

ROMGAZ

Societatea Națională de Gaze Naturale Romgaz S.A. - Mediaș - România



CURRENT REPORT

In compliance with Law no. 24/2017 regarding Issuers of Financial Instruments and Market Operations and F.S.A. Regulation no. 5/2018

Report date: **February 18, 2020**

Company name: **Societatea Nationala de Gaze Naturale ROMGAZ S.A.**

Address: **Mediaș, 4 Constantin I. Motas Square, Sibiu County – Romania, 551130**

Phone/fax no: **004-0374-401020 / 004-0269-846901**

Fiscal Code: **RO14056826**

LEI Code: **2549009R7KJ38D9RW354**

Trade Register registration number: **J32/392/2001**

Subscribed and paid in share capital: **385,422,400 RON**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BVB), London Stock Exchange (LSE)**

Significant event to be reported:

- **Economic-Financial Inspection Report of the National Agency for Fiscal Administration (NAFA)**

During the period November 27, 2019 – January 31, 2020, S.N.G.N. Romgaz S.A. (the “Company”) underwent an economic-financial inspection performed by the inspectors of NAFA - the General Regional Direction of Public Finances of Brasov – Fiscal Inspection – Department of Economic-Financial Inspection. As a result of the inspection, The Economic-Financial Inspection Report (the “Report”) and the Compulsory Order were submitted on February 17, 2020.

The scope of the economic-financial inspection was to examine compliance of provisions of Article 43 of *GEO No. 114/2018 on implementing measures in the field of public investments and certain fiscal-budgetary measures, amending and supplementing specific legal acts and prorogation of terms, for the 2018 financial year* (“GEO 114/2018”), which provides that: *“Economic operators whose capital is fully or majority state-owned, and applying the provisions of GD No. 26/2013 on reinforcement of financial discipline of economic operators where the state or the territorial-administrative units are sole or majority shareholders or own, directly or indirectly, a majority ownership, as supplemented and approved by Law No. 47/2014, as amended and supplemented from time to time, shall distribute and pay under Law, no later than 60 days after approval of the 2018 financial statements, as dividends or payments to the state budget, in the case of autonomous regies, 35% of amounts allocated to other reserves in accordance with the provisions of Article 1, paragraph (1), item g) of the GO No. 64/2001 on profit distribution as regards national companies and companies with full or majority state-owned capital, as well as autonomous regies, approved by Law No. 769/2001, as amended and supplemented from time to time, found in the cash availability accounts as cash in hand and bank accounts as well as the one related to short term investments as of December 31, 2018 and which on the same date are not committed, under procurement agreements, to be used as own financing sources.”*

Capital social: 385.422.400 lei

CIF: RO 14056826

Nr. Ord.reg.com/an : J32/392/2001

RO08 RNCB 0231 0195 2533 0001 - BCR Mediaș

RO12 BRDE 3305 V024 6190 3300 - BRD Mediaș



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To implement the provision of Article 43 of GEO No. 114/2018, by the Resolution of the Extraordinary General Meeting of Shareholders No. 3 of April 25, 2019 it was approved to distribute, as dividends, 35% of the reserves existent as of December 31, 2018, set up in accordance with Article 1 paragraph (1) item g) of the GO No.64/2001, as subsequently amended.

As a result of the performed examinations, the control team considered that the Company, in pursuing implementation of Article 43 of GEO No. 114/2018, should have also applied to the 2019 reserves a 35% quota by the EGMS Resolution No. 3/2019, although such were not to be found in the balance as of December 31, 2018. Therefore, the economic-financial inspection team has issued the Economic-Financial Inspection Report under which the Company has to distribute additional dividends amounting to RON 34,852,279, including the amount of RON 24,284,077 owed to the majority shareholder. For the balance amounting to RON 24,284,077, owed and not paid within the legal deadline, there have been calculated interest amounting to RON 1,053,929 and penalties for delay payment amounting to RON 526,964. These are calculated up to the date of payment obligations settlement as established in the Report.

The two documents issued by NAFA, that is the Report and the Compulsory Order, are within the legal term provided for appeal, and the Company shall take all steps provided by law to exercise means of appeal, both administrative and judicial.

**Chief Executive Officer,
Constantin Adrian VOLINTIRU**

