



ROMGAZ

BOARD OF DIRECTORS' REPORT
1ST HALF YEAR 2024

romgaz.ro

SUMMARY

IDENTIFICATION DETAILS ON REPORT AND ISSUER	3
I. 1 st Half Year 2024 Overview	4
1.1. Romgaz Group Performances	4
1.2. Significant Events	6
II. ROMGAZ GROUP OVERVIEW	7
III. REVIEW OF GROUP'S BUSINESS	19
3.1. Operational Results	19
3.2. Consolidated Financial Results	20
3.3. Investments	21
IV. OTHER SIGNIFICANT ASPECTS	29
4.1. Prices and Tariffs	29
4.2. Litigations	32
4.3. Legal documents concluded under Article 52 of GEO No. 109/2011	32
4.4. Main Risks and Uncertainties for H1 2024	32
4.5. Internal Public Audit	33
4.6. Investor Relations	33
4.7. Sponsorships	34
V. CONSOLIDATED FINANCIAL-ACCOUNTING STATEMENT	35
5.1. Interim Statement of Consolidated Financial Position	35
5.2. Interim Statement of Consolidated Comprehensive Income	37
5.3. Statement of Consolidated Cash Flow	40
VI. PERFORMANCE OF CONTRACTS OF MANDATE OF BOARD MEMBERS, CEO, DEPUTY CEO AND CFO	42
6.1. Performance Indicators of Non-executive Board Members	45
6.2. Performance Indicators of Executive Board Members and Officers	47

IDENTIFICATION DETAILS ON REPORT AND ISSUER

Report based on	<i>Law No. 24/2017 on issuers of financial instruments and market operations (Article 67) and ASF Regulation (Financial Supervisory Authority) no.5/2018 on issuers of financial instruments and market operations (Annex No.14) for the six-month period ended on June 30, 2024 (H1 of financial year 2024)</i> <i>GEO No.109 of November 30, 2011 on corporate governance of public enterprises, as subsequently amended and supplemented - art.55 para (1)</i>
Report Date	August 14, 2024
Company Name	Societatea Națională de Gaze Naturale "ROMGAZ" SA
Headquarters	Mediaș, Piața Constantin I. Moțaș, nr.4, 551130, Sibiu
Telephone/fax number	0040 374 401020 / 0040 269 846901
Web/E-mail	www.romgaz.ro / secretariat@romgaz.ro
Registration No. with the Trade Register Office	J32/392/2001
Fiscal Code	RO14056826
Legal Entity Identifier (LEI)	2549009R7KJ38D9RW354
Regulated market where the company's shares are traded	Bucharest Stock Exchange (shares) and London Stock Exchange (GDRs)
Subscribed and paid in share capital	RON 3,854,224,000
Shares main characteristics	3,854,224,000 shares, each with a nominal value of RON 1 nominative, ordinary, indivisible shares, issued dematerialised and free tradable since November 12, 2013 as SNG - for shares and SNGR - for GDRs

I. 1st Half Year 2024 Overview

1.1. Romgaz Group¹ Performances

Romgaz Group keeps high operational and financial performances in the first six months of 2024 (H1 2024). National gas consumption recorded an increase of roughly 1% for the first 6 months of 2024 as compared to the similar period of last year, while Romgaz deliveries decreased by 4.6%. Therefore, Romgaz market share² is 45.31%, by 2.5% lower than the share held in the similar period of last year.

Natural gas production for the first half of 2024, was 2,486.9 million m³, indicating a 4.34% production increase related to the production recorded in H1 2023.

Romgaz electricity production reached 450.769 GWh, lower by 46.810 GWh than the production recorded in the similar period of 2023 (-9.41%). With this production Romgaz holds a market share of 1.68%³.

Net consolidated profit recorded by Romgaz Group in H1 2024 was RON 1,837.21 million, 8.99% higher as compared to H1 2023, namely RON 151.57 million. Compared to Q2 2023, net profit decreased by 17.29% and compared to Q1 2024 it decreased by 52.47%.

Consolidated net profit per share (EPS) was RON 0.48.

Margins of the main profitability indicators for H1 2024: net consolidated profit (47.15%), consolidated EBIT (53.30%) and consolidated EBITDA (60.50%) continue to keep at high levels (H1 2023: 34.42%; 59.19% and 64.79% respectively).

Relevant financial results (consolidated)

				RON million			
Q2 2023**	Q1 2024**	Q2 2024	Δ Q2 (%)	Main Indicators	HI 2023**	HI 2024	Δ HI (%)
1,988.3	2,273.0	1,623.9	-18.33	Revenue	4,897.3	3,896.9	-20.43
2,198.3	2,419.3	1,796.4	-18.28	Income	5,229.1	4,215.7	-19.38
979.1	934.3	1,115.7	13.95	Expenses	2,224.9	2,050.0	-7.86
1.1	2.0	1.4	27.27	Share of associates' result	1.6	3.4	112.50
1,220.3	1,486.9	682.1	-44.10	Gross Profit	3,005.7	2,169.0	-27.84
504.6	241.6	90.2	-82.12	Profit Tax	1,320.1	331.8	-74.87
715.6	1,245.3	591.9	-17.29	Net Profit	1,685.6	1,837.2	8.99
1,156.2	1,444.7	632.4	-45.30	EBIT	2,898.6	2,077.1	-28.34
1,284.3	1,587.6	770.3	-40.02	EBITDA	3,173.2	2,357.8	-25.70
0.19	0.32	0.15	-17.29	Earnings per share *) (RON)	0.44	0.48	8.99
35.99	54.79	36.45	1.26	Net Profit Rate (% from Revenue)	34.42	47.15	36.97
58.15	63.56	38.94	-33.03	EBIT ratio (% from Revenue)	59.19	53.30	-9.94
64.59	69.84	47.43	-26.57	EBITDA ratio (% from Revenue)	64.79	60.50	-6.62
5,944	5,973	5,948	1.00	Number of employees at the end of the period	5,944	5,948	1.00

The figures above are rounded. Therefore, small differences may result upon reconciliation.

* Earnings per share (EPS) was calculated to the current number of 3,854,224,000 shares for all periods presented

** Information related to previous periods were changed following a revised presentation of financial statements. Income from works performed by the Group and capitalized as non-current assets were offset by costs incurred for carrying out such investments. Currently, income from works performed by the Group and capitalized as non-current assets are shown in a separate row in the statement of comprehensive income and expenses include such costs. The result of previous periods is not affected by this change in presentation (see Note 2 from the Condensed consolidated interim statement of comprehensive income on June 30, 2024).

Summary of the Group's main indicators for H1 2024:

- ↻ Natural gas production for H1 2024 increased by 4.3% as compared to the similar period of 2023.
- ↻ Total income decreased by RON 1,013.4 million in H1 2024, recording a drop of 19.38% due to the following factors:
 - Decrease of revenue from natural gas sales (RON 3,250.23 million in H1 2024 as compared to RON 4,283.68 million in H1 2023), mainly due to a drop in prices. Gas quantities delivered in H1 2024 were by 4.2% lower than in H1 2023. Compared to Q1 2024, Q2 recorded lower gas deliveries by

¹ Romgaz Group consists of SNGN Romgaz SA ("the Company"/"Romgaz") as parent company and its wholly owned subsidiaries, Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL ("Depogaz") and Romgaz Black Sea Limited..

² Market share is calculated as a weight of Romgaz deliveries in the total national gas consumption.

³ Source: CNTEE Transelectrica SA

14.29% while revenue from gas sales were lower by 31.11%. As of April 1, 2024 gas prices sold under Government Emergency Ordinance No.27/2022 dropped by 20%, from 150 RON/MWh to 120 RON/MWh. Of the total delivered quantity, deliveries made under GEO No. 27/2022 represent 65.11%

- Revenue from electricity sales also recorded a decrease (RON 180.27 million in H1 2024 as compared to RON 200.40 million in H1 2023) caused by low sale prices. According to GEO No. 27/2022 sale prices decreased by 11.1%, from 450 RON/MWh to 400 RON/MWh.
 - Revenue from storage services decreased by 3.7% (RON 276.65 million in H1 2024 as compared to RON 287.29 million in H1 2023), mainly following a decrease of income from capacity booking and of income from injection services. In 2024-2025 storage cycle (started on April 1, 2024) the storage tariff decreased by 1.74%.
- ↪ *Total expenses* decreased in H1 2024 by 7.86% (RON -174.9 million), mainly due to the reduced windfall tax for natural gas (RON - 256.86 million);
- ↪ *Net consolidated profit* of RON 1,837.21 million, by 8.99% higher, namely by RON 151.57 million, as compared to the similar period of last year, a significant positive influence was the elimination of the solidarity contribution (RON 970.92 million for the first half of 2023) starting with 2024.

Operational results

Q2 2023	Q1 2024	Q2 2024	Δ Q2 (%)	Main Indicators	HI 2023	HI 2024	Δ HI (%)
1,146.6	1,291.0	1,195.9	4.3	Gas production (million m3)	2,383.3	2,486.9	4.3
5,322	7,440.0	9,028.0	69.6	Condensate production (tons)	10,939.0	16,468.4	50.5
174.5	263.8	186.9	7.1	Electricity production (GWh)	497.6	450.7	-9.4
42.4	947.7	35.9	-15.3	Invoiced UGS withdrawal services (million m3)	1,157.3	983.6	-15.0
814.3	41.1	779.6	-4.3	Invoiced UGS injection services (million m3)	859.7	820.7	-4.5

Note: the information is not consolidated, namely it contains transactions between Romgaz and Depogaz.

H1 2024 gas production was influenced by:

- ✓ well workover operations at wells with low productivity or inactive wells;
- ✓ ongoing rehabilitation projects of main mature gas fields;
- ✓ optimisation of gas field exploitation;
- ✓ investments to expand production infrastructure and to connect new wells to it;
- ✓ production decline specific for production of hydrocarbon reservoirs.

National gas consumption estimated for H1 2024 was 56 TWh, approximately 1% higher than the consumption recorded in H1 2023, out of which about 9.3 TWh was import gas and the difference of 46.7 TWh is gas from domestic production, Romgaz deliveries being 25.4 TWh, representing 45.3% of the national consumption and 54.3% of the consumption covered with gas from domestic production.

Electricity production is shown in the table below and its trend was closely related to the energy demand, price trends on competitive markets and equipment maintenance and repair activities.

MWh

	2023	2024	Variation
1	2	3	$4=(3-2)/2 \times 100$
Q1	323,037	263,832	-18.33
Q 2	174,542	186,937	7.1
H I	497,579	450,769	-9.41

1.2. Significant Events

April 25, 2024

PricewaterhouseCoopers Audit S.R.L. is appointed financial auditor for S.N.G.N. Romgaz S.A., the minimum contract term for financial audit is set for three years for provision of services for years 2024, 2025 and 2026.

May 16, 2024

ROMGAZ Board of Directors approved by Resolution No. 32/2024 to set up a gas supply branch in the Republic of Moldova and to take all steps to register the ranch as "Societatea Națională de Gaze Naturale ROMGAZ SA Mediaș - Sucursala Chișinău". Chisinau Branch was registered with the Agency for Public Services of the Republic of Moldova, in the State Registry of legal persons.

May 22, 2024

Fitch Ratings Limited ("Fitch") assigned Romgaz the rating "BBB-" with stable outlook (Investment Grade), this is the Company's inaugural credit rating. According to the report issued by Fitch, the rating "reflects Romgaz's dominant position in Romania's natural gas market, production growth potential from Neptun Deep and Caragele reservoir developments and conservative financial policy".

May 30, 2024

Completion of S.N.G.N. Romgaz S.A. share capital increase approved by the Extraordinary General Meeting of Shareholders on December 18, 2023.

The Company's share capital increased by incorporating reserves representing own financing sources, by the amount RON 3,468,801,600, from RON 385,422,400 to RON 3,854,224,000, by issuing 3,468,801,600 new nominative, ordinary, indivisible shares, dematerialised and free tradable (including new shares underlying the issue of new global depository receipts) with the nominal value of 1 RON/share, each shareholder registered on the registration date (May 29, 2024) is entitled to 9 free shares for each share held.

May 31, 2024

Addendum No.1/May 31, 2024 to the loan agreement No. 42805/September 21, 2023 was concluded between S.N.G.N. ROMGAZ S.A. (as Lender) and Romgaz Black Sea Limited through Romgaz Black Sea Limited Nassau (Bahamas), Sucursala București (as Borrower) amending the term to use the credit line, namely extending the term until October 31, 2024 while all other contract provisions remain unchanged.

May 28, 2024

ROMGAZ Group 2023 Sustainability Report was published. The report presents the non-financial indicators for January 1, 2023 - December 31, 2023, in line with the reporting period.

II. ROMGAZ GROUP OVERVIEW

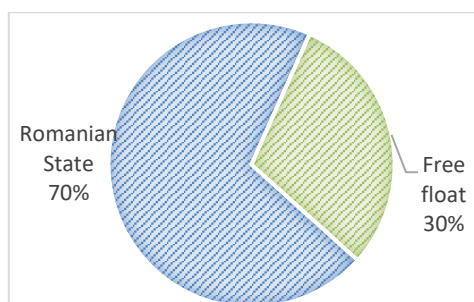
Romgaz Group undertakes business in the following segments:

- ✘ natural gas exploration and production (carried out at Romgaz and Romgaz Black Sea Limited);
- ✘ UGS activity (carried out at Filiala Depogaz);
- ✘ natural gas supply;
- ✘ special well operations and services;
- ✘ maintenance and transportation services;
- ✘ electricity generation and supply;
- ✘ natural gas distribution.

Shareholding Structure

On June 30, 2024, SNGN Romgaz SA shareholding structure was:

	Shares	%
Romanian State ⁴	2,698,230,800	70.0071
Free float - total, of which:	1,155,993,200	29.9929
*legal persons ⁵	955,288,283	24.7855
*natural persons	200,704,917	5.2074
Total	3,854,224,000	100.0000



Company Organisation

The organization of the company is of hierarchy-functional type with six hierarchical levels reaching from the company's shareholders to the execution personnel.

The company has on June 30, 2024, eight branches established in consideration of activities performed and territoriality (natural gas production branches), namely:

- Sucursala Mediaș (Medias Production Branch);
- Sucursala Târgu Mureș (Targu Mures Production Branch);
- Sucursala Buzau (Buzau Branch);
- Sucursala de Intervenții, Reparații Capitale și Operații Speciale la Sonde Mediaș (SIRCOSS) (Well Workover, Recompletions and Special Well Operations Branch);
- Sucursala de Transport Tehnologic și Mentenanță Târgu Mureș (STTM) (Technological Transport and Maintenance Branch);
- Sucursala de Producție Energie Electrică Iernut (Iernut Power Generation Branch);
- Sucursala Drobeta-Turnu Severin (Drobeta-Turnu Severin Branch)
- Sucursala Chisinau (Chisinau Branch).

SNGN Romgaz SA - Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL (Depogaz)

On April 1, 2018 the subsidiary managing the gas storage activity became operational under the name of *SNGN Romgaz SA - Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL*.

The subscribed and paid in share capital of the company is RON 66,056,160 divided in 6,605,616 shares, with a nominal value of RON 10/share.

The Subsidiary took over the operation of underground storages licensed to SNGN Romgaz SA and the operation of assets belonging to SNGN Romgaz S.A. required for performing activities. Moreover, it took over the entire personnel performing storage activities.

⁴ The Romanian State through the Ministry of Energy.

⁶ Including the Bank of New York Mellon, GDR Depository

Depogaz operates 5 UGS's developed in depleted natural gas reservoirs, with a storage capacity of 2,870 billion m³.

Information about the Subsidiary can be found at: <https://www.depogazploiesti.ro>.

Romgaz Black Sea Limited (RBS)

On August 1, 2022, Romgaz became sole shareholder of ROMGAZ BLACK SEA LIMITED, former ExxonMobil Exploration and Production Romania Limited.

RBS is a company operating in compliance with the laws of the Commonwealth of the Bahamas.

RBS holds 50% from the rights and obligations under the Petroleum Agreement for petroleum exploration, development and production for the Deep Water Zone of XIX Neptun offshore block in the Black Sea. OMV Petrom S.A. holds the remaining 50% of such rights and obligations and as of August 1, 2022 OMV Petrom is operator of the block.

The subsidiary Romgaz Black Sea Limited does not own any assets or interests and is not a party to any joint operating agreement, production agreement, production sharing agreement or any similar agreement, besides the Petroleum Agreement for petroleum exploration, development and production for the Deep Water Zone of XIX Neptun offshore block in the Black Sea ("Neptun Deep").

The activity of the project is carried out through Romgaz Black Sea Limited Nassau (Bahamas) Bucharest branch. Neptun Deep is currently in the development - exploration phase.

Development of Domino and Pelican Sud commercial reservoirs requires an infrastructure that includes 10 wells, 3 subsea production systems and related flowlines, an offshore platform, main gas pipeline to Tuzla and a gas metering station. The platform generates its own electricity, operating to the highest safety and environmental standards.

At the same time with development operations, exploration works are ongoing to assess and unlock the Black Sea's energy potential, Neptun Deep block.

COMPANY MANAGEMENT

BOARD OF DIRECTORS

The company is governed by a Board of Directors consisting of 7 members, having on *June 30, 2024*, the following structure:

No.	Name	Position	Status ^{*)}	Professional qualification	Institution of employment
1	Drăgan Dan Dragoș	chairman	non-executive non-independent	economist	Ministry of Energy
2	Jude Aristotel Marius	member	executive non-independent	legal advisor, MBA	SNGN Romgaz SA
3	Nuț Marius Gabriel	member	non-executive independent	economist	SC Sanex SA and SC Lasselberger SA
4	Braslă Răzvan	member	non-executive independent	economist	SC Blom Project Management SRL
5	Sorici Gheorghe Silvian	member	non-executive independent	economist	SC Sobis Solutions SRL
6	Balazs Botond	member	non-executive non-independent	legal advisor	SNGN Romgaz SA
7	Stoian Elena Lorena	member	non-executive independent	legal advisor	SCA Stoian și Asociații

^{*)} - members of the Board of Directors submitted the independent statements in compliance with the provisions of Romgaz Corporate Governance Code.

Board members were appointed under OGMS Resolution No.5 of March 14, 2023, for a 4-year mandate term, starting with March 16, 2023.

Board members' CVs are available on the company's webpage at www.romgaz.ro, *Investors - Corporate Governance - Structure of the Board of Directors*".

Advisory Committees

Four advisory committees support the Board of Directors activity, namely:

- ✎ nomination and remuneration committee;
- ✎ audit committee;
- ✎ risk management committee; and
- ✎ strategy committee.

On June 30, 2024 the advisory committees' structure was the following:

I) Nomination and Remuneration Committee

- ✎ Sorici Gheorghe Silvian (chairman)
- ✎ Braslă Răzvan
- ✎ Drăgan Dan Dragoș

II) Audit Committee

- ✎ Sorici Gheorghe Silvian (chairman)
- ✎ Braslă Răzvan
- ✎ Nuț Marius Gabriel

III) Risk Management Committee

- ✎ Nuț Marius Gabriel (chairman)
- ✎ Balazs Botond
- ✎ Braslă Răzvan

IV) Strategy Committee

- ✎ Balazs Botond (chairman)
- ✎ Drăgan Dan Dragoș
- ✎ Jude Aristotel Marius
- ✎ Stoian Elena Lorena

Braslă Răzvan.

Information on Board of Directors and advisory committees' meetings

The Board of Directors held in H1 2024 a number of **25 meetings**, in compliance with the legal and statutory provisions, out of which:

- 19 conference-call meetings;
- 6 electronic vote meetings.

Attendance at Board of Directors' meetings:

Name	Number of meetings during the mandate	P		PA		NP	
		no.	%	no.	%	no.	%
Drăgan Dan Dragoș	25	25	100.0				
Sorici Gheorghe Silvian	25	24	96.0			1	4.0
Balazs Botond	25	25	100.0				
Jude Aristotel Marius	25	25	100.0				
Nuț Marius-Gabriel	25	25	100.0				
Braslă Răzvan	25	24	96.0			1	4.0
Stoian Elena-Lorena	25	25	100.0				

where:

P = participated;

PA = power of attorney;

NP = did not participate.

Board members' attendance at Advisory Committees' meetings:

<u>Nomination and Remuneration Committee: 3 meetings</u>	
Name	Physical attendance
Sorici Gheorghe Silvian	3/3
Braslă Răzvan	3/3
Drăgan Dan Dragoș	3/3
<u>Audit Committee: 6 meetings</u>	
Name	Physical attendance
Sorici Gheorghe Silvian	6/6
Braslă Răzvan	6/6
Nuț Marius Gabriel	6/6
<u>Risk Management Committee: 2 meetings</u>	
Name	Physical attendance
Nuț Marius Gabriel	2/2
Balazs Botond	2/2
Braslă Răzvan	2/2
<u>Strategy Committee: 3 meetings</u>	
Name	Physical attendance
Balazs Botond	3/3
Braslă Răzvan	3/3
Drăgan Dan Dragoș	3/3
Jude Aristotel Marius	3/3
Stoian Elena Lorena	3/3

Board meetings were held in compliance with the approved agenda. The main resolutions relate to the following:

- Endorse S.N.G.N. Romgaz S.A. 2024 Individual Income and Expenditure Budget;
- Approval of S.N.G.N. Romgaz S.A. Corporate Social Responsibility Policy 2024 - 2027;
- Approval of the Strategy to optimize the exploitation of natural gas production capacities 2024 - 2027;
- Approval of the Methodology/Procedure to elaborate, monitor and periodic update of S.N.G.N. Romgaz S.A. Development Strategy;
- Approval of the Preliminary Consolidated Annual Report on the Economic-Financial Activity of S.N.G.N. Romgaz S.A. Group for 2023;
- Prepare annual reports on the activity of advisory committees for 2023;
- Approval to review the Ethics and Integrity Code, and renaming it as the Code of Ethics and Business Conduct;
- Approval to adhere as associated member to the Romanian Investor Relations Association (ARIR);
- Approval of the 2023 Consolidated Board of Directors' Report;
- Approval of the Report on remuneration, benefits and/or other benefits granted to Board members and Romgaz managers for financial year 2023;
- Endorse SNGN Romgaz SA Annual Individual Financial Statements for financial year ended on December 31, 2023, prepared in compliance with the International Financial Reporting Standards (IFRS);
- Endorse Romgaz Group Annual Consolidated Financial Statements for financial year ended on December 31, 2023, prepared in compliance with the International Financial Reporting Standards (IFRS);
- Approval of the Consolidated Report on Payments to Governments for 2023;
- Endorse appointment of PricewaterhouseCoopers Audit S.R.L. as Romgaz financial auditor;
- Approval to update the Governance Plan 2023 - 2027;
- Approval to establish the gas supply branch "Societatea Națională de Gaze Naturale „Romgaz” S.A. Mediaș - Sucursala Chișinău”;
- Approval of the Quarterly Report on the economic-financial activity of Romgaz Group for the period ended March 31, 2024;
- Approval of the report on the activity of managers for the period ended March 31, 2024 (January 1, 2024 - March 31, 2024);
- Approval of the consolidated simplified interim financial statements for the period ended March 31, 2024, prepared in compliance with the international financial reporting standards;
- Approval of the report on assessing the activity of managers for 2023;
- Endorse the revised income and expenditure budget for 2024 - S.N.G.N. Romgaz S.A. - individual;
- Approval to withdraw from IGU, CRE and CNR-CMP professional associations;
- Approval of the report on the status of fulfilling corporate governance and transparency objectives as well as the status of fulfilling financial and non-financial indicators of 2023;
- Approval of 2023 Romgaz Group Sustainability Report.
-

In the first six months of 2024, the **General Meeting of Shareholders** held **seven ordinary meetings** and **one extraordinary meeting**, passing 8 resolutions. Detailed information on the meetings and the documents are published on the company's website <https://www.romgaz.ro/en/general-meeting-shareholders>

Depogaz Board of Directors

Depogaz is governed by the Board of Directors, consisting of 5 board members, selected and appointed by the Sole Associate in compliance with the law.

Selection and appointment of Depogaz Board of Directors was made in compliance with GEO No. 109/2011 on corporate governance of public enterprises, as amended from time to time, and related enforcement guidelines.

Thus, the appointment of members in the Board of Directors of SNGN Romgaz SA - Filiala de Îmagazinare Gaze Naturale DEPOGAZ Ploiești SRL, was approved by Sole Associate Resolution No. 1/January 19, 2023, for a 4 -year mandate term, for the period January 20, 2023 - January 20, 2027, respectively, as follows:

No.	Surname and name	Position in the BoD	Status*)
1.	Stanescu Nicolae Bogdan Codrut	chairman	independent non-executive
2.	Tarinda Ileana	member	independent non-executive
3.	Lazar George	member	independent non-executive
4.	Vasile Anna-Maria	member	independent non-executive
5.	Ciornea Anca-Isabela	member	independent non-executive

*) - members of the Board of Directors submitted the independent statements in compliance with the Internal Rules of the Board of Directors.

RBS Board of Directors

RBS y is governed by a Board of Directors consisting of 3 members who, having on June 30, 2024 the following members:

No.	Name and surname	BoD Position	Status	Professional Qualification	Employer Company
1	Rodica Sasu	chairman	non-executive	geophysical engineer	SNGN Romgaz SA
2	Robert Stelian Chirca	member	non-executive	engineer	SNGN Romgaz SA
3	Tiberiu Andrei Novac	member	non-executive	economist	SNGN Romgaz SA

Board members have been appointed based on Sole Associate Resolution No. 25 of November 22, 2023, for a 5-month temporary mandate, starting from December 6, 2023, until May 6, 2024. On April 15, 2024, by Sole Associate Resolution No. 16/2024, board members were appointed for a 5-month mandate, from May 7, 2024 until October 7, 2024.

UPPER MANAGEMENT

Chief Executive Officer (CEO)

By Resolution no. 55 of May 15, 2023, the Board of Directors appointed Mr. Popescu Razvan as Chief Executive Officer for a period of 4 years, from May 16, 2023, until May 16, 2027.

By Resolution no. 87 of September 19, 2023, the Board of Directors approved the conclusion of the addendum to the mandate contract of Mr. Popescu Razvan related to financial and nonfinancial performance indicators underlying the establishment and granting of the variable component of the Chief Executive Officer's remuneration, determining the amount of the variable component of remuneration and how it is calculated and paid.

By Resolution no. 115 of December 19, 2023, the Board of Directors approved the conclusion of the addendum to the Chief Executive Officer's mandate contract on the modification of financial and non-financial performance indicators.

Deputy Chief Executive Officer (Deputy CEO)

By Resolution no. 55 of May 15, 2023, the Board of Directors appointed Mr. Jude Aristotel Marius as Deputy Chief Executive Officer for a period of 4 years, from May 16, 2023 until May 16, 2027.

By Resolution no. 87 of September 19, 2023, the Board of Directors approved the conclusion of the addendum to the mandate contract of Mr. Jude Aristotel Marius related to financial and nonfinancial performance indicators underlying the establishment and granting of the variable component of the Deputy Chief Executive Officer's remuneration, determining the amount of the variable component of remuneration and how it is calculated and paid;

By Resolution no. 115 of December 19, 2023, the Board of Directors approved the conclusion of the addendum to the Chief Executive Officer's mandate contract on the correction of financial and non-financial performance indicators.

Chief Financial Officer (CFO)

By Resolution no. 55 of May 15, 2023, the Board of Directors appointed Mrs. Tranbitas Gabriela as Romgaz Chief Financial Officer, for a period of 4 years, from May 16, 2023 until May 16, 2027.

By Resolution no. 87 of September 19, 2023, the Board of Directors approved the conclusion of the addendum to the mandate contract of Mrs. Tranbitas Gabriela, related to the financial and nonfinancial performance indicators underlying the establishment and granting of the variable component of the Deputy Chief Financial Officer's remuneration, determining the amount of the variable component of remuneration and how it is calculated and paid.

By Resolution no. 115 of December 19, 2023, the Board of Directors approved the conclusion of the addendum to the Chief Financial Officer's mandate contract on the correction of financial and non-financial performance indicators.

Other persons holding management positions [without being delegated management powers by the Board of Directors](#), on June 30, 2024:

Surname and name	Position
ROMGAZ - headquarters	
Chirca Robert Stelian	Exploration-Production Department Director
Foidas Ion	Production Department Director
Greco Marius Rares	Human Resources Director
Veza Marius Leonte	Accounting Department Director
Zilahi Ioana Maria	Finance Department Director
Paunescu Octavian Aurel	Exploration-Appraisal Department Director
Sasu Rodica	Exploration-Production Support Department Director
Huzuneanu Ionut Cosmin	Drilling Department Director
Popescu Bogdan Alexandru	Information Technology Department Director
Lupa Leonard Ionut	Procurement Department Director
Chertes Viorel Claudiu	Regulations Department Director
Moldovan Radu Costica	Energy Trading Department Director
Mares Gabriela Elena	Strategy, International Relations, European Funds Department Director
Antal Francisc	Quality, Environment, Emergency Situations and Infrastructure Department
Hategan Gheorghe	Technical Department Director
Medias Branch	
Totan Constantin Ioan	Branch Director
Achimet Teodora Magdalena	Economic Director
Veress Tudoran Ladislau Adrian	Production Director
Popa Bogdan	Technical Director
Targu Mures Branch	
Baciu Marius Tiberiu	Branch Director
Bosca Mihaela	Economic Director
Radu Cristian Gheorghe	Production Director
Roiban Claudiu	Technical Director
Iernut Branch	
Balazs Bela Atila	Branch Director
Hatagan Olimpiu Sorin	Economic Director
Oprea Maria Aurica	Commercial Director

Bircea Angela	Technical Director
SIRCOSS	
Rotar Dumitru Gheorghe	Branch Director
Bordeu Viorica	Economic Director
Gheorghiu Sorin	Technical Director
STTM	
Lucaci Emil	Branch Director
Ilinca Cristian Alexandru	Economic Director
Grosu Adrian Doru	Technical Director
Buzau Branch	
Guettat Morched	Branch Director
Banica Dardu	Production/Operations Director
Drobeta Branch	
Saceanu Constantin	Branch Director
Chisinau Branch	
Selavardeanu Cristian	Branch Director

Members of the upper management, except for the Chief Executive Officer, the Deputy Chief Executive Officer, and the Chief Financial Officer, are employees of the company having an individual employment contract for an indefinite period.

In compliance with the powers delegated by the Board of Directors, the Chief Executive Officer employs, promotes and dismisses management and operating personnel.

Executive Management of Depogaz

Director General

The procedure for recruiting DEPOGAZ Director General was approved by Board Resolution No. 2/January 20, 2023, in compliance with the provisions of GEO No. 109/2011 on corporate governance of public enterprises, as amended.

Upon the completion of the recruiting procedure, Mr. Carstea Vasile was appointed Director General of DEPOGAZ by Board of Directors Resolution No. 5/March 6, 2023, based on a Contract of Mandate concluded for a term of 4 years, starting with March 6, 2023.

The Director General of the company has the duties provided in the Contract of Mandate, by the Internal Rules of the Board of Directors and by the Articles of Association, supplemented by the applicable law.

Other persons holding management position during the reference period:

No.	Surname and name	Position
1.	Alupei Valentin Lucian	Storage Director
2.	Ionescu Viorica Mariana	Economic Director
3.	Girilicel Victor Cristian	Technical Director
4.	Galea Paul	Commercial Director
5.	Moise Sanda Madalina	Quality, Health, Safety, Environment Director

Information on the Board of Directors and the upper management of Depogaz is available on the website: <https://www.depogazploiesti.ro/ro/despre-noi/conducere>

RBS Executive Management

The Board of Directors appointed by Resolution No. 56 of October 26, 2023, Mrs. Diana Andreea Lupu as Director General and legal representative of the company, Branch Director and legal representative

of Romgaz Black Sea Limited Nassau (Bahamas)- Bucuresti Branch for a 5-month interim mandate starting from November 5, 2023 until April 5, 2024.

The Board of Directors appointed by Resolution No. 21 of April 1, 2024, Mrs. Diana Andreea Lupu as Director General and legal representative of the company, Branch Director and legal representative of Romgaz Black Sea Limited Nassau (Bahamas)-Bucuresti Branch for a 5-month mandate starting from April 6, 2024 until September 6, 2024.

Human Resources

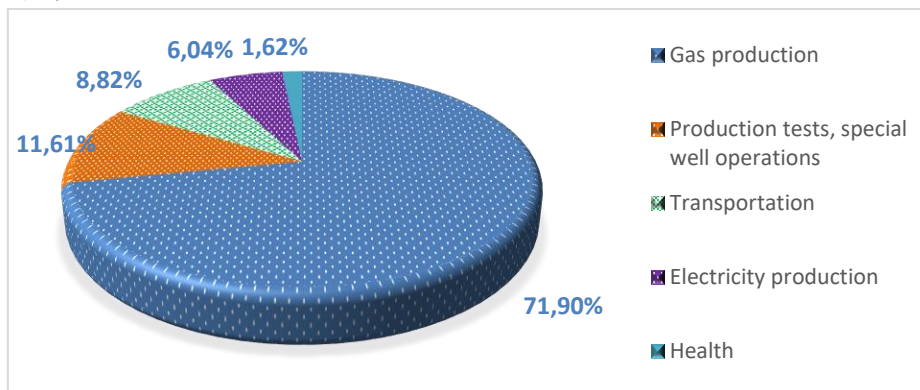
On June 30, 2024, Romgaz Group had 5,948 employees and SNGN Romgaz SA 5,428 employees.

The table below shows the evolution of the employees' number during January 1, 2021 - June 30, 2024:

Description	2021	2022	2023		H1 2024	
			Romgaz Group	SNGN Romgaz SA	Romgaz Group	SNGN Romgaz SA
Employees at the beginning of the period	6,188	5,863	5,971	5,453	5,980	5,462
Newly hired employees	179	354	274	238	107	101
Employees who terminated their relationship with the company	504	246	265	229	139	135
Employees at the end of the period	5,863	5,971	5,980	5,462	5,948	5,428

The structure of *SNGN Romgaz SA* employees at the end of the reporting period is shown below:

a) by activities



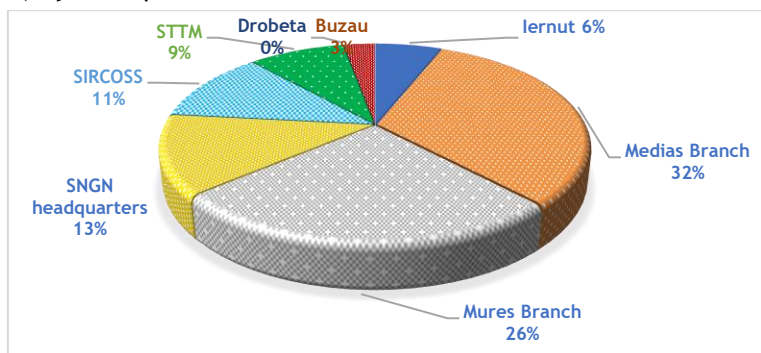
b) by level of education

- university 27.54%;
- secondary school 31.82%;
- foreman school 1.99%;
- vocational school 30.23%;
- middle school 8.42%;

c) by age

- under 30 years 5.36%;
- 30-40 years 13.95%;
- 40-50 years 27.17%;
- 50-60 years 46.30%;
- over 60 years 7.22%;

d) by headquarters and branches



e) by categories

Entity	Workers	Foremen	Office	Total
1	2	3	4	5
Headquarters	55		645	700
Mediaș Branch	1357	294	82	1733
Târgu-Mureș Branch	1124	231	47	1402
SIRCROSS	462	122	46	630
STTM	363	96	20	479
Iernut	197	100	31	328
Drobeta Turnu Severin Branch			2	2
Buzau Branch	115	36	3	154
TOTAL	3673	1526	229	5428

Romgaz on the Stock Exchange

As of November 12, 2013, company's shares are traded on the regulated market governed by BVB (Bucharest Stock Exchange) - under the symbol "SNG" and on the regulated market for financial instruments governed by LSE (London Stock Exchange), as Global Depository Receipts (GDR's) issued by the Bank of New York Mellon - under the symbol "SNGR".

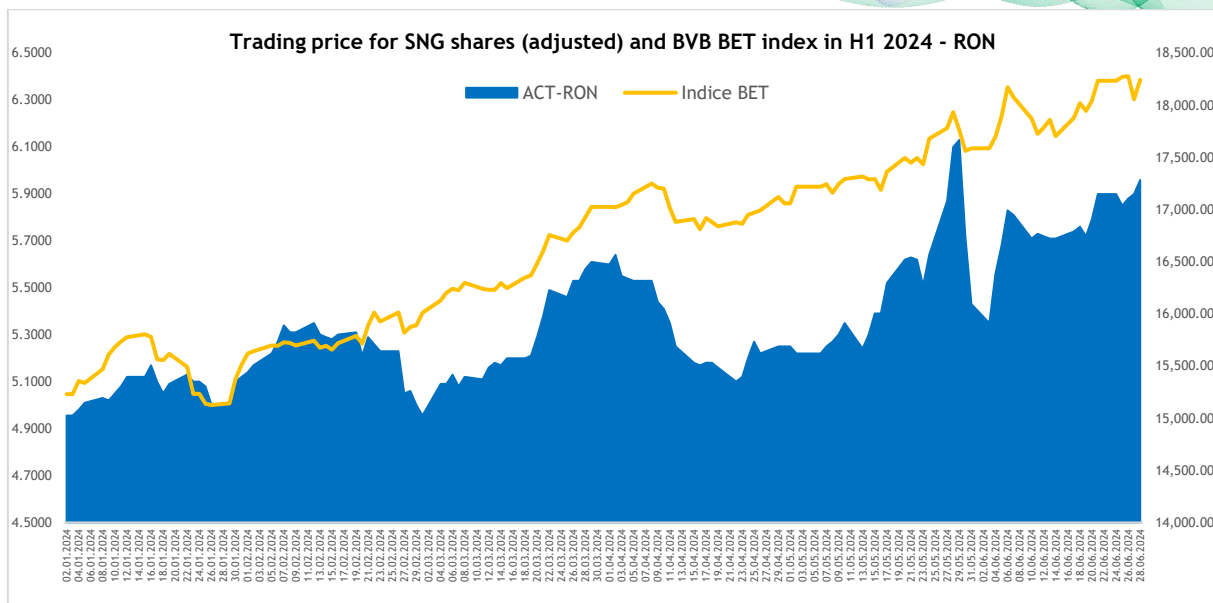
Romgaz is considered an attractive company for investors in terms of dividend distribution to shareholders and the company's stability and development perspectives, as reflected by the evolution of Romgaz securities' prices in the reviewed period.

Since listing until today, Romgaz holds a significant position in the top of local issuers, being included in BVB trading indices by the end of H1 2024, as follows:

- Fourth place by market capitalization in the top Premium BVB issuers. With a market capitalization of RON 22,971.17 million, namely EUR 4,615.37 million on June 30, 2024, Romgaz is the fourth largest listed company in Romania, being preceded by Hidroelectrica with a market capitalisation of RON 56,090.38 million (EUR 11,269.69 million), OMV Petrom with a capitalization of RON 47,668.42 million (EUR 9,577.54 million) and Banca Transilvania with a capitalization of RON 25,557.06 million (EUR 5,134.92 million);
- Fourth place by the total amount of transactions in H1 2024 in the top of Premium BVB issuers (RON 466.16 million), after Banca Transilvania, Hidroelectrica and OMV Petrom;
- Weight of 9.22% and 9.20% in BET index (top 15 issuers) and BET-XT (top 25 issuers) respectively, 17.29% in BET-NG index (energy and utilities) and 9.15% in BET-TR index (BET Total Return).

Performance of Romgaz⁶ shares compared to BET index for the first half year 2024, is shown below:

⁶ Adjusted share prices, according to Romgaz share capital increase with payment date on May 30, 2024.



The table below shows the evolution of closing price and the company's market capitalization on the last day of H1 of 2022, 2023 and 2024:

	June 30, 2022	June 30, 2023	June 30, 2024 ^{*)}
Number of shares	385,422,400	385,422,400	3,854,224,000
Closing price (RON)	50.40	44.25	5.96
Capitalisation			
*RON million	19,425	17,055	22,971
*EUR million	3,928	3,436	4,615 ^{**)}

^{*)} On May 30, 2024 Romgaz share capital was increased, by granting 9 free shares for each share held by shareholders registered on April 29, 2024. Following this operation, the share capital increased 10 times, and consequently the share price decreased 10 times.

^{**)} the exchange rate used was set by BNR, valid for June 30, 2024, namely 4.9771 RON/EUR.

By Resolution No. 17/December 18, 2023, S.N.G.N. Romgaz S.A. Extraordinary General Meeting of Shareholders approved increase of the company's share capital by RON 3,468,801,600 by issuing 3,468,801,600 shares, with a nominal value of 1 RON/share, each shareholder registered on the registration date (May 29, 2024), being entitled to 9 free shares for each share held. Therefore, the total value of the share capital increased (10 times) from RON 385,422,400 to RON 3,854,224,000.

As a consequence, the prices of securities (shares and GDR's) were adjusted on the two stock exchanges, BVB and LSE, decreasing 10 times. Therefore, in order to make a fair analysis of prices for the period, the historical prices of shares and GDR's were reduced⁷ accordingly.

The average trading price of shares in H1 2024 was RON 5,355, recording sharp fluctuations in Q2 as compared to Q1, especially following the share capital increase. Towards the end of the reviewed period, the share price increased, reaching in the last trading day of H1 2024 5.96 RON/share, 18.96% higher than the last trading price of 2023.

The maximum price for the period, 6.13 RON/share was reached on May 29, 2024, the registration date of the share capital increase, and the minimum of the period 4.9550 RON/share was recorded on the first trading day of 2024.

The most important events of the period that influenced the share price were: discussions on the market on changes of the regulatory and fiscal framework for oil and gas companies (decrease of regulated prices)⁸, publishing the Preliminary Report for 2023 that reflected a 32.6% decreased

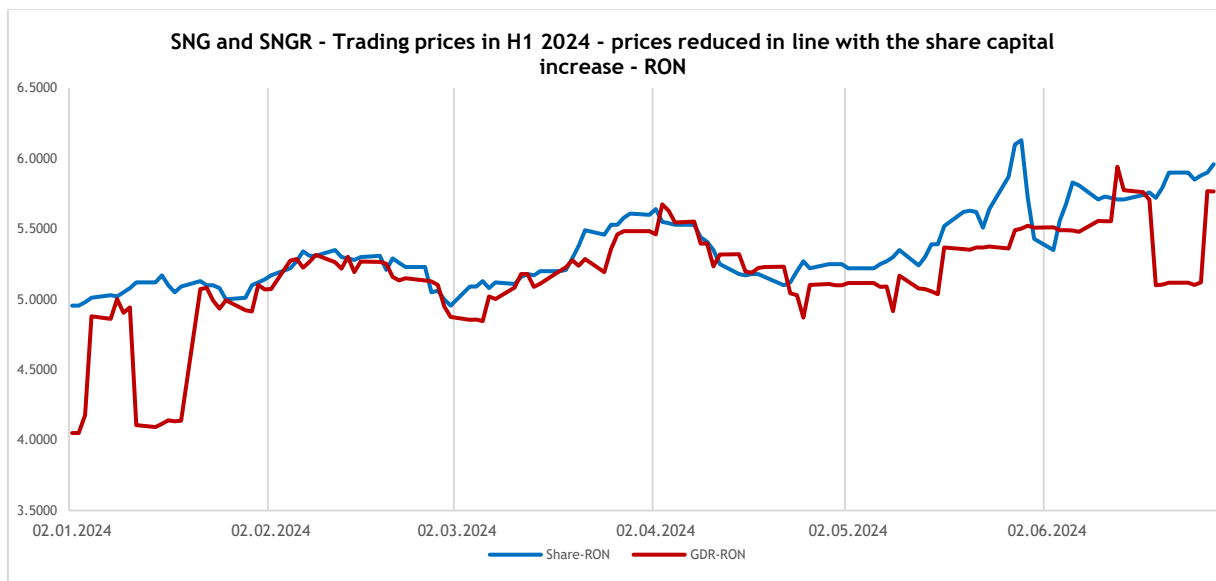
⁷ All prices were divided by 10.

⁸ Source: Ziarul Financiar on February 27, 2024.

revenue despite an increased net estimated profit of 10.4% (February 28, 2024), increase of Romgaz share capital with the registration date May 29, 2024 and on the payment date May 30, 2024.

In the reviewed period, the trading price of global depository receipts (GDR), underlying Romgaz shares has developed slightly different from that of the shares especially in the first month of 2024 and during the share capital increase. Therefore, the minimum GDR value was recorded similar to shares on the first trading day of the year (USD 0.89, equivalent to RON 4.05), and the maximum price (USD 1.29 equivalent to RON 5.942) was reached on June 13, 2024, following the share capital increase. Compared to the last trading day of 2023, GDR prices increased on June 30, 2024 by 14.81% in USD (equivalent of +RON18.73, at a +3.41 RON/USD exchange rate). The average trading value of GDR's for H1 2024 was 1.1205 USD/GDR (equivalent of 5.1574 RON/GDR).

The compared evolution of share and GDR prices (in RON) for H1 2024 is shown below:



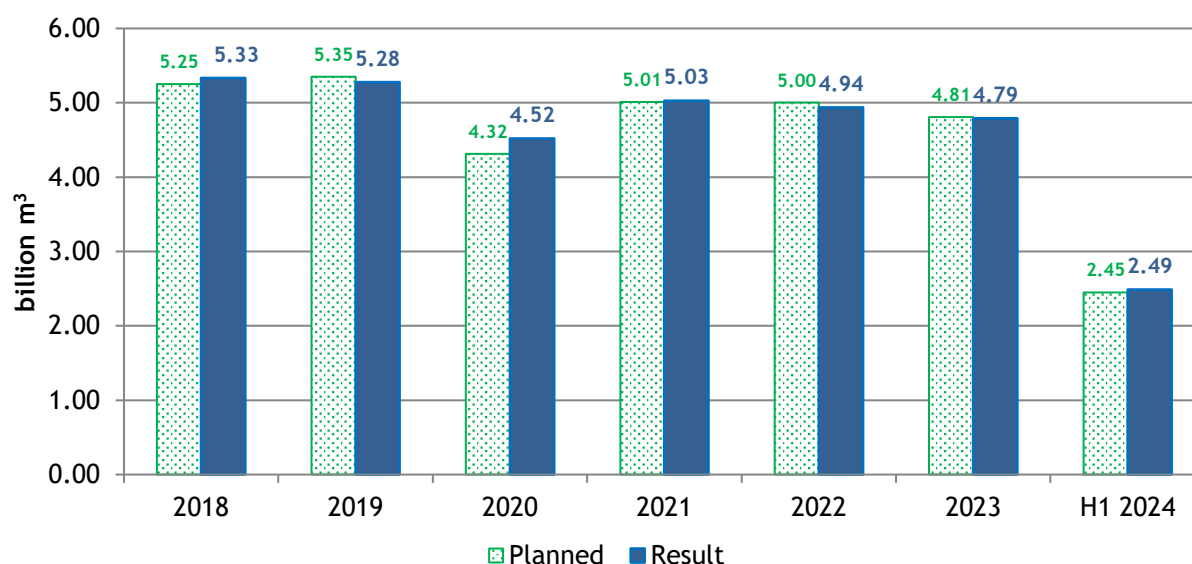
III. REVIEW OF GROUP'S BUSINESS

3.1. Operational Results

A retrospective analysis relating to natural gas volumes produced during 2018-2023 and H1 2024 is shown below:

Specifications	2018	2019	2020	2021	2022	2023	H1 2024
1	3	4	5	6	7	2	8
Planned (mil.m ³)	5,250	5,350	4,315	5,010	5,000	4,810	2,453
Result (mil.m ³)	5,333	5,277	4,520	5,029	4,936	4,788	2,487
Balance (Result vs Planned)							
• mil.m ³	83	-73	205	19	-64	-22	33
• percentage %	101.6	98.6	104.7	100.4	98.7	99.5	101.3

The chart below shows the evolution of gas volumes produced during 2018-2023 and in H1 2024, planned versus result:



Analysis of production data shows that produced gas volumes were substantially equal to the planned level.

The achievement of such gas volumes was positively impacted by the following factors:

- streaming in new wells resulted from geological exploration activities which brought new commercial gas discoveries into the economy;
- continuing rehabilitation projects performed in the main mature gas fields;
- performing well workover operations that contributed to the reactivation of a series of wells with important flow rates;
- optimizing production by applying modern water removal methods by implementing minimum invasive technologies for well workovers, by monitoring operational parameters with modern pressure and flow rate measuring devices.

The table below shows the produced gas quantities (gross production), the delivered gas quantities (net production) and gas quantities injected/withdrawn in/from the underground storages during January - June 2024, as compared to the similar period of 2022 and 2023 (mil. m³):

No.	Specifications	HI 2022	HI 2023	HI 2024	Indices
0	1	2	3	4	5=4/3x100
1.	Gross gas production	2,515.1	2,383.3	2,486.9	104.3%
2.	Technological consumption	37.8	35.9	36.5	101.7%
3.	Net internal gas production (1.-2.)	2,477.3	2,347.4	2,450.4	104.4%
4.	Internal gas volumes injected into UGS	43.8	32.0	165.6	517.5%
5.	Internal gas volumes withdrawn from UGS	202.9	143.8	13.9	9.7%
5.1.	Gas sold in storages	0.0	22.7	77.1	339.6%
6.	Difference from conversion to Gross Calorific Value	1.2	0.7	3.5	500.0%
7.	Volumes supplied from internal production (3.-4.+5.-6.)	2,635.2	2,481.2	2,372.3	95.6%
8.1.	Gas supplied to CTE Iernut and Cojocna from Romgaz's gas	164.5	147.1	135.8	92.3%
8.2.	Self-supplied gas			0.7	
9.	Gas supplied from internal production to the market (7.-8.1.-8.2.)	2,470.7	2,334.1	2,235.8	95.8%
10.	Gas from partnerships Amromco (50%)	10.4	7.9	8.9	112.7%
11.	Purchased internal gas volumes (including imbalances and commodity gas)	0.7	7.7	0.1	1.3%
12.	Sold internal gas volumes (9.+10.+11.)	2,481.8	2,349.7	2,244.8	95.5%
13.	Supplied internal gas volumes (8.1.+8.2.+12.)	2,646.3	2,496.8	2,381.3	95.4%
14.	Supplied import gas volumes	0.0	0.0	0.0	0.0%
15.	Gas supplied to Iernut and Cojocna from other sources (including imbalances)	0.0	0.1	0.0	0.0%
16.	Total gas supplies (13.+14.+15.)	2,646.3	2,496.9	2,381.3	95.4%
*	Invoiced UGS withdrawal services	1,090.1	1,157.3	983.6	85.9%
*	Invoiced UGS injection services ¹⁾	781.0	859.7	820.7	95.5%

Note: information is not consolidated, namely these include the transactions between Romgaz and Depogaz.

¹⁾ - represent the gas quantities related to injection services invoiced by Depogaz.

Gas delivered by Romgaz in H1 2024, representing deliveries to customers and CTE Iernut consumption is 4.6% lower than in the same period of the previous year.

3.2. Consolidated Financial Results

The Group's income originates from natural gas production and delivery (production and delivery of own gas, gas from joint operations, sales of import gas and of gas purchased from other domestic producers), from providing underground storage services, from electric power generation and supply and from other related services.

RON thousand

No.	Specifications	HI 2023*	HI 2024	Ratios (2024/2023)
0	1	2	3	4=(3-2)/2x100
1	Income - total, out of which:	5,229,062	4,215,702	-19.38
	*operating income	5,086,714	4,099,719	-19.40
	*financial income	142,348	115,983	-18.52
2	Revenue	4,897,317	3,896,939	-20.43

3	Expenses - total, out of which:	2,224,882	2,050,014	-7.86
	*operating expenses	2,176,313	2,012,516	-7.53
	*financial expenses	48,569	37,498	-22.79
4	Share of associates' results	1,562	3,359	115.04
5	Gross profit	3,005,742	2,169,047	-27.84
6	Income tax expenses	1,320,102	331,834	-74.86
7	Net profit	1,685,640	1,837,213	8.99

*) information related to previous periods were changed following a revised presentation of financial statements. Income from works performed by the Group and capitalized as non-current assets were offset by costs incurred for carrying out such investments. Currently, income from works performed by the Group and capitalized as non-current assets are shown in a separate row in the statement of comprehensive income and expenses include such costs. The result of previous periods is not affected by this change in presentation (see Note 2 from the Condensed consolidated interim statement of comprehensive income on June 30, 2024).

In H1 2024 total income was lower by 19.38% as compared to H1 2023.

Economic-Financial Results

The table below shows a comparison between the consolidated financial results (RON thousand):

Specifications	H I 2023	H I 2024	Ratios (2024/2023)
1	2	3	5=(3-2)/2x100
Operating result	2,910,401	2,087,203	-28.28
Financial result	93,779	78,485	-16.31
Share of associates' result	1,562	3,359	115.04
Profit before tax	3,005,742	2,169,047	-27.84
Income tax expenses	1,320,102	331,834	-74.86
Profit for the period	1,685,640	1,837,213	8.99

The net result achieved for H1 2024 of RON 1,837.21 million is higher by 8.99% than the result of H1 2023.

3.3. Investments

Investments play an important part in maintaining the production decline at current levels by discovering new reserves and improving the current recovery rate by rehabilitation, development and modernization of existing facilities.

In H1 2024, **Romgaz Group** invested RON 1,253.242 million, representing approx. 71.98% from the planned investments.

During 2020 - June 30, 2024 the **Company** invested **RON 8,857.62 million**, as follows:

RON thousand

Year	2020	2021	2022	2023	H1 2024	Total
Value (thousand RON)	601,800	417,658	5,584,823	1,106,161	1,147,180	8,857,622

For 2024, **Romgaz** planned investments of **RON 4,089.862 million** of which RON 1,534.873 million were scheduled for H1 2024, and RON 1,147.180 million were invested, representing:

- 74.74% of investments planned for H1 2024;
- 28.05% of the Investment Program for 2024;
- 334.35% as compared to the investment results of H1 2023.

The 2024 Romgaz Investment Program allocated for Neptun Deep project for financing RON 2,858.019 million, of which the amount planned for H1 2024 was *RON 1,005.386 million*. Of this amount Romgaz granted loans to RBS of RON 828.44 million, representing:

- 82.40 % of the amount planned for H1 2024;
- 28.99 % of the Program approved for 2024 for Neptun Deep.

Investments were financed from own sources and from attracted sources, as follows:

- Exclusively from own sources for investments in natural gas production (onshore) and in *partnerships Lukoil*;
- Own sources and National Investment Plan (roughly 22% of eligible expenses) for the investment at Iernut Electricity Production Branch "*Development of CTE Iernut by building a new gas turbine combined cycle power plant*";
- *Own sources for Neptun Deep project as loans granted by SNGN Romgaz SA to Romgaz Black Sea Limited to support current activities and to finance its investments.*

Regarding physical achievements for the reviewed period, the investments commenced in the previous years were finalized, preparatory works were carried out (design, obtaining lands, approvals, agreements, authorizations, procurement) for new investment objectives, and modernisation works and capitalizable repairs were performed at producing wells.

Such activities are the prerequisite for future results.

The table below shows a comparison to the similar period of previous year split into main investment chapters:

RON thousand

Investment Chapter	Results H1 2023	Results H1 2024	% results H1 2024/H1 2023
1	2	3	4=3/2x100
1. Geological exploration works to discover new gas reserves	32,903	35,023	106.44
2. Gas fields exploitation, infrastructure and utilities, electricity generation	47,964	98,948	206.30
4. Environmental protection works	976	573	58.75
5. Retrofitting and revamping of constructions, installations and equipment	139,635	147,528	105.65
6. Independent equipment and installations	45,685	34,506	75.53
7. Consultancy, studies and projects, software and licenses, intangible and financial assets	75,913	830,602	1.093.72
TOTAL	343,106	1,147,180	334.35

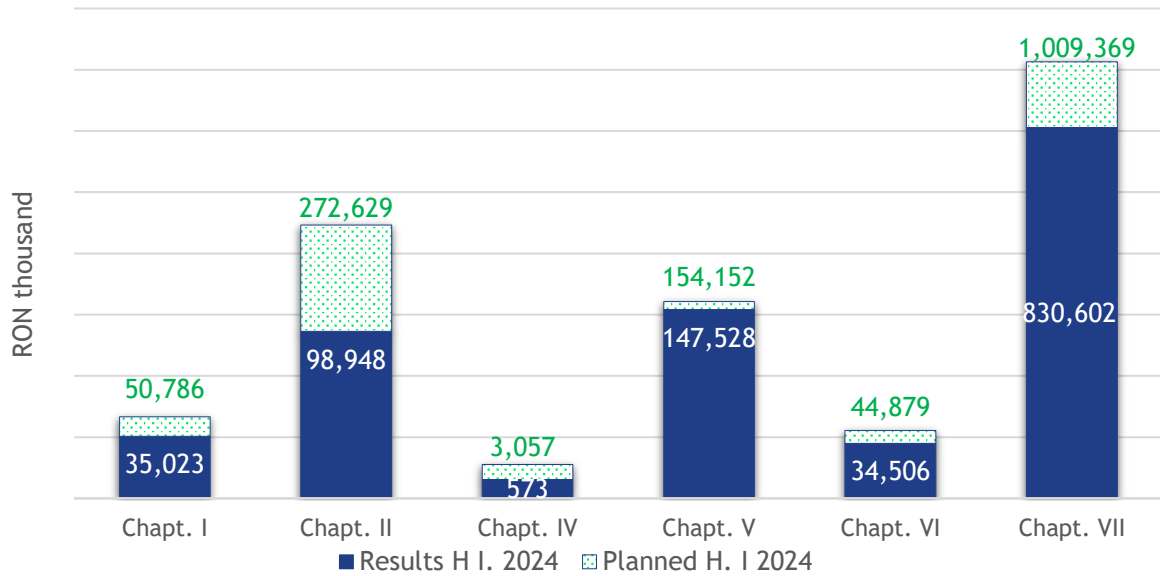
The table below shows the investment results split by main chapters for H1 2024, compared to the investment program, without Neptun Deep project:

RON thousand

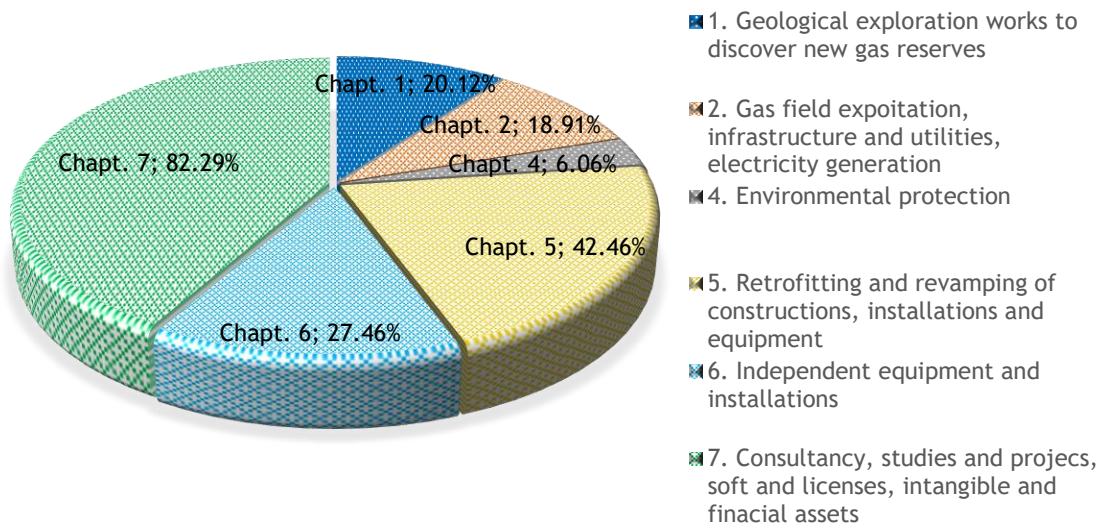
Investment Chapter	Planned H1	Results H1	%
1	2	3	4=3/2x100
1. Geological exploration works to discover new gas reserves	50,786	35,023	68.96
2. Gas fields exploitation, infrastructure and utilities, electricity generation	272,629	98,948	36.29
4. Environmental protection works	3,057	573	18.76

5. Retrofitting and revamping of constructions, installations, and equipment	154,152	147,528	95.70
6. Independent equipment and installations	44,879	34,506	76.89
7. Consultancy, studies and projects, software and licenses, intangible and financial assets	1,009,369	830,602	82.29
TOTAL	1,534,872	1,147,180	74.74

Results vs. Planned (H I. 2024)



The following diagram shows the investments achieved during the reporting period:



The following summary of achieved investments shows that, to a large extent, planned investments were completed or are in progress:

Item No.	Main physical investment objectives	Planned	Results
1.	Exploratory drilling	12 wells	2 wells - drilling in progress 6 wells with drilling works contract 2 wells - drilling works under procurement
2.	Drilling design for exploration wells	23 wells	24 wells - in various preparatory stages (design, obtaining permits, approvals, construction permit)
3.	Drilling production wells	6 wells	1 well - drilling completed 2 wells - drilling in progress 2 wells - in various preparatory stages (design, obtaining permits, approvals, construction permit)
4.	Surface facilities - construction of facilities at wells with gas; gathering pipes; compressor stations; dehydration stations	construction of 10 facilities with budget for execution works and 21 surface facilities with budget for preparatory works, 6 dehydration stations with budget for preparatory works, 1 gathering pipe with budget for execution works and 6 gathering pipes with budget for preparatory works, 4 compressor stations with budget for preparatory works.	<ul style="list-style-type: none"> - 4 facilities - completed for putting wells into production; - 5 facilities - under construction for putting wells into production; - 2 wells - procurement of facilities construction works in progress; - 25 facilities - in various stages (design, obtaining permits, approvals, construction permits) for putting wells into production; - gathering pipe for Caragele - Damianca field, stage I - in the execution phase; - D20 pipeline between Țigmandru Dehydration Station and Țigmandru Compressor Station - completed; - pipeline between the gathering pipe of 106-107 Nadeș well cluster and Nadeș Brateiu $\Phi 20''$ gathering pipe - under design; - gas compressor stations Delenii IV, Filitelnic III, Țigmandru II - feasibility studies are completed and will be followed by design and execution/construction; - gas dehydration stations Giulești, Coșereni and Herepea - design is under procurement; - Daneș II gas dehydration station - under design; Galbeanu III gas dehydration station and LTS(low temperature separator) - design and execution/construction is under procurement.
5.	Capitalizable well repairs, well recompletion operations and well reactivation	Roughly 160 wells, correlated with the annual program established with the National Agency for Mineral Resources.	Works performed in-house, by SIRCOSS, in 100 wells

6.	Procurement of advanced equipment and installations specific to the core activity	Procurement of new advanced equipment and installations specific to the core activity (ACF 700 cementing and fracturing unit, hydraulic keys, electric generator sets for worksite, field units, tanks of various sizes, casing scraper, slickline, coiled tubing tools); acquisition of machinery specific for technological transport and maintenance of core activity and maintaining in optimal conditions of road infrastructure in gas fields (tractors, 6x6 dump trucks, busses, 8x8 dump trucks, mobile cranes, tractor units, dump units, autogreder, multifunctional equipment, tipper vans, backhoe loaders, crawler excavator, car trailer, light material paving slabs.	Acquisitions for equipment/machines such as: <ul style="list-style-type: none"> - Slabs for well sites, autogreders, 55 passenger busses, crawler excavator, laboratory vehicle for gas dehydration stations, metal pipe detectors, medical equipment for Complex Bazna, IT equipment, photography equipment and accessories, pressure wash equipment, spirometer with pulse oximeters, hydraulic nut splitters, mobile cranes, multi-purpose machine, backhoe loader, crawler excavator, automatic pressure retro regulator, 10 and 30 m³ metal tanks, foam injection equipment for wells, portal crane with accessories, plasma cutter, glycol circulation pump, insulation thickness measuring device, ultrasonic wall thickness gauge for metal pipes, buried metal pipes detectors, 12,500 kg manual hoist, heater for 4 Caragele well cluster. - Extension of IT Data Centre infrastructure project was finalised; - Explosion proof and regular tables, barcode scanning equipment and tablets were purchased; <p>Among the medical devices included in the program the following were purchased:</p> <ul style="list-style-type: none"> - high intensity electromagnetic therapy device, spinal decompression equipment, diathermy device, high intensity laser therapy device with scanner (robot laser), peripheral circulation device, short-wave therapy device
7.	Electricity production	Continue and finalize works at CTE Iernut.	The contract for "completion of works and putting into operation of the objective: Development of CTE Iernut by building a new combined cycle gas turbine power plant" is in progress; the following were executed under said contract: foundations for different equipment, pipe racks, water pump station, air coolers, condensation system, cable trays and laying.
8.	Partnerships	<p><u>Lukoil Overseas:</u></p> <ul style="list-style-type: none"> - currently Romgaz share is 12.2%; - maintaining the current participation share in EX-30 Trident block, Black Sea; - prepare drilling, ensure wells in Ex-Trident block; -geophysical and geochemical studies, general and administrative expenses. 	<ul style="list-style-type: none"> - works were performed to prepare the drilling of Lira 2A field wells and bids were held to acquire drilling works; <p>In April 2024, ANRM approved the participation of partners in the 2nd stage of the optional appraisal phase;</p>

		<p>Amromco Energy:</p> <ul style="list-style-type: none"> - Romgaz share is 50%; - abandoning 8 wells, according to the Annual Plan. 	<ul style="list-style-type: none"> - Tender Specifications were prepared to draw up the Technical Project and steps were taken to obtain the necessary approvals; - permits and authorizations were obtained to abandon wells. - abandonment works were carried out for wells approved by ANRM as well as demolition works of well cluster facilities and of access roads to abandoned wells.
		<p>Raffles Energy:</p> <ul style="list-style-type: none"> - Joint Operating Agreement for E3-1 Brodina block (Romgaz share is 50%); - Gas to Power (G2P) project putting well 1 Voitinel in experimental production. 	<ul style="list-style-type: none"> - A Solution Study was drawn up by a local company (from Suceava); - the following were obtained: updated Urbanism Certificate and part of the necessary approvals from the utility companies in the area;
9.	Financial assets	<p>Loans granted by SNGN Romgaz SA to Romgaz Black Sea Limited to support its current activity and to finance its investments;</p> <p>For the first half of 2024, loans of RON 1,005,386 thousand were planned.</p>	<p>Credits in amount of RON 828.436 million were granted to develop the infrastructure of the Black Sea subsidiary.</p>

During the reviewed period, investments amounting to RON 204.336 million were implemented. Investments were lower than planned due to the following:

- Delays in performance of works at the new power plant from Iernut because the resources involved by the contractor represent an estimated 70% of those committed under the Execution Program sent in the offer;
- The contract regarding the “Construction of a Fish Ladder for Iernut Power Plant Dam” is not completed due to the real situation in the field which resulted in the conclusion of an addendum for the execution of additional works;
- Completion of procurement procedures was delayed/offset for various reasons (longer periods for clarifications, challenges);
- Extension of the execution period of well workover due to objective facts including access to the field as well as the fact that equipment scheduled for repairs was not available.

Development of CTE Iernut

One of Romgaz main strategic directions, provided in “*The Development Strategy for 2015 - 2025*”, is consolidation of company’s position on the energy supply markets. In particular, in the field of electricity production Romgaz planned to “*improve activity efficiency by making investments to increase Iernut Power Plant (CTE) efficiency to at least 55%, comply with environmental requirements (NOx, CO₂ emissions) and increase operational safety*”.

As a result, a very important objective is “*The Development of CTE Iernut by building a new combined cycle gas turbine power plant*” scheduled to be put into operation at the end of 2024.

The total progress of the investment “*Development of CTE Iernut by building a new combined cycle gas turbine power plant*”, at the end of July 2024, (progress consisting of the execution of the Initial Works Contract + execution of the New Works Contract) is approximately 91%.

The total progress of the investment project “EPC Contract for “the completion of works and putting into operation of the investment objective: Development of CTE Iernut by building a new combined cycle gas turbine power plant” was 54.8% at the end of July 2024.

To comply with the execution term the following main works/operations are necessary to be performed:

- ✓ Completion of mechanical, electrical mounting, instrumentation and control, gas compressors, diesel units for safe shut-down and restoring the National Power System, fire-fighting installations, demineralized water station
- ✓ Pipe washing/blowing
- ✓ Chemical washing
- ✓ Pressure tests
- ✓ Completion of cable connections + DCS (Distributed Control System)
- ✓ “cold and hot” tests of main equipment
- ✓ *First fire* gas turbine tests
- ✓ steam wash.

For this reason, the following are required:

- ✓ the organization and exceptional mobilisation of the CONTRACTOR (DURO FELGUERA) on site;
- ✓ the efficient implementation of the Plan regarding acceleration of work progress for putting CCGT lernut into operation at the date provided in the works contract.

For 2024, **Depogaz** subsidiary has an approved investment program of RON 81,426.00 thousand. The investments were financed from own sources.

In H1 2024, Depogaz had an approved investment program amounting to RON 48,734.00 thousand out of which 6,959.2 thousand were invested, representing 8.55% of the annual program and a percentage of 14.28% of the H1 planning as follows:

RON thousand			
Item No.	Specification	Planned	Results
0	1	2	3
1.	Exploitation of fields and UGSs, and related infrastructure and utilities	35,360	576.46
2.	UGS related activities	235	249.52
3.	Environment protection and improvement	0	0
4.	Retrofitting and revamping of installation and equipment, surface infrastructure, utilities	9,480	5,556.03
5.	Independent equipment and installations	3,253	360.86
6.	Expenses related to consultancy, studies and projects, software, licenses and patents etc.	406	216.32
*	TOTAL GENERAL	48,734.00	6,959.19

The following main investment objectives recorded achievements in H1 2024:

1. Modernisation of the infrastructure of Bilciuresti natural gas storage system

During H1 the following works included in Phase I of the project were carried out:

- Works included in the Systematization of Butimanu-Bilciurești Gathering System Project at Butimanu Compressor Station - works value in H1;
- Works on the modernisation of ultrasonic Q SONIC flow meters;
- Works on the modernisation of gas metering system at Bilciuresti UGS;
- Works on the modernisation of BUILDING A at Butimanu Compressor Station.

The following activities were recorded/reported during Phase II of the project:

- The works procurement process for this phase of the project is underway; in this process the following activities were carried out during the reporting period:
- Fees for permits and approvals related to the works authorization process were paid as part of the project for the “Increase of daily withdrawal capacity at Bilciuresti UGS - CEF” - Butimanu - Bilciuresti gathering pipe, including expenses for the acquisition of lands;

- For this phase of the project funding was obtained from the European Commission in amount of EUR 38 million, grants that will be accessed through the CEF Energy 2022 Program.

2. Increase natural gas underground storage capacity of Ghercesti UGS

During H1 2024 the technical project for compressor, dehydration and gas metering facilities was finalised aiming to increase natural gas underground storage capacity of Ghercesti UGS from 150 million m³/cycle to 600 million m³/cycle. During the first half-year the elaboration of technical documentation for the design phase of the modernisation of 15 wells within Ghercesti UGS continued.

3. Increase natural gas underground storage capacity of Sarmasel UGS (Transylvania) - strategic project

During H1 2024 the procurement procedure was finalised and the order to start drilling works for 6 new wells within Sarmasel UGS was issued and works included in Phase I of the project for the "Increase of natural gas underground storage capacity of Sarmasel UGS from 900 million m³/cycle to 1550 million m³/cycle" continued.

4. Other achievements within the Investment Program during H1 consisted of the acquisition and putting into operation of independent machinery and equipment.

The development projects of natural gas storage system are also included in the Development Plan of Natural Gas National Transmission System for 2022-2031 - reviewed in 2023, approved by ANRE pursuant to Decision No. 1956/August 4, 2023.

For 2024, ROMGAZ BLACK SEA LIMITED subsidiary has a fully approved investment program in amount of RON 2,981,404 thousand both for development and exploration activities.

In the first 6 months of 2024, the subsidiary had an approved investment program in amount of RON 1,162,806 thousand and made investments in amount of RON 927,538 thousand (covering the development and exploration activities) representing 79.8% as follows:

-RON thousand-

Item No.	Specifications	Planned H1 2024	Results H1 2024
1.	Development activities	1,155,135	926,286
2.	Exploration activities	7,671	1,252
	TOTAL GENERAL	1,162,806	927,538

Note: values in the table are not in line with IFRS

For the purpose of Neptun Deep joint operations, following confirmation by the National Agency for Mineral Resources (currently the National Regulatory Authority in the Mining, Petroleum and Geological Storage of Carbon Dioxide) of the Development Plan for two fields in Neptun Deep, over 90% of execution contracts were awarded and activities related to obtaining permits were carried out, manufacturing and construction works were started and drilling commencement was set up.

The exploration activity within Neptun Deep block is underway with the goal to further identify and assess the energy potential of the Black Sea.

The progress recorded in H1 2024 in relation to ROMGAZ BLACK SEA LIMITED related investments is in line with the work programs, budget and implementation schedule of Neptun Deep project. The main investment activities carried out are related to the detailed design, acquisition of equipment and facilities, well drilling preparatory works and obtaining permits/approvals.

IV. OTHER SIGNIFICANT ASPECTS

4.1. Prices and Tariffs

The regulatory framework for *natural gas production, transmission, distribution, supply and storage*, organization and operation of the gas sector, market access as well as criteria and procedures for granting authorizations and/or licenses in the natural gas sector are set by Law No. 123/2012⁹.

Romgaz Group operates both on the regulated market by performing the gas distribution activity and on the free market by performing gas and electricity production and supply activities and underground gas storage activities.

Underground Gas Storage

The underground gas storage activity is a public service, a deregulated activity which can be carried out only by operators licensed by ANRE.

The tariffs for carrying out the underground gas storage activity are approved by Depogaz Board of Directors.

The applied storage tariffs are shown in the table below:

Tariff component	Unit	Tariffs (January 1, 2024- March 31, 2024)	Tariffs (April 1, 2024- June 30, 2024)
Volumetric component related to gas injection	RON/MWh	7.27	10.34
Fixed component related to storage capacity booking	RON/MWh/storage cycle	9.82	11.44
Volumetric component related to gas withdrawal	RON/MWh	5.94	5.43

DEPOGAZ holds License No. 1942/2014 to operate 5 underground gas storages developed in depleted gas reservoirs, the total capacity of which represents 90.54% of the total storage capacity of Romania.

Natural Gas Trading

Romgaz natural gas trading policy is based on principles governed by transparency, competition, equal and non-discriminatory treatment, efficiency and effectiveness.

In the context set in the trading policy and taking into account the specific regulations, natural gas is traded using two sales channels: trading on the centralized market managed by the Romanian Commodities Exchange and bilateral negotiations.

In H1 2024, natural gas trading was influenced to some extent both in terms of quantity and pricing, by two specific regulations, namely:

1. GRP (Gas Release Program)

In accordance with the provisions of Article 177 paragraph 3¹⁶ of Law No. 123/2012, during July 1 2020 - December 31, 2022, natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh were obliged to offer annually for sale 40% of their gas production, with delivery during July 1, 2020 - December 31, 2023, in a transparent, public and non-discriminatory manner, on centralized markets, in accordance with the regulations issued by ANRE.

Prices in the initiating offers offering GRP gas quantities must be, “at least 5% lower than the weighted average prices for the products offered” according to ANRE Order No. 143/2020¹⁰,

The gas quantities representing Romgaz obligation according to GRP as well as the quantities delivered during the periods are presented in the table below (MWh):

⁹ Law No. 123 of July 10, 2022 on electricity and natural gas, as subsequently amended and supplemented.

¹⁰ Order No.143 of June 17, 2020 on the obligation to offer natural gas on centralized markets of natural gas producers whose annual production achieved in the previous year exceeds 3,000,000 MWh.

	2020	2021	2022	2023	SI 2024
Offering obligation ^{*)}	12,434,563	17,537,059	19,704,757	-	1,230,262
Delivered quantities ^{**)}	3,386,110	19,987,400	10,854,309	46,800	508,000

^{*)} represents the offering obligation of the period, highlighting that offering is made through different products: monthly, quarterly, half-yearly, seasonal and annual except for the offering obligation for H1 2024 which has to be made through monthly products only.

^{**)} represent the quantities actually delivered in that period based on offers/contracts both from previous periods and from that period.

Pursuant to GEO No. 27/2022, the application of Art.177 par. (3[^]15) - (3[^]17) of Law No. 123/2012 - on GRP is extended until December 31, 2024, with the mention that, during the application of the emergency ordinance, the quantities related to meeting the delivery obligation of natural gas producers will be sold in accordance with Art.12 of the ordinance. In 2023 there were no quantities available for offering pursuant to the GRP program.

2. GEO No. 27/2022

2.1 Supply of Natural Gas at a Regulated Price

Based on this regulation, the Transmission and System Operator - TSO (S.N.T.G.N. Transgaz S.A.), on the basis of the information transmitted by natural gas producers on one hand and suppliers of household customers (SHC), suppliers of heat producers (SHP), directly by the heat producers (HP) and the transmission and distribution network operators (NO) on the other hand, determined and transmitted to each producer the gas quantities representing the contracting obligation for the periods April 1, 2022 - March 31, 2023 and April 1 2023-March 31, 2024 and April 1, 2024-March 31, 2025, at regulated prices, namely RON 150/MWh until March 31, 2024 and 120 RON/MWh beginning with April 1, 2024.

The natural gas quantities set by the TSO as a delivery obligation of Romgaz are as follows (MWh):

- For April 1, 2022-March 31, 2023: 28,839,939 MWh;
- For April 1, 2023-March 31, 2024: 41,256,848 MWh;
- For April 1, 2024-March 31, 2025: 25,151,880 MWh.

The quantities delivered based on GEO No. 27/2022 are as follows:

- H I 2023: **21,216,630 MWh**, out of which:
 - SHC: 17,021,340 MWh;
 - SHP and HP: 3,881,299 MWh;
 - NO: 313,992 MWh.
- H I 2024: **15,311,967 MWh**, out of which:
 - SHC: 11,994,350 MWh;
 - HP: 2,460,577 MWh out of which 111,662 MWh delivered as SLR¹¹;
 - NO: 853,791 MWh;
 - HC: 3,250 MWh, out of which 623 MWh delivered as SLR.

2.2 Supply of natural gas at capped price

According to the provisions of Article 1, paragraph (2) “for the consumption achieved during the period April 1, 2022 - March 31, 2025, the final price invoiced by the gas suppliers is:

- a) Maximum RON 0.31/kWh, VAT included, for household customers;
- b) Maximum RON 0.37/kWh, VAT included, for non-household customers with an annual gas consumption achieved in the previous year at the place of consumption of at most 50,000 MWh, as well as for heat producers”.

¹¹ Supplier of last resort (SLR) - the supplier appointed by the competent authority to perform the gas supply service under specific conditions governed by ANRE, to final customers whose supplier is in the position to have its supply license revoked during the performance of its activity or in any other situation identified by ANRE in which final customers do not have natural gas supplied from any other source.

The gas quantity invoiced at capped price in H1 2024 was 26,369 MWh (out of which 62 MWh SLR) and in H1 2023 was 1,255,885 MWh (out of which 24,599 MWh SLR).

The gas quantity traded in H1 2024 was 23,516.48 GWh, 1,107.9 GWh lower than the quantity traded in H1 2023 (24,624.4 GWh) and 507.4 GWh, namely 2.2%, higher than the quantity scheduled to be traded.

From the entire quantity traded in H1 2024, 65.11% is gas delivered pursuant to GEO No.27/2022, namely 15,311.97 GWh.

The table below shows the average gas supply prices for 2022 - June 2024:

Specifications	Unit	2022	2023	H1 2024
1	2	5	6	7
Average gas supply price from internal production ¹²	RON/1000 m ³	2,392.06	1,722.51	1,454.14
	RON/MWh	227.27	163.85	138.23

Natural Gas Distribution

The regulated distribution tariffs during the reviewed period are approved by ANRE orders, namely:

- ↳ Order No. 57/2022 for amending Order No. 77/2021 on approving the regulated tariffs for gas distribution service performed by Societatea Nationala de Gaze Naturale "ROMGAZ" - S.A. Mediaş (as from April 1, 2022);
- ↳ Order No. 45/2023 on approving the regulated tariffs for gas distribution service performed by Societatea Nationala de Gaze Naturale "ROMGAZ" - S.A. Mediaş (as from April 1, 2023);
- ↳ Order No. 40/2024 on approving the regulated tariffs for gas distribution service performed by Societatea Nationala de Gaze Naturale "ROMGAZ" - S.A. Mediaş (as from July 1, 2024).

The table below shows the applied tariffs:

Specifications	April 1, 2022-March 31, 2023	April 1, 2023-June 30, 2024	July 1, 2024-present
Distribution tariffs (RON/MWh):			
*C1 consumption up to 280 MWh	49.31	74.05	89.68
*C2 annual consumption between 280 and 2,800 MWh	43.35	65.13	78.88
*C3 annual consumption between 2,800 and 28,000 MWh	38.79	58.29	70.59

¹² Including commodity gas and without the cost of services.

4.2. Litigations

The summarized breakdown of litigations involving Romgaz as of June 30, 2024 shows the following:

- ☞ The total number of litigations recorded by the company is 147 pending cases, out of which:
 - ✎ 54 cases where Romgaz is plaintiff;
 - ✎ 90 cases where Romgaz defendant;
 - ✎ 3 cases where Romgaz is plaintiff claiming damages/injured party;
- ☞ The total value of files where Romgaz is plaintiff amounts to (approximately) RON 370,615,110.66;
- ☞ The total value of files where the company is defendant amounts to (approximately) RON 61,337,889.65;
- ☞ The total value of files where Romgaz is plaintiff claiming damages/injured party is (approximately) RON 53,750.00.

4.3. Legal documents concluded under Article 52 of GEO No. 109/2011

In accordance with the provisions of Article 52, paragraph (6) of GEO No. 109/2011 *“In the half-year and annual reports of the Board of Directors [...] the legal acts concluded under the conditions of paragraphs (1) and (3) shall be mentioned ... in a special chapter, [...]”*.

Paragraph(1) provides as follows:

“The Board of Directors [...] convenes the General Meeting of Shareholders for the approval of any transaction if it has, individually or in a series of concluded transactions, a value higher than 10% of the public enterprise net assets value or higher than 10% of the public enterprise revenue in accordance with the last audited financial statements, with the Board members or the managers or, where appropriate, with the members of the Supervisory Committee or the directorate, the employees, the shareholders who have control over the company or a company controlled by them”.

Paragraph (2): *“the obligation to convene a meeting shall be the responsibility of the Board of Directors [...] and in case of transactions concluded with the spouse, relatives/affinity of fourth degree including the persons mentioned in Paragraph (1)”*.

Paragraph (3): *“the Board of Directors [...] informs the shareholders, during the first general meeting of shareholders taking place after concluding the legal act, on any transaction concluded by the public company with: a) the persons mentioned in Paragraph (1) and (2), if the value of the transaction is below the level established in Paragraph (1); b) another public company or with the public supervisory authority, in case the transaction value, individually or in a series of transactions, is equal or above the RON equivalent of EUR 100,000”*.

The transactions concluded under the provisions of Article 52 of GEO No. 109/2011 are published on Romgaz website at www.romgaz.ro → Investors → Interim reports.

4.4. Main Risks and Uncertainties for H1 2024

Operational risks:

- ☞ Full/partial non-performance of gas production schedule due to the influence of several factors reducing the production capacity, such as:
 - Major defaults occurred during operation of gas dehydration stations, compressor stations, collecting pipelines that take a long time to be repaired;
 - High pressures in the National Transmission System (NTS) which negatively impact the operation of production facilities;
 - Reduced gas consumption on some subsystems of the NTS with negative impact on gas deliveries from Romgaz production which depend on such consumption lines;
 - Reduced use of production facilities due to unfavourable weather (suspended electricity supply, landslides - pipeline rupture);
 - non-compliance with schedule of works related to new production facilities (technological facilities, gathering lines);
 - lack of materials and spare parts for performing preventive and corrective maintenance works at the company's main production facilities (wells, gas drying stations, compressor stations, pipelines);

📌 increase of production costs following national and European regulations.

Investment risks:

- 📌 non-performance of the Investment Program in physical and value terms, in case unforeseen situations;
- 📌 defective or delayed performance of investment works due to non-compliance with tender books, technical specifications of projects and performance schedules.

4.5. Internal Public Audit

The activity of Internal Public Audit is carried out in accordance with the Internal Public Audit Annual Plan endorsed by the Audit Committee and approved by the company's CEO.

For the period January 1 - June 30, 2024, in accordance with the revised *Annual Plan of the Internal Public Audit*, 2 internal public audit missions were completed, 3 planned internal public audit missions for regularity conformity were initiated.

The 5 missions targeted the following areas:

- public procurement - one internal public audit mission;
- SMI/SCIM - one internal public audit mission;
- other positions specific to the company - 3 internal public audit missions.

The audit reports prepared based on the inspections carried out, are submitted for endorsement to the Board of Directors, in line with Art. 50 GEO No. 109/2011 on corporate governance of public companies.

The activity of the internal public audit is adding value to the company, through the recommendations made during the missions carried out. The quality of internal audit reports is one of the main objectives of Romgaz internal audit activity, as these are the essence of internal audit work, reflecting the professional abilities of internal auditors.

The Internal Public Audit Department is constantly concerned with monitoring implementation of recommendations made in the endorsed audit reports, concerned with increasing the implementation efficiency and with compliance of implementation deadlines undertaken in the action plan.

The 19 recommendations of H1 2024 had the following results:

- 10 recommendations were implemented;
- 1 partially implemented recommendation (implementation in progress);
- 8 recommendations that were not implemented, of which:
 - 6 recommendations that complied with the implementation term;
 - 2 recommendations with exceeded implementation term.

During H1 2024 the internal public audit had no cases of recommendations made in audit reports not endorsed by the Board of Directors and did not face any situations of constraint/special problems.

4.6. Investor Relations

As a company listed on BVB and LSE, Romgaz carried out the following activities to meet the requirements of information and transparency on the company's business:

- 📌 publication of regular (financial) reports, current reports and press releases on new events in the company's activity, in accordance with the legal provisions applicable to capital market issuers;
- 📌 organisation of regular conference calls with investors and financial analysts to discuss the reported economic and financial results (according to the financial calendar approved by the company's management);
- 📌 participation in conferences organized by brokers/local and international financial institutions (as one-to-one meetings with investors);
- 📌 participation in meetings/telephone discussions upon request of financial analysts/investors;
- 📌 drafting company presentations - as support for discussions during meetings with investors, as well as reports including preliminary operational data - to be published on BVB;
- 📌 providing prompt answers to requests for information from analysts/investors - as a permanent activity;

↳ participation in other events dedicated to the capital market.

For H1 2024, for a transparent information of investors, Romgaz participated in the following events and carried out specific activities, such as:

- 1 conference call organized by Romgaz with financial analysts and investors to discuss the preliminary economic-financial results reported for 2023 - on February 29, 2024;
- 1 conference call to discuss the economic-financial results reported for Q1 2024 - on May 16, 2024;
- 1 international conference call organized in London by Wood&Company Financial Services in partnership with Bucharest Stock Exchange, as one-to-one meetings with institutional financial investors: "Frontier Investor Day 2024" - on June 4, 2024;
- Participation in meetings and conference calls with institutional financial investors;
- Providing prompt answers - both by telephone and by e-mail - to requests for information from financial analysts and investors (legislative, operational, financial public information)

4.7. Sponsorships

Romgaz involvement in projects or programs of interest for the progress of the communities is motivated by the desire to meet the expectations of the society, by financially supporting through partial or full sponsorship of actions and initiatives, within the budgeted limit, proving a proactive attitude in the field of social responsibility and increasing the awareness of stakeholders on the importance and benefits of applying the principles of social responsibility.

Romgaz aims to support projects or programs of interest for the progress of communities that aim to improve the quality of life, welfare and health of communities, targeting in particular the areas where the company operates, without excluding, however, the extension of the area of intervention.

For H1 2024, Romgaz carried out sponsorships in amount of RON 4.6 million as follows:

- RON 1.1 million for health (category a) of GEO No. 2/2015;
- RON 2.5 million for education, social and sports (category b) of GEO No. 2/2015;
- RON 1.0 million for other areas (category c) of GEO No.2/2015.

V. CONSOLIDATED FINANCIAL-ACCOUNTING STATEMENT

5.1. Interim Statement of Consolidated Financial Position

The table below presents a summary of the consolidated financial position as of June 30, 2024, as compared to December 31, 2023:

INDICATOR	December 31, 2023 (RON thousand)	June 30, 2024 (RON thousand)	Variation (%)
1	2	3	4=(3-2)/2x100
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment	5,891,788	6,850,488	16.27
Intangible assets	5,135,930	5,133,693	-0.04
Investments in associates	33,410	36,769	10.05
Deferred tax assets	324,175	336,520	3.81
Other financial assets	5,616	5,616	0.00
Right of use assets	11,596	14,032	21.01
Total non-current assets	11,402,515	12,377,118	8.55
<i>Current assets</i>			
Inventories	301,690	405,118	34.28
Greenhouse gas certificates	208,618	258,499	23.91
Trade and other receivables	1,398,953	854,003	-38.95
Bank deposits other than cash and cash equivalents	2,505,463	357,144	-85.75
Other assets	113,181	171,722	51.72
Cash and cash equivalents	535,210	2,142,130	300.24
Total current assets	5,063,115	4,188,616	-17.27
TOTAL ASSETS	16.465.630	16.565.734	0.61
EQUITY AND LIABILITIES			
<i>Equity and reserves</i>			
Share capital	385,422	3,854,224	900.00
Reserves	4,971,109	3,745,775	-24.65
Retained earnings	6,204,783	5,224,721	-15.80
Total equity and reserves	11,561,314	12,824,720	10.93
<i>Non-current liabilities</i>			
Retirement benefit obligation	189,314	180,167	-4.83
Deferred tax liabilities	-	239	n/a
Deferred income	370,941	386,731	4.26
Lease liability	10,450	12,079	15.59
Borrowings	808,373	647,023	-19.96
Provisions	373,536	374,452	0.25
Total non-current liabilities	1,752,614	1,600,691	-8.67
<i>Current liabilities</i>			
Trade and other payables	272,168	395,925	45.74
Contract liabilities	153,723	82,254	-46.49
Current tax liabilities	1,766.637	105,877	-94.01
Deferred income	7	193	2,657.14
Provisions	121,732	119,518	-1.82
Lease liability	2,579	3,531	36.91
Borrowings	323,349	323,817	0.14
Other liabilities	511,507	1,109,208	116.85
Total current liabilities	3,151,702	2,140,323	-32.09

<i>Total liabilities</i>	4,904,316	3,741,014	-23.72
TOTAL EQUITY AND LIABILITIES	16,465,630	16,565,734	0.61

*) For the changes in presentation see note 2 of the condensed interim consolidated financial statements annexed to the report.

NON-CURRENT ASSETS

Total non-current assets increased by 8.55%, namely by RON 976.60 million, from RON 11,402.52 million on December 31, 2023, to RON 12,377.12 million on June 30, 2024. The increase is mainly generated by the investment made in H1 2024 in Neptun Deep Project (RON 921.24 million).

CURRENT ASSETS

Current assets decreased by RON 874.50 million (-17.27%) on June 30, 2024, mainly due to cash, cash equivalents and bank deposits (other than cash and cash equivalents) which recorded a decrease of RON 541.40 million generated by the payment of the solidarity contribution in H1 2024. The main influences on current assets are listed below.

Inventories

Inventories increased by RON 103.43 million (+34.28%) compared to December 31, 2023 as a result of the acquisition of spare parts and auxiliary materials required in the Group's activity. In terms of value, Romgaz gas inventory in underground storages increased by 44.43%. In H1 2024, Romgaz injected in storages a quantity of 165.6 million m³ (H1 2023: 32 million m³) while the quantity withdrawn from the storages and sold in storages was 91 million m³.

Trade and other receivables

The decrease by 38.95% (RON -544.95 million) of trade receivables compared to December 31, 2023 was caused both by the lower quantities delivered during summer (deliveries 24% lower in June 2024 compared to December 2023) and by the 20% decrease in the price of gas sold pursuant to GEO No. 27/2022.

Other assets

The increase in other assets on June 30, 2024 as compared to December 31, 2023 is mainly due to the value added tax generated by the investments in Neptun Deep block.

EQUITY AND RESERVES

Group's equity increased by 10.93% due to the profit achieved in H1 2024.

In December 2023, the General Meeting of Shareholders approved the increase of Romgaz share capital by incorporating the reserves in amount of RON 3,468.80 million by issuing 3,468,801,600 free shares at a par value of RON 1/share. The total value of share capital increased to RON 3,854.22 million following registration of this increase with the Trade Register in January 2024. Increase of share capital was completed on May 30, 2024.

NON-CURRENT LIABILITIES

On June 30, 2024 non-current liabilities decreased by 8.67% as compared to December 31, 2023 due to payment of due instalments from bank loans pursuant to contractual terms.

In H1 2024, the amount of RON 15.8 million was received from the National Investment Plan for the investment in the new power plant in Iernut. The total amount received by June 30, 2024 is RON 292.32 million; in accordance with the grant agreement the maximum amount that Romgaz can access is RON 320.91 million.

CURRENT LIABILITIES

Current liabilities decreased by RON 1,011.38 million from RON 3,151.70 million on December 31, 2023, to RON 2,140.32 million on June 30, 2024. The main influences are shown below.

Trade and other payables

From the increase of RON 123.76 million of trade payables compared to December 31, 2023, RON 119.92 million are related to the investment in Neptun Deep development.

Current tax liabilities

In H1 2024, the Group paid the income tax and the solidarity contribution for 2023. Starting with 2024, the solidarity contribution is no longer calculated which generated the decrease by RON 1,660.76 million of these liabilities on June 30, 2024 compared to December 31, 2023.

Other current liabilities

The increase by RON 597.70 million of other current liabilities is determined by the dividends approved for distribution to Romgaz shareholders in amount of RON 549.23 million with a payment term in July 2024.

5.2. Interim Statement of Consolidated Comprehensive Income

The Group's profit and loss account summary for the period January 1 - June 30, 2024, as compared to the similar period of year 2023 is shown below:

Description	HI 2023 (RON thousand)*)	HI 2024 (RON thousand)	Variance (RON thousand)	Variance (%)
1	2	3	4=3-2	5=4/2x100
Revenue	4,897,317	3,896,939	(1,000,378)	-20.43
Cost of commodities sold	(46,607)	(52,093)	5,486	11.77
Finance income	125,918	114,573	(11,345)	-9.01
Other gains and losses	2,081	(9,957)	n/a	n/a
Net impairment (losses)/gains on trade receivables	23,492	2,939	(20,553)	-87.49
Changes in inventory of finished goods and work in progress	(43,953)	39,705	n/a	n/a
Works performed by the Group and capitalized	117,585	124,564	6,979	5.94
Raw materials and consumables used	(69,496)	(77,577)	8,081	11.63
Depreciation, amortization and impairment expenses	(274,609)	(280,739)	6,130	2.23
Employee benefit expense	(477,870)	(511,750)	33,880	7.09
Taxes and duties	(936,534)	(668,416)	(268,118)	-28.63
Finance cost	(27,904)	(34,073)	6,169	22.11
Exploration expense	(1,068)	(51,140)	50,072	4,688.39
Share of profit of associates	1,562	3,359	1,797	115.04
Greenhouse gas certificate expense	(148,806)	(77,027)	(71,779)	-48.24
Third party services and other costs	(249,959)	(288,579)	38,620	15.45
Other income	114,593	38,319	(76,274)	-66.56
Profit before tax	3,005,742	2,169,047	(836,695)	-27.84
Income tax expense	(1,320,102)	(331,834)	(988,268)	-74.86
Profit for the period	1,685,640	1,837,213	151,573	8.99

*) For changes in presentation please see Note 2 of the Condensed Consolidated Financial Statements attached hereto.

Revenue

For the first half year ended on June 30, 2024, the Group's revenue decreased by 20.43% (RON -1,000.38 million) as compared to the similar period of the previous year, reaching RON 3,896.94 million.

The decrease of revenue resides from the decrease by 24.13% (-RON 1,033.45 million) in consolidated revenue from gas sales and by the decrease by 10.04% (-RON 20.13 million) of revenue from electricity

sales. The decrease was caused by lower quantities sold (4.2% natural gas and 15.5% as regards electricity) but also by the drop of sale prices. As of April 1, 2024, gas price for quantities delivered under GEO No. 27/2022 decreased by 20% as compared to the previous period, while electricity sale price dropped by 11%.

Consolidated revenue from gas storage services decreased by 3.70% in H1 2024 as compared to H1 2023 (-RON 10.64 million). We state that the consolidated revenue from gas storage services includes income from services invoiced by Romgaz for gas sold from storages and these do not include income invoiced by Depogaz to Romgaz; Depogaz unconsolidated revenues from storage increased by 3.81% as compared to 2023 (+RON 10.34 million); the increase resides from withdrawal services, although the quantities withdrawn from storages were by 15% lower as compared to H1 2023.

Taxes and duties

The expense with taxes and duties decreased by 28.63% in H1 2024 as compared to the first half of 2023. The drop of RON 268.12 million is mainly due the decrease by RON 256.86 million (-40.77%) of windfall tax expenses, as these reached RON 382.60 million; the decrease is due to lower gas sale prices.

Greenhouse gas certificate expense

The decrease by RON 71.78 million (-48.24%) of greenhouse gas certificate expenses was caused by 8% lower emissions level resulted from lower electricity production by 9.4% in H1 2024 as compared to H1 2023, but also due to a drop of 44% in prices for such certificates.

Other income

In H1 2023, other income included the amount of RON 97.45 million representing the value of greenhouse gas certificates for the electricity sold according to the centralised electricity procurement mechanism provided by GEO No.27/2022, as subsequently amended and supplemented, by which it exceeds the contribution to the energy transition fund implemented by the same ordinance. As legislation did not provide until December 31, 2023 (and still does not provide) the mechanism for Romgaz to request such amount, the accounting treatment was reconsidered at the end of 2023, and it was concluded that the amount does not meet the conditions for being recognized as income. Therefore, on June 30, 2024 the Group has a contingent asset of RON 188.26 million related to this issue, but did not recognize an income and a receivable.

The most significant amount presented at other income in H1 2024, are interests and late payment penalties invoiced to clients for late payment or for not taking over the contracted gas quantities, namely to suppliers for delays in performing works.

Income tax expenses

As of 2024, the Group no longer calculates the solidarity contribution introduced at the end of 2023. Therefore, the income tax expense reduced significantly in the first half of 2024 by RON 988.27 million as compared to the similar period of 2023, from RON 1,320.10 million in H1 2023 to RON 331.83 million at the end of H1 2024.

The comparative consolidated statement of interim consolidated comprehensive income by segment for the period January-June 2024 and January-June 2023, respectively, is shown below:

<i>*RON thousand*</i>						
Description	Gas production and deliveries	UGS	Electricity	Other activities	Consolidation Adjustment	TOTAL
1	2	3	4	5	6	7
<i>Revenue</i>						
*H I 2024	3,628,198	281,626	254,420	231,562	(498,867)	3,896,939
*H I 2023	4,612,453	271,333	287,152	224,288	(497,909)	4,897,317
<i>Cost of commodities sold</i>						
*H I 2024	(158)	(1)	(51,374)	(560)	-	(52,093)
*H I 2023	(19,524)	(14)	(26,470)	(599)	-	(46,607)
<i>Finance income</i>						
*H I 2024	1,832	5,464	93	175,129	(67,945)	114,573
*H I 2023	433	4,061	37	174,609	(53,222)	125,918

Description	Gas production and deliveries	UGS	Electricity	Other activities	Consolidation Adjustment	TOTAL
<i>Other gains and losses</i>						
*H I 2024	(8,438)	(237)	56	(1,623)	285	(9,957)
*H I 2023	(1,311)	(442)	(11)	3,385	460	2,081
<i>Net impairment (losses)/gains on trade receivables</i>						
*H I 2024	18,540	-	(1,444)	(14,157)	-	2,939
*H I 2023	24,270	-	(868)	90	-	23,492
<i>Changes in inventory</i>						
*H I 2024	38,672	-	24	1,009	-	39,705
*H I 2023	(44,804)	-	51	800	-	(43,953)
<i>Work performed by the Group and capitalized</i>						
*H I 2024	122,029	-	2,535	-	-	124,564
*H I 2023	114,828	3	2,695	59	-	117,585
<i>Raw materials and consumables used</i>						
*H I 2024	(47,223)	(22,641)	(159,330)	(19,050)	170,667	(77,577)
*H I 2023	(43,857)	(27,456)	(156,395)	(15,803)	174,015	(69,496)
<i>Depreciation, amortization and impairment expenses</i>						
*H I 2024	(197,626)	(10,172)	(4,463)	(41,162)	(27,316)	(280,739)
*H I 2023	(224,966)	(6,781)	(6,958)	(26,481)	(9,423)	(274,609)
<i>Employee benefit expense</i>						
*H I 2024	(268,330)	(39,227)	(28,242)	(175,951)	-	(511,750)
*H I 2023	(246,682)	(37,336)	(26,392)	(167,460)	-	(477,870)
<i>Taxes and duties</i>						
*H I 2024	(649,889)	(9,875)	(7,012)	(1,640)	-	(668,416)
*H I 2023	(928,530)	(8,158)	1,819	(1,665)	-	(936,534)
<i>Finance cost</i>						
*H I 2024	(11,478)	(1,158)	(20)	(22,226)	809	(34,073)
*H I 2023	(8,277)	(996)	-	(18,989)	358	(27,904)
<i>Exploration expense</i>						
*H I 2024	(51,140)	-	-	-	-	(51,140)
*H I 2023	(1,068)	-	-	-	-	(1,068)
<i>Share of profit of associates</i>						
*H I 2024	-	-	-	3,359	-	3,359
*H I 2023	-	-	-	1,562	-	1,562
<i>Greenhouse gas certificate expenses</i>						
*H I 2024	-	-	(77,027)	-	-	(77,027)
*H I 2023	-	-	(148,806)	-	-	(148,806)
<i>Third party services and other costs</i>						
*H I 2024	(436,936)	(88,847)	(53,131)	(38,224)	328,559	(288,579)
*H I 2023	(366,233)	(101,666)	(50,438)	(55,716)	324,094	(249,959)
<i>Other income</i>						
*H I 2024	35,953	23	239	2,328	(224)	38,319
*H I 2023	13,423	33	98,386	2,951	(200)	114,593
<i>Profit before tax</i>						
*H I 2024	2,174,006	114,955	(124,676)	98,794	(94,032)	2,169,047

Description	Gas production and deliveries	UGS	Electricity	Other activities	Consolidation Adjustment	TOTAL
*H I 2023	2,880,155	92,581	(26,198)	121,031	(61,827)	3,005,742
<i>Income tax expense</i>						
*H I 2024	17,489	(16,758)	-	(332,565)	-	(331,834)
*H I 2023	(854,060)	(14,823)	-	(451,219)	-	(1,320,102)
<i>Profit for the period</i>						
*H I 2024	2,191,495	98,197	(124,676)	(233,771)	(94,032)	1,837,213
*H I 2023	2,026,095	77,758	(26,198)	(330,188)	(61,827)	1,685,640

*) For changes in presentation, please see Note 2 of the Condensed Consolidated Financial Statements attached hereto.

5.3. Statement of Consolidated Cash Flow

Statements of consolidated cash flows recorded for the period January-June 2024, as compared to the similar period of 2023, are shown in the table below:

INDICATOR	H I 2023 (RON thousand)	H I 2024 (RON thousand)	Variance (%)
1	2	3	4=(3-2)/2x100
Cash flow from operating activities			
Net profit for the period	1,685,640	1,837,213	8.99
Income tax expenses	1,320,102	331,834	-74.86
Share from associates' result	(1,562)	(3,359)	115.04
Interest expense	19,041	22,409	17.69
Investment income	-	(686)	n/a
Unwinding of decommissioning provision	8,863	11,664	31.60
Interest income	(125,918)	(113,887)	-9.55
(Gains)/Losses on disposal of non-current assets	(1,664)	4,162	n/a
Change in decommissioning provision recognized in profit or loss other than unwinding	10,045	(1,709)	n/a
Change in other provisions	(178,520)	(14,522)	-91.87
Net impairment of exploration assets	7,366	4,366	-40.73
Net impairment of property, plant and equipment and intangibles	55,476	20,392	-63.24
Net foreign exchange differences	4,455	775	-82.60
Depreciation and amortization	211,767	255,981	20.88
Net receivable write-offs and movement in allowances for trade receivables and other assets	(27,519)	(2,552)	90.73
Net movement in write-down allowances for inventory	(607)	3,393	n/a
Subsidies income	(6)	(9)	50.00
Interest paid	(18,728)	(21,633)	15.51
Income taxes paid	(1,449,255)	(2,004,700)	38.33
Operating cash flows before movement in working capital	1,518,976	329,132	-78.33
Movement of working capital			

(Increase)/Decrease in inventory	34,382	(106,799)	n/a
(Increase)/Decrease in trade and other receivables	240,741	465,363	93.30
Increase/(Decrease) in trade and other liabilities	(83,067)	50,896	n/a
Net cash generated from operations	1,711,032	738,592	-56.83
Cash flows from investing activities			
Bank deposits set up	(3,403,236)	(3,205,062)	-5.82
Bank deposits matured	2,520,252	5,348,009	112.20
Interest received	108,831	119,257	9.58
Proceeds from sale of non-current assets	1,175	191	-83.74
Acquisition of property, plant and equipment	(368,138)	(1,210,687)	228.87
Acquisition of intangible assets	(1,271)	(1,271)	-
Acquisition of exploration assets	(13,836)	(33,629)	-143.05
Subsidies received	94,192	15,800	-83.23
Net cash generated by/(used in) investing activities	(1,062,031)	1,032,608	n/a
Cash flows from financing activities			
Repayment of borrowings	(161,085)	(161,652)	0.35
Dividends paid	(175)	(431)	146.29
Repayment of lease liability	(1,465)	(2,197)	49.97
Net cash used in financing activities	(162,725)	(164,280)	0.96
Net increase/(decrease) in cash and cash equivalents	486,276	1,606,920	230.45
Cash and cash equivalents at the beginning of the period	1,883,882	535,210	-71.59
Cash and cash equivalents as of June 30	2,370,158	2,142,130	-9.62

*) For changes in presentation, please see Note 2 of the Condensed Consolidated Financial Statements attached hereto.

VI. PERFORMANCE OF CONTRACTS OF MANDATE OF BOARD MEMBERS, CEO, DEPUTY CEO AND CFO

Contracts of Mandate of Board Members

Romgaz board members were elected for 4-year mandate starting with March 16, 2023.

Besides the contract of mandate, at the basis of their activity is the 2023-2027 Governance Plan approved by the Board of Directors pursuant to Resolution No. 76 of August 1, 2023. The Governance Plan represents the working tool used by members of the board to meet the performance indicators approved by the General Meeting of Shareholders and undertaken in the Addendum to the contract of mandate.

Contracts of Mandate of CEO, Deputy CEO and CFO (officers)

The officers were appointed for a 4-year mandate starting with May 16, 2023.

Besides the contract of mandate, at the basis of their activity is the 2023-2027 Governance Plan approved by the Board of Directors pursuant to Resolution No. 76 of August 1, 2023. The management component of the plan was drawn up by the officers in order to meet the approved and undertaken financial and non-financial performance indicators.

The performance criteria and objectives set in the contracts of mandate are performance criteria and objectives of the board of directors and officers.

Measures and actions to be taken to achieve the strategic objectives as set in the Governance Plan will be annually monitored through several performance indicators as follows:

Item No.	Performance indicators (KPI)	Objective
FINANCIAL INDICATORS		
1	Revenue	Reaching the target provided in the Budget
2	EBITDA margin	Undertaken minimum level
3	Operating expenses from RON 1,000 operating income	Maintaining Budget level
4	Labour productivity (in value units)	Reaching the target provided in the Budget
5	CapEx	Reaching a minimum level compared with the program included in the Budget
6	Ratio between net debt and EBITDA	Lower than 4.5
7	Operating income margin	Reaching the target provided in the Budget
8	Dividend payout ratio	Minimum level provided by regulations applicable to Romgaz
NON-FINANCIAL INDICATORS		
9	Natural gas production decline	Maintaining the annual maximum decline
10	Emissions of scope 1t	Reducing/maintaining CO ₂ specific emissions (tCO ₂ /MWh electricity output)
11	Fulfilment of gas supply obligation	100% of the contracted gas quantity
12	Market share	Higher than 40%
13	Average number of training hours per employee	Minimum 8
14	Number of safety trainings	100% of employees
15	Total frequency of recorded accidents	Maximum 0.8%

16	Score of client satisfaction	Minimum 75%
17	Rate of independent members in the BoD	Higher than 55%
18	Number of BoD meetings	Minimum 12/year
19	Attendance rate at BoD meetings	Minimum 90%
20	Number of Audit Committee meetings	Minimum 4/year
21	Rate of women in executive positions	Minimum 30%
22	Timely reporting of company's performance indicators, in compliance with financial calendar	Full compliance with reporting deadlines
23	Implementation of National Anti-Corruption System	Timely implementation of measures stipulated in Romgaz Integrity Plan

For Romgaz officers, the financial and non-financial performance indicators resulting from the Governance Plan, undertaken in the mandate contract with the scope of meeting Romgaz objectives, are shown below:

Item No.	Performance indicators (KPI)	Objective
FINANCIAL INDICATORS		
1	Revenue	Reaching the target provided in the Budget
2	EBITDA margin	Undertaken minimum level
3	Operating expenses from RON 1,000 operating income	Maintaining Budget level
4	Labour productivity (in value units)	Reaching the target provided in the Budget
5	CapEx	Reaching a minimum level compared with the program included in the Budget
6	Ratio between net debt and EBITDA	Lower than 4.5
7	Operating income margin	Reaching the target provided in the Budget
8	Dividend payout ratio	Minimum level provided by regulations applicable to Romgaz
NON-FINANCIAL INDICATORS		
9	Natural gas production decline	Maintaining the annual maximum decline
10	Emissions of scope 1t	Reducing/maintaining CO ₂ specific emissions (tCO ₂ /MWh electricity output)
11	Fulfilment of gas supply obligation	100% of the contracted gas quantity
12	Market share	Higher than 40%
13	Average number of training hours per employee	Minimum 8
14	Number of safety trainings	100% of employees
15	Total frequency of recorded accidents	Maximum 0.8%
16	Score of client satisfaction	Minimum 75%
17	Number of full-time equivalent employees	Minimum 99% of average number of employees

18	Gender pay gap ratio	Lower or equal to zero
19	Timely reporting of company's performance indicators, in compliance with financial calendar	Full compliance with reporting deadlines
20	Implementation of National Anti-Corruption System	Timely implementation of measures stipulated in Romgaz Integrity Plan

Below is a presentation of the degree of achievement of performance indicators for January-June 2024; the mandate contracts of executive and of non-executive BoD members and of officers do not set out interim targets, only annual targets.

Achieved Financial Indicators of Executive and Non-executive Board Members

Table 6.1.

Item no.	Indicator	Objective	Target January-June 2024	Achievements January - June 2024	Degree of achievement weighted with the established targets January-June 2024
1	Revenue	Recalculated Budget	3,678,011	3,700,254	1.01
2	EBITDA margin	Minimum 41%	41.00%	79.30%	1.93
3	Operating expenses from RON 1000 operating income	Maintain Budget level	341.25	252.55	1.35
4	Labour productivity (in value units)	Recalculated Budget	709.56	741.53	1.05
5	CAPEX	Minimum 70% Budget	1,151,154	1,147,180	1.00
6	Ratio between net debt and EBITDA	<4.5	4.50	-0.50	2.11
7	Operating income margin	Budget	44.1%	54.3%	1.23
8	Dividend payout ratio	Minimum provided by the applicable regulations	In accordance with legal provisions	In accordance with legal provisions	1.00

Below is the degree of achievement of these indicators for January-June 2024.

6.1. Performance Indicators of Non-executive Board Members

Table 6.1.1. Achieved financial indicators

Item No.	Indicator	Degree of achievement weighted with the established targets January-June 2024	Weight of non-executive board members	Weight of non-executive board members in the degree of fulfillment
1	Revenue	1.01	4%	4.02%
2	EBITDA margin	1.93	2%	3.87%
3	Operating expenses from RON 1000 operating income	1.35	3%	4.05%
4	Labour productivity (in value units)	1.05	2%	2.09%
5	CAPEX	1.00	3%	2.99%
6	Ratio between net debt and EBITDA	2.11	2%	4.22%
7	Operating income margin	1.23	2%	2.46%
8	Dividend payout ratio	1.00	2%	2.00%
Degree of fulfilment of financial indicators			20%	25.71%

Table 6.1.2. Achieved non-financial indicators

Item no.	Indicator	Objectiv	Acvhievements January-June 2024	Degree of achievements weighted with established targets January-June 2024	Weight of non-executive board members	Weight of non-executive board members in the degree of fulfillment
1	Natural gas production decline	Maintaining the annual decline of maximum 2.5% as compared to 2022	104.02%	1.04	2%	2.08%
2	Emissions of scope 1t	Reduction/maintenance of CO ₂ emissions directly generated by electricity generation plant	0.01	0.99	3%	2.97%
3	Fulfilment of gas supply obligation	100% of the contracted gas quantity	100%	1.00	3%	3.00%
4	Customer satisfaction score	minimum 75%	92.50%	1.23	10%	12.30%
5	Market share **)	Higher than 40%	45.40%	1.14	2%	2.28%
6	Average number of training hours per employee	minimum 8	4.61	0.58	3%	1.74%

Item no.	Indicator	Objectiv	Acvhievements January-June 2024	Degree of achievement s weighted with established targets January- June 2024	Weight of non- executive board members	Weight of non- executive board members in the degree of fulfillment
7	Number of safety trainings	100% of the employees	100%	1.00	3%	3.00%
8	Total frequency of recorded accidents	maximum 0.8%	0.08%	1.90	4%	7.60%
9	Rate of independent members in the Board of Directors	Higher than 55%	57.14%	1.04	5%	5.20%
10	Number of BOD meetings	minimum 12	25	2.08	7%	14.56%
11	Attendance rate at BOD meetings	minimum 90%	98.86%	1.10	6%	6.60%
12	Number of Audit Committee meetings	minimum 4 per year	6	1.50	6%	9.00%
13	Rate of women in executive positions	minimum 30%	33%	1.11	8%	8.88%
14	Timely reporting of company performance indicators	full compliance with reporting deadlines	100%	1.00	9%	9.00%
15	Implementation of the National Anti-Corruption System	timely implementation	94.44%	0.94	9%	8.46%
Degree of fulfilment of non-financial indicators					80%	96.67%
DEGREE OF FULFILLMENT OF PERFORMANCE INDICATORS FOR NON-EXECUTIVE BoD MEMBERS					100%	122.38%

*) The indicator is calculated based on information held in 2023

***) The indicator was calculated based on information held in April 2024

6.2. Performance Indicators of Executive Board Members and Officers
Table 6.2.1. Achieved financial indicators

Item No.	Indicator	Objectiv	Degree of achievements weighted with established targets January-June 2024	Weight of executive board members/officers	Weight of executive board members/officers in the degree of fulfillment
1	Revenue	Recalculated Budget	1.01	10%	10.06%
2	EBITDA margin	minimum 41%	1.93	5%	9.67%
3	Operating expenses from RON 1000 operating income	maintain Budget level	1.35	7.5%	10.13%
4	Labour productivity (in value units)	Recalculated Budget	1.05	5%	5.23%
5	CAPEX	minimum 70% Budget	1.00	7.5%	7.47%
6	Ratio between net debt and EBITDA	<4.5	2.11	5%	10.56%
7	Operating income margin	Budget	1.23	5%	6.16%
8	Dividend payout ratio*)	Minimum provided by the applicable regulations	1.00	5%	5.00%
Degree of fulfilment of financial indicators				50%	64.28%

Table 6.2.2. Achieved non-financial indicators

Item No.	Indicator	Objectiv	Achievem ents January-June 2024	Degree of achievements weighted with established targets January-June 2024	Weight of executive board members/officers	Weight of executive board members/officers in the degree of fulfillment
1	Natural gas production decline	Maintaining the annual decline of maximum 2.5% as compared to 2022	104.02%	1.04	5%	5.20%
2	Emissions of scope 1t	Reduction/maintenance of CO ₂ emissions directly generated by electricity generation plant	0.01	0.99	3%	2.97%
3	Fulfilment of gas	100% of the contracted gas quantity	100%	1.00	4%	4.00%

	supply obligation					
4	Customer satisfaction score *)	minimum 75%	92.50%	1.23	10%	12.30%
5	Market share **)	Higher than 40%	45.40%	1.14	4%	4.56%
6	Average number of training hours per employee	minimum 8	4.61	0.58	3%	1.74%
7	Number of safety trainings	100% of the employees	100%	1.00	3%	3.00%
8	Total frequency of recorded accidents	maximum 0.8%	0.08%	1.90	3%	5.70%
9	Number of full-time equivalent employees	Minimum 99% of the number of employees	99.98%	1.01	3%	3.03%
10	Gender pay gap ratio	Lower or equal to zero	-0.30	1.00	3%	3.00%
11	Timely reporting of company's performance indicators	Full compliance with reporting deadlines	100.00%	1.00	4%	4.00%
12	Implementation of National Anti-Corruption System	Timely implementation	94.44%	0.94	5%	4.70%
Degree of fulfilment of non-financial indicators					50%	54.20%
DEGREE OF FULFILMENT OF PERFORMANCE INDICATORS FOR EXECUTIVE BoD MEMBERS AND OFFICERS					100%	118.48%

*) The indicator is calculated based on information held in 2023

***) The indicator was calculated based on information held in April 2024

The following are attached to this report:

- ☞ Condensed Consolidated Interim Financial Statements for the period ended June 30, 2024, prepared in compliance with the International Accounting Standard 34 and unaudited by the financial auditor and
- ☞ Condensed Interim Individual Financial Statements for the period ended June 30, 2024, prepared in accordance with International Accounting Standard 34 and unaudited by the financial auditor.

SIGNATURES**CHAIRMAN OF THE BOARD OF DIRECTORS**

Dan Dragoş DRĂGAN

.....

Chief Executive Officer,
Razvan POPESCU**Deputy Chief Executive Officer,**
Aristotel Marius JUDE**Chief Financial Officer,**
Gabriela TRANBITAS

.....

.....

.....

S.N.G.N. ROMGAZ S.A. GROUP

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH AND THREE-MONTH PERIODS ENDED JUNE 30, 2024
(UNAUDITED)**

**PREPARED IN ACCORDANCE WITH
INTERNATIONAL ACCOUNTING STANDARD 34
AS ADOPTED BY THE EUROPEAN UNION**



Report on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders of Societatea Națională de Gaze Naturale Romgaz SA

Introduction

We have reviewed the accompanying condensed consolidated interim statement of comprehensive income of Societatea Națională de Gaze Naturale Romgaz SA and its subsidiaries (together – the “Group”) for the six month and three month periods ended 30 June 2024, the condensed consolidated interim statement of financial position as at 30 June 2024, the condensed consolidated interim statement of changes in equity for the six month period ended 30 June 2024, the condensed consolidated interim statement of cash flow for the six month and three month periods ended 30 June 2024 and the related explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, “Interim Financial Reporting” as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, “Interim Financial Reporting” as adopted by the European Union.

On behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered with the Public Electronic Register of financial auditors and audit firms under no. FA6

**Refer to the original signed
Romanian version**

Florin Deaconescu

Financial auditor

registered with the Public Electronic Register of financial auditors and audit firms under no. AF1524

Bucharest, 13 August 2024

PricewaterhouseCoopers Audit S.R.L.

Ana Tower, 24/3 floor, 1A Poligrafiei Blvd, District 1, 013704 Bucharest, Romania

EUID ROONRC.J40/17223/1993, fiscal registration code RO4282940, share capital RON 7,630

T: +40 21 225 3000, www.pwc.ro

This version of our report is a translation from the original, which was prepared in Romanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

CONTENTS:**PAGE:**

Condensed consolidated interim statement of comprehensive income	1
Condensed consolidated interim statement of financial position	2
Condensed consolidated interim statement of changes in equity	4
Condensed consolidated interim statement of cash flow	5
Notes	7
1. Background and general business	7
2. Significant accounting policies	7
3. Revenue and other income	11
4. Cost of commodities sold, raw materials and consumables	12
5. Other gains and losses	13
6. Depreciation, amortization and impairment expenses	13
7. Income tax	13
8. Employee benefit expense	14
9. Taxes and Duties	14
10. Trade and other receivables. Other assets	14
11. Provisions	15
12. Share Capital. Earnings per Share	16
13. Cash and cash equivalents. Bank deposits other than cash and cash equivalents	16
14. Other liabilities. Deferred income	17
15. Property, plant and equipment	17
16. Interest bearing borrowings	18
17. Related party transactions and balances	18
18. Segment information	19
19. Commitments undertaken. Contingencies	20
20. Events after the balance sheet date	21
21. Authorization of financial statements	21

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Note	Six months ended June 30, 2024 '000 RON	Three months ended June 30, 2024 '000 RON	Six months ended June 30, 2023 revised presentation* '000 RON	Three months ended June 30, 2023 revised presentation* '000 RON
Revenue	3	3,896,939	1,623,927	4,897,317	1,988,279
Cost of commodities sold	4	(52,093)	(32,824)	(46,607)	(26,821)
Finance income		114,573	60,950	125,918	74,737
Other gains and losses	5	(9,957)	(6,938)	2,081	(4,703)
Net impairment (losses)/gains on trade receivables	10 c)	2,939	(275)	23,492	208
Changes in inventory of finished goods and work in progress		39,705	37,006	(43,953)	18,070
Work performed by the Group and capitalized		124,564	68,061	117,585	64,263
Raw materials and consumables used	4	(77,577)	(39,971)	(69,496)	(36,744)
Depreciation, amortization and impairment expenses	6	(280,739)	(137,913)	(274,609)	(128,140)
Employee benefit expense	8	(511,750)	(258,978)	(477,870)	(243,233)
Taxes and duties	9	(668,416)	(398,371)	(936,534)	(304,327)
Finance cost		(34,073)	(16,541)	(27,904)	(15,198)
Exploration expense		(51,140)	(21,509)	(1,068)	(582)
Share of profit of associates		3,359	1,385	1,562	1,054
Greenhouse gas certificate expenses		(77,027)	(35,689)	(148,806)	(71,679)
Third party services and other costs		(288,579)	(167,212)	(249,959)	(140,950)
Other income	3	38,319	7,062	114,593	46,033
Profit before tax		2,169,047	682,170	3,005,742	1,220,267
Income tax expense	7	(331,834)	(90,284)	(1,320,102)	(504,630)
Profit for the period		1,837,213	591,886	1,685,640	715,637
Total comprehensive income for the period		1,837,213	591,886	1,685,640	715,637
Basic and diluted earnings per share	12 b)	0.00048	0.00015	0.00044	0.00019

* see note 2 for the changes in presentation

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	June 30, 2024 '000 RON	December 31, 2023 revised presentation* '000 RON
ASSETS			
Non-current assets			
Property, plant and equipment	15	6,850,488	5,891,788
Intangible assets		5,133,693	5,135,930
Investments in associates		36,769	33,410
Deferred tax asset		336,520	324,175
Other financial assets		5,616	5,616
Right of use assets		14,032	11,596
Total non-current assets		12,377,118	11,402,515
Current assets			
Inventories		405,118	301,690
Greenhouse gas certificates	14 a)	258,499	208,618
Trade and other receivables	10 a)	854,003	1,398,953
Bank deposits other than cash and cash equivalents	13 b)	357,144	2,505,463
Other assets	10 b)	171,722	113,181
Cash and cash equivalents	13 a)	2,142,130	535,210
Total current assets		4,188,616	5,063,115
Total assets		16,565,734	16,465,630
EQUITY AND LIABILITIES			
Equity			
Share capital	12 a)	3,854,224	385,422
Reserves		3,745,775	4,971,109
Retained earnings		5,224,721	6,204,783
Total equity		12,824,720	11,561,314
Non-current liabilities			
Retirement benefit obligation	11	180,167	189,314
Deferred tax liabilities		239	-
Deferred income	14 b)	386,731	370,941
Lease liability		12,079	10,450
Borrowings	16	647,023	808,373
Provisions	11	374,452	373,536
Total non-current liabilities		1,600,691	1,752,614

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	<u>June 30, 2024</u>	<u>December 31, 2023</u>
		'000 RON	revised presentation* '000 RON
Current liabilities			
Trade payables		395,925	272,168
Contract liabilities		82,254	153,723
Current tax liabilities	7	105,877	1,766,637
Deferred income		193	7
Provisions	11	119,518	121,732
Lease liability		3,531	2,579
Borrowings	16	323,817	323,349
Other liabilities	14 a)	1,109,208	511,507
Total current liabilities		2,140,323	3,151,702
Total liabilities		3,741,014	4,904,316
Total equity and liabilities		16,565,734	16,465,630

* see note 2 for the changes in presentation

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
 Chief Executive Officer

Gabriela Trânbițaș
 Chief Financial Officer

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share capital '000 RON	Legal reserve '000 RON	Geological quota reserve '000 RON	Development fund reserve '000 RON	Reinvested profit reserve '000 RON	Reserves for investments in strategic projects '000 RON	Other reserves '000 RON	Retained earnings '000 RON	Total '000 RON
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 period	-	-	-	-	-	-	-	1,837,213	1,837,213
Total comprehensive income for the period	-	-	-	-	-	-	-	1,837,213	1,837,213
Increase in share capital (note 12 a)	3,468,802	-	-	(3,468,802)	-	-	-	-	-
Dividends distribution*	-	-	-	(24,579)	-	-	-	(549,228)	(573,807)
Increase in reserves**	-	-	-	1,339,936	-	928,111	-	(2,268,047)	-
Balance as of June 30, 2024	3,854,224	90,294	486,388	1,748,977	472,280	928,111	19,725	5,224,721	12,824,720
Balance as of January 1, 2023	385,422	90,294	486,388	2,586,687	396,180	-	19,725	6,111,869	10,076,565
Profit for the period	-	-	-	-	-	-	-	1,685,640	1,685,640
Total comprehensive income for the period	-	-	-	-	-	-	-	1,685,640	1,685,640
Dividends distribution *	-	-	-	-	-	-	-	(1,318,145)	(1,318,145)
Increase in reserves	-	-	-	1,315,735	-	-	-	(1,315,735)	-
Balance as of June 30, 2023	385,422	90,294	486,388	3,902,422	396,180	-	19,725	5,163,629	10,444,060

*) In April 2024 the Group's shareholders approved the distribution of dividends of RON 549,228 thousand (2023: RON 1,318,145 thousand), dividends per share being RON 0.1425 (six months ended June 30, 2023: RON 0.342; since the share capital increase did not involve any corresponding change in resources, the dividend per share calculation for the prior periods were recalculated. Specifically, the updated number of shares was applied to the dividend per share calculations for the comparative, hence the dividends per share changed. Original dividends per share paid in six months ended June 30, 2023 was RON 3.42). Dividends of RON 24,579 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 2024. Profit distribution is based on the provisions of Government Ordinance no. 64/2001. The Ordinance is applicable to companies owned by the Romanian State and states the reserves that can be set-up and 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.

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
Chief Executive Officer

Gabriela Trâmbițaș
Chief Financial Officer

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOW

	Six months ended June 30, 2024	Three months ended June 30, 2024	Six months ended June 30, 2023	Three months ended June 30, 2023
	'000 RON	'000 RON	'000 RON	'000 RON
Cash flows from operating activities				
Net profit	1,837,213	591,886	1,685,640	715,637
Income tax expense (note 7)	331,834	90,284	1,320,102	504,630
Share of associates' result	(3,359)	(1,385)	(1,562)	(1,054)
Interest expense	22,409	10,714	19,041	10,776
Investment income	(686)	(686)	-	-
Unwinding of decommissioning provision	11,664	5,827	8,863	4,422
Interest income	(113,887)	(60,264)	(125,918)	(74,737)
Net (gain)/loss on disposal of non-current assets (note 5)	4,162	2,742	(1,664)	(1,017)
Change in decommissioning provision recognized in profit or loss, other than unwinding nota (nota 11)	(1,709)	(630)	10,045	11,579
Change in other provisions	(14,522)	(17,432)	(178,520)	(252,171)
Net impairment of exploration assets (note 6)	4,366	-	7,366	1,176
Net impairment of property, plant and equipment and intangibles (note 6)	20,392	14,564	55,476	7,979
Foreign exchange differences	775	1,381	4,455	3,969
Depreciation and amortization (note 6)	255,981	123,349	211,767	118,985
Net receivable write-offs and movement in allowances for trade receivables and other assets (note 10)	(2,552)	673	(27,519)	(270)
Net movement in write-down allowances for inventory (note 5)	3,393	1,561	(607)	1,272
Subsidies income	(9)	(2)	(6)	(4)
Interest paid	(21,633)	(10,628)	(18,728)	(10,608)
Income taxes paid	(2,004,700)	(2,004,700)	(1,449,255)	(1,449,255)
Operating cash flows before movements in working capital	329,132	(1,252,746)	1,518,976	(408,691)
Movements in working capital:				
(Increase)/Decrease in inventory	(106,799)	(71,963)	34,382	(29,378)
(Increase)/Decrease in trade and other receivables and other assets	465,363	498,737	240,741	175,964
Increase/(Decrease) in trade and other liabilities	50,896	9,880	(83,067)	142,524
Net cash generated by/(used in) operating activities	738,592	(816,092)	1,711,032	(119,581)

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOW

	Six months ended June 30, 2024	Three months ended June 30, 2024	Six months ended June 30, 2023	Three months ended June 30, 2023
	'000 RON	'000 RON	'000 RON	'000 RON
Cash flows from investing activities				
Bank deposits set up	(3,205,062)	(231,984)	(3,403,236)	(517,457)
Bank deposits matured	5,348,009	3,677,926	2,520,252	2,505,252
Interest received	119,257	79,962	108,831	78,034
Proceeds from sale of non-current assets	191	-	1,175	659
Acquisition of property, plant and equipment	(1,210,687)	(759,477)	(368,138)	(209,815)
Acquisition of intangible assets	(1,271)	(946)	(1,271)	(84)
Acquisition of exploration assets	(33,629)	(28,174)	(13,836)	(5,097)
Subsidies received	15,800	15,609	94,192	94,192
Net cash generated by/(used in) investing activities	1,032,608	2,752,916	(1,062,031)	1,945,684
Cash flows from financing activities				
Repayment of borrowings	(161,652)	(80,873)	(161,085)	(80,672)
Dividends paid	(431)	(69)	(175)	(75)
Repayment of lease liability	(2,197)	(797)	(1,465)	(687)
Net cash used in financing activities	(164,280)	(81,739)	(162,725)	(81,434)
Net increase/(decrease) in cash and cash equivalents	1,606,920	1,855,085	486,276	1,744,669
Cash and cash equivalents at the beginning of the period	535,210	287,045	1,883,882	625,489
Cash and cash equivalents at the end of the period	2,142,130	2,142,130	2,370,158	2,370,158

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
 Chief Executive Officer

Gabriela Trânbițaș
 Chief Financial Officer

The accompanying notes form an integral part of these financial statements.
 This is a free translation of the original Romanian version.

NOTES

1. BACKGROUND AND GENERAL BUSINESS

Information regarding S.N.G.N. Romgaz S.A. Group (the “Group”)

The Group is formed of 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”) and Romgaz Black Sea Limited. 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 and London Stock Exchange.

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

The Romanian State, through the Ministry of Energy, is the majority shareholder of Romgaz together with other legal and physical persons.

The Group has as main activity:

1. geological research for the discovery of natural gas, crude oil and condensed 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 transportation system.
4. underground storage of natural gas performed by Depogaz;
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 distribution.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The condensed consolidated interim financial statements (“financial statements”) of the Group have been prepared in accordance with the provisions of International Accounting Standard 34 “Interim Reporting”. For the purpose of the preparation of these financial statements, the functional currency of the Company and its subsidiaries is deemed to be the Romanian Leu (RON). IFRS as adopted by the EU differ in certain respects from IFRS as issued by the International Accounting Standards Board (IASB), however, the differences have no material impact on the Group’s financial statements for the periods presented.

These financial statements should be read in conjunction with the annual consolidated financial statements for 2023.

Basis of preparation

The financial statements have been 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 except for the changes in presentation indicated in the section below.

Accounting is kept in Romanian and in the national currency (Romanian leu). Items included in these financial statements are denominated in Romanian lei. Unless otherwise stated, the amounts are presented in lei thousand (RON thousand).

Basis for consolidation

Subsidiaries

The Group controls an investee when it is exposed, 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.

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.

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES

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.

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 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures": Supplier Finance Arrangements (effective for annual periods beginning on or after January 1, 2024);
- Amendments to IAS 1 "Presentation of Financial Statements" - Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date; Non-current Liabilities with Covenants (effective for annual periods beginning on or after January 1, 2024);
- Amendments to IFRS 16 "Leases" - Lease liabilities in a sale and leaseback (applicable to annual periods beginning on or after 1 January 2024).

The adoption of these amendments, interpretations or improvements to existing standards did not lead to changes in the Group's accounting policies. No changes in presentation were necessary.

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 EU as at date of publication of these financial statements:

- Amendments to the Classification and Measurement of Financial Instruments; Amendments to IFRS 9 and IFRS 7 (applicable to annual periods beginning on or after 1 January 2026);
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates": Lack of Exchangeability (applicable to annual periods beginning on or after 1 January 2025);
- IFRS 18 "Presentation and Disclosure in Financial Statements" (applicable to annual periods beginning on or after 1 January 2027);
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (applicable to annual periods beginning on or after 1 January 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.

Enhancement of accounting policies disclosure and significant judgements

In 2024 the Group clarified the accounting policies disclosed in the most recent annual consolidated financial statements. The following clarifications were made:

a) Greenhouse gas certificates acquired

The Group recognizes a liability for the obligation to settle actual CO₂ 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.

b) Revenue recognition from storage activities (significant judgement)

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.

NOTES

There is a 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 time when the services are delivered to the customer and completed.

Changes in presentation

In the current period, the Group revised the presentation of certain items in its financial statements for the better understanding of the financial position and results of the Group. As such, certain prior periods' information was presented in line with the new presentation, to ensure comparability with the financial statements of the current period.

a) Condensed consolidated interim statement of financial position

The following changes were made:

- a new line was introduced in the Current assets section, namely "Greenhouse gas certificates". In the 2023 financial statements these were included in "Other assets", also presented as Current assets.
- "Other financial assets" were renamed to "Bank deposits other than cash and cash equivalents".
- liabilities related to joint operations, initially included in "Other liabilities", were reclassified to "Trade payables", in accordance with their nature.

	December 31, 2023 as previously reported	Effect of change	December 31, 2023 revised presentation
	'000 RON	'000 RON	'000 RON
Trade payables	146,111	126,057	272,168
Other liabilities	637,564	(126,057)	511,507

b) Condensed consolidated interim statement of comprehensive income

The following changes were made:

- Work performed by the Group and capitalized as non-current assets, now presented as an income, was reported net of expenditure incurred. Starting 2024, expenditure incurred to build non-current assets is presented gross, its influence on profit for the period being offset by the presentation of an income "Work performed by the Group and capitalized" (1);
- "Other expenses" line was broken down into its main components represented by "Taxes and duties", "Employee benefit expense", "Greenhouse gas certificate expenses" and "Third party services and other costs" (2);
- Impairment losses on trade receivables for other income recorded during the period whose collection is not certain at the time of invoicing are presented net (3);
- Line name changes (4).

Changes in the condensed consolidated interim statement of comprehensive income for the six-month and three-month periods ended June 30, 2023 are shown below:

NOTES

	Six months ended June 30, 2023 as previously reported	Impact of change (1)	Impact of changes (2) and (3)	Six months ended June 30, 2023 revised presentation
	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	4,897,317	-	-	4,897,317
Cost of commodities sold	(46,607)	-	-	(46,607)
Finance income/(former Investment income) (4)	125,918	-	-	125,918
Other gains and losses	2,081	-	-	2,081
Net impairment (losses)/gains on trade receivables	9,332	-	14,160	23,492
Changes in inventory of finished goods and work in progress	(43,953)	-	-	(43,953)
Work performed by the Group and capitalized	-	117,585	-	117,585
Raw materials and consumables used	(52,600)	(16,896)	-	(69,496)
Depreciation, amortization and impairment expenses	(261,043)	(13,566)	-	(274,609)
Employee benefit expense	(440,646)	(73,653)	36,429	(477,870)
Taxes and duties	-	(420)	(936,114)	(936,534)
Finance cost	(27,904)	-	-	(27,904)
Exploration expense	(1,068)	-	-	(1,068)
Share of profit/(loss) of associates	1,562	-	-	1,562
Greenhouse gas certificate expenses	-	-	(148,806)	(148,806)
Third party services and other costs	-	(13,050)	(236,909)	(249,959)
Other expenses	(1,285,400)	-	1,285,400	-
Other income	128,753	-	(14,160)	114,593
Profit before tax	3,005,742	-	-	3,005,742
Income tax expense	(1,320,102)	-	-	(1,320,102)
Profit for the period	1,685,640	-	-	1,685,640
Total comprehensive income for the period	1,685,640	-	-	1,685,640
	Three months ended June 30, 2023 as previously reported	Impact of change (1)	Impact of changes (2) and (3)	Three months ended June 30, 2023 revised presentation
	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	1,988,279	-	-	1,988,279
Cost of commodities sold	(26,821)	-	-	(26,821)
Finance income/(former Investment income)	74,737	-	-	74,737
Other gains and losses	(4,703)	-	-	(4,703)
Net impairment (losses)/gains on trade receivables	(6,953)	-	7,161	208
Changes in inventory of finished goods and work in progress	18,070	-	-	18,070
Work performed by the Group and capitalized	-	64,263	-	64,263
Raw materials and consumables used	(26,540)	(10,204)	-	(36,744)
Depreciation, amortization and impairment expenses	(121,087)	(7,053)	-	(128,140)
Employee benefit expense	(241,493)	(40,438)	38,698	(243,233)

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES

	Three months ended June 30, 2023 as previously reported	Impact of change (1)	Impact of changes (2) and (3)	Three months ended June 30, 2023 revised presentation
	'000 RON	'000 RON	'000 RON	'000 RON
Taxes and duties	-	(207)	(304,120)	(304,327)
Finance cost	(15,198)	-	-	(15,198)
Exploration expense	(582)	-	-	(582)
Share of profit/(loss) of associates	1,054	-	-	1,054
Greenhouse gas certificate expenses	-	-	(71,679)	(71,679)
Third party services and other costs	-	(6,361)	(134,589)	(140,950)
Other expenses	(471,690)	-	471,690	-
Other income	53,194	-	(7,161)	46,033
Profit before tax	1,220,267	-	-	1,220,267
Income tax expense	(504,630)	-	-	(504,630)
Profit for the period	715,637	-	-	715,637
Total comprehensive income for the period	715,637	-	-	715,637

Change (1) above affects the result of segments reported, as most expenses offset against income representing work performed by the Group and capitalized were incurred at the level of the supplying branches included in the "Other" segment, while most of the income was recorded in the "Upstream" segment.

Seasonality and cyclicity

Natural gas consumption is seasonal and affected by weather conditions, being highest in wintertime.

Gas quantities sold during the first six months of the year usually represent between 50% and 60% of the total annual sales. Additionally, gas quantities sold in the second quarter typically account for between 40% and 50% of the total quantities sold in the first half of the year. While prices are not influenced by seasonality, they are affected by changes in government legislation and market conditions, which impact revenue and accounts receivable balances to a larger extent than quantities sold.

Electricity production and sales of the Group are not impacted by seasonality, but they are also impacted by legislation.

Regarding the gas storage activity, injection normally happens during the period April-October, while gas is usually being extracted during the period November-March.

3. REVENUE AND OTHER INCOME

	Six months ended June 30, 2024	Three months ended June 30, 2024	Six months ended June 30, 2023 (revised presentation)	Three months ended June 30, 2023 (revised presentation)
	'000 RON	'000 RON	'000 RON	'000 RON
Revenue from gas sold - domestic production	3,237,596	1,319,601	4,248,680	1,708,817
Revenue from gas sold - other arrangements	12,479	6,143	16,019	6,637
Revenue from gas acquired for resale	152	-	18,976	152
Revenue from storage services- capacity reservation	162,001	87,450	178,398	72,331
Revenue from storage services- extraction	61,936	2,471	42,799	3,189
Revenue from storage services- injection	52,714	49,672	66,090	61,043
Revenue from electricity	180,270	70,909	200,399	79,047

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES

	Six months ended June 30, 2024 '000 RON	Three months ended June 30, 2024 '000 RON	Six months ended June 30, 2023 (revised presentation) '000 RON	Three months ended June 30, 2023 (revised presentation) '000 RON
Revenue from services	138,933	59,523	92,047	40,850
Revenue from sale of goods	45,398	25,264	28,489	13,481
Other revenues from contracts	268	165	452	261
Total revenue from contracts with customers	3,891,747	1,621,198	4,892,349	1,985,808
Other revenues	5,192	2,729	4,968	2,471
Total revenue	3,896,939	1,623,927	4,897,317	1,988,279
Other income	38,319	7,062	114,593	46,033
Total revenue and other income	3,935,258	1,630,989	5,011,910	2,034,312

Revenue from contracts with customers is recognized as or when the Group satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when the customer obtains control of that good or service.

Revenues from gas and electricity are recognized when the delivery has been made at the prices fixed in the contracts with customers.

Revenues from storage services are recognized over time, as they are provided, at the rates in force during the storage cycle. Usually, injection services are provided in the period April - October, and those for withdrawal in November - March. The capacity reservation services are being provided each month of the storage cycle, which begins on April 1 and ends on March 31 of the next year.

Revenue from storage services-extraction and storage services-injection are treated as separate performance obligations recognized at a point time when the services are delivered to the customer and completed. Judgement regarding whether they represent separate performance obligations is presented in note 2.

In measuring the revenue from gas, electricity and storage services, the Group uses output methods. According to these methods, revenues are recognized based on direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. The Group recognizes the revenue in the amount it has the right to charge.

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.

4. COST OF COMMODITIES SOLD, RAW MATERIALS AND CONSUMABLES

	Six months ended June 30, 2024 '000 RON	Three months ended June 30, 2024 '000 RON	Six months ended June 30, 2023 (revised presentation) '000 RON	Three months ended June 30, 2023 (revised presentation) '000 RON
Consumables used	56,144	29,710	47,450	26,792
Technological consumption	17,577	8,595	19,004	8,767
Other consumables	3,856	1,666	3,042	1,185
Total raw materials and consumables	77,577	39,971	69,496	36,744
Cost of gas acquired for resale	153	7	19,520	863
Cost of electricity imbalances *	51,374	32,476	26,440	25,609
Cost of other goods sold	566	341	647	349
Total cost of commodities sold	52,093	32,824	46,607	26,821

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

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES

5. OTHER GAINS AND LOSSES

	Six months ended June 30, 2024	Three months ended June 30, 2024	Six months ended June 30, 2023	Three months ended June 30, 2023
	'000 RON	'000 RON	'000 RON	'000 RON
Forex gain	1,390	(568)	16,414	6,208
Forex loss	(3,405)	(1,669)	(20,649)	(10,736)
Net loss on disposal of non-current assets	(4,162)	(2,742)	1,664	1,017
Net allowance for other receivables (note 10 c)	(387)	(398)	4,027	62
Net write down allowances for inventory	(3,393)	(1,561)	607	(1,272)
Other gains and losses	-	-	18	18
Total	(9,957)	(6,938)	2,081	(4,703)

6. DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSES

	Six months ended June 30, 2024	Three months ended June 30, 2024	Six months ended June 30, 2023 (revised presentation)	Three months ended June 30, 2023 (revised presentation)
	'000 RON	'000 RON	'000 RON	'000 RON
Depreciation out of which:	255,981	123,349	211,767	118,985
- depreciation of property, plant and equipment	250,607	120,715	208,069	117,072
- depreciation of right of use assets	1,866	933	1,224	625
- amortization of intangible assets	3,508	1,701	2,474	1,288
Net impairment of non-current assets	24,758	14,564	62,842	9,155
Total depreciation, amortization and impairment	280,739	137,913	274,609	128,140

7. INCOME TAX

	Six months ended June 30, 2024	Three months ended June 30, 2024	Six months ended June 30, 2023	Three months ended June 30, 2023
	'000 RON	'000 RON	'000 RON	'000 RON
Current tax expense	343,940	105,878	441,979	170,781
Solidarity contribution *	-	-	970,915	433,414
Deferred income tax (income)/expense	(12,106)	(15,594)	(92,792)	(99,565)
Income tax expense	331,834	90,284	1,320,102	504,630

*) According to legislation, the solidarity contribution was calculated only for the years 2022 and 2023. From 2024, the contribution is no longer calculated.

Current tax liabilities decreased compared to December 31, 2023 as the solidarity contribution is no longer in force (December 31, 2023: RON 1,689,919 thousand).

NOTES

8. EMPLOYEE BENEFIT EXPENSE

	Six months ended June 30, 2024	Three months ended June 30, 2024	Six months ended June 30, 2023 (revised presentation)	Three months ended June 30, 2023 (revised presentation)
	'000 RON	'000 RON	'000 RON	'000 RON
Wages and salaries	456,052	230,602	431,120	218,525
Social security charges	17,537	9,526	16,191	8,689
Meal tickets	24,506	11,802	18,635	8,825
Other benefits according to collective labor contract	2,389	1,420	1,138	1,631
Private pension payments	5,647	2,821	5,619	2,808
Private health insurance	5,619	2,807	5,167	2,755
Total employee benefit expense	511,750	258,978	477,870	243,233

9. TAXES AND DUTIES

	Six months ended June 30, 2024	Three months ended June 30, 2024	Six months ended June 30, 2023	Three months ended June 30, 2023
	'000 RON	'000 RON	'000 RON	'000 RON
Royalties	274,515	89,824	289,301	138,898
Windfall tax	382,605	305,216	639,465	162,563
Energy transition fund	6,396	1,252	(2,377)	(5,364)
Other taxes and duties	4,900	2,079	10,145	8,230
Total	668,416	398,371	936,534	304,327

10. TRADE AND OTHER RECEIVABLES. OTHER ASSETS

a) Trade and other receivables

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Trade receivables *	1,403,441	1,952,517
Allowances for expected credit losses (note 10 c)	(549,438)	(553,564)
Total	854,003	1,398,953

*) Trade receivables as of June 30, 2024 include RON 342,094 thousand (December 31, 2023: RON 333,096 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.

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.

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

b) Other assets

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Advances paid to suppliers	6,896	10
Joint operation receivables	11,713	7,974

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES

Other receivables	25,289	21,251
Allowance for expected credit losses for other receivables (note 10 c)	(169)	(169)
Other debtors	47,795	46,846
Allowance for expected credit losses for other debtors (note 10 c)	(46,416)	(46,029)
Prepayments	24,340	14,374
VAT not yet due	7,028	7,945
Other taxes receivable	95,246	60,979
Total	171,722	113,181

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

	<u>2024</u>	<u>2023</u>
	'000 RON	'000 RON
At January 1	599,762	689,352
Charge in the allowance for receivables (note 5, note 10 b)	404	192
Charge in the allowance for trade receivables (note 10 a)	2,453	4,635
Write-off against trade receivables (note 10 a)	(1,187)	(865)
Release in the allowance for receivables (note 5, note 10 b)	(17)	(4,219)
Release in the allowance for trade receivables (note 10 a)	(5,392)	(28,127)
At June 30	596,023	660,968

11. PROVISIONS

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
	'000 RON	'000 RON
Decommissioning provision (see below)	374,452	373,536
Retirement benefit obligation	180,167	189,314
Total long-term provisions	554,619	562,850
Decommissioning provision (see below)	35,210	32,049
Litigation provision	20,312	18,839
Other provisions	63,996	70,844
Total short-term provisions	119,518	121,732
Total provisions	674,137	684,582
Decommissioning provision movement	2024	2023
	'000 RON	'000 RON
At January 1	405,585	236,490
Additional provision recorded against non-current assets	277	49,635
Unwinding effect	11,664	8,863
Recorded in profit or loss	(1,709)	10,045
Decrease recorded against non-current assets	(6,155)	(1,087)
At June 30	409,662	303,946

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES

12. SHARE CAPITAL. EARNINGS PER SHARE

a) Share capital

In December 2023 the Extraordinary General Meeting of Shareholders approved Romgaz' share capital increase through the incorporation of reserves of RON 3,468,802 thousand by issuing 3,468,801,600 shares with a nominal value of RON 1/share, each shareholder registered on the registration date (May 29, 2024) being entitled to 9 free shares for each share held. The increase was registered in January 2024 at the National Trade Register Office. The increase became effective on May 30, 2024. The share capital increased to RON 3,854,224 thousand.

The authorized number of shares recorded at the National Trade Register Office is 3,854,224,000 (December 31, 2023: 385,422,400).

The shareholding structure as at June 30, 2024 is as follows:

	<u>Percentage</u> (%)
The Romanian State through the Ministry of Energy	70.01
Legal persons	24.79
Physical persons	<u>5.20</u>
Total	<u>100</u>

b) Earnings per share

Since the share capital increase did not involve any corresponding cash contributions, there was no change in the Company's resources. Consequently, the earnings per share calculation for the prior periods were recalculated. Specifically, the updated number of shares after issue was applied to the earnings per share calculations for all the comparative periods presented, hence, the earnings per share has changed.

	<u>Six months ended</u> <u>June 30, 2024</u>	<u>Three months ended</u> <u>June 30, 2024</u>	<u>Six months ended</u> <u>June 30, 2023</u>	<u>Three months ended</u> <u>June 30, 2023</u>
Profit for the period attributable to ordinary shareholders (RON thousand)	1,837,213	591,886	1,685,640	715,637
Number of shares	<u>3,854,224,000</u>	<u>3,854,224,000</u>	<u>3,854,224,000</u>	<u>3,854,224,000</u>
Earnings per share (RON thousand) recalculated	<u>0.00048</u>	<u>0.00015</u>	<u>0.00044</u>	<u>0.00019</u>
Number of shares originally presented	<u>-</u>	<u>-</u>	<u>385,422,400</u>	<u>385,422,400</u>
Earnings per share originally presented (RON thousand)	<u>-</u>	<u>-</u>	<u>0.00437</u>	<u>0.00186</u>

13. CASH AND CASH EQUIVALENTS. BANK DEPOSITS OTHER THAN CASH AND CASH EQUIVALENTS

a) Cash and cash equivalents

	<u>June 30, 2024</u> <u>'000 RON</u>	<u>December 31, 2023</u> <u>'000 RON</u>
Current bank accounts *)	154,632	147,014
Petty cash	41	47
Term deposits	1,985,775	386,248
Restricted cash **)	<u>1,682</u>	<u>1,901</u>
Total	<u>2,142,130</u>	<u>535,210</u>

*) Current bank accounts include overnight deposits.

***) At June 30, 2024 restricted cash refers to bank accounts used only for dividend payments to shareholders, according to stock market regulations.

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES

b) 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>June 30, 2024</u>	<u>December 31, 2023</u>
	'000 RON	'000 RON
Bank deposits	341,755	2,484,702
Accrued interest receivable on bank deposits	15,389	20,761
Total	357,144	2,505,463

14. OTHER LIABILITIES. DEFERRED INCOME

a) Other liabilities

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
	'000 RON	'000 RON
Payables related to employees	35,796	41,004
Royalties	89,606	174,773
Contribution to Energy Transition Fund	1,252	38
Social security taxes	28,940	33,334
Other current liabilities	28,828	10,555
Greenhouse gas certificates submission liability *	258,499	208,618
VAT	1,166	9,616
Dividends payable **	550,545	1,453
Windfall tax	109,726	29,420
Other taxes	4,850	2,696
Total other liabilities	1,109,208	511,507

*) According to legislation, greenhouse gas certificates must be submitted to the relevant bodies until September, 2024. The balance as of June 30, 2024 relates to certificates acquired in 2023 and 2024, not yet submitted.

***) The increase in dividends payable is due to the distribution of profit and retained earnings decided by shareholders in 2024. Dividends were paid in July, 2024.

b) Deferred income (long term portion)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
	'000 RON	'000 RON
Amounts collected from NIP	292,319	276,519
Amounts collected from CINEA	94,192	94,192
Other deferred income	127	133
Other amounts received as grants	93	97
Total long term deferred income	386,731	370,941

15. PROPERTY, PLANT AND EQUIPMENT

In the six-month period ended June 30, 2024, the Group recognized additions to property, plant and equipment of RON 1,244,316 thousand, of which RON 921,248 thousand related to the development of the Neptun Deep Project and RON 48,393 thousand for the new power plant in Iernut. Neptun Deep Project is developed by the Group as part of a joint operation in which both partners have equal share.

Depreciation, amortization and impairment in the six-month period ended June 30, 2024 was of RON 275,365 thousand.

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES
16. INTEREST BEARING BORROWINGS

	<u>Maturity</u>	<u>June 30, 2024</u> '000 RON	<u>December 31, 2023</u> '000 RON
EUR 325,000 thousand bank borrowing	June 30, 2027	970,840	1,131,722
Total		970,840	1,131,722

The fair value of the loan approximates its carrying amount as it carries a variable rate of interest.

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

	<u>Six months ended June 30, 2024</u> '000 RON	<u>Three months ended June 30, 2024</u> '000 RON	<u>Six months ended June 30, 2023</u> '000 RON	<u>Three months ended June 30, 2023</u> '000 RON
Romgaz's associates	6,517	5,113	6,767	5,353
Total	6,517	5,113	6,767	5,353

(ii) Government related entities

The Group is controlled by the Romanian State, through the Ministry of Energy. 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 material transactions or collectively material transactions were identified.

Related party transactions are carried out on market terms and there are no transactions outside normal day-to-day operations.

The table below shows the collectively material transactions of the Group with companies over which the Romanian State has control or significant influence:

	<u>Six months ended June 30, 2024</u> '000 RON	<u>Three months ended June 30, 2024</u> '000 RON	<u>Six months ended June 30, 2023</u> '000 RON	<u>Three months ended June 30, 2023</u> '000 RON
Electrocentrale București SA	344,051	144,376	632,750	134,943
OMV Petrom SA	91,964	23,581	62,823	23,750
Engie România SA	821,739	209,494	1,168,125	404,672
E.On Energie România SA	1,150,279	460,497	1,243,659	641,829
Total	2,408,033	837,948	3,107,357	1,205,194

The table below shows the collectively material bank deposit balances at banks over which the Romanian State has control.

	<u>June 30, 2024</u> '000 RON	<u>December 31, 2023</u> '000 RON
CEC Bank	-	100,000
Exim Banca Românească	977,000	1,044,284
Total	977,000	1,144,284

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES
(iii) Trade receivables

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
	'000 RON	'000 RON
Romgaz's associates	3,655	-
Total	3,655	-

18. SEGMENT INFORMATION
a) Products and services from which reportable segments derive their revenues

The information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the upstream segment, storage services, electricity production and distribution, and others, including headquarter activities. The Directors of the Group chose to organize the Group around differences in activities performed.

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 Medias, Mures, Buzău branches and in part by the Company's headquarters and also by subsidiary Romgaz Black Sea Limited;
- storage activities, performed by Depogaz subsidiary;
- electricity production and distribution activities, performed by Iernut branch;
- other activities, such as technological transport, operations on wells and corporate activities.

b) Segment assets and liabilities

June 30, 2024	<u>Upstream</u>	<u>Storage</u>	<u>Electricity</u>	<u>Other</u>	<u>Adjustments and eliminations</u>	<u>Total</u>
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Total assets	11,136,416	1,270,610	1,580,352	4,315,463	(1,737,107)	16,565,734
Total liabilities	2,431,960	211,299	615,763	1,905,128	(1,423,136)	3,741,014

December 31, 2023	<u>Upstream</u>	<u>Storage</u>	<u>Electricity</u>	<u>Other</u>	<u>Adjustments and eliminations</u>	<u>Total</u>
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Total assets	10,415,224	1,185,931	1,548,486	4,130,313	(814,324)	16,465,630
Total liabilities	3,205,980	194,653	564,530	1,503,721	(564,568)	4,904,316

c) Segment revenues, results and other segment information

Six months ended June 30, 2024	<u>Upstream</u>	<u>Storage</u>	<u>Electricity</u>	<u>Other</u>	<u>Adjustments and eliminations</u>	<u>Total</u>
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	3,628,198	281,626	254,420	231,562	(498,867)	3,896,939
Less: revenue between segments	(171,213)	(27,509)	(73,982)	(226,163)	498,867	-
Third party revenue	3,456,985	254,117	180,438	5,399	-	3,896,939
Segment profit/(loss) before tax	2,174,006	114,955	(124,676)	98,794	(94,032)	2,169,047

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES

Three months ended June 30, 2024	Upstream '000 RON	Storage '000 RON	Electricity '000 RON	Other '000 RON	Adjustments and eliminations '000 RON	Total '000 RON
Revenue	1,511,494	139,926	106,773	122,078	(256,344)	1,623,927
Less: revenue between segments	(80,292)	(21,898)	(35,782)	(118,372)	256,344	-
Third party revenue	1,431,202	118,028	70,991	3,706	-	1,623,927
Segment profit/(loss) before tax	738,453	43,039	(78,891)	45,476	(65,907)	682,170

Six months ended June 30, 2023 (revised presentation)	Upstream '000 RON	Storage '000 RON	Electricity '000 RON	Other '000 RON	Adjustments and eliminations '000 RON	Total '000 RON
Revenue	4,612,453	271,333	287,152	224,288	(497,909)	4,897,317
Less: revenue between segments	(174,051)	(19,409)	(86,976)	(217,473)	497,909	-
Third party revenue	4,438,402	251,924	200,176	6,815	-	4,897,317
Segment profit/(loss) before tax	2,880,155	92,581	(26,198)	121,029	(61,825)	3,005,742

Three months ended June 30, 2023 (revised presentation)	Upstream '000 RON	Storage '000 RON	Electricity '000 RON	Other '000 RON	Adjustments and eliminations '000 RON	Total '000 RON
Revenue	1,835,386	142,386	121,663	116,309	(227,465)	1,988,279
Less: revenue between segments	(66,132)	(5,769)	(42,614)	(112,950)	227,465	-
Third party revenue	1,769,254	136,617	79,049	3,359	-	1,988,279
Segment profit/(loss) before tax	1,231,097	33,041	(26,993)	48,302	(65,180)	1,220,267

19. COMMITMENTS UNDERTAKEN. CONTINGENCIES

a) Commitments undertaken

In 2023, 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 June 30, 2024 are still available for use RON 335,601 thousand.

As of June 30, 2024, the Group's contractual commitments for the acquisition of non-current assets are of RON 2,865,091 thousand (December 31, 2023: RON 3,779,428 thousand). This amount includes commitments of RON 2,132,675 thousand of Romgaz Black Sea Limited for its joint-arrangement with OMV Petrom SA.

NOTES

b) Contingencies

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 produces at a regulated price of RON 450/MWh. According to GEO 27, electricity producers must calculate a contribution to the Energy Transition Fund. If the value of the greenhouse gas certificates related to the energy sold at RON 450/MWh exceeds the contribution to the Energy Transition Fund, electricity producers are entitled to receive the excess. Until June 30, 2024, 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. Thus, as of June 30, 2024 the Group disclosed a contingent asset of RON 188,260 thousand until legislation will provide for a mechanism for recovering this amount. In the six-month and three-month periods ended June 30, 2023 the Group recorded an income for these amounts; the income was later reversed as the Group reconsidered the recoverability of the receivable and concluded the recognition criteria are not met.

20. EVENTS AFTER THE BALANCE SHEET DATE

No events subsequent to the balance sheet date were identified.

21. AUTHORIZATIONS OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer



STATEMENT

in accordance with the provisions of art. 67 (2) c) of Law No. 24/2017
regarding issuers of financial instruments and market operations

Entity: Societatea Nationala de Gaze Naturale ROMGAZ S.A.

County: 32--SIBIU

Address: MEDIAȘ, 4 C.I. Motaș Square, tel. +4-0374-401020

Registration Number in the Trade Register: J32/392/2001

Form of Property: 14--State owned companies and enterprises

Main activity (CAEN code and denomination): 0620—Natural Gas Production

Tax Identification Number: 14056826

The undersigned,
RĂZVAN POPESCU, as Chief Executive Officer, and
GABRIELA TRÂNBÎȚAȘ, as Chief Financial Officer,

hereby confirm that according to our knowledge, the interim consolidated financial statements for the half year ended June 30, 2024, prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union, namely IAS 34, offer a true and fair view of the assets, liabilities, financial position, statement of profit and loss of the S.N.G.N. ROMGAZ S.A. Group and that the Board of Directors' report presents correctly and completely the information about S.N.G.N. ROMGAZ S.A. Group.

**CHIEF EXECUTIVE OFFICER,
RĂZVAN POPESCU**

**CHIEF FINANCIAL OFFICER,
GABRIELA TRÂNBÎȚAȘ**

romgaz.ro

Societatea Națională
de Gaze Naturale
Romgaz S.A.

T: 004-0374 – 401020
F: 004-0269-846901
E: secretariat@romgaz.ro

551130, Mediaș
Piața C.I. Motaș, nr.4
Jud. Sibiu – România

Capital social: 3.854.224.000 lei
CIF: RO 14056826
Nr.ord.reg.com: J32/392/2001

S.N.G.N. ROMGAZ S.A.

**CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024
(UNAUDITED)**

**PREPARED IN ACCORDANCE WITH
INTERNATIONAL ACCOUNTING STANDARD 34
AS ADOPTED BY THE EUROPEAN UNION**

CONTENTS:	PAGE:
Statement of comprehensive income	1
Statement of financial position	2
Statement of changes in equity	4
Statement of cash flow	5
Notes to the financial statements	7
1. Background and general business	7
2. Significant accounting policies	7
3. Revenue and other income	10
4. Cost of commodities sold, raw materials and consumables	10
5. Other gains and losses	11
6. Depreciation, amortization and impairment expenses	11
7. Income tax	11
8. Employee benefit expense	12
9. Taxes and duties	12
10. Trade and other receivables. Other assets	12
11. Provisions	13
12. Share capital	14
13. Cash and cash equivalents. Bank deposits other than cash and cash equivalents	15
14. Other liabilities. Deferred income	15
15. Property, plant and equipment	16
16. Interest bearing borrowings	16
17. Related party transactions and balances	16
18. Commitments undertaken. Contingencies	18
19. Events after the balance sheet date	18
20. Authorization of financial statements	18

STATEMENT OF COMPREHENSIVE INCOME

	Note	Six months ended June 30, 2024	Six months ended June 30, 2023 revised presentation*
		'000 RON	'000 RON
Revenue	3	3,700,254	4,716,275
Cost of commodities sold	4	(52,092)	(46,593)
Finance income		175,684	175,080
Other gains and losses	5	(8,712)	1,742
Net impairment gains/(losses) on trade receivables	10 c)	2,939	23,492
Changes in inventory of finished goods and work in progress		39,705	(43,953)
Work performed by the entity and capitalized		124,564	117,582
Raw materials and consumables used	4	(69,521)	(61,141)
Depreciation, amortization and impairment expenses	6	(242,663)	(257,766)
Employee benefit expense	8	(469,988)	(438,352)
Taxes and duties	9	(658,537)	(928,370)
Finance cost		(33,939)	(27,853)
Exploration expense		(49,542)	(250)
Greenhouse gas certificate expenses		(77,027)	(148,806)
Third party services and other costs		(264,810)	(215,247)
Other income	3	34,703	114,559
Profit before tax		2,151,018	2,980,399
Income tax expense	7	(332,565)	(1,422,135)
Profit for the period		1,818,453	1,558,264
Total comprehensive income for the period		1,818,453	1,558,264

* see note 2 for the changes in presentation

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
 Chief Executive Officer

Gabriela Trânbițaș
 Chief Financial Officer

The accompanying notes form an integral part of these financial statements.
 This is a free translation of the original Romanian version.

STATEMENT OF FINANCIAL POSITION

	Note	June 30, 2024 '000 RON	December 31, 2023 revised presentation* '000 RON
ASSETS			
Non-current assets			
Property, plant and equipment	15	4,698,015	4,629,477
Intangible assets		13,155	15,223
Investments in subsidiaries		5,185,051	5,185,051
Investments in associates		120	120
Deferred tax asset		209,241	213,352
Net lease investment		166	211
Other assets	10 b)	1,416,124	549,710
Right of use asset		10,168	10,774
Other financial assets		5,616	5,616
Total non-current assets		11,537,656	10,609,534
Current assets			
Inventories		394,330	293,749
Greenhouse gas certificates	14 a)	258,499	208,618
Trade and other receivables	10 a)	789,891	1,337,437
Bank deposits other than cash and cash equivalents	13 b)	123,348	2,344,349
Other assets	10 b)	77,433	50,151
Net lease investment		115	104
Cash and cash equivalents	13 a)	2,117,252	518,831
Total current assets		3,760,868	4,753,239
Assets held for disposal		686,369	687,453
Total assets		15,984,893	16,050,226
EQUITY AND LIABILITIES			
Equity			
Share capital	12	3,854,224	385,422
Reserves		3,493,433	4,834,685
Retained earnings		5,289,465	6,172,369
Total equity		12,637,122	11,392,476
Non-current liabilities			
Retirement benefit obligation	11	168,842	177,721
Deferred income	14 b)	292,540	276,749
Lease liability		9,368	10,450
Borrowings	16	647,023	808,373
Provisions	11	337,009	336,648
Total non-current liabilities		1,454,782	1,609,941

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

STATEMENT OF FINANCIAL POSITION

	Note	June 30, 2024 '000 RON	December 31, 2023 revised presentation* '000 RON
Current liabilities			
Trade payables		110,808	139,733
Contract liabilities		82,254	153,723
Current tax liabilities	7	100,174	1,762,716
Deferred income		193	7
Provisions	11	114,957	111,607
Lease liability		2,503	2,023
Borrowings	16	323,817	323,349
Other liabilities	14 a)	1,096,897	493,557
Total current liabilities		1,831,603	2,986,715
Liabilities directly associated with the assets held for disposal		61,386	61,094
Total liabilities		3,347,771	4,657,750
Total equity and liabilities		15,984,893	16,050,226

* see note 2 for the changes in presentation

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
 Chief Executive Officer

Gabriela Trânbițaș
 Chief Financial Officer

The accompanying notes form an integral part of these financial statements.
 This is a free translation of the original Romanian version.

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, 2024	385,422	77,084	486,388	3,812,376	439,112	-	19,725	6,172,369	11,392,476
Profit for the period	-	-	-	-	-	-	-	1,818,453	1,818,453
Total comprehensive income for the period	-	-	-	-	-	-	-	1,818,453	1,818,453
Increase in share capital (note 12)	3,468,802	-	-	(3,468,802)	-	-	-	-	-
Dividends distribution*	-	-	-	(24,579)	-	-	-	(549,228)	(573,807)
Increase in reserves**	-	-	-	1,328,867	-	823,262	-	(2,152,129)	-
Balance as of June 30, 2024	3,854,224	77,084	486,388	1,647,862	439,112	823,262	19,725	5,289,465	12,637,122
Balance as of January 1, 2023	385,422	77,084	486,388	2,543,502	365,529	-	19,725	6,191,538	10,069,188
Profit for the period	-	-	-	-	-	-	-	1,558,264	1,558,264
Total comprehensive income for the period	-	-	-	-	-	-	-	1,558,264	1,558,264
Dividends distribution *	-	-	-	-	-	-	-	(1,318,145)	(1,318,145)
Increase in reserves	-	-	-	1,268,874	-	-	-	(1,268,874)	-
Balance as of June 30, 2023	385,422	77,084	486,388	3,812,376	365,529	-	19,725	5,162,783	10,309,307

*)In April 2024 the Company's shareholders approved the distribution of dividends of RON 549,228 thousand (2023: RON 1,318,145 thousand), dividend per share being RON 0.1425 (six months ended June 30, 2023: RON 0.342; since the share capital increase did not involve any corresponding change in the Company's resources, the dividends per share calculation for the prior periods were recalculated. Specifically, the updated number of shares was applied to the dividend per share calculations for the comparative, hence the dividends per share changed. Original dividends per share paid in six months ended June 30, 2023 was RON 3.42). Dividends of RON 24,579 were distributed based on an inspection performed by the National Agency of Fiscal Administration during November 2019-January 2020 on the application of Government Emergency Ordinance no. 114/2018.

**)The increase in reserves was approved by shareholders in 2024. Profit distribution is based on the provisions of Government Ordinance no. 64/2001. The Ordinance is applicable to companies owned by the Romanian State and states the reserves that can be set-up and 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.

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

STATEMENT OF CASH FLOW

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Cash flows from operating activities		
Net profit	1,818,453	1,558,264
Income tax expense (note 7)	332,565	1,422,135
Interest expense	22,275	18,990
Income from dividends	(30,643)	(50,247)
Unwinding of decommissioning provision (note 11)	11,664	8,863
Interest revenue	(145,041)	(124,833)
Net loss on disposal of non-current assets	4,162	(1,665)
Change in decommissioning provision recognized in profit or loss, other than unwinding (note 11)	(1,709)	10,043
Change in other provisions	(8,694)	(173,131)
Net impairment of exploration assets	4,366	7,367
Net impairment of property, plant and equipment and intangibles	20,232	55,382
Foreign exchange differences	775	4,454
Depreciation and amortization (note 6)	218,065	195,017
Net receivable write-offs and movement in allowances for trade receivables and other assets (note 10)	(2,551)	(27,519)
Other gains and losses	285	459
Net movement in write-down allowances for inventory (note 5)	3,393	(607)
Subsidies income	(9)	(4)
Interest paid	(21,633)	(18,729)
Income taxes paid	(1,991,257)	(1,434,178)
Operating cash flows before movements in working capital	234,698	1,450,061
Movements in working capital:		
(Increase)/Decrease in inventory	(103,954)	33,444
(Increase)/Decrease in trade and other receivables and other assets	499,218	262,089
Increase/(Decrease) in trade and other liabilities	(96,147)	(120,502)
Net cash generated by operating activities	533,815	1,625,092

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

STATEMENT OF CASH FLOW

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Cash flows from investing activities		
Bank deposits set up	(3,186,004)	(3,358,236)
Bank deposits matured	5,399,909	2,450,252
Loans granted to subsidiaries	(828,435)	(74,710)
Interest received	114,149	105,650
Proceeds from sale of non-current assets	191	1,175
Dividends received	29,957	50,247
Acquisition of property, plant and equipment	(282,480)	(230,479)
Acquisition of intangible assets	(1,228)	(1,228)
Acquisition of exploration assets	(33,629)	(13,837)
Collection of lease payments	65	60
Subsidies received	15,800	-
Net cash generated by/(used in) investing activities	1,228,295	(1,071,106)
Cash flows from financing activities		
Repayment of borrowings	(161,652)	(161,085)
Dividends paid	(431)	(175)
Repayment of lease liability	(1,606)	(896)
Net cash used in financing activities	(163,689)	(162,156)
Net increase/(decrease) in cash and cash equivalents	1,598,421	391,830
Cash and cash equivalents at the beginning of the period	518,831	1,867,570
Cash and cash equivalents at the end of the period	2,117,252	2,259,400

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

1. BACKGROUND AND GENERAL BUSINESS

Information regarding S.N.G.N. Romgaz S.A. (the “Company”/“Romgaz”)

S.N.G.N. Romgaz S.A. is a joint stock company, incorporated in accordance with Romanian legislation. The Company is listed on the Bucharest Stock Exchange and London 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 and physical persons.

Romgaz has as main activity:

1. geological research for the discovery of natural gas, crude oil and condensed 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. 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;
5. electricity production and distribution.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The condensed separate interim financial statements (“financial statements”) of the Company have been prepared in accordance with the provisions of the International Accounting Standard 34 “Interim Reporting”. For the purpose of the preparation of these financial statements, the functional currency of the Company is deemed to be the Romanian Leu (RON). IFRS as adopted by the EU differ in certain respects from IFRS as issued by the International Accounting Standards Board (IASB), however, the differences have no material impact on the Company’s financial statements for the periods presented.

These financial statements should be read in conjunction with the annual separate financial statements for 2023.

Basis of preparation

The financial statements have been 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 except for the changes in presentation indicated in the section below.

Accounting is kept in Romanian and in the national currency (Romanian leu). Items included in these financial statements are denominated in Romanian lei. Unless otherwise stated, the amounts are presented in thousand lei (thousand RON).

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 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”: Supplier Finance Arrangements (effective for annual periods beginning on or after January 1, 2024);
- Amendments to IAS 1 “Presentation of Financial Statements” - Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date; Non-current Liabilities with Covenants (effective for annual periods beginning on or after January 1, 2024);
- Amendments to IFRS 16 “Leases” - Lease liabilities in a sale and leaseback (applicable to annual periods beginning on or after 1 January 2024).

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

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

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 EU as at date of publication of financial statements:

- Amendments to the Classification and Measurement of Financial Instruments; Amendments to IFRS 9 and IFRS 7 (applicable to annual periods beginning on or after 1 January 2026);
- Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates”: Lack of Exchangeability (applicable to annual periods beginning on or after 1 January 2025);
- IFRS 18 “Presentation and Disclosure in Financial Statements” (applicable to annual periods beginning on or after 1 January 2027);
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (applicable to annual periods beginning on or after 1 January 2027).

The Company 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 Company in the period of initial application.

Enhancement of accounting policies disclosure and significant judgements

In 2024 the Company clarified the accounting policies disclosed in the most recent annual separate financial statements. The following clarifications were made:

Greenhouse gas certificates acquired

The Company recognizes a liability for the obligation to settle actual CO₂ 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.

Changes in presentation

In the current period, the Company revised the presentation of certain items in its financial statements for the better understanding of the financial position and results of the Company. As such, certain prior periods' information was presented in line with the new presentation, to ensure comparability with the financial statements of the current period.

a) Condensed separate interim statement of financial position

The following changes were made:

- A new line was introduced in the Current assets section, namely “Greenhouse gas certificates”. In the 2023 financial statements these were included in “Other assets”, also presented as Current assets.
- “Other financial assets” were renamed to “Bank deposits other than cash and cash equivalents”.

b) Condensed separate interim statement of comprehensive income

The following changes were made:

- Work performed by the Company and capitalized as non-current assets, now presented as an income, was reported net of expenditure incurred. Starting 2024, expenditure incurred to build non-current assets is presented gross, its influence on profit for the period being offset by the presentation of an income “Work performed by the Group and capitalized” (1);
- “Other expenses” line was broken down into its main components represented by “Taxes and duties”, “Employee benefit expense”, “Greenhouse gas certificate expenses” and “Third party services and other costs” (2);

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

- Impairment losses on trade receivables for other income recorded during the period whose collection is not certain at the time of invoicing are presented net (3);
- Line name changes (4).

Changes in the condensed separate interim statement of comprehensive income for the six-month period ended June 30, 2023 are shown below:

	Six months ended June 30, 2023 As previously reported	Impact of change (1)	Impact of changes (2) and (3)	Six months ended June 30, 2023 revised presentation
	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	4,716,275	-	-	4,716,275
Cost of commodities sold	(46,593)	-	-	(46,593)
Finance income/(former Investment income)(4)	175,080	-	-	175,080
Other gains and losses	1,742	-	-	1,742
Net impairment (losses)/gains on trade receivables	9,332	-	14,160	23,492
Changes in inventory of finished goods and work in progress	(43,953)	-	-	(43,953)
Work performed by the Group and capitalized	-	117,582	-	117,582
Raw materials and consumables used	(44,245)	(16,896)	-	(61,141)
Depreciation, amortization and impairment expenses	(244,201)	(13,565)	-	(257,766)
Employee benefit expense	(395,739)	(73,652)	31,039	(438,352)
Taxes and duties	-	(420)	(927,950)	(928,370)
Finance cost	(27,853)	-	-	(27,853)
Exploration expense	(250)	-	-	(250)
Greenhouse gas certificate expenses	-	-	(148,806)	(148,806)
Third party services and other costs	-	(13,049)	(202,198)	(215,247)
Other expenses	(1,247,915)	-	1,247,915	-
Other income	128,719	-	(14,160)	114,559
Profit before tax	2,980,399	-	-	2,980,399
Income tax expense	(1,422,135)	-	-	(1,422,135)
Profit for the period	1,558,264	-	-	1,558,264
Total comprehensive income for the period	1,558,264	-	-	1,558,264

Seasonality and cyclicity

Natural gas consumption is seasonal and affected by weather conditions, being highest in wintertime.

Gas quantities sold during the first six months of the year usually represent between 50% and 60% of the total annual sales. Additionally, gas quantities sold in the second quarter typically account for between 40% and 50% of the total quantities sold in the first half of the year. While prices are not influenced by seasonality, they are affected by changes in government legislation and market conditions, which impact revenue and accounts receivable balances to a larger extent than quantities sold.

Electricity production and sales of the Company are not impacted by seasonality, but they are also impacted by legislation.

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE AND OTHER INCOME

	Six months ended June 30, 2024	Six months ended June 30, 2023 (revised presentation)
	'000 RON	'000 RON
Revenue from gas sold - domestic production	3,250,625	4,266,568
Revenue from gas sold - other arrangements	12,479	16,019
Revenue from gas acquired for resale	152	18,976
Revenue from electricity	180,282	200,407
Revenue from services	163,615	129,906
Revenue from sale of goods	45,395	28,439
Other revenues from contracts	252	435
Total revenue from contracts with customers	3,652,800	4,660,750
Revenues from rental activities	47,454	55,525
Total revenue	3,700,254	4,716,275
Other income	34,703	114,559
Total revenue and other income	3,734,957	4,830,834

Revenue from contracts with customers is recognized as or when the Company satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when the customer obtains control of that good or service.

Revenues from gas and electricity are recognized when the delivery has been made at the prices fixed in the contracts with customers.

In measuring the revenue from gas and electricity, the Company uses output methods. According to these methods, revenues are recognized based on direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. The Company recognizes the revenue in the amount it has the right to charge.

The Company 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 Company has the right to charge.

4. COST OF COMMODITIES SOLD, RAW MATERIALS AND CONSUMABLES

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Consumables used	53,036	43,700
Technological consumption	12,894	14,605
Other consumables	3,591	2,836
Total cost of raw materials and consumables	69,521	61,141
Cost of gas acquired for resale, sold	153	19,520
Cost of electricity imbalance *	51,374	26,440
Cost of other goods sold	565	633
Total cost of commodities sold	52,092	46,593

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

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

5. OTHER GAINS AND LOSSES

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Forex gain	1,675	15,647
Forex loss	(2,159)	(19,764)
Net gain/(loss) on disposal of non-current assets	(4,162)	1,665
Net allowances for other receivables (note 10 c)	(388)	4,027
Net write down allowances for inventory	(3,393)	607
Other gains and losses	(285)	(440)
Total	(8,712)	1,742

6. DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSES

	Six months ended June 30, 2024	Six months ended June 30, 2023 (revised presentation)
	'000 RON	'000 RON
Depreciation and amortization	218,065	195,017
out of which:		
- depreciation of property, plant and equipment	213,523	192,111
- amortization of intangible assets	3,296	2,350
- amortization of right-of use assets	1,246	556
Net impairment of non-current assets	24,598	62,749
Total depreciation, amortization and impairment	242,663	257,766

7. INCOME TAX

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Current tax expense	328,715	428,213
Solidarity contribution*)	-	970,915
Deferred income tax (income)/expense	3,850	23,007
Total income tax	332,565	1,422,135

*) According to legislation, the solidarity contribution was calculated only for the years 2022 and 2023. From 2024, the contribution is no longer calculated.

Current tax liabilities decreased compared to December 31, 2023 as the solidarity contribution is no longer in force (December 31, 2023: RON 1,689,919 thousand).

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

8. EMPLOYEE BENEFIT EXPENSE

	Six months ended June 30, 2024	Six months ended June 30, 2023 (revised presentation)
	'000 RON	'000 RON
Wages and salaries	418,977	395,594
Social security charges	16,271	14,990
Meal tickets	22,560	16,989
Other benefits according to collective labor contract	1,614	689
Private pension payments	5,166	5,140
Private health insurance	5,400	4,950
Total employee benefit costs	469,988	438,352

9. TAXES AND DUTIES

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Royalties	264,659	281,163
Windfall tax	382,605	639,465
Energy transition fund	6,396	(2,377)
Other taxes and duties	4,877	10,119
Total	658,537	928,370

10. TRADE AND OTHER RECEIVABLES. OTHER ASSETS

a) Trade and other receivables

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Trade receivables *	1,339,328	1,891,001
Allowances for expected credit losses (note 10 c)	(549,437)	(553,564)
Total	789,891	1,337,437

*) Trade receivables as of June 30, 2024 include RON 342,094 thousand (December 31, 2023: RON 333,096 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.

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.

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

b) Other assets

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Loans granted to subsidiaries	1,360,162	531,727
Interest receivable on loans granted to subsidiaries	55,962	17,983
Total other assets (long term)	1,416,124	549,710
Advances paid to suppliers	162	10
Joint operation receivables	11,713	7,974
Other receivables	21,364	20,540
Allowance for expected credit losses other receivables (note 10 c)	(170)	(169)
Other debtors	47,794	46,823
Allowances for expected credit losses for other debtors (note 10 c)	(46,416)	(46,029)
Prepayments	22,255	13,579
VAT not yet due	5,951	7,415
Other taxes receivable	14,780	8
Total other assets (short term)	77,433	50,152

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

	2024	2023
	'000 RON	'000 RON
At January 1	599,762	689,352
Charge in the allowance for other receivables (note 5, note 10 b)	405	192
Charge in the allowance for trade receivables (note 10 a)	2,453	4,635
Write-off against trade receivables (note 10 a)	(1,188)	(865)
Release in the allowance for other receivables (note 5, note 10 b)	(17)	(4,219)
Release in the allowance for trade receivables (note 10 a)	(5,392)	(28,127)
At June 30	596,023	660,968

11. PROVISIONS

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Decommissioning provision (see below)	337,009	336,648
Retirement benefit obligation	168,842	177,721
Total long term provisions	505,851	514,369
Decommissioning provision (see below)	30,832	27,670
Litigation provision	20,312	18,839
Other provisions	63,813	65,098
Total short term provisions	114,957	111,607
Total provisions	620,808	625,976

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

(i) Decommissioning provision movement for non-current assets

	2024	2023
	'000 RON	'000 RON
At January 1	364,318	208,824
Additional provision recorded against non-current assets	278	45,491
Unwinding effect	10,515	7,878
Recorded in profit or loss	(1,709)	10,043
	2024	2023
	'000 RON	'000 RON
Change recorded against non-current assets	(5,561)	(1,087)
At June 30	367,841	271,149

(ii) Decommissioning provision movement for assets held for disposal

	2024	2023
	'000 RON	'000 RON
At January 1	41,266	27,666
Additional provision recorded against assets held for disposal	-	4,146
Unwinding effect	1,149	985
Change recorded against assets held for disposal	(593)	-
At June 30	41,822	32,797

12. SHARE CAPITAL

In December 2023 the Extraordinary General Meeting of Shareholders approved Romgaz' share capital increase through the incorporation of reserves of RON 3,468,802 thousand by issuing 3,468,801,600 shares with a nominal value of RON 1/share, each shareholder registered on the registration date (May 29, 2024) being entitled to 9 free shares for each share held. The increase was registered in January 2024 at the National Trade Register Office. The increase became effective on May 30, 2024. The share capital increased to RON 3,854,224 thousand.

The authorized number of shares recorded at the National Trade Register Office is 3,854,224,000 (December 31, 2023: 385,422,400).

The shareholding structure as at June 30, 2024 is as follows:

	Percentage (%)
The Romanian State through the Ministry of Energy	70.01
Legal persons	24.79
Physical persons	5.20
Total	100

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

13. CASH AND CASH EQUIVALENTS. BANK DEPOSITS OTHER THAN CASH AND CASH EQUIVALENTS

a) Cash and cash equivalents

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Current bank accounts *	129,760	135,192
Petty cash	35	39
Term deposits	1,985,775	381,698
Restricted cash **	1,682	1,902
Total	2,117,252	518,831

*) Current bank accounts include overnight deposits.

**) At June 30, 2024 restricted cash refers to bank accounts used only for dividend payments to shareholders, according to stock market regulations.

b) 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 Company did not identify any risk of loss for these assets, therefore it did not record any impairment.

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Bank deposits	111,380	2,325,284
Accrued interest receivable on bank deposits	11,968	19,065
Total	123,348	2,344,349

14. OTHER LIABILITIES. DEFERRED INCOME

a) Other liabilities

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Payables related to employees	32,596	36,226
Royalties	84,709	170,255
Contribution to Energy Transition Fund	1,252	38
Social security taxes	26,421	30,270
Other current liabilities	28,274	10,343
Greenhouse gas certificates submission liability *	258,499	208,618
VAT	-	4,284
Dividends payable**	550,545	1,453
Windfall tax	109,726	29,420
Other taxes	4,875	2,650
Total other liabilities	1,096,897	493,557

*) According to legislation. greenhouse gas certificates must be submitted to the relevant bodies until September, 2024. The balance as of June 30, 2024 relates to certificates acquired in 2023 and 2024, not yet submitted.

**) The increase in dividends payable is due to the distribution of profit and retained earnings decided by shareholders in 2024. Dividends were paid in July 2024.

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

b) Deferred income (long term portion)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
	'000 RON	'000 RON
Amounts collected from NIP	292,319	276,519
Other deferred income	128	133
Other amounts received as grants	93	97
Total long term deferred income	292,540	276,749

15. PROPERTY, PLANT AND EQUIPMENT

In the six-month period ended June 30, 2024, the Company recognized additions to property, plant and equipment of RON 316,109 thousand, of which RON 48,393 thousand for the new power plant in Iernut.

Depreciation, amortization and impairment in the six-month period ended June 30, 2024 was of RON 238,121 thousand.

16. INTEREST BEARING BORROWINGS

	<u>Maturity</u>	<u>June 30, 2024</u>	<u>December 31, 2023</u>
		'000 RON	'000 RON
EUR 325,000 thousand bank borrowing	June 30, 2027	970,840	1,131,722
Total		970,840	1,131,722

The fair value of the loan approximates its carrying amount as it carries a variable rate of interest.

17. RELATED PARTY TRANSACTIONS AND BALANCES

i. Sales of goods and services

	<u>Six months ended</u>	<u>Six months ended</u>
	<u>June 30, 2024</u>	<u>June 30, 2023</u>
	'000 RON	'000 RON
Subsidiaries *	57,430	70,883
Associates	10,861	11,278
Total	68,291	82,161

*) Of RON 57,430 thousand representing revenue obtained from transactions with subsidiaries, RON 42,262 thousand relate to rental revenues (2023: RON 50,557 thousand).

ii. Government related entities

The Company is controlled by the Romanian State, through the Ministry of Energy. As such, all companies over which the Romanian State has control or significant influence are considered related parties of the Company. The Company 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 material transactions were identified.

Related party transactions are carried out on market terms and there are no transactions outside normal day-to-day operations.

NOTES TO THE FINANCIAL STATEMENTS

The table below shows the collectively material transactions of the Company with companies over which the Romanian State has control or significant influence:

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Electrocentrale București SA	329,085	612,872
OMV Petrom SA	40,717	27,272
Engie România SA	752,952	1,098,895
E.On Energie România SA	1,091,670	1,185,613
Total	2,214,424	2,924,652

The table below shows the collectively material bank deposit balances at banks over which the Romanian State has control.

	Six months ended June 30, 2024	Six months ended June 30, 2022
	'000 RON	'000 RON
CEC Bank	-	100,000
Exim Banca Românească	977,000	1,044,284
Total	977,000	1,144,284

iii. Purchase of goods and services

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Subsidiaries	27,509	19,409
Total	27,509	19,409

iv. Interest income

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Subsidiaries	37,988	2,964
Total	37,988	2,964

v. Dividends income

	Six months ended June 30, 2024	Six months ended June 30, 2023
	'000 RON	'000 RON
Subsidiaries	29,957	50,247
Total	29,957	50,247

vi. Trade receivables

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Subsidiaries	3,532	11,217
Total	3,532	11,217

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

NOTES TO THE FINANCIAL STATEMENTS

vii. Net lease investment

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Subsidiaries	281	315
Total	281	315

viii. Loans granted and related interest

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Subsidiaries	1,416,124	549,710
Total	1,416,124	549,710

ix. Trade payables

	June 30, 2024	December 31, 2023
	'000 RON	'000 RON
Subsidiaries	-	1,950
Total	-	1,950

18. COMMITMENTS UNDERTAKEN. CONTINGENCIE

a) Commitments undertaken

In 2023, 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 June 30, 2024 are still available for use RON 335,601 thousand.

As of June 30, 2024, the Company's contractual commitments for the acquisition of non-current assets are of RON 680,100 thousand (December 31, 2023: RON 704,601 thousand).

b) Contingencies

Government Emergency Ordinance no. 27/2022 as subsequently amended (GEO 27) included the obligation of the Company, until March 31, 2024, to sell the electricity it produces at a regulated price of RON 450/MWh. According to GEO 27, electricity producers must calculate a contribution to the Energy Transition Fund. If the value of the greenhouse gas certificates related to the energy sold at RON 450/MWh exceeds the contribution to the Energy Transition Fund, electricity producers are entitled to receive the excess. Until June 30, 2024, 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. Thus, as of June 30, 2024 the Company disclosed a contingent asset of RON 188,260 thousand until legislation will provide for a mechanism for recovering this amount. In the six-month period ended June 30, 2023 the Company recorded an income for these amounts; the income was later reversed as the Company reconsidered the recoverability of the receivable and concluded the recognition criteria are not met.

19. EVENTS AFTER THE BALANCE SHEET DATE

No events subsequent to the balance sheet date were identified.

20. AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on August 13, 2024.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

The accompanying notes form an integral part of these financial statements.
This is a free translation of the original Romanian version.

STATEMENT

in accordance with the provisions of art. 67 (2) c) of Law No. 24/2017
regarding issuers of financial instruments and market operations

Entity: Societatea Nationala de Gaze Naturale ROMGAZ S.A.

County: 32--SIBIU

Address: MEDIAȘ, 4 C.I. Motaș Square, tel. +4-0374-401020

Registration Number in the Trade Register: J32/392/2001

Form of Property: 14--State owned companies and enterprises

Main activity (CAEN code and denomination): 0620—Natural Gas Production

Tax Identification Number: 14056826

The undersigned,
RĂZVAN POPESCU, as Chief Executive Officer, and
GABRIELA TRÂNBÎȚAȘ, as Chief Financial Officer,

hereby confirm that according to our knowledge, the interim financial statements for the half year ended June 30, 2024, prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union, namely IAS 34, offer a true and fair view of the assets, liabilities, financial position, statement of profit and loss of S.N.G.N. ROMGAZ S.A. and that the Board of Directors' report presents correctly and completely the information about S.N.G.N. ROMGAZ S.A.

**CHIEF EXECUTIVE OFFICER,
RĂZVAN POPESCU**

**CHIEF FINANCIAL OFFICER,
GABRIELA TRÂNBÎȚAȘ**