

Approved by
Dan Dragoş DRĂGAN,
Chairman of the Board of Directors

To:

THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF S.N.G.N. ROMGAZ S.A.

**REQUEST FOR APPROVAL
OF A CORPORATE NOTE ISSUANCE PROGRAM (EMTN)
AND AN INAUGURAL NOTE ISSUANCE REQUIRED BY S.N.G.N ROMGAZ S.A. FOR THE PURPOSE OF
SUPPORTING THE OPERATIONAL AND INVESTMENT ACTIVITY
(INCLUDING THE DEVELOPMENT OF NEPTUN DEEP PROJECT)**

1. Brief History

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

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

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

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

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

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

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

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

At present, Neptun Deep block is under the commercial reservoir development phase which involves drilling works and building the infrastructure necessary for natural gas production and sale. More than 90% of major execution contracts are concluded, with firm commitments for 2024-2026, to ensure the start of natural gas production at the estimated time, in 2027.

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

2. Overview. The Need for External Financing Sources.

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

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

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

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

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

3. Notes Issuance

For the purpose of accessing financing sources through notes issuance, requests for non-binding proposals were sent to several financial institutions for the selection of bookrunners.

The main minimum financing conditions set out in the request for proposals, based on which financing institutions sent non-binding proposals for the role of bookrunner were as follows:

a) Issuance of Inaugural Notes

Issuer: ROMGAZ
Value: 500 mil. EUR

Secured:	unsecured
Documentation:	MTN Program Possibility
Maturity:	between 5 and 12 years
Scope:	general corporate, including investments for Neptun Deep Project

Analysis of offers related to notes issuance

Following analysis of non-binding offers sent by financial institutions who were asked for indicative offers and based on the assessment of the score according to an assessment matrix, the following institutions were selected as arranger in the underwriting syndicate: BT Capital Partners S.A., Citigroup Global Markets Europe AG, Erste Group Bank AG, J.P. Morgan SE, Raiffeisen Bank International AG and UniCredit Bank GmbH.

In May 2024, the rating agency Fitch Ratings Limited assigned the Company with BBB- credit rating (the same level as Romania's country rating), representing an advantage in accessing this financing source.

Taking into account the level of the EMTN program, Romgaz executive management considers that listing the program and the inaugural issuance should be done mainly on Luxembourg Stock Exchange, to ensure access for the Company to an extended range of investors. Concurrently, the local capital market can support the inaugural notes issuance, local investors have the resources necessary for subscribing the corporate notes issuance.

In line with the provisions of Article 12 of ROMGAZ Articles of Incorporation, paragraph 6 letter l), **the Extraordinary General Meeting of Shareholders** has the competence to approve the corporate notes issuance program and the corporate notes issuance based on the program.

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

Resolution Draft:

Art. 1

Approval of (i) a corporate notes (the "Notes") issuance programme (the "**Programme**") and (ii) one or more issuances and offerings of Notes to be carried out under the Programme (the "**Offerings**"), each an "**Offering**"), with the Programme having the following general characteristics:

- maximum aggregate principal amount of the Notes issued under the Programme: EUR 1,500,000,000 (or equivalent of this amount in any other currency);
- maximum initial maturity of Notes issued under the Programme: 7 years;
- the Notes will be unsecured, non-convertible, governed by any applicable law and may be issued in any form and type;
- currency of the issuance of Notes under the Programme: EUR and/or RON and/or any other currency;
- interest applicable to the Notes issued under the Programme shall be fixed or variable, or any other type of interest, depending on market conditions; Notes can also be issued with or without discount;
- coupon frequency: annual, semi-annual or quarterly or any other frequency,

the Board of Directors having full authority to determine the terms and conditions of the Programme and of any Offering, as set out in item 4 on the EGMS agenda.

Art. 2

Approval of the undertaking by the Company of all necessary, useful and / or appropriate actions and formalities for the admission to trading of the Programme and of the Notes issued under the Programme on the Luxembourg Stock Exchange and/or on the Bucharest Stock Exchange and/or any other regulated market and/or trading venue located in the European Union (the "**Listings**" and each of them the "**Listing**").

Art. 3

Approval of the inaugural issuance and offer of notes under the Programme during 2024 for an amount of up to EUR 500,000,000 (or equivalent in RON or in other currency) ("**Inaugural Offering**") and the authorisation of the Board of Directors to determine the other terms and conditions of the issuance, including its final terms, depending on market conditions and in accordance with item 4 below.

Art. 4

Approval of the authorisation of the Board of Directors of the Company, with the possibility of subdelegation:

- a) To issue any resolution, decision and carry out any necessary, desirable and/or appropriate acts and deeds for implementing the resolutions to be adopted by the Extraordinary General Meeting of Shareholders, including, but not limited to, establishment and approval of the terms and conditions of the Programme, the Notes and form and type thereof, any Offering, as well as any Listing (the Board of Directors shall have full discretion regarding the adoption of any decision on the Programme, the Notes, the Offerings, and the Listings), ensuring drafting, the approval and publication of the base prospectus or any supplement thereto and approving the type of Offering, the issue amount, the issuance price according to market conditions, and any other final terms and conditions of the Inaugural Offering, and any other Offerings under the Programme, the contractual terms, issuance, drawdown, early redemption, interest/coupon, maturity, fees and charges, type of investors to whom any Offering will be addressed, as well as approval of any documents related to the Programme, the Inaugural Offering, the Notes, any other Offering, and any Listing (including the approval of the venue or exchange for a Listing), appointment of any arrangers, dealers, bookrunners, managers and any other intermediaries under the Programme and/or Inaugural Offering or any Offering, and approval of any agreements with such dealers, bookrunners, managers and any other intermediaries, fulfilling any necessary legal acts and deeds, to the extent that they comply with the related resolutions of the Extraordinary General Meeting of Shareholders, as well as carrying out all necessary, desirable and/or appropriate actions and formalities for the purpose of any Listing; and
- b) To approve any agreements and/or arrangements regarding the Programme, the Notes issued under the Programme, the Inaugural Offering and any other Offering and any Listing, or any other arrangements, prospectuses, offering documents, commitments, any agreements for subscription, sale, agency/payment, trust, certificates, affidavits, registers, notices, addenda and any other acts and/or documents necessary, useful and/or appropriate, to fulfil any formalities and to authorize and/or perform any other actions necessary to give full effect to the Programme, the Inaugural Offering, any other Offering, and any Listing, and to further empower and authorise representatives of the Company to sign any such documents, to perform any such formalities and to perform any such actions.

Art. 5

Approval of the authorization of the CEO and CFO, in the name and on behalf of the Company, with full power and authority, to sign any documents, to submit, to request the publication of the resolutions in the Official Gazette of Romania Part IV, to collect any documents, as well as to fulfil any necessary formalities before the Trade Register, as well as before any other authority, public institutions, legal or natural persons, as well as to perform any actions in order to comply with and ensure the opposability of the Extraordinary General Meeting of Shareholders' resolutions.

Chief Executive Officer
Răzvan POPESCU

Chief Financial Officer
Gabriela TRÂNBÎȚAȘ

Finance Director
Ioana ZILAHİ

Head of Treasury
Ildiko DAVID

Head of Controlling
Andrei NOVAC

Endorsed by
Legal Department