

**INDEPENDENT REPORT OF LIMITED ASSURANCE OVER THE INFORMATION INCLUDED IN THE CURRENT
REPORTS ISSUED BY THE COMPANY IN ACCORDANCE WITH THE
PROVISIONS OF LAW NO. 24/2017 AND REGULATION NO. 5/2018 ISSUES BY
THE FINANCIAL SUPERVISORY AUTHORITY**

To the Board of Directors and Management,

SNTGN Transgaz S.A.

The scope of the Independent Auditor's Report

We have been appointed by S.N.T.G.N. Transgaz S.A. („the Company”) to report on the information included in the Current reports, and further amendments, from July 4, 2019, August 19, 2019, September 30, 2019, October 02, 2019, October 04, 2019, October 15, 2019, November 12, 2019, November 13, 2019, December 19, 2019 (“Current Reports”) and January, 30 (“Errata”) issued by the Company in accordance with the provisions of Law related to the issuers of financial instruments and market operations (Law no 24/2017) and article 144, B) of the Regulation no. 5/2018 of the Financial Supervisory Authority („ASF”) regarding the issuers and operations on the stock exchange, updated form (“Regulation no. 5/2018”).

The Current Reports have been prepared by the management of the Company to report to ASF in accordance with the provisions of art. 82 from Law no 24/2017 and Regulation no. 5/2018.

Management's responsibility

Management is responsible for the preparation and fair presentation of the Current Reports and further amendments and of the transactions included in them that are free of material misstatement, in accordance with art. 82 from Law no 24/2017 and Regulation no. 5/2018, and for the information presented in these reports. This responsibility includes: designing, implementing and maintaining an internal control relevant to the preparation and presentation of the Current Reports and further amendments that are free of material misstatement, due to fraud or error. Also, this responsibility includes compliance with the provisions of art. 82 from Law no 24/2017 and Regulation no. 5/2018 and maintaining adequate supporting documents regarding the Current Reports and further amendments. Management is responsible for preventing and detecting fraud and ensuring compliance with the legislation and regulations in force.

Auditor's responsibility

Our responsibility is to analyze the reported transactions included by the Company in the Current Reports and to report in the form of an independent conclusion of limited assurance, based on the evidence obtained. We conducted the engagement in accordance with International Standard on Assurance Engagements („ISAE”) 3000 regarding the assurance engagement other than Audits or Reviews of Historical Financial Information. This standard require that we comply with ethical requirements, including independence requirements, and plan and perform our procedures in order to obtain a corresponding assurance level of whether the transactions included in the Current Reports, are in accordance, under all material aspects, with art. 144 B) of Regulation no. 5/2018, as a basis for our independent conclusion of limited assurance.

We apply the International Quality Control Standard 1 (ISQC 1) and, consequently, maintain a solid quality control system, including policies and procedures that document compliance with relevant ethical and professional standards and requirements in legislation or regulations.

We respect the independence requirements and other ethical requirements of IESBA's Accounting Ethics Code of Ethics, which sets out the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.



The selected procedures depend on our understanding of the Current Reports and further amendments and of other circumstances of the engagement, as well as our considerations on areas where material misstatements may occur. In developing our understanding on the Current Reports and further amendments and on the transactions reported in the Current Reports we took into consideration the Company's internal control relevant to the preparation and presentation of the Current Reports and further amendments in accordance with the provisions of art. 82 of Law no. 24/2017 and Regulation no. 5/2018 in order to establish the procedures that are appropriate in these circumstances, but not for the purpose of expressing a conclusion on the effectiveness of internal control for the preparation and fair presentation of the Company's Current Reports and further amendments and the transactions reported in the Current Reports and further amendments.

Limited assurance is narrower than absolute or reasonable assurance. The procedures for obtaining evidence for a limited assurance engagement are more restricted than in a reasonable assurance engagement, and therefore the level of assurance obtained is lower than in a reasonable assurance engagement.

As part of this engagement, we have not performed audit review or verification procedures of the Current Reports and further amendments and on the transactions reported in the Current Reports and further amendments in accordance with the International Standards on Auditing or International Standards on Review Engagements, nor on the sources from which the Current Reports and further amendments and the transactions reported in the Current Reports and further amendments were extracted. Our procedures were only performed in connection with the Current Reports and further amendments. We have not performed other additional procedures to verify whether the Current Reports and further amendments include all contracts with managers, employees, shareholders, as well as their affiliated entities, to be reported according to art. 82 of Law no. 24/2017.

Regarding the Current Reports, we performed the following procedures:

- We obtained from the Company the current accompanying reports and compared the details that are required to be included in these reports under Law 24/2017 (Article 82) with the information that was included in these reports by the Company.
- For a selection of Reports that we have reviewed, as defined in this report, we determined whether their details correspond to all significant aspects of the information contained in the contracts made available to us.
- To the extent that there is a market price for the goods or services provided to the Company's directors, its significant staff and shareholders and the persons involved with them, we have discussed with the management of the Company how the prices of the contracts were set and if, on a case-by-case basis, the agreed prices correspond to those used by other parties (third parties), services or similar goods. If there are no available market prices, we have analyzed whether those transactions are made based on approved and signed contracts.
- For contracts involving the application of regulated tariffs, we compared the tariffs applied with those in force at the date of conclusion of the respective contracts.
- We obtained from the Company the Errata dated 30 January 2020, based on which the following corrections were made for the contracts:
 - A) 113L/October 23, 2019 presented in the Current Report dated November 13, 2019 and 183L/November 20, 2019 presented in the Current Report on December 19, 2019, the estimated values presented do not correspond to the contractual provisions.
 - B) 37/August 26, 2019, 8T/ August 26, 2019, 38/August 26, 2019, 18T/August 26, 2019 presented in the Current Report dated October 04, 2019 was wrongly presented on Current Report Alin. (1), lit. a) și b) al ART. 23 from contract and ART. 7 from contract.
 - C) 176L/November 20, 2019 presented in the Current Report dated December 19, 2019 was presented wrongly the object of the contract on Current Report. The errors found in the above-mentioned reports were corrected based on the Errata published on January 30, 2020.



Conclusion

On the basis of the procedures and the evidence obtained, nothing came to our attention to make us believe that the transactions reported in the Current Reports, and further amendments, from July 4, 2019, August 19, 2019, September 30, 2019, October 02, 2019, October 04, 2019, October 15, 2019, November 12, 2019, November 13, 2019, December 19, 2019, January 30, 2020 do not are in conformity, in all material respects, with the requirements of art. 82 of Law no. 24/2017 and art. 144 B) of Regulation no. 5/2018 meaning that:

- A) The details indicated in the Current Reports and further amendments are not consistent with the contracts made available to us.
- B) The contracts made available to us were not authorized properly by the Company's representatives.
- C) The prices agreed were not accepted based on the products/services or other terms and conditions stipulated in the contract.

Emphasis on matter

The prices related to the contracts included in the Current Reports from July 4, 2019, August 19, 2019, September 30, 2019, October 04, 2019, October 15, 2019, November 13, 2019, December 19, 2019 have been established in accordance with the regulated tariffs by ANRE, through Order number 98/2018. These tariffs are regulated and are not established under market conditions.

Other aspects

Our report was prepared exclusively for the purpose set out in the first paragraph and for informing the Company Management, the Bucharest Stock Exchange (BVB) and the ASF and cannot be used for other purposes. Our report should not be considered as suitable for use by any party wishing to acquire rights to us other than the Company for any purpose or in any context. Any party other than the Company who gains access to our report or a copy of it and chooses to rely on our report or part thereof will do so at its sole discretion. Our engagement has been undertaken to be able to report to the Company's Management those matters that we have to report in an independent, limited liability report, and not for other purposes. Our report only refers to the current Report mentioned above and does not extend to other Company reports.

On behalf of:

BDO Audit SRL

Dan Apostol, Engagement Partner

Cluj - Napoca, Romania

February 3, 2020

For stamp and signature please refer to the original Romanian version