



# **COMPANY PRESENTATION**

**2022**

**A RESPONSIBLE COMPANY, A COMPANY OF THE FUTURE!**



**ION STERIAN**  
**GENERAL DIRECTOR**

***SNTGN TRANSGAZ is the 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 3,4 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.***

## MODERN, DYNAMIC EXCELLENCY ORIENTED COMPANY!

### 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 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.*



## CURRENT NTS INFRASTRUCTURE



- ❑ 14.209,55 km main transmission pipelines and connections for gas supply, of which 183,5 km international gas transmission pipelines and 482 km the BRUA pipeline;
- ❑ 1.141 gas metering regulating stations (1.247 metering directions)
- ❑ 2 gas metering stations for international transmission (Isaccea Tranzit III, Negru Vodă III);
- ❑ 7 imported gas metering stations (Giurgiu, Medieșu Aurit, Isaccea I, Isaccea T1, Isaccea T2, Negru Vodă T1, Negru Voda T2);
- ❑ 8 gas compressor stations (Șinca, Onești, Siliștea, Jupa, Podișor, Bibești, Onești M, Gherăești);
- ❑ 1.045 cathodic protection stations (CPS);
- ❑ 58 valve stations/technological nodes;
- ❑ 1.026 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.

Significant investments are needed to build new connections, rehabilitate parts of the existing system, and build new compressor stations.

WE TRANSMIT GAS IN EFFICIENCY AND MAXIMUM SECURITY CONDITIONS

## CERTIFICATIONS

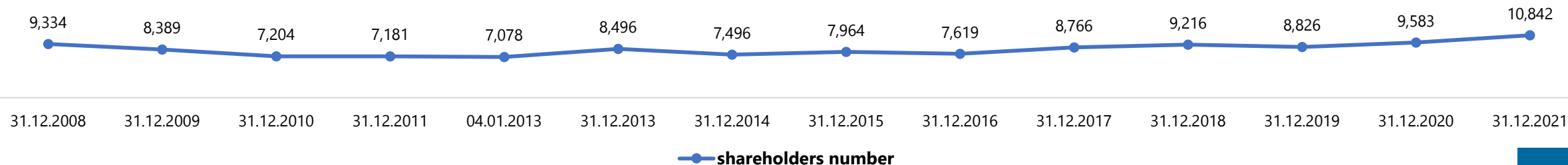
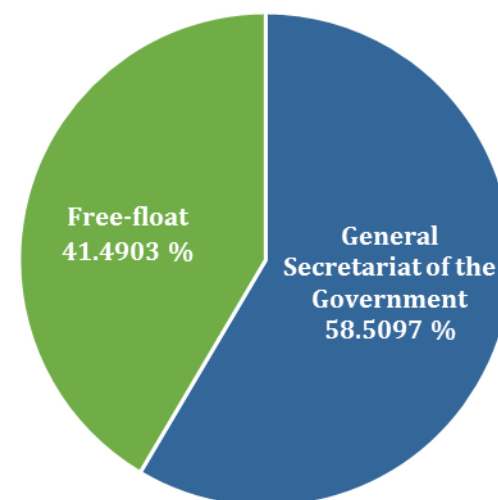
In line with the unbundling requirements of the Third Energy Package, TRANSGAZ obtained the certification as independent system operator. TRANSGAZ obtained the certification of the integrated quality management system SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR EN 45001:2018 by IQ Net (International Quality Network) and OHSAS 18001, company recognized for quality assurance, health and safety.

## CORPORATE GOVERNANCE

As a company listed on the Bucharest Stock Exchange, TRANSGAZ adopted corporate governance practices and developed responsible and transparent business practices. Transgaz' management bodies are the general shareholders meeting, the board of administration, the consultative committees and the executive management delegated to the director general.

## SHAREHOLDING

As of 2008, TRANSGAZ is an active presence on the capital market in Romania, being listed on the Bucharest Stock Exchange.





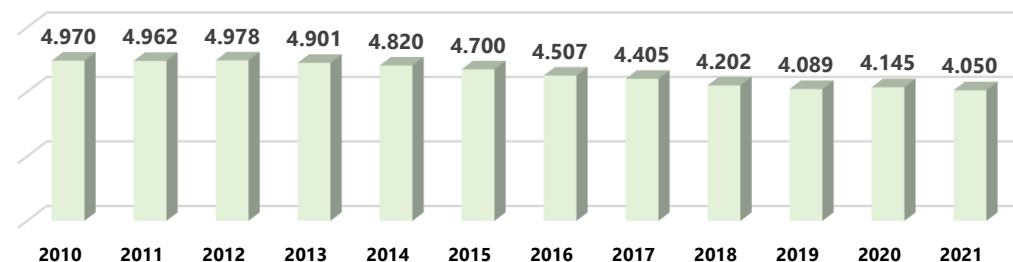
TRANSGAZ is structured by functional units (divisions, units, departments, offices, compartments etc.) and production entities (9 regional offices, sectors, laboratories, working units etc.).

TRANSGAZ has a great number of engineers and technical staff specialized in research and design, exploitation, maintenance and technical assistance in gas transmission.

The company undertakes to increase the percentage of highly qualified specialists among the staff and to increase the level of education of the working personnel.



The evolution of the number of employees







TRANSGAZ has a research and design department in the field of natural gas transmission consisting of 150 specialists with experience of over 25-30 years. 88% of them are certified and specialized in research, design, technical assistance, oil and gas, chemistry and biochemistry, energy efficiency, reduction of technological consumption, feasibility studies of rehabilitation projects and investments in modernization and development of NTS, testing, approval and certification of equipment.

The research and design activity includes very complex strategic activities aiming at:

Rehabilitation and upgrading of the gas transmission system so as to increase safety;

Increasing energy efficiency;

Metering gas flows;

Environmental and labour protection;

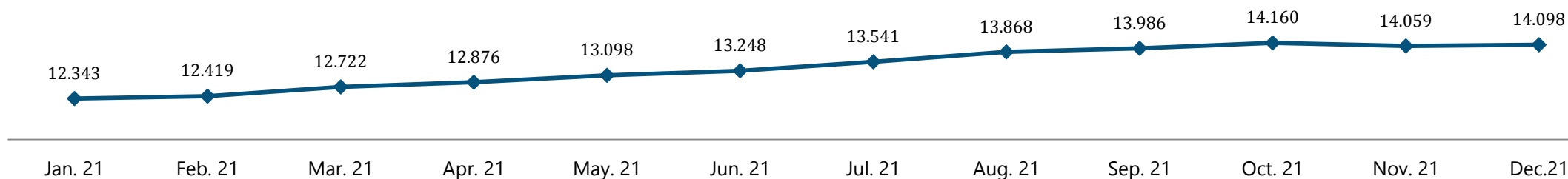
Issuing regulations, technical requirements, standards, working procedures in the field of gas transmission and other connected fields.

TRANSGAZ' specialists have provided technical assistance to construction companies for the design and construction of international gas pipelines in Romania. TRANSGAZ has designed the gas pipelines in the system and has substantially contributed to the achievement of the investment objectives and to the maintenance of the NTS.

Considering its complex and extensive investment program, TRANSGAZ has developed significant capabilities to ensure competitive financing. The company has a professional department for accessing European funds and international relations.

## CIRCULATED NATURAL GAS

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

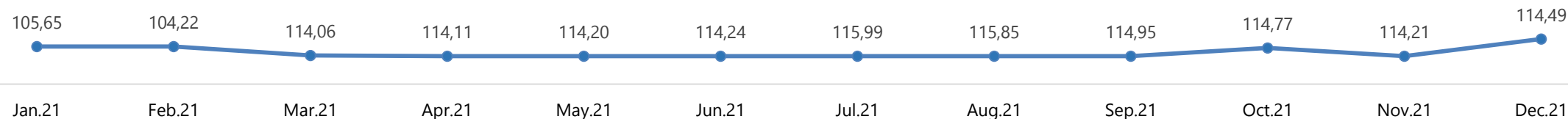


		1Q2021	2Q2021	3Q2021	4Q2021	1Q2020	2Q2020	3Q2020	4Q2020
Circulated gas, out of which:	MWh	47,134,887.33	31,346,775.90	31,807,368.87	40,617,180.29	44,364,276.70	25,819,241.00	23,943,612.17	39,485,484.01
	thousand m <sup>3</sup>	4,405,724.98	2,926,858.87	2,966,137.77	3,799,488.93	4,139,811.57	2,401,074.14	2,228,188.80	3,687,126.97
	MWh	33,800.00	7,065,278.68	12,852,558.21	2,013,683.36	440,750.00	6,350,866.66	5,651,372.86	1,214,913.89
	thousand m <sup>3</sup>	2,366.68	664,115.21	1,209,102.32	192,984.01	40,748.69	598,729.28	533,312.60	113,159.27
Circulated gas storage share		0.07%	22.54%	40.41%	4.96%	0.99%	24.60%	23.60%	3.08%

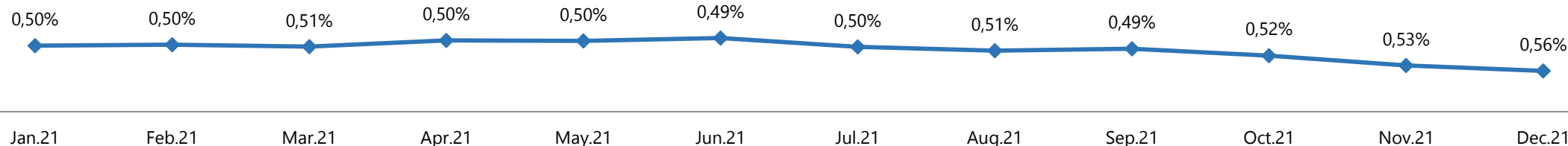


## NATURAL GAS CONSUMPTION IN NTS

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



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



		1Q2021	2Q2021	3Q2021	4Q2021	1Q2020	2Q2020	3Q2020	4Q2020
<b>Technological consumption, materials and consumables used, of which:</b>	thousand Lei	37,752	26,102	22,186	26,778	30,643	19,353	24,197	41,416
▪ <b>transmission system technological consumption and loss</b>	thousand Lei	28,147	17,219	9,473	21,166	25,883	13,473	10,557	29,274
▪ <b>- technological consumption quantity</b>	MWh	261,899	192,303	108,463	181,845	240,122	117,996	91,136	255,743
▪ <b>auxiliary materials</b>	thousand Lei	7,442	8,076	12,554	5,402	3,814	5,327	12,702	10,952
▪ <b>other material costs</b>	thousand Lei	2,163	808	158	210	946	553	939	1,190

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

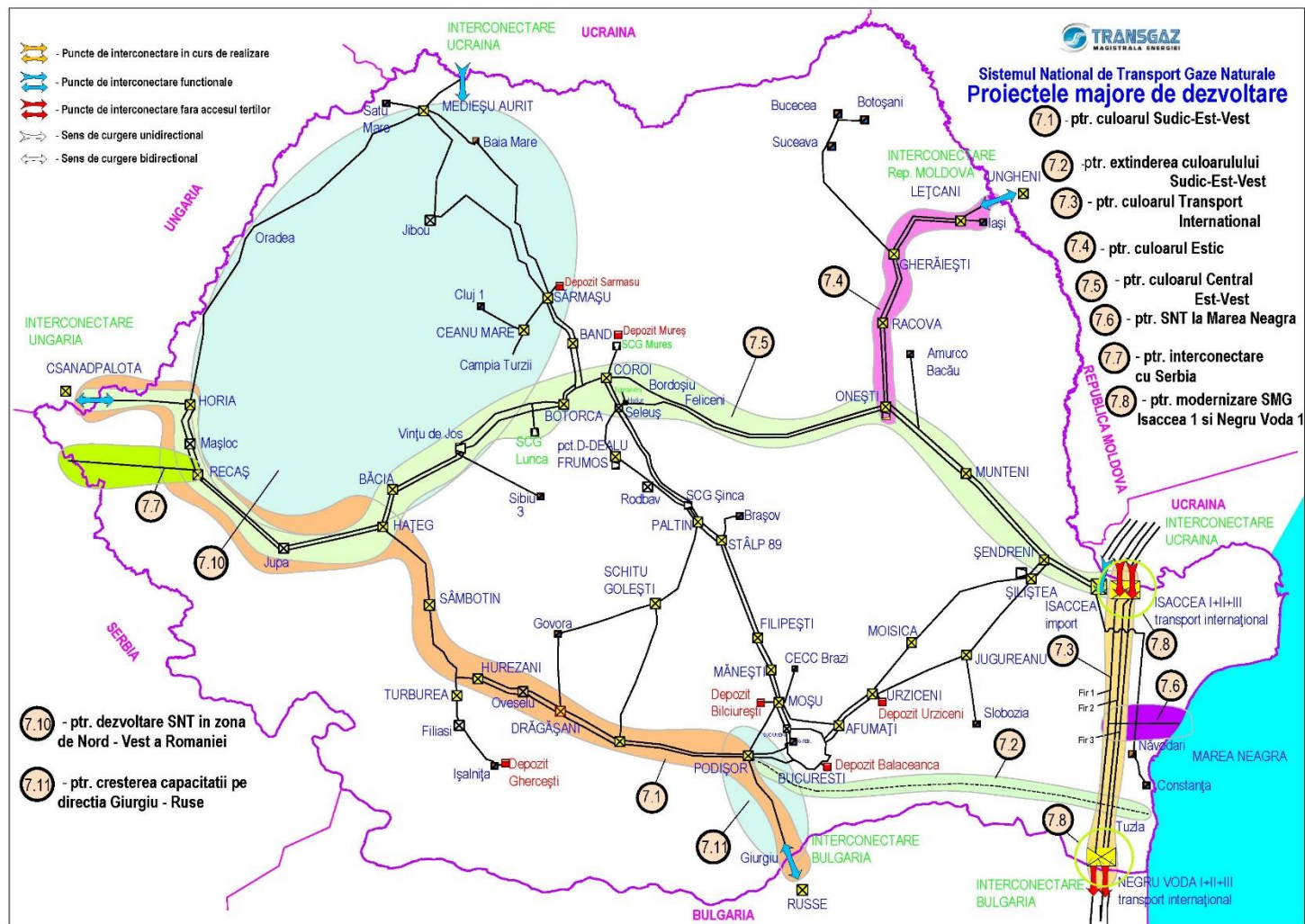
## Increasing the SUSTAINABLE DEVELOPMENT of the company by increasing the human, organizational and human resources and the alignment with the relevant European regulations for the activity of the company and ensuring sustainability.

- ✚ 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

- ✚ Ensuring financial, economic and social performances
- ✚ Maintaining financial balance and operational stability

**MAJOR PROJECTS**



**~ 3,4 BILLION EURO**

Project 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 I)	478.6	2020 <b>completed</b>	Ensuring a natural gas transmission capacity to Hungary of 1.75 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, third, and fourth list of common interest projects.	COMPLETED
2	Development on Romania's territory of the National Gas Transmission System on the Bulgaria - Romania - Hungary – Austria Corridor (Phase II)	74.5	2024	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
3	Development on Romania's territory of the Southern Transmission Corridor for taking over the natural gas from the Black Sea coast	371.6	2024	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 is expected to be taken over by concessionaires
4	Interconnection of the national gas transmission system with the international natural gas pipeline T1 and Isaccea reverse flow.	77.7	Phase 1: 2018 Phase 2: 2020 <b>completed</b>	Transgaz has a great interest in implementing this project for the following grounds: <ul style="list-style-type: none"> <li>in order to eliminate the possibility of imposing extremely costly financial penalties by the European Commission;</li> </ul> We mention that this project is part of the first, second and third list of common interest projects at EU level and will be carried out in two phases.	COMPLETED
5	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	2021	Ensuring a gas transmission capacity of 1.5 bcm/y at the interconnection point between the Romanian and Moldova Republic gas transmission systems.	ACCEPTED
6	Amplification of the bidirectional gas transmission corridor Bulgaria - Romania - Hungary - Austria (BRUA Phase III)	530	2026	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
7	NTS new developments to take-over the gas from the Black Sea coast.	9.14	2021	Creating an additional point for taking over the natural gas from the Black Sea offshore exploitation perimeters.	ACCEPTED



Project no.	Project	Estimated value mil. Euro	Completion date	Project importance	Project status
8	Romania-Serbia Interconnection	56.21	2024	Establish an interconnection pipeline with Serbia to diversify sources of supply and increase energy security in the region.	A non FID
9	Upgrading GMS Isaccea 1	13.88	2020 <b>completed</b>	Upgrading the gas metering station at interconnection points to increase the level of energy security in the region.	COMPLETED
10	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
11	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
12	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
13	Monitoring system, data control and acquisition for the cathodic protection stations related to the National Gas Transmission System	17,7	2026	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
14	Development of the SCADA system for the National Gas Transmission System	5.5	2024	Upgrading the natural gas transmission infrastructure by upgrading hardware and software architecture.	LA non FID
15	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
16	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
17	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
	TOTAL, of which				3,422.6 mil Euro
	FID projects				554,99 mil Euro
	A non FID projects				130,71 mil Euro
	LA non FID projects				2,736.9 mil Euro

The financing modalities considered for the achievement of the key projects for the development of the National Transmission System between 2021 – 2030 (draft) from:

- own sources;
- attracted sources.

The value of Transgaz' key FID projects for 2021-2030 is estimated at EUR ~555 million and will be 35% covered from equity, 57% from loans and 8% from grants.

SNTGN Transgaz SA seeks, to obtain, through sustained efforts, financial support for the financing of investment projects having an impact on the modernization, upgrading and development of the NTS infrastructure in order to obtain a financing mix which provides the lowest cost to finance the development plan.

integration of the natural gas market and interoperability of natural gas transmission systems in the region;

the convergence of gas prices in the region;

increasing the flexibility of the European gas transmission system by bidirectional interconnections;

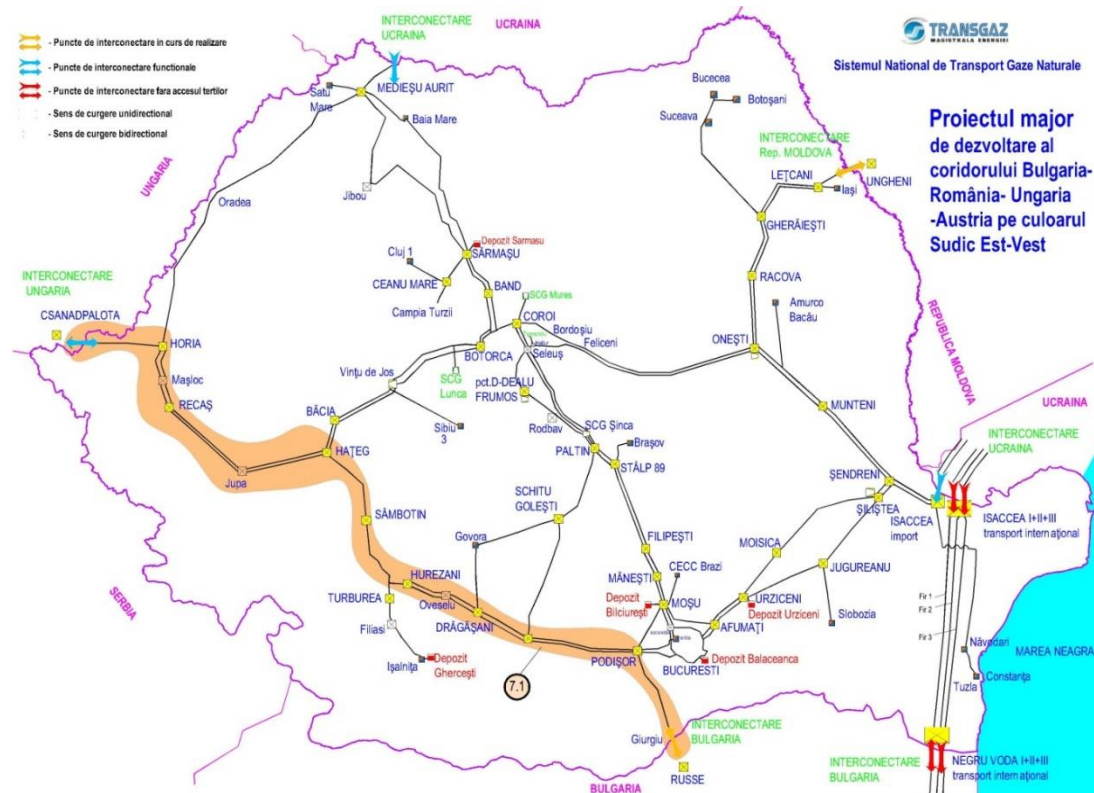
opening the access of Romania and of the European Union to a new natural gas source - through the interconnection of the BULGARIA - ROMANIA - HUNGARY – AUSTRIA corridor with the Black Sea;

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;

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.



## Aim:

- development of the gas transmission capacity between the Romanian and the Bulgarian and Hungarian gas transmission systems

## Capacity:

- 1.75 bcm/y to Hungary
- 1.50 bcm/y to Bulgaria

## Necessary investments:

- 32"x63 bar 479 km pipeline
- 3 compressor stations: Podișor CS, Bibești CS and Jupa CS (inaugurated and put into operation in September and October 2019, August 2020)

## Estimated total costs:

- 478.6 mil. Euro**

## Final investment value:

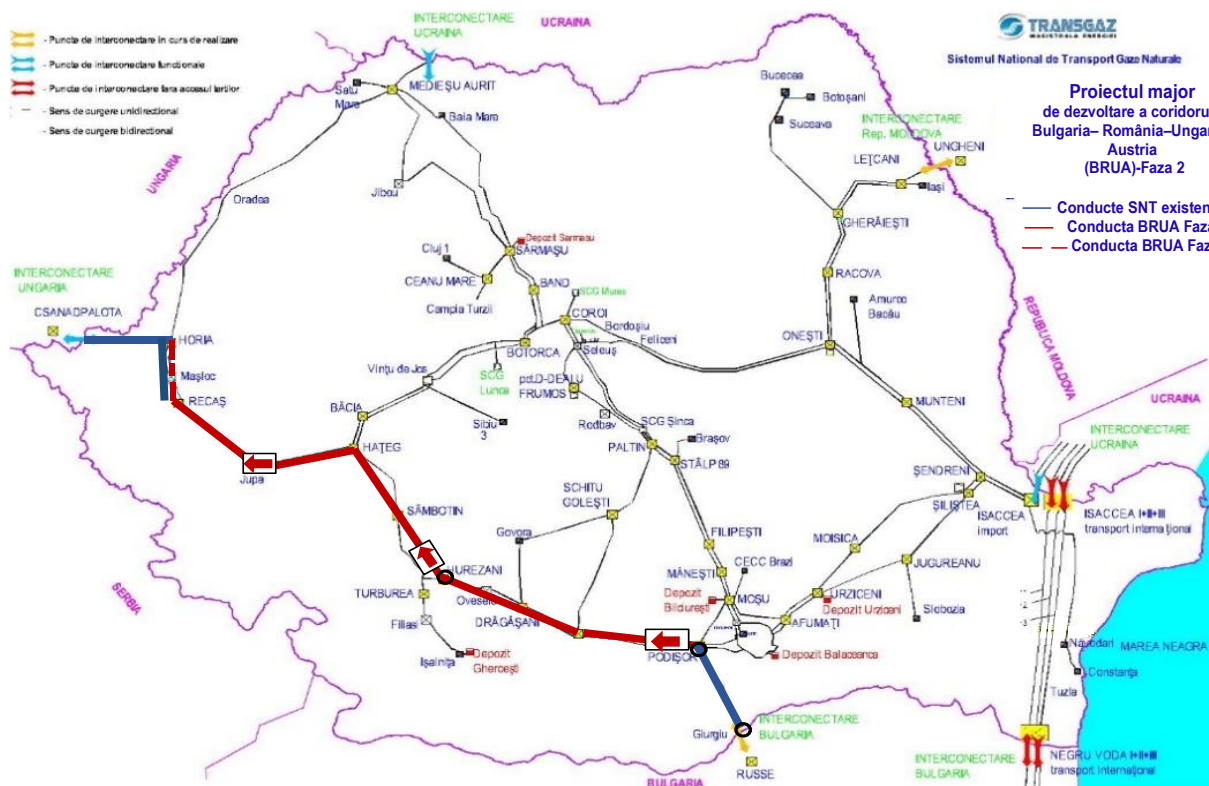
- Euro 387.8 million** (value compared to the average Euro exchange rate during the project implementation period)

Final investment decision – 2016

Estimated commissioning - 2020 - completed

Romanian connection to the neighboring transit





**Estimated commissioning 2024**

## Aim:

- The project aims to increase the gas flow to Hungary through the Horia - Csanadpalota interconnector

## Capacity increase:

- From 1.75 bcm/y to 4.4 bcm/y to Hungary

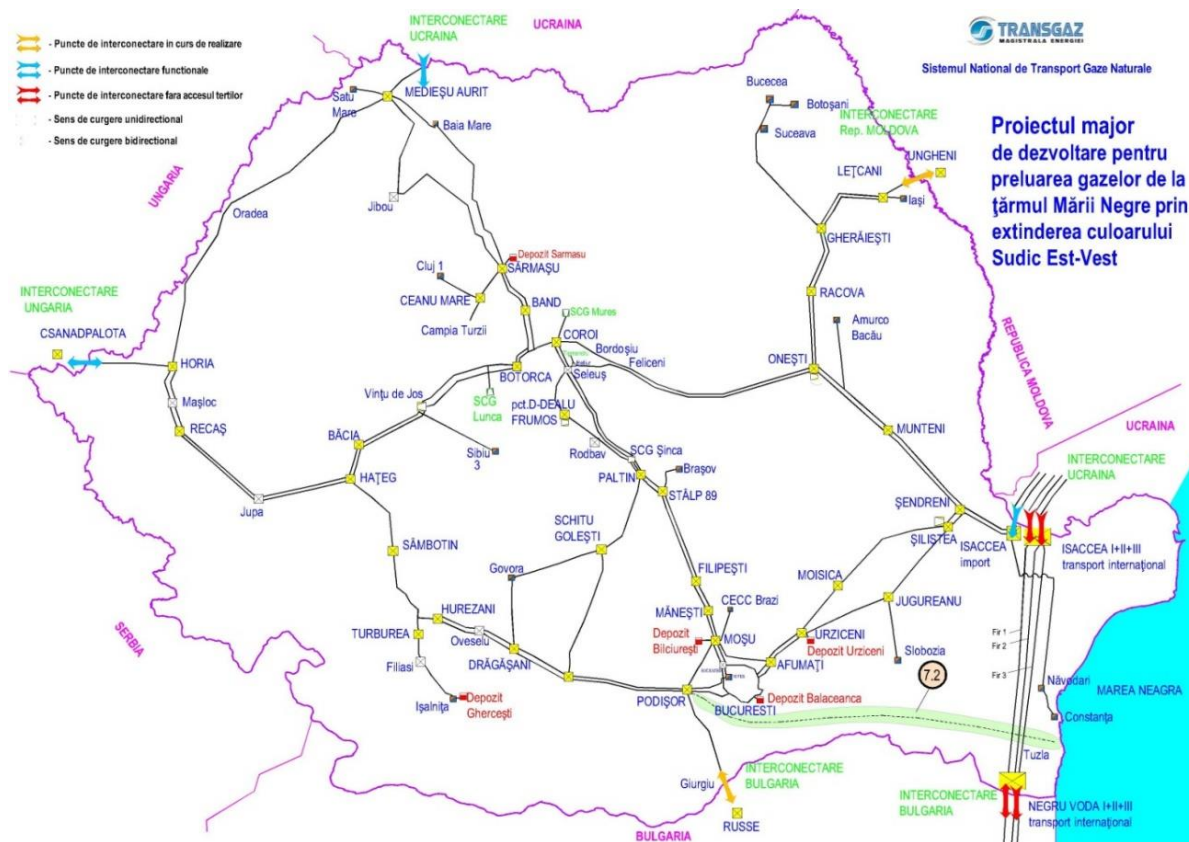
## Necessary investments:

- 32\"x63 bar ~50 km Recaş-Horia pipeline
- increasing the capacity of the three existing compressor stations (Jupa, Bibești, Podișor) by mounting an additional compressors in each station extension of Horia GMS
- SMG Horia amplification

## Total estimated costs:

- 74.5 mil. Euro

*Completion of Phase 2 depends on the successful completion of the binding Open Season procedure for the reservation of capacity at IP Csanadpalota and the timetable for this procedure.*



Estimated commissioning 2024

## Aim:

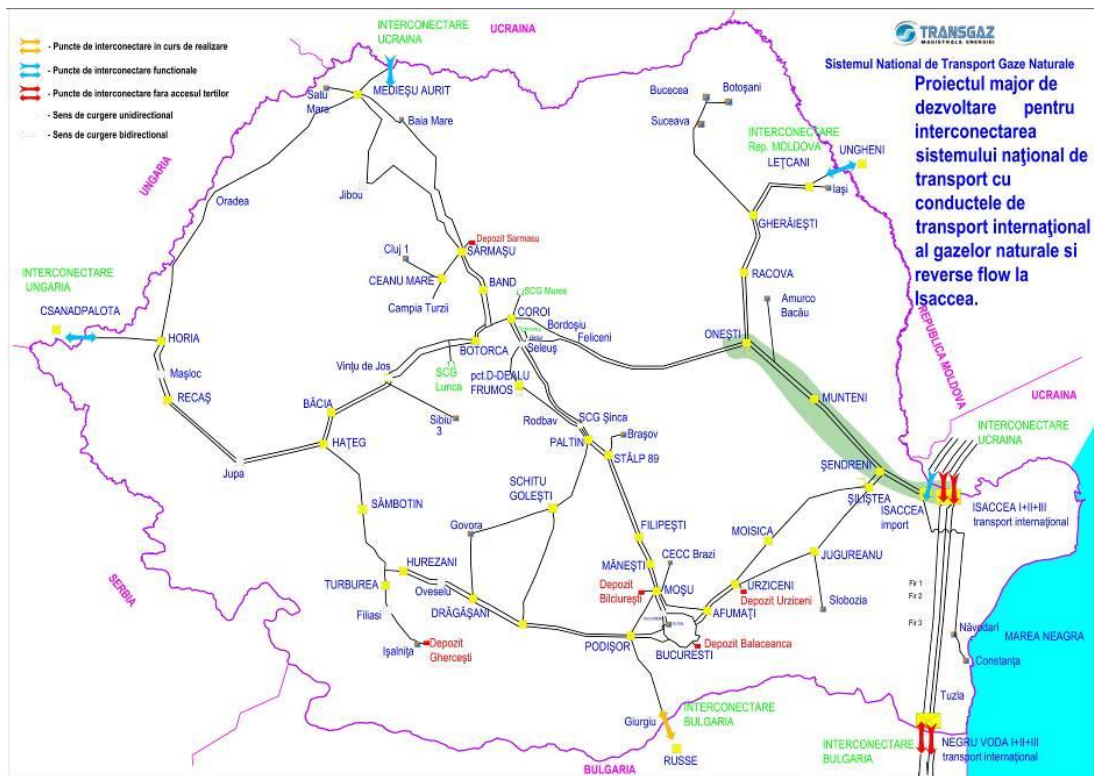
- create a transmission infrastructure for taking over to be produced in the Black Sea

## Necessary investments:

- the Black Sea shore–Amzacea pipeline, 32.5 km, Ø 48" (DN1200)
- the Amzacea–Podișor pipeline, 275.9 km, Ø 40" (DN1000)

## Total estimated costs:

- 371.6 mil. Euro



## Aim:

- create a transmission corridor between Bulgaria, Romania and Ukraine
- ensure physical reverse flow at the Negru Vodă 1 point, according to EU Regulation 994/2010

## Necessary investments:

### Phase 1

- rehabilitation of DN 800 Onești - Cosmești pipeline
- Isaccea interconnection

### Phase 2

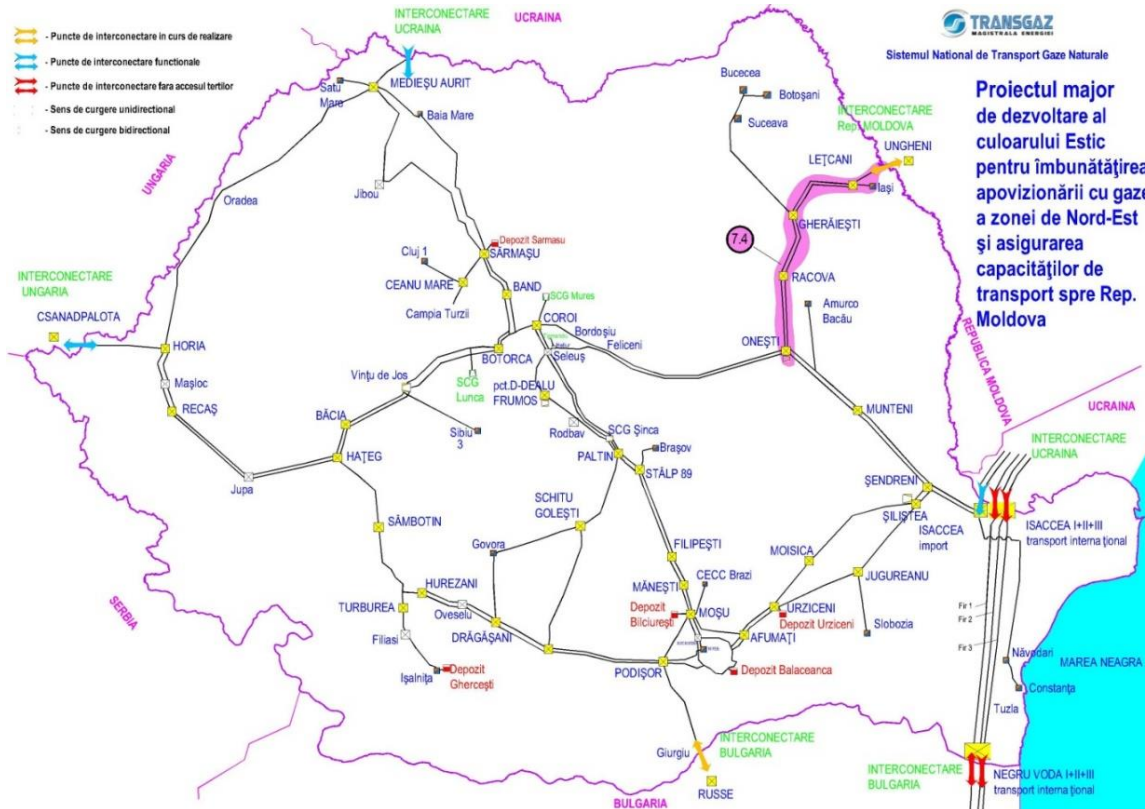
- upgrading of Siliștea CS, Siliștea TN
- upgrading of Onești CS, Onești TN
- upgrading of Șendreni CS, Șendreni TN

## Total costs:

- 77.7 mil. Euro

Final investment decision – 2018

Commissioning - 2018 – Phase I  
 Commissioning - 2020 – Phase II- COMPLETED



## Aim:

- enhancing gas supply to North – East Romania
- ensuring 1.5 bcm/y transmission capacity at the interconnection point between the transmission systems of Romania and Moldova

## Necessary investments:

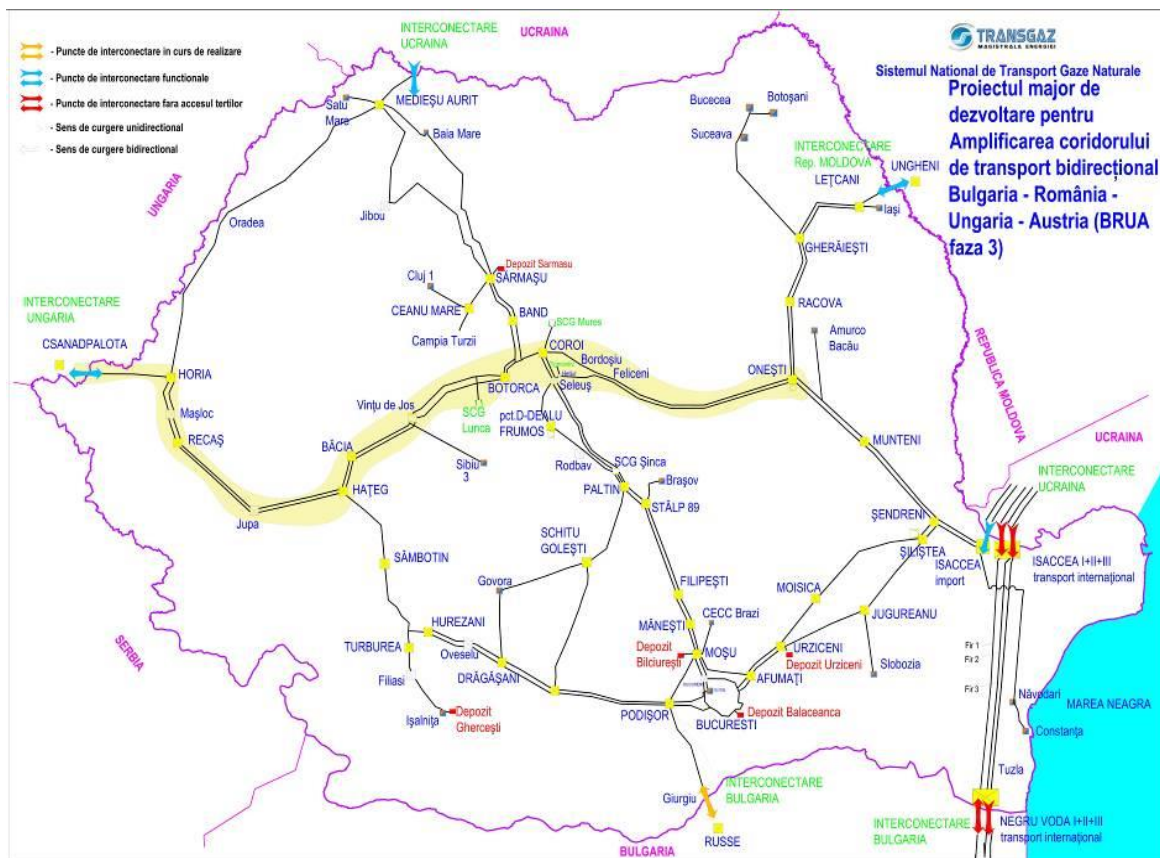
- construction of a DN 700 x 104.1 km pipeline, in the Gherăești - Lețcani direction
- construction of a DN 700 x 61.05 km pipeline, in the Gherăești - Lețcani direction
- construction of a compressor station at Gherăești of 9.14 MW
- construction of a compressor station at Onești of 9.14 MW

## Total estimated costs:

- 174.25 mil. Euro

**Estimated commissioning – 2021 ACCEPTED**





Estimated completion date – 2026

## Aim:

- development of gas transmission capacity on the Onești – Coroi – Hațeg – Nădlac corridor depending on the Black Sea or other onshore blocks gas volumes

## Necessary investments:

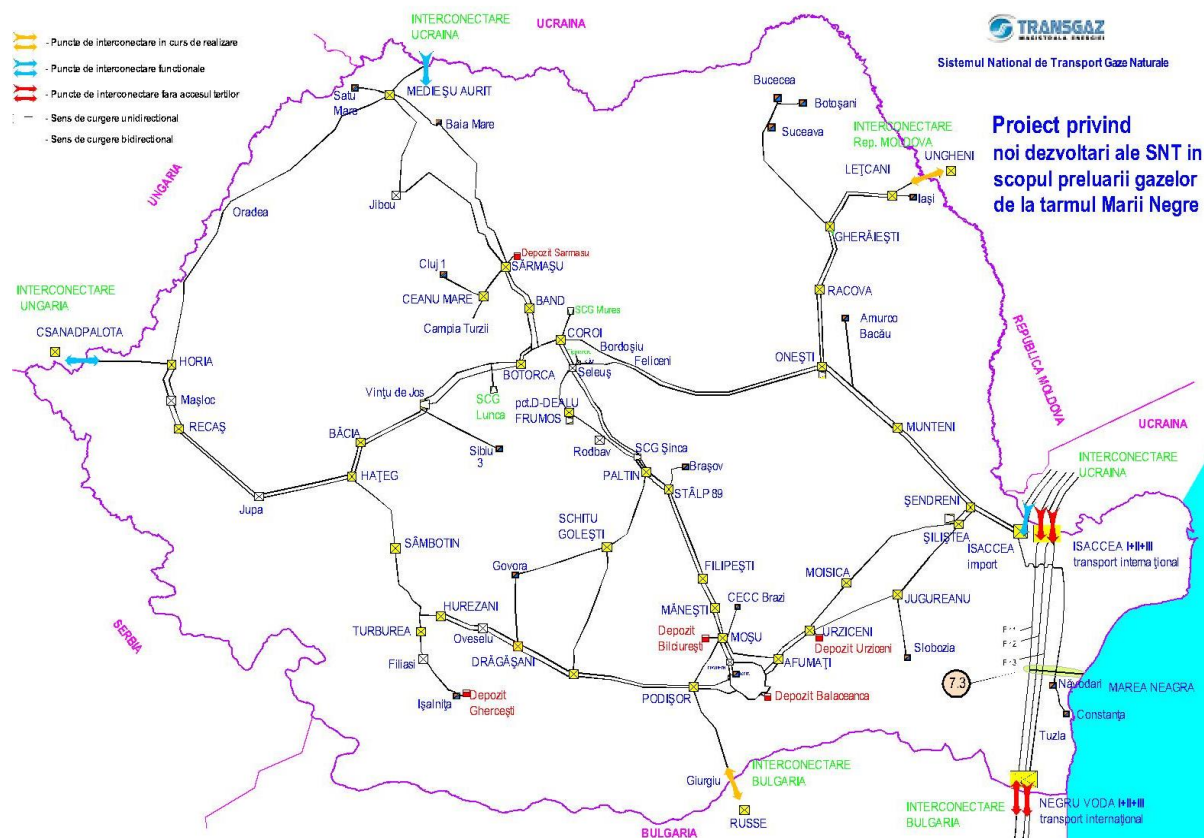
- rehabilitation of some pipeline sections
- replacement of existing pipelines with new larger diameter and operating pressure pipelines
- four or five new gas compressor stations

## Capacity increase:

- 4.4 bcm/y to Hungary

## Total estimated costs:

- 530 mil. Euro



## Aim:

- creation of an additional point for taking over natural gas discovered in the submarine exploitation perimeters of the Black Sea

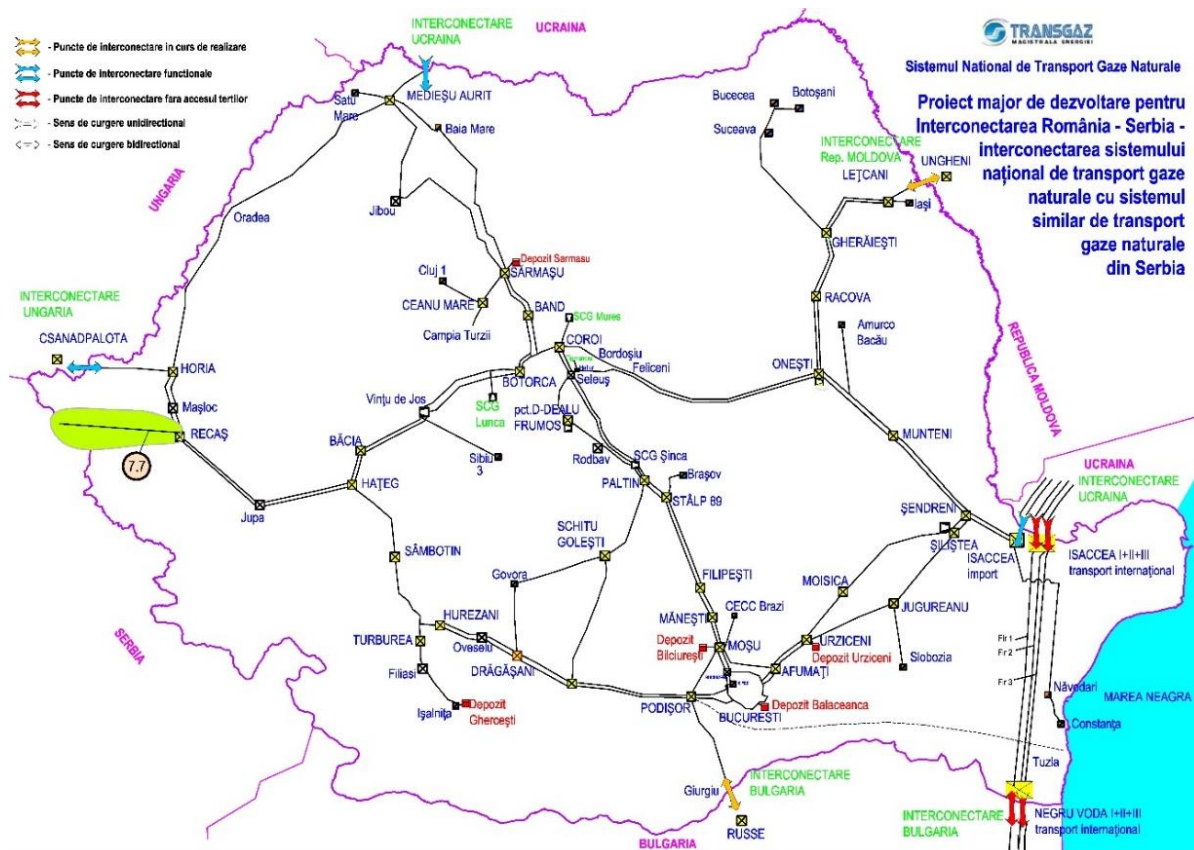
## Necessary investments:

- construction of a 24.37 km DN 500 gas transmission pipeline from the Black Sea shore to the existing T1 international transmission pipeline

## Total estimated costs:

- 9.14 mil. Euro

**Estimated commissioning 2021 – ACCEPTED**



## Aim:

- enhancing security of energy supply to the region

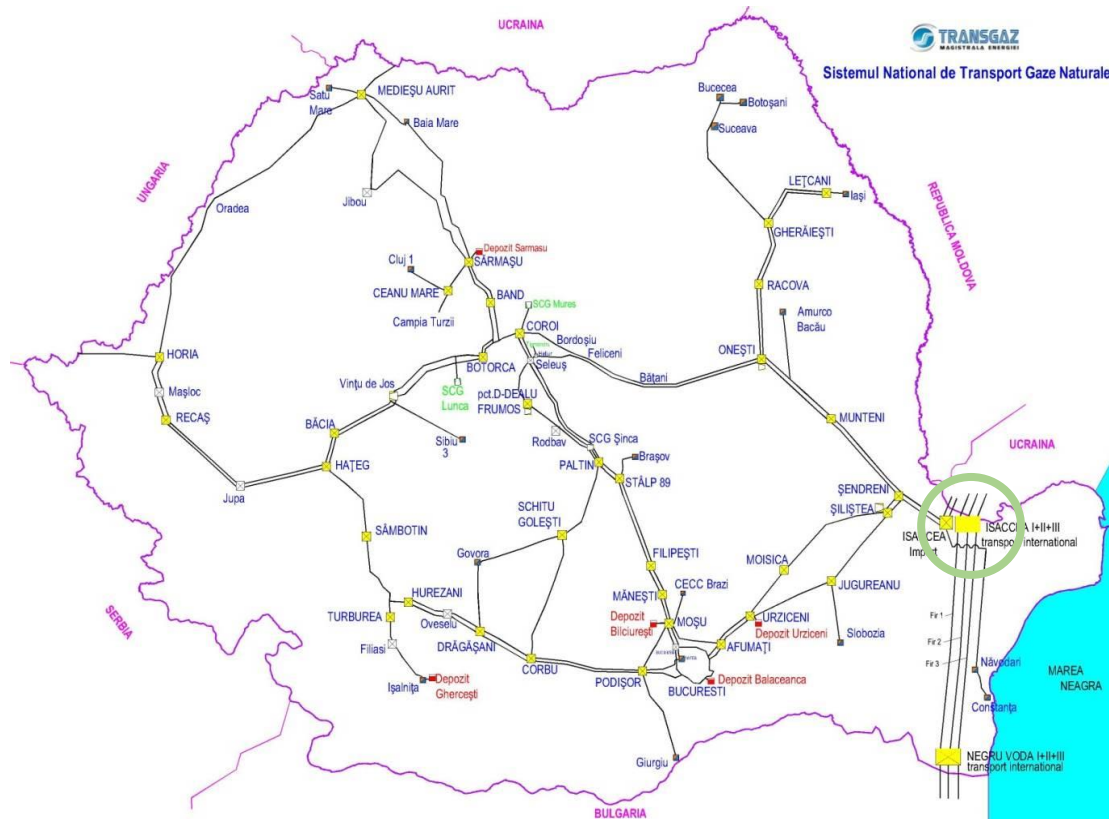
## Necessary investments:

- construction of an approximately 97km long pipeline in the Receaș – Mokrín direction of which about 85 km on the territory of Romania and 12 km on the territory of Serbia, which will be connected to BRUA pipeline
- construction of GMS at Comloșu Mare

## Total estimated costs:

- 56.21 mil. Euro

Estimated commissioning – 2024



## Aim:

- increasing the level of energy security in the region

## Necessary investments:

- construction of a new bidirectional gas metering station, replacing the existing one.

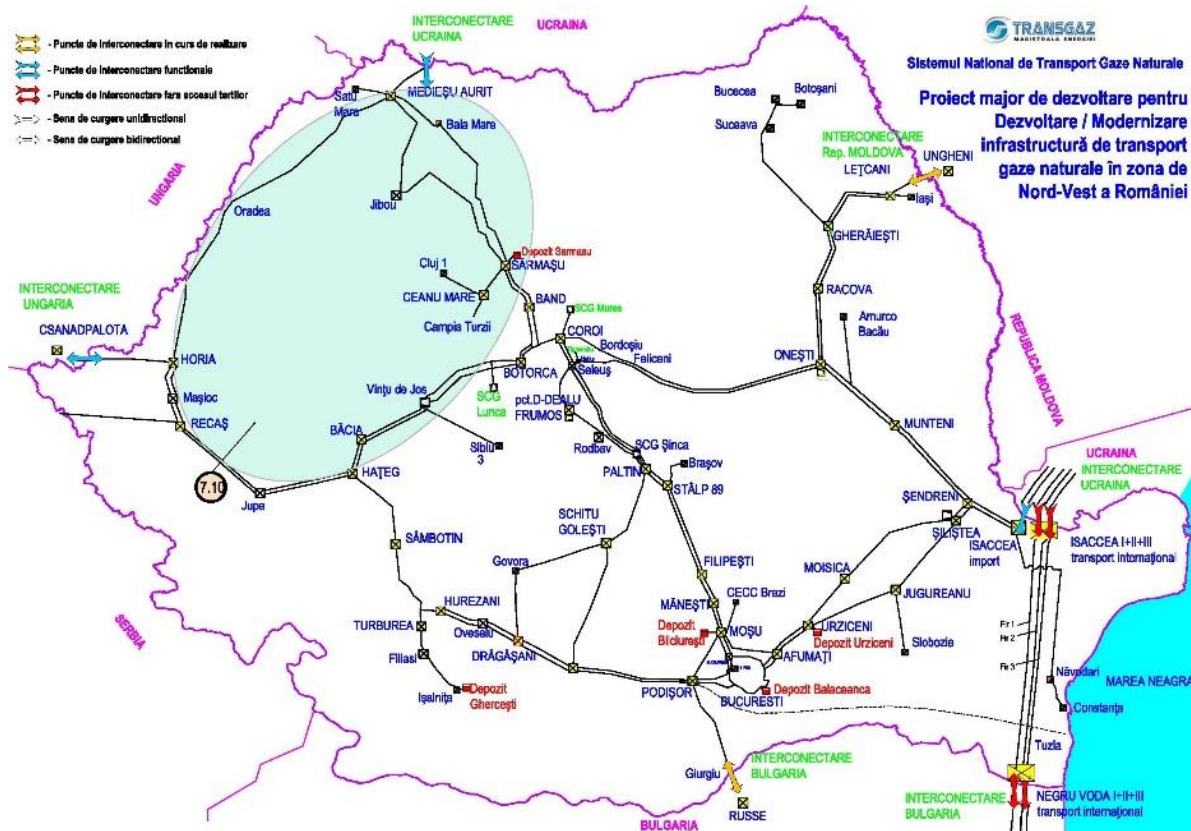
## Total costs :

- 13.88 mil. Euro - upgrading GMS Isaccea 1

Final Investment Decision – 2018

Commissioning – GMS Isaccea 1- 2020 - COMPLETED





## Estimated commissioning - 2026

**Aim:**

- **creation of new gas transmission capacities**

**Necessary investments:**

- construction of a pipeline and of the related equipment in the direction Horia-Medieșu Aurit
- construction of a pipeline and of the related equipment in the direction Sărmășel-Medieșu Aurit
- construction of a pipeline and of the related equipment in the direction Huedin-Aleșd
- construction of a Gas Compressor Station at Medieșu Aurit

**Total estimated costs:**

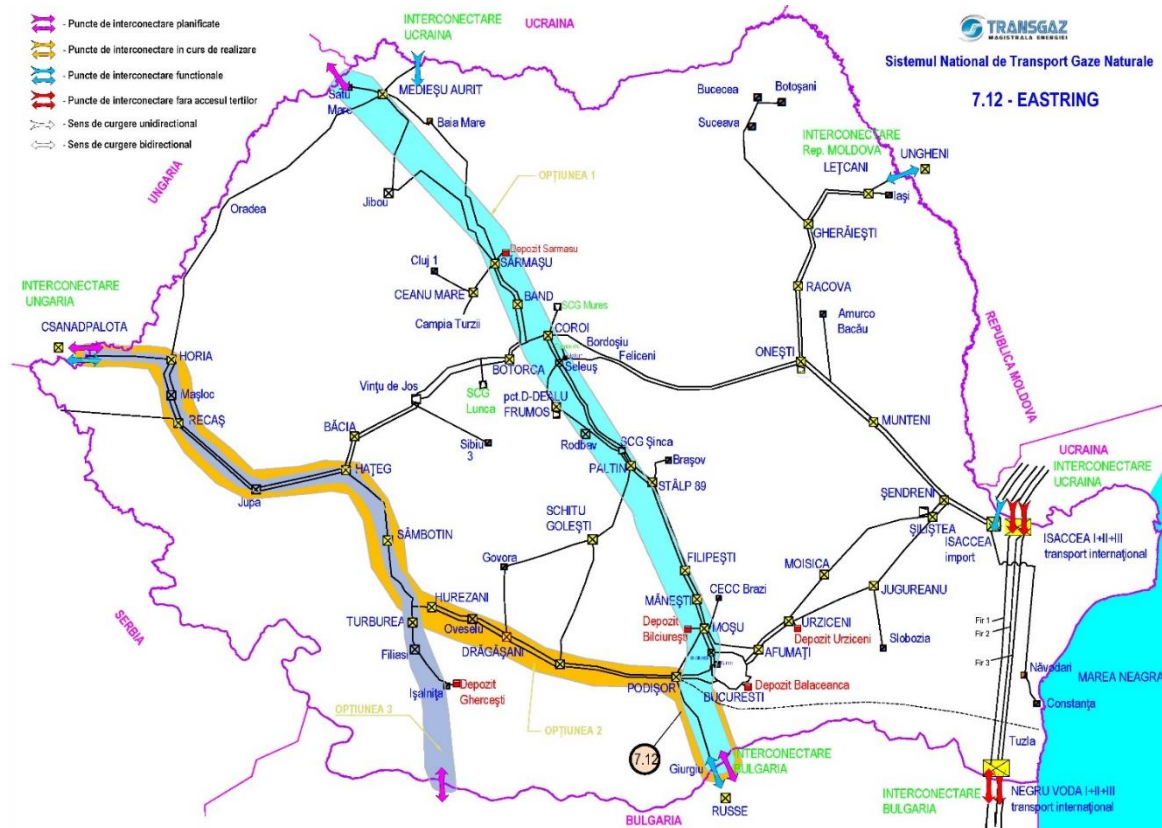
- **405 mil. Euro**



- Necessary investments:**

- Total estimated costs:**

- ## Estimated commissioning - 2027



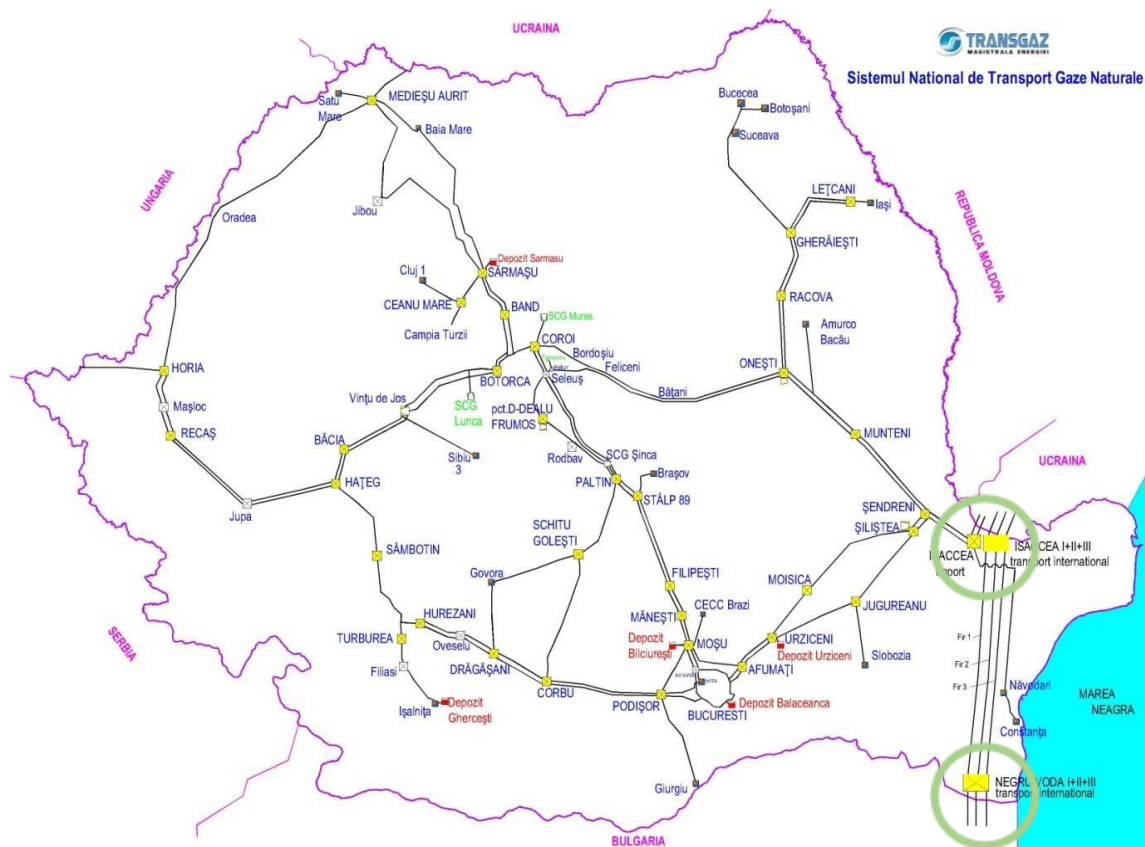
**Aim:**

- **EASTRING will ensure the most cost-reflective and direct transmission route between the gas platforms from the Western European region and the Balkans/Western Turkey. The possibility to diversify transmission routes and gas supply sources will safeguard the regional security of gas supply to the region, mainly in the South-Eastern European countries.**  
**According to the feasibility study, the project will be implemented in two stages as follows:**
  - **Phase 1 – Maximum capacity of 20 bcm/y**
  - **Phase 2 – Maximum capacity of 40 bcm/y**

**Total estimated costs:**

- **Phase 1 - 1,297 mil. Euro for Romania (2,600 mil. Euro - total)**
- **Phase 2 - 357 mil. Euro for Romania (739 mil. Euro - total)**

**Estimated commissioning – 2027 - Phase 1  
2030 - Phase 2**



## Aim:

- Enabling bidirectional flow on the T2 pipeline, part of the Trans-Balkan corridor

## Necessary investments:

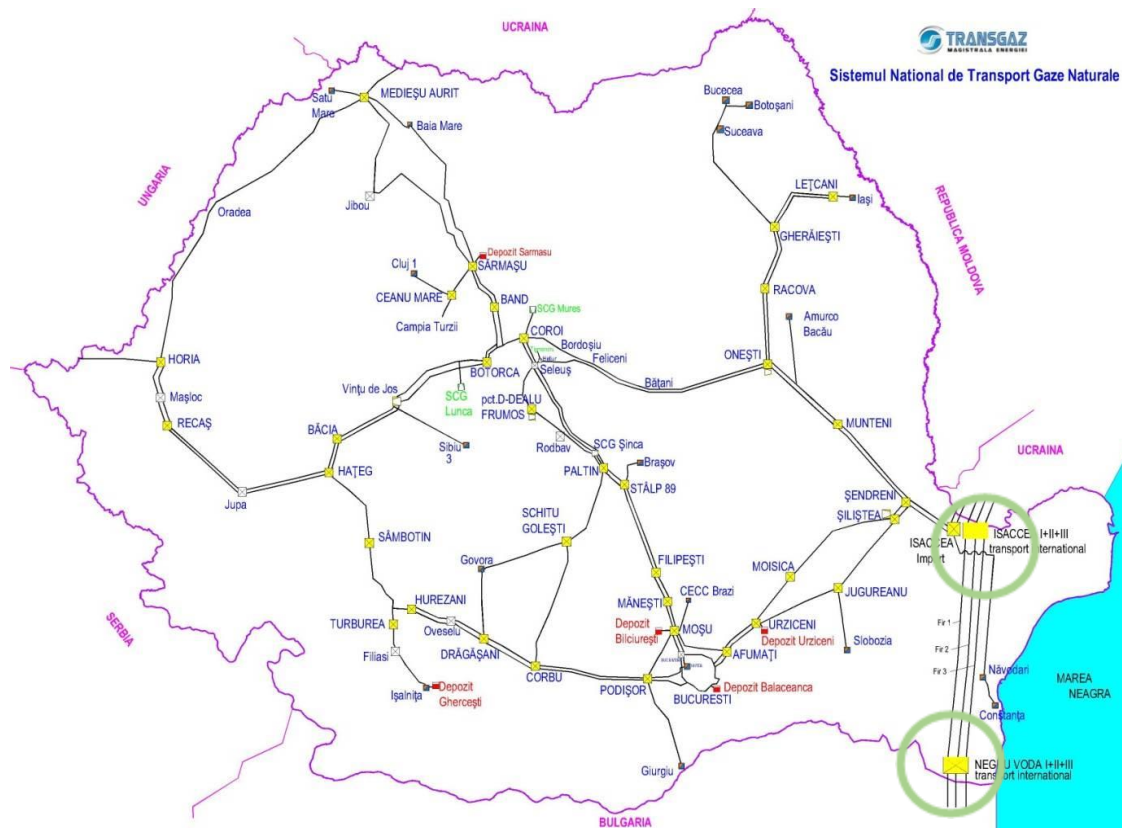
- modernization of the existing gas metering stations

## Total estimated costs:

- 26.65 mil. Euro

Estimated commissioning - 2024





Estimated commissioning - 2028

## Aim:

- Enabling bidirectional flow on the T3 pipeline, part of the Trans-Balkan corridor

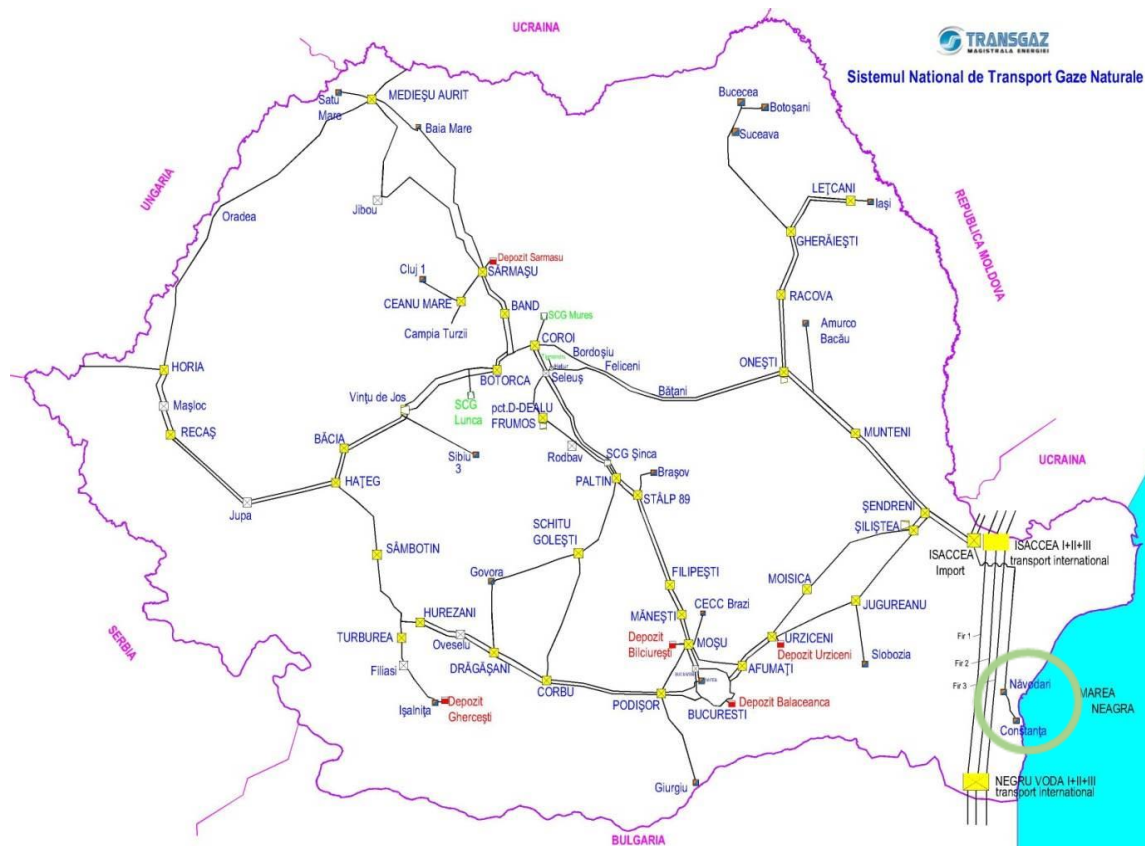
## Necessary investments:

- modernization of the existing gas metering stations

## Total estimated costs:

- 26.65 mil. Euro





Estimated commissioning - 2028

## Aim:

- taking over natural gas from the Black Sea coast

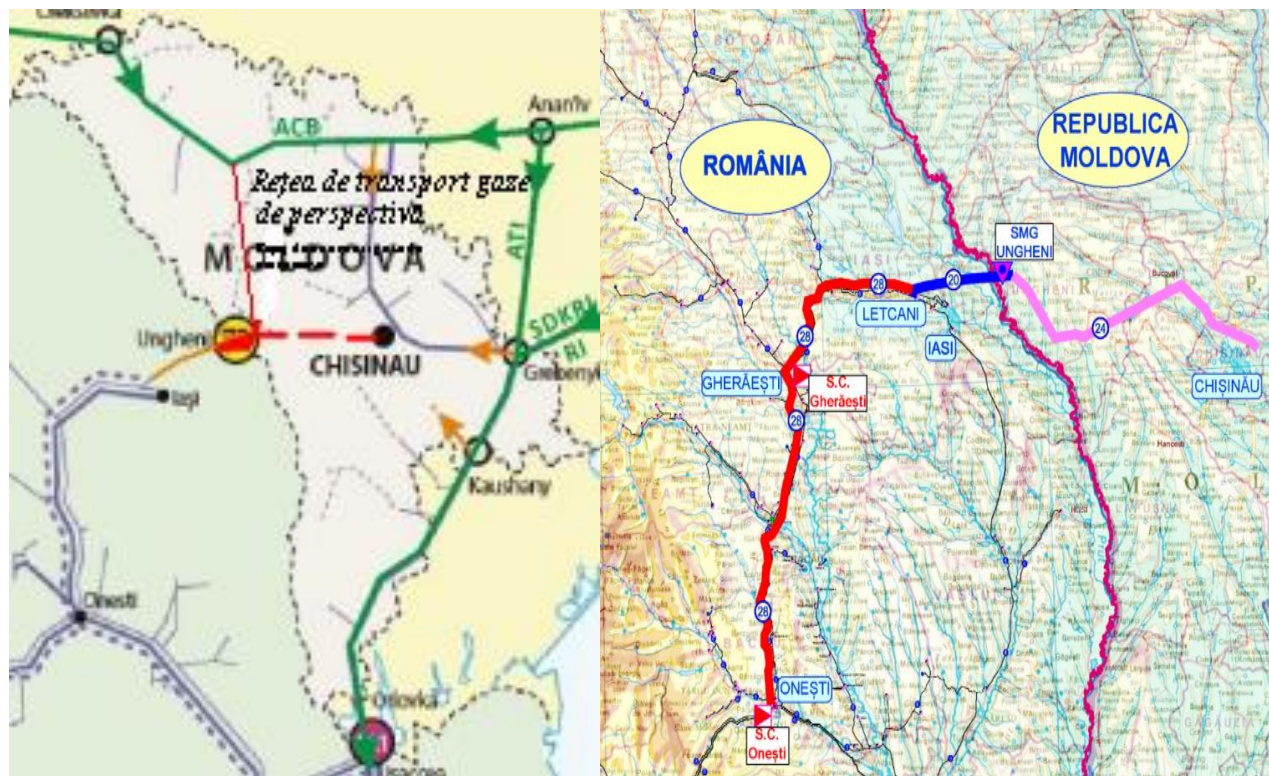
## Necessary investments:

- realization of an interconnection of the national natural gas transmission system at the LNG terminal by building a natural gas transmission pipeline, in a length of about 25 km, from the Black Sea coast to the T1 and T2 pipelines

## Total estimated costs:

- 19.6 mil. Euro

## Iași – Ungheni – Phase I; Ungheni – Chișinău – Phase II



### Aim:

Increasing interconnectivity between Romania and the Republic of Moldova in terms of gas transmission infrastructure as well as the diversification of the sources and routes for the gas supply to the Republic of Moldova.

### Necessary investments:

- 4 metering regulating stations (at Semeni in Ungheni district, Ghidighici, Petricani and Tohatini - Chișinău)
- DN 600 pipeline, 55 bar pressure, 120 km long
- 11 block valves assemblies for the pipeline route
- 2 gas distribution pipelines from MRS Tohatini to the Chisinau distribution system, each 3.2 km long
- 1 gas distribution pipeline, average pressure from MRS Ghidighici to the distribution system of Chisinau (at the intersection of Petricani and Balcani Streets), approximately 1.5 km
- one 2.6 km long connection to MRS Ghidighici, DN 300, NP 55 bar
- bidirectional gas metering node at Tohatini to connect the envisaged pipeline Ungheni – Chisinau and the existing Moldavia gas transmission system operated by MOLDOVATRANGAZ
- an operating complex at Ghidighici where the head office of VESTMOLDTRANSGAZ

### Total estimated costs:

- 93 mil. Euro

Commissioning start of operation

2020 - COMPLETED

Completion construction of Ghidighici complex

2020 - COMPLETED



1. Statement of comprehensive income as at 31.12.2021



2. Statement of financial standing as at 31.12.2021



3. Statement of consolidated comprehensive income as of 31.12.2021



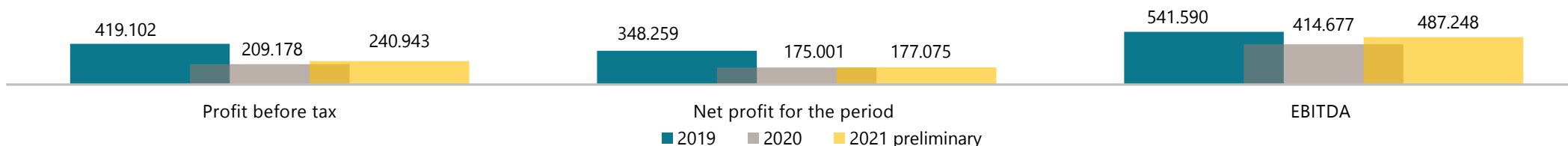
4. Statement of consolidated financial standing as of 31.12.2021



## STATEMENT OF COMPREHENSIVE INCOME AS AT 31.12.2021 (1)

THOUSAND LEI	2019	2020	2021 preliminary	CHANGES 2021/2020	
				Absolute	Relative
Operational revenue before the balancing and construction activity according to IFRIC12	1,576,667	1,333,504	1,364,511	31,007	2%
Revenue from the balancing activity	324,688	199,239	442,200	242,961	122%
Income from the construction activity according to IFRIC12	868,357	1,587,548	667,313	-920,235	-58%
Financial income	98,952	60,666	129,890	69,224	114%
Operational costs before the balancing and construction activity according to IFRIC12	1,228,699	1,165,836	1,228,323	62,487	5%
Costs from the balancing gas	324,688	199,239	442,200	242,961	122%
Cost of constructed assets according to IFRIC12	868,357	1,587,548	667,313	-920,235	-58%
Financial costs	27,818	19,156	25,136	5,980	31%
<b>Profit before tax</b>	<b>419,102</b>	<b>209,178</b>	<b>240,943</b>	<b>31,765</b>	<b>15%</b>
Profit tax expense	70,843	34,177	63,868	29,691	87%
<b>Net profit for the period</b>	<b>348.259</b>	<b>175.001</b>	<b>177.075</b>	<b>2.074</b>	<b>1%</b>
<b>EBITDA</b>	<b>541.590</b>	<b>414.677</b>	<b>487.248</b>	<b>72.571</b>	<b>18%</b>
Turnover	1.850.405	1.474.078	1.683.775	209.697	14%

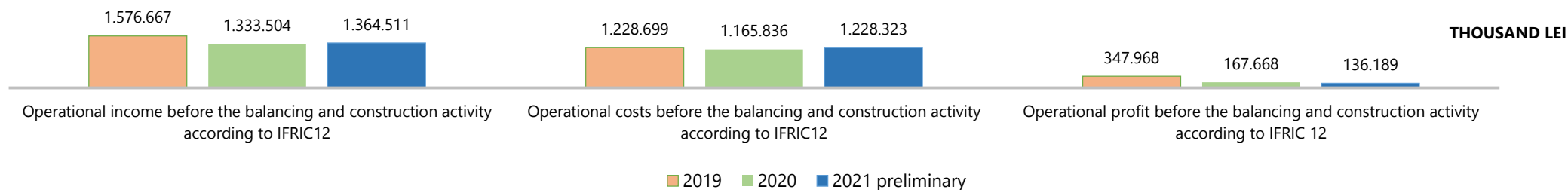
THOUSAND LEI





## STATEMENT OF COMPREHENSIVE INCOME AS AT 31.12.2021 (2)

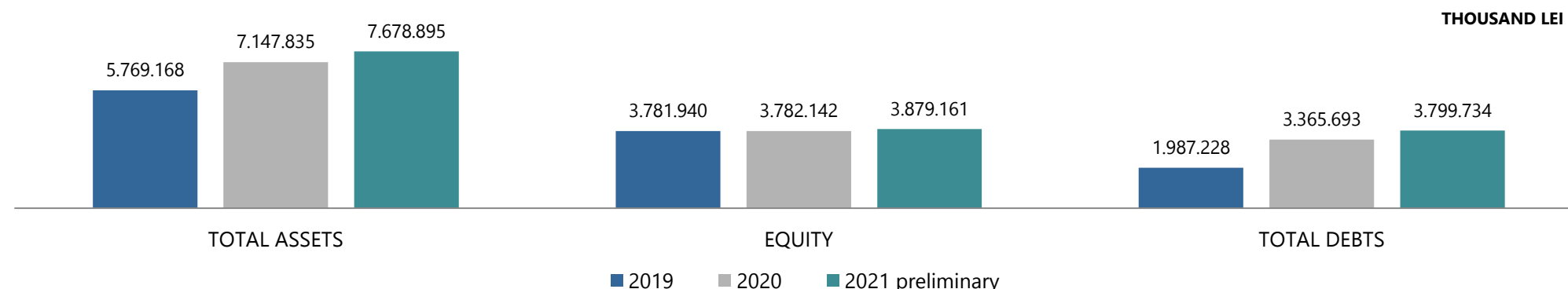
THOUSAND LEI	2019	2020	2021 preliminary	CHANGES 2021/2020	
				Absolute	Relative
Revenues from domestic gas transmission activity	1,192,598	1,150,465	1,164,419	13,954	1%
Revenues from the international gas transmission activity	327,696	114,223	72,037	-42,186	-37%
Other revenues	56,373	68,816	128,055	59,239	86%
<b>Operational revenue before the balancing and construction activity according to IFRIC12</b>	<b>1,576,667</b>	<b>1,333,504</b>	<b>1,364,511</b>	<b>31,007</b>	<b>2%</b>
Employees costs	413,647	431,952	464,596	32,644	8%
Technological consumption, materials and consumables used	99,267	115,609	112,818	-2,791	-2%
Expenses with royalties	151,283	107,622	4,946	-102,676	-95%
Maintenance and transport	29,844	30,315	32,299	1,984	7%
Taxes and other amounts owed to the State	111,290	71,870	86,201	14,331	20%
Revenues/ Expenses with provision for risks and expenses	49,819	6,073	-8,639	X	x
Other operating costs	179,927	155,385	185,042	29,657	19%
Depreciation	193,622	247,009	351,059	104,050	42%
<b>Operational costs before the balancing and construction activity according to IFRIC12</b>	<b>1,228,699</b>	<b>1,165,836</b>	<b>1,228,323</b>	<b>62,487</b>	<b>5%</b>
<b>Operational profit before the balancing and construction activity according to IFRIC12</b>	<b>347,968</b>	<b>167,668</b>	<b>136,189</b>	<b>-31,479</b>	<b>-19%</b>



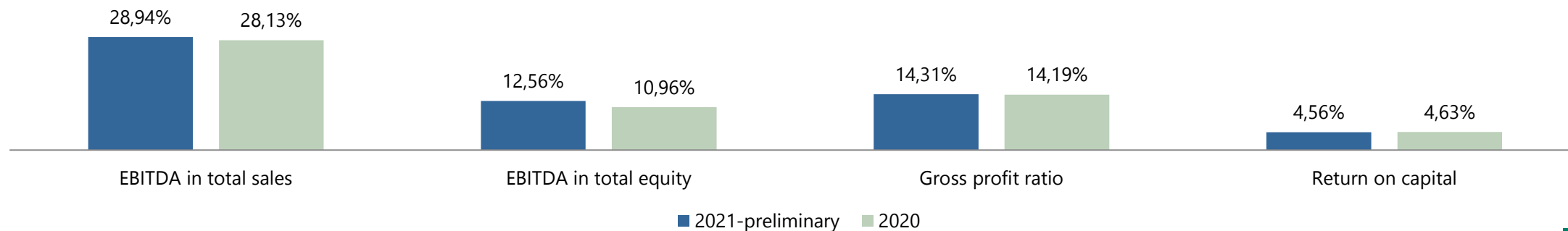
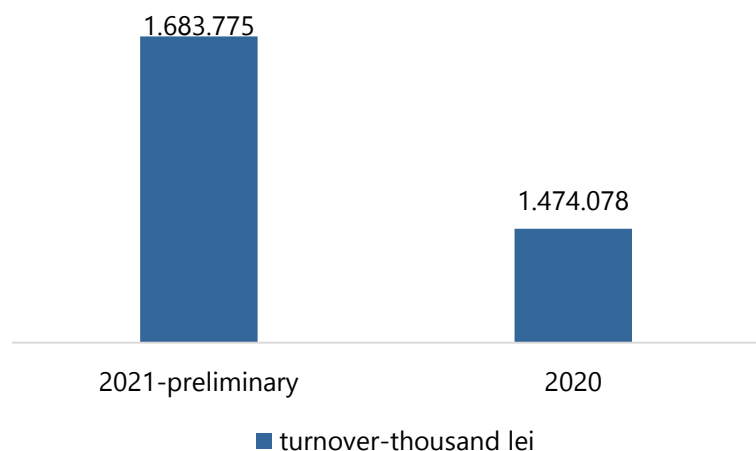


## STATEMENT OF FINANCIAL STANDING AS AT 31.12.2021

THOUSAND LEI	2019	2020	2021 preliminary	CHANGES 2021/2020	
				Absolute	Relative
Fixed assets	4,484,129	6,054,436	6,460,927	406,491	7%
Current assets	1,285,039	1,093,398	1,217,968	124,570	11%
<b>Total assets</b>	<b>5,769,168</b>	<b>7,147,835</b>	<b>7,678,895</b>	<b>531,060</b>	<b>7%</b>
<b>Equity</b>	<b>3,781,940</b>	<b>3,782,142</b>	<b>3,879,161</b>	<b>97,019</b>	<b>3%</b>
Long term debts	1,489,789	2,665,413	2,903,322	237,909	9%
Current debts	497,439	700,280	896,411	196,131	28%
<b>Total debts</b>	<b>1,987,228</b>	<b>3,365,693</b>	<b>3,799,734</b>	<b>434,041</b>	<b>13%</b>
<b>Total equity and debts</b>	<b>5,769,168</b>	<b>7,147,835</b>	<b>7,678,895</b>	<b>531,060</b>	<b>7%</b>



## MAIN INDICATORS



	2021-preliminary	2020
EBITDA in total sales	28,94%	28,13%
EBITDA in total equity	12,56%	10,96%
Gross profit ratio	14,31%	14,19%
Return on capital	4,56%	4,63%
Current liquidity ratio	1,36	1,56
Quick liquidity ratio	1,01	1,29
Gearing	44,13%	39,31%
Interest coverage ratio	5,69	9,73
Turnover speed for clients debit - days	165,08	167,42
Turnover speed for credit providers - days	69,49	55,23

## STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME AS AT 31.12.2021

MII LEI	2019	2020	2021 preliminary	CHANGES 2021/2020	
				Absolute	Relative
Operating revenue before the balancing and construction activity according to IFRIC12	1,575,925	1,338,015	1,364,950	26,935	2%
Revenue from the balancing activity	324,688	199,239	442,200	242,961	122%
Revenue from the construction activity according to IFRIC12	868,357	1,587,548	667,313	-920,235	-58%
Financial revenue	101,618	68,929	152,085	83,156	121%
Operating costs before the balancing and construction activity according to IFRIC12	1,234,622	1,173,521	1,242,443	68,922	6%
Costs from the balancing activity	324,688	199,239	442,200	242,961	122%
Cost of assets constructed according to IFRIC12	868,357	1,587,548	667,313	-920,235	-58%
Financial costs	30,779	33,872	42,667	8,795	26%
<b>Profit before tax</b>	<b>412,143</b>	<b>199,552</b>	<b>231,924</b>	<b>32,372</b>	<b>16%</b>
Income tax	70,749	34,328	64,986	30,658	89%
<b>Net profit for the period</b>	<b>341,394</b>	<b>165,224</b>	<b>166,938</b>	<b>1,714</b>	<b>1%</b>
<b>EBITDA</b>	<b>537,004</b>	<b>413,213</b>	<b>482,253</b>	<b>69,040</b>	<b>17%</b>
Turnover	<b>1,850,405</b>	<b>1,474,087</b>	<b>1,683,775</b>	<b>209,688</b>	<b>14%</b>

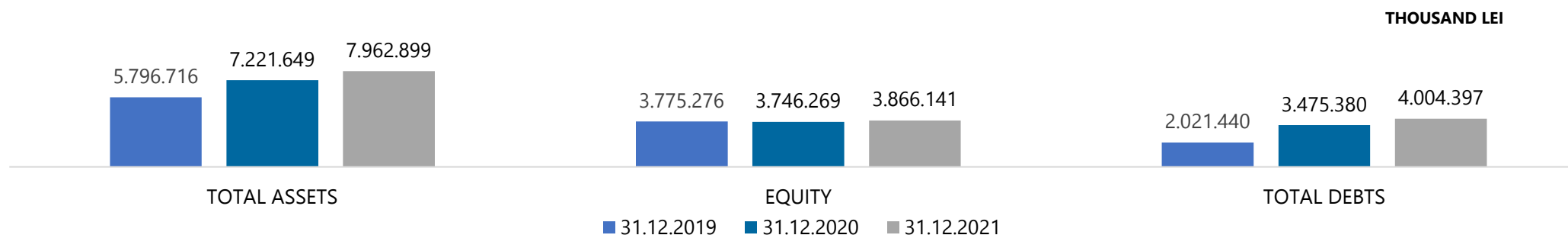
Consolidated companies in the Transgaz group:

		Share (%)
SNTGN Transgaz SA	Parent company	
Eurotransgaz SRL	Company held by SNTGN Transgaz SA	100%
Vestmoldtransgaz SRL	Company held by Eurotransgaz SRL	75%

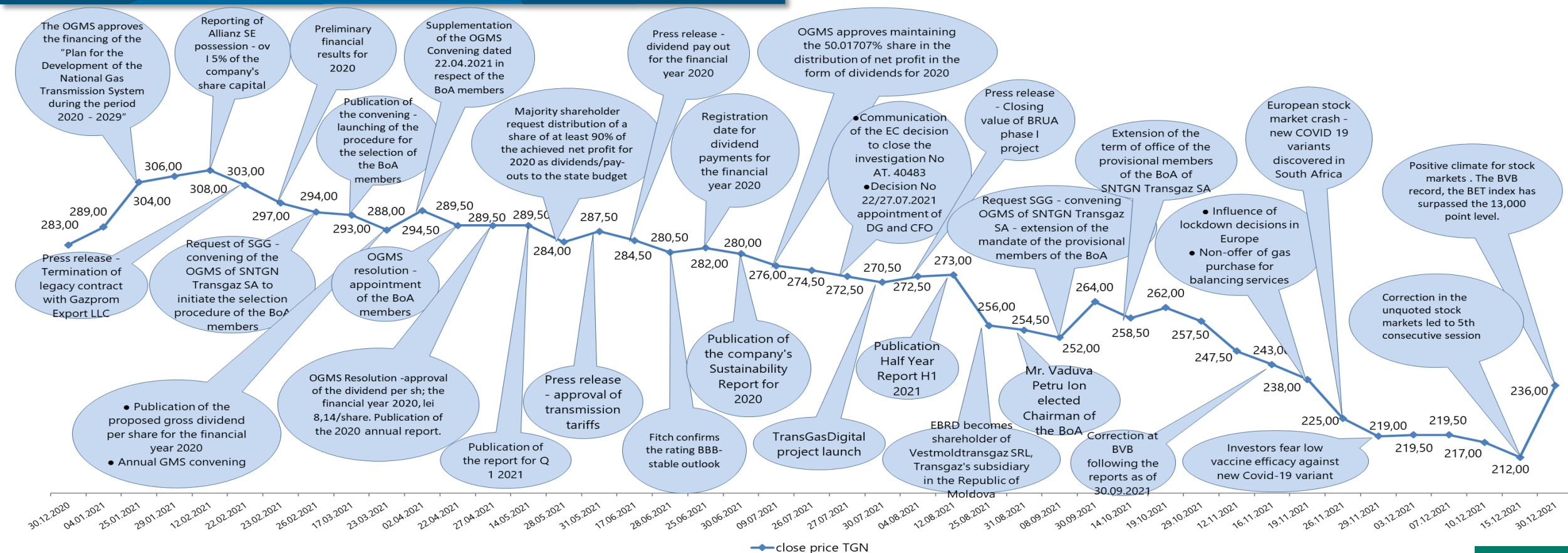
The establishment of the company EUROTRANSGAZ SRL on the territory of the Republic of Moldova was approved by Extraordinary General Meeting of the Shareholders Resolution no. 10/12.12.2017 for enabling participation in the privatization procedure of the State Enterprise Vestmoldtransgaz. Transgaz is the sole shareholder of EUROTRANSGAZ SRL. Since 2018, following the procurement of Vestmoldtransgaz SRL of Moldova by Eurotransgaz SRL, Transgaz, as a parent company, prepares consolidated group financial statements.

## STATEMENT OF CONSOLIDATED FINANCIAL STANDING AS AT 31.12.2021

THOUSAND LEI	2019	2020	2021 preliminary	CHANGES	
	4,424,616	6,060,659	6,639,395	578,736	10%
Fixed assets	1,372,100	1,160,990	1,323,505	162,515	14%
Current assets	<b>5,796,716</b>	<b>7,221,649</b>	<b>7,962,899</b>	<b>741,250</b>	<b>10%</b>
<b>Total assets</b>	<b>3,775,276</b>	<b>3,746,269</b>	<b>3,866,141</b>	<b>119,872</b>	<b>3%</b>
<b>Equity</b>	-	-	<b>92,361</b>	-	<b>X</b>
Long term debts	1,490,000	2,772,114	3,091,804	319,689	12%
Current debts	531,440	703,266	912,594	209,328	30%
<b>Total debts</b>	<b>2,021,440</b>	<b>3,475,380</b>	<b>4,004,397</b>	<b>529,017</b>	<b>15%</b>
<b>Total equity and debts</b>	<b>5,796,716</b>	<b>7,221,649</b>	<b>7,962,899</b>	<b>741,250</b>	<b>10%</b>

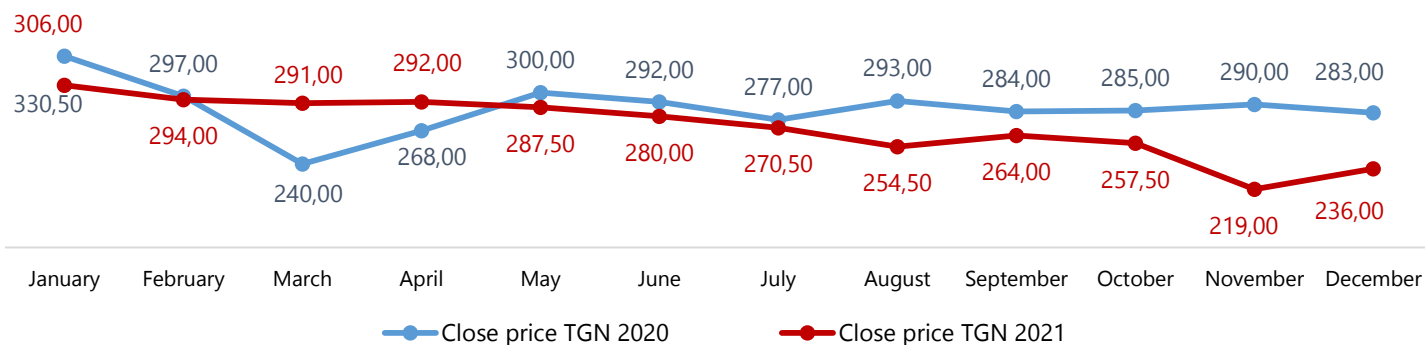


## MAIN CORPORATE EVENTS WITH AN IMPACT UPON THE SHARE PRICE IN 2021



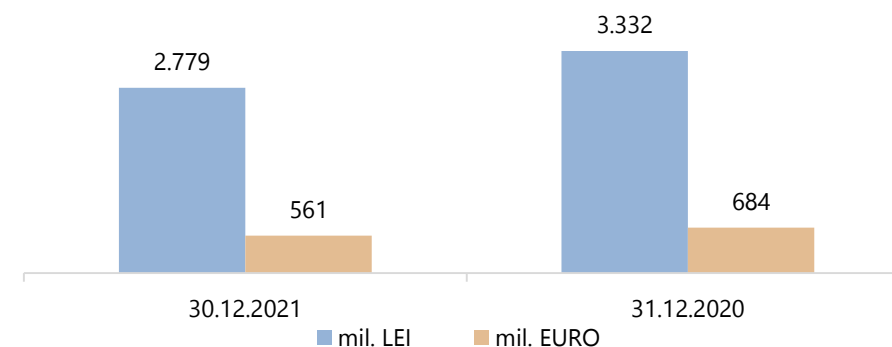


## TGN EVOLUTION

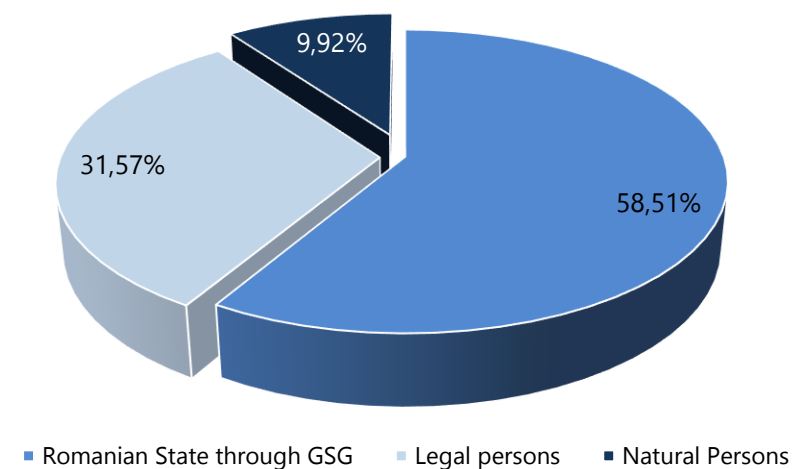


Stock market index name	TGN share 30.12.2021	Position held in the componence of the index
BET	10	2,58%
BET-TR	10	2,58%
ROTX	8	3,73%
BET-NG	5	8,57%
BET-XT	10	2,54%

## Market capitalization



## Shareholders structure at 31 December 2021



## TGN share compared to main BVB indicators





As part of its Sustainable Development Strategy, the social responsibility policy aims to permanently increase the company's accountability to employees, shareholders, partners, the community and the environment, as well as streamlining the impact of CSR programs initiated for this purpose.

Consistent with the principle of applying responsible management in fulfilling the assumed mission, TRANSGAZ is aware of the importance of the fact that sometimes financial support for a noble cause or for an important purpose is vital and therefore through the programs and projects of social responsibility initiated, is actively involved in the life of the community, thus demonstrating its status as a 'good citizen'.

The company's social responsibility policy is based on a set of principles that define this interaction between the company on the one hand and employees, shareholders, partners, community and the environment on the other.

The priority areas the company has been involved, is involved and will be involved in, from a social point of view, are: the sustainable development of the community, education, sports, art and culture, humanitarian action, health, environment.



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