

Aproved
Board of Directors Chairman
Dan Dragoş DRĂGAN

To:

S.N.G.N. ROMGAZ S.A. ORDINARY GENERAL MEETING OF SHAREHOLDERS

**REQUEST FOR APPROVAL OF REVOLVING CREDIT FACILITIES NEEDED BY S.N.G.N ROMGAZ S.A.
FOR SUPPORTING THE OPERATING AND INVESTMENT ACTIVITY (INCLUDING DEVELOPING NEPTUN
DEEP PROJECT)**

1. Brief History

S.N.G.N. ROMGAZ S.A. (hereinafter referred to as ROMGAZ or the Company) is the main natural gas producer and supplier in Romania with a history of over 100 years.

ROMGAZ is a joint-stock company in which the Romanian state as majority shareholder owns 70% of the shares issued by the Company, the other 30% being held by legal entities and individuals.

Since November 12, 2013, Company shares have been traded on the regulated market governed by BVB (Bucharest Stock Exchange) - under the "SNG" symbol and on the main market for financial instruments traded on LSE (London Stock Exchange) as global depositary receipts (GDR) issued by The Bank of New York Mellon under the "SNGR" symbol.

ROMGAZ is considered an attractive company for investors as regards stability and development perspectives also reflected in the evolution of ROMGAZ share prices in recent years.

ROMGAZ mission is to sustainably increase the added value for the Company, employees and shareholders and long-term resilience.

Resolution No.10 dated November 4, 2021 of the Ordinary General Meeting of Shareholders approved "S.N.G.N. ROMGAZ S.A. 2021-2030 Strategy" which includes, among the main objectives, increasing the the portfolio of offshore hydrocarbon resources and reserves in the Black Sea, in particular the development of Neptun Deep project through Romgaz Black Sea Limited (hereinafter RBSL; subsidiary 100% owned by ROMGAZ) which will also ensure Romania's energy transition by using natural gas as an essential transition fuel.

Neptun Deep offshore project will improve long term security of gas supply in Romania and the region and at the same time will contribute to a low carbon economy, the first gas production being expected at the beginning of 2027.

The final investment decision for developing Neptun Deep project was made in 2023. ANRM (Mineral Resources National Agency) approved the development plan. The investments estimated for the development phase of the project are up to EUR 4 billion, out of which ROMGAZ must provide 50%.

At present, Neptun Deep block is under the commercial reservoir development phase which involves drilling works and building the infrastructure necessary for natural gas production and sale. More than

90% of major execution contracts are concluded, with firm commitments for 2024-2026, to ensure the start of natural gas production at the estimated time, in 2027.

Besides this project, ROMGAZ develops a series of significant projects which are designed to maintain the annual decline of natural gas under 2.5% (e.g. Caragele project), as well as electric power projects (e.g. finalizing Iernut power plant and investing in renewable energy projects).

2. Overview. The Need for External Financing Sources.

Considering the ongoing projects for implementing ROMGAZ development strategy, in order to support the current activity as well as the investments (including Neptun Deep project development), at the end of December 2023, ROMGAZ concluded the business plan for 2023-2032 to determine the level of necessary external financing sources taking into consideration multiple financing scenarios. The business plan revealed that the best financing structure is a combination of notes issuance and bank loans/credit facilities, the financing of Neptun Deep block development will be financed through a contribution to the share capital of RBSL. The financing solution through a contribution to the share capital of RBSL is supported by the tax opinion of the tax consultant, which has a minimal tax risk attached to this option in terms of deductibility of interest charged by ROMGAZ creditors, if the contribution to the RBSL share capital is made from Romgaz own funds.

Therefore, the funds generated by ROMGAZ from its own activity will be used primarily to finance the development of Neptun Deep block. The external financing obtained to provide the financial resources needed for ROMGAZ' current and investment activities will be used only exceptionally for financing RBSL..

During 2024, the business plan was updated to accommodate the most recent legal amendments.

According to the updated business plan, own financial resources generated from ROMGAZ current activity in the upcoming period will not be sufficient to support the current activity and the investments (including Neptun Deep). Depending on the analyzed financing scenarios, the financing needs from external sources, for 2024-2027, is between RON 8.0 billion - RON 11.5 billion. The lower limit of RON 8.0 billion is generated by the following structure:

- Notes issuance in amount of EUR 1.5 billion (approximately RON 7.5 billion);
- Bank loans/credit facilities of EUR 0.25 billion (approximately RON 1.25 billion);
- Financing of Neptun Deep project development through contribution to the share capital of RBSL.

3. Bank loan

Non-binding offers, bridge loan until the next notes issue and Revolving Credit Facilities were requested in order to obtain the best credit terms.

a) Bank loan/bridge loan for notes issue

For bank loans/bridge loans for notes issue, non-binding requests for proposals were sent to financial institutions to which were sent requests for offers for the bookrunner role.

The minimum main conditions contained in the request for proposal with the possibility for banks to bid for any amount up to EUR 500 million were:

Borrower:	ROMGAZ
Amount:	EUR 500 million
Scope:	bridge bank loan for notes issuance

Maturity: 18 months with 3 possible extensions of 6 months or a 3-year loan facility

b) RCF (Revolving Credit Facilities)

To contract RCF, requests for non-binding proposals were submitted to several banks with physical location.

The minimum main conditions contained in the request for proposal with the possibility for banks to submit an offer for any amount up to EUR 250 million were:

Borrower:	ROMGAZ
Amount:	EUR 250 million
Currency:	EUR or RON
Maturity:	12 months from the first use, with possible extension of 6 months up to maximum 2 years
Interest and margin:	the offer shall contain information related to the interest and the margin
Loan granting fee:	the offer shall contain information related to the loan granting fee
Non-usage fee:	the offer shall contain information related to the non-usage fee

The indicative offers obtained by ROMGAZ were evaluated as extremely advantageous in terms of costs and increased appetite from financial institutions to support and validate the development strategy of ROMGAZ.

Analysis of offers

Following the analysis of the non-binding offers submitted by financial institutions, two financial institutions were selected for the RCF, as follows:

- Banca Transilvania SA, for the amount of EUR 150 million, the equivalent in RON, with a maturity of 36 months;
- UniCredit Bank SA, for the amount of EUR 100 million, with a maturity of 24 months.

In order to cast their vote, interested shareholders may consult the binding offers at ROMGAZ headquarters office in No. 4, C.I. Motas Square, 551130, Medias, Sibiu County.

In accordance with the provisions of Article 12 of ROMGAZ Articles of Incorporation paragraph 4 letter g), **the Ordinary General Meeting of Shareholders** has the power to approve bank loan contracts whose value exceeds, individually or cumulatively, the equivalent in RON of EUR 100 million.

Therefore, we submit for approval to the Ordinary General Meeting of Shareholders of S.N.G.N. Romgaz S.A. the following:

Draft Resolution:

Article 1

Approval of the entering into a credit facility in the form of a current account credit line with Banca Transilvania S.A., in an aggregate amount of EUR 150,000,000.00, with a maturity of 36 months from the date of signing of the agreement, for the purpose of covering the working capital needs of S.N.G.N. Romgaz S.A.

Article 2

Approval of the entering into a credit facility in the form of a credit line with UniCredit Bank S.A., in an aggregate amount of EUR 100,000,000.00, with a maturity of 24 months from the date of signing of the agreement, for the purpose of covering the general needs and expenses of S.N.G.N. Romgaz S.A.

Article 3

Approval of the authorisation of the Board of Directors of the Company, with the possibility of subdelegation, to issue any resolution and to perform any necessary, desirable and/or appropriate legal acts and deeds for the fulfillment of the above Ordinary General Meeting of Shareholders resolutions, including, but not limited to the approval of any other details and terms of the above mentioned agreements, including the applicable rates of interest, the relevant fees, the availability periods, repayment of the loans.

Article 4

Approval of the authorisation of the Company's CEO and CFO, in the name and on behalf of the Company, with full power and authority, to sign the agreements mentioned at the art.1 and art.2 as well as any necessary, desirable and/or appropriate documents in connection with the aforementioned agreements, to submit, collect any documents, as well as to perform any necessary formalities before any other authorities, public institutions, legal or natural persons, as well as to perform any acts or operations in order to comply with and ensure the opposability of the above Ordinary General Meeting of Shareholders resolutions for the agreements mentioned at the art.1 and art.2

Chief Executive Officer
Razvan POPESCU

Chief Financial Officer
Gabriela Tranbitas

Finance Director
Ioana Zilahi

Head of Treasury Office
Ildiko David

Head of Controlling Office
Andrei Novac

Endorsed by,
Legal Department