

To: The General Meeting of Shareholders of S.N.G.N Romgaz S.A.
Ref.: The 2024 Consolidated Income and Expenditure Budget of S.N.G.N. Romgaz S.A.

ENDORSED,
Chairman of the Board of Directors
Dan Dragoş DRĂGAN

**Information note on the CONSOLIDATED Income and Expenditure Budget of
Romgaz Group for 2024**

The 2024 Consolidated Income and Expenditure Budget was prepared for Romgaz Group on the basis of individual budgets of S.N.G.N. Romgaz S.A. Medias (hereinafter referred to as the Company/Parent Company) and of the two subsidiaries: S.N.G.N. Romgaz S.A. - Filiala de Înmagazinare Gaze Naturale Depogaz Ploieşti S.R.L. (hereinafter referred to as - Depogaz/the Subsidiary) and Romgaz Black Sea Limited (hereinafter referred to as - Romgaz Black Sea Limited), adjusted for consolidation.

I. Main Indicators of the Individual Income and Expenditures Budgets (for each entity).

Depogaz, Romgaz Black Sea and the Parent Company prepared their own income and expenditure budget for 2024-2026.

The fixed assets used in the storage activity owned by Romgaz and leased to the Subsidiary, were recorded as current assets as assets held for disposal and as a result, they are not depreciated in the individual budget of the parent company. When the consolidated budget is drawn up, these assets generate depreciation because at Group level these assets are fixed assets.

As of August 1, 2022, Romgaz finances the operation activity and investments of Romgaz Black Sea. In this respect Romgaz grants loans to Romgaz Black Sea and records interest income. The interest rate for the loan contract in force is estimated to be 7.5%/year.

As of July 2024 provision was made to increase the share capital of Romgaz Black Sea by the amount of these loans.

Please find below the indicators representing the income, expenses and profit included in the income and expenditure budget of the three entities:

Table 1

RON thousand

Item no.	SPECIFICATION	Romgaz 2024 proposals	Depogaz 2024 proposals	Romgaz Black Sea 2024 proposals
0	1	2	3	3
1	TOTAL INCOME, out of which:	8,412,497	572,608	49,195
1.1.	Operating income	8,281,973	566,108	49,150
1.2.	Financial income	130,524	6,500	45
2	TOTAL EXPENSES, out of which:	5,376,325	415,738	73,574
2.1.	Operating expenses	5,148,117	414,354	24,156
A	Expenses for goods and services	1,069,446	274,827	10,647
B	Expenses for taxes, duties and similar payments	1,648,747	22,505	47
C	Personnel - related expenses	1,099,331	94,476	12,417
D	Other operating expenses	1,330,593	22,545	1,044
2.2.	Financial expenses	228,208	1,385	49,419
3=1-2	GROSS PROFIT	3,036,172	156,870	-24,380

II Items to be consolidated between the individual budgets to establish the Group's Consolidated Income and Expenditure Budget

Bearing in mind that S.N.G.N. Romgaz S.A. Medias is the sole shareholder of Depogaz and Romgaz Black Sea Limited, and that the securities of the parent company are traded on a regulated market, it is necessary to consolidate the income and expenditure budgets.

Consolidation at Group level has the role to inform about the indicators that do not include transactions (income/expenses) recorded between the parent company and the subsidiaries, such transactions affecting the indicator levels.

The separate budgets are cumulated for consolidation (income and expenses), while the intra-group transactions are excluded, namely the transactions between the parent company and the subsidiaries and the consolidation adjustments are added.

The following table shows the elements (income/expenses) excluded by consolidation from the group's income and expenditure budget:

Table 2

RON thousand

Title	Romgaz Income	Romgaz Expenses	Depogaz and Romgaz Black Sea Limited Income	Depogaz and Romgaz Black Sea Limited Expenses	Total Income	Total Expenses
Natural gas underground storage services	0	34,969	34,969	0	34,969	34,969
Asset lease	84,701	0	0	84,701	84,701	84,701
Natural gas delivered for technological consumption	48,205	0	0	48,205	48,205	48,205
Transport services	3,115	0	0	3,115	3,115	3,115
Other services (water, third-party expenses)	90	0	0	90	90	90
Interest	49,396	0	0	49,396	49,396	49,396
TOTAL	185,507	34,969	34,969	185,507	220,476	220,476

RON thousand	Loans granted by Romgaz	Loans received by Romgaz Black Sea	For operating activity financing	For investments financing
Investments	3,293,274	3,293,274	28,804	3,264,470

The adjustments according to IFRS which are added to the consolidated budget consist in the annulment of dividends received from Depogaz and re-establishment of expenses with depreciation of fixed assets owned by Romgaz leased to Depogaz. In Romgaz accounting, these fixed assets represent current assets in the form of assets held for disposal and which, according to IFRS are not depreciated. From the Group's point of view, these assets represent fixed assets that generate depreciation. We mention that these adjustments affect the gross result of Romgaz Group.

III. Consolidated Income and Expenditure Budget of S.N.G.N. Romgaz S.A. Medias Group

After excluding the transactions between the parent company and the subsidiaries, and adding the other consolidation adjustments, the main indicators in the Group's consolidated income and expenditure budget are shown in the table below:

Table 3

RON thousand

Item no.	SPECIFICATION	Romgaz 2024 proposals	Depogaz 2024 proposals	Romgaz Black Sea 2024 proposals	Consolidations	Adjustments acc. to IFRS	Total 2024 Consolidated income and expenditure budget
0	1	2	3	3	4	5	6=2+3-4+5
1	TOTAL INCOME, out of which:	8,412,497	572,608	49,195	220,476	-66,207	8,747,616
1.1.	Operating income	8,281,973	566,108	49,150	171,081	0	8,726,150
1.2.	Financial income	130,524	6,500	45	49,396	-66,207	21,466
2	TOTAL EXPENSES, out of which:	5,376,325	415,738	73,574	220,476	77,755	5,722,916
2.1.	Operating expenses	5,148,117	414,354	24.,56	171,081	77,755	5,493,301
A	Expenses for goods and services	1,069,446	274,827	10,647	171,081	0	1,183,840
B	Expenses with taxes, duties and similar payments	1,648,747	22,505	47	0	0	1,671,298
C	Personnel-related expenses	1,099,331	94,476	12,417	0	0	1,206,225
D	Other operating expenses	1,330,593	22,545	1,044	0	77,755	1,431,938
2.2.	Financial expenses	228,208	1,385	49,419	49,396	0	229,615
3=1-2	GROSS PROFIT	3,036,172	156,870	-24,380	0	-143,962	3,024,700
4	INVESTMENTS	4,733,015	81,426	3,060,213		-3,293,274	4,581,380

In the parent company's Individual Income and Expenditure Budget, the expenses related to planned investments amount to RON 4,733,015 thousand (including credit reimbursements), financed from own sources (RON 2,217,055 thousand), bonds issue of RON 2,500,000 thousand and the National Investment Plan (RON 15,960 thousand).

Depogaz Income and Expenditure Budget provides for 2024 investments in the amount of RON 81,426 thousand and the financing sources are as follows:

- from depreciation RON 19,000 thousand,
- from current profit RON 53,477 thousand,
- from previous profit RON 4,104 thousand,
- from CEF nonrefundable funds RON 4,845 thousand.

Romgaz Black Sea Income and Expenditure Budget provides for 2024 investments in the amount of RON 3,060,213 thousand, investment financing sources are loans granted by the parent company.

We attach:

-Annex 1: 2024- Consolidated Income and Expenditure Budget

The proposal for 2024 Consolidated Income and Expenditure Budget of S.N.G.N. Romgaz S.A. Medias Group was submitted to the attention of the Board of Directors during the meeting of January 29, 2024.

Considering the above mentioned, we hereby submit to the attention of the Ordinary General Meeting of Shareholders of S.N.G.N. Romgaz S.A. the 2024 Consolidated Income and Expenditure Budget of S.N.G.N. Romgaz S.A. Medias Group.

**CHIEF EXECUTIVE OFFICER,
Răzvan POPESCU**

**CHIEF FINANCIAL OFFICER,
Gabriela TRÂNBIȚAȘ**

**ACCOUNTING DEPARTMENT DIRECTOR,
Marius Leonte VEZA**

**Prepared by,
HEAD OF BUDGETS AND ECONOMIC ANALYSIS OFFICE,
Ionela Ghizela CHINDEA**

2024 INCOME AND EXPENDITURE BUDGET - CONSOLIDATED

RON thousand

		INDICATORS	Row No.	2024 Proposals Romgaz Group
0	1	2	3	4
I.		TOTAL INCOME (Row1=Row2+Row5)	1	8,747,616
	1	Total operating income out of which:	2	8,726,150
	a)	subsidies, according to legal provisions in force	3	
	b)	transfers, according to legal provisions in force	4	
	2	Financial income	5	21,466
II		TOTAL EXPENSES (Row6=Row7+Row19)	6	5,722,916
	1	Operating expenses (row7=row8+row9+row10+row18),out of which:	7	5,493,301
	A.	expenses for goods and services	8	1,183,840
	B.	expenses for taxes, duties and similar payments	9	1,671,298
	C.	personnel-related expenses (Row10=Row11+Row14+Row16+Row17), out of which:	10	1,206,225
	C0	Wages and Salaries Expense (Row11=Row12+Row13)	11	1,090,253
	C1	Salaries expense	12	949,964
	C2	Bonus expense	13	140,289
	C3	other personnel expense, out of which:	14	37,974
		expenses with termination benefits	15	36,209
	C4	expenses for the mandate contract and for other management and control bodies, committees and commissions	16	16,597
	C5	expenses with contributions owed by the employer	17	61,400
	D.	other operating expenses	18	1,431,938
	2	Financial expenses	19	229,615
III		GROSS RESULT (profit/loss) (Row20=Row1-Row6)	20	3,024,700
IX		INVESTMENTS EXPENSES	49	4,581,380

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