

CURRENT REPORT

in compliance with the stipulations of the Law no. 24/2017 and of the FSA Regulation no.5/2018 regarding the issuers of financial instruments and market operations

Date of report: **13.11.2020**

Name of issuing entity: **SNTGN TRANSGAZ SA MEDIAȘ**

Headquarters: **Mediaș, 1 Constantin I. Motaș Square, Sibiu County**

Telephone/fax number: **0269803333/0269839029**

Tax number: **RO 13068733**

Trade Register number: **J32/301/2000**

Subscribed and paid-up capital: **RON 117,738,440**

Regulated market on which issued securities are traded: **Bucharest Stock Exchange.**

QUARTERLY FINANCIAL RESULTS AT 30 SEPTEMBER 2020 (01.01-30.09.2020)

SNTGN Transgaz SA is a public limited liability company operated according to the Romanian laws and to the Articles of Incorporation.

According to Government Resolution 334/2000 and to the Articles of Incorporation, Transgaz aims at giving effect to the national strategic goals set for gas transmission, international transit, dispatching, research and design, by performing trading acts according to its object of activity, in line with the Romanian laws in force.

The revenue obtained by Transgaz results from the following activities:

- **domestic gas transmission activity**, which, due to its monopolistic feature, is regulated by the National Energy Regulatory Authority.
- **international gas transmission activity**, which is a gas transmission activity performed through dedicated transmission pipelines.
- **balancing activity** performed as of 1 December 2015 based on ANRE Order 160/2015 establishing the obligations of the Company on the balancing of the national transmission system, a financially neutral activity, any profit or loss from this activity following to be distributed to the customers for which the domestic transmission services are provided.

The total revenue from other activities with a small contribution to the turnover, such as asset sales, renting and royalty, interest revenue and foreign exchange gains, and the financial revenue related to the debt for the regulated value remaining unamortised of the regulated asset base at the end of the Concession Agreement complete the total revenue of the Company.

The main economic and financial indicators obtained at 30 September 2020 and in Q III 2020, compared to the same periods of 2019 are presented below:

Name	Obtained 9 months 2019	Obtained 9 months 2020	Changes (+/-)	Obtained in Q III 2019	Obtained 9 months 2020	Changes (+/-)
Operating revenue before the balancing and construction activity, according to IFRIC12	1.085.513	1.006.351	-7%	310.519	247.322	-20%
Revenue from the balancing activity	250.930	148.026	-41%	67.721	36.073	-47%
Revenue from the construction activity according to IFRIC12	521.459	1.018.106	95%	223.561	345.105	54%
Financial revenue	41.522	50.148	21%	8.324	7.731	-7%
Operating costs before the construction activity, according to IFRIC12	840.997	795.814	-5%	280.964	278.742	-1%
Costs from the balancing activity	250.930	148.026	-41%	67.721	36.073	-47%
Cost of assets built according to IFRIC12	521.459	1.018.106	95%	223.561	345.105	54%
Financial costs	20.742	12.458	-40%	4.308	5.230	21%
GROSS PROFIT, of which:	265.297	248.227	-6%	33.570	-28.919	-186%
• from operation	244.516	210.537	-14%	29.555	-31.421	-206%
• from the financial activity	20.781	37.690	81%	4.015	2.502	-38%
Income tax	40.608	43.430	7%	4.383	-2.547	-158%
NET PROFIT	224.689	204.796	-9%	29.188	-26.372	-190%

Values expressed in *RON thousand*

The Quarterly Report at 30 September 2020 (01.01-30.09.2020) is prepared according to Annex 13 ASF Regulation no. 5/2018 and includes unaudited financial information.

For the full report please access the link below or Transgaz's website at: http://www.transgaz.ro/en/investitori/raportari_financiare

Director - General
Ion Sterian