

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

**INTERIM FINANCIAL STATEMENTS FOR THE 9 MONTHS ENDED  
30 SEPTEMBER 2021 (UNAUDITED)**



**Prepared in accordance with IFRS - UE**



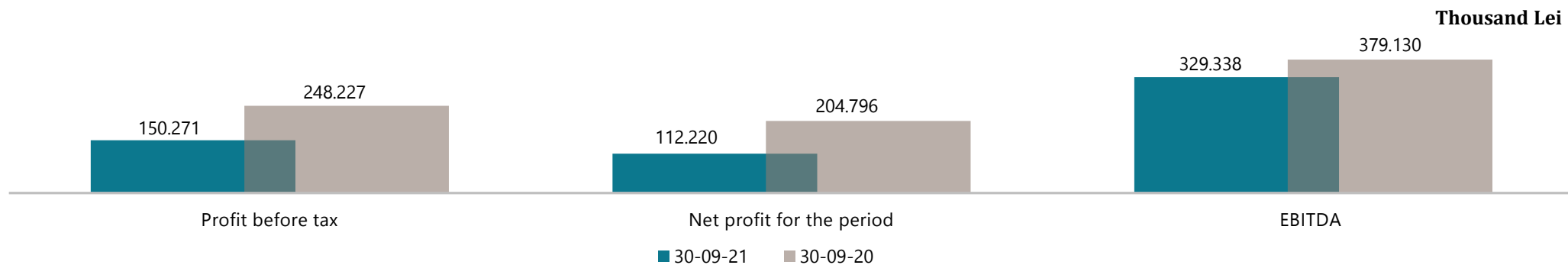
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# 1. Statement of individual comprehensive income as of 30.09.2021 (1)

## MAIN INDICATORS

THOUSAND LEI	30.09.2021	30.09.2020	CHANGES 9M2021/9M2020	
			Absolute	Relative
Operational income before the balancing and construction activity according to IFRIC12	954,585	1,006,351	-51,766	-5%
Revenue from the balancing activity	203,780	148,026	55,754	38%
Income from the construction activity according to IFRIC12	516,188	1,018,106	-501,918	-49%
Financial income	79,392	50,148	29,244	58%
Operational costs before the balancing and construction activity according to IFRIC12	868,715	795,814	72,901	9%
Expenses with balancing gas	203,780	148,026	55,754	38%
Cost of assets constructed according to IFRIC12	516,188	1,018,106	-501,918	-49%
Financial expenses	14,992	12,458	2,534	20%
<b>Profit before tax</b>	<b>150,271</b>	<b>248,227</b>	<b>-97,956</b>	<b>-39%</b>
Profit tax expense	38,051	43,430	-5,379	-12%
<b>Net profit for the period</b>	<b>112,220</b>	<b>204,796</b>	<b>-92,576</b>	<b>-45%</b>
<b>EBITDA</b>	<b>329,338</b>	<b>379,130</b>	<b>-49,792</b>	<b>-13%</b>
Turnover	1,083,263	1,117,139	-33,876	-3%

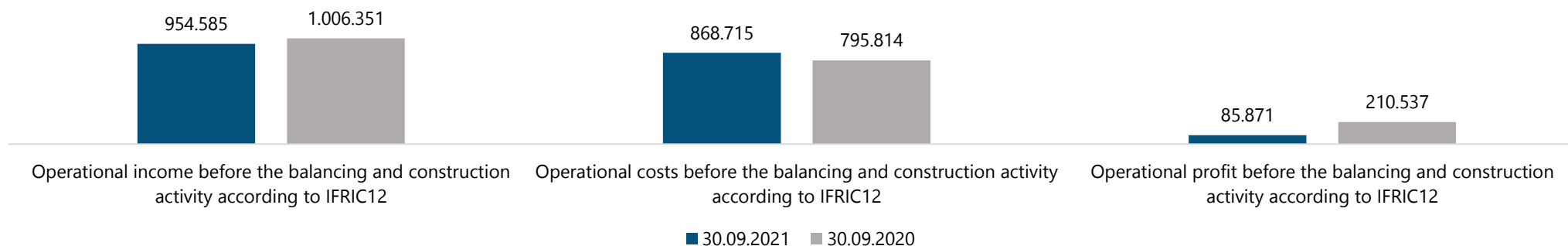


# 1. Statement of individual comprehensive income as of 30.09.2021 (2)

## MAIN INDICATORS

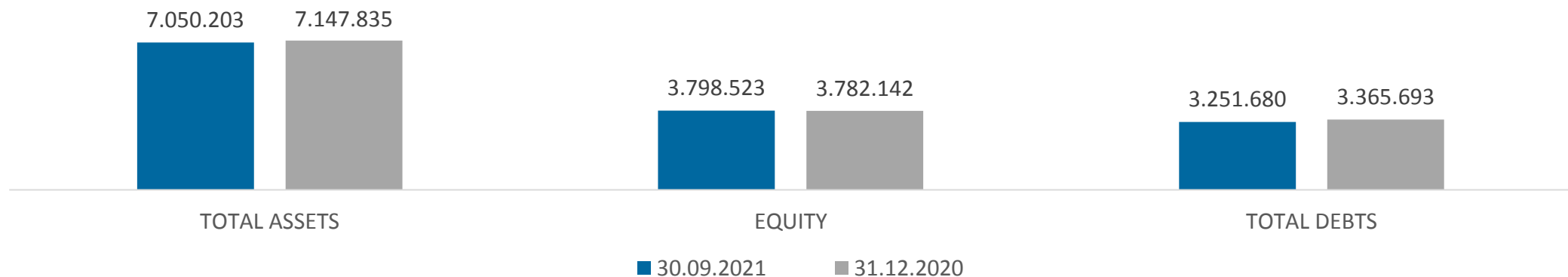
THOUSAND LEI	30.09.2021	30.09.2020	CHANGES 9M2021/9M2020	
			Absolute	Relative
Revenues from domestic gas transmission activity	813,812	878,327	-64,515	-8%
Revenues from international gas transmission activity	61,914	87,077	-25,163	-29%
Other revenues	78,860	40,946	37,914	93%
<b>Operational income before the balancing and construction activity according to IFRIC12</b>	<b>954,585</b>	<b>1,006,351</b>	<b>-51,766</b>	<b>-5%</b>
Employees costs	350,371	318,713	31,658	10%
Technological consumption, materials and consumables used	86,040	74,193	11,847	16%
Expenses with royalties	3,503	96,541	-93,038	-96%
Maintenance and transport	22,463	17,031	5,432	32%
Taxes and other amounts owed to the State	66,270	53,907	12,363	23%
Revenues/ Expenses with provision for risks and expenses	-23,024	-3,865	-19,159	x
Other operating expenses	119,625	70,701	48,924	69%
Depreciation	243,467	168,593	74,874	44%
<b>Operational costs before the balancing and construction activity according to IFRIC12</b>	<b>868,715</b>	<b>795,814</b>	<b>72,901</b>	<b>9%</b>
<b>Operational profit before the balancing and construction activity according to IFRIC12</b>	<b>85,871</b>	<b>210,537</b>	<b>-124,666</b>	<b>-59%</b>

Thousand Lei



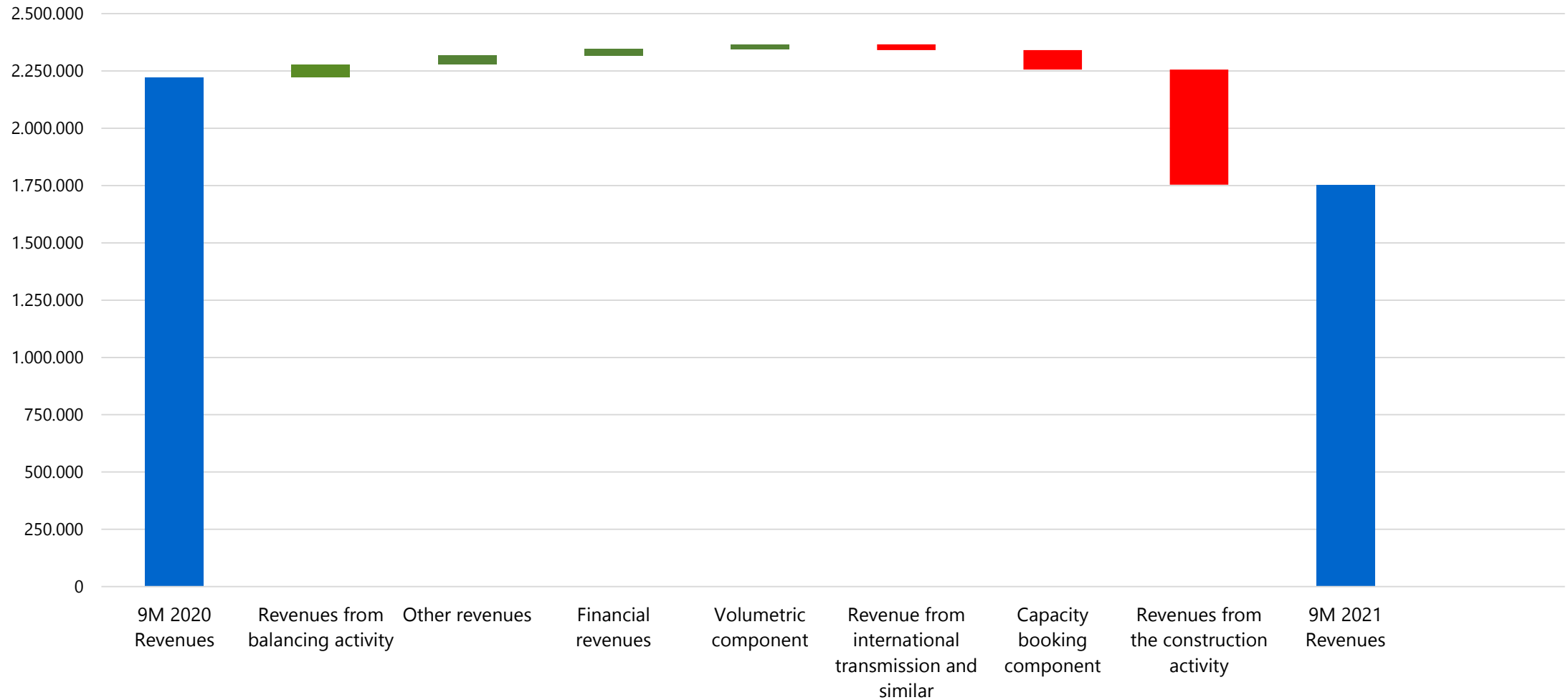
## 2. Statement of individual financial position as of 30.09.2021

THOUSAND LEI	30.09.2021	31.12.2020	CHANGES	
			Absolute	Relative
FIXED ASSETS	6,398,270	6,054,436	343,834	6%
CURRENT ASSETS	651,933	1,093,398	-441,465	-40%
<b>TOTAL ASSETS</b>	<b>7,050,203</b>	<b>7,147,835</b>	<b>-97,632</b>	<b>-1%</b>
<b>EQUITY</b>	<b>3,798,523</b>	<b>3,782,142</b>	<b>16,381</b>	<b>0%</b>
LONG TERM DEBTS	2,705,161	2,665,413	39,748	1%
CURRENT DEBTS	546,519	700,280	-153,761	-22%
<b>TOTAL DEBTS</b>	<b>3,251,680</b>	<b>3,365,693</b>	<b>-114,013</b>	<b>-3%</b>
<b>TOTAL EQUITY AND DEBTS</b>	<b>7,050,203</b>	<b>7,147,835</b>	<b>-97,632</b>	<b>-1%</b>



### 3. Main revenue drivers (1)

Revenues 9M 2021 vs. Revenues 9M 2020 (thousand lei)



### 3. Main revenue drivers (2)

9M2021 compared to 9M2020

**Operating revenue before the balancing and construction activity, according to IFRIC12** decreased by **5%** as compared to 30 September 2020, which is lower by **Lei 51,765 thousand**.

The revenue was influenced mainly by the following factors:

- *commodity revenue* higher by **Lei 20,459 thousand** due to:
  - the commodity transmission tariff lower by Lei 0,05 lei/MWh, with a negative influence of Lei 5.561 thousand;
  - *the gas transmitted capacities* higher by 17,231,620 MWh/1,517,237 thousand cm (▲18%), as compared to 30 September 2020, with a positive influence of Lei 26,020 thousand, detailed by categories of consumers as follows:

		1Q 2021	2Q 2021	3Q 2021	9 months 2021	1Q 2020	2Q 2020	3Q 2020	9 months 2020	Differences 9M 2021 vs 9M2020
Quantity transmitted for direct consumers	MWh	12,444,925	17,514,347	24,473,145	54,432,417	11,545,026	14,786,601	17,109,847	43,441,474	10,990,943
	thousand m <sup>3</sup>	1,070,759	1,710,309	2,264,326	5,045,394	1,078,004	1,378,194	1,577,358	4,033,556	1,011,838
Quantity transmitted for distribution	MWh	35,471,660	13,874,381	7,450,060	56,796,101	32,693,087	10,936,870	6,925,467	50,555,424	6,240,677
	thousand m <sup>3</sup>	3,311,074	1,196,531	690,784	5,198,390	3,039,364	1,012,381	641,246	4,692,991	505,399
Total	MWh	47,916,585	31,388,728	31,923,205	111,228,518	44,238,113	25,723,471	24,035,314	93,996,898	17,231,620
	thousand m <sup>3</sup>	4,381,833	2,906,840	2,955,110	10,243,784	4,117,368	2,390,575	2,218,604	8,726,547	1,517,237

The commodity tariffs decreased at 30 September 2021 as compared to 30 September 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.



### 3. Main revenue drivers (3)

#### 9M2021 compared to 9M2020

- *revenue from capacity booking* lower by **Lei 84,974 thousand** due to:
  - *revenue from the auction premium* lower by Lei 146,118 thousand following the capacity booking auctions performed according to the CAM-NC by interconnection points. Revenue from the auction premium at 30 September 2020 amounted to Lei 159,127 thousand, and at 30 September 2021 to Lei 13,010 thousand;
  - *booked capacity* higher by 12,128,773 MWh, with a positive influence of Lei 25,248 thousand;
  - *capacity booking tariff* higher by Lei 0.054/MWh, with a positive influence of Lei 15,184 thousand;
  - *capacity surplus* revenue higher by Lei 20,711 thousand. Capacity surplus revenue at 30 September 2020 amounted to Lei 22,102 thousand, and at 30 September 2021 to Lei 42,814 thousand;
- *international gas transmission revenue and similar* lower by **Lei 25,163 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 37,913 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, amounting to Lei 28,508 thousand.

*The revenue from the balancing activity* was higher by **Lei 55,754 thousand** based on the following factors:

- trading price higher by Lei 67,61/MWh, with a positive influence of Lei 106,029 thousand;
- quantity lower by 806,629 MWh with a negative influence of Lei 50,275 thousand;

*The revenue from the construction activity* lower by **Lei 501,918 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;

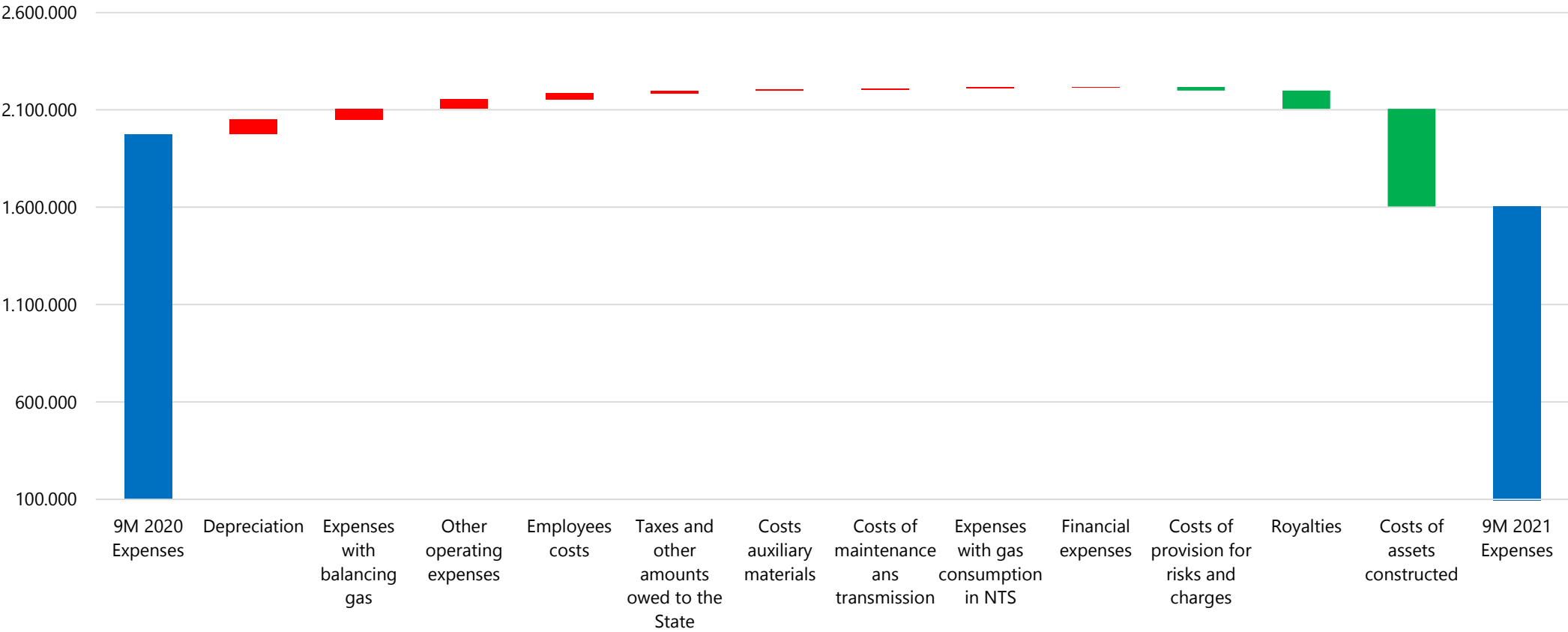
*The financial revenue* has a positive influence of **Lei 29,244 thousand**, mainly due to the recording of the updating of the regulated assets value with the inflation rate for 9 months 2021 (Lei 47.719 thousand at 30 September 2020 as compared to Lei 26,873 thousand at 30 September 2020).

	1Q 2021	2Q 2021	3Q 2021	9M 2021	1Q 2020	2Q 2020	3Q 2020	9M 2020
Revenues from the domestic transmission activity, due to:	421,450	198,716	193,646	813,812	474,268	203,556	200,503	878,327
- Volumetric component	69,958	45,828	46,608	162,394	66,800	38,842	36,294	141,936
- Capacity booking component	351,492	152,888	147,037	651,417	407,469	164,713	164,210	736,391



4. Main costs drivers (1)

Expenses 9M 2021 vs. 9M 2020 (thousand lei)



## 4. Main costs drivers(2)

9M 2021 compared to 9M 2020

**Operating costs before the balancing and construction activity according to IFRIC12** increased by **9%** as compared to 30 September 2020, which is higher by **Lei 72,901 thousand**.

**The company made savings of Lei 112,197 thousand**, in relation to the following cost elements:

- **cost of NTS concession royalty**: Lei 93,038 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%;
- **costs of provision for risks and charges**: Lei 19,159 thousand.

**Exceedings amounting to Lei 185,097 thousand** were recorded to the following cost elements:

- **transmission system gas consumption** Lei 4,926 thousand due to:
  - the quantity of natural gas for NTS gas consumption higher by 113,410 MWh as compared to 30 September 2020, with a negative influence of Lei 12,600 thousand;
  - the average purchase price obtained lower by Lei 13.64/MWh as compared to the one obtained at 30 September 2020, with a positive influence of Lei 7,674 thousand;

		1Q 2021	2Q 2021	3Q 2021	30.09.2021	1Q 2020	2Q 2020	3Q 2020	30.09.2020	Differences 9M 2021 vs 9M 2020
Quantities of natural gas consumption in NTS	MWh	261,899	192,303	108,463	562,664	240,122	117,996	91,136	449,254	113,410
	thousand m <sup>3</sup>	24,711	17,684	9,891	52,286	23,272	12,030	9,243	44,545	7,741

- **employee costs**: Lei 31,658 thousand;
- **cost of depreciation**: Lei 74,873 thousand, based on the completion and commissioning of the major investment projects;
- **costs of maintenance and transmission**: Lei 5,432 thousand;
- **costs auxiliary materials**: Lei 6,921 thousand;
- **costs of monopoly tax and other duties and taxes**: Lei 12,364 thousand;
- **other operating costs**: Lei 48,924 thousand, mainly based on the increasing of the cost of the adjustment for impairment of current assets by Lei 45,160 thousand.

**The financial cost** is higher by **Lei 2,535 thousand** mainly based on the non-capitalized interest expenses related to the use of credit to finance the current activity

**Compared to 30 September 2020 the gross profit obtained at 30 September 2021 decreased by 39%, which is lower by Lei 97,956 thousand.**

## 5. Statement of consolidated comprehensive income as of 30.09.2021

THOUSAND LEI	Consolidated 30.09.2021	Consolidated 30.09.2020	MAIN INDICATORS	
			CHANGES 2021/2020	
			Absolute	Relative
Operating revenue before the balancing and construction activity according to IFRIC12	955,092	1,015,867	-60,775	-6%
Revenue from the balancing activity	203,780	148,026	55,754	38%
Revenue from the construction activity according to IFRIC12	516,188	1,018,106	-501,918	-49%
Financial revenue	95,749	55,008	40,741	74%
Operating costs before the balancing and construction activity according to IFRIC12	879,222	803,441	75,781	9%
Costs from the balancing activity	203,780	148,026	55,754	38%
Cost of assets constructed according to IFRIC12	516,188	1,018,106	-501,918	-49%
Financial costs	27,559	18,061	9,498	53%
<b>Profit before tax</b>	<b>144,060</b>	<b>249,372</b>	<b>-105,312</b>	<b>-42%</b>
Income tax	38,562	43,491	-4,929	-11%
<b>Net profit for the period</b>	<b>105,498</b>	<b>205,881</b>	<b>-100,383</b>	<b>-49%</b>

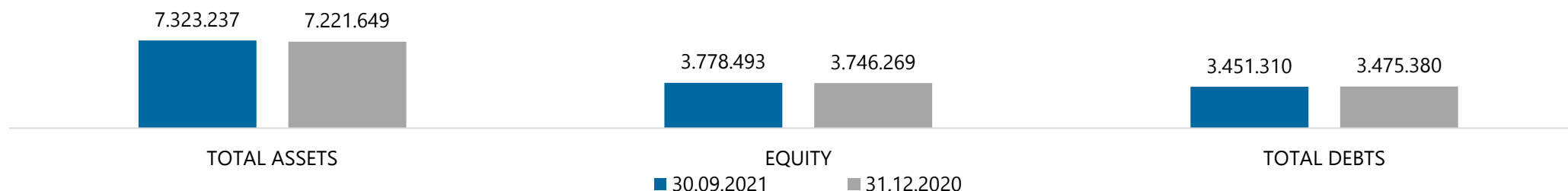
The establishment of the company EUROTRANSGAZ SRL on the territory of the Republic of Moldova was approved by Extraordinary General Meeting of the Shareholders Resolution no. 10/12.12.2017 for enabling participation in the privatization procedure of the State Enterprise Vestmoldtransgaz. Transgaz is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

## 6. Statement of consolidated financial position as of 30.09.2021

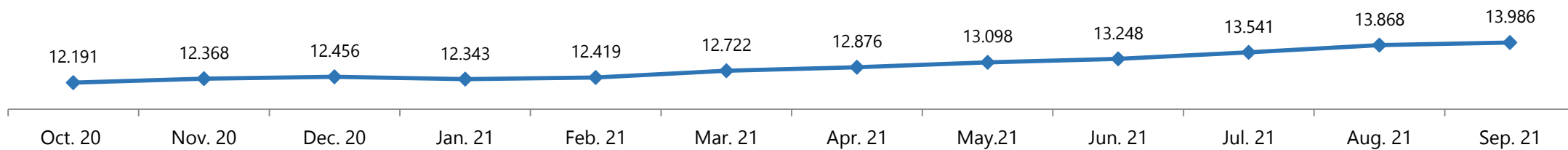
THOUSAND LEI	30.09.2021	31.12.2020	CHANGES	
			Absolute	Relative
FIXED ASSETS	6,476,873	6,060,659	416,214	7%
CURRENT ASSETS	846,364	1,160,990	-314,626	-27%
<b>TOTAL ASSETS</b>	<b>7,323,237</b>	<b>7,221,649</b>	<b>101,588</b>	<b>1%</b>
<b>EQUITY</b>	<b>3,778,493</b>	<b>3,746,269</b>	<b>32,224</b>	<b>1%</b>
NON-CONTROLLING INTERESTS	93,434	-	93,434	X
LONG TERM DEBTS	2,892,478	2,772,114	120,364	4%
CURRENT DEBTS	558,832	703,266	-144,434	-20%
<b>TOTAL DEBTS</b>	<b>3,451,310</b>	<b>3,475,380</b>	<b>-24,070</b>	<b>-1%</b>
<b>TOTAL EQUITY AND DEBTS</b>	<b>7,323,237</b>	<b>7,221,649</b>	<b>101,588</b>	<b>1%</b>



The variation of the consolidated economic-financial indicators at 30 September 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 30 September 2021 compared to the indicators obtained in the similar period of 2020.

## 7. Main business drivers (1)

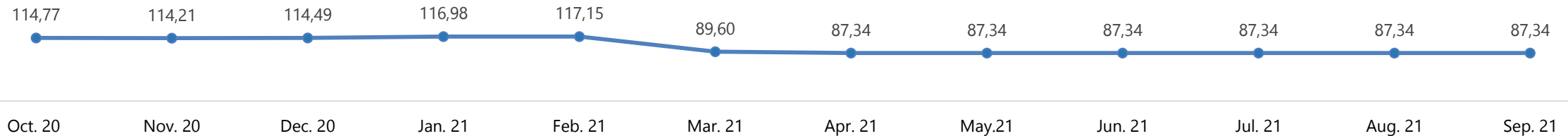
**Natural gas volumes circulated (including storage quantities) - mil.cm - rolling 12 months**



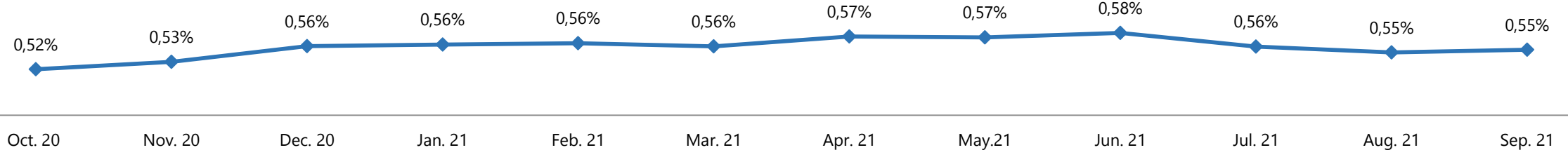
Circulated gas, out of which:		1Q 2021	2Q 2021	3Q 2021	9M 2021	1Q 2020	2Q 2020	3Q 2020	9M 2020
	MWh	47,134,887.33	31,346,775.90	31,807,368.87	110,289,032.09	47,134,887.33	31,346,775.90	31,807,368.87	94,127,130
	thousand m <sup>3</sup>	4,405,724.98	2,926,858.87	2,966,137.77	10,298,721.63	4,405,724.98	2,926,858.87	2,966,137.77	8,769,075
	- storage								
	MWh	33,800.00	7,065,278.68	12,852,558.21	19,951,636.89	33,800.00	7,065,278.68	12,852,558.21	12,442,990
	thousand m <sup>3</sup>	2,366.68	664,115.21	1,209,102.32	1,875,584.20	2,366.68	664,115.21	1,209,102.32	1,172,791
<b>Circulated gas storage share</b>		0.07%	22.54%	40.41%	18.09%	0.07%	22.54%	40.41%	13,22%

## 7. Main business drivers (2)

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



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



		1Q 2021	2Q 2021	3Q 2021	9M 2021	1Q 2020	2Q 2020	3Q 2020	9M 2020
<b>Technological consumption, materials and consumables used of which:</b>	thousand lei	37,752	26,102	22,186	86,040	30,643	19,353	24,197	74,193
▪ <b>transmission system technological consumption and loss</b>	thousand lei	28,147	17,219	9,473	54,839	25,883	13,473	10,557	49,913
- <b>technological consumption quantity</b>	MWh	261,899	192,303	108,463	562,665	240,122	117,996	91,136	449,254
▪ <b>auxiliary materials</b>	thousand lei	7,442	8,076	12,554	28,072	3,814	5,327	12,702	21,843
▪ <b>other material costs</b>	thousand lei	2,163	808	158	3,129	946	553	938	2,437

# The main economic and financial indicators obtained in Q III 2021, compared to the same period of 2020



## MAIN INDICATORS

THOUSAND LEI	3Q2021	3Q2020	Differences 3Q2021/3Q2020	
			Absolute	Relative
Operating revenue before the balancing and construction activity, according to IFRIC12, of which	253,756	247,322	6,434	3%
Revenue from domestic transmission	193,646	200,503	-6,857	-3%
Revenue from international transmission and similar	28,002	27,847	155	1%
Operating costs before the balancing and construction activity, according to IFRIC12	298,900	278,742	20,158	7%
<b>Operating profit before the balancing and construction activity, according to IFRIC12</b>	<b>-45,143</b>	<b>-31,421</b>	<b>-13,722</b>	<b>-31%</b>
Revenue from the balancing activity	61,721	36,073	25,648	71%
Balancing activity costs	61,721	36,073	25,648	71%
Revenue from the construction activity according to IFRIC12	170,341	345,105	-174,764	-51%
Cost of constructed assets according to IFRIC12	170,341	345,105	-174,764	-51%
<b>Operating profit</b>	<b>-45,143</b>	<b>-31,421</b>	<b>-13,722</b>	<b>-31%</b>
Financial revenue	30,185	7,731	22,454	290%
Financial costs	6,451	5,230	1,221	23%
<b>Financial result</b>	<b>23,734</b>	<b>2,502</b>	<b>21,232</b>	<b>849%</b>
<b>GROSS PROFIT</b>	<b>-21,409</b>	<b>-28,919</b>	<b>7,510</b>	<b>31%</b>
<b>Income tax</b>	<b>7,845</b>	<b>-2,547</b>	<b>10,392</b>	<b>x</b>
<b>NET PROFIT</b>	<b>-29,254</b>	<b>-26,372</b>	<b>-2,882</b>	<b>-11%</b>

**Operating revenue before the balancing and construction activity, according to IFRIC12** increased by **3%** as compared to Q III 2020, which is higher by **Lei 6,434 thousand**.

**Operating costs before the balancing and construction activity according to IFRIC12** increased by **7%** as compared to Q III 2020, which is higher by **Lei 20,158 thousand**.



## CURRENT NTS INFRASTRUCTURE



- ❑ 14.012 km main transmission pipelines and connections for gas supply, of which 369 km international gas transmission pipelines and 479 km the BRUA pipeline;
- ❑ 1.137 gas metering stations (1.242 metering directions)
- ❑ 4 gas metering stations for international transmission (Isaccea Transit II, Isaccea Transit III, Negru Vodă II, Negru Vodă III) ;
- ❑ 6 imported gas metering stations (Giurgiu, Medieșu Aurit, Isaccea I, Isaccea II, Negru Vodă I, Negru Voda II);
- ❑ 6 gas compressor stations (Șinca, Onești, Siliștea, Jupa, Podișor, Bibești) ;
- ❑ 1.042 cathodic protection stations (CPS);
- ❑ 58 valve stations/technological nodes;
- ❑ 982 odorization stations.

## FUTURE NTS INFRASTRUCTURE

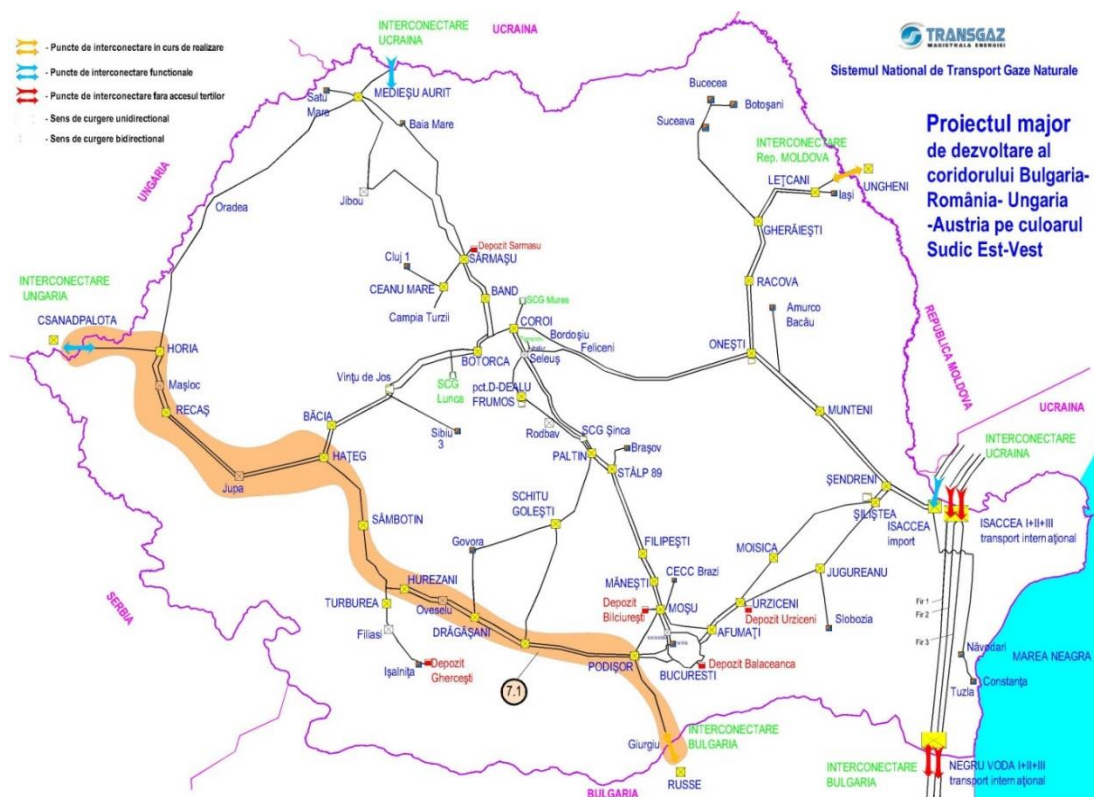
A modernized and competitive gas transmission system that ensures a high degree of interconnectivity, flexibility and access to multiple sources of supply.

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

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	2023	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	2023	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.	COMPLETED
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	Almost completed	Creating an additional point for taking over the natural gas from the Black Sea offshore exploitation perimeters.	COMPLETED

Project no.	Project	Estimated value mil. Euro	Completion date	Project importance	Project status
8	Romania-Serbia Interconnection	56.21	2023	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	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
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
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





## 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)

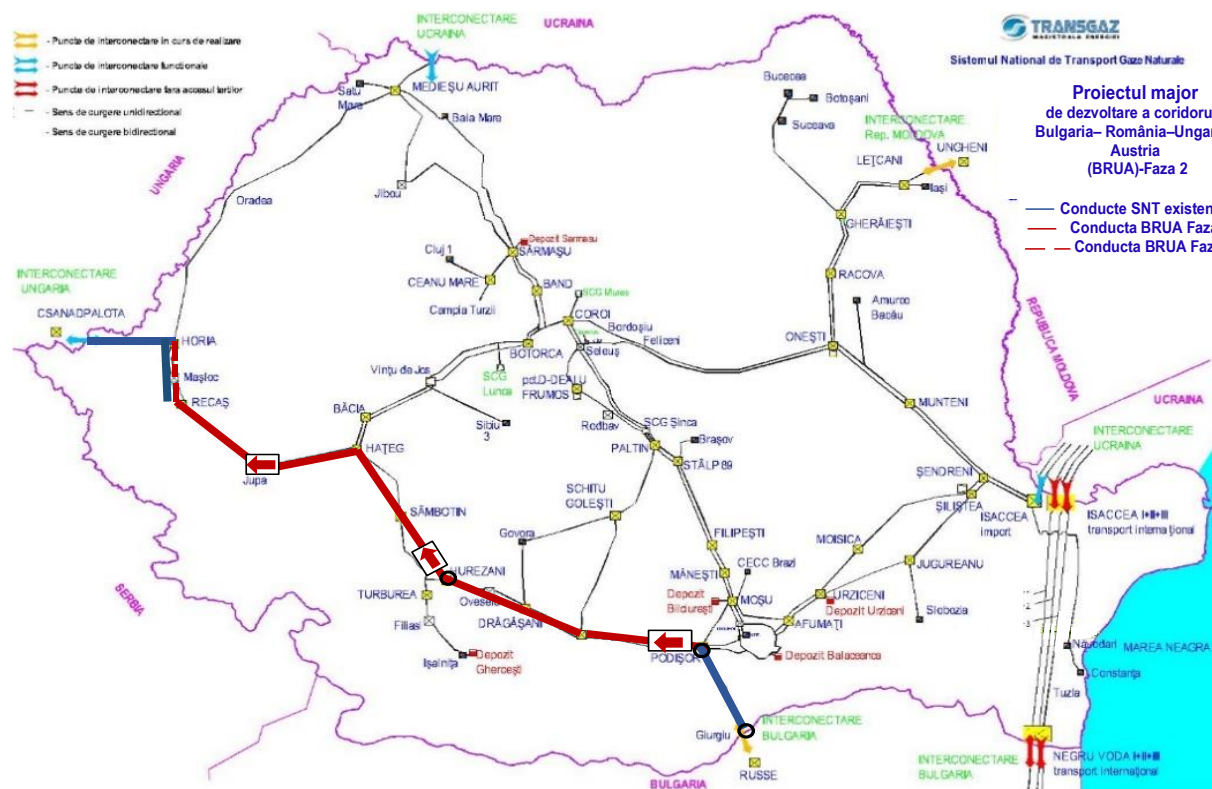
## Estimated total costs:

- 478.6 mil. Euro

Final investment decision – 2016

Estimated commissioning - 2020 - completed

Romanian connection to the neighboring transit



**Estimated commissioning 2023**

## 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

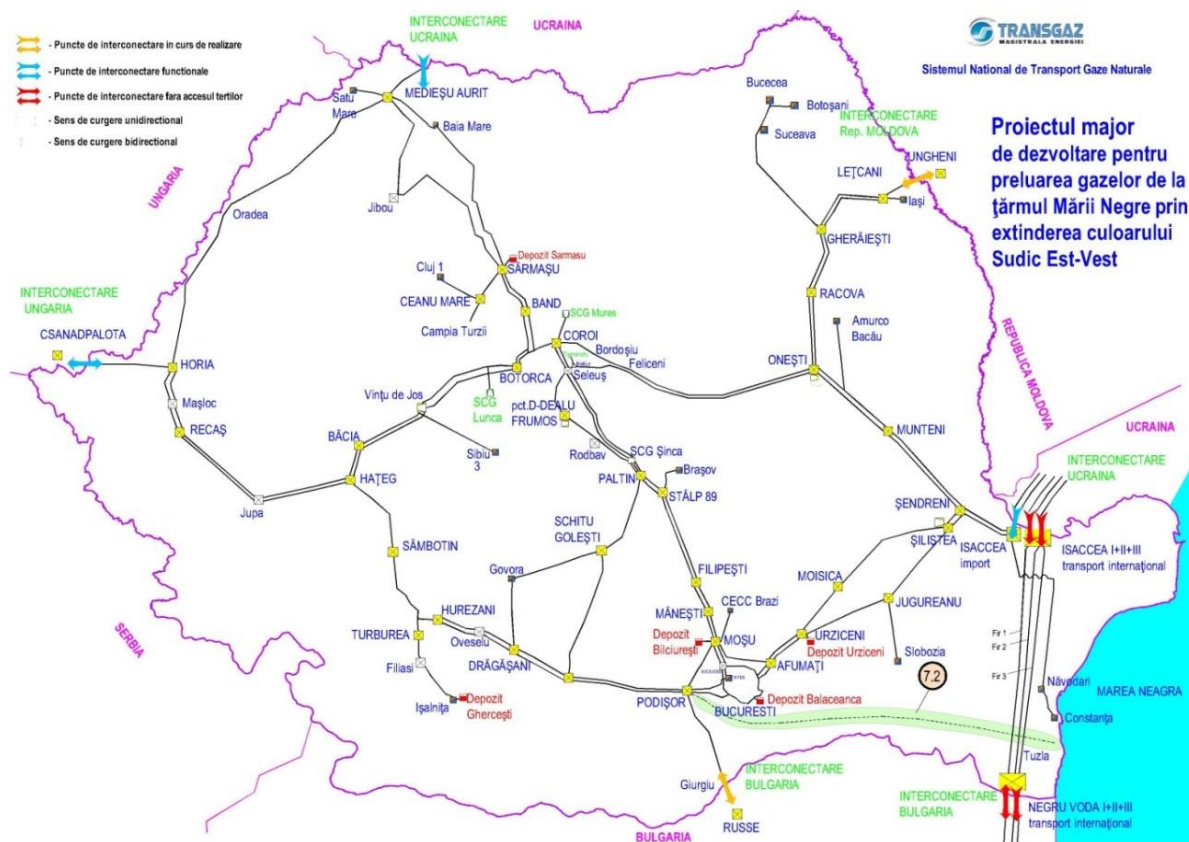
## Necessary investments:

- 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 2023

## Aim:

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

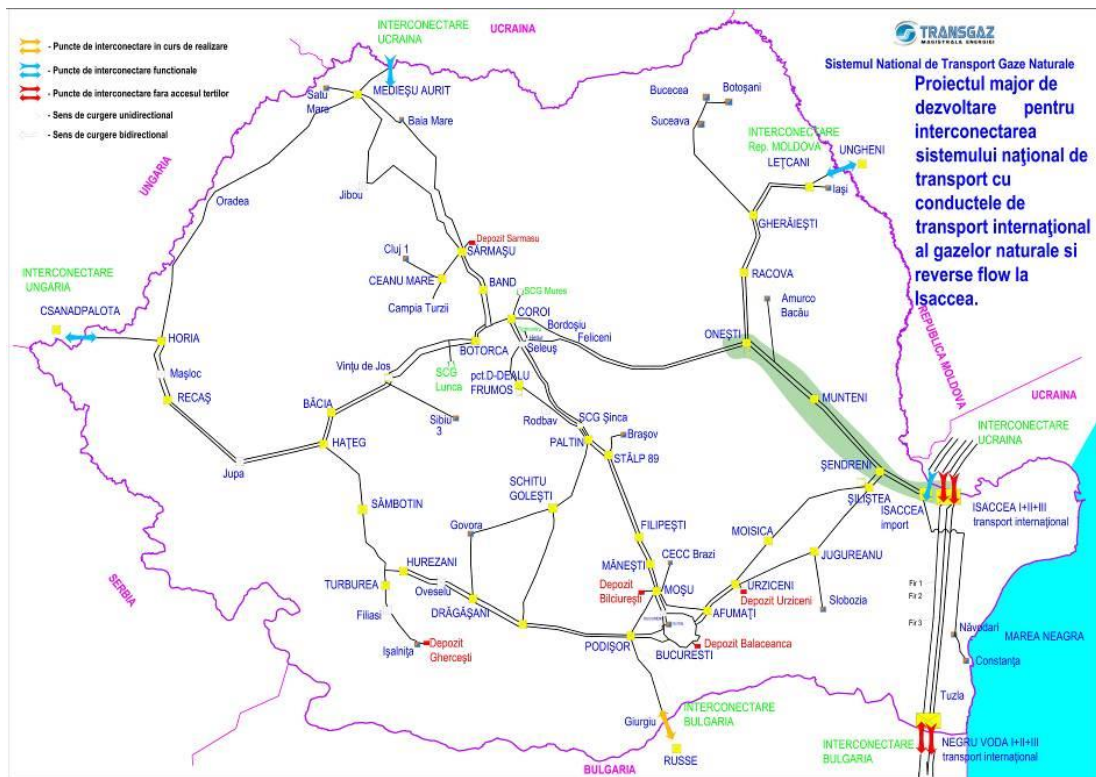
## Necessary investments:

- 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

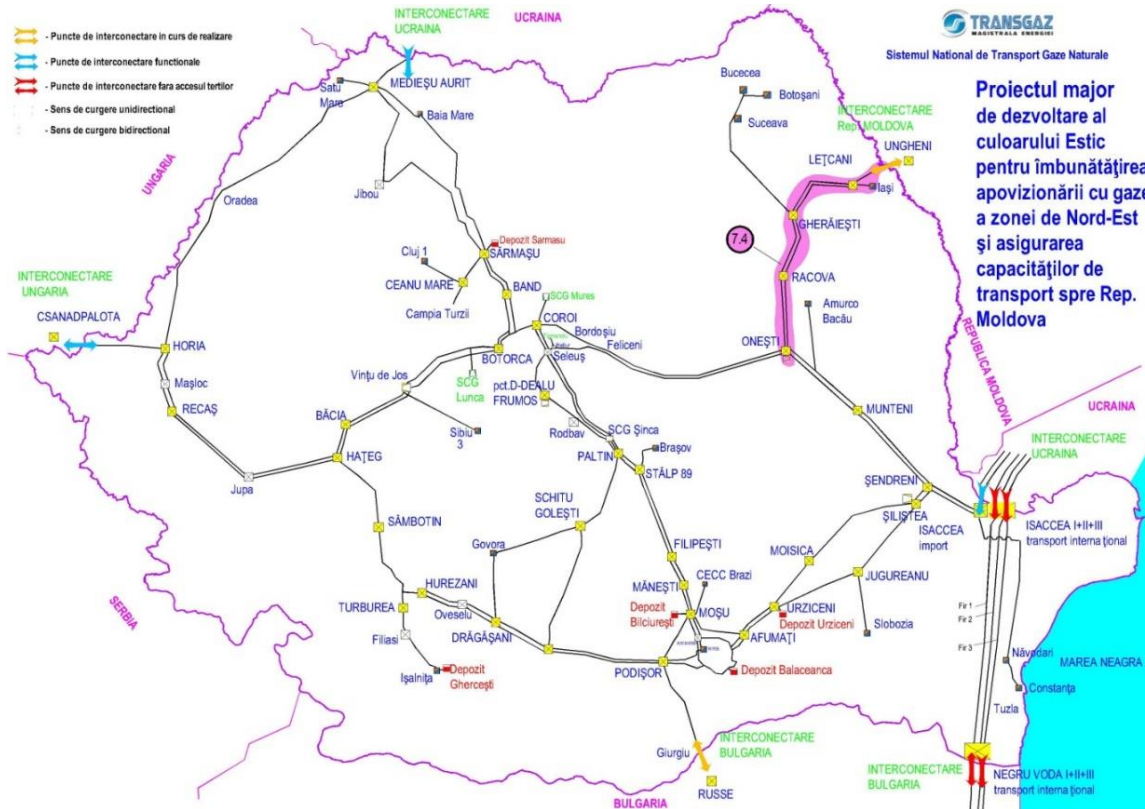
## Total estimated costs:

- **77.7 mil. Euro**

**Final investment decision – 2018**

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





## 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:

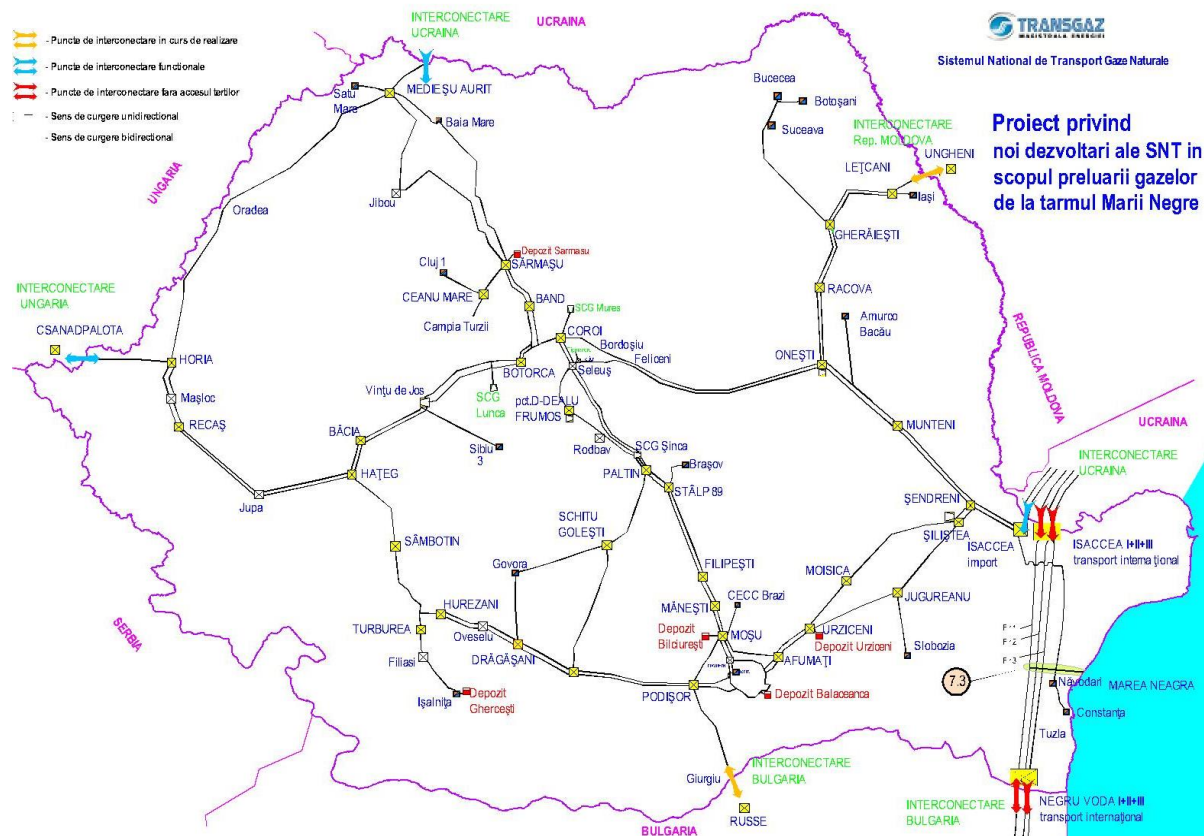
- construction of a DN 700 x 104.1 km pipeline, in the Gherăești - Lețcani direction
- construction of a DN 700 x 61.05 km pipeline, in the Gherăești - Lețcani direction
- construction of a compressor station at Gherăești of 9.14 MW
- construction of a compressor station at Onești of 9.14 MW

## Total costs:

- **174.25 mil. Euro**

**Commissioning – 2021 - COMPLETED**





## Aim:

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

## Necessary investments:

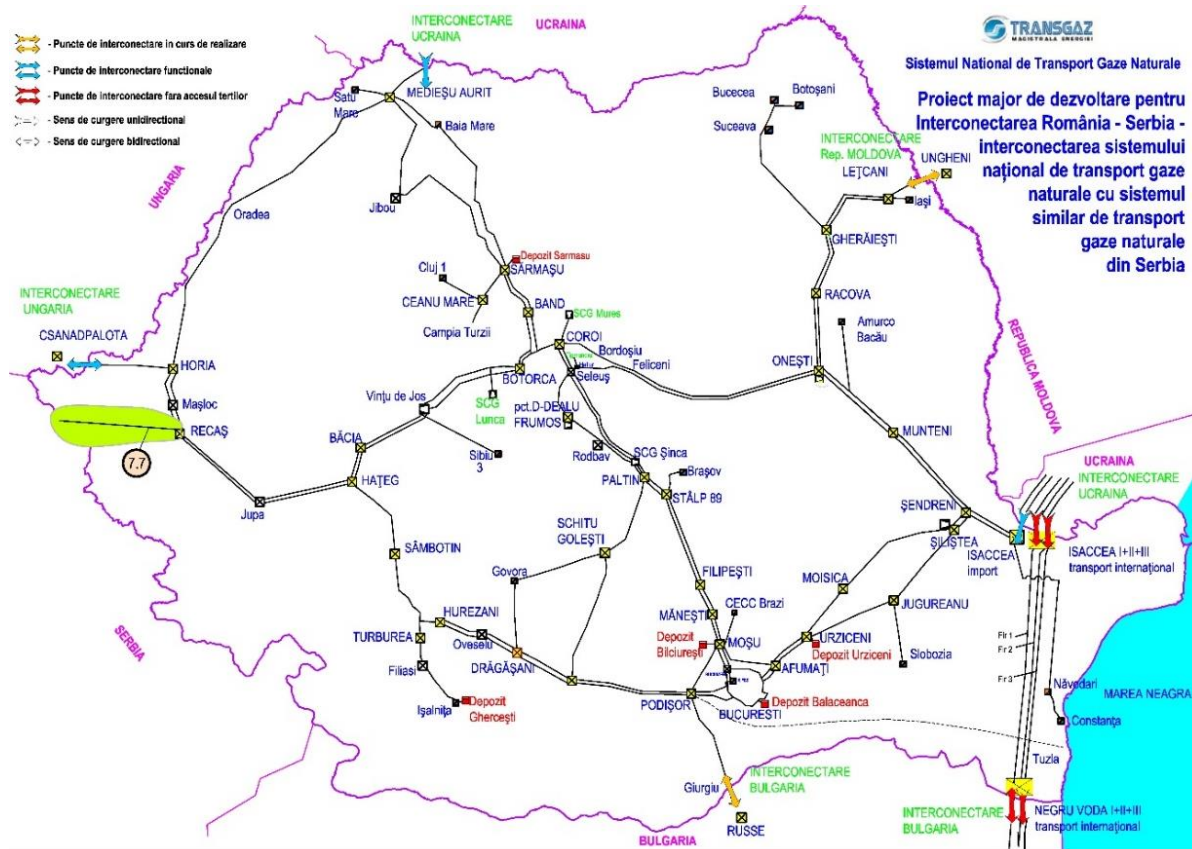
- construction of a 24.37 km DN 500 gas transmission pipeline from the Black Sea shore to the existing T1 international transmission pipeline

## Total costs:

- 9.14 mil. Euro**

**Commissioning -2021 – ALMOST COMPLETED**





## Estimated commissioning – 2023

**Aim:**

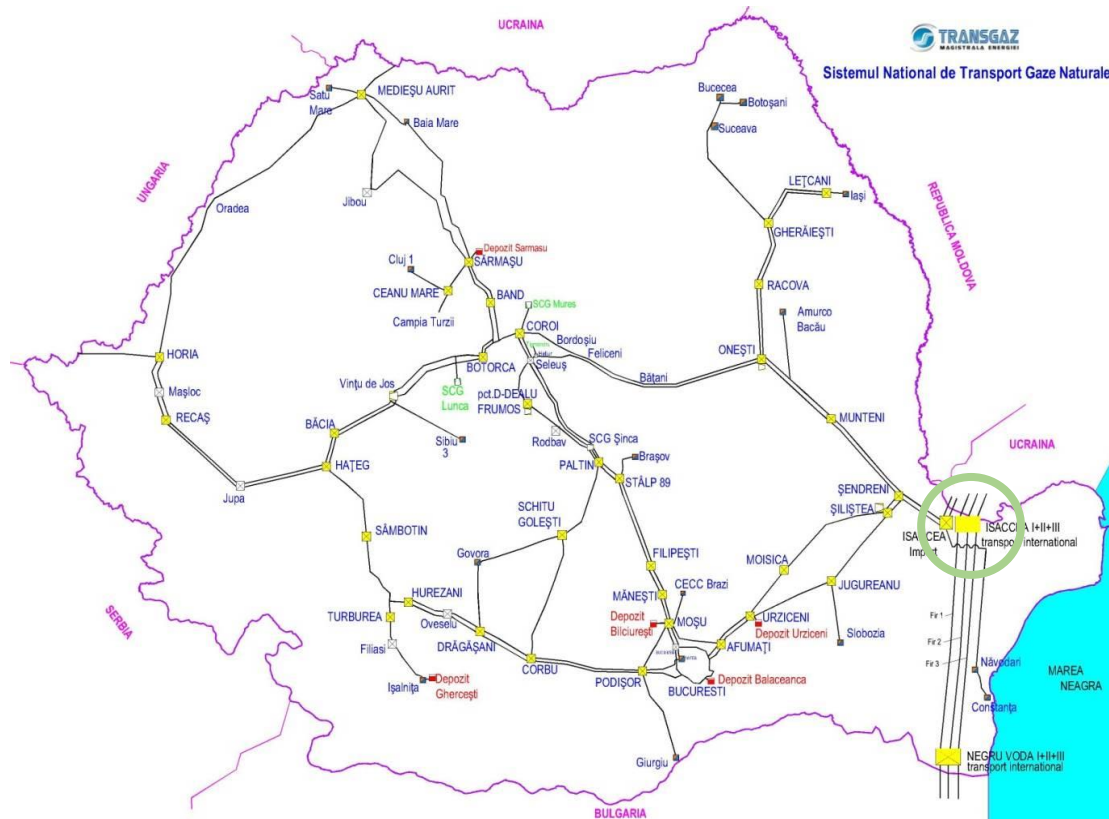
- enhancing security of energy supply to the region

### 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 a new bidirectional gas metering station, replacing the existing one.

## Total costs :

- 13.88 mil. Euro - upgrading GMS Isaccea 1

Final Investment Decision – 2018

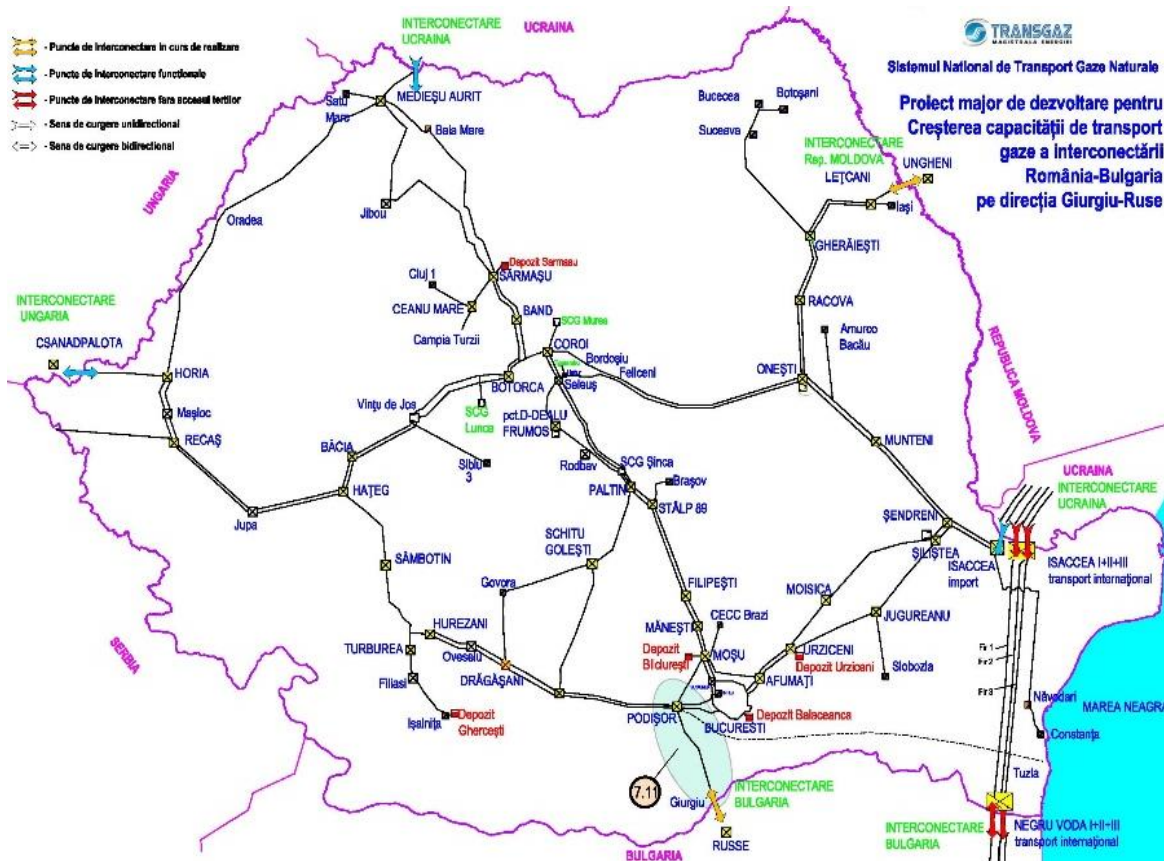
Commissioning – GMS Isaccea 1- 2020 - COMPLETED



- creation of new gas transmission capacities

- 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

- **405 mil. Euro**



## Aim:

- enhancing security of energy supply to the region

## Necessary investments:

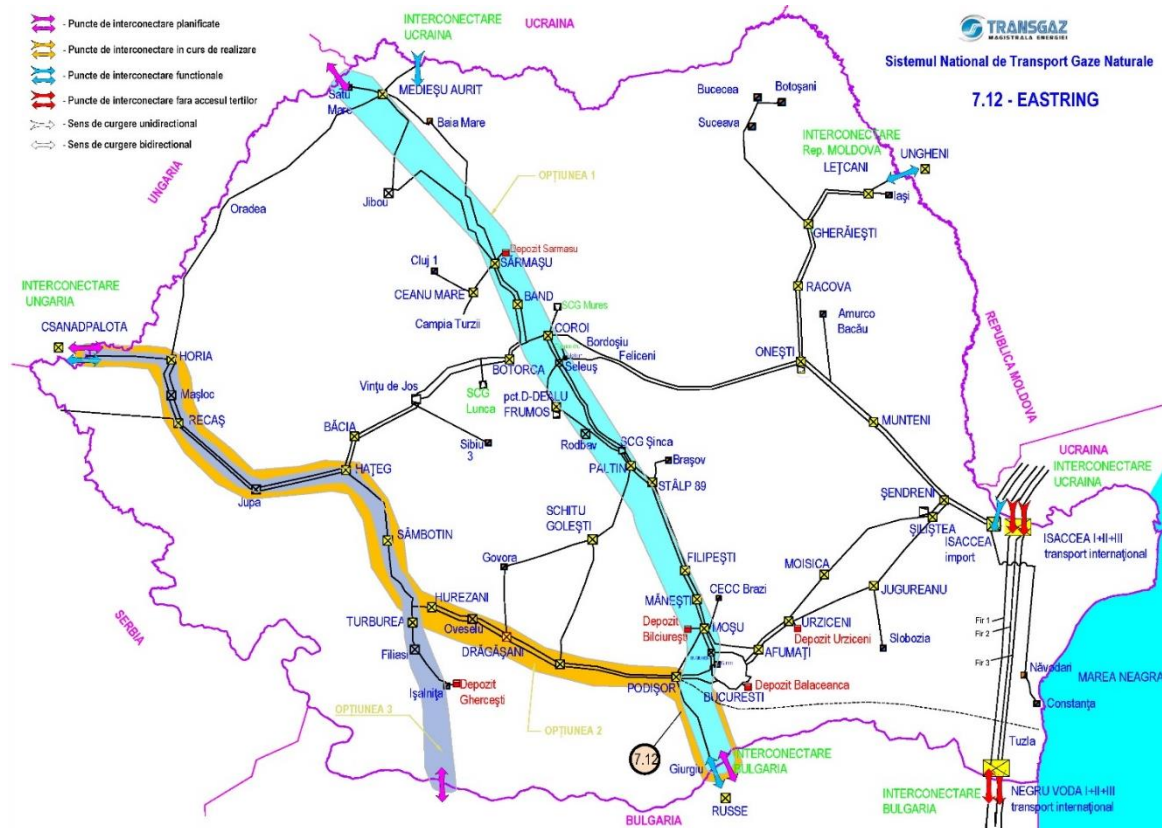
- construction of a new gas transmission pipeline and related facilities
- construction of a new Danube undercrossing
- enhancement of SMG Giurgiu

## Total estimated costs:

- 51.8 mil. Euro

Estimated commissioning - 2027





**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.

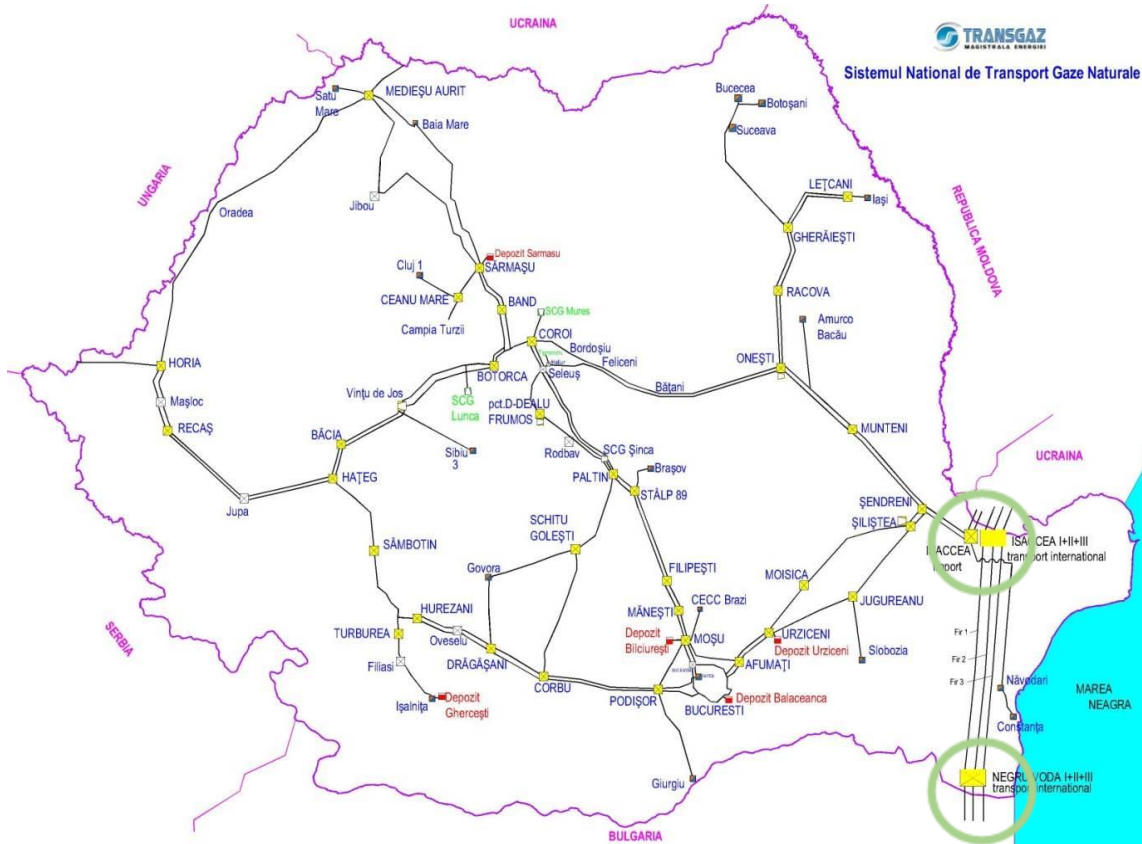
According to the feasibility study, the project will be implemented in two stages as follows:

- 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**



**Estimated commissioning - 2024**

## Aim:

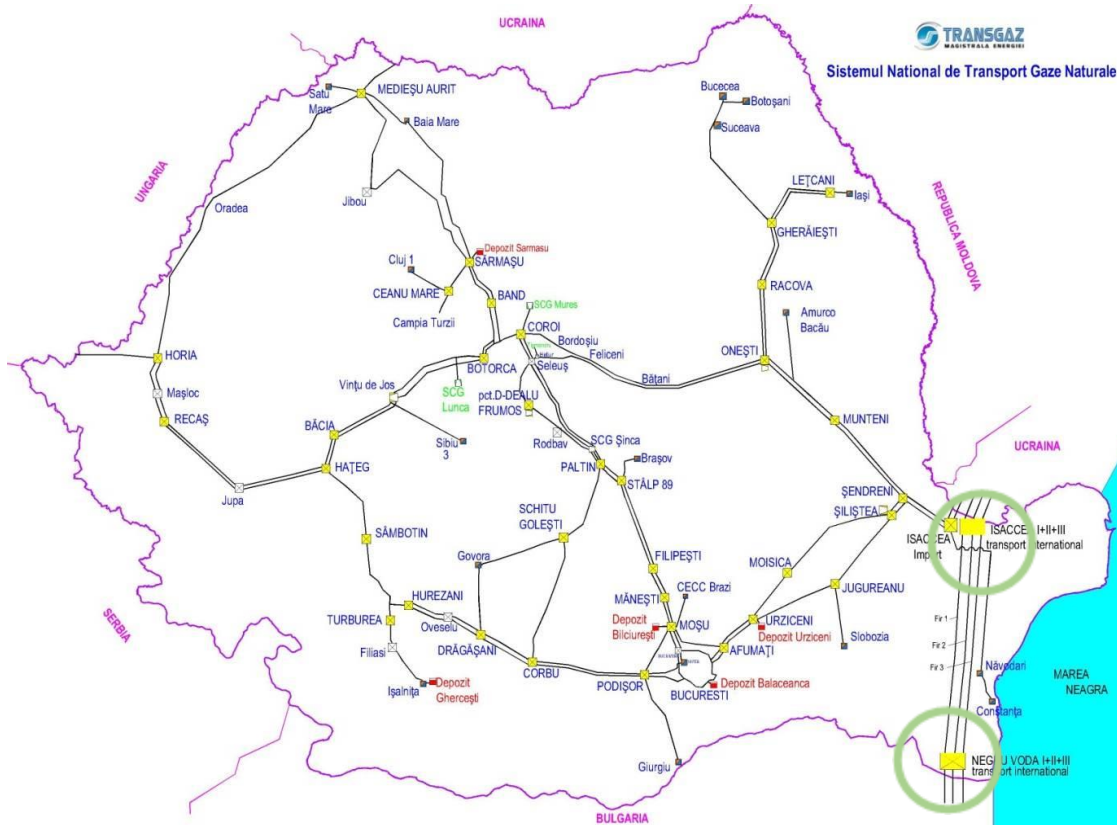
- Enabling bidirectional flow on the T2 pipeline, part of the Trans-Balkan corridor

## Necessary investments:

- modernization of the existing gas metering stations

## Total estimated costs:

- **26.65 mil. Euro**



**Estimated commissioning - 2028**

## **Aim:**

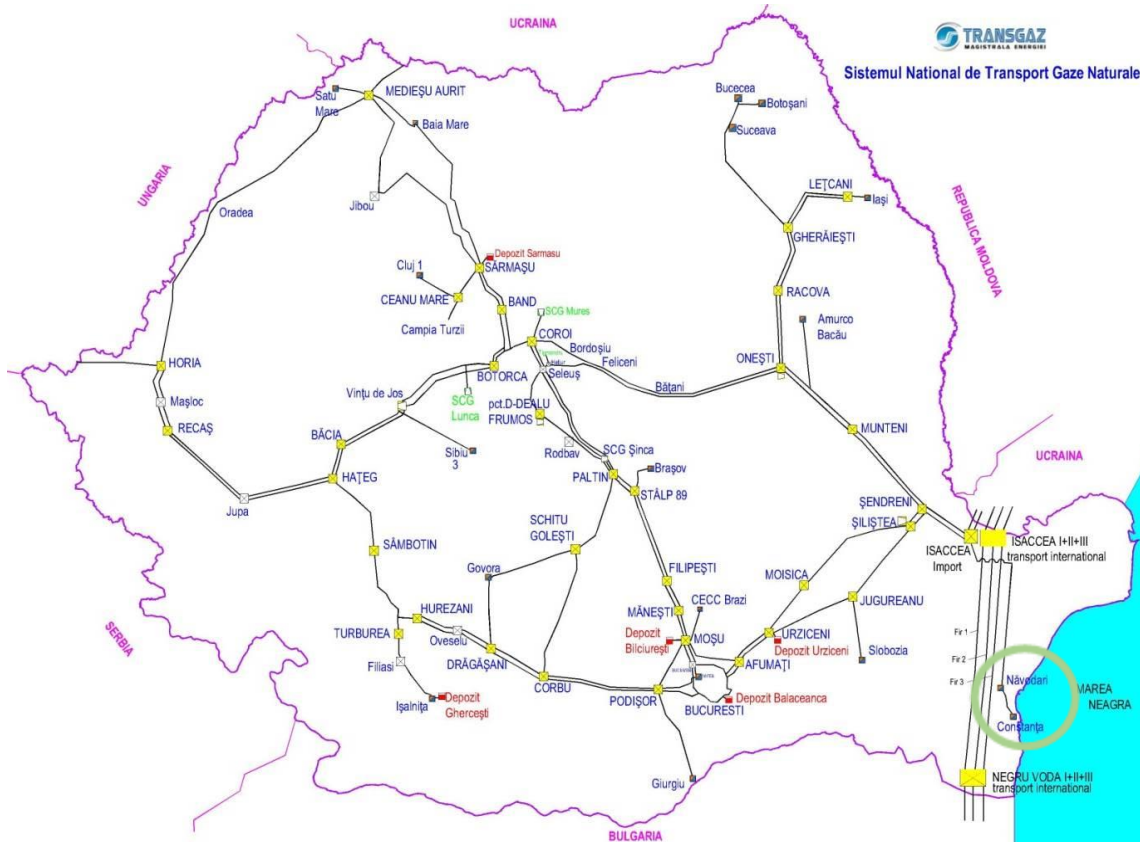
- Enabling bidirectional flow on the T3 pipeline, part of the Trans-Balkan corridor

## **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:

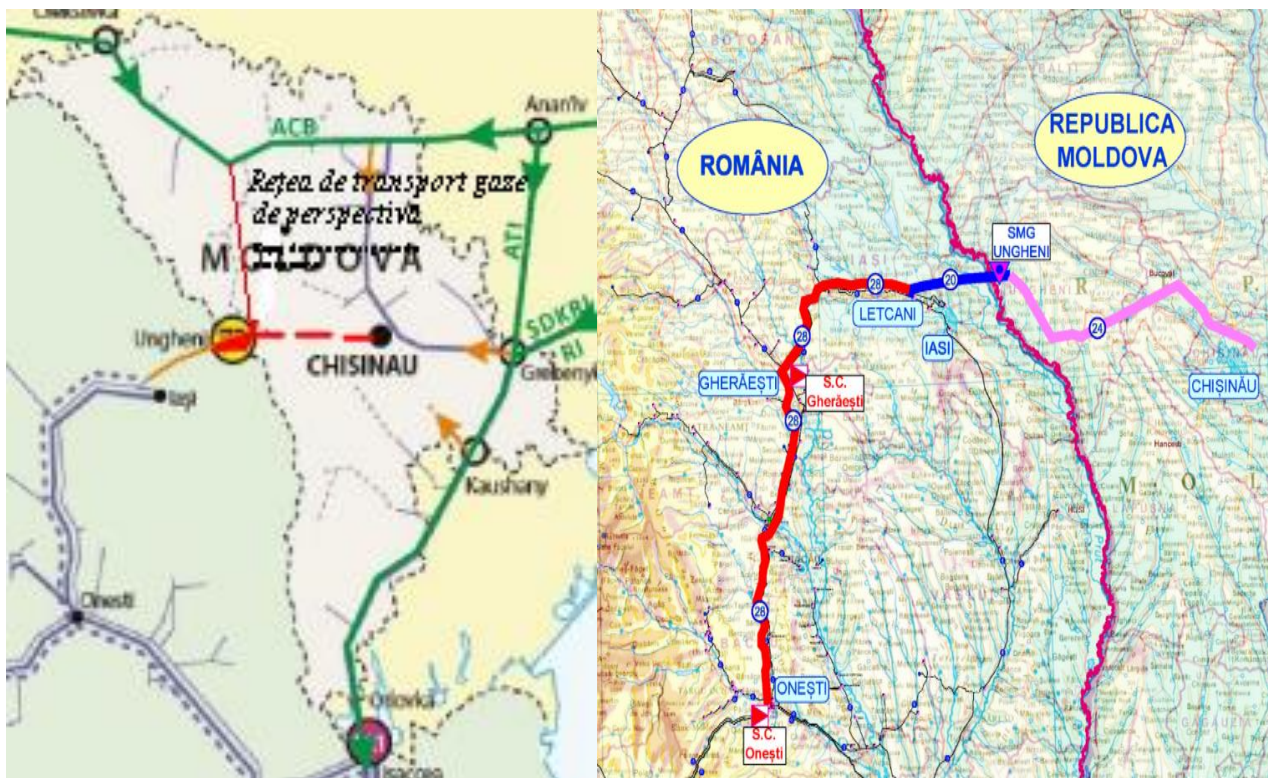
- realization of an interconnection of the national natural gas transmission system at the LNG terminal by building a natural gas transmission pipeline, in a length of about 25 km, from the Black Sea coast to the T1 and T2 pipelines

## 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 MOLDOVATRANGAZ
- an operating complex at Ghidighici where the head office of VESTMOLDTRANSGAZ

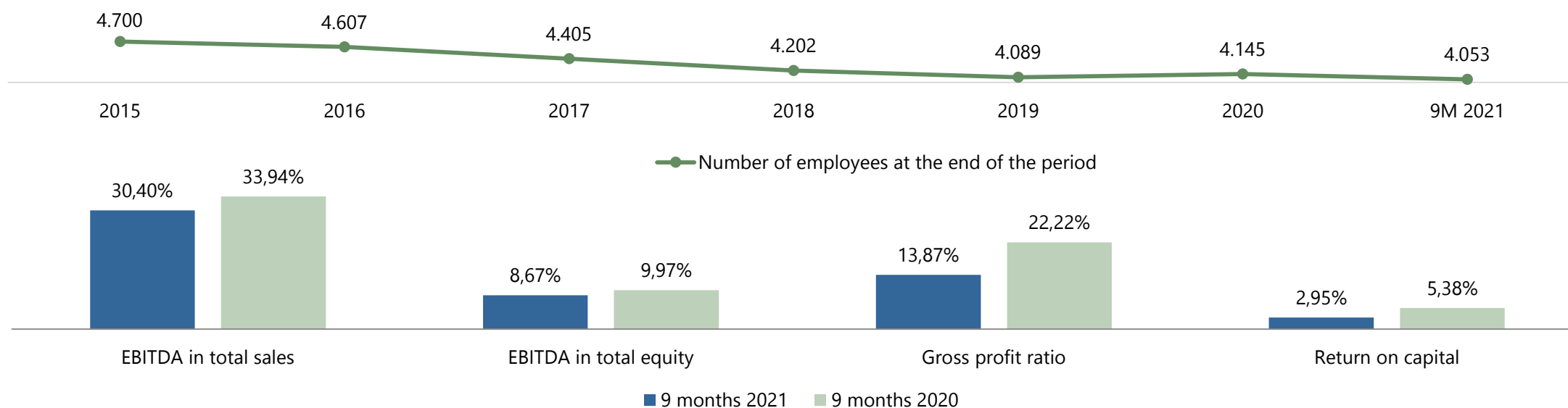
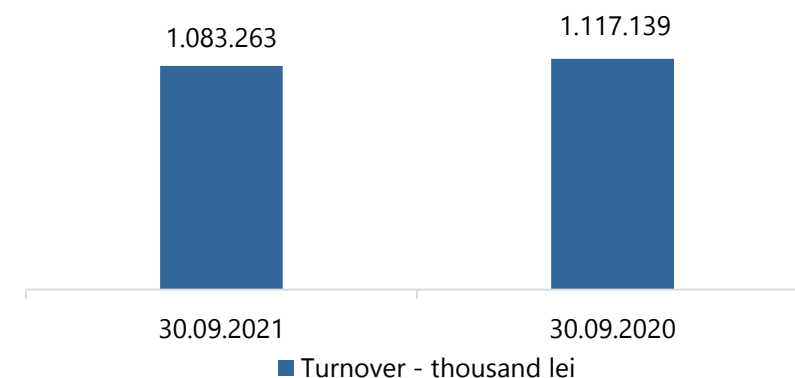
### Total estimated costs:

- **93 mil. Euro**

## 8. Main indicators

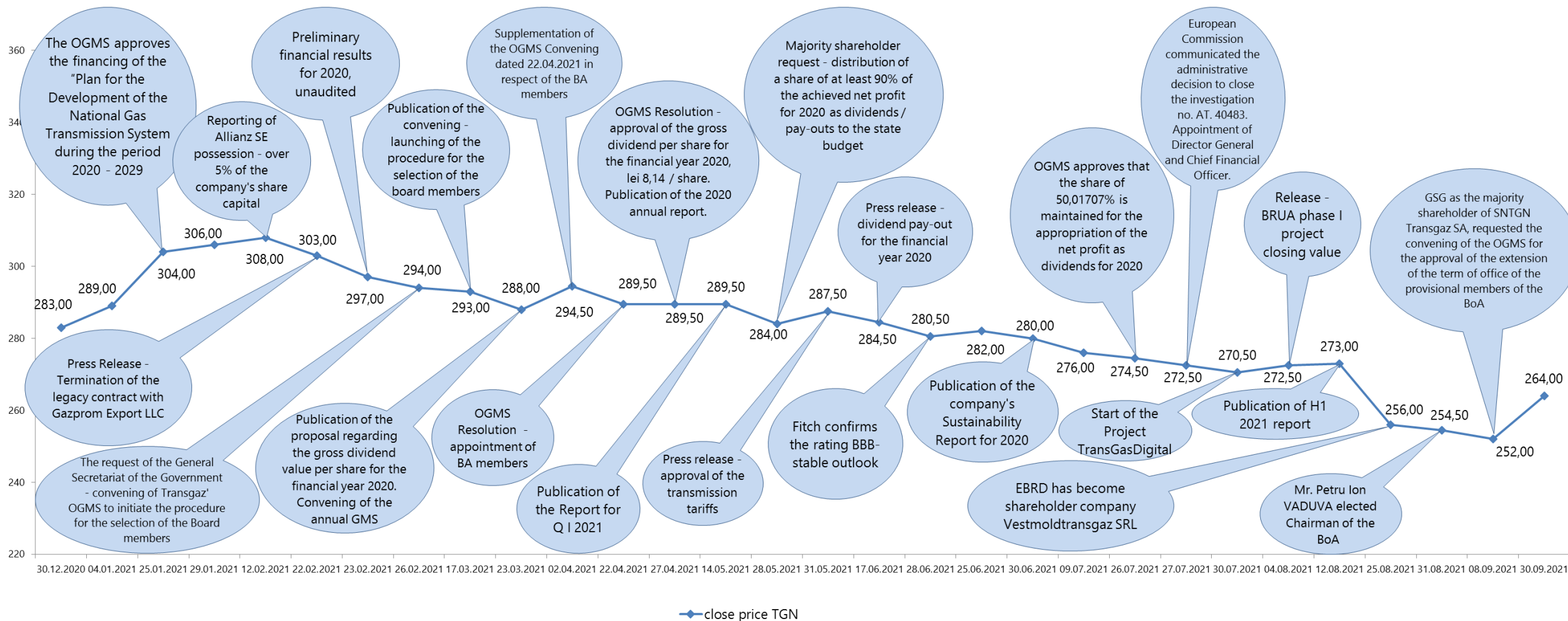
	9 months 2021	9 months 2020
EBITDA in total sales	30,40%	33,94%
EBITDA in total equity	8,67%	9,97%
Gross profit ratio	13,87%	22,22%
Return on capital	2,95%	5,38%
Current liquidity ratio	1,19	1,64
Quick liquidity ratio	0,83	1,06
Gearing	40,35%	31,15%
Interest coverage ratio	5,22	18,58
Turnover speed for clients debit - days	170,46	151,53
Turnover speed for credit providers - days	52,42	58,65

30.09.2021 compared to 30.09.2020



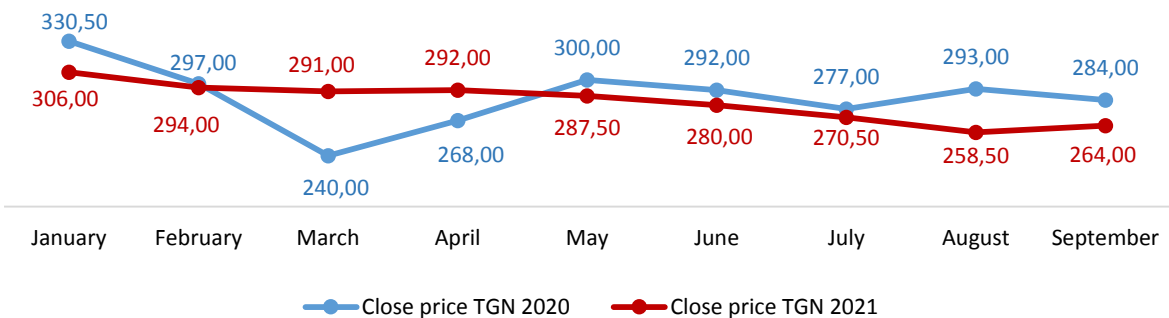
# Stock Exchange TGN Evolution (1)

## Main corporate events with an impact upon the share price in 9M 2021

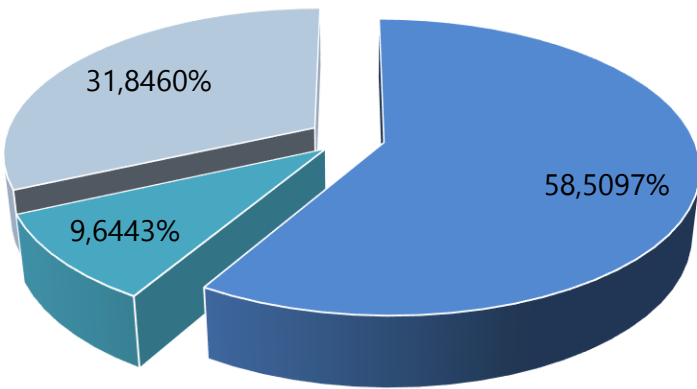




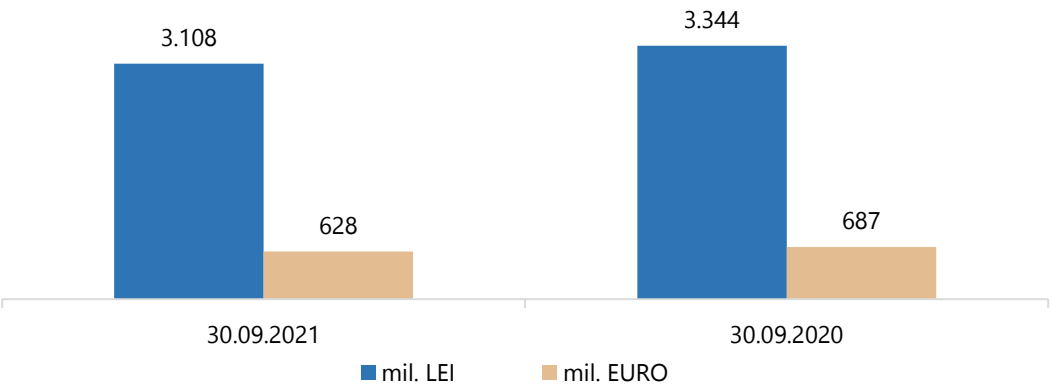
# Stock Exchange TGN Evolution (2)



Shareholders structure at 30.09.2021



Market capitalization



■ Romanian State through GSG   ■ Natural Persons   ■ Legal Persons

# Stock Exchange TGN Evolution (3)



Published on TradingView.com, October 06, 2021 14:26:12 EEST  
BVB:TGN, D 0:261,5000 H:261,5000 L:260,5000 C:261,5000



TradingView

Published on TradingView.com, October 06, 2021 14:32:41 EEST  
BVB:TGN, D 0:261,5000 H:261,5000 L:260,5000 C:261,5000



TradingView

# Stock Exchange TGN Evolution (4)

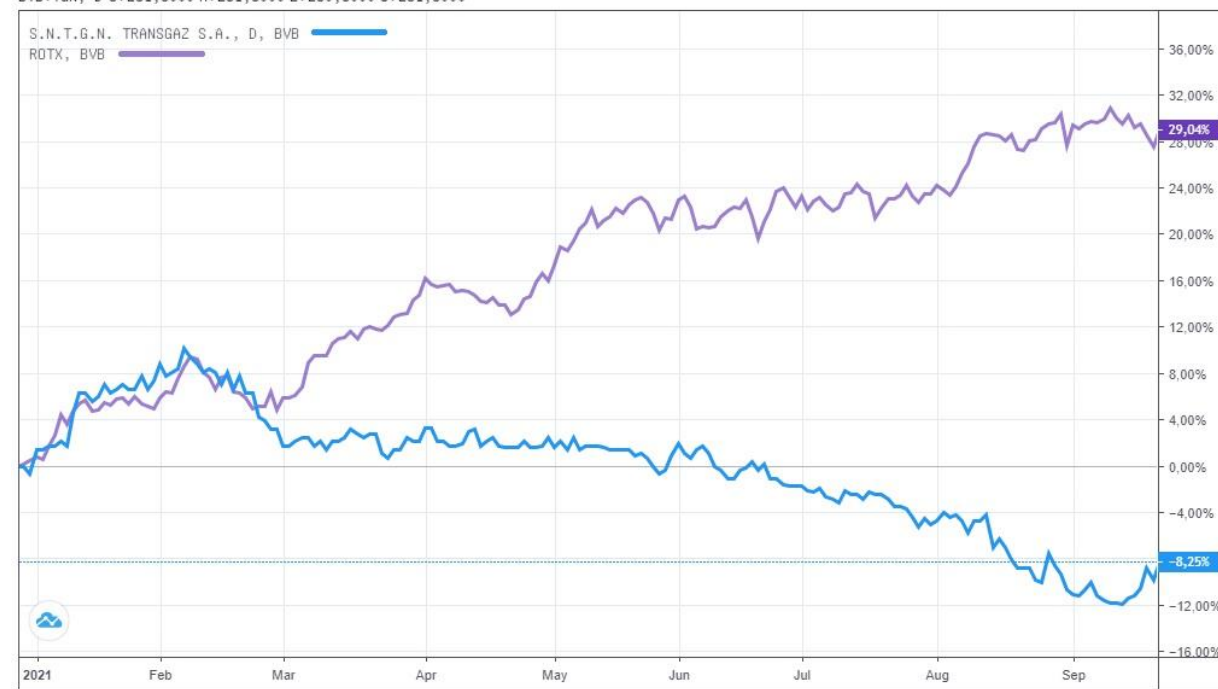


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BVB:TGN, D 0:261,5000 H:261,5000 L:260,5000 C:261,5000



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Published on TradingView.com, October 06, 2021 14:28:46 EEST  
BVB:TGN, D 0:261,5000 H:261,5000 L:260,5000 C:261,5000



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**Thank you for your kind attention!**