

A RESPONSIBLE COMPANY, A COMPANY OF THE FUTURE!

INTERIM FINANCIAL STATEMENTS FOR 1Q 2021 (UNAUDITED)



Prepared in accordance with IFRS - UE



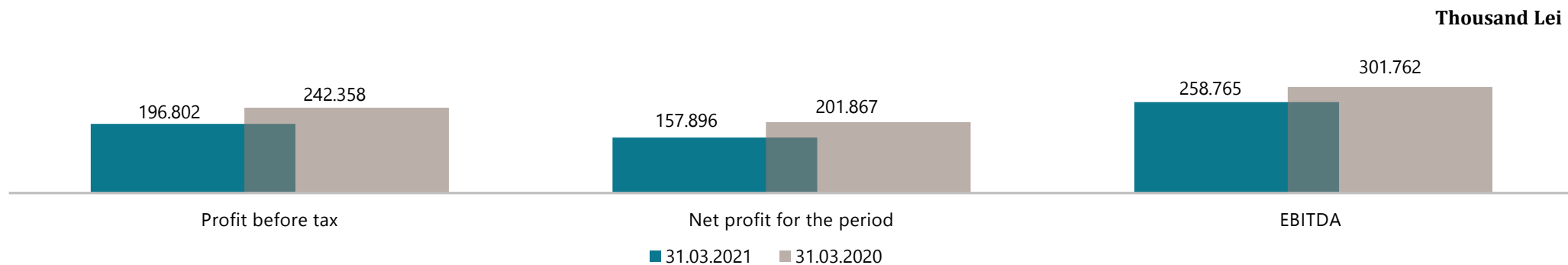
Summary

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1. Statement of individual comprehensive income as of 31.03.2021 (1)

MAIN INDICATORS

THOUSAND LEI	31.03.2021	31.03.2020	CHANGES 1Q2021/1Q2020	
			Absolute	Relative
Operational income before the balancing and construction activity according to IFRIC12	455,789	512,801	-57,012	-11%
Revenue from the balancing activity	74,253	64,515	9,738	15%
Income from the construction activity according to IFRIC12	158,010	339,363	-181,353	-53%
Financial income	24,024	7,271	16,753	230%
Operational costs before the balancing and construction activity according to IFRIC12	276,002	272,333	3,669	1%
Expenses with balancing gas	74,253	64,515	9,738	15%
Cost of assets constructed according to IFRIC12	158,010	339,363	-181,353	-53%
Financial expenses	7,008	5,381	1,627	30%
Profit before tax	196,802	242,358	-45,556	-19%
Profit tax expense	38,906	40,491	-1,585	-4%
Net profit for the period	157,896	201,867	-43,971	-22%
EBITDA	258,765	301,762	-42,997	-14%
Turnover	507,454	569,493	-62,038	-11%

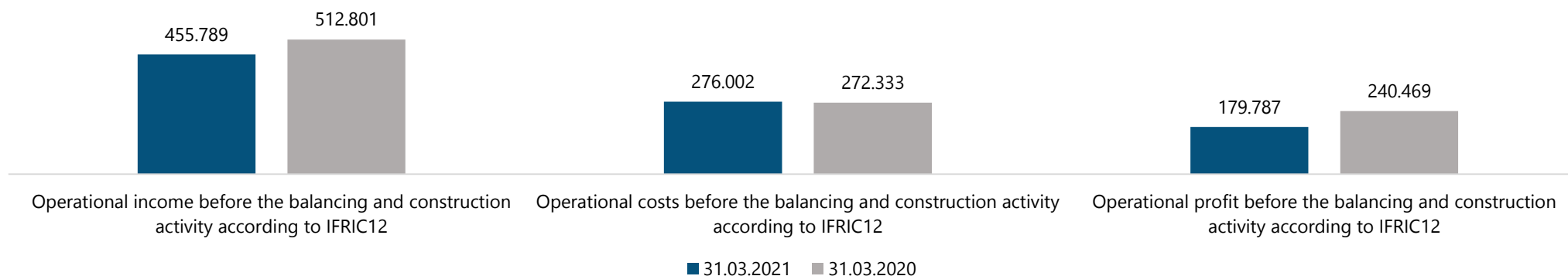


1. Statement of individual comprehensive income as of 31.03.2021 (2)

MAIN INDICATORS

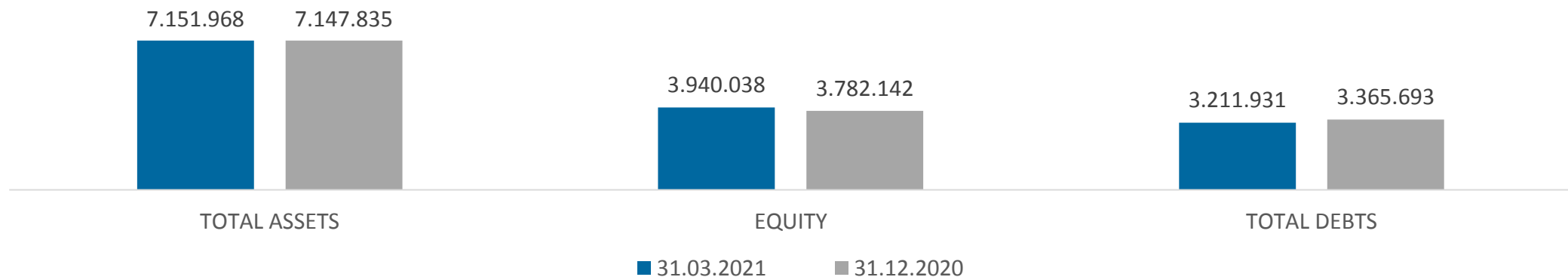
THOUSAND LEI	31.03.2021	31.03.2020	CHANGES 1Q2021/1Q2020	
			Absolute	Relative
Revenues from domestic gas transmission activity	421,450	474,268	-52,818	-11%
Revenues from international gas transmission activity	10,342	29,547	-19,205	-64%
Other revenues	23,996	8,986	15,010	167%
Operational income before the balancing and construction activity according to IFRIC12	455,789	512,801	-57,012	-11%
Employees costs	9,116	90,223	4,893	5%
Technological consumption, materials and consumables used	37,752	30,643	7,109	23%
Expenses with royalties	1,727	50,382	-48,655	-97%
Maintenance and transport	6,297	5,349	0,948	18%
Taxes and other amounts owed to the State	16,528	17,095	-0,67	-3%
Revenues/ Expenses with provision for risks and expenses	2,216	3,492	-1,276	-37%
Other operating expenses	37,387	13,855	23,532	170%
Depreciation	78,978	61,293	17,685	29%
Operational costs before the balancing and construction activity according to IFRIC12	276,002	272,333	3,669	1%
Operational profit before the balancing and construction activity according to IFRIC12	179,787	240,469	-60,682	-25%

Thousand Lei

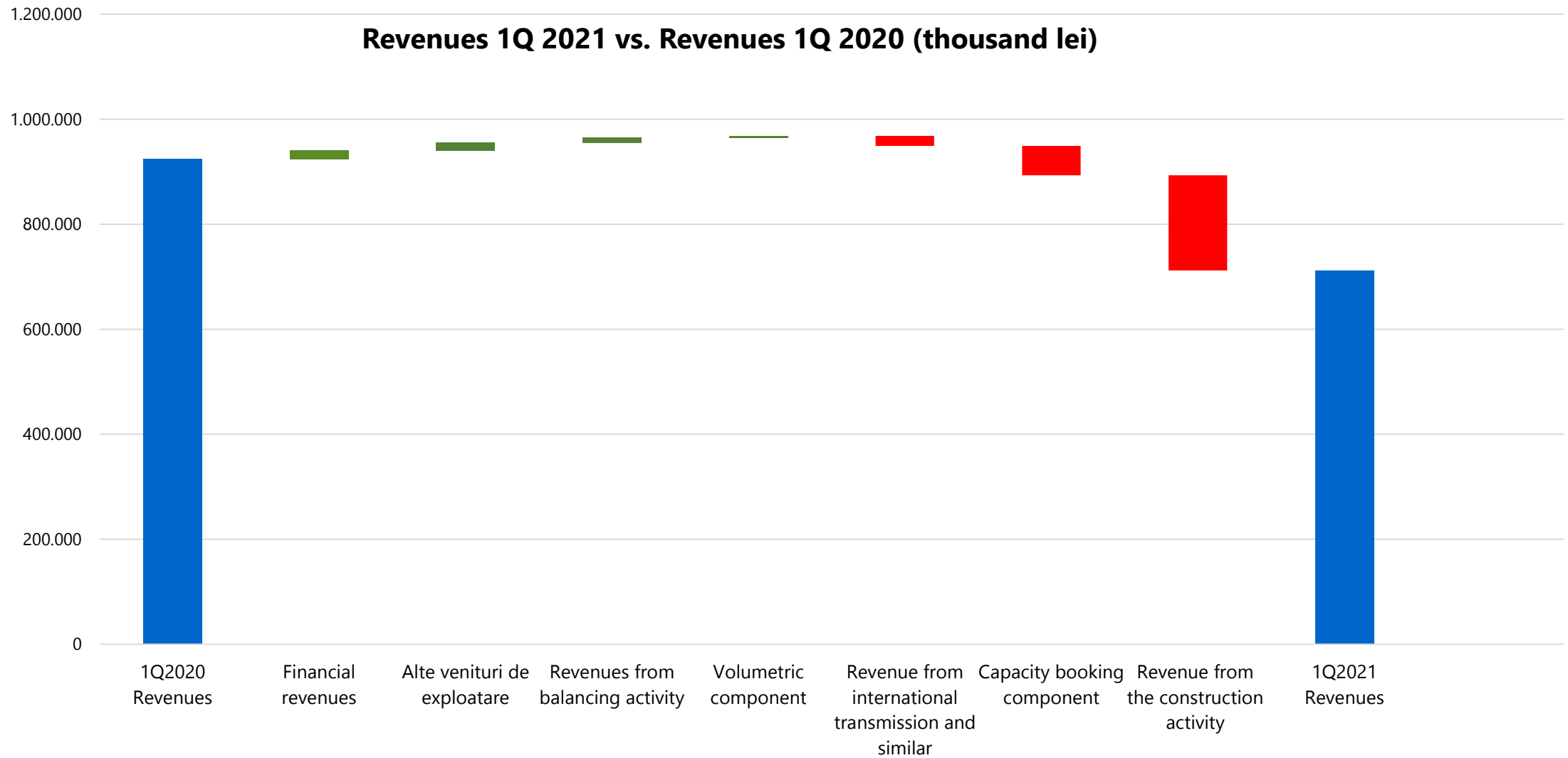


2. Statement of individual financial position as of 31.03.2021

THOUSAND LEI	31.03.2021	31.12.2020	CHANGES	
			Absolute	Relative
FIXED ASSETS	6,159,369	6,054,436	104,933	2%
CURRENT ASSETS	992,599	1,093,398	-100,799	-9%
TOTAL ASSETS	7,151,968	7,147,835	4,133	0%
EQUITY	3,940,038	3,782,142	157,896	4%
LONG TERM DEBTS	2,637,222	2,665,413	-28,191	-1%
CURRENT DEBTS	574,708	700,280	-125,572	-18%
TOTAL DEBTS	3,211,931	3,365,693	-153,762	-5%
TOTAL EQUITY AND DEBTS	7,151,968	7,147,835	4,133	0%



3. Main revenue drivers (1)



3. Main revenue drivers (2)

1Q2021 compared to 1Q2020

Operating revenue before the balancing and construction activity, according to IFRIC12 decreased by **11%** as compared to Q I 2020, which is lower by **Lei 57,013 thousand**.

The revenue was influenced mainly by the following factors:

- **commodity revenue** higher by **Lei 3,159 thousand** due to:
 - the commodity transmission tariff lower by Lei 0.05 lei/MWh, with a negative influence of Lei 2,394 thousand
 - the gas transmitted capacities higher by 3,678,472MWh/264,465 thousand cm (▲8%), as compared to 2020, with a positive influence of Lei 6,169 thousand, detailed by categories of consumers as follows:

		3 months 2020	3 months 2021	Differences
Quantity transmitted for direct consumers	MWh	11,545,026	12,444,925	899,899
	thousand m ³	1,078,004	1,070,759	-7,245
Quantity transmitted for distribution	MWh	32,693,087	35,471,660	2,778,573
	thousand m ³	3,039,364	3,311,074	271,710
Total	MWh	44,238,113	47,916,585	3,678,472
	thousand m ³	4,117,368	4,381,833	264,465

The commodity tariffs decreased in Q I 2021 as compared to Q I 2020 mainly due to:

- Order 10/2017 of the ANRE President on the amending of Order 32/2014 of ANRE President on the approval of the Gas Transmission Regulated Revenue, Total Revenue and Regulated Tariffs Methodology, which establishes the increasing by 5% per year of the percentage by which the approved revenue is recovered by the application of the capacity booking tariff, up to 85%, and the decreasing of the percentage by which the approved revenue is recovered by the application of the commodity tariff. In gas year 2019-2020 the variable component of the total revenue at the basis of the commodity tariffs is 25% of the total revenue and in gas year 2020-2021 to 20% of the total revenue;
 - at the substantiation of the tariffs for gas years 2019-2020 and 2020-2021, the tax on the monopoly was not recognised by ANRE at the pass-through costs and implicitly at the regulated revenue.
- **revenue from capacity booking** lower by **Lei 55,976 thousand** due to:
 - revenue from the auction premium lower by Lei 60,686 thousand following the capacity booking auctions performed according to the CAM-NC by interconnection points. Revenue from the auction premium in Q I 2020 amounted to Lei 61,048 thousand, and in Q I 2021 to Lei 363 thousand;
 - booked capacity lower by 9,948,243 MWh, with a negative influence of Lei 29,488 thousand;
 - capacity booking tariff higher by Lei 0.19/MWh, with a positive influence of Lei 21,882 thousand;
 - capacity surplus revenue higher by Lei 12,315 thousand. Capacity surplus revenue in Q I 2020 amounted to Lei 12,680 thousand, and in Q I 2021 to Lei 24,995 thousand

3. Main revenue drivers (3)

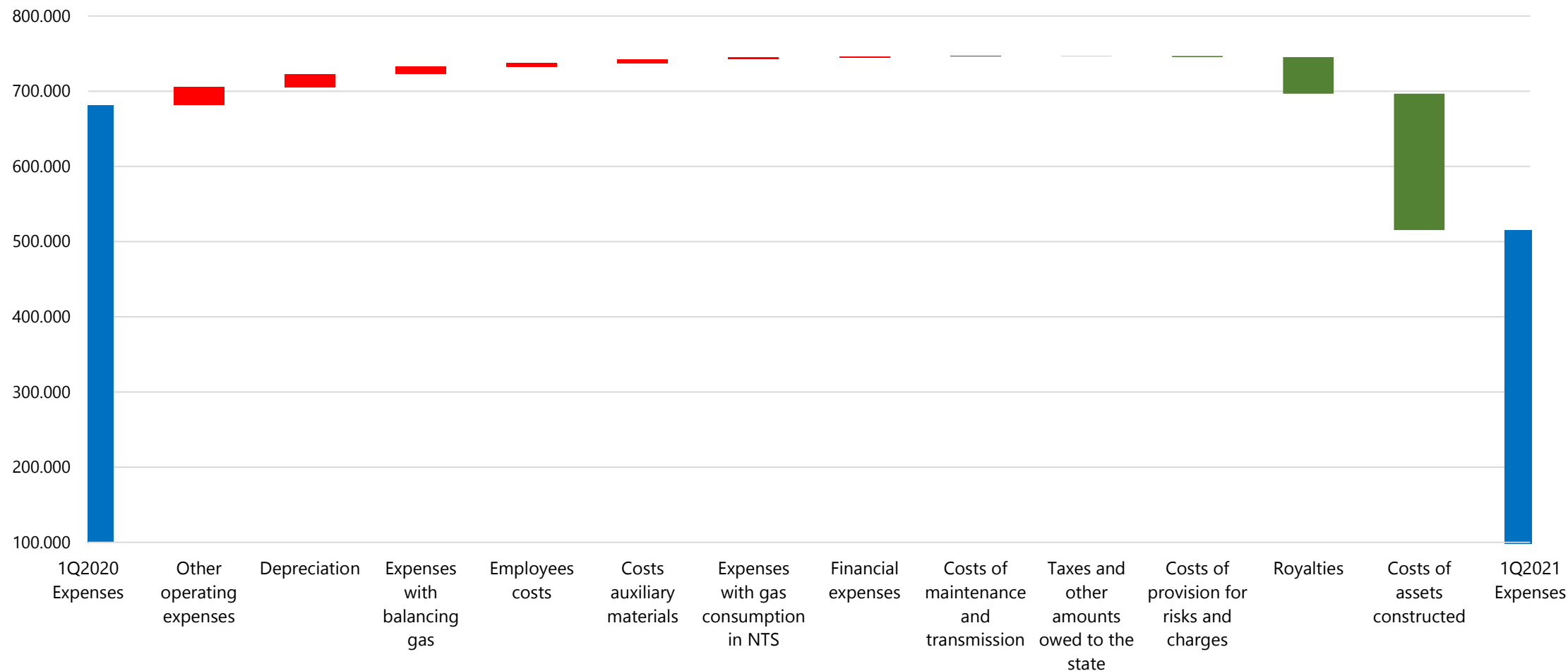
1Q2021 compared to 1Q2020

- *international gas transmission revenue and similar* lower by **Lei 19,205 thousand**. According to the Agreement for the termination of the legacy Contract between SNTGN Transgaz SA and GPE, the remaining amounts will be paid over a period of maximum three years and the transmission revenue is regulated according to ANRE Order 41/2019 and ANRE Order 34/2014, based on the points where capacity is booked, the monthly difference being classified as similar income.
- *other operating revenue* higher by **Lei 15,010 thousand**, mainly due to the recording to revenue of the grants obtained for the financing of the major investment projects following their completion and commissioning.
- *revenue from the balancing activity* higher by **Lei 9,737 thousand** based on the following factors:
 - trading price higher by Lei 27.68/MWh, with a positive influence of Lei 21,149 thousand;
 - quantity lower by 164,163 MWh with a negative influence of Lei 11,411 thousand;
- *revenue from the construction activity* lower by **Lei 181,353 thousand**, registered in line with IFRIC 12, according to which revenue and costs related to the construction activity or the improvement of the transmission network, in exchange of which the intangible asset is registered, must be acknowledged in line with IAS 11, Construction Contracts;
- *financial revenue* with a positive influence of **Lei 16,754 thousand**, mainly due to the recording of the updating of the regulated assets value with the inflation rate for Q I 2021 (Lei 14,266 thousand) .

	1Q 2020	1Q 2021
Revenues from the domestic transmission activity, due to:	474,268	421,450
- Volumetric component	66,800	69,958
- Capacity booking component	407,469	351,492

4. Main costs drivers (1)

Expenses 1Q 2021 vs. 1Q 2020 (thousand lei)



4. Main costs drivers(2)

1Q2021 compared to 1Q2020

Operating costs before the balancing and construction activity according to IFRIC12 increased by **1%** as compared to Q I 2020, which is higher by **Lei 3,669 thousand**.

The company made savings of Lei 52,188 thousand, in relation to the following cost elements:

- **cost of NTS concession royalty**: Lei 48,654 thousand; Transgaz pays a royalty of 0.4% of the value of gross revenue from the gas transmission and transit operations through the national transmission systems in the public property of the state, following the entry into force of Law 244/09.11.2020; previously the royalty payment obligation amounted to 10%;
- **cost of gas transmission licence**: Lei 2,258 thousand;
- **costs of provision for risks and charges**: Lei 1,276 thousand.

		31.03.2021	31.03.2020	Differences
Quantities of natural gas consumption in NTS	MWh	261,899	240,122	21,777
	thousand m ³	24,711	23,272	1,439

Exceedings amounting to Lei 55,857 thousand were recorded to the following cost elements:

- **transmission system gas consumption** Lei 2,264 thousand due to:
 - the quantity of natural gas for NTS gas consumption higher by 21,777 MWh as compared to Q I 2020, with a negative influence of Lei 2,347 thousand;
 - the average purchase price obtained lower by Lei 0.32/MWh as compared to the one obtained in Q I 2020, with a negative influence of Lei 83 thousand;
- **employee costs**: Lei 4,893 thousand;
- **cost of depreciation**: Lei 17,685 thousand, based on the completion and commissioning of the major investment projects;
- **costs of maintenance and transmission**: Lei 948 thousand;
- **costs auxiliary materials**: Lei 4,845 thousand;
- **costs of monopoly tax and other duties and taxes**: Lei 1,690 thousand;
- **other operating costs**: Lei 23,532 thousand, mainly based on the increasing of the cost of the adjustment for impairment of current assets by Lei 22,716 thousand. In Q I 2021 additional adjustments were made for outstanding receivables registered mainly by Electrocentrale Constanta (Lei 16,864 thousand) and the AIK Group (Lei 8,379 thousand) and the adjustment decreased at Electrocentrale Galați by Lei 6,527 thousand following the collection of outstanding receivables.

The financial cost is higher by **Lei 1,627 thousand** mainly based on the non-capitalized interest expenses related to the use of credit to finance the current activity.

Compared to Q I 2020 the gross profit obtained in Q I 2021 decreased by 19%, which is lower by Lei 45,556 thousand.

5. Statement of consolidated comprehensive income as of 31.03.2021

THOUSAND LEI	Consolidated 2021	Consolidated 2020	MAIN INDICATORS	
			CHANGES 2021/2020	
			Absolute	Relative
Operating revenue before the balancing and construction activity according to IFRIC12	456,390	512,801	-56,411	-11%
Revenue from the balancing activity	74,253	64,515	9,738	15%
Revenue from the construction activity according to IFRIC12	158,010	339,363	-181,353	-53%
Financial revenue	31,466	8,226	23,240	283%
Operating costs before the balancing and construction activity according to IFRIC12	279,383	274,042	5,341	2%
Costs from the balancing activity	74,253	64,515	9,738	15%
Cost of assets constructed according to IFRIC12	158,010	339,363	-181,353	-53%
Financial costs	14,966	5,915	9,051	153%
Profit before tax	193,506	241,070	-47,564	-20%
Income tax	39,091	40,488	-1,397	-3%
Net profit for the period	154,416	200,582	-46,166	-23%

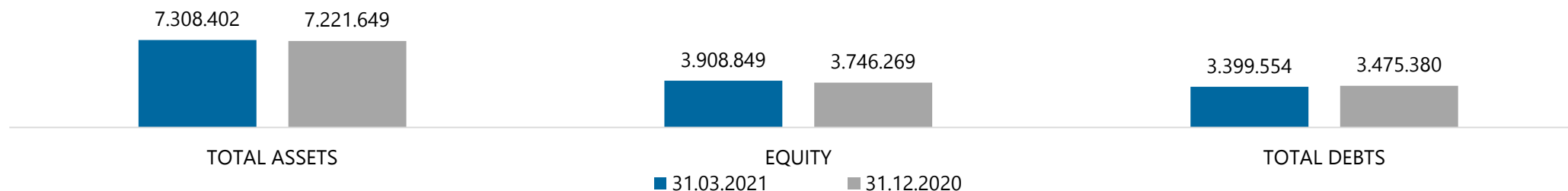
The establishment of the company EUROTRANSGAZ SRL on the territory of the Republic of Moldova was approved by Extraordinary General Meeting of the Shareholders Resolution no. 10/12.12.2017 for enabling participation in the privatization procedure of the State Enterprise Vestmoldtransgaz. Transgaz is 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.

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	100%

6. Statement of consolidated financial position as of 31.03.2021

THOUSAND LEI	31.03.2021	31.12.2020	CHANGES	
			Absolute	Relative
FIXED ASSETS	729,048	731,438	-2,390	1%
CURRENT ASSETS	1,138,043	1.160,990	-22,947	-2%
TOTAL ASSETS	7,308,402	7,221,649	86,753	1%
EQUITY	3,908,849	3,746,269	162,580	4%
LONG TERM DEBTS	2,823,696	2,772,114	51,582	2%
CURRENT DEBTS	575,858	703,266	-127,408	-18%
TOTAL DEBTS	3,399,554	3,475,380	-75,826	-2%
TOTAL EQUITY AND DEBTS	7,308,402	7,221,649	86,753	1%

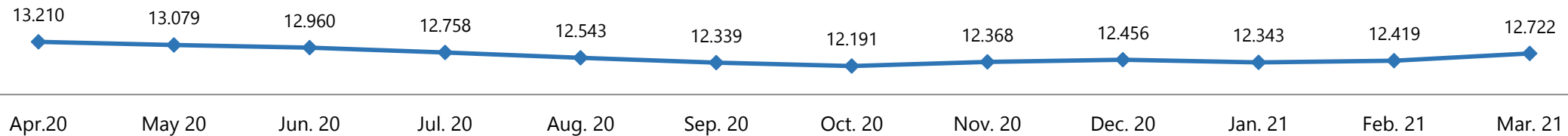


The variation of the consolidated economic-financial indicators at 31 March 2021, compared to the indicators obtained in the similar period of 2020 is mainly determined by the variation of the individual economic-financial indicators recorded by SNTGN Transgaz SA at 31 March 2021 compared to the indicators obtained in the similar period of 2020.

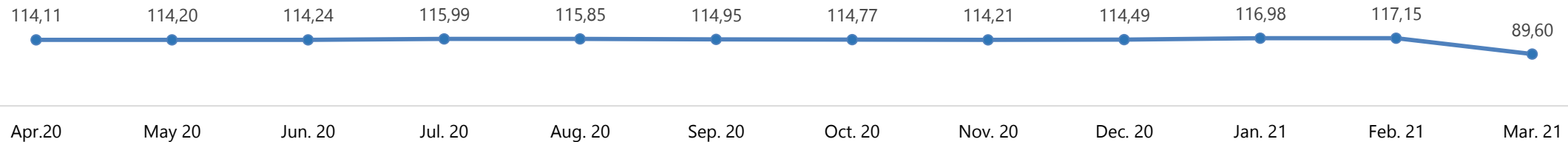
The main impact of the subsidiaries in the consolidated result is determined by the evolution of the MDL (Moldavian leu) exchange rate compared to the EUR currency in which the source for financing the investment project carried out by the subsidiary was partially attracted and compared to the reporting currency of the consolidated financial statements (RON).

7. Main business drivers (1)

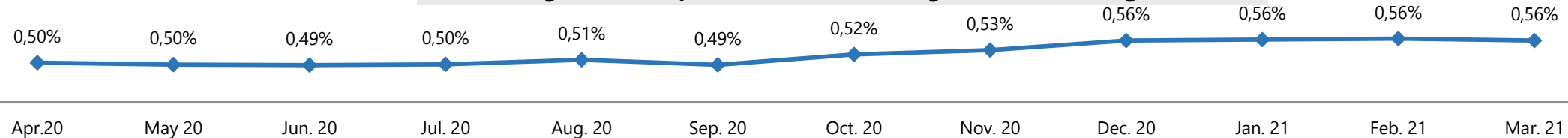
Natural gas volumes circulated (including storage quantities) - mil.cm - rolling 12 months



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



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



Circulated gas, out of which:		1Q2020	1Q2021
	MWh	44,364,276.697	47,134,887.33
	mii m ³	4,139,811.568	4.405.724.98
	- storage	MWh	440,726.710
		mii m ³	40,748.688
Circulated gas storage share		0,99%	0.07%

		1Q2020	1Q2021
Technological consumption, materials and consumables used of which:	Mii lei	30,643	37,752
▪ transmission system technological consumption and loss	Mii lei	25,883	28,147
- technological consumption quantity	MWh	240,122	261,899
▪ auxiliary materials	Mii lei	3,814	7,442
▪ other material costs	Mii lei	946	2,163

CURRENT NTS INFRASTRUCTURE



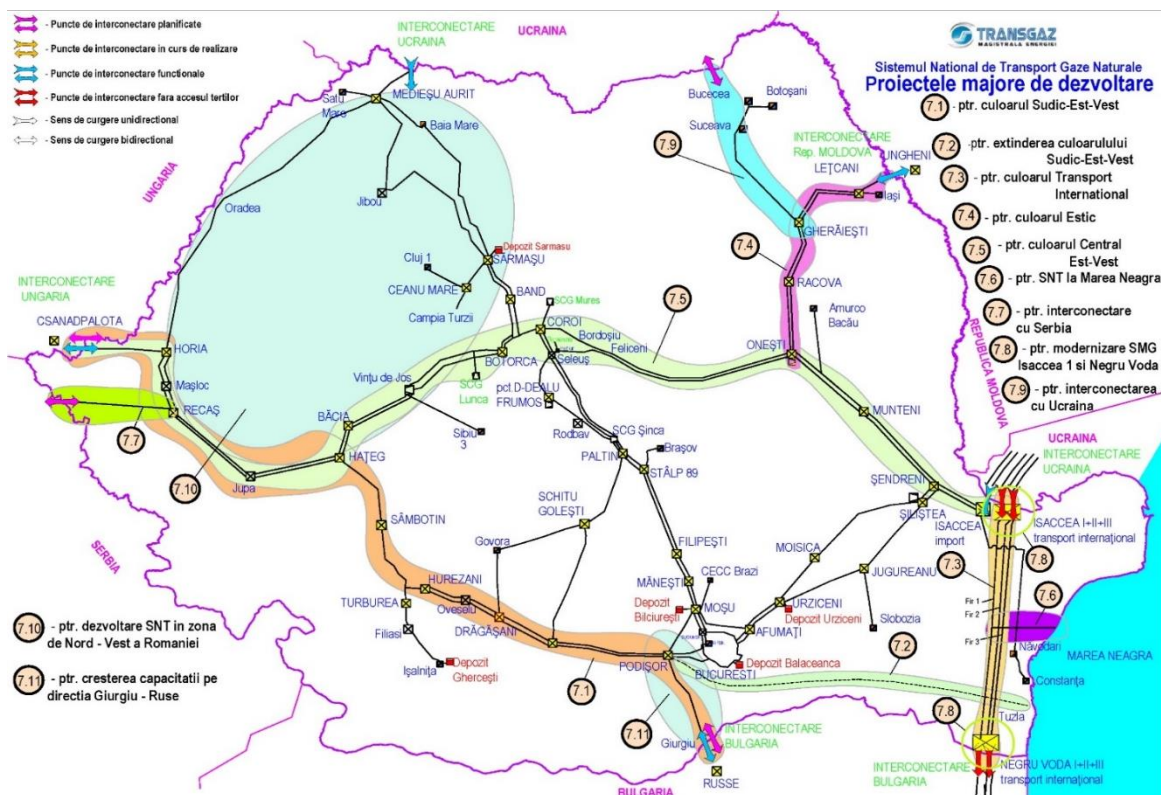
- ❑ 13.986,27 km main transmission pipelines and connections for gas supply, of which 369 km international gas transmission pipelines and 479 km the BRUA pipeline;
- ❑ 1.131 gas metering stations (1.236 metering directions);
- ❑ 4 gas metering stations for international transmission (Isaccea Transit II, Isaccea Transit III, Negru Vodă II, Negru Vodă III) ;
- ❑ 7 imported gas metering stations;
- ❑ 6 gas compressor stations (Șinca, Onești, Siliștea, Jupa, Podișor, Bibești) ;
- ❑ 1.040 cathodic protection stations (CPS);
- ❑ 58 valve stations/technological nodes;
- ❑ 982 odorization stations.

FUTURE NTS INFRASTRUCTURE

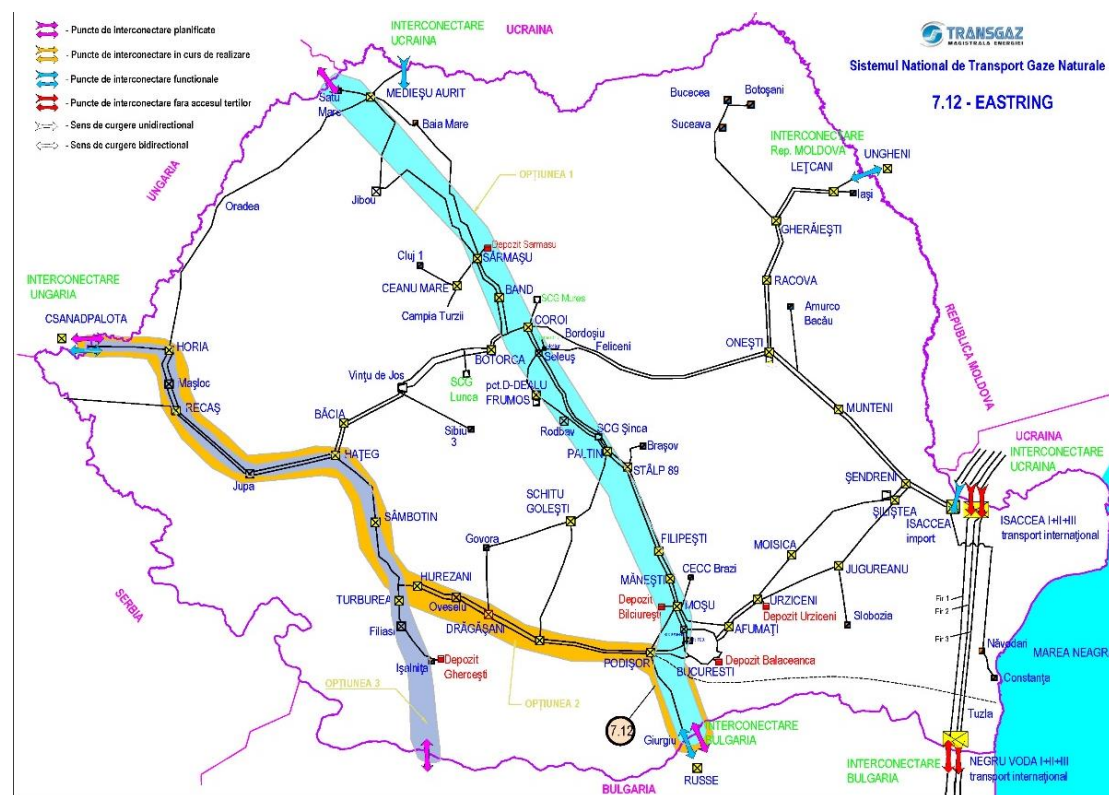
A modernized and competitive gas transmission system that ensures a high degree of interconnectivity, flexibility and access to multiple sources of supply.

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

MAJOR PROJECTS



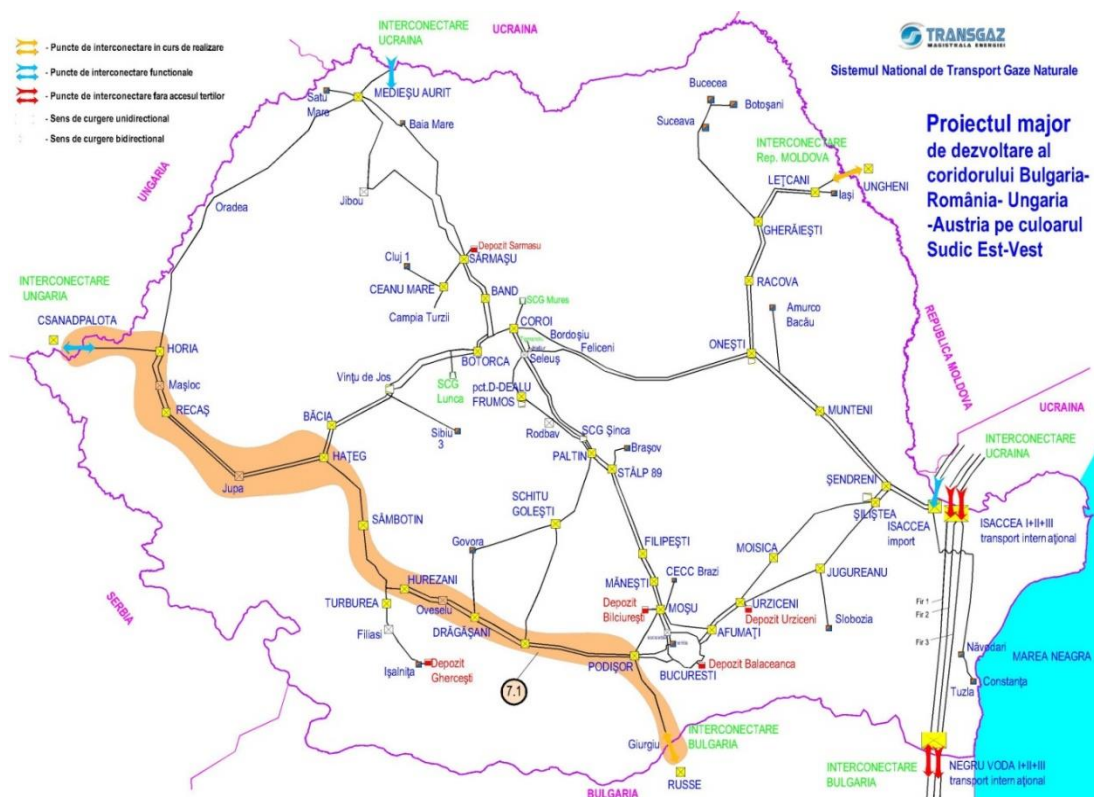
EASTRING



~ 4 BILLION EURO

Project no	Project	Estimated value mil. Euro	Completion date	Project importance	Project status
7.1.1	Development on Romania's territory of the National Gas Transmission System on the Bulgaria - Romania - Hungary – Austria Corridor (Phase I)	478.6	2020 completed	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 and third list of common interest projects.	COMPLETED
7.1.2	Development on Romania's territory of the National Gas Transmission System on the Bulgaria - Romania - Hungary – Austria Corridor (Phase II)	74.5	2023 (updated)	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
7.2	Development on Romania's territory of the Southern Transmission Corridor for taking over the natural gas from the Black Sea coast	371.6	2022	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
7.3	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 completed	Transgaz has a great interest in implementing this project for the following grounds: <ul style="list-style-type: none"> in order to eliminate the possibility of imposing extremely costly financial penalties by the European Commission; 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
7.4	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.	FID
7.5	Amplification of the bidirectional gas transmission corridor Bulgaria - Romania - Hungary - Austria (BRUA Phase III)	530	2026 (updated)	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
7.6	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.	FID
7.7	Romania-Serbia Interconnection	56.21	2023 (updated)	Establish an interconnection pipeline with Serbia to diversify sources of supply and increase energy security in the region.	A non FID

Project no.	Project	Estimated value mil. Euro	Completion date	Project importance	Project status
7.8	Upgrading GMS Isaccea 1 and Negru Vodă 1	26.65	GMS Isaccea1 Completed GSM Negru Vodă 2021	Upgrading the gas metering stations at interconnection points to increase the level of energy security in the region.	FID
7.9	Interconnection of the national gas transmission system with the natural gas transmission system of Ukraine, Gherăiești-Siret	150	2026	Establishing an interconnection with Ukraine in the direction of Gherăiești-Siret, completing the project on NTS developments in the North-East area of Romania, in order to improve the natural gas supply in the area.	LA non FID
7.10	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
7.11	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
7.12	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
7.13	Monitoring system, data control and acquisition for the cathodic protection stations related to the National Gas Transmission System	8	2023	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
7.14	Development of the SCADA system for the National Gas Transmission System	5.5	2023	Upgrading the natural gas transmission infrastructure by upgrading hardware and software architecture.	LA non FID
7.15	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
7.16	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
7.17	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



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 Juza CS (inaugurated and put into operation in September and October 2019, August 2020)

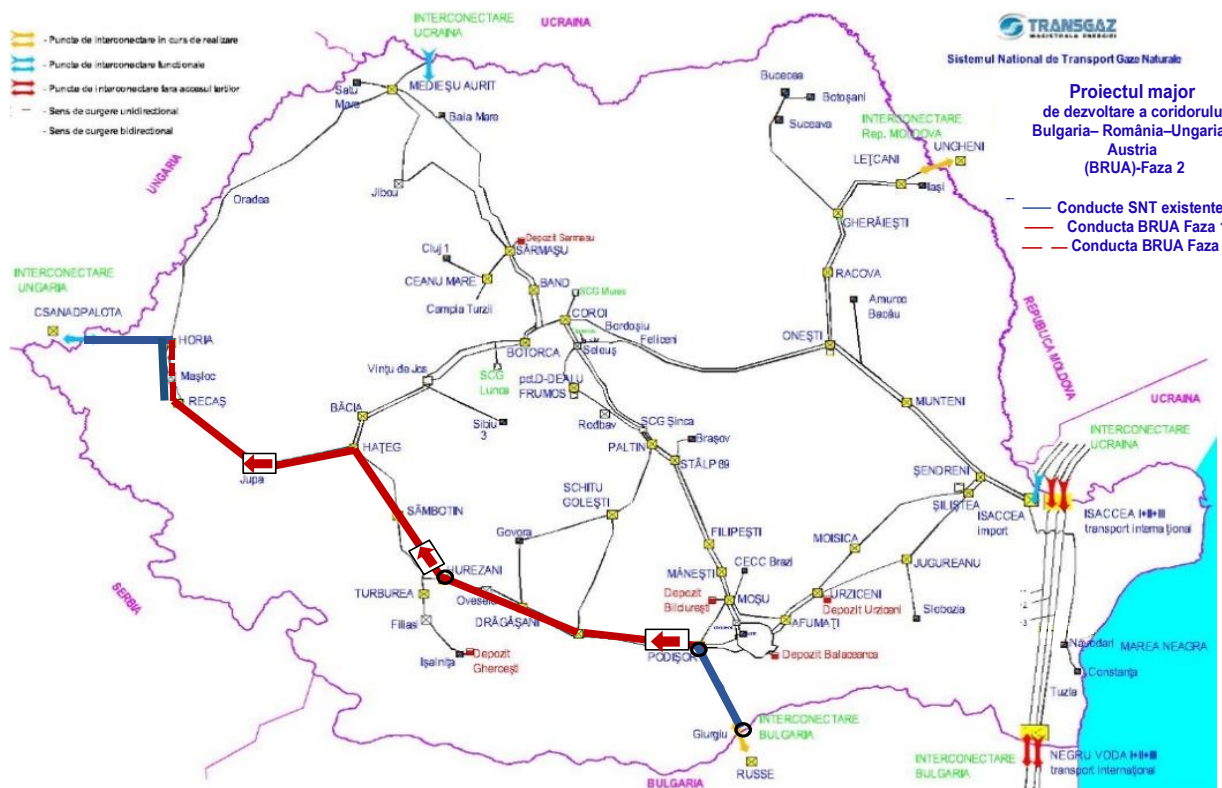
Total estimated costs:

- 423 mil. Euro

Final investment decision – 2016

Estimated commissioning - 2020 - completed

Romanian connection to the neighboring transit



Estimated commissioning 2023 (updated)

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

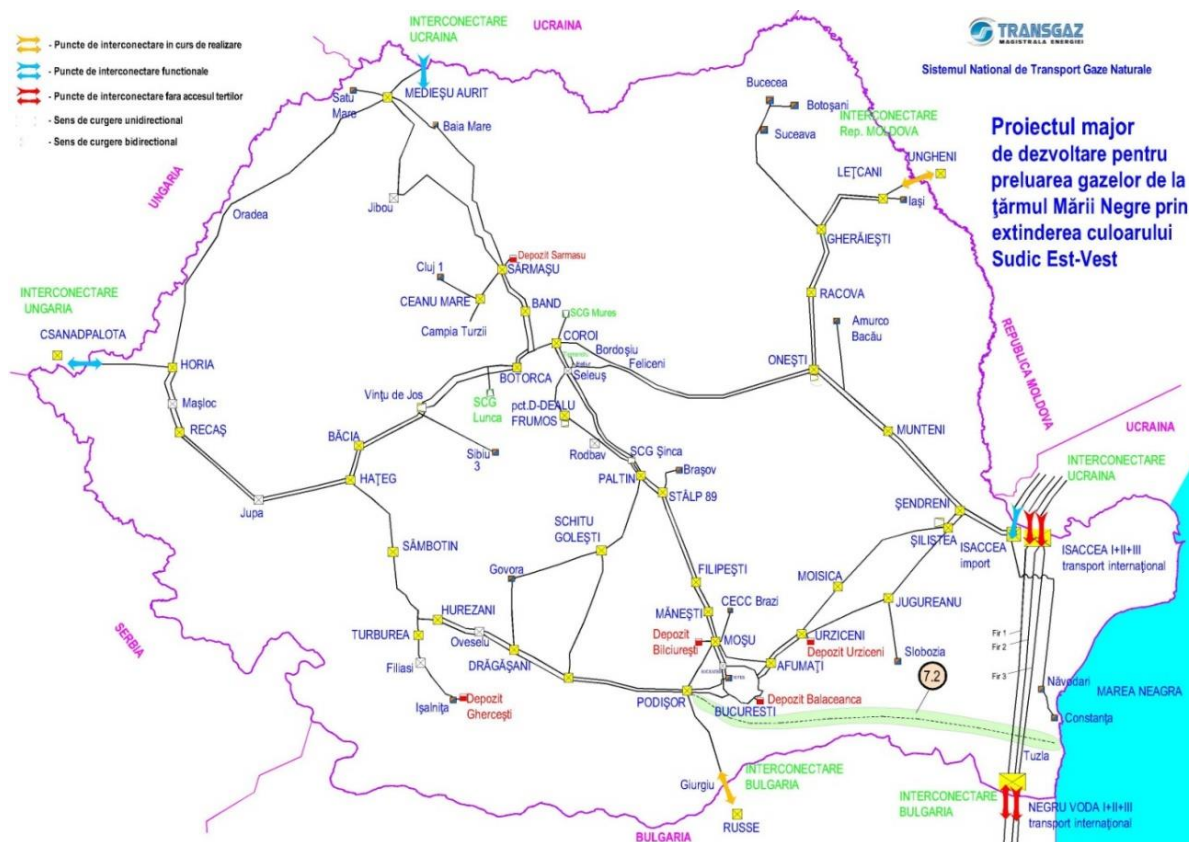
Necessary investments:

- 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 2022

Aim:

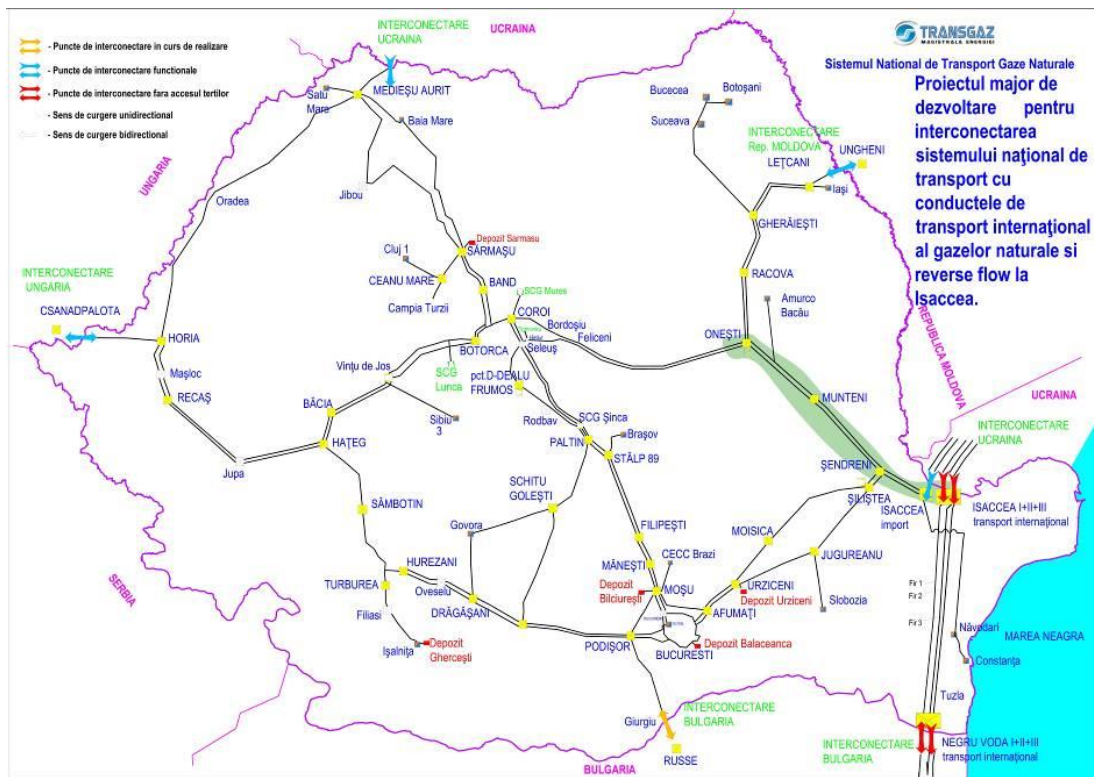
- create a transmission infrastructure for taking over to be produced in the Black Sea

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

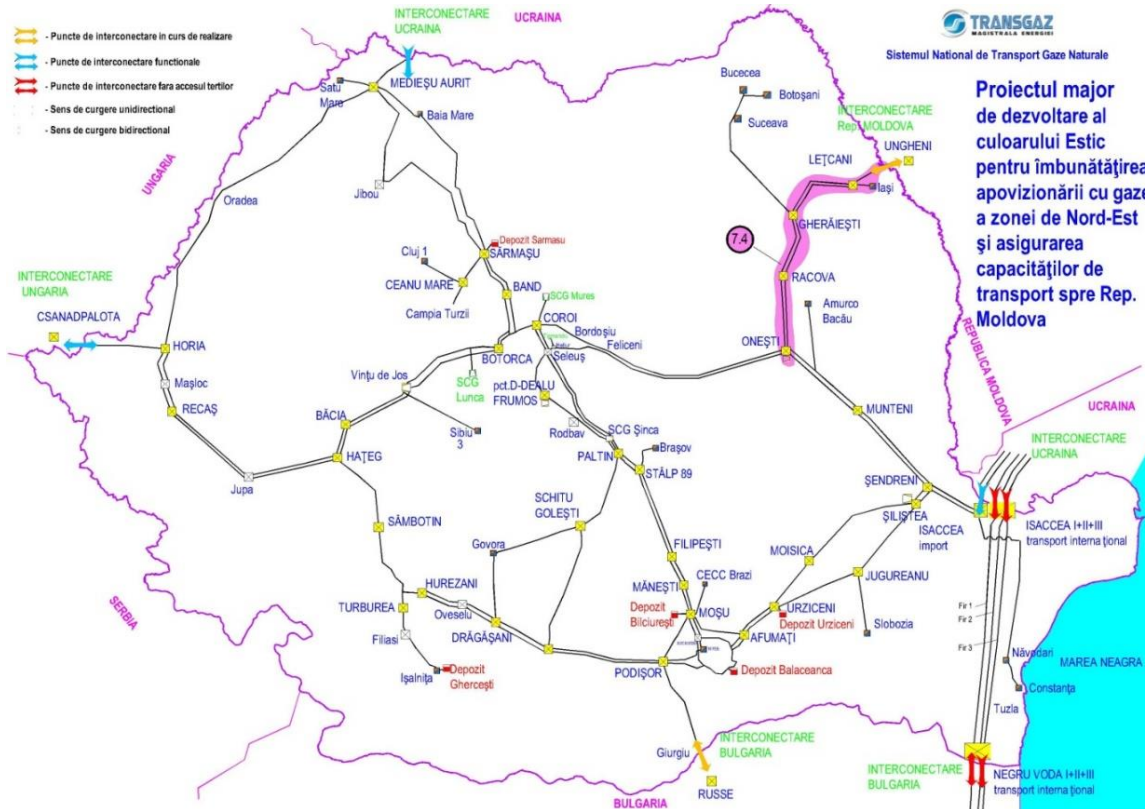
- upgrading of Siliștea CS, Siliștea TN
- upgrading of Onești CS, Onești TN
- upgrading of Șendreni CS, Șendreni TN

Total estimated costs:

- **77.7 mil. Euro**

Final investment decision – 2018

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



Estimated commissioning - 2021

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 - Letcani direction
- construction of a DN 700 x 61.05 km pipeline, in the Gherăești - Letcani 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**

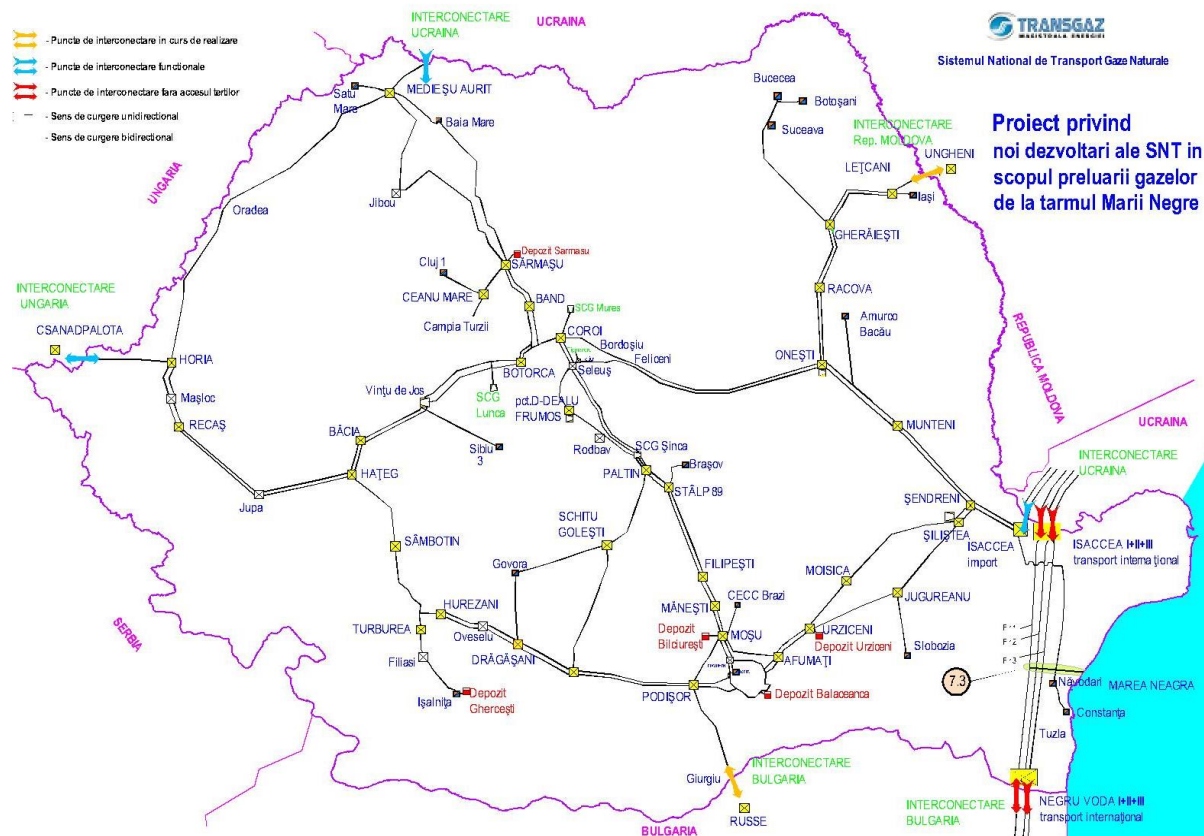


- development of gas transmission capacity on the Onești – Coroi – Hațeg – Nădlac corridor depending on the Black Sea or other onshore blocks gas volumes

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

- 4.4 bcm/y to Hungary

- **530 mil. Euro**



Estimated commissioning 2021

Aim:

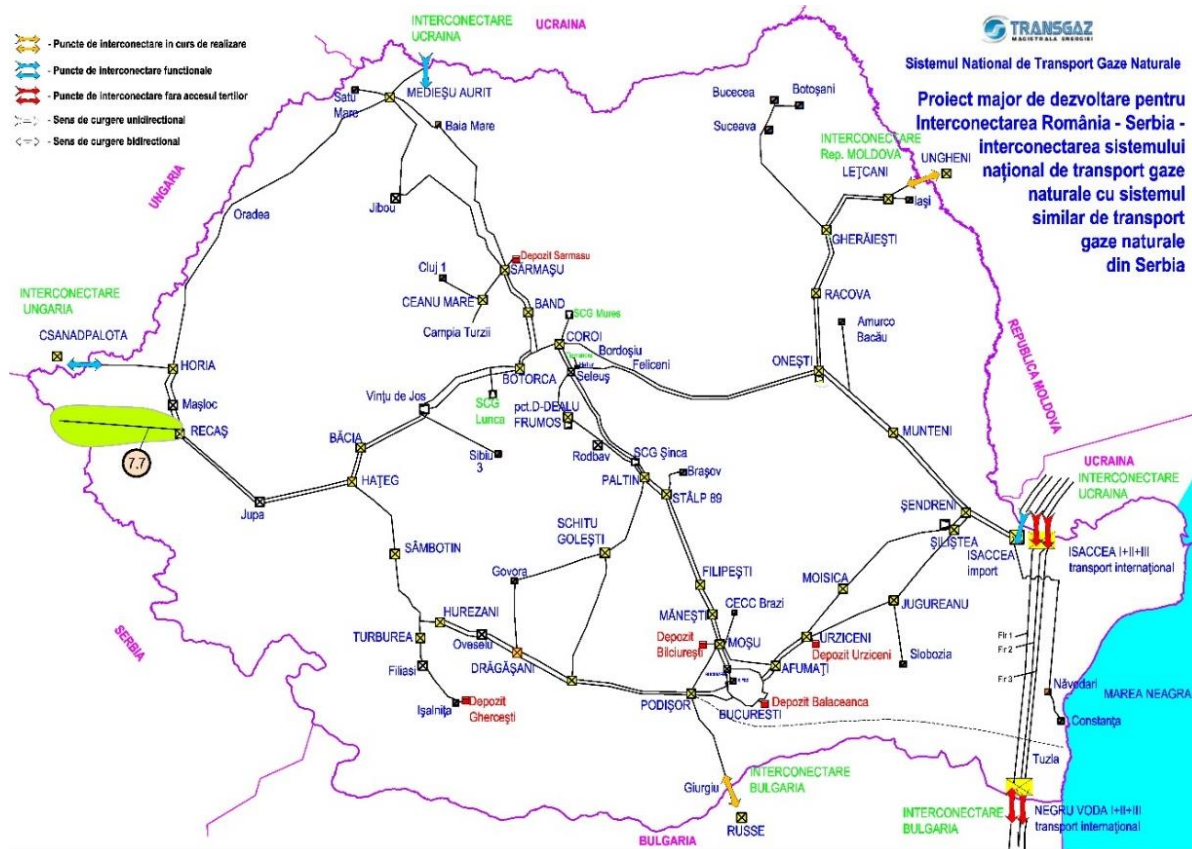
- creation of an additional point for taking over natural gas discovered in the submarine exploitation perimeters of the Black Sea

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 – 2023 (updated)

Aim:

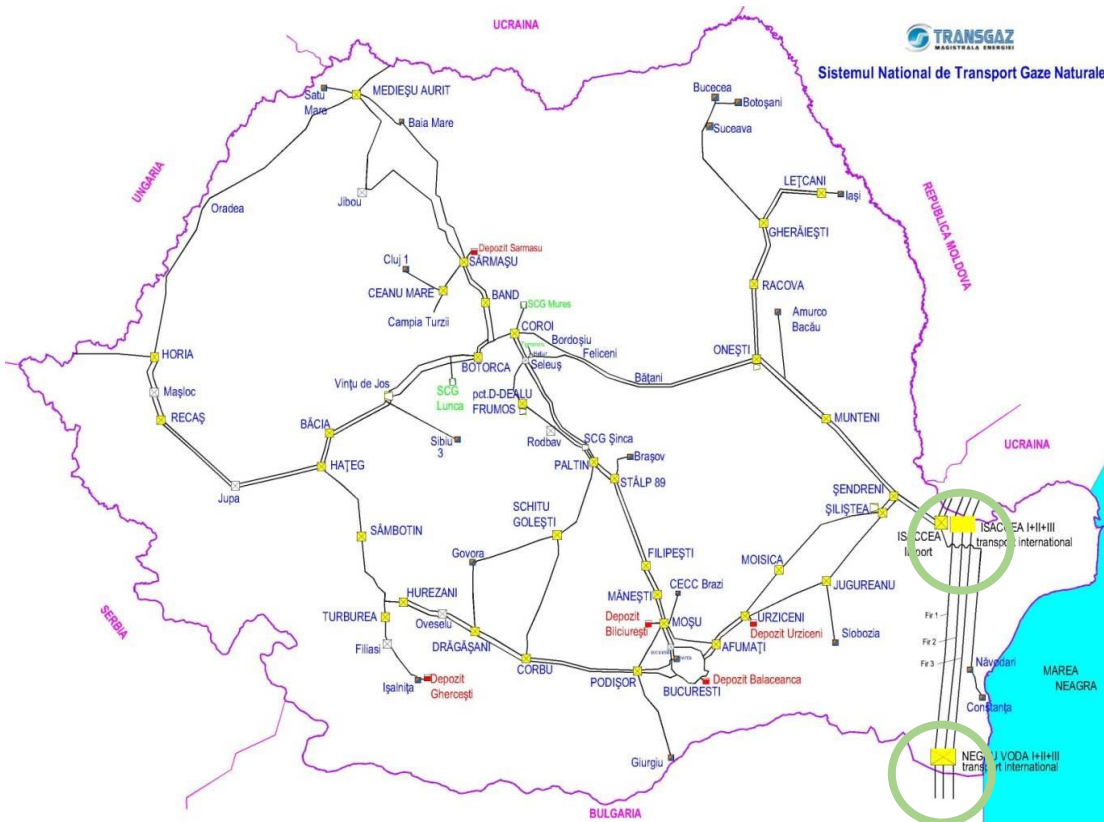
- enhancing security of energy supply to the region

Necessary investments:

- construction of an approximately 97km long pipeline in the Recaş – Mokrin 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 Comloşu Mare

Total estimated costs:

- **56.21 mil. Euro**



Aim:

- increasing the level of energy security in the region

Necessary investments:

- construction of two new bidirectional gas metering stations, replacing the existing ones.

In the case of GMS Isaccea 1 the station will be built in the current station.

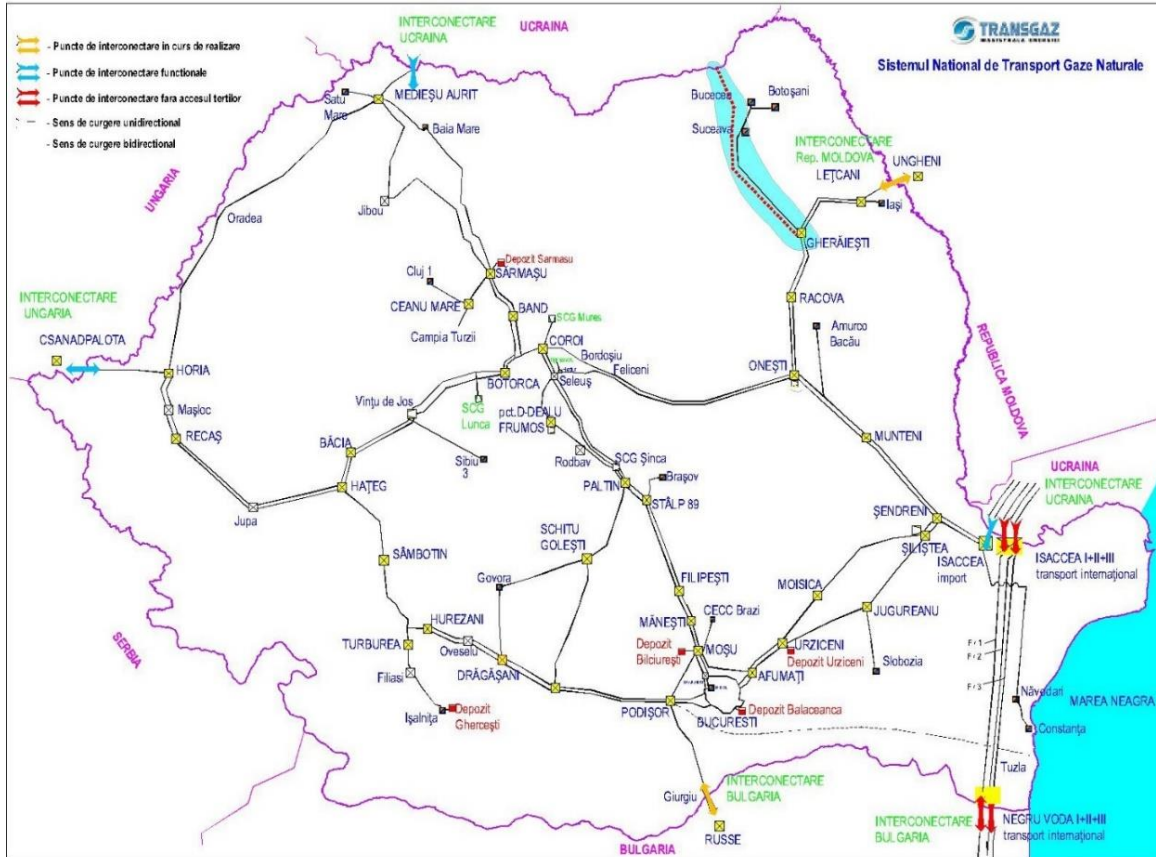
In the case of GMS Negru Voda 1 on a location situated close to the location of the existing station.

Total costs ~ 26.65 mil. Euro:

- 13.88 mil. Euro - upgrading GMS Isaccea 1
- 12.77 mil. Euro - upgrading GMS Negru Vodă 1

Final Investment Decision – 2018

Commissioning – GMS Isaccea 1- 2020 - COMPLETED
Estimated commissioning – GMS Negru Vodă 1- 2021



Estimated commissioning – 2026 (updated)

Aim:

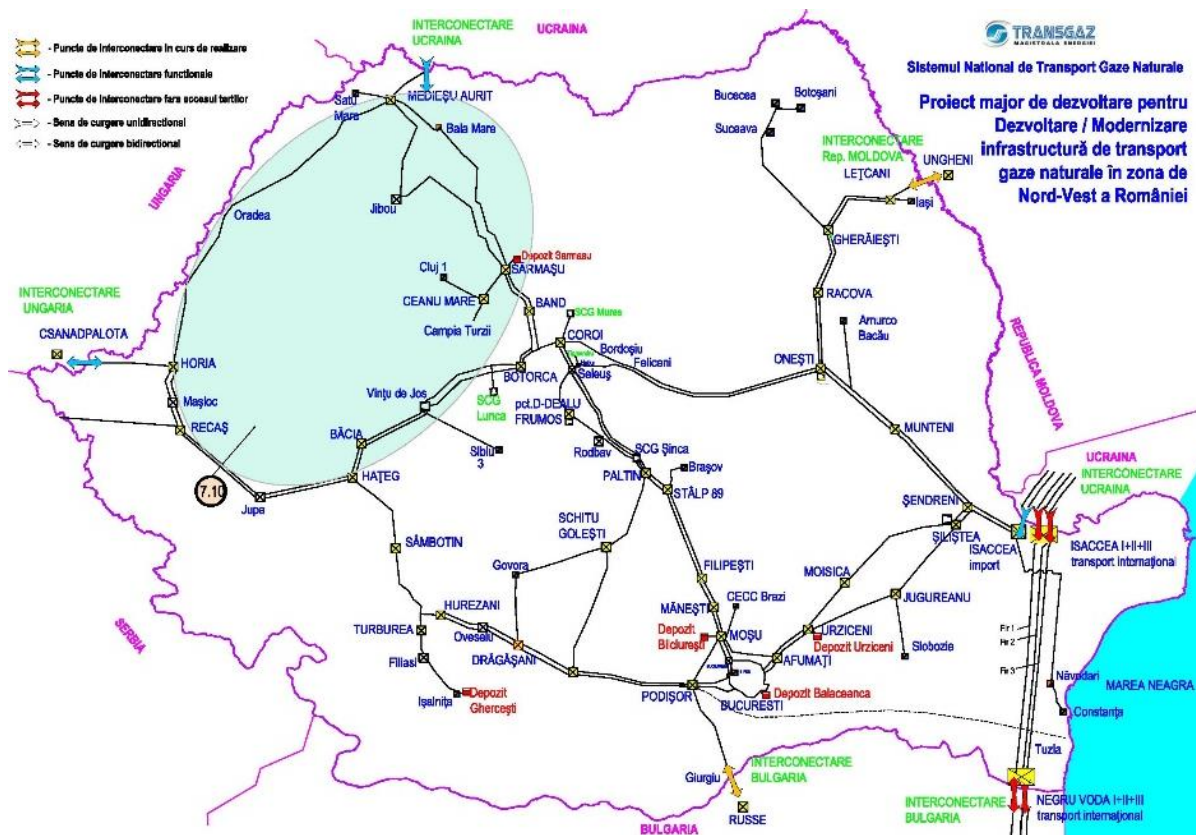
- increasing energy security to the region

Necessary investments:

- the construction of a 146 km gas transmission pipeline and the related facilities, in the Gherăești – Siret direction
- construction of a cross-border gas metering station
- extension of the Onești and Gherăești compressor stations, if necessary

Total estimated costs

- 150 mil. Euro (updated)



Estimated commissioning - 2026

Aim:

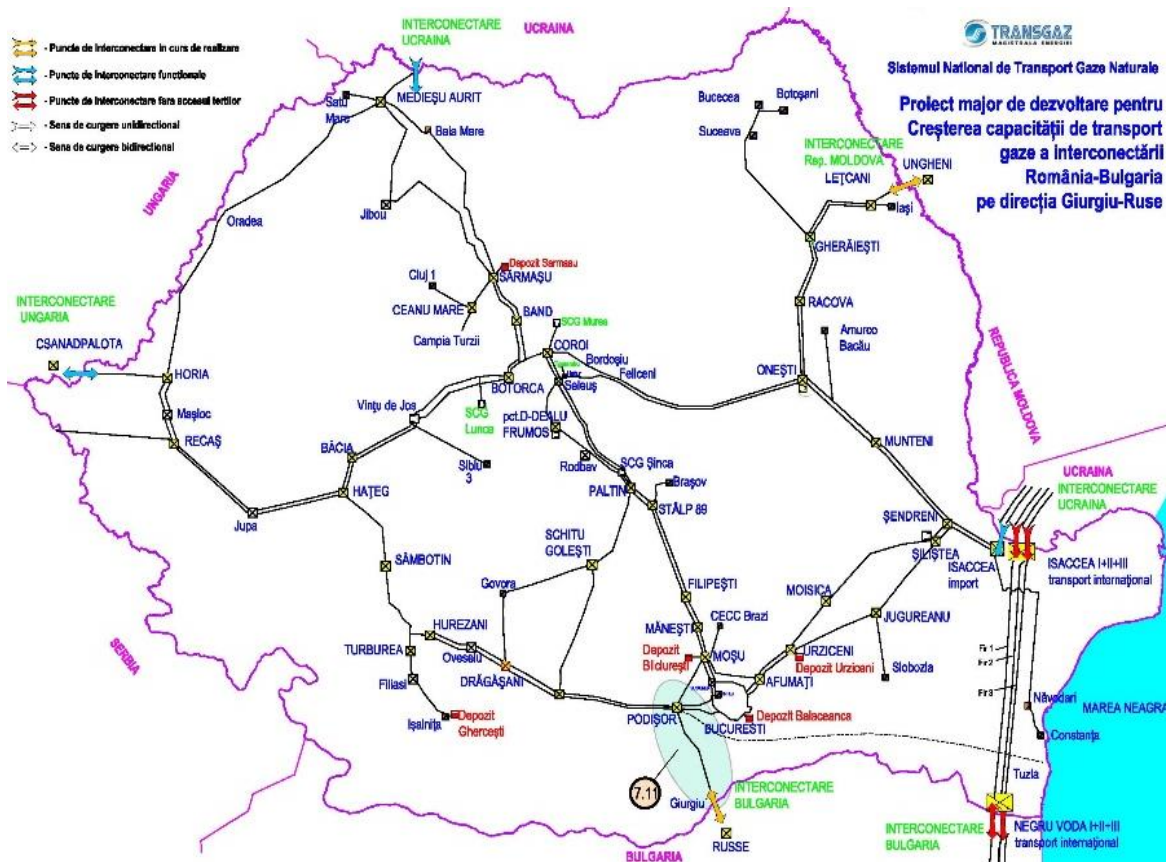
- creation of new gas transmission capacities

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**



Aim:

- enhancing security of energy supply to the region

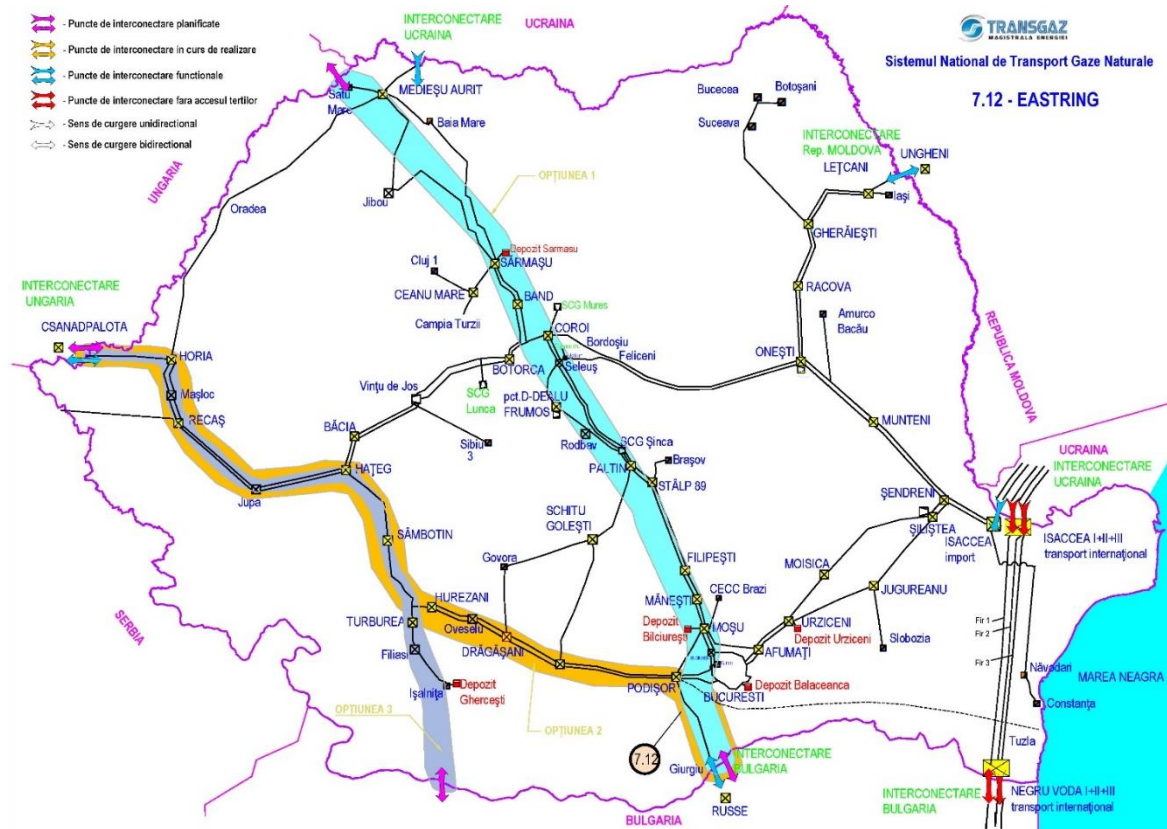
Necessary investments:

- construction of a new gas transmission pipeline and related facilities
- construction of a new Danube undercrossing
- enhancement of SMG Giurgiu

Total estimated costs:

- 51.8 mil. Euro

Estimated commissioning - 2027



Estimated commissioning – 2027 - Phase 1 (updated)
2030 - Phase 2

Aim:

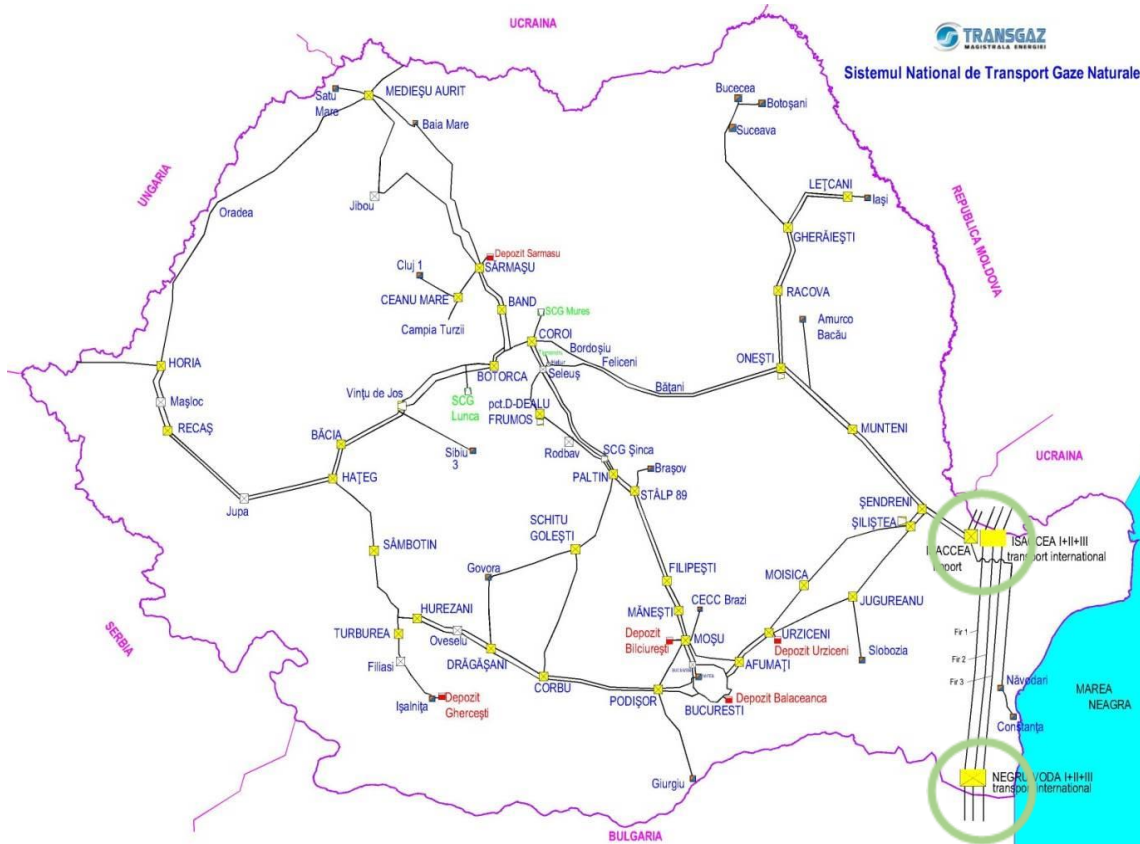
- EASTRING will ensure the most cost-reflective and direct transmission route between the gas platforms from the Western European region and the Balkans/Western Turkey. The possibility to diversify transmission routes and gas supply sources will safeguard the regional security of gas supply to the region, 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 - 2024

Aim:

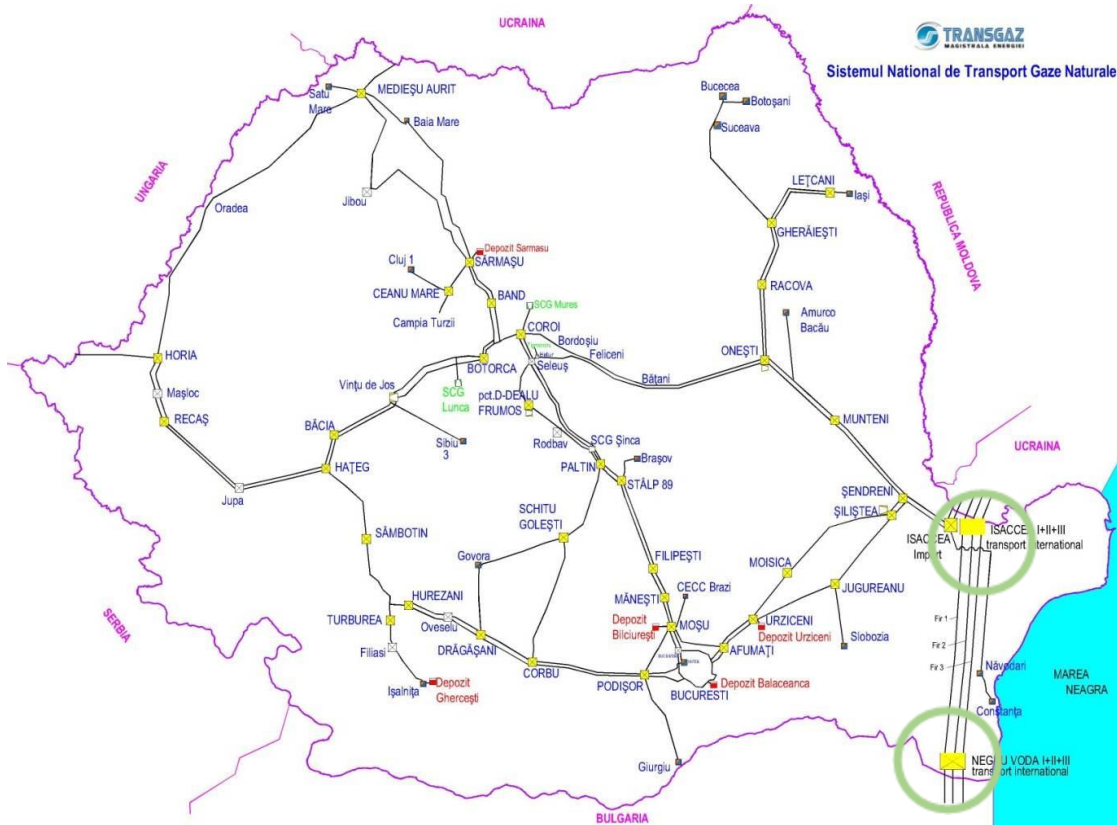
- Enabling bidirectional flow on the T2 pipeline, part of the Trans-Balkan corridor

Necessary investments:

- modernization of the existing gas metering stations

Total estimated costs:

- **26.65 mil. Euro**



Estimated commissioning - 2028

Aim:

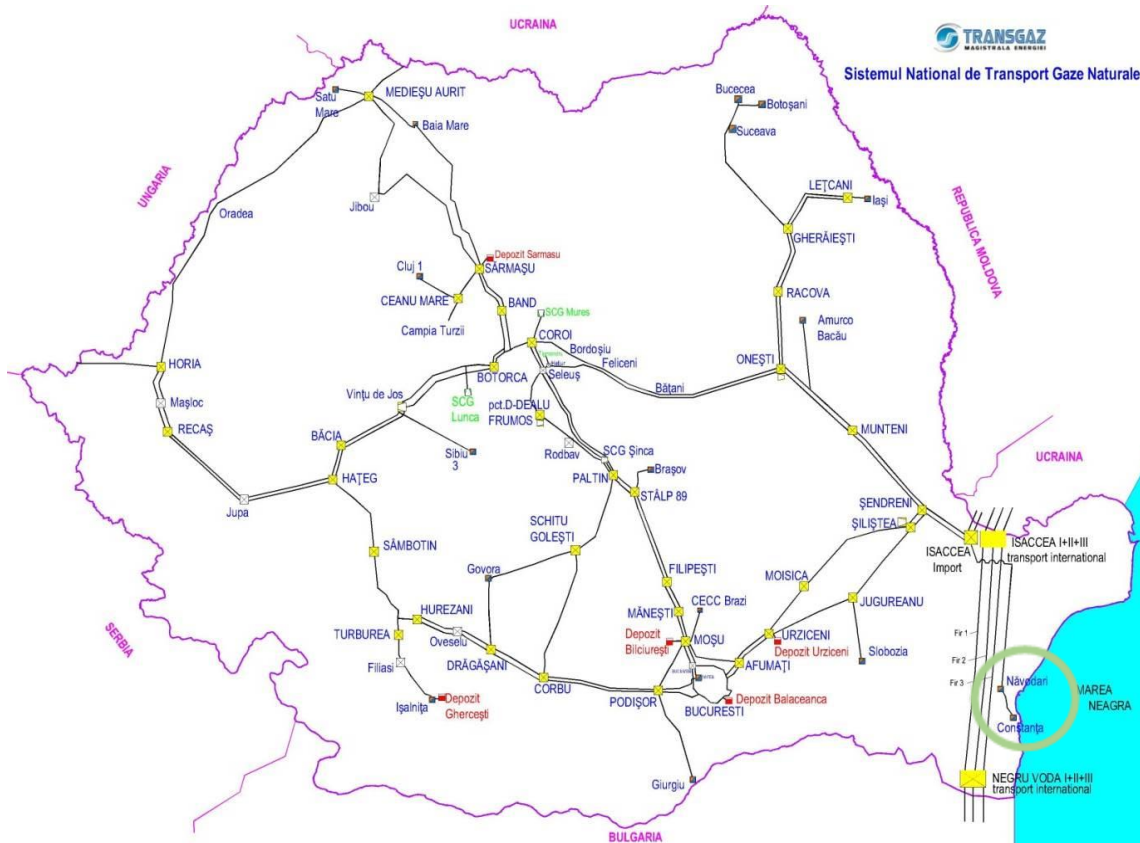
- Enabling bidirectional flow on the T3 pipeline, part of the Trans-Balkan corridor

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

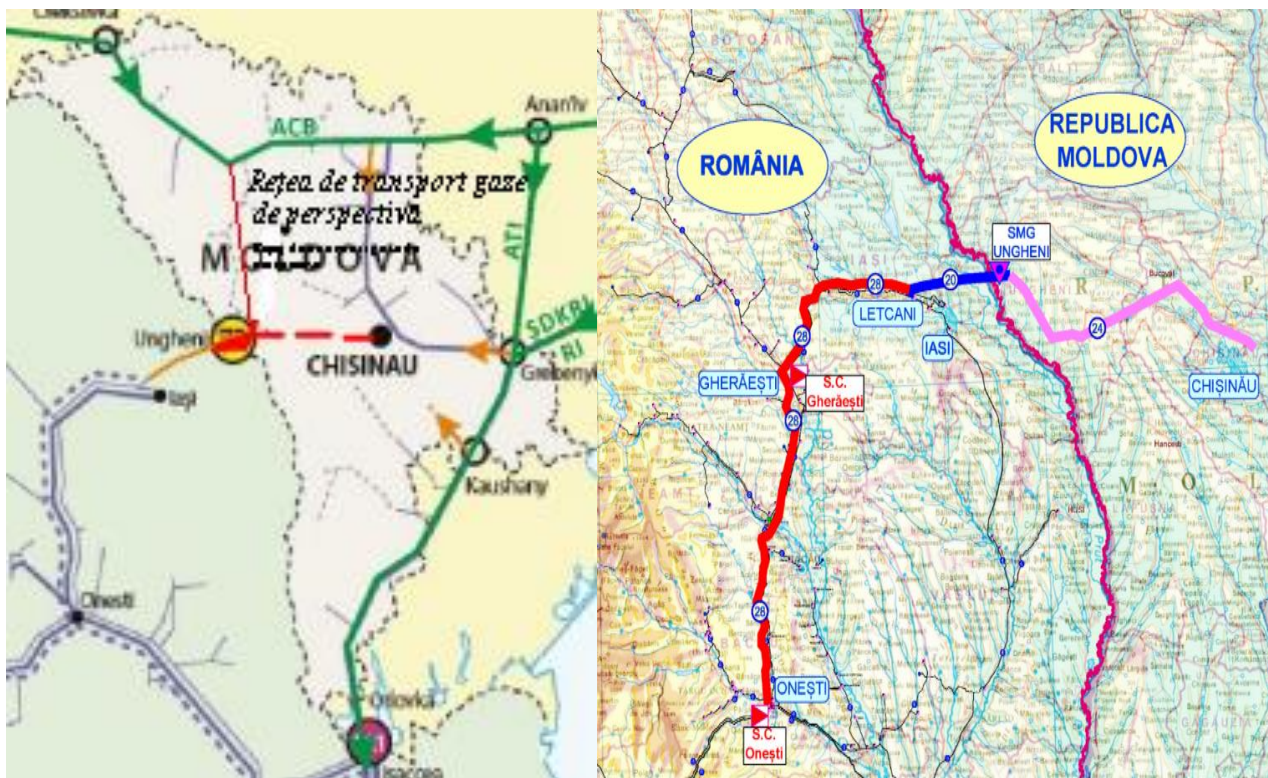
Necessary investments:

- 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



Commissioning start of operation

2020 - COMPLETED

Completion construction of Ghidighici complex

2020 - COMPLETED

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 Chișinău distribution system, each 3.2 km long
- 1 gas distribution pipeline, average pressure from MRS Ghidighici to the distribution system of Chișinău (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 – Chișinău and the existing Moldavia gas transmission system operated by MOLDOVATRANS-GAZ
- an operating complex at Ghidighici where the head office of VESTMOLDTRANSGAZ

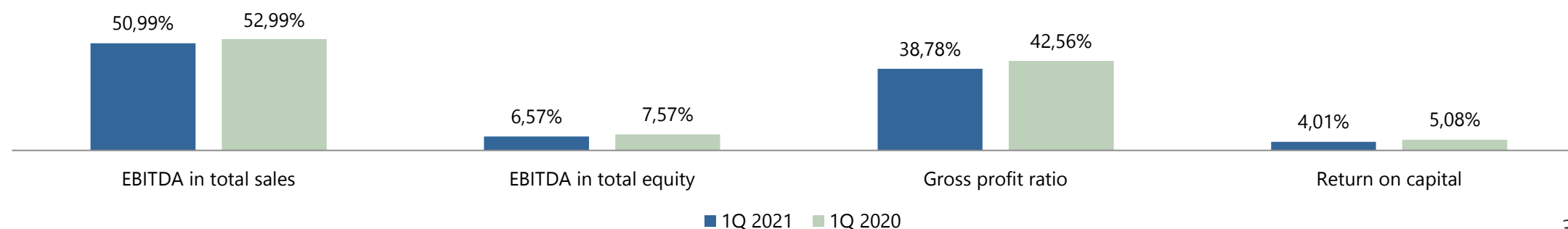
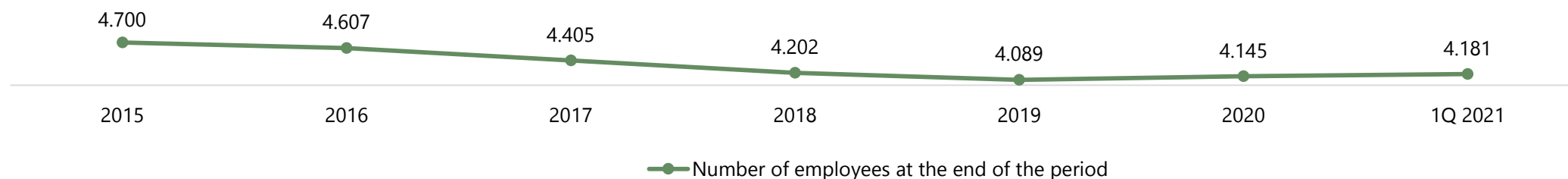
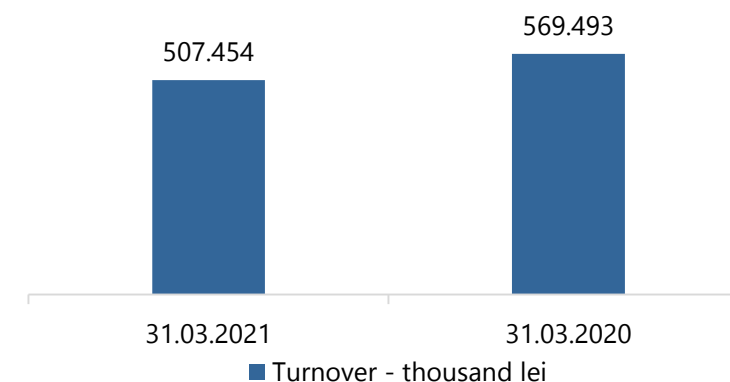
Total estimated costs:

- **93 mil. Euro**

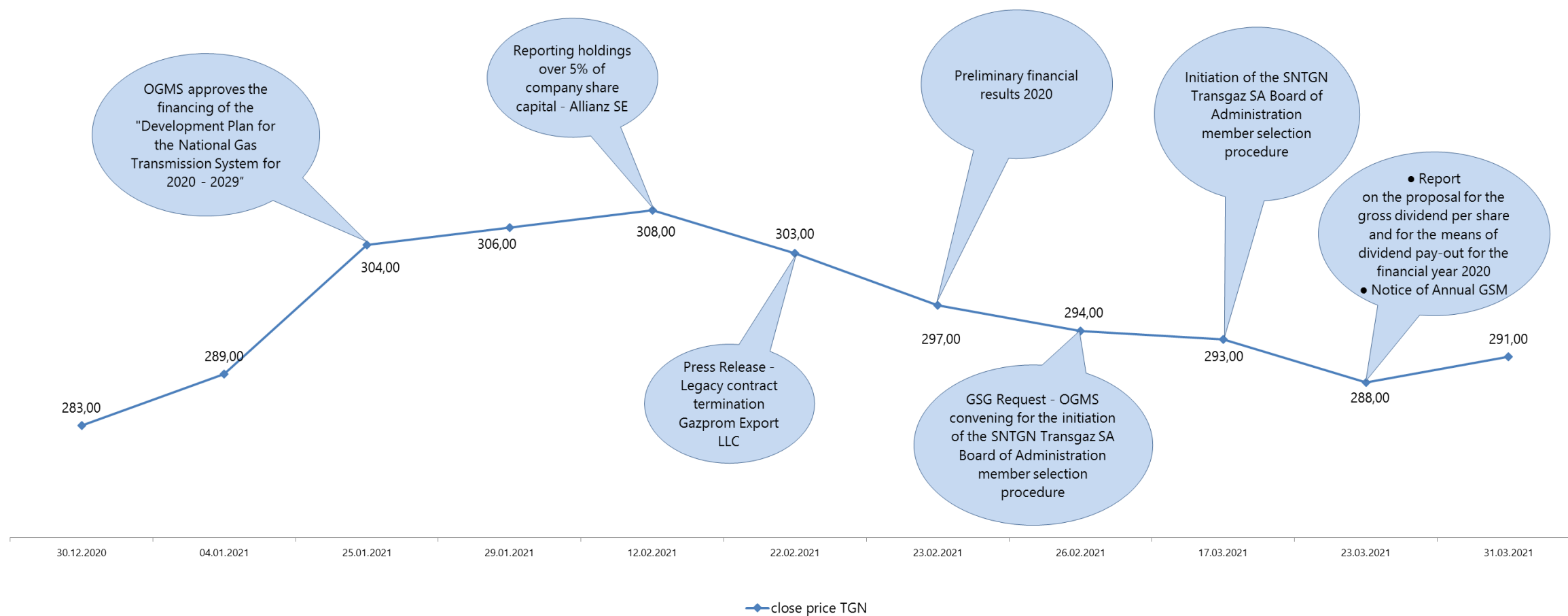
8. Main indicators

1Q2021 compared to 1Q2020

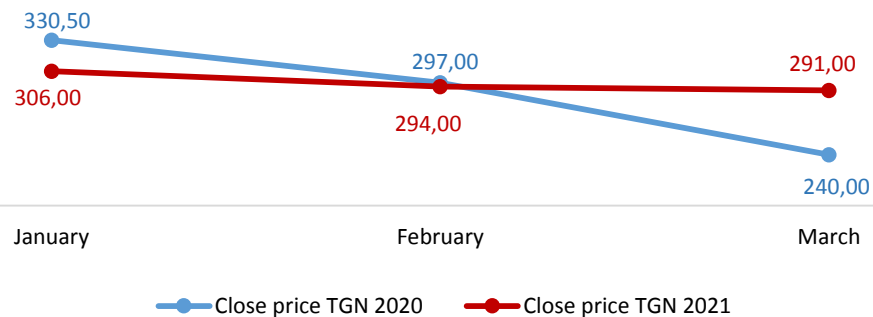
	1Q 2021	1Q 2020
EBITDA in total sales	50,99%	52,99%
EBITDA in total equity	6,57%	7,57%
Gross profit ratio	38,78%	42,56%
Return on capital	4,01%	5,08%
Current liquidity ratio	1,73	2,11
Quick liquidity ratio	1,42	1,34
Gearing	37,19%	16,45%
Interest coverage ratio	25,45	100,87
Turnover speed for clients debit - days	122,14	105,24
Turnover speed for credit providers - days	36,83	36,71



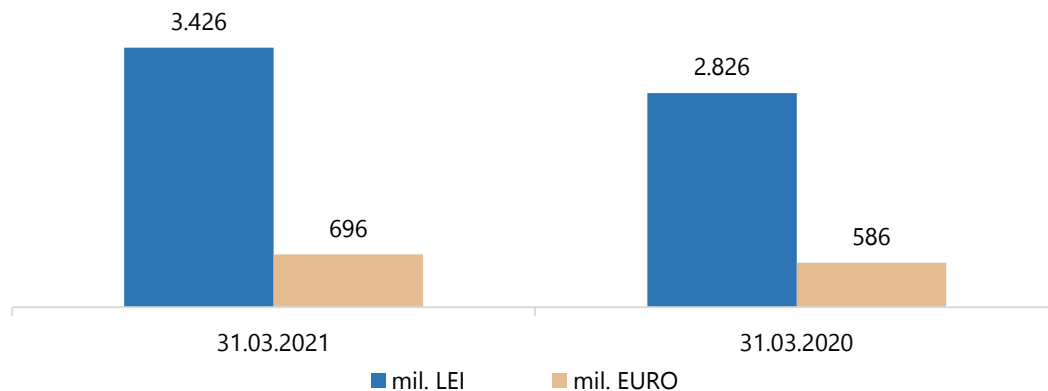
Main corporate events with an impact upon the share price in 1Q 2021



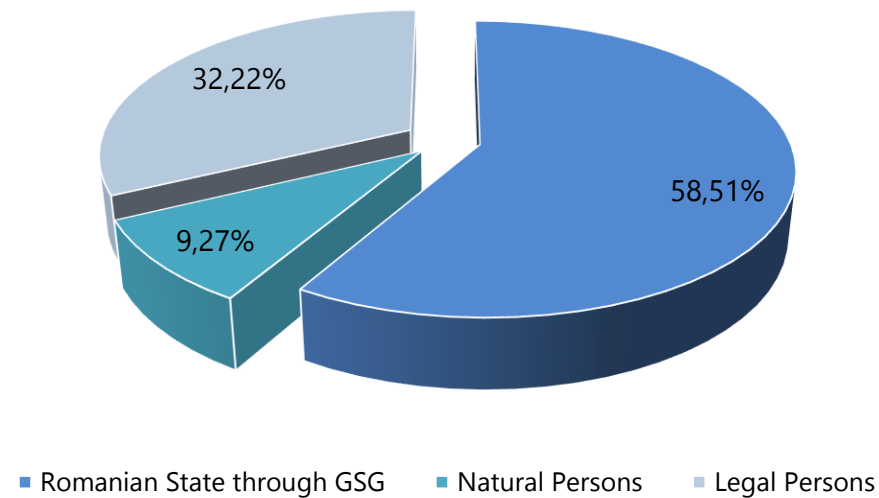
Stock Exchange TGN Evolution (2)



Market capitalization

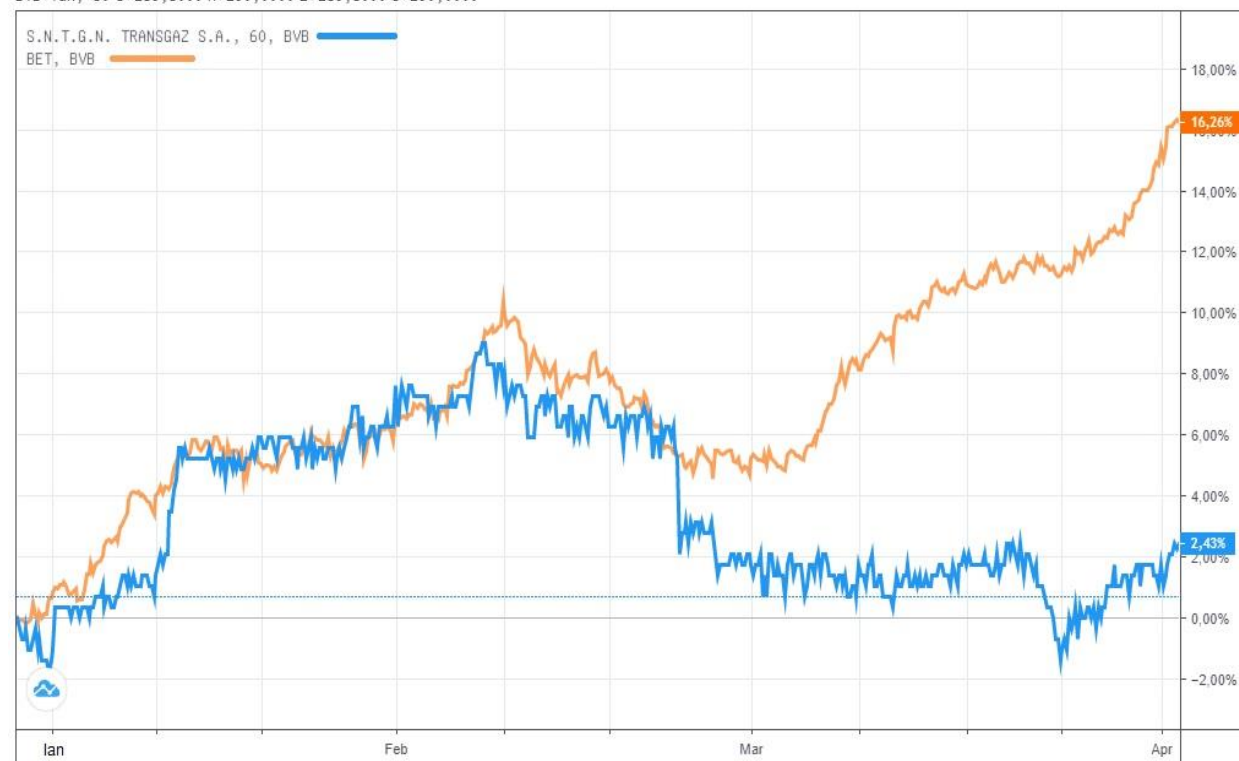


Shareholders structure at 09.04.2021



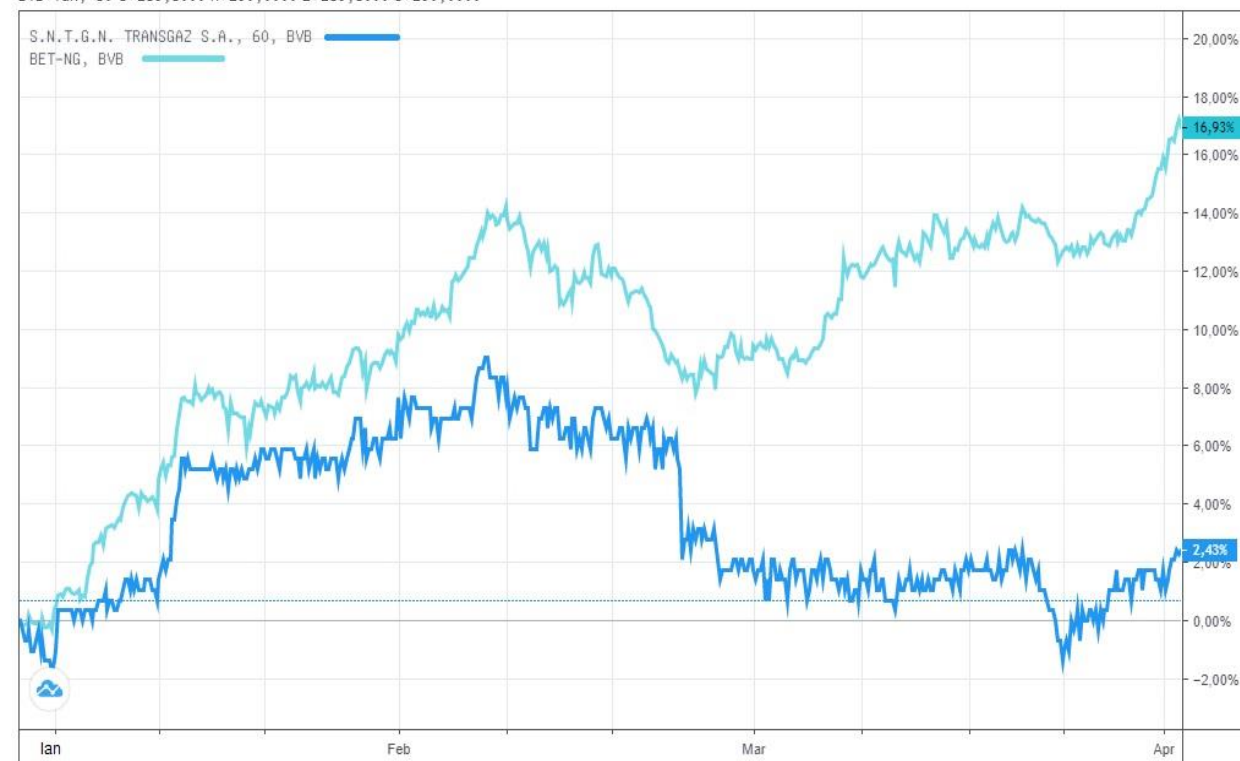
Stock Exchange TGN Evolution (3)

Published on TradingView.com, May 12, 2021 10:59:20 EEST
BVB:TGN, 60 0:289,5000 H:290,0000 L:289,5000 C:290,0000



TradingView

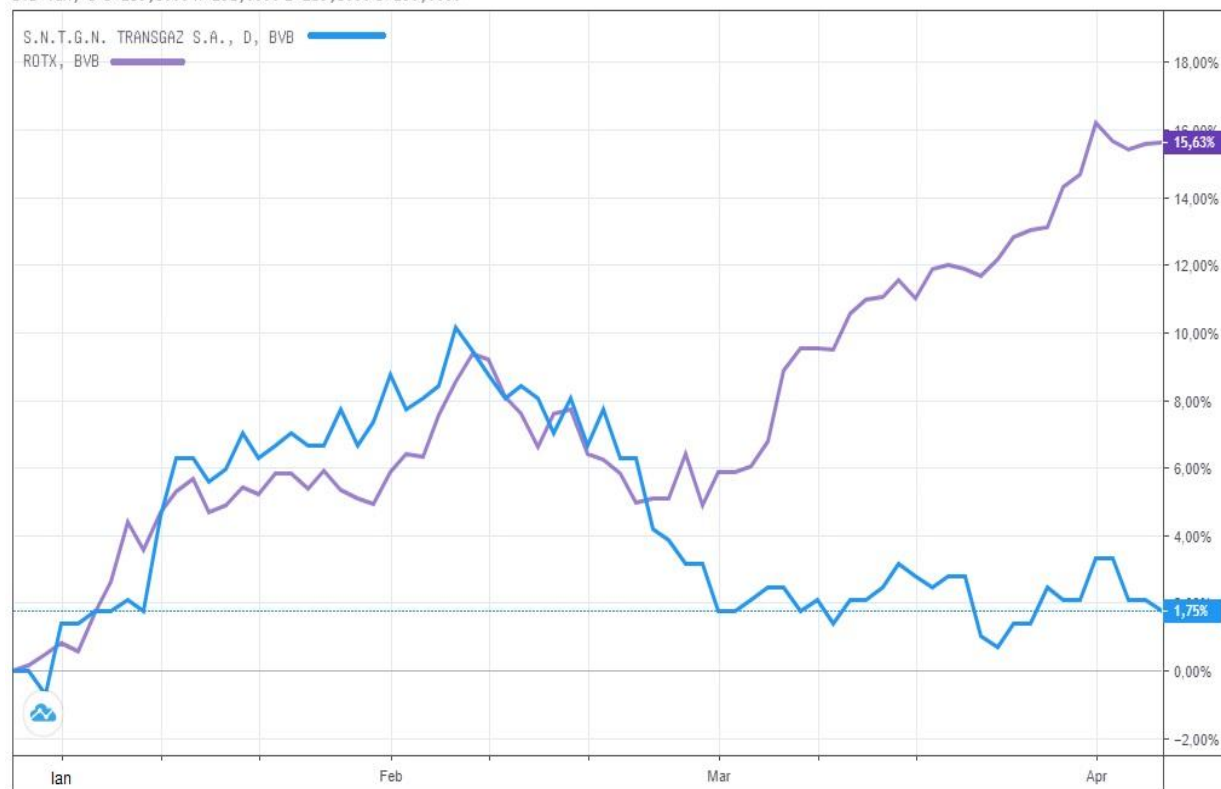
Published on TradingView.com, May 12, 2021 11:00:14 EEST
BVB:TGN, 60 0:289,5000 H:290,0000 L:289,5000 C:290,0000



TradingView

Stock Exchange TGN Evolution (4)

Published on TradingView.com, May 12, 2021 11:05:23 EEST
BVB:TGN, D 0:289,5000 H:291,0000 L:289,5000 C:290,0000



TradingView

Published on TradingView.com, May 12, 2021 11:01:03 EEST
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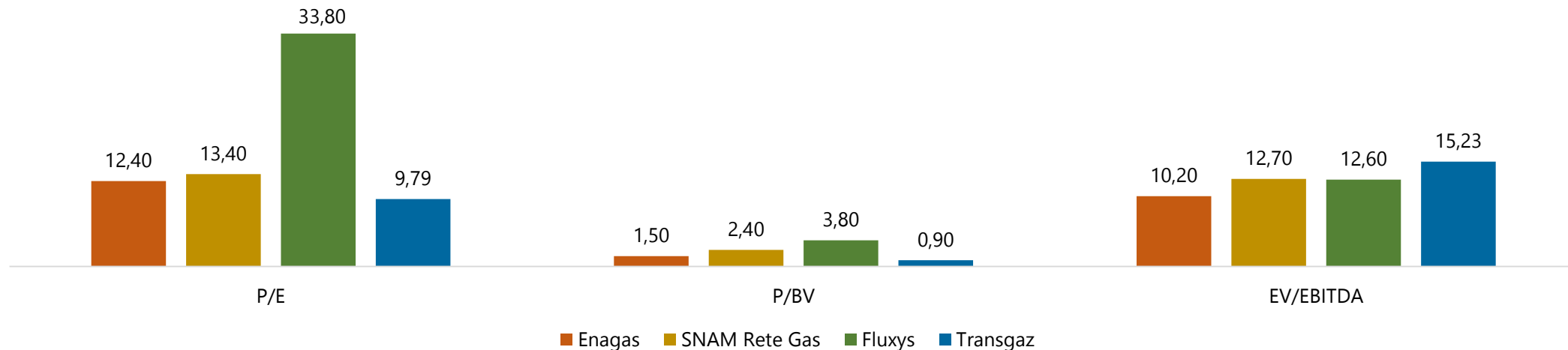
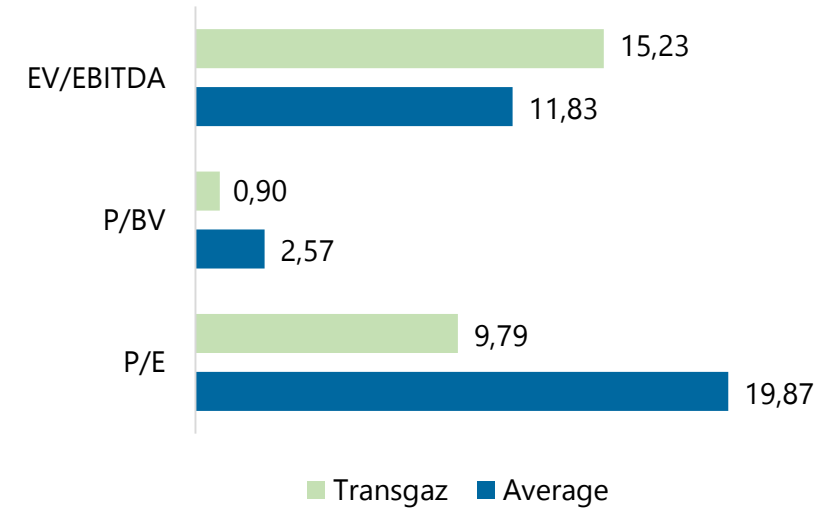


TradingView

TRANSGAZ COMPARED TO PEERS

Company		P/E	P/BV	EV/EBITDA
Enagas	Spain	12,40	1,50	10,20
SNAM Rete Gas	Italy	13,40	2,40	12,70
Fluxys	Belgium	33,80	3,80	12,60
Average		19,87	2,57	11,83
Transgaz	Romania	9,79	0,90	15,23
Premium /Discount		-50,72%	-64,94%	28,70%

Source: Bloomberg, 21.04.2021





Thank you for your kind attention!