

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

**UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

This version of the 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.

PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION



(expressed in lei, unless otherwise stated)

	31 December 2024	31 December 2023
	(unaudited)	(restated)
ASSET		
Non-current assets		
Tangible Assets	713.131.037	772.024.285
Lease liabilities	154.178.851	173.445.968
Intangible assets	5.119.126.275	3.654.207.012
Goodwill	10.149.917	10.126.276
Trade receivables and other receivables	2.648.907.892	2.392.525.261
Deferred tax	80.622.082	87.497.543
Restricted cash	<u>2.301.308</u>	<u>1.956.015</u>
	8.728.417.362	7.091.782.360
Current assets		
Inventories	511.849.756	580.341.997
Trade receivables and other receivables	684.317.218	440.793.785
Cash and cash equivalent	<u>1.064.299.187</u>	<u>710.857.030</u>
	2.260.466.161	1.731.992.812
Total asset	10.988.883.523	8.823.775.172
Equity		
Share capital	1.883.815.040	1.883.815.040
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	645.642.019	324.899.398
Consolidation foreign currency translation reserve	<u>9.922.595</u>	<u>9.485.774</u>
	4.494.073.776	4.172.894.334
Shareholders equity		
Non-controlling interests	<u>112.113.054</u>	<u>105.162.207</u>
	4.606.186.830	4.278.056.541
Non-current liabilities		
Long-term loans	3.406.205.113	2.033.509.381
Deferred revenue	1.141.531.577	849.905.753
Trade and other liabilities	125.610.110	144.696.947
Provision for employee benefits	<u>128.524.031</u>	<u>114.807.183</u>
	4.801.870.831	3.142.919.264
Current liabilities		
Short-term loans	349.166.698	451.014.998
Deferred revenue	121.763.736	130.147.423
Trade and other payables	996.601.268	689.861.126
Lease liability	37.415.435	31.756.889
Provisions for risks and charges	64.713.529	83.883.714
Provision for employee benefits	<u>11.165.196</u>	<u>16.135.217</u>
	1.580.825.862	1.402.799.367
Total liabilities	6.382.696.693	4.545.718.631
Total equity and liabilities	10.988.883.523	8.823.775.172

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

**PRELIMINARY CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME**



(expressed in lei, unless otherwise stated)

	Year ended 31 December 2024 (unaudited)	Year ended 31 December 2023 (restated)
Revenue from the domestic transmission activity	2.150.193.837	1.519.952.227
Revenue from the international transmission activity and similar	-	116.305.612
Other revenue	<u>155.649.223</u>	<u>147.986.263</u>
Operational revenue before the balancing and construction activity according to IFRIC12	2.305.843.060	1.784.244.102
Depreciation	(522.777.473)	(482.274.405)
Employees costs	(636.820.190)	(575.840.029)
NTS gas consumption, materials and consumables used	(146.878.851)	(148.201.016)
Expenses with royalties	(224.732.303)	(55.285.137)
Maintenance and transmission	(132.779.302)	(62.795.302)
Taxes and other amounts owed to the state	(89.962.659)	(87.700.544)
Revenue/ (Expenses) with provisions for risks and charges	17.044.177	(10.771.182)
Other operating cost	<u>(198.501.860)</u>	<u>(242.432.711)</u>
Operational profit before the balancing and construction activity according to IFRIC12	370.434.599	118.943.776
Revenue from the balancing activity	249.300.337	458.810.505
Cost of balancing gas	(249.300.337)	(458.810.505)
Revenue from the construction activity according to IFRIC12	1.877.041.368	182.449.856
Cost of assets constructed according to IFRIC12	<u>(1.877.041.368)</u>	<u>(182.449.856)</u>
Operational profit	370.434.599	118.943.776
Financial income	206.065.379	257.166.563
Financial cost	<u>(112.501.108)</u>	<u>(162.803.185)</u>
Financial income, net	<u>93.564.271</u>	<u>94.363.378</u>
Profit before tax	463.998.870	213.307.154
Income tax expense	<u>(72.575.576)</u>	<u>(14.772.988)</u>
Net profit for the period	<u>391.423.294</u>	<u>198.534.166</u>
Attributable to the parent company	384.697.138	193.653.608
Attributable to the non-controlling interests	6.726.156	4.880.558
Shares number	188.381.504	188.381.504
Other items of comprehensive income		
Basic and diluted earnings per share (expressed in lei per share)	2,08	1,05
Actuarial gain / loss for the period	2.069.849	4.334.050
Foreign currency translation reserve	570.672	7.017.130
Total comprehensive income for the period	<u>394.063.815</u>	<u>209.885.346</u>
Attributable to the parent company	387.112.968	203.250.506
Attributable to the non-controlling interests	6.950.847	6.634.840

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

PRELIMINARY STATEMENT OF CHANGES IN EQUITY
(expressed in lei, unless otherwise stated)



		Share capital	Share		Retained	Consolidation	Non-	
	Share Capital	adjustments	premium	Other reserves	earnings	Foreign	controlling	Total equity
						currency	interests	
						translation		
						reserve		
Balance at 1 January 2023 (restated)	<u>1.883.815.040</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>258.778.793</u>	<u>19.932.259</u>	<u>82.818.034</u>	<u>4.200.038.248</u>
Net profit for the period	-	-	-	-	193.653.608	-	4.880.558	198.534.166
Actuarial gain / loss for the period	-	-	-	-	4.334.050	-	-	4.334.050
	-	-	-	-	<u>197.987.658</u>	-	<u>4.880.558</u>	<u>202.868.216</u>
Establishing profit reserves	-	-	-	-	(10.344.066)	-	-	(10.344.066)
Legal reserve increase	-	-	-	-	10.344.066	-	-	10.344.066
<i>Shareholder transactions:</i>								
Dividends for 2022	-	-	-	-	(131.867.053)	-	-	(131.867.053)
Consolidation foreign currency translation reserve	-	-	-	-	-	(10.446.485)	17.463.615	7.017.130
Balance at 31 December 2023 (restated)	<u>1.883.815.040</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>324.899.398</u>	<u>9.485.774</u>	<u>105.162.207</u>	<u>4.278.056.541</u>
Net profit for the period	-	-	-	-	384.697.138	-	6.726.156	391.423.294
Actuarial gain / loss for the period	-	-	-	-	2.069.849	-	-	2.069.849
	-	-	-	-	386.766.987	-	6.726.156	393.493.143
<i>Shareholder transactions</i>								
Dividends related to 2023	-	-	-	-	(65.933.526)	-	-	(65.933.526)
Consolidation foreign currency translation reserve	-	-	-	-	(90.840)	436.821	224.691	570.672
Balance at 31 December 2024 (unaudited)	<u>1.883.815.040</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>645.642.019</u>	<u>9.922.595</u>	<u>112.113.054</u>	<u>4.606.186.830</u>

Consolidation foreign currency translation reserves arise from the reporting of the financial statements of the subsidiary Eurotransgaz in the reporting currency of the parent company (RON).

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

CONSOLIDATED PRELIMINARY CASH FLOW
(expressed in lei, unless otherwise stated)



	Year ended 31 December 2024 (unaudited)	Year ended 31 December 2023 (restated)
Profit before tax	463.998.870	213.307.154
Depreciation	522.777.473	482.115.949
Profit/(loss) on disposal of fixed assets	181.501	(123.138)
Provisions for risks and charges	(18.602.405)	2.858.113
Revenue from connection fees, grants and goods taken free of charge	(105.360.400)	(113.957.081)
Adjustment Receivable on Concession Agreement	(127.698.456)	(145.223.075)
Loss from receivables and sundry debtors	1.434.719	126.282
Loss/(profit) on inventory depreciation	11.034.501	8.499.713
Adjustments for depreciation of receivables	(5.782.554)	109.399.125
Provision for employee benefits	2.903.726	12.567.496
Effect of discounting provision for employee benefits	7.912.950	7.229.380
Interest income	(71.593.278)	(58.852.437)
Interest expense	157.012.400	103.655.823
Effect of exchange rate changes on other income non-operating items	(9.426.022)	8.768.915
Other revenue/expense	(143.802)	(330.244)
Operating profit before changes in working capital	<u>828.649.223</u>	<u>630.041.975</u>
(Increase)/decrease trade and other receivables	(142.582.439)	(119.184.119)
(Increase)/decrease in inventories	58.919.574	20.665.143
Increase/(decrease) trade and other payables	<u>132.545.144</u>	<u>71.559.984</u>
Cash generated from operations	877.531.502	603.082.983
Interest paid	(138.539.074)	(128.149.986)
Interest received	12.016.994	4.317.150
Income tax paid	<u>(35.637.362)</u>	<u>(80.998.142)</u>
Net cash inflow provided by operations	715.372.060	398.252.005
Cash flow from investment activities		
Payments for acquisition of intangible fixed assets	(1.756.953.537)	(236.079.044)
Payments for acquisition of tangible fixed assets	(18.793.021)	(12.568.022)
Revenue from disposal of tangible fixed assets	110.457	263.918
Cash from connection fees and grants	<u>259.484.584</u>	<u>4.477.340</u>
Net cash used in financing investment activities	(1.516.151.517)	(243.905.808)

CONSOLIDATED PRELIMINARY CASH FLOW
 (expressed in lei, unless otherwise stated)



	Year ended 31 December 2024 (unaudited)	Year ended 31 December 2023 (restated)
Cash flow from financing activities		
Long-term loan repayments	(148.091.008)	(136.659.385)
Working capital loan drawdowns/repayments	2.174.192	175.431.456
Drawings on long-term loans	1.417.670.000	246.610.000
IFRS 16 payments	(51.106.578)	(13.182.770)
Dividends paid	<u>(66.079.699)</u>	<u>(132.399.008)</u>
Net cash used in financing activities	<u>1.154.566.907</u>	<u>139.800.293</u>
Net change in cash and cash equivalents	<u>353.787.450</u>	<u>294.146.490</u>
Cash and cash equivalents at the beginning of the year	<u>712.813.045</u>	<u>418.666.555</u>
Cash and cash equivalents at end of period	<u>1.066.600.495</u>	<u>712.813.045</u>

Director - General
 Ion Sterian

Chief Financial Officer
 Marius Lupean