

**THE NATIONAL GAS TRANSMISSION COMPANY  
TRANSGAZ S.A.**

**PRELIMINARY UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31 DECEMBER 2020**

**PREPARED IN ACCORDANCE WITH  
THE INTERNATIONAL FINANCIAL REPORTING STANDARDS  
ADOPTED BY THE EUROPEAN UNION**

This version of the interim financial statements is a translation from the original, which was prepared in Romanian. 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.

**CONSOLIDATED INTERIM STATEMENT OF  
FINANCIAL POSITION**  
(expressed in lei, unless otherwise stated)



	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>(unaudited)</b>	
<b>ASSET</b>		
<b>Fixed assets</b>		
Tangible Assets	736.716.054	622.962.093
Rights of use of the leased assets	8.962.615	9.359.179
Intangible Assets	4.050.743.217	3.058.597.272
Financial assets	-	-
Goodwill	9.082.127	9.775.599
Trade receivables and other receivables	<u>1.239.998.760</u>	<u>723.921.414</u>
	<b>6.045.502.773</b>	<b>4.424.615.557</b>
<b>Current assets</b>		
Inventories	194.119.244	494.614.492
Commercial receivables and other receivables	718.780.716	524.500.459
Cash and cash equivalent	<u>289.446.278</u>	<u>352.985.119</u>
	<b>1.202.346.238</b>	<b>1.372.100.070</b>
<b>Total asset</b>	<b>7.247.849.011</b>	<b>5.796.715.627</b>
<b>EQUITY AND DEBTS</b>		
<b>Equity</b>		
Share capital	117.738.440	117.738.440
Hyperinflation adjustment of share capital	441.418.396	441.418.396
Share premium	247.478.865	247.478.865
Other reserves	1.265.796.861	1.265.796.861
Retained earnings	1.729.553.565	1.699.175.132
Exchange rate differences from consolidation	<u>(19.371.772)</u>	<u>3.668.307</u>
	<b>3.782.614.355</b>	<b>3.775.276.001</b>
<b>Long-term debts</b>		
Long-term loans	1.644.649.219	661.062.420
Provision for employee benefits	130.390.607	119.858.608
Deferred revenue	1.061.771.214	647.728.922
Deferred tax payment	4.791.295	8.071.065
Commercial debt and other debts	<u>6.764.158</u>	<u>53.278.838</u>
	<b>2.848.366.493</b>	<b>1.489.999.853</b>
<b>Current debts</b>		
Commercial debts and other debts	478.732.924	454.479.051
Provision for risks and charges	63.337.913	72.239.710
Short-term loans	70.379.600	2.867.580
Provision for employee benefits	<u>4.417.726</u>	<u>1.853.432</u>
	<b>616.868.163</b>	<b>531.439.773</b>
<b>Total debts</b>	<b>3.465.234.656</b>	<b>2.021.439.626</b>
<b>Total equity and debts</b>	<b>7.247.849.011</b>	<b>5.796.715.627</b>

Director – General  
Ion Sterian

Chief Financial Officer  
Marius Lupean

**CONSOLIDATED INTERIM STATEMENT OF  
FINANCIAL POSITION**  
**(expressed in lei, unless otherwise stated)**



	<b>The year ended 31 December 2020 (unaudited)</b>	<b>The year ended 31 December 2019</b>
Revenue from the domestic transmission activity	1.150.464.877	1.192.597.737
Revenue from the international transmission activity	114.222.513	327.696.392
Other revenue	<u>72.465.329</u>	<u>55.630.757</u>
<b>Operational revenue before the balancing and construction activity according to IFRIC12</b>	<b>1.337.152.719</b>	<b>1.575.924.886</b>
Depreciation	(246.883.505)	(195.700.887)
Employees costs	(433.968.413)	(415.818.106)
NTS gas consumption, materials and consumables used	(115.609.386)	(99.266.835)
Expenses with royalties	(107.760.493)	(151.374.380)
Maintenance and transmission	(30.453.861)	(29.899.092)
Taxes and other amounts owed to the state	(71.869.898)	(111.290.048)
Revenue/ (Expenses) with provisions for risks and charges	15.748.742	(49.818.887)
Other operating cost	<u>(112.543.595)</u>	<u>(181.453.361)</u>
<b>Operational profit before the balancing and construction activity according to IFRIC12</b>	<b>233.812.310</b>	<b>341.303.290</b>
Revenue from the balancing activity	199.239.243	324.687.807
Cost of balancing gas	(199.239.243)	(324.687.807)
Revenue from the construction activity according to IFRIC12	1.575.004.683	868.356.796
Cost of assets constructed according to IFRIC12	<u>(1.575.004.683)</u>	<u>(868.356.796)</u>
<b>Operational profit</b>	<b>233.812.310</b>	<b>341.303.290</b>
Financial revenue	71.134.021	101.618.158
Financial cost	<u>(35.476.981)</u>	<u>(30.778.655)</u>
<b>Financial revenue, net</b>	<b><u>35.657.040</u></b>	<b><u>70.839.503</u></b>
<b>Profit before tax</b>	<b>269.469.350</b>	<b>412.142.793</b>
Profit tax expense	<u>(44.905.103)</u>	<u>(70.748.512)</u>
<b>Net profit for the period</b>	<b><u>224.564.247</u></b>	<b><u>341.394.281</u></b>
<b>Exchange rate differences</b>	<b><u>(19.371.772)</u></b>	<b><u>3.668.307</u></b>
Basic and diluted earnings per share (expressed in lei per share)	19,07	29,00
Actuarial gain / loss for the period	(15.712.752)	(4.636.774)
<b>Total comprehensive income for the period</b>	<b><u>189.479.722</u></b>	<b><u>340.425.814</u></b>

Director - General  
Ion Sterian

Chief Financial Officer  
Marius Lupean