



Societatea Națională de Gaze Naturale “Romgaz” SA

*(a joint stock company (societate pe acțiuni) incorporated under the laws of Romania,
with its registered office at Mediaș, C.I. Motas Square 4, Sibiu County, Romania,
registered with the Sibiu Trade Registry under No. J32/392/2001, sole registration code 14056826)*

€1,500,000,000

Euro Medium Term Note Programme

Any notes (“Notes”) issued pursuant to this base prospectus (the “**Base Prospectus**”) under the Euro Medium Term Note Programme (the “**Programme**”) on or after the date of this Base Prospectus are issued subject to the provisions described herein. Under the Programme, Societatea Națională de Gaze Naturale “Romgaz” SA (the “**Issuer**”, “**Romgaz**” or the “**Company**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Notes. The aggregate principal amount of Notes outstanding under the Programme will not at any time exceed €1,500,000,000 (or the equivalent in other currencies), subject to increase as provided herein.

This Base Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) as competent authority under Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and the Luxembourg act relating to prospectuses for securities dated 16 July 2019 (the “**Luxembourg Prospectus Law**”) for the purpose of giving information with regard to the issue of Notes issued under the Programme described in this Base Prospectus during the period of 12 months from the date of approval of this Base Prospectus. This Base Prospectus comprises a base prospectus for the purpose of Article 8(1) of the Prospectus Regulation. Application has been made to list Notes issued under the Programme on the official list (the “**Official List**”) of the Luxembourg Stock Exchange, to admit Notes to trading on the regulated market of the Luxembourg Stock Exchange and application may also be made to the Bucharest Stock Exchange for such Notes intended to be admitted to trading on the regulated market and may be made on any other stock exchange. These regulated markets (each, a “**Regulated Market**”) are regulated markets for the purposes of Directive 2014/65/EU (as amended, “**MiFID II**”). References in this Base Prospectus to Notes being “**listed**” (and all related references) shall, unless the context otherwise requires, mean that such Notes have been admitted to the Official List and/or on the regulated market of the Luxembourg Stock Exchange, and admitted to trading on a Regulated Market.

The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation; such approval should not be considered as (a) an endorsement of the Issuer; or (b) an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in line with the provisions of Article 6(4) of the Luxembourg Prospectus Law.

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid through 20 September 2025 in relation to Notes which are to be admitted to trading on a Regulated Market in the European Economic Area (the “**EEA**”) and/or offered to the public in the EEA where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any U.S. state securities laws, and may not be offered, sold or delivered within the United States (as defined in Regulation S (“**Regulation S**”) under the Securities Act), except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under “Risk Factors” herein.

Arrangers and Dealers

BT CAPITAL PARTNERS

CITIGROUP

ERSTE GROUP

J.P. MORGAN

RAIFFEISEN BANK INTERNATIONAL

UNICREDIT

The date of this Base Prospectus is 20 September 2024.

IMPORTANT NOTICES

Final Terms/Drawdown Prospectus

Each Tranche (as defined under “*General Description of the Programme*” below) of Notes will be issued on the terms set out herein under “*Terms and Conditions of the Notes*” (the “Conditions”) as completed by a document specific to such Tranche called final terms (the “Final Terms”) which will be delivered to the CSSF and, where listed, the Market or in a separate prospectus specific to such Tranche (the “Drawdown Prospectus”) as described under “*Final Terms and Drawdown Prospectuses*” below.

Responsibility for this Base Prospectus

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer, the information contained in this Base Prospectus (or the relevant Final Terms, as the case may be) is in accordance with the facts and this Base Prospectus (or the relevant Final Terms, as the case may be) makes no omission likely to affect the import of such information.

Third Party Information

If and to the extent information contained in this Base Prospectus and the Final Terms for each Tranche of the Notes issued under the Programme has been sourced from a third party, the Issuer confirms that to the best of its knowledge this information has been accurately reproduced and that, so far as the Issuer is aware and able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Notes

Notes may only be issued under the Programme which have a denomination of at least €100,000 (or its equivalent in any other currency at the relevant issue date).

Each Tranche of Notes in registered form (“**Registered Notes**”) will be represented by either: (a) individual note certificates in registered form (“**Individual Certificates**”); or (b) one or more global note certificates (“**Global Certificates**”).

Each Note represented by a Global Certificate will either be: (a) in the case of a Global Certificate which is not to be held under the new safekeeping structure (“**NSS**”), registered in the name of a common depositary (or its nominee) for Euroclear Bank SA/NV (“**Euroclear**”), Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system and the relevant Global Certificate will be deposited on or about the issue date with the common depositary and/or the sub-custodian; or (b) in the case of a Global Certificate to be held under the NSS, registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Global Certificate will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Each Tranche of Notes in bearer form (“**Bearer Notes**”) will initially be in the form of either a temporary global note in bearer form (the “**Temporary Global Note**”), without interest coupons, or a permanent global note in bearer form (the “**Permanent Global Note**”), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a “**Global Note**”) which is not intended to be issued in new global note (“**NGN**”) form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of Notes with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the “**Benchmark Regulation**”). If any such reference rate does constitute such a benchmark, the applicable Final Terms (as defined below) will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to Article 36 of the Benchmark Regulation. Not every reference rate will fall within the scope of the Benchmark Regulation. Transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms (or, if located outside the European Union (the “**EU**”), recognition, endorsement or equivalence). The registration status of any administrator under the Benchmark

Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Final Terms to reflect any change in the registration status of the administrator.

Amounts payable under Floating Rate Notes may be calculated by reference to EURIBOR, €STR or SOFR (each as defined in the Conditions), as specified in the applicable Final Terms. As at the date of this Base Prospectus, the European Money Market Institute (as administrator of EURIBOR and €STR) is included in the register of administrators maintained by ESMA under Article 36 of the Benchmark Regulation. As at the date of this Base Prospectus, the Federal Reserve Bank of New York (as administrator of SOFR) is not included in the register of administrators maintained by ESMA under Article 36 of the Benchmark Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that the Federal Reserve Bank of New York (as administrator of SOFR) is not currently required to obtain authorisation or registration (or, if located outside the EU, recognition, endorsement or equivalence).

Other relevant information

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes, must be read and construed together with the relevant Final Terms. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, a reference to a law or regulation or a provision thereof is a reference to such law or regulation or provision thereof as extended, amended or restated.

Save for the Issuer, no other party has separately verified all the information contained in this Base Prospectus. None of the Arrangers or the Dealers or the Calculation Agent or any of the Agents accepts any responsibility for the contents of this Base Prospectus (or any Final Terms), or any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Arranger, Dealer, Calculation Agent or Agent) in connection with the issue and offering of Notes or for any other statement, made or purported to be made by the Arrangers or the Dealers or the Calculation Agent or Agents or on its or their behalf in connection with the Issuer or the issue and offering of any Notes. Each of the Arrangers, the Dealers, the Calculation Agent and the Agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus, any Final Terms or any such statement. The statements made in this paragraph are without prejudice to the responsibilities of the Issuer under or in connection with this Base Prospectus, any Final Terms and the Notes.

In the ordinary course of business, the Arrangers and the Dealers may have engaged and may in the future engage in banking or investment banking transactions with the Issuer and its affiliates or any of them.

References in this Base Prospectus to a “**Holder**” or “**Noteholder**” are to the holder of a Bearer Note or the person in whose name a Registered Note is registered, as the case may be.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus (and the relevant Final Terms, where applicable) or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Arrangers, the Dealers or any Agent.

Neither this Base Prospectus nor any other information supplied in connection with the offering of any Notes is intended to constitute, and should not be considered as, a recommendation by any of the Issuer and the Issuer’s subsidiaries (the “**Subsidiaries**”) taken as a whole (collectively, the “**Romgaz Group**”), the Arrangers, the Dealers, the Calculation Agent or the Agents that any recipient of this Base Prospectus, any Final Terms or any other information supplied in connection with the Programme or the offering of Notes should purchase any Notes. None of the Arrangers or the Dealers or any of their respective affiliates or any Agent has authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true at any time subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer or the Romgaz Group since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any

other information supplied in connection with the Programme or the offering of any Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Arrangers, the Dealers, the Calculation Agent and Agents expressly do not undertake to review the financial condition or affairs of the Issuer or the Romgaz Group during the life of the Programme nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arrangers, the Dealers, the Calculation Agent or the Agents. Investors should review, *inter alia*, the most recent published financial statements of the Romgaz Group when evaluating the Notes.

Suitability of investment

The Notes are complex financial instruments and may not be a suitable investment for all investors. Such instruments may be purchased by investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to the prospectus or any applicable Drawdown Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal or interest payments is different from the currency in which the potential investor's financial activities are principally denominated;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets;
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- (vi) understand the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the relevant Notes.

The Notes may provide greater liquidity than a bank deposit since bank deposits are generally not transferable. Conversely, unlike certain bank deposits (i) holders of the Notes have no ability to require repayment of their investment other than in very limited circumstances and (ii) Holders of the Notes will not have the benefit of any insurance or deposit guarantee of any government agency.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent: (i) Notes are legal investments for it; (ii) Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Notes to retail investors. There are risks inherent in the holding of the Notes, including the risks in relation to their ranking and the circumstances in which Noteholders may suffer loss as a result of holding the Notes. See also the risks described in the section entitled "*Risk Factors*".

Restrictions on distribution

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction and/or to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. The Issuer, the Arrangers and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arrangers or the Dealers which is intended to permit a public offering of any

Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see “*Subscription and Sale*”.

PROHIBITION OF SALES TO NATURAL PERSONS WHO ARE ROMANIAN TAX RESIDENTS -

Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to natural persons who are Romanian tax residents.

Notes with a maturity of less than 12 months that qualify as securities and money market instruments in accordance with Article 17(1) of the Luxembourg Prospectus Law may not be offered or sold to the public within the territory of the Grand Duchy of Luxembourg (“**Luxembourg**”) unless: (i) a simplified prospectus (*prospectus allégé*) has been duly approved by the CSSF pursuant to part III of the Luxembourg Prospectus Law; or (ii) the offer benefits from an exemption to or constitutes a transaction not subject to, the requirement to publish a simplified prospectus under part III of the Luxembourg Prospectus Law and any additional requirements under part III of the Luxembourg Prospectus Law are complied with.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.

NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes include a legend entitled “*Prohibition of Sales to EEA Retail Investors*”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a “**retail investor**” means a person who is one (or more) of:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS – If the Final Terms in respect of any Notes include a legend entitled “*Prohibition of Sales to UK Retail Investors*”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a “**retail investor**” means a person who is one (or more) of:

- (a) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
- (b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA (“**UK MiFIR**”).

Consequently, no key information document required by the PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making

them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II PRODUCT GOVERNANCE/TARGET MARKET – The Final Terms in respect of any Notes will include a legend entitled “*MiFID II Product Governance/Target Market*” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance Rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled “*UK MiFIR Product Governance/Target Market*” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

Investors to make own investigations

Neither this Base Prospectus nor any Final Terms nor any of the documents incorporated by reference constitutes an offer or an invitation to subscribe for or purchase any Notes and are not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arrangers or the Dealers that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

Programme limit

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €1,500,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Programme Agreement as defined under “*Subscription and Sale*”). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Programme Agreement.

Currency definitions

Unless otherwise indicated, all references in this Base Prospectus to “**Euro**”, “**euro**”, “**EUR**” or “**€**” are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended; all references to “**dollars**”, “**\$**”, “**U.S.\$**” or “**USD**” are to the lawful currency of the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia (the “**United States**” or “**U.S.**”); all references to “**leu**”, “**Romanian Leu**” and “**RON**” are to the lawful currency of Romania.

The Issuer prepares its financial statements in Romanian Leu and, unless otherwise indicated, the financial information contained in this Base Prospectus has been expressed in Romanian Leu.

Exchange Rates

Unless otherwise indicated, the currency exchange rates set out below are used throughout this Base Prospectus for any conversions between the relevant currencies as at the relevant dates¹:

As at 30 June 2024:

- the exchange rate for RON to EUR was RON 4.9771 to EUR 1;
- the exchange rate for RON to USD was RON 4.6489 to USD 1; and
- the exchange rate for USD to EUR was USD 1.0705 to EUR 1.

As at 31 December 2023:

- the exchange rate for RON to EUR was RON 4.9746 to EUR 1;
- the exchange rate for RON to USD was RON 4.4958 to USD 1; and
- the exchange rate for USD to EUR was USD 1.1050 to EUR 1.

As at 30 June 2023:

- the exchange rate for RON to EUR was RON 4.9634 to EUR 1;
- the exchange rate for RON to USD was RON 4.5750 to USD 1; and
- the exchange rate for USD to EUR was USD 1.0866 to EUR 1.

As at 31 December 2022:

- the exchange rate for RON to EUR was RON 4.9474 to EUR 1;
- the exchange rate for RON to USD was RON 4.6346 to USD 1; and
- the exchange rate for USD to EUR was USD 1.0666 to EUR 1.

As at 31 December 2021:

- the exchange rate for RON to EUR was RON 4.9481 to EUR 1;
- the exchange rate for RON to USD was RON 4.3707 to USD 1; and
- the exchange rate for USD to EUR was USD 1.1326 to EUR 1.

Ratings

As at the date of this Base Prospectus, the issuer credit rating assigned to the Issuer by Fitch Ratings (“**Fitch**”) was BBB-, with a stable outlook. Fitch is established in the EEA and are certified under Regulation (EC) No. 1060/2009, as amended (the “**CRA Regulation**”). As such, Fitch is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation.

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) applicable to the Issuer or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be: (a) issued by a credit rating agency established in the EEA and registered under the CRA Regulation; (b) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation; or (c) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation, will be disclosed in the relevant Final Terms.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

¹ Source for RON to EUR and RON to USD: <https://www.bnro.ro/Interactive-database-1107.aspx>; source for USD to EUR: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html

Stabilisation

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the relevant Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

Notice to Swiss permitted investors

The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“**FinSA**”) and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland. No key information document according to the FinSA or any equivalent document under the FinSA has been prepared in relation to the Notes, and, therefore, the Notes may not be offered or recommended to private clients within the meaning of the FinSA in Switzerland.

Singapore SFA Product Classification

In connection with Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore (as modified and amended from time to time, the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes issued under the Programme are “prescribed capital markets products” (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

SUPPLEMENT TO THE BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a further base prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Market, shall constitute a supplement to the base prospectus as required by Article 23 of the Prospectus Regulation.

FORWARD-LOOKING STATEMENTS

This Base Prospectus and the information incorporated by reference into this Base Prospectus include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “plans”, “goal”, “target”, “aim”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Base Prospectus and the information incorporated by reference into this Base Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer or the Romgaz Group concerning, among other things, the operating results, financial condition, prospects, growth, strategies and dividend policy of the Issuer and the sectors and markets in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Issuer’s ability to control or predict. Forward-looking statements are not guarantees of future performance.

The Issuer’s actual operating results, financial condition and the development of the sectors and markets in which it operates may differ materially from the impression created by the forward-looking statements contained in this Base Prospectus and/or the information incorporated by reference into this Base Prospectus. In addition, even if

the operating results and financial condition of the Issuer, and the development of the sectors and markets in which it operates, are consistent with the forward-looking statements contained in this Base Prospectus and/or the information incorporated by reference into this Base Prospectus, those results or developments may not be indicative of results or the development of such sectors and markets in subsequent periods. Important factors that could cause these differences include, but are not limited to, general political, economic and business conditions, sector and market trends, changes in government, changes in law or regulation, stakeholder perception of the Issuer and/or the sectors or markets in which it operates and those risks described in the section entitled “*Risk Factors*”.

Investors are advised to read this Base Prospectus and the information incorporated by reference into this Base Prospectus in their entirety, and, in particular, the section entitled “*Risk Factors*”, for a further discussion of the factors that could affect the Issuer’s future performance and the sectors and markets in which it operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Base Prospectus and/or the information incorporated by reference into this Base Prospectus may not occur.

Subject to applicable law or regulation, the Issuer explicitly disclaims any intention or obligation or undertaking publicly to release the result of any revisions to any forward-looking statements in this Base Prospectus that may occur due to any change in the Issuer’s expectations or to reflect events or circumstances after the date of this Base Prospectus.

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GENERAL DESCRIPTION OF THE PROGRAMME

The following overview is a general description of the Programme, must be read as an introduction to this Base Prospectus, and is qualified in its entirety by the remainder of this Base Prospectus and the information incorporated by reference herein (and, in relation to any Tranche of Notes, the relevant Final Terms). Words and expressions defined in “Forms of the Notes” or “Terms and Conditions of the Notes” shall have the same meanings in this General Description of the Programme.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980.

Issuer:	Societatea Națională de Gaze Naturale “Romgaz” S.A.
Issuer Legal Entity Identifier (LEI):	2549009R7KJ38D9RW354.
Website of the Issuer:	https://www.romgaz.ro .
Arrangers:	BT Capital Partners S.A. Citigroup Global Markets Europe AG Erste Group Bank AG J.P. Morgan SE Raiffeisen Bank International AG UniCredit Bank GmbH.
Dealers:	BT Capital Partners S.A. Citigroup Global Markets Europe AG Erste Group Bank AG J.P. Morgan SE Raiffeisen Bank International AG UniCredit Bank GmbH. and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes (each a “ Dealer ”, and together the “ Dealers ”).
Fiscal Agent, Transfer Agent and Calculation Agent:	The Bank of New York Mellon, London Branch.
Registrar:	The Bank of New York Mellon SA/NV, Dublin Branch.
Listing Agent:	Banque Internationale à Luxembourg.
Risk Factors:	There are certain factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of a particular Series (as defined below) of Notes issued under the Programme. See “ <i>Risk Factors</i> ”.
Admission to Listing and Trading:	In relation to Notes intended to be listed and issued under this Programme, application (i) has been made to the Luxembourg Stock Exchange to list the Programme and such Notes on the Official List of the Luxembourg Stock Exchange and to admit to trading on the Regulated Market of the Luxembourg Stock Exchange and (ii) may also be made to the Bucharest Stock Exchange for the Programme as a whole and for such Notes intended to be admitted to trading on a regulated market. Application may be made additionally to any other or further stock exchange to admit such Notes to trading on any other or further regulated market or other market segment of such other or further stock exchange. The Issuer intends to/may apply for listing and trading of the Notes in Romania. The trading and

settlement of the Notes in Romania will be organised in accordance with the Bucharest Stock Exchange and the Romanian central depository, Depozitarul Central SA.

Clearing Systems:

Euroclear, Clearstream, Luxembourg and, and/or, in relation to any Tranche of Notes be listed on the Regulated Market of the Bucharest Stock Exchange, Romanian Central Securities Depository, Depozitarul Central SA and/or any other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s) and specified in the relevant Final Terms.

Programme Amount:

Up to €1,500,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

Issuance in Series:

Notes will be issued in series (each a “**Series**”). Each Series may comprise one or more tranches (each a “**Tranche**”) issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.

Final Terms or Drawdown Prospectus:

Each Tranche of Notes will be issued on the terms set out in the Conditions as completed by the relevant Final Terms or Drawdown Prospectus.

Forms of Notes:

Notes may be issued in bearer form or in registered form.

Bearer Notes

Bearer Notes will be sold outside the United States to persons that are not U.S. persons in “offshore transactions” within the meaning of Regulation S. In respect of each Tranche of Bearer Notes, the Issuer will deliver a Temporary Global Note or (if TEFRA is specified as non-applicable or if the TEFRA C Rules are specified as applicable) a Permanent Global Note.

Each Temporary Global Note will be exchangeable for a Permanent Global Note. Each Permanent Global Note will be exchangeable for Notes in definitive bearer form (“**Definitive Notes**”) in accordance with its terms. Definitive Notes will, if interest-bearing, have interest coupons (“**Coupons**”) attached and, if appropriate, a talon (“**Talon**”) for further Coupons.

Each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and each Global Note which is not intended to be issued in NGN form (a “**CGN**”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common depository (or its nominee) for Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system.

Registered Notes

Each Tranche of Registered Notes will be represented by either: (a) Individual Certificates; or (b) one or more Global Certificates.

Each Note represented by a Global Certificate will either be: (a) in the case of a Global Certificate which is not to be held under the NSS, registered in the name of a common depositary (or its nominee) for Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Certificate will be deposited on or about the issue date with the common depositary and/or the sub-custodian; or (b) in the case of a Global Certificate to be held under the NSS, registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Global Certificate will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Currencies:

Notes may be denominated in euro, RON, U.S. dollars, pounds sterling or in any other currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Issue Price:

Notes may be issued at any price. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Specified Denominations:

The Notes may be issued in such denominations as may be specified in the relevant Final Terms, save that no Notes may be issued under the Programme which have a denomination of less than €100,000 (or its equivalent in any other currency at the relevant Issue Date).

Maturities:

Any maturity, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Interest:

Notes may be interest bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate (or a fixed/floating rate or floating/fixed rate).

Fixed Rate Notes:

Fixed Rate Notes will bear interest at the fixed rate(s) of interest specified in the relevant Final Terms. Such interest will be payable in arrear on the Interest Payment Date(s) specified in the relevant Final Terms or determined pursuant to the Conditions.

Zero Coupon Notes:

Zero Coupon Notes may be issued at their principal amount or at a discount to their principal amount and will not bear interest.

Floating Rate Notes:

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or
- (ii) by reference to a reference rate set out in the applicable Final Terms, subject to Condition 9 (*Benchmark Discontinuation and Benchmark Transition Event*),

in any such case as adjusted for any applicable margin specified in the relevant Final Terms.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate, or both.

Benchmark Discontinuation (in respect of Floating Rate Notes referencing a rate other than SOFR):

If a Benchmark Event occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark or screen rate (as applicable) specified in the relevant Final Terms, then the Issuer may (subject to certain conditions) be permitted to substitute such benchmark and/or screen rate (as applicable) with a successor, replacement or alternative benchmark and/or screen rate (with consequent amendment to the terms of the relevant Series of Notes and the application of an adjustment spread (which could be positive or negative or zero)). See Condition 9(a) (*Benchmark Discontinuation*).

Benchmark Transition Event (in respect of Floating Rate Notes referencing SOFR):

If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates (with consequent amendment to the terms of the relevant Series of Notes, as applicable). See Condition 9(k) (*Benchmark Transition Event*).

Redemption:

Unless previously redeemed or purchased and cancelled or substituted, Notes will be redeemed at their Final Redemption Amount, together with accrued and unpaid interest (as specified in the relevant Final Terms) on the Maturity Date.

Optional Redemption:

Notes may be redeemed before the Maturity Date at the option of the Issuer (as described in Condition 10(b) (*Redemption at the option of the Issuer*)), to the extent (if at all) specified in the relevant Final Terms.

Early Redemption:

Except as described in “*Optional Redemption*” above, early redemption will only be permitted: (a) for tax reasons, as described in Condition 10(c) (*Redemption for Tax Event*); and (b) where “**Clean-Up Call Option**” is specified to be applicable in the relevant Final Terms, if the Clean-Up Call Minimum Percentage (or more) of the principal amount outstanding of a Series of Notes has been redeemed or purchased and subsequently cancelled as described in Condition 10(e) (*Clean-Up Call Option*).

Negative Pledge:

See “*Condition 4 (Negative Pledge)*”.

Cross Default:

See “*Condition 14(c) (Cross-Default)*”.

Withholding Tax and Additional Amounts:

All payments of principal, interest and any other amounts in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain exceptions as described in Condition 13 (*Taxation*).

Notwithstanding any other provisions of the Conditions or the Fiscal Agency Agreement, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), or otherwise imposed pursuant to Sections 1471 to 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding.

Governing Law:

The Fiscal Agency Agreement, the Notes and the Coupons, and all non-contractual obligations arising out of or in connection with them, will be governed by, and shall be construed in accordance with, English law, save that the provisions of Condition 3 (*Status*) relating to the status, ranking and (if applicable) subordination of the Notes and waiver of set-off will be governed by, and shall be construed in accordance with, the laws of Romania.

Ratings:

As at the date of this Base Prospectus, the issuer credit rating assigned to the Issuer by Fitch was BBB-, with a stable outlook. Fitch is established in the EEA and are certified under the CRA Regulation. As such, Fitch is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation.

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) applicable to the Issuer or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be: (a) issued by a credit rating agency established in the EEA and registered under the CRA Regulation; (b) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation; or (c) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation, will be disclosed in the relevant Final Terms.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Selling Restrictions:

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the EEA (including Romania, Switzerland and Italy), the United Kingdom, Japan, Singapore, the PRC and Hong Kong see “*Subscription and Sale*”.

RISK FACTORS

Risks relating to the Issuer's business in the gas industry

Risks related to climate change, including the decline in demand for fossil fuel and policy changes, and the increased focus by regulators on greenhouse gas emissions, all of which may have an adverse effect on the Issuer's revenues or costs.

The Issuer is exposed to transitional and physical climate related risks in connection with the shift to a low carbon economy, which have the potential to impact negatively the financial performance of the Issuer. In connection with this shift there is an increased focus by global, regional and national regulators on climate change and greenhouse gas emissions, including CO₂ emissions, which may result in additional policy measures and regulation designed to address the direct and indirect impacts on climate change of companies operating in the oil and gas industry.

Such measures could increase or accelerate the need for investment, which may lead to increased costs to the Issuer, or could result in the Issuer being required to slow down production activities to allow Romania to meet targets set at European level.

Transition risks include: market risks (such as changing consumer behaviour and decreasing demand for fossil fuels affecting gas sales); policy and legal risks (such as obligations on energy efficiency and renewable energy usage, EU taxonomy regulations affecting access to and the cost of capital, and carbon tax; sudden changes in local tax legislation with new taxes and levies imposed on companies operating in the gas sector; introduction of price caps that affect free prices and competition (for further details on such regulatory changes please see “*Risk Factors - Changes to the legal and regulatory framework in which the Issuer operates could negatively impact its business, financial condition and results of operations*”), technology and market risks (including cyber-attacks, events that disrupt the market such as the war in Ukraine, oversupply of liquefied natural gas (“LNG”) and limited access to the latest technologies) and reputational risks (such as inability to attract future workforce). Investor and stakeholder attitudes to environmental and climate issues may also change, and this may lead to a reduced interest in the Issuer's business, more limited access to funding and may result in adverse reputational consequences for the Issuer.

Physical climate related risks include both chronic risks (such as depleting water resources affecting the facilities of the exploration and production), drying rivers affecting the Issuer's facilities and rising sea levels affecting the Issuer's offshore operations); and acute risks (such as extreme weather events such as heavy rainfall or high winds affecting all facilities). Such increased extreme weather events and changing climatic conditions may impact the Issuer's infrastructure, compromising its production facilities and supply chain, damaging or restricting access to or functionality of its other facilities, including information technology (“IT”) systems, or the operations of one or more of its third party suppliers. Failure to adapt to both transitional and physical climate related risks may result in negative financial impact to the Issuer in the form of decreasing revenues, increasing costs and liabilities, physical asset damage, disruption to operations, a rise in the cost of financing and constrained access to capital markets.

In addition, companies operating in the gas industry are facing increasing demands and social and environmental pressures to clarify what the implications of energy transition could be for their operations and business models, and to explain how they can contribute to reducing greenhouse gas emissions and to achieving the goals of the Paris Agreement (the universal, legally binding global climate change agreement, adopted at the Paris climate conference in December 2015, setting out a global framework to avoid dangerous climate change and to strengthen countries' ability to deal with the impacts of climate change) and the targets set by the EU in its “Fit for 55” package.

A faster-than-expected increase in renewable energy demand as a result of more aggressive environmental policies and regulation supported by a change in customer behaviour could mean that the degree and timing of planned diversification by the Issuer could become insufficient to generate expected earnings.

While the Issuer continues to invest toward meeting its sustainability targets, it may, nevertheless, be perceived either by regulatory authorities or the public to have not met certain sustainability goals or to have met goals that are not considered sufficient to mitigate the perceived impact of its operations. In addition, the significant costs associated with such investments may prevent the Issuer from pursuing other attractive strategic business opportunities. Accordingly, the occurrence of any of the foregoing risks could limit the Issuer's operational flexibility, increase costs and therefore could have a material adverse effect on the Issuer's reputation, business, financial condition, results of operations and prospects.

The Issuer is subject to operational risks including physical asset risks prevalent in the gas industry

The Issuer's and the Romgaz Group's business operations, like those of other gas companies, may be adversely affected by numerous factors, including fires, explosions, blowouts, reservoir damage, loss of well control, discharges of gases and toxic chemicals, the breakdown or failure of equipment or processes, performance below expected levels of output or efficiency, labour disputes, natural disasters, weather conditions, terrorist attacks, sabotage, interruption or closure, IT failures, breaches of cyber security, epidemic diseases, protests and other risks. These can result in personal injuries, loss of life, property and environmental damage and delays to, or loss of, production and third party liabilities.

Due to these operational risks, there can be no assurance that the Issuer will achieve its production targets or that it will successfully implement new infrastructure or technologies in a timely manner or that they will yield the expected improvements in efficiency.

In addition, the Issuer's natural gas exploration may involve unprofitable efforts, not only from wells that yield no results from the exploration activities, but also from wells that are productive or where production levels decline but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Also, drilling hazards or environmental damage could greatly increase the cost of operations and delay the implementation of new infrastructure technologies. Additionally, various field operating conditions may adversely affect the production from successful wells. In addition, a shortage of power could affect production growth. An increase in production costs as a consequence of these risks could reduce the Issuer's profitability. The occurrence of any of these events could negatively affect the Issuer's ability to meet its production targets and comply with the production plans under its licences and could have a material adverse effect on the Issuer's licences, business, results of operations, financial condition and prospects, and the ability of the Issuer to fulfil its obligations under the Notes.

The Issuer is subject to operating risks related to the production of Hydrocarbon Reservoirs

The Issuer may fail to fully meet the natural gas production schedule (partial achievement) due to factors reducing the production capacity such as (i) major defects occurred in the operation of dehydration facilities, compression facilities, collectors, where the remedy of such defects implies a long period of time; (ii) high pressures in the National Transmission System ("SNT"), adversely affecting the production performances of production capacities; (iii) decrease of gas consumption in some subsystems within SNT, with adverse impact on deliveries of gas from reservoirs captive on such consumption directions; (iv) reduction of production capacities utilisation as a result of adverse weather conditions (power blackouts, landslides – pipeline damage); (v) failure to comply with the performance schedule of works related to putting into operation new production capacities (technological installation, collectors); (vi) lack of materials and spare parts for preventive and corrective maintenance works at the main production objectives of the Issuer (wells, dehydration facilities, compression facilities, pipelines); and (vii) amendments to/new national or European laws financially impacting the cost efficiency of hydrocarbon reservoir production. Any failure by the Issuer to fully meet the natural gas production schedule could have a material adverse effect on the Issuer's licences, business, results of operations, financial condition and prospects, and the ability of the Issuer to fulfil its obligations under the Notes.

The Issuer does not carry the types of insurance coverage customary in other countries for a business of its size and nature, and a significant event could materially adversely affect the Issuer's business, results of operations, financial condition and prospects

The Issuer only carries limited property insurance (such as insurance for the Issuer's car fleet and insurance for some of the Issuer's buildings). Therefore, in the event that its plant, equipment or buildings are damaged or stolen, the Issuer may incur substantial losses. The Issuer also has no coverage for business interruption. It maintains only mandatory third party liability insurance that is required under Romanian law, although such insurance may not be adequate to fully cover losses of such third parties.

In the event that a significant event was to affect one of the Issuer's production facilities, the Issuer could experience substantial property loss and significant disruptions in its production capacity, for which it would not be compensated. Moreover, depending on the severity of the damage, the Issuer may not be able to rebuild such damaged property in a timely fashion or at all.

In addition, some risks may not, in all circumstances be insurable or, in certain circumstances, the Issuer may choose not to obtain insurance to protect against specific risks due to the high premiums associated with such insurance or for other reasons. The payment of such uninsured liabilities would reduce the funds available to the Issuer. If the Issuer suffers a significant event or occurrence that is not fully insured, or if the insurer of such event is not solvent, it could be required to divert funds from capital investment or other uses towards covering its

liability for such events. Any such loss or third party claim for damages could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

However, the Neptun Deep project, as further described in the section entitled “*Description of the Issuer*” benefits from ‘all risk’ construction insurance that covers physical losses and damages incurred by the property and third party liability.

The Issuer may be subject to significant environmental liabilities

The operations of the Issuer and the Romgaz Group which can be potentially dangerous are defined as those with an impact on the environment. In view of the activities carried out by the Issuer and the Romgaz Group which has an impact on the environment (natural gas extraction activity, services related to natural gas extraction, waste water collection and purification, treatment and disposal of non-hazardous waste, road transport of goods, etc.) these are kept under control in accordance with applicable regulations. In the event of possible accidental pollution with hazardous substances, hazardous waste, etc. which may affect the soil, surface waters or river courses, the Issuer will be subject to applicable sanctions imposed by the authorities as well as costs associated with remedial works.

The Issuer needs to strike an appropriate balance between the need to access and develop energy resources and the need to protect the natural environments in each of its operating geographies. An inability to balance this perceived trade-off could damage the image and reputation of the Issuer with the public and relevant governments, and governmental authorities, which could impact the Issuer's future business prospects.

The Issuer undertakes transportation of gas up to the point of access in the SNT as part of its business activities. All modes of transporting hydrocarbons carry inherent risks, with containment failures potentially occurring during transportation by pipeline, during storing or in the production process. The release of hazardous materials could pose serious environmental and social risks given the high volumes of materials involved.

The Issuer records provisions for its obligations to plug and abandon a well and to restore the site on which it is located. This provision is computed based on the estimated future expenditure determined in accordance with local conditions and requirements and it was brought to present value using the interest rate on long term treasury bonds. The decommissioning provision is based on the economic life of the fields wells are located on, even if this is longer than the period of the related concession agreements, as it is considered the period may be extended. The decommissioning provision recorded as at 30 June 2024 was of RON 409.7 million.

Although management believes that these provisions are sufficient to satisfy the relevant obligations of the Romgaz Group to the extent that the related costs are reasonably predictable, future regulatory developments or differences between known environmental conditions and actual conditions could cause a revaluation of these estimates. If liabilities for environmental damage were to significantly exceed the amount provided for, there could be a material adverse effect on the financial condition of the Issuer which in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

Current reserves and forward production data in this Base Prospectus are only estimates and are inherently uncertain; the Issuer's total reserves may decline at a higher rate than estimated and the Issuer may not achieve estimated production levels

The natural gas reserves data set forth in this Base Prospectus is estimated, based primarily, on internal engineering data that has been sourced and then independently audited every two years by an independent reservoir engineer.

Resource and reserves estimations are a subjective process of estimating underground accumulations of natural gas that cannot be measured in an exact manner. Estimates of the value and quantity of economically recoverable natural gas reserves, production rates, net present value of future cash flows and the timing of development expenditures necessarily depend upon several variables and assumptions, including:

- historical production from the area compared with production from other comparable producing areas;
- interpretation of geological and geophysical data;
- assumed effects of regulations adopted by governmental agencies;
- assumptions concerning future natural gas prices;
- the availability and application of new technologies;
- capital expenditures; and
- assumptions concerning future operating costs, development costs and remedial costs.

As the process of estimating reserves is subjective, any change in the following items will impact the Issuer's reserves estimation:

- the quantities and qualities of natural gas that are ultimately recovered;
- the production and operating costs;
- the amount and timing of additional exploration and future development expenditures; and
- future natural gas sales prices.

Many of the factors, assumptions and variables used in estimating reserves are beyond the Issuer's control and may prove to be incorrect over time. Evaluations of reserves necessarily involve multiple uncertainties. The accuracy of any reserves or resources evaluation depends on the quality of available information and natural gas engineering and geological interpretation. Exploration drilling, interpretation and testing and production after the date of the estimates may require substantial upward or downward revisions in the Issuer's reserves or resources data. Moreover, different reservoir engineers may make different estimates of reserves and cash flows based on the same available data. Actual production, revenues and expenditures with respect to reserves and resources may vary from estimates, and the variances may be material and could have a material adverse effect on the Issuer's business prospects, financial condition and results of operations, and the Issuer's ability to fulfil its obligations under the Notes. The estimation of reserves may also change because of acquisitions and disposals, new discoveries and extensions of existing fields as well as the application of improved recovery techniques.

Published reserves estimates may also be subject to correction due to the application of published rules and guidance. The Issuer's natural gas reserves are independently evaluated every two years by an independent auditor. The latest reserves audit as of 31 December 2023 was completed in June 2024 by DeGolyer and MacNaughton (“D&M”) in accordance with the Petroleum Resources Management System (“PRMS”) guidelines. PRMS standards take into account not only the probability that hydrocarbons are physically present in a given geological formation but also the economic viability of recovering the reserves. The determination of economic viability includes such factors, among others, as exploration and drilling costs, ongoing production costs, transportation costs, prevailing prices for natural gas and corresponding taxes and duties.

The bidding for new licenses in the natural gas industry is competitive and the Issuer may not be able to obtain such new licenses

When seeking to increase or maintain reserves, natural gas companies, including the Issuer, face increasing competition in bidding for licence blocks. A number of other European natural gas companies, as well as non-European gas companies, compete for licences in Romania and elsewhere, increasing the competition which the Issuer faces. The Issuer's competitors include multinational, well-established oil and natural gas companies with significantly greater financial resources and international operating experience than the Issuer. These companies may be able to pay more for exploration prospects, licences and productive gas properties and to generally make larger investments than the Issuer.

In the event the Issuer is unable to compete effectively in bidding either on its own or as part of a consortium on new licence blocks, this could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects, and the Issuer's ability to fulfil its obligations under the Notes.

Any decreases in the prices obtained for the Issuer's natural gas and/or electricity could have a material adverse effect on its results of operations and financial condition

In line with other international oil and gas companies, the Issuer determines its selling prices principally by reference to prices on the Central European Gas Hub, Title Transfer Facility (“TTF”) virtual trading point within the Netherlands and centralised markets in Romania. Such prices may fluctuate widely in response to changes in many factors over which the Issuer has no control.

Historically, international natural gas prices have fluctuated widely. A material decline in the price of natural gas for a sustained period would have a material adverse effect on the Issuer's results of operations and the value of its reserves estimates.

Macroeconomic, geopolitical and technological uncertainties can affect certain production costs and demand for the Romgaz Group's products. Factors that influence supply and demand include operational issues, natural disasters, weather, conflicts such as the Russia-Ukraine war, pandemics, political instability, economic conditions, including inflation, and actions by major oil and gas producing countries.

Lower natural gas prices may reduce the amount of natural gas that the Romgaz Group can produce economically or reduce the economic viability of projects planned or in development and may have a material adverse effect on the Issuer's business, results of operations and financial condition.

Furthermore, rapid material and/or sustained changes in gas, CO₂ emissions quota and electricity prices can impact the validity of the assumptions on which strategic decisions are based and, as a result, the ensuing actions derived from those decisions may no longer be appropriate.

A prolonged period of low prices may necessitate a review for impairment of the Romgaz Group's natural gas properties. Such a review would reflect management's view of long-term depressed natural gas prices, and any impairment charges incurred as a result could have a significant effect on the Romgaz Group's results of operations, for the period in which it occurs which in turn may affect the Issuer's ability to fulfil its obligations under the Notes. The Issuer performed an impairment test for its Upstream segment for its 2023 financial statements, as impairment indicators were identified; however, the test did not result in an impairment additional to the level already recorded.

The end of capped prices will trigger higher taxation levels that could materially adversely affect the Issuer's business, results of operations, financial condition and prospects

The Issuer's future revenues, profitability, cash flows and rate of growth depend substantially on prevailing prices for natural gas and electricity.

Following the 2022 spike in gas and electricity prices caused by the Russian Federation's invasion of Ukraine, the Romanian government imposed a cap on gas and electricity prices. In 2023, capped gas prices were RON 150/MWh for gas and RON 450/MWh for electricity. Starting 1 April 2024, the cap was lowered, gas prices reaching RON 120/MWh and electricity prices being set at RON 400/MWh. Capped prices are expected to remain in force until 31 March 2025.

Capped electricity prices are only applied to deliveries under the Centralised Acquisition Mechanism of Electricity which were mandatory until 31 March 2024 and are voluntary starting 1 April 2024.

In 2023, the Issuer sold 86.43% of gas at capped prices. In 2024, it is estimated that 56.3% of gas will be sold at capped prices.

Along with capped gas prices, a lower level of taxation was introduced for quantities sold at these prices:

- no windfall tax was due for gas sold at capped prices; and
- royalty was paid at the level of capped prices, instead of reference prices communicated monthly by ANRMPSG which were based on the average price of transactions in the previous month on PEGAS CEGH Day Ahead Market Single Day Select, VWAP/CEGHIX Central European Gas Hub AG (CEGH).

The Issuer's profitability is determined, in large part, by the difference between the revenue received for natural gas the Issuer produces and delivers and its operating costs, taxation costs upon extraction (ie, royalties that are paid irrespective of sales), specific taxation (such as windfall tax). Therefore, lower natural gas prices and higher taxation may reduce the amount of natural gas that the Issuer is able to produce economically or may reduce the economic viability of the production levels of specific wells or of projects planned or in development to the extent that production costs exceed anticipated revenue from such production.

Any decline in natural gas and/or electricity prices and/or any curtailment in the Issuer's overall production volumes could result in a reduction in profits, impair the Issuer's ability to make planned capital expenditures, incur costs that are necessary for the development of the Issuer's fields and could materially adversely affect the Issuer's business, results of operations, financial condition and prospects.

The Issuer does not have any contractual hedging protection against fluctuations in natural gas or electricity prices. However, the gas selling contracts the Issuer has in place with its clients are at fixed prices over the lifetime of those contracts, making the Issuer less sensitive to gas price fluctuations. If prices for the Issuer's natural gas or electricity fall below current levels when contracts are signed, this could materially adversely affect the Issuer's business, results of operations, financial condition and prospects. Fixed prices have the potential to generate unrealised profits if prices market increase during the lifetime of contracts in place, as the Issuer does not have the possibility to increase prices to reach market levels.

Certain petroleum agreements of the Issuer may no longer be extended

The initial term for a number of the petroleum agreements concluded by the Issuer is set on the basis of National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide ("ANRMPSG"; previously the National Agency for Mineral Resources ("ANRM")) resolutions regarding the level of proved

reserves as estimated at the time such contracts were concluded. Subsequently, the Issuer re-evaluated the proved reserves and, in cases where their level exceeded the initial estimation, asked for a prolongation of the relevant petroleum agreements. In turn, ANRMPSG issued new resolutions attesting that the level of the proved reserves has increased and the petroleum agreements have been deemed to be prolonged on this basis.

However, according to the provisions of the petroleum agreements and the Petroleum Law, petroleum agreements are extended by addendum to the initial agreement and Government Decision approval.

In certain cases, the initial term of the petroleum agreements, as established through ANRM decisions available at the time the respective agreements were concluded, is about to expire during 2027-2034. If the prolongation of such petroleum agreements is not approved, the Issuer may lose the concession rights and consequently the right to exploit a number of fields, which could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

Risks related to the legal, regulatory and political environment in which the Issuer operates

Risks associated with the development of the Russia-Ukraine war

In February 2022, the Russian government commenced a war of aggression against Ukraine, resulting in a humanitarian crisis and significant disruption to global financial markets. Furthermore, the governments of the United States, the United Kingdom, the EU, Japan and other jurisdictions have announced the imposition of extensive sanctions on certain industries and sectors in Russia, on the regions of Donetsk and Luhansk that have been temporarily occupied by Russian Armed Forces and on certain natural persons in Russia and abroad. The sanctions announced to date include restrictions on selling or importing goods, services or technology in or from affected regions, travel bans and asset freezes impacting politically connected natural persons and political, military, business and financial organisations in Russia, barring certain Russian enterprises from raising money in the U.S. market and blocking the access of Russian banks to financial markets, including severing Russia's largest bank from the U.S. financial system entirely. Wider sanctions may be imposed if the conflict escalates further.

Romania has trade relations with both Ukraine and Russia, which were limited even before the war. Transactions with Ukraine accounted for approximately 1.2% of Romania's total imports and 2.7% of Romania's total exports during the twelve months ended 31 December 2023.

Exports to Ukraine accounted for 1.7% of total Romanian exports in 2022. Imports from Ukraine accounted for 1.7% of total Romanian imports in 2022.

Over the past five years, Romania's exports to Russia have ranged from 1.5% of total exports in 2019 to 0% in 2022 and 2023 and Romania's imports from Russia have ranged from 3.6% of total imports in 2019 to 0% in 2023. Romania has no dependency on Russia to meet its requirements for energy and raw materials.

Russia's conduct in the Black Sea may also affect Issuer's deep sea drilling operations in the Black Sea which are of particular significance for the Issuer (including Neptun Deep). To date, the war in Ukraine and the Russian military operations in the Black Sea did not have any impact on maritime traffic or Romania's activities in its exclusive economic zone. The enforcement of the demining agreement in the Black Sea between Romania, Bulgaria and Turkey means a substantial reduction of security risks in the exclusive economic zones of Romania, Bulgaria and Turkey.

Changes to the legal and regulatory framework in which the Issuer operates could negatively impact its business, financial condition and results of operations

The Romgaz Group is exposed to legal and regulatory risk from directives and regulations applicable to the Romgaz Group's businesses in the jurisdictions in which it operates, and, in particular, with respect to EU law in the fields of energy, environment and climate change in addition to national law as well as national and local legislation and regulation.

Any changes in such laws and regulations which affect the Romgaz Group facilities may involve further investment obligations, higher operating costs and decommissioning liabilities. Changes to the regulatory framework in which the Romgaz Group operates could also result in delays in the implementation of the projects, needs for reemitting (including environmental), additional unbudgeted capital expenditure and/or incremental operating costs, which could impact profitability and revenue generation. In particular, climate related legislation may have a negative impact on the financial performance of the oil and gas sector (including the Issuer's operations).

The activities of the Romgaz Group are subject to extensive regulation by the host governments of EU, including, but not limited to: (i) petroleum, natural gas and energy, environmental laws; (ii) energy policies; (iii) regulatory systems; and (iv) government contracts (such as concession agreements).

Any changes in regulatory requirements, licence terms, size and structure of royalties, tariffs, export duties, taxation policies, dedicated sales contracts with government dedicated entities at regulated prices could have a negative effect on the Romgaz Group's business, financial condition and results of operations which in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

On 14 August 2024, the National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide has made available for public consultation a draft order establishing increased tariffs (now pro rata with the value of the works or programme to which they refer) for required administrative acts in oil operations. The implementation of these increases will have an adverse effect on some projects of the Issuer with already reduced profitability, prompting their potential closure and a consequential reduction in oil production.

The operation of the Issuer's business requires various environmental authorisations and permits issued by Romanian authorities. If any of these authorisations are not issued, are suspended, restricted, terminated or not extended prior to expiry, this would have a material adverse effect on the Issuer

The licensing regime in Romania for the exploration, development and production of natural gas and related products is governed primarily by Petroleum Law No. 238/2004 as subsequently amended (the “**Petroleum Law**”) and Law No. 123/2012 on energy and natural gas as subsequently amended (the “**Energy Law**”) and numerous regulations issued thereunder. The Issuer conducts its gas exploration and production activities in Romania under 117 environmental authorisations, two integrated environmental authorisations, one authorisation for greenhouse gas emissions, 62 water management permits and 35 authorisations for deposit water injection systems. The suspension and/or loss of any such authorisation would require the Issuer to stop its production of natural gas from the field covered by the relevant authorisation and, if the Issuer were unsuccessful in lifting such suspension or re-obtaining the authorisations, the Issuer would lose its right to extract natural gas from the field altogether. Similarly, authorisations covering underground gas storage, supply or distribution of natural gas or production of electricity could also be suspended or revoked. Accordingly, any suspension or loss of any such authorisations would materially adversely affect the Issuer's business, results of operations, financial condition and prospects.

For provisional preparatory works, drilling and production tests for natural gas wells, the Issuer obtains in all cases, without exception, the required environmental permit/decision of the framing stage, the water management authorisation and building permit, without which works cannot start. Shortcomings, fails or delays in obtaining the necessary permits on environmental matter could have a material adverse effect on the Issuer.

The Issuer has procedures in place to obtain environmental/water permits which allows it to keep under control and monitor their validity, applying for the annual clearance of said documents. If the authorities in Romania determine that the Issuer has failed to meet the terms and conditions of its authorisation, or if the Issuer operates in its licence areas in a manner that violates Romanian law, such authorities may impose fines on the Issuer, suspend or terminate its authorisations or refuse to extend the term of the authorisations. Furthermore, the Issuer may have to increase spending to comply with authorisations terms. Any suspension, restriction, termination or non-extension of the Issuer's authorisations could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

The Romanian legislation and regulatory framework applicable for offshore operations, such as Law No. 256/2018 as subsequently amended, on certain measures necessary for the implementation of oil operations by offshore oil perimeter owners (the “**Offshore Law**”) and Law no. 165/2016 (the “**Offshore Safety Law**”) are directly applicable to Romgaz Black Sea Limited, the co-titleholder of Neptun Deep. The Offshore Law and Offshore Safety Law regulate, among other measures, the procedures related to authorisation of works for offshore petroleum operations, including the frame-content for the authorisation of offshore construction works. The Offshore Law clearly distinguishes, in terms of authorisation procedure related to offshore works, onshore works and well operations.

The unsuccessful process in terms of Offshore Law and Offshore Safety Law will drive to a schedule shift for offshore projects (development and exploration works) due to the fact that the process must be restarted or possibly certain additions which should be completed, within regulatory framework, as applicable. Any such event could adversely affect the Issuer's business, results of operations, financial condition and prospects.

Project specific resistance may adversely affect the Issuer's operations in relation to the Neptun Deep development

One of the Issuer's key strategic projects is Neptun Deep, representing the deepwater sector of the XIX Neptun block in the Romanian Black Sea. In August 2022, the Issuer completed the acquisition of Romgaz Black Sea Limited (former ExxonMobil Exploration and Production Romania Limited). The operator of the block is OMV Petrom SA. In 2023, the two partners made the final investment decision and subsequently obtained the endorsement for the field development plan from the Romanian regulator. At the end of the six months ended 30 June 2024, more than 90% of execution contracts were awarded and activities for obtaining authorisations, fabrication and construction works, and preparatory works for drilling operations have been carried out. The Neptun Deep development is subject to acts of project specific resistance, which may adversely affect the project development. There can be no assurance that the project will proceed as planned and there is a risk that completion may ultimately not occur or may be delayed. There is a residual risk that mitigation measures aiming at preventing any such incidents fail and, hence, for example, the construction of the new transport infrastructure could be delayed.

The Issuer is subject to regulatory, environmental, health and safety laws and must maintain regulatory, environmental, health and safety approvals, and the Issuer may be exposed to significant liabilities if it fails to maintain such approvals or comply with such laws, including liabilities it might incur if it fails to resolve certain deficiencies identified by Romanian regulators

The Issuer is subject to various regulatory, environmental and health and safety laws and regulations governing, among other things: the decommissioning of wells and plants; the decontamination, generation, storage, handling, release, use, disposal and transportation of waste or hazardous materials; the classification, packaging and labelling of dangerous substances; the emission and discharge of hazardous materials into the ground, air or water, and the health and safety of the public and its employees. Romanian regulators and EU regulators administer these laws and regulations.

The Issuer is also required to obtain environmental and safety permits from various governmental authorities for its operations. No deficiencies were identified by authorities in the Issuer's compliance with health and safety requirements as regards the use of personal protective equipment, availability of warning signs for hazardous places and stored materials labelling, execution of regular fire-fighting equipment inspections and emergency response awareness. The Issuer may also be subject to action plans or compliance programs adopted by regulators, the breach of which may result in suspension or termination of the regulated activities. Failure by the Issuer to comply with the health and safety requirements and to follow-up on such deficiencies or the implementation of action plans or compliance programmes adopted by the regulators may increase the risk of accidents occurring, which could have a detrimental effect on the Issuer's business, results of operations, financial condition and prospects.

In addition, certain licences or permits held by the Issuer to operate require periodic renewal or review of their conditions as well as continuous monitoring and reporting of compliance with their conditions and the Issuer has always secured the renewal of such licences or permits. There is no assurance that material changes to its licences or permits requiring significant expenditures, will not be imposed. Violations of these laws, regulations or permits could result in operation shut-downs, fines or legal proceedings being commenced against the Issuer or other sanctions, in addition to negative publicity and significant damage to the Issuer's reputation. Other liabilities under environmental laws, including decontamination and restoration of soil, subsoil and terrestrial ecosystems following decommissioning of wells or plants and the clean-up of hazardous substances, can also be extremely costly to discharge. Regulatory, environmental and health and safety laws are complex, change frequently and have tended to become more stringent over time.

As a result, the Issuer may not at all times be in full compliance with all applicable laws and regulations. It is possible that any of these laws may change or become more stringent in the future or that new laws may be adopted, specifically secondary legislation intended to implement the Energy Law. Therefore, the Issuer's costs of complying with current and future regulatory, environmental and health and safety laws could have a material adverse effect on its business, results of operations, financial condition and prospects.

A failure to obtain or maintain licences and permits could prevent the Issuer from carrying on its activities

The industry in which the Issuer operates is regulated and its operations require it to obtain and maintain licences and/or permits.

Each of the Romgaz Group's licences could be suspended or terminated by the relevant licensing authorities if the Romgaz Group is deemed to have violated its terms or repeatedly violated the applicable requirements of law or,

alternatively, not renewed after expiration. The termination or modification of, or failure, for any reason, to renew these licences in a timely manner could have a material adverse effect on the Issuer's business, financial condition and results of operations as the Issuer will not be able to carry on some or all of its current activities.

Non-compliance with regulations concerning anti-corruption and anti-bribery, anti-money laundering and counter-terrorism financing, and economic and trade sanctions could expose the Romgaz Group to legal liability and negatively affect its reputation and business, financial condition, results of operations and prospects

The Romgaz Group is subject to compliance risks with respect to applicable laws and regulations concerning anti-corruption and anti-bribery, counter-terrorism financing and anti-money laundering and economic and trade sanctions. Non-compliance with any such laws and regulations could expose the Romgaz Group to investigations, criminal and/or civil liability, in particular the breach of financing agreements, and substantial fines, the occurrence of any of which would have a material adverse effect on the Romgaz Group's reputation, business, financial condition, results of operations and prospects. Although the Romgaz Group has implemented policies with respect to such matters, there can be no assurance that such policies will be effective or prevent the Romgaz Group from being exposed to violations of such laws and regulations.

In particular, U.S., European and other international economic or financial sanctions are often broad in scope and have in the past been imposed on companies engaging in certain types of transactions with specified countries, companies or natural persons. The Romgaz Group is currently not the target of any economic or financial sanctions administered by the United States, the United Kingdom, the EU, or any other sanctions authority. In the United States, the U.S. Department of Treasury's Office of Foreign Assets Control of the U.S. Department of Treasury ("OFAC") administers economic and financial sanctions. Certain of OFAC's regulations restrict the ability of U.S. persons to invest in, or otherwise engage in business with, directly or indirectly, certain natural persons, entities, regions, and countries (together, "U.S. Sanctions Targets"). As the Romgaz Group is not a U.S. Sanctions Target, OFAC regulations do not prohibit U.S. persons from investing in, or otherwise engaging in business with the Romgaz Group. However, investors investing in the Romgaz Group may incur the risk of indirect contact with U.S. Sanctions Targets to the extent that the Romgaz Group, directly or indirectly, engages in business with, or operations in, U.S. Sanctions Targets.

The war in Ukraine has led to an unprecedented expansion of sanction programs by the United States, the EU and the United Kingdom, among others, against Russia, Belarus, the Crimea Region of Ukraine as well as other non-government controlled areas of Ukraine, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic. These broad-sweeping sanctions included, *inter alia*, blocking sanctions against state-owned and private Russian financial institutions (and their subsequent removal from the Society for Worldwide Interbank Financial Telecommunication payment system) and certain Russian businesses in addition to blocking sanctions against Russian and Belarusian natural persons and of Russia's foreign currency reserves.

Should current sanctions be extended, they may preclude the Romgaz Group from conducting business with Russian entities or affiliates thereof with which the Romgaz Group is currently able to do business with. The Romgaz Group may even be forced to refrain from transactions with Russian entities or affiliates thereof with which the Romgaz Group is currently able to do business with or to amend existing contractual terms which could have a material adverse effect on the Romgaz Group's business, financial condition and results of operations and may affect the Issuer's ability to fulfil its obligations under the Notes.

While the Romgaz Group currently complies with all relevant sanctions regulations, EU and U.S. sanctions are constantly in flux and may change rapidly and substantially. Any violations or perceived violations of existing or future UN, U.S., EU or UK sanctions could subject the Romgaz Group to penalties that could have a material adverse effect on the Romgaz Group's ability to obtain goods and services in the international markets, access the international capital or bank debt markets and cause reputational damage. Any of the above implications could have a material adverse effect on the Romgaz Group's business, financial condition and results of operations which in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

Litigation and regulatory proceedings may have a material adverse effect on the Issuer's business, financial condition and results of operations

The Issuer is subject to numerous risks relating to legal and regulatory proceedings in which the Issuer is, as at the date of this Base Prospectus, a party or that could develop in the future. For further details on the ongoing litigations please see the section entitled "*Description of the Issuer – Legal Proceedings*".

Although the Issuer does not, as at the date of this Base Prospectus, expect litigation or regulatory proceedings to which it is a party to have a material adverse effect on its financial condition and results of operations, no assurance

can be given that the ultimate outcome of such legal proceedings or regulatory proceedings and any consequential legal proceedings or regulatory proceedings thereafter will not have a material adverse effect on its results of operations or financial condition which in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

The Issuer is exposed to changes in the taxes and royalties imposed on its operations

At the date of this Base Prospectus, the Issuer operates only in Romania. The Romanian government could modify its tax laws in ways that would adversely affect the Issuer. The Issuer is subject to, among others, corporate taxes, revenue taxes for the activities regarding the electric energy sector, revenue taxes for the activities regarding the natural gas sector, concessions, royalties and excise duties, each of which may affect the Issuer's sales and earnings. In addition, the Issuer is exposed to changes in fiscal regimes relating to royalties and taxes imposed on natural gas production and electricity sales. Significant changes in the tax regime of Romania or in the level of production royalties the Issuer is required to pay may have a material adverse effect on the Issuer's business, results of operations and financial condition.

The Issuer is required to pay to the Romanian government royalties on gas production and gas storage activities. The royalty on production of natural gas is paid quarterly and currently ranges from 4.5% to 15%, the rates being introduced in October 2023 by Government Emergency Ordinance No. 91/2023 on certain measures relating to the exercise of public and private property rights of the state, as well as to the efficient administration of state property, and amending and supplementing some normative acts. The Romgaz Group has applied these rates for the calculation and payment of royalties due for the last quarter of 2023 and the first quarter of 2024.

In July 2024, Law No. 228/2024 approving Government Emergency Ordinance No. 91/2023 was enacted. The law provided that for concession agreements ongoing in October 2023, when the ordinance was enforced, the applicable royalty rates are those set out specifically in the respective concession agreements, ranging from 3.5% to 13%.

The Romgaz Group considered the change introduced by Law No. 228/2024 to clarify the application of Government Emergency Ordinance No. 91/2023, and hence recalculated the royalties due for the last quarter of 2023 and the first quarter of 2024 at the lower rates set out in the concession agreements. Going forward, the Romgaz Group will use these lower rates. Authorities may challenge the Romgaz Group's interpretation which may lead to higher royalty costs and penalties that may affect the Issuer's results.

A Solidarity Contribution was implemented under Regulation 2022/1854 of the EU Commission applicable to EU companies generating at least 75% of turnover with activities in the crude petroleum, natural gas, coal and refinery sectors and with specific nomenclature of economic activities codes. In the national legislation, the applicable taxation rate amounts to 60% for the surplus profits representing the taxable profits exceeding the 20% threshold of the average of taxable profits in the period 2018-2021. The solidarity contribution was temporary, being applicable for 2022 and 2023. In the two years of application, Romgaz paid RON 2.7 billion (RON 1.7 billion for 2023 and RON 1 billion for 2022), which accounts for 12% of the revenue obtained during the two-year period.

Risks related to new EU regulations aimed to enforce the decrease of the industry's carbon footprint

Regulation (EU) 2024/1787 on the reduction of methane emissions in the energy sector introduces increased implementation and compliance costs

The new regulation on methane emissions in the energy sector was published on 15 July 2024 and entered into force on 4 August 2024. The regulation provides for measures enabling a strict monitoring and reporting mechanism and establishes an ambitious leak detection and repair programme envisaging regular type 1 and type 2 inspections with a frequency of four months and eight months respectively for compressor stations, underground storages, metering and regulating stations and nine months and eighteen months respectively for valve stations.

With a very wide spread and complex infrastructure which includes around 700,000 components which are subject to the above-mentioned regular inspection programmes, the implementation and compliance costs shall be significant and may result either in an increased gas price with negative impact on the Issuer's competitiveness, or in delayed implementation of investments required for achieving its gas production targets.

The Net-Zero Industry Act (NZIA) could have a material adverse effect on the Issuer's results of operations and financial condition

On 25 April 2024, the European Parliament formally approved in plenary session the provisional agreement concluded with the EU Council in February 2024 on the Net-Zero Industry Act. The NZIA regulation (2024/1735) entered into force on 29 June 2024. The provisions of this act are intended to strengthen the competitiveness and

resilience of EU industry and contribute to the EU's objective of achieving climate neutrality by 2050. The NZIA will support the deployment of a wide range of zero greenhouse gas technologies. These technologies, including CCS (Carbon Capture and Storage), are seen as key to Europe's decarbonisation efforts. NZIA recognises CO₂ capture, transport and storage projects as strategic to achieving net zero targets and points to the need for streamlined and efficient permitting procedures as a state priority.

In the case of CCS, the NZIA Regulation sets an EU-wide target of annual injection capacity of at least 50 Mtpa (million tonnes per year) of CO₂ by 2030. Holders of oil and gas production licences across the EU should contribute to this target in proportion to their oil and gas production from 1 January 2020 to 31 December 2023. Quotas are allocated differently between Member States, depending on oil and gas production, with Romania ranking second in the EU, after the Netherlands, with a quota of 9 Mtpa. Romgaz alone has a share of 7% of the obligations set at EU level. However, the Act is silent on how such projects will be implemented (economic feasibility, warranties, safety, financing etc), but includes the obligation of EU member states to set up sanctions for non-compliance. Implementation of such measures disregarding the potential market and a firm demand to undermine the significant level of required investments may have a material adverse effect on the Issuer's business, results of operations and financial condition and results of operations which in turn may affect the Issuer's ability to fulfil its obligations under the Notes. This situation might change depending on the delegated acts which are currently under development and which are to define circumstances and conditions for potential derogations from the implementation deadline.

Risks related to the Issuer's financing and business

The Issuer must make significant capital expenditures in order to increase its production level and improve overall efficiency, and the inability to finance these and other expenditures in the longer term could have a material adverse effect on the Issuer's business, prospects, financial condition and results of operations

The Issuer's business requires significant capital expenditures for the foreseeable future with respect to development, exploration, maintenance and production. This includes, among other things, drilling wells and improving infrastructure and production technology in an effort to improve access, reduce operating expenses and enhance profit margins, developing the Neptun Deep offshore project. In addition, in accordance with applicable Romanian law, the Issuer will incur costs to meet its obligations under environmental laws and regulations, including costs for the decontamination and restoration of the soil and terrestrial ecosystems, for and following, the abandonment of wells and infrastructure.

The Issuer's ability to arrange future financing, and the cost of financing generally, depends on many factors, including:

- economic and capital markets conditions;
- investor confidence in the natural gas industry in Romania and the Issuer;
- the business performance of the Issuer;
- political and regulatory developments; and
- availability of credit from banks and other lenders.

The terms and conditions on which future funding or financing may be made available may not be acceptable or funding or financing may not be available at all. Moreover, if funds are raised in the longer term, the Issuer may become more leveraged and subject to additional or more restrictive financial covenants and ratios. The Issuer's inability in the longer term to procure sufficient financing for these purposes could adversely affect its ability to expand its business and meet its production targets, may result in the Issuer facing unexpected costs and delays in relation to the implementation of its project development plans, and, if the reductions in financing levels are severe enough, they could adversely affect the Issuer's ability to maintain its production at current levels. This could have a material adverse effect on the Issuer's business prospects, financial condition and results of operations, and the Issuer's ability to fulfil its obligations under the Notes.

The Issuer is exposed to a variety of financial risks, including market risk, credit risk and liquidity risk

The Issuer's activities expose it to a variety of financial risks: market risk (including currency risk, inflation risk interest rate risk), credit risk and liquidity risk. The Issuer's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Issuer's financial performance within certain limits. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements. The Issuer does not use derivative financial instruments to hedge certain risk exposures. Management reviews financial risks periodically, with the objective of

ascertaining whether they are likely to exceed certain limits. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements. Any such losses could have a material adverse effect on the Issuer's ability to fulfil its obligations under the Notes.

The Issuer's functional and presentation currency is RON. However, certain payables of the Issuer are denominated in foreign currency, primarily Euro. Consequently, significant fluctuations in exchange rates between RON and Euro may have an impact on the results derived from its activities, as well as on the liability elements denominated in foreign currency as well as to the indebtedness denominated in foreign currency, respectively. The Issuer does not use any hedging arrangements against this foreign exchange risk. Furthermore, the National Bank of Romania (“NBR”) could impose certain restrictions or requirements with respect to operations in foreign currency. Significant fluctuations in foreign currency could have a material adverse effect on the Issuer's business, financial conditions or results of operations.

A 5% increase in the euro against the Leu would have resulted in an increase in the Romgaz Group's net liabilities as at 31 December 2023 of RON 51.9 million. A 5% increase in the euro against the Leu would have resulted in an increase in the Romgaz Group's net liabilities as at 30 June 2024 of RON 42.3 million.

The Issuer's existing borrowing bears a EURIBOR based interest. An increase of 1% in the interest rate on the borrowings would lead to an increase of the interest expense in 2024 of RON 10 million.

The Issuer is exposed to inflationary risks and changes in minimum wage mainly due to acquisition contracts. According to Romanian sectorial acquisitions law (Law No. 99/2016 and subsequent laws and regulations issued to support its application), Romgaz has the obligation to include in the contracts it signs with its suppliers a mechanism to adjust prices with an index (such as CPI, change in minimum wage) if service or supply contracts are signed for a period exceeding 24 months or if works contracts are signed for a period exceeding six months. To secure the contracts it needs and to manage the long period it takes to award a sectorial contract based on procedures enforced by local legislation, Romgaz signs framework agreements with its suppliers that include such price adjusting mechanisms.

Financial assets, which potentially subject the Issuer to credit risk, consist principally of cash and cash equivalents, bank deposits other than cash and cash equivalents, and trade and other receivables. The Issuer has policies in place that secure payment of deliveries either through advance payments or through bank letters of guarantee. The Group has a concentration of credit risk in respect of its top three clients, which together accounted for 47.99% of its net trade receivables balance at 31 December 2023. Collection of receivables may be influenced by economic factors.

The Issuer is also exposed to funding liquidity risk, which is an exposure to losses arising out of a change in the cost of financing, or from a spread over a certain horizon and confidence level, or from insolvency of counterparties, which may result in difficulties in meeting future payment obligations, either in full, on time or on economically beneficial terms. The Issuer closely monitors and manages its liquidity risk. Cash forecasts are regularly produced and sensitivities run for different scenarios including, but not limited to, changes in commodity prices and development costs, different production rates from the Issuer's portfolio of producing fields and delays in development projects. All of the Issuer's cash and cash equivalents are currently held with reputable and well-known commercial institutions. However, if the Issuer has difficulty in securing adequate sources of short and long term liquidity, this could have a material adverse effect on its business, financial condition and results of operations and the Issuer's ability to fulfil its obligations under the Notes.

The Issuer is exposed to cyber risk in the ordinary course of its operations

The oil and gas industry is a valuable target for cyber-criminals seeking to exploit industrial control systems (“ICS”) environments. The number of attacks against ICS overall is increasing as cyber-criminals with specific interest in oil and gas companies remain active and are evolving their behaviours. The Romgaz Group is exposed to cyber risk, being events that may affect information security (such as cyber-attacks, data leakage, malware intrusions, virus attacks, attack against romgaz.ro webpage or attacks against special application types) which could result in financial loss, disruption or damage to the reputation of an organisation from a failure of its information technology systems. Such risk can be generated by government agencies, organised criminal gangs or disgruntled employees who could potentially harm the Romgaz Group's industrial network and process control network and thereby damage confidentiality, integrity and availability of systems or disrupt processes. Such damage could cause reputational damage to the Romgaz Group and cause disruptions in its operations leading to loss.

The IT infrastructure has firewalls protection, including an intrusion detection system and intrusion prevention system, specialised proxies for internet access, remote access virtual private network, multi factor authentication.

Laptops and desktops are protected by centralised antivirus system. The network is segmented and protected on multiple layers. All security incidents are monitored.

As at the date of this Base Prospectus, there have been no major cyber security incidents which affected production units or would have affected the elements of national critical infrastructures.

The Romgaz Group has implemented various policies, procedures, and controls to protect its information and systems from cyber security incidents or breaches, and to detect, respond to, and recover from such incidents or breaches. However, the Issuer cannot guarantee that its cyber security measures will be sufficient or effective to prevent or mitigate all cyber security incidents or breaches especially given that the Romgaz Group is exposed to increased cyber security risks due to the Russia-Ukraine war.

Whilst the Romgaz Group continuously monitors the external regulatory environment related to data privacy, network security and national critical infrastructure elements, there can be no assurances that such policies and procedures will be effective in eliminating cyber risk or the potential losses arising therefrom. For further information on the Issuer's IT cyber security infrastructure please see the section entitled "*Description of the Issuer- Information Technology*" below.

The Issuer is exposed to investment risks

The Romgaz Group may fail to achieve its investment programme (being RON 4,275.2 million in 2024 and RON 4,951.8 million in 2025, the main investment project being the development of Neptun Deep), physically and in terms of value, in case of unforeseen circumstances during performance. The Issuer is also exposed to the risk of defective or late performance of investment works, which could have a material adverse effect on the Issuer's business, financial condition and results of operations and the Issuer's ability to fulfil its obligations under the Notes.

The Issuer is subject to the emerging risks associated with climate change

Climate change, and businesses' response to the emerging threats, are under increasing scrutiny by governments, regulators and the public alike. These include sooner than anticipated physical risks resulting from changing climate and weather patterns and extreme weather-related events, where the Issuer, its customer base and the wider economy could be impacted by changes in asset prices, disruption of business activity. The manner in which the Issuer assesses and responds to these developments and challenges could increase its costs of business and reduce asset quality, and a failure to identify and adapt its business to meet new rules or evolving expectations could have an adverse impact on the Issuer's business, operations and assets.

The Issuer may be unable to meet internal or external aims or expectations with respect to ESG-related matters

Environmental, Social and Governance ("ESG") is an area of significant and increased focus for governments and regulators, investors, the Issuer's customers and employees, and other stakeholders. As a result, an increasing number of laws, regulations and legislative actions have been introduced to address climate change, sustainability and other ESG-related matters, including in relation to the financial sector's operations and strategy (such as the EU Sustainable Finance Disclosure Regulation ("SFDR"), EU Taxonomy Regulation and EU Green Bond Standards). These laws, regulations and legislative frameworks may directly and indirectly impact the business environment in which the Issuer operates and may expose the Issuer to significant risks.

National or international regulatory actions or developments may also result in financial institutions coming under increased pressure from internal and external stakeholders regarding the management and disclosure of their ESG risks and related lending and investment activities. The Issuer may from time to time disclose ESG-related initiatives or aims in connection with the conduct of its business and operations. However, there is no guarantee that the Issuer will be able to implement such initiatives or meet such aims within anticipated timeframes, or at all. The Issuer may fail to fulfil internal or external ESG-related initiatives, aims or expectations, or may be perceived to do so, or it may fail to adequately or accurately report performance or developments with respect to such initiatives, aims or expectations. In addition, the Issuer could be criticised or held responsible for the scope of its initiatives or goals regarding ESG matters. Any of these factors may have an adverse impact on the Issuer's reputation and brand value, or on the Issuer's business, financial condition and operating results.

The Issuer may be unable to adapt its business to meet changing stakeholders' demands, including as a result of ESG-related matters

Stakeholders may increasingly assess sustainability or other ESG-related matters in their economic decisions. To safeguard its reputation, the Issuer is required to continuously adapt its business strategy to respond to emerging, increasing or changing sustainability and other ESG-related demands from investors and other stakeholders. The

Issuer's current or future business may fail to meet applicable ESG-related regulatory requirements or investor or other stakeholder expectations, which may negatively impact sentiment towards the Issuer and its business and operations.

The Issuer has limited control over the activities in connection with assets as to which it does not control a majority interest

Some of the assets in which the Issuer has an interest are operated by other companies and involve third party joint arrangement partners. The Issuer is presently participating in several joint arrangements and other non-controlling equity interests related to exploration activities, performance of feasibility studies, underground gas storage services, monetary intermediation, production of electricity and services related to extraction of natural gas and oil, with its share capital devoted to the partnerships ranging from 0.0164% to 50%. See the sections entitled "*Description of the Issuer – Equity investments*" and "*Description of the Issuer – Business – Oil and natural gas Geological Exploration*". As a result, the Issuer has limited ability to influence or control the operation or future development of such assets, including compliance with environmental, safety and other regulations, or the amount of capital expenditures that it will be required to contribute based on approved work programs with respect to such properties. Moreover, the Issuer is dependent on the other joint arrangement partners of such projects to fund their contractual share of the capital expenditures of such projects. These limitations and the Issuer's dependence on operators and other joint arrangement partners for these projects could cause it to incur unexpected future costs and could have a material and adverse effect on its business, results of operations, financial condition and prospects.

The Romanian government has control over the Issuer, and its interests may not be aligned with those of the other shareholders of the Issuer

As at the date of this Base Prospectus, the Romanian government (the "**Government**") is the beneficial owner of 70.0071% of the Issuer's share capital.

As a result, the Government is able to exercise control over matters requiring shareholder approval, including the election of directors, business strategy, dividend distribution and significant corporate transactions, including debt to equity conversions and acquisitions of participations in other entities, and certain decisions may reflect Government policy. Complying with such decisions could lead to significant capital expenditure or may have the effect of delaying, deferring or preventing a change in control, impeding a merger, consolidation, takeover or other business combination. In particular, whilst Government Emergency Ordinance no.31/2024 introduced the possibility to lower dividend pay-out ratios for companies investing in projects of national interest aimed to increase the country's energy capacity (such as Neptun Deep), there can be no assurance that such support will continue in the future and that the Government will not raise dividend levels. Similarly, in the past the Government has imposed extraordinary one-off taxes on the Issuer when seeking to raise revenue.

Differences between the interests of the Government and the other shareholders of the Issuer may lead to conflicts or may restrict the Issuer's ability to implement its business strategy, which could materially adversely affect the Issuer's business, results of operations, financial condition and prospects.

The Issuer is subject to risks relating to fraud, bribery and corruption

Doing business in developing markets brings inherent risks associated with the enforcement of obligations, fraud, bribery and corruption. In addition, the oil and gas industries have historically been shown to be vulnerable to corrupt or unethical practices.

While the Romgaz Group maintains an anti-fraud framework, comprehensive internal regulations and a whistleblowing system (including preventive, detective and corrective capabilities), it may not be possible for the Romgaz Group to detect or prevent every instance of fraud, bribery and corruption in every jurisdiction in which its employees, agents, sub-contractors or joint arrangement partners are located. If any such fraudulent activity is detected, the Romgaz Group may be subject to civil and criminal penalties and to reputational damage. Instances of fraud, bribery and corruption, and violations of laws and regulations in the jurisdictions in which the Romgaz Group operates could have a material adverse effect on its business, financial condition and results of operations. In addition, as a result of the Romgaz Group's business conduct and specialised anti-fraud framework and other safeguards, there is a risk that the Romgaz Group could be at a commercial disadvantage and may fail to secure contracts within jurisdictions that have been allocated a low score on Transparency International's "Corruption Perceptions Index" to the benefit of other companies who may not have to comply with such anti-corruption safeguards.

Unethical conduct and non-compliance with applicable laws and regulations could damage the Issuer's reputation and lead to financial and other penalties

Failures of employees to abide by the Issuer's code of conduct which lead to incidents of unethical behaviour, fraudulent activity or non-compliance with applicable laws and regulations could be damaging to the Issuer's reputation, business and growth prospects. In addition, in such circumstances, the Issuer may be subject to penalties, including, among other things, fines.

Default or delay by any of the Issuer's counterparties may have an impact on the Issuer's results of operations and financial condition

The Issuer undertakes significant capital expenditures related to the modernisation and renewal of plants and facilities. It faces the risk of potential default or delay by its counterparties (which include partners, contractors, subcontractors and suppliers), especially in cases of financial hardship or bankruptcy. Any default by its counterparties may affect the cost and completion of the Issuer's projects, the quality of its work, the supply of certain critical products or services or expose it to reputational risk, business continuity risk and the loss of important contracts, as well as to substantial additional costs, particularly in cases where the Issuer would have to pay contractual penalties, find alternative counterparties or complete work itself, which could have a material adverse effect on its business, results of operations and financial condition.

The Issuer's revenues are mainly generated by sales to gas suppliers or end-customers. There is a risk that some of its key counterparties could default on or dispute their contractual obligations towards the Issuer, which could have a material adverse effect on the business, results of operations and financial condition of the Issuer and its ability to fulfil its obligations under the Notes.

The Issuer must apply procurement procedures which may impair its ability to compete with other private entities

The Issuer must apply procurement procedures for the acquisition of works and services. These procurement procedures are carried out in line with public procurement laws, such as Law No. 99/2016 on sectoral acquisitions, or, in specific cases, in line with internal procurement procedures which need to comply, nevertheless, with the principles of public procurement.

Not all competitors of the Issuer are required to apply such procedures, and compliance by the Issuer with formal procedures such as the above may result in decreased competitiveness in relation to such third parties which could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

Additionally, irregularities in such procurement procedures may lead to cancellation of awards, and may generate additional liability for the Issuer to remedy such breaches.

The Issuer relies on services of third parties, the availability of which cannot always be assured

The Issuer relies on external contractors to carry out certain of its major activities. Any failure in performance by such external contractors could have an adverse effect on the Issuer's business, results of operations, financial condition and prospects.

The Issuer may not be able to hire, train or retain sufficient qualified staff

Experienced and capable personnel are in high demand and the Issuer faces significant competition in the Issuer's principal markets to recruit such personnel. Consequently, when the Issuer's experienced employees leave, it may have difficulty, and incur additional costs, in replacing them. In addition, the loss of any member of its senior management team may result in a loss of organisational focus, poor execution of its operations and corporate strategy and its inability to identify and execute potential strategic initiatives in the future, including strategies relating to the growth of its business. The Issuer's failure to hire, train or retain a sufficient number of experienced, capable and reliable personnel, especially senior and middle management with appropriate professional qualifications, or to recruit skilled professional and technical staff in pace with its growth, could have a material adverse effect on its business, results of operations, financial condition and prospects.

A strike or other labour disruptions at the Issuer's facilities could adversely affect its business

A substantial number of the Issuer's employees are represented by labour unions and covered by its collective bargaining agreement. This agreement includes provisions that limit the Issuer's ability to realise cost savings from restructuring initiatives such as operation closures and reductions in workforce. Strikes are allowed provided

that at least one third of the normal activity of the supply of energy is secured and do not endanger the life and health of the population and/or the operation of the installations in complete safety.

While the Issuer has not experienced any significant strikes or work stoppages to date, any strikes, threats of strikes, or other resistance or work stoppages in the future could impair its ability to implement further measures to reduce costs and improve production efficiencies in furtherance of its strategy, which could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

The Issuer is exposed to a risk of failure to comply with applicable quality standards

The Issuer is subject to risks resulting from potential non-compliance with quality standards, including standards on product quality, health, safety and environmental (HSE) and energy management. Supplying customers with on-specification products is critical to maintaining the Issuer's various required licences to operate. Failure by the Issuer to meet quality standards could lead to harm to people, third party property and the environment, could adversely affect the Romgaz Group's reputation, and may result in regulatory action and legal liability. This in turn could have a significant material adverse effect on the Issuer's business, financial condition and results of operations which in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

Any suspension, downgrade or withdrawal of the Issuer's credit ratings by an international rating agency could have a negative impact on its business

The Issuer's ability to access the capital markets and other forms of financing (or refinancing), and the costs connected with such activities, depend in part on the Issuer's credit ratings. The Issuer's ability to maintain its current credit ratings is dependent on a number of factors, some of which may be beyond its control. In addition, as the Romanian State is the Issuer's majority shareholder any decision by a rating agency to downgrade Romania's sovereign rating or place Romania on ratings watch may have an adverse effect on the credit rating of the Issuer.

In the event that the Issuer's credit rating is downgraded by the credit rating agency or is adversely affected by changes in the sovereign ratings of Romania, the Issuer may not be able to raise additional finance on terms similar to its existing finance or at all, its ability to access credit and bond markets and other forms of financing (or refinancing) could be limited and any adverse changes in an applicable credit rating could adversely affect the trading price of the Notes. This could have a material adverse effect on the Issuer's business, prospects, financial condition and results of operations.

The Issuer is exposed to risks arising from restricted access to capital markets and bank financing

The Issuer's ability to obtain external financing and the cost of such financing are dependent upon numerous factors, including general economic and market conditions in Romania and internationally, government regulations, international interest rates, credit availability from banks or other lenders, investor confidence in the Issuer, the success of the Issuer's business and restrictions contained in its existing debt agreements. The risk appetite of each of the banks providing funding to the Issuer may vary in the future according to changes in financing policies for certain industries or business activities, which may pose refinancing risks to the Issuer. There can be no assurance that external financing or refinancing, either on a short-term or a long-term basis, will be available or, if available, that such financing will be obtainable on terms that are not onerous to the Issuer. Any inability of the Issuer to obtain financing on favourable terms could have an adverse effect on the Issuer's business, prospects, financial condition and results of operations.

Changes in the level of liquidity available to the Issuer may adversely affect the Issuer's results of operations and financial condition

The measures taken by the Issuer to maintain liquidity may not be sufficient at all times, in which case the Issuer may not be able to meet its payment commitments (including under the Notes) or only be able to do so on unfavourable conditions. Should the Issuer be obliged to incur extra costs to meet its financial commitments, this may materially and adversely affect the Company's competitiveness, results of operations and financial condition or, in the worst-case scenario, threaten the Company's future as a going concern and may, ultimately, lead to insolvency.

If delayed, the CTE Iernut investment could trigger additional financial obligations on the Issuer, slowing down the development of the energy generation arm of the Issuer

The Issuer is active on the electric power generation and electric power supply through SPEE Iernut, which is the branch of the Issuer that holds the CTE Iernut power plant. CTE Iernut is the main asset through which the Issuer is present on the energy market.

Currently, CTE Iernut operates only one 200 MW large combustion power unit. The Issuer has an ongoing investment for the development of a new power plant, with combined cycle gas turbines with an installed power of up to 430 MW. The project is meant to improve the technical-economic parameters of SPEE Iernut, to increase its operating life while also complying with the provisions of Directive 2010/75/EU of the European Parliament on industrial emissions.

The investment is financed partially through a grant from the Ministry of Energy of Romania, based on Government Decision No. 1096/2013 for the approval of the mechanism for the transitional free allocation of greenhouse gas emission allowances to electricity producers for the period 2013-2020, including the National Investment Plan for the period 2013-2020. The grant amounts to approximately EUR 70 million, representing up to 25% of the total value of eligible costs of the project.

As of 31 July 2024, the total progress of the project stood at approximately 91%. However, throughout its years of development, the project has been subject to multiple delays. If the Issuer is unable to put in operation the investment by 31 December 2024 (or some other term, if extended by the Government), it will have to return the grant to the Ministry of Energy of Romania, further delay the investment, thereby slowing down the development of the energy generation arm of the Issuer. Such circumstance could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects, and the ability of the Issuer to fulfil its obligations under the Notes.

Risks related to the Issuer's strategy

The Issuer's onshore gas reserves are mostly concentrated in mature fields with a natural decline in production, and so it must acquire or develop additional natural gas reserves to sustain its current reserves and production levels

The Issuer's future production is dependent on its success in maintaining the level of natural gas reserves as high as possible and relatively constant. A material part of the Issuer's reserves consists of mature onshore gas fields in Romania, and the Issuer has had annual production in continuous decline since 1986. The gas fields located in the Transylvanian basin, which provide more than 85% of the Issuer's current production are characterised by a high degree of depletion, most of them having current recovery factors between 55% and 85%. The Issuer is currently pursuing the development of resources and reserves portfolio through exploration activities for new natural gas discoveries and by maximising the recovery factor of the mature fields' reserves. In 2023, the Romgaz Group's capital expenditure was RON 1,258.7 million, which was mainly invested in exploration activities, for drilling of new exploration and development wells, upgrading of existing facilities and equipment, for underground storage facilities operations and reducing impact on the environment. In addition to the capital expenditure incurred, the Issuer performed 3D and 2D seismic surveying of RON 84.6 million. However, the Issuer's exploration and development activities may prove insufficient to replenish its current reserves. If the Issuer is unsuccessful in finding, acquiring and developing reserves, its total proved reserves may decline and it will not meet its production targets, which will have a material adverse effect on the Issuer's business, results of operations and financial condition.

A majority of the commercial fields exploited by the Issuer are mature, depleted, with a natural production decline that could reach values between 7% and 13% if the Issuer is unable to take appropriate measures.

The annual decline in natural gas production coinciding with the depletion of gas resources in the fields currently exploited by the Issuer will lead to a decrease in future gas production and therefore sales. These aspects, superimposed on the increasingly evident need of consumers to switch to energy produced from renewable sources, may affect Issuer's ability and predictability to generate revenues at the same level as in previous years.

Future increases in the Issuer's reserves will depend not only on its ability to explore and develop its existing assets but also on its ability to select and acquire suitable new proved reserves in a cost-effective manner that permits subsequent production to be economically viable. There are many reasons why the Issuer may not be able to acquire natural gas reserves or develop them for commercially viable production. For example, the Issuer may be unable to negotiate commercially reasonable terms for its acquisition, exploration, development or production activities. Factors such as access to the plots of land, adverse weather conditions, natural disasters, equipment or services shortages, procurement delays or difficulties arising from political, environmental and other conditions in areas where the reserves are located or through which the Issuer's products are transported may increase costs and make it uneconomical to develop potential reserves. Without successful exploration or acquisition activities, the Issuer's reserves, production and revenues will decline.

The Issuer's organic growth and transformation strategy involves uncertainties and operating risks, including project execution risk

The Issuer's current and future projects, including field development, exploration, the modernisation of its production facilities, the construction of power plants and new businesses may be delayed or less profitable than expected or unsuccessful for numerous reasons, including cost overruns, lower product prices, higher raw material or energy prices, equipment shortages, limited availability of contractors and subcontractors, mechanical difficulties and financial distress situations. These projects will also often require the use of new and advanced technologies which are expensive to develop, purchase and implement and may not function as expected. In addition, the implementation may take more time than reasonably expected and severe weather conditions could impede the Issuer's development and/or exploration operations and plans for its fields and facilities. Delays in delivery of the Issuer's strategic projects may adversely affect the Issuer's expected market position and therefore deteriorate the return or recovery of the investment. All of these factors may materially and adversely affect the Issuer's business, financial condition or results of operations which in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

The Issuer's expansion strategy exposes the Issuer to risks

The Issuer's ability to continue to grow and to penetrate new markets will depend on a number of factors. These include, among others, the availability of internal and external financing, the availability of suitable third party business partners able to share risk and costs as well as existing and future competition as well as risks related to green transition, in particular, the underdeveloped market for some renewable energy sources, the inexistence of appropriate technology or expensive new technology and the lack of appropriate regulatory framework. The Romgaz Group might not be able to implement its growth strategy or successfully manage previous acquisitions and further its growth and this may have a material adverse effect on the Romgaz Group's business, results of operations or financial condition which in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

The Issuer faces increasing competition which decreases profitability

The Romgaz Group faces increasing competitive pressures in all areas of its business, both from local as well as global oil and gas companies, including LNG. There is growing competition for access to low-cost natural gas reserves as well as exploration and production licences.

If the Romgaz Group is unable to effectively compete in any of the markets in which it operates, this may have a material adverse effect on the Romgaz Group's business, results of operations or financial condition which in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

Inadequate contingency plans or crisis management may have a material adverse effect on the Issuer's business

Contingency plans are required to continue or recover operations following a disruption or incident. Inability to restore or replace critical capacity to an agreed level within an agreed timeframe would prolong the impact of any disruption. Crisis management plans and capability are essential to deal with emergencies at every level and area of the Romgaz Group's operations to respond in an appropriate manner to either an external or internal crisis. Inadequacies in this regard could severely affect the Romgaz Group's business and operations and consequently may have a material adverse effect on the Romgaz Group's business, results of operations and financial condition. This in turn may affect the Issuer's ability to fulfil its obligations under the Notes.

Risks relating to Romania

Political and economic uncertainty could have an adverse effect on Romania's economy

Romania has undergone major changes during its recent history. Many political and economic reforms have been implemented, but Romania's economy still has a number of structural weaknesses. These include under-capitalisation of both private and public firms, a large emigration of the working age population, an ageing population coupled with negative population growth, a very uneven distribution of gross domestic product ("GDP") between regions, a significant transport infrastructure gap, historical current account deficits, as well as delayed absorption of EU funds and a lack of certain key reforms.

With Euro-parliamentary elections, local elections, presidential elections and parliamentary elections set for 2024, political and economic uncertainty could delay or stop economic and regulatory reforms in Romania and challenge political stability, which could have an adverse effect on Romania's economy and the business, results of operations, financial condition and prospects of the Issuer.

There are certain risks associated with an investment in developing markets, including Romania, which may be greater than risks inherent in more developed markets

Although progress has been made in reforming Romania's economy and political and legal systems, the development of Romania's legal infrastructure and regulatory framework is still ongoing. As a consequence, an investment in Romania carries risks that are not typically associated with investing in more mature markets. Accordingly, investors must decide for themselves whether, in light of those risks, an investment in Romania is appropriate. Generally, investments in emerging markets, such as Romania, are only suitable for sophisticated investors who can fully appreciate the significance and consequences of the risks involved.

In addition, international investors' reactions to events occurring in one country sometimes demonstrate a "contagion" effect, in which an entire region or class of investment is disfavoured by international investors. Therefore, investment in Romania's sovereign securities, as in any other comparable economy, could be adversely affected by negative economic or financial developments in other countries. Disruptions in the international capital markets, especially in relation to sovereign and emerging markets debt, could lead to reduced global liquidity. Further, such disruptions could result in higher credit risk premiums for certain market participants, including Romania, which may lead to a reduction of available financing. While Romania has put certain measures in place to offset such contagion risks, there can be no assurance that they will be sufficient to mitigate all future risks.

Any potential Issuer's failure to manage the risks associated with its business in emerging markets could have a material adverse effect on its results of operations. Any such development may materially adversely affect the Issuer's business, reputation, results of operation and financial condition.

Romania is exposed to risks relating to macroeconomic events, particularly those affecting Europe and the EU

Romania's economy remains vulnerable to external and domestic economic conditions, including political and macroeconomic risks relating to the impact of Russia's war of aggression against Ukraine and the effect of any future significant economic difficulties on its major trading partners or general "contagion" effects, which could have a material adverse effect on Romania's economic growth.

Economic and financial difficulties affecting other EU member countries may negatively affect Romania's economy due to the high percentage of Romania's trade that is realised with other EU countries. Following the global recession in 2020, the EU has experienced contraction in its economy and the impact of this recession in most sectors of the European economy. If the EU or other countries with which Romania has a trading or investment relationship experience an extended period of very slow economic growth, or if they fail to maintain growth, Romania's economy would be adversely affected, and such events could also affect Romania's ability to raise capital in the future. Any economic crisis in the Eurozone could significantly affect Romania's economy, which is heavily reliant upon intra-EU trade. In addition, foreign investors may also decrease investment in Romania, due to the difficulties experienced by other EU economies, resulting in lower demand for Romanian export products or services.

Romania is subject to exchange rate and inflation risk

The RON is subject to a managed-floating exchange rate regime, whereby the value of the RON against foreign currencies is determined in the interbank foreign exchange market. The NBR's monetary policy strategy is inflation targeting. Since 2013, the inflation target has been set at 2.5% with a variation band of +/-1%.

The managed-floating exchange rate regime uses inflation targets as a nominal anchor for monetary policy and allows for a flexible policy response to unpredicted shocks likely to affect the economy. The NBR does not target any level or range under this regime. The ability of the NBR to limit volatility of the RON is contingent on a number of economic and political factors, including the availability of foreign currency reserves and foreign direct investment inflows, as well as developments in market sentiment and investors' risk aversion. As compared to December 2022, the RON depreciated in December 2023 in nominal terms by 0.55% against the EUR and appreciated by 2.99% against the USD. As compared to December 2023, the RON depreciated in August 2024 in nominal terms by 0.05% against the EUR and appreciated by 0.12% against the USD.

Romania's public debt is also subject to foreign currency risk, as a substantial proportion of the country's public debt is denominated in foreign currencies (principally in EUR). While this risk is partially mitigated by the existence of the hard currency buffer, which is maintained at up to four months of gross funding needed to provide protection against any vulnerabilities arising from external factors, there can be no assurance that the buffer will be adequate to eliminate this risk.

In 2021, a surge in energy prices pushed consumer price index (“CPI”) inflation significantly above the upper bound of the variation band (2.5%, +/- one percentage point) reaching 8.19% in December 2021. The trend continued through 2022, with headline inflation reaching 16.37% in December 2022. This was primarily due to increased commodity prices as a result of Russia's war of aggression against Ukraine, as well as to the disruption in global value chains (including poor availability of products and high cost of transport). Annual inflation has declined in recent months, reaching 6.61% in December 2023 and 5.1% in August 2024. Going forward, the NBR projects that inflation will continue to decrease steadily over the next two years, ranging from 4% at the end of 2024 to 3.2% in the second quarter of 2026.

The NBR's inflation projections are subject to numerous risks associated with the war in Ukraine, in particular the economic effects. The inflationary environment, coupled with the possibility that excess aggregate demand may persist over a long period of time, could further increase corporate profit margins and consequently decrease the share of wage costs as a component of total production costs. Such an outcome could significantly decrease households' purchasing power. The further erosion of households' purchasing power might lead to increased wage claims, potentially boosting inflation. In addition, uncertainties stemming from labour market developments also remain relevant in the medium-term, as there may be a shortage in skilled workers, especially in sectors focusing on sustainability initiatives and in sectors with a high level of digitalisation. This shortage may also result from both the demographic and migration patterns in the Romanian economy. On the external front, and as a result of the uncertainties related to the ongoing war in Ukraine, the risk of escalating trade tensions between China and the United States has also become increasingly relevant. Against this background, the progress made in restructuring and streamlining global value chains could be reversed, creating new inflationary pressures and potentially putting a drag on economic activity as well.

As the NBR's monetary policy primarily impacts the RON and has limited impact on foreign currencies, including the euro, the large-scale use of the euro in the Romanian economy may undermine the ability of the NBR to implement its monetary policy. Similarly, the policies of the European Central Bank (“ECB”) affecting the euro may indirectly impact the Romanian economy and may pose limits on the NBR's monetary policy, which, may have an adverse effect on the Romanian economy.

Corruption and money laundering issues may hinder the growth of the Romanian economy

Romania was subject of procedures and measures established under the Cooperation and Verification Mechanism (“CVM”) since Romania became a member of the EU, respectively 1 January 2007. On 15 September 2023 the European Commission formally closed the CVM for Romania and repealed the decisions that had established the CVM, noting all the specific commitments listed in the conclusions of the CVM reports had been implemented. Additionally, Romania officially became the 45th member of the Working Group on Bribery as of 3 May 2023. This working group was established to monitor compliance by the Organisation for Economic Cooperation and Development (“OECD”) member states with relevant legal instruments.

Although progress has been made by the passing of important laws needed to implement the provisions of European directives in the field of anti-money laundering, independent analysts and media reports have identified corruption and money laundering as an ongoing problem in Romania. Should these continue to be problems in Romania, or should they worsen, they could have an adverse impact on Romania's economy, including on the Issuer's business, prospects, results of operations and financial condition.

Risks relating to a particular structure of Notes

A wide range of Notes may be issued under the Programme and some Notes may have features which contain particular risks for potential investors. Set out below is a description of certain risks relating to particular structures of Notes:

Holders may not require the redemption of the Notes prior to their maturity

Save where the relevant Final Terms specify that a Put-Option or Change of Control Put Option is applicable, the Issuer is under no obligation to redeem Notes at any time prior to their stated Maturity Date and the Holders of such Notes have no right to require the Issuer to redeem or purchase such Notes at any time. Holders may not be able to sell such Notes in the secondary market (if at all) at a price equal to or higher than the price at which they purchased their Notes. Accordingly, investors in such Notes should be prepared to hold their Notes for a significant period of time.

The Notes may be subject to early redemption at the option of the Issuer upon the occurrence of certain regulatory events

An optional redemption feature is likely to limit the market value of such Notes. During any period when the Issuer may elect to redeem the Notes or there is a perception that the Issuer is able to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. Further, during periods when there is an increased likelihood, or perceived increased likelihood, that such Notes will be redeemed early, the market value of the Notes may be adversely affected.

If the Issuer redeems such Notes in any of the circumstances mentioned above, there is a risk that the Notes may be redeemed at times when the redemption proceeds are less than the current market value of the Notes or when prevailing interest rates may be relatively low, in which latter case Holders may only be able to reinvest the redemption proceeds in securities with a lower yield. Potential investors should consider reinvestment risk in light of other investments available at that time.

It is not possible to predict whether the events referred to above will occur and lead to circumstances in which the Issuer may elect to redeem such Notes, and if so whether the Issuer will satisfy the conditions, or elect, to redeem the Notes. The Issuer may be more likely to exercise its option to redeem the Notes if the Issuer's funding costs would be lower than the prevailing interest rate payable in respect of the Notes. If such Notes are so redeemed, there can be no assurance that Holders will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investment in the Notes.

The Issuer may exercise a Clean-Up Call Option to redeem Notes prior to maturity in certain circumstances

Where the relevant Final Terms specify that a Clean-Up Call Option is applicable, the Issuer may, at its option, redeem all (but not some only) of the relevant Notes if the Clean-Up Call Minimum Percentage (or more) of the principal amount outstanding of a Series of Notes has been redeemed or purchased and subsequently cancelled at their principal amount or the amount specified in the relevant Final Terms together with accrued interest (if any) thereon.

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest rate may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower overall interest return for Noteholders. If the Notes are converted from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than the prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Notes are converted from a floating rate to a fixed rate, the fixed rate in such circumstances may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

Market disruption

In certain situations, interest on Notes is determined by reference to market information sources. Such market information sources might become unavailable for various reasons, including suspensions or limitations on trading, events which affect or impair the ability of market participants in general, or early closure of market institutions. These could be caused by, among other things, physical threats to the publishers of the market information sources, market institutions or market participants in general, or unusual trading, or matters such as currency changes.

In respect of a Floating Rate Note, a Fixed/Floating Rate Note (where the Rate of Interest is to be determined by reference to a screen rate, such as the euro interbank offered rate (“**EURIBOR**”)), if such Reference Rate does not appear on the relevant screen page or if the relevant screen page is not available for any reason, the Issuer will request appropriate quotations and advise them to the Calculation Agent, for the purposes of determining the applicable Rate of Interest. However, there can be no assurance that the Issuer will be able to obtain such quotations. Condition 6 (*Floating Rate Note Provisions*) sets out fallback provisions if fewer than the requisite number of quotations are obtained.

The regulation and reform of benchmarks may adversely affect the value of Notes linked to or referencing such “benchmarks”

Benchmark Reform

Reference rates and indices, including interest rate benchmarks, which are deemed to be “benchmarks” (including EURIBOR) are subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a benchmark. The Benchmark Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU-supervised entities (such as the Issuer) of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmark Regulation could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Fallbacks under the Conditions of the Notes

The Conditions also provide for certain fallback arrangements in the event that a Benchmark Event occurs. The Issuer may, after appointing and consulting with an Independent Adviser, determine a Successor Rate or, failing which, an Alternative Rate to be used in place of the Original Reference Rate. The use of any such Successor Rate or Alternative Rate may result in the Notes performing differently (including paying a lower rate of interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

Furthermore, if a Successor Rate or Alternative Rate is determined, the Conditions provide that the Issuer may vary the Conditions, as necessary, to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined, the Conditions also provide that an Adjustment Spread will be determined to be applied to such Successor Rate or Alternative Rate. Accordingly, while any Adjustment Spread may be expected to be designed to eliminate, to the fullest extent reasonably practicable in the circumstances, or minimise any potential transfer of value between counterparties, the application of the Adjustment Spread to the Notes may not do so and may result in the Notes performing differently (which may include payment of a lower interest rate) than they would do if the Original Reference Rate were to continue to apply. However, there is no guarantee that such an Adjustment Spread will be determined or applied, or that the application of an Adjustment Spread will either reduce or eliminate economic prejudice to Noteholders.

If, following the occurrence of a Benchmark Event no Successor Rate or Alternative Rate is determined, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page.

Such a determination may result in the Notes performing differently than would otherwise have been the case prior to the Benchmark Event and there is a risk that the relevant fallback provisions may not operate as intended at the relevant time. Moreover, any of the above matters or any other significant change to the setting or existence of the Original Reference Rate could adversely affect the ability of the Issuer to meet its obligations under the Notes and could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes.

The market continues to develop in relation to near risk-free rates (including overnight rates) which are possible reference rates for the Notes

Investors should be aware that the market continues to develop in relation to near risk-free rates (“**risk-free rates**”), such as the Secured Overnight Financing Rate (“**SOFR**”) and the euro short-term rate (“**€STR**”), as reference rates in the capital markets for U.S. Dollar and euro bonds, respectively, and their adoption as

alternatives to the relevant interbank offered rates. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

In addition, market participants and relevant working groups have been working together to design alternative reference rates based on risk-free rates, including applying term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. The market or a significant part thereof may over time adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference such risk-free rates issued under this Programme. If the relevant risk-free rates do not prove to be widely used in securities such as the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing rates that are more widely used. The Issuer may in the future also issue Notes referencing SOFR, SOFR Compounded Index or €STR that differ materially in terms of interest determination when compared with any previous SOFR, SOFR Compounded Index or €STR referenced Notes issued by it under this Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in notes linked to such risk-free rates issued to date and no assurance can be given that any particular methodology, including the compounding formula in the Conditions, will gain widespread market acceptance. In addition, the methodology for determining any overnight rate index used to determine the Rate of Interest in respect of certain Notes could change during the life of such Notes.

Notes referencing risk-free rates may also have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities referencing such risk-free rates, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

Certain administrators of risk-free rates have published hypothetical and actual historical performance data. Hypothetical data inherently includes assumptions, estimates and approximations and actual historical performance data may be limited in the case of certain risk-free rates. Investors should not rely on hypothetical or actual historical performance data as an indicator of the future performance of such risk-free rates.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SOFR, SOFR Compounded Index or €STR.

Risk-free rates differ from interbank offered rates in a number of material respects

Risk-free rates may differ from interbank offered rates in a number of material respects, including (without limitation) by being backwards-looking in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference such risk-free rates to reliably estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking SOFR or €STR become due and payable under Condition 14 (*Events of Default*) or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

Administrators of SOFR or €STR may make changes that could change the value of SOFR, or €STR or discontinue SOFR or €STR respectively

The Federal Reserve Bank of New York or the European Central Bank (or their successors) as administrators of SOFR (and SOFR Compounded Index) or €STR, respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such rates and/or indices are calculated, eligibility criteria applicable to the transactions used to calculate such rates and/or indices, or timing related to the publication of SOFR, SOFR Compounded Index or €STR. In addition, an administrator may alter, discontinue or suspend calculation or dissemination of SOFR, SOFR Compounded Index or €STR, in which case a fallback method of determining the interest rate on the Notes will apply in accordance with the Conditions. An administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

Notes where denominations involve integral multiples

In relation to any issue of Notes that have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case, a Holder who (as a result of trading such amounts) holds an amount that is less than the minimum Specified Denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a Holder who, as a result of trading such amounts, holds an amount that is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

Risks relating to the Notes generally

Set out below is a brief description of certain risks relating to the Notes generally.

There is no limit on the amount or type of further bonds or other indebtedness that the Issuer may issue, incur or guarantee

There is no restriction on the amount of notes, bonds or other liabilities that the Issuer may issue, incur or guarantee and which rank senior to, or *pari passu* with, the Notes. The issue or guaranteeing of any such Notes or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Holders during a winding-up or administration or resolution of the Issuer and may limit the Issuer's ability to meet its obligations under the Notes. In addition, the Notes do not contain any restriction on the Issuer issuing securities that may have preferential rights to the Notes or securities with similar or different provisions to those described herein.

There is no active trading market for the Notes

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. Although applications have been made to the Central Bank for the Notes to be admitted to the Official List and trading on the regulated market of CSSF there can be no assurance that such application will be accepted or that an active trading market will develop or, if developed, that it will continue. If a Tranche of Notes is issued to a single investor or a limited number of investors, this may result in an even more illiquid or volatile market in such Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Notes. If the Notes are traded after their initial issuance, they may

trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

The Issuer may not be liable to pay certain taxes

All payments of principal, interest and any other amounts in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such Additional Amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain exceptions as described in Condition 13 (*Taxation*).

Potential investors should be aware that neither the Issuer nor any other person will be liable for or otherwise obliged to pay, and the Noteholders and Couponholders will be liable for and/or pay, any tax, duty, charge, withholding or other payment whatsoever which may arise as a result of, or in connection with, the ownership, any transfer and/or any payment in respect of the Notes, except as provided for in Condition 13 (*Taxation*).

The interest payments on the Notes may not be made free and clear of Romanian withholding tax

Pursuant to the Terms and Conditions of the Notes, the Issuer will withhold or deduct for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Romania or any political subdivision or any authority thereof having power to tax, if such withholding or deduction is required by law.

Under Romanian tax law, the Issuer is required to withhold tax on gross interest payable under the Notes to the following categories of Holders of:

- 10% to individuals who are tax resident in Romania;
- 16% to legal entities which are not tax resident in Romania; and
- 10% to individuals who are not tax residents in Romania, residents in the EU or in a jurisdiction with which Romania has concluded a treaty for the avoidance of double taxation and 16% if otherwise,

without prejudice to the applicability of any treaties for avoidance of double taxation in force between Romania and the jurisdiction of tax residency of a Holder or of Council Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different EU member states, subject to the conditions set out in the Terms and Conditions of the Notes.

As at the date of this Base Prospectus, interest on notes/debt securities issued by Romanian companies is tax exempt if notes/debt securities are issued under a prospectus approved by a competent regulatory authority and the interest is paid to a holder who is non tax resident in Romania and who is not an affiliated person to the Issuer of the notes/debt securities. Tax law and practice are subject to change. If the aforementioned tax exemption is repealed, there is a risk that relevant Holders may receive less interest on the Notes than expected due to the application of a withholding tax on interest under notes/debt securities.

In this regard, the Issuer will determine the applicability of the withholding or deduction required by Romanian law based on information received from the Holders through the relevant ICSD(s) and/or intermediaries and custodians via the Fiscal Agent as to the identity and residency for tax purposes of Holders. If the Issuer is not provided with such information and thus cannot ascertain the legal form and tax residency of a Holder, the Issuer may deduct the highest of the above rates on gross interest payable under the Notes held by such Holder(s).

Although the Terms and Conditions of the Notes specify that the Issuer will pay such Additional Amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, there are carve outs under which no gross-up obligation in respect of the Notes will apply, for example where the Holder or the Beneficial Owner has not provided information and documentation on the identity and country of tax residence of an income beneficiary (including a tax residency certificate), if and where this would be required.

Changes in law may adversely affect the rights of Holders

Changes in law after the date hereof may affect the rights of Holders as well as the market value of the Notes. The Conditions are based on English and Romanian law in effect as of the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English or Romanian law

or administrative practice after the date of issue of the relevant Notes. Such changes in law may include changes in statutory, tax and regulatory regimes during the life of the Notes, which may have an adverse effect on an investment in the Notes.

In addition, any change in law or regulation that triggers a Tax Event, would, in the case of certain Notes, entitle the Issuer, at its option, to redeem the Notes, in whole but not in part, as provided under Condition 10(c) (*Redemption for Tax Event*).

Such legislative and regulatory uncertainty could also affect an investor's ability to accurately value the Notes and, therefore, affect the trading price of the Notes given the extent and impact on the Notes that one or more regulatory or legislative changes, including those described above, could have on the Notes.

A downgrade of the credit rating assigned by any credit rating agency to the Issuer or, if applicable, to the Notes could adversely affect the liquidity or market value of the Notes. Credit ratings downgrades could occur as a result of, among other causes, changes in the ratings methodologies used by credit rating agencies

Tranches of Notes issued under the Programme may be rated by credit rating agencies and may in the future be rated by additional credit rating agencies, although the Issuer is under no obligation to ensure that any Notes issued by them under the Programme are rated by any credit rating agency. Credit ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in these Risk Factors and other factors that may affect the liquidity or market value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the credit rating agency at any time.

Any rating assigned to the Issuer and/or, if applicable, the Notes may be withdrawn entirely by a credit rating agency, may be suspended or may be lowered, if, in that credit rating agency's judgment, circumstances relating to the basis of the rating so warrant. Ratings may be impacted by a number of factors which can change over time, including the credit rating agency's assessment of: the Issuer's strategy and management's capability; the Issuer's financial condition including in respect of capital, funding and liquidity; competitive and economic conditions in the Romgaz Group's key markets; the level of political support for the industries in which the Romgaz Group operates; and legal and regulatory frameworks affecting the Issuer's legal structure, business activities and the rights of its creditors. The credit rating agencies may also revise the ratings methodologies applicable to an issuer within a particular industry or political or economic region. If credit rating agencies perceive there to be adverse changes in the factors affecting an issuer's credit rating, including by virtue of change to applicable ratings methodologies, the credit rating agencies may downgrade, suspend or withdraw the ratings assigned to an issuer and/or its securities. Revisions to ratings methodologies and actions on the Issuer's ratings by the credit rating agencies may occur in the future.

If the Issuer determines to no longer maintain one or more ratings, or if any credit rating agency withdraws, suspends or downgrades the credit ratings of the Issuer or the Notes, or if such a withdrawal, suspension or downgrade is anticipated (or any credit rating agency places the credit ratings of the Issuer or, if applicable, the Notes on "credit watch" status in contemplation of a downgrade, suspension or withdrawal), whether as a result of the factors described above or otherwise, such event could adversely affect the liquidity or market value of the Notes (whether or not the Notes had an assigned rating prior to such event).

Furthermore, as a result of the CRA Regulation, if the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes, which may impact the value of the Notes and any secondary market trading thereof.

Investors to rely on the procedures of the relevant Clearing System for transfer, payment and communication with the Issuer

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates which may be deposited with a common depository for Euroclear and/or Clearstream, Luxembourg (each of Euroclear and Clearstream, Luxembourg, a "Clearing System"). If the Global Notes are NGN or if the Global Certificates are to be held under the NSS, they will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive definitive Notes. The relevant Clearing System will maintain records of the beneficial interests in the Global Notes or, as the case may be, Global Certificates. While the Notes are represented by one or more Global Notes, or as the case may be, Global Certificates, investors will be able to trade their beneficial interests only through the relevant Clearing System.

While the Notes are represented by one or more Global Notes or, as the case may be, Global Certificates, the Issuer will discharge its payment obligations under the Notes by making payments to the common depository or,

for Global Notes that are NGN and Global Certificates to be held under the NSS, the common safekeeper for Euroclear and Clearstream, Luxembourg. A Holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such Holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies.

Romanian law provisions regarding Noteholders' meetings may create uncertainties regarding the ways in which such provisions may be applied or enforced

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Moreover, the relevant provisions of Romanian law regarding meetings of Noteholders are unclear, untested and unfamiliar to the Romanian courts, which creates significant uncertainty in relation to the ways in which such provisions may eventually be applied or enforced in practice.

Therefore, it is possible that a majority of Noteholders could adopt measures that could impair or limit the rights of Noteholders, or delay their exercise, for example by waiving certain rights temporarily or permanently. These amendments could in turn have the effect of reducing the market value of the Notes.

A Holder's actual yield on the Notes may be reduced from the stated yield by transaction costs

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro rata commissions depending on the order value. To the extent that additional domestic or foreign parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Holders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of Notes (direct costs), Holders must also take into account any follow-up costs (such as custody fees). Prospective investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

INFORMATION INCORPORATED BY REFERENCE

The following information, which has previously been published, shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) The audited consolidated financial statements of the Issuer in English for the year ended 31 December 2022 prepared in accordance with the Order of the Ministry of Public Finance 2844/2016 (the “**2022 Audited Financial Statements**”), set out in the following pages thereof:

	<u>Page(s)</u>
Statement of consolidated comprehensive income	1
Statement of consolidated financial position	2-3
Statement of consolidated changes in equity	4
Statement of consolidated cash flow	5-6
Notes to the consolidated financial statements	7-47

The 2022 Audited Financial Statements in English containing the information incorporated by reference in this Base Prospectus may be inspected, free of charge, at <https://www.romgaz.ro/sites/default/files/2023-03/Consolidated%20Financial%20Statements%20of%20S.N.G.N.%20ROMGAZ%20S.A.%20Group.pdf>.

- (b) The auditors’ report in respect of the 2022 Audited Financial Statements in English, a copy of which may be inspected, free of charge, at <https://www.romgaz.ro/sites/default/files/2023-03/Report%20of%20the%20Independent%20Auditor%20on%20the%20Consolidated%20Financial%20Statements.pdf>.
- (c) The audited consolidated financial statements of the Issuer in English for the year ended 31 December 2023 prepared in accordance with the Order of the Ministry of Public Finance 2844/2016 (the “**2023 Audited Financial Statements**” and, together with the 2022 Audited Financial Statements, the “**Audited Financial Statements**”), set out in the following pages thereof:

	<u>Page(s)</u>
Statement of consolidated comprehensive income	1
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The 2023 Audited Financial Statements in English containing the information incorporated by reference in this Base Prospectus may be inspected, free of charge, at <https://www.romgaz.ro/sites/default/files/2024-03/Consolidated%20Financial%20Statements%20of%20SNGN%20ROMGAZ%20SA%20Group%20for%20the%20year%20ended%20December%202031%2C%202023.pdf>.

- (d) The auditors’ report in respect of the 2023 Audited Financial Statements in English, a copy of which may be inspected, free of charge, at <https://www.romgaz.ro/sites/default/files/2024-03/Report%20of%20the%20Independent%20Auditor%20of%20the%20consolidated%20financial%20statements.pdf>.
- (e) The English translation of the unaudited condensed consolidated interim financial statements of the Issuer for the six-month and three-month periods ended on 30 June 2024 prepared in accordance with International Accounting Standard 34 (“**IAS 34**”) as adopted by the EU (the “**Unaudited Interim Financial Statements**”) and the English translation of the auditors’ review report on the Unaudited Interim Financial Statements, set out in the following pages of the Issuer’s Board of Directors’ Report 1st Half Year 2024:

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Report on review of condensed consolidated interim financial statements	51
Condensed consolidated interim statement of comprehensive income	53
Condensed consolidated interim statement of financial position	54-55
Condensed consolidated interim statement of changes in equity	56
Condensed consolidated interim statement of cash flow.....	57-58
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The English translation of the Board of Directors' Report 1st Half Year 2024 containing the Unaudited Interim Financial Statements and the auditors' review report may be inspected, free of charge, at <https://www.romgaz.ro/sites/default/files/2024-08/Half%20yearly%20Report%20%28H1-2024%29%20and%20Financial%20statements%20at%20June%2030%2C%202024.pdf>.

The English language version of the Audited Financial Statements and related auditors' report are legally binding and definitive. The English language translation of the Unaudited Interim Financial Statements and related auditors' review report are translations from the original and legally binding and definitive versions prepared in the Romanian language. All possible care has been taken to ensure that the translations are an accurate representation of the originals.

The Audited Financial Statements were audited by Ernst & Young Assurance Services SRL and the Unaudited Interim Financial Statements were reviewed by PricewaterhouseCoopers Audit S.R.L. See "*Independent Auditors*".

Any information contained in or incorporated by reference in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus and, for the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

Presentation of financial information

Unless otherwise indicated, the financial information set out in this Base Prospectus is presented on a consolidated basis and has, unless otherwise indicated, been extracted from the (i) Audited Financial Statements; or (ii) Unaudited Interim Financial Statements.

The Audited Financial Statements have been prepared in accordance with the Ministry of Public Finance Order 2844/2016, with subsequent amendments ("**MOF 2844/2016**"), to approve accounting regulations in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU. While there are some exceptions between requirements of MOF 2844/2016 and IFRS as adopted by the EU, these exceptions are not relevant for the Romgaz Group, and as such its MOF 2844/2016 financial statements are also in accordance with IFRS as adopted by the EU.

The Unaudited Interim Financial Statements have been prepared in accordance with the provisions of IAS 34 as adopted by the EU.

Unless otherwise indicated, market share data included in this Base Prospectus has been estimated. All such estimates have been made by the Issuer using its own information and other market information which is publicly available.

Factors affecting the comparability of financial information

As of and for the six-month period ended 30 June 2024, the Romgaz Group revised the presentation of certain items in its Unaudited Interim Financial Statements for the better understanding of the financial position and results of the Romgaz Group. As such, certain information for prior financial periods was presented in the Unaudited Interim Financial Statements in line with the new presentation, to ensure comparability with the financial information of the current financial period.

Condensed consolidated interim statement of financial position

The following changes in presentation were made:

- A new line was introduced in the "Current assets" section, namely "Greenhouse gas certificates". In the 2023 Audited Financial Statements these were included in "Other assets" and also presented as "Current assets" (1).

- “Other financial assets” line, from the Current assets section was renamed to “Bank deposits other than cash and cash equivalents” (2).
- Other line name changes (3):
 - o “Other financial investments” line, from the Non-current assets section, was renamed to “Other financial assets”;
 - o “Deferred revenue” lines included in Current and Non-current Liabilities sections were renamed to “Deferred income”.

Liabilities related to joint operations, initially included in “Other liabilities”, were reclassified to “Trade payables”, in accordance with their nature (4).

	31 December 2023	Effect of change	31 December 2023
	as reported		revised
	'000 RON	'000 RON	presentation
	'000 RON	'000 RON	'000 RON
Trade payables	146,111	126,057	272,168
Other liabilities	637,564	(126,057)	511,507

Condensed consolidated interim statement of comprehensive income

The following changes in presentation were made:

- Work performed by the Romgaz Group and capitalised as non-current assets is now presented as an income, rather than reported net of expenditure incurred. For the six-month period ended 30 June 2024, expenditure incurred to build non-current assets is presented gross, its influence on profit for the period being offset by the presentation of an income “Work performed by the Romgaz Group and capitalised” (1);
- “Other expenses” line has been broken down into its main components represented by “Taxes and duties”, “Employee benefit expense”, “Greenhouse gas certificate expenses” and “Third party services and other costs” (2);
- Impairment losses on trade receivables for other income recorded during the period whose collection is not certain at the time of invoicing are presented net (3);
- Line name changes (4): “Investment income” line was renamed to “Financial income”.

Changes in the condensed consolidated interim statement of comprehensive income for the six-month period ended 30 June 2023 are shown below:

	Six months		Impact of	Six months ended
	ended	Impact of	changes	30 June 2023
	30 June 2023	change (1)	(2) and (3)	revised presentation
	as reported	'000 RON	'000 RON	'000 RON
	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	4,897,317	-	-	4,897,317
Cost of commodities sold	(46,607)	-	-	(46,607)
Finance income/(former Investment income) (4)	125,918	-	-	125,918
Other gains and losses	2,081	-	-	2,081
Net impairment (losses)/gains on trade receivables	9,332	-	14,160	23,492
Changes in inventory of finished goods and work in progress	(43,953)	-	-	(43,953)
Work performed by the Romgaz Group and capitalised	-	117,585	-	117,585
Raw materials and consumables used	(52,600)	(16,896)	-	(69,496)
Depreciation, amortisation and impairment expenses	(261,043)	(13,566)	-	(274,609)
Employee benefit expense	(440,646)	(73,653)	36,429	(477,870)

	Six months ended 30 June 2023 as reported	Impact of change (1)	Impact of changes (2) and (3)	Six months ended 30 June 2023 revised presentation
	'000 RON	'000 RON	'000 RON	'000 RON
Taxes and duties	-	(420)	(936,114)	(936,534)
Finance cost	(27,904)	-	-	(27,904)
Exploration expense	(1,068)	-	-	(1,068)
Share of profit/(loss) of associates	1,562	-	-	1,562
Greenhouse gas certificate expenses	-	-	(148,806)	(148,806)
Third party services and other costs	-	(13,050)	(236,909)	(249,959)
Other expenses	(1,285,400)	-	1,285,400	-
Other income	128,753	-	(14,160)	114,593
Profit before tax	3,005,742	-	-	3,005,742
Income tax expense	(1,320,102)	-	-	(1,320,102)
Profit for the period	1,685,640	-	-	1,685,640
Total comprehensive income for the period	1,685,640	-	-	1,685,640

As a result of these changes comparative financial information as of 31 December 2023 and for the six-month period ended 30 June 2023 was revised to reflect these changes in presentation in the Unaudited Interim Financial Statements. For the purposes of this Base Prospectus, selected financial information included in the consolidated statement of financial position as of 31 December 2023 and the condensed consolidated statement of comprehensive income for the six-month period ended 30 June 2023 presented in section “Operating and Financial review”, where applicable, are disclosed on a revised presentation basis, reflecting the changes mentioned above, consistent with the approach taken in the Unaudited Interim Financial Statements and labelled as “revised presentation”.

The other financial information reflected in the consolidated statement of comprehensive income for the years ended 31 December 2023, 2022 and 2021 and in the consolidated statement of financial position as of 31 December 2023, 2022 and 2021 has not been revised to reflect the changes in presentation described above and are presented in line with the previously issued Audited Financial Statements.

The changes in presentation described above affect the comparability of the financial information presented in section “Operating and Financial review” of this Base Prospectus.

Supplements

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to supersede statements contained in this Base Prospectus (or any earlier supplement) or in a document which is incorporated by reference in this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

Alternative Performance Measures

This Base Prospectus includes data that the Issuer considers to constitute alternative performance measures (“APMs”) and that comply with the ESMA Guidelines on APMs. This information should be viewed as supplemental to the Audited Financial Statements and Unaudited Interim Financial Statements. Investors are cautioned not to place undue

reliance on this information and should note that the APMs, as calculated by the Group, may differ materially from similarly titled measures reported by other companies, including the Group's competitors.

The APMs are not defined in accordance with IFRS. An APM should not be considered in isolation from, or as substitute for any analysis of, financial measures defined according to IFRS. Investors are advised to review the APMs in conjunction with the Audited Financial Statements and Unaudited Interim Financial Statements of the Issuer incorporated by reference in this Base Prospectus. APMs were not audited, reviewed or otherwise reported on by independent auditors and they do not form part of the Audited Financial Statements or the Unaudited Interim Financial Statements.

This Base Prospectus includes the following APM with the rationale for using this non-IFRS measure:

Capital expenditure relates to direct investments into non-current assets, in accordance with the rules each company in the Romgaz Group uses to monitor its investment budget. As such, capital expenditure does not include decommissioning provisions recorded as non-current assets or other elements that are recorded as non-current assets, but are not actual works performed to bring an asset to the condition required to function as intended by management.

Capital expenditure, as APM, has been calculated consistently for all periods included in this Base Prospectus, based on the accounting policies applied in the local, statutory financial statements of the Issuer and its Subsidiaries, and as such cannot be reconciled with any line item, subtotal or total shown in the Audited Financial Statements or the Unaudited Interim Financial Statements, for the respective periods.

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression “**necessary information**” means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Notes, the reasons for the issuance and the impact on the Issuer. In relation to the different types of Notes which may be issued under the Programme, the Issuer has included in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions described in this Base Prospectus as completed to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus.

In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus, unless the context requires otherwise.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion in accordance with Part A of the relevant Final Terms, shall be applicable to Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in the terms and conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on Notes in definitive form or Certificates (as the case may be). The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “Forms of the Notes - Summary of Provisions Relating to the Notes while in Global Form”.

This Note is one of a series (each a “**Series**”) issued pursuant to the €1,500,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Societatea Națională de Gaze Naturale “Romgaz” SA (the “**Issuer**”) on 20 September 2024. A Fiscal Agency Agreement dated 20 September 2024 (the “**Fiscal Agency Agreement**”) has been entered into in relation to the Notes between the Issuer, The Bank of New York Mellon, London Branch as fiscal agent, The Bank of New York Mellon SA/NV, Dublin Branch as registrar and the other agents named in it. The Notes have the benefit of a Deed of Covenant (the “**Deed of Covenant**”) dated 20 September 2024 executed by the Issuer relating to the Notes. The fiscal agent, the other paying agents, the registrar, any transfer agent and the calculation agent for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**”, the “**Registrar**” and the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent**”. “**Agents**” means the Fiscal Agent, the Registrar, the Transfer Agents and any other agent or agents appointed from time to time with respect to the Notes. The Fiscal Agency Agreement includes the form of the Notes. Copies of the Fiscal Agency Agreement and the Deed of Covenant are available for inspection during normal business hours at the Specified Offices of the Fiscal Agent, the Registrar and any Transfer Agents. The Noteholders (as defined below) are deemed to have notice of all the provisions of the Fiscal Agency Agreement applicable to them.

The term “**Notes**” means debt instruments, by whatever name called, issued under the Programme, in application of Article 167 *et seq.* of the Companies Law No.31/1990. The Notes may be issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”). All subsequent references in these Conditions to “**Notes**” are to the Notes which are the subject of the relevant Final Terms. Notes issued under the Programme are issued in Series and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of the relevant final terms (the “**Final Terms**”) which supplements these terms and conditions (the “**Conditions**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail. Certain provisions of these Conditions are summaries of the Fiscal Agency Agreement and are subject to its detailed provisions.

1. Interpretation

(a) **Definitions:** In these Conditions the following expressions have the following meanings:

“**Accrual Yield**” has the meaning given in the relevant Final Terms;

“**Additional Amounts**” has the meaning given in Condition 13(a) (*Gross-Up*);

“**Additional Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Adjustment Spread**” has the meaning given in Condition 9(a)(7) (*Definitions*);

“**Alternative Rate**” has the meaning given in Condition 9(a)(7) (*Definitions*);

“**Benchmark Amendments**” has the meaning given in Condition 9(a)(4) (*Benchmark Amendments*);

“**Benchmark Event**” has the meaning given in Condition 9(a)(7) (*Definitions*);

“**Broken Amount**” means, in respect of any Notes, the amount (if any) that is specified in the relevant Final Terms;

“**Business Day**” means:

- (i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;
- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre; and
- (iii) in relation to any Notes for which the Reference Rate is specified as SOFR in the relevant Final Terms, any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each (if any) Additional Business Centre and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed;

“**Business Day Convention**”, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
 - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) “**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Calculation Amount**” has the meaning given in the relevant Final Terms;

“**Code**” has the meaning given in Condition 13(b) (*FATCA*);

“**Coupon Sheet**” means, in respect of a Bearer Note, a coupon sheet relating to such Note;

“**Couponholders**” means the holders of the Coupons (whether or not attached to the relevant Notes);

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (i) if “**Actual/Actual (ICMA)**” is so specified, means:
 - (A) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods in any year; and

- (B) where the Calculation Period is longer than one Regular Period, the sum of:
- (1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (I) the actual number of days in such Regular Period and (II) the number of Regular Periods in any year; and
 - (2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (I) the actual number of days in such Regular Period and (II) the number of Regular Periods in any year;

- (ii) if “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (vi) if “**30E/360**” or “**Eurobond Basis**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30;

- (vii) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis is as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (1) that day is the last day of February or (2) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (1) that day is the last day of February but not the Maturity Date or (2) such number would be 31, in which case D₂ will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from (and including) the first day of the Calculation Period to (but excluding) the last day of the Calculation Period;

“**Designated Maturity**” shall have the meaning specified in the relevant Final Terms;

“**Early Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Early Redemption Amount (Tax)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**EURIBOR**” means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Eurozone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic EURIBOR rates can be obtained from the designated distributor);

“**euro**” and “**€**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the EU, as amended;

“**FATCA Withholding**” has the meaning given in Condition 13(b) (*FATCA*);

“**Final Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**First Interest Payment Date**” means the date specified in the relevant Final Terms;

“**First Margin**” means the margin specified as such in the relevant Final Terms;

“**Fixed Coupon Amount**” has the meaning given in the relevant Final Terms;

“**Fixed Rate Note**” means a Note on which interest is calculated at a fixed rate payable in arrear on a fixed date or dates in each year and on redemption or on such other dates as may be agreed between the Issuer and the relevant dealer(s) (as indicated in the relevant Final Terms);

“**Floating Rate Note**” means a Note on which interest is calculated at a floating rate payable at intervals of one, two, three, six or 12 months or at such other intervals as may be agreed between the Issuer and the relevant dealer(s) (as indicated in the relevant Final Terms);

“**Holder**”, in the case of Bearer Notes, has the meaning given in Condition 2(b) (*Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 2(d) (*Title to Registered Notes*);

“**Independent Adviser**” has the meaning given in Condition 9(a)(7) (*Definitions*);

“**Initial Rate of Interest**” has the meaning specified in the relevant Final Terms;

“**Interest Amount**” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

“**Interest Commencement Date**” means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

“**Interest Determination Date**” shall mean the date specified as such in the relevant Final Terms, or if the Reference Rate is EURIBOR, unless specified otherwise in the relevant Final Terms, the second TARGET Settlement Day prior to the start of each Interest Period.

“**Interest Payment Date**” means the First Interest Payment Date and any date or dates specified as such in the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the first Interest Payment Date or next Interest Payment Date (as the case may be);

“**ISDA Definitions**” means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

“**Issue Date**” has the meaning given in the relevant Final Terms;

“**Margin**” has the meaning given in the relevant Final Terms;

“**Material Subsidiary**” is any Subsidiary the total assets or gross revenues of which are greater than 10% of the consolidated total assets or consolidated gross revenues, as the case may be, of the Romgaz Group (each as determined by reference to the Issuer’s most recent annual consolidated financial statements);

“**Maturity Date**” has the meaning given in the relevant Final Terms;

“**Maximum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Minimum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Noteholder**”, in the case of Bearer Notes, has the meaning given in Condition 2(b) (*Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 2(d) (*Title to Registered Notes*);

“**Optional Redemption Amount (Call)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Optional Redemption Amount (Put)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Optional Redemption Date (Call)**” has the meaning given in the relevant Final Terms;

“**Optional Redemption Date (Put)**” has the meaning given in the relevant Final Terms;

“**Original Reference Rate**” has the meaning given in Condition 9(a)(7) (*Definitions*);

“**Payment Business Day**” means:

- (i) if the currency of payment is euro, any day (other than a Saturday, Sunday or public holiday) which is:
 - (A) a day on which (1) banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies or (2) commercial banks are open for general business (including dealings in foreign currencies) in the city where the Fiscal Agent has its Specified Office; and
 - (B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre;
- (ii) if the currency of payment is not euro, any day (other than a Saturday, Sunday or public holiday) which is:
 - (A) a day on which (1) banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies or (2) commercial banks are open for general business (including dealings in foreign currencies) in the city where the Fiscal Agent has its Specified Office; and
 - (B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

“**person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Principal Financial Centre**” means, in relation to any currency, the principal financial centre for that currency provided, however, that:

- (i) in relation to euro, it means the principal financial centre of such Member State of the EU as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Issuer;
- (ii) in relation to Australian dollars, it means Sydney; and
- (iii) in relation to New Zealand Dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Issuer;

“**Put Option Notice**” means a notice which must be delivered to an Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

“**Put Option Receipt**” means a receipt issued by an Agent to a depositing Noteholder upon deposit of a Note with such Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

“**Rate of Interest**” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

“**Redemption Amount**” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

“**Reference Currency**” has the meaning given in the relevant Final Terms;

“**Reference Price**” has the meaning given in the relevant Final Terms;

“**Reference Rate**” shall mean (i) EURIBOR, (ii) SOFR, (iii) €STR or as otherwise specified in the relevant Final Terms, in each case for the relevant currency and for the relevant period as specified in the relevant Final Terms;

“**Regular Period**” means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and each successive period from (and including) one Interest Payment Date to (but excluding) the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from (and including) a Regular Date falling in any year to (but excluding) the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from (and including) a Regular Date falling in any year to (but excluding) the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Relevant Date**” means (i) in respect of any payment other than a sum to be paid by the Issuer in the event of the bankruptcy, insolvency, winding up or dissolution of the Issuer, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Holders that, upon further surrender of the Certificate or Bearer Note representing such Note being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such surrender, and (ii) in respect of a sum to be paid by the Issuer in the event of the bankruptcy, insolvency, winding up or dissolution of the Issuer, the date which is one day prior to the date on which an order is made or a resolution is passed for any such bankruptcy, insolvency, winding up or dissolution;

“**Relevant Indebtedness**” means any indebtedness which is in the form of, or represented or evidenced by bonds, notes, debentures, or other debt securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

“**Relevant Financial Centre**” has the meaning given in the relevant Final Terms;

“**Relevant Jurisdiction**” means Romania or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal, premium (if any) and/or interest on the Notes;

“**Relevant Nominating Body**” has the meaning given in Condition 9(a)(7) (*Definitions*);

“**Relevant Screen Page**” means the page, section or other part of a particular information service (or any successor or replacement page, section or other part of a particular information service, including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Time**” has the meaning given in the relevant Final Terms;

“**Resolution**” has the meaning given in the Fiscal Agency Agreement;

“**Specified Currency**” has the meaning given in the relevant Final Terms;

“**Specified Denomination(s)**” has the meaning given in the relevant Final Terms;

“**Specified Office**” has the meaning given in the Fiscal Agency Agreement;

“**Specified Period**” has the meaning given in the relevant Final Terms;

“**Subsequent Margin**” means the margin(s) specified as such in the relevant Final Terms;

“**Subsidiary**” means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer;

“**Successor Rate**” has the meaning given in Condition 9(a)(7) (*Definitions*);

“**Talon**” means a talon for further Coupons;

“**T2**” means the real time gross settlement system operated by the Eurosystem, or any successor system;

“**TARGET Settlement Day**” means any day on which T2 is open for the settlement of payments in euro;

“**Tax Event**” is deemed to have occurred if, as a result of a Tax Law Change, the Issuer determines that (a) in making any payments on the Notes, the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts and the Issuer could not avoid the foregoing by taking measures reasonably available to it or (b) (if Tax Event (Deductibility) is expressly specified to be “Applicable” in the Final Terms) to the extent (prior to such Tax Law Change) the Issuer was entitled to claim a deduction in respect of the Notes in computing its taxation liabilities, it would not be entitled to claim a deduction in respect of its taxation liabilities in the Relevant Jurisdiction in respect of any payment of interest to be made on the next Interest Payment Date or the value of such deduction would be materially reduced;

“**Tax Law Change**” means a change in or amendment to the laws or regulations of a Relevant Jurisdiction, including any treaty to which such Relevant Jurisdiction is a party, or any change in the application of official or generally published interpretation of such laws, including a decision of any court or tribunal, or any interpretation or pronouncement by any relevant tax authority that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position in relation to similar transactions or which differs from any specific written statements made by a tax authority regarding the anticipated tax treatment of the Notes, which change or amendment (x) (subject to (y)) becomes, or would become, effective on or after the Issue Date of the last Tranche of Notes of the relevant Series or (y) in the case of a change or proposed change in law, if such change is enacted (or, in the case of a proposed change, is expected to be enacted), on or after the Issue Date of the last Tranche of Notes of the relevant Series;

“**U.S. Government Securities Business Day**” means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

(b) **Interpretation:** In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount any Additional Amounts in respect of principal which may be payable under Condition 13 (*Taxation*) or any undertakings given in addition thereto or in substitution therefor or any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any Additional Amounts in respect of interest which may be payable under Condition 13 (*Taxation*) and any undertakings given in addition thereto or in substitution therefor or any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being “**outstanding**” shall be construed in accordance with the Fiscal Agency Agreement; and
- (vii) if an expression is stated in Condition 1(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is “Not Applicable”, then such expression is not applicable to the Notes.

2. Form, Denomination, Title and Transfer

(a) *Bearer Notes*

Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.

(b) *Title to Bearer Notes*

Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, “**Holder**” means the holder of such Bearer Note and “**Noteholder**” and “**Couponholder**” shall be construed accordingly.

(c) *Registered Notes*

Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms and higher integral multiples of a smaller amount specified in the relevant Final Terms.

(d) *Title to Registered Notes*

The Registrar will maintain the register in accordance with the provisions of the Fiscal Agency Agreement (“**Register**”). A certificate (each, a “**Certificate**”) will be issued to each Holder of Registered Notes in respect of its registered holding. Each Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, “**Holder**” means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and “**Noteholder**” shall be construed accordingly.

(e) *Ownership*

The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such Holder.

(f) *Transfers of Registered Notes*

Subject to Conditions 2(j) (*Closed periods*) and 2(k) (*Regulations concerning transfers and registration*), a Registered Note may be transferred in whole or in part upon the surrender of the relevant Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the persons who have executed the form of transfer; provided, however, that a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Certificate are the subject of the transfer, a new Certificate in respect of the balance of the Registered Notes will be issued to the transferor and in any case a further new Certificate will be issued to the transferee in respect of the part transferred.

(g) *Exercise of Options or Partial Redemption in Respect of Registered Notes*

In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(h) Registration and delivery of Certificates

Within three business days of the surrender of a Certificate in accordance with Condition 2(f) (*Transfers of Registered Notes*), the Registrar will register the transfer in question and deliver a new Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this Condition 2(h) (*Registration and delivery of Certificates*), “**business day**” means a day on which commercial banks and foreign exchange markets settle payments generally in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

(i) No charge

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(j) Closed periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Note, (ii) during the period of 15 days prior to (and including) any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(d) (*Make-Whole Call Option*) or 10(e) (*Clean-Up Call Option*), (iii) after the Notes have been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

(k) Regulations concerning transfers and registration

All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Fiscal Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

(l) No exchange

Registered Notes may not be exchanged for Bearer Notes and Bearer Notes may not be exchanged for Registered Notes.

3. Status

(a) Status of Notes: The Notes and the Coupons relating to them constitute unsecured obligations of the Issuer and shall rank *pari passu* and without any preference among themselves. In the event of an enforcement of the Issuer’s obligations under the Notes and the Coupons, bankruptcy, insolvency, winding up or dissolution of the Issuer, the payment obligations of the Issuer under the Notes and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

(b) No Security/Guarantee: No Enhancement of Seniority

The Notes are neither secured nor subject to a guarantee or any other arrangement that enhances the seniority of the claims under the Notes and the Coupons relating to them.

4. Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Fiscal Agency Agreement), the Issuer will not, and will ensure that none of its Material Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness,

guarantee or indemnity or such other security as shall be approved by a Resolution (as defined in the Fiscal Agency Agreement) of the Noteholders.

5. Fixed Rate Note Provisions

(a) *Application*

This Condition 5 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Accrual of interest*

The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*) (as applicable). Each Note will cease to bear interest from (and including) the due date for redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (*Fixed Rate Note Provisions*) (as well after as before judgment) up to (but excluding) the Relevant Date.

(c) *Fixed Coupon Amount*

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination. Payments of interest on any Interest Payment Date will, if so specified in the relevant Final Terms, amount to the Broken Amount so specified.

(d) *Calculation of interest amount*

The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose, a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency, in the case of euro, means one cent.

6. Floating Rate Note Provisions

(a) *Application*

This Condition 6 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Accrual of interest*

The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*) (as applicable). Each Note will cease to bear interest from (and including) the due date for redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (*Floating Rate Note Provisions*) (as well after as before judgment) up to (but excluding) the Relevant Date.

(c) *Screen Rate Determination – Other than Floating Rate Notes which reference, SOFR or €STR*

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and the relevant Final Terms do not specify that the Reference Rate is, SOFR or €STR, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent, subject to Condition 9(a) (*Benchmark Discontinuation*), on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

- (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
 - (A) one rate shall be determined as if the period of time designated in the Reference Rate were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
 - (B) the other rate shall be determined as if the period of time designated in the Reference Rate were the period of time for which rates are available next longer than the length of the relevant Interest Period,

provided, however, that if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the period of time designated in the Reference Rate, then the Issuer shall determine such rate at such time and by reference to such sources as it determines appropriate (including, where the Issuer deems appropriate, in consultation with an Independent Advisor);

- (iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iv) if, in the case of paragraph (i) above, such rate does not appear on that page or, in the case of paragraph (iii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Issuer will request appropriate quotations and advise them to the Calculation Agent who will then determine the arithmetic mean of the rates at which deposits in the relevant currency are offered by four major banks (selected by the Issuer) as at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
- (v) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Issuer, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period or, in the absence of a preceding Interest Period, the Rate of Interest applicable to the Notes during such Interest Period shall be the Initial Rate of Interest.

(d) Screen Rate Determination - Floating Rate Notes which reference SOFR or €STR

- (i) If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, Index Determination is specified in the relevant Final Terms as not applicable and the Reference Rate specified in the relevant Final Terms is SOFR or €STR:
 - (A) where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms as being “**Compounded Daily**”, the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 9(a) (*Benchmark Discontinuation*) or Condition 9(k) (*Benchmark Transition Event*), as the case may be, and Condition 6(g) (*Floating Rate Note Provisions– Maximum or Minimum Rate of Interest*) and subject as provided below) be the Compounded Daily Reference Rate plus or minus (as indicated in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on the relevant Interest Determination Date and the resulting

percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards; and

- (B) where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms as being “**Weighted Average**”, the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 9(a) (*Benchmark Discontinuation*) or Condition 9(k) (*Benchmark Transition Event*), as the case may be, and Condition 6(g) (*Floating Rate Note Provisions– Maximum or Minimum Rate of Interest*) and subject as provided below) be the Weighted Average Reference Rate plus or minus (as indicated in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on the relevant Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.
- (ii) Where “**SOFR**” is specified as the Reference Rate in the relevant Final Terms, subject to Condition 9(k) (*Benchmark Transition Event*), if, in respect of any Local Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the SOFR for the first preceding Local Business Day on which the SOFR was published on the Relevant Screen Page (“r” shall be interpreted accordingly).
- (iii) Where “**€STR**” is specified as the Reference Rate in the relevant Final Terms, subject to Condition 9(a) (*Benchmark Discontinuation*), if, in respect of any Local Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the €STR for the first preceding Local Business Day on which the €STR was published on the Relevant Screen Page (“r” shall be interpreted accordingly).
- (iv) In the event that the Rate of Interest for the relevant Interest Period cannot be determined in accordance with the foregoing provisions by the Calculation Agent, subject to Condition 9(a) (*Benchmark Discontinuation*) or Condition 9(k) (*Benchmark Transition Event*), as the case may be, the Rate of Interest for such Interest Period shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the relevant Final Terms) is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period), (ii) if there is no such preceding Interest Determination Date and the relevant Interest Period is the first Interest Period for the Notes, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period) or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Period is not the first Interest Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Period.
- (v) If the relevant Series of Notes becomes due and payable in accordance with Condition 14 (*Events of Default*), the last Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.
- (vi) For the purposes of this Condition 6(d) (*Floating Rate Note Provisions – Screen Rate Determination - Floating Rate Notes which reference SOFR or €STR*):

If “**Payment Delay**” is specified in the relevant Final Terms as being applicable, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead;

“**Applicable Period**” means,

- (A) where “**Lag**”, “**Lock-out**” or “**Payment Delay**” is specified as the Observation Method in the relevant Final Terms, Interest Period; and

(B) where “**Observation Shift**” is specified as the Observation Method in the relevant Final Terms, Observation Period;

“**Calculation Method**” has the meaning given in the relevant Final Terms;

“**Compounded Daily Reference Rate**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{r_i - p_{LBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

“**D**” is the number specified in the relevant Final Terms;

“**d**” means, for the relevant Applicable Period, the number of calendar days in such Applicable Period;

“**d_o**” means, for the relevant Applicable Period, the number of Local Business Days in such Applicable Period;

“**Effective Interest Payment Date**” means any date or dates specified as such in the relevant Final Terms;

“**€STR**” means, in respect of any Local Business Day, a reference rate equal to the daily euro short-term rate for such euro Local Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank as at the date of the Base Prospectus at <https://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the “**ECB’s Website**”) in each case, on or before 9:00 a.m., (Central European Time) on the Local Business Day immediately following such Local Business Day;

“**i**” means, for the relevant Applicable Period, a series of whole numbers from one to d_o, each representing the relevant Local Business Day in chronological order from, and including, the first Local Business Day in such Applicable Period;

“**Local Business Day**” or “**LBD**”, means, (i) where “**SOFR**” is specified as the Reference Rate, any day which is a U.S. Government Securities Business Day and is not a legal holiday in New York and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed; and (ii) where “**€STR**” is specified as the Reference Rate, a TARGET Settlement Day;

“**Lock-out Period**” means the period from, and including, the day following the relevant Interest Determination Date to, but excluding, the corresponding Interest Payment Date;

“**n_i**”, for any Local Business Day “**i**” in the Applicable Period, means the number of calendar days from, and including, such Local Business Day “**i**” up to but excluding the following Local Business Day;

“**New York Federal Reserve’s Website**” means the website of the Federal Reserve Bank of New York as at the date of the Base Prospectus at <https://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York;

“**Observation Method**” shall be as set out in the relevant Final Terms;

“**Observation Period**” means, in respect of the relevant Interest Period, the period from, and including, the date falling “**p**” Local Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “**p**” Local Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “**p**” Local Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“**p**” means, for any Interest Period

- (A) where “**Lag**” is specified as the Observation Method in the relevant Final Terms, the number of Local Business Days included in the Observation Look-back Period specified in the relevant Final Terms (or, if no such number is specified five Local Business Days);
- (B) where “**Lock-out**” is specified as the Observation Method in the relevant Final Terms, zero;
- (C) where “**Observation Shift**” is specified as the Observation Method in the relevant Final Terms, the number of Local Business Days included in the Observation Look-back Period specified in the relevant Final Terms (or, if no such number is specified, five Local Business Days);

“**r**” means:

- (A) where in the relevant Final Terms “**SOFR**” is specified as the Reference Rate and either “**Lag**” or “**Observation Shift**” is specified as the Observation Method, in respect of any Local Business Day, the SOFR in respect of such Local Business Day;
- (B) where in the relevant Final Terms “**€STR**” is specified as the Reference Rate and either “**Lag**” or “**Observation Shift**” is specified as the Observation Method, in respect of any Local Business Day, the €STR in respect of such Local Business Day;
- (C) where in the relevant Final Terms “**SOFR**” is specified as the Reference Rate and “**Lock-out**” is specified as the Observation Method:
 - (i) in respect of any Local Business Day “**i**” that is a Reference Day, the SOFR in respect of the Local Business Day immediately preceding such Reference Day, and
 - (ii) in respect of any Local Business Day “**i**” that is not a Reference Day (being a Local Business Day in the Lock-out Period), the SOFR in respect of the Local Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the relevant Interest Determination Date);
- (D) where in the relevant Final Terms “**€STR**” is specified as the Reference Rate and “**Lock-out**” is specified as the Observation Method:
 - (iii) in respect of any Local Business Day “**i**” that is a Reference Day, the €STR in respect of the Local Business Day immediately preceding such Reference Day, and
 - (iv) in respect of any Local Business Day “**i**” that is not a Reference Day (being a Local Business Day in the Lock-out Period), the €STR in respect of the Local Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the relevant Interest Determination Date);
- (E) where in the relevant Final Terms “**SOFR**” is specified as the Reference Rate and “**Payment Delay**” is specified as the Observation Method, in respect of any Local Business Day, the SOFR in respect of such Local Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Local Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, “**r**” shall be the SOFR in respect of the Rate Cut-off Date; and
- (F) where in the relevant Final Terms “**€STR**” is specified as the Reference Rate and “**Payment Delay**” is specified as the Observation Method, in respect of any Local Business Day, the €STR in respect of such Local Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Local Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, “**r**” shall be the €STR in respect of the Rate Cut-off Date;

“**Rate Cut-off Date**” has the meaning given in the relevant Final Terms;

“**Reference Day**” means each Local Business Day in the relevant Interest Period, other than any Local Business Day in the Lock-out Period;

“ r_{i-pLBD} ” means the applicable Reference Rate as set out in the definition of “**r**” above for, (i) where, in the relevant Final Terms, “**Lag**” is specified as the Observation Method, the Local Business Day (being a Local Business Day falling in the relevant Observation Period) falling “**p**” Local Business Days prior to the relevant Local Business Day “**i**” or, (ii) otherwise, the relevant Local Business Day “**i**”;

“**SOFR**” means, in respect of any Local Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Federal Reserve’s Website, in each case on or about 5.00 p.m. (New York City Time) (the “**SOFR Determination Time**”) on the Local Business Day immediately following such Local Business Day;

“**U.S. Government Securities Business Day**” means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities; and

“**Weighted Average Reference Rate**” means:

- (A) where “**Lag**” is specified as the Observation Method in the relevant Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Local Business Day shall be deemed to be the Reference Rate in effect for the Local Business Day immediately preceding such calendar day; and
- (B) where “**Lock-out**” is specified as the Observation Method in the relevant Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period, **provided however that** for any calendar day of such Interest Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Local Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Local Business Day immediately preceding such calendar day.

(e) **Index Determination**

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and Index Determination is specified in the relevant Final Terms as being applicable, the Rate of Interest applicable to the Notes for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula and rounded to the Relevant Decimal Place, all as determined and calculated by the Calculation Agent on the relevant Interest Determination Date plus or minus (as indicated in the relevant Final Terms) the Margin:

$$\left(\frac{\text{Compounded Index End}}{\text{Compounded Index Start}} - 1 \right) \times \frac{\text{Numerator}}{d}$$

where:

“**Compounded Index**” means SOFR Compounded Index;

“**Compounded Index End**” means the Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which, by its definition or the operation of the relevant provisions, is excluded from such Interest Period);

“**Compounded Index Start**” means the Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period.

“**d**” is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined;

“**Index Days**” means U.S. Government Securities Business Days;

“**Numerator**” shall, unless otherwise specified in the relevant Final Terms, be 360;

“**Relevant Decimal Place**” shall, unless otherwise specified in the relevant Final Terms, be the seventh decimal place, rounded up or down, if necessary (with 0.0000005 being rounded upwards);

“**Relevant Number**” shall, unless otherwise specified in the relevant Final Terms, be two; and

“**SOFR Compounded Index**” means the compounded daily SOFR rate, as published at 15:00 (New York time) by the Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source.

Provided that a Benchmark Transition Event and its related Benchmark Replacement Date has not occurred in respect of SOFR, if, with respect to any Interest Period, the relevant Compounded Index Start and/or Compounded Index End is not published by the administrator, the Calculation Agent shall calculate the Rate of Interest for that Interest Period in accordance with Condition 6(d) (*Floating Rate Note Provisions – Screen Rate Determination - Floating Rate Notes which reference SOFR or €STR*) as if Index Determination was not specified in the relevant Final Terms as being applicable. For these purposes, (i) the Reference Rate shall be deemed to be SOFR, (ii) the Calculation Method shall be deemed to be Compounded Daily, (iii) the Observation Method shall be deemed to be Observation Shift, (iv) the Observation Look-back Period shall be deemed to be the Relevant Number, and (v) D shall be deemed to be the Numerator. If a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, the provision of Condition 9(k) (*Benchmark Transition Event*) shall apply *mutatis mutandis* in respect of this Condition 6(e) (*Index Determination*), as applicable.

(f) ISDA Determination

If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “**ISDA Rate**” in relation to any Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option is as specified in the relevant Final Terms;
- (ii) the Designated Maturity is a period specified in the relevant Final Terms; and
- (iii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:

- (A) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and

- (B) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period,

provided, however, that if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Issuer shall determine such rate at such time and by reference to such sources as it determines appropriate.

The expressions “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**” and “**Designated Maturity**” in this Condition 6(e) (*ISDA Determination*) have the respective meanings given to them in the ISDA Definitions.

(g) *Maximum or Minimum Rate of Interest*

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified. Unless otherwise specified in the relevant Final Terms, the Minimum Rate of Interest shall be zero.

(h) *Calculation of Interest Amount*

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose, a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

(i) *Publication*

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it, together with any relevant payment date(s), to be notified to the Issuer and the Agents and the Issuer shall notify each competent authority and/or stock exchange on which the Notes are for the time being admitted to listing and/or trading as soon as possible after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also be given to the Noteholders by the Issuer in accordance with Condition 20 (*Notices*) as soon as possible after the determination or calculation thereof. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. Any such recalculation will promptly be notified to each competent authority and/or stock exchange on which the Notes are for the time being admitted to listing and/or trading and to the Noteholders in accordance with Condition 20 (*Notices*). If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

(j) *Notifications, etc.*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6 (*Floating Rate Note Provisions*) by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Calculation Agent, the Agents and all Holders and no liability to the Holders, Couponholders or (subject to the provisions of the Fiscal Agency Agreement) the Issuer shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

7. *Zero Coupon Note Provisions*

(a) *Application*

This Condition 7 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Late payment on Zero Coupon Notes*

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date of the first Tranche of the relevant Series of Notes to (but excluding) whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf

of the relevant Noteholder and (B) the day which is seven days after the Fiscal Agent (acting on the instructions of the Issuer) has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

8. Fixed/Floating Rate Notes

(a) Application

This Condition 8 (*Fixed/Floating Rate Notes*) is applicable to the Notes only if the Fixed Rate Note Provisions and the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) Fixed/Floating Rate

The Issuer may issue Notes (i) that the Issuer may elect to convert on the date set out in the relevant Final Terms from a Fixed Rate Note to a Floating Rate Note, or from a Floating Rate Note to a Fixed Rate Note or (ii) that will automatically change from a Fixed Rate Note to a Floating Rate Note, or from a Floating Rate Note to a Fixed Rate Note on the date set out in the relevant Final Terms, in either case, as set out in the relevant Final Terms.

9. Benchmark Discontinuation and Benchmark Transition Event

(a) Benchmark Discontinuation

This Condition 9(a) (*Benchmark Discontinuation*) applies to Floating Rate Notes which do not reference SOFR.

(1) Independent Adviser

Notwithstanding the fallback provisions provided for in Condition 6(c) (*Screen Rate Determination – Other than Floating Rate Notes which reference, SOFR or €STR*), if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 9(a)(2) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread if any (in accordance with Condition 9(a)(3) (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 9(a)(4) (*Benchmark Amendments*)).

An Independent Adviser appointed pursuant to this Condition 9(a) (*Benchmark Discontinuation*) shall act in good faith and in a commercially reasonable manner. In the absence of fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 9(a) (*Benchmark Discontinuation*).

If the Issuer is unable to appoint an Independent Adviser prior to the IA Determination Cut-Off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may still determine (x) a Successor Rate or, failing which, an Alternative Rate and (y) in either case, an Adjustment Spread if any in accordance with this Condition 9(a) (*Benchmark Discontinuation*).

If the Independent Adviser appointed by the Issuer or the Issuer (as applicable) fails to determine a Successor Rate or, failing which, an Alternative Rate and, in either case, an Adjustment Spread in accordance with this Condition 9(a) (*Benchmark Discontinuation*) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the Initial Rate of Interest. Where a different Margin, Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of

doubt, this sub-paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 9(a) (*Benchmark Discontinuation*).

(2) ***Successor Rate or Alternative Rate***

If in accordance with this Condition 9(a) (*Benchmark Discontinuation*) it is determined that:

- (i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 9(a) (*Benchmark Discontinuation*)); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 9(a) (*Benchmark Discontinuation*)).

(3) ***Adjustment Spread***

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be), including for each subsequent determination of a relevant Rate of Interest (or any component part(s) thereof) by reference to such Successor Rate or Alternative Rate (as applicable) subject to the subsequent operation of this Condition 9(a) (*Benchmark Discontinuation*).

If the Independent Adviser or the Issuer (as applicable) is unable to determine the Adjustment Spread (or the formula or methodology for determining such Adjustment Spread), then the fallback provisions described in the final sub-paragraph of Condition 9(a)(1) (*Independent Adviser*) shall apply. For the avoidance of doubt, this sub-paragraph shall apply to the relevant next succeeding Interest Period, and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first sub-paragraph of Condition 9(a)(1) (*Independent Adviser*).

(4) ***Benchmark Amendments***

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 9(a) (*Benchmark Discontinuation*) and the Independent Adviser determines (i) that amendments to these Conditions and/or the Fiscal Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 9(a)(5) (*Notices, etc.*), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Fiscal Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Fiscal Agent of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 9(a)(5) (*Notices, etc.*), the Fiscal Agent and any other agents party to the Fiscal Agency Agreement shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer and use reasonable endeavours to effect any Benchmark Amendments and the Fiscal Agent shall not be liable to any party for any consequences thereof, provided that the Fiscal Agent shall not be obliged so to concur or use such endeavours if in the opinion of the Fiscal Agent doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or any documents to which it is a party in any way. For the avoidance of doubt, no Noteholder consent shall be required in connection with effecting any Benchmark Amendments or such other changes, including for the execution of any documents, amendments or other steps by the Issuer or the Fiscal Agent (if required or deemed useful by the Issuer or the Fiscal Agent).

In connection with any such variation in accordance with this Condition 9(a)(4) (*Benchmark Amendments*), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding anything included in the ISDA Definitions, the Base Prospectus, Final Terms, and/or any other transaction document (the “**Transaction Documents**”) for any series of the Notes to the contrary, the Issuer agrees that the Fiscal Agent or The Bank of New York Mellon, London Branch (in its capacity as Calculation Agent, if so appointed) will have no obligation to exercise any discretion (including, but not limited to, determinations of alternative or substitute benchmarks, successor reference rates, screen pages, interest adjustment factors, fractions or spreads, market disruptions, benchmark amendment conforming changes, selection and polling of reference banks), and to the extent the Transaction Documents for any series of Notes requires the Calculation Agent to exercise any such discretions and/or make such determinations, such references shall be construed as the Issuer or its financial adviser or alternate agent appointed by the Issuer exercising such discretions and/or determinations and/or actions and not the Calculation Agent.

(5) Notices, etc.

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 9(a) (*Benchmark Discontinuation*) will be notified promptly by the Issuer to the Calculation Agent, the Agents and, in accordance with Condition 20 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent (to make available at its registered office to the Holders) a certificate signed by two authorised signatories of the Issuer:

- (a) confirming (A) that a Benchmark Event has occurred, (B) the Successor Rate or, as the case may be, the Alternative Rate, (C) the applicable Adjustment Spread and/or (D) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 9(a) (*Benchmark Discontinuation*); and
- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

Each of the Calculation Agent and the Agents shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. For the avoidance of doubt, the Fiscal Agent shall not be liable to the Holders or any other such person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Calculation Agent’s and the Agents’ respective abilities to rely on such certificate as aforesaid) be binding on the Issuer, the Calculation Agent, the Agents and the Noteholders.

(6) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 9(a)(1) (*Independent Adviser*), Condition 9(a)(2) (*Successor Rate or Alternative Rate*), Condition 9(a)(3) (*Adjustment Spread*) and Condition 9(a)(4) (*Benchmark Amendments*), the Original Reference Rate and the fallback provisions provided for in Condition 6(c) (*Screen Rate Determination – Other than Floating Rate Notes which reference SOFR or €STR*), will continue to apply unless and until a Benchmark Event has occurred and the Fiscal Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be) and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 9(a)(5) (*Notices, etc.*).

(7) Definitions

As used in this Condition 9(a) (*Benchmark Discontinuation*):

“Adjustment Spread” means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case, to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)
- (b) the Independent Adviser or, if the Issuer is unable to appoint an Independent Adviser, the Issuer determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions which reference the Original Reference Rate to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied)
- (c) the Independent Adviser or, if the Issuer is unable to appoint an Independent Adviser, the Issuer determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be) or (if the Independent Adviser or, where applicable, the Issuer determines that no such industry standard is recognised or acknowledged, to be appropriate)
- (d) the Independent Adviser or, if the Issuer is unable to appoint an Independent Adviser, the Issuer determines, having regard to the objective, so far as is reasonably practicable in the circumstances, has the effect of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser or, if the Issuer is unable to appoint an Independent Adviser, the Issuer determines in accordance with Condition 9(a)(2) (*Successor Rate or Alternative Rate*) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes and of a duration corresponding to the relevant Interest Period;

“Benchmark Amendments” has the meaning given to it in Condition 9(a)(4) (*Benchmark Amendments*);

“Benchmark Event” means the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or

- (e) the making of a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (f) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (g) the making of a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (h) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of an underlying market; or
- (i) it has become unlawful for any Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original

Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the making of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Fiscal Agent, the Calculation Agent and the Paying Agents;

“**IA Determination Cut-Off Date**” means the day falling no later than five Business Days prior to the Interest Determination Date;

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate experience in the international debt capital markets appointed by the Issuer at its own expense under Condition 9(a)(1) (*Independent Adviser*);

“**Original Reference Rate**” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes or, if applicable, any other successor or alternative rate (or any component part thereof) determined and applicable to the Notes pursuant to the earlier operation of this Condition 9(a) (*Benchmark Discontinuation*);

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (j) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (aa) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (bb) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (cc) a group of the aforementioned central banks or other supervisory authorities or (dd) the Financial Stability Board or any part thereof; and

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(k) **Benchmark Transition Event**

Where the relevant Reference Rate, as the case may be, applicable to the Notes is SOFR, in addition and notwithstanding the provisions above in Condition 6 (*Floating Rate Note Provisions*), as applicable, this Condition 9(k) (*Benchmark Transition Event*) shall apply.

- (i) **Benchmark Replacement:** If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.
- (ii) **Benchmark Replacement Conforming Changes:** In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.
- (iii) **Decisions and Determinations:** Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 9(k) (*Benchmark Transition Event*), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, will be made in the sole discretion of the Issuer or its designee, as applicable, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the Holders or any other party. Neither the Fiscal Agent nor the Calculation Agent will have any liability for any determination made by or on behalf of Issuer or its designee in connection with a Benchmark Transition Event or a Benchmark Replacement.

In no event shall the Fiscal Agent or Calculation Agent be responsible for determining if a Benchmark Transition Event has occurred or any substitute for SOFR, or for making any

adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, the Fiscal Agent and the Calculation Agent will be entitled to conclusively rely on any determinations made by Issuer or its designee and will have no liability for such actions taken at the direction of the Issuer or its designee.

In the event that the Rate of Interest for the relevant Interest Period, as applicable, cannot be determined in accordance with the foregoing provisions by the Issuer or its designee, the Rate of Interest for such Interest Period, as applicable, shall be (i) that determined as at the immediately preceding Interest Determination Date, as applicable, (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the relevant Final Terms) is to be applied to the relevant Interest Period from that which applied to the immediately preceding Interest Period, as applicable, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin relating to that immediately preceding Interest Period, as applicable), or (ii) if there is no such preceding Interest Determination Date and the relevant Interest Period is the first Interest Period for the Notes, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period), or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Period is not the first Interest Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Period.

For the purposes of this Condition 9(k) (*Benchmark Transition Event*):

“**Benchmark**” means, initially, SOFR; **provided that** if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then “**Benchmark**” means the applicable Benchmark Replacement;

“**Benchmark Replacement**” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;
- (B) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- (C) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. Dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

“**Benchmark Replacement Adjustment**” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (D) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (E) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (F) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar-denominated floating rate notes at such time;

“**Benchmark Replacement Conforming Changes**” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer or its designee decide may be appropriate to reflect

the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decide that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determine is reasonably necessary);

“**Benchmark Replacement Date**” means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) in the case of sub-paragraph (A) or (B) of the definition of “**Benchmark Transition Event**,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (B) in the case of sub-paragraph (C) of the definition of “**Benchmark Transition Event**,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component);
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“**designee**” means a designee as selected and separately appointed by the Issuer as designee for the Notes in writing;

“**ISDA Fallback Adjustment**” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

“**ISDA Fallback Rate**” means the rate that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“**Reference Time**” with respect to any determination of the Benchmark means (1) if the Benchmark is SOFR, the SOFR Determination Time, and (2) if the Benchmark is not SOFR, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

“**Unadjusted Benchmark Replacement**” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

10. Redemption and Purchase

(a) *Scheduled redemption*

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the Final Terms at its Final Redemption Amount (which, unless otherwise provided in the Final Terms, is its nominal amount).

(b) *Redemption at the option of the Issuer*

If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) on the Issuer giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 (*Notices*), or such other period(s) as may be specified in the relevant Final Terms, which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the applicable amount specified in the relevant Final Terms (together with any accrued but unpaid interest to (but excluding) the relevant Optional Redemption Date (Call)) at the Optional Redemption Amount (Call).

(c) *Redemption for Tax Event*

If a Tax Event has occurred, the Notes may be redeemed at the option of the Issuer in whole, but not in part, (if the Notes are Floating Rate Notes) on the next Interest Payment Date or (if the Notes are not Floating Rate Notes) at any time at their Early Redemption Amount (Tax), together with any accrued but unpaid interest to the date fixed for redemption, provided that the Issuer provides not less than 30 days' nor more than 60 days' prior notice to the Fiscal Agent, the Registrar (if applicable), and the Noteholders in accordance with Condition 20 (*Notices*) (such notice being irrevocable) specifying the date fixed for such redemption.

Upon the expiry of any such notice as is referred to in this Condition 10(c) (*Redemption for Tax Event*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(c) (*Redemption for Tax Event*).

(d) *Make-Whole Call Option*

If Make-Whole Amount is specified in the applicable Final Terms as the Optional Redemption Amount, the Optional Redemption Amount per Note shall be equal to the higher of (i) the nominal amount of the Note; and (ii) the sum of the then present values of the remaining scheduled payments of principal and Remaining Term Interest (assuming for this purpose the Notes are to be redeemed at their nominal amount on the Make-Whole Reference Date), in each case discounted to the relevant Optional Redemption Date on either an annual or a semi-annual basis as specified in the applicable Final Terms (based on the Day Count Fraction specified in the applicable Final Terms) at the Reference Dealer Rate plus any applicable Redemption Margin specified in the applicable Final Terms, all as determined by the Determination Agent;

in each case together with interest accrued to (but excluding) the relevant Optional Redemption Date.

Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Final Terms. Any notice of redemption given under Condition 10(c) (*Redemption for Tax Event*) or Condition 10(e) (*Clean-Up Call Option*) will override any notice of redemption given (whether previously, on the same date or subsequently) under this Condition 10(d) (*Make-Whole Call Option*).

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

In this Condition:

“**Determination Agent**” means an investment banking, accountancy, appraisal or financial advisory firm with international standing that has (in the reasonable opinion of the Issuer) appropriate expertise relevant to the determination required to be made under this Condition 10(d) (*Make-Whole Call Option*) selected by the Issuer.

“**Gross Redemption Yield**” means a yield expressed as a percentage calculated in accordance with generally accepted market practice at such time as determined by the Determination Agent.

“**Make-Whole Reference Date**” means the earliest of (i) the Maturity Date, (ii) Optional Redemption Date (Call) (if applicable), and (iii) such other date (if any) specified as such in the applicable Final Terms.

“**Reference Bond**” means the government security specified in the applicable Final Terms, or (if such security is no longer in issue or, in the determination of the Determination Agent, with the advice of the Reference Dealers, is no longer appropriate by reason of illiquidity or otherwise), such other government security with a maturity date as near as possible to the Make-Whole Reference Date, as the Determination Agent may, with the advice of the Reference Dealers, determine to be appropriate by way of substitution for the original Reference Bond.

“**Reference Dealers**” means each of three banks selected by the Issuer which are (A) a primary government securities dealer, or (B) a market maker in pricing corporate bond issues; and

“**Reference Dealer Rate**” means with respect to the Reference Dealers and any Optional Redemption Date the average of the three quotations of the mid-market annual yield to maturity of the Reference Bond specified in the applicable Final Terms at the Quotation Time specified in the applicable Final Terms on the Determination Date specified in the applicable Final Terms and quoted in writing to the Determination Agent/Issuer by the Reference Dealers.

“**Remaining Term Interest**” means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term to the Make-Whole Reference Date determined on the basis of the rate of interest applicable to such Note from and including the relevant Optional Redemption Date.

(e) Clean-Up Call Option

If Clean-Up Call Option is specified as being applicable in the relevant Final Terms and the Clean-up Call Minimum Percentage (or more) of the principal amount outstanding of the Notes originally issued have been redeemed or purchased and subsequently cancelled in accordance with this Condition 10 (*Redemption and Purchase*), the Issuer may, at its option, give notice to (i) the Fiscal Agent, (ii) the Registrar (if applicable) and (iii) the Holders in accordance with Condition 20 (*Notices*) (which notice shall be irrevocable) that all (but not some only) of the outstanding Notes comprising the relevant Series shall be redeemed:

- (i) in the case of all Notes other than Floating Rate Notes, at any time within the period of not less than 30 nor more than 60 days from the date of such notice; or
- (ii) in the case of Floating Rate Notes, (1) on any Interest Payment Date falling within the period of not less than 30 nor more than 60 days from the date of such notice or (2) if there is no Interest Payment Date falling within (1) above, on the first Interest Payment Date to occur after the expiry of 60 days from the date of such notice,

in each case, at their principal amount or at such other amount as may be specified in the relevant Final Terms as the Clean-Up Call Option Amount together (in each case) with accrued interest (if any) thereon. Upon the expiry of such notice, the Issuer shall redeem the Notes.

For the purposes of this Condition 10(e) (*Clean-Up Call Option*), any further notes, bonds or debentures issued pursuant to Condition 19 (*Further Issues*) which are consolidated and form a single series with the Notes of any Series outstanding at that time will be deemed to be originally issued.

For the purposes of these Conditions, “**Clean-Up Call Minimum Percentage**” means 80%, unless otherwise specified in the relevant Final Terms.

(f) Redemption at the option of Noteholders

If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Note, redeem such Note on the Optional Redemption Date (Put) specified

in the relevant Put Option Notice (which notice shall be irrevocable) at the relevant Optional Redemption Amount (Put), together with any accrued but unpaid interest to (but excluding) such date.

In order to exercise the option contained in this Condition 10(f) (*Redemption at the option of Noteholders*), the Holder of a Note must, not less than 30 days nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant Final Terms), deposit with any Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) such Note, together with any unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Agent. The relevant Agent or the Registrar (as the case may be) with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10(f) (*Redemption at the option of Noteholders*), may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Agent or Registrar (as the case may be) shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by an Agent or the Registrar (as the case may be) in accordance with this Condition 10(f) (*Redemption at the option of Noteholders*), the depositor of such Note and not such Agent or the Registrar (as the case may be) shall be deemed to be the Holder of such Note for all purposes.

(g) *Redemption at the Option of Noteholders (Change of Control Put Option):*

If Change of Control Put Option is specified in the applicable Final Terms and if at any time while any Note remains outstanding a Change of Control Put Event occurs, the holder of any such Note will have the option (a “**Change of Control Put Option**”) (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under Condition 10(b) (*Redemption at the option of the Issuer*), Condition 10(c) (*Redemption for Tax Event*) or Condition 10(d) (*Make-Whole Call Option*) or Condition 10(e) (*Clean-Up Call Option*) above) to require the Issuer to redeem or, at the Issuer’s option, purchase (or procure the purchase of) that Note on the Change of Control Put Date (as defined below) at the Change of Control Redemption Amount specified in the applicable Final Terms together with (or, where purchased, together with an amount equal to) interest accrued to (but excluding) the Change of Control Put Date.

A “**Change of Control Put Event**” will be deemed to occur if the Romanian State and/or any state agencies appropriately authorised to hold the shares of the Issuer (a) ceases to own or control (directly or indirectly) 50% plus one share of the issued and outstanding voting share capital of the Issuer or (b) no longer has the right to appoint or remove a majority of the Issuer’s board of directors and in each such circumstance has a material adverse effect on the capacity of the Issuer to perform its payment obligations under the Notes.

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred the Issuer shall, give notice (a “**Change of Control Put Event Notice**”) to the Noteholders in accordance with Condition 20 (*Notices*) specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a “**Change of Control Put Notice**”) within the period (the “**Change of Control Put Period**”) of 30 days after a Change of Control Put Event Notice is given. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

Without prejudice to Condition 10(e) (*Clean-Up Call Option*), if 80% or more in nominal amount of the Notes outstanding as at the date of the relevant Change of Control Put Event Notice have been redeemed or purchased pursuant to this Condition 10(g) (*Redemption at the Option of Noteholders (Change of Control Put Option)*), the Issuer may, on giving not less than 30 nor more than 60 days’

notice to the Noteholders (such notice being given within 30 days after the Change of Control Put Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their nominal amount, together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

(h) *Partial redemption*

If the Notes are to be redeemed in part only on any date in accordance with Condition 10(b) (*Redemption at the option of the Issuer*) or Condition 10(d) (*Make-Whole Call Option*), in the case of Bearer Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place and in such manner as the Issuer considers appropriate, subject to compliance with applicable law, the rules of each competent authority and/or stock exchange by which the Notes have then been admitted to listing and/or trading and the notice to Noteholders referred to in Condition 10(b) (*Redemption at the option of the Issuer*) or Condition 10(d) (*Make-Whole Call Option*), as applicable, shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then any such redemption must relate to Notes of an aggregate principal amount at least equal to the Minimum Redemption Amount and no greater than the Maximum Redemption Amount (as applicable).

(i) *No other redemption*

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 10(a) (*Scheduled redemption*) to 10(h) (*Partial redemption*).

(j) *Early redemption of Zero Coupon Notes*

Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

- (A) the Reference Price; and
- (B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first Tranche of the relevant Series of Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the relevant Final Terms for the purposes of this Condition 10(j) (*Early redemption of Zero Coupon Notes*) or, if none is so specified, a Day Count Fraction of 30E/360.

(k) *Purchase*

Notwithstanding Condition 3 (*Status*), the Issuer or any of its subsidiaries may purchase or otherwise acquire any of the outstanding Notes at any price in the open market or otherwise, provided that all unmatured Coupons are purchased therewith.

(l) *Cancellation*

All Notes which are redeemed pursuant to this Condition 10 (*Redemption and Purchase*) will be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be held, reissued, resold or, at the option of the Issuer, cancelled.

(m) *Illegality Call Option*

If it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes, the Issuer may, subject to having given not more than 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 20 (*Notices*), redeem all, but not some only, of the Notes at the Early Redemption Amount of such Notes together (if applicable) with any accrued but unpaid interest to (but excluding) the date set for redemption.

11. Payments – Bearer Notes

This Condition 11 (*Payments – Bearer Notes*) is only applicable to Bearer Notes.

(a) Principal

Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of Bearer Notes at the Specified Office of any Agent outside the United States by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.

(b) Interest

Payments of interest shall, subject to Condition 11(h) (*Payments other than in respect of matured Coupons*), be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Agent outside the United States, in the manner described in Condition 11(a) (*Principal*).

(c) Payments in New York City

Payments of principal or interest may be made at the Specified Office of an Agent in New York City if: (i) the Issuer has appointed Agents outside the United States with the reasonable expectation that such Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due; (ii) payment of the full amount of such interest at the offices of all such Agents is illegal or effectively precluded by exchange controls or other similar restrictions; and (iii) payment is permitted by applicable United States law.

(d) Payments subject to fiscal laws

Save as provided in Condition 13 (*Taxation*), payments in respect of the Bearer Notes will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws and regulations to which the Issuer or its Agents are or agree to be subject and the Issuer or any of its Agents will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, and no commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Deductions for unmatured Coupons

If the relevant Final Terms specify that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented for payment without all unmatured Coupons relating thereto:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; provided, however, that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment; or
- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the “**Relevant Coupons**”) being equal to the amount of principal due for payment; provided, however, that where this Condition 11(e)(ii)(A) would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; provided, however, that, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 11(a) (*Principal*) against presentation and (provided that payment is made in full) surrender of the relevant missing Coupons.

(f) *Unmatured Coupons void*

If the relevant Final Terms specify that the Floating Rate Note Provisions are applicable, on the due date for redemption of any Note or early redemption in whole of such Note pursuant to Conditions 10(b) (*Redemption at the option of the Issuer*), 10(c) (*Redemption for Tax Event*), 10(f) (*Redemption at the option of Noteholders*) or 14 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) *Payments on business days*

If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) *Payments other than in respect of matured Coupons*

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Agent outside the United States (or in New York City if permitted by Condition 11(c) (*Payments in New York City*)).

(i) *Partial payments*

If an Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Agent will endorse thereon a statement indicating the amount and date of such payment.

(j) *Exchange of Talons*

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 15 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

12. Payments – Registered Notes

This Condition 12 (*Payments – Registered Notes*) is only applicable to Registered Notes.

(a) *Principal*

Payments of principal shall be made by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with a bank in the Principal Financial Centre of that currency and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Agent.

(b) *Interest*

Payments of interest shall be made by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with a bank in the Principal Financial Centre of that currency and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Agent.

(c) *Payments subject to fiscal laws*

Save as provided in Condition 13 (*Taxation*), payments in respect of the Registered Notes will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws and regulations to which the Issuer or its Agents are or agree to be subject, and the Issuer or any of its agents will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, and no commissions or expenses shall be charged to the Noteholders in respect of such payments.

(d) ***Payments on business days***

Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated: (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of an Agent; and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a Payment Business Day.

(e) ***Partial payments***

If an Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Certificate.

(f) ***Record date***

Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the close of business in the place of the Registrar's Specified Office on the 15th business day before the due date for such payment (the "**Record Date**").

13. Taxation

(a) ***Gross-up***

All payments of principal, interest and any other amounts in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer will pay such additional amounts ("**Additional Amounts**") as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note or Coupon:

- (i) held by or on behalf of a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of such Holder having some connection with the Relevant Jurisdiction other than a mere holding of such Note or Coupon; or
- (ii) in respect of which the Note or Certificate is presented for payment more than 30 days after the Relevant Date except to the extent that the Holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such period of 30 days; or
- (iii) if the Holder could avoid such a withholding or deduction providing a certificate of residence or any other similar documents; or
- (iv) by reason of the Issuer or any person on behalf of the Issuer not having duly received a true, accurate and complete Beneficial Ownership Information or any other similar claim for exemption, where such Beneficial Ownership Information or other claim for exemption is required or imposed under the Income Taxes Act, if any, except where this is caused by actions or omissions of the Issuer or its agents.

References in these Conditions to interest shall be deemed to include any Additional Amounts which may become payable pursuant to the foregoing provisions or any undertakings given in addition thereto or in substitution therefor.

In this Condition:

"**Beneficial Owner**" means an income recipient who is treated as the beneficial owner in respect of income paid in connection with the Notes and who qualifies as a beneficial owner under the Income Taxes Act, and/or (where applicable) an applicable Tax Treaty.

“**Beneficial Ownership Information**” means certain information and documentation concerning, in particular, the identity and country of tax residence of a recipient (including a tax residency certificate) of a payment of interest or principal in respect of the Notes (together with relevant evidence thereof) which enable the Issuer to reliably establish that such recipient is a Beneficial Owner with respect to any such payment and that all conditions for the granting of a Tax Relief, if any, are met.

“**Romanian Tax Non-Resident**” means a taxpayer who is not a tax resident of Romania, either under the Income Taxes Act or under a relevant Tax Treaty (if any).

“**Romanian Tax Resident**” means a taxpayer who is a tax resident of Romania under the Income Taxes Act as well as under a relevant Tax Treaty (if any).

“**Income Taxes Act**” means Romanian Tax Code approved by Law no 227/2015 as amended.

“**Tax Relief**” means a relief from the Withholding Tax, whether in the form of an exemption or application of a reduced rate.

“**Tax Treaty**” means a valid and effective tax treaty concluded between Romania and another country under which the Romanian Tax Non-Resident is treated as a tax resident of the latter country.

“**Withholding Tax**” means a tax collected by means of a deduction at source made by a withholding agent (for example, by an issuer of a note) upon payment of taxable income.

(b) **FATCA**

Notwithstanding any other provisions of these Conditions or the Fiscal Agency Agreement, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 to 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding.

14. Events of Default

If any of the following events (“**Events of Default**”) occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

- (a) **Non-Payment:** default is made for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Notes; or
- (b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Notes which default is incapable of remedy or is not remedied within 45 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Noteholder; or
- (c) **Cross-Default:** (A) any other present or future indebtedness of the Issuer and its Material Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds EUR 50 million or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this paragraph operates); or

- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Subsidiaries and is not discharged or stayed within 30 days; or
- (e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar person); or
- (f) **Insolvency:** the Issuer or any of its Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Subsidiaries; or
- (g) **Winding-up:** an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer or any of its Subsidiaries, or the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by a Resolution (as defined in the Fiscal Agency Agreement) of the Noteholders; or
- (h) **Nationalisation:** any step is taken by any person, government or governmental authority with a view to the seizure, compulsory acquisition, expropriation or nationalisation after the date of the Base Prospectus of all or a material part of the shares or the assets of the Issuer or any of its Subsidiaries; or
- (i) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Notes, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Notes admissible in evidence in the courts of Romania is not taken, fulfilled or done; or
- (j) **Analogous Events:** any event occurs that under the laws of any Relevant Jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

15. Prescription

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within 10 years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest in respect of Registered Notes shall become void unless the relevant Certificates are surrendered for payment within five years of the appropriate Relevant Date.

16. Replacement of Notes and Coupons

If any Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent, in the case of Bearer Notes or Coupons, or the Registrar, in the case of Registered Notes (and if the Notes are admitted to listing and/or trading by any competent authority and/or stock exchange which requires the appointment of an Agent in any particular place, the Agent having its Specified Office in the place required by the competent authority and/or stock exchange), subject to all applicable laws and competent authority and/or stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Certificates or Coupons or Talons must be surrendered before replacements will be issued.

17. Agents

The initial Fiscal Agent, the Registrar, the Calculation Agent and the Transfer Agents and their initial Specified Offices are listed below. They act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary

or terminate the appointment of the Fiscal Agent, the Registrar, the Calculation Agent and the Transfer Agents and to appoint replacement agents or other Transfer Agents, provided that it will:

- (a) at all times maintain a Fiscal Agent, a Registrar and a Transfer Agent;
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing and/or trading by any competent authority and/or stock exchange which requires the appointment of an Agent in any particular place, the Issuer shall maintain an Agent having its Specified Office in the place required by such competent authority and/or stock exchange.

Notice of any such termination or appointment and of any change in the Specified Offices of the Fiscal Agent, the Registrar, the Calculation Agent and the Transfer Agents will be given to the Holders in accordance with Condition 20 (*Notices*). If any of the Calculation Agent, Registrar or the Fiscal Agent is unable or unwilling to act as such or if it fails to make a determination or calculation or otherwise fails to perform its duties under these Conditions or the Fiscal Agency Agreement (as the case may be), the Issuer shall appoint an independent financial institution to act as such in its place. All calculations and determinations made by the Calculation Agent, the Registrar or the Fiscal Agent in relation to the Notes and the Coupons shall (save in the case of manifest error) be final and binding on the Issuer, the Calculation Agent, the Registrar, the Fiscal Agent and the Holders. All calculations and determinations made by the Calculation Agent pursuant to these Conditions will be made in consultation with the Issuer.

18. Meetings of Noteholders; Modification and Waiver; Substitution

Holders of any Series may meet in holders' meetings (in Romanian, *adunarea obligatarilor*) (any such meeting a "**Holders' Meeting**") in order to take decisions in accordance with their interests.

(a) Meetings of Noteholders:

(i) Holders' Representative

The Holders' Meeting may appoint a representative (the "**Holders' Representative**") of the Holders and one or more substitute representatives.

The Holders' Representative and the substitute representative(s) cannot be involved in the management of the Issuer.

In the event of incompatibility, resignation or revocation of a Holders' Representative, the Holders' Meeting will elect a replacement representative unless a substitute representative has been already appointed, in which case such substitute representative shall automatically assume the role of Holders' Representative.

All interested parties will at all times have the right to obtain the name and address of the Holders' Representative(s) at the Issuer's headquarters or by email to the e-mail address investor.relations@romgaz.ro.

The Holders' Representative(s) shall have the right to represent the Holders of Notes before the Issuer and the courts of justice. The Holders' Representative(s) may also be entrusted by the Holders' Meeting to perform supervisory actions and to protect the common interests of the Holders of Notes.

(ii) Calling of the Holders' Meeting

The Holders' Meeting may be called at the request of one or more Holders of Notes of the same Series representing at least one quarter of the issued and outstanding nominal amount of the Notes of that Series or, following the appointment of the Holders' Representative, upon the request of such Holders' Representative.

The Issuer will pay all expenses relating to the calling and holding of the Holders' Meetings and all administrative expenses related to such Holders' Meeting, it being expressly stipulated that no expenses may be withheld from the interest payable on the Notes.

The convening notice of the Holders' Meeting shall be given by the Issuer, or if the Holders' Representative convened the meeting, it shall be given by the Holders' Representative, in a manner described below in Condition 20 (*Notices*) and shall include: (i) the date, time and place of the Holders' Meeting, each as determined by the Issuer or the Holders' Representative,

provided that the date fixed for the Holders' Meeting shall be not less than 30 nor more than 60 days' after the date of such notice and the place of Holders' Meeting shall be an appropriately chosen venue in Bucharest; (ii) the agenda and the text of any resolutions to be submitted to the Holders' Meeting; (iii) the Meeting Record Date (as defined below); (iv) the procedures to be followed by holders of Registered Notes in order to vote at or for their voting instructions to be given effect at the Holders' Meeting; and (v) such additional information (if any) as the Issuer or the Holders' Representative shall consider appropriate for the purposes of the Holders' Meeting.

The convening notice for the Holders' Meeting shall be published in the Romanian Official Gazette and in a newspaper of general circulation in Mediaş, as well as on the Issuer's website (www.romgaz.ro), on the websites of the Luxembourg Stock Exchange (www.luxse.com) (to the extent the Notes are listed on the Luxembourg Stock Exchange) and the Bucharest Stock Exchange (www.bvb.ro) (to the extent the Notes are listed on the Bucharest Stock Exchange) and on such other stock exchange where the Notes may be admitted to trading. The convening notice for the Holders' Meeting shall be published at least 30 days prior to the date on which the Holders' Meeting is scheduled to take place.

For the avoidance of doubt, if the Issuer, having been requested to call a Holders' Meeting as contemplated above, fails to give notice of such Holders' Meeting in the manner and within the timeframe contemplated above or fails to thereafter cause the Holders' Meeting to be held on the date and at the time and place contemplated by such notice, then the Holders' Representative is entitled to, and shall, call a Holders' Meeting for transaction of the intended business, such Holders' Meeting to be held on such date and at such time and place as the Holders' Representative shall determine and notify Holders of Notes.

Holders of Notes representing all of the issued and outstanding nominal amount of the Notes of a Series may waive any convening formalities set out above.

Upon its convening of any Holders' Meeting, the Issuer or the Holders' Representative, as applicable, will fix in advance a record date (the "**Meeting Record Date**") for the determination of Holders of Notes entitled to participate in the Holders' Meeting, which shall be following the date of the convening notice for the Holders' Meeting and will not be a date which is more than 60 days prior to the respective Holders' Meeting. Promptly after any Meeting Record Date is set pursuant to this clause, the entity convening the Holders' Meeting shall cause notice of such Meeting Record Date to be given to the Issuer, the Holders' Representative as well, in writing. In case of bearers of Definitive Notes, the right of such holder of Notes to participate in the Holders' Meeting will be evidenced by producing the corresponding Definitive Note(s) at the respective Holders' Meeting.

The right of each Holder of Notes to participate in Holders' Meetings will be evidenced by the entries in the Register as of the record date mentioned in the notice calling the Holders' Meeting. The Holders of Notes may be represented by proxies, other than, as applicable, the directors, managers, members of the Board of Directors, auditors or officers (*funcționari*) of the Issuer. The powers of attorney shall be submitted with the Issuer in original at least 48 hours in advance of the Holders' Meeting. Failure to submit such original powers of attorney within such deadline will result in the relevant Holder of Notes losing its right to vote in that Holders' Meeting.

All related documentation, including calling notice and forms, shall be in English and Romanian, where applicable.

(iii) *Block Voting Instructions*

Each Paying Agent shall, at the request of the holder of any Bearer Note held in a clearing system, issue voting certificates and block voting instructions in a form and manner which comply with provisions of this Condition 18 (*Meetings of Noteholders; Modification and Waiver; Substitution*) (except that it shall not be required to issue the same less than forty-eight hours before the time fixed for any Holders' Meeting therein provided for and shall perform and comply with the provisions of this Condition 18 (*Meetings of Noteholders; Modification and Waiver; Substitution*)).

Each Paying Agent shall keep a full record of voting certificates and block voting instructions issued by it and will give to the Issuer not less than twenty-four hours before the time appointed for any Holders' Meeting or adjourned Holders' Meeting full particulars of all voting

certificates and block voting instructions issued by it in respect of such meeting or adjourned Holders' Meeting.

(iv) *Forms of Proxy and Block Voting Instructions*

The Registrar shall, at the request of the holder of any Registered Note held in a clearing system, issue forms of proxy and block voting instructions in a form and manner which comply with the provisions of this Condition 18 (*Meetings of Noteholders; Modification and Waiver; Substitution*) (except that it shall not be required to issue the same less than forty-eight hours before the time fixed for any Holders' Meeting therein provided for and shall perform and comply with the provisions of this Condition 18 (*Meetings of Noteholders; Modification and Waiver; Substitution*)).

The Registrar shall keep a full record of forms of proxy and block voting instructions issued by it and will give to the Issuer not less than twenty-four hours before the time appointed for any Holders' Meeting or adjourned Holders' Meeting full particulars of all forms of proxy and block voting instructions issued by it in respect of such Holders' Meeting or adjourned Holders' Meeting.

(v) *Powers of Holders' Meetings and Voting*

A Holders' Meeting has the following powers:

- (A) to appoint a Holders' Representative and one or more substitute representatives, to set their remuneration and to dismiss or replace any such representative;
- (B) to perform all supervisory actions, as well as actions for protecting the common interests of the Holders of Notes of the respective Series, or to authorise a representative to perform such actions;
- (C) to create a fund, which may be withheld from the amounts representing the interest to which the Holders of Notes are entitled, in order to cover the expenses related to the protection of their rights, as well as to establish the rules for the management of such fund;
- (D) to oppose any amendment of the articles of association of the Issuer or of the Conditions of the Notes which may affect the rights of the Holders of Notes; and
- (E) to pronounce itself on the issuance of new Notes by the Issuer, acting in accordance with these Conditions and the Final Terms; for the avoidance of doubt, by acquiring the Notes the Noteholders agree that any issuance of new Notes under the Programme, as contemplated by the Base Prospectus (1) does not conflict with their interests and (2) will be implemented freely in accordance with these Conditions.

The resolutions of the Holders' Meeting are adopted by open vote.

Holdings Meetings may take a valid decision on items (A)-(C) above only with a majority representing at least one third (1/3) of the issued and outstanding nominal amount of the Notes of the respective Series. In any other case, the Holders' Meeting may validly take a decision in the presence of Holders of Notes of the respective Series representing at least two thirds (2/3) of the issued and outstanding nominal amount of the Notes of the respective Series and with a majority of at least four fifths (4/5) of the issued and outstanding nominal amount of the Notes of the respective Series represented at the Holders' Meeting. No business (other than choosing a chairman and designating secretaries) may be transacted at a Holders' Meeting in the absence of relevant quorum, unless a quorum necessary for that business is present when the Holders' Meeting is called to order.

Decisions of the Holders' Meeting are binding on all Holders of Notes of the respective Series including those who did not participate or vote at such meeting.

Each Holder of Notes in a Series shall have one vote in respect of each integral multiple of the Specified Denomination of the Notes of the respective Series.

Holdings of beneficial interests in the Global Notes or Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such Holdings will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate

proxies. Each such holder of Notes will exercise all the votes to which he/she/it/they is/are entitled in the same way.

Chairman and Secretary. The Holders present shall elect one of themselves to take the chair (the “**Chairman**”) and one to three Holders to act as secretaries. The Issuer shall appoint a technical secretary from among its employees. If the Issuer fails to appoint the technical secretary, the Holders’ Representative has the right to and shall appoint one.

Participation. The following may attend and speak at a Holders’ Meeting: (i) the Holders and their counsel; (ii) the Chairman; (iii) the Holders’ Representative and its counsel; and (iv) any representatives of the Issuer and its counsel. No one else may attend or speak without the consent of the Holders’ present, expressed by vote.

Effect and Publication of Passed Resolutions. Any resolution passed at any Holders’ Meeting duly held in accordance with this Section shall be binding on all Holders of the Notes of the respective Series, whether or not present or represented at the Holders’ Meeting. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. Within 15 days of being passed, the Issuer shall give notice of the passing of any resolution to Holders of the Notes of the respective Series in the manner described below in Condition 20 (*Notices*) and file any such resolution with the Sibiu Trade Registry for the purposes of its publication with the Romanian Official Gazette, but failure to do so shall not invalidate the resolution.

Minutes. Minutes shall be made of all resolutions and proceedings at every Holders’ Meeting setting forth, among other things, the applicable percentage of Holders of the Notes that voted in favour thereof and whether such resolutions were passed and signed by the Chairman of that Holders’ Meeting and by the secretaries (any such signed minutes, the “**Meeting Minutes**”). Until the contrary is proven, such Meeting Minutes shall be conclusive evidence of the matters in them.

(vi) *Notice of decisions to Issuer*

The Issuer shall be informed of the decisions of the Holders’ Meetings within a maximum of three days as of their adoption. The Issuer shall thereafter comply with any transparency and other obligations it may have under applicable laws in relation to such decisions, as described above in Section “*Effect and Publication of Passed Resolutions*”.

- (b) **Modification of Agency Agreement:** The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.
- (c) **Substitution:** The Issuer, or any previous substituted company, may at any time substitute for itself as principal debtor under the Notes, the Coupons and the Talons, any company (the “**Substitute**”), provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The Issuer shall give not less than 30 nor more than 45 days’ notice, in accordance with Condition 20 (*Notices*), to the Noteholders of such event and, immediately on the expiry of such notice, the Substitute shall become the principal debtor in respect of the Notes and the Coupons in place of the Issuer and the Noteholders and the Couponholders shall thereupon cease to have any rights or claims whatsoever against the Issuer. However, no such substitution shall take effect (i) until the Substitute shall have provided to the Agent or (in the case of Registered Notes) the Registrar and the Transfer Agent, such documents as may be necessary to make the Notes and the Agency Agreement its legal, valid and binding obligations, (ii) until such Substitute shall have agreed to indemnify each Noteholder and Couponholder against (a) any tax, duty, fee or governmental charge which is imposed on such holder by the jurisdiction of the country of its residence for tax purposes and, if different, of its incorporation or any political subdivision or taxing authority thereof or therein with respect to such Note or Coupon and which would not have been so imposed had such substitution not been made, (b) any tax, duty, fee or governmental charge imposed on or relating to the act of substitution and (c) any costs or expenses of the act of substitution and (iii) until such Substitute shall have been approved by the relevant authorities as able to issue the relevant Notes. Upon any such substitution, the Notes and Coupons will be modified in all appropriate respects. By holding Notes or Coupons, each Noteholder or Couponholder shall be deemed to have expressly consented to any substitution carried out by the Issuer, or any previous substituted company, in accordance with this Condition 18(c) (*Substitution*).

19. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders, but subject to any supervisory permission required, create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 19 (*Further Issues*) and forming a single Series with the Notes.

20. Notices

(a) Bearer Notes

Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.

(b) Registered Notes

Notices to the Holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the first weekday (being a day other than a Saturday or Sunday) after the date of mailing.

(c) Notices given by Holders

Notices to be given by any Holder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Fiscal Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes).

(d) All Notices

The Issuer shall also ensure that all notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading.

21. Rounding

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one-thousandth of a percentage point (with 0.0005% being rounded up to 0.001%), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

22. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of any Note by virtue of the Contracts (Rights of Third Parties) Act 1999.

23. Governing Law and Jurisdiction, etc.

(a) Governing law

The Fiscal Agency Agreement, the Notes and the Coupons, and all non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law, save for the provisions of Condition 3 (*Status*) relating to the status, ranking and (if applicable) subordination of the Notes and waiver of set-off, which will be governed by, and shall be construed in accordance with, the laws of Romania.

(b) *Jurisdiction*

The courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Fiscal Agency Agreement, the Notes or the Coupons and, accordingly, any legal action or proceedings arising out of or in connection with them (including any legal action or proceedings relating to non-contractual obligations arising out of or in connection with them) (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England in respect of any such Proceedings. Nothing in this Condition 23 (*Governing Law and Jurisdiction, etc.*) shall prevent the Holders from bringing Proceedings in any competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) to the extent permitted by applicable law.

(c) *Service of Process*

The Issuer irrevocably appoints SISEC Limited of 21 Holborn Viaduct, London EC1A 2DY, England as its agent in England to receive service of process in any Proceedings in England. If for any reason the Issuer does not have such an agent in England, it will promptly appoint a substitute process agent and notify the Holders of such appointment. Nothing herein shall affect the right to serve process in any other manner permitted by law.

(d) *Waiver of immunity*

In relation to any Proceedings and to the enforcement of any judgment, order or award (whether or not given or made in those Proceedings), to the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from jurisdiction, suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, including in relation to the enforcement of any arbitration award, and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer has irrevocably consented to the enforcement of any judgment or award, agreed not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

FORM OF FINAL TERMS

The Final Terms in respect of each Tranche of Notes will be in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA (“**UK MiFIR**”). Consequently, no key information document required by [the PRIIPs Regulation][Regulation (EU) No 1286/2014] as it forms part of UK domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

MiFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer[’s/s’] product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended “**MiFID II**”)/MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.

[UK MiFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer[’s/s’] product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in [Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the [European Union (Withdrawal) Act 2018]/[EUWA] (“**UK MiFIR**”)]/[UK MiFIR]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a “**distributor**”)/distributor] should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the “SFA”) – [To insert notice if classification of the Notes is not “prescribed capital markets products”, pursuant to Section 309B of the SFA or Excluded Investment

Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)]²

Final Terms dated [●] 20[●]

Societatea Națională de Gaze Naturale “Romgaz” SA

Legal Entity Identifier (LEI): 2549009R7KJ38D9RW354

Issue of [Currency][Aggregate Principal Amount of Tranche] [Title of Notes]

under the €1,500,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the base prospectus dated 20 September 2024 [and the supplement to the base prospectus dated [date]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus [as so supplemented].

Full information on the Issuer and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus. [The Base Prospectus and these Final Terms have been published on the website of the Luxembourg Stock Exchange (www.luxse.com).]

DESCRIPTION OF THE NOTES

- | | | |
|----|---|---|
| 1. | (i) Series Number: | [●] |
| | (ii) Tranche Number: | [●] |
| | [(iii) [Date on which the Notes become fungible]: | [Not Applicable]/[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [●] on [●]/[the Issue Date]/[exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [25] below [which is expected to occur on or about [●]].] |
| 2. | Specified Currency or Currencies: | [●] |
| 3. | Aggregate Principal Amount | |
| | [(i)] [Series]: | [●] |
| | [(ii) Tranche: | [●] |
| 4. | Issue Price: | [●]% of the Aggregate Principal Amount [plus accrued interest from [●]] |
| 5. | (i) Specified Denominations: | [●] [and integral multiples of [●] in excess thereof up to (and including) [●]. [No Notes in definitive form will be issued with a denomination above [●]].] |
| | (ii) Calculation Amount: | [●] |
| 6. | (i) Issue Date: | [●] |
| | (ii) Interest Commencement Date: | [●]/[Issue Date]/[Not Applicable] |
| 7. | Maturity Date: | [●] |

² Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offers, pursuant to s.309B of the SFA.

8. Interest Basis: [[•]% Fixed Rate]³
[Floating Rate [[•] Month] [[•]/[EURIBOR/SOFR/€STR] +/-
[•]%)]
[Floating Rate: SOFR Compounded Index]
[Zero Coupon]
(see paragraph [13]/[14]/[15]/ below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [[•]/[100]]% of their principal amount.
10. Change of Interest or Redemption/Payment Basis: [•]/[Not Applicable]
11. Put/Call Options: [Call Option]
[Issuer Maturity Par Call]
[Clean-up Call]
[Put Option]
[Change of Control Put Option]
(see paragraph [16]/[17]/[18]/[19]/[20] below)
[Not Applicable]
12. Date Board approval for issuance of Notes obtained: [•]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. **Fixed Rate Note Provisions** [Applicable]/[Not Applicable]/[Applicable from [•] to [•] [if so elected by the Issuer on or before [•]]]
(if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [•]% per annum [payable [annually]/[semi-annually]/[quarterly]/[•] in arrear on each Interest Payment Date]
- (ii) Interest Payment Date(s): [•]/[and [•]] in each year
- (iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (iv) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling on [•]/[Not Applicable]
- (v) Day Count Fraction: [30/360]
[Actual/Actual (ICMA)]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/360]
[30E/360]
[Eurobond Basis]
[30E/360(ISDA)]
14. **Floating Rate Note Provisions** [Applicable]/[Not Applicable]/[Applicable from [•] to [•] [if so elected by the Issuer on or before [•]]]
(if not applicable, delete the remaining sub-paragraphs of this paragraph)

³ Specify the Interest Payment Date falling in or nearest to the relevant month and year for Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification.

- (i) Interest Payment Dates: [•] [and [•]] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (iv) below/, not subject to adjustment, as the Business Day Convention in (iv) below is specified to be Not Applicable]
- (ii) Interest Period Date: [•] / [[•] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (iv) below/, not subject to any adjustment[, as the Business Day Convention in (iv) below is specified to be not applicable]
- (iii) First Interest Payment Date: [•]
- (iv) Business Day Convention: [Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
[No Adjustment]
[Not Applicable]
- (v) Additional Business Centre(s): [Not Applicable]/[•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination]/[ISDA Determination]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Agent): [[•] shall be the Calculation Agent]
- (viii) Screen Rate Determination: [Applicable]/[Not Applicable]
- Reference Rate: [*currency*] [[•] month] [EURIBOR][SOFR/€STR/Index Determination (SOFR)]
 - Interest Determination Date(s): [•]
 - Relevant Screen Page: [•]
- (ix) ISDA Determination: [Applicable]/[Not Applicable]
(If not applicable, delete the remaining items of this subparagraph)
- ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]
 - Floating Rate Option: [•]
 - Designated Maturity: [•]/Not Applicable
(A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate)
 - Compounding: [Applicable/Not Applicable]
(If not applicable, delete the remaining items of this subparagraph)
 - [Compounding Method: [Compounding with Lookback
Lookback: [•] Applicable Business Days]
[Compounding with Observation Period Shift
Observation Period Shift: [•] Observation Period Shift Business Days
Observation Period Shift Additional Business Days: [•]/[Not Applicable]]
[Compounding with Lockout
Lockout: [•] Lockout Period Business Days

	Lockout Period Business Days: [●]/[Applicable Business Days]]
• Index Provisions:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining items of this subparagraph)</i>
• [Index Method:	Compounded Index Method with Observation Period Shift Observation Period Shift: [●] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [●]/[Not Applicable]]
(x) Linear Interpolation:	[Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first]/[last] Interest Period shall be calculated using Linear Interpolation]
(xi) Margin(s):	[+/-][●]% per annum
(xii) Minimum Rate of Interest:	[●]% per annum
(xiii) Maximum Rate of Interest:	[●]% per annum
(xiv) Day Count Fraction:	[30/360] [Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30E/360] [Eurobond Basis] [30E/360(ISDA)]
15. Zero Coupon Note Provisions	[Applicable]/[Not Applicable]
(i) Accrual Yield:	[●]% per annum
(ii) Reference Price:	[●]
(iii) Day Count Fraction in relation to early Redemption Amounts:	[30/360] [Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30E/360] [Eurobond Basis] [30E/360(ISDA)]

PROVISIONS RELATING TO REDEMPTION

16. Call Option	[Applicable]/[Not Applicable]
(i) Optional Redemption Date(s) (Call):	[●]/[Any date from (and including) [●] to (but excluding) [●]]
(ii) Optional Redemption Amount(s) of each Note:	[[●] per Calculation Amount] / Condition 6(b) applies / Make-Whole Amount
[(A) Reference Bond:	[Insert applicable Reference Bond]]
[(B) Quotation Time:	[●]]
[(C) Redemption Margin:	[[●]]%
[(D) Determination Date:	[●]]

[(E) Discount Basis:	[annual/semi-annual]] [(Relevant to Make-Whole Amount only.)]
(iii) If redeemable in part:	
• Minimum Redemption Amount:	[•]/[Not Applicable]
• Maximum Redemption Amount:	[•]/[Not Applicable]
(iv) Notice period:	Minimum period: [[•] days]/[as per the Conditions]
	Maximum period: [[•] days]/[as per the Conditions]
	[Applicable]/[Not Applicable]
17. Issuer Maturity Par Call:	[Applicable/Not Applicable]
Notice period:	[•] days
18. Clean-up Call:	[Applicable/Not Applicable]
Notice period:	[•] days
19. Put Option:	[Applicable/Not Applicable]
(i) Optional Redemption Date(s) (Put):	[•]
(ii) Optional Redemption Amount (Put):	[•] per Calculation Amount
(iii) Notice period:	Minimum period: [[•] days]/[as per the Conditions]
	Maximum period: [[•] days]/[as per the Conditions]
20. Change of Control Put Option:	[Applicable/Not Applicable]
[Change of Control Redemption Amount(s) of each Note:	[•] per Calculation Amount]
21. Early Redemption Amount:	[•] per Calculation Amount
22. Early Redemption Amount (Tax):	[•] per Calculation Amount
23. Final Redemption Amount:	[•]/[Par] per Calculation Amount
24. Redemption Amount for Zero Coupon Notes:	[•]/[Par] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes:	Bearer Notes:
	[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances described in the Permanent Global Note]
	[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances described in the Permanent Global Note]
	Registered Notes:
	[Global Certificate exchangeable for Individual Certificates in the limited circumstances described in the Global Certificate]
	[Global Certificate [(U.S.\$[•]/€[•] principal amount)] registered in the name of a nominee for [a common depository for Euroclear and/or Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]/[Individual Certificates]

26. New Global Note: [Yes]/[No]/[Not Applicable]
27. New Safekeeping Structure: [Yes]/[No]/[Not Applicable]
28. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable]/[●]
29. Talons for future Coupons to be attached to Definitive Notes: [Yes]/[No]

SIGNED on behalf of
Societatea Națională de Gaze Naturale “Romgaz” SA

By:
Duly authorised

By:
Duly authorised

PART B – OTHER INFORMATION

1. Listing

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [●].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [●].]

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Bucharest Stock Exchange with effect from [●].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Bucharest Stock Exchange with effect from [●].]

- (ii) Estimate of total expenses related to admission to trading: [●]

2. Ratings

Ratings:

The Notes to be issued [have not been rated]/ [have been rated:]

[S&P Ratings Europe Limited (“S&P”): [●]]

[Moody’s Investors Service Cyprus Ltd (“Moody’s”): [●]]

[[Fitch Ratings] (“Fitch”): [●]]

The issuer credit rating assigned to the Issuer by S&P is [●], the long-term counterparty risk rating assigned to the Issuer by Moody’s is [●], and the issuer rating assigned to the Issuer by Fitch was [●].

[To include brief description of the meaning given to the relevant rating by the assigning rating agency]

[S&P, Moody’s and Fitch are established in the European Economic Area (the “EEA”) and are registered under Regulation (EC) No. 1060/2009 (as amended) (the “CRA Regulation”). As such, S&P, Moody’s and Fitch are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

[Save for any fees payable to the [Managers]/[Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- (i) Reasons for the offer: [see “Use of Proceeds” in the Base Prospectus – if reasons for the offer are different from general corporate purposes and there is a particular identified use of proceeds, this will need to be stated here]
- (ii) Estimated net proceeds: [●]

5. Fixed Rate Notes only – YIELD

Indication of yield: [•] / [Not Applicable]

[The indicative yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]/[The indicative yield is calculated at the Issue Date on the basis of an assumed Issue Price of [100]% It is not an indication of an individual investor’s actual or future yield.]

6. OPERATIONAL INFORMATION

- (i) ISIN: [•]
- (ii) Common Code: [•]
- (iii) CFI: [[See/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (iv) FISN: [[See/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) Any clearing system(s) other than Euroclear, and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable]/[name and address]
- (vi) Delivery: Delivery [against]/[free of] payment
- (vii) Names and addresses of additional Agent(s) (if any): [•]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] *[include this text for Registered Notes which are to be held under the NSS]*[and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]
- [No. While the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

7. DISTRIBUTION

- (i) U.S. Selling Restrictions: [Reg. S Compliance Category [1]/[2];[TEFRA C]/[TEFRA D]/[TEFRA not applicable]
- (ii) Prohibition of Sales to EEA Retail Investors: [Applicable]/[Not Applicable]
[If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no “key information document” will be prepared, “Applicable” should be specified]
- (iii) Prohibition of Sales to UK Retail Investors: [Applicable]/[Not Applicable]
[If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no “key information document” will be prepared, “Applicable” should be specified]
- (iv) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]
- (v) [Singapore Sales to Institutional Investors and Accredited Investors only:] [[Applicable/Not Applicable]]
- (vi) Method of distribution: [Syndicated]/[Non-syndicated]
- (vii) If syndicated: [Not Applicable]/[•]
- Names of Managers: [Not Applicable]/[•]
 - Stabilisation Manager(s) (if any): [Not Applicable]/[•]
- (viii) If non-syndicated, name and address of Dealer: [Not Applicable]/[•]

8. BENCHMARK REGULATION

[[specify benchmark] is provided by [administrator legal name]. As at the date hereof, [administrator legal name] [appears]/[does not appear] in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011, as amended.

[As far as the Issuer is aware, as at the date hereof, [•] does not fall within the scope of Regulation (EU) 2016/1011, as amended.]/[Not Applicable]

[If the Reference Rate is EURIBOR, select the below option]

[EURIBOR is provided by European Money Markets Institute. As at the date hereof, European Money Markets Institute appears in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011, as amended.]

FORMS OF THE NOTES

Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note, without interest coupons, or a Permanent Global Note, without interest coupons, in each case as specified in the relevant Final Terms. Each Global Note which is not intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the Issue Date of the relevant Tranche of Notes with a depository or a common depository for Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the Issue Date of the relevant Tranche of Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006, the ECB announced that Notes in NGN form are in compliance with the “*Standards for the use of EU securities settlement systems in ESCB credit operations*” of the central banking system for the euro (the “**Eurosystem**”), provided that certain other criteria are fulfilled. At the same time, the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg from 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

In the case of each Tranche of Bearer Notes, the relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or a successor provision) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or a successor provision) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the Issue Date of the relevant Tranche of Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery (free of charge to the bearer) of a Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (a) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- (b) receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes if the relevant Final Terms specifies “in the limited circumstances described in the Permanent Global Note”, then if either of the following events occurs:

- (a) Euroclear, Clearstream, Luxembourg, or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
- (b) any of the circumstances described in the applicable provisions of Condition 14 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to (or to the order of) the bearer of the Permanent Global Note against the

surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, the Permanent Global Note shall only be exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.

Terms and Conditions applicable to the Bearer Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under “*Terms and Conditions of the Notes*” below and the provisions of the relevant Final Terms which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “—*Summary of Provisions relating to the Notes while in Global Form*” below.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.

Registered Notes

Each Tranche of Registered Notes will be represented by either:

- (a) Individual Certificates; or
- (b) one or more Global Certificates,

in each case as specified in the relevant Final Terms. A Certificate will be issued to each holder of Registered Notes in respect of its registered holding.

In a press release dated 22 October 2008, “*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*”, the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which Euroclear and/or Clearstream, Luxembourg had designed in cooperation with market participants and that Notes to be held under the NSS would be in compliance with the “*Standards for the use of EU securities settlement systems in ESCB credit operations*” of the Eurosystem, subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg from 30 June 2010 and that registered debt securities in global registered form issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the NSS is used.

Each Note represented by a Global Certificate will either be: (a) in the case of a Certificate which is not to be held under the NSS, registered in the name of a common depository (or its nominee) for Euroclear, Clearstream, Luxembourg, and/or any other relevant clearing system and the relevant Global Certificate will be deposited on or about the issue date with the common depository; or (b) in the case of a Certificate to be held under the NSS, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Certificate will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

If the relevant Final Terms specifies the form of Notes as being “Individual Certificates”, then the Notes will at all times be represented by Individual Certificates issued to each Noteholder in respect of their respective holdings.

Global Certificate exchangeable for Individual Certificates

If the relevant Final Terms specifies the form of Notes as being “Global Certificate exchangeable for Individual Certificates”, then the Notes will initially be represented by one or more Global Certificates each of which will be exchangeable in whole, but not in part, for Individual Certificates if the relevant Final Terms specifies “in the limited circumstances described in the Global Certificate”, then:

- (a) in the case of any Global Certificate, if Euroclear, Clearstream, Luxembourg, or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
- (b) in any case, if any of the circumstances described in the applicable provisions of Condition 14 (*Events of Default*) occurs.

Whenever a Global Certificate is to be exchanged for Individual Certificates, each person having an interest in a Global Certificate must provide the relevant Registrar (through the relevant clearing system) with such information as the Issuer and the relevant Registrar may require to complete and deliver Individual Certificates (including the name and address of each person in which the Notes represented by the Individual Certificates are to be registered and the principal amount of each such person's holding).

Whenever a Global Certificate is to be exchanged for Individual Certificates, the Issuer shall procure that Individual Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Certificate to the relevant Registrar of such information as is required to complete and deliver such Individual Certificates against the surrender of the Global Certificate at the specified office of the relevant Registrar.

Such exchange will be effected in accordance with the provisions of the Fiscal Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled to the Fiscal Agency Agreement and, in particular, shall be effected without charge to any holder, but against such indemnity as the relevant Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Terms and Conditions applicable to the Registered Notes

The terms and conditions applicable to any Individual Certificate will be endorsed on that Individual Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Global Certificate will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions relating to the Notes while in Global Form*" below.

Summary of Provisions relating to the Notes while in Global Form

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note, references in the Conditions to "**Noteholder**" or "**Holder**" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary, common depositary, sub-custodian or, as the case may be, common safekeeper.

In relation to any Tranche of Notes represented by one or more Global Certificates, references in the Conditions to "**Noteholder**" or "**Holder**" are references to the person in whose name the relevant Global Certificate is for the time being registered in the Register which is held by or on behalf of a depositary or a common depositary or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or sub-custodian or common depositary or common safekeeper or a nominee for that depositary or common depositary or sub-custodian or common safekeeper, as the case may be.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Certificate (each an "Accountholder") must look solely to Euroclear, Clearstream, Luxembourg, and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the holder of such Global Note or Global Certificate and in relation to all other rights arising under such Global Note or Global Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under a Global Note or Global Certificate will be determined by the respective rules and procedures of Euroclear, Clearstream, Luxembourg, and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Certificate, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the holder of such Global Note or Global Certificate.

Transfers of Interests in Global Notes and Global Certificates

Transfers of interests in Global Notes and Global Certificates within Euroclear, Clearstream, Luxembourg, or any other relevant clearing system will be in accordance with their respective rules and operating procedures. None of the Issuer, the Registrar, the Arrangers, the Dealers, the Calculation Agent or the Agents will have any responsibility or liability for any aspect of the records of any of Euroclear, Clearstream, Luxembourg, or any other relevant clearing system or any of their respective participants relating to payments made on account of beneficial ownership interests in a Global Note or Global Certificate or for maintaining, supervising or reviewing any of the records of Euroclear, Clearstream, Luxembourg, or any other relevant clearing system or the records of their respective participants relating to such beneficial ownership interests.

The laws of some states of the United States require that certain persons receive Individual Certificates in respect of their holdings of Notes. Consequently, the ability to transfer interests in a Global Certificate to such persons will be limited. Because clearing systems only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Certificate to pledge such interest to persons or entities which do not participate in the relevant clearing systems, or otherwise take actions in respect of such interest, may be affected by the lack of an Individual Certificate representing such interest.

Conditions applicable to Global Notes

Each Global Note and Global Certificate will contain provisions which modify the Conditions as they apply to the Global Note or Global Certificate. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note or Global Certificate which, according to the Conditions, require presentation and/or surrender of a Note, Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Certificate to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear and Clearstream, Luxembourg.

All payments of interest in respect of a Series of Notes represented by a Global Note or Global Certificate shall be calculated in respect of the total aggregate amount of the Notes represented by the relevant Global Note or Global Certificate.

Payment Business Day: In the case of a Global Note or a Global Certificate, if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre specified in the Final Terms; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Payment Record Date: Each payment in respect of a Global Certificate will be made to the person, being the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the “**Record Date**”) where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

Exercise of put option: In order to exercise the option contained in Condition 10(f) (*Redemption at the option of Noteholders*), the bearer of a Permanent Global Note or the holder of a Global Certificate must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Registrar specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 10(h) (*Partial redemption*) in relation to some only of the Notes, the Permanent Global Note or Global Certificate may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear, and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear, and/or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 20 (*Notices*), while all the Notes are represented by a Global Note or a Global Certificate and the Global Note, or the Global Certificate is deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have

been given to the Noteholders in accordance with Condition 20 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Eurosystem Eligibility

If the Global Notes or Global Certificates are stated in the relevant Final Terms to be issued in NGN form or to be held under the NSS (as the case may be), on or prior to the original issue date of the Tranche, the Global Notes or Global Certificates will be delivered to a common safekeeper and the relevant Final Terms will set out whether or not the Notes are intended to be held as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem (“**Eurosystem Eligible Collateral**”).

Depositing the Global Notes or the Global Certificates intended to be held as Eurosystem Eligible Collateral with a common safekeeper does not necessarily mean that the Notes will be recognised as Eurosystem Eligible Collateral either upon issue, or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that the Eurosystem eligibility criteria have been met. In the case of Notes issued in NGN form or to be held under the NSS (as the case may be) which are not intended to be held as Eurosystem Eligible Collateral as of their issue date, should the Eurosystem eligibility criteria be amended in the future so that such Notes are capable of meeting the eligibility criteria, such Notes may then be deposited with Euroclear or Clearstream, Luxembourg as common safekeeper.

USE OF PROCEEDS

The net proceeds from the Issuer of each Tranche of Notes will be applied by the Issuer for general corporate purposes (including, without limitation, funding of investment and current activity (capital expenditures, operating expenses, working capital) of the Issuer). If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

DESCRIPTION OF THE ISSUER

Introduction

The Issuer, Societatea Națională de Gaze Naturale “Romgaz” SA (“**Romgaz**”) is a joint stock company, registered with the Romanian Trade Registry Office attached to the Sibiu Court under number J32/392/2001, having the sole registration code RO14056826 and with incorporation certificate No. 1914453. Romgaz’s corporate seat is in Mediaș, Romania and its business address is 4 Piata Constantin Motas, Mediaș, Sibiu County 551130, Romania. The Legal Entity Identifier (LEI) of the Issuer is 2549009R7KJ38D9RW354. The telephone number of Romgaz’s registered office is +40 374 401020.

The Articles of Incorporation of the Issuer can be accessed on the Issuer's official website: <https://www.romgaz.ro/en/reference-documents>. The information on the website does not form part of this Base Prospectus and has not been scrutinised or approved by any competent authority.

Romgaz is registered under the trade name "Societatea Națională de Gaze Naturale “ROMGAZ” S.A.”.

The Issuer was established in 2001, by Government Decision No. 575/2001, through the merger of two national companies, Exprogaz SA and Depogaz SA. These companies, together with three other companies, resulted from the reorganisation of the Natural Gas National Company Romgaz SA (1998), a company previously named Regia Autonoma a Gazelor Naturale Romgaz (1991). Regia Autonoma a Gazelor Naturale Romgaz was the continuation company of the national natural gas company established following the nationalisation of the assets in and activity of Sonametán Methane National Company (1925).

In January 2013, the Issuer took over CTE Iernut power plant, from Electrocentrale București SA, thereby also becoming an electricity producer.

In November 2013, the Issuer was listed on the Bucharest Stock Exchange (“**BVB**”) and the London Stock Exchange (“**LSE**”). Since then, the Issuer’s shares have been traded on the regulated market managed by the BVB under the symbol “SNG” and on the regulated market managed by the LSE, in the form of Global Depository Receipts (“**GDR**”) issued by The Bank of New York Mellon (1 GDR = 1 share), under the “SNGR” symbol. As at the date of this Base Prospectus, the Romanian State holds 70.0071% of the Issuer’s share capital.

In 2015 the Issuer set up SNGN Romgaz SA - Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL, a fully owned subsidiary, in order to comply with the unbundling of the underground gas storage activity from the gas production and supply activity, in line with Directive 2009/73/EC concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC, implemented in Romania by the Energy Law. The subsidiary became fully operational in April 2018 when the Ploiești branch of the Issuer (previously carrying out the underground gas storage activity) ceased to operate.

In August 2022, the Issuer became the sole shareholder of Romgaz Black Sea Limited (formerly known as ExxonMobil Exploration and Production Romania Limited) and thereby holding a 50% interest in the Neptun Deep block, developed together with OMV Petrom SA.

Romgaz currently operates through eight branches:

- Mediaș Production Branch;
- Târgu Mureș Production Branch;
- Buzău Production Branch;
- Mediaș Well Workovers and Special Operation Branch (SIIRCOS);
- Târgu Mureș Technological Transport and Maintenance Branch (STTM);
- Iernut Electricity Generation Branch;
- Drobeta-Turnu Severin Branch; and
- Chișinău Branch.

The Romgaz group consists of the Issuer as the parent company and its subsidiaries SNGN Romgaz SA - Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL (“**Depogaz**”) and Romgaz Black Sea Limited which are both 100% owned by Romgaz, (together, the “**Romgaz Group**”).

Business

Overview

The Romgaz Group is the largest natural gas producer in Romania (2021: 55.31% of domestic production; 2022: 53.06% of domestic production; 2023: 50.72% of domestic production; January 2024-June 2024 (last period available): 52.01% of domestic production based on reports published by the National Authority for Energy Regulation) and undertakes its business in the following segments:

- upstream, which includes exploration activities, natural gas production and trade of gas extracted by Romgaz or acquired from domestic production or import, for resale. These activities are performed by the head office, Mediaş, Mureş and Buzău branches and subsidiary Romgaz Black Sea Limited;
- storage activities, performed by subsidiary Depogaz;
- electricity production, performed by Iernut branch; and
- other activities, such as technological transport, operations on wells and corporate activities.

The principal activities of the Romgaz Group are:

- natural gas exploration-production (carried out by Romgaz and Romgaz Black Sea Limited);
- underground storage of natural gas (carried out by Depogaz);
- natural gas supply;
- special well operations and services;
- maintenance and transport services;
- electricity production; and
- natural gas distribution.

The Romgaz Group operates in two markets: the regulated market, where it carries out gas distribution activities, and the unregulated market, where it has natural gas and electricity production and supply activities, as well as underground gas storage. All the natural gas traded by Romgaz for 2023 was sold on the domestic market.

Romgaz sells natural gas both at the regulated price (according to GEO No. 27/2022) as well as on the free market, both through bilateral negotiations as well as on the centralised market managed by the Romanian Commodities Exchange (“**BRM**”).

In 2023, the Romgaz Group:

- had a market share of approximately 50% of natural gas deliveries in Romania’s total consumption, up by about 1% compared to 2022;
- had a market share of 1.72% on the wholesale electricity market;
- held a national market share of 37% to 50% between 2015 and 2023 as a natural gas supplier; and
- is the largest provider of underground gas storage services, holding approximately 90.5% of Romania’s total storage capacity.

The Romgaz Group’s revenues are mainly derived from the production and supply of natural gas (production and supply of own gas and gas resulting from joint ventures, delivery of gas sourced from imports and other domestic producers), the underground storage of gas, and the production and supply of electricity and other specific services.

As at the date of this Base Prospectus, Romgaz’s issuer credit rating is: BBB- by Fitch Ratings, with a stable outlook.

The tables below show a summary of the main indicators related to production (gas, condensate, electricity) and storage services in 2023, 2022 and the six-months ended 30 June 2024 and 30 June 2023:

Main indicators	2022	2023	Δ'23/'22 (%)
Gas production (million m3)	4,935.9	4,788.5	-3.0
Condensate production (tons)	20,878	22,715	8.8
Electricity production (GWh)	1,110.5	962.6	-13.3
Invoiced UGS withdrawal services (million m3)	1,722.5	1,742.8	1.2
Invoiced UGS injection services (million m3)	2,450.2	1,905.5	-22.2

Main Indicators	HI 2023	HI 2024	Δ HI (%)
Gas production (million m3)	2,383.3	2,486.9	4.3
Condensate production (tons)	10,939.0	16,468.4	50.5
Electricity production (GWh)	497.6	450.7	-9.4
Invoiced UGS withdrawal services (million m3)	1,157.3	983.6	-15.0
Invoiced UGS injection services (million m3)	859.7	820.7	-4.5

Onshore operations

Romgaz produces hydrocarbons (natural gas and condensate) in Romania based on several petroleum licenses granting Romgaz the right to explore, develop and produce hydrocarbons in several specific areas or “petroleum blocks”. Such licenses have been granted through petroleum agreements concluded between ANRM (currently ANRMPSG) and Romgaz.

To perform the petroleum operations related to natural gas and condensate production, Romgaz holds three types of petroleum agreements:

- (1) petroleum agreements for exploration–development–production;
- (2) petroleum agreements for development–production; and
- (3) petroleum agreements for production.

The initial license term is for a period of maximum 30 years and may be extended by an additional period of up to 15 years.

More specifically, Romgaz is party to one petroleum agreement for exploration, development and production, 52 petroleum agreements for development, production and 68 petroleum agreements for production, where its participating interest is 100%.

For more than 20 years Romgaz has been a party in several partnerships for the development and production of certain concessioned blocks with Amromco Energy S.R.L. and with Raffles Energy S.R.L.

Offshore operations

Romgaz Black Sea Limited holds a 50% interest under a petroleum agreement for petroleum exploration, development and production for the Deep Water Zone of Neptun XIX offshore block in the Black Sea. OMV Petrom S.A., the operator of the block since 1 August 2022, holds the remaining 50% interest. Currently, Neptun XIX offshore block is in the development phase and expected to become operational in the first quarter of 2027.

Romgaz has a 12.2% participating interest in EX-30 Trident Block in the Black Sea in partnership with Lukoil Overseas Atash B.V., the operator of the EX-30 Trident Block. For further information, please see “ – *Material Contracts – Offshore activities*”.

Underground gas storage

The Romgaz Group, through Depogaz, is the largest underground gas storage operator in Romania. The Romgaz Group owns and operates five underground gas storage facilities in Romania, with total working capacity of 2.87 billion m³ (total capacity of 4.06 billion m³). According to ANRE (the Romanian Energy Regulatory Authority), in 2023, the Romgaz Group had a market share for underground gas storage in Romania of 90.54%.

Romgaz is also a shareholder in another underground gas storage operator: Depomures S.A. (in which Romgaz holds a 40% stake). Depomures S.A. operates the Targu Mures underground gas storage facility, with a storage capacity of 300 million m³/cycle.

Power segment

Romgaz operates power plant CTE Iernut with an installed capacity of 800 MW. In 2023 and the first six months of 2024, CTE Iernut operated one power unit of 200 MW, the rest being unoperated due to non-compliance with environmental regulations. Currently, Romgaz is developing a new combined-cycle gas turbine power plant of 430 MW which is expected to be commissioned in December 2024. The last operational power unit of the old power plant is expected to be shut down in October 2024 to allow for testing of the new plant.

In 2023, Romgaz's electricity production was 962.6 GWh, while in the first six months of 2024 production was 450.7 GWh. According to data published by Transelectrica (the Romanian national transmission operator), Romgaz market share in 2023 was 1.72% and in the first six months of 2024 Romgaz market share was 1.68%.

Natural Gas Production

In 2023, Romgaz produced 4.79 billion m³ of natural gas with an average daily production of 13.12 million m³. In the six-month period ended 30 June 2024, Romgaz produced 2.49 billion m³ with an average daily production of 13.66 million m³.

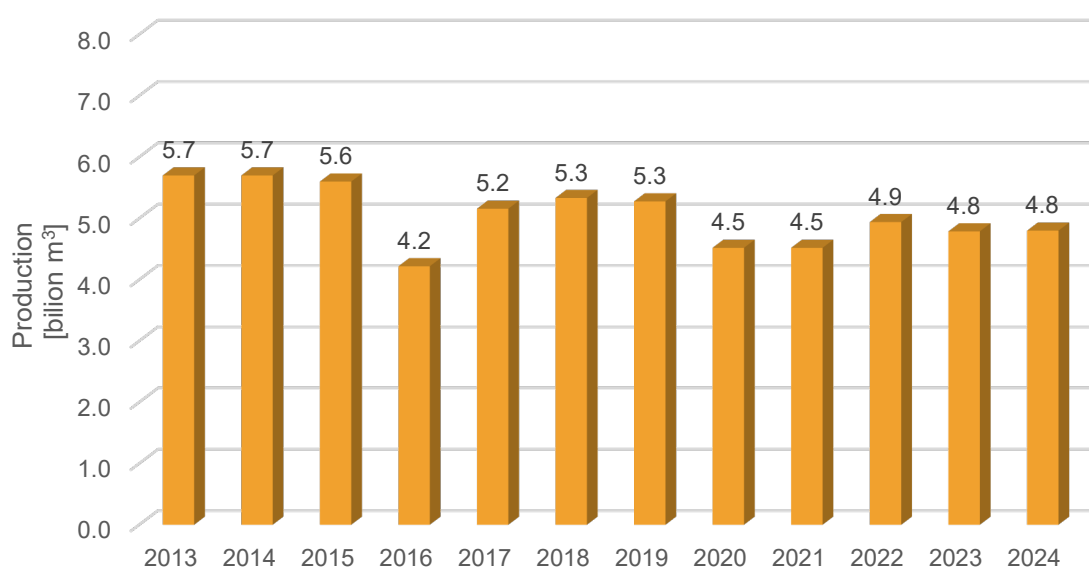
Currently, Romgaz has approximately 3,000 producing wells, of which 30% are producing from depths exceeding 2,000 metres in its portfolio.

To enhance the recovery factor of gas produced from mature reservoirs, 133 compressors are currently operating.

The requirements on natural gas quality are met for the whole natural gas quantity delivered into the National Gas Transmission System ("SNT") through 74 dehydration stations.

In addition to wells, compressors, pipelines and dehydration stations, Romgaz owns key production infrastructure equipment for monitoring the parameters of the gas production process.

Romgaz's yearly natural gas production (excluding joint operating agreements) for the period 2013 – 2023 is shown in the chart below:



Romgaz yearly natural gas production for the period 2013 – 2024 (2024 budgeted)

During 2023, 17 new wells have been put into production (with 92.495 million m³ yearly production), and 191 well interventions have been completed, resulting in 154 wells being brought back online, with a 228.12 million m³ yearly production. In the first six month of 2024, natural gas production recorded an increase of 4.3% compared to the similar period of the previous year.

In accordance with Romgaz’s strategy, the onshore natural gas production will be maintained at a maximum of 2.5% decline until 2030, by ongoing rehabilitation projects of mature reservoirs, well interventions, putting into production new production capacities, and compression developing and extending.

Oil and natural gas Geological Exploration

Romgaz Group performs onshore and offshore oil and natural gas exploration operations for natural gas in Romania.

Onshore activities

The exploration activity is carried out in eight blocks located in Transylvania, Muntenia-Oltenia and Moldova, subject to the concession agreement approved by Government Decision (“GD”) No. 23/2000.

Currently, exploration activities are performed under Addendum No.6 (approved by GD No.1011/22 September 2021) to the concession agreement for petroleum exploration-development-production approved by GD No.23/2000, with a validity term of six years (between 10 October 2021 and 9 October 2027). The approved minimum work programme includes 36 wells with a cumulative depth of 92,000 metres and 1,000 square kilometres 3D seismic for all eight blocks. The total value of the minimum exploration programme is USD 195 million, for an area of approximately 15,466 square kilometres (RG.01 North Transylvania, RG.02 Center Transylvania, RG.03 South Transylvania, RG.04 North Moldova, RG.05 South Moldova, RG.06 North-East Muntenia, RG.07 Center Muntenia, RG.08 Oltenia).

Current exploration projects portfolio covers all exploration blocks, with estimated prospective in-place resources above 47 billion m³ (P50) and an estimated average geological success rate of 40%.

An independent audit of onshore discovered contingent resources performed as of 31 December 2023 reported 4.7 billion m³ gas (2C), from the latest 22 exploration discoveries.

Since October 2021, the exploration activities carried out for the eight exploration blocks are shown in the table below, with the volume of works performed and the corresponding costs:

Exploration Works	Quantity Units	Costs RON mln.
3D Seismic Acquisition (sqkm)	1516.572	161.3
2D Seismic Acquisition (km)	10.35	0.4
Exploration Wells	8	142.6
TOTAL		304.31

Exploration works are prioritised and promoted based on technical-economic principles, in order to increase the hydrocarbon resources and reserves portfolio and to maximise the prospective potential of the eight exploration-development-production blocks licensed to Romgaz.

Offshore activities

EX-30 Trident Block

Romgaz is a party to a joint operating agreement for a block located in the Black Sea area (the “EX-30 Trident Block”) in the deep sea Romanian offshore.

The concession agreement for the EX-30 Trident Block was approved by the Government in October 2011 when the Government formally granted exploration rights. Romgaz’s involvement in the EX-30 Trident Block project was approved by the Romanian National Agency for Mineral Resources in September 2012.

Based on information available as at the date of this Base Prospectus, EX-30 Trident Block has the potential to only produce gas.

For further information, please see “ – Material Contracts – Offshore activities”.

Neptun XIX Deep Block

On 1 August 2022, Romgaz successfully completed the transaction and transfer of all shares issued by ExxonMobil Exploration and Production Romania Limited which held a 50% interest in the Petroleum Agreement for the Deep Water Zone of Neptun XIX offshore Block in the Black Sea (“**Neptun Deep**”). The other 50% of interest is held by OMV Petrom S.A which is the Operator of Neptun Deep starting from 1 August 2022. The name of ExxonMobil Exploration and Production Romania Limited was changed to Romgaz Black Sea Limited.

Neptun Deep is a strategic project for Romania and Romgaz, in terms of its contribution to the country's energy security, economic growth and energy transition. It will turn Romania into the largest EU natural gas producer. It is in line with Romgaz's development strategy, being the largest project in the Romgaz Group's portfolio with the Neptun Deep block being 7,500 km² large and located at approximately 160 km from the shore with water depths ranging between 100 and 1,000 meters.

Since 2008, the exploration activities in the Neptun Deep block have included two 3D seismic acquisition campaigns and two exploration drilling programs. The first gas discovery was made in 2012.

The development of commercial fields consists of an infrastructure composed of 10 wells, three subsea production systems and associated flow lines, an offshore platform, the main gas pipelines to Tuzla and a gas metering station. The platform generates its own energy, operating at highest safety and environment protection standards. The entire infrastructure will be operated remotely by means of a digital twin. This allows process optimisation and will contribute to improving environmental performance by means of efficient consumption and emission reduction.

Romgaz (through its subsidiary, Romgaz Black Sea Limited) and OMV Petrom will invest up to EUR 4 billion for the development phase of the project, each partner being responsible for 50% of the costs. The operations in Neptun Deep are governed by the concession agreement for the petroleum exploration, development and production in block XIX Neptun and the related addenda.

Romgaz's presence in Neptun Deep has accelerated the development phase and together with its partner its key achievements are:

- **13 December 2022** - project titleholders submitted the declaration of commercial discovery for the Domino and Pelican South reservoirs to ANRM.
- **16 March 2023** - each titleholder signed with S.N.T.G.N. TRANSGAZ S.A (the national transmission operator) a framework transmission agreement for transmission of natural gas to be produced from Neptun Deep through the National Transmission System. The framework transmission agreement was concluded following the successful completion of an incremental capacity booking process in compliance with procedures approved by ANRE. According to the agreement, the required technical capacity is booked for acceptance in the National Transmission System, allowing natural gas from Neptun Deep block to enter the market. The agreement is concluded for a period between September 2026 and September 2042.
- **21 June 2023** - Romgaz, through its subsidiary, Romgaz Black Sea Limited, together with OMV Petrom SA, submitted to ANRM, for endorsement, the development plan for the two commercial fields in Neptun Deep block (Domino and Pelican South).
- **3 August 2023** – the development plan for Domino and Pelican South natural gas commercial fields was confirmed by ANRM. This represents the actual start of the commercial fields development phase which consists of drilling and construction of required infrastructure for exploiting and marketing natural gas.
- **13 December 2023** - more than 80% of the execution agreements have been awarded by December 2023. The project will be delivered in collaboration with major global players such as Saipem, Transocean and Halliburton.

The development operations are ongoing as per the work programs and budget, with a target for first gas production in 2027.

The exploration activity within the Neptun Deep perimeter is ongoing, with the aim of identifying and evaluating further the energy potential of the Black Sea.

Gas reserves

In June 2024, DeGolyer and MacNaughton (“**D&M**”) carried out an independent evaluation of Romgaz's estimated onshore natural gas reserves as of 31 December 2023. Romgaz's onshore reserves are estimated in accordance with the Petroleum Resources Management System (PRMS) guidelines. The process of estimating natural gas reserves is complex and inherently uncertain and requires assumptions to be made regarding

production rates and timing of development, and analysis of available geological, geophysical, production, engineering and economic data for each reservoir. The extent, quality and reliability of this data can vary. The accuracy of reserves estimates is also a function of the quality and quantity of other available data, engineering and geological interpretation and judgment.

According to the D&M report completed in June 2024, as at 31 December 2023 Romgaz held net onshore proved reserves of 45.987 billion m³ (equivalent of 1,623.956 billion ft³) of gas and net onshore probable reserves of 12.079 billion m³ (equivalent of 426.52 billion ft³) of gas.

The average size of proved gas reserves per average field is 356.5 million m³, with 15 fields with over 1 billion m³ of proved reserves.

Gas Supply

Pursuant to the Energy Law, as of July 2020 the natural gas market is a competitive market and includes natural gas trading on the wholesale market (between suppliers that carry out the natural gas supply activity, including natural gas producers, between suppliers and distributors as well as between suppliers and the transmission system operator) and the retail market (between suppliers, including producers and end consumers).

In the competitive market prices are set up freely, based on demand and supply, due to competitive mechanisms and based on negotiated contracts while in the retail market prices are set up based on standard offers.

In Romania, the market structure is as follows:

- wholesale market, where natural gas produced or imported is traded between economic operators in the natural gas sector mainly to cover contractual obligations/consumption and portfolio adjustments; and
- retail market which represents sales to end consumers.

In mid-2020, through the liberalisation of the natural gas market, an offering programme was launched on centralised markets, the Gas Release Programme (the “GRP”). The regulation of the GRP was made by Law No.123/2012, as subsequently amended and supplemented, and ANRE’s Order No. 143/2020 on the obligation to offer natural gas on centralised markets of natural gas producers whose annual production in the previous year exceeds 3.000.000 MWh. Consequently, producers have the obligation to offer 40% of the production of the previous year as certain products, on centralised markets, pursuant to the annual decisions issued by the National Energy Regulatory Authority.

In 2022, in the international context generated by the increase of prices on the energy markets, in order to ensure rigorous discipline of the national market and a high level of customer protection in the social and economic sphere, Government Emergency Ordinance (GEO) No. 27/2022 was adopted, concerning the measures applicable to end consumers on the electricity and natural gas market, between 1 April 2022-31 March 2023, extended until 31 March 2025, as well as to amend and supplement certain normative acts in the energy field.

Between 1 April 2022 – 31 March 2023, the quantities relating to the obligation to offer pursuant to Order No. 43/2020 were delivered based on GEO No. 27/2022.

As of 1 April 2023, GEO No. 119/2022 extended the enforcement period of GEO No. 27/2022 until 31 March 2025.

GEO No. 27/2022 as subsequently amended and supplemented suspended the GRP from 1 April 2022 until 31 March 2023. Moreover, as of 1 April 2023, the positive difference between the total natural gas quantities related to meeting the obligation to offer and the quantities set pursuant to GEO No. 27/2020 could be offered through the GRP.

Accordingly, beginning April 2022, a significant regulation was implemented in the household consumers and heat producers segment with regard to:

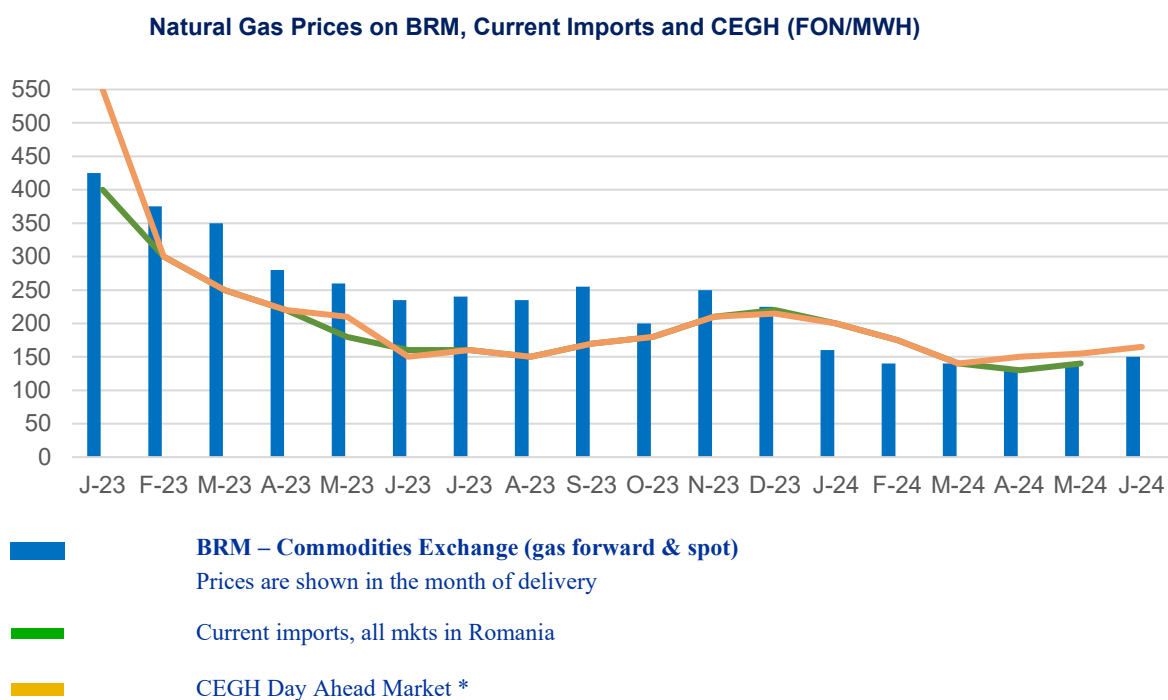
- natural gas purchase prices;
- contracted quantities (allocation of quantities for household customers/heat producers’ consumption for quantities used in heat production for population); and
- capped final supply prices.

The main provisions applicable to natural gas producers include:

- Regulated sale prices:

- between April-August 2022 – RON 150/MWh for gas supplied to household customers and RON 250/MWh for gas sold to producers of heat for household customers;
- for September 2022 - March 2024 – RON 150/MWh for both categories;
- for April-December 2024 - RON 120/MWh for allocated natural gas, delivered until end of March 2025 to household customers and to producers of heat for household customers; and
- for September 2022 - March 2024, RON 100/MWh maximum transfer price of gas produced by a company used in its electricity production process.
- Income from gas sold at regulated prices for household and assimilated customers is exempted from windfall tax;
- Royalties due by natural gas producers for quantities sold at regulated prices are calculated based on these prices (instead of CEGH prices used for industrial customers); and
- Gas suppliers have capped sale prices for certain end consumers: max RON 0.31/kWh for household customers and RON 0.37/kWh for non-household customers with an annual consumption below 50,000 MWh and for heat producers and industrial parks.

The graph below shows the evolution of prices recorded on the Romanian Commodities Exchange in 2023 and January to June 2024:



All prices might include storage tariffs

Source: BRM - Romanian Commodities Exchange, ANRE Reports, CEGH data provided by ANRM

** The base of computation of gas royalties since 2018 (only for production sold to industrial clients starting with 1 April 2022)*

Considering that natural gas consumption registered a continuous decrease in 2022-2023 and between 16-25% of the sources entered the national consumption was covered by import gas, Romgaz, as a natural gas supplier, held a market share of 42.4% – 50% during this period:

	U.M.	2022	2023
Total consumption at country level	bcm	10.4	9.7
Romgaz sales (internal+import)	bcm	5.1	4.8
Romgaz market share	%	49.41	50.0

Underground Gas Storage

Underground gas storage plays a major role in ensuring the security of natural gas supply, facilitating the balancing of consumption - domestic production - import of natural gas by covering consumption peaks caused mainly by temperature variations and maintaining optimal operating conditions of the national natural gas transmission system.

In case of extreme situations, underground gas storages can cover approximately 40% of Romania's daily gas demand.

During winter, when temperatures are low, underground gas storage facilities (with a withdrawal capacity of 32.2 million m³/day) supplement the daily domestic gas production to cover the demand. Sometimes in winter the market demand is so high that imports are required to cover daily national consumption.

Depogaz is the main Romanian gas storage operator. The company has a storing capacity of 2,870 million m³, and a share of 90.54% of the total active storage capacity in Romania, while the other underground storage operator on the market, Depomures S.A., has a storage capacity of only 300 million m³.

Depogaz holds licence for operating five underground gas storage facilities, developed in depleted gas reservoirs:

<u>Underground gas storage</u>	<u>Commercial operation year</u>	<u>Active wells</u>	<u>Storage capacity (million m³/cycle)</u>	<u>Injection capacity (million m³/day)</u>	<u>Withdrawal capacity (million m³/day)</u>
Bilciurești	1983	60	1,310	10	16
Sărmășel	1996	63	900	6.5	7.5
Urziceni	1978	30	360	3	5
Ghercești	2002	79	250	2	2.5
Bălăceanca	1989	20	50	1	1.2

As an underground gas storage operator, Depogaz has two main objectives:

- to increase underground storage capacities for natural gas; and
- to increase daily withdrawal capacities from underground storages.

To increase underground storage capacities, Depogaz planned, on one hand, modernisations to increase pressure of storages near to initial reservoir pressure, which resulted in an increase of current storage capacities, and on the other hand, development of new reservoirs for underground storage.

Following implementation of projects included in Depogaz development strategy which aims at increasing gas storage capacities, the storage capacity shall increase by 45%, namely from 2,870 million Scm to 4,178 million Scm.

As regards the increase of daily withdrawal capacities, Depogaz continues its projects for modernisation of current storages, to increase in the near future the withdrawal capacity from 32.3 million m³/day to approximately 42-45 million m³/day.

In 2023, Depogaz signed a financing agreement with the European Climate, Infrastructure and Environment Executive Agency ("CINEA") to increase the daily withdrawal capacity of the Bilciurești storage facility. The financing agreement is for EUR 38 million, of which Depogaz received the amount of RON 94.2 million as an advance.

Associate in underground storage activity

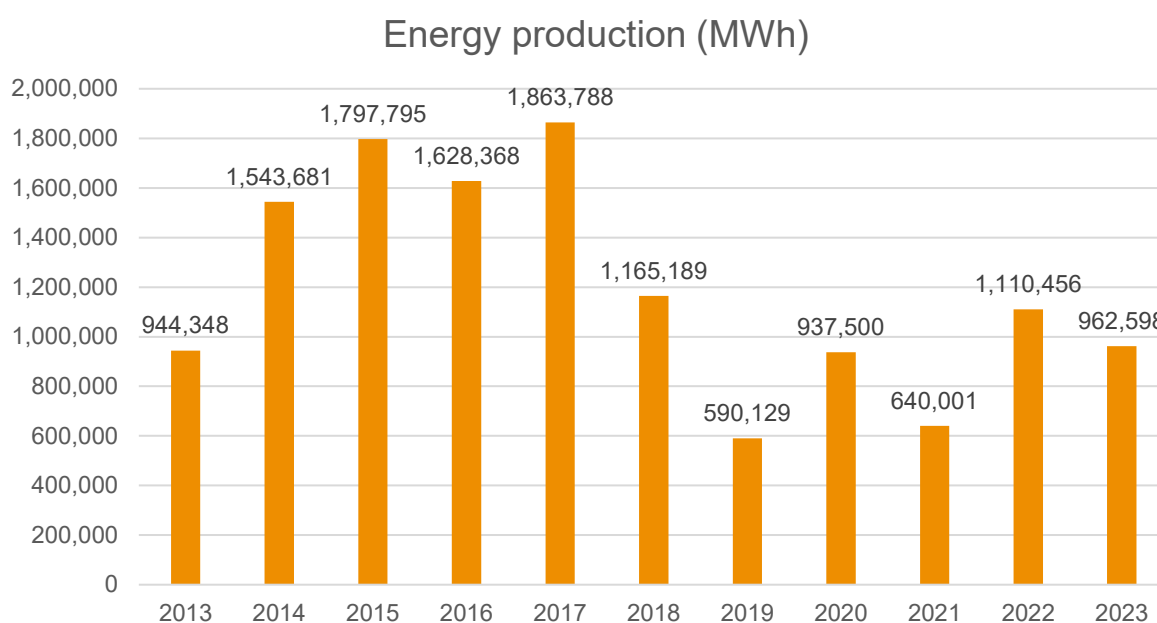
Romgaz is also a shareholder in the other underground gas storage operator active in Romania.

Depomures S.A., in which Romgaz holds a 40% interest, operates the Targu Mures underground gas storage site (the fourth largest in Romania), with a storage capacity of 300 million m³/cycle. For further information, please see the section entitled “— *Equity investments*”. Currently, the storage capacity is 300 million m³, but Depomures S.A. plans to develop the facility by constructing a gas compressor station and increasing the volume to a capacity of 400 million m³ and injection/withdrawal flows to 3.5 million m³/day. The investment is estimated to cost approximately RON 232.8 million, of which 28% (EUR 12.77 million) will be financed through a grant received based on the connecting Europe facility energy programme, bank loans taken by Depomures S.A. and equity contribution.

Electric Power Generation

As of 2013, Romgaz extended its activity by acquiring CTE Iernut. The power plant is managed by Romgaz’s Iernut Branch (Sucursala de Producție de Energie Electrică Iernut – SPEE Iernut).

Located in Transylvania, an important centre for the national energy system, the power plant operates as an energy transit system that redistributes electric power from surplus areas to deficit areas in northern Transylvania via transformer stations. A small part of the produced power (approx. 6-7%) is used to ensure the internal needs of the power plant. CTE Iernut currently operates one 200 MW large combustion power unit (“**IMA**”). The unit will remain in operation until the beginning of the commissioning tests at the new combined cycle power plant, the estimated decommissioning of IMA 5 being in the fourth quarter of 2024.



As of 20 February 2013, Romgaz is the license holder for electric power generation and license holder for electric power supply. SPEE Iernut, based on the license, supplies electric power to 345 customers connected to the power networks of Romgaz with over 450 consumption places. Since 2013, based on the electric power generation license, Romgaz has been selling electric power on (i) the Day-ahead market, (ii) the Intraday market, (iii) the Centralised Market for Electricity Bilateral Contracts, managed by OPCOM, the energy market operator, (iv) balancing market and ancillary services market operated by Transelectrica, (v) bilateral contracts directly negotiated based on GEO 27/2022 and (vi) through the Centralised Electricity Acquisition System (“**MACEE**”) managed by OPCOM, where, as an electricity producer, Romgaz as of 31 March 2024, has met the obligations provided by Article 28, paragraph (2) of the Energy Law, as subsequently amended and supplemented, as well as provided by GEO 153/2022, respectively to sell through MACEE the whole available quantity of produced electric power.

The increasing competitiveness of the electricity and gas markets has led to the need to identify the most efficient options for electric power generation, allowing for competitive prices and meeting environmental protection and climate change mitigation requirements.

It appeared necessary and appropriate to analyse the possibilities to upgrade/develop CTE Iernut in order to improve the technical-economic parameters, to increase the operating life and to comply with the provisions of Directive 2010/75/EU of the European Parliament on industrial emissions.

On this basis, the Issuer decided to develop CTE Iernut within the Electric Power Generation Branch by building a new power plant, with combined cycle gas turbines with an installed power of max. 430 MW and a gross electrical efficiency at a rated load of over 56%. The adopted technical solution has the advantage of flexibility in operation and an efficiency of electric power generation of over 56%, being within the limits provided by BAT – BREF (Best Available Techniques Reference document).

The importance and positive impact of the new investment in Iernut on the security of the National Energy System (SEN) results from:

- increasing and improving voltage stability conditions and power quality by providing a significant reserve of reactive power for voltage control;
- the level of adequacy of SEN, given the operation with an alternate fuel to those existing in the SEN; and
- compensating for the high variability of electricity production from renewable sources through the superior technical capacities of fast start-up/shut-down units.

In 2016, following an open tender, Romgaz awarded the works contract for the investment “Development of CTE Iernut by building a new combined cycle gas turbine power plant”.

The investment was financed from Romgaz's own funds, in amount of EUR 268 million plus VAT, as well as a grant under a financing contract concluded between Romgaz and the Romanian Ministry of Energy (the “**Financing Contract**”), as financing authority, on the basis of Government Decision No. 1096/2013. The grant was the equivalent amount in RON of EUR 70,375,517 (maximum value), representing a maximum 25% of the total value of eligible costs of the project.

The works contract had various delays and, as a result, was terminated by Romgaz on 2 April 2021.

In 2022, following a change to the sectoral procurement rules, which Romgaz has to abide to, the Issuer was able to commence negotiations for the completion of the works for CTE Iernut. In 2023, a new works contract was signed, with a value of RON 344.9 million. The notice to start the works was issued to the contractor on 1 August 2023 completion being expected within 16 months from the effective date of the contract.

At the end of July 2024, the total progress of the investment was approximately 91% (progress consisting of the execution of the initial works contract and the execution of the new works contract).

The total progress of the investment project “EPC Contract for the completion of works and putting into operation of the investment objective: Development of CTE Iernut by building a new combined cycle gas turbine power plant” was 54.8% at the end of July 2024.

If the investment is not completed by 31 December 2024 and the legislation regulating the financing of the project is not amended, the Issuer would have to repay to the Romanian State the grant received for the project.

Competitive Strengths

Romgaz believes that its historical success and its potential for future growth are primarily due to the following strengths.

We operate in a growing economy with a well-established gas market

Romania is the tenth largest Central and Eastern European country by GDP per capita in 2023 (source: World Bank) and has the second largest population after Poland, of approximately 19 million people (source: World Bank), as compared to the same 17 countries. It has a growing economy with manageable public debt of approximately 48.8% of GDP, compared to an average of public debt of 81.7% of GDP in the EU (source: Eurostat).

Romgaz is able to sell all the gas it produces. Its gas sales provided approximately 50% of Romania’s natural gas consumption in 2023. Romgaz benefits from excellent access to the well-developed transmission infrastructure operated by the state-owned transmission company, SNTGN Transgaz S.A. Additionally, Romgaz believes that it benefits from its market perception as a “safe and trusted” producer in terms of both return and new customers.

Largest holder of rights to gas reserves and largest natural gas producer and supplier in Romania

Romgaz is the largest holder of rights to gas reserves in Romania. According to D&M’s report issued in June 2024, as at 31 December 2023 Romgaz’s onshore reserves comprised of net proved reserves of approximately 46.0 billion m³ (equivalent of 1,624.0 billion ft³), net probable reserves of approximately 12.1 billion m³ (equivalent of 426.5 billion ft³) and net possible gas reserves of approximately 7.0 billion m³ (equivalent of 248.0 billion ft³).

Romgaz is one of the largest natural gas producers compared to other producers in the Central and Eastern European area, producing approximately 4.8 billion m³ of natural gas in 2023 with an average production in 2023 of 13.1 million m³/day (2022: 13.5 million m³/day; 2021: 13.8 million m³/day; 2020: 12.3 million m³/day; 2019: 14.5 million m³/day). According to ANRE, in 2023 Romgaz had a market share of local natural gas production in Romania of approximately 50.72%.

Once Neptun Deep project goes live, the Romgaz Group's reserve base will increase with an approximate 50 billion m³. First gas production is estimated for 2027. Production at the plateau will be approximately 8 bcm annually (~140,000 boe/d), for almost 10 years.

Low-risk onshore portfolio with long-established operating history

As of 30 June 2024, Romgaz holds 100% working interest in 121 onshore concessions, being co-titleholder non-operator in 13 petroleum agreements.

Concessions for the petroleum perimeters with 100% ownership are secured up to 2027. After this date, the Issuer considers that it will reach an agreement with regulatory authorities to extend the concession periods if it is deemed necessary to produce remaining reserves related to each concession.

The Company's reserves are 100% located onshore in Romania (mature geological formations with a relatively low geological risk). Approximately 80% of Romgaz's proven reserves are in 18 gas fields.

Romgaz's work programmes are focused on increasing reserves by improving recovery rates and by developing recent hydrocarbon discoveries.

Historically, Romgaz recorded the following reserves replacement ratios: 2019: 40.75%, 2020: 62.75%, 2021: 69.56%, 2022: 55.85%, culminating with 97.34% in 2023.

Potential in exploitation of existing and new licence blocks

Romgaz plans to leverage its management's comprehensive experience and knowledge of natural gas exploitation and production to seek to discover and develop new oil and natural gas accumulations in geological formations at mid and high depth (including post and pre-salt formations in the Transylvanian basin) to improve its reserves base. In addition, Romgaz believes that its strategic partnerships with other natural gas producers or operators, such as with OMV Petrom for the Neptun Deep project, will increase the likelihood of successful exploitation while sharing risk and costs of exploration with its partners.

Experienced management and operational teams with extensive expertise in the Romanian energy sector

Romgaz is led by a highly regarded and experienced team of professionals. The Romgaz Group employs over 5,000 people, approximately 18.75% of which have a technical/ engineering background. More than 90% of its operational team has been with Romgaz for more than 15 years. As a result of this experience, the members of the Board of Directors believe that Romgaz team has developed extensive expertise in conventional natural gas production in Romania which is reflected in Romgaz's proved track record.

Strategy

Romgaz's strategy is to build on its competitive strengths and pursue opportunities to increase shareholder value.

Romgaz's core business is production and supply of natural gas. In accordance with the Company's strategy for 2021 – 2030, and the 2023 – 2027 Administration Plan the main targets for the core business are:

- keeping the annual natural gas production decline under 2.5% by maximising the hydrocarbon reserves' recovery factor;
- increasing the portfolio of hydrocarbons resources and reserves;
- increasing the portfolio of offshore hydrocarbons resources and reserves (Neptun Deep project);
- strengthening the Company's position in the natural gas supply market, expending the gas supply at regional level;
- identifying new opportunities for diverse activities with the purpose of enhancing the natural gas added value; and
- diversification of activities in line with EU and national decarbonisation and green transition objectives.

These main targets related to the Company's core business are accompanied by the goal of reducing greenhouse gas emissions and identifying opportunities to invest in green projects, as a step in implementing the energy transition.

Ongoing and new material projects include:

- the Neptun Deep project;
- building and putting into operation the new combined-cycle gas turbine plant in Iernut; and
- building and putting into operation a new 40 MW solar power plant.

Romgaz intends to expand its natural gas supply activities on the regional market. In this regard, Romgaz is preparing to file for gas trading licenses in Moldova and Bulgaria.

For Romgaz's estimated capital expenditure for 2024 and 2025, see the section entitled "*— Financial Risk Management — Capital Expenditures*" below.

Climate change approach

The Issuer's 2021 - 2030 Strategy includes as a strategic objective, among others, the reduction of carbon, methane, and other gas emissions by a minimum of 10%, with the reduction set for the period of validity of the strategy, with 2020 as the reference year. The document also includes a description of the main objectives envisaged for achieving such target.

Romgaz has and continues to develop policies dedicated to every aspect of climate change management including:

- the decarbonisation directions included in the 2021 - 2030 Strategy;
- the corporate social responsibility policy; and
- the integrated management system policy.

The target of 180 MW of energy from renewable sources is planned to be achieved by:

- implementing a solar power park project of 50 MWp in Zagar, Romania. The feasibility study has been finalised, and the procurement procedures are to be initiated for detailed design and construction. The final investment decision is pending the authorities' decision to co-finance the project under the Modernization Fund; and
- the acquisition of potential projects for renewable energy production facilities.

Moreover, the Issuer is currently preparing a decarbonisation strategy in a project co-financed by the European Bank for Reconstruction and Development. This will include the vision and strategy that will allow Romgaz to align to national and EU commitments regarding climate change, to assess the gaps and additional requirements Romgaz needs to observe in its ESG practices and CSRD reporting, which will result in a low carbon roadmap containing a detailed and realistic action plan to achieve its climate objectives.

The action plan will focus on measures to reduce greenhouse gas emissions generated by the Issuer's main activity and to implement and comply with the provisions and leak detection and repair programme imposed by Regulation (EU) 2024/1787 on the reduction of methane emissions in the energy sector.

In addition, the low carbon roadmap will also include potential green energy projects (solar parks, hydrogen, etc.) and the Issuer's intentions to explore the feasibility of CO₂ capture and storage projects. In addition to being one of the objectives already included in the Issuer's 2021-2030 strategy, it is also a legal obligation after the NZIA regulation recently came into force.

The Issuer has started to consider what are the depleted gas fields it still has under concession agreements and to what extent such gas fields can be used for carbon storage from a technical and safety point of view.

In addition, the Issuer has started a dialogue with some large CO₂ emitters, who are interested in investing in carbon capture. Once the Issuer has a clear picture of the CO₂ storage potential of its depleted gas fields, such dialogue may evolve into a more engaging phase targeting the economic and commercial feasibility of a fully functional carbon capture-transport-storage project and a sound business case.

Overall, the Issuer demonstrates a strong commitment to sustainability and climate governance by adopting comprehensive measures, regularly updating strategies, and ensuring high transparency on sustainability risks and performance.

Romgaz's existing policies can provide a basis for addressing sustainability risks. Ensuring transparency and availability of information, through effective public communication, using different communication channels, is a constant pursuit of Romgaz. The challenges Romgaz has identified regarding sustainability issues and the transition to a green economy are listed below:

- reliance on unreliable resources (the transition is made more difficult by the reliance on renewable resources that become less available or more expensive);
- regulatory risks (taxation, policies);
- social and governance issues (political instability); and
- high costs associated with the transition to the green economy.

Technology

The Company owns classic and modern technologies facilitating production from commercial hydrocarbon reservoirs under its concession.

Current technologies such as:

- gas well de-liquification (continuous foam injection and automatic solid stick launchers, nitrogen kickoff with/without coiled tubing);
- expanding compression (wellhead compressors, group/field compressors) and modernisation of the drying and compression units;
- underbalance workover (snubbing);
- well deepening, side-track operations;
- sand control (gravel packing); and
- digital field (multi-stream flow computers, remote transmission of pressure & temperature wellhead measurements (project in the procurement phase),

support meeting established production targets, namely:

- maximising hydrocarbon reserves recovery factor;
- increasing technical and economic production efficiency in field; and
- improving safety, security, reliability and sustainability conditions for the entire operational process of hydrocarbon production capacities.

Main operating licences

Main licences issued by ANRE to Romgaz Group

<u>Crt. No.</u>	<u>Licence</u>	<u>Series no./date</u>	<u>Valid from</u>	<u>Valid until</u>
1	Natural Gas Supply License	1878/6 November 2013	6 November 2013	5 November 2038
2	Natural Gas Storage License	1942/22 January 2014	22 January 2014	13 September 2056
3	Upstream Supply Pipeline Operating Licence	1941/22 January 2014	22 January 2014	14 January 2049
4	Electricity Production Licence	1180/ 20 February 2013	20 February 2013	20 February 2038

Natural gas supply license

The Company operates as a natural gas supplier based on license no. 1878/6 November 2013 having a 25-year validity term (5 November 2038) and covering the Company's gas supply and trading activities.

According to the validity conditions attached to the Gas Supply Licence, Romgaz has rights to, among other things, the revenues from supply services according to the agreements entered into with eligible customers, system operators and/or other suppliers; the revenues from supply services according to the standard agreements entered

into with the customers that buy gas at the regulated price; supply, on an exclusive basis, non-eligible customers (*i.e.*, customers that cannot choose their supplier) in the following communities: Stejari village (Gorj County), Ghercești and Garlești villages (Dolj County); and limit or suspend the service in case of late payment.

Under the same licence, Romgaz has the obligations to, among other things, enter into agreements for selling natural gas; supply natural gas to non-eligible customers on the basis of standard agreements; comply with the performance standards of the supply service; measure the quantities of natural gas supplied to customers; and properly notify ANRE of any breach of the conditions of its licence, a decrease of its share capital by more than 25%, a change of its registered office and any change of secondary offices, legal status or share capital structure.

Natural gas storage licence

License no. 1942 of 22 January 2014, with subsequent amendments and additions (“The license for the operation of the underground natural gas storage system”) is valid until 13 September 2056 and covers the underground storage facilities located in Sărmașel (Mureș County), Bilciurești (Dâmbovița County), Urziceni (Ialomița County), Bălăceanca (Ilfov County) and Ghercești (Dolj County).

The license holder is responsible for complying with the framework conditions of validity associated with the license for carrying out the activity of operating the underground natural gas storage system, approved by ANRE President's Order No. 109/2018, with subsequent amendments and additions.

The object of the License is to grant the rights and establish the obligations of the license holder in order to carry out the operation of the underground natural gas storage system.

The license holder has the obligation to operate, maintain, rehabilitate and modernise the technological surface installations related to the underground storages, in conditions of safety, efficiency and environmental protection.

The license holder has the obligation to develop and send for approval to ANRE the five year investment plans of the systems they operate; these plans are updated annually until the end of December and will carry out the activity authorised by the License, under non-discriminatory conditions, ensuring a fair competitive environment.

The license holder, being part of a vertically integrated operator, must comply with the requirements and criteria of the Law regarding its independence in relation to other activities that are not related to the storage of natural gas, and must be independent at least in terms of legal form, organisation and the decision-making process in relation to other activities that are not related to the transport, distribution or storage of natural gas.

Upstream Supply Pipeline Operating Licence

The licence to operate upstream supply pipelines in relation to gas production no. 1941 of 22 January 2014 is valid for 35 years, until 14 January 2049.

The licence titleholder is entitled to request and obtain from upstream gas supply pipeline users information required to maintain the physical and operational integrity of the assets it operates. During the validity period, licence titleholder is required to ensure operation, maintenance, rehabilitation and modernisation of upstream pipelines, under safety, efficiency and environment compliance conditions. The licence titleholder can conclude contracts with third parties relating to activities provided in the licence, without the possibility to transfer to third parties any of the rights and obligations under the licence. When performing activities provided in the licence, titleholder is required to secure fulfilment of quality requirements relating to such services and of requirements relating to safety and availability for services provided by third parties, according to contracts concluded among them.

ANRE can suspend/withdraw the licence for specific reasons provided in the Regulation proceeding in line with its provisions. ANRE informs the titleholder of the suspension/withdrawal of licence, the reasons to suspend/withdraw, and conditions the titleholder is required to fulfil to cease suspension. ANRE may order the cease of licence suspension, after the licence titleholder provides evidence of the fulfilment of conditions to cease suspension. ANRE notifies in writing the licence titleholder by at least 10 days prior to the date it intends to issue a decision regarding the suspension/withdrawal of licence, and on the underlying reason. Within five working days from the date a communication about suspension/withdrawal of licence is received, licence titleholder may address ANRE with an explanation on conditions invoked for suspension/withdrawal of licence, as well as any evidence it deems appropriate to temper/stop the issuance of decision to suspend/withdraw de licence.

Electricity production licence

The licence no. 1180 dated 20 February 2013 regarding the electricity production (the “**Electricity Production Licence**”) is valid for a period of 25 years until 20 February 2038.

Under the Electricity Production Licence Romgaz has access to electricity transportation and distribution grids of public interest and the ability to obtain a right of way in connection with its electricity grids. It can sell electricity on the wholesale market through negotiated or regulated bilateral agreements (including export), and/or transactions on DAM, buy electricity from other licence holders or from import, in order to ensure the quantities contracted as producer and transfer its balancing responsibility to another balancing responsible party (“PRE”) registered with the transport and system operator. For further information, please see the section entitled “Regulatory Matters—The Electricity Industry—Regulatory Framework”.

Employees and Pensions

As at 30 June 2024, the Romgaz Group had 5,948 employees and Romgaz had 5,428 employees.

None of Romgaz’s operations has experienced any major strike or other form of labour disturbances that have interfered with its operations, and Romgaz considers its relationship with its employees to be good.

According to the provisions of Romgaz’s collective bargaining agreement, the employees have the right to participate in Romgaz’s profit within a threshold of up to 10% of Romgaz’s net profit, pro rata to individual base salaries, which cannot exceed one monthly average base salary per employee according to Government Ordinance No. 64/2001 as further amended and supplemented on profit distribution within national companies and companies fully or partially owned by the state, as well as autonomous companies. For the financial years 2023 and 2022, employee participation to profit was as follows: RON 46.3 million for the year ended 31 December 2023; RON 41.5 million for the year ended 31 December 2022.

Romgaz contributes a specified percentage to the retirement benefit scheme to fund the benefits. According to the collective labour agreement, Romgaz must pay to its employees at retirement certain amounts, calculated according to the years worked for Romgaz, work conditions and other similar criteria. For this purpose, in 2024, the Romgaz Group recorded a provision as of 30 June 2024 in an amount of RON 180.2 million for benefits upon retirement, computed on the basis of estimates of the average salary, the average number of salaries payable upon retirement and the estimate of the period when they shall be paid. See also “Risk Factors—Risks related to the Issuer’s financing and business —The Issuer may not be able to hire, train or retain sufficient qualified staff”. In the last six years less than 5% of the workforce left Romgaz, including for both voluntary and disciplinary reasons).

Environmental Regulations

According to the Policy Statement regarding quality, environment and health, and safety at work, Romgaz undertakes to prevent pollution and reduce the unwanted effects of its operations on the environment.

Romgaz has a certified environmental management system in accordance with SR EN ISO 14001:2015 requirements.

Romgaz complies with a considerable set of normative acts regarding environmental protection, which regulate the protection of air, water, soil, noise level, the use of dangerous chemical substances and mixtures and waste management.

Romgaz’s activities are regulated from the point of view of the environment and water management in accordance with the provisions of GEO 195/2005 on environmental protection, with subsequent additions and amendments, and Water Law No. 107/2005, with subsequent additions and amendments. Romgaz holds 117 environmental authorisations, two integrated environmental authorisations, one authorisation regarding greenhouse gas emissions, 62 water management authorisations and 35 authorisations for formation/produced water injection systems.

The Environmental Protection Department plans the activity of measuring and monitoring the environmental factors, based on the requirements of the regulatory acts issued by the regulatory authorities in the field of environmental protection. The measuring and monitoring results are recorded in an online register “Register for Measuring and Monitoring Environmental Factors”, available for consultation on the Company’s website.

The Environmental Protection Department carries out internal environmental inspections to assess compliance with the applicable requirements regarding environmental protection.

The Integrated Management Department monitors the assessment of compliance with the requirements of ISO 14001:2015 standard through the internal audit of Integrated Management System.

From the point of view of environmental protection, the Company frequently trains all employees to prevent accidental pollution. Also, Intervention Plans/Programs in Case of Accidental Pollution were drawn up at each work point to minimise the negative effects. The Company, through specialised departments, carries out

preventive environmental inspections and determined the environmental risks and opportunities for which actions/measures/terms/persons in charge were established, to ensure a residual risk on the environment. Significant environmental aspects were also identified and monitored.

All these activities are carried out free of charge, with the Company's own resources.

The payments incurred by the Company in 2023 for environmental protection are in the total amount of RON 476 million, main destinations being: capital expenditures of RON 3 million, operating expenses of RON 6 million and RON 466 million of CO₂ certificates (acquired for 2022 and 2023 compliance).

Environmental authorisations

Environmental authorisations remain valid for the entire period in which the holder obtains the annual clearance, Romgaz ensuring 100% compliance in this regard.

Integrated environmental authorisation

1. The Company, through Târgu Mureş Branch, owns Ogra Waste Depot, which is authorised pursuant to the Integrated Environmental Authorisation No. MS3/20 September 2021, valid for the entire period over which the holder obtains the annual visa. This is a waste deposit from the extractive industry, authorised for the treatment and disposal of non-hazardous waste.

In accordance with the requirements provided by the integrated environmental authorisation and the internal legislation, a provision EUR 373 thousand was established for the closure of the site and subsequent monitoring operations, for a period of 20 years, through equal annual deposits in a bank account.

Romgaz aims to make the periodic payment of the contribution to the "Closing Fund" until the value of the imposed provision is reached, through quarterly payments. The total amount to be paid for 20 years is RON 1.7 million. Until now, RON 1.4 million have been paid.

2. SPEE Iernut Branch holds the Integrated Environmental Authorisation No. MS1/27 March 2014, revised on 1 September 2023, valid for the entire period over which the holder obtains the annual clearance, which regulates the activity carried out at Iernut Electric Power Plant (CTE Iernut).

Greenhouse gas ("GHG") emission authorisation

SPEE Iernut holds Authorisation No. 58/15 February 2021 regarding GHG emissions for 2021-2030, for the activity of electricity production. The activity carried out in the installation is "combustion of fuels in installations with a total nominal thermal power of over 20MW". The projected production capacity of the installation is 3*277=831MW(th)/day.

The operating regime of all large combustion installations of CTE Iernut is 24h/day, seven days/week, 52 weeks/year.

Monitoring of GHG emissions, including the monitoring methodology and frequency, is carried out by the operator in compliance with the GHG Emissions Monitoring Plan approved by Agentia Națională pentru Protecția Mediului (ANPM) (National Environmental Protection Agency).

In the first quarter of each year following the year for which GHG monitoring was carried out, SPEE Iernut has the obligation to submit to ANPM the report on monitoring the GHG emissions generated in the previous year, verified by a certified verifier in accordance with the legal provisions in force in the field of GHG emissions trading scheme for 2021-2030. Thus, SPEE Iernut has the obligation to return, by April 30 of each year at the latest, a number of GHG certificates equal to the total number of GHG from the respective installation in the previous calendar year.

For 2023, SPEE Iernut ensured compliance with GHG emissions of 543,771.9 t CO₂.

Seveso Directive requirements

Iernut power plant

SPEE Iernut falls under the SEVESO Directive and Law No. 59/2016 on the control over major accident hazards involving "minor risk" hazardous substances, due to the presence of hydrazine on site, maximum quantity stored on site 1 ton (relevant quantity according to Annex No. 1, part 2, item 33 - lower limit 0.5 tons and upper limit 2 tons).

The operator of the installation where dangerous substances are present has taken all the necessary measures to prevent major accidents and to limit their consequences on the health of the population and on the quality of the environment, to ensure a high level of protection, in a coherent and efficient way. Moreover, the operator of the installation proves to the competent supervisory authorities that it has taken all measures to prevent major accidents hazards in which dangerous substances are involved.

Depogaz

Depogaz has the status of operator of upper-tier establishments as the related underground storages of natural gas are included on the list of SEVESO objectives with risk of major accidents due to the dangerous substance (natural gas) present on sites.

Depogaz organises its activities such as to be carried out in conditions of complete safety, minimal risk and to the most demanding safety standards. For this purpose, the strategy of the Company's management consists in taking all preventive measures to ensure the safe operation of the underground storages and installations, to avoid dangerous accidents.

Neptun Deep project – permitting activities

All procedural steps were followed by the Titleholders (OMV Petrom and Romgaz Black Sea Limited) to ensure that the Neptun Deep project is implemented safely and in full compliance with specific permits and legislation.

The environmental permit for Neptun Deep Project was issued by the competent authority (Environmental Protection Agency Constanța) on 28 June 2024.

Per mandated legislation, Neptun Deep project titleholders submitted an Environmental Impact Assessment (“EIA”) and Appropriate Assessment (“AA”) and their annexes, covering the proposed onshore and offshore gas development project. The EIA and AA were prepared according to the applicable EU and Romanian legislation.

The environmental impact, as indicated by the conclusions of the EIA and the corresponding assessment reports, shows that the Neptun Deep project does not have a significant impact on environmental factors and the socio-economic environment. The project is based on international practices and technologies used in deepwater exploitation worldwide. The estimated direct carbon intensity of the project is significantly below the industry average. The Neptun Deep project takes into consideration any potential impact on the environment and local communities. Where necessary, mitigation measures will be applied. A key aspect of the development concept is that the reservoir's natural energy is used to transport natural gas to shore, eliminating the need for compression. This, along with other features of the project, ensures that emissions from the Neptun Deep project are kept to a minimum, significantly below industry standards.

Natural gas is a solution to strengthen Romania’s energy security and to reduce the country’s carbon emissions by switching from coal to gas.

Natural gas is a transition energy source. By investing in projects like Neptun Deep, Romgaz provides Romania with solutions and opportunities to reduce the country’s carbon emissions by switching from coal to gas.

Endorsement for water discharge was issued by competent authority the Environmental Protection Agency Constanța.

The ongoing permitting procedures/formalities continue with the competent authority for the regulation of offshore petroleum operations in the Black Sea, followed by the Ministry of Energy which is the entity mandated to issue the authorisation for construction, as per applicable legislation.

Decarbonisation strategy

In the light of current European environmental legislation, the Company is currently preparing a decarbonisation strategy in a project co-financed by the European Bank for Reconstruction and Development.

The decarbonization strategy consists of the following phases:

- Establishing the decarbonization vision and strategy

This phase, which will define the Low Carbon Pathway shall include:

- a current state assessment, including a comprehensive identification of GHG emissions;
- development of natural gas demand forecasts and demand/supply scenarios, including associated GHG emissions and gap analysis for alignment to the Paris Agreement objectives;

- mitigation scenarios for GHG emissions; and
 - identification of potential future low carbon business opportunities.
- **CSRD Gaps Review**
This phase will include a detailed analysis of the Issuer’s ESG practices and items that need to be covered targeting a sustainability reporting in line with the CSRD Directive. It will also include a high-level assessment of ESG related risks and opportunities.
 - **Development of and action plan that will support the development of the decarbonization strategy.**
The decarbonization strategy shall be finalized by the end of 2024.

In its ongoing efforts to reduce GHG emissions and to trigger investments meant to contribute to the EUs climate targets, Romgaz intends to explore the feasibility of CO₂ capture and storage projects. This is not only one of the objectives provided by the Company’s 2021-2030 Strategy but has also become a legal obligation once the NZIA regulation recently came into force.

Therefore, the Company has started to prospect what are the depleted gas fields it still has under concession agreements and to which extent such gas fields can be used for carbon storage from technical and safety point of view.

In addition to this, Romgaz has started a dialogue with some large CO₂ emitters, who are interested in investing in carbon capture. Once Romgaz will have a clear picture of the CO₂ storage potential of its depleted gas fields, such dialogue may evolve into a more engaging phase targeting the economic and commercial feasibility of a fully functional carbon capture-transport-storage project and a sound business case.

Community engagement

Romgaz’s 2021-2030 Strategy commits the Company to support the sustainable development of the society and local communities in which it operates, in order to provide a greener society for citizens.

Thanks to an ongoing dialogue with the community at large, Romgaz understands the expectations and interests of the community in which it operates, which facilitates active involvement in the development of communities in response to their short, medium, and long-term needs. Romgaz seeks to develop strong, constructive, and effective relationships with local communities, which are essential for the successful management of environmental and social risks and impacts of activities on local communities.

Whistle blowing

Romgaz implements the institution of the public interest whistleblower. The internal channels for reporting public interest issues and requesting ethics advice, ethics and integrity referrals/reports/warnings are open to any whistleblower, whether internal or external, and are available to both employees and the general public, both through the Whistleblower alert mechanism and through the contact details specifically displayed in the Ethics and Integrity section on the Company’s website, directly to the ethics advisor.

Insurance

Romgaz maintains insurance for certain buildings and their content, all-risk civil liability insurance and vehicle insurance for its auto park.

In relation to the Iernut Electricity Generation Branch, Romgaz maintains collective insurance for accidents related to personnel in the private service for emergency situations.

Romgaz maintains civil liability insurance for students enrolled in the dual education programme it has in place with Colegiul Școala Națională de Gaz Mediaș and Liceul Tehnologic Iernut.

Romgaz also provides insurance cover for the members of the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer. The liability limit is EUR 100 million.

The Neptun Deep project benefits from ‘all risk’ construction insurance that covers physical losses and damages incurred by the property and third party liability.

Romgaz believes the level of insurance maintained by its operations is in accordance with local industry practice. See also *“Risk Factors—The Issuer does not carry the types of insurance coverage customary in other more developed countries for a business of its size and nature, and a significant event could materially adversely affect the Issuer’s business, results of operations, financial condition and prospects”*.

Information Technology

The main applications, which are critical to Romgaz's operations are:

- Enterprise resource planning platform which includes accounting, human resources, finance, procurement, projects and reporting; and
- Production information system and production data acquisition and reporting.

The IT infrastructure has firewalls-based protection, including an intrusion detection system and intrusion prevention system, specialised proxies for internet access, remote access virtual private network, multi factor authentication.

Laptops and desktops are protected by centralised antivirus system. The network is segmented and protected on multiple layers with all security incidents monitored using Stealth watch technology as Network Analytics.

As at the date of this Base Prospectus, there have been no major cyber security incidents which affected production units or would have affected the elements of national critical infrastructures.

Legal Proceedings

Romgaz is a party to various proceedings arising in the ordinary course of its business. Romgaz is not involved in, nor is it aware of, any legal, arbitral or administrative proceedings or governmental investigations that could reasonably be expected to have a material and adverse effect on Romgaz's business, financial condition or results of operations.

As at 30 June 2024, Romgaz was involved in 147 litigations, of which 54 cases had Romgaz as plaintiff, 90 cases had Romgaz as defendant and three cases had Romgaz as a civil/injured party.

The approximate value of the litigations in which Romgaz was involved as a plaintiff as at 30 June 2024 is RON 370.6 million, referring mainly to overdue receivables. Such receivables are impaired in the Romgaz Group's financial statements.

The approximate value of the 90 litigations in which Romgaz was involved as a defendant as at 30 June 2024 was of RON 61.3 million.

Romgaz has an in-house legal department dealing with most litigations. It also employs legal counsels for complex matters or cases when the in-house legal team may not be independent.

The list with litigation involving Romgaz can be accessed on the Issuer's official website: <https://www.romgaz.ro>. The information on the website does not form part of this Base Prospectus and has not been scrutinised or approved by any competent authority.

Equity investments

The table below sets out Romgaz's shareholdings in other entities as at 30 June 2024:

<u>Company Name</u>	<u>Business Scope</u>	<u>Romgaz share in the share capital (%)</u>	<u>Other shareholders</u>
SNGN Romgaz SA - Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiești SRL	Support activities for petroleum and natural gas extraction NACE 0910	100	-
Romgaz BLACK SEA LIMITED	Liquid and gaseous hydrocarbon exploration, development and production activities	100	-
S.C. Depomureș S.A.	Support activities for petroleum and natural gas extraction (excluding prospecting) NACE 0910	40	- ENGIE Group Participations S.A. - SC MIF SA - SC Foraj Sonde SA

Company Name	Business Scope	Romgaz share in the share capital (%)	Other shareholders
S.C. AGRI LNG Project Company S.R.L. *	Business and other management consultancy activities NACE 7022	25	-Magyar Villamos Művek Zártkörűen Működő Részvénytársaság -State Oil Company of the Republic of Azerbaijan - Georgian Oil&Gas Corporation
S.C. MI Petrogas Services România S.R.L.	Support activities for petroleum and natural gas extraction NACE 0910	10	-M-I Holdings (BVI) Ltd
Societatea Electrocentrale București S.A.	Production of electricity NACE 3511	2.49	- Ministry of Energy
Patria Bank S.A.	Other monetary intermediation NACE 6419	0.0164	- EEAF Financial Services BV Amsterdam NLD - natural persons - legal persons

* Agri LNG Project Company SRL is fiscally inactive according to ANAF resolution No. 20029137/11.06.2020

Board and Management

The General Meeting of Shareholders is Romgaz's management body, which decides upon operational and economic policies in compliance with applicable legal provisions. Romgaz is managed on a unified basis by a Board of Directors that includes seven members (six non-executive members and one executive member) with economics and legal backgrounds, who were appointed by the General Meeting of Shareholders for a four year term that started on 16 March 2023.

As of the date of this Base Prospectus, the Board of Directors includes one woman and one person belonging to the category of underrepresented social groups - minorities.

The Board of Directors has delegated the management of Romgaz to three officers: the Chief Executive Officer ("CEO"), the Deputy Chief Executive Officer ("Deputy CEO") and the Chief Financial Officer ("CFO").

Board of Directors

The Board of Directors acts in the best interest of Romgaz to achieve Romgaz's organisational purpose and it is legally responsible for compliance with internal laws and regulations, ethical and moral rules, and specific standards. Although it delegates some of its responsibilities to the mandated executives, the Board of Directors remains legally responsible for the fulfilment of the approved Management Plan and General Meeting of Shareholders resolutions. Governance bodies ensure that legal reporting and disclosure requirements and deadlines are met, as well as oversee that the purpose, values, organisational strategies, regulations, and governance policies are observed.

The Board of Directors establishes rules on ethical business conduct, on the control of transactions with natural persons with whom Romgaz has close relationships, on transactions with those with insider knowledge, on the reporting of non-compliance, as well as any other rules that have effects on shareholders, directors and/or managers of Romgaz.

The Board's responsibilities, as established by the Articles of Incorporation, are mainly the following:

- to establish the main objectives of Romgaz's activity and development;
- to approve Romgaz's management plan;
- to establish accounting and financial control system policies and approve financial planning;
- to prepare the annual management report; and

- to draw up rules for its own activities, as well as those of the General Meeting of Shareholders, advisory committees, and executives.

The Board of Directors establishes Romgaz's main development directions and submits them for approval to the General Meeting of Shareholders, in accordance with Article 12 paragraph. (4) letter a) of Romgaz's Articles of Incorporation.

In 2023, during the period of the provisional mandates, the work of the directors and officers was carried out on the basis of mandate contracts approved by the General Meeting of Shareholders and the Board of Directors, respectively and, following the appointment of Board members and executives for four year mandates, Romgaz's Governance Plan – a working tool for directors and executives which establishes the mission, objectives, actions, resources, as well as financial and non-financial performance indicators. The management plan is correlated with the expectations letter issued by the majority shareholder and it is structured with two components: administration and management.

As at the date of this Base Prospectus, the Board of Directors had the following configuration:

Name	BoD role	Status*	Employer	Professional background
Dan Dragoș Drăgan	President	Non-executive, non-independent	Ministry of Energy	Economist
Aristotel Marius Jude	Member	Executive, non-independent	S.N.G.N. Romgaz S.A.	MBA/ Lawyer
Marius-Gabriel Nuț	Member	Non-executive, independent	S.C. Sanex S.A. and S.C. Lasselberger S.A.	Economist/ Auditor
Răzvan Braslă	Member	Non-executive, independent	S.C. Blom Project Management S.R.L.	Economist
Gheorghe Silvian Sorici	Member	Non-executive, independent	S.C. Sobis Solution S.R.L.	Economist
Botond Balazs	Member	Non-executive, non-independent	S.N.G.N. Romgaz S.A.	Lawyer
Elena-Lorena Stoian	Member	Non-executive, independent	SCA Stoian și Asociații	Lawyer

According to the independence statements submitted to Romgaz, four of the executives declared themselves as independent and three as non-independent.

The independence of the members of the Board of Directors is determined using the criteria detailed in the Romgaz's Corporate Governance Code. According to the information they've provided, there is no agreement, understanding or family relationship between the executives and any other person that could have determined their appointment as executives.

Dan Dragoș DRĂGAN - Chairman

Mr. Drăgan was appointed member of the Romgaz Board of Directors, with a four-year mandate, starting on 16 March 2023.

Gheorghe Silvian SORICI – member of the Board of Directors, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee

Mr. Sorici was appointed member of the Romgaz Board of Directors, with a four-year mandate, starting on 16 March 2023.

Botond BALAZS – member of the Board of Directors, Chairman of the Strategy Committee

Mr. Balazs was appointed member of the Romgaz Board of Directors, with a four-year mandate, starting on 16 March 2023.

Marius Aristotel JUDE - member of the Board of Directors, Deputy CEO

Mr. Jude was appointed member of the Romgaz Board of Directors, with a four-year mandate, starting on 16 March 2023.

Marius Gabriel NUT – member of the Board of Directors, Chairman of the Risk Management Committee

Mr. Nuț was appointed member of the Romgaz Board of Directors, with a four-year mandate, starting on 16 March 2023.

Elena Lorena STOIAN - member of the Board of Directors

Mrs. Stoian was appointed member of the Romgaz Board of Directors, with a four-year mandate, starting on 16 March 2023.

Răzvan BRASLĂ - member of the Board of Directors

Mr. Braslă was appointed member of the Romgaz Board of Directors, with a four-year mandate, starting on 16 March 2023.

Advisory Committees constituted within the Board of Directors

At the date of this Base Prospectus, Romgaz has established the following advisory committees:

- (1) Audit Committee;
- (2) Risk Management Committee;
- (3) Nomination and Remuneration Committee; and
- (4) Strategic Committee.

The Nomination and Remuneration Committee has the following duties:

- In matters of coordinating the nomination activity:
 - assists the Board, or as the case may be, the independent expert, in establishing selection criteria of managers;
 - prepares the short list of candidates; and
 - shall make recommendations to the Board, following the selection procedure.
- In matters of coordinating the remuneration activity:
 - formulates proposals for the General Meeting of Shareholders on the level of the remuneration of board members;
 - formulates proposals on the remuneration of managers within the general limits set by the General Meeting of Shareholders and the law;
 - elaborates and submits for the approval of the Board of Directors a Policy on the remuneration of board members and managers, which shall be published;
 - submits the policy on the remuneration of board members and managers to the Board of Directors for endorsement and to the General Meeting of Shareholders for approval whenever a significant change is made and, in any event, at least once every four years; and
 - elaborates an annual report on the remuneration and other benefits granted to board members and managers which shall be presented during the GSM approving the annual financial statements.
- In matters of coordinating the evaluation activity:
 - assists the Chairman of the Board in the process of evaluating the performances of the board members;
 - assists the Chairman of the Board in identifying the training and development needs of the board members;
 - evaluates, periodically or at least once a year, the independency of the members of the Board;
 - proposes to the Board changes in the structure of the advisory committees when finding changes in the statute of the board members or other relevant matters; and
 - assists the Board in the process of evaluating the performance of managers.
- Other duties and responsibilities include:
 - submits annual activity reports to the Board of Directors;

- revises periodically the Internal Rules of the Committee and submits for the approval of the Board of Directors any changes it deems necessary; and
- self-evaluates its own performance and prepares an activity plan for the following year and submits it to the Board of Directors for approval.

The Audit Committee has the following duties:

- In matters of coordinating the internal audit activity, the internal control and risk management:
 - approves the Charter of Internal Public Audit Department;
 - endorses drafting/updating the Draft Enforcement Guidelines specific for the internal audit activity within Romgaz;
 - endorses the annual and multiannual internal audit plan and monitors its fulfilment;
 - analyses and makes recommendations on the sphere of competency of the Internal Public Audit Department and ensures that it has all the adequate resources and access to information in order to perform its activity in an efficient manner and in accordance with the relevant professional standards;
 - monitors and reviews the activity of Internal Public Audit Department to ensure that it acts efficiently and independent from the executive management and fulfils its duties in an impartially, competently and with professional diligence;
 - monitors the changes which occur within the personnel of the Internal Audit Compartment (employment, transfers, resignations, dismissals);
 - recommends with respect to the selection criteria of the auditor/internal auditor;
 - recommends on the appointment and dismissal of the head of the Internal Public Audit Department and evaluates his-her performances;
 - analyses in each meeting the report sent by the head of the department on the implementation status of the most recent conclusions and recommendations included in the internal public audit reports.
 - monitors and reviews the efficiency and the adequacy of the Company's internal control systems and analyses the relevant reports submitted by the executive management;
 - receives and evaluates the periodical reports submitted by the risk management department (at least half yearly) on the Company's risk profile, the implementation status and the efficiency of the risk management system;
 - monitors systematically all main major risk categories and ensures their efficient management;
 - periodically informs the Board of Directors on the main risks taken by the Company;
 - monitors the efficiency of internal control, internal audit and risk management systems;
 - assist the Board of Directors to elaborate the Statement of the engagement on implementing the risk management policy and applying the mechanisms of the internal control system;
 - evaluates, at least annually, the internal/management control system. The evaluation will consider the efficiency of the internal public audit, adequacy of risk management reports and internal control presented to the Audit Committee, the promptitude and efficiency of settling the weaknesses / deficiencies identified further to the internal control;
 - informs the Board of Directors of the results of the annual evaluation and on the recommendations/proposals on improving the internal/management control system;
 - the annual evaluation report of the internal/management system prepared by the Audit Committee will be presented to the shareholders in the General Meeting of Shareholders meeting on annual financial statements. The report will be published both together with the documents of the applicable General Meeting of Shareholders meeting as well as separately on the Company's webpage; and
 - reviews the chapter on internal control and risk management from the Director's Report.
- In matters of monitoring the financial reporting process:
 - monitors the accounting and financial policies;

- analyses and verifies the correctness of annual and interim consolidated financial statements of the Company and any other financial reporting, prior to their submission for approval of the Board;
- monitors the financial reporting process and analyses the deficiencies of the internal control in such matters, communicated by the external auditor;
- monitors the statutory audit of annual financial statements and of consolidated annual financial statements;
- informs the Board of Directors of the results of the statutory audit and explains the contribution of such statutory audit to the integrity of the financial reporting and the role of the audit committee in this process; and
- periodically drafts, reviews and submits for the approval of the Board of Directors the Policy related to transactions with affiliates, published on the Company's webpage.
- In matters of coordinating the statutory auditor selection or audit firm's activity:
 - it is in charge of the statutory auditor or audit firm selection;
 - reviews and submits for approval of the Board of Directors the statutory auditor selection criteria;
 - reviews the report of the selection procedure and provides a recommendation to the Board of Directors on the appointment of the statutory auditor or the audit firms;
 - develops and implements the policy on the provision of non-audit services by the external auditor, in compliance with the applicable legal provisions and any related relevant ethical recommendations;
 - recommends the appropriate compensation of the statutory audit for both the audit service as well as for other services, to allow appropriate audit;
 - approves the terms of performance of the external auditors professional relationship, making recommendations on the provisions of the audit contract; reviews the contract of the auditor/audit firm appointed by General Meeting of Shareholders;
 - approves contracting of non-audit services performed by the statutory auditor;
 - ensures the transition between auditors from the access to information perspective;
 - monitors and evaluates periodically the efficiency, independence and objectivity of the external auditors;
 - organises periodical meetings with the external auditor, especially during the audit planning, performance and reporting phases to discuss aspects of the audit process, possible deficiencies of the internal control procedures and conclusions of the audit mission.
 - proposes the Board of Directors on specific domains where additional verification by the external auditor might be needed; and
 - reviews the audit conclusions with the external auditor and discusses any essential issues that may arise.
- In matters of coordinating the Conformity, ethics and conflict of interests activity:
 - ensures conformity of Company policy and practices with local and international laws and regulations, with regulatory authority recommendations and best practices;
 - takes all necessary steps to ensure adoption by the Company of the Code of Ethics, Professional Conduct and Conflict of Interests Policy;
 - reviews half-year reports on the compliance with the code of conduct;
 - provides counselling on ethics and conflict of interest to the members of the Board of Directors and to the Director General;
 - reviews and submits to the Board of Directors an opinion on any Company transaction with other companies with which it has close relationship, that is equal to or exceeds 5% of the net assets of the Company (according to the last financial report);
 - elaborates, periodically reviews and submits for approval of the Board of Directors the Policy on the affiliated parties;
 - reviews periodically or at least upon their appointment, the directors declarations of independence; and

- evaluates annually on the basis of the declarations of independence, minutes of meeting and other relevant notifications the occurrence of conflict of interest of every director and notifies the Board of Directors accordingly.
- Other duties and responsibilities:
 - submits quarterly activity reports to the Board of Directors;
 - reviews periodically the Committee Charter and submits any necessary modification for the approval of the Board of Directors; and
 - evaluates its own performance and prepares a plan for the next year that will be submitted for approval to the Board of Directors.

The Strategy Committee has the following duties:

- In the strategic field:
 - to assist the Board of Directors in fulfilling its duties in preparing and updating the overall development strategy of the Company;
 - to analyse and to provide assistance for the Board of Directors regarding the development and international cooperation directions of the Company;
 - to analyse and to endorse the medium and long term development strategy of the Company, including the quantifiable strategic objectives;
 - to endorse the annual and medium term plan (three years) of implementation of the strategy prepared by the executive management;
 - to monitor the implementation of the strategic objectives based on the agreed indicators;
 - to assess the opportunities identified by the executive management on business development and to issue recommendations for the Board of Directors regarding these opportunities; and
 - to prepare proposals for improving and streamlining business strategic development and cooperation.
- Other Duties and Responsibilities:
 - annually self-assess its own performance to ensure that the activity is performed with maximum efficiency;
 - periodically review the Committee's Internal Regulation and submit for approval by the Board of Directors any modifications it deems necessary;
 - annually submit a report on the Committee's activity to the Board of Directors; and
 - prepare a work plan for the following year at the end of each calendar year.

The Risk Management Committee has been established within the Romgaz Board of Directors with an important role in the area of sustainability and ESG obligations.

The Risk Management Committee has the following duties:

- assists the Board in defining Romgaz's ESG strategy by understanding how Romgaz is able to create value taking into account ESG influences;
- monitors risk management on sustainability issues, ESG aspects, industry developments, and the implementation of effective crisis management policies;
- monitors sustainability reporting and related processes within Romgaz to identify information reported in accordance with relevant sustainability reporting standards;
- monitors external ESG trends, understands the associated risks and opportunities and the expectations of Romgaz's key stakeholders in this regard;
- monitors Romgaz's impact on the natural environment and its adaptation to climate change;
- monitors Romgaz's interactions with employees, shareholders, and the communities in which it operates, including applicable workplace policies and any social or community projects undertaken by Romgaz;

- reports to the Board of Directors any ESG issues that may affect Romgaz’s business, operations, performance or public image or that are relevant to Romgaz and shareholders;
- monitors actions or initiatives taken to prevent, mitigate, and manage risks related to ESG issues that may have a material adverse impact on Romgaz or are otherwise relevant to shareholders and provides guidance in this regard; and
- analyses risks and opportunities associated with social, environmental, and economic impacts as measured from a stakeholder perspective.

Other duties of the Risk Management Committee include:

- coordination of the internal audit activity and risk management:
 - it ensures that control activities are consistent with the risks arising from the activities and processes subject to control;
 - it identifies, reviews, evaluates, monitors and reports on identified risks, mitigation or anticipation action plan and other actions taken by the executive management;
 - it is responsible for measuring the solvency of the Company by reference to its usual duties and obligations and it shall inform or, where appropriate, make proposals to the Board in this respect;
 - it receives and evaluates regular reports submitted by the risk management department on the Company’s risk profile, the implementation status and the efficiency of the risk management system;
 - it monitors all main categories of major risks and it ensures their efficient management;
 - it regularly informs the Board of Directors on the main risks taken by the Company;
 - it assists The Board of Directors to elaborate the Statement of the engagement on implementing the risk management policy and applying the mechanics of the internal control system;
 - it evaluates, at least annually, the internal control system in terms of the adequacy of risk management and internal control reports, promptness and effectiveness of executive management in addressing weaknesses/deficiencies identified through internal control;
 - it informs the Board of Directors of the results of the annual evaluation and the recommendations/proposals on improving the internal and management control; and
 - it reviews the chapter on internal control and risk management from the Directors’ annual Report.
- Other duties and responsibilities:
 - it submits annual activity reports to the Board of Directors;
 - it reviews regularly the Committee Charter and it submits any necessary modification for the approval of the Board of Directors; and
 - it evaluates annually its own performance and prepares a plan for the next year that will be submitted for approval to the Board of Directors.

Executive Directors and authority delegation

According to the provisions of the relevant legislation and the Articles of Association of Romgaz “the Board of Directors shall delegate, in whole or in part, the powers of company management to one or more directors, appointing one of them as Chief Executive Officer” with “director” meaning “the person to whom powers of company management have been delegated by the Board of Directors”.

The powers delegated to the directors appointed by the Romgaz Board of Directors, *i.e.*, the CEO, the Deputy CEO, and the CFO, have been expressly established in accordance with the provisions of the relevant legislation and the Articles of Incorporation of Romgaz.

Significant Events

14 March 2023

By Resolution No.5, company’s shareholders appoint the following persons as board members, for a four-year term of mandate, as of 16 March 2023:

- Dan Dragos Dragan;

- Aristotel Marius Jude;
- Marius-Gabriel Nut;
- Razvan Brasla;
- Gheorghe Silvian Sorici;
- Botond Balazs; and
- Elena-Lorena Stoian.

16 March 2023

Romgaz Black Sea Ltd. concluded the transmission framework agreement for transportation of natural gas to be produced from Neptun Deep through the National Transmission System (NTS). The transmission framework agreement was signed with the national gas transmission operator, SNTGN Transgaz SA, following the successful completion of an incremental capacity booking process in compliance with procedures approved by the National Energy Regulatory Authority (ANRE).

According to the agreement, the required technical capacity is booked for acceptance in the National Transmission System, allowing natural gas from Neptun Deep block to enter the market. The agreement was concluded for September 2026-September 2042.

29 March 2023

By Resolutions No. 36 and 37, the Board of Directors:

a) agrees with the conclusion of the Procurement Contract for “Completion of works and commissioning of the investment objective: Development of CTE Iernut by building a new combined cycle gas turbine power plant”, with Duro Felguera S.A.; and

b) endorsed conclusion of the Settlement Agreement between Romgaz and Duro Felguera S.A., for solving some disputes between the parties and completing the remaining works to be executed at CTE Iernut. The agreement shall become effective within five days from fulfilling all conditions precedent, one condition would be the approval of Romgaz General Meeting of Shareholders.

3 April 2023

Romgaz concludes with Duro Felguera S.A., the Procurement Contract No. 40928/03.04.2023 for: “Completion of works and commissioning of the investment objective: Development of CTE Iernut by building a new combined cycle gas turbine power plant”.

15 May 2023

By Resolution No.55, the Board of Directors:

- appoints Mr. Popescu Razvan, as CEO, for a four year term, starting from 16 May 2023 until 16 May 2027;
- appoints Mr. Jude Aristotel Marius, as Deputy CEO, for a four year term, starting from 16 May 2023 until 16 May 2027; and
- appoints Mrs. Tranbitas Gabriela as CFO, for a four year term, starting from 16 May 2023 until 16 May 2027.

17 May 2023

To implement the project 6.20.7 – “Daily withdrawal capacity increase - Bilciuresti UGS” Depogaz signed the Grant Agreement – Project 101103289 - 6.20.7-RO-W-M-22-Bilciuresti UGS with the European Climate, Infrastructure and Environment Executive Agency (CINEA). The grant value is EUR 37,962,111.95. The project aims to increase the daily gas delivery capacity at Bilciuresti UGS from 14 million Sm³ /day up to 20 million Sm³ /day, together with an increase of storage capacity of 108 million Sm³ /cycle. The total estimated investment value is EUR 123,657 thousand. Implementation of Bilciuresti project ensures a high degree of security of supply and market integration by increasing transmission flows and diversifying natural gas resources, both in Romania and in South-Eastern Europe, as well as by providing flexibility in natural gas network balancing operations and services, supporting renewable energy production.

20 June 2023

The Board of Directors agreed on Romgaz Black Sea Limited Sole Partner decision, related to Romgaz Black Sea Limited approving, in compliance with the joint operating agreement for XIX Neptun Deep block, the following:

- Domino Structure Development Plan;
- Pelican South Structure Development Plan; and
- submission of the development plans mentioned above to the National Agency for Mineral Resources.

21 June 2023

Romgaz, through its subsidiary, Romgaz Black Sea Limited submits together with OMV Petrom SA (OMV Petrom) for confirmation to the National Agency for Mineral Resources, the development plan of two commercial fields in Neptun Deep Block.

24 July 2023

In compliance with the Settlement Agreement No. 40924/03.04.2023, between Romgaz and Duro Felguera SA, the conditions precedent were fulfilled in order to settle the disputes between the parties and to create the conditions necessary to complete the remaining works at Iernut Power Plant.

1 August 2023

Iernut Electricity Production Branch issued the order related to the start of works for “Development of CTE Iernut by building a new combined cycle gas turbine power plant” and handed over the location to the Constructor Duro Felguera to start the works. The completion deadline is 16 months from the date of the works start order, with the possibility to extend the term, according to contractual provisions.

3 August 2023

The development plan for Domino and Pelican Sud commercial fields was confirmed by the National Agency for Mineral Resources. This represents the starting point of the development stage, namely drilling works and building the infrastructure necessary for gas production and trading.

12 December 2023

Neptun Deep project records important progresses – more than 80% of main infrastructure and drilling contracts were awarded – progress recorded due to the commitments made, *i.e.*, the award of contracts for the drilling rig and integrated drilling services, including the main contract for offshore infrastructure development concluded in August 2023 (estimated value of roughly EUR 1.6 billion, Romgaz Black Sea Limited interest share is 50%).

12 December 2023

For the project “Daily withdrawal capacity increase – Bilciuresti UGS” with a total value of EUR 121,654 thousand, Depogaz Ploiesti contracted, in addition to the grant from the European Climate, Infrastructure and Environment Executive Agency and own sources, a bank financing in amount of EUR 50,000 thousand. The financing contract was signed with Banca Transilvania.

18 December 2023

The Extraordinary General Meeting of Shareholders approved by Resolution No.17, the increase of S.N.G.N. Romgaz S.A. share capital with RON 3,468,801,600 by issuing 3,468,801,600 shares with a nominal value of RON 1/share, each shareholder registered on the registration day received nine free shares for each share held. The increase was registered in January 2024 at the National Trade Register Office. The increase was completed on 30 May 2024 with the share capital increased from RON 385,422,400 to RON 3,854,224,000. The share capital was increased to support the current activity of Romgaz.

27 December 2023

Government Decision No. 1.118/16 November 2023 amended Government Decision No. 1.096/2013, approving the mechanism for the transitional free allocation of GNG emission allowances to electricity producers for the period 2013 - 2020, including the National Investment Plan. By Government Decision No. 1.118/16 November 2023, the following deadlines are extended: the completion and commissioning term of investments that received

a grant from the National Investment Plan account - until 31 December 2024, the deadline for reimbursement - until 30 June 2025, as well as other related deadlines.

Therefore, the Ministry of Energy submitted Addendum No. 9 to the Financing Contract No. 4/7 December 2017, for the investment "Combined cycle gas turbines" - Iernut, signed by both parties, registered at S.N.G.N. Romgaz S.A. on 27 December 2023. The scope of the addendum is to amend the contract term until 31 December 2024, for financing, as well as to amend the completion schedule of the investment provided by the contract.

The completion term of the investment, confirmed by its commissioning, shall not exceed 31 December 2024.

16 May 2024

Romgaz Chisinau Branch was registered with the Public Services Agency of the Republic of Moldova in the State Register of Legal Entities, following Resolution No. 32/2024 of Romgaz Board of Directors by which the establishment of a natural gas supply branch in the Republic of Moldova was approved. The branch is registered under the name "Societatea Națională de Gaze Naturale Romgaz S.A. Mediaș – Chișinău Branch".

21 May 2024

Fitch Ratings assigned Romgaz a first-time 'BBB-' Long-term Issuer Default Rating (IDR) with a stable outlook.

30 May 2024

Completion of Romgaz share capital increase approved by the Extraordinary General Meeting of Shareholders on 18 December 2023. The Company's share capital increased to RON 3.85 billion by incorporating reserves of RON 3.47 billion, issuing 3,468,801,600 new free shares with the nominal value of RON 1/share, each shareholder registered on the registration date (29 May 2024) being entitled to 9 free shares for each share held.

1 July 2024

On 1 July 2024, the Ordinary General Meeting of Shareholders approved by Resolution No. 9 two revolving credit facilities with Banca Transilvania SA of EUR 150 million and UniCredit Bank SA of EUR 100 million.

On 1 July 2024, the Extraordinary General Meeting of Shareholders approved by Resolution No.10 the establishment of the euro medium term note programme of EUR 1.5 billion (the "**Programme**") and one or more issuances and offerings of Notes to be carried out under the Programme, including the inaugural issuance and offer of notes under the Programme in 2024 for an amount of up to EUR 500 million.

11 September 2024

On 11 September 2024, the shareholders of Romgaz approved the delisting of the GDRs listed on London Stock Exchange and the termination of the GDR programme. The issuer's share capital will not be affected by this termination.

Corporate Governance

As a company which has been listed on the Bucharest Stock Exchange (BVB) since 2013, being subject to the capital market legislation and adhering to the provisions of the BVB Corporate Governance Code, Romgaz applies the provisions of the BVB's Corporate Governance Code regarding the responsibilities of the Board of Directors, the risk management and internal control system, fair reward and motivation, added value through investor relations; moreover, Romgaz has adopted its own Corporate Governance Code and follows the "Apply or Explain" principle as a mechanism for self-assessment of principles and recommendations of good practices. Romgaz's Consolidated Annual Directors' Report includes a corporate governance statement containing a self-assessment of how its corporate governance objectives are met, as well as the measures taken to comply with those that have not been fully met.

In the light of the principles of corporate governance for public enterprises developed on the basis of legislative and best practice standards, Romgaz has put in place the necessary levers to ensure compliance with governance principles, adopting and implementing a series of regulations and policies. The structure, organisation, and responsibilities of the governance bodies are regulated by the internal rulebooks of Romgaz's Board of Directors and advisory committees.

Romgaz operates on the principle of separation of duties. There is a clear delineation between decision-making, execution, verification, and control actions. This way, the risk of error, irregularity and illegality in the management of Romgaz's assets and liabilities is reduced.

The Integrated Management System implemented at Romgaz supports the organisation's mission to continuously increase its performance, competitiveness, and value. Romgaz's corporate governance system comprises all the rules laid down in the Articles of Incorporation, the Corporate Governance Code, and other internal rules, which regulate the management and control of Romgaz's activities.

During 2023, the number of Advisory Committees changed, with a Risk Management Committee being established in accordance with the legislative changes in the field of corporate governance, which were subsequently transposed into the rules of the Advisory Committees.

Romgaz has also adopted and applied a series of policies. Romgaz implements a Policy on Administrator and Director Remuneration, Benefits and/or other advantages, a Policy on the Evaluation of Board members and officers, a Policy on Dividends, and a Policy on Affiliated Party Transactions. In order to facilitate the exercise of shareholders' rights and to comply with the BVB Corporate Governance Code, an important corporate regulation, namely the Rules and Procedures of the Romgaz General Meeting of Shareholders, was drafted and approved by the Romgaz Board of Directors on 11 May 2023.

Romgaz uses the "apply or explain" principle for clear, accurate, and timely communication to shareholders and investors on the matter of compliance with corporate governance rules. An important achievement related to corporate governance was the completion of the procedure for the selection of administrators, in accordance with GEO No. 109/2011 on the corporate governance of public companies and methodological norms issued for the application of this emergency ordinance regulating the procedure for the selection and appointment of mandated board members and directors, and the appointment of the Board of Directors for a four year term.

Romgaz complies with the relevant governance rules and principles of the Bucharest Stock Exchange.

As of 16 May 2023, the positions of CEO, Deputy CEO, and CFO were filled, at the end of the related selection procedure, with four year terms of office.

The Board of Directors had delegated the executive management of Romgaz to the CEO, the Deputy CEO, and the CFO, each with clearly defined areas of competence and responsibility.

However, the CEO retains the power to represent Romgaz.

The Board of Directors of Romgaz, consisting of seven directors appointed by the General Meeting of Shareholders on criteria of skill, diversity, independence in thought and action, probity, and commitment, is supported in its work by the four advisory committees previously specified.

In the area of compliance, conduct, and conflicts of interest coordination, the Audit Committee of the Board of Directors has the following responsibilities:

- Ensures that Romgaz's policies and practices comply with local and international laws and regulations, regulatory recommendations, and best practices;
- Shall take all necessary steps to ensure that Romgaz adopts a Code of Ethics and Business Conduct. After the adoption of the Code, the Audit Committee will review the implementation and effectiveness of the Code of Ethics and Business Conduct at least once a year; and
- Reviews the implementation of the Conflict of Interest Policy (or equivalent provisions).

The Risk Management Committee was established under Article 34(2¹) of the GEO No. 109/2011 as amended and supplemented, taking over part of the duties related to internal control and risk management from the Audit Committee. This committee is also entrusted with responsibilities related to sustainability and ESG obligations, due to the importance of ESG factors in the cost-revenue equation, development opportunities, and the structuring and implementation of any business strategy.

Conflicts of Interests

Romgaz places particular importance on the avoidance and management of conflicts of interest, through the establishment of internal regulations set out in the Code of Ethics and Business Conduct, operational procedures and the Internal Rules of the Board of Directors. The Audit Committee also has an important role in managing conflicts of interest under the Audit Committee Internal Rulebook. The Internal Rulebook of the Board of Directors and the Code of Ethics and Business Conduct contain conflict of interest provisions.

In cases where the CEO has a conflict of interest in approving and/or signing any documents issued by Romgaz or to which Romgaz is a party, the Board of Directors empowers the Deputy CEO to approve and/or sign in the name and on behalf of Romgaz. In the event that the CEO and the Deputy CEO are both in conflict of interest for

the approval and/or signature of any documents issued by Romgaz or to which Romgaz is a party, the Board of Directors shall empower the Chief Financial Officer to approve and/or sign in the name and on behalf of Romgaz.

Litigation Statement Relating to Directors, the CEO and the senior officers

At the date of this Base Prospectus, none of the members of the Board of Directors, the CEO and the senior officers has at any time within the last five years:

- (a) had any convictions in relation to fraudulent offences;
- (b) held an executive function in the form of a senior executive officer or a member of the administrative, management or supervisory bodies, of any company at the time of or preceding any bankruptcy, receivership or liquidation; or
- (c) been subject to any official public incrimination and/or sanctions by statutory or regulatory authority (including any designated professional body) or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

There are no conflicts of interest between the obligations assumed by the Board members towards Romgaz and their private interests and/or other obligations. Moreover, the Board members are not party to any contracts concluded with Romgaz, save for the management agreements concluded by the Directors with executive positions.

Directors & Officers Liability Insurance Policies

Romgaz has in place a Directors’ and Officers’ liability insurance policy. The liability limit is EUR 100 million, which is set to expire on 30 September 2024. The acquisition procedure for the conclusion of a new insurance policy is scheduled for 2024.

Description of Share Capital

As at 30 June 2024, Romgaz’s share capital totalled RON 3,854,224,000, fully subscribed and paid up, and divided into 3,854,224,000 shares, with each share holding a nominal value of RON 1. The share capital was increased in 2024 by the incorporation of reserves of RON 3,468,801,600. Each shareholder registered received nine free shares for each share held.

The shares of Romgaz are admitted to trading on the BVB (symbol "SNG") and its GDRs are admitted to trading on the regulated market managed by the LSE (symbol "SNGR"). The GDRs are issued by The Bank of New York Mellon (1 GDR = 1 share).

In relation to GDRs, the shareholders of Romgaz approved on 11 September 2024 the delisting of the GDRs and the termination of the GDR programme. By law, the Issuer will have to take all steps required to comply with such decision once taken.

Romgaz’s majority shareholder is the Romanian State, through the Romanian Ministry of Energy, which, as at the date of this Base Prospectus, owns 70.0071% of the Romgaz share capital. The majority shareholder of Romgaz, together with other natural persons and legal entities, benefits from the dividends approved by the shareholders. No changes of the majority shareholder of Romgaz were recorded during 2023 and 2024 to date.

On 30 June 2024, Romgaz had the following shareholding structure:

Shareholding structure	Number of shares	%
Romanian State through the Romanian Ministry of Energy	2,698,230,800	70.0071
Free float - total, of which:	1,155,993,200	29.9929
*legal entities	955,288,283	24.7855
*natural persons	200,704,917	5.2074
Total	3,854,224,000	100.0000

Romgaz made no transactions with respect to its own shares in 2024, and owned none of its own shares as of 30 June 2024.

Related Party Transactions

The following is a summary of transactions with related parties as defined in International Accounting Standard 24 “Related Parties/Disclosures”, as adopted by the EU (“IAS 24”). For further details of these transactions, as of and for the six-month periods ended 30 June 2024 and 2023, see Note 17 of the Unaudited Interim Financial Statements, and as of and for the periods ended 31 December 2023 and 2022, see Note 22 of the 2023 Audited Financial Statements and Note 23 of the 2022 Audited Financial Statements.

General matters

For the purposes of the Audited Financial Statements and the Unaudited Interim Financial Statements, parties are considered to be related in line with the requirements of IAS 24.

The Romgaz Group is controlled by the Romanian State, through the Ministry of Energy. As such, all companies over which the Romanian State has control or significant influence are considered related parties of the Romgaz Group. The Romgaz Group applies the disclosure exemption for Government related entities in IAS 24, and therefore discloses significant transactions and balances. Significant transactions and balances are determined based on size and based on existing regulatory/supervisory disclosure requirements. Except for the transactions listed below, no other individually material transactions or collectively material transactions were identified.

Related parties may not enter into certain transactions which unrelated parties might, and transactions between related parties are effected on the same terms, conditions and amounts as transactions between unrelated parties. Romgaz is, and has been, a party to various agreements and other arrangements with certain related parties.

The table below shows the material sales transactions carried out in the six months ended 30 June 2024 and 30 June 2023, as presented in the Unaudited Interim Financial Statements, by the Romgaz Group with companies over which the Romanian State has control or significant influence:

	Six-months ended 30 June 2024	Six-months ended 30 June 2023
	'000 RON	'000 RON
Electrocentrale București SA	344,051	632,750
OMV Petrom SA	91,964	62,823
Engie România SA	821,739	1,168,125
E.On Energie România SA	1,150,279	1,243,659
Total	2,408,033	3,107,357

The table below shows the material sales transactions carried out in 2023 and 2022, as presented in the Audited Financial Statements, by the Romgaz Group with companies over which the Romanian State has control or significant influence:

	2023	2022
	'000 RON	'000 RON
Electrocentrale Constanța SA	120,651	111,684
Electrocentrale București SA	1,156,358	1,582,639
OMV Petrom SA	96,148	493,146
Engie România SA	2,084,527	2,702,642
E.On Energie România SA	2,441,073	1,955,551
Total	5,898,757	6,845,662

The table below shows the material bank deposit balances at banks over which the Romanian State has control as at 30 June 2024 and 31 December 2023, as presented in the Unaudited Interim Financial Statements.

	30 June 2024	31 December 2023
	'000 RON	'000 RON
CEC Bank	-	100,000
Exim Banca Românească	977,000	1,044,284
Total	977,000	1,144,284

Related parties agreements

Companies in the Romgaz Group have selling contracts in place with other companies over which the Romanian State has control or significant influence. Such transactions are carried out during normal day-to-day operations.

Material Contracts

The following selected contracts have been entered into by Romgaz and are, or may be, material or contain provisions under which Romgaz has an obligation or entitlement which is, or may be, material to Romgaz as at the date of this Base Prospectus. The following selected contracts are not intended to represent all of the material contracts of Romgaz.

Offshore activities

Lukoil and Romgaz joint operating agreement

Romgaz is a party to a joint operating agreement for a block located in the Black Sea area (the “**EX-30 Trident Block**”) in the deep sea Romanian offshore. In this joint operating agreement Romgaz holds an interest of 12.2%, while Lukoil Overseas Atash BV (“**Lukoil**”), the operator, holds 87.8%. This agreement establishes the rights and obligations of the parties in connection with the joint exploration, appraisal, development, production and disposition of hydrocarbons from the license block.

The concession agreement for the EX-30 Trident Block was approved by the Government in October 2011 when the government formally granted exploration rights. Romgaz’s involvement in the EX-30 Trident Block project was approved by the Romanian National Agency for Mineral Resources in September 2012.

Based on information available as at the date of this Base Prospectus, EX-30 Trident Block has the potential to produce gas only.

Romgaz and Lukoil decided to enter the second optional stage of the evaluation period in order to confirm the volumes of hydrocarbons that prove or not the commerciality of the project and a possible investment decision in the development-exploitation phase and on 2 April 2024, the Romanian National Agency for Mineral Resources approved the request of Lukoil and Romgaz.

In this phase of the project, an evaluation well will be drilled and tested, placed in an optimal position from the point of view of proving the volumes of hydrocarbons that will ensure the commerciality of the discovery.

OMV Petrom and Romgaz Black Sea Limited joint operating agreement

A joint operating agreement for Neptun Deepwater Block was concluded in November 2011 between Romgaz Black Sea Limited (former ExxonMobil Exploration and Production Romania Limited) and OMV Petrom S.A. and defines the rights and obligations of the two parties with respect to their operations within the Neptun Deepwater Block, establish the common assets for joint operations, establish the Accounting procedure for joint operation and carrying the joint operations. The joint operating agreement was signed in connection with each party’s interest of 50% in the Petroleum Agreement for the eastern area, deep water zone of Neptun XIX offshore block in the Black Sea.

The marketing and sale of hydrocarbons and transportation of the parties’ entitlements downstream from the delivery point are out of scope. Each party to the JOA markets its share of production independently. Romgaz will manage the gas sale of Romgaz Black Sea Limited’s 50% participating interest.

Romgaz Black Sea Limited – Transgaz transmission contract

On 16 March 2023, Romgaz Black Sea Limited signed with S.N.T.G.N. TRANSGAZ S.A a transmission framework agreement for the transportation of natural gas to be produced from Neptun Deep (50% participating interest) through the National Transmission System. The transmission framework agreement was concluded following the successful completion of an incremental capacity booking process in compliance with procedures approved by the ANRE. According to the agreement, the required technical capacity is booked for acceptance in the National Transmission System, allowing natural gas from Neptun Deep block to enter the market. The agreement was concluded for September 2026 - September 2042.

Onshore activities

Amromco farm-out agreement

On 25 January 2002, Romgaz entered into a farm-out agreement with Amromco Energy LLC (further assigned to Amromco Energy SRL), in which Romgaz holds a stake of 50%. On 19 December 2013 the parties renewed the joint operating agreement. The agreement provides for the exploration, development, enhancement and sharing of the incremental production in the following 11 petroleum fields, which are concessioned by Romgaz: Bibești Sărdănești, Strâmba Rogojelu, Finta Gheboiaia, Fierbinți Târg, Frasin Brazi, Zătreți Tetoiu, Boldu, Roșioru, Gura Șuții, Balta Albă and Vlădeni. The term of the agreement is equal to the term of the concession agreements executed by Romgaz in relation to the aforementioned petroleum fields.

The base production (which is the anticipated amount of non-associated natural gas production produced from certain wells, in accordance with an agreed production decline curve) is entirely owned by Romgaz, while the incremental production (which is the gas obtained from the existing wells or new wells, following the performance of the production enhancement operations and which is over and above the base production) is shared in equal proportions between Romgaz and Amromco Energy SRL.

All costs necessary for the performance of the production enhancement operations are borne equally by the parties, according to the joint operations agreement.

Regulatory Matters

General/Corporate

The Companies Law No. 31/1990 (the “**Companies Law**”) establishes the main rules relating to the registration, operation, merger, spin-off and winding-up of Romanian commercial companies. Listed companies must comply with additional rules provided by the Capital Markets Law on capital markets and special regulations issued by the Romanian FSA and the Bucharest Stock Exchange, primarily addressing the transparency of listed companies.

With respect to corporate governance, Romgaz falls within the provisions of Emergency Government Ordinance No. 109/2011 on corporate governance of public institutions which sets out, among others, the principles according to which the appointment procedure of the Board of Directors should be performed as well as certain corporate governance aspects which must be complied with by state-owned companies.

Government Ordinance No. 64/2001 on distribution of profits of national companies and societies, and of wholly-owned or majority-owned companies, or autonomous regimes applies to distribution of profits by state-owned companies, including Romgaz, and provides that a minimum of 50% of the profit of state-owned companies must be distributed as dividends, after having deducted the amounts allocated in accordance with other special laws to: (i) legal reserves; (ii) other reserves representing tax facilities provided by law; (iii) covering accounting losses for the previous years with the exception of accounting losses carried forward arising from adjustments required by the application of IAS 29 "Financial Reporting in Hyperinflationary Economies" in accordance with Accounting Rules in line with International Financial Reporting Standards and Accounting Rules harmonised with Directive 86/635/EEC of the European Economic Communities and International Accounting Standards applicable to credit institutions; (iv) setting own financing sources for projects co-financed out of external loans, as well as for the amounts necessary for reimbursing capital instalments, paying interest, commissions and other costs related to these external loans; and (v) other purposes provided by law. However, as per a derogation instituted by the Emergency Government Ordinance No. 27/2023, for national companies and commercial companies, wholly-owned or majority state - owned companies that have a restructuring plan in progress notified and approved by the European Commission Decision and that have benefited from state aid for restructuring in the form of grants for the financing of certain expenses, the accounting profit remaining after deducting the profit tax is distributed directly to other reserves and constitutes its own source of financing during such period.

In March 2024 the Government enacted Emergency Government Ordinance No. 31/2024 which allows state owned companies, including national companies, such as the Issuer, if they carry out major investment projects

of national interest for increasing Romania's energy capacity, or finance such projects carried out by their subsidiaries, to allocate a portion of less than 50% of the net profit remaining after deducting the amounts in (i) to (iv) above, for the realisation of the respective investments. Such allocation has to be approved by the Government, through a memorandum, endorsed by the Ministry of Finance, at the initiative of the tutelar authority of the respective state owned company (in the Issuer's case, the Ministry of Energy).

In application of this Emergency Government Ordinance No. 31/2024, the Government approved through memorandum, the Issuer to distribute dividends for the year 2023 of only 20% of 2023 distributable profits, with 70% of these profits being allocated to investment projects such as those introduced by Emergency Government Ordinance No. 31/2024.

The Natural Gas Industry

Regulatory authority

The Romanian gas market is regulated by ANRE. ANRE also regulates the electricity and heating markets in Romania.

In the exercise of its powers, ANRE issues authorisations and licences for activities on the natural gas market.

Licensing

In order to undertake activities in the gas sector in Romania, an authorisation and/or licence granted by ANRE is required.

According to the Gas Licensing Regulation, the establishment authorisations, storage licences and the licences for the operation of the distribution system are issued for the validity period of the underlying agreement (*i.e.*, concession agreement, joint venture agreement or petroleum agreement). The natural gas supply licence and the licences for the operation of the closed distribution system have a maximum validity period of 25 years.

Gas production

In order to perform natural gas production activities, a legal entity must also hold a petroleum agreement, in accordance with the provisions of the Petroleum Law.

The petroleum agreement is defined by the Petroleum Law as an agreement between ANRMPSG and a Romanian or a foreign legal entity, under which the latter is allowed to undertake operations in the petroleum sector (such as exploration, development, exploitation of a petroleum geological reserve, underground storage, transport and transit of petroleum and operation of petroleum terminals) and receives concession rights over necessary equipment. The Petroleum Law uses the term "petroleum" to define both natural gas and oil.

Oil resources in the underground and the Romanian continental plateau of the Black Sea, delineated in accordance with the principles of the international law and international conventions to which Romania is a party, represent exclusive public property belonging to the State. Therefore, the phrase "holder of rights to gas reserves" used in this Base Prospectus is construed in accordance with the above.

The petroleum agreement becomes effective only after it is approved through a Government Decision, published in the Romanian Official Gazette. However, the petroleum agreement remains confidential, as it is not published together with the Government Decision approving it.

The initial term of the concession is for a maximum of 30 years and it can be extended upon petition by the concessionaire to ANRMPSG for an additional period of up to 15 years.

After the concession expires or is terminated, Romgaz must give back, free of any encumbrances, the assets received as part of the concession, including the investments made to these assets.

The environmental liability of Romgaz that is party to a petroleum agreement outlives the termination of the concession, until the rehabilitation of all environmental factors affected by the operations, in accordance with the environment rehabilitation plan approved by the competent environmental authority.

Gas supply

The supply of natural gas is defined by the Energy Law as the commercial activity of selling natural gas, including LNG, to clients. A supply licence is required in order to perform natural gas supply activities.

There are two types of supply agreements that can be entered into: (i) a negotiated supply agreement and (ii) a regulated supply agreement. A negotiated supply agreement can be entered into only with an eligible customer (a customer which is free to choose its supplier).

Gas storage

In order to apply for a storage licence, which is required in order to undertake natural gas storage activities, the legal entity must first obtain, among others, a metrological authorisation and an environmental authorisation.

The concession of underground natural gas storage facilities is agreed through a petroleum agreement entered into with ANRMPSG.

The Energy Law provides minimum criteria, such as legal form, organisation and decision-making process for ensuring the independence of the storage operator that is part of a vertically integrated operator.

A royalty must be paid to the state budget by Romgaz operating underground storage facilities, amounting to 3.5% of the gross revenues from the operations of underground storage of natural gas.

The Electricity Industry

Regulatory authority

The Romanian electricity market is regulated by ANRE, which also regulates the gas and heating sectors in Romania.

Regulatory framework

In order to undertake activities in the electricity sector in Romania, an operator must obtain certain authorisations and/or licences issued by ANRE.

According to the Energy Law and the Regulation approved by ANRE Order No. 12/2015 regarding the issuance of authorisations and licences in the electricity sector (the “**Electricity Authorisations and Licences Regulation**”), a set-up authorisation issued by ANRE is required for the set-up of new energy facilities or for the refurbishment of existing energy facilities.

In addition, ANRE issues specific licences for each of the following activities:

- production of electricity;
- production of thermal energy in cogeneration;
- electricity transportation;
- performance of system services;
- electricity distribution services;
- management of centralised electricity markets;
- supply of electricity;
- electricity trading;
- energy aggregation services; and
- commercial operation of energy storage facilities that are not added to existing generation capacity.

The set-up authorisations and licences granted prior to the entry into force of the Electricity Authorisations and Licences Regulation remain valid, under their pre-existing terms and conditions, until the expiry of their respective terms.

The maximum term of a licence is 25 years, except for the electricity supply licence, which has a maximum term of 10 years. The term of the licences can be extended by no more than the maximum initial term.

Electricity market

The competitive market

The competitive market is transparent, public, centralised and non-discriminatory. Prices on the competitive market can be negotiated freely by the parties. The parties may trade electricity based on bilateral agreements concluded on the dedicated centralised market or on various other electricity markets.

The wholesale electricity market

The wholesale electricity market includes several independent markets operated by OPCOM, the electricity market administrator and Transelectrica, the transport and system operator. The producers, auto-producers,

suppliers, distributors, customers and the transport and system operator are the players admitted to trading on the wholesale electricity market.

In addition to electricity, technological system services, system services, transportation services and distribution services are also traded on this market.

OPCOM operates, amongst others, the following markets:

- (a) The Centralised Market Of Bilateral Electricity Agreements comprising the Centralised Market Of Bilateral Contracts Awarded Through Public Auction and the Centralised Market Of Bilateral Contracts With Continuous Negotiation;
- (b) The Centralised Market Of Bilateral Contracts With Double Continuous Negotiation;
- (c) The Day Ahead Market (“**PZU**”);
- (d) The Intra-day Market (“**PI**”); and
- (e) Centralised market for universal service (“**PCSU**”).

The markets operated by Transelectrica are briefly described below:

- (i) The Balancing Market;
- (ii) The Technological Services Market; and
- (iii) The Market for Allocation of International Interconnection Capacities.

The Green Certificates Market

OPCOM also operates the Green Certificates Market, on which green certificates are traded by the electricity producers and suppliers.

The incentives behind green electricity production in Romania were based mainly on a system of Green Certificates combined with mandatory quotas, which together result in an obligation on electricity suppliers to acquire Green Certificates, in mandatory quotas, proportionally with the volume of electricity sold by such electricity suppliers to end-customers.

The state aid support scheme was implemented by Law No. 220/2008 pertaining to the promotion system for energy produced from renewable energy sources (“**Law 220/2008**”) and has been approved by the European Commission through Decision C (2011) 4938.

Environmental Protection

General rules

According to the provisions of the Emergency Government Ordinance No. 195/2005 relating to environmental protection (the “**Environmental Law**”), public authorities for environmental protection are responsible for authorising economic and social activities that impact the environment and for issuing environmental permits, approvals, agreements, as the case may be. The relevant authorities issue both “**ordinary**” and “**integrated**” environmental permits which are valid throughout the entire period for which their beneficiaries obtain the annual visa, according to the provision of Article 16 of the Environmental Law.

According to the provisions of the Law No. 292/2018 on the environmental impact assessment of certain public and private projects (the “**Environmental Impact Assessment Law**”), environmental agreements must be obtained for new public or private investment projects or for those that modify existing projects, including transferring or closing down projects related to activities that have a significant impact on the environment. The environmental agreement is valid throughout the entire period of the project. However, in the event of new elements, unknown at the date of issuance of the agreement, or if the conditions on the basis of which the agreement was issued change, the project holder must notify the issuing competent authority, so the latter can therefore update or revise the agreement.

Regulations relating to the integrated environmental permit

According to the Law No. 278/2013 on industrial emissions (the “**Industrial Emissions Law**”) and Order No. 818/2003 for the approval of the Procedure for issuing the integrated environmental permit (“**IEP Procedure**”), integrated environmental permits may be issued on the basis of documentation submitted to the environmental authority by the operator.

The integrated environmental permit must be obtained for industrial installations (combustion plants or plants, waste incineration plants or co-incineration plants) in certain industries, such as the power industry, metal processing industry, chemical industry and waste management industry.

Regulations relating to air pollution

In compliance with the Law No. 104/2011 regarding air quality published in the Romanian Official Gazette on 28 June 2011, the operator has the following obligations, among others:

- (a) to participate in the development of air quality plans and short-term action plans;
- (b) to apply necessary measures for limiting the effects of emissions on the air as provided by the air quality plans;
- (c) to implement urgent measures in order to reduce emissions of air pollutants according to the plan, so that the concentration in ambient air is reduced to certain specified levels, including temporary cessation of activity, where appropriate;
- (b) to monitor the emissions of air pollutants, as provided by law, and to send the results to the territorial public authority for environmental protection;
- (d) to inform the territorial public authority for environmental protection in the case of exceeding the emission limit value imposed by regulatory acts or in case of occurrence of damage, accidents and incidents; and
- (e) provide sampling and monitoring points for emissions of pollutants into the air in accordance with regulatory acts.

This law was adopted into Romanian legislation to enforce the provisions of Directive 2008/50/EC on ambient air quality and cleaner air for Europe and Directive 2004/107/EC relating to arsenic, cadmium, mercury, nickel and polycyclic aromatic hydrocarbons in ambient air.

In addition, Order of the Ministry of Water, Forests and Environmental Protection No. 462/1993 published in the Romanian Official Gazette on 10 August 1993, as further amended and completed, establishes technical conditions on the protection of the atmosphere and methodological norms regarding determination of emissions of air pollutants produced by stationary sources. According to the aforementioned order, operators need to comply with emissions standards providing for the maximum concentration values of pollutants allowed to be released into the atmosphere in order to protect human health, animals and vegetation and their habitats, water and soil and to prevent injury and discomfort that may occur due to remediation systems against atmospheric pollution.

Furthermore, Order of the Ministry of Water, Forests and Environmental Protection No. 756/1997 published in the Romanian Official Gazette on 6 November 1997, as further amended and completed, approved the Regulation for the assessment of environmental pollution. By this Regulation, the procedure and technical norms for identifying the damage inflicted on the environment was approved, in order to determine the operator's liability to remedy such damage. Whenever the concentration of one or more pollutants exceeds a threshold alert, the competent authorities may impose additional monitoring activities ensured either by the operator or by other specialised units. Whereas intervention thresholds are the pollution thresholds at which the competent authorities assess the appropriateness and require, if necessary, the execution of risk assessment studies, investigate the environmental consequences of pollution, require pollution to be reduced so that the concentrations of pollutants in emissions/discharges are reduced to the values laid down in the regulations in force.

Regulations relating to greenhouse gas (“GHG”) emissions

By Government Decision No. 780 dated 14 June 2006, published in the Romanian Official Gazette on 27 June 2006 (the “**GHG Decision**”), the following were transposed into Romanian legislation: (a) provisions of Directive 2003/87/EC of 13 October 2003 relating to the trading scheme of GHG emissions allowances within the EU, (b) provisions of Directive No. 2004/101/EC relating to the modification of Directive No. 2003/87/EC in connection with GHG published in the Official Journal of the European Communities No. L 338/2004, (c) provisions of Directive No. 2008/101/EC amending Directive No. 2003/87/EC so as to include aviation activities in the scheme for GHG emissions allowance trading within the Community and (d) provisions of Directive 2009/29/EC amending Directive 2003/87/EC.

According to the provisions of the Order No. 1256/2020 for the approval of the Procedure for issuing the GHG emissions permit for the period 2021-2030 (“**GHG Permit Procedure**”), the GHG emissions permit is an authorisation for installations carrying out one or more of the categories of activities listed in Annex 1 of the GHG Permit Procedure. It contains the GHG emission monitoring and reporting requirements corresponding to the greenhouse GHG monitoring and reporting plan. The GHG permit is obtained from the competent environmental protection authority. GHG permits are issued on the basis of documentation delivered by Romgaz to the competent

environmental protection authority. The GHG permit for the period 2021-2030 shall be valid for as long as the activity carried out by the operator in the installation is carried out in accordance with the provisions of the permit issued under this procedure and without derogating from the provisions of other regulations and normative acts in force. The operator is required to apply for an update to its permit in certain events provided for by law.

Regulations relating to waste management

Government Emergency Ordinance No. 92/2021 on the waste regime, published in the Romanian Official Gazette on 26 August 2021, defines the operator's obligations for ensuring a high level of environmental protection and the safety of the public's health by preventing or reducing the adverse impact of waste generation and management of waste. This law was adopted into Romanian law to transpose Directive (EC) 2018/851 of the European Parliament and of the Council of 30 May 2018 amending Directive 2008/98/EC on waste and repealing certain Directives. Pursuant to such law methods and processes used for waste recovery and removal shall not endanger public health or the environment and in particular shall not: (a) cause any risks of contamination to the water, air, soil, fauna or vegetation; (b) cause phonic pollution or discomfort from odours; and (c) affect the landscape or areas of special interest.

The operator must implement certain measures, such as treating waste before placing it in a landfill, ensuring that hazardous waste is kept separate from non-hazardous waste and implementing closure control activities and post-closure monitoring for waste landfills.

Regulations relating to the landfill of waste

By the provisions of (i) Government Ordinance No. 2/2021 on landfill of waste, (ii) Order of the Ministry of Environment and Water Management No. 95/2005 on defining the criteria for landfill waste and the national list of waste accepted in each class of landfill; and (iii) Order of the Ministry of Environment and Water Management No. 757/2004 on the approval of the technical norms regarding landfill waste, Directive 1999/31/EC on landfill waste was transposed into Romanian law. These legal provisions establish the legal framework for the landfill of waste and aim to establish measures, procedures and recommendations for the prevention or reduction of negative effects on the environment and human health caused by landfill activities.

The goal of these regulations is to prevent and reduce the negative effects on the environment from the landfilling of waste, by introducing stringent operational and technical requirements for waste and landfills. The operator needs to comply with certain conditions set forth for the operation of the landfill including: minimum standards for the location, the design and construction of landfills, the nature of the waste accepted for landfill (hazardous sites can only accept hazardous waste, non-hazardous sites can only accept non-hazardous waste and inert sites only inert waste), control and monitoring procedures of the landfill. In addition, landfill operators have the obligation to obtain an environmental agreement, an ordinary environmental permit and/or an integrated environmental permit, approving the operation of the landfill and stipulating the conditions the landfill site must achieve.

Regulations relating to management of waste oils

Government Emergency Ordinance No. 92/2021 on the waste regime provides that waste oils shall be collected separately taking into account good practice in sealed containers resistant to mechanical and thermal shock, unless separate collection is not technically feasible; they are treated, with priority being given to regeneration or, alternatively, to other recycling operations that have an equivalent or better overall environmental outcome than regeneration; waste oils with different characteristics shall not be mixed, and waste oils shall not be mixed with other types of waste or substances, if such mixing prevents their regeneration; waste oils are stored in appropriate containers in properly designed, fenced and secured areas to prevent uncontrolled spills.

Regulation relating to management of waste tyres

Government Decision No. 170/2004 published in the Romanian Official Gazette on 24 February 2004 regarding management of used tyres, establishes the obligation incumbent upon legal persons that hold waste tyres: (i) not to abandon them on the ground, by burial, in the surface waters or in the territorial sea, (ii) to incinerate them only after observing the legal obligations established by law and (iii) to contract authorised persons for the disposal of waste tyres.

Regulations relating to water management

According to Water Law No. 107/1996 published in the Romanian Official Gazette on 8 October 8 1996, as amended and completed, the operator shall not pollute or modify the characteristics of water sources. To prevent water pollution, the operator must comply with the provisions of the for water management permit issued by the environmental authorities. This law was adopted into Romanian law to transpose Directive 2000/60/EC relating

to the establishment of the European water framework regulation and Directive 2007/60/EC on the assessment and management of flood risks.

Order No. 3147/2023 on the approval of the Procedure for the issuance of the water management permit provides that the water management permit is the administrative act that technically and legally conditions the operation or exploitation of new objectives, built on the water or related to surface water, groundwater, coastal zone, sea cliffs, coastline and beaches, inland maritime waters, territorial sea, the exclusive economic zone and the continental shelf, as well as the operation and continued operation of existing ones and, where appropriate, the storage, handling and/or piping of dangerous substances or other activities on or underground which may lead to the indirect discharge of dangerous substances into groundwater or surface water. The water management permit is issued for a period of maximum five years. If the conditions initially imposed in the permit are not complied with, it may be suspended.

Regulations relating to the prevention of water pollution

Under Government Decision No. 570/2016 on the approval of the programme for phasing out the discharges, emissions and losses of priority hazardous substances and other measures for the main pollutants published in the Romanian Official Gazette on 18 August 2016, as amended and completed, the provisions of the Directive 2008/105/EC on environmental quality standards in the field of water policy and related directives were adopted into Romanian law. This decision aims to reduce pollution caused by dangerous substances and to eliminate pollution caused by the most dangerous substances.

Regulations relating to the management of environmental noise

Law No. 121/2019 on ambient noise assessment and management establishes measures for regulating noise levels, informs the public about noise levels and drafts action plans for preventing and reducing noise levels. This decision was adopted into Romanian law to enforce Directive 2002/49/EC regarding the evaluation and management of environmental noise.

Regulations relating to prevention of pollution of soil and subsoil

Law No. 74/2019 on the management of potentially contaminated and contaminated sites, published in the Romanian Official Gazette on 3 May 2019, provides that the holder of a potentially contaminated site or the economic operator operating on a potentially contaminated site is obliged to carry out a detailed investigation and risk assessment in certain cases prescribed by law. In addition, Government Decision No. 1403/2007, published in the Romanian Official Gazette on 26 November 2007, provides the legal framework for the restoration of the soil, subsoil and terrestrial ecosystems that have been affected. In accordance with its provisions, the polluter is obliged to bear all costs related to the remediation of the damaged environment.

Regulations relating to the assessment of environmental plans or programs

Government Decision No. 1076/2004 regarding the establishment of procedures for evaluation of the environmental plans or programs, published in the Romanian Official Gazette on 5 August 2004, as amended and completed, sets out the steps for evaluation of environmental plans or programs that may have material effects on the environment. This decision was introduced into Romanian legislation to enforce Directive 2001/42/EC relating to the evaluation of the effects of environmental plans or programs on the environment.

Regulations relating to public access to environmental information

According to Government Decision No. 878/2005 regarding public access to environmental information published in the Romanian Official Gazette on 22 August 2005, companies holding environmental authorisations must continuously disclose certain environmental information to the public. This decision was adopted into Romanian law to transpose Directive 2003/4/EC pertaining to public access to environmental information.

Regulations relating to the regime for dangerous substances and chemicals

Law No. 360/2003 regarding the regime for dangerous substances and chemicals, republished in the Romanian Official Gazette on 12 March 2014, as amended and completed, establishes the general legal framework for the protection of human health and the environment against the adverse action of dangerous substances and chemicals. Operators using hazardous substances have the obligation under the law to use restricted substances only under the strict conditions set out in specific legislation.

Regulations relating to the classification, packaging and labelling of substances and mixtures

Regulation (EC) No 1272/2008 of the European Parliament and of the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No 1907/2006, establishes the general legal

framework for the protection of human health and the environment as well as the free movement of substances, mixtures and articles as referred to in Article 4(8) of the Regulation by harmonising the criteria for classification of substances and mixtures, and the rules on labelling and packaging for hazardous substances and mixtures. Manufacturers, importers and downstream users shall classify substances or mixtures in accordance with Title II before of the Regulation (EC) No 1272/2008 placing them on the market.

In addition, the Regulation (EC) No 1272/2008 provides an obligation for: manufacturers, importers and downstream users to classify substances and mixtures placed on the market; suppliers to label and package substances and mixtures placed on the market; manufacturers, producers of articles and importers to classify those substances not placed on the market that are subject to registration or notification under Regulation (EC) No 1907/2006.

Regulations relating to major accidents caused by dangerous substances

Law No. 59/2016 on the control of major accident hazards involving dangerous substances, published in the Romanian Official Gazette on 18 April 2016, establishes measures for preventing major accidents involving dangerous substances in order to limit the consequences on human health and environment, in order to ensure a high level of protection throughout the national territory. The Law No 59/2016 implements the provisions of Directive 2012/18/EU of the European Parliament and of the Council of 4 July 2012 on the control of major-accident hazards involving dangerous substances, amending and subsequently repealing Council Directive 96/82/EC, published in the Official Journal of the EU, L series, No 197 of 24 July 2012.

Regulations relating to the Environmental Fund

Emergency Government Ordinance No. 196/2005, published in the Romanian Official Gazette on 30 December 2005, as amended and completed, provides for the obligation of operators to make certain contributions to the Environmental Fund, depending on the sources of pollution regulated therein. The Environmental Fund is an instrument designed to implement the environmental protection projects, the contribution of economic operators thereto being based, among other things, on taxes charged for the emission of polluting substances into the atmosphere, the quantity of packaging material placed on the Romanian market, the quantity of hazardous substances placed on the Romanian market, fees for the issuance of the environmental authorisations and permits.

Regulations relating to environmental management

In accordance with the provisions of Government Decision No. 57/2011 on certain measures ensuring enforcement of the provisions of Regulation (EC) No. 1.221/2009 of the European Parliament and Council of 25 November 2009 on voluntary participation of organisations in Environmental Management and Audit Scheme (“**EMAS**”) (as well as repealing Regulation (EC) No. 761/2001 and Commission Decisions 2001/681/EC and 2006/193/EC), the Romanian central public authority for environmental protection has been appointed as the competent agency responsible for the registration of organisations located in Romania in connection with environmental management and audit. In addition, the central public authority for environmental protection is responsible for EMAS registration of organisations located in other EU member states which request registration according to Article 3(2) of Regulation (EC) No. 1.221/2009 of the European Parliament and Council.

FINANCIAL RISK MANAGEMENT

Main risks and uncertainties

The Issuer is exposed to various financial risks: market risks (including foreign exchange risk, inflationary risk, interest rate risk), credit risk and liquidity risk. The risk management programme at the Issuer's level focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Issuer's financial performance, within certain limits. However, such approach does not prevent losses beyond such limits in case of significant variations in the market. The Issuer does not use derivative instruments to cover exposure to certain risks.

The Issuer is exposed to foreign exchange risks as a result of the exposure to different foreign currencies, mainly the Euro. The foreign exchange risk arises from future commercial transactions and recorded payables, including borrowings. Currently, the Issuer's activity is based in Romania, as at 30 June 2024 all gas and electricity sold being delivered in Romania.

The Issuer is exposed to inflationary risks mainly due to acquisition contracts. According to Romanian sectorial acquisitions law (Law No. 99/2016 and subsequent laws and regulations issued to support its application), Romgaz has the obligation to include in the contracts it signs with its suppliers a mechanism to adjust prices with an index (such as CPI) if service or supply contracts are signed for a period exceeding 24 months or if works contracts are signed for a period exceeding six months. To secure the contracts it needs and to manage the long period it takes to award a sectorial contract based on procedures enforced by local legislation, Romgaz signs framework agreements with its suppliers that include such price adjusting mechanisms.

The Issuer is exposed to interest rate risks mainly through its current borrowing contract with a EURIBOR-based interest.

Financial assets exposing the Romgaz Group to a potential credit risk are mainly trade receivables. The Romgaz Group's policies provide for sales to customers with low credit risk. Moreover, sales have to be secured either by advanced payments or by letters of bank guarantee. The net value of receivables following the net loss allowance, represents the maximum value exposed to credit risk.

Even though collection of receivables might be influenced by economic factors, the management believes that there is no significant risk of loss for the Romgaz Group, beyond loss allowance already established.

The final responsibility for the liquidity risk lies with the Issuer's management, which established a suitable framework for liquidity risk management for the Issuer's short, medium and long-term financing and for complying with requirements concerning liquidity risk management. The Issuer manages liquidity risk by maintaining an adequate level of reserves by continuous monitoring forecasts and current cash flows and by connecting maturity profiles of financial assets with financial debts.

The commercial risks the Issuer is exposed to are continuously evaluated under the risk management system. Currently, commercial risks are reduced to minimum, considering the accepted payment methods (mainly advance payment or payment when due, by secured payments by means of letter of bank guarantee), and that there is a gas demand to secure sales, and the sales prices exceed the production costs.

For more details on the other main risks and uncertainties which the Issuer is exposed to, please see the section entitled "Risk Factors".

Issuer's policies and objectives on risk management

Risk management is a process aiming to identify, assess, manage (including treatment) and setting up a risk mitigation measures plan, periodical reviewing, monitoring and determining responsibilities.

One of the major concerns of the Issuer's management is raising awareness of the Issuer on the objectives and the necessity of direct involvement in the risk management process, as well as aligning with best practices in the field by complying with the legislation in force, the standards and rules related to such process.

Taking into account recent amendments of GEO 109/2011 on corporate governance of public enterprises by Law 187/2023, the Board of Directors is required to set up a new advisory committee (being the Risk Management Committee) on:

- ensuring that control activities are consistent with the risks arising from the activities and processes subject to control;

- identifying, reviewing, evaluating, monitoring and reporting on identified risks, mitigation or anticipation action plan and other actions taken by the executive management;
- measuring the solvency of the Issuer by reference to its usual duties and obligations; and
- informing or, where appropriate, making proposals to the Board of Directors in this respect.

In addition to the duties on internal control and risk managements, the Risk Management Committee was also granted with duties on sustainability and ESG requirements, because of the importance of ESG factors within the costs - revenues equation, the development opportunities and the structuring and implementing way of any business strategy.

The main activity of the Strategy Committee is to coordinate the preparation/updating and monitoring of the Issuer's development strategies, correlated with the national and European energy strategy, to assess the stage of the implementation of these development strategies, as well as the measures required to achieve the established objectives, and to monitor the Issuer's activity diversification projects by implementing investment objectives.

For more information, please see the section entitled "*Description of the Issuer – Corporate Governance*".

Internal Controls

For optimum management of its activities, the Issuer performs several types of internal controls:

- preventive financial control;
- work quality control;
- legal control of documents and transactions concluded by the Issuer;
- internal control regarding the compliance with legal requirements in the field of labour health and security and environment protection; and
- internal cost control.

As such, the internal management control provides a reasonable but not absolute assurance on understanding, interpretation and implementation of specific regulations, and it is supported and consolidated by the Issuer's internal control.

Integrated Management System

Following the external audit carried out since 2003 by various certification bodies (such as RINA-SIMTEX, TUV, SRAC-CERT) for evaluation of compliance with reference standards (ISO 9001 Quality management systems, ISO 14001 Environmental management systems, ISO 45001 Occupational health and safety management systems), Romgaz obtained and maintained the certification for integrated management system ("**IMS**") for quality, health, environment and occupational health.

IMS certification provides the organisation a range of benefits such as improved general performance, through an efficient and integrated management of processes, resources and risks and enhanced reputation and access to new markets and business opportunities.

The IMS coordinates the continuous maintenance and improvement of the processes and activities to ensure the conformity with the international reference standards.

OPERATING AND FINANCIAL REVIEW

Investors should read the following discussion of Romgaz's financial condition and results of operations together with the Audited Financial Statements and the Unaudited Interim Financial Statements and the notes thereto incorporated by reference in this Base Prospectus. The information contained in the discussion set forth below and elsewhere in this Base Prospectus includes forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements" and "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in this Base Prospectus. Investors should read the whole of this Base Prospectus and not just rely upon summarised information.

Unless otherwise stated, the following discussion is based on the Audited Financial Statements and the Unaudited Interim Financial Statements.

Principal factors which may affect results of operations and financial condition

The following is a description of the principal factors that affected Romgaz's results of operations and its financial condition during the period under review and that Romgaz expects will continue to affect Romgaz's results of operations and financial condition in the future. Certain risk and other factors which may affect Romgaz's business are discussed in the section entitled "Risk Factors".

Weather

Weather significantly impacts the demand for natural gas, and therefore, the financial performance and results of operations of Romgaz will also be impacted by any extreme weather experienced in each year. Changes in the weather conditions from year to year can influence demand for natural gas as longer nights and colder weather from October to March in a particular year increase demand for natural gas as compared with other years, and longer days and warmer weather from April to September increase demand for electricity. In addition, in a particularly cold winter, the sale of natural gas from the underground storage facilities will increase and result in higher revenue for the Romgaz Group. Demand may also fluctuate from year to year due to changes in weather patterns.

Natural gas prices

In Romania, the natural gas market is divided into a free market and a regulated market. The free market consists of natural gas sales through bilateral negotiation as well as on the centralised market governed by the Romanian Commodities Exchange (BRM). Distribution of natural gas is a regulated activity.

Romgaz gas trading policy is based on principles governed by transparency, competition, equal and non-discriminatory treatment, efficiency and effectiveness.

In the context of the trading policy and considering the specific regulations, natural gas marketing is carried out by using two sales channels: trading on centralised market governed by the Romanian Commodities Exchange and bilateral negotiations.

Gas production

Romgaz is able to sell all of the natural gas it produces. Therefore, Romgaz's results of operations will also be significantly impacted by aggregate production volumes. In the six-month periods ended 30 June 2024 and 30 June 2023, Romgaz produced 2.5 billion m³ and 2.4 billion m³, respectively, and in the years ended 31 December 2023 and 2022, Romgaz produced 4.8 billion m³ and 4.9 billion m³, respectively.

The volumes of natural gas produced and expected to be produced from Romgaz's assets involve a degree of uncertainty. Natural gas production involves high operational and other risks, which even a combination of experience, knowledge and careful evaluation are not able to fully eliminate. In addition, well production may decrease for a number of geological or other reasons, and at times production may need to be stopped altogether for geological or other operational or technological reasons.

Commercial factors, such as natural gas prices, may also affect Romgaz's production decisions. Lower natural gas prices may reduce the amount of natural gas that Romgaz or operators of the fields where Romgaz holds an interest are able to produce economically, which may result in a decrease in production volumes.

As a result of all of these factors, Romgaz could experience period to period fluctuations in natural gas and electricity production volumes, which would impact Romgaz's revenues and operating profit in those periods.

Electricity prices

The national and EU electricity market is strictly regulated, being an essential market both for households and for industrial consumers. The electricity market is highly sensitive to geopolitical factors, as it could be noticed after the events in Ukraine. Another factor with major influence on the electricity market is the repeated and sudden change of legislation on the free market, an example in this respect being the Centralised Electricity Acquisition Mechanism – MACEE – which enforced a regulated price, set by the Energy Regulatory Authority (RON 450/MWh for the period 1 January 2023 – 31 March 2024; RON 400/MWh for the period 1 April 2024 – 31 March 2025).

As of 2022, following geopolitical tensions caused by the invasion of the Russian Federation on Ukraine, the electricity market experienced a massive increase of trading prices, especially on spot and balancing markets. To mitigate the effects of the electricity crisis on energy consumers, EU member states regulatory authorities had an intervention on the free electricity market through different aid schemes. In Romania, a mandatory electricity trading mechanism was enforced starting 1 January 2023 for producers and suppliers, at prices set by the authority. This mechanism, voluntary as of 1 April 2024, shall be in force until 31 March 2025.

Electricity delivered under MACEE (kMWh):

	2022	2023	Six months ended 30 June 2023	Six months ended 30 June 2024
MACEE	n/a	823.8	414.8	239.4
Total electricity delivered to third parties	954.2	877.3	431.3	419.5

Storage activity

The new EU regulations require EU countries to work together to identify potential disruptions in the gas supply chain and to agree on common actions that can prevent or eliminate the consequences of the gas supply disruption. This has created a new principle, that of Member States' solidarity, which must reduce the risk of dependence on external sources.

The EU objective is to establish the necessary measures to ensure the continuity of gas supply throughout the EU, especially for protected customers in the event of difficult climate conditions or supply disruption.

The underground storage of natural gas in Romania is considered to be a public service; it is a non-regulated activity and can be carried out only by operators licensed by ANRE for this purpose.

Depogaz holds a license for the operation of five underground natural gas storage facilities, developed in depleted gas fields, whose aggregate capacity represents about 90.5% of the total storage capacity of Romania.

Following the war in Ukraine, there is an obligation at European level to secure natural gas stocks of at least 90% of each country's storage capacity.

Storage tariffs per storage cycle are presented below:

		1 April 2022	1 April 2023	1 April 2024
		31 March 2023	31 March 2024	31 March 2025
Gas injection	RON/MWh	4.50	7.27	6.86
Capacity reservation	RON/MWh/cycle	11.44	9.82	10.34
Gas withdrawal	RON/MWh	3.48	5.94	5.43

Current financial market conditions

Romgaz's financial condition and results of operations are significantly influenced by general economic conditions, global events (such as the war in Ukraine) and, in particular, the health of the Romanian economy. See "Risks related to legal, regulatory and political environment in which the Issuer operates—Risks associated with the development of the Russia-Ukraine war and Risk Factors—Risks related to Romania".

Year 2023

In 2023, the world economic growth decelerated by 0.3% to 3.2%, amid political tensions at international level and geoeconomics fragmentation, as well as the tightening of monetary policy to fend off inflationary pressures.

Given this challenging international environment, Romania's economy recorded in 2023 a slower pace of increase, which however remained fairly robust at 2.1% from a European and regional perspective. Unlike previous years, when private consumption was the largest contributor to economic growth, in 2023 it was clearly exceeded by gross fixed capital formation.

The annual CPI inflation rate fell to 6.61% at end-2023, 9.76% lower than in December 2022. The substantial disinflation in the course of the year was supported by food and energy prices. In the former case, the evolution took place amid the sharp decline in tensions on the agri-food commodity market due to relatively large crops in Romania and elsewhere, as well as to the resumption of exports of Ukrainian farm produce in adequate conditions.

A contribution was also made by the entry into force of the mark-up capping scheme for basic food products in August 2023; originally designed for a three month period, the initiative was subsequently extended until the end of 2024.

Turning to energy, the movements in electricity and natural gas prices had a sizeable contribution to the fall in the CPI inflation rate, mainly following the broadening of the scope of the electricity bills support scheme as of 1 January 2023. Given also the favourable base effects arising after the 2022 hikes in both segments dropped out of the calculation base, the annual change in prices for the electricity and natural gas subgroup reached - 7.51% at the end of the year. Additional disinflationary influences, albeit less strong, also came from fuel prices, with oil prices on international markets hovering in 2023 around significantly lower levels than in the previous year.

The macroeconomic environment called for the increase in the monetary policy rate by another 0.25% in January 2023 and its subsequent status-quo, including in the six-months ended 30 June 2024, at 7.00%. Accordingly, the National Bank of Romania raised both the lending and the deposit facility rates to 8.00% and 6.00% respectively and then kept them at these levels. In addition, the minimum reserve requirement ratios on both leu- and foreign currency-denominated liabilities of credit institutions were maintained at 8% and 5% respectively.

Year 2024

In August 2024, the annual inflation rate reached the level of 5.1%.

In its meeting held on 7 August 2024, the National Bank of Romania Board decided to reduce the monetary policy rate to 6.5% per annum. The interest rates on standing facilities were also decreased to 5.50% per annum (the deposit facility rate) and to 7.5% per annum (the lending facility rate).

Significant uncertainties and risks to the inflation outlook stemmed from the future fiscal and income policy stance, coming from the public sector wage dynamics and the full impact of the new law on pensions, but also from the additional fiscal and budgetary measures that might be implemented in the future for the purpose of budget consolidation, inter alia amid the excessive deficit procedure and the conditionalities attached to other agreements signed with the EU.

Moreover, significant uncertainties and risks to the outlook for economic activity, implicitly the medium-term inflation path, continued to arise from the war in Ukraine and the Middle East conflict, as well as from the economic performance in Europe, especially in Germany.

Furthermore, the absorption of EU funds, especially those under the Next Generation EU programme, is conditional on fulfilling strict milestones and targets. However, this is essential for carrying out the necessary structural reforms, energy transition included, as well as for counterbalancing, at least in part, the contractionary impact exerted by geopolitical conflicts and by the tighter economic and financial conditions worldwide. The ECB's and the Fed's prospective monetary policy stances, as well as the behaviour of central banks in the region continued to be also relevant.

Accordingly, the revenue of the Issuer had the evolution below (RON million):

	Year ended 31 December 2022	Year ended 31 December 2023	Six-months ended 30 June 2023	Six-months ended 30 June 2024
Total revenue, of which:	13,359.7	9,001.9	4,897.3	3,896.9
- gas sold	11,307.0	7,767.0	4,283.7	3,250.2
- electricity sold	1,330.6	407.0	200.4	180.3
- storage services	469.3	552.2	287.3	276.7
- revenues from services, revenues from sale of goods, other revenues from contracts and other revenues	252.8	275.7	125.9	189.7

The main tax charges during the period (RON million):

	Year ended 31 December 2022	Year ended 31 December 2023	Six-months ended 30 June 2023	Six-months ended 30 June 2024
Total taxes (including current income tax, excluding deferred tax), of which:	8,493.8	3,874.2	2,349.5	1,012.3
Royalties	1,640.1	600.5	289.3	274.5
Windfall tax	4,903.9	890.0	639.5	382.6
Solidarity contribution	1,002.8	1,687.4	970.9	-
Corporate income tax (current)	536.6	691.4	442.0	343.9
Other taxes	410.40	4.90	7.80	11.30

Although the correlation is not precise, economic events at the global level or within Romania may significantly impact the business, results of operation and prospects of Romgaz.

Taxes and royalties

The Romgaz Group is primarily subject to Romanian taxes. It is liable to the Government for taxes on profits and dividends, excise duties, gas royalties, royalties on underground gas storage revenue, windfall taxes (gas), contribution to the Energy Transition Fund (electricity), solidarity contribution (in 2022 and 2023), specific turnover tax for taxable persons with businesses in the oil and gas sector, VAT, local taxes and fees and taxes on buildings and land, payroll taxes, withholding tax and effective minimum taxation of 15% under Pillar 2 Directive (to be assessed starting with 2024). In the six months ended 30 June 2024, Romgaz Group incurred an expense with the current profit tax of RON 343.9 million, as compared with RON 442.0 million in the corresponding six-month period of 2023. In 2023, the Romgaz Group's current tax on profits expense was RON 691.4 million, compared to RON 536.6 million in 2022.

The Romanian taxation system (for the gas and power segments) is a complex one (each individual element having distinct rules and possible interactions with other elements of specific and general taxation) and cumulative (for the same source of income, there could be some specific taxes and also corporate income tax).

In this respect, the specific taxation system for the gas sector in Romania contains the following elements:

Petroleum Royalties – Petroleum Law No. 238/2004

Royalties are established in progressive percentage rates of the gross value of production depending on the produced quantity from reservoirs during one calendar quarter.

In accordance with the Petroleum Law, the applicable royalty rates for natural gas, valid until 26 October 2023, are detailed below:

%	natural gas (10 ⁶ cubic metres/quarter)
3.5% for reservoirs producing	below 10
7.5% for reservoirs producing	between 10 and 50
9% for reservoirs producing	between 50 and 200
13% for reservoirs producing	above 200

As of 27 October 2023, the royalty rates for natural gas were increased by a Government Emergency Ordinance, as detailed below:

%	natural gas (10 ⁶ cubic metres/quarter)
4.5% for reservoirs producing	below 10
9% for reservoirs producing	between 10 and 50
10.5% for reservoirs producing	between 50 and 200
15% for reservoirs producing	above 200

**Note: The Romanian Parliament decided in June 2024 (after approximately eight months from the appearance of the new increased royalties rates) that the increased royalties rates should be applied only for (i) the petroleum agreements, in force at the date of the entry into force of the OUG 91/2023, that do not specify the royalty rates due and also for (ii) the new petroleum agreements. All petroleum agreements Romgaz is a party of (except the two agreements with Raffles) include the royalty rates applicable, thus the new increased rates should not apply to Romgaz. The Romgaz Group considered the change introduced by Law No. 228/2024 to clarify the application of Government Emergency Ordinance No. 91/2023, and hence recalculated the royalties due for the last quarter of 2023 and the first quarter of 2024 at the lower rates set out in the concession agreements. Going forward, the Romgaz Group will use these lower rates. Authorities may challenge the Romgaz Group's interpretation which may lead to higher royalty costs and penalties that may affect the Issuer's results.*

For natural gas quantities sold on the free market, the value of production is determined by multiplying the produced quantity by the reference price determined on the basis of the stock exchange index of the Pan-European Gas trading platform Central European Gas Hub Day Ahead Market Single Day Select, and the volume weighted average price/CEGHIX Central European Gas Hub, for the month prior to the period for which the reference price is computed, in accordance with the ANRM Order No. 201/ 9 May 2023.

For natural gas quantities sold at regulated price (under Government Emergency Ordinance 27/2022) the value of production is determined by multiplying the produced quantity by the capped price, currently RON 120 /MWh. Capped prices are expected to apply until 31 March 2025.

For underground gas storage activities, until 27 October 2023, the applicable royalty rate was 3% of the value of the gross storage revenue. Starting 27 October 2023, the rate was increased to 3.5%.

Windfall tax on additional revenues due to price deregulation in the natural gas sector (Government Ordinance No. 7/2013)

In accordance with Government Ordinance No. 7/2013, additional revenues represent the surplus between the sales price and the purchase price for household and non-household customers in 2012 (*i.e.*, RON 45.71/MWh, subsequently adjusted by the 2014 CPI rate), and it is determined in connection with the volumes of the onshore production of natural gas.

The windfall tax is calculated by applying a rate of 60% for revenues up to RON 85/MWh inclusively, respectively 80% for revenues that exceed RON 85/MWh.

From the taxable amount are deducted the royalties due for the additional income as well as the investments in the upstream sector capped at 30% of the additional income.

The windfall tax represents deductible expense when determining the taxable profit.

No windfall tax is due for gas sold at capped prices under Government Emergency Ordinance 27/2022.

Windfall tax on revenues from sale of natural gas from internal production from offshore and/or deep onshore blocks (Law 256/2018)

Windfall tax is determined by applying progressive rates (from 15% up to 70%) established on the basis of sales prices above RON 85/MWh, adjusted on a yearly basis by the annual consumption price index.

Windfall tax is a deductible expense when determining the taxable profit, and the investments in the upstream segment may be deducted in the limit of 40% of windfall tax.

Additional revenue is the difference between (i) the weighted average price of natural gas sold from the domestic production from offshore and/or deep onshore petroleum blocks, from which transmission, transport, distribution, storage and other logistical costs are deducted so far as such are incurred by the titleholder of the petroleum agreement, and (ii) the minimum base price of the calculation interval corresponding to the price structure mentioned by current legislation, multiplied by the volume of natural gas sold from domestic production from the offshore and/or deep onshore petroleum blocks.

No windfall tax is due for gas sold at capped prices under Government Emergency Ordinance 27/2022.

Currently, the provisions of Law 256/2018 are not applicable to Romgaz, because it has no revenues from offshore blocks. Regarding deep onshore blocks, there are no rules on how to apply the legal provisions, respectively on how to identify such blocks.

Solidarity Contribution (Government Emergency Ordinance 186/2022)

The Solidarity Contribution was implemented under Regulation 2022/1854 of the EU Commission applicable to EU companies generating at least 75% of turnover with activities in the crude petroleum, natural gas, coal and refinery sectors with specific nomenclature of economic activities codes.

In the national legislation, the applicable taxation rate amounts to 60% for the surplus profits representing the taxable profits exceeding the 20% threshold of the average of taxable profits in the period 2018-2021.

The solidarity contribution was temporary, being applicable for 2022 and 2023. The solidarity contribution was a non-deductible expense when determining the taxable profit.

Specific turnover tax for taxable persons with businesses in the oil and gas sector (Law 296/2023)

The specific turnover tax for taxpayers which conduct activities in the oil and natural gas sectors has been introduced in addition to the profit tax in the context of a budgetary deficit and has a temporary nature, applicable for the period 2024 - 2025. The tax was established for taxable persons having their businesses in the oil and gas sector and have one of the specific NACE codes mentioned by the law, with a turnover for the previous year amounting to over EUR 50 million, and it is calculated by applying a 0.5% rate to the total revenues from which certain incomes and the value of investments in fixed assets and their accounting depreciation performed starting with 2024 are deducted. Starting with 2026, such taxpayers should pay a minimum turnover tax, which is determined by the highest amount while comparing the standard corporate income tax of 16% applicable to taxable profit for the year with the 1% minimum turnover tax applicable to the same taxable base mentioned above.

The specific tax is a non-deductible expense when determining the taxable profit.

Contribution to the Energy Transition Fund - Government Emergency Ordinance 27/2022 (for the activity of Electric Power);

GEO 27/2022 introduced the Contribution to the Energy Transition Fund, applicable until 31 March 2025. The contribution is calculated for electricity sold at a price (calculated in accordance with the methodology provided in GEO 27/2022) exceeding RON 450/MWh (until 31 March 2024). Starting 1 April 2024, the capped price was decreased to RON 400/MWh.

The monthly sales price is based on the difference between the revenues from sales of electric power, on the one hand, and the sum of the expenses with the imbalances amounting to a maximum of 5% of the value of electric power and the value of CO₂ certificates for the power sold outside the below mentioned Mechanism, on the other hand.

Until 31 March 2024, for the electric power sold in accordance with the Centralised Electricity Acquisition System (MACEE) provided under GEO 27/2022, if the value of the contribution exceeds the monthly value of CO₂ certificates related to the electric power sold under the Mechanism, the producers receive the difference between the two elements. Otherwise, the producers pay the difference between the value of the certificates and the contribution to the Energy Transition Fund.

The CO₂ recovery facility mentioned in the paragraph above was removed from legislation starting 1 April 2024. If the value of the contribution exceeds the monthly value of CO₂ certificates related to the electric power sold under the Mechanism, no contribution is due.

As at the date of this Base Prospectus, the Company did not receive the amounts owed by the Romanian State under GEO 27/2022, as the legislation does not provide for the methodology to request such reimbursement. The amount recoverable under the facility as at 30 June 2024 is RON 188 million.

Acquisitions

Acquisitions can have significant impact on the Romgaz Group's results of operations in terms of both revenues and costs. In addition, in certain cases, the accounting treatment of an acquisition may result in the recognition of gains or losses in connection with the acquisition of tangible or intangible assets. Furthermore, in certain circumstances, impairments of acquired tangible or intangible assets may be required in subsequent periods if assumptions regarding future performance at the time of acquisition prove to be incorrect.

Romgaz's shareholders approved the following:

- on 10 December 2021 (Resolution No. 11/10.12.2021) the acquisition of all shares issued by ExxonMobil Exploration and Production Romania Limited, a company incorporated under the laws of the Commonwealth of the Bahamas; and
- on 28 April 2022 (Resolution No. 4/28.04.2022) the Sale and Purchase Agreement regarding all shares issued by ExxonMobil Exploration and Production Romania Limited between Romgaz, as Buyer, and ExxonMobil Exploration and Production Romania Holdings Limited, ExxonMobil Exploration and Production Romania (Domino) Limited, ExxonMobil Exploration and Production Romania (Pelican South) Limited, ExxonMobil Exploration and Production Romania (Califar) Limited and ExxonMobil Exploration and Production Romania (Nard) Limited, as sellers.

On 3 May 2022, the Sale and Purchase agreement was signed, subject to various conditions precedent. On 1 August 2022, the acquisition of ExxonMobil Exploration and Production Romania Limited (current Romgaz Black Sea Limited), was completed. The company holds a 50% interest under the Petroleum Agreement for petroleum exploration, development and production for the Deep Water Zone of XIX Neptun offshore block in the Black Sea. OMV Petrom S.A. holds the remaining 50% interest. As of 1 August 2022, OMV Petrom is operator of the block.

The change in control was approved through Government Decision No.870/6 July 2022, based on Article 34(5) of Petroleum law No. 238/2004 with all addendums.

According to the provisions of the shares' acquisition agreement, the price paid by Romgaz was RON 5,126,347 thousand. Based on the acquisition agreement, this price was decreased by the end of 2022 with RON 7,352 thousand, based on the level of working capital of Romgaz Black Sea Limited at completion date.

Consolidated statement of comprehensive income

The following table sets out Romgaz's interim condensed consolidated statement of comprehensive income for the six-month periods ended 30 June 2024 and 30 June 2023 and consolidated statement of comprehensive income for the years ended 31 December 2023, 2022 and 2021. The financial information relating to the six-month periods ended 30 June 2024 and 30 June 2023 has been extracted from the Unaudited Interim Financial Statements and the financial information for the years ended 31 December 2023, 2022 and 2021 has been extracted from the Audited Financial Statements that are incorporated by reference in this Base Prospectus.

	2021	2022	2023	Six-months ended 30 June 2024	Six-months ended 30 June 2023 revised presentation*
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	5,852,926	13,359,653	9,001,878	3,896,939	4,897,317
Cost of commodities sold	(281,589)	(183,578)	(107,130)	(52,093)	(46,607)
Finance income*(4)	58,403	176,979	213,008	114,573	125,918
Other gains and losses	23,388	(9,441)	(17,748)	(9,957)	2,081
Net impairment (losses)/gains on trade receivables*(3)	349,989	(55,166)	(57,546)	2,939	23,492
Changes in inventory of finished goods and work in progress	74,787	(2,197)	(5,767)	39,705	(43,953)

	2021	2022	2023	Six-months ended 30 June 2024	Six-months ended 30 June 2023 revised presentation*
Work performed by the Romgaz Group and capitalised*(1)	-	-	-	124,564	117,585
Raw materials and consumables used*(1)	(81,146)	(118,037)	(109,441)	(77,577)	(69,496)
Depreciation, amortisation and impairment expenses*(1)	(685,772)	(550,076)	(476,568)	(280,739)	(274,609)
Employee benefit expense*(1,2)	(766,639)	(846,001)	(914,054)	(511,750)	(477,870)
Taxes and duties *(1,2)	-	(6,954,380)	(1,495,473)	(668,416)	(936,534)
Finance cost	(16,739)	(27,295)	(62,003)	(34,073)	(27,904)
Exploration expense	(1,197)	(59,714)	(84,640)	(51,140)	(1,068)
Share of profit of associates	85	2,350	4,873	3,359	1,562
Other expenses *(2)	(2,539,086)	(658,916)	(944,191)	-	-
Greenhouse gas certificate expenses *(2)	-	-	-	(77,027)	(148,806)
Third party services and other costs *(1,2)	-	-	-	(288,579)	(249,959)
Other income*(3)	169,841	80,068	122,264	38,319	114,593
Profit before tax	2,157,251	4,154,249	5,067,462	2,169,047	3,005,742
Income tax expense	(242,264)	(1,607,537)	(2,255,353)	(331,834)	(1,320,102)
Profit for the period	1,914,987	2,546,712	2,812,109	1,837,213	1,685,640

(* As mentioned above in the section "Factors affecting the comparability of financial information" selected financial information for the six-month period ended 30 June 2023 reflects the revised presentation approach applied in the Unaudited Interim Financial Statements for comparative information. The lines affected by the changes in presentation are tagged as such and cross referenced to the related change in presentation listed in section "Factors affecting the comparability of financial information".

Revenue

For the six-months ended 30 June 2024, the Romgaz Group's revenue decreased by 20.43% or RON 1,000.38 million as compared to the same period of the previous year, reaching RON 3,896.94 million.

The net decrease in revenue is mainly the result of a decrease in revenue from gas sold in the amount of RON 1,033.45 million, decrease in revenue from electricity in the amount of RON 20.13 million, net decrease in revenue from storage in the amount of RON 10.64 million and increase in revenue from services and goods sold in the amount of RON 63.80 million. The decrease was caused by lower quantities sold (4.2% natural gas and 15.5% as regards electricity) but also by the drop of sale prices. As of 1 April 2024, gas price for quantities delivered under GEO No. 27/2022 decreased by 20% as compared to the previous period, while electricity sale price dropped by 11%.

The Group recorded net decrease in revenue from gas storage services of 3.70% or RON 10.64 million in the six-months ended 30 June 2024 as compared to the six-months ended 30 June 2023, mainly following a decrease of income from capacity booking and of income from injection services. In 2024-2025 storage cycle (started on 1 April 2024) the storage tariff decreased by 1.74%.

Taxes and duties

The expense with taxes and duties decreased by 28.63% in the six-months ended 30 June 2024 as compared to the six-months ended 30 June 2023. The drop of RON 268.12 million is mainly due the decrease by RON 256.86 million (-40.17%) of windfall tax expenses, as these reached RON 382.60 million; the decrease is due to lower gas sale prices.

Income tax expenses

As of 2024, the Romgaz Group no longer calculates the solidarity contribution introduced at the end of 2022. Therefore, the income tax expense decreased significantly in the six-months ended 30 June 2024 as compared to

the similar period of 2023, from RON 1,320.10 million in the six-months ended 30 June 2023 to RON 331.83 million at the end of the six-months ended 30 June 2024.

Liquidity and capital resources

Romgaz's liquidity requirements arise principally from its working capital requirements and capital expenditure. Until now, Romgaz's obligations for these requirements were met by the cash generated from operations. Until 30 June 2024 Romgaz had a net cash position, determined as the difference between the total financial assets and the total financial liabilities.

Consolidated statements of financial position

The following table sets out Romgaz's interim condensed consolidated statement of financial position as at 30 June 2024 and consolidated statements of financial position as at 31 December 2023, 2022 and 2021. The financial information as at 30 June 2024 has been extracted from the Unaudited Interim Financial Statements, and the financial information as of 31 December 2023, 2022 and 2021 has been extracted from the Audited Financial Statements that are incorporated by reference in this Base Prospectus, except for selected financial data as of 31 December 2023 (marked in the table below), that has been disclosed on a revised presentation basis as further explained in the section "Factors affecting the comparability of financial information", and that has been extracted from the unaudited comparative column in the Unaudited Interim Financial Statements.

	30 June 2024	31 December 2023 revised presentation*	31 December 2022	31 December 2021
	'000 RON	'000 RON	'000 RON	'000 RON
ASSETS				
Non-current assets				
Property, plant and equipment	6,850,488	5,891,788	5,039,314	5,240,697
Intangible assets	5,133,693	5,135,930	5,140,425	16,133
Investments in associates	36,769	33,410	28,537	26,187
Deferred tax asset	336,520	324,175	199,016	269,645
Other financial assets *(3)	5,616	5,616	5,616	5,616
Right of use assets	14,032	11,596	8,766	7,128
Total non-current assets	12,377,118	11,402,515	10,421,674	5,565,406
Current assets				
Inventories	405,118	301,690	284,007	305,241
Greenhouse gas certificates *(1)	258,499	208,618	-	-
Trade and other receivables	854,003	1,398,953	1,373,664	1,352,345
Contract costs	-	-	3	483
Bank deposits other than cash and cash equivalents *(2)	357,144	2,505,463	99,597	417,923
Other assets *(1)	171,722	113,181	265,232	67,962
Current tax receivables	-	-	-	3,201
Cash and cash equivalents	2,142,130	535,210	1,883,882	3,580,412
Total current assets	4,188,616	5,063,115	3,906,385	5,727,567
Total assets	16,565,734	16,465,630	14,328,059	11,292,973

	30 June 2024	31 December 2023 revised presentation*	31 December 2022	31 December 2021
	'000 RON	'000 RON	'000 RON	'000 RON
EQUITY AND LIABILITIES				
Equity				
Share capital	3,854,224	385,422	385,422	385,422
Reserves	3,745,775	4,971,109	3,579,274	2,998,975
Retained earnings	5,224,721	6,204,783	6,111,869	5,596,756
Total equity	12,824,720	11,561,314	10,076,565	8,981,153
Non-current liabilities				
Retirement benefit obligation	180,167	189,314	168,830	156,420
Deferred tax liabilities	239	-	-	-
Deferred income *(3)	386,731	370,941	230,419	230,438
Lease liability	12,079	10,450	7,499	7,211
Borrowings	647,023	808,373	1,125,534	-
Provisions	374,452	373,536	210,838	412,846
Total non-current liabilities	1,600,691	1,752,614	1,743,120	806,915
Current liabilities				
Trade payables *(4)	395,925	272,168	110,006	71,317
Contract liabilities	82,254	153,723	263,340	204,384
Current tax liabilities	105,877	1,766,637	1,177,498	52,299
Deferred income *(3)	193	7	11	49
Provisions	119,518	121,732	321,489	237,144
Lease liability	3,531	2,579	2,181	810
Borrowings	323,817	323,349	321,581	-
Other liabilities *(4)	1,109,208	511,507	312,268	938,902
Total current liabilities	2,140,323	3,151,702	2,508,374	1,504,905
Total liabilities	3,741,014	4,904,316	4,251,494	2,311,820
Total equity and liabilities	16,565,734	16,465,630	14,328,059	11,292,973

(*) As mentioned above in the section "Factors affecting the comparability of financial information" selected financial information as of 31 December 2023 reflects the revised presentation approach applied in the Unaudited Interim Financial Statements for comparative information. The lines affected by the changes in presentation are tagged as such and cross referenced to the related change in presentation listed in section "Factors affecting the comparability of financial information".

Consolidated statements of cash flows

The following table sets out summary cash flow information of Romgaz for the six-month periods ended 30 June 2024 and 30 June 2023 and the years ended 31 December 2023, 2022 and 2021. The financial information relating to the six-month periods ended 30 June 2024 and 30 June 2023 has been extracted from the Unaudited Interim Financial Statements and the financial information for the years ended 31 December 2023, 2022 and 2021 has been extracted from the Audited Financial Statements that are incorporated by reference in this Base Prospectus:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Six-months ended 30 June 2023</u>	<u>Six-months ended 30 June 2024</u>
	‘000 RON	‘000 RON	‘000 RON	‘000 RON	‘000 RON
Net cash generated by operating activities	2,567,802	3,451,635	3,538,138	1,711,032	738,592
Net cash generated by/used in investing activities	1,192,856	(5,129,813)	(3,383,876)	(1,062,031)	1,032,608
Net cash used in financing activities	(597,159)	(18,352)	(1,502,934)	(162,725)	(164,280)
Net increase/(decrease) in cash and cash equivalents	3,163,499	(1,696,530)	(1,348,672)	486,276	1,606,920
Cash and cash equivalents at the beginning of the period	416,913	3,580,412	1,883,882	1,883,882	535,210
Cash and cash equivalents at the end of the period	3,580,412	1,883,882	535,210	2,370,158	2,142,130

Indebtedness

As at 30 June 2024, Romgaz had in place an unsecured loan contract signed with Raiffeisen Bank SA and Banca Comercială Română SA of EUR 325 million. The loan was taken in 2022 to partially finance the acquisition of ExxonMobil Exploration and Production Romania Limited. The loan’s final maturity is the date falling on the fifth anniversary of the utilisation date, *i.e.*, June 2027. As at 30 June 2024 the outstanding balance of the principal was EUR 195 million (RON 970,534,500). Instalments and interest are payable quarterly.

The loan contract includes two covenants:

- Debt service coverage ratio should not be less than 110%; and
- Leverage ratio should not exceed the level of 300%.

Both covenants need to be met on 31 December of each year over the loan period. Both covenants were met on 31 December 2022 and 31 December 2023.

In December 2023, Depogaz signed an investment credit contract for RON 250 million with Banca Transilvania SA to finance the investment for the increase of the daily withdrawal capacity of the Bilciurești storage facility. The facility can be used until 19 June 2027 and must be repaid by 6 August 2037. The loan is repayable in quarterly installments, after the end of the grace period on 19 June 2027. The loan is secured by Depogaz’ cash held at Banca Transilvania. The loan was not drawn by 30 June 2024.

In September 2024, Romgaz signed a committed, unsecured revolving credit facility for general corporate purposes in the amount of EUR 150 million, RON equivalent, with Banca Transilvania, for a period of three years.

Capital expenditures

The Romgaz Group’s capital expenditures for the six-month period ended 30 June 2024 and for the years ended 31 December 2023 and 2022 were RON 1,253.2, RON 1,258.7 million and RON 5,632.5 million respectively. Capital expenditures for this period under review related primarily to drilling exploration wells and experimental production works related to these wells, field exploitation and underground storage facilities operation, upgrade of existing facilities and equipment, environmental improvement and protection, as well as investments in the new Iernut power plant. The 2022 amount of RON 5,632.5 million includes the acquisition of ExxonMobil Exploration and Production Romania Limited.

Capital expenditure primarily to develop the Neptun Deep block, to support the onshore gas production, underground gas storage and electricity activities is expected to increase from RON 1,258.7 million in 2023 to RON 4,275.2 million in 2024 and RON 4,951.8 million in 2025.

Capital expenditure to develop Neptun Deep block is estimated to approximately EUR 4 billion, of which the Romgaz Group has to secure its share of 50%. Capital expenditure for this project is estimated to RON 2,981.4 million in 2024, RON 3,208.3 million in 2025 and RON 3,069.8 million in 2026.

The storage segment budgeted RON 584.4 million in the period 2024-2025 and includes investments in the development of Bilciurești storage facility. In 2023 Depogaz signed a financing agreement with the European Climate, Infrastructure and Environment Executive Agency (“CINEA”) to increase the daily withdrawal capacity of the Bilciurești storage facility. The financing agreement is for EUR 38.0 million, of which Depogaz already received the amount of RON 94.2 million as an advance.

Note: information presented in this section are not IFRS based.

Contractual obligations and contingent liabilities

The following table sets forth the amount of the Romgaz Group’s contractual obligations and commitments on capital expenditure as of 30 June 2024 and 31 December 2023 (RON million).

<u>31 December 2023</u>	<u>30 June 2024</u>
3,779.4	2,865.1

Romgaz does not have any off-balance sheet liabilities or other arrangements.

Working capital

Considering the size of its investment plans and the need to secure the funds for the development of the Neptun Deep Block, Romgaz needs to obtain external finance to fund its operations. Romgaz plans to use the proceeds it generates from its current activity to fund the development of the Neptun Deep block. As such, in order to finance its own operations and development plans, Romgaz has to obtain external finance from banks and from proceeds based on this EMTN programme and bonds issued under the programme. Some of the proceeds obtained from the bond issues may be used to finance the Neptun Deep project.

Qualitative and quantitative disclosures about market risk

The members of the Board of Directors seek to monitor and manage the market risks and credit risk relating to Romgaz’s operations, which include commodity price, foreign currency exchange rate, credit, liquidity and interest rate risks.

Foreign currency risk

The Romanian foreign exchange regime is regulated by the National Bank of Romania Regulation No. 4/2005, as republished, which established the full liberalisation of foreign exchange operations from 11 April 2005. However, if significant short term currency inflows were to put significant pressure on the foreign exchange market and seriously affect the National Bank of Romania’s monetary and foreign exchange policies with a significant effect on internal liquidity, the National Bank of Romania may enforce certain safeguard measures on capital movements, for a period not exceeding six, as a rule, months, including: (i) temporary withholding of incoming and/or outgoing foreign currency amounts; (ii) maturity restrictions; (iii) minimum reserve increases; and (iv) trading fees.

The Romgaz Group has exposure to currency risk on payables in currencies other than the Romanian Leu (mainly loans taken). The currency giving rise to this is principally the euro.

The carrying amounts of the Romgaz Group’s euro denominated assets and payables at 30 June 2024 are as follows:

- assets: EUR 23,593.3 million;
- payables: EUR 197,405.3 million.

A 5% increase in the euro against the leu would result in an increase in the Romgaz Group’s net liabilities balance as at 30 June 2024 of RON 43.3 million. A 5% increase in the euro against the leu would have resulted in an increase in the Romgaz Group’s net liabilities balance as at 31 December 2023 of RON 51.9 million.

Credit risk

Financial assets, which potentially subject the Romgaz Group to credit risk, consist principally of cash and cash equivalents, deposits with banks and trade receivables. The Romgaz Group has policies in place to ensure that sales of services are made to customers with an appropriate financial capabilities to secure payments of deliveries. The carrying amount of accounts receivable, net of allowances for expected credit losses, and cash and cash equivalents, represent the maximum amount exposed to credit risk. Romgaz Group has a concentration of credit risk in respect of its top three clients, which together accounted for 47.99% of its net trade receivables balance at 31 December 2023. Although collection of receivables could be influenced by economic factors, management believes that there is no significant risk of loss to the Romgaz Group beyond the allowance already recorded.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of Romgaz's short, medium and long-term funding and liquidity management requirements. Romgaz maintains adequate liquid reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Romgaz closely monitors and manages its liquidity risk. Cash forecasts are regularly produced and sensitivities run for different scenarios including, but not limited to, changes in commodity prices and development costs, different production rates from Romgaz's portfolio of producing fields and delays in development projects.

All of Romgaz's cash and cash equivalents are currently held with reputable and well-known commercial institutions.

Romgaz's remaining contractual maturity for its non-derivative financial liabilities (excluding borrowings) is less than one year.

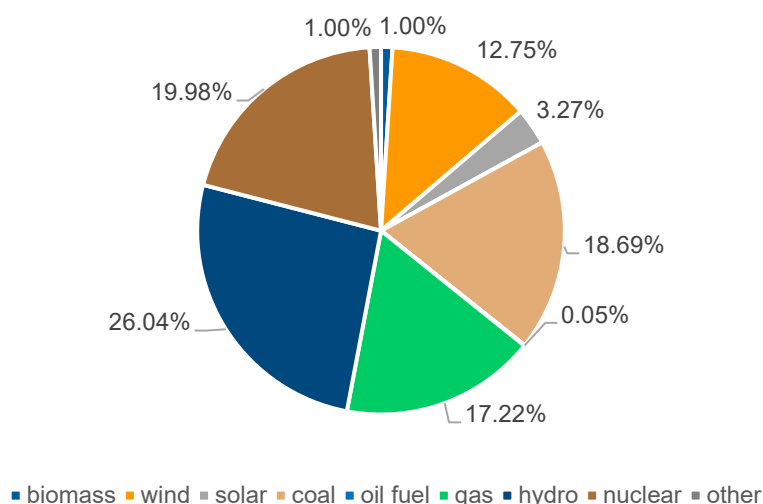
INDUSTRY

In 2023, Romania's GDP per capita, USD 18,175 thousand, was tenth among Central Eastern European countries. (source: IMF World Economic Outlook). Among these countries, Romania's unemployment was sixth and remained flat over 2023 and 2024. During the same period, from 2023 to 2024 Romania's inflation, calculated as annual percentages of average customer prices, is expected to have decreased by 435bps, to around 6%.

In Romania, data regarding the country's mineral reserves is classified information. While there are various independent sources which estimate the level of the Romanian natural gas reserves, such estimates regarding Romanian natural gas reserves vary depending on the quoted source. For example, according to the Energy Institute's study from 2023, Romanian natural gas reserves stood at 78.8 billion m³.

Natural gas consumption accounts for slightly above a third of the energy sources in Romania (2022: 33.8% and 2023: 34.6%) according to the National Prognosis Commission. Among Central Eastern European countries, Romania ranks second in terms of natural gas consumption in 2022. Natural gas consumption in Romania in 2022 stood at 109.6 TWh which was a 15.7% decrease compared to 2021 when consumption was 130.1 TWh, up 2.3% against national consumption in 2020, when it reached 127.1 TWh according to ANRE.

The structure of primary energy production depending on the resource used is illustrated in the chart below:



As can be seen from the graph above, natural gas contributed 17.2%, in 2022, to Romania's total electrical energy production.

Macroeconomic considerations and forecasts on the energy balance are presented based on the National Prognosis Commission report prepared in April 2024 (Medium-Term Forecast for 2024-2027, the spring version).

In 2024, the National Prognosis Commission developed an Energy Balance Forecast for the period 2024-2027. In the table below, the Energy Balance Forecast and the Evolution of Resources and Energy Consumption projected an upward trend for national natural gas consumption and decreasing gas imports, as new gas production capacities will come online.

Evolution of resources, gas

	2019	2020	2021	2022	2023	2024	2025	2026	2027
Domestic	-3.4%	-10.7%	0.5%	1.3%	1.4%	0.6%	1.5%	1.5%	3.4%
Import	76.9%	-20.0%	66.2%	-20.0%	-6.2%	11.1%	-7.6%	-2.7%	-6.0%

Source: National Prognosis Commission

In the first four months of the year 2024 the natural gas consumption has stayed flat year on year. (Source: ANRE.)

Energy price changes from 2022 to present day were driven by geopolitical conflicts (particularly the war in Ukraine) and global supply chain disruptions. These factors, coupled with high inflation levels resulting from low pandemic-era interest rates, prompted the government to implement price caps and subsidies.

Until the end of 2024 the Company estimates 56.3% of its gas sales to be at the regulated price (*i.e.*, regulated gas sales prices of RON 150 /MWh for the gas sold to households and suppliers of households, and to heat producers and their suppliers - for the production of thermal energy for households until end of March 2024; starting from 1 April 2024 and until the end of 2024, the new regulated price is RON 120/MWh).

Market Analysis

The natural gas market

Romania has the largest natural gas market in Central and Eastern Europe and it was the first country to use natural gas for industrial purposes. The natural gas market has reached record size in the early 1980s, as a result of the application of government policies geared towards the elimination of country's dependence on imports.

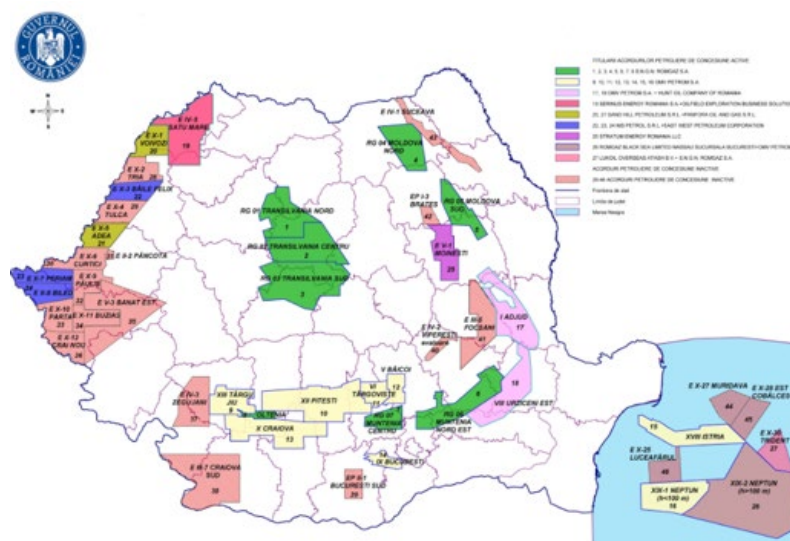
Competition

The natural gas business is highly competitive with respect to the search for and acquisition of reserves, the procurement of production equipment, the production and marketing of gas and the recruitment and employment of qualified personnel. The primary areas in which Romgaz encounters substantial competition are in locating and acquiring desirable acreage for its drilling and development operations, locating and acquiring attractive natural gas producing properties, and obtaining equipment for drilling operations. In addition, Romgaz competes with oil and gas companies in the bidding for exploration and production licences that are made available by the Government or by governmental bodies in other jurisdictions. Competition for such assets in Romania is likely to come from companies already present in Romania in which the exploration and production licenses are located as well as new entrants. Romgaz's primary competitor is OMV Petrom, which in 2023 had a 35.66% market share in production of natural gas in Romania. Other natural gas companies with which it competes within Romania are Black Sea Oil & Gas (8.17% share in 2023 domestic gas production), Petro Venture Resources (2.34%), Gas Plus Dacia (1.17%) and other producers each with a share of less than 1% of domestic gas production. There is also competition between producers of natural gas and other industries producing alternative energy and fuel. In addition, Romgaz faces competition from other electricity producers which can produce electricity at lower costs, such as Hidroelectrica, Nuclearelectrica and producers of electricity from renewable sources.

Natural gas

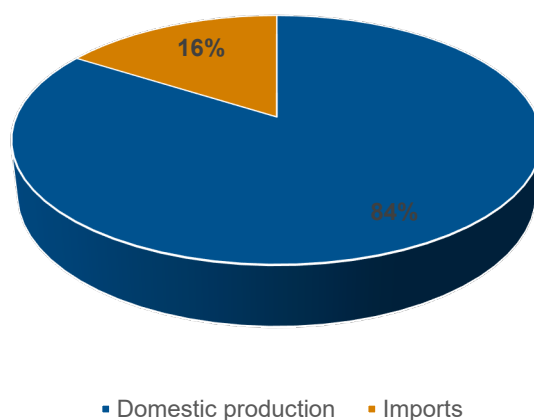
Within the Romanian natural gas production and supply market, Romgaz competes primarily with OMV Petrom. Other smaller producers in Romania also compete. In addition, with respect to the supply of natural gas underground storage services, Romgaz owns the vast majority of storage facilities (approximately 90.54%) in Romania through the operation of five deposits: Urziceni, Bălăceanca, Bilciuresti, Ghercesti and Sărmăşel.

The following graph illustrates the concessions for the exploration, development and production of oil and natural gas held in Romania by various companies:



Source: https://www.namr.ro/wp-content/uploads/2023/07/HartaEDE_iulie2023.pdf

The structure of the natural gas market continued to be influenced by the volume of imported gas in 2023. The graphic below illustrates the respective proportions of domestic and imported natural gas sold in Romania in 2023:



Source: Romgaz, based on information from <https://anre.ro/despre/rapoarte/>

The table below shows the structure of natural gas production in 2023:

Producer	Weight in domestic production
Romgaz	50.72%
OMV Petrom	35.66%
Black Sea Oil & Gas	8.17%
Others	5.45%

Source: <https://anre.ro/wp-content/uploads/2024/06/Raport-monitorizare-piata-gaze-naturale-luna-decembrie-2023.pdf>

Romgaz was the leading producer and supplier of natural gas in Romania in 2023, with a share on the domestic gas market of approximately 50%, the remainder being provided by OMV Petrom, Black Sea Oil & Gas and other producers and importers.

Electricity

The transition period between the old and new power plant implies technical constraints on meeting long-term commitments to deliver electricity from own production, due to:

- operation of a single power unit (unit 5), without reserve, there is anytime the possibility of a failure that may lead to tripping the unit and its unavailability for long or short periods, following an accidental damage; and
- the requirement to decommission power unit 5 at the contractor's request in order to create the conditions for completion of the investment works and commissioning of the new plant.

In these conditions, compliance with changes in legal provisions was a real challenge (trading at least 40% of annual electricity production through bilateral contracts on other markets than the Day-Ahead Market, Intra-Day Market, Balancing Market; trading production at a required price, through MACEE, starting from January 2023).

In 2022, the sale of electricity was done both through participation in tenders on markets organised by OPCOM and through directly negotiated contracts, with contract terms as close as possible to the delivery month and for month/month base-load delivery, from Monday to Sunday. Prices offered were competitive to cover the cost of electricity production. Once transfer prices were introduced on gas used in power generation, the offers were conditional on covering the production cost generated by the natural gas transfer price to SPEE Iernut.

Starting from January 2023, electricity produced was sold through MACEE, at the price required by regulations, based on allocations reviewed by CNTEE TRANSELECTRICA SA and approved by ANRE.

As of April 2024, the main change in regulations was to remove the obligation of electricity producers to participate on MACEE, making participation voluntary. Electricity quantities with delivery obligation during 2024 were contracted in December 2023.

Another important change was the decrease of the electricity trading price through MACEE that led to a significant decrease of additional monthly quantities offered and allocated through MACEE (for instance, for May 2024, the Company offered additionally 33,232.4 MWh, comparable with the already contracted quantity, however it was allocated only 1.3%, namely 432.9 MWh).

During the entire period reviewed (2022 – today), the available electricity quantity was offered and traded on the Day-Ahead Market, Intra-Day Market and the Balancing Market.

The Company's main competitors on the electricity market are producers that generate electricity at lower prices than CTE Iernut, namely: Hidroelectrica with a market share of approximately 30%, Nuclearelectrica with a market share of approximately 18%, OMV Petrom with a market share of approximately 13%; other electricity producers from renewable sources.

Market leaders in the power generation business maintain their competitiveness by charging lower prices for power generation and providing a large reserve of balancing services. Enforcement of Order 127/2021 on 1 July 2024, setting rules for balancing service suppliers, in the common European context, considering the technical capacities of the classic Iernut power plant, the Company does no longer qualify for supplying balancing services. Once with commissioning and commercial operation of CTE Iernut, the Company shall provide the full range of balancing services, as defined by effective laws.

Taking into account that currently SPEE Iernut does not operate on forward electricity markets, except MACEE, following the imminent decommissioning of the single operational power unit of SPEE Iernut, there is no overview of wholesale prices for SPEE Iernut. Since MACEE was enforced for 2024, electricity transactions on forward markets are not a benchmark for electricity prices. Deregulation of the electricity market, planned for March 2025, has led to a series of electricity transactions on forward markets, especially on the Centralised Market for Electricity Bilateral Contracts-EA (CMBC-EA) with delivery in 2025, as follows: Hidroelectrica performed several transactions with prices between 485 ÷ 525 RON/MWh, Nuclearelectrica performed several transactions with prices between 475 ÷ 520 RON/MWh, transactions that set a benchmark price on the electricity market.

TAXATION

The following summaries do not purport to be a comprehensive description of all tax considerations that could be relevant for Holders. These summaries are intended as general information only and each prospective Holder should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes. These summaries are based on tax legislation and published case law in force as at the date of this Base Prospectus. They do not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect.

Romania

Romanian Taxation

Definition of terms used

In accordance with the provisions of Law No. 227/2015 regarding the Fiscal Code as subsequently amended and supplemented (the “**Fiscal Code**”) and the related methodological norms approved by Government Decision No. 1/2016 for the approval of the Methodological Norms for the application of the Fiscal Code as subsequently amended and supplemented (the “**Methodological Norms**”), the income generated from holding and trading corporate bonds is taxable in Romania under certain conditions, as per the below.

According to the provisions of the Fiscal Code, there are certain conditions that must be met in order for an entity to be subject to taxation of income or profit obtained in Romania. When determining the tax consequences in Romania, the following definitions will be applied:

- a “Romanian legal entity” means any legal entity established and operating in accordance with the Romanian legislation.
- a “legal entity established under European law” means any legal entity established under the conditions and mechanisms provided by European regulations.
- a “foreign legal entity” means any legal entity that is not a Romanian legal entity and any legal entity established according to the European legislation that does not have its registered office in Romania.
- a “resident” in Romania means any Romanian legal entity, any foreign legal entity having the place of effective management in Romania, any legal entity with its registered office in Romania, established according to the European legislation.
- a “non-resident” means any foreign legal entity, any other foreign entities, including undertakings for collective investment in transferable securities without legal personality, which are not registered in Romania, as per the applicable law.
- “interest” is defined as any amount to be paid or received for the use of money, whether it is to be paid or received as part of a debt, in connection with a deposit or under a financial leasing, sale with payment of the price in instalments or deferred.
- “affiliated entities” – an entity is affiliated with another entity if their relation is defined by at least one of the following cases:
 - a) a legal entity is affiliated with another legal entity if at least it holds, directly or indirectly, including the holdings of affiliated persons, at least 25% of the value / number of participation titles or voting rights in the other legal entity or if it effectively controls that legal entity;
 - b) a legal entity is affiliated with another legal entity if a person holds, directly or indirectly, including the holdings of affiliated persons, at least 25% of the value / number of participation titles or voting rights both in the first legal person and in the second if it actually controls them.

Taxation of Romanian tax resident holders of Notes

Taxation of interest

Romanian tax resident legal entities

The interest obtained from holding of Notes by legal entities which are tax residents in Romania represents taxable income when calculating the tax results that are subject to corporate income tax. The corporate income tax rate is 16% and it applies to the interest obtained by the respective legal entity tax resident in Romania.

If the resident entity applies the microenterprise income taxpayer regime, then the interest income will be included in the taxable base (representing the gross income), to which a rate of 1% or 3% is applied (subject to certain conditions).

Holders which are Romanian tax residents legal entities will receive the gross amount of interest on the Notes held.

Tax compliance obligations in regard to the above are applicable at the level of the holders of Notes.

Undertakings for collective investment in transferable securities without legal personality established in Romania and of pension funds without legal personality, privately managed and established in Romania by civil society contract

Tax compliance obligations will not apply to the interest obtained from holding of Notes in case of undertakings for collective investment in transferable securities without legal personality established in Romania and of pension funds without legal personality, privately managed and established in Romania by civil society contract. Each associate / participant in these undertakings / funds is subject to taxation within the meaning of corporate income tax/microenterprise income tax or personal income tax, depending on the income obtained.

Romanian tax resident natural persons

The interest obtained from holding of Notes by tax resident natural persons in Romania is subject to the 10% flat tax rate, withheld by the payer of the income, the tax being final. Holders which are Romanian tax resident natural persons will receive the net amount of interest on the Notes held.

Taxation of capital gains

In general, the taxable gain or loss from the transfer of Notes is calculated as the difference between the sale price and the tax value (acquisition/subscription cost), which includes transaction-related costs and costs related to the transfer of ownership, supported by relevant justifying documents.

Romanian tax resident legal entities

Capital gains obtained by legal entities residents in Romania from the transfer of Notes will be considered taxable when calculating the tax result for corporate income tax purposes at a 16% rate, at the level of the above-mentioned entity. Starting in 2024, tax losses can be recovered from the taxable profits obtained in the next five (5) consecutive years, within 70% of the taxable profits threshold, based on the FIFO method.

If the resident entity applies the microenterprise income tax regime, then only the income from the sale of the Notes will be included in the taxable base (representing the gross income, without deducting the acquisition, transaction, transfer, other costs), to which a rate of 1% or 3% is applied (subject to certain conditions).

Taxes related to capital gains obtained by Romanian tax resident legal entities shall not be withheld at source, but rather the tax compliance obligations rely at the level of said legal entity.

Undertakings for collective investment in transferable securities without legal personality established in Romania and of pension funds without legal personality, privately managed and established in Romania by civil society contract

Tax compliance obligations will not arise regarding the capital gains obtained from the transfer of Notes at the level of the undertakings for collective investment in transferable securities without legal personality established in Romania and of pension funds without legal personality, privately managed and established in Romania by civil society contract. Each associate / participant in these undertakings / funds is subject to taxation within the meaning of corporate income tax/microenterprise income tax or personal income tax, depending on the income obtained.

Romanian tax residents

Capital gain is subject to income tax at the flat rate of 10%. Capital gains obtained by the natural person tax resident in Romania from the transfer of Notes should be reported by the natural person through the annual return and the related taxes should be paid based on a self-assessment made considering the information reflected in the annual return.

By way of exception, income obtained from the transfer securities may be subject to income tax withholding as per the below if the transfer is made by intermediaries defined according to the relevant legislation.

The income tax to be withheld is determined by the intermediary entities at each transfer by applying an income tax rate of:

- 1% on each gain from the transfer of securities that were acquired and disposed of in a period longer than 365 days, inclusive, from the date of acquisition;
- 3% on each gain from the transfer of securities that were acquired and disposed of in a period less than 365 days from the date of acquisition.

Taxation of tax non-resident holders of Notes

Taxation of interest

In general, interest income obtained by tax non-residents is subject to 16% withholding tax, if the interest payer is a Romanian tax resident. The income payer has the obligation to withhold the tax at source, as well as declare and pay it to the Romanian tax authorities.

However, as per Article 229(1)(b) of the Fiscal Code, interest on debt instruments issued by residents legal entities, established according to the Companies Law, obtained from Romania by non-residents, is exempt from withholding tax, if:

- debt instruments are issued based on a prospectus approved by the competent regulatory authority, and
- the interest is paid to a non-resident which is not affiliated with the Issuer of the respective debt instruments.

Tax non-resident legal entities

As mentioned above, the interest on Notes paid to tax non-resident legal entities is exempt from taxation in Romania, and therefore will not be withheld at source, if the Notes are issued based on a prospectus approved by the competent regulatory authority and the non-resident legal entity is not affiliated with the Issuer.

In case one of the above two conditions is not met, such interest is subject to 16% withholding tax in Romania. The rate can be reduced or eliminated based on the provisions of the treaty for the avoidance of double taxation concluded between Romania and the country of tax residency of the non-resident legal entity that obtains the income. In order to benefit from the more favourable provisions of a treaty for the avoidance of double taxation, the non-resident affiliated entity must obtain and provide the tax resident income payer with a tax residency certificate (valid for the respective fiscal year) issued by the tax authorities of the country of tax residency.

Under certain conditions, the exemption provided for interest payments under the EU Interest and Royalties Directive (Directive 2003/49/EC) may apply to payments between affiliated entities, in accordance with the provisions of the Fiscal Code transposing the Directive 2003/49/EC. As mentioned above, the income payer has the obligation to request the necessary documents/information for the application of more favourable provisions. If the conditions of the Directive 2003/49/EC are fulfilled at a time after the withholding tax at source, the tax non-resident legal entity may request from the tax authorities in Romania, through the income payer, the withheld tax.

Tax compliance obligations are applicable at the level of the Romanian tax resident income payer. The tax non-resident entity has the obligation to obtain a Romanian tax identification code if they do not already hold such a code in Romania. This can also be performed by the Romanian tax resident income payer on their behalf.

Non-resident undertakings for collective investment in transferable securities without legal personality and pension funds without legal personality established outside Romania

The interest on Notes paid to non-resident undertakings for collective investment in transferable securities without legal personality or pension funds without legal personality established outside Romania is exempt from taxation in Romania based on Article 229(1) let. b) of the Fiscal Code, if the Notes are issued on the basis of a prospectus approved by the competent regulatory authority and the beneficiary is not affiliated with the Issuer.

Additionally, as per Article 229(1) let. h) of the Fiscal Code, interest paid to pension funds, as defined in the legislation of the Member State of the EU or in one of the states of the European Economic Area, is exempt from withholding tax in Romania, provided that there is a legal instrument for the exchange of information concluded between Romania and the beneficiary's country of residence.

If the above conditions are not met, the tax treatment depending on the legal form/tax residency of each associate / participant in these undertakings / funds is applicable.

The non-resident undertaking or pension fund has the obligation to obtain a Romanian tax identification code if they do not already hold such a code in Romania. This can also be performed by the Romanian tax resident income payer on their behalf.

Tax non-resident natural persons

As mentioned above, the interest on Notes paid to tax non-resident natural persons is exempt from taxation in Romania, and therefore will not be withheld at source, if the Notes are issued based on a prospectus approved by the competent regulatory authority and the non-resident natural person is not affiliated with the Issuer.

In case one of the above two conditions is not met, such interest is subject to:

- 10% for natural persons not tax residents in Romania, who are residents in the EU or a jurisdiction with which Romania has concluded a treaty for the avoidance of double taxation;
- 16% in all other cases.

The rate can be reduced or eliminated based on the provisions of the treaty for the avoidance of double taxation concluded between Romania and the country of tax residency of the non-resident natural person that obtains the income. In order to benefit from the more favourable provisions of a treaty for the avoidance of double taxation, the non-resident natural person must obtain and provide the tax resident income payer with a tax residency certificate (valid for the respective fiscal year) issued by the tax authorities of the country of tax residency.

Tax compliance obligations are applicable at the level of the Romanian tax resident income payer. The tax non-resident natural persons have the obligation to obtain a Romanian tax identification code if they do not already hold such a code in Romania. This can also be performed by the Romanian tax resident income payer on their behalf.

Taxation of capital gains

Tax non-resident legal entities

The Fiscal Code provides as non-taxable capital gains obtained by non-resident entities from the trading of Notes on capital markets outside Romania.

The tax non-resident legal entity does not have the obligation to obtain a Romanian tax identification code.

Non-resident undertakings for collective investment in transferable securities without legal personality and pension funds without legal personality established outside Romania

Art 228 let. b) of the Fiscal Code provides as non-taxable capital gains obtained by non-resident entities from the trading of Notes on capital markets outside Romania. Moreover, Article 228 let. a) of the Fiscal Code also provides as non-taxable capital gains obtained by non-resident undertakings for collective investment in transferable securities without legal personality, as long as said undertakings are recognised by the competent regulatory authority that activates on that market.

The non-resident undertakings or foreign pension funds are not required to obtain a tax identification code in Romania.

Tax non-resident natural persons

The Fiscal Code provides as non-taxable capital gains obtained by non-resident natural persons from the trading of Notes on capital markets outside Romania.

The tax non-resident natural person does not have the obligation to obtain a Romanian tax identification code.

Considerations relating to value added tax

Investment transactions (purchase - sale) with financial instruments such as Notes, including intermediation but excluding their administration or safekeeping, are exempt from VAT according to Article 292(2) point 5 of the Fiscal Code.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “**foreign financial institution**” (as defined by FATCA) may be required to withhold certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Hungary) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application

of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Notes (as described under “*Terms and Conditions of the Notes - Further Issues*”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or which may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to BT Capital Partners S.A., Citigroup Global Markets Europe AG, Erste Group Bank AG, J.P. Morgan SE, Raiffeisen Bank International AG, UniCredit Bank GmbH or such other dealers as may be appointed either generally in respect of the Programme or in relation to a particular Tranche of Notes (together, the “**Dealers**”). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, the Dealers are set out in a programme agreement dated 20 September 2024 (as amended or restated from time to time, the “**Programme Agreement**”) and made between the Issuer, the Arrangers and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Programme Agreement makes provision for the resignation or termination of appointment of existing Dealer(s) and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. The Notes may also be issued by the Issuer through all or any of the Dealers acting as agents.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement may be terminated in relation to all or any of the Dealers by the Issuer or, in relation to itself and the Issuer by any Dealer, at any time on giving not less than 30 days’ written notice.

The Dealers are entitled in certain circumstances to be released and discharged from their obligations under any agreement they make to subscribe Notes prior to the closing of the issue of the Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction on the Issue Date. In this situation, the issuance of the Notes may not be completed. Investors will have no rights against the Issuer or Dealers in respect of any expense incurred or loss suffered in these circumstances.

United States of America

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes may not be offered or sold within the United States, except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Until 40 days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Tranche of Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations promulgated thereunder.

TEFRA D or TEFRA C apply if specified in the relevant Final Terms.

Each Dealer has represented and agreed (and each additional Dealer named in the Final Terms will be required to represent and agree) that in addition to the relevant U.S. Selling Restrictions set forth below:

- (a) except to the extent permitted under the TEFRA D Rules, it has not offered or sold, and during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a U.S. person;
- (b) it has and throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a U.S. person (except to the extent permitted under the TEFRA D Rules);
- (c) if it is a U.S. person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance, and if it retains Notes in bearer form for its own account, it will do so in accordance with the requirements of the TEFRA D Rules;

- (d) with respect to each affiliate or distributor that acquires Notes in bearer form from the Dealer for the purpose of offering or selling such Notes during the restricted period, the Dealer either repeats and confirms the representations and agreements contained in paragraphs (a), (b) and (c) above on such affiliate's or distributor's behalf or agrees that it will obtain from such distributor for the benefit of the Issuer the representations and agreements contained in such paragraphs; and
- (e) it shall obtain for the benefit of the Issuer the representations, undertakings and agreements contained in paragraphs (a), (b), (c) and (d) above from any person other than its affiliate with whom it enters into a written contract, (a "**distributor**" as defined in U.S. Treasury Regulation section 1.163-5(c)(2)(i)(D)(4) (or a successor provision)), for the offer or sale during the restricted period of the Notes.

Terms used in this section shall have the meanings given to them by the Internal Revenue Code of 1986 and the regulations promulgated thereunder, including the TEFRA D Rules.

Where the rules under the TEFRA C Rules are specified in the relevant Final Terms as being applicable in relation to any Notes, the Notes must, in accordance with their original issuance, be issued and delivered outside the United States and its possessions and, accordingly, each Dealer has represented and agreed (and each additional Dealer named in the Final Terms will be required to represent and agree) that, in connection with the original issuance of the Notes:

- (a) it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any Notes within the United States or its possessions; and
- (b) it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such Dealer or such prospective purchaser is within the United States or its possessions and will not otherwise involve the United States office of such Dealer in the offer and sale of Notes.

In addition, until 40 days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Tranche of Notes) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States (as defined in Regulation S).

In addition to the foregoing, if Category 2 is specified as applicable in the relevant Final Terms:

- (a) the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act; and
- (b) each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies the "*Prohibition of Sales to EEA Retail Investors*" as "*Not Applicable*", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of Sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specifies the “*Prohibition of Sales to UK Retail Investors*” as “*Not Applicable*”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of:

- (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or
- (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR.

Prohibition of Sales to natural persons who are Romanian tax residents

Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to natural persons who are Romanian tax residents.

Romania

Each Dealer has represented and agreed that it complies and will comply with the provisions of Law No. 24/2017 on issuers of financial instruments and market operations, as amended (“**Law No. 24/2017**”), the Romanian Financial Supervisory Authority Regulation No. 5/2018 on issuers and operations with securities, as subsequently amended and supplemented (the “**Regulation No. 5/2018**”) and the Prospectus Regulation in connection with the offering of the Notes in Romania and that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus or the Final Terms except that it may, make an offer of such Notes to the public in Romania:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made pursuant to an exemption from the obligation to publish a prospectus as set out under Article 1(4) of the Prospectus Regulation including:
 - (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
 - (ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer, as the case may be; or
 - (iii) at any time on the basis of any other exemptions from the obligation to prepare and publish a prospectus provided by Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (i) to (iii) above shall require the Issuer or any Dealer to publish a prospectus pursuant to the Prospectus Regulation or Article 6 of Regulation No. 5/2018 or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation or

- (b) following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in Romania or, where appropriate, approved in another Member State and notified to the Romanian Financial Supervisory Authority, provided that any such prospectus has subsequently been completed by the final terms contemplating such offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that offer.

Any subsequent sale of the Notes in Romania, which were previously offered in the cases referred to in (a) to (b) above must be made in compliance with the public offer and the prospectus requirement rules and a new

assessment of the application of any exemption from the requirement to prepare and publish a prospectus must be made.

For the purpose of this provision, the expression “offer of securities to the public” in relation to any of the Notes means a communication in any form and by any means, presenting sufficient information on the terms of the offer and the Notes to be offered, so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not apply to the Issuer; and
- (b) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Republic of Italy

Each Dealer acknowledges that the offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed that, save as set out below, it has not offered, sold or distributed, and will not offer, sell or distribute any Notes or any copy of this Base Prospectus or any other offer document in the Republic of Italy (“**Italy**”) in an offer to the public and that sales of any Notes in Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Accordingly, each Dealer has represented and agreed that it will not offer, sell or distribute any Notes or distribute any copy of this Base Prospectus or any other offer document in Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation; or
- (b) in any other circumstances which are exempted from the rules on offers to the public pursuant to Article 1 of the Prospectus Regulation and/or, to the extent applicable, Article 100 of Legislative Decree No. 58 of 24 February 1998 (the “**Consolidated Financial Services Act**”), Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“**CONSOB Regulation No. 11971**”) and the Italian laws.

Any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus, any Final Terms or any other document relating to the Notes in the Republic of Italy under paragraph (a) or (b) above must be made:

- (i) by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of 1 September 1993, as amended (the “**Italian Banking Act**”) and CONSOB Regulation No. 20307 of 15 February 2018, as amended and any other applicable laws and regulations;
- (ii) in compliance with Article 129 of the Italian Banking Act, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016 and 2 November 2020); and
- (iii) in compliance with any other applicable laws and regulations, as well as with any regulations or requirements imposed by CONSOB, the Bank of Italy or other Italian authority.

Belgium

Other than in respect of Notes for which “*Prohibition of Sales to Belgian Consumers*” is specified as “Not Applicable” in the relevant Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any natural person in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a “**Belgian Consumer**”) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has

not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Singapore

Unless the Final Terms in respect of any Notes specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

If the Final Terms in respect of any Notes specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Switzerland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the offering of the Notes in Switzerland is exempt from the requirement to prepare and publish a prospectus under the FinSA as long as such offering is made to professional clients within the meaning of the FinSA only or as long as the Notes have a minimum denomination of CHF 100,000 (or equivalent in another currency) or more and the Notes will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This Base Prospectus does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the offering of the Notes.

PRC

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no invitation will be made directly or indirectly in the People’s Republic of China (“PRC”) or to any person resident in the PRC to subscribe for any Notes to be issued under the Programme.

Hong Kong

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMPO)”) or which do not constitute an offer to the public within the meaning of the C(WUMPO); and

- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other applicable laws, regulations and ministerial guidelines of Japan.

General

No action has been or will be taken in any country or jurisdiction by the Issuer or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession, or distribute such offering material, in all cases at their own expense.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Series of Notes) or (in any other case) in a supplement to this Base Prospectus.

GENERAL INFORMATION

Authorisation

The Programme and the issue of Notes under the Programme was duly authorised by the Issuer's Extraordinary General Meeting of Shareholders passed on 1 July 2024.

Listing and Admission to Trading

In relation to Notes intended to be listed and issued under this Programme, application (i) has been made to the Luxembourg Stock Exchange to list the Programme and such Notes on the Official List of the Luxembourg Stock Exchange and to admit to trading on the Regulated Market of the Luxembourg Stock Exchange and (ii) may also be made to the Bucharest Stock Exchange for such Notes intended to be admitted to trading on the regulated market. Application may be made additionally to any other or further stock exchange to admit such Notes to trading on any other or further regulated market or other market segment of such other or further stock exchange. The trading and settlement of the Notes in Romania will be organised in accordance with the rules and regulations adopted by the Bucharest Stock Exchange and the Romanian central depository, Depozitarul Central SA.

Legal Proceedings

Neither the Issuer nor any other member of the Romgaz Group is, or has been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Base Prospectus which may have or have in such period had a significant effect on the financial position, operations or profitability of the Issuer or the Romgaz Group.

Significant/Material Change

There has been no significant change in the financial performance or position of the Issuer or the Romgaz Group since 30 June 2024 and there has been no material adverse change in the prospects of the Issuer or the Romgaz Group since 31 December 2023 (the date to which the Issuer's last published audited financial information was prepared).

Independent Auditors

The Audited Financial Statements incorporated by reference in this Base Prospectus have been audited by Ernst & Young Assurance Services SRL ("Ernst & Young"), independent auditors, as stated in their reports incorporated by reference herein.

The Unaudited Interim Financial Statements incorporated by reference in this Base Prospectus have been reviewed by PricewaterhouseCoopers Audit S.R.L. ("PwC"), independent auditors, as stated in their review report incorporated by reference herein.

As at the date of this Base Prospectus, the independent auditors of the Issuer are PwC, who were appointed as the statutory auditors on 25 April 2024.

Each of Ernst & Young and PwC have no material interest in the Issuer. Ernst & Young Assurance Services SRL and PricewaterhouseCoopers Audit SRL are members of the Romanian Chamber of Auditors. Each of Ernst & Young and PwC are independent of the Issuer in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) as issued by the International Ethics Standards Board for Accountants together with the ethical requirements that are relevant to the audit of the financial statements in Romania, including Regulation (EU) No. 537/2014 and Law 162/2017.

Documents on Display

Electronic copies of the following documents will be available on the website of the Issuer at <https://www.romgaz.ro> for 12 months from the date of this Base Prospectus:

- (i) the Fiscal Agency Agreement (which contains the forms of Notes in global and definitive form) and the Deed of Covenant; and
- (ii) the Articles of Association of the Issuer.

The following documents will be available, in electronic format, on the Issuer's website at <https://www.romgaz.ro/en/debt-ratings>.

- (i) this Base Prospectus;
- (ii) the Documents Incorporated by Reference;
- (iii) any future offering circular, prospectus, information memorandum, supplement or drawdown prospectus published since the most recent base prospectus was published and any documents incorporated therein by reference; and
- (iv) any Final Terms issued in respect of Notes admitted to listing and/or trading by the listing authority and/or stock exchange since the most recent base prospectus was published.

Language of this Base Prospectus

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Clearing of the Notes

Either the Notes have been accepted for clearance through the Clearstream, Luxembourg and Euroclear systems (which are entities in charge of keeping the records) and / or and/or may be accepted for clearance through the Romanian Central Securities Depository, Depozitarul Central SA if the Notes will be listed on the Regulated Market of the Bucharest Stock Exchange (or their legal successors as the case may be). The common code for each Series of Notes allocated by Clearstream, Luxembourg and Euroclear will be contained in the relevant Final Terms, along with the International Securities Identification Number (ISIN), and, where applicable, the Classification of Financial Instruments (CFI) and the Financial Instrument Short Name (FISN) for that Series. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42, Avenue J.F. Kennedy, L-1855 Luxembourg.

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

The following legend will appear on all Permanent Global Notes with maturities of more than 365 days and on all Definitive Notes, Coupons and Talons: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code".

Issue Price and Yield

Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions. In the case of different Tranches of a Series of Notes, the purchase price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche. An indication of the yield of each Tranche of Fixed Rate Notes will be set out in the relevant Final Terms and will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

Dealers Transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer, other members of the Romgaz Group or their affiliates in the ordinary course of business. They have received, or may in the future receive, customary fees and commissions for these transactions. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and their affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies.

Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

ISSUER

Societatea Națională de Gaze Naturale “Romgaz” SA
Mediaș,
C.I. Motas Square
4, Sibiu County,
Romania

FISCAL AGENT, PAYING AGENT, CALCULATION AGENT AND TRANSFER AGENT

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London EC4V 4LA
United Kingdom

REGISTRAR

The Bank of New York Mellon SA/NV, Dublin Branch

Riverside Two
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland

ARRANGERS AND DEALERS

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Brâncuși Street
Ground Floor
400462, Cluj-Napoca,
Cluj County
Romania

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Germany

Erste Group Bank AG
Am Belvedere 1
1100 Vienna
Austria

J.P. Morgan SE
Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Germany

Raiffeisen Bank International AG
Am Stadtpark 9
1030 Vienna
Austria

Unicredit Bank GmbH
Arabellastraße 12
81925 Munich
Germany

LEGAL ADVISERS

To the Arrangers and Dealers as to English Law

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United Kingdom

To the Issuer as to English Law

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To the Arrangers and Dealers as to Romanian Law

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020334, 2nd District, Bucharest

To the Issuer as to Romanian Law

Mușat & Asociații
43 Aviatorilor Blvd., District 1
011-853, Bucharest, Romania

INDEPENDENT AUDITORS TO THE ISSUER

*As of and for the years ended
31 December 2023 and 31 December 2022*
Ernst & Young Assurance Services S.R.L.
Bucharest Tower Center, 22nd Floor
15-17 Ion Mihalache Blvd., District 1
011-171 Bucharest, Romania

*As of and for the six-month and
three-month periods ended 30 June 2024*
PricewaterhouseCoopers Audit S.R.L.
Ana Tower
1A Poligrafiei Blvd, District 1
013704 Bucharest, Romania

LISTING AGENT

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