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Endorsed

**Chairman of the Board of Directors
Dan Dragos DRAGAN**

To: The Extraordinary General Meeting of Shareholders of S.N.G.N. ROMGAZ S.A.

Report: on the approval of the acquisition of all shares issued by ExxonMobil Exploration and Production Romania Limited ("EMEPRL") which holds 50% of the participating interest in the deep water zone of the offshore XIX Neptun block, Black Sea (hereinafter the "Transaction").

1. EXXONMOBIL EXPLORATION AND PRODUCTION ROMANIA LIMITED (EMEPRL)

PETROLEUM AGREEMENT XIX NEPTUN BLOCK

ExxonMobil Exploration and Production Romania Limited, hereinafter EMEPRL, holds 50% of the acquired rights and obligations under the Petroleum Agreement for the eastern, deep water zone of Neptun block.

Conduct of petroleum operations in XIX Neptun block is governed by the Concession Agreement for petroleum exploration, development and production in XIX Neptun block (the Petroleum Agreement) concluded on September 28, 2000.

EMEPRL operates in Romania through its Bucharest Branch.

The Petroleum Agreement was approved by the Romanian Government, through Government Decision No. 1233/2000, and became effective on the date of its publication in the Official Gazette of Romania namely on December 8, 2000.

XIX Neptun block is divided in two zones:

- Zone A (having specific coordinates): the shallow water zone - the western zone (the Shallow Water Zone)
- Zone B (having specific coordinates): the deep water zone - the eastern zone (the Deep Water Zone/Neptun Deep)

OMV Petrom S.A. and EMEPRL each hold 50% of the acquired rights and obligations under the Petroleum Agreement for the eastern zone (the Deep Water Zone) of Neptun block, while for the western zone, all the acquired rights and obligations are held by OMV Petrom S.A.

The Petroleum Agreement is valid until 2045, with the exploration phase being currently carried out.

EMEPRL is operator of the Deep Water Zone.

OMV Petrom is operator of the Shallow Water Zone.

2. Virtual Data Room (VDR) and Physical Data Room (PDR)

For the provision of data and information necessary to analyze the Transaction, EMEPRL organized a virtual data room (VDR) and a physical data room (PDR).

Moreover, SNGN ROMGAZ SA (ROMGAZ or the Company) also accessed data and information on Neptun Deep project provided by OMV Petrom by means of a virtual data room and a physical data room.

3. Negotiations with ExxonMobil for the acquisition of all shares issued by ExxonMobil Exploration and Production Romania Limited (“EMEPRL”) which holds 50% of the participating interest in the deep water zone of the offshore XIX Neptun block, Black Sea (hereinafter, the “Transaction”).

On June 17, 2021, ROMGAZ and EMEPRL signed an Exclusivity Agreement under which the seller granted ROMGAZ an exclusivity right for a period of 4 months (until October 15, 2021) regarding the negotiations on the acquisition of all shares issued by EMEPRL which holds 50% of the acquired rights and obligations under the Petroleum Agreement.

On October 5, 2021, by mutual agreement of the parties, the Exclusivity Agreement was extended until November 15, 2021.

On October 26, 2021, ROMGAZ and EXXONMOBIL finalized negotiations and reached an agreement with regard to the terms and conditions under which all the shares issued by EMEPRL which holds 50% of the rights and obligations under the Petroleum Agreement are to be acquired by Romgaz as well as to the terms and conditions regarding the transfer of operatorship to OMV Petrom as of the date of completion of the Transaction.

4. The sale-purchase agreement regarding all shares issued by (representing 100% of the share capital of) ExxonMobil Exploration and Production Romania Limited to be concluded 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 (hereinafter the “SPA”)

ROMGAZ and ExxonMobil negotiated the terms and conditions of the SPA.

Below is a brief summary of the SPA:

Sellers

ExxonMobil Exploration and Production Romania (Califar) Limited;
ExxonMobil Exploration and Production Romania (Domino) Limited;
ExxonMobil Exploration and Production Romania (Nard) Limited;
ExxonMobil Exploration and Production Romania (Pelican South) Limited; and
ExxonMobil Exploration and Production Romania Holdings Limited, each of which is organized and existing under the laws of the Commonwealth of the Bahamas

Company/EMEPRL

ExxonMobil Exploration and Production Romania Limited, a company existing under the laws of the Commonwealth of the Bahamas and which operates through its Romanian branch ExxonMobil Exploration and Production Romania Limited Nassau (Bahamas), Bucharest Branch (the "Company"); and

Buyer

S.N.G.N. ROMGAZ S.A. a company organized and existing under the laws of Romania

Shares

Shares means the entire issued share capital of the Company.

SPA Scope

The SPA provides all the terms and conditions agreed by the Sellers and the Buyer regarding the acquisition by ROMGAZ of the Sellers' shares in EMEPRL.

Price

The acquisition price to be paid by ROMGAZ for the equivalent value of all shares is USD 1,060,000,000 (one billion sixty million US dollars), which may be positively adjusted by a maximum value of not more than USD 10,000,000 (ten million US dollars), while the negative adjustment is not limited.

Advance Payment/Deposit

Upon signing the SPA, ROMGAZ has the obligation to pay the Sellers an amount equal to USD 106,000,000 (one hundred and six million US dollars), as advance payment/deposit.

The difference between the acquisition price and the paid advance/deposit will be paid upon completion of the Transaction.

Suspensive conditions (Conditions Precedent)

To complete the Transaction several conditions precedent must be met (as provided in SPA), among which we mention as follows:

- a) Approval or deemed approval of National Supreme Council for Defence ("CSAT") regarding the transactions provided in this Agreement;
- b) Notification on the Transaction sent to the National Agency for Mineral Resources and issuance by the Government of Romania of a decision to approve the change of control of the Company and to maintain the validity of the Petroleum Agreement, thus observing the provisions of the Romanian Petroleum Law.

Transfer of Operatorship to OMV Petrom

SPA contains provisions regarding the transfer of the Operator role and transition of services, etc. from EMEPRL to OMV Petrom as Operator in accordance with the Joint Operating Agreement for Neptun Deep block.

Governing Law

SPA is governed by English Law.

Documents to be signed/received upon execution of SPA

Concurrently with the execution of the SPA, ROMGAZ shall receive a corporate guarantee letter issued by Exxon Equity holding Company in favour of ROMGAZ to guarantee reimbursement of the deposit and payment of the relevant claims under the SPA, which will also be signed by ROMGAZ.

At the same time with the execution of the SPA, ROMGAZ shall sign a Disclosure Letter, updated no later than maximum 5 (five) days before the completion of the Transaction, sent by the Seller to the Buyer (containing certain disclosures against the granted warranties), including, among others, the matters or circumstances disclosed in the Data Room Documents.

The Disclosure Letter to be sent by the Seller (which is not completed at the time of drafting this document) is one of the documents required by the SPA and, without limitation, an example of a document falling within the scope of Article 3 of the Draft Resolution set out under Item 10 of this document.

5. Execution of the SPA

ROMGAZ shall execute this SPA only after:

- Approval of Transaction and SPA by ROMGAZ Extraordinary General Meeting of Shareholders.
- Approval of Transaction and SPA by the competent corporate bodies of the Sellers.

6. Certain risks from ROMGAZ perspective

a) Increase of dividend pay-out ratio

As a company whose majority shares are held by the Romanian State, Romgaz was imposed by the majority shareholder a dividend distribution policy of at least 90% of the net profit in recent years. As a result of pursued investment objectives, the dividend pay-out ratio has recently been reduced to 50%. Any increase of this ratio will affect the available cash flow and implicitly the investment capacity of the Company.

b) Delay/Lack of final investment decision for Neptun Deep Project

The delay in the final investment decision in the case of Neptun Deep Project may delay the investment calendar and, along with this, the moment when Romgaz could benefit from the production of the Neptun Deep Block.

c) Financing risk

In view of the fact that most of ROMGAZ future investments, including the development of Neptun Deep Project, are to be financed from external sources, the Company must be bankable.

An optimal allocation of capital is therefore necessary in order to meet the indicators negotiated with the creditor banks, and it is possible to restrict the Company from investing in projects other than those included in the business plan.

d) Risk of not managing in a disciplined manner the financial resources

A disciplined management of the financial resources from the current activity is required during projects development, especially in the Neptun Deep Project.

e) European Union ("EU") energy policy and European Green Deal ("Green Deal")

The European Commission has adopted a series of proposals meant to adapt EU climate, energy, transport and taxation policies to reduce net greenhouse gas emissions by at least 55% by 2030 as

compared to 1990 levels. The decarbonization of the EU energy system is therefore essential to achieve the 2030 climate targets and to accomplish the Union's long-term strategy towards carbon neutrality by 2050.

In this context, ROMGAZ will have to allocate important funds to meet this goal, which will lead to a competition for financing between different investment projects of the Company.

In order to achieve the objectives provided in the European Green Deal, The Commission has committed to mobilize at least EUR 1,000 billion in the form of sustainable investment over the next decade, the Company qualifying as candidate for accessing part of the funds allocated to Romania. Nevertheless, the consequences of this Green Deal on investment in projects such as Neptun Deep cannot be foreseen, or whether this investment will be considered to be in line with the "green" principles or subject to penalizing charges.

f) Prices of natural gas and electricity

Prices should be at the forecasted level in order to be able to meet the projected cash flows while being competitive, so as to attract buyers and limit potentially cheaper imports.

Partially, any increase in natural gas prices is counterbalanced by the increase in the royalty costs and tax on additional revenue, calculated on the basis of the reference prices and sales prices respectively.

g) Instability of the tax treatment - necessity to stabilize the legislative framework

The natural gas sector, as well as the electricity sector underwent regulatory changes in the last years, therefore it is necessary to have a stable legislative framework in order to increase the level of trust in financial projections. Additionally, an improved offshore law would lead to an increased profitability of the investment in Neptun Deep Project.

If the amendment to the offshore law is behind schedule, there is the risk of delaying the final investment decision and the start of investments for the development of Neptun Deep block and implicitly, reservoir production is delayed, that would ensure investment recovery.

h) Exchange rate and inflation

Additional risk generated by exchange rate variations and the increase of inflation reflected in higher costs and higher interest rates. Given the depreciation of the local currency against EUR or USD in the last year and the lack of a hedging mechanism, future investments as well as foreign currency credits might lead to an additional risk generated by exchange rate variations. Moreover, any inflation increase might lead to increased costs, increased interest rates and even to a decrease of profitability, insofar as increased sales prices do not compensate the increase of costs.

i) Non-collection risk

A large share of Company's sales is to state-owned companies that ensure, among others, the thermal agent necessary for population heating. Whereas, a significant part of the heat price is subsidized by city halls, Company's clients might face difficulties in collecting own receivables, that might generate financial blockages possibly leading to the impossibility to pay all debts to Romgaz.

7. ROMGAZ Board of Directors Endorsement

On November 2, 2021, ROMGAZ Board of Directors endorsed the following:

- a) acquisition by S.N.G.N. Romgaz S.A. of all shares issued by (representing 100% of the share capital of) ExxonMobil Exploration and Production Romania Limited, company that holds 50% of the rights

and obligations under the Concession Agreement for petroleum exploration, development and production in XIX Neptun Deep Block.

- b) Conclusion of the share sale and purchase agreement regarding all shares issued by (representing 100% of the share capital of) ExxonMobil Exploration and Production Romania Limited, agreement to be concluded between S.N.G.N. ROMGAZ S.A., 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.
- c) The agreement mentioned at item b) above shall be concluded by ROMGAZ following the approval of ROMGAZ Extraordinary General Meeting of Shareholders, concurrently with receiving a corporate guarantee letter issued by Exxon Equity Holding Company in favor of ROMGAZ for guaranteeing deposit reimbursement and payment of relevant claims in compliance with the share sale and purchase agreement mentioned at item b).
- d) Mandating SNGN ROMGAZ SA Chief Executive Officer and Chief Financial Officer to approve and to sign the documents provided in the agreement mentioned at item b) above, necessary for finalizing the transaction and for carrying out all formalities necessary and useful for finalizing the transaction.

8. Documents of the Transaction

The documents of the transaction, including the SPA, are available, starting with 30 days prior to the date of SNGN ROMGAZ SA Extraordinary General Meeting of Shareholders, at ROMGAZ headquarters, Constantin I. Motaş Square, no. 4, Medias, Sibiu County, Romania, for consultation purposes by all interested shareholders at this address, conditioned upon signing a confidentiality agreement to be made available by ROMGAZ to the shareholders for this purpose.

9. ROMGAZ Estimation on Making the Final Investment Decision in Neptun Deep Project

Currently, the documentation necessary for development of Neptun Deep Project is not approved by Petroleum Agreement titleholders (the final investment decision has not been made).

In the analysis of Neptun Deep Project, both in the technical as well as in the economic analysis, ROMGAZ estimated that the final investment decision related to Neptun Deep Project shall be made in Q4 2022.

10. Resolution Draft Submitted for the Approval of S.N.G.N. ROMGAZ SA Extraordinary General Meeting of Shareholders

Art. 1.

Approves the transaction for S.N.G.N. ROMGAZ S.A. to acquire all shares issued by (representing 100% of the share capital of) ExxonMobil Exploration and Production Romania Limited, company that holds 50% of the rights and obligations under the Concession Agreement for petroleum exploration, development and production in XIX Neptun Deep Block.

Art. 2.

Approves conclusion of the share sale and purchase agreement regarding all shares issued by (representing 100% of the share capital of) ExxonMobil Exploration and Production Romania Limited, agreement to be concluded between S.N.G.N. ROMGAZ S.A., 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.

The agreement shall be concluded by the Company together with receiving a corporate guarantee letter issued by Exxon Equity Holding Company in favor of ROMGAZ for guaranteeing deposit reimbursement and payment of relevant claims in compliance with above-mentioned share sale and purchase agreement.

Art. 3.

Mandates SNGN ROMGAZ SA Chief Executive Officer and the Chief Financial Officer to approve and to sign the documents provided in the agreement mentioned at art. 2 above, necessary for finalizing the transaction and for carrying out all formalities necessary and useful for finalizing the transaction.

Chief Executive Officer
Aristotel Marius JUDE

Chief Financial Officer
Razvan POPESCU

Legal Director
Endre IOO

Exploration Production Division Director
Argentina TATARU