



# COMPANY PRESENTATION

2023



**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 3,5 billion euros. 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 of the development of gas pipelines for gas transmission, investments that will confirm the regional scope 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 cope with 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 on the international gas market, a leader in the energy market in the region, 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 was founded in Turda for the "underground gas pipeline"

**1914** - completion of the first natural gas transmission pipeline in Europe: Sărmășel - Turda, 55 km long with a diameter of 153 mm.

**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 from two fields, Mănești and Vlădeni in the Prahova Valley was initiated.

**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 478.5 million Euro of which 179.3 million Euro 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 Transmission and System Operators, 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 decarbonisation 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.

**19 September 2023** - SNTGN TRANSGAZ SA, by its subsidiary in the Republic of Moldova, Vestmoldtransgaz SRL (VMTG) the company ensuring the operation, maintenance and dispatching of the pipeline Ungheni-Chișinău, certified according to the ownership unbundling model, takes over the operation, maintenance, dispatching and gas transmission on the Republic of Moldova from Moldovatransgaz SRL.

**29 September 2023** - Transgaz organized in Sibiu the 2023 edition of the Central European Gas Congress of the Central, South-Eastern Europe and the Balkans



## 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

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.

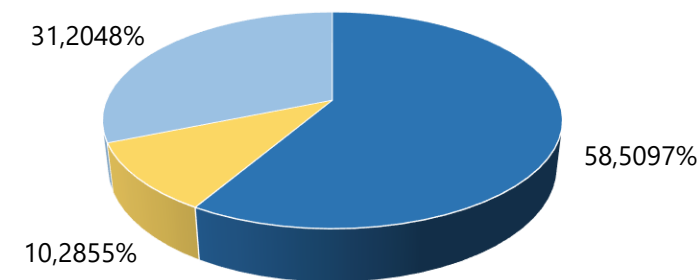
In the context of the development of the capital market, the listing on the Bucharest Stock Exchange of the sole licensed operator for gas transmission in Romania was a strategic decision of great importance both for the future of the company and for the increase of the stock market capitalization of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



### Rating

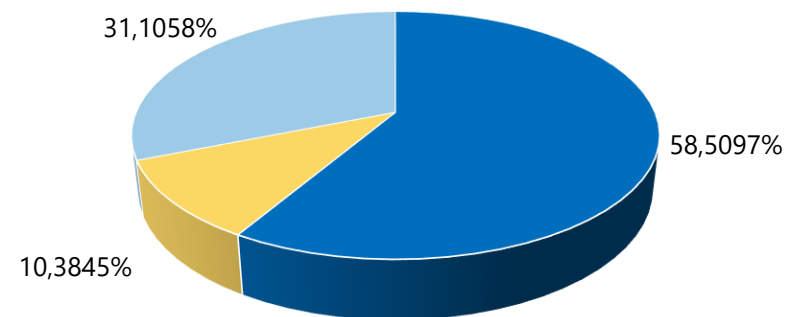
In June 2023, Fitch Rating Agency confirmed the company's rating, namely **'BBB-'Stable Outlook**, rating based on "strong business profile as concessionaire and operator of the gas transmission network in Romania", according to their opinion presented in the rating report.

Shareholding structure on 29 December 2022



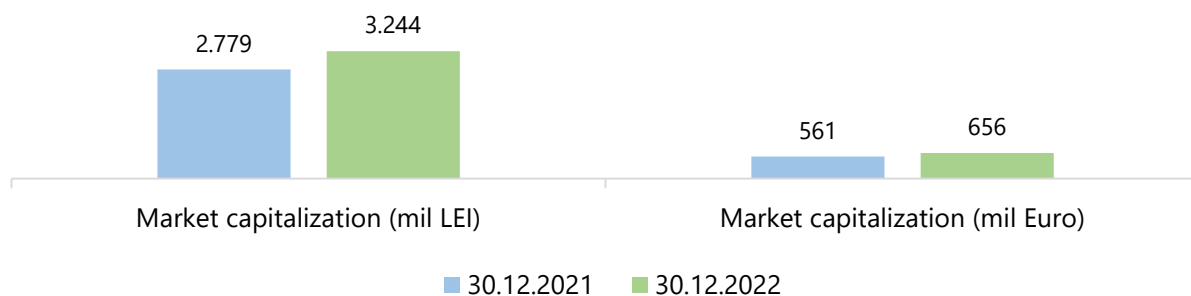
■ The Romanian State through the GSG ■ Natural persons ■ Legal persons

Shareholders structure at 29.09.2023

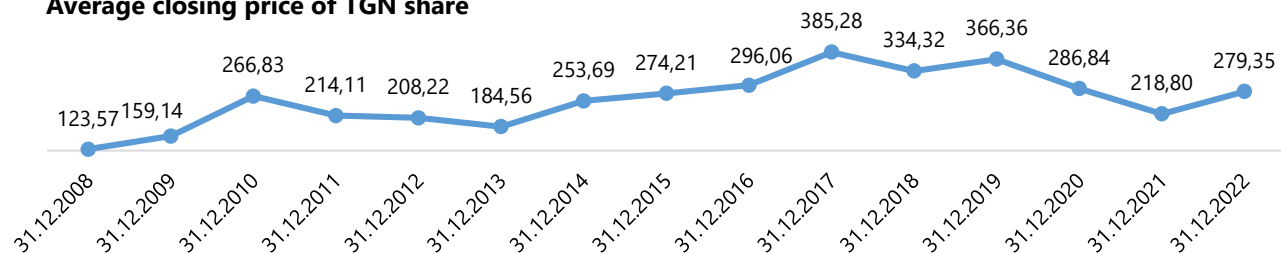


■ Romanian State through GSG ■ Natural Persons ■ Legal Persons

## TGN EVOLUTION AT THE BUCHAREST STOCK EXCHANGE 31.12.2022



### Average closing price of TGN share



TGN SHARE is an attractive portfolio share due to the company's business, 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.

Published on TradingView.com, January 06, 2023 09:44:05 EET  
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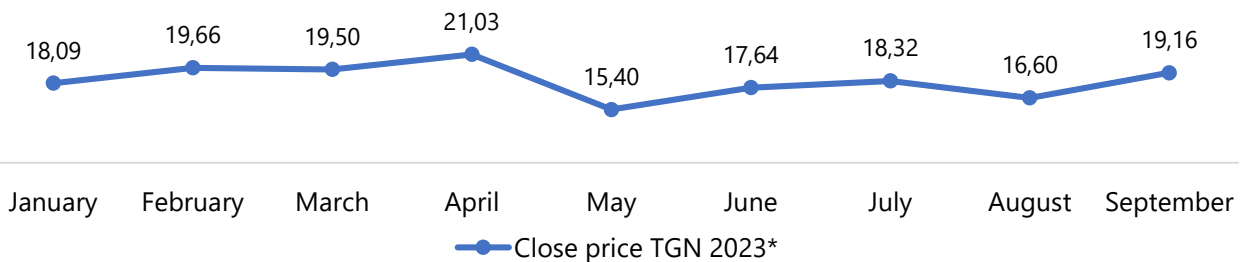
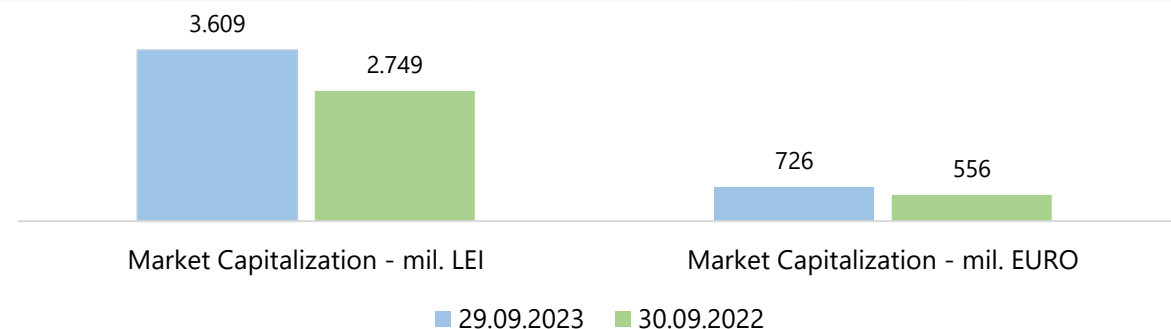
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TradingView

## TGN EVOLUTION AT THE BUCHAREST STOCK EXCHANGE 30.09.2023



\* To ensure the most accurate reflection of the TGN share value evolution, the price indicated in the chart is adjusted by the 1:16 ratio for the period 01.01-30.06.2022 and 03.01-28.04.2023, taking into account the operation of increasing the share capital of SNTGN Transgaz SA by incorporating the reserves.

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TradingView



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, three of them are currently in their second mandate.

Members of the Board of Administration (at 30.09.2023):

- PETRU ION VĂDUVA –non-executive administrator– Chairman of BA;
- ION STERIAN – executive administrator – Director General;
- NICOLAE MINEA – non-executive administrator;
- CSABA OROSZ – interim non-executive administrator;
- GHEORGHİȚĂ AGAFIȚEI – interim non-executive administrator.

TRANSGAZ has, since 2010, adopted corporate governance principles and developed responsible and transparent 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 20.4 million lei.
- **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** – We take care of other people's health as well as our own!
- **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.

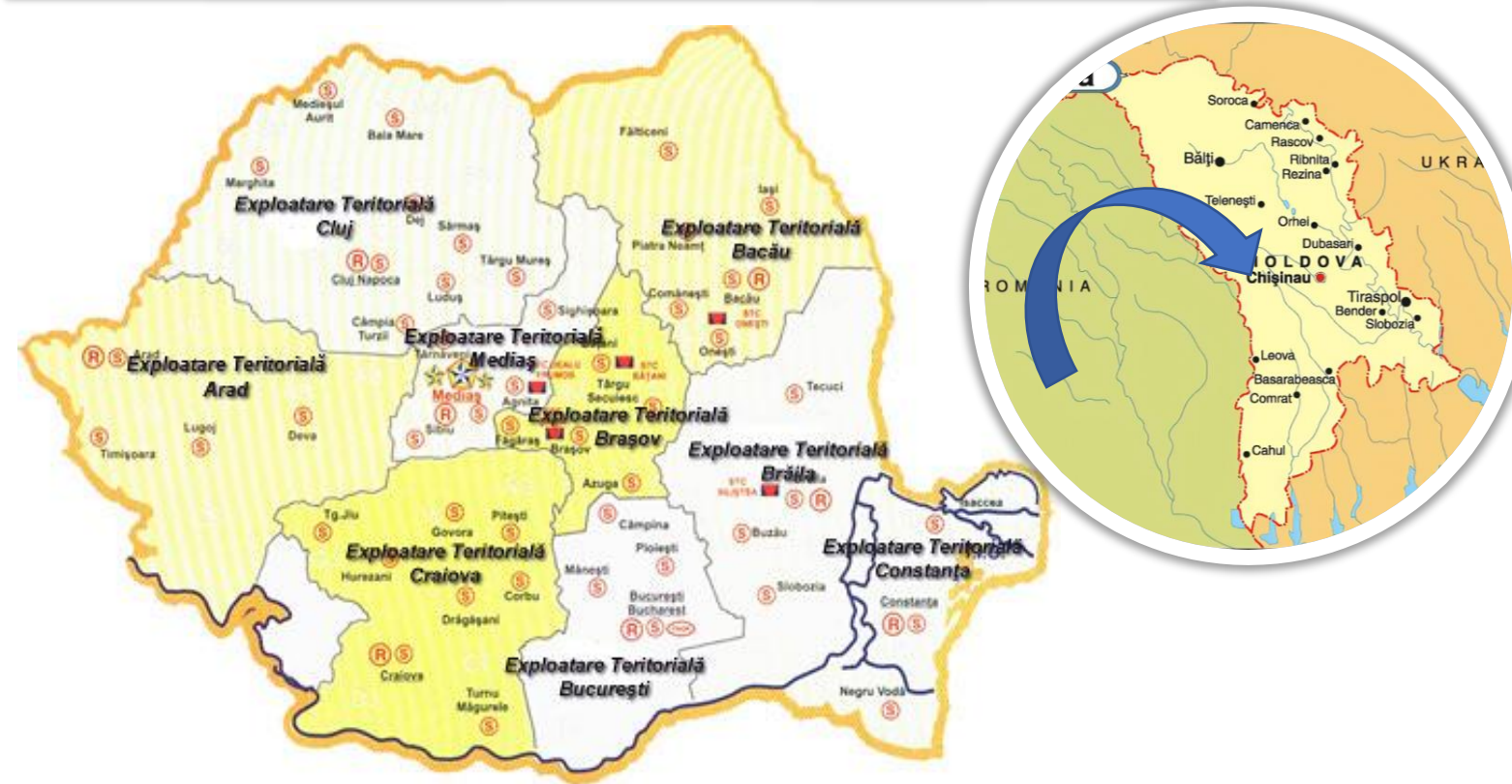
### Internal/management CONTROL

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, workshops, etc.).**

### **Subsidiaries of SNTGN TRANSGAZ SA in the Republic of Moldova:**

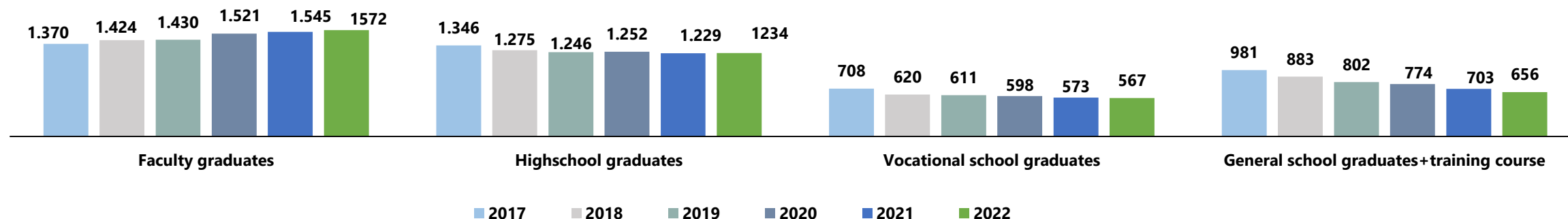
- **Limited Liability Company**  
**"EUROTRANSGAZ": 7/E Balcani Road,**  
**outside built up area, village Ghidighici,**  
**Chisinau municipality, Moldova;**
- **Limited Liability Company**  
**"VESTMOLDTRANSGAZ": 7/E Balcani Road,**  
**outside built up area, village Ghidighici,**  
**Chisinau municipality,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

## Special emphasis on the quality of human resources

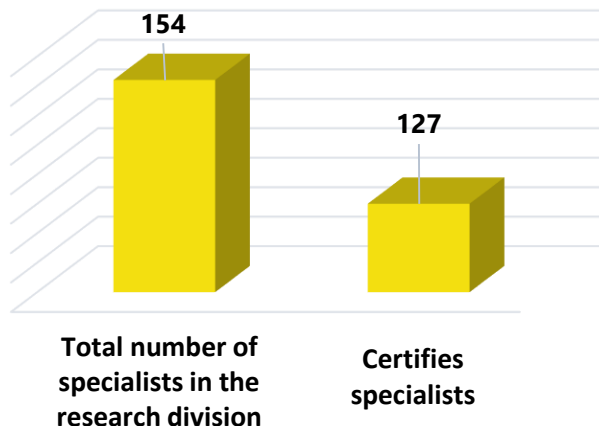
The optimal sizing of the number of personnel within the company is correlated with the real staffing needs imposed by the operational activities carried out by the company, with the upgrading and refurbishment carried out to increase safety and efficiency in the operation of the NTS and related facilities, 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







The research and design division in the field of natural gas transmission consists of:

- 154 specialists with over 19 years of experience,
- 82% of whom are certified and specialized in 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.

**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 in the system and contributed substantially to the achievement of the investment objectives and the maintenance of the NTS.**

Considering its complex and ample investment programme, TRANSGAZ developed significant capabilities to secure competitive funding, through specialised structures, to attract funding from different financiers or European bodies, by accessing European funding programmes.

## CURRENT NTS INFRASTRUCTURE



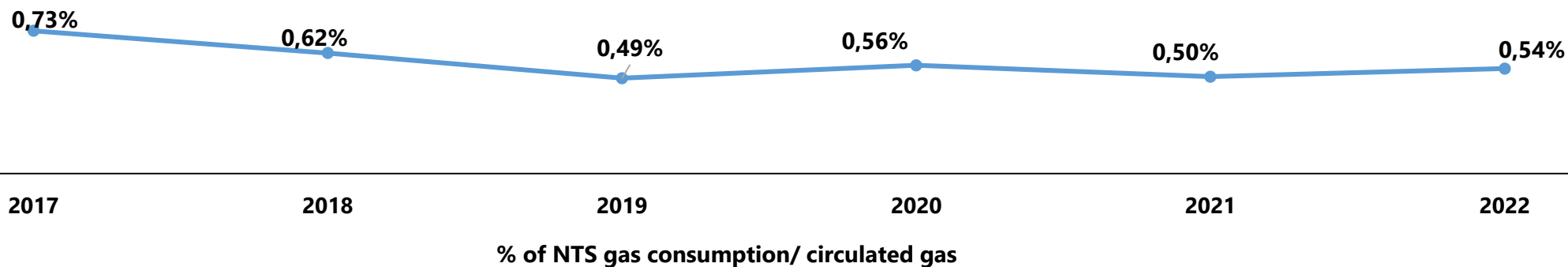
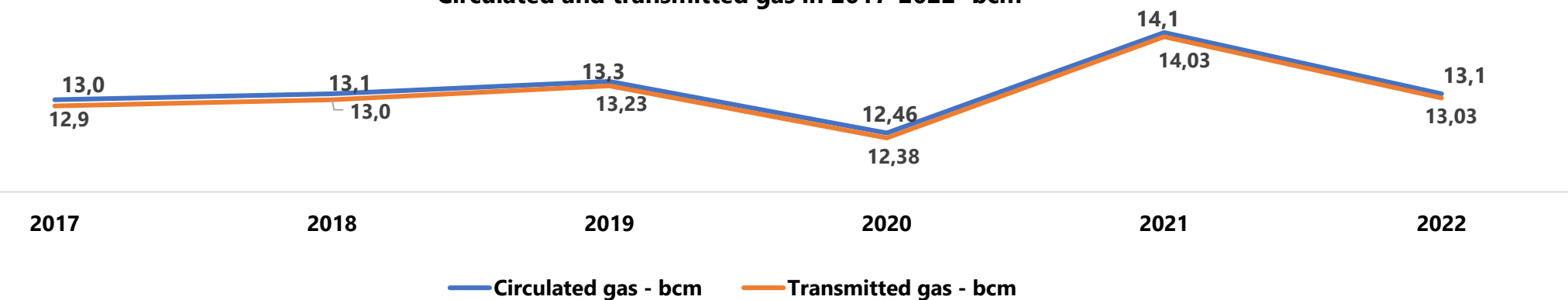
- ❑ 13.942 km main transmission pipelines and connections for gas supply, of which 183,5 km international gas transmission pipelines and 481 km the BRUA pipeline;
- ❑ 1.155 gas metering stations (1.261 metering directions);
- ❑ 2 gas metering stations for international transmission (Isaccea Transit III și Negru Vodă III);
- ❑ 6 import/export gas metering stations (Giurgiu, Medieșu Aurit, Isaccea I, Isaccea II, Negru Vodă I, Negru Voda II);
- ❑ 8 gas compressor stations (Șinca, Onești, Siliștea, Jupa, Podișor, Bibești, Onești Upgrading, Gherăești);
- ❑ 1.083 cathodic protection stations (CPS);
- ❑ 60 valve stations/technological nodes;
- ❑ 1071 odorization stations.

## FUTURE NTS INFRASTRUCTURE

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

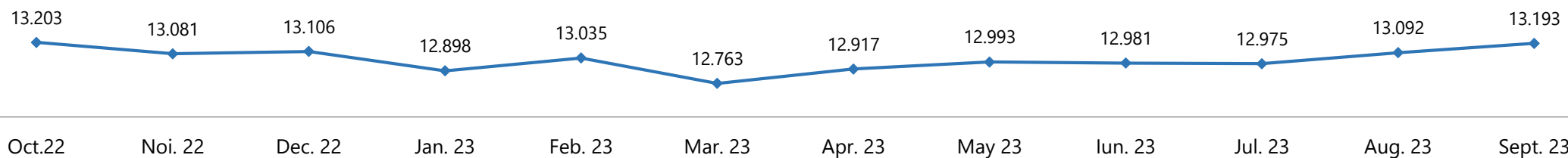
## NTS CIRCULATED AND TRANSMITTED GAS AND GAS CONSUMPTION

Circulated and transmitted gas in 2017-2022- bcm



## NATURAL GAS VOLUMES CIRCULATED – 30.09.2023

Natural gas volumes circulated (including storage quantities) - mil.cm - rolling 12 months

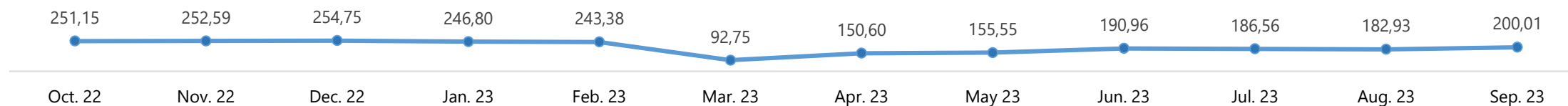


		1Q 2022	2Q 2022	3Q 2022	9M 2022	1Q 2023	2Q 2023	3Q 2023	9M 2023
Circulated gas, out of which:	MWh	43,169,299.34	26,621,530.18	31,541,333.99	101,332,163.50	39,431,791.16	28,992,635.69	33,943,343.00	102,367,769.85
	thousand m <sup>3</sup>	4,034,144.17	2,484,139.91	2,936,491.57	9,454,775.65	3,690,827.73	2,701,795.51	3,148,917.75	9,541,540.99
	MWh	629,418.65	8,445,200.76	14,111,025.18	23,185,644.59	449,900.21	9,697,976.88	10,180,456.81	20,328,333.90
	thousand m <sup>3</sup>	78,795.23	798,396.14	1,333,803.27	2,210,994.64	45,364.59	909,507.99	953,682.17	1,908,554.74
- storage									
Circulated gas storage share		1,46%	31,72%	44,74%	22,88%	1,14%	33,45%	29,99%	19,86%

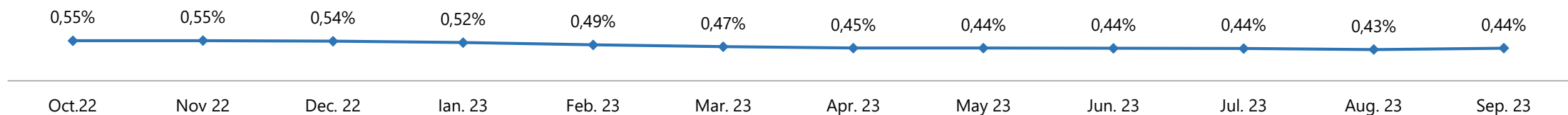


## NATURAL GAS AQUISITION PRICE AND NTS GAS CONSUMPTION – 30.09.2023

Natural gas aquisition price for technological consumption (RON/MWH)



% Technological consumption in total circulated gas volumes (rolling 12 months)



		1Q 2022	2Q 2022	3Q 2022	9M 2022	1Q 2023	2Q 2023	3Q 2023	9M 2023
<b>Technological consumption, materials and consumables used of which:</b>	thousand lei	46,198	47,447	42,545	136,190	46,226	33,044	38,621	117,891
▪ <b>transmission system technological consumption and loss</b>	thousand lei	40,771	37,631	33,294	111,696	39,489	22,145	29,081	90,714
- <b>technological consumption quantity</b>	MWh	307,276	155,519	137,796	600,590	193,782	137,765	150,619	482,166
▪ <b>auxiliary materials</b>	thousand lei	5,089	9,293	8,687	23,069	5,888	10,056	8,621	24,565
▪ <b>other material costs</b>	thousand lei	338	523	565	1,426	849	844	919	2,612

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.



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.

## 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

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.

Transgaz is running a **PILOT PROJECT** for the use of hydrogen natural gas blend and the study of influences on materials, metering systems and combustion equipment ( abbreviated as "ROHYD")

The study aims to determine the implications of transporting the methane-hydrogen mixture on the National Transmission System. The objective of the project is to assess the effect of the gas blend on the behavior, under normal operating conditions, of the main equipment and technical solutions used in the NTS.

At the same time, the pilot plant can determine the impact of H<sub>2</sub> gas blend on a gas distribution network up to the final consumer, including the reduction of greenhouse gas emissions by burning natural gas blended with hydrogen.

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;
- 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.



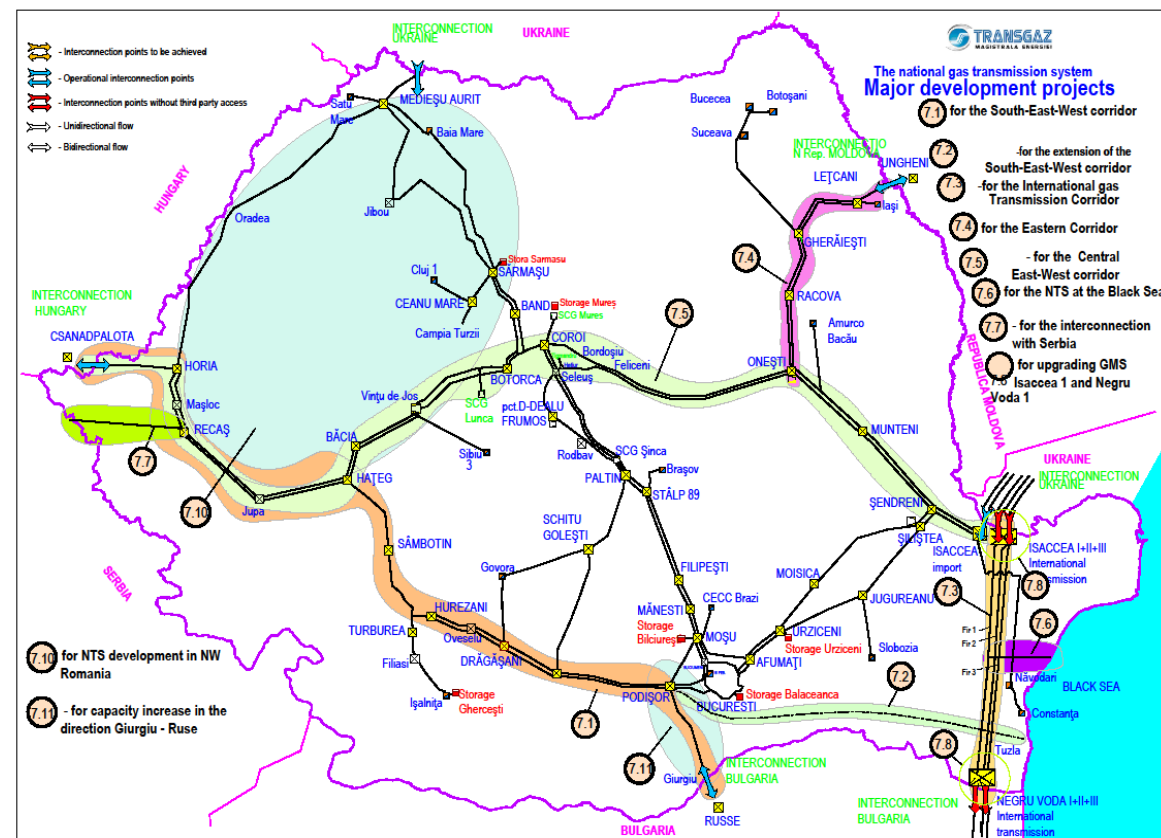
## MAJOR PROJECTS BENEFITS

- 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.

~ 3,545 mil. EURO

Of which:

- 677 mil. euro FID projects; 131 mil. euro A non FID projects; 2,737 mil. euro LA non FID projects





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 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	<b>completed</b>	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	<b>completed</b>	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	Establish an interconnection pipeline with Serbia to diversify sources of supply and increase energy security in the region.	A non FID
7	Development/Upgrading of the gas transmission infrastructure in the North-Western part of Romania	405	2026	Increasing the natural gas transmission capacities in the North-West of Romania to ensure the trends of consumption growth in the region.	LA non FID
8	Increase in the gas transmission capacity of the interconnection Romania-Bulgaria, in the Giurgiu-Ruse direction	51.8	2027	Improving the natural gas supply of the area.	LA non FID

No.	Project	Estimated value mil. Euro	Completion date	Project importance	Project status
9	Eastring-Romania	Phase 1: 1,297 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	26.65	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
<b>TOTAL</b>		<b>3,422.6 million Euro updated 3,544.86 million Euro</b>			

<b>Total estimated cost of the major projects:</b>	<b>3,422.6 million EURO</b>	<b>3,544.86 million EURO, update</b>
<b>Estimated cost of FID projects:</b>	<b>554,99 million EURO</b>	<b>677.25 million EURO</b>
<b>Estimated cost of A non FID projects:</b>	<b>130,71 million EURO</b>	<b>130.71 million EURO</b>
<b>Estimated cost of LA non FID projects:</b>	<b>2,736.9 million EURO</b>	<b>2,736.9 million EURO</b>

No.	Project name	Value (mil. Euro)	Completion date	Project importance	Funding sources
1	DEVELOPMENT ON THE ROMANIAN TERRITORY OF THE NATIONAL GAS TRANSMISSION SYSTEM ON THE BULGARIA – ROMANIA – HUNGARY – AUSTRIA CORRIDOR (ROHUAT /BRUA), PHASE 1 Diameter-800 mm Length - 479 km	<b>397.84</b>	<b>2020</b>	Ensuring technical possibilities for bi-directional flow between interconnections with Bulgaria and Hungary	Own funds -20% Borrowed funds– 42% Grants-38%
2	THE INTERCONNECTION OF THE NTS WITH THE INTERNATIONAL GAS TRANSMISSION PIPELINE T1 AND REVERSE FLOW ISACCEA Diameter- 800 mm Length- 66 km	<b>86.02</b>	<b>2020</b>	Ensuring technical possibilities for bi-directional flow on the Transit 1 pipeline in Isaccea IP	Own funds - 100%
3	UPGRADING GMS ISACCEA 1	<b>16.85</b>	<b>2020</b>	Upgrading gas metering stations at interconnection points to increase energy security in the region	Own funds- 100%
4	INTERCONNECTION BETWEEN THE NTS OF ROMANIA AND THE GAS SYSTEM OF THE REPUBLIC OF MOLDOVA, IN THE IAȘI-UNGHENI-CHIȘINĂU DIRECTION Diameter- 600 mm Length- 120 km	<b>95.22</b>	<b>2020</b>	Ensuring a higher level of interconnection between Romania and the Republic of Moldova in terms of natural gas transmission infrastructure, as well as diversifying the routes and sources of gas supply to the Republic of Moldova.	Own funds – 38% Borrowed funds- 62%
5	NTS DEVELOPMENTS IN THE NORTH-EASTERN AREA OF ROMANIA Diameter- 700 mm Length- 165,15 km	<b>117.13</b>	<b>2021</b>	Ensuring a transmission capacity of 1.5 bcm/year at the interconnection point between the transmission systems of Romania and the Republic of Moldova.	Own funds- 28% Borrowed funds– 48% Grants - 24%
6	NEW NTS DEVELOPMENTS FOR TAKING OVER BLACK SEA GAS Diameter- 500 mm, Length- 25 km	<b>9.18</b>	<b>2021</b>	Creation of an additional gas offtake point from the Black Sea offshore exploitation blocks.	Own funds-100%

No.	Project	Project value (million LEI)	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	This pipeline section can ensure gas supply to the 6 TAUs: Cârcea, Malu Mare, Ghindeni, Teasc, Calopăr and Segarcea. The population of these localities is of approx. 25.000 inhabitants, and the social and cultural objectives of these localities are: 12 secondary schools, 13 kindergartens, 1 hospital, approximately 20 medical and dental offices. The economic profile of the zone: agriculture, vegetable growing and especially, nationally recognized, viticulture.
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 acc. to GR 465/2019	17.35	2022	The projected route of the Pojorâta - Vatra Dornei gas transmission pipeline section is located on the administrative territories of Pojorâta, Sadova, Iacobeni, Dorna Arini, Saru Dornei, Dorna Căndrenilor, Fundu Moldovei and Vatra Dornei (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, tens of medical offices.
3	VERNEȘTI-MĂRĂCINENI-POSTA CÂLNĂU GAS TRANSMISSION PIPELINE PHASE I - VERNEȘTI-MĂRĂCINENI DN 250, L=5,066 km	12.43	2022	Due to the intensive development of the northern area of Buzău, it was considered necessary to construct a gas transmission pipeline connected to the DN 400 Bărbuncești - Moisica pipeline, which would allow both the supply of natural gas to the northern area of Buzău and the neighbouring localities of Mărăcineni, Săpoca, Cernătești, Beceni, which are currently not connected to natural gas utilities. Localities with approximately 11.000 domestic consumers (households), 150 public institutions (schools, town halls, dispensaries, cultural centres, medical offices, etc.) and approximately 1.500 economic agents and public institutions.
4	DN 300 MINTIA – BRAD GAS TRANSMISSION PIPELINE DN 300, L=35 km	29.56	2022	The planned route of the MINTIA - BRAD gas transmission pipeline section is located on the administrative territories of Vețel, Șoimuș, Băița, Vălișoara, Luncoiu de Jos, Ribița and Brad, Hunedoara county, localities with a population of approximately 30.000 inhabitants, and 35 primary and secondary schools, 29 kindergartens, 1 secondary school, 1 university, 6 municipal medical dispensaries, 2 hospitals, 1 sanatorium.
5	SIGHETUL MARMAȚIEI – BORȘA GAS TRANSMISSION PIPELINE DN300, L=88 km WORK DECLARED OF NATIONAL IMPORTANCE acc. GD. No. 425/2020	100.03	1H 2023	The location of the pipeline is on the administrative territory of Sighetu Marmăției municipality, the towns of Vișeu de Sus, Dragomirești and Săliștea de Sus and the communes of Sarasău, Vadu Izei, Giulești, Oncești, Bârsana, Strâmtura, Rozavlea, Șieu, Bogdan Vodă, Vișeu de Jos, Săcel and Moisei, Maramureș county, and approximately 51. 500 domestic consumers, 500 public institutions (schools, town halls, dispensaries, cultural homes, medical offices, etc.) and approximately 2000 economic agents and public institutions.



**STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME AS AT 31.12.2022**

THOUSAND LEI	2020	2021	2022	CHANGES 2022/2021	
				Absolute	Relative
Operating revenue before the balancing and construction activity according to IFRIC12	1,338,015	1,364,950	1,579,284	214,334	16%
Revenue from the balancing activity	199,239	442,200	1,005,544	563,344	127%
Revenue from the construction activity according to IFRIC12	1,587,548	704,027	299,868	-404,159	-57%
Financial revenue	68,929	152,208	498,370	346,162	227%
Operating costs before the balancing and construction activity according to IFRIC12	1,173,521	1,244,239	1,432,968	188,729	15%
Costs from the balancing activity	199,239	442,200	1,005,544	563,344	127%
Cost of assets constructed according to IFRIC12	1,587,548	704,027	299,868	-404,159	-57%
Financial costs	33,872	42,669	225,110	182,441	428%
<b>Profit before tax</b>	<b>199,552</b>	<b>230,250</b>	<b>419,576</b>	<b>189,326</b>	<b>82%</b>
Income tax	34,328	53,445	72,507	19,062	36%
<b>Net profit for the period</b>	<b>165,224</b>	<b>176,805</b>	<b>347,068</b>	<b>170,263</b>	<b>96%</b>
<b>EBITDA</b>	<b>413,213</b>	<b>480,452</b>	<b>584,587</b>	<b>104,135</b>	<b>22%</b>
<b>Turnover</b>	<b>1,474,087</b>	<b>1,683,775</b>	<b>2,440,916</b>	<b>757,141</b>	<b>45%</b>

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.

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 COMPREHENSIVE INCOME AS AT 30.09.2023

THOUSAND LEI	Consolidated 30.09.2023	Consolidated 30.09.2022	CHANGES 2023/2022	
			Absolute	Relative
Operating revenue before the balancing and construction activity according to IFRIC12	1,098,884	1,108,713	-9,829	-1%
Revenue from the balancing activity	321,672	765,029	-443,357	-58%
Revenue from the construction activity according to IFRIC12	56,414	166,667	-110,253	-66%
Financial revenue	219,191	371,227	-152,036	-41%
Operating costs before the balancing and construction activity according to IFRIC12	1,135,399	1,011,359	124,040	12%
Costs from the balancing activity	321,672	765,029	-443,357	-58%
Cost of assets constructed according to IFRIC12	56,414	166,667	-110,253	-66%
Financial costs	128,321	143,762	-15,441	-11%
<b>Profit before tax</b>	<b>54,355</b>	<b>324,819</b>	<b>-270,464</b>	<b>-83%</b>
Income tax	15,702	58,659	-43,630	-74%
<b>Net profit for the period</b>	<b>38,653</b>	<b>266,160</b>	<b>-227,507</b>	<b>-85%</b>

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 Republic of Moldova by EUROTRANSGAZ SRL, TRANSGAZ, as a parent company, prepares consolidated group financial statements.

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

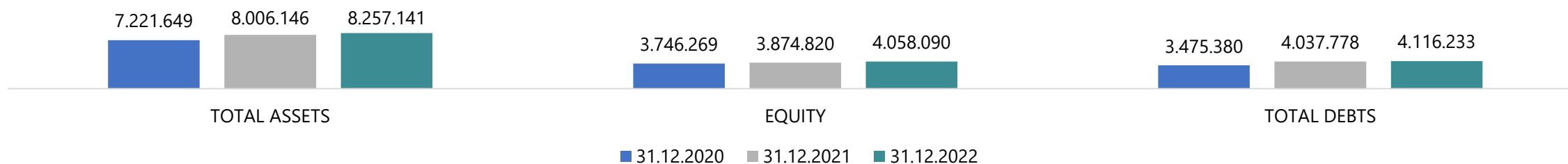
Consolidated companies in the Transgaz group:

		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 31.12.2022

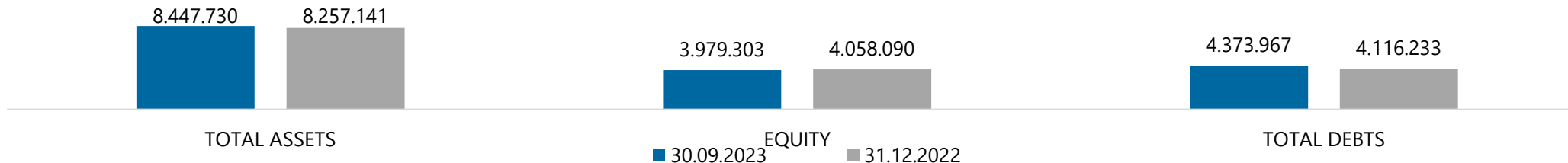
THOUSAND LEI	2020	2021	2022	CHANGES 2022/2021	
				Absolute	Relative
FIXED ASSETS	6,060,659	6,667,476	6,878,493	211,017	3%
CURRENT ASSETS	1,160,990	1,338,671	1,378,648	39,977	3%
<b>TOTAL ASSETS</b>	<b>7,221,649</b>	<b>8,006,146</b>	<b>8,257,141</b>	<b>250,995</b>	<b>3%</b>
<b>EQUITY</b>	<b>3,746,269</b>	<b>3,874,820</b>	<b>4,058,090</b>	<b>183,270</b>	<b>5%</b>
NON-CONTROLLING INTERESTS	-	93,549	82,818	-10,731	-11%
LONG TERM DEBTS	2,772,114	3,091,747	3,151,524	59,777	2%
CURRENT DEBTS	703,266	946,030	964,708	18,678	2%
<b>TOTAL DEBTS</b>	<b>3,475,380</b>	<b>4,037,778</b>	<b>4,116,233</b>	<b>78,455</b>	<b>2%</b>
<b>TOTAL EQUITY AND DEBTS</b>	<b>7,221,649</b>	<b>8,006,146</b>	<b>8,257,141</b>	<b>250,995</b>	<b>3%</b>

THOUSAND LEI



## STATEMENT OF CONSOLIDATED FINANCIAL STANDING AS AT 30.09.2023

THOUSAND LEI	30.09.2023	31.12.2022	CHANGES	
			Absolute	Relative
FIXED ASSETS	6,989,953	6,878,493	111,460	2%
CURRENT ASSETS	1,457,777	1,378,648	79,129	6%
<b>TOTAL ASSETS</b>	<b>8,447,730</b>	<b>8,257,141</b>	<b>190,589</b>	<b>2%</b>
<b>EQUITY</b>	<b>3,979,303</b>	<b>4,058,090</b>	<b>-78,787</b>	<b>-2%</b>
NON-CONTROLLING INTERESTS	94,460	82,818	11,642	14%
LONG TERM DEBTS	3,219,645	3,151,524	68,121	2%
CURRENT DEBTS	1,154,322	964,708	189,614	20%
<b>TOTAL DEBTS</b>	<b>4,373,967</b>	<b>4,116,233</b>	<b>257,734</b>	<b>6%</b>
<b>TOTAL EQUITY AND DEBTS</b>	<b>8,447,730</b>	<b>8,257,141</b>	<b>190,589</b>	<b>2%</b>



The variation of the consolidated economic and financial indicators at 30 September 2023, compared to the indicators achieved in the similar period of 2022 is mainly determined by the variation of the individual economic-financial indicators recorded by SNTGN Transgaz SA at 30 September 2023 compared to the indicators achieved in the similar period of 2022.

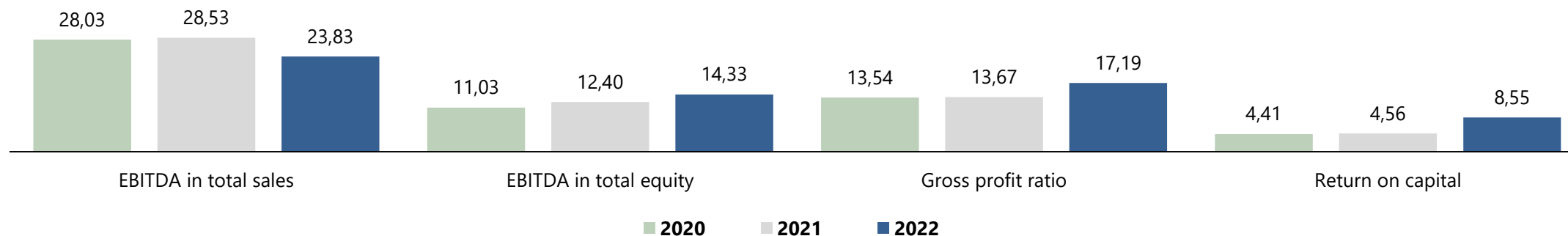
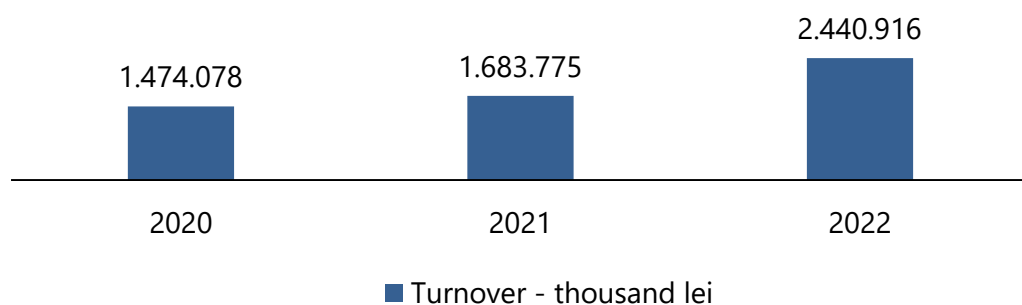
In 1 January 2023 – 30 September 2023 Vestmoldtransgaz SRL of the Republic of Moldova provided natural gas delivery services amounting to lei 19.144 thousand.

As of 19 September 2023, according to ANRE MD Resolution 434/2023, Vestmoldtransgaz SRL of the Republic of Moldova was appointed as operator of the entire gas transmission system in the Republic of Moldova.



## MAIN INDICATORS – CONSOLIDATED RESULTS 31.12.2022

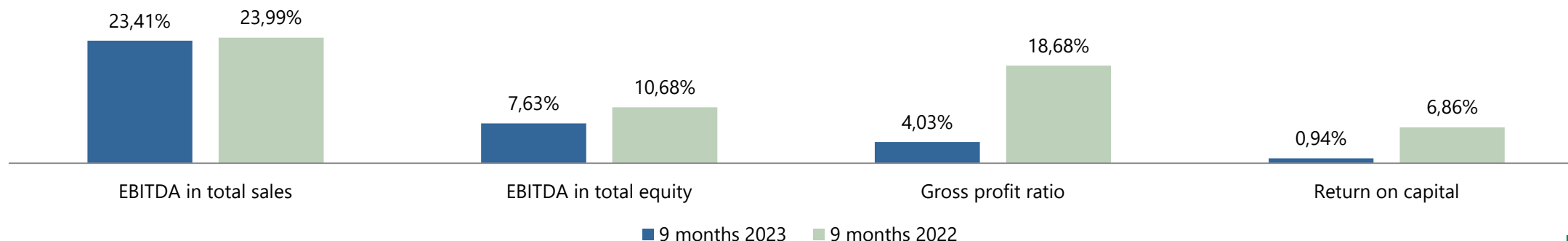
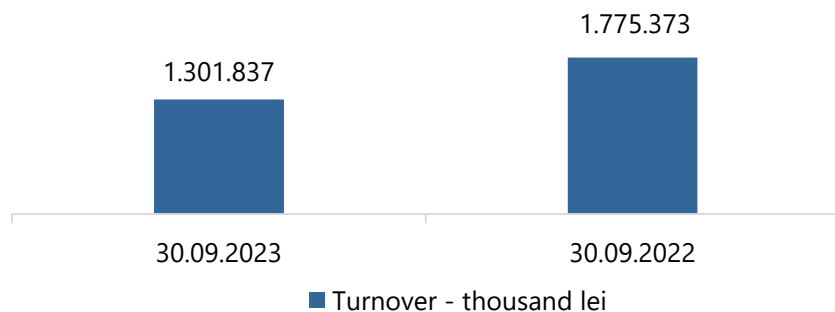
### Turnover 2020-2022



	2020	2021	2022
EBITDA in total sales	28,03%	28,53%	23,83%
EBITDA in total equity	11,03%	12,40%	14,33%
Gross profit ratio	13,54%	13,67%	17,19%
Return on capital	4,41%	4,56%	8,55%
Current liquidity ratio	1,65	1,42	1,43
Quick liquidity ratio	1,37	1,09	0,79
Gearig	42,53%	49,01%	50,62%
Interest coverage ratio	9,57	9,93	3,82
Turnover speed for clients debit - days	167,42	165,09	123,09
Turnover speed for credit providers - days	55,23	73,14	55,95

## MAIN INDICATORS – CONSOLIDATED RESULTS 30.09.2023

### Turnover 30.09.2023 compared to 30.09.2022



	9 months 2023	9 months 2022
EBITDA in total sales	23.41%	23.99%
EBITDA in total equity	7.63%	10.68%
Gross profit ratio	4.03%	18.68%
Return on capital	0.94%	6.86%
Current liquidity ratio	1.30	1.30
Quick liquidity ratio	0.77	0.64
Gearing	47.52%	44.88%
Interest coverage ratio	0.60	3.37
Turnover speed for clients debit - days	158.68	117.17
Turnover speed for credit providers - days	44.66	57.60

## PARTICIPATION IN NATIONAL AND EUROPEAN ASSOCIATIONS

### NATIONAL ASSOCIATIONS



### EUROPEAN ASSOCIATIONS



## MAIN INTERNAL AND EXTERNAL PARTNERS

### PRINCIPALII PARTENERI INTERNI



### MAIN EXTERNAL PARTNERS







**TRANSGAZ**  
**MAGISTRALA ENERGIEI**

[www.transgaz.ro](http://www.transgaz.ro)

**Thank you for your kind attention!**