

To,  
*The General Meeting of Shareholders of S.N.G.N. Romgaz S.A.*

**ENDORSED**  
**Chairman of the Board of Directors**  
**Dan Dragoş Drăgan**

### **REQUEST FOR APPROVAL**

to extend the term of validity of the Loan Facility Agreement No. 201812070225 for issuing bank guarantee instruments concluded with Banca Comercială Română S.A. in the amount of RON 500,000,000

#### **Background**

Since 2010, S.N.G.N. Romgaz S.A. (hereinafter referred to as “Romgaz” or “Company”) has annually concluded loan facility agreements for granting bank loans in the form of letters of bank guarantee with various banks.

At present, the Loan Facility Agreement no. **201812070225/2018** is ongoing (**extended annually**) and it was concluded on 19.12.2018 with Banca Comercială Română (hereinafter “BCR” or “The Bank”), currently valid until 10.12.2024 for a loan facility limit of RON 500,000,000.

The non-binding loan facility granted by BCR pursuant to the Agreement No. **201812070225/2018** was concluded on favourable terms for Romgaz, meaning that the Company did not incur costs with bank fees (non-usage, issuance, extension of validity, increase of the amount of the letters of bank guarantee etc.), and it was not required to submit a guarantee (collateral cash deposit or otherwise) for granting the facility for issuing the letters of bank guarantee.

## **Current Status**

The amount of the loan facility limit for issuing bank letters of guarantee shall cover contracts mainly having as their object the following:

- the sale of natural gas on double competitive markets. In accordance with the trading procedure, both the seller and the buyer have to provide letters of bank guarantee (performance guarantee and payment guarantee, respectively);
- natural gas distribution;
- the sale of electricity following the tenders organized by OPCOM on the Centralized Market for Bilateral Electricity Contracts. The seller has the obligation to issue a performance bank guarantee;
- sale of electricity through the trading procedure on the Double Competitive Markets, Day Ahead Market and Intraday Market. It is mandatory to issue trading participation guarantees such as tender guarantees in favour of OPCOM and the Romanian Commodities Exchange;
- electric power transmission service or for maintaining registration as Balance Responsible Party in favour of C.N. Transelectrica S.A.
- purchase of gas from other sources;
- land rental contract, space rental contracts, natural gas distribution service concession, etc.
- natural gas delivery through Romania's interconnection points with the neighbouring countries for which the transmission capacity booking is made through the RBP platform (Regional Booking Platform). According to the provisions of Article 6 of ANRE Order 130/24.06.2020<sup>1</sup>, the Company will be obligated to provide SNTGN Transgaz SA with a financial guarantee, calculated on the basis of the quantity, period and tariff of the delivery.

Romgaz Black Sea Limited subsidiary, acting through its Romanian branch, Romgaz Black Sea Limited Nassau (Bahamas) Sucursala București, also benefits from the favourable conditions in the Loan Facility Agreement no. 201812070225.

According to the Financial Offer from BCR it is confirmed that all the conditions of the nonbinding credit facility will be maintained for the year 2025, respectively without bank fees and without the obligation for Romgaz to submit a guarantee for the RON 500,000,000 loan facility limit, for issuing bank guarantee letters or for irrevocable stand-by letters of credit.

Pursuant to Article 12 par. 4 item g) of Romgaz Articles of Incorporation, the **Ordinary General Meeting of Shareholders** has the power to approve bank loan agreements exceeding, individually or cumulatively, the equivalent in RON of EUR 100 million.

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<sup>1</sup> ANRE Order no. 130/2020 regarding the establishment of measures for transmission capacity booking at the interconnection points of the Romanian National Natural Gas Transmission System with the natural gas transmission systems of the Member States of the European Union neighbouring Romania

Thus, we submit for approval to the Ordinary General Meeting of Shareholders of S.N.G.N ROMGAZ S.A. the following draft resolutions:

**Article 1**

Extension by one year of the loan facility agreement no. 201812070225 concluded with Banca Comercială Română S.A. for issuing guarantee instruments in the form of letters of bank guarantee and irrevocable stand-by letters of credit up to a limit of RON 500,000,000.

**Article 2**

Authorizing Mr. Răzvan Popescu, as Chief Executive Officer, and Mrs. Gabriela Trânbițaș, as Chief Financial Officer, to sign the Addendum to the loan facility agreement No. 201812070225.

**Article 3**

Authorizing the persons who have type I and II signing rights in Banca Comercială Română S.A. to sign the requests for issuing and modifying guarantee instruments under the facility granted by Banca Comercială Română S.A., as well as any other documents in connection with the loan agreement, irrespective of the form in which they are concluded, including but not limited to, addenda, requests for drawing/issuing/modifying.

Chief Executive Officer  
Răzvan POPESCU

Chief Financial Officer  
Gabriela TRÂNBÎȚAȘ

Finance Director  
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