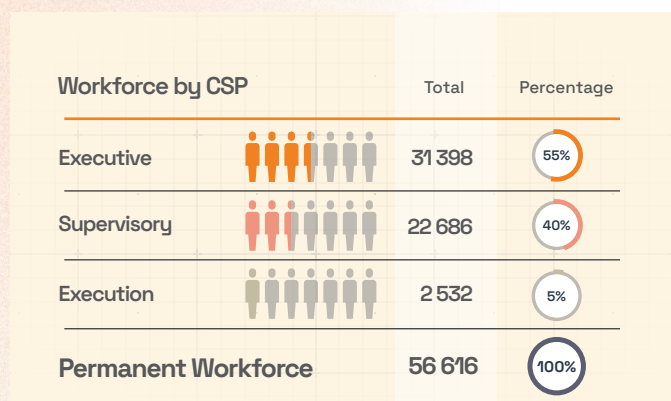
Human Resources Report 2024

Employment Section

- The year 2024 was closed with a total workforce of 66,779 employees, a slight increase (+1.1%) compared to the year 2023 (66,025 employees).

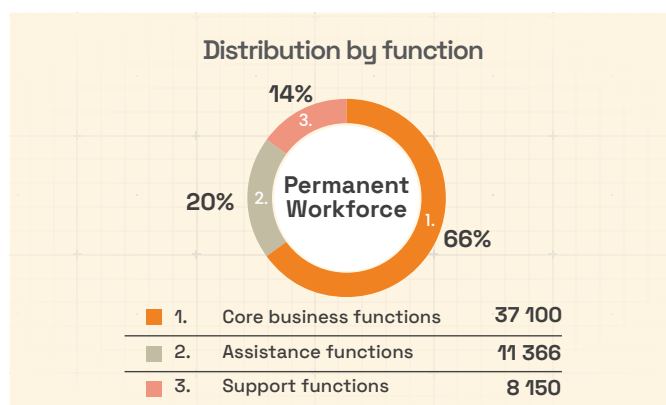


- The permanent workforce represents a rate of 85% compared to the global workforce.
- Distribution of permanent workforce by socio-professional category for fiscal year 2024.

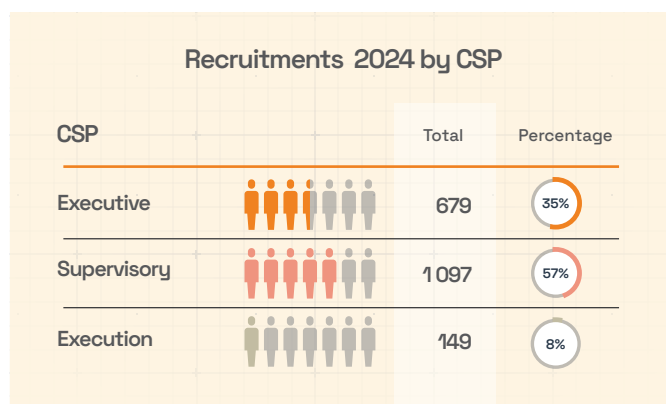


By socio-professional category, the company's workforce is mainly composed of executives and supervisors (95 %).

- The average age of the permanent workforce is around 43 years.
- The average seniority of the permanent workforce is around 14 years.
- The female workforce recorded for the year 2024 represents 16.5% of the total permanent workforce, which is 9,352 agents, an increase of 2% compared to the year 2023 (9,184).
- The workforce in core business functions (geophysics, drilling, exploitation & development of deposits, transport, refining, petrochemicals, industrial safety & maintenance, marketing, represents a rate of 66%, significantly ahead of support and assistance functions.



- External recruitments recorded for the 2024 financial year are in the order of 1,925 agents and mainly concern the management and executive categories.



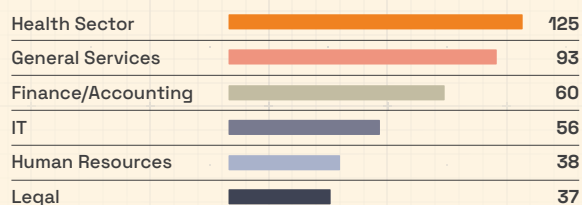
- The external recruitments for «FCM» core business functions amount to 1316 agents, namely, 68% of the total recruitments achieved during fiscal year 2024, of which 92% concerned the following activities:

External Recruitments 2024 : Main Activities FCM



- External recruitment in the support and "FSS" support functions amounted to 609 agents, or 32% of the total recruitment carried out for the 2024 financial year, of which 67% concerned the following activities:

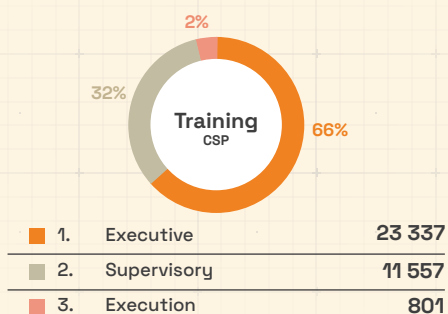
External Recruitments 2024 : Main Activities FSS



Training Section

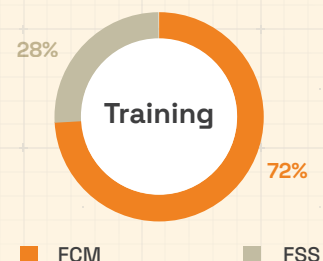
- The permanent workforce trained for the 2024 fiscal year is approximately 35,695 employees, out of a total workforce of 56,616 employees, representing a 25% increase compared to the 2023 fiscal year (28,614).
- The training volume for the 2024 fiscal year is 329,583 man/days and a budget of 7,086 million DZD.
- The training primarily targeted the "Executives" socio-professional category, with 66% of the staff trained.

Workforce trained by CSP



- The workforce trained for the 2024 financial year, related to the «FCM» core business functions is 27,500 agents, or 72% of the total workforce trained. The Workforce trained for the 2024 financial year, covering the support and assistance functions "FSS" is around 9,995 agents, or 28% of the total trained workforce.

Workforce trained by profession



- The average age of the trained staff is 41, with an average seniority of 13 years. Female staff trained in fiscal year 2024 represent 17% of the total number of trained employees, or 5,946 employees.
- Training provided by the Company's internal training organizations, namely the SMA, the IAP, and the Activity Training Centers, represents 90% of the total training volume (hours/days) delivered, or 296,708 hours/days.
- In-person training represents 96.9% of the total hours/day delivered. 75% of the training activities delivered in fiscal year 2024 are short-term training, or an average of 9 hours/days per employee.

HSE

SONATRACH aims to achieve and maintain the highest standards in Health, Safety, and Environmental Protection. In its general HSE policy statement, SONATRACH reasserts its ambition for excellence in this field.

To create added value and meet the expectations of all its internal and external stakeholders, the Company relies on three fundamental values:

- **Human Health and Safety.**
- **Safety of Property and Facilities.**
- **Environmental Protection.**

SONATRACH places the worker's Health and Safety and Environmental Protection at the top of its priorities, while ensuring continuous improvement of its procedures and adopting a proactive approach in this area.

It is also committed to developing a system for identifying and continuously assessing risks and implementing the necessary and appropriate measures for their mitigation.

To guarantee the security of its assets and installations, SONATRACH ensures that all risk control systems are constantly effective and functional.



Key Events

The year 2024 was marked by significant progress in addressing HSE risks through the adoption of two strategic reference documents: The General Declaration of the Company's Health, Safety, and Environment (HSE) Policy and the new Climate Strategy.

1. On October 31, 2024, the Chairman and CEO, Mr. Rachid HACHICHI, signed the General Declaration of the Company's Health, Safety, and Environment (HSE) Policy.

The document reasserts the company's strategic HSE commitments and underlines its determination to:

- Prioritize worker health and safety, as well as environmental protection.
 - Guarantee the security of its assets by ensuring the availability and effectiveness of risk management systems.
 - Mobilize all employees around a culture of prevention and risk management.
 - Comply with legal and regulatory requirements regarding HSE.
 - Ensure that no project is launched without prior assessment of its environmental impacts and social acceptability
2. With the adoption of SONATRACH's New Climate Strategy on July 22, 2024, SONATRACH is taking a crucial step forward in its commitment to sustainable development.

This new strategy is in line with the Sustainable Development Goals and the United Nations Framework Convention on Climate Change, to which Algeria is committed. It focuses on several areas, including reducing greenhouse gas emissions, particularly through:

- Reducing flaring and fugitive methane emissions.
- Increasing the level of integration of renewable energies.
- Promoting energy efficiency.
- Developing natural and technological carbon sequestration solutions.

SONATRACH aims to achieve a balance between its GHG emissions and absorption by carbon sinks during the second half of the century.

Other highlights of 2024 include:

- The signing of a memorandum of understanding between SONATRACH and the DGF, dated January 11, 2024, for the implementation of the Forestry Project for the Creation of Certified Carbon Sinks (PFCPCC) as part of the climate strategy.
- A meeting held on December 4, 2024, at the General Management headquarters, on the issue of "Encroachment into the protection perimeters of SONATRACH facilities and structures.

In an effort to improve its HSE performance, SONATRACH initiated other actions during 2024, including:

- Reducing accident risk in particular, preventing major risks, and strengthening the integrity of facilities and structures.
- Reducing primary containment losses.
- Reducing the flaring rate and mitigating greenhouse gas (GHG) emissions.
- Improving the company's water efficiency and managing pollution risks



ACHIEVEMENTS

As part of its strategy to promote HSE culture, SONATRACH initiated numerous initiatives in 2024 aimed at better managing risks related to worker health, facility safety, and environmental protection. With this in mind, the Company continued to roll out the HSE-MS management system.

Leadership development, promotion of commitment and HSE culture

• Awareness-raising and information for managers at operational sites

Launch of several programs aimed at developing leadership and commitment at all levels of the organization, particularly at the industrial hubs: Hassi Mesaoud, In Amenas, and Skikda.

- Implementation of the program to involve middle and local managers in leadership development to improve HSE performance through the implementation of the guide for conducting SONATRACH's HSE Accident and Incident Review.
- Launch of the involvement-program of SONATRACH's staff, subcontractors and partners in risk management through the implementation of the "Safety ToolBox Talk" framework.
- **Implementation of the SALAMATI Rules**
 - Launch of an awareness and information program related to SONATRACH's golden rules "SALAMATI Rules," aimed at preventing accidental risks, particularly major risks within the Company. This action specifically targeted the major industrial hubs.
 - Training of 186 Facilitators on SONATRACH's SALAMATI Rules, at the School Management Academy (SMA).

The promotion of health at work

Regarding this objective, the actions undertaken primarily concerned three areas: the evaluation of Occupational Risks (EVRP), the prevention of non-accidental mortality in the workplace, and food hygiene.

• The evaluation of Occupational Risks (EVRP):

Several initiatives have been noted in this area:

- The deployment of the EvRP platform at all SONATRACH sites (the development of an electronic portal is underway).
- The engineering and launch of specific EvRP training for Doctors and Risk Managers.
- The evaluation of risks related to workstations is integrated into all activities. It has identified

around 1,382 actions, of which 48% have been completed to date.

• Prevention of non-accidental mortality in the workplace

To better manage this risk, an epidemiological study of undetermined mortality in the workplace was conducted in 2024. Action plans aimed at strengthening the medical surveillance of workers were also developed and implemented.

• Food hygiene

As part of improving food hygiene, it should be noted that the training of all the kitchen committees of the Company was completed in 2024.

Integrity and compliance of facilities

SONATRACH ensures the integrity and compliance of facilities, notably through the implementation of the Process Safety Management (PSM) project and the execution of regulatory diagnostics and compliance works.

• Process Safety Management (PSM)

- Implementation of the Process Safety Management (PSM) system at the LQS Activity level (Pilot Activity)..
- Development and validation of several referential documents concerning the integrity and compliance of installations were also done.
- Training for participants from all activities on performance indicators related to process safety.

• Regulatory Diagnostics

- Monitoring and coordinating the work undertaken within the framework of the programs for regulatory compliance of SONATRACH's installations and equipment in accordance with the requirements stipulated in Decree No. 21-331.

• Investigations into major accidents

Implementation of action plans at operational sites to identify the causes of accidents and to establish corrective actions.

During the year 2024, as a result of the investigations conducted following the accidents, more than 1600 deficiencies were identified, of which nearly 1000 were resolved, resulting in a rate of 62%.

Climate & Environmental Protection

The year 2024 saw significant achievements in environmental sustainability and the reduction of greenhouse gas emissions, notably through the establishment of a partnership with ENI aimed at reducing flaring, enhancing gas valorization, and implementing emission-reduction technologies.

The implementation of this technological cooperation agreement seeks to develop and apply advanced technical solutions to minimize the environmental impact of gas and oil production operations.

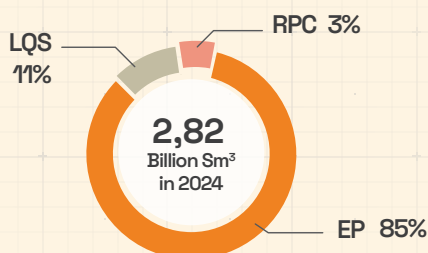
The cooperation begins with the establishment of a baseline for GHG emissions in the 4 pilot regions HMD, HRM, RNS, and INAS (Phase 1).

• Reduction of flared gas

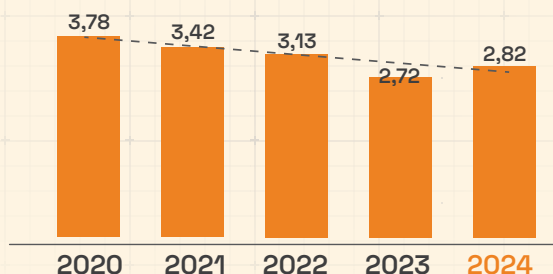
During the year 2024, the total volume of flared gas at SONATRACH's Operational Activities is 2.82 billion Sm³. The share of the Exploration-Production Activity represents 85% of the total flared volume, which is 2.41 billion Sm³.

The analysis of the trend in flared gas volumes between 2020 and 2024 reveals a decrease of 25%, or about 1 billion Sm³. This decrease has mainly been recorded at the Exploration-Production Activity and is primarily explained by the commissioning of several associated gas recovery projects, particularly in the Hassi Messaoud

Distribution of flaring by Activity 2024



Evolution of flared gas volume 10⁹ Sm³



• Energy efficiency

- Renewal of the new agreement between SONATRACH and APRUE in the field of energy efficiency.
- Launch of the coordination committee's work for monitoring and evaluating the implementation of the framework agreement on energy efficiency.

• Launch of the Forest Project for the Creation of Certified Carbon Sinks

As part of the climate strategy, a memorandum of understanding was signed on 12/11/2024, between SONATRACH and the General Directorate of Forests (DGF) for the implementation of the Forest Project for the Creation of Certified Carbon Sinks "PFCPCC."

• Environmental protection

In this context, the year 2024 was notably marked by the update of the "Environmental Monitoring" platform as well as the completion of the MED cooperation project, conducted under the Barcelona Convention, related to hazardous waste management.

• Update of the "Environmental Monitoring" platform

The "Environmental Monitoring: Regulatory, Normative, and Best Practices" platform concerns the measurement of the level of environmental compliance, including items of the policy, standards (14001, 26000, 50001), compliance with the provisions of the hydrocarbon law, implementing texts, and procedures..

• Finalization of the MED cooperation project carried out under the Barcelona Convention

As part of the management of hazardous waste and compliance with environmental regulations, several actions have been undertaken regarding the project for the transfer and export for disposal of several equipment containing PCBs.

Deployment of the HSE-MS management system

The year 2024 was marked by the completion of several actions as part of the deployment and development of the HSE-MS, particularly:

- Development and validation of the "Audit" procedures and conducting the first reviews of Management of HSE-MS at the level of Exploration-Production Activities , Liquefaction Separation, Pipeline Transport , Refining & Petrochemical.
- Organization of five awareness sessions on the HSE-MS system and HSE policy, aimed at the various structures of the functional line Exploration-Production Activity.
- Conducting the HSE-MS diagnostic test at the level of the Head Office Management, GP1Z, GL1Z, GP2Z, GL1K/ Liquefaction & Separation Activity.
- Conducting audits of HSE-MS Management Systems at all operational units of the Refining & Petrochemical Activity.

Emergency and crisis management

The year 2024 saw the completion of more than 69 simulation exercises (PII/PCT) aimed at testing and strengthening the capacity to manage emergency situations and improving coordination with the various permanent parties (internal and external).



Local Content and National Integration

SONATRACH places great importance on the optimal management of its purchases and supplies. By strengthening control over its purchasing processes and the entire logistics chain, it pursues ambitious performance objectives, including:

- **The enhancement of local content and support for the national economy.**
- **The reduction of costs and improvement of operational efficiency.**
- **The guarantee of business continuity.**
- **Budget optimization and strategic planning of purchases.**
- **Improvement of the quality of products or services.**



During 2024, SONATRACH pursued its endeavour in matter of promoting Local Content and its commitment to National Integration and launched the actions pertaining to contracting procedure.

1. Amendment of the Contracting Procedure

As part of the overall amendment project to the Contracting Procedure, several meetings involving operational structures were held to identify the difficulties encountered by users and formulate proposed solutions. A Committee of Experts was entrusted with the task of reviewing the identified constraints and developing a draft amendment.

2. Digitalization of the Contracting Process

With a view to strengthening its competitiveness, SONATRACH continued the implementation of its digitalization program in 2024, aimed at modernizing contracting procedures through the adoption of more efficient, fair, and traceable practices.

This approach is part of a comprehensive strategy focused on promoting local content and prioritizing national resources to support its development projects.

In keeping with its commitment to remaining at the forefront of innovation, SONATRACH invests in high-performance digital solutions and fully exploits the opportunities offered by digital transformation.

In this context, 2024 was marked by the continued deployment of the Contracting Portal (PPC), including the launch of the digitalization of the withdrawal of Call for Tenders (CTT).

This initiative aims to ensure the traceability of interactions between the various stakeholders, while reducing costs and timeframes related to contractual processes.

- Economic operators can now proceed with the online withdrawal of the CTT and make the payment of the associated fees in the same manner.
- In the context of digitizing the contract award process, the establishment of the work management module of the Compliance Control Commission (CCC) allows for the transparent tracking of decisions, summons, clarification requests, and transmission of decisions.

3. Promotion of Local Content and National Integration

According to the guidelines of the President of the Republic, SONATRACH ensures that during the execution of its decrees and development plans, it maximizes the creation of added value in Algeria, through the priority use of the national production tool.

In 2024, SONATRACH initiated multiple actions aimed at giving a new impetus to its local content policy, particularly through:

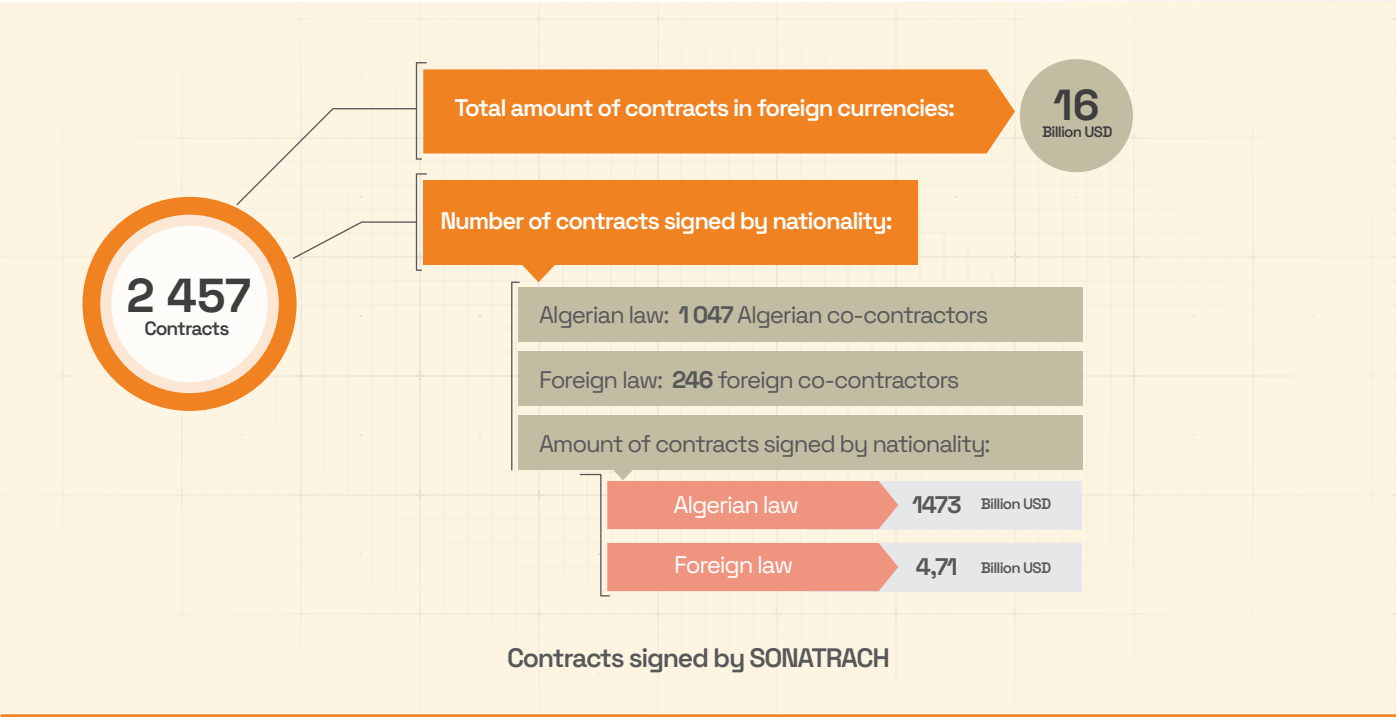
- Putting in place a monthly report recording all the contracts concluded with companies under Algerian law.
- The creation of a "National Integration Document," detailing all the actions undertaken by SONATRACH to promote local content.
- Development of Local Content through, notably :
 - Establishing close relationships between universities and the economic sector.
 - The creation of university poles comprising national higher specialized schools in different regions of the country aimed at fostering the emergence of a research elite in wealth-creating sectors, notably industry and agriculture.
 - The preservation of foreign exchange reserves by subjecting any import request to prior government approval.
 - The creation of a database allowing for the inventory of different local products that meet the needs expressed by SONATRACH.
 - Support for investments contributing to the reduction of the import bill by using local raw materials.
 - Support for the diversification of energy sources, particularly through the development of clean energy, by encouraging investment from startups and SMEs.

Main achievements

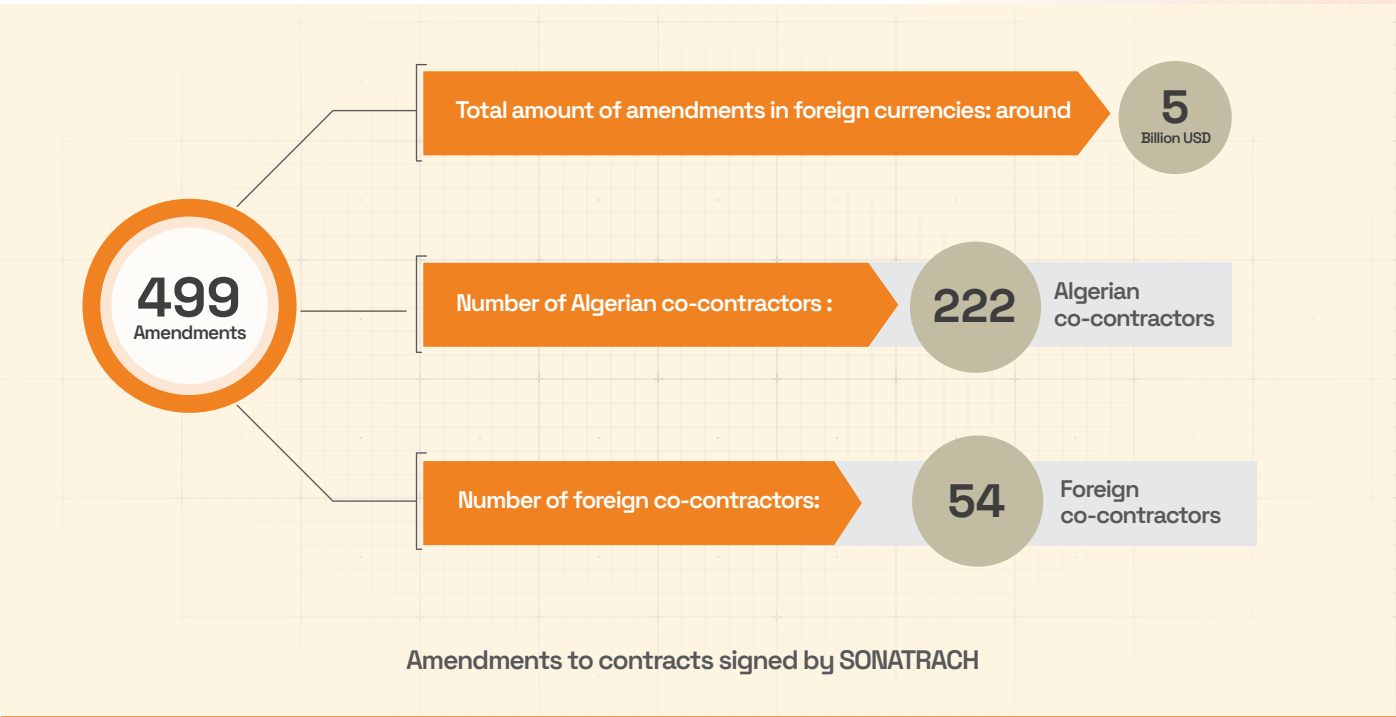
In the year 2024, with the participation of representatives from its operational structures, SONATRACH initiated several actions aimed at promoting its local content policy:

- Holding more than a dozen meetings allowing public and private national companies to present their activities (ranges of goods and services), and to benefit, if necessary, from support to access SONATRACH's orders and markets.
- Visits to industrial manufacturing sites of several Algerian companies specializing in ferrous and non-ferrous waste treatment, mechanical construction, the manufacturing of oil fittings, and fiberglass line pipes in order to identify opportunities for industrial partnership.
- Organization and participation in more than ten major events (economic events, fairs, and exhibitions...) focusing on the theme of Promoting Local Content and National Integration.

Number of Contracts signed by SONATRACH



Amendments to contracts signed by SONATRACH



Green and Renewable Energies

SONATRACH is fully in line with the national strategy of renewable energies and green hydrogen development.

It strives to set up an integrated and sustainable energy solution for Algeria.

In this context, SONATRACH implements an energy policy centred around two essential axes:

Firstly, maintaining and strengthening natural gas production as an essential transition energy offering the lowest emission rates compared to fossil energies , and secondly , investing massively in renewable energies , mainly in solar and wind, for the diversification of its energy mix and reducing its carbon footprint.

Determined to reduce its dependence on fossil fuels, SONATRACH has also actively committed to the development of the green hydrogen sector, notably by launching pilot projects and establishing partnerships with key players in the industry to develop the production, transportation, and marketing of this energy of the future. These initiatives reflect a strong commitment to making Algeria an essential player in the production of clean and sustainable energy.



As part of its energy transition strategy aimed at strengthening the role of renewable energies in its energy mix and reducing its carbon footprint, SONATRACH has developed an ambitious roadmap that revolves around three main axes:

1. Implementation of a solarization program for production sites

In 2024, SONATRACH continued the implementation of the solarization program for its production sites operated independently and in partnership. In addition to the solarization of living quarters, SONATRACH is also committed to building several solar power plants connected to the electrical grids of major production regions. Developed in partnership with ENI, the BRN phase 2 photovoltaic solar power plant project is expected to be commissioned in the first quarter of 2026. In this same area, other projects are in the process of maturation in the El Merck, MLE, OHANET, and EL BORMA regions.

These various projects aim primarily : The reduction of carbon energy consumption for electricity production, the associated reduction of the overall environmental footprint of the company, and the strengthening of energy autonomy for facilities through the diversification of energy sources, as well as the optimization of operational costs.

2. Support for the National Renewable Energy Program and the National Hydrogen Strategy

As part of the national renewable energy program and the national green hydrogen development strategy, SONATRACH makes a decisive contribution particularly through:

- The development of reference specifications for the project specifications of power generation plants using renewable energies in order to ensure their technical and economic performance, and align their implementation with the best international practices.
- The preparation of the regulatory framework dedicated to the green hydrogen sector, in order to create attractive and favorable conditions for the development of this sector.

3. Development of the green hydrogen sector: a strategic priority target

SONATRACH has strengthened its commitment to the development of green hydrogen, in synergy with the national hydrogen strategy aimed at positioning Algeria as a key player at the regional and international levels in this sector, which is considered one of the pillars of the energy transition, allowing for the decarbonization of many industrial sectors.

Several green hydrogen projects and their derivatives are currently being developed and include, in particular:

- Green petrochemistry with the production of sustainable aviation fuels (SAF) and the production of green ammonia as a clean and sustainable fertilizer or as an alternative fuel, particularly for maritime transport.
- Green steel produced from green hydrogen for the decarbonization of the highly fossil fuel-consuming steel industry.
- The development of hydrogen transport infrastructures via pipeline for export to Europe with the large-scale project "SouthH2 Corridor" aimed at producing and transporting green hydrogen from Algeria to Italy, Austria, and Germany. A Memorandum of Understanding was signed in 2024 between the groups SONATRACH and Sonelgaz, VNG (Germany), SNAM (Italy), Sea Corridor (Italy), and Verbund Green Hydrogen (Austria) to commence the maturation works of the project and prepare for the launch of feasibility studies
- The launch of studies concerning the construction of a second corridor aimed at transporting hydrogen to supply local industries, particularly the heavy industries of steelmaking, petrochemical production units for fertilizers, and cement plants, is also under examination.

The implementation of these projects will allow SONATRACH to acquire expertise and achieve technological mastery over the entire value chain of green hydrogen, from production and green certification, storage and transportation, transformation and marketing to the end customer, thereby meeting environmental requirements in terms of the carbon footprint of industrial products in international markets.

International Cooperation

In 2024, the dynamics of international cooperation were strengthened through partnerships and the signing of several memoranda of understanding with national and international stakeholders who have extensive experience in the field of energy transition, to share knowledge and develop the prerequisites and studies necessary for the implementation of projects.





Social Affairs

SONATRACH ensures the improvement of the work environment of its employees that favorable conditions are established for the fulfillment of its workers. It attaches the greatest importance to safeguarding its workers' health, their medical care, as well as their well-being and fulfillment through social benefits, aids and other social actions.

SONATRACH provides support in various areas related to the working and living conditions of employees, notably:

- **Health** (Occupational medicine, social medicine, Third Party Payment, pharmacy and medical equipment).
- **Social initiatives** (Sports and recreational activities, social actions, child protection).
- **The support concerns all workers and their beneficiaries, retirees and their beneficiaries, and the families of deceased employees.**



SONATRACH ensures the best care for its workers, retirees, and their dependents, whether in terms of health coverage or social benefits, throughout the national territory.

Occupational Health

In the context of the workers' health protection, the report of the 2024 fiscal year reveals the regular conduct of occupational health visits with a coverage rate of 90%. Among the most notable achievements in this area, we can mention:

- Management of 6,654 cases of medical-surgical emergencies in a professional environment.
- Implementation of vaccination campaigns.
- Digitalization of the worker's medical file.
- Implementation of training programs for medical and paramedical staff.
- Training for workers on "Life-saving gestures."

Social Medicine

In 2024, the medical services provided within SONATRACH's healthcare structures recorded a progression compared to the previous year, with approximately 273,153 specialized consultations, 267,245 medical analyses, and 36,635 medical explorations.

As a reminder, SONATRACH's medical system also benefits the general population, particularly in isolated areas, as part of SONATRACH's commitment as a citizen company to contribute to the well-being of all the Algerians.

Social Activities

SONATRACH offers its workers and their dependents a multitude of benefits and services: vacation stays in canvas camps, family relaxation centers, or relaxing cures in spa resorts, excursions, and trips abroad. The company also organizes annual pilgrimage in the Holy Places of Islam (UMRA).

Social Protection

SONATRACH remains committed to assisting its workers and their beneficiaries in the event of accidents, disability, or death, through concrete actions that take the form of annual aid to the families of deceased employees, to seriously ill individuals with specific needs (disabled), to retirees, and to employees with disabilities.

In 2024, approximately 3,327 families of deceased collaborators and 1,540 individuals with specific needs (disabled) were able to benefit from financial aid in this context.

Sports and Leisure

SONATRACH, as a civic-minded company, encourages sports practice among its workers. The organization of inter-company tournaments serves to strengthen solidarity bonds among workers and promote team cohesion within the company.

- In 2024, over 9,200 participants took part in various competitions across all disciplines.
- As part of the celebration of the festivities on November 1, 2024, a national inter-regional tournament gathered 88 participants in the Bejaia Social Affairs Region from November 10 to 13, 2024, in the disciplines of Futsal, Basketball, and Volleyball (men's and women's).
- Regarding the youth category: 133 sports schools and cultural workshops welcomed 6,817 children aged between 7 and 15 years in 2024.

Early childhood care

SONATRACH ensures total care for the children of workers aged between 3 and 6 years within the Company's kindergartens.

In 2024, 33 kindergartens spread across different regions hosted nearly 3,685 children. Young children benefit from educational programs specially developed by a National Pedagogical Committee with proven expertise in the field of early childhood learning.

In accordance with the guidelines of the National School Health Program, young children benefit from monitoring and care for the screening of diseases, disabilities, and other psychological disorders.

Several notable actions have been taken in this area:

- Organization of training in psychopedagogy for educational staff under the theme: competence-based approach, in three phases.
- Organization of training for twenty-two (22) psychologists for the months of November 2024 focusing on 'Burnout'.
- Raising awareness among parents about pathologies such as childhood obesity and language disorders related to screen addiction.



Sponsorship, Patronage & Social Investment

As a civic-minded company and driving force of national economic development, SONATRACH actively contributes to the well-being of the Algerians and the improvement of their living conditions through numerous sponsorship and patronage initiatives throughout the country.

It provides ongoing support for the development of scientific research, the promotion of sports, and the growth of art and culture.

SONATRACH also makes significant efforts to strengthen the bonds of social solidarity through numerous social investment initiatives primarily focused on improving the living conditions of isolated populations: construction and rehabilitation of socio-educational facilities, charitable initiatives, donations of medical equipment, support for people with special needs, etc..



Sports Sponsorship

As a responsible corporate citizen, SONATRACH fully embraces the universal values embodied by sport—solidarity, team spirit, discipline, determination, and perseverance—and is actively committed to promoting them.

In this spirit, it pays particular attention to the development of sport, supporting the growth of multiple disciplines. In 2024, its sponsorship efforts focused on:

- The Algerian Football Federation (FAF) and the National Football Teams for the years 2023 and 2024.
- The SSPA-MCA for the 2024 sports year (League 01).
- The participation of the Algerian National Men's Handball Team in the World Championship scheduled for Denmark.
- Sponsorship of the organization of the Tour d'Algérie Cycliste "TAC 2024".
- Sponsorship of the organization of the Sabre Fencing World Cup, individual and team women and men, organized in Oran

Cultural and Artistic Activities

Confirming its commitment to sustainable development, SONATRACH fully supports the promotion of art, heritage, and artistic activities in all their diversity. This commitment resulted in multiple actions in 2024, including:

- Acquisition of equipment for the inventory of the cultural and natural heritage of the five cultural parks (Tassili n'Ajjer, Ahaggar, Saharan Atlas, Tindouf, and Touat Gourara Tidikelt).
- Organization of a national exhibition on productive women as part of the celebration of International Women's Day (March 4-7, 2024 in Algiers).
- Holding of an international conference on the work of Sheikh Abdelkrim DALI (April 25-27, 2024 in Algiers).
- Organization of the 4th edition of the IMEDGHASSEN International Film Festival, which took place in Batna (May 11-15, 2024).

Scientific Activities

As a mark of its commitment to promoting scientific activities, SONATRACH has sponsored the organization of numerous events, including:

- 2nd International Conference on Materials for Energy and Environmental Engineering (ICM3E'24) (November 26-28, 2024, Algiers).

- 9th International Symposium on Hydrocarbons and Chemistry (ISHC9) in Boumerdes (November 26-28, 2024, Algiers).
- International Symposium on Artificial Intelligence in Open and Distance Learning: Opportunities and Challenges.
- National Symposium on Digital Transformation in Organizations.

Economic Events

A leading company fully committed to the Algerian economic development strategy, SONATRACH supports the organization of numerous economic events, meetings, and fairs, such as:

- The 4th International Conference on Public Finance Management, held in Algiers.
- The 4th International Exhibition of Construction, Public Works, and Oil Installations.
- The 18th National Exhibition of Employment, Continuing Education, and Entrepreneurship.
- The 25th International Exhibition of Traditional Crafts "SIAT 2024".

Environment

As a signatory to international conventions for environmental protection, Algeria is making its full contribution to reducing global warming. For this purpose, SONATRACH notably financed the participation of the Algerian delegation in the 10th World Water Forum (May 18-25, 2024, in Bali, Indonesia).

Charitable Actions and Social Investment

SONATRACH is making significant efforts to provide aid and assistance to vulnerable populations. This support is particularly conspicuous through its contribution to operations of solidarity during the holy month of Ramadan 2024.

In this same vein, the company pays particular attention to supporting people with special needs (physical and mental disabilities), particularly by means of donations of medical equipment, with the aim to including them socially.

In terms of social investment, the company undertakes numerous initiatives aimed at improving the living conditions of isolated populations living in remote regions. The investments made by SONATRACH are mainly concentrated in the southern localities of the country. The financed operations concern in particular the construction of socio-educational infrastructures and other public facilities: construction and rehabilitation of schools, school canteens, access roads, development of sanitation networks, drilling of wells, connection to electricity, acquisition of solar water heaters, etc..



Research & Development

SONATRACH has placed the promotion of research and development at the top of its priorities in order to achieve the strategic objectives it has set for itself, namely:

- Increasing and renewing reserves.
- Improving production.
- Reducing operating costs.
- Developing and introducing new technologies within the key sectors of the oil industry.

As a center of competence and expertise, SONATRACH is committed to promoting applied research and the development of innovative, efficient, and environmentally friendly technologies and processes across all sectors of the Group.

It attaches great importance to the development of large-scale scientific and technological cooperation through the establishment of a communication and exchange network with various R&D actors at both the national and international levels, particularly with universities, engineering schools, research centers, foreign oil companies, and other major industrial partners...



Dynamics of innovation focused on operational performance

During the year 2024, SONATRACH accomplished several major achievements, illustrating the strategic advances outlined in its workload plan. These results reflect a dynamics of innovation oriented towards operational performance, value creation, and supporting the major transformation axes of the Company.

The progress recorded is notably reflected in the completion of several Research and Development projects, the filing of intellectual property protection requests, as well as the implementation of validated technological solutions in the field. Some results have already been subject to pilot applications in real industrial environments, paving the way for broader deployment within the Group's subsidiaries.

In this perspective, the valorization and industrialization of results have been approached in a structured manner, with an assessment of their economic impact, estimated at 35 million US dollars.

International cooperation: A strategic orientation towards the African continent

The ambition to geographically expand this dynamics of innovation has notably strengthened in 2024, with a strategic focus on the African continent, supported by joint initiatives with the African Petroleum Producers Organization (APPO).

In 2024, international scientific and technical cooperation intensified, driven by the strengthening of structural partnerships with major players such as PERTAMINA, ENI, HOLCIM, and PDVSA. These collaborations promoted the pooling of expertise, the sharing of best practices in R&D, as well as the exploration of new technological co-development opportunities.

Moreover, the mobilization of the scientific and technical diaspora proved valuable for enhancing internal capacities and increasing the international outreach of national expertise.

Finally, the management launched in-depth reflections on the standardization of technological evaluation methodologies, reinforcing synergies with business subsidiaries, as well as integrating digital solutions into research processes, with the aim of fostering a sustainable maturity advancement of SONATRACH's R&D ecosystem.

Listening to operational structures

Fully mobilized to address the concerns expressed by the operational structures, the Central R&D Directorate identified in 2024 nine strategic research areas with a total of 93 R&D project proposals distributed by theme as follows:

	G&G	08 Projets
	Drilling and Production	12 Projets
	Reservoir Engineering	12 Projets
	Materials and Inspection	14 Projets
	Digitalization	08 Projets
	Environment & Sustainable Development	08 Projets
	New Energies	14 Projets
	Oil & Gas Processing	12 Projets
	Refining & Petrochemicals	09 Projets

Key Highlights

In 2024, SONATRACH strengthened its strategy of pooling expertise and technological co-development through the signing of multiple partnerships with universities, research centers, oil companies, and industrial players, both nationally and internationally, such as:

- The signing of nine (09) framework agreements with: NAFTAL/DC HSE, the University of Tlemcen, CRM Constantine, ENSP, DGRSDT, USTO, ALGERAC, Maghreb Pipe Industries, and INAPI.
- The conclusion of five (05) specific contracts with: the Institute of Mines of Tébessa, USTHB, the University of Tlemcen, ENSP, and the company DIGIWAVES.

- **The signing of a memorandum of understanding (MoU) with Yokogawa Middle East & Africa B.S.C.(c)...**

It also strengthened its presence at major scientific events, organized strategically significant gatherings, and joined leading international bodies, thereby reaffirming its driving role in energy research and innovation. Among the key highlights were:

- **SONATRACH's membership, through the R&D Division, in the international welding institute (TWI).**
- **Strengthening of the strategic partnership between SONATRACH and PERTAMINA.**
- **Co-chairmanship of the RDI Forum of the African Petroleum Producers Organization (APPO), active participation in the organization's work, and preparation of the RDI Forum.**

Main Achievements

In the assessment of the year 2024, the completion of seven (07) R&D projects is noted, the launch of seven others, the implementation of six (06) R&D projects on operational sites, the filing of fourteen (14) patents of invention, of which two (02) have already been granted, as well as the realization of prototypes and the development of software.

Implementation of six (06) R&D projects at operational sites

1. Air Pollution Monitoring System (APOMOS) / LQS Arzew.
2. New Duse Equation / DP HMD.
3. Monitoring of cathodic protection / TRC.
4. Mastery of the rheological behavior of binders and bituminous mixtures / GCB & NAFTAL.
5. Monitoring of greenhouse gases in ambient air / DP HRM.
6. Control electrovalve for wells under Gas Lift / DP HMD.

Prototypes completed

- Control panel for the regulation valves of Gas Lift.
- Monitoring of atmospheric pollution.
- Injection water treatment unit.
- Cathodic protection cabinet with imposed current adaptable to autonomous photovoltaic supplies.
- Thermal solar concentrator for steam production at medium temperatures.
- Monitoring of cathodic protection stations (MPPC).

Developed software

- EOR SCREENING SIMULATOR: Software for classifying types of EOR applicable by type of reservoir.
- SH-DUS: Software for the Duse equation for estimating production through advanced calculation in back allocation.
- SH-OPT-FDP : Digital module for optimizing oil field development plans.
- PC SAFT: Software for statistical simulation of thermodynamic parameters of petroleum fluid mixtures.
- IWCF-Android: Android software for eruption prevention.
- Software for QC processing of big data using fitting curves.

Financial Performance





Consolidated Accounts



Introduction

Consolidation of financial statements is an essential process for presenting a true and consistent picture of the financial position, performance, and cash flows of a group of companies as a single entity. It aims to combine the accounts of the parent company Sonatrach Spa and its subsidiaries, eliminating intragroup transactions, in order to provide clear, consistent financial information that complies with current accounting standards.

It is therefore an essential tool for financial transparency, risk management, and shareholders decision-making.

In 2024, the SONATRACH Group, composed of entities included in the scope of consolidation, comprises 450 accounting units representing the parent company and 115 entities (subsidiaries and investments), including 39 international entities. The scope of consolidation includes 77 fully consolidated entities and 38 equity-accounted entities. In order to optimize performance management and strengthen consistency within the group, the SONATRACH Group continued, in 2024, a dynamic of internal reorganization aimed at strengthening consistency between its various entities and improving the overall performance of the Group.

- The reorganization of the holding company portfolio, resulting in several entity transfers:
 - The subsidiary AEC (Algerian Energy Company) was transferred from the STVH holding company to the SAES holding company.
 - The subsidiaries NEAL (New Algerian Energy) and SPP1 (Société Parapétrolière) were also transferred from the STVH holding company to SAES.
 - Conversely, the subsidiary STH (Société de Gestion et d'Exploitation Terminalaux Marins à Hydrocarbures) was transferred from the SAES holding company to STVH, thus strengthening the latter's position in the hydrocarbon transport and recovery activities.
 - Transfer of the subsidiary HELISON MARKETING from the SPI BVI sub-holding company to the SPIC BVI sub-holding

company, as part of the reorganization of international structures.

- Adjustment of equity interests, including:
 - Transfer of a 33.33% stake in the subsidiary CASH to the holding company SAES, bringing the latter's stake in CASH to 78.55%.
 - Increase of the holding company SAES's stake in SSPA/MCA from 99.48% to 99.88%.
- Integration of the following subsidiaries:
 - TM Alger Est, wholly owned by the AEC sub-holding company, into the Group's consolidated scope.
 - A 70% stake in ALNUTRAVE acquired by the subsidiary ASMIDAL.
 - A 90.34% stake in SSPA MCO, acquired through the subsidiary HYPROC.

To summarize, the Group's key figures for fiscal year 2024 are as follows:

The Group's consolidated revenue totaled 8,641,700 million DZD, a decrease of 10% compared to fiscal year 2023, 75% of which was generated by the parent company SONATRACH SPA.

Consolidated profit (group share) increased from 823,519 MDZD in 2023 to 964,720 MDZD in 2024, an increase of 17% compared to the previous year.

These figures are obtained from the SONATRACH Group's consolidated financial statements, which are prepared in accordance with the accounting rules and principles recommended by Algerian law, approved by the Company's corporate bodies, and certified by the statutory auditors, reflecting a true, fair, and fair view of the SONATRACH Group's assets and financial position.

The consolidated financial statements and the analysis of the financial statements are presented briefly in this report.

1. Consolidation Principles

The SONATRACH Group's consolidated financial statements are prepared in accordance with:

- Generally accepted accounting principles in Algeria, in particular Law 07-11 of November 25, 2007.
- The Ministerial Decree of July 26, 2008, establishing the rules for the presentation, valuation, and accounting of financial statements.
- Standards specific to the hydrocarbon sector.
- The valuation and operating rules applied to individual financial statements.
- Article 732 bis 4 of the French Commercial Code relating to the presentation of consolidated financial statements.
- Article 24 of Law 10-01 relating to the professions of chartered accountant and statutory auditor.

1.1. Consolidation Period

The fiscal year covers a 12-month period from January 1 to December 31 of each year.

1.2. Consolidation Currency

The presentation currency of the consolidated financial statements is the Algerian Dinar (DZD). Unless otherwise indicated, the figures presented in this report are in millions of Algerian Dinars (MDZD).

1.3. Consolidation Principles

1.1.1 Consolidation Methods

The decree of July 26, 2008 of the Ministry of Finance defines the methods of consolidation :

- For companies under exclusive co-control (direct or indirect holding of the group > 50%) are fully consolidated;
- Companies in which the group exercises significant influence (direct or indirect holding = 20% or ≤ 50%) are accounted for using the equity method (MEE).

1.1.2 Group Threshold Criteria

The threshold for inclusion of subsidiaries and equity interests in the scope of consolidation is set each fiscal year in accordance with consolidation rules and based on the size of the entity to be consolidated (sales, results, and total assets) or in the case where the parent company exercises direct and strategic influence over the equity interest.

1.1.3 Conversion Methods

The accounts of subsidiaries and equity interests are prepared in the currency of the country in which they are located:

- The balance sheet accounts of subsidiaries abroad and equity interests are converted into Algerian dinars based on the exchange rates in effect on the closing date, thus generating "Conversion Reserves".
- The management accounts are converted at the average exchange rate for the fiscal year. Translation differences are recorded under "Conversion Income."

2. Consolidated Financial statements

2.1. Balance sheet

2.1.1. Assets

(In millions of DZD)	NOTES	2024	2023	2022
NON-CURRENT ASSETS				
Goodwill - Acquisitions	3.1.1	9 700	11 061	11 712
Intangible assets	3.1.2	88 106	78 095	95 558
Tangible assets	3.1.3	4 037 748	3 989 226	3 728 037
Land & land improvements		41 102	40 072	48 886
Buildings		469 378	397 257	367 628
Other tangible assets		707 191	694 628	657 394
Concession assets		532	532	764
Fixed and complex production equipment		2 819 545	2 856 736	2 653 366
Assets in progress	3.1.4	2 407 543	2 227 629	2 484 464
Financial assets	3.1.5	2 143 352	1 843 206	2 033 753
Equity-method investments		175 786	190 146	507 814
Investments and receivables related to investments		181 213	57 110	(2 705)
Other financial assets		1 786 151	1 595 928	1 528 643
Other non-current receivables		201	22	1
Total Assets		8 686 447	8 149 216	8 353 524
Deferred tax assets N/C	3.1.6	83 061	77 598	62 980
Total Non-Current		8 769 508	8 226 815	8 416 504
CURRENT ASSETS				
Inventory and work in progress	3.2.1	993 074	1 020 574	1 129 145
Receivables and similar items	3.2.2	4 042 295	4 188 819	4 924 193
Financial assets		0	103	14
Customers		1 079 261	885 937	1 072 002
Other debtors		1 681 062	2 011 566	2 847 626
Taxes		1 269 264	1 278 966	993 376
Other current assets		12 709	12 245	11 176
Cash and cash equivalents	3.2.3	2 935 642	2 009 795	2 312 387
Investments and other financial assets		680	512	4 059
Cash		2 934 962	2 009 283	2 308 329
Total Current Assets		7 971 011	7 219 187	8 365 726
Total Assets		16 740 519	15 446 001	16 782 230

2.1.2. Liabilities

(In millions of DZD)	NOTES	2024	2023	2022
EQUITY	4.1			
Share capital		1 000 000	1 000 000	1 000 000
Valuation difference		0	(0)	(0)
Share premiums and reserves		7 227 575	6 802 263	6 193 471
Other equity - Retained earnings		213 216	30 471	8 499
Equity excluding net income of the parent company (A)		8 440 790	7 832 734	7 201 970
Consolidated reserves (B)		1 763 782	1 530 040	1 286 690
Group reserves		1 749 067	1 511 591	1 273 267
Minority reserves		14 715	18 449	13 423
Equity method differences (C)		22 694	7 238	64 545
Profit for the year (D)		978 387	835 657	1 792 152
Translation differences on group result		454	(886)	(6 564)
Net income of the consolidated group		977 933	836 543	1 798 716
Group result		964 720	823 519	1 787 532
Minority results		13 213	13 025	11 184
Minority result		13 213	13 025	11 426
Translation differences on minority result		0	(0)	(242)
Total equity (A)+(B)+(C)+(D)		11 205 653	10 205 669	10 345 356
NON-CURRENT LIABILITIES	4.2			
Non-current borrowings & financial debt		633 450	443 172	404 980
Taxes (deferred and provisioned)		222 927	219 640	216 077
Other debts & settlement accounts NC		13 694	167 901	26 795
Provisions and deferred income		698 282	544 910	467 651
Total non-current liabilities		1 568 353	1 375 623	1 115 503
CURRENT LIABILITIES	4.3			
Suppliers & related accounts		715 457	573 892	408 660
Taxes		546 306	375 095	837 585
Other debts		2 702 982	2 913 618	4 073 571
Cash liabilities		1 768	2 104	1 555
Total current liabilities		3 966 513	3 864 709	5 321 372
Total Assets		16 740 519	15 446 001	16 782 230

2.2. Consolidated Income Statement

(In millions of DZD)	NOTES	2024	2023	2022
Sales of goods, manufactured products, services rendered, and related products	5.1.2	8 641 700	9 581 650	10 592 402
Stored or destocked production (Change)		(33 044)	(58 000)	144 509
Capitalized production	5.1.3	453 920	431 030	293 656
Operating subsidies		819	625	794
Production for the fiscal year	5.1.1	9 063 395	9 955 306	11 031 361
Consumed purchases		1 143 107	1 180 633	1 470 306
External services		1 706 084	1 844 925	1 871 597
Other external services		972 564	123 202	172 620
Consumption for the fiscal year	5.2.1	3 821 755	3 148 760	3 514 524
Operating Value Added		5 241 640	6 806 546	7 516 837
Personnel expenses	5.2.2	558 860	513 894	453 401
Taxes	5.2.3	2 432 757	3 206 979	3 506 761
Gross Operating Surplus		2 250 023	3 085 672	3 556 676
Other operating income		270 587	180 911	160 513
Other operating expenses		364 797	192 692	164 585
Allocations for depreciation, provisions, and impairment losses from operations		1 102 887	1 028 678	976 701
Loss provisions		1 961	2 068	1 775
Net impairments on goodwill		72	23	5
Reversal of impairment losses and operating provisions		66 326	59 264	60 820
Reversal of impairment losses and provisions on financial items		212	(637)	(1 185)
Operating result		1 117 430	2 101 749	2 633 758
Financial income		191 384	195 799	216 400
Net gains/losses on the disposal of financial assets NC		-	2 593	-
Financial income	5.1.4	191 384	198 392	216 400
Financial expenses	5.2.4	47 942	575 382	875 941
Financial result		143 442	(377 123)	(659 541)
Result from discontinued operations -		-	-	-
Ordinary result before taxes		1 260 872	1 724 626	1 974 217
Income taxes	5.2.5	342 603	195 737	450 884
Total ordinary operating income		9 591 903	10 390 643	11 467 909
Total ordinary operating expenses		8 673 635	8 861 753	9 944 576
Net result from ordinary activities		918 268	1 528 890	1 523 333
Extraordinary items (income)		720	23 885	99 777
Extraordinary items (expenses)		-	793 925	277
Extraordinary result		720	(770 040)	99 500
Net income for the year		918 988	758 850	1 622 833
Share of net income from associates (Equity-accounted companies)		58 945	77 694	176 125
Net income for the consolidated group		977 933	836 543	1 798 958
Minority interests		13 213	13 025	11 426
Net income - group share		964 720	823 519	1 787 532

2.3. Table of Consolidated Cash Flow Statement

(In millions of DZD)	2024	2023	2022
profit before tax	1,261,592	954,586	2,073,492
PMW asset disposals	853	(3,759)	(498)
depreciation of tangible fixed assets	819,456	808,695	774,098
depreciation of intangible fixed assets	(525)	(1,449)	423
provision for goodwill impairment	6,390	32,193	18,321
other provisions	836	846	1,725
operating subsidy	164,843	66,783	(64,735)
deferred taxes	819	625	794
depreciation and provisions	(780)	(14,317)	(685)
income taxes	991,039	893,369	729,942
interest paid	(342,603)	(195,737)	(450,884)
cash generated from operating activities	(12,250)	12,979	(247)
cash flow from extraordinary items	1,898,630	1,661,439	2,351,806
cash flow before extraordinary items	720	(770,040)	99,500
inventory	720	(770,040)	99,500
trade receivables	24,159	127,180	(294,364)
suppliers	(18,484)	220,334	(373,268)
other - working capital requirement	86,590	167,345	102,399
operations	416,467	812,914	(104,402)
impact of change in operating working capital	508,731	1,327,772	(669,636)
other non-operating working capital	(1,550)	770,937	(95,439)
intercompany clearing account	(290,464)	(321,123)	(174,924)
JV revaluation of financial derivatives	292,014	449,814	(270,363)
other non-cash operations	(492)	3,575	(3,030)
Cash flows from operating activities	571	3,575	(3,030)
acquisition of tangible assets	2,115,496	2,672,561	1,508,277
acquisition of intangible assets	(1,522,399)	(2,657,219)	(1,741,683)
acquisition of financial assets	(30,521)	(40,446)	(30,342)
acquisition of self-held shares	(392,467)	(186,027)	(268,296)
interest received	(127,939)	(147,524)	(69,620)
cash requirements for investment	(3,894)	(13,425)	(5,088)
sale of tangible assets	2,077,220	(3,044,642)	2,115,029
sale of intangible assets	556,638	1,870,216	1,009,665
sale of financial assets	5,157	33,985	9,700
resources related to investments	228,676	253,560	94,343
cash flows from investing activities	790,471	2,157,761	1,113,709
	(1,286,750)	(886,881)	(1,001,321)
capital increase	777,849	1,787,728	684,997
loan issues	213,098	46,094	58,943
loan repayments	(47,550)	(21,792)	(35,948)
increase/decrease of other non-current financial liabilities	(112,454)	139,677	60,749
increase/decrease of other current financial liabilities	(36,431)	(1,632,816)	436,404
dividends paid	(692,192)	2,275,088	(682,825)
cash flows from financing activities	102,321	(1,956,203)	522,320
unexplained differences - conversion differences	(1,736)	8,989	(8,713)
unexplained differences - consumption method variation	(3,893)	(137,511)	(81,203)
unexplained differences - reclassification	(145)	0	(0)
unexplained differences - scope entry	387	-	-
unexplained differences - exit	-	(0)	(0)
unexplained differences	5,388	(128,523)	82,667
cash - calculated movement	925,679	(299,046)	946,609
cash - calculated closing	2,934,962	2,009,283	2,308,329
cash - opening	2,009,283	2,308,329	1,361,719
cash variation	925,679	(299,046)	946,609
other changes in cash	1,294	(3,319)	844
cash flow statement	1,852,651	(601,411)	1,894,063

2.4. Consolidated Statement of Changes in Equity

(In millions of DZD)	Share capital	Consolidated bonuses, reserves & profit	Evaluation gap	Total equity	Group equity	Minority interests
On 31st December 2022	1 000 000	9 345 356	(0)	10 345 356	10 320 749	24 607
Allocation of result	-	(1 409 744)	-	(1 409 744)	(1 409 744)	0
Dividends	-	(1 135 517)	-	(1 135 517)	(1 134 999)	(518)
Dividend advance	-	(8 270)	-	(8 270)	(4 217)	(4 052)
Result	-	836 543	-	836 543	823 631	12 913
Increase	-	2 118 673	4 928	2 123 601	2 117 113	6 488
Decrease	-	(330 945)	(4 928)	(335 873)	(326 485)	(9 388)
Revaluation - Decrease	-	(29)	-	(29)	(29)	-
Translation adjustment at opening	-	(6 156)	-	(6 156)	(6 057)	(99)
Translation adjustment on flows	-	17 887	-	17 887	17 704	183
Reclassification -	-	0	-	0	116	(116)
Scope variation -	-	(131 012)	-	(131 012)	(132 545)	1 532
Exit from scope -	-	(91 118)	-	(91 118)	(91 041)	(76)
As of December 31st December 2023	1 000 000	9 205 669	(0)	10 205 669	10 174 196	31 474
Allocation of result	-	(498 717)	-	(498 717)	(498 717)	(0)
Dividends -	-	(250 288)	-	(250 288)	(250 115)	(173)
Dividend advance -	-	-	-	-	-	-
Result -	-	977 933	-	977 933	964 832	13 101
Increase	-	1 290 053	51 829	1 341 882	1 341 186	696
Decrease -	-	(512 204)	(51 829)	(564 033)	(554 373)	(9 660)
Opening translation difference	-	(2 425)	-	(2 425)	(2 681)	256
Translation difference on flows -	-	1 320	-	1 320	1 830	(509)
Reclassification -	-	177	-	177	(204)	381
Scope variation	-	(3 897)	-	(3 897)	3 630	(7 527)
Merger -	-	-	-	-	-	-
- Scope entry -	-	(1 968)	-	(1 968)	(1 857)	(111)
Scope exit	-	-	-	-	-	-
On 31st December , 2024	1 000 000	10 205 653	0	11 205 653	11 177 726	27 928

3. Analysis of Asset Accounts

3.1. Non current Assets

3.1.1. Acquisition Gap- Goodwill

Goodwill or positive acquisition difference corresponds to the excess of the acquisition cost, during a stake acquisition or a merger, over the acquirer's share in the fair value of identifiable assets and liabilities.

In 2024, following the depreciation applied, the acquisition difference shows a net amount of 9,700 MDZD (equivalent to 68,667,545 EUR)

(In millions of DZD)	2024	2023
SONATRACH RAFFINERIA ITALIANA (SRI)	9 700	11 061
Total GM of Net acquisition gap	9 700	11 061

3.1.2. Net Intangible Assets

Net intangible assets record an amount of 78,094 MDZD. They are mainly composed of development costs, concessions, patents, licenses, and trademarks.

(In millions of DZD)	2023	Increase	Decrease	Difference in conversion	Reclassification	Other Variations	2024
Establishment costs (Gross)	0	-	-	-	-	-	0
Capitalizable development costs (Gross)	245 057	(547)	847	(497)	17 638	(0)	260 805
Concessions, patents & licenses & trademarks (Gross)	46 965	1 540	3 777	273	8	0	45 010
Goodwill & lease rights (Gross)	1	-	1	-	-	-	-
Other intangible assets (Gross)	59 959	1 406	407	(230)	1 745	4	62 476
Total	351 981	2 400	5 032	(453)	19 391	4	368 291

Intangible asset by entity are distributed as follows :

(In millions of DZD)	2024	2023
SIPEX LIBYE	35 300	34 896
SIPEX NIGER	17 592	18 302
SPC BVI	19 087	11 792
SONATRACH Spa	11 655	16 385
OTHER ENTITIES	4 472	(3 280)
Total	88 106	78 095
<i>Including SONATRACH Spa</i>	<i>13%</i>	<i>21%</i>

3.1.3. Tangible Fixed Assets

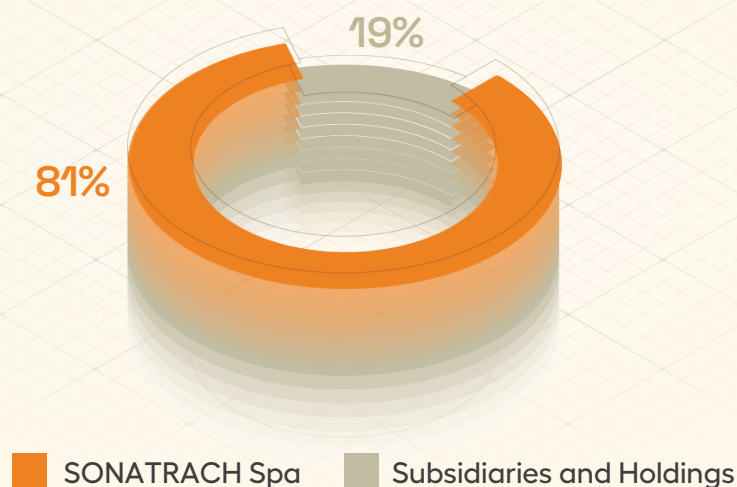
Tangible Assets

(In millions of DZD)	2023	Increase	Decrease	Difference in conversion	Reclassification	Other Variations	2024
Land & developments (Gross)	82 410	2 159	827	(23)	1 713	41	85 473
Buildings (Gross)	829 917	6 314	7 533	(318)	102 980	416	931 776
Social facilities	430 861	9 623	87 314	(2 010)	16 664	0	367 823
Technical installations, machinery & industrial equipment (Gross)	975 292	173 052	35 764	(10 672)	3 262	3 533	1 108 708
Transport equipment (Gross)	325 591	26 142	16 484	746	20	28	336 043
Office, IT & furniture equipment (Gross)	22 228	3 738	1 736	(40)	114	81	24 413
Fittings and installations	390 014	5 302	2 685	1	20 495	0	413 126
Other tangible fixed assets (Gross)	176 960	27 711	16 085	511	2 541	66	191 750
Concession assets (Gross)	1 160	258	153	-	-	-	1 265
Oil wells and extraction & collection instruments	5 341 486	39 859	42 619	-	428 330	(0)	5 767 056
Transport / pipeline installations	1 375 728	1 656	1 689	-	(2 916)	0	1 372 778
Processing, transformation and manufacturing installations	3 352 811	3 059	9 303	-	171 789	(0)	3 518 356
Auxiliary production installations	899 705	1 963	2 465	-	21 735	(0)	920 938
Packaging instruments	3 856	12	-	-	4	-	3 872
Reception, storage and shipping installations	370 376	1 140	1 683	-	2 888	(0)	372 720
Investment property	532	-	-	-	-	-	532
Total	14 578 926	301 989	226 342	(11 807)	769 619	4 165	15 416 630

Moreover, fixed and complex production equipment accounts for 78% of tangible assets. Net tangible assets, by entity, are as follows :

(In millions of DZD)	2024	2023
SONATRACH Spa	3 269 022	3 314 461
NAFTAL	73 216	75 341
SONATRACH RAFFINERIA ITALIANA (SRI)	69 144	71 783
MEDGAZ	57 606	68 528
HYPROC Shipping Compagny	50 567	53 662
G-CCO (Le Méridien d'Oran)	41 582	43 251
ENAGEO	33 391	29 123
GCB	32 680	30 134
ENAFOR	30 861	29 127
Tassili Airlines TAL	30 507	31 731
ENTP	23 492	25 465
ENSP	21 306	19 106
HELIOS	17 096	263
ENGTP	15 937	15 536
SH PEROU	15 156	15 451
SARPI	13 142	8 245
FERTIAL	10 489	13 711
OTHER ENTITIES	232 554	144 308
Total	4 037 748	3 989 226
<i>Including SONATRACH Spa</i>	<i>81%</i>	<i>83%</i>

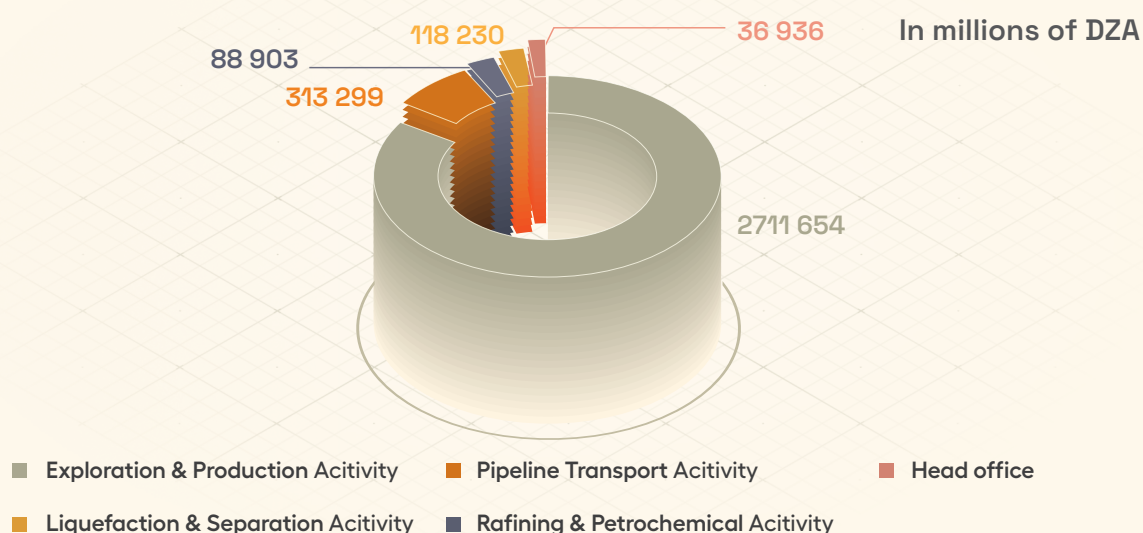
Net Tangible fixed assets 2024



The net tangible fixed assets, by activity, at the parent company are as follows:

(In millions of DZD)	2024	2023
Exploration & Production ACTIVITY	2 711 654	2 700 007
Pipeline Transport ACTIVITY	313 299	347 690
Liquefaction & Separation ACTIVITY	88 903	96 104
Refining & Petrochemicals ACTIVITY	118 230	133 188
HEAD OFFICE	36 936	37 472
Net tangible assets by activity	3 269 022	3 314 461

Tangible Assets by Activity at SONATRACH Spa 2024



3.1.4. Fixed Assets in progress

The fixed assets in progress show an increase of 179,914 MDZD or 8% compared to the 2023 fiscal year; this increase represents the assets brought into service, of which 63% belong to SONATRACH Spa, and they are presented as follows:

(In millions of DZD)	2023	Increase	Decrease	Operations Recoveries	Operations	Conversion difference	Reclassification	Other Variations	2024
Tangible assets in progress (Gross)	2 382 557	1 080 022	246 460	-	-	-578	-690 005	0	2 525 536
Intangible assets in progress (Gross)	53 729	28 121	126	-	-	-	-18 978	0	62 746
Advances & down payments on assets (Gross)	48 505	140 389	83 835	-	-	-7	-	0	105 052
Assets in progress (Gross)	2 484 791	1 248 531	330 421	-	-	-584	-708 982	0	2 693 334
Tangible assets in progress (Impairments)	255 724	-	-	35 455	7 784	-	-	-0	283 395
Intangible assets in progress (Impairments)	1 100	-	-	-0	-	-	-	-0	1 100
Advances & down payments on assets (Impairments)	339	-	-	958	-	-	-	-	1 297
Assets in progress (Impairments)	257 163	-	-	36 413	7 784	-	-	-0	285 792
Assets in progress (Net)	2 227 629	1 248 531	330 421	-36 413	-7 784	-584	-708 982	0	2 407 543

3.1.5. Financial Fixed Assets

Financial fixed assets experienced an increase of 300,146 MDZD, or 16%, compared to the previous year, primarily due to a 27% rise in the Other financial fixed assets account following an increase in investments.

(In millions of DZD)	2023	Increase	Decrease	Movement	Difference in conversion	Reclassification	Change in scope	Entry of scope	Other Changes	2024
Equity investments (Gross)	8 738	96 187	674	-	1 227	-	-	-	(0)	105 525
Other equity investments (Gross)	87 194	19 755	49 317	-	(0)	-	-	-	(0)	57 632
Receivables related to investments (Gross) NC	(51 189)	47 524	(6 248)	-	203	-	-	-	(0)	2 787
Accrued interest on receivables and loans NC	23 113	-	-	3 900	285	-	-	-	-	27 298
Investments and receivables related to investments	67 857	163 466	43 743	3 900	1 715	-	-	-	(0)	193 242
Real estate securities other than portfolio real estate securities	18	37	22	-	-	-	-	-	(0)	32
Securities representing rights/claims (bonds, notes) NC	562 053	23 408	62 221	-	-	-	-	-	-	523 240
Securities held to maturity (Gross) NC	-	230	-	-	-	-	-	-	-	230
Portfolio real estate securities -	-	230	-	-	-	-	-	-	-	230
Loans (Gross) NC -	16 680	7 426	6 912	-	-	-	-	-	(0)	17 194
Receivables / Finance lease contracts NC -	2 693	697	568	-	-	-	-	0	-	2 822
Deposits and guarantees paid	67 341	2 745	21 767	-	(17)	-	141	0	(0)	48 442
Other fixed receivables	948 142	310 400	63 394	-	64	-	(0)	-	(0)	1 195 211
Other financial fixed assets	1 596 925	344 943	154 885	-	47	-	141	0	(0)	1 787 171
Financial assets (Gross)	1 664 782	508 410	198 629	3 900	1 762	-	141	0	(0)	1 980 412
Non-current Equity-accounted investments	190 146	11 950	28 740	-	(27)	145	(275)	456	2 131	175 786
Financial assets equity-accounted	190 146	11 950	28 740	-	(27)	145	(275)	456	2 131	175 786
Total financial fixed assets (Gross)	1 854 928	520 359	227 369	3 900	1 735	145	(134)	456	2 131	2 156 198

3.1.6. Deferred Tax Assets by Entity

The deferred tax asset has recorded a slight increase of 7% compared to the 2023 financial year.

The deferred tax asset by entity is as follows:

(In millions of DZD)	2024	2023
SONATRACH Spa	36 434	32 781
SONATRACH RAFFINERIA ITALIANA (SRI)	9 402	8 894
NAFTAL	9 071	7 550
ENTP	7 192	5 949
ENGTP	4 548	4 298
ENAGEO	1 970	2 196
GCB	1 704	-
ENSP	1 376	1 381
ENAFOR	1 145	1 121
HYPROC Shipping Compagny	1 082	927
SARPI	1 013	734
FERTIAL	964	644
SOMIZ	910	566
ENAC	880	786
SOMIK	547	364
CASH	521	482
OTHER ENTITIES	4 301	8 925
Total	83 061	77 598
<i>Including SONATRACH Spa</i>	<i>44%</i>	<i>42%</i>

3.2. Current Assets

3.2.1. Inventory in progress

The section for consolidated net stocks and work in progress recorded an amount of 993,074 MDZD for the 2024 fiscal year, of which 50% represents the share of the parent company, marking a decrease of 27,500 MDZD compared to the 2023 fiscal year.

(In millions of DZD)	2023	Movement	Conversion variance	Scope entry	Scope change	2024
Goods (Gross)	22 017	(1 513)	(45)	-	-	20 459
Raw materials (Gross)	78 916	1 378	(1 865)	-	634	79 064
Other supplies (Gross)	613 084	(5 305)	(229)	-	213	607 763
Work in progress - goods (Gross)	6 095	18 183	(458)	-	-	23 821
Work in progress - services (Gross)	1 466	(482)	-	-	-	984
Finished products (Gross)	342 204	(34 211)	(1 905)	-	55	306 144
Intermediate products (Gross)	15 999	(15 298)	(371)	-	-	330
Stock from fixed assets (Gross)	0	206	-	-	-	206
Stock off-site (Gross)	8 491	12 884	-	-	1	21 377
Total	1 088 274	(24 159)	(4 872)	-	903	1 060 146

The stocks and in progress primarily concern finished hydrocarbon products and other supplies at SONATRACH Spa.

The distribution by entity is as follows:

(In millions of DZD)	2024	2023
SONATRACH Spa	497 552	504 729
SONATRACH RAFFINERIA ITALIANA (SRI)	88 438	99 036
ENAFOR	38 883	32 076
ENTP	23 118	21 621
FERTIAL	21 234	19 566
ENAGEO	17 786	16 656
SARPI	11 936	1 855
ENAC	9 653	6 361
ENSP	7 984	7 199
SGM	7 204	5 668
NAFTAL	7 191	7 099
GCB	6 319	6 590
ASFERTRADE	3 214	3 149
ALSCIF (ex BJSP)	3 131	2 304
Tassili Airlines TAL	2 960	2 799
BAG	2 895	2 592
SH PEROU	2 459	2 621
DFSP Ex BASP	1 850	1 219
SOMIZ	1 736	1 017
ENGTP	1 647	1 630
ALPHYT	1 613	1 684
TTA	1 576	956
HESP	1 371	1 378
KAHRAMA	1 237	1 155
OTHER ENTITIES	230 086	269 615
Total	993 074	1 020 574
<i>Including SONATRACH Spa</i>	<i>50%</i>	<i>49%</i>

3.2.2. Receivables and Similar uses

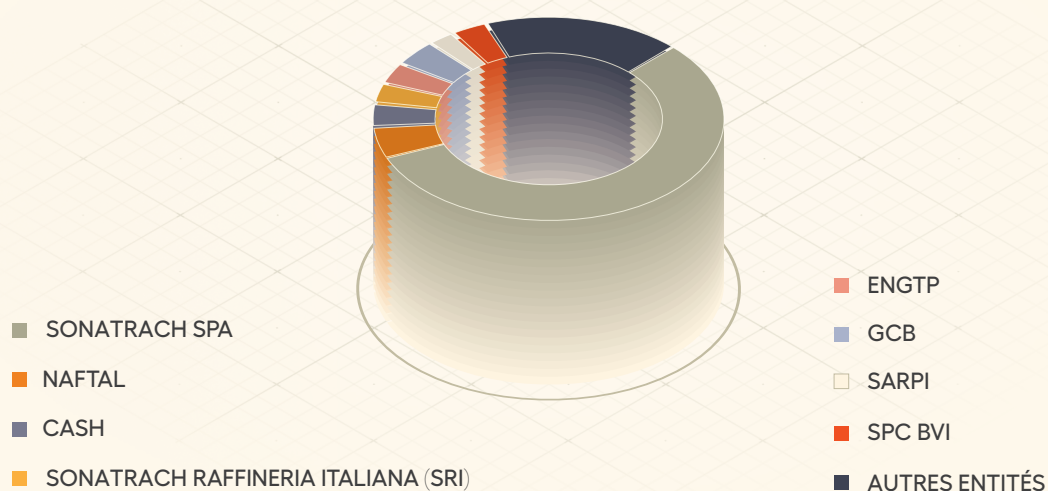
In 2024, the receivables and similar items account shows a decrease of 146,524 MDZD or 3% compared to the 2023 fiscal year.

	2024			2023
(In millions of DZD)	Gross	Value Loss	Net	Net
Clients	1 171 076	91 815	1 079 261	885 937
Taxes	1 269 264		1 269 264	1 278 966
Other receivables	1 766 036	72 266	1 693 770	2 023 915
Receivables and similar assets	4 206 376	164 081	4 042 295	4 188 819

The gross accounts receivable position is presented by entity as follows:

(In millions of DZD)	2024	2023
Sonatrach SPA	608 203	612 690
NAFTAL	55 229	46 720
CASH	45 659	35 756
SONATRACH RAFFINERIA ITALIANA (SRI)	37 578	1 542
ENGTP	37 100	15 451
GCB	30 903	55 835
SARPI	29 071	24 775
SPC BVI	11 743	10 804
OTHER ENTITIES	315 590	163 436
Total	1 171 076	967 010
<i>Including SONATRACH Spa</i>	52%	63%

Accounts Trade receivables and gross related accounts



3.2.3. (Net) Cash

Compared to the previous fiscal year, the cash flow (Net) recorded an increase of 925,679 MDZD, representing a variation of 46% during the 2024 fiscal year.

(In millions of DZD)	2023	Movement	Conversion variance	Scope entry	Scope change	Other Variations	2024
Banks	1 612 340	290 845	(2 095)	387	414	-	1 901 892
Marketable Securities	275 430	692 627	-	-	-	-	968 057
Receivables	9 409	(248)	0	-	-	-	9 161
Term Deposits over 3 months	55 605	(23 000)	-	-	-	-	32 605
Accrued Interest	7 006	4 265	-	-	(0)	-	11 271
Postal Cash Accounts	50 073	(37 530)	(0)	0	(0)	-	12 543
Cash (Gross)	2 009 864	926 960	(2 095)	387	414	-	2 935 530
Cash (Provision)	581	(13)	(0)	-	(0)	-	569
Cash (Net)	2 009 283	926 973	(2 095)	387	414	-	2 934 962

The distribution of cash (Net) by entity is as follows:

(In millions of DZD)	2024	2023
SONATRACH SPA	1 871 882	994 939
NAFTAL	258 300	217 641
STVH HOLDING ex-SOALKIM	145 778	166 947
SAES HOLDING ex-SIP	87 419	86 012
SONATRACH RAFFINERIA ITALIANA (SRI)	66 187	75 112
SPC BVI	55 529	51 010
SPIC BV	43 348	8 782
HYPROC Shipping Compagny	42 216	40 795
SIPEX	29 027	21 088
SGM	26 055	27 876
STEP	23 697	306
ENAC	23 374	11 955
SIHC HOLDING	23 041	56 189
ENAGEO	22 307	12 152
SH PEROU	20 758	17 934
ENTP	20 231	19 245
AEC	18 436	23 830
GCB	17 265	27 925
ENGTP	14 903	25 802
ENAFOR	12 087	13 476
KAHRAMA	10 221	9 700
OTHER ENTITIES	102 898	100 567
Total	2 934 962	2 009 283
<i>Including SONATRACH Spa</i>	<i>64%</i>	<i>50%</i>

4. Analysis of Liability accounts

4.1. Equity

The consolidated equity amount to 11,205,653 MDZD and consist of:

- Share Capital 1,000,000 MDZD.
- Parent Sonatrach Reserves: 7,227,575 MDZD.
- Retained earnings: 213,216 MDZD.
- Consolidated reserves amounting to 1,763,782 MDZD and composed of:
 - Group Reserves 1,749,067 MDZD.
 - Minority Reserves: 14,715 MDZD.
- Equity adjustment: 22,694 MDZD
- Consolidated net income amounting to 836,543 MDZD, including the following items:
 - Group income: 964,720 MDZD.
 - Minority income: 13,213 DZD.

(In millions of DZD)	2024	2023
Share capital	1 000 000	1 000 000
Subscribed but unpaid capital	-	-
Revaluation surplus	0	(0)
Issue, merger & contribution premiums	31 667	31 667
Legal reserve	100 000	100 000
Optional and other reserves	7 095 907	6 670 596
Distributable reserves	-	-
Premiums and Reserves	7 227 575	6 802 263
Retained earnings	-	-
Adjustments resulting from changes in accounting methods	213 216	30 471
Other equity	213 216	30 471
Retained earnings	8 440 790	7 832 734
Equity excluding parent company result (A)	1 763 782	1 530 040
Consolidated reserves (B)	1 749 067	1 511 591
Group reserves	14 715	18 449
Minority reserves	22 694	7 238
Equity equivalence difference (C)	978 387	835 657
Net income for the year (D)	454	(886)
Group result translation differences	977 933	836 543
Net income of the consolidated entity	964 720	823 519
Group Result Minority results	13 213	13 025
Minority result	13 213	13 025
Minority result translation differences	0	(0)
Total equity (A)+(B)+(C)+(D)	11 205 653	10 205 669

4.2. Non Current Liabilities

At the end of 2024, this account shows an amount of 1,568,353 MDZD compared to 1,375,623 MDZD in 2023, representing an increase of 14%. This variation is mainly due to the rise in the level of loans and financial debts, as well as provisions for risks and charges.

(In millions of DZD)	2024	2023
Borrowings & financial debts NC	633 450	443 172
Taxes (deferred and provisioned)	222 927	219 640
Other debts & adjustment accounts NC	13 694	167 901
Provisions and deferred income	698 282	544 910
Total non-current liabilities	1 568 353	1 375 623
<i>Including SONATRACH Spa</i>	46%	52%

The non-current liabilities by entity are presented as follows:

(In millions of DZD)	2024	2023
SONATRACH SPA	792 676	638 731
SAES HOLDING ex-SIP	134 957	92 691
NAFTAL	127 267	130 497
STVH HOLDING ex-SOALKIM	65 802	77 612
AEC	51 710	51 690
MIAH FOUKA	40 562	-
MEDGAZ	27 579	29 964
MIAH TAREF	26 986	-
STEP	25 000	-
MIAH WAHRANE	24 396	-
HYPROC Shipping Compagny	23 736	26 724
MIAH BEJAIA	22 393	-
ENTP	21 265	17 396
GCB	20 010	18 966
OTHERS	164 015	291 351
Total non-current liabilities	1 568 353	1 375 623
<i>Including SONATRACH Spa</i>	51%	46%

4.3. Current Liabilities

Current liabilities increased by 101,805 million dinars, or 3%, compared to fiscal year 2023. This item primarily includes accounts payable, government debts, and other debts.

The accounts payable and related accounts item increased by 22%.

Other debts primarily concern the parent company's partners under production sharing contracts.

(In millions of DZD)	2023	Depreciation	Decrease	Allocations	Operations Recoveries	Movement	Exchange difference	Scope entry	Scope change	Reclassification	Other Changes	2024
Supplier debts & related accounts	541 084	-	-	-	-	118 535	(2 606)	88	575	-	-	657 676
Fixed asset debts & related accounts Ct	32 808	-	-	-	-	24 895	(11)	-	89	-	-	57 781
Suppliers & related accounts	573 892	-	-	-	-	143 431	(2 617)	88	663	-	-	715 457
State debts (Including integrated) Ct	374 823	-	-	-	-	171 230	(250)	1	8	-	-	545 812
Deferred tax liabilities Ct	271	-	-	-	-	-	(0)	-	-	-	223	494
Taxes	375 095	-	-	-	-	171 230	(250)	1	8	-	-	546 306
Provisions for risks & charges	26 524	-	-	40 229	29 592	-	-	-	-	-	0	37 162
Loans & financial debts Ct	5 212	7 473	5 550	-	-	-	-	-	-	-	0	7 134
Other debts Ct	2 632 712	-	-	-	-	(252 060)	(4 625)	0	513	43 040	-	2 419 579
Accrual accounts liability Ct	16 846	3 294	1 457	-	-	(433)	(43)	-	-	-	0	18 208
Advances & down payments received on orders	103 567	-	-	-	-	(34 224)	(95)	-	(3)	-	-	69 244
(Discounts to grant & other credit notes to issue	22 185	-	-	-	-	2 278	(6)	-	-	-	-	24 458
Employee-related debts	64 177	-	-	-	-	6 320	(4)	4	21	-	-	70 518
Social debts	42 780	-	-	-	-	13 975	(86)	3	7	-	-	56 680
Other debts	2 914 002	10 766	7 007	40 229	29 592	(264 144)	(4 859)	8	538	43 040	0	2 702 982
Cash liabilities -	2 104	-	-	-	-	(337)	2	-	-	-	-	1 768
Liabilities intended for sale or activity abandonment	384	-	-	-	-	(375)	(9)	-	0	-	-	0
Total Current Liabilities	3 864 709	10 766	7 007	40 229	29 592	50 554	(7 715)	96	1 210	43 040	0	3 966 513

5. Analysis of the Consolidated Income Statement

The consolidated net income shows a profit of 977,933 million dinars, an increase of 17% compared to the previous year. It consists of the following:

- Net income attributable to the group: 964,720 million dinars;
- Minority income: 13,213 million dinars.

The net income attributable to the group by entity is as follows:

(In millions of DZD)	2024	2023
SONATRACH	725 700	588 135
NAFTAL	27 099	21 004
SIHC HOLDING	25 267	2 981
AOA	21 783	33 370
ENGTP	13 674	10 908
SH PEROU	12 782	11 915
GCB	11 208	5 809
MEDGAZ	10 542	10 002
ENAFOR	7 684	5 538
TG PERU	7 658	8 165
ENAGEO	7 597	2 301
SIPCO	7 523	46
Others	86 203	123 344
Total net income attributable to the group	964 720	823 518
<i>Including SONATRACH Spa</i>	<i>75%</i>	<i>71%</i>

5.1. Revenue

5.1.1. Production for the year

Production for the year decreased by 9% compared to the previous year, i.e. 9,063,395 MDZD compared to 9,955,306 MDZD.

The Production for the year item is subdivided into:

- Sales of goods, manufactured products, services, and related products.
- Production in storage or destocking.
- Capitalized production.
- Operating subsidies.

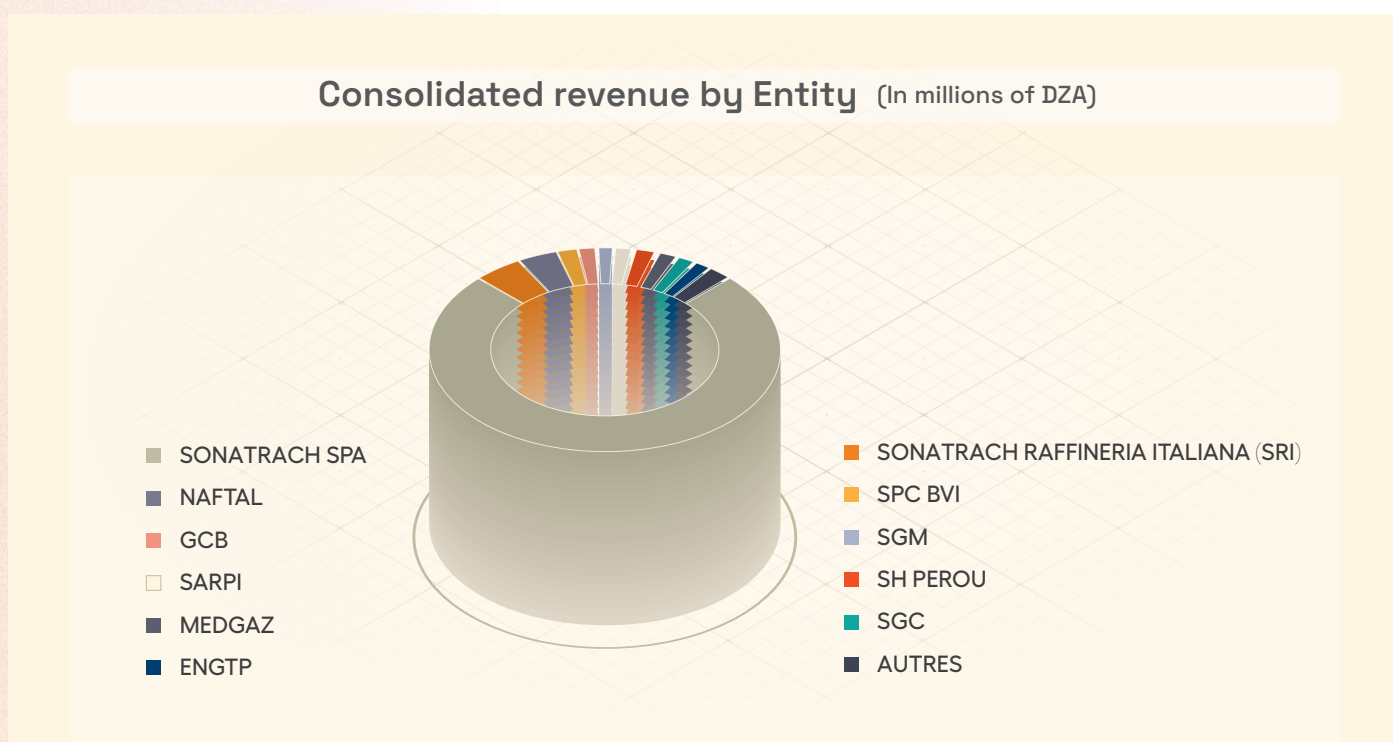
5.1.2. Turnover

Consolidated revenue for the 2024 fiscal year was 8,641,700 MDZD, compared to 9,581,650 MDZD, a decrease of 10% compared to the previous fiscal year.

It should be noted that 75% of consolidated revenue is generated by the parent company, SONATRACH. The 9% decline in SONATRACH's own revenue is due to the decline in the average price of a barrel of crude oil, which is expected to reach an average price of \$82 in 2024, compared to \$84 in 2023.

(In millions of DZD)	2024	2023
SONATRACH SPA	6 470 357	7 147 594
SONATRACH RAFFINERIA ITALIANA (SRI)	848 799	874 076
NAFTAL	608 712	564 972
SPC BVI	133 928	266 023
GCB	80 181	88 631
SGM	62 460	70 616
SARPI	60 842	30 020
SH PEROU	55 766	55 062
MEDGAZ	44 689	43 709
SGC	31 355	55 239
ENGTP	30 680	26 159
OTHERS	213 930	359 549
Total Consolidated revenue by entity	8 641 700	9 581 650
<i>Including SONATRACH Spa</i>	75%	75%

Consolidated revenue by entity is as follows:



Financial Income

Financial income totaled 191,384 million dinars in 2024, a decrease of 4%.

This decrease is mainly due to a decrease in foreign exchange and forward transaction gains of 40,330 million dinars, and other financial income of 48,650 million dinars; however, income from other financial assets increased by 54,481 million dinars.

(In millions of DZD)	2024	2023
Interest income on loans & other debts	4 529	3 319
Dividends received	53 958	19 516
Advance on dividends received -	-	4 747
Income from other financial investments	109 590	55 109
Income from operating receivables	4 189	539
Foreign exchange gains & forward operations	16 005	56 335
Net gains on disposal of current financial assets	1 414	5 570
Other financial income	1 699	50 349
Debt write-offs received -	-	183
Income from equity investments	191 384	195 666
Net gains/losses on disposal of non-current financial assets	-	2 593
Financial income	191 384	198 259

5.2. Expenses

Total expenses reached 8,673,635 MDZD in 2024, compared to 9,655,678 MDZD in 2023, a decrease of 10%.

5.2.1. Consumption for the Year

Consumption for the year was 3,821,755 MDZD, a decrease of 21% compared to the previous year. This includes both purchases and services.

(In millions of DZD)	2024	2023
Consumed purchases	1 143 107	1 180 633
External services	1 706 084	1 844 925
Other external services	972 564	123 202
Consumption of the fiscal year	3 821 755	3 148 760

5.2.2. Personnel Expenses

Personnel expenses increased by 9% between the two fiscal years 2023 and 2024.

Personnel expenses by entity are as follows:

(In millions of DZD)	2024	2023
SONATRACH SPA	247 431	240 530
NAFTAL	67 920	58 844
ENTP	35 823	33 987
GCB	30 555	25 394
ENAFOR	24 063	22 200
ENGTP	23 547	21 583
ENAGEO	22 000	18 757
ENSP	14 393	13 161
2SP	11 211	10 237
SONATRACH RAFFINERIA ITALIANA (SRI)	10 824	10 213
OTHERS	71 093	58 987
Total Personnel Expenses by Entity	558 860	513 894
<i>Including SONATRACH Spa</i>	<i>44%</i>	<i>47%</i>

5.2.3. Taxes and Duties

The "Taxes and Duties" section increased by 24% in 2024 compared to 2023. This change is explained by the decrease in the tax on oil revenues directly linked to SONATRACH spa's revenue.

(In millions of DZD)	2024	2023
Taxes & payroll taxes	1 945	3 243
Professional activity tax	231	16 684
Property taxes	943	850
Taxes recovered/Turnover	7 341	8 143
Taxes paid related to petroleum activities	2 407 092	3 165 347
Other taxes	15 205	12 713
Taxes & duties	2 432 757	3 206 979

This position is allocated among the Group entities as follows:

(In millions of DZD)	2024	2023
SONATRACH SPA	2 225 919	3 078 252
MEDGAZ	7 951	7 174
SONATRACH RAFFINERIA ITALIANA (SRI)	2 220	2 034
SGM	1 134	2 568
NAFTAL	873	5 511
SARPI	811	594
SPC BVI	697	628
OTHERS	193 152	110 218
Total Taxes and Duties	2 432 757	3 206 979
<i>Including SONATRACH Spa</i>	<i>91%</i>	<i>96%</i>

5.2.4. Financial Expenses

The level of financial expenses decreased by 92% compared to 2023, from 575,382 MDZD to 47,942 MDZD. This decrease is explained by the reclassification of partners' remuneration from financial expenses to operating expenses.

(In millions of DZD)	2024	2023
Interest Expenses	11 321	10 425
Foreign Exchange Losses	27 579	79 742
Net Losses / Disposal of Current Financial Assets -	210	-
Various Financial Expenses	8 831	482 751
Write-off of Financial Receivables	0	3
Interest & Related Charges	47 942	572 922
Net Losses / Disposal of Non-Current Financial Assets -	-	2 460
Financial Expenses	47 942	575 382

Distribution of financial expenses by entity is as follows :

(In millions of DZD)	2024	2023
SONATRACH SPA	32 170	538 276
SONATRACH RAFFINERIA ITALIANA (SRI)	3 834	24 370
MEDGAZ	3 459	4 052
NAFTAL	2 971	2 504
HYPROC Shipping Compagny	1 089	1 604
SPIC BV	831	3 711
OTHERS	3 588	864
Total financial expenses by entity	47 942	575 382
<i>Including SONATRACH Spa</i>	<i>67%</i>	<i>94%</i>

5.2.5. Corporate taxes

The corporate tax increased sharply by 75% in 2024 compared to the fiscal year 2023, amounting to 146,866 MDZD.

(In millions of DZD)	2024	2023
Current tax (tax consolidation)	101 115	88 476
Deferred tax assets	(4 883)	(5 032)
Deferred tax liabilities	338	(887)
Other income taxes	246 034	113 180
Income taxes	342 603	195 737

Current income tax corresponds to the ordinary income tax applicable to the various entities comprising the group. The activities of Sonatrach, the parent company, with the exception of those related to Exploration & Production, are subject to this tax regime.

The "Other income taxes" item primarily records income tax due on Sonatrach spa's Exploration & Production activities, in accordance with the specific tax regime applicable to the hydrocarbons sector.

Current taxes (IBS) by entity

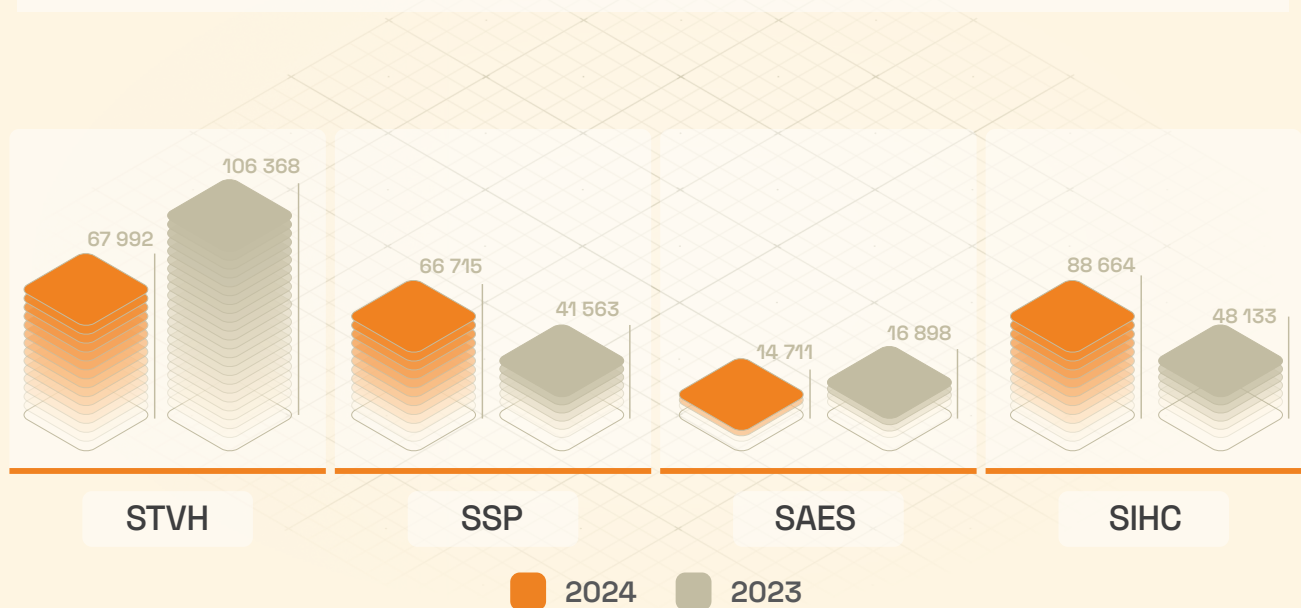
(In millions of DZD)	2024	2023
SONATRACH SPA	58 093	54 377
NAFTAL	5 954	4 301
SH PEROU	5 868	5 716
ENGTP	5 150	4 494
GCB	3 646	2 136
ENTP	3 592	2 634
ENAFOR	2 814	2 160
ENAGEO	2 387	1 978
SARPI	1 973	1 363
KAHRAMA	1 967	1 578
ENAC	1 798	1 553
ENSP	1 547	1 429
HYPROC Shipping Compagny	1 276	1 716
OTHERS	5 052	3 043
Total Current taxes (IBS)	101 115	88 476
<i>Including SONATRACH Spa</i>	<i>57%</i>	<i>61%</i>

6. Presentation of the Result by Holding

Consolidated net results by Holding are as follows :

(In millions of DZD)	2024	2023	2024	2023	2024	2023
SVTH HOLDING	67 992	106 368	65 815	103 771	2 177	2 597
SSPP HOLDING	66 715	41 563	66 335	41 093	380	469
SAES HOLDING	14 711	16 898	14 109	16 740	601	158
SIHC HOLDING	88 664	48 133	88 664	48 133	-	-

Evolution of consolidated result by Holding company (In millions of DZA)



7. Scope of consolidation

In 2024, the scope of consolidation is made up of 450 accounting units representing the parent company SONATRACH and 115 subsidiaries and holdings, of which 77 are fully consolidated and 38 are accounted for using the equity method.

7.1. Subsidiaries and Holdings in Algeria

Nom de l'entité	Détention du capital social
STEP	100% SH Spa
SAES HOLDING EX SIP	100% SH spa
2SP	98%SAES,1% SOMIZ,1%SOMIK
SOTRAZ	100% SAES
G-CCO	100% SAES
CASH	75,88% SAES,12,15,%
AGLIC	42,5% CASH
BAOSEM	50% SAES, 15% Naftal, 35% SONELGAZE
AEC	100% SAES
KAHRAMA	100% AEC
MIAH CAP DJENAT	100% AEC
MIAH FOUKA	100% AEC
MIAH BEJAIA	100% AEC
MIAH TAREF	100% AEC
MIAH WAHRANE	100% AEC
DEM SOUK TLATA (AAS) (MYAH TILIMCANIA)	49% AEC
DEM FOUKA (MT)	49% AEC
DEM TENES	49% AEC
DEM MOSTAGANEM (STMM)	49% AEC
DEM HAMA (HWD)	30% AEC
DEM BENI SAF (BWC)	49% AEC
DEM SKIKDA (ADS)	49% AEC
DEM CAP DJENET (SMD)	49% AEC
DEM MAQTAA	43% AEC
DEM HONAIN (MBH)	49% AEC
TMAE ALGER EST	100% AEC
NEAL	45% SAES
SPP1	14% SAES,20% NEAL,51% ABENER ENERGIA,15% COFIDES
COMINTAL	20% SAES
ISGA	16,67% ASMIDAL, 16,67% SAES
TAL	100% SAES
TTA	72% SAES 28% TAL
SSPA MCA	99,48% SAES
AGRO ALIMENTAIRE ACTIVITE	100% SAES

STVH HOLDING EX SOALKIM	100% SH spa
HELIOS	51% STVH, 49% HELAP France
SIDAL SPA	100% HELIOS
ASMIDAL	100% STVH
ASFERTRADE	100% ASMIDAL
ALNUTRAV SPA	70% ASMIDAL
AC FERTILIZER company	37% ASMIDAL
ALPHYT	100% ASMIDAL
WG SOMIAS	45% ASMIDAL
FERTIAL	100% ASMIDAL
SGS	20% ASMIDAL
HYPROC SHIPPING COMPANY	100% STVH
NAJDAMAGREB	100% HYPROC SHIPPING COMPANY
HELISON PRODUCTION	49% STVH, 51% LIND AG
AOA	49% STVH, 51% Divers
NAFTAL	100% STVH
BAG	100% NAFTAL
COGIZ	100% STVH
STPE	50% NAFTAL, 50% SNTF
SORFERT	49% STVH, 51% OCI
SSPA MCO	90,34 % HYPROC SHIPPING COMPANY
STH	60% SAES, 20% EPA, 15% EPS, 5% EPB
SSPP HOLDING	100% SH spa
SOMIZ	100% SSPP
SOMIK	100% SSPP
SARPI	100% SSPP
ENAC	100% SSPP
ENAGEO	100% SSPP
GCB	100% SSPP
ENGTP	100% SSPP
ALGESCO	24% SSPP 52% General Electric Vernova International LLC 24% SAIEG spa
M.I. ALGERIA	100% SSPP
ENSP	100% SSPP
BJSP	100% ENSP,
HESP	51% ENSP, 49% HALLIBURTON CORPORATION
DFSP EX BASP	100% ENSP
ENTP	100% SSPP
ENAFOR	100% SSPP
FORAQUA	67% ENAFOR
SPA ISS	75% ENAFOR, 21,40% CSA, 3,60% Autres
APEC	51% SSPP, 49% BHGE
SWCS	49% ENAFOR

7.2. Subsidiaries and Holdings Abroad

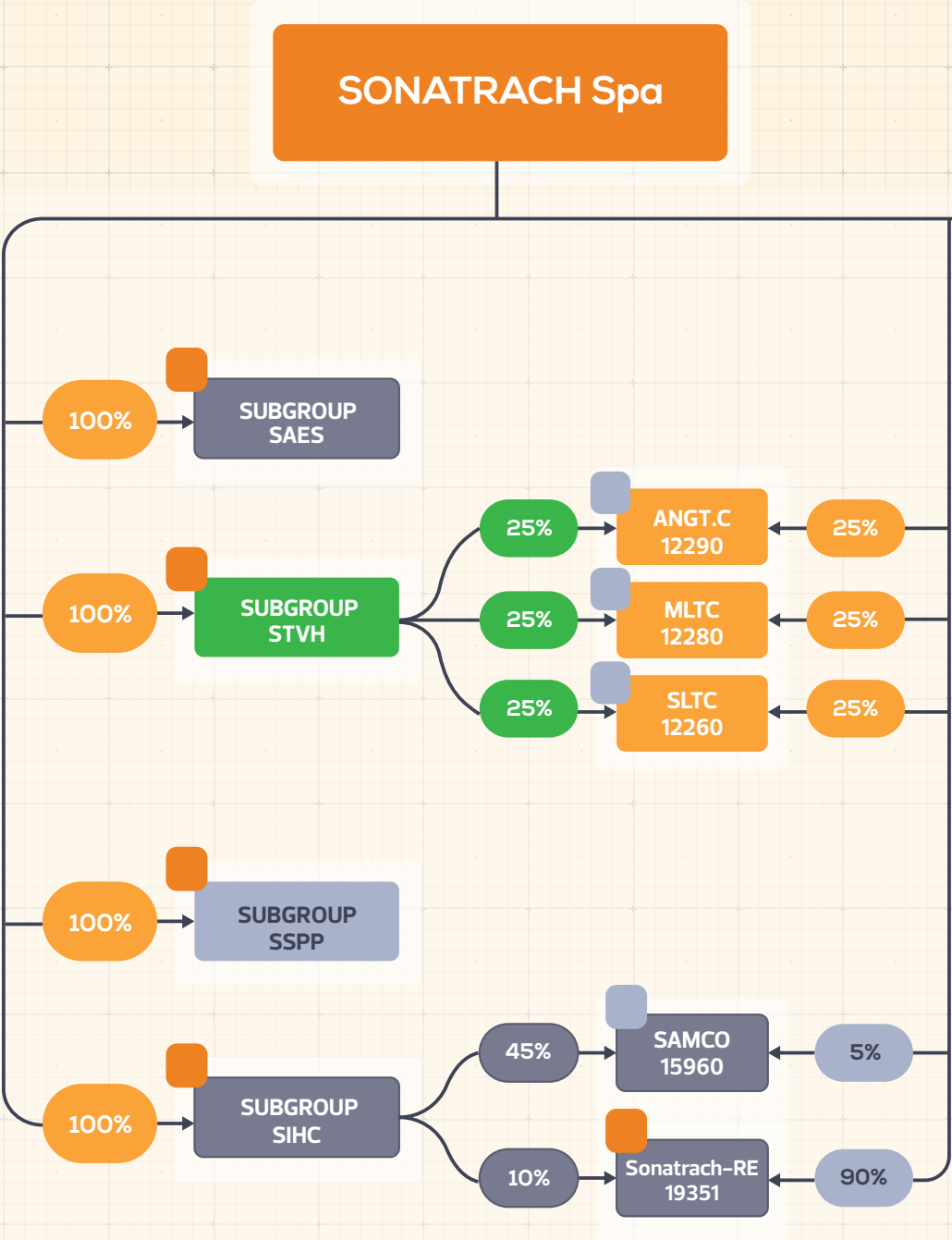
SH SPA	
ANGT	25% SH SPA, 25% HYPROC SHIPPING COMPANY, 25% ITOCHU, 25% MOL
MLTC	25% SH SPA, 25% HYPROC SHIPPING COMPANY
SLTC	25% SH SPA, 25% HYPROC SHIPPING COMPANY
TRANSMED	50% SH Spa, 50% ENI
SONATRACH-RÉ	90% SH SPA, 10% SIHC Holding
MEDGAZ	51% SH Spa, 34,05% Cepsa, 14,95% GNA
MARICONSULT	50% SH SPA, 50 %ENI
SIHC HOLDING	100% SH SPA
TMPC	50% SIHC, 50% ENI
SAMCO	45% TMPC, 5% SH Spa, 5% ENI
SPTC BVI	100% SIHC BVI
SBAC	100% SPTC BVI
SIPEX	100% SIHC BVI
SH PEROU	80% SIPEX, 20% SIHC BVI
SIPEX LYBIE	100% SIPEX
SIPEX NIGER	100% SIPEX
SIPEX MALI	100% SIPEX
NUMHYD	50% SIPEX
SPI BVI	100% SIHC BVI
HELISON MARKETING	49% SPIC BV
SPC BVI	100% SIHC BVI
ALTC	100% SPC BVI
RNTC	100% SPC BVI
HMTC	100% SPC BVI
SPOTC	100% SPC BVI
SGCC	100% SPC BVI
NEW OCEAN VENTURE	100% SPC BVI
SIFID (ex SPC NA)	100% SIHC BVI
SPIC BV	100% SIFID
CPP	34% SPIC BV
SGM	100% SPIC BV
BASP - PROPANCHEM	49% SPIC BV
CGC	30% SPIC BV
SGC	100% SPIC BV
GEPESA	30% SPIC BV
SRI	100% SPIC BV
SIPCO	100% SIHC BVI
SIPCO PEROU	100% SIPCO
TG PERU	21,18% SIPCO PEROU

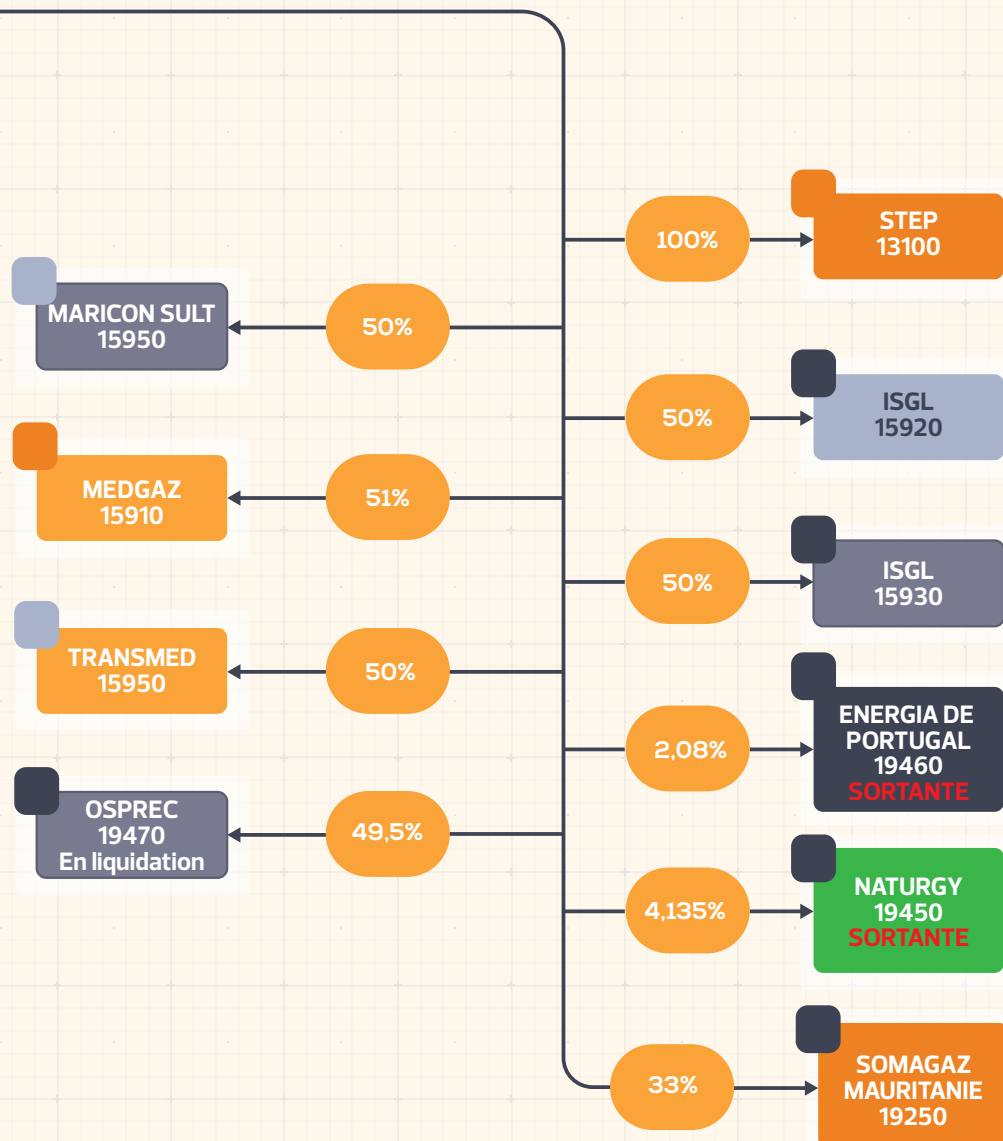
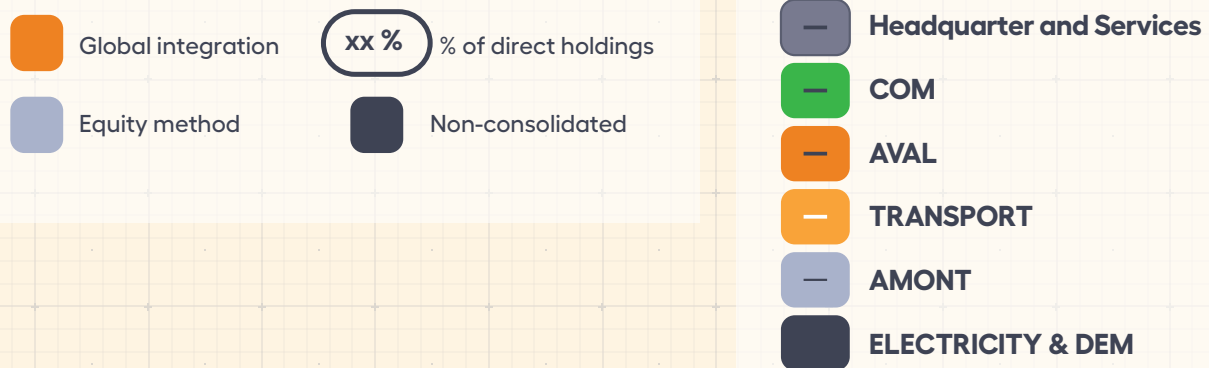
7.3. Legal Organizational Charts

The legal organizational charts below present, by holding, the subsidiaries and investments held by the SONATRACH Group in 2024.

7.3.1. SONATRACH Spa

Group’s Simplified Legal organization chart
On 31/12/2024

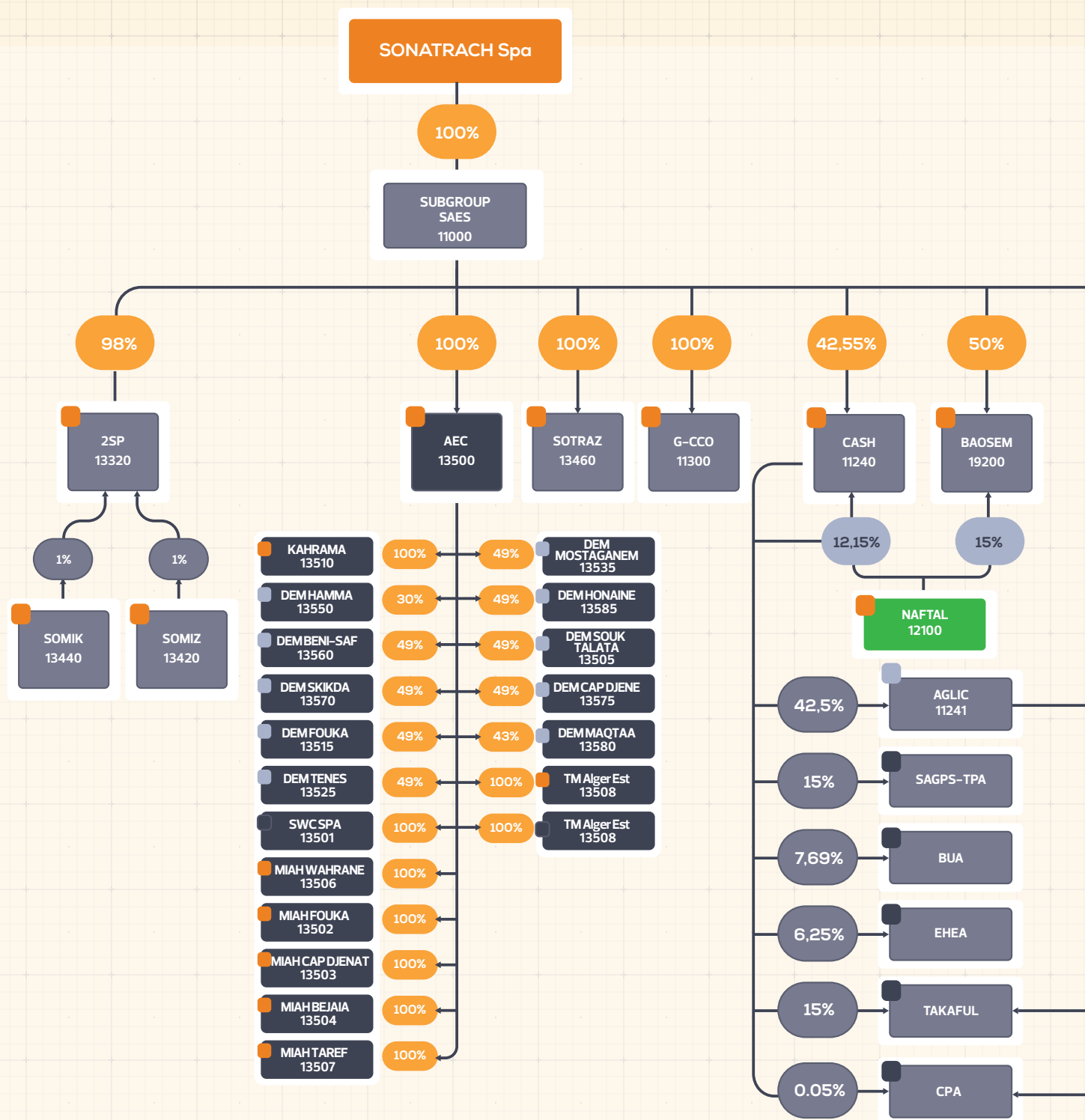


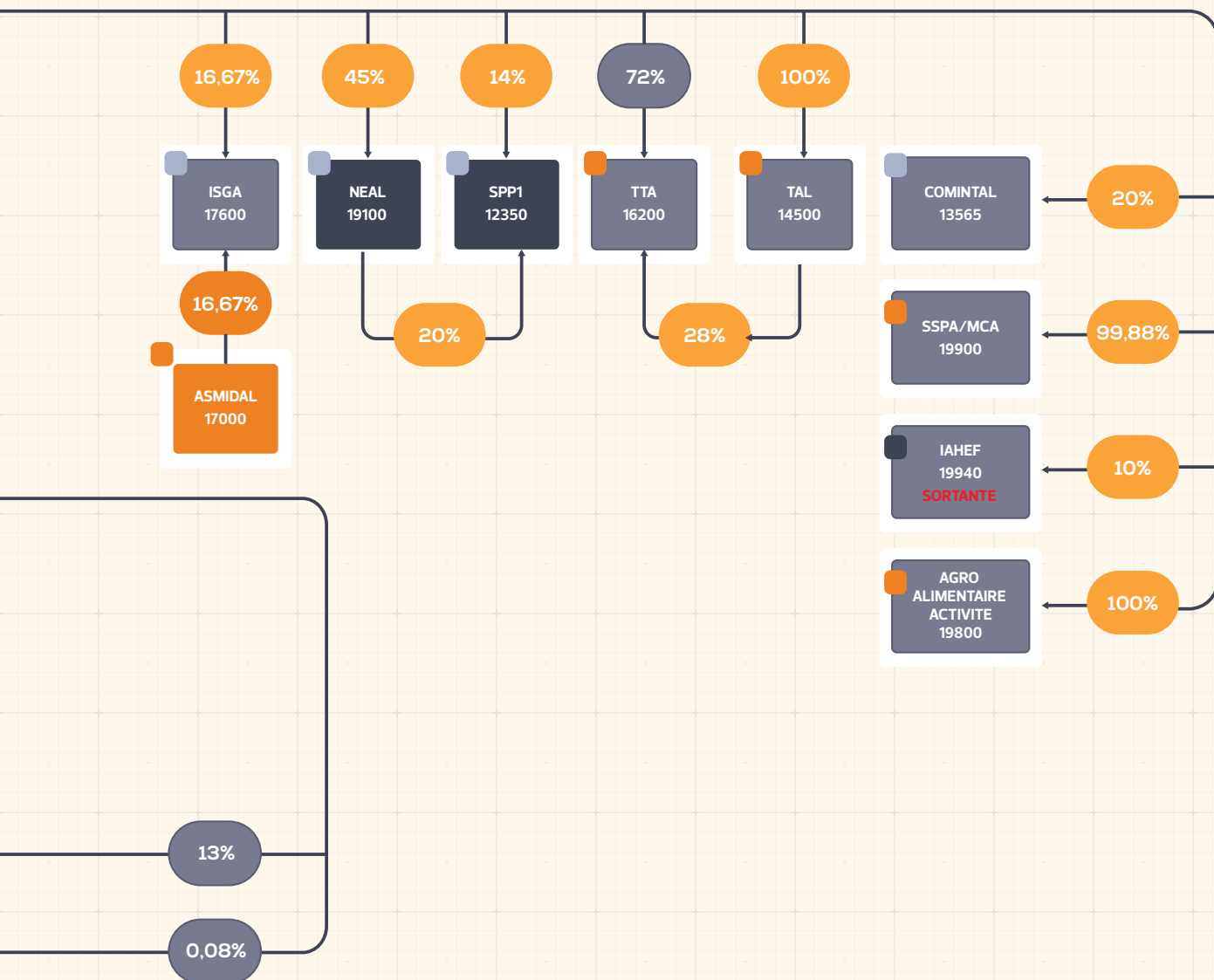


7.3.2. Holding Sonatrach External and Support Activities « SAES » Spa

Simplified sub-group
SAES legal organization chart

On 31/12/2023

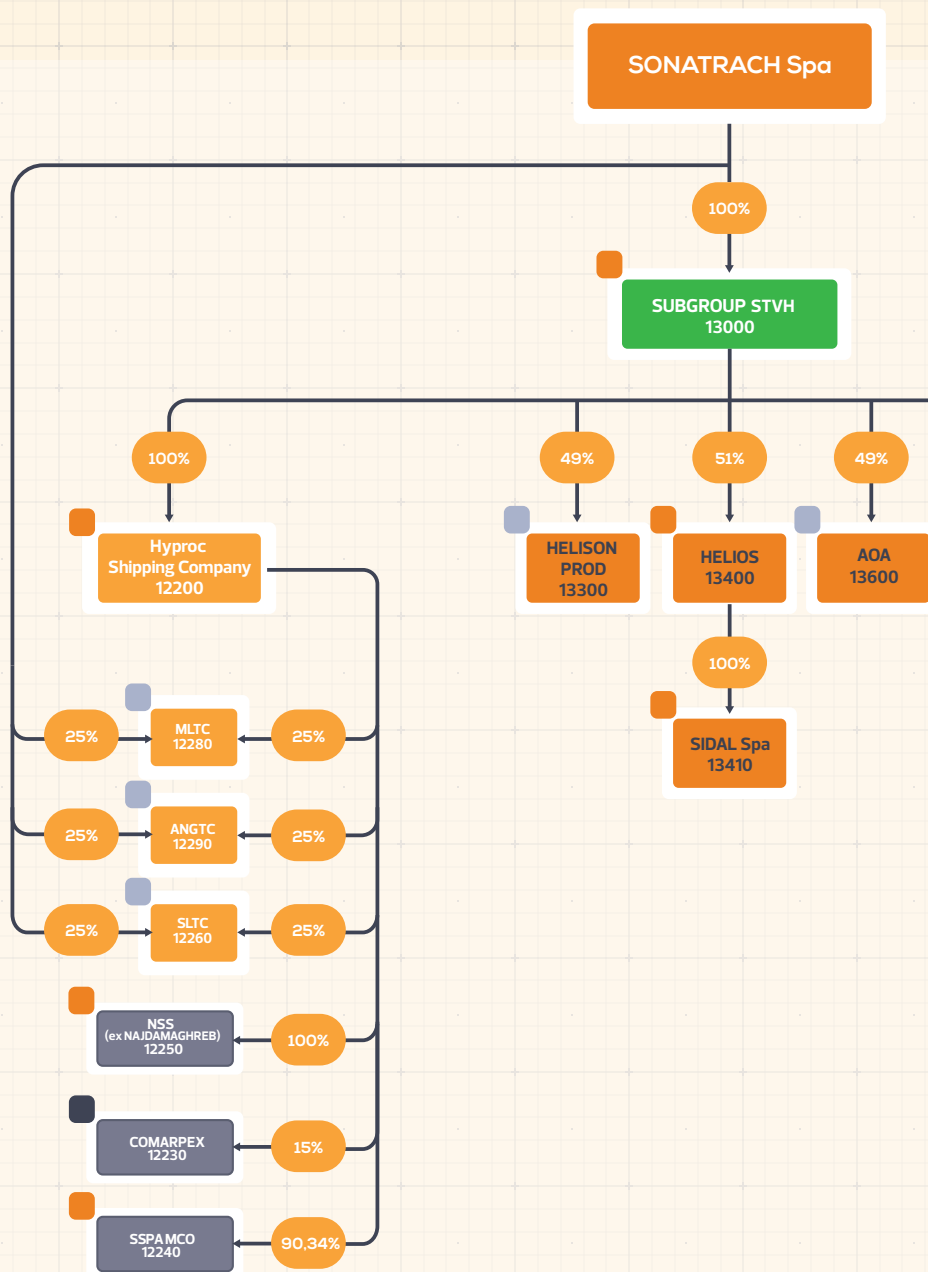


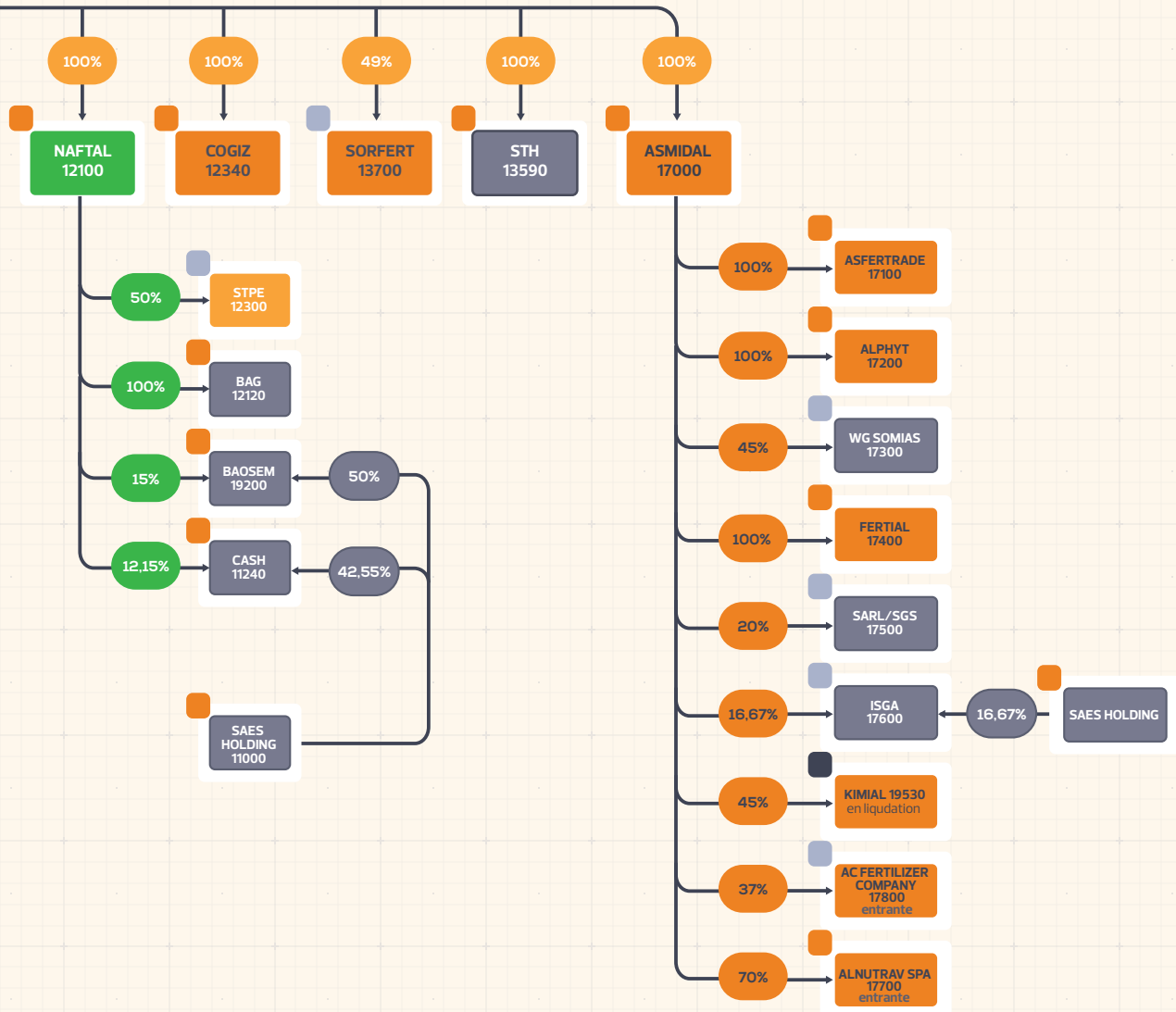


7.3.3. Holding Sonatrach Hydrocarbon Transformation and Valorization « STVH » Spa

Simplified sub-group
STVH legal organization chart

On 31/12/2023

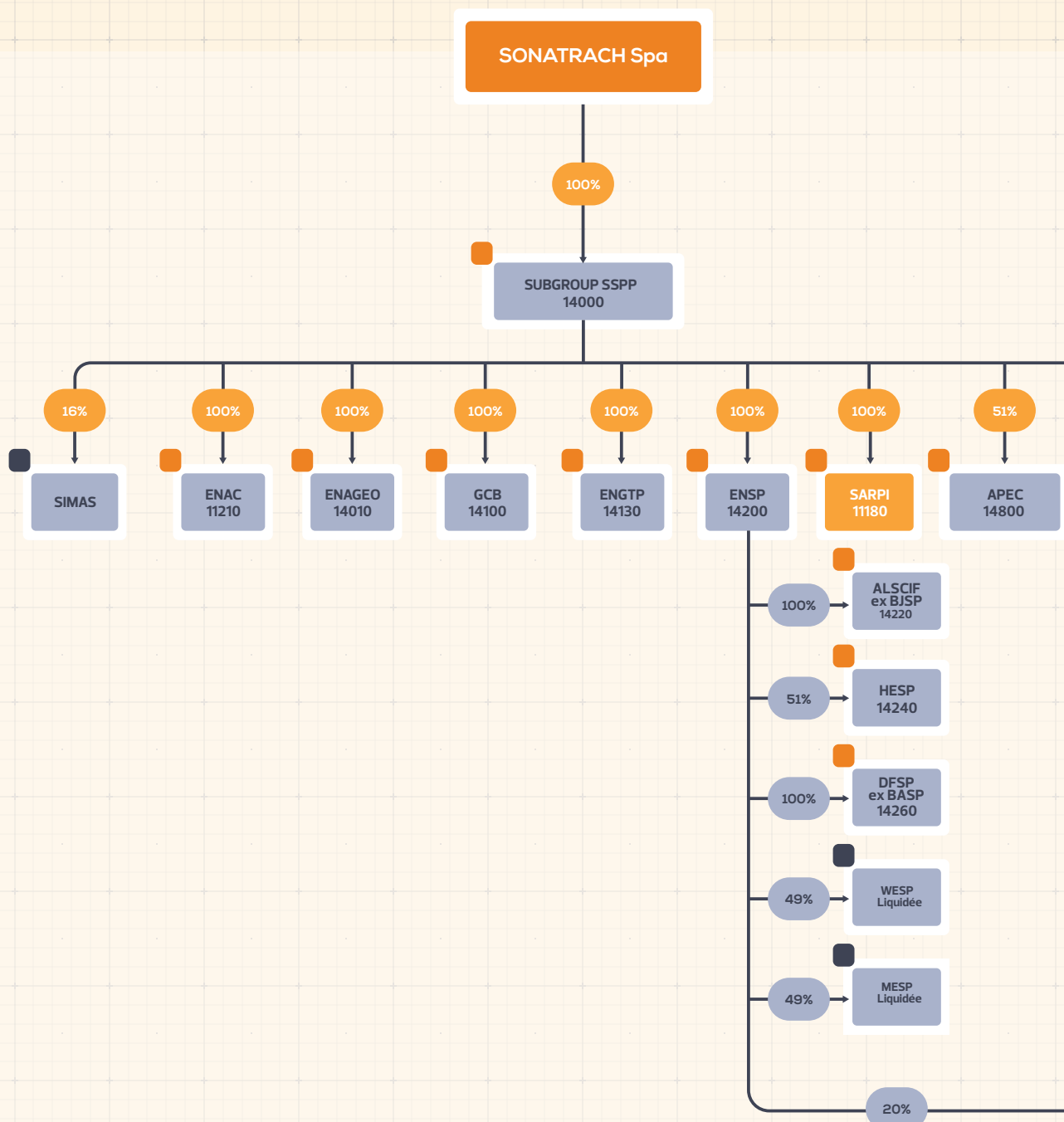


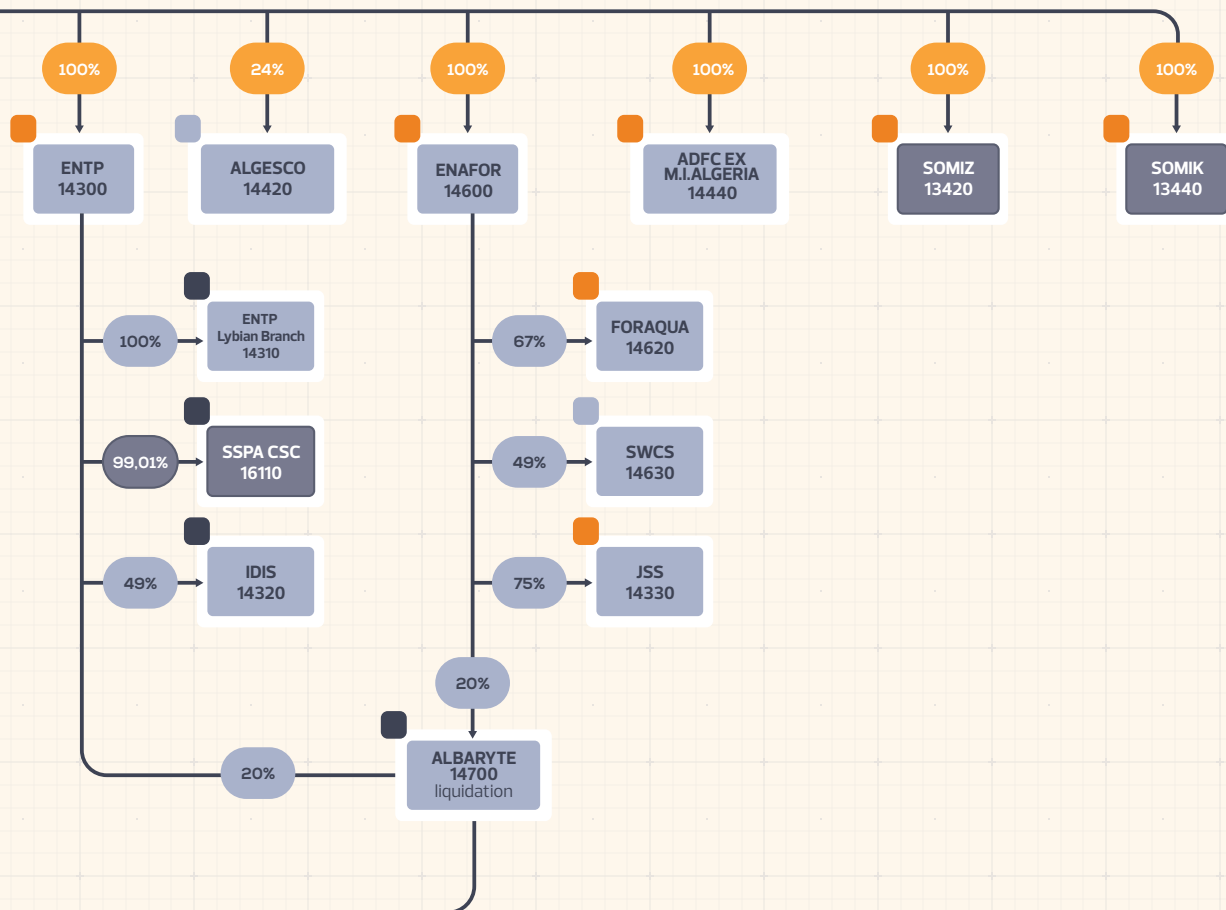


7.3.4. Petroleum service Holding SONATRACH «SSPP» Spa

Simplified sub-group
SSPP legal organization chart

On 31/12/2023

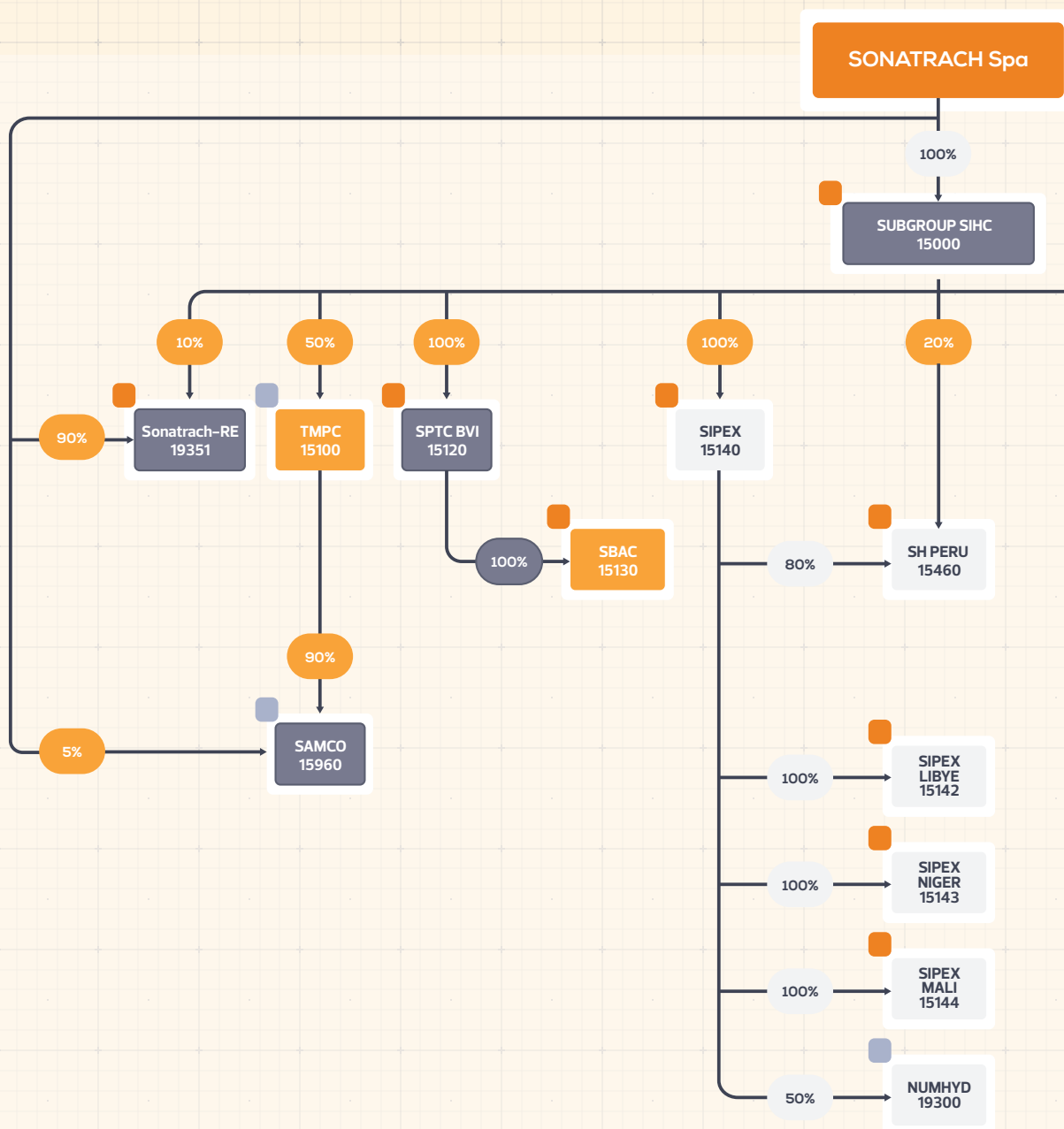




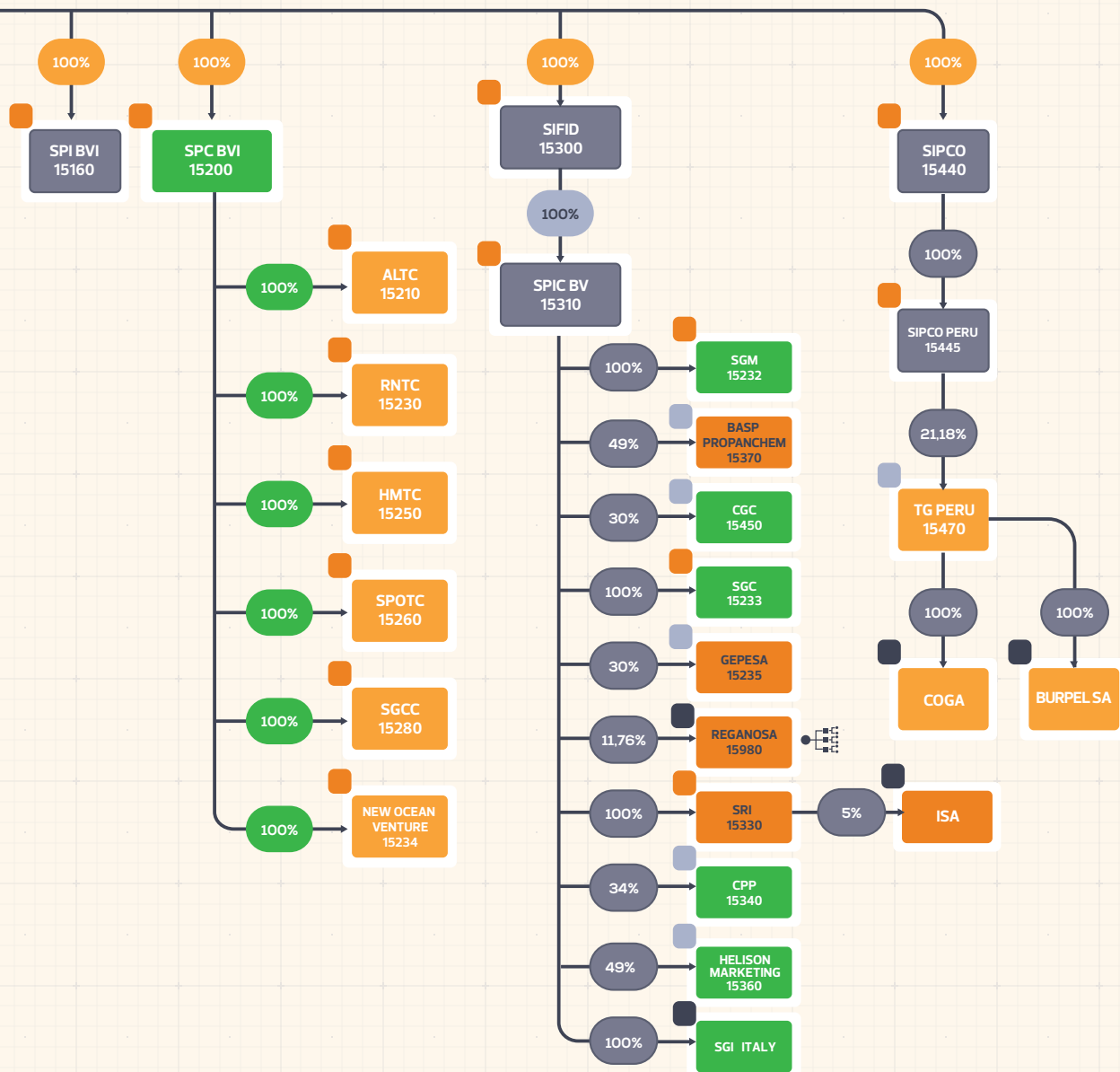
7.3.5. SONATRACH International Holding Corporation « SIHC »

Simplified sub-group
SIHC legal organization chart

On 31/12/2023



• Des participation non consolidées pour rupture de contrôle



8. Certification of the Consolidated Accounts of the SONATRACH Group

Gentlemen, Members of SONATRACH General Assembly,

We have the honor to report to you on the Audit mission we have carried out as Auditors.


We have reviewed the consolidated financial statements of the SONATRACH Group as approved by the Board of Directors of your Company for the financial year 2024 with a total balance sheet assets/liabilities of Sixteen trillion seven hundred and forty billion five hundred and nineteen million four hundred and ninety-eight thousand four hundred and sixty-eight dinars and sixty cents (16 740 519 498 468 60), and a net profit attributable to the beneficiary group of Nine hundred and sixty-four billion seven hundred and nineteen million nine hundred and fifty thousand one hundred and thirty-three dinars and one cent (964 719 950 133,1).


Our different Audit works, carried out mainly on the basis of surveys, cross-checkings and techniques which seemed to us to be the most appropriate, have been performed in accordance with the normal diligence rules.


Considering the results of these works, we certify, provided that the remarks and observations made are addressed and the aspects related to the physical inventories of the assets of the group's entities, that the presented consolidated financial statements of the SH Group are in all material respects in accordance with the accounting rules of the Algerian SCF, true and fair and give a faithful view of the financial position of your Group for the year ended 31st December 2024.


Algiers 16 June 2025

The Auditors


 HAMANACHE Mohamed
 Expert Comptable - Diplôme d'état
 commissaire aux comptes


 REBAI Rezki
 Expert Comptable - Diplôme d'état
 commissaire aux comptes


 BENHABILES Zoheir
 Expert Comptable - Diplôme d'état
 commissaire aux comptes


 AZOUAGU Farid
 Expert Comptable - Diplôme d'état
 commissaire aux comptes



Social Accounts



Introduction

The financial year 2024 was marked by a less favorable economic outlook than the previous year, mainly due to the downward trend in oil and gas prices compared to 2023. This development resulted in a significant decline in our Company's key financial indicators.

In addition to the decline in hydrocarbon prices, the drop in overall revenue is also explained by an increased focus on the domestic market, which sales volume increased by 5% compared to 2023, confirming the upward trend in the country's energy needs.

Furthermore, export revenue for the 2024 financial year amounted to USD 45 billion, down by 11% compared to 2023, which reached USD 50 billion.

Despite this context, the Company achieved a net profit of 812 billion Algerian dinars (nearly 6 billion USD), representing an increase of 20% compared to the 2023 financial year. This positive development is attributable to several exceptional and structural elements.

The main financial indicators for 2024 are as follows:

- Crude oil : Average price of USD 81.97/bbl in 2024, compared to USD 83.60/bbl in 2023, namely, a decrease of 2%; this product represents approximately 21% of the exported quantities.
- Natural gas: Average price of USD 10.36/MMBTU in 2024, compared to USD 12.60/MMBTU in 2023, a decrease of 18%; these products represent 34% of exports.
- LNG: Average price of USD 10.50/MMBTU in 2024, compared to USD 10.62/MMBTU in 2023, a decrease of 10%; these products represent 16% of the exports.
- Total revenue for the 2024 financial year amounts to 6,523 billion Algerian dinars, down by 10% compared to 7,218 billion dinars in 2023. This decrease is mainly due to the decline in export revenues.

- Oil tax paid decreased in 2024, reaching 3,872 billion dinars, compared to 5,678 billion dinars in 2023. This decrease is mainly due to:
 - a. The appreciation of the dinar against the dollar.
 - b. The decline in export sales prices.
 - c. The decline in export volumes.
- Revenue for the year reached 7,464 billion dinars compared to 8,020 billion in 2023, declining by 7%.
- The Total expenses amounted to 6,652 billion dinars compared to 7,346 billion in 2023, a decrease of 9%.
- The DZD/USD exchange rate appreciated by 1.5%, from 136 DZD/USD in 2023 to 134 DZD/USD in 2024.

Thus, in spite of a less favorable economic environment, our Company was able to maintain its profitability with a net profit increase of 20%.

Concerning SONATRACH Spa's mandatory financial statements, it should be noted that they were:

- Prepared in accordance with the accounting principles contained in the Financial Accounting System (SCF), pursuant to Law No. 07-11 of November 25, 2007 and its implementing regulations.
- Closed using the same methods and principles as those for the financial year ending December 31, 2023.
- Certified by the Company's Auditors as being regular, sincere, and faithfully reflecting the Company's financial and asset position.

The unit of the presentation for the financial statements remains one billion Algerian dinars.

2. Presentation of the financial Statements

A. Statement as of December 31st 2024

ASSETS	Unit: Billions of DZD	
	2024	2023
NON-CURRENT ASSETS - NET	7 831	7 698
• Intangible assets	13	17
• Property, plant, and equipment	473	475
• Concession assets	-	-
• Fixed and complex production equipment	2814	2 850
• Assets in progress	2114	2 107
• Investments and related receivables	810	839
• Other financial assets	1571	1 377
• Deferred tax assets	36	33
CURRENT ASSETS - NET	5 538	5 103
INVENTORIES AND WORK IN PROGRESS	712	757
• Merchandise inventories	-	-
• Raw materials and supplies	9	11
• Other supplies	436	445
• Product inventories	261	301
• Inventories from assets	-	-
• External inventories	6	-
RECEIVABLES AND SIMILAR ITEMS	2 954	3 351
• Suppliers and related accounts	11	12
• Customers and related accounts	707	701
• Staff and related accounts	-	-
• Social security organizations and related accounts	2	6
• State and public authorities	1 197	1 224
• Group and associates	965	1 340
• Miscellaneous debtors	66	61
• Prepaid expenses	6	7
CASH AND CASH EQUIVALENTS	1 872	995
• Marketable securities	831	152
• Banks, financial institutions, and similar	1033	802
• Cash on hand	-	-
• Advance and letter of credit agencies	8	41
TOTAL ASSETS	13 369	12 801

LIABILITIES	Unit: Billions of DZD	
	2024	2023
EQUITY	9 408	8 713
• Issued capital	1 000	1 000
• Premiums and reserves	7 383	7 008
• Net income	812	675
• Retained earnings	213	30
NON-CURRENT LIABILITIES	801	640
• Provisions for expenses	580	426
• Taxes (deferred and provisions)	210	209
• Loans and financial debts	11	5
• Other non-current liabilities	-	-
CURRENT LIABILITIES	3 160	3 448
• Suppliers and related accounts	462	466
• Customers and related accounts	33	35
• Personnel and related accounts	34	32
• Social security organizations and related accounts	31	20
• Government and public authorities	476	311
• Group and associates	2 099	2 561
• Miscellaneous creditors	22	22
• Deferred income	3	-
• Cash and cash equivalents	-	1
TOTAL LIABILITIES	13 369	12 801

B. Income Statement as of December 31st, 2024

INCOME STATEMENT		Unit: Billions of DZD	
DESCRIPTION	2024	2023	
Sales and related income	6 523	7 218	
Stocked or destocked production -	-31	-56	
Capitalized production	448	389	
Operating subsidies			
I. PRODUCTION FOR THE YEAR	6 941	7 551	
Consumed purchases	208	190	
External services	1 830	1 929	
Other external services	161	154	
II. CONSUMPTION FOR THE YEAR	2 198	2 273	
III. ADDED VALUE	4 742	5 278	
Personnel expenses	249	241	
Taxes, duties, and similar payments	2 416	3 178	
IV. GROSS OPERATING SURPLUS	2 077	1 859	
Other operating income	248	215	
Other operating expenses	448	32	
Depreciation, provisions and impairment losses	1 006	924	
Reversals of impairment losses and provisions	45	48	
V. OPERATING PROFIT	916	1 166	
Financial income	230	206	
Financial expenses	33	534	
VI. FINANCIAL RESULT	197	-328	
VII. ORDINARY PROFIT BEFORE TAX (V+VI)	1 113	838	
Income taxes on ordinary profit	304	166	
Deferred taxes (changes) on ordinary profit	-3	-2	
TOTAL REVENUE FROM ORDINARY ACTIVITIES (c)-	7 464	8 020	
TOTAL EXPENSES FROM ORDINARY ACTIVITIES (d)	6 652	7 346	
VIII. RESULT OF ORDINARY ACTIVITIES (C-D)	812	674	
Extraordinary items (income)		1	
Extraordinary items (expenses)	-	-	
IX. EXTRAORDINARY RESULT		1	
X. NET RESULT FOR THE FINANCIAL YEAR	812	675	

C. Table of cashflow as of December 31st, 2024

Headings	Unit: Billions of DZD	
	2024	2023
Cash flow from operating activities		
Net income for the year	812	675
Adjustments for:		
• Depreciation and provisions	945	858
• Changes in deferred taxes -	-3	-2
• Share of grants transferred to income		
• Changes in inventories	48	54
• Changes in trade and other receivables -	-45	181
• Changes in trade payables and other liabilities	140	-666
• Gains or losses on disposals, net of taxes	2	2
• Retained earnings & liaison accounts	183	22
Net cash flow from operating activities (A)	2 081	1 124
Cash flow from investing activities		
• Acquisitions of intangible and tangible fixed assets -	-1 049	-2 379
• Disposals of intangible and tangible fixed assets	305	1 666
• Acquisitions of financial assets -	-330	-266
• Disposals of financial assets	164	216
• Equipment and investment grants		
Net cash flow from investing activities	-910	-763
(Cash flow from financing activities)		
• Change in equity	376	623
• Change in borrowings and financial debts	6	2
• Allocation of profit (previous year)		
• Coupons and dividends -	-280	-848
• Optional reserves -	-395	-600
Net cash flow from financing activities (C)	-293	-823
Cash flow for the period (A+B+C)	878	-462
Opening cash	994	1 456
Closing cash	1 872	994
Change in cash for the period	878	-462

D. Table of change in Equity as of December 31st, 2024

				Unit: Billions of DZD	
Designation	Share capital	Merger premium	Revaluation difference	Reserves and results	Total equity
Balance as of December 31st, 2022	1 000	32	191	7 619	8 842
• Change in accounting methods				-	-
• Corrections of significant errors				30	30
• Gains/losses not recognized in OCI			14		14
• Dividends paid				-848	-848
• Assets transferred by the State - -				-	-
• Net income for the year				675	675
Balance as of December 31st, 2023	1 000	32	205	7 476	8 713
• Change in accounting methods				-	-
• Corrections of significant errors				213	213
• Gains/losses not recognized in OCI -			-50		-50
• Dividends paid -				-280	-280
• Assets transferred by the State				-	-
• Net income for the year				812	812
Balance as of December 31st, 2024	1 000	32	156	8 221	9 408

3. Accounting Rules and Principles

Accounting Rules and Methods

Accounting methods are the specific principles, bases, procedures, and practical rules applied to prepare and present financial statements; they are consistently applied by SONATRACH.

When a specific transaction is not covered by any SCF rule, the Company exercises its judgment to define and implement accounting methods that provide relevant and reliable information.

The objective of financial statements is to provide useful information on:

- The Company's financial position (Balance Sheet).
- Performance (Income Statements).
- Changes in cash position (Cash Flow Statement).
- Detailed changes in shareholders' equity (Statement of Changes in Shareholders' Equity).

Pursuant to the provisions of Law 19-13 of December 11, 2019, governing the hydrocarbon activities, accounting for upstream activities must be kept under each upstream concession or hydrocarbon contract, as the case may be. However, for exploration and/or exploitation contracts governed by Law 05-07 of April 28, 2005, as amended and supplemented, relating to hydrocarbons, which is still in force, SONATRACH Spa's accounting is maintained by operating scope. It is also maintained by the pipeline transportation system, refining, petrochemical, and hydrocarbon liquefaction and processing facility.

The basic methods used for the valuation and presentation of the items recorded in the accounting are defined as follows :

<ul style="list-style-type: none"> • Intangible assets • Tangible assets • Financial assets 	<ul style="list-style-type: none"> • Acquisition/Production cost • Tangible assets • Acquisition cost/fair value
<ul style="list-style-type: none"> • Depreciation of assets • Impairments • Breakdown by components • Revaluation 	<ul style="list-style-type: none"> • Straight-line • Applicable to all relevant categories • Applicable to some industrial facilities • Option not selected
<ul style="list-style-type: none"> • Raw materials and merchandise inventory • Finished goods inventory • Stock withdrawals • Inventory tracking 	<ul style="list-style-type: none"> • Valuation at purchase cost • Valuation at production cost • Weighted average unit cost • Perpetual inventory
<ul style="list-style-type: none"> • Change in accounting method • Corrections of significant errors 	<ul style="list-style-type: none"> • Impact on retained earnings • Impact on retained earnings
<ul style="list-style-type: none"> • Receivables and Payables 	<ul style="list-style-type: none"> • Conversion at the exchange rate as of 12/31/N for receivables and payables denominated in foreign currencies
<ul style="list-style-type: none"> • Income statements • Cash flow statement 	<ul style="list-style-type: none"> • Presentation in accordance with • Indirect method

B. Accounting Principles

Intangible Assets

Intangible assets include computer software or other operating licenses and mineral deposit development costs.

Expenditures required to complete the development phase of an internal project constitute expenses to be capitalized as intangible assets when all of the following conditions are met simultaneously:

- The development project is clearly identifiable;
- The intention to complete the project for internal use or external sale;
- The availability of all resources necessary to complete the project;
- The existence of a sales market or evidence of the project's internal usefulness;
- Expenses attributable to the project are reliably measured.

If these conditions are not met, the costs incurred are not capitalized.

Intangible assets are recognized at their directly attributable cost.

Corporate Assets

Corporate assets are recorded at their directly attributable cost, including all acquisition and installation costs, taxes paid, non-recoverable taxes, and other direct charges.

The following principles apply to group or separate corporate assets:

- Low-value items as well as those consumed in the fiscal year are not recorded as assets.
- Spare parts and specific maintenance materials are recorded as corporate assets when their use is related to certain assets and if they are used over more than one fiscal year.
- Components of an asset are treated as separate items if they have different useful lives or provide economic benefits at different rates.

Hydrocarbon Production Assets

Development costs (drilling of development wells and construction of production capacity) are capitalized at their completion cost.

All equipment, parts, or components that, even if separable by nature, are technically essential to the operation of production assets and irreversibly incorporated into this set, are recorded at their acquisition cost or completion cost.

Major well maintenance work, particularly workover and

snubbing, intended to maintain or improve the recovery rate, is capitalized at its completion cost.

Site abandonment and restoration costs are not capitalized and are subject to annual provisions recorded as operating expenses, in accordance with the provisions of Law 19-13 of December 11, 2019, governing hydrocarbon activities.

Hydrocarbon production assets are depreciated on a straight-line basis, in accordance with the rates defined by the aforementioned law:

- Unproductive development wells: 100%
- Productive development wells: 12.5%
- Other wells (water, injection, etc.): 12.5%
- Surface facilities: 10%

Operations related to production sharing contracts (act 86-14)

Exploration, development, and operating costs are recorded in the appropriate fixed assets or expense accounts in exchange for a debt owed to SONATRACH's partner.

Exploration costs that have not resulted in commercially exploitable reserves are fully amortized in exchange for the cancellation of the related debt.

Repayment of the debt owed to partners under production sharing contracts is conditional on sufficient production in accordance with the production sharing terms defined in the partnership agreement.

Partners' remuneration (profit-oil), determined in accordance with the production sharing terms defined in the partnership agreement, is recorded in other operating expenses in exchange for a debt owed to SONATRACH's partner.

The debt to the partner is reduced each year by the share of production due to the partner (cost-oil) as repayment.

A tax on remuneration at a rate of 38%, as well as a share of production as the Tax on Exceptional Profits (TPE), are deducted at source by SONATRACH and remitted to the State, in accordance with the provisions of Laws 86-14 and 05-07, respectively.

Inventories and work in progress

The cost of inventories includes all costs incurred to bring the inventories to their current location and condition:

- Acquisition costs (purchases, consumables, purchasing-related expenses, etc.).
- Transformation costs (personnel costs and other variable or fixed expenses, with the exception of expenses attributable to a sub-activity of the entity);

- Overhead, financial expenses, and administrative expenses directly attributable to inventories.

Financial Assets

Financial assets held by SONATRACH Spa are recognized, at the date they are recognized as assets, at their acquisition cost, including brokerage fees, non-recoverable taxes, and bank charges. They break down as follows:

- Equity securities and related receivables, the long-term possession of which is deemed useful to the entity's business, in particular because it allows it to exert influence over or control the company issuing the securities, such as interests in subsidiaries, associates, or joint ventures.
- Fixed securities intended to provide the entity with satisfactory profitability in the more or less long term, but without involvement in the management of the companies in which the securities are held.
- Other fixed securities, representing capital or long-term investment shares, which the entity has the ability, intention, or obligation to hold until maturity.
- Loans and receivables issued by the Company that it does not intend or is unable to sell in the short term; loans of more than 12 months granted to third parties.

Monetary Elements

Transactions conducted in foreign currencies are converted at the exchange rate in effect on the value date of the payment.

The differences between the values initially recorded in the accounts at historical cost and those resulting from conversion at the inventory date are recognized as financial expenses or income for the period.

Exchange differences related to a monetary item that, in substance, is an integral part of the net investment in a foreign entity are:

- Recorded in the equity of the Company's financial statements until the exit from this net investment; and
- Recognized as income or expenses at the time of the exit from this investment.

Turnover

Turnover refers to the sales of goods and services, evaluated based on the selling price excluding taxes and realized within the framework of its ordinary activity.

National Hydrocarbons Market:

Sales for the needs of the national market are valued at the prices notified through regulations.

External Hydrocarbons Market:

Sales for export are valued at the international market price or at the contractual price depending on the products.

Provisions for employee benefits

At each closing of the fiscal year, a provision is recorded and established to cover the amount of the Company's commitments regarding End-of-Career Allocations (ECA), awarding loyalty medals, or similar benefits to employees.

These provisions are determined based on the present value of all obligations towards personnel using appropriate calculation assumptions and actuarial methods. These provisions are adjusted each year.

Report to retained earnings

Retained earnings consist of the unallocated portion of the net income generated by the Company and the amounts generated by changes in methods and corrections of significant errors.

The decision to make such an entry falls under the Ordinary General Meeting.

Valuation difference

The valuation difference arises from the difference between the fair value and the net book value of financial fixed assets as well as the net investments in subsidiaries abroad.

Extraordinary income

Extraordinary income results from revenues and expenses related to events or transactions that are clearly distinct from the normal activity of the Company and exhibit an exceptional nature.

Taxation

SONATRACH's taxation is subject to two (2) tax regimes, namely: a petroleum tax for upstream petroleum activities and a standard tax regime for downstream petroleum activities.

Petroleum Tax:

SONATRACH's Exploration and Production activity is subject to the petroleum tax regime provided for by the provisions of Law No. 19-13, of December 11, 2019, governing hydrocarbon activities, which provides for the payment of:

- A surface tax on the areas during the research, retention, or exploitation periods at a unit amount per Km².
- A hydrocarbon royalty on all quantities of hydrocarbons extracted and accounted for at the measurement point of each production area, valued at the prices notified by the ALNAFT agency for products intended for export and by the ARH agency

for products intended for the national market. The calculation basis for the hydrocarbons fee is equal to the valued production minus the cost of transportation by pipeline and, if applicable, the cost of natural gas liquefaction and the cost of LPG separation.

The fee rate is 10%, with the possibility of benefiting, under certain conditions, from a reduced rate that cannot be less than 5%.

The fee on hydrocarbon production, from an accounting perspective, is recorded in the 'Services' account. It is not considered a tax but an operating cost.

- An Income Tax on Hydrocarbons (IRH) with a rate ranging from a minimum of 10% to a maximum of 50%, determined based on a factor R calculated by the ratio of cumulative net revenues to cumulative expenses incurred at the level of the exploitation perimeter. This rate applies to the same calculation base (value of production) used to determine the hydrocarbon fee, less the authorized deductions for determining the base of the IRH.

Similar to the hydrocarbons fee, the maximum rate of the Hydrocarbon Income Tax (IRH) can be reduced to 20% under certain conditions.

- A corporate tax (IR) on hydrocarbon production activities of 30%, applicable to upstream oil activities (both independently and in partnership).
- A flat fee on anticipated production (produced during the exploration period). The amount of this fee is equal to 50% of the value of the production decreased by the cost of transportation via pipeline and, where applicable, the cost of liquefaction of natural gas and the cost of separating LPG.

Law No. 19-13 governing hydrocarbons also provides for the payment of other rights and taxes, namely:

- Flaring tax (applies to both upstream and downstream activities).
- Transfer rights fee (upstream activities).
- Water usage tax (upstream activities).
- Property tax on non-operational assets (upstream activities), as governed by the applicable tax legislation.

In addition, in accordance with the provisions of the said law, SONATRACH is responsible, under production-sharing contracts or risk service contracts, for paying:

- A tax on the remuneration of the foreign co-contractor on behalf of its partner(s). The amount of this tax is equal to 30% of the value of the gross remuneration due to the foreign partner.

Furthermore, pursuant to Article 230 of Law 19-13 governing hydrocarbon activities, SONATRACH continues to be subject to certain taxes and duties provided for by the tax regime of Law 05-07, as amended and supplemented, relating to hydrocarbons.

Indeed, for the old production areas, where production was recorded before February 20, 2013 (the date of promulgation of Law 13-01 amending and supplementing Law 05-07), SONATRACH pays:

- A royalty on all quantities of hydrocarbons extracted and accounted for at the measurement point of each production area, valued at the prices notified by the ALNAFT agency for products intended for export and by the ARH agency for products intended for the national market. The Royalty rates depend on the classification zone of the operating perimeter and the daily production ranges. They vary between 5.5% and 23%.

The hydrocarbon production royalty is recorded in the "Services" account in accounting terms. It is not considered a tax, but rather an operating expense.

- A Tax on Oil Income (TRP) with a rate varying between a minimum of 30% and a maximum of 70%, determined based on the cumulative production value since inception, applied to the tax base of the royalty (value of production).

It should also be noted that, in accordance with articles 230 and 237 of law n°19-13, SONATRACH continues to make payments on behalf of its foreign partners:

- A Tax on the remuneration of the partner at 38%, applicable to the gross payment due to foreign partners under contracts governed by law n°86-14 relating to hydrocarbons.
- A Tax on Exceptional Profits (TPE) applicable to the share of production belonging to foreign partners, under contracts governed by law no. 86-14, when the monthly arithmetic average of Brent crude oil prices is above 30 dollars per barrel.

Common law taxation

Common law taxation applies to activities carried out by SONATRACH other than those related to upstream oil operations. This taxation regime primarily provides for the payment of the following taxes:

- A Local Solidarity Tax (TLS) at a rate of 3% for the Pipelines Transportation of Hydrocarbons.
- A Company Profits Tax (IBS) at a rate of 26%.
- A Value Added Tax (VAT) on sales operations and service provisions intended for the domestic market.
- A Tax on Petroleum Products (TPP).

- A Fuel Tax.
- A Tax on oils, lubricants, and lubricating preparations.
- A Bank Domiciliation Tax (TDB) at a rate of 4% on service import operations.
- A Property Tax on built and unbuilt properties.
- Environmental and ecological taxes.

dividends, as well as favorable effects of exchange rate fluctuations.

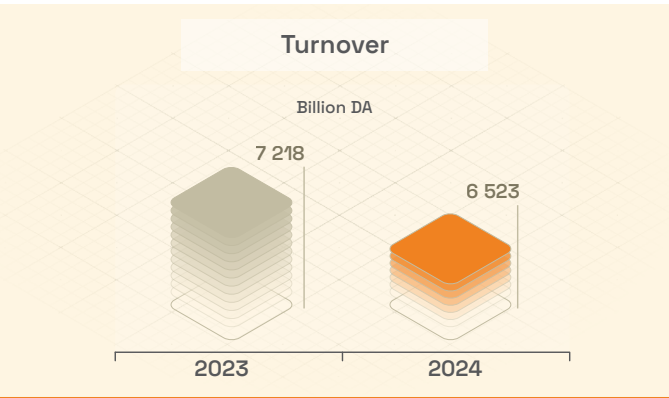
4. Key financial data

(1) Overall revenue

The overall revenue for the fiscal year 2024, including sales of hydrocarbons, resale in their original state, as well as services provided to third parties, amounted to 6,523 billion Algerian dinars, compared to 7,218 billion dinars in 2023, representing a decrease of 10%.

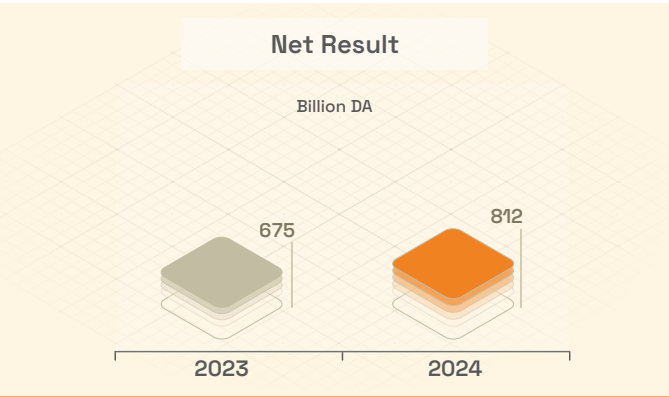
Hydrocarbon exports reached 6,019 billion DZD (equivalent to 45 billion USD) compared to 6,759 billion DZD (about 50 billion USD) in 2023, marking a decrease of 11%.

Concurrently, Sales on the domestic market grew by 5%; reaching 396 billion DZD.



2) Net result

The company's net result amounted to 812 billion DZD, compared to 675 billion DZD in 2023, showing an increase of 137 billion DZD. This improvement is mainly attributed to the rise in income from investments, received



(3) Acquisitions of Fixed Assets

Acquisitions of fixed assets totaled 855 billion DZD in 2024, compared to 818 billion DZD in 2023. Financial fixed assets also increased, rising from 2,215 billion DZD in 2023 to 2,381 billion DZD in 2024, an increase of 166 billion DZD.

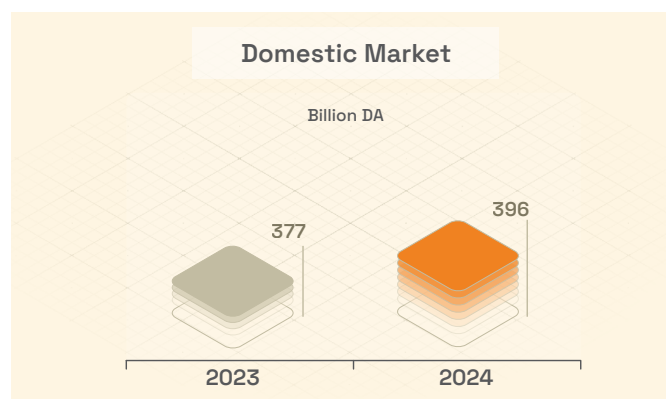
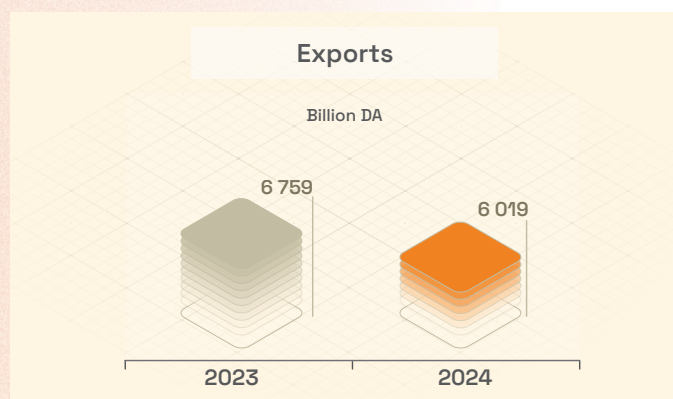
(4) Availability of the Fiscal Year

The available funds as of December 31, 2024, amounted to 1,872 billion DZD, representing an increase of 877 billion DZD compared to 2023. This increase is mainly attributed to the collection of dividends and the income generated by term investments that matured.

A. Sales of Finished Products

10°

	2024		2023	
	Exportation en DZD	National en DZD	Exportation en DZD	National en DZD
Crude oil	1 595		1 652	
LNG (Condensate)	230		287	
NG	1 734	97	2 182	101
LPG (Butane/Propane)	444	9	453	9
LNG	818		1 027	
Refined products	1 196	283	1 155	264
Petrochemical products	2	7	3	3
TOTAL	6 019	396	6 759	377



B. Off-Balance Sheet Commitments

Off-balance sheet commitments are rights and obligations conditioned by the occurrence of uncertain future events. They mainly include:

- Contingent liabilities resulting from events whose outcome is uncertain;
- Obligations for which it is not certain that they will result in an outflow of resources without equivalent compensation. As of December 31, 2024, off-balance sheet commitments amount to 42 billion DZD, primarily corresponding to guarantees granted to financial institutions and the customs administration (customs guarantees, letters of guarantee, documentary credits, etc.).

5. Notes to the financial statements

A. Capitalized production

Capitalized production includes the costs incurred for the implementation of investments carried out partly in-house, particularly for drilling and exploration services. It amounts to 448 billion DZD in 2024, compared to 389 billion DZD in 2023.

B. Financial Products

Financial products reached 230 billion DZD in 2024, an increase of 12% compared to 2023 (206 billion DZD). This category mainly consists of:

- Investment products: 125 billion DZD
- Revenue from financial assets: 82 billion DZD
- Currency gains: 19 billion DZD
- Revenue from receivables: 2 billion DZD
- Net profits from the sale of financial assets: 2 billion DZD.

C. Consumption for the fiscal year

Consumption for the fiscal year amounted to 2,198 billion DZD, including purchases of raw materials, supplies, and services. Their breakdown is as follows:

- Consumed purchases: 208 billion DZD
- Outside services: 760 billion DZD
- Royalties: 1,070 billion DZD
- Other outside services: 161 billion DZD

Compared to 2023, these consumptions decreased by 3%.

D. Added value

The added value, defined as the difference between production and consumption for the year, was established at 4,742 billion DZD in 2024, compared to 5,278 billion DZD in 2023, a decrease of 10%.

- Production for the year: 6,941 billion DZD.
- Consumption for the year: 2,198 billion DZD.

E. Personnel expenses

Personnel expenses have recorded a slight increase of 8 billion DZD, rising from 241 billion DZD in 2023 to 249 billion DZD in 2024.

F. Taxes, charges, and equivalent payments

This item amounts to 2,416 billion DZD, of which 98% is represented by the oil revenue tax (2,379 billion DZD).

G. Provisions for amortization and provisions

The provisions for amortization and provisions for the 2024 fiscal year amount to 1,006 billion DZD, representing a 9% increase compared to the previous year.

H. Financial Charges

The financial charges for the year amount to 33 billion DZD, mainly including exchange losses related to the revaluation of receivables and payables in foreign currencies.

The exchange losses recorded on foreign currency assets and invoices are 25 billion DZD.

6. Other information: Insurance

As part of its management and preservation policy of its assets, SONATRACH develops and implements structured insurance arrangements aimed at covering all risks inherent to its activities as well as those of its subsidiaries.

These insurance programs are designed to address two (02) main categories of risks:

- On one hand, industrial risks, such as industrial installations, equipment, and infrastructure, as well as liability risks that may arise from incidents or damages caused to third parties during operations.
- On the other hand, simple risks, such as administrative buildings, warehouses, or other secondary infrastructures.

The year 2024 experienced:

Industrial Risks:

For the period from July 1, 2024, to June 30, 2025, The continuation in its generality of the insurance contracts for Industrial Risks, under the same conditions.

Simple Risks:

For the period from July 1, 2024, to June 30, 2025. The renewal of various insurance coverage for Simple Risks in co-insurance with a panel consisting of four (04) companies, CASH, CAAR, CAAT, and SAA.

Personal Insurances:

For the period from January 1, 2024, to December 31, 2026. The renewal of the insurance coverage with the Algerian Life Company.

a. Industrial Risks

The insurance coverage for this type of risk is reflected in the following insurance contracts for the 2024 - 2025 fiscal year

All Risks Insurance Contract Except:

Including damage to facilities and industrial complexes, strategic equipment such as LNG / LPG complexes, refineries, gas/oil treatment units, transport infrastructure, and oil terminals.

The net premium amount for the 2024 - 2025 fiscal year was 62.823 million USD, representing a slight increase by 2% compared to the fiscal year 2023 - 2024. This increase is primarily due to the incorporation of new facilities as well as the reassessment of the values of the facilities under the GL2.Z Complex, LQS Activity, and the Hassi R'Mel Regional Directorate, EP Activity.

Cost Of Control Insurance Contract:

Including all incurred expenses as well as costs incurred in the operations aimed at regaining control of wells in order to take back the wells, related to Exploration and Production (EP) activities, excluding cases where operational control of these wells has been lost. The net premium amount for the 2024 - 2025 fiscal year was 3.281 million USD, representing a decrease of 13% compared to the 2023 - 2024 fiscal year. This change originates from drilling and workover programs.

Drilling Equipment Insurance Contract:

Including physical losses or damages caused by an external source, regardless of their origin and nature, to the Drilling Equipment related to ENTP Spa and ENAFOR Spa subsidiaries.

The net premium amount for the 2024 - 2025 period was 2.413 million USD, which is the same amount as in the 2023 - 2024 fiscal year.

General Civil Liability Insurance Contract:

Covering damages caused to others, whether bodily, material, or immaterial, in the context of the activities of SONATRACH and its subsidiaries. These coverages notably include general civil liability, liability for delivered products, pollution liability, as well as liability related to industrial sites and hydrocarbon transportation operations.

The amount of the portion of the net premium transferred to the international market was 1.382 million USD for the fiscal year 2024 - 2025, representing an increase of 7.47% compared to the fiscal year 2023 - 2024. As for the portion of the premium allocated to the local market, it remains constant at 32 million DZD.

Insurance Contract for Civil Liability Fueling:

Covering the financial consequences of the Civil Liability incurred by NAFTAL Spa due to accidental damage caused to third parties during fueling operations or due to refining, selling, and distributing products intended for aircraft.

The net premium amount for the 2024 - 2025 fiscal year was 0.174 million USD, which is the same amount as for the 2023 - 2024 fiscal year.

It should be noted that the placement of the various risks is distributed between the local market, local insurers, and the Central Reinsurance Company (CCR), as well as the international reinsurance market and the reinsurance captive - SONATRACH Re.

b. Simple Risks

The insurance coverage for this type of risk translates, for SONATRACH Spa and its subsidiaries, into three (03) year agreements, through the following insurance contracts:

Insurance Contract for Various Installations and Construction Equipment:

Including damage to various installations, mobile units, construction equipment, and fire trucks. The net insurance premiums for the "All Risks Except" and "Natural Disasters" covers for the period 2024 - 2025 were respectively 346.40 million DZD and 362.34 million DZD for an insured value of 911.58 billion DZD.

Property and Assets Insurance Contract:

Including damages caused to the entire property and assets, notably grouping together administrative buildings, social buildings, living quarters, recreational infrastructures, and others... The net insurance premiums for the 'All Risks Except' and 'Natural Disasters' coverages for the 2024 - 2025 fiscal year were 229.64 Million DZD and 358.06 Million DZD respectively, for an insured value of 765.48 Billion DZD.

Towed Tank and Product Loss Insurance Contract:

Including damage caused to towed tanks as well as the loss of products transported by towed tanks such as fuels, LPG, mud water and nitrogen or other petroleum products falling within the scope of the insured's activity. The net insurance premium for "All Risks Except" coverage, for the 2024 - 2025 financial year, was DZD 7.99 million for an insured value of DZD 8 billion.

Body Transport Insurance Contract:

Including damage caused to towed tanks as well as the loss of products transported by towed tanks such as fuels, LPG, mud water and nitrogen or other petroleum products falling within the scope of the insured's activity. The net insurance premium for "All Risks Except" coverage, for the financial year 2024 - 2025, was DZD 6.28 million for an insured value of DZD 1.57 billion.

Transport Insurance Contract for Assets:

The preferential premium rates are 0.008% for maritime transport, 0.010% for air transport, and 0.008% for land transport.

C.Personal Insurance:

The insurance coverage, concluded for a period of 3 years (2024 - 2026), is intended to cover all permanent staff in the event of death, permanent/total disability, and certain illnesses contracted.

It should be noted that the insurance programs are structured in partnership with leading national and international insurance companies, selected based on their financial strength, sector expertise, and ability to handle complex claims. The total amount of insured capital is reviewed annually, in line with the evolution of the Group's assets, the valuation of its holdings, and new industrial projects.

Furthermore, a periodic review of contracts is conducted to ensure their compliance with regulatory requirements, the Group's evolving risk profile, and international standards for risk management. This proactive approach allows SONATRACH to optimize its insurance coverage while strengthening the financial resilience of the company against operational uncertainties.

7. Certification of Financial Statements

Gentlemen, Members of SONATRACH General Assembly,

Gentlemen, Members of SONATRACH General Assembly,

We have the honor to report to you on the Audit mission we have carried out as Auditors.

We have reviewed the consolidated financial statements of the SONATRACH Group as approved by the Board of Directors of your Company for the financial year 2024 with a total balance sheet assets/liabilities of Thirteen trillion three hundred sixty-nine billion four hundred twenty seven million four hundred seventy three thousand one hundred and seven dinars and three centimes) of the consolidated accounts.(13369427473107,03 DA) and a net profit of eight hundred eleven billion five hundred nine million eight hundred thirty-eight thousand two hundred ninety-six dinars and seventy-four centimes.(811 509 838 296, 74 DA);

Our different Audit works, carried out mainly on the basis of surveys, cross-checkings and techniques which seemed to us to be the most appropriate, have been performed in accordance with the normal diligence rules.

Considering the results of these works, we certify, provided that the remarks and observations made are addressed, that the presented consolidated statements are true and fair and give a faithful image of the results of the activities, of the financial and asset position of your Group for the year ended 31st December 2024.

Algiers 16 June 2025

The Auditors



HAMA NACHE Mohamed

Expert Comptable - Diplôme d'État
commissaire aux comptes

REBAI Rezki



BENHABILES Zoheir

AZOUAOU Farid

AZOUAOU Farid
Expert Comptable - Diplôme d'État
Commissaire aux comptes

سوناطراک



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The Head Office

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