

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

## **REPORT**

### **on Public Supply and Works Procurement Contracts above EUR 500,000/procurement and Public Service Procurement Contracts above EUR 100,000/procurement concluded in the period between April 1, 2020 and June 30, 2020**

#### **Brief History**

In accordance with the provisions of Article 22, item a) of the Board of Directors Resolution No. 22 /October 30, 2014 setting out that:

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

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

#### **Current Status**

In accordance with the provisions of Article 22, item a) of the Board of Directors Resolution No. 22 /October 30, 2014, we hereby submit the *Report on public supply and works procurement contracts above EUR 500,000/procurement and public service procurement contracts above EUR 100,000/procurement* concluded by SNGN Romgaz SA in Q2 2020.

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

The procurements were carried out by complying with ROMGAZ Annual Program of Sector-Specific Procurements (procurements of goods, works and services), as approved by ROMGAZ Management. Procurements of our company were financed from own financing sources.

In Q2 2020, S.N.G.N. ROMGAZ S.A. awarded public supply and works contracts above EUR500,000/procurement and public service contracts above EUR 100,000/procurement, as summarized below:

Type of procurement	Number of contracts	Total Value (RON)
Supply of goods	1	6,229,954.50
Works	2 + 5 addendums	RON 22,081,364.88 + EUR 10,685,507.49
Services	7	10,090,872.14

The detailed situation of public supply and works contracts above EUR 500,000/ procurement and public service contracts above EUR 100,000/ procurement is shown below:

**a. Public Supply Contracts above EUR 500,000/procurement**

- Contract no. 27425/May 7, 2020 concluded with S.C. Siemens Energy S.R.L. Bucuresti, for *Gas Compressor Spare Parts I: batch 1*, RON 6,229,954.5 over a period of 12 months (May 7, 2021). The procurement was carried out under the Open Tender procedure, with an estimated value of RON 6,574,616, sourced from production funds, 2020 Sector-Specific Procurement Plan–Section *Goods*, item P 932.1, the award of which was published under CAN 1033408/May 12, 2020. The procurement was carried out by the company’s (headquarter) Procurement (Tender) Office.

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

- Contract no. 27382/April 29, 2020 concluded with S.C Dafora S.A., city of Mediaş, Sibiu County, for *Preliminary Preparatory Works, Drilling and Production Tests at 8 Fierbinti West Exploration Well*, amounting to RON 7,597,341.10 for a period of 171 days (October 17, 2020) from the notice to proceed. The procurement was made by in-house procurement procedure as it is an exception to Law 99/2016, Article 40.  
The procurement has an estimated value of RON 8,362,088, sourced from investment funds, 2019 Sector-Specific Procurement Plan– Section *Works* – item 30.1, for which the Award Notice no. 14686/May 5, 2020 was published. The procurement was carried out by the company’s (headquarter) Procurement (Tender) Office.
- Contract No. 27619/June 3, 2020 concluded with S.C. Transgex S.A., city of Oradea, Bihor County, for *Preliminary Preparatory Works, Drilling and Production Tests at Glavanesti Exploration Well*, amounting to RON 4,260,023.78 for a period of 317 days (April 16,

2021). The procurement was carried out under the Open Tender procedure, with an estimated procurement value of RON 5,005,694, sourced from investments funds, 2019 Sector-Specific Procurement Plan, item L 30.4 –Section *Works*, for which the award notice CAN 1035173/09.06.2020 was published. The procurement was carried out by the company's (headquarter) Procurement (Tender) Office.

- Addendum no. 3/April 28, 2020 to Contract 21277/September 4, 2018 concluded with S.C. Foraj Sonde S.A. city of Craiova, Dolj County, for *Additional Works due to Change of Casing Size at 907 Frasin Well*, amounting to RON 4,607,000 for a period of 25 days.
- Addendum no. 6/May 27, 2020 to Contract 22220/November 26, 2018 concluded with Dafora S.A. city of Medias, Sibiu county, for *Additional Works due to Drill String Stuck at 911 Frasin Well*, amounting to RON 5,617,000 for a period of 26,87 days.
- Addendum no. 14/May 21, 2020 to Contract 13384/October 31, 2016 concluded with the Consortium Duro Felguera S.A. Spain & S.C. Romelectro S.A. București for *Additional Works for the CTE Iernut – Gas Fuel Supply System*, amounting to EUR 5,495,204.04.
- Addendum no. 16/May 27, 2020 to Contract 13384/October 31, 2016 concluded with the Consortium Duro Felguera S.A. Spain & S.C. Romelectro S.A. Bucharest for *Additional Works due to Changes in the Geotechnical Conditions as Compared to the Estimates from the Offer Submitting/Contracting Phase – CTE Iernut*, amounting to EUR 1,102,107.75.
- Addendum no. 18/May 27, 2020 to Contract 13384/October 31, 2016 concluded with the Consortium Duro Felguera S.A. Spain & S.C. Romelectro S.A. Bucharest, for *Works Necessary to Ensure Restoration of the National Energy System in Case of System Failure*, amounting to EUR 4,088,195.70.

**c. Public Service Contracts above EUR 100,000/procurement**

- Multi-year Contract no. 27290/April 8, 2020 to the Framework Agreement no. 27289/April 8, 2020 concluded with S.C. Flowrond Med S.R.L. for *Repair Services of Multi-stream ABB type (XRC6490 G4) Flow Computers*, amounting to RON 671,200.00 for a period of 2 months (June 8, 2020).
- Contract no. 27362/April 27, 2020 concluded with S.C. Romind Energim S.R.L., Bucharest, for *Workover Services of FSR4 and FSR 6 Rotation Screen Filters* amounting to RON1,475,651.68, for a period of 8 months (December 27, 2021). The procurement was carried out under the Open Tender procedure, with an estimated value of RON 1,490,485.68 sourced from investment funds, 2020 Sector-Specific Procurement Plan – Section *Works* – item S 38.1, for which the Award Notice CAN 1032632/April 27, 2020 was published. The procurement procedure was carried out by the Iernut Branch.

- Contract no. 27434/May 7, 2020, concluded with Safetech Innovations S.R.L. Bucharest, for *Information Security Solutions*, amounting to RON 1,128,490.56 for a period of 6 months (November 7, 2020), with an estimated value of RON 1,320,000 sourced from production funds, 2020 Sector-Specific Procurement Plan –Section *Works* - item S 155'.1, for which the Award Notice CAN 1033566/May 13, 2020 was published. The procurement procedure was carried out by the Direct Procurements and Simplified Procedures Office (headquarters).
- Contract no. 27455/ May14, 2020 concluded with Montrepcom S.R.L., city of Ungheni, Mureş county, for Preparing the *Technical Detailed Documentation for the objectives of the Investment Plan Batch no. 1 Surface Technological Facilities at 8 and 9 Paltinoasa Wells, including Electrical Power Supply*, amounting to RON 522,720 for a period of 12 months (May 14, 2021). Open tender procedure was applied with an estimated value of RON 550,000 sourced from investment funds, 2020 Sector-Specific Procurement Plan –Section *Services* – item S 103.1, for which Award Notice CAN 1034447/May 25, 2020 was published. The procurement procedure was carried out by the Medias Branch.
- Multi-year contract No. 27474/ May 18, 2020 to the Framework Agreement No. 23637/April 15, 2019 concluded with Weatherford Atlas Gip S.A., city of Ploieşti, Prahova County, for *Geophysical Logging of Cased Holes*, amounting to RON 3,250,169.90 for a period of 12 months (May 18, 2021).
- Contract No. 27620/June 3, 2020 concluded with S.C. Romflex Sistem S.R.L., city of Râmnicu Vâlcea, Vâlcea County, for *Software Update License and Support Services for Oracle Software Licenses and Technology owned by S.N.G.N. Romgaz S.A.* amounting to RON 2,093,000.00, for a period of 273 days (March 3, 2021). Open tender procedure was applied, with an estimated value of RON 2,175,000, sourced from production funds, 2020 Sector-Specific Procurement Plan, Section *Services* – item S 162.5, for which Award Notice CAN 1035099/June 10, 2020 was published. The procurement procedure was carried out by the Procurement (Tender) Office (at the company's headquarters).
- Contract no. 27718/ June 25, 2020 concluded with S.C. Autocomexim S.R.L., city of Braşov, County of Braşov for *Capitalizable Repairs of Intervention Rigs* amounting to RON 949,640 for a period of 365 days (June 25, 2021). The procurement was carried out under the Open Tender procedure, with an estimated value of RON 1,330,000, sourced from investment funds, Sector-Specific Procurement Plan – Section *Services* – item S 47.4, for which Award Notice CAN 1036306/June 25, 2020 was published. The procurement procedure was carried out by the Medias Branch of Well Workover, Recompletions and Special Well Operations.

Attached to this Report is the *Statement on Public Supply and Works Contracts above EUR 500,000 and Public Service Contracts above EUR 100,000 related to Q2 2020 – Annex 1*, drafted in accordance with Government Decision 583/August 10, 2016 on approving the 2016-2020 National Anticorruption Strategy, performance indicator sets, risks associated with the objectives and

measures of the strategy and verification sources, the inventory of institutional transparency and corruption prevention measures, assessment indicators, and publishing standards of public information.

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

### **Proposals**

Considering:

- The above information on Public Supply and Works Procurement Contracts above EUR 500,000/procurement and Public Service Procurement Contracts above EUR 100,000/procurement conclude in the period between April 1, 2020 and June 30, 2020,

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

- ***The Board of Directors takes note of the Report on Public Supply and Works Procurement Contracts above EUR 500,000/procurement and Public Service Procurement Contracts above EUR 100,000/procurement conclude in the period between April 1, 2020 and June 30, 2020.***

## Statement on Public Supply and Works Contracts above EUR 500,000/procurement and Public Service Contracts above EUR 100,000/procurement in Q2 2020

Crt. No.	Contractor	Subject of Contract	Procurement procedure	Contract No. /Date/ Addendum / Multi-year Contract	Sector-Specific Procurement Plan Position	Award Notice No./ Date	Estimated value (RON)	Initial contract value (RON)	Contract value by addenda (if any) (RON)	Contract Effective Date	Initial Term of Contract	Final Term of Contract	Financing source
<b>Public Supply Contracts (above EUR 500,000)</b>													
1	S.C. Siemens Energy S.R.L. Bucharest	Spare parts for compressors I : batch 1	Open Tender	27425/07.05.2020	2020 Sector-Specific Procurement Plan– Section Goods, position P 932.1	CAN10334 08/12.05.2020	6,574,616.00	6,229,954.50	6,229,954.50	07.05.2020	12 months	12 months	Production
<b>Public Works Contracts (above EUR 500,000)</b>													
1	S.C. Dafora S.A. Mediaș, Sibiu county	Preliminary preparatory works, drilling and production tests at exploration well 8 Fierbinti West	Own procedure	27382/29.04.2020	2019 Sector-Specific Procurement Plan – Section Works – position 30.1	14686/05.05.2020	8,362,088.00	7,597,341.10	7,597,341.10	29.04.2020	171 days	171 days	Investments

<b>Crt. No.</b>	<b>Contractor</b>	<b>Subject of Contract</b>	<b>Procurement procedure</b>	<b>Contract No. /Date/ Addendum / Multi-year Contract</b>	<b>Sector-Specific Procurement Plan Position</b>	<b>Award Notice No./ Date</b>	<b>Estimated value (RON)</b>	<b>Initial contract value (RON)</b>	<b>Contract value by addenda (if any) (RON)</b>	<b>Contract Effective Date</b>	<b>Initial Term of Contract</b>	<b>Final Term of Contract</b>	<b>Financing source</b>
2	S.C. Transgex S.A., Oradea, Bihor county	Preliminary preparatory works, drilling and production tests at exploration well Glavanesti	Open tender	27619/ 03.06.2020	2019 Sector-Specific Procurement Plan, position L 30.4 – Section Works	CAN 1035173/ 09.06.2020	5,005,694.00	4,260,023.78	4,260,023.78	03.06.2020	317 days	317 days	Investments
3	S.C. Foraj Sonde SA Craiova, Dolj county	Additional works due to changes of casing size at well 907 Frasin- - <i>Addendum no. 3/April 28, 2020 to contract 21277/September 4, 2018</i>	-	3/ 28.04.2020	-	-	-	4,607,000.00	-	-	25 days	-	-
4	S.C. Dafora S.A. Mediaș, Sibiu county	Additional works due to drill string stuck at well 911 Frasin - - <i>Addendum no. 6/May 27, 2020 to contract 22220/November 26, 2018</i>	-	6/ 27.05.2020	-	-	-	5,617,000.00	-	-	26.87 days	-	-

<b>Crt. No.</b>	<b>Contractor</b>	<b>Subject of Contract</b>	<b>Procurement procedure</b>	<b>Contract No. /Date/ Addendum / Multi-year Contract</b>	<b>Sector-Specific Procurement Plan Position</b>	<b>Award Notice No./ Date</b>	<b>Estimated value (RON)</b>	<b>Initial contract value (RON)</b>	<b>Contract value by addenda (if any) (RON)</b>	<b>Contract Effective Date</b>	<b>Initial Term of Contract</b>	<b>Final Term of Contract</b>	<b>Financing source</b>
5	Consortium Duro Felguera Spain & S.C. Romelectro S.A.	Additional works for the CTE Iernut – gas fuel supply system - - <i>Addendum no. 14/May 21, 2020 to contract 13384/October 31, 2016</i>	-	14/ 21.05.2020	-	-	-	5,495,204.04 EUR	-	-	-	-	-
6	Consortium Duro Felguera Spain & S.C. Romelectro S.A.	Additional works due to the change in the geotechnical conditions as compared to the estimates from the offer submitting/contracting phase – CTE Iernut - - <i>Addendum no. 16/May 27, 2020 to contract 13384/October 31, 2016</i>	-	16/ 27.05.2020	-	-	-	1,102,107.75 EUR	-	-	-	-	-



Crt. No.	Contractor	Subject of Contract	Procurement procedure	Contract No. /Date/ Addendum / Multi-year Contract	Sector-Specific Procurement Plan Position	Award Notice No./ Date	Estimated value (RON)	Initial contract value (RON)	Contract value by addenda (if any) (RON)	Contract Effective Date	Initial Term of Contract	Final Term of Contract	Financing source
7	Consortium Duro Felguera Spain & S.C. Romelectro S.A.	Works necessary to ensure restoration of the National Energy System in case of system failure - - <i>Addendum no. 18/May 27, 2020 to contract 13384/October 31,</i>	-	18/ 27.05.2020	-	-	-	4,088,195.7 EUR	-	-	-	-	-
<b>Public Service Contracts (above EUR 100,000)</b>													
1	S.C.Flowrond Med S.R.L.	Repair services of Multi-stream ABB type (XRC6490 G4) flow computers - - <i>Multi-year Contract No. 27290/April 8, 2020 to the Framework Agreement No. 27289/April 8, 2020</i>	-	27290/ 08.04.2020	-	-	-	671,200.00	671,200.00	08.04.2020	60 days	60 days	-
2	S.C. Romind Energim S.R.L., Bucharest	Workover services of FSR4 and FSR 6 Rotation Screen Filters	Open tender	27362/ 27.04.2020	2020 Sector-Specific Procurement Plan – Section Works – position S 38.1	CAN10326 32/ 27.04.2020	1,490,485.68	1,475,651.68	1,475,651.68	27.04.2020	8 months	8 months	Investments

Crt. No.	Contractor	Subject of Contract	Procurement procedure	Contract No. /Date/ Addendum / Multi-year Contract	Sector-Specific Procurement Plan Position	Award Notice No./ Date	Estimated value (RON)	Initial contract value (RON)	Contract value by addenda (if any) (RON)	Contract Effective Date	Initial Term of Contract	Final Term of Contract	Financing source
3	Safetech Innovations S.R.L., Bucharest	Information security solutions	NFIP	27434/07.05.2020	2020 Sector-Specific Procurement Plan – Section Works - position S 155'.1	CAN10335 66/13.05.2020	1,320,000.00	1,128,490.56	1,128,490.56	07.05.2020	6 months	6 months	Production
4	Montrepcom S.R.L., Ungheni, Mureș county	Preparation of the Technical Detailed Documentation for the objectives in the investment plan batch no. 1 surface technological facilities at wells 8 and 9 Paltinoasa , including electrical power supply	Open tender	27455/14.05.2020	2020 Sector-Specific Procurement Plan – Section Services – position S 103.1	CAN10344 47/25.05.2020	550,000.00	522,720.00	522,720.00	14.05.2020	365 days	365 days	Investments
5	Weatherford Atlas Gip S.A., Ploiești, Prahova county	Geophysical logging of cased holes/ - <i>Multi-year contract no. 27474/ May 18, 2020 to the Framework Agreement no. 23637/April 15, 2019</i>	–	27474/18.05.2020	–	–	–	3,250,169.90	3,250,169.90	18.05.2020	365 days	365 days	–

<b>Crt. No.</b>	<b>Contractor</b>	<b>Subject of Contract</b>	<b>Procurement procedure</b>	<b>Contract No. /Date/ Addendum / Multi-year Contract</b>	<b>Sector-Specific Procurement Plan Position</b>	<b>Award Notice No./ Date</b>	<b>Estimated value (RON)</b>	<b>Initial contract value (RON)</b>	<b>Contract value by addenda (if any) (RON)</b>	<b>Contract Effective Date</b>	<b>Initial Term of Contract</b>	<b>Final Term of Contract</b>	<b>Financing source</b>
6	S.C. Romflex Sistem S.R.L., Râmnicu Vâlcea, Vâlcea county	Software update license and support services for Oracle software licenses and technology owned by S.N.G.N. Romgaz S.A.	Open tender	27620/03.06.2020	2020 Sector-Specific Procurement Plan - Section Services – position S 162.5	CAN10350 99/10.06.2020	2,175,000.00	2,093,000.00	2,093,000.00	03.06.2020	273 days	273 days	Production
7	S.C. Autocomexim S.R.L., Braşov, Braşov county	Capitalizable repairs of intervention rigs	Open tender	27718/25.06.2020	Sector Procurement Plan – Services Section – position S 47.4	CAN 1036306/25.06.2020	1,330,000.00	949,640.00	949,640.00	25.06.2020	365 days	365 days	Investments