

To: THE GENERAL MEETING OF SHAREHOLDERS

R E P O R T

On certain transactions concluded between Romgaz and other public companies between December 2023
- January 2024

Pursuant to Article 52 paragraph (1) of Government Ordinance No.109/2011¹ „*The Board of Directors [...] convenes the general meeting of shareholders in order to approve any transaction, if its value, individually or in a series of concluded transactions, exceeds 10% of the value of net assets [...] or exceeds 10% of the revenue ... with the controlling shareholders or with a company controlled by such shareholders*”.

Moreover, pursuant to Article 52 paragraph (3) of Government Emergency Ordinance No. 109/2011 ”*The Board of Directors [...] informs the shareholders, during the first general meeting of shareholders following the legal act, on any transaction concluded by the public company with:*

- a) the persons provided in paragraph (1) and (2) and the value of the transaction does not exceed the level established in paragraph (1);
- b) another public company or with the public supervisory authority, if the transaction has a value, individually or in a series of transactions, of at least the equivalent in RON of EUR 100,000”.

Public company has the following meanings (Article 2 paragraph 2 of Government Emergency Ordinance No. 109/2011):

- a) autonomous regies established by the state or by a territorial administrative unit;
- b) national companies and corporations, companies in which the state or a territorial administrative unit is sole or majority shareholder or in which it has control;
- c) companies in which one or more public companies referred to at letter a) and b) have a majority or a controlling interest.

Taking into consideration the requests for offer no. 59/05.01.2024 and no. 198/12.01.2024 of Termocentrale Constanța SRL and the offers no. 370/05.01.2024, no.1393/15.01.2024 respectively, sent by Romgaz and accepted by Termocentrale Constanța, in January 2024, the following contracts were concluded:

- Natural gas sales contract no. VG1/2024 with a value which exceeds the equivalent in RON of EUR 100,000 and which is not in compliance with Article 52 paragraph (1) of Government Emergency Ordinance no. 109/2011;
- Natural gas sales contract no. VG2/2024 with a value which exceeds the equivalent RON of EUR 100,000 and which is not in compliance with Article 52 paragraph (1) of Government Emergency Ordinance no. 109/2011, resulting in the obligation to inform the shareholders of the company.

The City Council Of Constanța holds 100% of Termocentrale Constanța SRL shares.

The main features of the signed natural gas sale contract no. VG1/2024 are as follows:

- o contractual quantity is fixed and firm;
- o the delivery point: in VTP (Virtual Transaction Point) of NTS (National Transmission System);
- o delivery period 10 January, 2024 - 31 January, 2024;
- o value: RON 6,432,723 excluding VAT;

¹ Government Emergency Ordinance No. 109 of November 30, 2011 on corporate governance of public companies as subsequently amended and supplemented.

- payment
 - when due, within maximum 30 days of invoice issue, with a letter of bank guarantee submitted by the Buyer, the value of which must cover the equivalent value of delivered natural gas (including VAT);
 - in advance, before the delivery month begins.

The main features of the signed natural gas sale contract no. VG2/2024 are as follows:

- contractual quantity is fixed and firm;
- the delivery point: in VTP (Virtual Transaction Point) of NTS (National Transmission System);
- delivery period 1 February 2024 - 31 March 2024;
- value: RON 8,756,483.12, excluding VAT;
- payment
 - when due, within maximum 30 days of invoice issue, with a letter of bank guarantee submitted by the Buyer, the value of which must cover the equivalent value of delivered natural gas (including VAT);
 - in advance, before the delivery month begins.

Furthermore, during December 2023 - January 2024 Romgaz concluded transactions with **underground gas storage operators and gas transmission services** as follows:

1) SNGN ROMGAZ SA - Filiala de Înmagazinare Gaze Naturale DEPOGAZ SRL - provision of underground storage services

Following Termocentrale Constanța failure to take over certain natural gas quantities due to non-payment, corroborated with the increase of the production potential during 30 December 2023 - 2 January 2024, a quantity of approximately 13,000 MWh which could have been stored was made available, a decision was made to inject this additional quantity in the UGSs.

For this quantity to be stored it was necessary to book the corresponding capacity in the UGSs, and therefore Romgaz concluded with Termocentrale Constanța the Protocol regarding the transfer of the underground capacity transfer, registered under no. 3566/29.12.2023. According to this document, Romgaz takes over from Termocentrale Constanța 6.050 MWh storage capacity in Depogaz UGSs.

Consequently, Addendum no 7/2024 to Contract no.1236/2023 (for underground services - with Depogaz) was concluded, supplementing the storage capacity with 6.050 MWh, the contract value increased by RON 139,331,50, up to RON 22,802,305.901 (excluding VAT).

2) SNTGN TRANSGAZ SA Mediaș (TSO) - provision of natural gas transmission services

Transmission capacity booking in entry/exit points to/from the National Transmission System (NTS) is made annually, quarterly, and monthly, taking into account on one hand, the delivery profile to end clients/customers and on the other hand, costs optimization for Romgaz.

Therefore, in line with the calendar for transmission capacity booking, for gas year 2023-2024, the Network User (NU) Romgaz booked annual transmission capacity, calculated in order to achieve the lowest cost (optimize the cost per portfolio). Additionally, to the terms set by law, NU Romgaz books quarterly and monthly transmission capacity.

The table below shows a summary of transactions:

Contract (Number/Date)	Scope of Contract	Term of Contract	Contracted Capacity (MWh)	Value, VAT exclusive (RON)
359L/20.12.2023	Provision of monthly gas transmission services at NTS entry point	01.01.2024 01.02.2024	127,193	1,513,596.70
362L/20.12.2023	Provision of monthly gas transmission services at NTS exit point	01.01.2024 01.02.2024	126,926.20	1,257,839.09
458L/17.01.2024	Provision of monthly gas transmission services at NTS exit point	01.02.2024 01.03.2024	101,848.64	667,108.58
459L/17.01.2024	Provision of monthly gas transmission services at NTS entry point	01.02.2024 01.03.2024	146,015	1,149,138.05

Depending on the daily natural gas requirements (following changes in the client portfolio) and in order to optimize the costs for transmission capacity booking, Romgaz took over/transferred transmission capacity from/to other NTS users. Therefore, in accordance with the provisions of the Network Code for the NTS, approved by ANRE President Order No.16/2013, Romgaz concluded with S.N.T.G.N. Transgaz S.A. the following Addenda to:

- ✓ Gas transmission contract for NTS exit points no.151L/18.10.2023:

Addendum No.	Contract scope	Contract term	Transmission capacity (MWh)			Value, VAT exclusive (RON)
			transferred	taken	returned	
1	Provision of monthly gas transmission services at NTS entry point	01.11.2023 01.12.2023	2,400			9,192
2					2,400	0
3			2,400			9,192
4			33,600			128,688

Gas Transmission Contracts are Framework Agreements and have the following characteristics:

- ✓ The scope of contract is provision of natural gas transmission services designating the activities and operations carried out by the TSO for or in connection with transmission capacity booking at the entry/exit points in/from the NTS and transmission through the National Transmission System (NTS) of gas quantities, expressed in units of energy, to the entry/exit points in/from the NTS;
- ✓ Contract term: annual, quarterly, daily;
- ✓ Tariffs applicable for transmission services regulated by ANRE Order;
- ✓ Payment: within 15 calendar days from the date of invoices issuance.

Resolution Draft

„The Ordinary General Meeting of Shareholders takes note of the Report on certain transactions concluded between S.N.G.N. ROMGAZ S.A. and other public companies during December 2023 - January 2024”.

Chairman of the Board of Directors
Dan Dragoș DRĂGAN

Chief Executive Officer
Răzvan POPESCU

Deputy Chief Executive Officer
Aristotel Marius JUDE

Chief Financial Officer
Gabriela TRÂNBÎȚAȘ

Director of Energy Trading Department
Radu Costică MOLDOVAN