

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

**PRELIMINARY UNAUDITED INDIVIDUAL 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 STATEMENT OF FINANCIAL POSITION



(expressed in lei, unless otherwise stated)

	31 December 2024 (unaudited)	31 December 2023 (restated)
ASSET		
Non-current assets		
Tangible Assets	333.770.260	377.639.699
Rights of use of the leased assets	19.695.092	14.500.703
Intangible Assets	5.119.123.728	3.654.197.909
Financial assets	177.644.145	177.619.145
Trade receivables and other receivables	2.648.907.892	2.392.525.261
Deferred tax	81.812.903	84.115.497
Restricted cash	<u>2.301.308</u>	<u>1.956.015</u>
	8.383.255.328	6.702.554.229
Current assets		
Inventories	508.135.866	577.080.618
Trade receivables and other receivables	640.759.170	400.845.055
Cash and cash equivalent	<u>993.071.864</u>	<u>675.600.636</u>
	2.141.966.900	1.653.526.309
Total asset	10.525.222.228	8.356.080.538
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	<u>655.712.328</u>	<u>347.315.972</u>
	4.494.221.490	4.185.825.134
Long-term debts		
Long-term loans	3.253.799.769	1.865.388.334
Deferred revenue	1.141.531.577	849.905.753
Debts related to rights to use leased assets	16.968.348	12.208.966
Provision for employee benefits	<u>128.524.031</u>	<u>114.807.183</u>
	4.540.823.725	2.842.310.236
Current liabilities		
Short-term loans	331.112.038	432.316.032
Deferred revenue	105.419.310	113.993.591
Trade and other payables	974.047.676	678.283.577
Lease liability	3.913.557	3.333.037
Provisions for risks and charges	64.519.236	83.883.714
Provision for employee benefits	<u>11.165.196</u>	<u>16.135.217</u>
	1.490.177.013	1.327.945.168
Total liabilities	6.031.000.738	4.170.255.404
Total equity and liabilities	10.525.222.228	8.356.080.538

Director - General
Sterian Ion

Chief Financial Officer
Lupean Marius

**PRELIMINARY STATEMENT OF COMPREHENSIVE
INCOME**

(expressed in lei, unless otherwise stated)



	Year ended 31 December 2024	Year ended 31 December 2023
	(unaudited)	(restated)
Revenue from the domestic transmission activity	1.954.193.929	1.451.982.194
Revenue from the international transmission activity and similar	-	116.305.612
Other revenue	<u>151.020.092</u>	<u>142.998.528</u>
Operational revenue before the balancing and construction activity according to IFRIC12	2.105.214.021	1.711.286.334
Depreciation	(470.426.405)	(457.211.345)
Employees costs	(626.692.761)	(570.794.261)
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	(58.583.894)	(41.562.783)
Taxes and other amounts owed to the state	(89.534.186)	(87.506.609)
Revenue/ (Expenses) with provisions for risks and charges	17.806.251	(10.598.790)
Other operating cost	<u>(184.159.784)</u>	<u>(238.492.442)</u>
Operational profit before the balancing and construction activity according to IFRIC12	322.012.088	101.633.951
Revenue from the balancing activity	248.966.900	458.810.505
Cost of balancing gas	(248.966.900)	(458.810.505)
Revenue from the construction activity according to IFRIC12	1.877.041.423	182.449.856
Cost of assets constructed according to IFRIC12	<u>(1.877.041.423)</u>	<u>(182.449.856)</u>
Operational profit	322.012.088	101.633.951
Financial income	203.923.252	230.123.211
Financial cost	<u>(85.694.721)</u>	<u>(129.106.401)</u>
Financial income, net	118.228.531	101.016.810
Profit before tax	440.240.619	202.650.761
Income tax expense	<u>(67.980.587)</u>	<u>(20.006.158)</u>
Net profit for the period	372.260.032	182.644.603
Shares number	188.381.504	188.381.504
Basic and diluted earnings per share (expressed in lei per share)	1,98	0,97
Other elements of the comprehensive income	2.069.849	4.334.050
Total comprehensive income for the period	374.329.881	186.978.653

Director - General
Sterian Ion

Chief Financial Officer
Lupean Marius

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

	<u>Note</u>	<u>Share Capital</u>	<u>Share capital adjustments</u>	<u>Share premium</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
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>292.204.372</u>	<u>4.130.713.534</u>
<i>Elements of the comprehensive income</i>							
Net profit for the period		-	-	-	-	182.644.603	182.644.603
Actuarial gain / loss for the period		-	-	-	-	4.334.050	4.334.050
Establishing profit reserves		-	-	-	-	186.978.653	186.978.653
Legal reserve increase		-	-	-	-	(10.344.066)	(10.344.066)
						10.344.066	10.344.066
<i>Shareholder transactions:</i>							
Dividends related to the year 2022	15	-	-	-	-	(131.867.053)	(131.867.053)
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>347.315.972</u>	<u>4.185.825.134</u>
<i>Elements of the comprehensive result</i>							
Net profit for the period		-	-	-	-	372.260.032	372.260.032
Actuarial gain / loss for the period		-	-	-	-	2.069.849	2.069.849
						374.329.881	374.329.881
<i>Shareholder transactions:</i>							
Dividends related to 2023	15	-	-	-	-	(65.933.526)	(65.933.526)
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>655.712.328</u>	<u>4.494.221.490</u>

Director - General
Sterian Ion

Chief Financial Officer
Lupean Marius

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



	Year ended 31 December 2024 (unaudited)	Year ended 31 december 2023 (restated)
Profit before tax	440.240.619	202.650.761
Depreciation	470.426.405	457.211.345
Gain/(loss) on transfer of non-current assets	181.501	(123.138)
Provisions for risks and charges	(19.364.479)	2.685.721
Provisions for employee benefits	2.903.726	12.567.496
Adjustments for impairment of inventories	11.034.501	8.499.713
Income from connection fees, grants and goods taken free of charge	(105.360.400)	(113.957.081)
Sundry debtors and receivable loss	1.434.719	126.282
Adjustments for the receivable's impairment	(14.120.819)	108.175.204
Interest income	(71.390.823)	(58.616.766)
Interest expenses	131.815.811	90.701.784
Adjustment of the Receivable regarding the Concession Agreement	(127.698.456)	(145.223.075)
The effects of the update of the provision for granted employee benefits	7.912.950	7.229.380
Effect of exchange rate fluctuation on other items than from operation	70.719	5.297.914
Other expenses and income	(143.800)	(330.243)
Operating profit before the changes in working capital	<u>727.942.174</u>	<u>576.895.297</u>
(Increase)/decrease in trade and other receivables	(138.150.880)	(146.725.097)
(Increase)/decrease in inventories	59.357.962	23.533.328
Increase/(decrease) in trade payables and other debts	<u>120.343.524</u>	<u>122.124.169</u>
Cash generated from operations	<u>769.492.780</u>	<u>575.827.697</u>
Interest received	12.016.994	4.317.150
Interest paid	(127.772.619)	(119.820.194)
Paid income tax	<u>(35.637.362)</u>	<u>(80.998.142)</u>
Net cash inflow from operation activities	618.099.793	379.326.511
Cash flow from Investing activities		
Payments to acquire intangible assets	(1.756.897.505)	(236.044.692)
Payments to acquire tangible assets	(18.793.021)	(20.149.402)
Receipts from the disposal of tangible assets	110.457	263.918
Financial investment/shares	(25.000)	13.503.557
Cash flow from connection fees and grants	<u>259.484.584</u>	<u>4.477.340</u>
Net cash used in Investing activities	<u>(1.516.120.485)</u>	<u>(237.949.279)</u>

PRELIMINARY CASH FLOW STATEMENT
(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 withdrawals	1.417.670.000	246.610.000
Long term loans repayments	(132.316.032)	(132.098.774)
Credit withdrawals/repayments for working capital	2.174.192	175.431.456
Leasing payments (IFRS 16)	(5.611.248)	(5.601.390)
Dividends paid	<u>(66.079.699)</u>	<u>(132.399.008)</u>
Net cash used in financing activities	1.215.837.213	151.942.284
Net change in cash and cash equivalents	<u>317.816.521</u>	<u>293.319.516</u>
Cash and cash equivalent as at the beginning of the year	<u>677.556.651</u>	<u>384.237.135</u>
Cash and cash equivalent as at the end of the period	<u>995.373.172</u>	<u>677.556.651</u>

Director – General

Ion Sterian

Chief Financial Officer

Marius Lupean