



COMPANY PRESENTATION

2024



A RESPONSIBLE COMPANY, A COMPANY OF THE FUTURE!

ION STERIAN - DIRECTOR GENERAL

SNTGN TRANSGAZ is the licensed technical operator of the National Natural Gas Transmission System and ensures the performance in terms of efficiency, transparency, safety, non-discriminatory access and competitiveness of the national strategy established for domestic and international transmission, natural gas dispatching, research and design in the field of natural gas transmission, in compliance with the national and European legislation and standards of quality, performance, environment and sustainable development.



The increase in the importance of the company, both as a driver of the national economy and as a vector of the country's economic growth, through its role in the development of the energy sector and the transformation of Romania into a European energy power, are strategic objectives for which the managers of the company have launched one of the largest and most important programs for the development of the natural gas transmission infrastructure in Romania for the last 20 years, including investment projects estimated at over EUR 3,4 billion. SNTGN Transgaz SA is responsible for the most important construction sites in Romania. The company is engaged in the development of several strategic investment projects, consisting in the development of pipelines for gas transmission, investments that will confirm the regional dimension of the company and its role as the first Romanian multinational state owned company.

The strategic vision of those who currently bear the responsibility of the company's destiny today is to focus on professional and efficient management, on the ability to face challenges and constraints, on the development and modernization of the national gas transmission infrastructure, on the competitiveness and the capitalization of existing and future opportunities, so that TRANSGAZ becomes a recognized transmission operator on the international gas market, a leader in the regional energy market, an important bridge in the national and European energy chain. By pursuing the proposed objectives of operational efficiency, performance optimization and sustainable development of the company and complying with the principles of good corporate governance, the company's administrators carry out their mandate in a responsible, efficient, transparent and professional manner towards all stakeholders.

HISTORY

1909 – discovery of methane gas in the area of Sărmășel, Mureș county.

1912 - the first Transylvanian company founded in Turda for "underground gas transmission"

1914 – implementation of the first 55 km DN 153 mm natural gas transmission pipeline in Europe: Sărmășel - Turda,

1917 Turda became the first town in Europe lit by natural gas.

1917-1925 – supplying methane gas to the first towns in Transylvania: Turda, Târnăveni and Mediaș.

1925 - the first gas metering regulating station was built in Mediaș.

1928 - the first natural gas compressor station in Europe was installed in Sărmășel.

1947 – gas supply to Bucharest

1956 – the decision to build a radial transmission system from the centre of Transylvania to the regions of the country.

1958 - the first natural gas storage facility in Romania is built in Ilimbav (Sibiu county) to take seasonal and hourly consumption peaks, which is also a European first.

1959 - Romania became the first natural gas exporting country in Europe with the conclusion of the intergovernmental agreement between Romania and Hungary for the delivery of natural gas.

1965 - Romania became the first country in Europe to build a compressor station located on a main pipeline, at Bățani, which was equipped with turbo-compressors.

1974–completion of the construction of the pipeline for the transit of natural gas - from the Russian Federation to Bulgaria - Transit I.

1989–completion of the construction of the pipeline for the transit of natural gas - from the Russian Federation to Turkey, Greece and other countries - Transit II.

2000 – establishment of SNTGN Transgaz SA following the restructuring of the former National Natural Gas Company "ROMGAZ" S.A.

2003–completion of the construction of the pipeline for the expansion of the transit of natural gas from the Russian Federation - Transit III.

2008 - listing of Transgaz shares on the Bucharest Stock Exchange.

2013 - Implementation of Private Management at company level.

2017 – approval of the establishment of the subsidiary Eurotransgaz SRL with registered office in Chisinau, Republic of Moldova.

2018 – the procurement of the State Enterprise Vestmoldtransgaz in the Republic of Moldova.

2019 – completion of the construction of the Jupa and Podișor compressor stations of the BRUA phase 1 project.

2020–Completion and commissioning of the Bulgaria-Romania-Hungary-Austria BRUA natural gas transmission pipeline (phase I) on the territory of Romania - value EUR 478.5 million of which EUR 179.3 million INEA financing; completion of the Bibești natural gas compressor station - the last of the BRUA phase 1 project and of the Ungheni - Chisinau gas pipeline.

2021 – Completion of investments in developments in the north-eastern part of Romania in order to improve the natural gas supply of the area as well as to ensure transmission capacities to/from the Republic of Moldova and the Vadu -T1 pipeline in order to take over natural gas from the Black Sea shore.

7 April 2022 - the signing, by Transgaz, together with the Hungarian, Polish and Slovak Gas TSOs, namely FGSZ, Gaz System and Eustream, of the Memorandum of Understanding on Hydrogen Cooperation.

16 May 2022 - The European Investment Bank (EIB) and Transgaz signed an Agreement on the provision of consultancy services for the preparation and development of a decarbonization strategy for the natural gas transmission network in Romania.

22 May 2022 - Signing, at DAVOS, between Transgaz and the 3 Seas Initiative Fund -3SIIF, of the Road Map Agreement to invest in the natural gas infrastructure in Romania.

8 December 2022 - Transgaz signed the agreement to participate in the European Hydrogen Backbone (EHB) Work Programme for 2023, thus continuing the activities started under this initiative.

16 March 2023 - signing by SNTGN Transgaz SA, OMV-Petrom SA and SNGN Romgaz SA of the Ceremonial Declaration on the conclusion of natural gas transmission contracts concluded as a result of the capacity booking procedure for the Black Sea natural gas NTS entry/exit point Tuzla

16 June 2023 - At the headquarters of the Romanian Government, in the presence of Deputy Prime Minister Marian Neacșu and the Minister of Energy, Mr. Sebastian Burduja, the Director-General of SNTGN Transgaz SA, Mr. Ion Sterian, signed the order to start the works for the Tuzla-Podișor gas pipeline.

19 September 2023 – SNTGN Transgaz SA announces the takeover from Moldovatransgaz SRL of the activity for the operation, maintenance, dispatching and transportation of natural gas in the Republic of Moldova, through its subsidiary of the Republic of Moldova, Vestmoldtransgaz SRL (VMTG).

April 2024 - the 110th anniversary of the completion of the first natural gas transmission pipeline.

VISION AND MISSION!

VISION

The company intends to become an internationally recognized gas transmission operator, a leader on the energy market in the region, with a modern national gas transmission system, integrated at European level and a very competitive management system according to the best corporate governance practices.

MISSION

SNTGN TRANSGAZ SA is the sole operator of the National gas transmission system, (NTS), ensuring the transmission of over 90% of the gas consumed in Romania, under safety, efficiency and competitiveness, in line with European standards of performance and environmental protection.



ACTIVITIES

Transgaz was established based on the GD no. 334/ 28 April 2000 and carries out the following activities:

- ❑ *Domestic gas transmission – activity regulated by monopoly, with tariffs set based on the methodology issued by the National Regulatory Authority for Energy;*
- ❑ *International gas transmission – unregulated activity performed through dedicated pipelines, with tariffs set in line with the commercial contracts concluded between the parties;*
- ❑ *Natural gas dispatching and research and design in the field of natural gas transmission.*

SHAREHOLDING



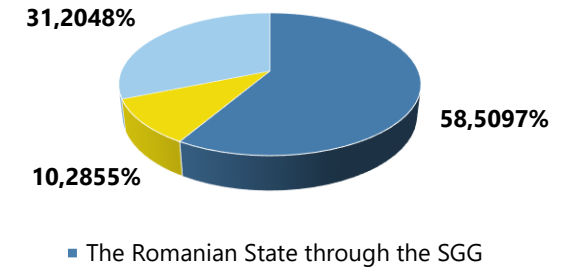
Rating

In June 2023, Fitch Rating Agency confirmed the company's rating, namely **'BBB-'Stable Outlook**, rating based on "strong business profile as concessionaire and operator of the gas transmission network in Romania", according to their opinion presented in the rating report.

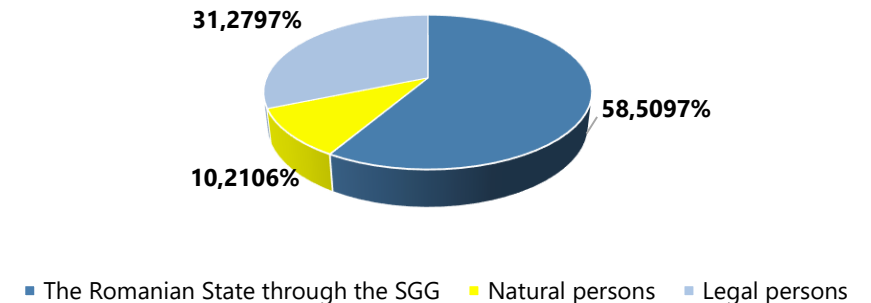
Transgaz is the second major state-owned company in the utilities sector which, in order to achieve its strategic objectives, launched an initial public offering of shares in 2008.

In the context of the development of the capital market, the listing on the Bucharest Stock Exchange of the sole licensed operator for gas transmission in Romania was a strategic decision of great importance both for the future of the company and for the increase of the stock market capitalization of the capital market.

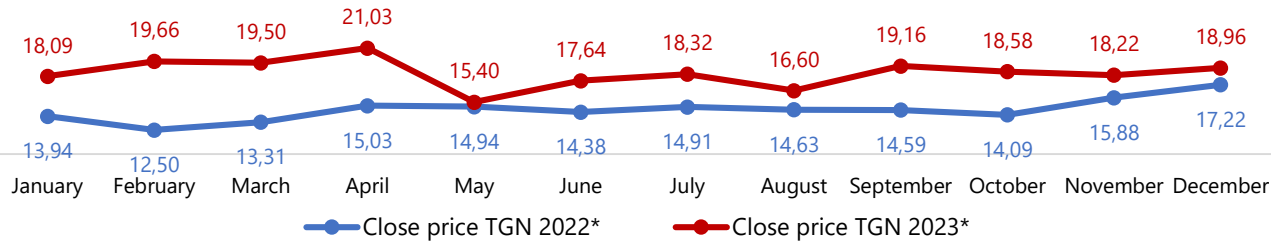
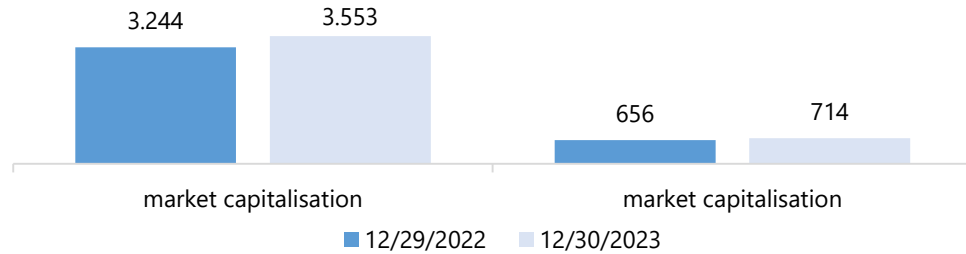
Shareholding structure as at 29 December 2022



Shareholding structure as at 31 December 2023



TGN stock market performance as at 31.12.2023



* In order to ensure the most accurate reflection of the evolution of the value of TGN shares, the price shown in the graph is adjusted according to the 1:16 ratio for the period 03.01-31.12.2022 and 03.01-28.04.2023, taking into account the operation to increase the share capital of SNTGN Transgaz SA by incorporating reserves.

TGN is an attractive portfolio share due to the company's activity, TRANSGAZ' monopoly status in natural gas transmission, the company's position in the national and international energy market, TRANSGAZ' robust financial profile and ability to generate performance, stable and predictable revenues, attractive dividend policy and the quality of the company's management.



The governing bodies of TRANSGAZ are:

- General meeting of shareholders;
- Board of administration;
- Executive management delegated to the Director General.

In April 2013, the first members of the Board of Administration of SNTGN Transgaz SA were elected, in accordance with the provisions of GEO 109/2011 on corporate governance of public companies.

Members of the Board of Administration :

- ION STERIAN - executive administrator – Director General;
- PETRU ION VĂDUVA – non-executive administrator– Chairman of BA;
- NICOLAE MINEA – non-executive independent administrator;
- ILINCA VON DERENTHALL– interim non-executive independent administrator;
- ADINA LĂCRIMIOARA HANZA– – interim non-executive independent administrator.

TRANSGAZ has, since 2010, adopted corporate governance principles and developed business practices governed by:

- Responsibility and mutual respect;
- Transparency;
- Ethics and integrity;
- Efficiency;
- Compliance with legislation.





Sustainable community development - We are where there is a real need! In the last 5 years, the amount granted for CSR actions was lei 20.8 million

Education - We believe in the potential of the young generation and that is why we invest in their education!

Sport - We are among those who believe that sport has the power to ensure harmony between body and mind!

Art and culture - Development through culture ensures a sustainable development of man and society, and we are at the side of those who initiate projects in this regard!

Humanitarian actions - TRANSGAZ was, is and will always be there for those who really need help!

Health - Health is the most precious gift!

Environment - We all want a healthy life and a clean environment and that's why we care about everything around us!

INDEPENDENT SYSTEM OPERATOR

In accordance with the unbundling requirements of the Third Energy Legislative Package, TRANSGAZ has obtained certification as an independent system operator.

Integrated Quality - Environment Health and Safety Management System

TRANSGAZ has obtained the certification of the integrated quality management system SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR EN 45001:2018 through IQ Net (International Quality Network), a company recognized for quality, health and safety assurance.

The company has aligned itself with international management systems and by implementing and certifying the Integrated Quality-Environment, Occupational Health and Safety Management System according to SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR-OHSAS 18001:2008 standards.

Internal/management CONTROL

Transgaz has implemented the internal/managerial control system in accordance with GSG Order no. 600/2018 on the approval of the internal/managerial control code of public entities.

Energy management system

We are in the process of implementing an energy management system in accordance with SR EN ISO 50001:2019. Its integration into existing management systems (Quality, Environment, Health and Safety at Work), constitutes a systematic approach with the objective of defining and monitoring processes related to the consumption of energy resources, defining and monitoring energy performance indicators and criteria, the main goal being the continuous improvement of energy performance.





TRANSGAZ is structured into functional entities (divisions, units, departments, offices, compartments, etc.) and production entities (9 regional operating centers, sectors, laboratories, working units, etc.).

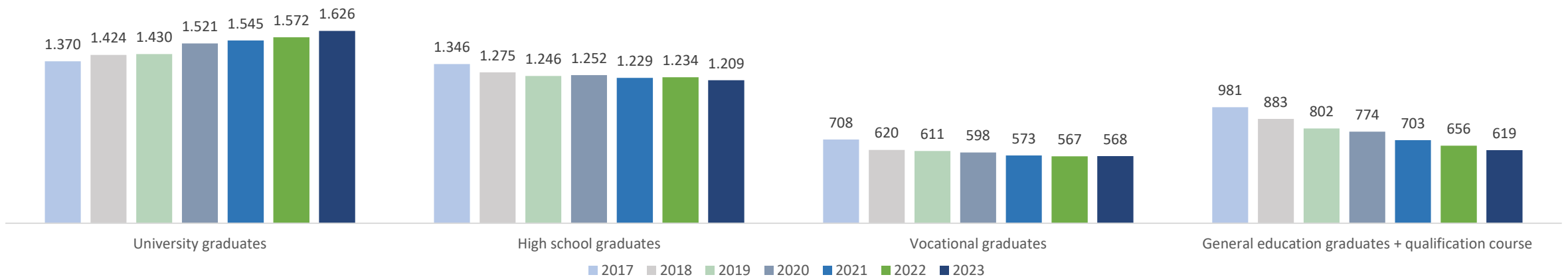
Subsidiaries of SNTGN TRANSGAZ SA in the Republic of Moldova:

- Limited Liability Company "EUROTRANSGAZ": 7/E Balcani Road, outside built up area, village Ghidighici, Chisinau municipality, Moldova;
- Limited Liability Company "VESTMOLDTRANSGAZ": 7/E Balcani Road, outside built up area, village Ghidighici, Chisinau municipality, Moldova.

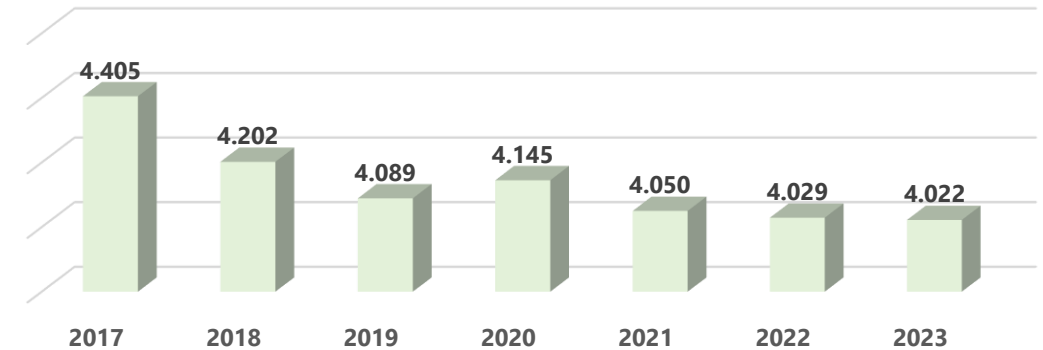
Special emphasis on the quality of human resources

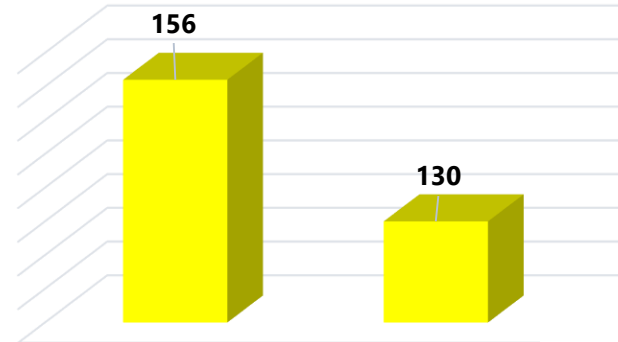
The optimal sizing of the number of personnel within the company is correlated with the real staffing needs imposed by the operational activities carried out by the company, with the upgrading and refurbishment carried out to increase safety and efficiency in the operation of the NTS and related facilities, as well as the implementation of the company's major development projects.

TRANSGAZ has a considerable number of engineers and technical staff specialized in research and design, operation, maintenance and technical assistance in the field of natural gas transmission.



Evolution of personnel number





Total number of specialists in the research division: 156
 Certified specialists: 130

SNTGN TRANSGAZ SA has a Research and Design Division in the field of natural gas transmission consisting of 156 specialists, 83% of whom are certified and specialized in natural gas transmission research and design.

Research and design includes highly complex strategic activities aimed at:

Rehabilitation and upgrading of the natural gas transmission system to increase safety;

Increasing energy efficiency;

Metering of natural gas flows;

Environmental and labour protection;

Issuing rules, regulations, technical requirements, standards, working procedures in the field of natural gas transmission and other related areas.

The TRANSGAZ specialists provided technical assistance to construction companies for the design and construction of international natural gas transmission pipelines in Romania. TRANSGAZ designed the natural gas transmission pipelines of the system and contributed substantially to the achievement of the investment objectives and the maintenance of the NTS.

Given its complex and extensive investment program, TRANSGAZ has developed significant capabilities to secure competitive financing. The company has a professional European funds and international relations division.

CURRENT NTS INFRASTRUCTURE



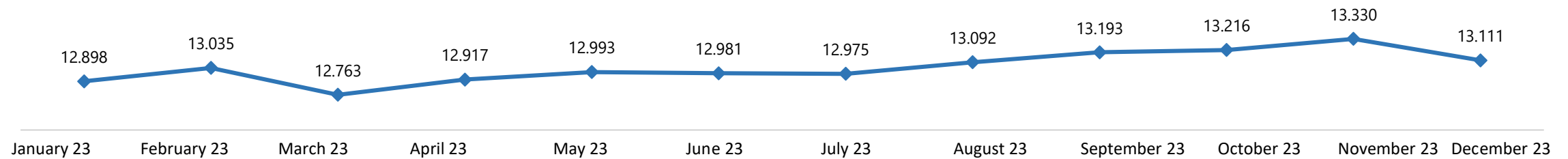
- ❑ 13.963 km main transmission pipelines and connections for natural gas supply, of which 183,5 km international natural gas transmission pipelines and 481 km the BRUA pipeline;
- ❑ 1.162 natural gas metering stations (1.268 metering directions);
- ❑ 2 gas metering stations located on the international gas transmission pipeline (Isaccea Transit III, Negru Vodă III);
- ❑ 6 import/export natural gas metering stations (Giurgiu, Medieșu Aurit, Isaccea I, Isaccea 2, Negru Vodă 1, Negru Voda 2);
- ❑ 8 gas compressor stations (Șinca, Onești, Siliștea, Jupa, Podișor, Bibești, Onești Modernization, Gherăești);
- ❑ 1.081 cathodic protection stations (CPS);
- ❑ 60 valve stations/technological nodes;
- ❑ 1.071 odorization stations.

FUTURE NTS INFRASTRUCTURE

A modernized and competitive natural gas transmission system that ensures a high degree of interconnectivity, flexibility and access to multiple sources of supply.

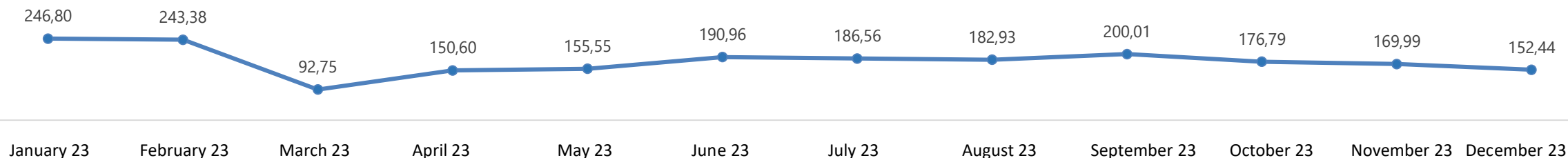
CIRCULATED GAS– 31.12.2023

Circulated gas (including storage) – million cm- rolling 12 months

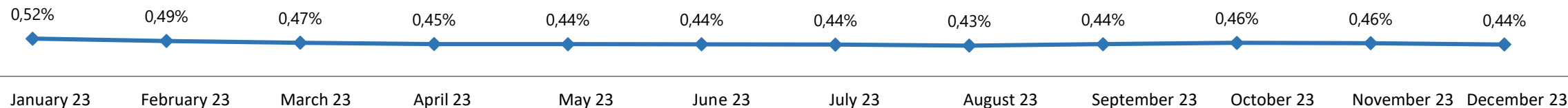


Circulated gas, of which:		Q I 2023	Q II 2023	Q III 2023	Q IV 2023	Q I 2022	Q II 2022	Q III 2022	Q IV 2022
	MWh	39,431,791,16	28,992,635,69	33,943,343,00	38,200,406,44	43,169,299,34	26,621,530,18	31,541,333,99	39,132,109,46
thousand m ³	3,690,827,73	2,701,795,51	3,148,917,75	3,569,333,77	4,034,144,17	2,484,139,91	2,936,491,57	3,651,449,92	
- storage	MWh	449,900,21	9,697,976,88	10,180,456,81	2,125,107,40	629,418,65	8,445,200,76	14,111,025,18	5,345,721,43
	thousand m ³	45,364,59	909,507,99	953,682,17	205,698,37	78,795,23	798,396,14	1,333,803,27	511,575,12
Share of storage in circulated gas		1,14%	33,45%	29,99%	5,56%	1,46%	31,72%	44,74%	13,66%

Price (lei/MWH) for transmission system gas consumption



Share of transmission system gas consumption in total circulated gas (rolling 12 months)



		Q I 2023	Q II 2023	Q III 2023	Q IV 2023	Q I 2022	Q II 2022	Q III 2022	Q IV 2022
Transmission system gas consumption, materials and consumables used, of which:	thousand lei	46.226	33.044	38.621	40.423	46.198	47.447	42.545	48.942
▪ transmission system gas consumption	thousand lei	39.489	22.145	29.081	25.667	40.771	37.631	33.294	40.734
- transmission system gas consumption quantity	MWh	193.782	137.765	150.619	144.997	307.276	155.519	137.796	153.090
▪ auxiliary materials	thousand lei	5.888	10.056	8.621	13.833	5.089	9.293	8.687	7.493
▪ other material costs	thousand lei	849	844	919	923	338	523	565	714

As a gas transmission system operator certified according to the Third Energy Package, of July 2010 TRANSGAZ is member of ENTSOG (The European network of *Gas transmission system operators*), organization within which the company cooperates with all European transmission system operators.

Continuity of the activity and ensuring safety and security of gas supply

- ✦ Increasing the level of security of the NST and gas supply safety
- ✦ Competitive energy markets – by creating the necessary technical conditions for the development of the gas market
- ✦ The Modernization of the Corporate Governance System

Increasing the COMPETITIVITY of the company

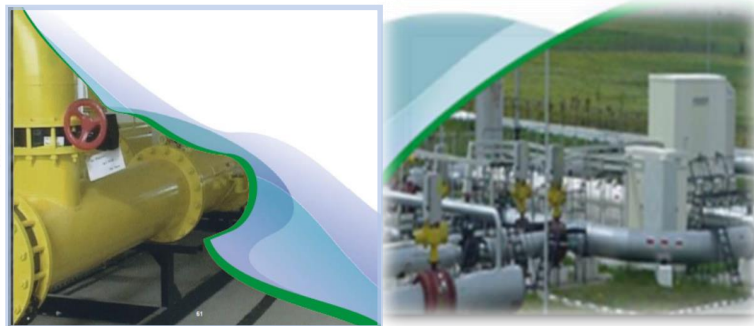
- ✦ Development and modernization of all of the operational processes
- ✦ Increasing energy efficiency and reduction in the negative impact of the technological processes upon the environment

Increasing the SUSTAINABLE DEVELOPMENT of the company by increasing the human, organizational and human resources and the alignment with the relevant European regulations for the activity of the company and ensuring sustainability.

- ✦ Optimization of the human resources management process
- ✦ Alignment to the relevant European regulations for the activity of the company and ensuring sustainability

Maintaining financial balance and operational stability

- ✦ Maintaining financial balance and operational stability through ensuring financial, economic and social performances



By means of the Ten years National Gas Transmission System Development Plan, TRANSGAZ proposes major investment projects, estimated at over EUR 3,4 billion, investments for the strategic and sustainable development of the Romanian gas transmission infrastructure and its compliance with the requirements of the European regulations in the field.

SNTGN Transgaz SA, as operator of the National Gas Transmission System (NTS), is interested in the potential of integrating hydrogen from renewable and low-carbon sources into the natural gas transmission system, in order to comply with the provisions of the European directives in force and the European Green Deal.

The company's overall objectives in this area for the period 2021 to 2025 are as follows:

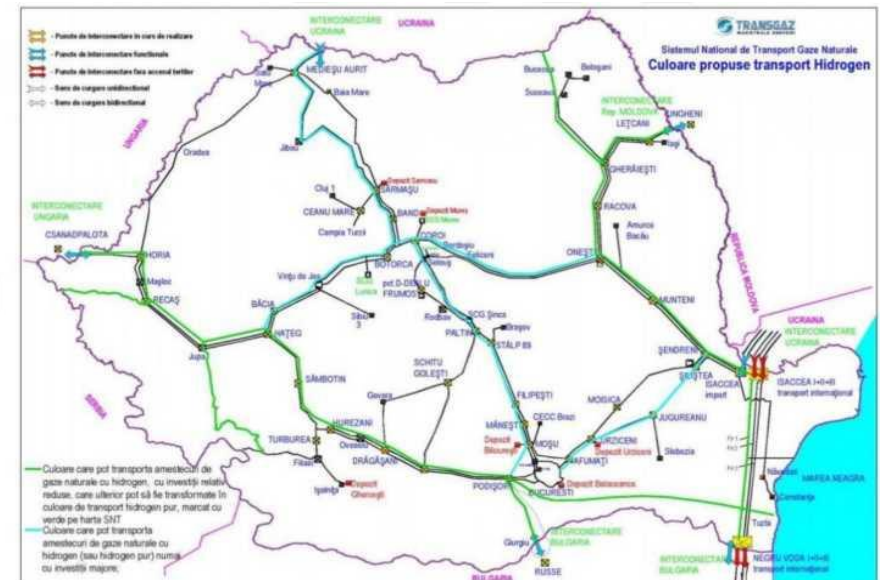
- Development of the research work on the possibility of accepting hydrogen mix in the NTS and ways of introducing it into the NTS;

Transgaz has carried out a PILOT PROJECT on the use of natural gas blending with hydrogen. The project (called "ROHYD" for short) evaluated the effect of the gas mixture, under normal operating conditions, on materials, metering systems and combustion equipment.

- Implement a strategy to upgrade and adapt the existing natural gas transmission infrastructure for the use of hydrogen and other green gases with a view to decarbonization.

SNTGN Transgaz SA has joined the European Hydrogen Backbone (EHB) initiative which consists of a group of 33 energy infrastructure operators united by a common vision of a climate neutral Europe, secured by a thriving renewable and low carbon hydrogen market.

To this end, it has identified the corridors that could be included in the "backbone" of the future European pure hydrogen transmission system.



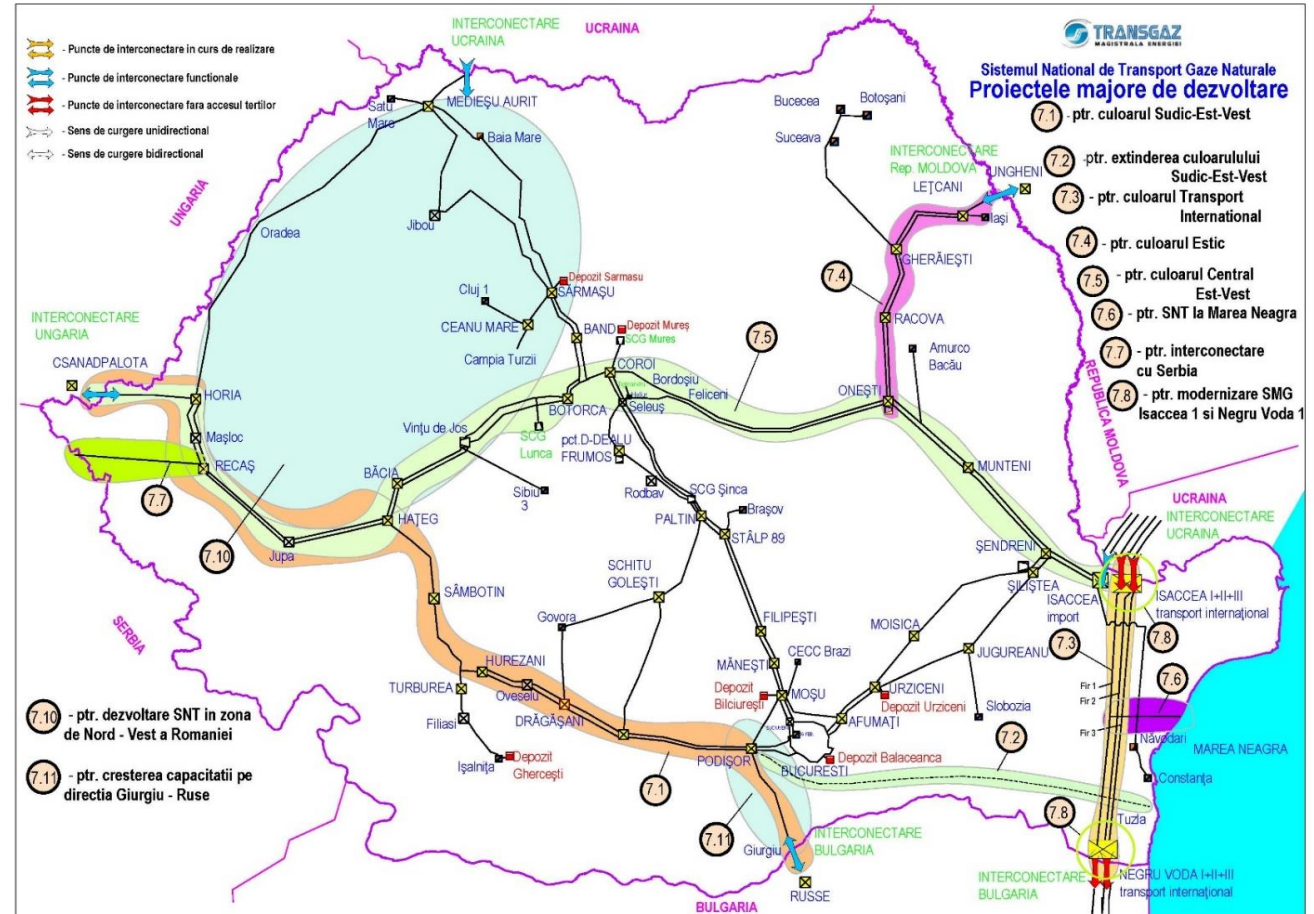
MAJOR PROJECTS BENEFITS

- integration of the natural gas market and interoperability of natural gas transmission systems in the region;
- increasing the flexibility of the European gas transmission system by bidirectional interconnections;
- opening the access of Romania and of the European Union to a new natural gas source - through the interconnection of the BULGARIA - ROMANIA - HUNGARY – AUSTRIA corridor with the Black Sea;
- increasing competition on the European gas market by diversifying sources, transport routes and companies active in the region;
- increasing security of gas supply
- reducing dependence on Russian natural gas imports
- the convergence of gas prices in the region
- boosting development of renewable energy production in the region (especially wind and solar energy) considering the possibility of using natural gas as a backup option for renewable energies, which leads to a significant increase in the sustainability of the proposed projects.

~ 3,4 bn. EURO

Of which:

- 555 mil. euro FID projects; 131 mil. euro A non FID projects; 2.737 mil. euro LA non FID projects



Project no	Project	Estimated value mil. Euro	Completion date	Project importance	Project status
1	Development on Romania's territory of the National Gas Transmission System on the Bulgaria - Romania - Hungary – Austria Corridor (Phase II)	74.5	2025	Ensuring a natural gas transmission capacity to Hungary of 4.4 bcm/y and 1.5 bcm/y to Bulgaria. The project importance at European Union level is reflected by the nomination of the "Gas pipeline from Bulgaria to Austria via Romania and Hungary" project both on the first and on the second and the third list of common interest projects.	A non FID
2	Development on Romania's territory of the Southern Transmission Corridor for taking over the natural gas from the Black Sea coast	371.6 updated to 493,86	2025	Taking-over the natural gas to be produced in the Black Sea (NTS) for its transmission to the Romanian and European markets is of strategic importance to Transgaz. The project importance at European Union level is reflected by nominating the Project on the 2nd and 3rd list of common interest projects.	FID
3	Developments of the NTS in the North - East area of Romania in order to improve the natural gas supply of the area and to ensure the transmission capacities to the Republic of Moldova	174.25	completed	Ensuring a gas transmission capacity of 1.5 bcm/y at the interconnection point between the Romanian and Moldova Republic gas transmission systems.	COMPLETED
4	Amplification of the bidirectional gas transmission corridor Bulgaria - Romania - Hungary - Austria (BRUA Phase III)	530	2027	Depending on the Black Sea offshore production increase further development of the network is considered, such as: an additional route through the center of Romania and a new interconnection with Hungary.	LA non FID
5	NTS new developments to take-over the gas from the Black Sea coast.	9.14	completed	Creating an additional point for taking over the natural gas from the Black Sea offshore exploitation perimeters.	COMPLETED
6	Romania-Serbia Interconnection	56.21	2028	Building an interconnection pipeline with Serbia to diversify supply sources and increase energy security in the region.	A non FID
7	Development/Upgrade of natural gas transmission infrastructure in the North-West of Romania	405	2026	Increasing transmission capacities in the North-West area of Romania in order to ensure the growth of consumption trends in the region.	LA non FID
8	Increasing the natural gas transmission capacity of the Romania-Bulgaria interconnection on the Giurgiu-Ruse direction	51.8	2027	Improve natural gas supply to the area.	LA non FID

No.	Project	Estimated value mil. Euro	Completion date	Project importance	Project status
9	Eastring-Romania	Phase 1: 1297 Phase 2: 357	Phase 1: 2027 Phase 2: 2030	EASTRING will be open to well-established sources as well as alternative sources. It will bring gas from new sources from the Caspian / Mediterranean / Black Sea / Middle East regions. At the same time, it will ensure the supply of Southeast Europe from European gas hubs. Total capacity will be available to any carrier or vendor.	LA non FID
10	Monitoring system, data control and acquisition for the cathodic protection stations related to the National Gas Transmission System	17.7	2027	Provides the ability to set, monitor and operate remotely and accurately the points of interest of the system, eliminates the cost of reading data, avoids situations where due to weather conditions it is not possible to read data and human errors, allow distributed control of locations, operating and maintenance costs, considerably reduces setup time.	LA non FID
11	Development of the SCADA system for the National Gas Transmission System	5.5	2025	Upgrading the natural gas transmission infrastructure by upgrading hardware and software architecture.	LA non FID
12	Upgrading GMS Isaccea 2 and Negru Vodă 2 to enable the bidirectional flow on the T2 pipeline	26.65	2024	Creating the possibility of bidirectional flow on the T2 pipeline, part of the Trans-Balkan corridor	LA non FID
13	Upgrading GMS Isaccea 3 and Negru Vodă 3 to enable the bidirectional flow on the T3 pipeline	2.65	2028	Creating the possibility of bidirectional flow on the T3 pipeline, part of the Trans-Balkan corridor	LA non FID
14	NTS interconnection to the LNG Terminal located on the Black Sea shore	19.6	2028	Creating transmission capacity to take over gas from the LNG terminal located on the Black Sea shore	LA non FID
TOTAL		3,422.6 updated to 3,544.86			

Total projects of which:	3,422.6 million EURO	3,544.86 million EURO
FID projects (final investment decision)	554.99 million EURO	677.25 million EURO
A non FID projects (advanced projects)	130.71 million EURO	130.71 million EURO
LA non FID projects (less advanced projects)	2,736.9 million EURO	2,736.9 million EURO

No.	Project name	Project value (mil. Euro)	Completion year	Project importance	Funding sources
1	Development on Romania's territory of the National Gas Transmission System on the Bulgaria - Romania - Hungary - Austria Corridor (Phase I) Diameter-800 mm Length - 479 km	397,84	2020	Ensuring the technical possibilities of bidirectional flow between interconnections with Bulgaria and Hungary	Own funds - 20% Borrowed funds – 42% Grants -38%
2	The interconnection of the national gas transmission system with the international gas transmission pipeline T1 and reverse flow Isaccea Diameter- 800 mm Length - 66 km	86,02	2020	Providing technical possibilities for bi-directional flow on the Transit 1 pipeline at Isaccea IP	Own funds - 100%
3	Upgrading of Isaccea 1 GMS	16,85	2020	Upgrading gas metering stations at interconnection points to increase energy security in the region	Own funds - 100%
4	Interconnection gas pipeline between the Natural Gas Transmission System of Romania and the Natural Gas Transmission System of the Republic of Moldova on the Iasi-Ungheni-Chisinau direction Diameter - 600 mm Length - 120 km	95,22	2020	Ensuring an improvement of the interconnection between Romania and the Republic of Moldova in terms of gas transmission infrastructure, as well as the diversifying of routes and sources of gas supply to the Republic of Moldova.	Own funds - 38% Borrowed funds - 62%
5	Developments of the NTS in the North - East area of Romania in order to improve the natural gas supply of the area and to ensure the transmission capacities to the Republic of Moldova Diameter - 700 mm Length - 165,15 km	117,13	2021	Ensuring a gas transmission capacity of 1.5 bcm/y at the interconnection point between the Romanian and Moldova Republic gas transmission systems.	Own funds - 28% Borrowed funds – 48% Grants -24%
6	NTS new developments to take-over the gas from the Black Sea coast. Diameter - 500 mm, Length - 25 km	9,18	2021	Creating an additional point for taking over the natural gas from the Black Sea offshore exploitation perimeters.	Own funds -100%

No.	Project name	Project value (mil. Euro)	Completion year	Project importance
1	DN 500 CRAIOVA - SEGARCEA - BĂILEȘTI - PLENIȚA-CALAFAT GAS TRANSMISSION PIPELINE Phase I, CRAIOVA - SEGARCEA section DN 500, L = 39,3 km	36,7	2021	<p>This pipeline section can ensure the gas supply to the 6 territorial administrative units: Cârcea, Malu Mare, Ghindeni, Teasc, Calopăr and Segarcea. The population of these localities is about 25,000 inhabitants and the social and cultural objectives of these localities are: 12 secondary schools, 13 kindergartens, 1 hospital, about 20 medical and dental offices.</p> <p>The economic profile of the area: agriculture, especially vegetable growing, nationally recognised, viticulture.</p>
2	DN 250 CÂMPULUNG MOLDOVENESC - VATRA DORNEI GAS TRANSMISSION PIPELINE (POJORÂTA - VATRA DORNEI SECTION) DN 250, L = 26,4 km WORK DECLARED OF NATIONAL IMPORTANCE according to GD no.465/2019	17,35	2022	<p>The projected route of the Pojorâta - Vatra Dornei gas pipeline section is located on the administrative territories of Pojorâta, Sadova, Iacobeni, Dorna Arini, Saru Dornei, Dorna Căndrenilor, Fundu Moldovei, respectively Vatra Dornei town (8 TAUs) with an estimated number of 35,000 inhabitants, and 12 secondary schools, 12 kindergartens, 5 high schools, school clubs, libraries, 3 hospitals and spas, dozens of medical offices.</p>
3	VERNEȘTI-MĂRĂCINENI-POSTA CÂLNĂU GAS TRANSMISSION PIPELINE PHASE I - VERNEȘTI-MĂRĂCINENI DN 250, L=5,066 km	12,43	2022	<p>As a result of the intense development of the Northern area of Buzău, it was found necessary to build a gas transmission pipeline connected to the DN 400 Bărbuncești - Moșica pipeline, which would enable both the gas supply to the Northern area of Buzău and the neighbouring localities of Mărăcineni, Săpoca, Cernătești, Beceni, which are currently not connected to gas utilities. Localities with about 11,000 domestic consumers (households), 150 public institutions (schools, town halls, dispensaries, community centres, medical offices, etc.) and about 1,500 economic agents and public institutions.</p>
4	DN 300 MINTIA - BRAD GAS TRANSMISSION PIPELINE DN 300, L=35 km	29,56	2022	<p>The projected route of the MINTIA - BRAD gas pipeline section is located in the administrative territories of Vețel, Șoimuș, Băița, Vălișoara, Luncoiu de Jos, Ribița and Brad, Hunedoara county, localities with a population of about 30,000 inhabitants, and 35 primary and secondary schools, 29 kindergartens, 1 high school, 1 university, 6 rural medical dispensaries, 2 hospitals, 1 sanatorium.</p>
5	SIGHETUL MARMATI - BORSA GAS TRANSMISSION PIPELINE; DN300, L=88 km WORK DECLARED OF NATIONAL IMPORTANCE according to GD no.425/2020	100,03	2023	<p>The pipeline is located on the administrative territory of Sighetu Marmăției municipality, the towns of Vișeu de Sus, Dragomirești and Săliștea de Sus and the villages of Sarasău, Vadu Izei, Giulești, Oncești, Bârsana, Strâmtura, Rozavlea, Șieu, Bogdan Vodă, Vișeu de Jos, Săcel and Moisei, Maramureș county, i.e. about 51. 500 domestic consumers, 500 public institutions (schools, town halls, dispensaries, community centres, medical offices, etc.) and approximately 2000 economic agents and public institutions.</p>

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME AS AT 31.12.2023

THOUSAND LEI	2021	2022	2023	CHANGES 2023/2022	
				Absolute	Relative
Operating revenue before the balancing and construction activity according to IFRIC12	1.364.950	1.579.284	1.785.505	206.221	13%
Revenue from the balancing activity	442.200	1.005.544	458.811	-546.733	-54%
Revenue from the construction activity according to IFRIC12	704.027	299.868	182.450	-117.418	-39%
Financial revenue	152.208	498.370	261.182	-237.188	-48%
Operating costs before the balancing and construction activity according to IFRIC12	1.244.239	1.432.967	1.665.142	232.175	16%
Costs from the balancing activity	442.200	1.005.544	458.811	-546.733	-54%
Cost of assets constructed according to IFRIC12	704.027	299.868	182.450	-117.418	-39%
Financial costs	42.669	225.110	162.620	-62.490	-28%
Profit before tax	230.250	419.576	218.924	-200.652	-48%
Income tax	53.445	72.507	33.208	-39.299	-54%
Net profit for the period	176.805	347.068	185.717	-161.351	-46%
EBITDA	482.253	584.587	602.479	17.892	3%
Turnover	1.683.775	2.440.916	2.101.092	-339.824	-14%

The establishment of the company EUROTRANSGAZ SRL on the territory of the Republic of Moldova was approved by Extraordinary General Meeting of the Shareholders Resolution no. 10/12.12.2017 for enabling participation in the privatization procedure of the State Enterprise VESTMOLDTRANSGAZ. Transgaz is the sole shareholder of EUROTRANSGAZ SRL.

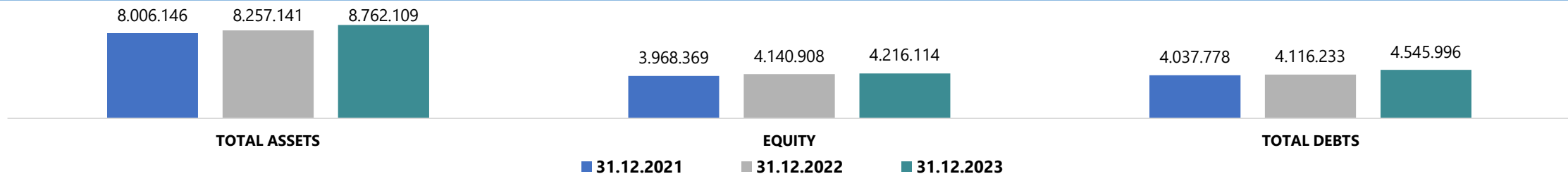
Since 2018, following the procurement of VESTMOLDTRANSGAZ SRL of the Republic of Moldova by EUROTRANSGAZ SRL, Transgaz, as a parent company, prepares consolidated group financial statements.

The European Bank for Reconstruction and Development (EBRD) became, as of 25.08.2021, a shareholder with a 25% stake in the share capital of the gas transmission company VESTMOLDTRANSGAZ SRL, a subsidiary of TRANSGAZ in the Republic of Moldova, which owns and operates the Ungheni-Chisinau gas transmission pipeline.

Consolidated companies in the Transgaz group:		Share (%)
SNTGN Transgaz SA	Parent company	
EUROTRANSGAZ SRL	Company held by SNTGN Transgaz SA	100%
VESTMOLDTRANSGAZ SRL	Company held by EUROTRANSGAZ SRL	75%

STATEMENT OF CONSOLIDATED FINANCIAL STANDING AS AT 31.12.2023

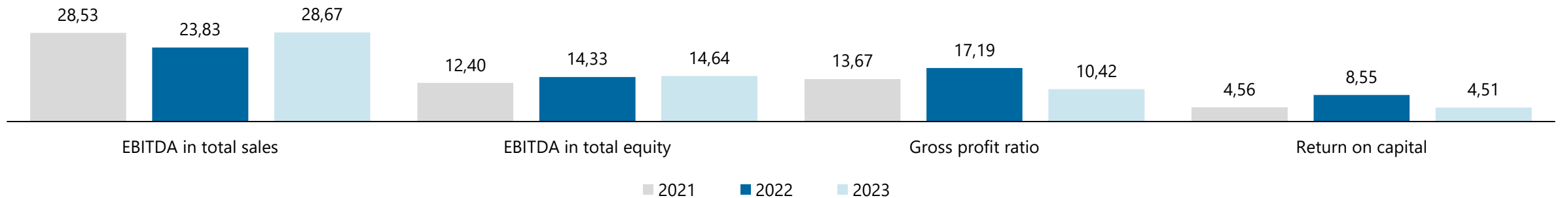
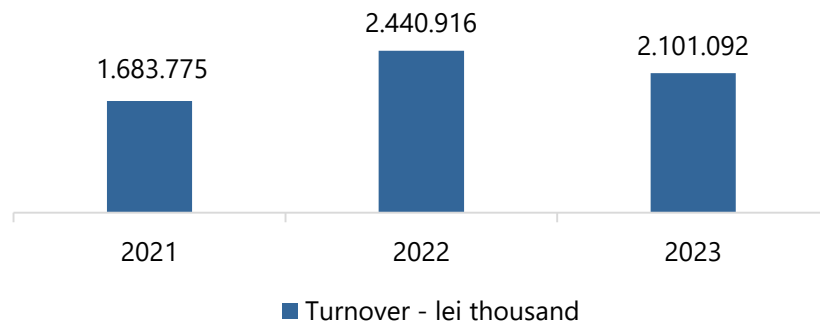
THOUSAND LEI	2021	2022	2023	Changes 2023/2022	
				Absolute	Relative
FIXED ASSETS	6.667.476	6.880.055	7.026.666	146.611	2%
CURRENT ASSETS	1.338.671	1.377.086	1.735.443	358.357	26%
TOTAL ASSETS	8.006.146	8.257.141	8.762.109	504.968	6%
EQUITY	3.968.369	4.140.908	4.216.114	75.206	2%
LONG TERM DEBTS	3.091.747	3.151.524	3.142.919	-8.605	0%
CURRENT DEBTS	946.030	964.708	1.403.076	438.368	45%
TOTAL DEBTS	4.037.778	4.116.233	4.545.995	429.762	10%
TOTAL EQUITY AND DEBTS	8.006.146	8.257.141	8.762.109	504.968	6%



The change in consolidated economic and financial indicators as at December 31, 2023, compared to those achieved in 2022 is mainly due to the change in individual economic and financial indicators recorded by SNTGN Transgaz SA as at December 31, 2023, compared to those achieved in 2022. In 2023 the company Vestmoldtransgaz SRL in the Republic of Moldova provided gas supply services amounting to 67.970 thousand lei.

MAIN INDICATORS-CONSOLIDATED STATEMENTS LA 31.12.2023

Turnover 2021-2023



	2021	2022	2023
EBITDA in total sales	28,53%	23,83%	28,67%
EBITDA in total equity	12,40%	14,33%	14,64%
Gross profit ratio	13,67%	17,19%	10,42%
Return on capital	4,56%	8,55%	4,51%
Current liquidity ratio	1,42	1,43	1,24
Quick liquidity ratio	1,09	0,79	0,82
Gearing ratio	49,01%	50,62%	49,42%
Interest coverage ratio	9,93	3,82	2,33
Turnover speed for clients debit - days	165,09	123,09	151,39
Turnover speed for credit providers - days	73,14	55,95	49,85

PARTICIPATION IN NATIONAL AND EUROPEAN ASSOCIATIONS

NATIONAL ASSOCIATIONS



EUROPEAN ASSOCIATIONS



MAIN INTERNAL AND EXTERNAL PARTNERS

MAIN INTERNAL PARTNERS



MAIN EXTERNAL PARTNERS





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