

No. DSMC 38720/13.05.2022

QUARTERLY FINANCIAL RESULTS AS OF 31 MARCH 2022

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.

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% |

As of 25.08.2021, the European Bank for Reconstruction and Development (EBRD) has become a shareholder with a 25% stake in the share capital of the natural gas transmission company VESTMOLDTRANSGAZ SRL, the subsidiary of TRANSGAZ in the Republic of Moldova, which owns and operates the Ungheni-Chisinau natural gas transmission pipeline.

The main consolidated economic and financial indicators obtained in Q I 2022 compared to Q I 2021 are as follows:

thousand Lei

| Indicator | Q I 2022 | Q I 2021 | Increase |
|--|----------|----------|---------------|
| 0 | 1 | 2 | 3=1/2x100-100 |
| Operating revenue before the balancing and construction activity, according to IFRIC12 | 457.112 | 456.390 | 0% |
| Revenue from the balancing activity | 316.952 | 74.253 | 327% |
| Revenue from the construction activity according to IFRIC12 | 26.440 | 158.010 | -83% |
| Financial revenue | 156.886 | 31.466 | 399% |
| Operating costs before the balancing and construction activity, according to IFRIC12 | 217.550 | 279.383 | -22% |
| Balancing activity costs | 316.952 | 74.253 | 327% |

| Indicator | Q I 2022 | Q I 2021 | Increase |
|---|----------------|----------------|------------|
| Cost of constructed assets according to IFRIC12 | 26.440 | 158.010 | -83% |
| Financial costs | 81.713 | 14.966 | 446% |
| GROSS PROFIT , of which: | 314.734 | 193.506 | 63% |
| • from operation | 239.561 | 177.006 | 35% |
| • from the financial activity | 75.172 | 16.500 | 356% |
| Income tax | 56.376 | 39.091 | 44% |
| NET PROFIT | 258.357 | 154.416 | 67% |

The variation of the consolidated economic and financial indicators at 31 March 2022, compared to the indicators obtained in the similar period of 2021 is mainly determined by the variation of the individual economic-financial indicators recorded by SNTGN Transgaz SA at 31 March 2022 compared to the indicators obtained in the similar period of 2021.

The main impact of the subsidiaries in the consolidated result is determined by the evolution of the MDL (Moldovan Leu) exchange rate compared to the EUR currency in which it was partially obtained the source of financing of the investment project developed by the subsidiary and compared to the consolidated financial statements reporting currency (RON).

The main individual economic and financial indicators obtained at 31 March 2022, compared to the indicators obtained in the same period of 2021 are as follows:

** thousand Lei **

| Indicator | Q I 2022 | Q I 2021 | Increase |
|--|----------------|----------------|--------------------------|
| 0 | 1 | 2 | $3=1/2 \times 100 - 100$ |
| Operating revenue before the balancing and construction activity, according to IFRIC12, of which | 457.084 | 455.789 | 0% |
| -revenue from domestic transmission | 411.335 | 421.450 | -2% |
| -revenue from international transmission and similar | 11.255 | 10.342 | 9% |
| Operating costs before the balancing and construction activity, according to IFRIC12 | 213.816 | 276.002 | -23% |
| Operating profit before the balancing and construction activity, according to IFRIC12 | 243.268 | 179.787 | 35% |
| Revenue from the balancing activity | 316.952 | 74.253 | 327% |
| Balancing activity costs | 316.952 | 74.253 | 327% |
| Revenue from the construction activity according to IFRIC12 | 26.440 | 158.010 | -83% |
| Cost of constructed assets according to IFRIC12 | 26.440 | 158.010 | -83% |
| Operating profit | 243.268 | 179.787 | 35% |
| Financial revenue | 154.038 | 24.024 | 541% |
| Financial costs | 73.965 | 7.008 | 955% |
| Financial result | 80.073 | 17.016 | 371% |

| Indicator | Q I 2022 | Q I 2021 | Increase |
|---------------------|----------------|----------------|--------------------------|
| 0 | 1 | 2 | $3=1/2 \times 100 - 100$ |
| GROSS PROFIT | 323.341 | 196.802 | 64% |
| Income tax | 55.423 | 38.906 | 42% |
| NET PROFIT | 267.918 | 157.896 | 70% |

In Q I 2022 ***operating revenue before the balancing and construction activity, according to IFRIC12*** is similar to the one obtained in Q I 2021.

Operating costs before the balancing and construction activity according to IFRIC12 decreased by **23%** in Q I 2022 as compared to Q I 2021, which is lower by **Lei 62.186 thousand**.

Compared to 31 March 2021 the gross profit obtained at 31 March 2022 increased by 64%, which is higher by Lei 126.539 thousand.

The Quarterly Report as of 31 March 2022 is prepared in line with the provisions of Annex 13 to the Financial Supervisory Authority Regulation No. 5/2018 on issuers of financial instruments and market operations, and includes unaudited financial information.

The full version of the report is publicly available:

- on TRANSGAZ's website at:
http://www.transgaz.ro/ro/investitori/raportari_financiare
- at the headquarters of TRANSGAZ in Mediaş, 1 C. I. Motaş Square, Sibiu County.
- In soft copy – on the website of the Bucharest Stock Exchange, at the link below;

**DIRECTOR - GENERAL
ION STERIAN**