

Registration No.:

To the Board of Directors of S.N.G.N. ROMGAZ S.A.

Approved
Chief Executive Officer
Constantin Adrian Volintiru

Endorsed
Deputy Director General
Daniel Corneliu Pena

REPORT

on Public Procurement Contracts for Goods and Works above EUR 500,000/procurement and Public Procurement Contracts for Services above EUR 100,000/procurement concluded during July 1, 2020-September 30, 2020

Brief History

Considering Article 22, item a) of the Board of Directors Resolution No. 22 /October 30, 2014 providing that:

“By considering the decisions of S.N.G.N. ROMGAZ S.A. shareholders established in the General Extraordinary Meeting of Shareholders Resolution No. 8/October 21, 2014, the Board of Directors decided the following: a) Quarterly information reports on procurement of goods and works above EUR 500,000/procurement and procurement of services above EUR 100,000/procurement shall be included in the Quarterly Report on the awarded public procurement contracts, prepared by the Contract Office of the Procurement Department, and after submitting it to the Board of Directors it will be published on the company’s webpage. The report shall include information on the legal basis for conducting the procurement, the procurement procedure, and object of procurement contract, value and duration of such.”

The Procurement Department – The Procurement Reporting and Contract Monitoring Office shall prepare on a quarterly basis and submit to the Board of Directors the requested report.

Current Status

In accordance with the provisions of Article 22, item a) of the Board of Directors Resolution No. 22 /October 30, 2014, we hereby submit the *Report on public procurement contracts for goods and*

works above EUR 500,000/procurement and public procurement contracts for services above EUR 100,000/procurement concluded by SNGN Romgaz SA in Q3 2020.

The sector-specific procurement activity was carried out in accordance with the provisions of Law no. 99/2016 on sector-specific procurement and Government Decision No. 394/2016 on approving the Enforcement Guidelines for awarding sector-specific contracts/framework agreement of Law No. 99/2016, as subsequently amended and supplemented.

Procurements were carried out in compliance with ROMGAZ Annual Program of Sector-Specific Procurements (procurements of goods, works and services), as approved by ROMGAZ Management. Our company finances procurements from own financing sources.

In Q3 2020, S.N.G.N. ROMGAZ S.A. awarded public goods and works contracts above EUR500,000/procurement and public services contracts above EUR 100,000/procurement, as summarized below:

Type of procurement	Number of contracts	Total Value (RON)
Goods	1	13,599,000
Works	2	13,293,038.99
Services	2	40,842,396.67

Below is the detailed situation of public goods and works contracts above EUR 500,000/ procurement and public services contracts above EUR 100,000/ procurement:

a. Public Goods Contracts above 500,000 Euro/Procurement

- Contract no. 28718/September 24, 2020 concluded with încheiat cu S.C. Sutech S.R.L, located Mediaş, Sibiu county, for a *Coiled Tubing Unit 1 1/2 x 3,500 m* in amount of RON 13,599,000 over a period of 12 months. The procurement was carried out under the Open Tender procedure, with an estimated value of RON 13,700,000 sourced from investment funds, Annual Sector-Specific Procurement Plan 2020 –Section Goods – item P 642.3, the award of which was published under CAN 1041812/September 28, 2020. The procurement was carried out by the company’s (headquarters) Procurement (Tender) Office.

b. Public Works Contracts above EUR 500,000/procurement

- Contract no. 28411/August 20, 2020 concluded with S.C Foraj Sonde S.A., city of Craiova, Dolj County, for *Preliminary Preparatory Works, Drilling and Production Tests at 8 Herepea West Exploration Well*, in amount of RON 3,826,206.72. Contract becomes effective on its execution date by both parties and ends on the expiration of the contract security (6 months from the works acceptance protocol). The procurement was made by in-house procurement procedure as it is an exception to Law 99/2016, Article 40. The procurement has an estimated value of RON 5,314,176 sourced from investment funds, Annual Sector-Specific Procurement Plan 2020- Works Section – item L 34.7, for which the Award Notice no. 26558/August 24, 2020 was published. The procurement was carried out by the company’s (headquarters) Procurement (Tender) Office

- Contract no. 28463/August 24, 2020 concluded with S.C Foraj Sonde S.A., Craiova, Dolj County, for *Preliminary Preparatory Works, Drilling and Production Tests at 5 Greci Exploration Well*, amounting to RON 9,466,832.27, for a period of 359 days. The procurement was carried out through an in-house procurement procedure as it is an exception of Law 99/2016, art. 40, with an estimated value of RON 9,986.110, sourced from investment funds, 2019 Sector-Specific Procurement Plan – Section *Works* - item L 30.3, for which the Award Notice no. 26549/August 24, 2020 was published. The procurement was carried out by the company's (headquarters) Procurement (Tender) Office.

c. Public Services Contracts above EUR 100,000/procurement

Contract no. 28471/August 25, 2020 concluded with S.C. Rompetrol Well Services S.A., Ploiești, for *Cementing Services for Natural Gas Wells, Including Supply of Cement Slurry*, amounting to RON 39,996,498.12, for a period of 730 days. The procurement was carried out under the Open Tender procedure, with an estimated value of RON 40,000.000, sourced from investment funds, 2020 Sector-Specific Procurement Plan – Section *Services* - item S 168'.1, for which the Award Notice no. CAN 104036/September 09, 2020 was published. The procurement was carried out by the company's (headquarters) Procurement (Tender) Office.

- Subsequent Contract no. 28585/ September 03, 2020 year II, to the Framework Agreement no, 24149/June 13, 2019 concluded with Anvergo S.R.L., Târgu Mureș, Mureș County, for *Preparation, Usage and Disposal Services for Productive Layer Fluids, Viscous Packs, Surfactant Packs for Chemical Wash, Packer Fluids*, in amount of RON 845,898.55, for a period of 12 months.

Attached to this Report is the *Q3 2020 Statement on Public Supply and Works Contracts above EUR 500,000 and Public Service Contracts above EUR 100,000– Annex 1*, drafted in accordance with Government Decision 583/August 10, 2016 on approving the 2016-2020 National Anticorruption Strategy, performance indicator sets, risks associated with the objectives and measures of the strategy and verification sources, the inventory of institutional transparency and corruption prevention measures, assessment indicators, and publishing standards of public information.

Please be informed that the above statement is published on the company's website on a quarterly basis.

Proposals

Considering:

- The above information on Public Goods and Works Procurement Contracts above EUR 500,000/procurement and Public Services Procurement Contracts above EUR 100,000/procurement concluded during July 1, 2020 and September 30, 2020,

We hereby submit to the Board of Directors the following draft resolution:

- **The Board of Directors takes note of the *Report on Public Procurement Contracts for Goods and Works above EUR 500,000/procurement and Public Procurement Contracts***

for Services above EUR 100,000/procurement concluded during July 1, 2020-September 30, 2020

ENDORSED
DEPUTY DIRECTOR GENERAL
(DEVELOPMENT)
ROBERT CHIRCĂ

ENDORSED
PROCUREMENT DEPARTMENT
MANAGER
LEONARD LUPĂ

VERIFIED
HEAD OF PROCUREMENT
REPORTING AND CONTRACT
MONITORING OFFICE
CRISTINA CHISĂLIȚĂ

DRAFTED BY
DANA SOLOMON

Q3 2020 Statement of Public Goods and Works Contracts above EUR 500,000/procurement and Public Services Contracts above EUR 100,000/procurement

Item	Contractor	Object of contract	Procurement Procedure	Contract No. /Date/ Addendum/ Subsequent Contract	Position in Annual Sector-Specific Procurement Plan	Award Notice No./ Date	Estimated value (RON)	Initial contract value (RON)	Contract value by addenda (if any) (RON)	Contract Effective Date	Initial Term of Contract	Final Term of Contract	Financing source
A. Public Goods Contracts (above EUR 500,000)													
1.	S.C. Sutech S.R.L, Mediaș	Coiled tubing unit 1 1/2 x 3,500 m	Open tender	28718/ September 24, 2020	2020 Sector Procurement Plan Section Goods 642.3	CAN1041812/ September 28, 2020	13,700,000	13,599,000	13,599,000	September 24, 2020	12 months	12 months	Investments
B. Public Works Contracts (above EUR 500,000)													
1	S.C. Foraj Sonde SA loc. Craiova, jud. Dolj	Preliminary preparatory works, drilling and production tests at exploration well 6 Herepea	In-house procedure	28411/ August 20, 2020	2020 Sector Procurement Plan-Section Works, Position 34.7	26558/ August 24, 2020	5,314,176	3,826,206.72	3,826,206.72	August 20, 2020	240 days	240 days	Investments

Item	Contractor	Object of contract	Procurement Procedure	Contract No. /Date/ Addendum/ Subsequent Contract	Position in Annual Sector-Specific Procurement Plan	Award Notice No./ Date	Estimated value (RON)	Initial contract value (RON)	Contract value by addenda (if any) (RON)	Contract Effective Date	Initial Term of Contract	Final Term of Contract	Financing source
2	S.C. Foraj Sonde SA loc. Craiova, jud. Dolj	Preliminary preparatory works, drilling and production tests at exploration well 5 Greci	In-house procedure	28463/ August 24, 2020	2019 Sector Procurement Plan-Section Works Position 30.3	26549/ August 24,2020	9,986,110	9,466,832.27	9,466,832.27	August 24, 2020	359 days	359 days	Investments
C. Public Services Contracts (above EUR 100,000)													
1	S.C. Rompetrol Well Services S.A., Ploiești	Cementing services for gas wells, including supply of cement slurry	Open Tender	28471/ August 25, 2020	2020 Sector Procurement Plan-Section Services, Position 168'.1	CAN104036/ September 9, 2020	40,000,000	39,996,498.12	39,996,498.12	September 8, 2020	730 days	730 days	Investments
2	S.C. Anvergo S.R.L., loc. Târgu Mureș, jud. Mureș	Preparation, Usage and Disposal Services for Productive Layer Fluids, Viscous Packs, Surfactant Packs for Chemical Wash, Packer Fluids - subsequent contract year II to Framework Agreement no. . 24149/June 13, 2019	-	28585/ September 3, 2020	-	-	-	845,898.55	845,898.55	September 3, 2020	365 days	365 days	-

Procurement Department Manager
LEONARD LUPĂ

Head of Procurement Reporting and Contract Monitoring Office
CRISTINA CHISĂLIȚĂ

Drafted by
DANA SOLOMON