

**SOCIETATEA NAȚIONALĂ DE GAZE NATURALE “ROMGAZ” SA GROUP**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**PREPARED IN ACCORDANCE WITH  
THE ORDER OF THE MINISTRY OF PUBLIC FINANCE NO. 2844/2016**

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended December 31, 2025 '000 RON	Year ended December 31, 2024 '000 RON
Revenue	3	8,025,582	7,929,436
Purchase cost of commodities sold	5	(111,370)	(119,825)
Finance income	4	231,909	190,009
Other gains and losses	6	(40,589)	(31,383)
Net impairment gains/(losses) on trade receivables	16	(116,783)	38,479
Changes in inventory of finished goods and work in progress		(22,761)	47,832
Work performed by the Group and capitalized		316,882	307,228
Raw materials and consumables used	5	(213,904)	(199,861)
Depreciation, amortization and impairment expenses	7	(686,930)	(603,157)
Employee benefit expense	8	(1,129,577)	(1,201,977)
Taxes and duties	10	(1,364,607)	(1,826,729)
Finance cost	9	(116,176)	(92,692)
Exploration expense	13	(28,858)	(78,709)
Share of profit of associates	24	8,407	8,016
Greenhouse gas certificates expenses	18 b)	(144,874)	(180,752)
Third party services and other costs		(845,782)	(646,474)
Other income	3	88,246	61,736
<b>Profit before tax</b>		<b>3,848,815</b>	<b>3,601,177</b>
Income tax expense	11	(515,710)	(395,181)
<b>Profit for the year</b>		<b>3,333,105</b>	<b>3,205,996</b>
<b>Other comprehensive income</b>			
<i>Items that can be reclassified in the comprehensive income</i>			
Cumulative translation adjustments		(11)	-
<b>Total items that may be reclassified subsequently to the income statement</b>		<b>(11)</b>	<b>-</b>
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Actuarial gains/(losses) on post-employment benefits	18 c)	1,310	(8,842)
Income tax relating to items that will not be reclassified subsequently to profit or loss	11	(210)	1,415
<b>Total items that will not be reclassified subsequently to profit or loss</b>		<b>1,100</b>	<b>(7,427)</b>
<b>Other comprehensive income for the year net of income tax</b>		<b>1,089</b>	<b>(7,427)</b>
<b>Total comprehensive income for the year</b>		<b>3,334,194</b>	<b>3,198,569</b>
Basic and diluted earnings per share	17 b)	0.00086	0.00083

These financial statements were authorized for issue by the Board of Directors on March 25, 2026.

Răzvan Popescu  
Chief Executive Officer

Gabriela Trânbițaș  
Chief Financial Officer

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2025 '000 RON	December 31, 2024 '000 RON
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	11,737,883	8,418,794
Intangible assets	14 a)	5,130,833	5,131,142
Investments in associates	24	67,833	59,426
Deferred tax assets	11	347,039	356,640
Right of use assets	14 b)	25,042	13,424
Other financial investments	25	5,584	5,616
<b>Total non-current assets</b>		<b>17,314,214</b>	<b>13,985,042</b>
<b>Current assets</b>			
Inventories	15	448,340	394,073
Greenhouse gas certificates	20	135,229	137,244
Trade receivables	16 a)	719,594	837,805
Bank deposits other than cash and cash equivalents	29	5,096,563	2,625,339
Other assets	16 b)	86,934	79,362
Current tax receivable		969	3,863
Cash and cash equivalents	27	1,156,057	1,852,154
<b>Total current assets</b>		<b>7,643,686</b>	<b>5,929,840</b>
<b>Total assets</b>		<b>24,957,900</b>	<b>19,914,882</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	17 a)	3,854,224	3,854,224
Reserves		6,724,862	3,966,562
Retained earnings		6,336,842	6,365,290
<b>Total equity</b>		<b>16,915,928</b>	<b>14,186,076</b>
<b>Non-current liabilities</b>			
Retirement benefit obligation	18 c)	65,098	204,550
Deferred tax liabilities		1,908	-
Deferred income	19	386,830	386,849
Lease liabilities		22,333	10,899
Bank borrowings	28 a)	165,701	484,975
Bonds	28 b)	5,070,513	2,476,433
Other liabilities		1,136	-
Provisions	18	558,880	351,789
<b>Total non-current liabilities</b>		<b>6,272,399</b>	<b>3,915,495</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	<u>December 31, 2025</u> <u>'000 RON</u>	<u>December 31, 2024</u> <u>'000 RON</u>
<b>Current liabilities</b>			
Trade payables	20	484,845	456,770
Contract liabilities	16 e)	196,935	290,811
Current tax liabilities	11	11,225	3,563
Deferred income	19	394	486
Provisions	18	240,470	162,689
Lease liabilities		5,070	4,729
Bank borrowings	28 a)	331,431	323,371
Bonds	28 b)	40,491	24,545
Other liabilities	20	458,712	546,347
<b>Total current liabilities</b>		<b>1,769,573</b>	<b>1,813,311</b>
<b>Total liabilities</b>		<b>8,041,972</b>	<b>5,728,806</b>
<b>Total equity and liabilities</b>		<b>24,957,900</b>	<b>19,914,882</b>

These financial statements were authorized for issue by the Board of Directors on March 25, 2026.

\_\_\_\_\_  
Răzvan Popescu  
Chief Executive Officer

\_\_\_\_\_  
Gabriela Trânbițaș  
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Geological quota reserve	Development fund reserve	Reinvested profit reserve	Reserves for investments in strategic projects	Other reserves	Retained earnings	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Balance as of January 1, 2025	3,854,224	265,149	486,388	651,678	518,213	2,025,409	19,725	6,365,290	14,186,076
Profit for the year	-	-	-	-	-	-	-	3,333,105	3,333,105
Other comprehensive income for the year	-	-	-	-	-	-	-	1,089	1,089
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	-	<b>3,334,194</b>	<b>3,334,194</b>
Increase in reserves (**)	-	180,085	-	269,071	63,787	2,245,357	-	(2,758,300)	-
Dividends distribution *)	-	-	-	-	-	-	-	(604,342)	(604,342)
<b>Balance as of December 31, 2025</b>	<b>3,854,224</b>	<b>445,234</b>	<b>486,388</b>	<b>920,749</b>	<b>582,000</b>	<b>4,270,766</b>	<b>19,725</b>	<b>6,336,842</b>	<b>16,915,928</b>
Balance as of January 1, 2024	385,422	90,294	486,388	3,902,422	472,280	-	19,725	6,204,783	11,561,314
Profit for the year	-	-	-	-	-	-	-	3,205,996	3,205,996
Other comprehensive income for the year	-	-	-	-	-	-	-	(7,427)	(7,427)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	-	<b>3,198,569</b>	<b>3,198,569</b>
Increase in share capital	3,468,802	-	-	(3,468,802)	-	-	-	-	-
Increase in reserves (**)	-	174,855	-	242,638	45,933	2,025,409	-	(2,488,835)	-
Dividends distribution *)	-	-	-	(24,580)	-	-	-	(549,227)	(573,807)
<b>Balance as of December 31, 2024</b>	<b>3,854,224</b>	<b>265,149</b>	<b>486,388</b>	<b>651,678</b>	<b>518,213</b>	<b>2,025,409</b>	<b>19,725</b>	<b>6,365,290</b>	<b>14,186,076</b>

\*) In April 2025 the Company's shareholders approved the distribution of dividends of RON 604,342 thousand (2024: RON 549,227 thousand), dividend per share being RON 0.1568 (year ended December 31, 2024: RON 0.1425). In 2024, dividends of RON 24,580 were distributed based on an inspection by the National Agency of Fiscal Administration performed during November 2019 - January 2020 on the application of Government Emergency Ordinance no. 114/2018.

\*\*) The increase in reserves was approved by shareholders in 2025. Profit distribution is based on the provisions of Government Ordinance no. 64/2001. The Ordinance is applicable to companies controlled by the Romanian State and states the reserves that can be set-up, the level of dividends that should be distributed and the terms of such distribution. Reserves for investments in strategic projects were set up based on the changes introduced in 2024 to Government Ordinance no. 64/2001. Development fund reserve may be distributed if the majority shareholder asks for it. The reserve for investments in strategic projects has to be distributed if the funds are not used or committed by the time the investments funded from this reserve are commissioned. All other reserves are not distributable. According to the legislation in force, the legal reserve and the reinvested profit reserve are set up at year end and will be subject to shareholders' approval in the following year.

These financial statements were authorized for issue by the Board of Directors on March 25, 2026.

Răzvan Popescu  
Chief Executive Officer

Gabriela Trânbițaș  
Chief Financial Officer

## CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
<b>Cash flows from operating activities</b>		
<b>Net profit</b>	<b>3,333,105</b>	<b>3,205,996</b>
<b>Adjustments for:</b>		
Income tax expense (note 11)	515,710	395,181
Share of associates' result (note 24)	(8,407)	(8,016)
Interest expense (note 9)	90,378	68,584
Income from dividends (note 4)	(7,957)	(686)
Unwinding of decommissioning provision (note 9, note 18)	25,798	24,108
Interest income (note 4)	(223,952)	(189,323)
Net loss on disposal of non-current assets (note 6)	16,179	19,897
Change in decommissioning provision recognized in profit or loss, other than unwinding (note 18)	26,329	(14,883)
Change in other provisions (note 18)	(91,921)	50,464
Net impairment of exploration assets (note 13)	28,522	26,980
Net impairment of property, plant and equipment and intangibles	147,928	86,811
Foreign exchange differences	40,959	(212)
Depreciation and amortization	477,882	461,813
Losses from receivables and net movement in allowances for trade and other receivables (note 6, note 16 c)	114,663	(38,460)
Net movement in write-down allowances for inventory (note 6, note 15)	7,371	6,046
Liabilities written off	(385)	(231)
Interest paid	(132,794)	(38,897)
Income taxes paid	(493,855)	(2,193,168)
<b>Cash generated from operations before movements in working capital</b>	<b>3,865,553</b>	<b>1,862,004</b>
<b>Movements in working capital:</b>		
(Increase)/Decrease in inventory	(61,232)	(98,181)
(Increase)/Decrease in trade and other receivables and other assets	(4,024)	609,143
Increase/(Decrease) in trade and other liabilities	(212,142)	280,306
<b>Net cash generated by operating activities</b>	<b>3,588,155</b>	<b>2,653,272</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
<b>Cash flows from investing activities</b>		
Contribution to associates	-	(18,000)
Collection from sale of investment in other entities	32	-
Cash placed in bank deposits	(8,859,675)	(8,950,571)
Cash received from bank deposits matured	6,428,465	8,832,955
Interest received	195,095	185,840
Proceeds from sale of non-current assets	1,254	424
Dividends received	7,957	686
Acquisition of property, plant and equipment	(3,502,355)	(2,798,172)
Acquisition of intangible assets	(4,941)	(2,257)
Acquisition of exploration assets (note 13)	(135,122)	(199,871)
Subsidies received (note 19)	-	15,927
<b>Net cash used in investing activities</b>	<b>(5,869,290)</b>	<b>(2,933,039)</b>
<b>Cash flows from financing activities</b>		
Cash received from bonds issued (note 28 b)	2,518,717	2,473,574
Repayment of bank borrowings (note 28 a)	(323,388)	(323,312)
Dividends paid	(604,449)	(549,380)
Repayment of lease liability	(5,842)	(4,171)
<b>Net cash generated by/(used in) financing activities</b>	<b>1,585,038</b>	<b>1,596,711</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(696,097)</b>	<b>1,316,944</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,852,154</b>	<b>535,210</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,156,057</b>	<b>1,852,154</b>

These financial statements were authorized for issue by the Board of Directors on March 25, 2026.

\_\_\_\_\_  
Răzvan Popescu  
Chief Executive Officer

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Gabriela Trânbițaș  
Chief Financial Officer

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. BACKGROUND AND GENERAL BUSINESS

*Information regarding Societatea Națională de Gaze Naturale Romgaz S.A. Group (the “Group”)*

The Group is formed of Societatea Națională de Gaze Naturale Romgaz S.A. (“S.N.G.N. Romgaz S.A.”/“the Company”/“Romgaz”), as parent company, and its fully owned subsidiaries S.N.G.N. ROMGAZ S.A. - Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiești S.R.L. (“Depogaz”) incorporated in Romania, Romgaz Black Sea Limited incorporated in the Commonwealth of the Bahamas and Romgaz Trading S.R.L. incorporated in the Republic of Moldova. Depogaz is the main gas storage operator in Romania. Romgaz Black Sea Limited holds 50% of the rights and obligations for the Neptun Deep offshore block.

Romgaz is a joint stock company, incorporated in accordance with the Romanian legislation. The Company is listed on the Bucharest Stock Exchange.

The Company’s headquarter is in Mediaș, 4 Constantin I. Motaș Square, 551130, Sibiu County.

The Romanian State, through the Ministry of Energy, is the majority shareholder of S.N.G.N. Romgaz S.A. together with other legal entities and physical persons (note 17).

The Group has as main activity:

1. geological research for the discovery of natural gas, crude oil and condensate reserves;
2. operation, production and usage, including trading, of mineral resources;
3. natural gas production for:
  - ensuring the storage flow continuity;
  - technological consumption;
  - delivery in the transmission system.
4. underground storage of natural gas;
5. commissioning, interventions, capital repairs for wells equipping the deposits, as well as the natural gas resources extraction wells, for its own activity and for third parties;
6. electricity production and supply.

## 2. MATERIAL ACCOUNTING POLICIES; SIGNIFICANT ESTIMATES AND JUDGMENTS

*a) Material accounting policies**Statement of compliance*

The consolidated financial statements (“financial statements”) of the Group are prepared in accordance with Ministry of Public Finance Order no. 2844/2016 to approve accounting regulations in accordance with International Financial Reporting Standards, with subsequent amendments (MOF 2844/2016). MOF 2844/2016 is in accordance with the IFRS adopted by the European Union.

*Basis of preparation*

The financial statements are prepared on a going concern basis. The principal accounting policies are set out below. The same accounting policies, methods of computation and presentation were followed in the preparation of these financial statements as were applied in the most recent annual financial statements.

Items included in these financial statements are denominated in Romanian lei. Unless otherwise stated, the amounts are presented in lei thousand (RON thousand).

*Fair value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using an appropriate valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 “Inventories” or value in use in IAS 36 “Impairment of assets”.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance to the Group of the inputs to the fair value measurement, which are described as follows:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- level 3 inputs are unobservable inputs for the asset or liability.

### ***Basis for consolidation***

#### *Subsidiaries*

The Group controls an investee when it has exposure, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when it loses control of that subsidiary.

Upon obtaining control of a newly acquired subsidiary, the Group assesses whether the acquisition constitutes an acquisition of a business or an acquisition of assets.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the investee. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the acquisition is not a business, it is accounted for as an acquisition of assets.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group. All intra-group assets and liabilities, income and expenses relating to transactions between members of the Group are eliminated in full on consolidation.

#### *Associates*

An associate is a company over which the Group exercises significant influence through participation in decision making on financial and operational policies of the entity invested in. Investments in associates are recorded using the equity method of accounting. By this method, the investment is initially recognized at cost and adjusted thereafter for the post-acquisition change in the Group's share of the investee's net assets. The Group's profit or loss includes its share of the investee's profit or loss and the Group's other comprehensive income includes its share of the investee's other comprehensive income.

### ***Joint arrangements***

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint ventures.

**NOTES***Joint operations*

The Group recognizes in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

As joint operator, the Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

If the Group participates in, but does not have joint control of, a joint operation it accounts for its interest in the arrangement in accordance with the paragraphs above if it has rights to the assets, and obligations for the liabilities, relating to the joint operation.

If the Group participates in, but does not have joint control of, a joint operation, does not have rights to the assets, and obligations for the liabilities, relating to that joint operation, it accounts for its interest in the joint operation in accordance with the IFRSs applicable to that interest.

*Standards and interpretations valid for the current period*

The following standards and amendments or improvements to existing standards issued by the IASB and adopted by the EU have entered into force for the current period:

- Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates”: Lack of Exchangeability (applicable to annual periods beginning on or after January 1, 2025).

The adoption of these amendments, interpretations or improvements to existing standards has not led to changes in the Group’s accounting policies.

*Standards and interpretations issued by IASB and adopted by the EU, but not yet effective*

At the date of issue of the financial statements, the following standards, amendments or improvements were adopted by the EU, but not yet effective:

- IFRS 18 “Presentation and Disclosure in Financial Statements” (applicable to annual periods beginning on or after January 1, 2027);
- Annual Improvements Volume 11 (applicable to annual periods beginning on or after January 1, 2026);
- Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7 (applicable to annual periods beginning on or after January 1, 2026);
- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (applicable to annual periods beginning on or after January 1, 2026).

The Group did not adopt these standards, amendments or improvements before their effective dates. The Group is assessing the potential impact on its financial statements.

In relation to IFRS 18, the standard introduces a revised structure for the statement of comprehensive income, including mandatory subtotals such as operating profit and profit before financing and income taxes. IFRS 18 also introduces enhanced requirements for disaggregation and management-defined performance measures (MPMs). As the Group communicates certain indicators externally (such as EBITDA and EBIT), the standard will require reconciliations of such measures to the closest IFRS-defined subtotals, together with explanations of their relevance. The Group will assess the implications and will update these disclosures as implementation progresses.

*Standards and interpretations issued by IASB not yet endorsed by the EU*

At present, IFRS endorsed by the EU do not significantly differ from IFRS adopted by the IASB except for the following standards, amendments or improvements to the existing standards and interpretations, which were not endorsed for use in the EU as at date of publication of financial statements:

- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (applicable to annual periods beginning on or after January 1, 2027);

**NOTES**

- Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency” (applicable to annual periods beginning on or after January 1, 2027);
- Amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (applicable to annual periods beginning on or after January 1, 2027).

The Group is currently evaluating the effect that the adoption of these standards, amendments or improvements to the existing standards and interpretations will have on the financial statements of the Group in the period of initial application.

***Segment information***

The information reported to the chief operating decision maker (ie. the Chief Executive Officer) for the purposes of resource allocation and assessment of segment performance focuses on the following operating segments: upstream segment, gas storage, electricity production and supply, and other activities, including headquarter activities. Information reported to the chief operating decision maker includes revenue, expenditure and investments.

No aggregation of operating segments has been performed as these operating segments correspond directly to the reportable segments disclosed in the Group’s financial statements.

Specifically, the Group is organized in the following segments:

- upstream, which includes exploration activities, natural gas production and trade of gas extracted by Romgaz or acquired for resale; these activities are performed by the head office, Mediaș, Mureș and Buzău branches and subsidiaries Romgaz Black Sea Limited and Romgaz Trading S.R.L.;
- storage activities, performed by subsidiary Depogaz;
- electricity production and sale activities, performed by Iernut branch;
- other activities, such as technological transport, operations on wells and corporate activities.

Transactions between the companies within the Group are at current market prices.

Unrealized profits are eliminated in the financial statements.

Gas and electricity deliveries between Group’s segments within the same company are accounted for at market prices. All other transactions between Group’s segments within the same company are at cost.

As the Group’s operating segments represent distinct business activities rather than separate legal entities, certain activities performed by the same company are allocated to different reportable segments. Accordingly, internal transactions between these business activities are priced either at market value or at cost, depending on the nature of the transaction.

Segment information is presented based on accounting information prepared in accordance with MOF 2844/2016.

Income tax generated by the mother-company is presented in the Other segment. Income tax generated by the other companies in the Group is presented in the relevant segment.

Interest expense on bank borrowings and bonds of the mother-company is presented in the Other segment, as the borrowing does not relate to a specific segment. Interest expense related to the other companies in the Group is presented in the relevant segment.

Interest income on cash and cash equivalents and bank deposits other than cash and cash equivalents of the mother-company, if managed centrally, is recorded in the Other segment. If managed by other segments or other companies in the Group, the interest income is presented in the relevant segment.

***Revenue recognition******a) Revenue from contracts with customers***

The Group recognizes revenue from the following major sources:

- sale of gas, either from its own production or acquired for resale, and related fulfilment activities (eg. transmission, storage, distribution services);
- provision of gas storage services, provided by Depogaz;
- sale of electricity, either from its own production or acquired for resale.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognized when, or as the Group transfers the goods or services to the customer, respectively, the client obtains control over them.

## NOTES

Depending on the nature of the goods or services, revenues are recognized over time or at a point in time.

Contracts concluded by the Group do not contain significant financing components.

The Group does not disclose information about the remaining performance obligations, applying the practical expedient in IFRS 15, as contracts with customers are generally signed for periods of less than one year and the revenues are recognized at the amount which the Group has the right to charge.

### *Revenue from sale of gas and electricity*

The Group's gas contracts include a single performance obligation which is satisfied upon delivery. The performance obligation includes the gas delivered and the fulfilment activities required to provide the gas to the customer. Revenue is recognized at the time of delivery to the customer and in line with the amount to which the Group has the right to invoice. Gas deliveries are invoiced monthly. Revenue from these contracts is recognized at a point in time on the basis of the actual quantities delivered at the prices fixed in the contracts concluded.

The Group's electricity contracts include a single performance obligation which is satisfied over the delivery period as the customer simultaneously receives and consumes electricity. Revenue is recognized at the time of consumption by the customer and in line with the amount to which the Group has the right to invoice. Electricity deliveries are invoiced on a monthly basis. Revenue from these contracts are recognized over time for the whole month on the basis of the actual quantities delivered at the prices fixed in the contracts concluded.

Trade receivables from gas deliveries are generally due within 30 days of invoice issue. These must be guaranteed by customers through bank letters of guarantee. If customers do not provide such a guarantee, they must ensure that natural gas is paid in advance.

Trade receivables from the sale of electricity are generally due within 7 days of the date of invoice delivery. These must be guaranteed by customers through bank letters of guarantee. If customers do not provide such a guarantee, they must ensure that electricity is paid in advance.

### *Revenue recognition from storage activities (capacity reservation, injection and extraction)*

The contracts on capacity reservation and storage concluded with customers are of a binding nature for the customer, i.e. the customer agrees with the Group a storage capacity (the volume and the length of the storage) for the annual storage cycle and has to pay for the whole capacity booked irrespective of the actual capacity used.

The capacity reservation revenue is recognized over time as a customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. The revenue from injection and extraction services are recognized at a point in time when the services are delivered to the customer and completed.

Trade receivables from storage services are due within 15 days of invoice issue. Customers must provide a 5% security for the services value.

### *b) Other revenue*

Rental revenue for operating lease contracts where the Group operates as lessor is recognized on a straight-line basis over the lease term, in accordance with the substance of the relevant agreements.

### *Finance income*

Interest income is recognized as the respective income is generated, on accrual basis.

### *Finance costs*

Finance costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets until such time as the assets are substantially ready for their intended use.

If funds borrowed for general corporate purposes are used for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowing costs eligible for capitalization by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to all borrowings of the Group that are outstanding during the period. However, the Group excludes from this calculation borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete. The amount of borrowing costs that the Group capitalizes during a period shall not exceed the amount of borrowing costs it incurred during that period.

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Interest on leasing contracts is not included in the computation of the capitalization rate.

## NOTES

***Contract liabilities***

Contract liabilities are obligations to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (ie. a receivable), before the Group transfers the good or service to the customer, the Group recognizes the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

***Exploration expenses***

The costs of seismic exploration, geological, geophysical and other similar exploration activities are recognized as exploration expenses in the statement of comprehensive income in the period in which they arise.

Exploration expenses also include the carrying value of exploration assets that have not identified gas resources and have been written-off.

***Foreign currencies***

The functional currency is the currency of the primary economic environment in which the Company and its subsidiaries operate and is the currency in which cash is primarily generated and expended. All companies in the Group, except Romgaz Trading S.R.L., operate in Romania and have the Romanian Leu (RON) as functional currency. The majority of sales and acquisition are in Romanian currency.

Romgaz Trading S.R.L. is incorporated in the Republic of Moldova and has the Moldovan Leu (MDL) as functional currency. The company is not currently operating.

In individual subsidiaries transactions in foreign currencies are initially recorded in the functional currency of those entities at the spot exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot exchange rate on the balance sheet date. Any resulting exchange differences are included in the income statement as other gains and losses; positive exchange differences are disclosed as gains, while negative differences are disclosed as losses. Non-monetary items are not retranslated subsequent to initial recognition.

In the consolidated financial statements, the assets and liabilities of non-RON functional currency subsidiaries are translated into Romanian leu (RON) at the spot exchange rate on the balance sheet date. The results and cash flows of non-RON functional currency subsidiaries are translated into RON using average rates of exchange. In the consolidated financial statements, exchange adjustments arising when the opening net assets and the profits for the year retained by non-RON functional currency subsidiaries are translated into RON are recognized in a separate component of equity and reported in other comprehensive income.

***Employee benefits******Benefits granted upon retirement***

In the normal course of business, the Group makes payments to the Romanian State on behalf of its employees at legal rates. All employees of the Group are members of the Romanian State pension plan. These costs are recognized in the statement of comprehensive income together with the related salary costs.

Based on the Collective Labor Agreements applicable within the Group, the Group is liable to pay to its employees at retirement a number of gross salaries, according to the years worked in the gas industry/electricity industry. To this purpose, the Group recorded an obligation for benefits upon retirement. This obligation is updated annually and computed according to actuary methods based on estimates of the average salary, the average number of salaries payable upon retirement, on the estimate of the period when they shall be paid, and it is brought to present value using a discount factor based on interest related to a maximum degree of security investments. As the employees retire, the obligation is reduced together with the reversal of the obligation against income.

Current legislation, in force starting 2025, limits to one the number of salaries payable to employees upon retirement; future Collective Labor Agreements will have to observe legal provisions in force.

Benefits are payable in five annual equal installments.

Gains or actuarial losses are recognized in other comprehensive income. These are changes in the present value of the defined benefit obligation as a result of statistical adjustments and changes in actuarial assumptions. Any other changes in the obligation are recognized in the result of the year.

The Group does not operate any other pension scheme or post-retirement benefit plan and, consequently, has no obligation in respect of pensions.

**NOTES***Employee participation to profit*

The Group records in its financial statements a provision related to the fund for employee participation to profit in compliance with legislation in force, namely Government Ordinance no. 64/2001. According to this, employees may receive one average base monthly salary as a benefit.

Liabilities related to the fund for employee participation to profit are settled in less than a year and are measured at the amounts estimated to be paid at the time of settlement.

*Provisions*

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

*Greenhouse gas certificates acquired*

The Group recognizes a liability for the obligation to settle actual CO<sub>2</sub> emissions (provision until greenhouse gas certificates are purchased, current liability after such certificates are purchased, until their inclusion in the Unique Registry of Greenhouse Gas Emissions). The provision is measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The liability to be settled using certificates on hand is measured at the carrying amount of those certificates; any excess emission is measured at the market value of certificates at the period end. The related expense is recognized in the same amount as the liability. Greenhouse gas certificates purchased during the period are those which will be included in the Unique Registry of Greenhouse Gas Emissions. They are recognized as current assets (intangible assets) and measured at cost. When the certificates are included in the Unique Registry, the respective liability is settled and the asset and liability are derecognized.

*Provisions for decommissioning of wells*

Liabilities for decommissioning costs are recognized due to the Group's obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made.

The Group recorded a provision for decommissioning wells (onshore wells, wells used in the storage business and offshore wells, when drilling is completed, although such wells may not be commissioned by the end of the reporting period).

This provision was computed based on the estimated future expenditure determined in accordance with local conditions and requirements, if information is available based on historic experience, or based on independent studies, if the Group has no historic information available. The provision was brought to present value using the cost of debt. The rate and the estimated costs for decommissioning are updated annually to include any potential changes and the effect of inflation.

The decommissioning provision is based on the economic life of the fields wells are located on, even if this is longer than the period of the related concession agreements, as it is considered the period may be extended. Economic life of fields is determined based on studies submitted to ANRMPSG for approval; based on these studies, ANRMPSG approves the reserves available on each field, generating the economic life of such fields.

A corresponding item of property, plant and equipment of an amount equivalent to the provision is also recognized. The item of property, plant and equipment is subsequently depreciated as part of the asset.

The Group applies IFRIC 1 "Changes in Existing Decommissioning, Restoration and Similar Liabilities" related to changes in existing decommissioning, restoration and similar liabilities.

The change in the decommissioning provision for wells is recorded as follows:

- a. subject to b., changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- b. the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognized immediately in the statement of comprehensive income;
- c. if the adjustment results in an addition to the cost of an asset, the Group considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the Group tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss.

Once the related asset has reached the end of its useful life, all subsequent changes of the liability are recognized in the income statement in the period when they occur.

**NOTES**

The periodical unwinding of the discount is recognized in the comprehensive income as a finance cost, as it occurs.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

*Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, where the Group's subsidiaries operate and generate taxable profit.

*Deferred tax*

Deferred tax is recognized on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

*Current and deferred tax for the period*

Current tax for the period is recognized as an expense in the statement of comprehensive income. Deferred tax for the period is recognized as an expense or income in the statement of comprehensive income, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity, or where it arises from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

**Property, plant and equipment**

(1) Cost

(i) *Property, plant and equipment*

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of any decommissioning obligation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

**NOTES***(ii) Cushion gas*

This is a quantity of natural gas constituted as a reserve at the level of gas storages, physically recoverable, which ensures the optimum conditions necessary to maintain their technical-productive flow characteristics. The cushion gas is recorded as an item of property, plant and equipment in the Storage segment.

*(iii) Development expenditure*

Expenditure on the construction, installation and completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including the commissioning of wells, is capitalized within property, plant and equipment and is depreciated from the commencement of production as described below in the property, plant and equipment accounting policies.

*(iv) Maintenance and repairs*

The Group does not recognize within the assets' costs the current expenses and the accidental expenses for that asset. These costs are expensed in the period in which they are incurred.

The costs for current maintenance are mainly labor costs and consumables and also small inventory items. The purpose of these expenses is usually described as "repairs and maintenance" for property, plant and equipment.

The expenses with major activities, inspections and repairs comprise the replacement of the assets or other asset's parts, the inspection cost and major overhauls. These expenses are capitalized if an asset or part of an asset, which was separately depreciated, is replaced and is probable that they will bring future economic benefits for the Group. If part of a replaced asset was not considered as a separate component and, as a result, was not separately depreciated, the replacement value will be used to estimate the net book value of the asset which is replaced and is immediately written-off. The inspection costs associated with major overhauls are capitalized and depreciated over the period until next inspection.

The costs for major overhauls for wells are also capitalized and depreciated using the unit of production depreciation method.

All other costs with current repairs and usual maintenance are recognized directly in expenses.

**(2) Depreciation**

The depreciable amount of a tangible asset is the cost less the residual value of the asset. The residual value is the estimated value that the Group would currently obtain from the disposal of an asset, after deducting the estimated costs associated with the disposal if the asset would already have the age and condition expected at the end of its useful life.

For directly productive tangible assets (ie. production wells), the Group applies the depreciation method based on the unit of production (UoP) in order to reflect in the statement of comprehensive income, an expense proportionate with the production obtained from the total natural gas reserve certified at the beginning of the period. According to this method, the carrying value of each production well is depreciated according to the ratio of the natural gas quantity extracted during the period compared to the proved developed reserves at the beginning of the period.

Assets representing cushion gas are not depreciated, as it is expected that the residual value exceeds their cost.

For indirectly productive tangible assets and storage assets, depreciation is computed using the straight-line method over the estimated useful life of assets, as follows:

<b><u>Asset</u></b>	<b><u>Years</u></b>
Gas properties (others than the properties with UoP depreciation)	1 - 50
Buildings	1 - 70
Fixtures, fittings and office equipment	1 - 18
Plant, machinery and equipment	1 - 30
Storage assets	2 - 36

Land is not depreciated as it is considered to have an indefinite useful life.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at historical cost, less any recognized impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Items of tangible fixed assets that are disposed of are eliminated from the statement of financial position along with the corresponding accumulated depreciation and impairment. Any gain or loss resulting from such retirement or disposal is included in other gains and losses.

## NOTES

For items of tangible fixed assets that are retired from use, but not yet written off by the reporting date, an impairment adjustment is recorded for the carrying value at the time of retirement.

## (3) Impairment

Non-current assets must be recognized at the lower of the carrying amount and recoverable amount. If and only if the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset should be reduced to be equal to its recoverable amount. Such a reduction represents an impairment loss that is recognized in the result of the period.

Thus, at the end of each reporting period, the Group assesses whether there is any indication of impairment of assets, whether at individual asset level or at cash-generating unit level. If such indication is identified, the Group tests the assets to determine whether they are impaired.

The Group's assets are allocated to cash-generating units. The cash-generating unit is the smallest identifiable asset group that generates independent cash inflows to a large extent from cash inflows generated by other assets or asset groups. The Group considers each commercial field as a separate cash-generating unit.

All gas storages held by the Group are considered as part of a single cash-generating unit, as the tariffs are set by analyzing the storage activity as a whole, not every single storage site.

The Group operates a single power plant, which is considered an independent cash generating unit.

In 2025 and 2024, the Group did not conduct an impairment test in the Upstream segment (both onshore and offshore operations), as it did not identify any impairment indicators.

In 2025 and 2024, no impairment indicators were identified in the Storage and Electricity segments.

Recoverable amount is the largest of the fair value of an asset or a cash-generating unit less costs associated with disposal and its value in use.

**Exploration and evaluation assets**

## (1) Cost

Natural gas exploration (other than seismic, geological, geophysical and other similar activities), evaluation and development expenditure is accounted for using the principles of the successful efforts method of accounting.

Costs directly associated with an exploration well are initially capitalized as an asset until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, drilling costs and payments made to contractors. If potentially commercial quantities of hydrocarbons are not found, the exploration well is impaired in the statement of financial position until the National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide (Autoritatea Națională de Reglementare în Domeniul Minier, Petrolier și al Stocării Geologice a Dioxidului de Carbon - ANRMPSG) approvals are obtained in order to be written off; the impairment allowance previously recorded is released against the cost of the asset. If hydrocarbons are found and, subject to further evaluation activity, are likely to be capable of commercial development, the costs continue to be carried as an asset. Costs directly associated with evaluation activity, undertaken to determine the size, characteristics and commercial potential of a reservoir following the initial discovery of hydrocarbons, including the costs of evaluation wells where hydrocarbons were not found, are initially capitalized as an asset. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, an impairment is recorded for the assets, until the completion of the legal steps necessary for them to be written off. When proved reserves of natural gas are determined and development is approved by management, the relevant asset is transferred to property, plant and equipment other than exploration and evaluation assets.

## (2) Impairment

At each reporting date, the Group's management reviews its exploration and evaluation assets and establishes the necessity for recording in the financial statements an impairment loss in these situations:

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of gas resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of gas resources in the specific area have not led to the discovery of commercially viable quantities of gas resources and the Group has decided to discontinue such activities in the specific area;

## NOTES

- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

### *Intangible assets*

#### (1) Cost

Mineral rights are recognized at acquisition cost.

Licenses for software, patents and other intangible assets are recognized at acquisition cost.

Intangible assets are not revalued.

#### (2) Amortization

Mineral rights are amortized using the unit of production depreciation method.

Patents and other intangible assets are amortized using the straight-line method over their useful life, but not exceeding 20 years. Licenses related to the right of use of computer software are amortized over a period of 3 years.

### *Inventories*

Inventories are recorded initially at cost of production, or acquisition cost, as the case may be. The cost of finished goods and production in progress includes materials, labour, expenses incurred in bringing the finished goods at the location and in the existent form, and related indirect production costs (based on the normal operating capacity). Write down adjustments are booked against slow moving, damaged and obsolete inventory, when necessary.

At each reporting date, inventories are measured at the lower of cost and net realizable value. The net realizable value is estimated based on the selling price less any completion and selling expenses. The cost of inventories is assigned by using the weighted average cost formula.

### *Financial assets and liabilities*

The Group's financial assets include cash and cash equivalents, trade receivables, other receivables, bank deposits with a maturity from acquisition date of over three months and other investments in equity instruments.

Financial liabilities include interest-bearing bank borrowings, overdrafts, bonds and trade and other payables.

For each item, the accounting policies on recognition and measurement are disclosed in this note.

Cash and cash equivalents include petty cash, cash in current bank accounts and short-term deposits with a maturity of less than three months from the date of acquisition.

The Group recognizes a financial asset or financial liability in the statement of financial position when and only when it becomes a party to the contractual provisions of the instrument. Upon initial recognition, financial assets are classified at amortized cost or measured at fair value through profit or loss. The classification depends on the Group's business model for managing the financial assets and their contractual cash flows.

The Group does not have financial assets measured at fair value through other comprehensive income.

On initial recognition, financial assets and financial liabilities are measured at fair value plus or minus, in the case of assets and liabilities measured at amortized cost, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Receivables resulting from contracts with customers represent the unconditional right of the Group to a consideration. The right to a consideration is unconditional if only the passage of time is required before payment of the consideration is due. These are measured at initial recognition at the transaction price.

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments plus or minus cumulative depreciation using the effective interest method for each difference between the initial amount and the amount at maturity and, for financial assets, adjusted for any loss allowance impairment.

Any difference between the initial amount and the amount at maturity is recognized in the statement of comprehensive income for the period of the borrowings or bonds using the effective interest method.

Financial instruments are classified as liabilities or equity in accordance with the nature of the contractual arrangement. Interest, dividends, gains and losses on a financial instrument classified as a liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are recorded directly in equity.

**NOTES**

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realize the asset and discharge the obligation simultaneously.

*Impairment of financial assets*

Financial assets, other than those at fair value through profit and loss, are assessed for impairment at each reporting period.

Except for trade receivables, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk associated with the financial instrument, has increased significantly since initial recognition. If, at the reporting date, the credit risk for a financial instrument has not increased significantly since the initial recognition, the Group measures the loss allowance for that financial instrument at a value equal to 12 month expected credit losses.

The loss allowance on trade receivables resulting from transactions that are subject to IFRS 15 is measured using the simplified approach.

The Group measures the expected credit losses of a financial instrument in a manner that reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The carrying amount of the financial asset, other than those at fair value through profit or loss, is reduced through the use of an allowance account.

*De-recognition of financial assets and liabilities*

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

**Reserves**

Reserves include:

- legal reserves, which are used annually to transfer to reserves up to 5% of the statutory profit, but not more than 20% of the statutory share capital of the companies within the Group;
- development fund reserves, which represent allocations from profit in accordance with Government Ordinance no. 64/2001, paragraph (g); the reserve is set up from net profit, as a balance after all other reserves are set up;
- reserves from reinvested profit, set up based on the Fiscal Code. The amount of profit that benefited from tax exemption under the fiscal legislation less the legal reserve, is distributed at the end of the year by setting up the reserve;
- geological quota reserve, non-distributable, set up until 2004. Geological quota reserve set up after 2004 is distributable and presented in retained earnings. Geological quota set up after 2004 is allocated together with the profit allocation, as approved by the General Meeting of Shareholders, based on depreciation, respectively write-off of the assets financed using the development quota;
- other non-distributable reserves, set up from retained earnings representing translation differences recorded at transition to IFRS. These reserves are set up in accordance with MOF 2844/2016;
- reserves for investments in strategic projects are set up in accordance with Government Ordinance no. 64/2001 for the difference between the general dividend payout ratio requested by the Government and the lower ratio approved for the Group to support major investments of national interest to increase the energy capacity of Romania.

**Government grants**

Grants are non-reimbursable financial resources given by a government to the Group's companies with the condition of meeting certain criteria. Grants include grants related to assets and grants related to income.

Grants related to assets are government grants for whose primary condition is that the Group should purchase, construct, or otherwise acquire long-term assets.

Grants related to income are government grants other than those related to assets.

Grants are not recognized until there is reasonable assurance that:

**NOTES**

- (a) the Group will comply with the conditions attaching to it; and
- (b) grants will be received.

Grants related to assets are presented in the statement of financial position as “Deferred revenue”, which is then recognized in profit or loss on a systematic basis over the useful life of the asset.

Grants related to income are recognized in the statement of profit or loss under “Other income”, as the related expenses are recorded. Until the time the expense occurs, the grant received is recognized as “Deferred revenue”.

If a government grant becomes receivable as compensation for expenses or losses incurred in a previous period, the Group recognizes such grant in the profit or loss of the period in which it becomes receivable.

**b) Significant estimates and judgments**

The preparation of the financial information requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the end of reporting date, and the reported amounts of revenue and expenses during the reporting period. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical estimates and judgments that the management has made in the process of applying the Group’s accounting policies, and that have the most significant effect on the amounts recognized in the financial statements.

*Judgment related to revenue recognition from storage activities*

The contracts on capacity reservation and storage concluded with customers are of a binding nature for the customer, i.e. the customer agrees with the Group a storage capacity (the volume and the length of the storage) for the annual storage cycle and has to pay for the whole capacity booked irrespective of the actual capacity used. There is the following customers’ business practice in place:

- not to use the full capacity booked, e.g. inject in the middle of the period of the annual storage cycle;
- to inject and extract several times during the annual storage cycle;
- not to extract the whole volume of gas stored at the end of the annual storage cycle, i.e. utilize the capacity with the Group for the next storage period.

Such situations are not hypothetical, and it is a usual practice that the customer uses such a flexibility according to the market demand and market price for gas (e.g. if the market prices for gas decrease, the customer might decide rather to prolong the gas storage than extract gas for future sale). Management exercised judgment in assessing whether the customer can separately benefit from the injection and extraction services apart from booking capacity. As a result, management concluded that the Groups’ promise to provide a capacity for storage should be seen as a stand-ready promise; injection and extraction promise as optional services provided in addition to the booking capacity taking into account past practice of the Group (stated above). Thus, Group’s management treats them as three separate performance obligations. The revenue from the stand-ready performance obligation is recognized over time as a customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs. The revenue from injection and extraction services are recognized at a point in time when the services are delivered to the customer and completed.

*Judgment related to government grants related to income*

Government Emergency Ordinance no. 27/2022 as subsequently amended (GEO 27) included the obligation of the Group to sell the electricity it produced at a regulated price. According to GEO 27, electricity producers had to calculate a contribution to the Energy Transition Fund. For the period January 1, 2023-March 31, 2024, if the value of the CO<sub>2</sub> certificates related to the energy sold at the regulated price exceeded the contribution to the Energy Transition Fund, electricity producers were entitled to receive the excess. Until December 2025, the legislation did not provide for the mechanism to request these amounts from the Romanian State nor the competent authority for the settlement of such requests. As such, the right to receive the grant is not enforceable. The Company initiated legal action for the recovery of these amounts.

The government does not act as a shareholder or a client of the Group in this matter. As such, the relevant standard considered in the accounting of the grant is IAS 20.

By December 31, 2025 the Group should receive RON 188,260 thousand. Until the amount becomes virtually certain, the Group discloses the grant as a contingent asset.

**NOTES***Estimates related to impairment losses on trade receivables*

At each period end, the Group evaluates the risks attached to current and overdue receivables and the probability of such risks to materialize. The Group's receivables are generally due in maximum 30 days from the date of issue. Based on information available at period end and previous experience, the Group estimates the lifetime expected credit loss of receivables, both current and overdue, on a client-by-client basis and records appropriate impairment losses (note 16).

*Judgment related to the exploration expenditure on undeveloped fields*

If field works prove that the geological structures are not exploitable from an economic point of view or that they do not have hydrocarbon resources available, an impairment is recorded. The impairment assessment is performed based on geological experts' technical expertise.

*Estimates related to developed proved reserves*

The Group applies the unit-of-production depreciation method for gas producing wells in order to reflect in the income statement an expense proportionate with the production obtained from the total developed proved natural gas reserve at the beginning of the period. According to this method, the carrying value of each production well is depreciated according to the ratio of the natural gas quantity extracted during the period compared to the gas reserve at the beginning of the period. The gas reserves are updated annually by ANRMPSG-certified internal experts according to internal policies and assessments that are based on certifications of ANRMPSG.

The estimated developed proved gas reserves are a key input in management's impairment indicators assessment of assets within the Upstream segment.

Periodically, Romgaz engages a reputable international company to perform an independent assessment of its gas reserves, the most recent one being as of December 31, 2023. However, the depreciation of producing wells and the assessment of impairment indicators are based on the developed proved gas reserves estimated by Romgaz' internal experts and certified by ANRMPSG.

If gas reserves increased by 5%, the depreciation charge of assets depreciated using the unit of production method would be RON 9,944 thousand lower than current levels (2024: RON 8,932 thousand).

If gas reserves decreased by 5%, the depreciation charge of assets depreciated using the unit of production method would be RON 10,941 thousand higher than current levels (2024: RON 9,857 thousand).

*Estimates related to the decommissioning provision*

Liabilities for decommissioning costs are recognized for the Group's obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made.

This provision is computed based on the estimated future expenditure determined in accordance with local conditions and requirements and it is brought to present value using cost of debt. The rate and estimated decommissioning costs are updated annually (note 18).

Costs to plug and abandon a well are calculated as an average of current year's costs actually incurred for such activities. These costs are brought to present value over the period over which the Group believes the field will be economically viable, even if the current term of concession agreements is shorter, as the Group believes there is a high probability it will be able to extend the term of the agreements.

If economic life of existing concession agreements increased by 5 years, the decommissioning provision would decrease by RON 135,788 thousand (2024: RON 69,137 thousand).

If economic life of existing concession agreements decreased by 5 years, the decommissioning provision would increase by RON 148,565 thousand (2024: RON 78,437 thousand).

*Estimates related to retirement benefit obligations*

Under the Collective Labor Agreements applicable within the Group, the Group must pay its employees when they retire a multiplier of the gross salary, depending on the seniority within the gas industry/electricity industry. This obligation is updated annually. It is calculated based on actuarial methods to estimate the average wage, the average number of employees to pay at retirement, the estimate of the period when they will be paid and is brought to present value using a discount factor based on interest on investments with the highest degree of safety (government bonds) (note 18).

Current legislation, in force starting 2025, limits to one the number of salaries payable to employees upon retirement; future Collective Labor Agreements will have to observe legal provisions in force. See note 18 c) for further information.

**NOTES**

The Group does not operate any other pension plan or retirement benefits, and therefore has no other obligations relating to pensions.

*Judgment on depreciation and expected useful lives of property, plant and equipment*

The energy transition may curtail the expected useful lives of the Group's assets thereby accelerating depreciation charges. However, it is expected that most of the existing assets will likely have immaterial carrying values by 2050. The Group's core strategy is focused on its upstream segment and will continue to have an important part of the Group's activities over that period. Therefore, management does not expect the useful lives of the Group's property, plant and equipment to change. Significant capital expenditure is still required for ongoing projects as well as renewal and/or replacement of aged assets and therefore the useful lives of future capital expenditure may be different.

If useful life of property, plant and equipment depreciated on a straight-line basis increased by 5%, depreciation for the year would have decreased by RON 8,818 thousand (2024: RON 5,384 thousand).

If useful life of property, plant and equipment depreciated on a straight-line basis decreased by 5%, depreciation for the year would have increased by RON 9,516 thousand (2024: RON 14,189 thousand).

*Judgment related to impairment of assets*

The Group assesses whether indications of impairment exist both at CGU level and for individual assets.

Impairment indicators considered at CGU level (onshore and offshore) include: significant changes in developed proved gas reserves, analysis of profitability of existing fields, regulations related to gas prices, regulations on tax environment and decisions to end existing concessions.

Impairment indicators for individual assets include lack of production, decisions to abandon or write-off an individual asset.

Impairment indicators considered in the storage segment include decrease of storage tariffs, consistent underbooking of storage capacity.

Impairment indicators considered in the electricity segment include lower electricity prices, period until the plant will be in operation, level of output, level of taxation impacting the business. The assumptions used for prices are based on management's best estimate, considering specifics of local market as well as the correlation between the local and regional markets.

*Judgment related to the functional currency of Romgaz Black Sea Limited*

The functional currency of Romgaz Black Sea Limited, registered in the Commonwealth of the Bahamas, is the Romanian Leu, as the company operates in Romania and transactions are carried in the Romanian Leu.

*Judgment related to the residual value of the cushion gas*

Cushion gas is recorded at cost. The Group estimates that future gas prices (ie. residual value) will exceed the cost of the cushion gas. Therefore the cushion gas is not depreciated.

*Contingencies*

By their nature, contingencies end only when one or more uncertain future events occur or not. In order to determine the existence and the potential value of a contingent element, is required to exercise the professional judgment and the use of estimates regarding the outcome of future events (note 32).

*Judgments related to the application of Pillar Two*

In December 2023, the Romanian parliament enacted legislation to implement the Pillar Two Model rules. The legislation is effective for the Group from January 1, 2024 and includes an income inclusion rule and a qualified domestic minimum top-up tax, which together are designed to ensure a minimum effective tax rate of 15% in each country in which the Group operates.

The Romanian legislation includes an initial phase of exclusion from the income inclusion rule for multinational groups subject to the additional tax or national additional tax, by which the tax will be reduced to zero in the first 5 years of the initial phase of the international activity of the multinational group. The initial phase of the international activity started on January 1, 2024.

A multinational group shall be considered to be in the initial phase of its international activity if, for a financial year:

- a) it has constituent entities in no more than 6 jurisdictions; and

## NOTES

b) the sum of the carrying value of the tangible assets of all the constituent entities of the multinational group having their headquarters in all jurisdictions, except the reference jurisdiction, does not exceed EUR 50,000 thousand. The reference jurisdiction represents the jurisdiction in which the constituent entities of the multinational group have the highest total carrying value of tangible assets in the financial year in which the multinational group initially falls within the scope of the law. The total value of tangible assets in a jurisdiction is the sum of the carrying amount of all tangible assets of all constituent entities of the multinational group that are established in that jurisdiction.

Romgaz Group is a multinational group, as Romgaz Black Sea Limited is a company incorporated in the Commonwealth of the Bahamas and Romgaz Trading S.R.L. is a company incorporated in the Republic of Moldova. However, Romgaz Black Sea Limited has no operations outside Romania, the company being involved in only one project, namely the development of the Neptun Deep project in Romania. Romgaz Trading S.R.L. has no current activity. As such, all tangible assets are located in Romania, which is considered to be the reference jurisdiction.

Considering the above, the Group did not recognize any additional income tax from the application of Pillar Two Model rules. The Group notified the tax authorities on being in its initial phase of international activity.

*Judgments made in assessing the impact of climate change and the transition to a lower carbon economy*

Romgaz pays special attention to decarbonization policies, to its contribution to achieving the decarbonization targets assumed by the Paris Agreement and to the implementation of the legislation related to the European Commission's Green Deal package. The Company's current strategy for the period 2022-2030 includes a series of directions of action to reduce carbon emissions. Moreover, Romgaz developed a decarbonization strategy through which a framework plan of long-term actions/projects/investments was defined in order to achieve the decarbonization targets. The Company's strategy will also be updated after the completion of the decarbonization strategy, in close correlation with it.

At the same time, taking into account a series of European legal acts related to the Green Deal policies that came into force in 2024 and which involve a series of obligations on natural gas producers, Romgaz has initiated the following steps:

a) *Implementing Regulation (EU) No. 2024/1735 of the European Parliament and of the Council of June 13, 2024 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724 (NZIA Regulation)*

The NZIA Regulation includes a chapter on carbon capture, transport and storage technology, the intention of which is to accelerate and facilitate investments in such technologies.

It also sets a target of at least 50 million tons of CO<sub>2</sub> per year in storage capacity in depleted oil and gas fields and in saline aquifers. In order to achieve this target, Article 23 (1) provides for oil and gas producers in the European Union to create and make available, by 2030, CO<sub>2</sub> storage capacities, established by the European Commission and calculated proportionally to the share of oil and natural gas production at EU level between January 1, 2020 and December 31, 2023. NZIA imposes oil and gas producers in the European Union to provide by 2030 a 50 Mtpa CO<sub>2</sub> storage capacity of which Romania is accountable for 10.25 Mtpa, and Romgaz, has a capacity contribution obligation of 4.12 Mtpa.

In order to implement the requirements of this regulation, and from the perspective of a potential diversification of the Company's business and the orientation towards activities with a low carbon footprint, Romgaz will start an analysis on the opportunity and technical feasibility of transforming depleted natural gas fields into CO<sub>2</sub> storage sites.

At the same time, taking into account the obligation imposed by the NZIA Regulation, the Company will continue the steps towards the implementation of carbon capture and storage (CCS) projects if the technical, economic and commercial studies and analyses demonstrate the feasibility of such investments.

Romgaz filed with the Court of Justice of the European Union a direct action against the European Commission. The Company is primarily seeking the repeal of Delegated Regulation No. 1477/2025 supplementing Regulation (EU) 2024/1735 of the European Parliament and of the Council and the annulment of Commission Decision (EU) 2025/1479 of 22 May 2025 specifying pro-rata contributions to the Union CO<sub>2</sub> injection capacity objective by 2030 from oil and gas producers in the European Union.

b) *Implementing Regulation (EU) 2024/1787 of the European Parliament and of the Council of June 13, 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942 (REM Regulation)*

The REM Regulation establishes strict rules for the European energy sector on (i) the measurement and reporting of methane emissions, (ii) the periodic monitoring of installations/equipment to detect gas leaks early and eliminate them through immediate interventions, (iii) the limitation of the release of methane into the atmosphere and (iv) actions to reduce emissions from inactive or abandoned wells.

## NOTES

The implementation of the REM Regulation represents a challenge for the Company in the context in which the company operates one of the largest and most complex natural gas extraction infrastructures located throughout the country, much of this infrastructure having a remarkable age. However, given the importance of adopting the measures provided for by the REM Regulation both from an environmental point of view and from that of reducing losses and increasing efficiency, the necessary steps were taken to implement the provisions of the Regulation.

NZIA Regulation and REM Regulation did not lead to the recognition of any impairment on current gas fields or to the reduction of gas reserves. Gas is a transition fuel and management believe such regulations will not lead to accelerated closure of existing fields.

The Group is monitoring the evolution of regulations at EU and national level and continuously assesses their impact on its activities. Currently, the Group does not consider climate change will have a significant effect on the useful life on property, plant and equipment, decommissioning provision, impairment or other general provisions.

## 3. REVENUE AND OTHER INCOME

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Revenue from gas sold, including fulfilling activities - own production	6,877,779	6,858,867
Revenue from gas sold - other arrangements	22,888	25,471
Revenue from gas acquired for resale	23,273	20,351
Revenue from storage services-capacity reservation	308,433	294,640
Revenue from storage services-extraction	103,088	119,907
Revenue from storage services-injection	150,693	96,526
Revenue from electricity	382,033	374,969
Revenue from services	29,213	29,394
Revenue from sale of goods	116,540	97,026
Other revenues from contracts	1,218	753
<b>Total revenue from contracts with customers</b>	<b>8,015,158</b>	<b>7,917,904</b>
Other revenues	10,424	11,532
<b>Total revenue</b>	<b>8,025,582</b>	<b>7,929,436</b>
Other operating income	88,246	61,736
<b>Total revenue and other income</b>	<b>8,113,828</b>	<b>7,991,172</b>

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Revenue at a point in time	7,295,527	7,218,941
Revenue over time	719,631	698,963
<b>Total revenue from contracts with customers</b>	<b>8,015,158</b>	<b>7,917,904</b>

## 4. FINANCE INCOME

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Income from dividends	7,957	686
Interest income	223,952	189,323
<b>Total</b>	<b>231,909</b>	<b>190,009</b>

Interest income is derived from the Group's investments in bank deposits.

NOTES

5. PURCHASE COST OF COMMODITIES SOLD, RAW MATERIALS AND CONSUMABLES

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Consumables used	164,961	157,235
Technological consumption	39,811	34,877
Other consumables	9,132	7,749
<b>Total raw materials and consumables</b>	<b>213,904</b>	<b>199,861</b>
Cost of gas acquired for resale	23,270	24,643
Cost of electricity imbalances *)	86,574	93,820
Cost of other goods sold	1,526	1,362
<b>Total cost of commodities sold</b>	<b>111,370</b>	<b>119,825</b>

\*) Imbalances are generated when quantities actually delivered are lower than the quantities contracted. The difference must be purchased.

6. OTHER GAINS AND LOSSES

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Foreign exchange gain	73,225	10,111
Foreign exchange loss	(92,384)	(15,532)
Net gain/(loss) on disposal of non-current assets	(16,179)	(19,897)
Net allowances for other receivables (note 16 c)	2,164	(19)
Net write down allowances for inventory (note 15)	(7,371)	(6,046)
Losses from trade receivables	(44)	-
<b>Total net gain/(net loss)</b>	<b>(40,589)</b>	<b>(31,383)</b>

7. DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSES

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Depreciation and amortization	510,480	489,366
out of which:		
- depreciation of property, plant and equipment (note 12)	499,492	478,413
- amortization of intangible assets (note 14 a)	6,115	6,978
- amortization of right of use assets (note 14 b)	4,873	3,975
Net impairment of property, plant and equipment, including exploration assets	176,450	113,791
<b>Total depreciation, amortization and impairment</b>	<b>686,930</b>	<b>603,157</b>

NOTES

8. EMPLOYEE BENEFIT EXPENSE

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Wages and salaries	1,105,828	1,052,279
Social security charges	40,434	37,231
Meal tickets	46,672	47,932
Other benefits according to collective labor contract	38,270	37,273
Effect of change in retirement benefit obligation (note 18 c)	(123,928)	4,757
Private pension payments	11,094	11,286
Private health insurance	11,207	11,219
<b>Total employee benefit expense</b>	<b>1,129,577</b>	<b>1,201,977</b>

9. FINANCE COSTS

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Interest expense	90,378	68,584
Unwinding of the decommissioning provision (note 18 a)	25,798	24,108
<b>Total</b>	<b>116,176</b>	<b>92,692</b>

10. TAXES AND DUTIES

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Royalties	559,240	592,761
Windfall tax	767,190	1,201,359
Energy transition fund	13,461	23,627
Other taxes and duties	24,716	8,982
<b>Total</b>	<b>1,364,607</b>	<b>1,826,729</b>

11. INCOME TAX

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Current tax expense	504,411	442,840
Deferred income tax (income)/expense	11,299	(31,050)
Solidarity contribution	-	(16,609)
<b>Income tax expense</b>	<b>515,710</b>	<b>395,181</b>
	<b>December 31, 2025</b>	<b>December 31, 2024</b>
	'000 RON	'000 RON
Current income tax liability	27,834	20,172
Solidarity contribution	(16,609)	(16,609)
<b>Current tax liability</b>	<b>11,225</b>	<b>3,563</b>

**NOTES**

The tax rate used for the reconciliations below for the year ended December 31, 2025, respectively year ended December 31, 2024 is 16% payable by corporate entities in Romania on taxable profits.

The total current tax expense for the period can be reconciled to the accounting profit as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
<b>Accounting profit before tax</b>	<b>3,848,815</b>	<b>3,617,786</b>
Income tax expense calculated at 16%	615,810	578,846
Effect of income exempt of taxation	(35,779)	(48,513)
Effect of expenses that are not deductible in determining taxable profit	107,555	69,412
Effect of current income tax reduction *)	(80,443)	(84,143)
Effect of tax incentive for legal reserve	(28,814)	(27,977)
Effect of tax incentive for reinvested profit	(8,376)	(9,179)
Effect of the benefit from tax credits, used to reduce current tax expense	(4,985)	(1,657)
Effect of tax loss	(51,018)	-
Effect of income tax expense related to previous years	(9,539)	(33,949)
<b>Income tax expense</b>	<b>504,411</b>	<b>442,840</b>

\*) Income tax reductions are calculated according to Government Emergency Ordinance no. 153/2020 which allows for certain reductions in the level of the income tax if equity is positive or if equity is increased against a specific period (2020 level or previous year's level). Reductions vary based on the level of the increase in equity.

**Components of and movement in deferred tax balances**

	Deferred tax (asset)/ liability December 31, 2023	Recorded in profit or loss in 2024	Charged to OCI in 2024	Deferred tax (asset)/ liability December 31, 2024	Recorded in profit or loss in 2025	Charged to OCI in 2025	Deferred tax (asset)/ liability December 31, 2025
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Provisions	(109,533)	2,929	(1,415)	(108,019)	(21,934)	210	(129,743)
Intangibles	-	(9)	-	(9)	(1,474)	-	(1,483)
Property, plant and equipment	4,377	32,080	-	36,457	9,581	-	46,038
Exploration assets *)	(82,196)	12,140	-	(70,056)	6,831	-	(63,225)
Financial investments	(29)	-	-	(29)	-	-	(29)
Inventory	(6,517)	(5,306)	-	(11,823)	(1,180)	-	(13,003)
Trade receivables and other receivables	(15,612)	(23,797)	-	(39,409)	18,040	-	(21,369)
Right of use asset	44	(12)	-	32	(15)	-	17
Deferred revenue	1,674	-	-	1,674	11	-	1,685
Lease liability	(50)	(33)	-	(83)	(926)	-	(1,009)
Prepayments	-	-	-	-	1,711	-	1,711
Tax losses **)	(116,333)	(49,042)	-	(165,375)	654	-	(164,721)
<b>Total</b>	<b>(324,175)</b>	<b>(31,050)</b>	<b>(1,415)</b>	<b>(356,640)</b>	<b>11,299</b>	<b>210</b>	<b>(345,131)</b>

**OCI - other comprehensive income**

\*) According to the Fiscal Code applicable in Romania, expenses related to location, exploration, development or any preparatory activity for the exploitation of natural resources, which, according to MOF 2844/2016, are recorded directly in the result, are recovered in equal rates for a period of 5 years, starting with the month in which the expenses are incurred. Also, for fixed assets specific to the exploration and production of gas resources, the carrying tax value of fixed assets written-off is deducted using the tax depreciation method used before their write-off for the remaining period of depreciation, had the asset not been written-off. All of these costs are treated as assets only from a tax point of view and generate a deferred tax asset.

\*\*\*) The tax losses generating a deferred tax asset relate to Romgaz Black Sea Limited. The Group estimates there will be sufficient taxable profits in the future against which the tax losses will be used. The tax losses generating a deferred tax asset will expire as follows:

## NOTES

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	'000 RON	'000 RON
2028	476,953	476,953
2029	552,554	556,640
<b>Total</b>	<b><u>1,029,507</u></b>	<b><u>1,033,593</u></b>

NOTES

12. PROPERTY, PLANT AND EQUIPMENT

	Land and land improvements	Buildings	Gas properties	Plant, machinery and equipment	Fixtures, fittings and office equipment	Storage assets **)	Exploration assets	Capital work in progress	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
<b>Cost</b>									
As of January 1, 2025	124,752	1,036,546	7,853,032	1,300,411	132,398	1,838,976	514,913	4,881,936	17,682,964
Additions *)	499	51	61,308	333	2,888	10,991	139,521	3,806,653	4,022,244
Transfers	180	42,148	299,221	109,470	11,882	43,040	-	(505,941)	-
Disposals	(505)	(3,254)	(132,100)	(24,174)	(3,498)	(30,785)	(88,836)	(5,172)	(288,324)
As of December 31, 2025	124,926	1,075,491	8,081,461	1,386,040	143,670	1,862,222	565,598	8,177,476	21,416,884
<b>Accumulated depreciation</b>									
As of January 1, 2025	-	467,362	5,368,233	925,492	96,672	860,802	-	-	7,718,561
Depreciation	-	30,397	333,857	80,303	11,508	43,427	-	-	499,492
Disposals	-	(1,196)	(54,641)	(23,992)	(3,016)	(28,903)	-	-	(111,748)
As of December 31, 2025	-	496,563	5,647,449	981,803	105,164	875,326	-	-	8,106,305
<b>Impairment</b>									
As of January 1, 2025	8,255	90,182	551,241	90,713	1,105	364,912	164,371	274,830	1,545,609
Charge ***)	-	21,216	44,829	4,389	102	26,002	31,264	88,629	216,431
Transfers	-	-	47,718	-	-	-	-	(47,718)	-
Utilization	-	(397)	(59,840)	(9)	(52)	-	(84,437)	(4,628)	(149,363)
Release	-	(376)	(10,850)	(1,624)	1,562	(18,028)	(2,742)	(7,923)	(39,981)
As of December 31, 2025	8,255	110,625	573,098	93,469	2,717	372,886	108,456	303,190	1,572,696
<b>Carrying value</b>									
As of January 1, 2025	116,497	479,002	1,933,558	284,206	34,621	613,262	350,542	4,607,106	8,418,794
As of December 31, 2025	116,671	468,303	1,860,914	310,768	35,789	614,010	457,142	7,874,286	11,737,883

\*) Additions of capital work in progress include RON 2,807,667 thousand related to the development of the offshore Neptun Deep block (development costs of RON 2,712,744 thousand and capitalized interest of RON 94,923 thousand, representing 46% of interest and foreign exchange losses) and RON 104,934 thousand related to the new Iernut power plant.

\*\*) Including cushion gas of RON 216,343 thousand. No changes were recorded during the year.

\*\*\*) The impairment recorded during the year refers to individual assets; such assets are fully impaired, as described in note 2.

## NOTES

	Land and land improvements	Buildings	Gas properties	Plant, machinery and equipment	Fixtures, fittings and office equipment	Storage assets **)	Exploration assets	Capital work in progress	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
<b>Cost</b>									
As of January 1, 2024	121,991	995,432	7,518,952	1,233,012	129,209	1,805,670	340,161	2,540,841	14,685,268
Additions *)	109	-	17,990	15	-	5,922	200,401	2,973,333	3,197,770
Transfers	2,652	42,953	475,460	83,066	10,673	31,469	(17,836)	(628,437)	-
Disposals	-	(1,839)	(159,370)	(15,682)	(7,484)	(4,085)	(7,813)	(3,801)	(200,074)
<b>As of December 31, 2024</b>	<b>124,752</b>	<b>1,036,546</b>	<b>7,853,032</b>	<b>1,300,411</b>	<b>132,398</b>	<b>1,838,976</b>	<b>514,913</b>	<b>4,881,936</b>	<b>17,682,964</b>
<b>Accumulated depreciation</b>									
As of January 1, 2024	-	440,855	5,081,262	871,693	91,490	815,835	-	-	7,301,135
Depreciation	-	27,656	324,763	68,822	10,922	46,250	-	-	478,413
Disposals	-	(1,149)	(37,792)	(15,023)	(5,740)	(1,283)	-	-	(60,987)
<b>As of December 31, 2024</b>	<b>-</b>	<b>467,362</b>	<b>5,368,233</b>	<b>925,492</b>	<b>96,672</b>	<b>860,802</b>	<b>-</b>	<b>-</b>	<b>7,718,561</b>
<b>Impairment</b>									
As of January 1, 2024	8,255	89,815	511,693	89,503	1,622	365,753	144,674	281,030	1,492,345
Charge ***)	-	2,470	55,468	4,572	716	-	29,897	67,521	160,644
Transfers	-	-	69,019	-	-	-	-	(69,019)	-
Utilization	-	(356)	(47,580)	(1,402)	(180)	(294)	(7,283)	(3,432)	(60,527)
Release	-	(1,747)	(37,359)	(1,960)	(1,053)	(547)	(2,917)	(1,270)	(46,853)
<b>As of December 31, 2024</b>	<b>8,255</b>	<b>90,182</b>	<b>551,241</b>	<b>90,713</b>	<b>1,105</b>	<b>364,912</b>	<b>164,371</b>	<b>274,830</b>	<b>1,545,609</b>
<b>Carrying value</b>									
As of January 1, 2024	113,736	464,762	1,925,997	271,816	36,097	624,082	195,487	2,259,811	5,891,788
<b>As of December 31, 2024</b>	<b>116,497</b>	<b>479,002</b>	<b>1,933,558</b>	<b>284,206</b>	<b>34,621</b>	<b>613,262</b>	<b>350,542</b>	<b>4,607,106</b>	<b>8,418,794</b>

\*) Additions of capital work in progress include RON 2,175,198 thousand related to the development of the offshore Neptun Deep block and RON 209,847 thousand related to the new Iernut power plant. No interest was capitalized.

\*\*\*) Including cushion gas of RON 216,343 thousand. No changes were recorded during the year.

\*\*\*) The impairment recorded during the year refers to individual assets; such assets are fully impaired, as described in note.

## NOTES

## 13. EXPLORATION AND EVALUATION FOR NATURAL GAS RESOURCES

The following financial information represents the amounts included within the Group's totals relating to activity associated with the exploration for and evaluation of natural gas resources. All such activities are recorded within the Upstream segment.

	Year ended December 31, 2025	Year ended December 31, 2024
	'000 RON	'000 RON
Seismic, geological, geophysical studies	28,858	78,709
<b>Total exploration expense</b>	<b>28,858</b>	<b>78,709</b>
Net movement in exploration assets' impairment (net income)/net loss	28,522	26,980
Cash used in exploration investing activities	(135,122)	(199,871)
	<b>December 31, 2025</b>	<b>December 31, 2024</b>
	'000 RON	'000 RON
Exploration assets included in property, plant and equipment (note 12)	457,142	350,542
Liabilities included in trade payables	(24,120)	(32,303)
<b>Net assets</b>	<b>433,022</b>	<b>318,239</b>

## 14. INTANGIBLE ASSETS. RIGHT OF USE ASSETS

## a) Intangible assets

	2025	2024
	'000 RON	'000 RON
<b>Cost</b>		
As of January 1	5,241,874	5,239,684
Additions	6,904	3,774
Disposals	(11,205)	(1,584)
<b>As of December 31</b>	<b>5,237,573</b>	<b>5,241,874</b>
<b>Accumulated amortization</b>		
As of January 1	110,732	103,754
Charge	6,115	6,978
Disposals	(10,107)	-
<b>As of December 31</b>	<b>106,740</b>	<b>110,732</b>
<b>Carrying value</b>		
As of January 1	5,131,142	5,135,930
<b>As of December 31</b>	<b>5,130,833</b>	<b>5,131,142</b>

Of RON 5,130,833 thousand as of December 31, 2025, RON 5,105,563 thousand represent mineral rights from the acquisition in 2022 of current Romgaz Black Sea Limited (of RON 5,131,142 thousand as of December 31, 2024, RON 5,105,563 thousand represent mineral rights from the acquisition in 2022 of current Romgaz Black Sea Limited). The asset has not generated any amortization by December 31, 2025 as the offshore field is currently being in a development phase. Production is estimated to start in 2027.

## NOTES

## b) Right of use assets

	2025	2024
	'000 RON	'000 RON
<b>Cost</b>		
As of January 1	24,123	18,320
Effects of rent index updates	443	728
New contracts	16,290	5,075
Terminated contracts	(1,765)	-
<b>As of December 31</b>	<b>39,091</b>	<b>24,123</b>
<b>Accumulated amortization</b>		
As of January 1	10,699	6,724
Charge	4,873	3,975
Terminated contracts	(1,523)	-
<b>As of December 31</b>	<b>14,049</b>	<b>10,699</b>
<b>Carrying value</b>		
As of January 1	13,424	11,596
As of December 31	25,042	13,424

## 15. INVENTORIES

	December 31, 2025	December 31, 2024
	'000 RON	'000 RON
Spare parts and materials	428,390	319,669
Finished goods (gas)	43,893	113,560
Other inventories	1,296	991
Inventories at third parties	56,028	33,749
Write-down allowance for spare parts and materials	(80,255)	(73,623)
Write-down allowance for other inventories	(1,012)	(273)
<b>Total</b>	<b>448,340</b>	<b>394,073</b>

## 16. ACCOUNTS RECEIVABLE. CONTRACT LIABILITIES

## a) Trade receivables

	December 31, 2025	December 31, 2024
	'000 RON	'000 RON
Trade receivables	1,013,937	1,351,702
Allowances for expected credit losses (note 16 c)	(294,343)	(513,897)
<b>Total</b>	<b>719,594</b>	<b>837,805</b>

**NOTES**
**b) Other assets**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	'000 RON	'000 RON
Advances paid to suppliers	2,410	2,122
Joint operation receivables	6,612	2,932
Other receivables	24,802	35,458
Allowance for expected credit losses other receivables (note 16 c)	(170)	(169)
Other debtors	44,458	46,673
Allowance for expected credit losses for other debtors (note 16 c)	(43,883)	(46,048)
Prepayments	21,988	6,796
Subsidies receivable	90	-
VAT not yet due	7,431	10,312
Other taxes receivable	23,196	21,286
<b>Total</b>	<b><u>86,934</u></b>	<b><u>79,362</u></b>

**c) Changes in the allowance for expected credit losses for trade and other receivables and other assets**

	<u>2025</u>	<u>2024</u>
	'000 RON	'000 RON
<b>At January 1</b>	<b><u>560,114</u></b>	<b><u>599,762</u></b>
Charge in the allowance for other receivables (note 6)	700	453
Charge in the allowance for trade receivables	145,234	36,366
Write-off against trade receivables *)	(336,337)	(1,188)
Release in the allowance for other receivables (note 6)	(2,864)	(434)
Release in the allowance for trade receivables	(28,451)	(74,845)
<b>At December 31</b>	<b><u>338,396</u></b>	<b><u>560,114</u></b>

\*) In 2025 the Group wrote-off receivables of RON 336,337 thousand due mainly to the loss of a litigation with one of the Group's clients and following the completion of the bankruptcy procedure related to another client of the Group. Both receivables were fully impaired in previous period.

**d) Credit risk exposure for trade and other receivables**

<b>December 31, 2025</b>	<u>Gross carrying amount</u>	<u>Expected credit loss rate</u>	<u>Lifetime expected credit losses</u>
	'000 RON	%	'000 RON
Current receivables, including accrued receivables	651,803	-	-
less than 30 days overdue	16,585	19.28	3,198
30 to 90 days overdue	9,698	66.93	6,491
90 to 360 days overdue	27,458	10.90	2,992
over 360 days overdue *)	308,393	91.33	281,662
<b>Total trade receivables</b>	<b><u>1,013,937</u></b>		<b><u>294,343</u></b>

Current receivables were collected in 2026, hence no allowance was recorded on December 31, 2025.

\*) Gross carrying amount of trade receivables overdue for over 360 days as of December 31, 2025 of RON 308,393 thousand include RON 157,085 thousand (December 31, 2024: RON 161,531 thousand) that have to be paid by the Ministry of Energy (for non-household clients) and the Ministry of Labor (for household clients) based on Government Emergency Ordinance no. 27/2022. As receivables are old, as the legislation in force does not include a deadline for their payment and as the 2026 state budget does not appear to include sufficient amounts for paying all such liabilities to all market participants, as at December 31, 2025 the Group impaired these receivables based on the probability of such receivables not being collected.

## NOTES

December 31, 2024	<u>Gross carrying amount</u> '000 RON	<u>Expected credit loss rate</u> %	<u>Lifetime expected credit losses</u> '000 RON
Current receivables, including accrued receivables	807,377	0.00	-
less than 30 days overdue	27,110	3.2	875
30 to 90 days overdue	1,897	93.83	1,780
90 to 360 days overdue	32,783	95.75	31,390
over 360 days overdue	482,535	99.44	479,852
<b>Total trade receivables</b>	<b>1,351,702</b>		<b>513,897</b>

**e) Contract liabilities**

Contract liabilities refer to cash received by the Group in advance for future deliveries; usually, advances are received for deliveries during the following month.

Revenue was recognized in 2025 from the whole amount of outstanding contract liabilities on December 31, 2024.

Changes in contract liabilities on December 31, 2025 compared to December 31, 2024 are mainly caused by clients opting for providing bank letters of guarantee to Romgaz to secure collections instead of paying for future deliveries in advance.

**17. SHARE CAPITAL. EARNINGS PER SHARE****a) Share capital**

	<u>December 31, 2025</u> '000 RON	<u>December 31, 2024</u> '000 RON
3,854,224,000 fully paid ordinary shares (2024: 3,854,224,000 fully paid ordinary shares)	3,854,224	3,854,224
<b>Total</b>	<b>3,854,224</b>	<b>3,854,224</b>

The shareholding structure presenting the main shareholders as at December 31, 2025 is as follows:

	<u>No. of shares</u>	<u>Value</u> '000 RON	<u>Percentage</u> (%)
The Romanian State through the Ministry of Energy	2,698,230,800	2,698,231	70.01
Fondul de Pensii Administrat Privat NN	211,933,514	211,934	5.50
Legal entities	780,032,658	780,032	20.24
Physical persons	164,027,028	164,027	4.25
<b>Total</b>	<b>3,854,224,000</b>	<b>3,854,224</b>	<b>100</b>

The shareholding structure presenting the main shareholders as at December 31, 2024 is as follows:

	<u>No. of shares</u>	<u>Value</u> '000 RON	<u>Percentage</u> (%)
The Romanian State through the Ministry of Energy	2,698,230,800	2,698,231	70.01
Legal entities	962,639,519	962,640	24.98
Physical persons	193,353,681	193,353	5.01
<b>Total</b>	<b>3,854,224,000</b>	<b>3,854,224</b>	<b>100</b>

NOTES

All shares are ordinary and were subscribed and fully paid as at December 31, 2025. All shares carry equal voting rights and have a nominal value of RON 1/share (December 31, 2024: RON 1/share).

b) Earnings per share

	Year ended December 31, 2025	Year ended December 31, 2024
Profit for the year attributable to ordinary shareholders (RON thousand)	3,333,105	3,205,996
Number of shares outstanding during the year	3,854,224,000	3,854,224,000
<b>Earnings per share (RON thousand)</b>	<b>0.00086</b>	<b>0.00083</b>

18. PROVISIONS AND RETIREMENT BENEFIT OBLIGATION

	December 31, 2025 '000 RON	December 31, 2024 '000 RON
Decommissioning provision (note 18 a)	558,880	351,789
Retirement benefit obligation (note 18 c)	65,098	204,550
<b>Total long term provisions and obligations</b>	<b>623,978</b>	<b>556,339</b>
Decommissioning provision (note 18 a)	43,462	28,936
Litigation provision (note 18 b) *)	53,823	6,579
Greenhouse gas certificates provision (note 18 b)	53,551	43,907
Other provisions **) (note 18 b)	89,634	83,267
<b>Total short term provisions</b>	<b>240,470</b>	<b>162,689</b>
<b>Total</b>	<b>864,448</b>	<b>719,028</b>

\*) The value of litigating cases in which the Group is involved is estimated at RON 66,043 thousand (December 31, 2024: RON 41,698 thousand), being the maxim exposure of the Group. The Group's management considers that the provision of RON 53,823 thousand (December 31, 2024: RON 6,579 thousand) is sufficient, based on current available information.

\*\*) On December 31, 2025, other provisions of RON 89,634 thousand (December 31, 2024: RON 83,267 thousand) include the provision for employee's participation to profit of RON 54,535 thousand (December 31, 2024: RON 51,266 thousand), the provision for taxes of RON 9,118 thousand (December 31, 2024: RON 7,018 thousand), the provision of RON 7,570 thousand for the variable remuneration of the board of directors and officers with a mandate contract to which they will be entitled if they meet the key performance indicators approved by shareholders (December 31, 2024: RON 9,091 thousand) and the provision for vacation days not taken of RON 18,411 thousand (December 31, 2024: RON 15,891 thousand).

a) Decommissioning provision

	2025 '000 RON	2024 '000 RON
<b>Decommissioning provision movement</b>		
<b>At January 1</b>	<b>380,725</b>	<b>405,585</b>
Additional provision recorded against non-current assets	173,541	23,826
Unwinding effect (note 9)	25,798	24,108
Recorded in profit or loss	26,329	(14,883)
Decrease recorded against non-current assets	(4,051)	(57,911)
<b>At December 31</b>	<b>602,342</b>	<b>380,725</b>

## NOTES

The Group makes full provision for the future costs of decommissioning natural gas and storage wells on a discounted basis upon installation. The provision for the costs of decommissioning these wells at the end of their economic lives has been estimated using existing technology, at current prices or future assumptions, depending on the expected timing of the activity, and discounted using a rate of 7.94% (year ended December 31, 2024: 7.37%). While the provision is based on the best estimate of future costs and the economic lives of the wells, there is uncertainty regarding both the amount and timing of these costs.

The increase with 1 percentage point of the discount rate would decrease the decommissioning provision with RON 77,259 thousand (2024: RON 52,698 thousand). The decrease with 1 percentage point of the discount rate would increase the decommissioning provision with RON 95,347 thousand (2024: RON 66,849 thousand).

The increase with 1 percentage point of the inflation rate would increase the decommissioning provision with RON 99,422 thousand (2024: RON 69,237 thousand). The decrease with 1 percentage point of the inflation rate would decrease the decommissioning provision with RON 81,291 thousand (2024: RON 55,105 thousand).

**b) Litigation provision, greenhouse gas certificates provision and other provisions**

	Litigation provision	Greenhouse gas certificates provision	Other provisions	Total
	'000 RON	'000 RON	'000 RON	'000 RON
<b>At January 1, 2025</b>	<b>6,579</b>	<b>43,907</b>	<b>83,267</b>	<b>133,753</b>
Additional provision in the period )	56,657	140,921	82,445	280,023
Provisions used in the period	(8,982)	(104,941)	(76,078)	(190,001)
Unused amounts during the period, reversed	(431)	(26,336)	-	(26,767)
<b>At December 31, 2025</b>	<b>53,823</b>	<b>53,551</b>	<b>89,634</b>	<b>197,008</b>

\*) In 2025, the additional litigation provision of RON 56,657 thousand includes RON 17,034 thousand recorded as an increase in non-current assets, reflecting the fact that the Group has lost the case in the first instance. If the adverse decision is upheld on final appeal, the related amount would become payable and the provision would be released against a corresponding liability. Until a final ruling is issued, the Group has recognized the non-current asset with a corresponding adjustment to a provision.

In 2025, in addition to the RON 104,941 thousand representing greenhouse gas certificates provision used, the Group spent an additional RON 39,933 thousand to acquire certificates related to 2025, greenhouse gas certificates expenses totaling RON 144,874 thousand.

	Litigation provision	Greenhouse gas certificates provision	Other provisions	Total
	'000 RON	'000 RON	'000 RON	'000 RON
<b>At January 1, 2024</b>	<b>18,839</b>	-	<b>70,844</b>	<b>89,683</b>
Additional provision in period *)	9,770	137,092	76,667	223,529
Provisions used in the period	(12,144)	(90,139)	(64,243)	(166,526)
Unused amounts during the period, reversed	(9,886)	(3,046)	(1)	(12,933)
<b>At December 31, 2024</b>	<b>6,579</b>	<b>43,907</b>	<b>83,267</b>	<b>133,753</b>

\*) In 2024, in addition to the RON 90,139 thousand representing greenhouse gas certificates provision used, the Group spent an additional RON 90,613 thousand to acquire certificates related to 2024, greenhouse gas certificates expenses totaling RON 180,752 thousand.

## NOTES

## c) Retirement benefit obligation

Movement of the retirement benefit obligation	2025	2024
	'000 RON	'000 RON
At January 1	204,550	189,314
Interest cost	12,438	10,616
Cost of current service	1,621	12,399
Utilization during the year	(4,307)	(16,621)
Reclassification to litigation provision *)	(14,213)	-
Actuarial (gain)/loss for the period	(1,310)	8,842
Past service costs **)	(133,681)	-
<b>At December 31</b>	<b>65,098</b>	<b>204,550</b>

Based on the Collective Labor Agreements applicable within the Group, the Group is liable to pay to its employees at retirement a number of gross salaries, according to the years worked in the gas industry/electricity industry. To this purpose, the Group recorded an obligation for benefits upon retirement.

\*\*\*) However, legislation effective from 2025 limits retirement benefits to a single monthly salary; accordingly, future Collective Labor Agreements must comply with the applicable legal requirements. As a consequence, the retirement benefit obligation was reassessed and reduced in 2025.

\*) Some of the Group's employees who retired during 2025 initiated legal actions against the Group asking for payment of benefits as included in the Collective Labor Agreement; provisional court decisions ruled in favor of the employees, however the Group appealed such decisions. Considering the provisional decisions, the Group released the retirement benefit obligation for the equivalent of benefits claimed in court and recorded a litigation provision for the said amount.

Except for actuarial gains/losses, all movements in the retirement benefit obligation are recognized as employee benefit expenses.

In determining the retirement benefit obligation, the following significant assumptions were used:

- No layoffs or restructurings are planned;
- Average discount rate: 5.6% (2024: 6.8%);
- Salaries' growth rate: 4.6% in 2026; 4.7% in 2027; 4.9% in 2028; 5.1% in 2029-2031 period, following a decreasing trend in the next years (2024: 5.8% in 2025; 4.9% in 2026; 4.7% in 2027; 4.5% in 2028-2031 period, following a decreasing trend in the next years).

*Sensitivity analysis*

The discount rate has a significant effect on the obligation. Isolated change in assumptions with 1 percentage point would have the following effect on the obligation:

	Increase in assumptions	Decrease in assumptions
	'000 RON	'000 RON
<b>December 31, 2025</b>		
Average discount rate	(3,652)	3,952
Salaries' growth rate	4,119	(3,857)
<b>December 31, 2024</b>		
Average discount rate	(17,174)	19,664
Salaries' growth rate	20,130	(17,836)

## NOTES

*Maturity analysis of cash outflows*

	2025	2024
	'000 RON	'000 RON
Up to 1 year	3,937	17,748
1-2 years	1,348	14,705
2-5 years	4,949	55,811
5-10 years	23,170	157,733
Over 10 years	130,367	662,117

**19. DEFERRED INCOME**

	December 31, 2025	December 31, 2024
	'000 RON	'000 RON
Amounts collected from NIP (note 19 a)	292,446	292,446
Amounts collected from CINEA (note 19 b)	94,192	94,192
Other deferred revenue	110	122
Other amounts received as subsidies	82	89
<b>Total long term deferred revenue</b>	<b>386,830</b>	<b>386,849</b>
Other amounts received as subsidies	394	486
<b>Total short term deferred revenue</b>	<b>394</b>	<b>486</b>
<b>Total deferred revenue</b>	<b>387,224</b>	<b>387,335</b>

**a) National Investment Plan ("NIP")**

In Government Decision no. 1096/2013 approving the mechanism for free allocation of greenhouse gas emission allowances to electricity producers for the period 2013-2020, Annex no. 3 "National Investment Plan", Romgaz is included with the investment "Combined Gas Turbine Cycle".

For this investment, in 2017 Romgaz signed a financing agreement with the Ministry of Energy, whereby the Ministry of Energy undertakes to grant a non-reimbursable financing of RON 320,912 thousand, representing a maximum of 25% of the total value of eligible expenditure of the investment. By December 31, 2025 the Group collected RON 292,446 thousand. Amounts received under this contract will be transferred to income based on the depreciation rate of the investment. No income was recognized by December 31, 2025 as the plant was not yet commissioned.

As per Government Decision no. 1164/December 30, 2025 the completion and commissioning period of investments financed from the National Investment Plan was extended until December 31, 2026 and the reimbursement period until June 30, 2027. If the plant is not commissioned by December 31, 2026, the government grant must be repaid to the Ministry of Energy. An addendum to the financing agreement was signed in December, 2025 to reflect the changes in legislation.

**b) Projects of Common Interest**

In 2023, Depogaz signed a financing agreement with the European Climate, Infrastructure and Environment Executive Agency ("CINEA") to increase the daily extraction capacity of the Bilciurești storage facility. The financing agreement is for EUR 37,962 thousand (RON 193,272 thousand), of which Depogaz received the amount of RON 94,192 thousand as an advance.

## NOTES

## 20. TRADE AND OTHER CURRENT LIABILITIES

	December 31, 2025	December 31, 2024
	'000 RON	'000 RON
Accruals	87,705	121,896
Trade payables	28,468	28,414
Payables to fixed assets suppliers	368,672	306,460
<b>Total trade payables</b>	<b>484,845</b>	<b>456,770</b>
Payables related to employees	47,536	46,469
Royalties	137,846	162,847
Contribution to Energy Transition Fund	-	6,510
Social security taxes	42,517	41,207
Other current liabilities	15,855	14,183
Greenhouse gas certificates surrender liability *)	135,229	137,244
VAT	4,088	18,070
Dividends payable	873	1,365
Windfall tax	72,055	114,527
Other taxes	2,713	3,925
<b>Total other liabilities</b>	<b>458,712</b>	<b>546,347</b>
<b>Total trade and other liabilities</b>	<b>943,557</b>	<b>1,003,117</b>

\*) According to legislation, greenhouse gas certificates must be submitted to the relevant bodies until September, 2026. The balance as of December 31, 2025 relates to certificates acquired in 2025, not yet submitted.

## 21. FINANCIAL RISK MANAGEMENT

## Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, inflation risk, interest rate risk), credit risk, liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance within certain limits. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements. The Group does not use derivative financial instruments to hedge risk exposures.

Companies in the Romgaz Group have formal procedures on risk management that ensure risks are identified and controlled by putting in place a system that keeps risks at an acceptable level. Risk management is an ongoing process that involves identifying the risks that could affect meeting the companies' objectives, assessing the risks identified, managing the risks, identifying control measures for significant risks and setting up an annual plan to implement control measures for significant risks.

Risk assessment considers probability and impact to determine whether measures need to be taken. Based on the risk exposure, the tolerance level is determined based on a matrix. Tolerance levels range from tolerable risk that do not require any measure, to intolerable risks that need urgent control measures.

Risks identified may be accepted, monitored, avoided, treated or transferred.

**(a) Market risk***(i) Foreign exchange risk*

The Group is exposed to currency risk as a result of exposure to various currencies. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

The Group is mainly exposed to currency risk generated by EUR against RON as a result of the cash, bank borrowings and bonds. The Group does not hedge the risk, but monitors the changes in exchange rates.

As of December 31, 2025, the official exchange rate was RON 5.0985 to EUR 1 (December 31, 2024: RON 4.9741 to EUR 1).

**NOTES**

	EUR	GBP	USD	MDL	RON	Total
December 31, 2025	1 EUR= 5.0985	1 GBP= 5.8335	1 USD= 4.3417	1 MDL= 0.2580	1 RON	
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
<b>Financial assets</b>						
Cash and cash equivalents	87,259	5	106	263	1,068,424	1,156,057
Bank deposits other than cash and cash equivalents	2,683,478	-	-	-	2,413,085	5,096,563
Trade receivables	-	-	-	-	719,594	719,594
<b>Total financial assets</b>	<b>2,770,737</b>	<b>5</b>	<b>106</b>	<b>263</b>	<b>4,201,103</b>	<b>6,972,214</b>
<b>Financial liabilities</b>						
Trade payables	-	-	-	-	(484,845)	(484,845)
Lease liability	(16,124)	-	-	-	(11,279)	(27,403)
Bank borrowings	(497,132)	-	-	-	-	(497,132)
Bonds	(5,111,004)	-	-	-	-	(5,111,004)
<b>Total financial liabilities</b>	<b>(5,624,260)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(496,124)</b>	<b>(6,120,384)</b>
<b>Net</b>	<b>(2,853,523)</b>	<b>5</b>	<b>106</b>	<b>263</b>	<b>3,704,979</b>	<b>851,830</b>

	EUR	GBP	USD	MDL	RON	Total
December 31, 2024	1 EUR = 4.9741	1 GBP = 5.9951	1 USD = 4.7768	1 MDL = 0.2576	1 RON	
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
<b>Financial assets</b>						
Cash and cash equivalents	135,243	3	8	263	1,716,637	1,852,154
Bank deposits other than cash and cash equivalents	2,522,091	-	-	-	103,248	2,625,339
Trade receivables	-	-	-	-	837,805	837,805
<b>Total financial assets</b>	<b>2,657,334</b>	<b>3</b>	<b>8</b>	<b>263</b>	<b>2,657,690</b>	<b>5,315,298</b>
<b>Financial liabilities</b>						
Trade payables	-	(9)	-	-	(456,761)	(456,770)
Lease liability	(10,105)	-	-	-	(5,523)	(15,628)
Bank borrowings	(808,346)	-	-	-	-	(808,346)
Bonds	(2,500,978)	-	-	-	-	(2,500,978)
<b>Total financial liabilities</b>	<b>(3,319,429)</b>	<b>(9)</b>	<b>-</b>	<b>-</b>	<b>(462,284)</b>	<b>(3,781,722)</b>
<b>Net</b>	<b>(662,095)</b>	<b>(6)</b>	<b>8</b>	<b>263</b>	<b>2,195,406</b>	<b>1,533,576</b>

The Group is mainly exposed to currency risk generated by EUR against RON. The table below details the sensitivity of the Group's result to a 5% increase/decrease in the EUR exchange rate against the RON. The 5% rate is the rate used in internal reports to management on foreign currency risk and represents management's assessment of reasonable changes in the exchange rate. Sensitivity analysis includes only monetary items denominated in foreign currency in the balance sheet.

	December 31, 2025	December 31, 2024
	'000 RON	'000 RON
RON weakening - loss	142,676	33,105
RON strengthening - gain	(142,676)	(33,105)

**(ii) Inflation risk**

The official annual inflation rate in Romania for 2025 was 7.32% as provided by the National Institute of Statistics. The cumulative inflation rate for the last 3 years was under 100%. This factor, among others, led to the conclusion that Romania is not a hyperinflationary economy.

## NOTES

*(iii) Interest rate risk*

The Group is exposed to interest rate risk due to interest-bearing bank loans.

An increase of 1 percentage point in the interest rate on the bank borrowings would lead to an increase of the interest expense in 2026 of RON 3,770 thousand.

Bank deposits, treasury bills and the bonds issued bear a fixed interest rate.

The Group does not hedge the risk, but monitors the changes in interest rates.

**(b) Credit risk**

Financial assets, which potentially subject the Group to credit risk, consist principally of trade receivables, cash and cash equivalents, bank deposits other than cash equivalents. The Group has policies in place to ensure that sales are made to customers with low credit risk. Also, sales have to be secured either through advance payments, either through bank letters of guarantee. The carrying amount of trade receivables, net of loss allowances, represents the maximum amount exposed to credit risk. The Group has a concentration of credit risk in respect of its top three clients, which amounts to 38.27% of net trade receivable balance at December 31, 2025 (its top three clients: 28.77% as of December 31, 2024).

Although collection of receivables could be influenced by economic factors, management believes that there is no significant risk of loss to the Group beyond the loss allowance already recorded.

Romgaz' Board of Directors approved an internal policy on placing excess cash in state bonds or bank deposits. Regarding bank deposits, cash is only placed with banks having a good credit rating. If bank have no credit rating, excess cash may be placed at them if they are majority state owned or maturity is short. Exposure to each bank cannot be higher than a certain percent, a higher allocation being permitted only for banks having the Romanian State as majority shareholder.

Credit quality of cash and cash equivalent and bank deposits other than cash and cash equivalents is presented below:

Equivalent to external credit rating	December 31, 2025	December 31, 2024
	'000 RON	'000 RON
A+	699,450	474,311
BBB+	3,671,435	2,503,194
BBB	1,440,944	-
BBB-	81,094	1,319,478
BB	3,370	1
No credit rating assigned	356,327	180,509
<b>Total</b>	<b>6,252,620</b>	<b>4,477,493</b>

Cash is placed with 14 banks, of which top 5 represent 84% of the Group's cash, cash equivalent and bank deposits other than cash and cash equivalents (2024: top 5 banks represent 93% of the Group's cash, cash equivalent and bank deposits other than cash and cash equivalents).

**(c) Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to minimize the cost of capital. Capital includes equity, bank borrowings and bonds issued.

In order to maintain or adjust the capital structure, the Group may adjust the dividend policy, issue new shares or sell assets to reduce debt.

The Group's policy is to only resort to borrowing if investment needs cannot be financed internally.

The Group's capital management aims to ensure that it meets financial covenants attached to the interest-bearing loans. Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches of the financial covenants of interest-bearing loans in the current period. Covenants on existing loans need to be complied at each year end; however, these are monitored regularly to identify any risk of non-compliance, so that measures are taken timely.

**(d) Fair value estimation**

Carrying amount of financial assets and liabilities is assumed to approximate their fair value.

Financial instruments in the balance sheet include trade receivables, cash and cash equivalents, bank deposits other than cash equivalents, trade payables, interest-bearing borrowings and bonds issued. Due to their short-term nature, trade receivables, cash and cash equivalents, bank deposits other than cash equivalents, trade payables, fair value approximates the carrying amount.

## NOTES

Bank borrowings' fair value approximate their carrying amount, as these bear a variable rate of interest.

The bonds' carrying value approximate their fair value. The bonds' closing price on Luxembourg Stock Exchange on December 31, 2025 was 102.632% for the first issue and 99.984% for the second issue (level 1 information).

**(e) Liquidity risk management**

Liquidity risk is addressed by constant monitoring the maturities of assets and liabilities. The Group's policy is to have collection periods shorter than payment terms. For unforeseen events that may disturb the cash at hand, Romgaz signed two committed revolving credit facilities (see note 28) that may be drawn to meet payment terms.

The table below shows financial liabilities of the Group on contractual maturities. The amounts represent non-discounted future cash flows generated by financial liabilities.

December 31, 2025	Due in less than a month '000 RON	Due in 1-3 months '000 RON	Due in 3 months to 1 year '000 RON	Due in 1-5 years '000 RON	Due in over 5 years '000 RON	Total '000 RON
Trade payables	382,998	101,644	203	-	-	484,845
Bank borrowings	-	85,422	253,785	166,992	-	506,199
Lease liabilities	539	1,296	3,959	11,438	10,771	28,003
Bonds	-	-	286,258	3,384,129	2,667,153	6,337,540
<b>Total</b>	<b>383,537</b>	<b>188,362</b>	<b>544,205</b>	<b>3,562,559</b>	<b>2,677,924</b>	<b>7,356,587</b>

  

December 31, 2024	Due in less than a month '000 RON	Due in 1-3 months '000 RON	Due in 3 months to 1 year '000 RON	Due in 1-5 years '000 RON	Due in over 5 years '000 RON	Total '000 RON
Trade payables	325,869	130,873	28	-	-	456,770
Bank borrowings	-	86,352	256,036	496,695	-	839,083
Lease liabilities	354	1,871	3,315	7,827	8,788	22,155
Bonds	-	-	118,135	2,959,590	-	3,077,725
<b>Total</b>	<b>326,223</b>	<b>219,096</b>	<b>377,514</b>	<b>3,464,112</b>	<b>8,788</b>	<b>4,395,733</b>

Ultimate responsibility for liquidity risk management rests with the Group's management, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and current cash flows and by matching the maturity profiles of financial assets and liabilities.

**22. RELATED PARTY TRANSACTIONS AND BALANCES****(i) Sales of goods and services**

	Year ended December 31, 2025 '000 RON	Year ended December 31, 2024 '000 RON
Romgaz's associates	14,228	14,139
<b>Total</b>	<b>14,228</b>	<b>14,139</b>

**(ii) Government related entities**

The Group is controlled by the Ministry of Energy, on behalf of the Romanian State (note 17 a). As such, all companies over which the Romanian State has control or significant influence are considered related parties of the Group. The Group applies the disclosure exemption for Government related entities in IAS 24, and therefore discloses significant transactions and balances. Significance is determined based on size and based on existing regulatory/supervisory disclosure requirements (Law no. 24/2017 regarding Issuers of Financial Instruments and Market Operations and F.S.A. Regulation no. 5/2018). Except for the transactions listed below, no other individually significant transactions or collectively significant transactions were identified. Related party transactions are carried out on market terms and there are no transactions outside normal day-to-day operations.

**NOTES**

The table below shows the collectively significant sales of the Group to companies over which the Romanian State has control or significant influence:

	Year ended Dec 31, 2025	Year ended Dec 31, 2024
	'000 RON	'000 RON
Electrocentrale București SA	851,513	592,978
Engie România SA	934,198	814,116
E.On Energie România SA	2,175,358	1,777,506
<b>Total</b>	<b>3,961,069</b>	<b>3,184,600</b>

The table below shows the collectively material cash and cash equivalents and bank deposits other than cash equivalents balances at banks over which the Romanian State has control.

	December 31, 2025	December 31, 2024
	'000 RON	'000 RON
CEC Bank	87,574	-
Exim Banca Românească	1,459,476	988,086
<b>Total</b>	<b>1,547,050</b>	<b>988,086</b>

**(iii) Government related entities - joint arrangements**

The Group has OMV Petrom SA as related party, due to the Romanian State having control in Romgaz and significant influence in OMV Petrom. OMV Petrom SA is the operator of the joint arrangement in which Romgaz Black Sea Limited is a partner. Total costs charged by OMV Petrom SA to Romgaz Black Sea Limited in 2025, as described in note 33, represent mainly additions of capital work in progress related to the development of the offshore Neptun Deep block and were of RON 2,736,058 thousand (2024: RON 2,213,399 thousand), of which the Group capitalized RON 2,713,836 thousand (2024: RON 2,175,198 thousand).

**(iv) Taxation**

The Group is subject to industry specific taxes and/or general taxes. These are presented in notes 10 and 11.

**23. INFORMATION REGARDING THE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES**
**The remuneration of executives and directors**

The Group has no contractual obligations on pensions to former executives and directors of the Group.

During the years ended December 31, 2025 and December 31, 2024, no loans and advances were granted to executives and directors of the Group, except for work related travel advances, and they do not owe any amounts to the Group from such advances.

Executives include directors with mandate contracts and directors with labor contracts. Directors in the table below refer to members of the Board of Directors.

	Year ended Dec 31, 2025	Year ended Dec 31, 2024
	'000 RON	'000 RON
Salaries expense with executives (gross)	47,422	39,727
of which, bonuses and variable component (gross)	8,679	6,017
Remuneration expense with directors (gross)	6,782	5,386
of which, variable component (gross)	3,314	2,073
	<b>December 31, 2025</b>	<b>December 31, 2024</b>
	<b>'000 RON</b>	<b>'000 RON</b>
Salaries payable to executives	959	857
Salaries payable to directors	200	162

In addition to the above, on December 31, 2025 the Group recorded a provision for bonuses for executives and directors of RON 7,570 thousand (December 31, 2024: RON 9,091 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24. INVESTMENT IN ASSOCIATES

The Company's investments in associates are accounted using the equity method. The shares are not quoted on the stock exchange. No dividends were received in the years ended December 31, 2025, respectively, December 31, 2024.

The Company's investment in Agri LNG Project Company is not material. The investment is fully impaired.

Name of associate	Main activity	Place of incorporation and operation	Proportion of ownership interest and voting power held (%)	
			December 31, 2025	December 31, 2024
SC Depomures SA Tg.Mures	Storage of natural gas	Romania	40.4014	40.4014
SC Agri LNG Project Company SRL	Feasibility projects	Romania	25	25

Name of associate	Gross carrying value as of December 31, 2025	Impairment as of December 31, 2025	Carrying value as of December 31, 2025	Gross carrying value as of December 31, 2024	Impairment as of December 31, 2024	Carrying value as of December 31, 2024
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
SC Depomures SA Tg.Mures	67,833	-	67,833	59,426	-	59,426
SC Agri LNG Project Company SRL	182	(182)	-	182	(182)	-
<b>Total</b>	<b>68,015</b>	<b>(182)</b>	<b>67,833</b>	<b>59,608</b>	<b>(182)</b>	<b>59,426</b>

**NOTES**

Summarized financial information for significant investments in associates (SC Depomures SA)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	'000 RON	'000 RON
Non-current assets	190,678	67,565
Current assets, out of which:	47,432	61,431
- Cash and cash equivalents	4,331	52,760
Non-current liabilities, out of which:	9,656	656
- Long term financial liabilities	9,000	656
Current liabilities, out of which:	23,285	10,995
- Short term financial liabilities	656	1,514

	<u>Year ended December 31, 2025</u>	<u>Year ended December 31, 2024</u>
	'000 RON	'000 RON
Revenue	61,605	59,884
Interest income	2,709	2,018
Amortization and depreciation	(4,007)	(4,137)
Interest expense	(54)	(172)
Income tax expense	(3,288)	(3,090)
Net profit from continued operations	20,808	19,980

Reconciliation of net book value for the significant investments in associates

	<u>2025</u>	<u>2024</u>
	'000 RON	'000 RON
<b>January 1</b>	<b>59,426</b>	<b>33,410</b>
Interest in the total comprehensive income of significant investments in associates	8,407	8,016
Increased investment in associates	-	18,000
<b>December 31</b>	<b>67,833</b>	<b>59,426</b>

**25. OTHER FINANCIAL INVESTMENTS**

Other financial investments are recognized at fair value through profit or loss.

Except for the investment in Patria Bank, which is classified as level 1 instrument in the fair value hierarchy, all other investments are included in level 3 category, according to IFRS 13.

<u>Company</u>	<u>Principal activity</u>	<u>Place of incorporation and operation</u>	<u>Proportion of ownership interest and voting power held (%)</u>	
			<u>December 31, 2025</u>	<u>December 31, 2024</u>
Electrocentrale București S.A.	Electricity and thermal power producer	Romania	2.49	2.49
Patria Bank S.A.	Other activities - financial intermediations	Romania	0.02	0.02
Mi Petrogas Services S.A.	Services related to oil and natural gas extraction, excluding prospections	Romania	10	10
Lukoil association	Petroleum exploration operations	Romania	12.2	12.2
Electricity Producers Association-HENRO	Non-governmental, non-profit, independent association	Romania	33.33	33.33

**NOTES**

Company	Fair value as of December 31, 2025 '000 RON	Fair value as of December 31, 2024 '000 RON
Electrocentrale București S.A.	-	-
Patria Bank S.A.*)	47	79
Mi Petrogas Services S.A.	60	60
Lukoil association	5,227	5,227
Electricity Producers Association-HENRO	250	250
<b>Total</b>	<b>5,584</b>	<b>5,616</b>

\*) In 2016, the Company's shareholders decided to withdraw Romgaz from the bank's shareholders, as a result of the merger process in which Patria Bank was involved. In 2021, the approval of the National Bank of Romania was obtained for the partial redemption of the shares that the Company holds in Patria Bank. The shares of Patria Bank S.A. are listed, but following the merger process, the price at which the redemption of the shares held by the shareholders who requested the withdrawal from the shareholding was set to a fixed value. Thus, the investment is measured at this redemption value.

**26. SEGMENT INFORMATION**
**Segment revenues, results and other segment information**

Year ended December 31, 2025	Upstream '000 RON	Storage '000 RON	Electricity '000 RON	Other '000 RON	Adjustment and eliminations '000 RON	Total '000 RON
Revenue	7,539,280	593,160	555,286	511,767	(1,173,911)	8,025,582
Less: revenue between segments	(469,339)	(30,872)	(172,091)	(501,609)	1,173,911	-
Third party revenue	7,069,941	562,288	383,195	10,158	-	8,025,582
Interest income	6,915	13,826	231	230,026	(27,046)	223,952
Interest expense	(884)	-	-	(158,488)	70,120	(89,252)
Employee benefit expense	(613,043)	(86,784)	(66,801)	(362,949)	-	(1,129,577)
Taxes and duties	(1,322,525)	(24,032)	(14,912)	(3,138)	-	(1,364,607)
Third party services and other costs	(1,050,016)	(215,407)	(111,681)	(175,536)	706,858	(845,782)
Share of profit of associates	-	-	-	8,407	-	8,407
Raw materials and consumables used	(144,820)	(56,283)	(439,126)	(41,666)	467,991	(213,904)
Depreciation and amortization	(365,837)	(23,625)	(7,621)	(136,318)	22,921	(510,480)
Impairment losses recognized during the period in profit or loss	(146,212)	-	(18,776)	(38,617)	-	(203,605)
Impairment losses reversed during the period in profit or loss	21,361	-	2,073	3,737	(16)	27,155
<b>Segment result before tax profit/(loss)</b>	<b>4,026,969</b>	<b>201,232</b>	<b>(268,870)</b>	<b>(164,861)</b>	<b>54,345</b>	<b>3,848,815</b>
<b>Income tax expense</b>	<b>(24,385)</b>	<b>(27,944)</b>	<b>-</b>	<b>(463,381)</b>	<b>-</b>	<b>(515,710)</b>
<b>Additions to property, plant and equipment</b>	<b>3,652,071</b>	<b>197,558</b>	<b>97,300</b>	<b>75,315</b>	<b>-</b>	<b>4,022,244</b>

NOTES

Year ended December 31, 2024	Upstream '000 RON	Storage '000 RON	Electricity '000 RON	Other '000 RON	Adjustment and eliminations '000 RON	Total '000 RON
Revenue	7,418,587	573,604	539,646	485,407	(1,087,808)	7,929,436
Less: revenue between segments	(387,238)	(62,338)	(163,682)	(474,550)	1,087,808	-
Third party revenue	7,031,349	511,266	375,964	10,857	-	7,929,436
Interest income	3,908	11,262	152	257,497	(83,496)	189,323
Interest expense	(1,415)	-	-	(67,616)	1,415	(67,616)
Employee benefit expense	(602,003)	(95,171)	(63,438)	(441,365)	-	(1,201,977)
Taxes and duties	(1,778,512)	(20,113)	(24,892)	(3,212)	-	(1,826,729)
Third party services and other costs	(958,803)	(176,781)	(104,187)	(109,017)	702,314	(646,474)
Share of profit of associates	-	-	-	8,016	-	8,016
Raw materials and consumables used	(136,575)	(47,394)	(363,155)	(38,928)	386,191	(199,861)
Depreciation and amortization	(351,583)	(96,648)	(4,163)	(60,035)	23,063	(489,366)
Impairment losses recognized during the period in profit or loss	(141,816)	(112)	(3,623)	(15,045)	(70)	(160,666)
Impairment losses reversed during the period in profit or loss	43,686	175	-	3,009	5	46,875
<b>Segment result before tax profit/(loss)</b>	<b>3,795,665</b>	<b>147,132</b>	<b>(294,337)</b>	<b>41,491</b>	<b>(88,774)</b>	<b>3,601,177</b>
Income tax expense	44,631	(27,985)	-	(411,827)	-	(395,181)
Additions to property, plant and equipment	2,805,766	60,946	258,433	72,625	-	3,197,770

In the year ended December 31, 2025, the Group's three largest clients each individually represents more than 10% of revenue, sales to these clients being of RON 2,175,358 thousand, RON 934,198 thousand and RON 851,513 thousand (in the year ended December 31, 2024 the Group's two largest customers represented individually, over 10% of revenue, sales to these clients being of RON 1,777,506 thousand and RON 814,116 thousand), totaling 49.36% of total revenue (year ended December 31, 2024: 32.68%). Of the total revenue generated by those three clients, 7.82% is shown in the "Storage" segment and 92.18% in the "Upstream" segment (year ended December 31, 2024: 8.83% in the "Storage" segment, 91.17% in the "Upstream" segment).

The majority of revenue is generated by the Group's operations in Romania. Insignificant sales are made to customers outside Romania. The Group does not disclose insignificant sales and balances with external customers.

All non-current assets are located in Romania.

27. CASH AND CASH EQUIVALENTS

	December 31, 2025 '000 RON	December 31, 2024 '000 RON
Current bank accounts *)	232,302	147,564
Petty cash	23	40
Term deposits	922,885	1,702,835
Restricted cash **)	847	1,715
<b>Total</b>	<b>1,156,057</b>	<b>1,852,154</b>

\*) Current bank accounts include overnight deposits.

## NOTES

\*\*) At December 31, 2025 restricted cash refers to bank accounts used only for dividend payments to shareholders, according to stock market regulations.

## 28. BANK BORROWINGS. BONDS

## a) Bank borrowings

	<u>Maturity</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
		'000 RON	'000 RON
EUR 325,000 thousand bank borrowing (equivalent of RON 1,657,013 thousand at RON 5.0985/EUR 1) (unsecured) *)	June 2027	497,132	808,346
RON 745,875 revolving credit facility (unsecured) **)	September 2027	-	-
EUR 100,000 revolving credit facility (equivalent of RON 509,850 thousand at RON 5.0985/EUR 1) (unsecured) **)	December 2026	-	-
RON 250,000 investment credit contract (secured) ***)	<u>August 2037</u>	<u>-</u>	<u>-</u>
<b>Total</b>		<b><u>497,132</u></b>	<b><u>808,346</u></b>

\*) In March 2022, Romgaz signed a EUR 325 million financing deal with Raiffeisen Bank S.A. to finance part of the purchase price of the shares of now Romgaz Black Sea Limited that holds 50% of the rights and obligations for the Neptun Deep block.

In June 2022, an addendum to the facility contract was signed between Romgaz acting as borrower and Raiffeisen Bank S.A. and Banca Comerciala Romana S.A. as lenders.

The loan agreement includes two covenants that have to be met each December 31:

- leverage ratio has to be lower than 300%. Leverage ratio means the ratio between net debt on December 31 and earnings before interest, tax, depreciation and amortization expenses (EBITDA) for the year. Net debt means the aggregate principal amount owed by Romgaz pursuant to financial indebtedness (ie. outstanding bank borrowings, bonds issued, lease liabilities) after deducting the aggregate of cash and cash equivalents.
- debt service coverage ratio has to be higher than 110%. Debt service coverage ratio means the ratio between EBITDA for the year and debt service (ie. interest and bank commissions of any financial indebtedness, scheduled repayments of principal related to any financial indebtedness) paid or payable during the year.
- all metrics are calculated based on the separate financial statements of Romgaz prepared in accordance MOF 2844.

On December 31, 2025 and December 31, 2024 the Company complied with both covenants. There are no indications that the Group may face difficulties complying with the covenants when they will be next tested as at December 31, 2026.

The facility's final maturity is in five years from utilization. There are no borrowing costs other than interest. The loan is repayable in quarterly instalments. The loan is not secured.

The average interest rate during the period was 2,31%/year.

\*\*\*) In 2024, Romgaz signed two revolving credit facilities of RON 745,875 thousand (with Banca Transilvania SA) and EUR 250,000 thousand (with UniCredit Bank SA). The two facilities may be used for general corporate purposes. Romgaz has not drawn any amount from the facilities.

\*\*\*) In December 2023, Depogaz signed an investment credit contract for RON 250 million with Banca Transilvania SA to finance the investment for the increase of the daily withdrawal capacity of the Bilciurești storage facility. The facility can be used until June 19, 2027 and must be repaid by August 06, 2037. The loan is repayable in quarterly installments, after the end of the grace period on June 19, 2027. The loan is secured by Depogaz' cash held at Banca Transilvania. The loan bears no covenants. The loan was not drawn by December 31, 2025.

	<u>2025</u>	<u>2024</u>
	'000 RON	'000 RON
<b>Balance as at January 1</b>	<b><u>808,346</u></b>	<b><u>1,131,722</u></b>
Interest charged	16,430	38,962
Interest paid	(16,490)	(38,897)
Repayments	(323,388)	(323,312)
Foreign exchange differences	<u>12,234</u>	<u>(129)</u>
<b>Carrying amount as at December 31</b>	<b><u>497,132</u></b>	<b><u>808,346</u></b>

NOTES

b) Bonds

In September 2024 Romgaz launched its first Euro Medium Term Note program for a total value of EUR 1,500,000 thousand.

The first tranche of EUR 500,000 thousand of the program was issued in October 2024. The coupon rate is 4.75%. The bonds are repayable in 5 years at par value.

The second tranche of EUR 500,000 thousand of the program was issued in November 2025. The coupon rate is 4.625%. The bonds are repayable in 6 years at par value.

The bonds are not secured.

The coupon on the two issues is payable on an annual basis. The bonds are not convertible and are unsecured. The bonds have no covenants.

The bonds are listed on Luxembourg Stock Exchange and Bucharest Stock Exchange.

	<u>2025</u>	<u>2024</u>
	'000 RON	'000 RON
Proceeds from bond issue	2,527,817	2,485,488
Transaction costs	(9,100)	(11,914)
<b>Net proceeds from bond issue</b>	<b>2,518,717</b>	<b>2,473,574</b>

	<u>2025</u>	<u>2024</u>
	'000 RON	'000 RON
Carrying amount as at January 1	2,500,978	-
Net proceeds from bond issue	2,518,717	2,473,574
Interest charged	142,059	28,655
Interest paid	(116,304)	-
Foreign exchange differences	65,554	(1,251)
<b>Carrying amount as at December 31</b>	<b>5,111,004</b>	<b>2,500,978</b>

The bonds' carrying value approximate their fair value. The bonds' closing price on Luxembourg Stock Exchange on December 31, 2025 was 102.632% for the first issue and 99.984% for the second issue.

29. BANK DEPOSITS OTHER THAN CASH AND CASH EQUIVALENTS

Bank deposits other than cash and cash equivalents represent deposits with a maturity of over 3 months, from acquisition date. The Group did not identify any risk of loss for these assets, therefore it did not record any impairment.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	'000 RON	'000 RON
Bank deposits	5,043,462	2,601,095
Accrued interest receivable on bank deposits	53,101	24,244
<b>Total</b>	<b>5,096,563</b>	<b>2,625,339</b>

30. GUARANTEES GRANTED BY BANKS

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	'000 RON	'000 RON
Guarantees granted	129,544	173,851
<b>Total</b>	<b>129,544</b>	<b>173,851</b>

In 2025, Romgaz signed an addendum to the credit agreement with BCR SA representing a facility for issuing letters of guarantee and opening letters of credit for a maximum amount of RON 500,000 thousand. On December 31, 2025 are still available for use RON 372,480 thousand (December 31, 2024: RON 328,915 thousand).

## NOTES

As of December 31, 2025, the Group's contractual commitments for the acquisition of non-current assets are of RON 2,312,264 thousand (December 31, 2024: RON 4,668,993 thousand).

## 31. GUARANTEES RECEIVED FROM BANKS

	December 31, 2025	December 31, 2024
	'000 RON	'000 RON
Guarantees received	1,951,531	1,945,727
<b>Total</b>	<b>1,951,531</b>	<b>1,945,727</b>

Guarantees are received from the Group's clients to secure payment of deliveries.

## 32. CONTINGENCIES

*(a) Litigations*

The Group is subject to several legal actions arisen in the normal course of business. The management of the Group considers that they will have no material adverse effect on the results and the financial position of the Group, other than the provisions already recorded.

*(b) Taxation*

The Romanian taxation system is undergoing a process of consolidation and harmonization with the European Union legislation. However, there are still different interpretations of the fiscal legislation. In various circumstances, the tax authorities may have different approaches to certain issues, and assess additional tax liabilities, together with late payment interest and penalties. In Romania, tax periods remain open for fiscal verification for 5 years. The Group's management considers that the tax liabilities included in these financial statements are fairly stated.

*(c) Environmental contingencies*

Environmental regulations are developing in Romania and the Group has not recorded any liability at December 31, 2025 for any anticipated costs, including legal and consulting fees, impact studies, the design and implementation of remediation plans related to environmental matters, except the amount of RON 602,342 thousand (December 31, 2024: RON 380,725 thousand), representing the decommissioning liability.

*(d) Contingencies related to grants related to income*

Government Emergency Ordinance no. 27/2022 as subsequently amended (GEO 27) included the obligation of the Group, until March 31, 2024, to sell the electricity it produced at a regulated price. According to GEO 27, electricity producers had to calculate a contribution to the Energy Transition Fund. If the value of the greenhouse gas certificates related to the energy sold at the regulated price exceeded the contribution to the Energy Transition Fund, electricity producers were entitled to receive the excess. Until December 31, 2025, the legislation did not provide for the mechanism to request these amounts from the Romanian State nor the competent authority for the settlement of such requests. As such, the right to receive the grant is not probable. Thus, as of December 31, 2025 the Group discloses a contingent asset of RON 188,260 thousand until legislation will provide for a mechanism for recovering this amount (December 31, 2024: RON 188,260 thousand).

The Company initiated legal action for the recovery of these amounts.

## 33. JOINT ARRANGEMENTS

*Joint arrangement with OMV Petrom SA*

In August 2022, the Group became a party to a joint arrangement with OMV Petrom SA (operator) for the offshore block Neptun Deepwater in the Black Sea, through the acquisition of currently Romgaz Black Sea Limited. The joint arrangement is classified as joint operation, since the parties have the rights to assets and liabilities, production and expenses. Decisions are taken jointly. Each party to the joint agreement has a 50% share in the concession agreement for the Neptun Deepwater block. The Group records its share of the assets and liabilities of the arrangement. Marketing and sales activities will be performed separately by Romgaz Black Sea Limited and OMV Petrom SA.

The Neptun Deep project is currently being developed, commissioning being planned for 2027.

All the rights and interests in and under the joint arrangement, all joint property and any hydrocarbons produced from the Neptun Deepwater block is owned by each party in accordance with its participating interest.

**NOTES**

As a general rule, all decisions of the operating committee require unanimity.

The joint arrangement is material to the Group.

The assets and liabilities recorded in connection with the joint arrangement are shown below:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	'000 RON	'000 RON
Property, plant and equipment	5,455,371	2,741,122
Trade liabilities	285,623	246,546

**34. AUDITOR'S FEES**

The fee charged by the Group's statutory auditor, PricewaterhouseCoopers Audit SRL for the statutory audit of the 2025 annual financial statements is RON 1,199 thousand (December 31, 2024: RON 1,198 thousand).

The fee charged by the Group's statutory auditor PricewaterhouseCoopers Audit SRL for other assurance services in 2025 are RON 2,405 thousand (December 31, 2024: RON 2,567 thousand).

There were no fees charged by the auditor between December 31, 2025 and the date these financial statements were authorized for issue.

**35. EVENTS AFTER THE BALANCE SHEET DATE**

Considering the geopolitical tensions following the breakout of the war in Iran, there has been an increase in financial markets volatility and exchange rate depreciation pressure.

It is expected that these events may affect the activities in various sectors of the economy, could result in further increases in European energy prices and increased risk of supply chain disturbances.

The Group does not have direct exposures to related parties and/or key customers or suppliers from the region.

The Group regards these events as non-adjusting events after the reporting period, the quantitative effect of which cannot be estimated at the moment with a sufficient degree of confidence. Currently, the Group's management is analyzing the possible impact of changing micro- and macroeconomic conditions on the Group's financial position and results of operations.

**36. AUTHORIZATION OF FINANCIAL STATEMENTS**

These financial statements were authorized for issue by the Board of Directors on March 25, 2026.

\_\_\_\_\_  
Răzvan Popescu  
Chief Executive Officer

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Gabriela Trânbițaș  
Chief Financial Officer