

**No. DSMC 35476/12.05.2023**
**QUARTERLY FINANCIAL RESULTS AS AT 31 MARCH 2023**

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 domestic and international gas transmission, 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 the Republic of Moldova by EUROTRANSGAZ SRL, SNTGN Transgaz SA, 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 at 25.08.2021 the European Bank for Reconstruction and Development (EBRD) became a shareholder, holding a 25% stake in the share capital of the natural gas transmission company VESTMOLDTRANSGAZ SRL, a subsidiary of TRANSGAZ in the Republic of Moldova, which owns and operates the Ungheni-Chisinau gas transmission pipeline.

**The main consolidated economic and financial indicators achieved in Q I 2023 compared to Q I 2022 are as follows:**

*\*thousand lei\**

| Indicator  | Q I 2023 | Q I 2022 | Increase                 |
|--|----------|----------|--------------------------|
| 0  | 1        | 2        | $3=1/2 \times 100 - 100$ |
| Operating revenue before the balancing and construction activity, according to IFRIC12 | 460.324  | 457.112  | 1%                       |
| Revenue from the balancing activity  | 197.962  | 316.952  | -38%                     |
| Revenue from the construction activity according to IFRIC12                            | 10.756   | 26.440   | -59%                     |
| Financial revenue  | 73.708   | 156.886  | -53%                     |
| Operating costs before the balancing and construction activity, according to IFRIC12   | 352.760  | 217.550  | 62%                      |
| Balancing activity costs   | 197.962  | 316.952  | -38%                     |
| Cost of constructed assets according to IFRIC12  | 10.756   | 26.440   | -59%                     |

| Indicator                       | Q I 2023       | Q I 2022       | Increase                 |
|---------------------------------|----------------|----------------|--------------------------|
| 0                               | 1              | 2              | $3=1/2 \times 100 - 100$ |
| Financial costs                 | 31.392         | 81.713         | -62%                     |
| <b>GROSS PROFIT</b> , of which: | 149.879        | 314.734        | -52%                     |
| • from operation                | 107.564        | 239.561        | -55%                     |
| • from the financial activity   | 42.316         | 75.172         | -44%                     |
| <b>Income tax</b>               | 26.259         | 56.376         | -53%                     |
| <b>NET PROFIT</b>               | <b>123.620</b> | <b>258.357</b> | <b>-52%</b>              |

The variation of the consolidated economic and financial indicators at 31 March 2023, compared to the indicators achieved in the similar period of 2022 is mainly determined by the variation of the individual economic-financial indicators recorded by SNTGN Transgaz SA at 31 March 2023 compared to the indicators achieved in the similar period of 2022.

In Q I 2023 VESTMOLDTRANSGAZ SRL of the Republic of Moldova provided natural gas delivery services amounting to lei 2.569 thousand.

**The main individual economic and financial indicators achieved at 31 March 2023, compared to the indicators achieved in the same period of 2022 are as follows:**

| Indicator  | Q I 2023       | Q I 2022       | Increase                 |
|--|----------------|----------------|--------------------------|
| 0  | 1              | 2              | $3=1/2 \times 100 - 100$ |
| Operating revenue before the balancing and construction activity, according to IFRIC12, of which | 457.755        | 457.084        | 0%                       |
| -revenue from domestic transmission  | 393.758        | 411.335        | -4%                      |
| -revenue from international transmission and similar   | 29.016         | 11.255         | 158%                     |
| Operating costs before the balancing and construction activity, according to IFRIC12             | 347.586        | 213.816        | 63%                      |
| <b>Operating profit before the balancing and construction activity, according to IFRIC12</b>     | <b>110.169</b> | <b>243.268</b> | <b>-55%</b>              |
| Revenue from the balancing activity  | 197.962        | 316.952        | -38%                     |
| Balancing activity costs   | 197.962        | 316.952        | -38%                     |
| Revenue from the construction activity according to IFRIC12                                      | 10.756         | 26.440         | -59%                     |
| Cost of constructed assets according to IFRIC12  | 10.756         | 26.440         | -59%                     |
| <b>Operating profit</b>  | <b>110.169</b> | <b>243.268</b> | <b>-55%</b>              |
| Financial revenue  | 68.066         | 154.038        | -56%                     |
| Financial costs  | 26.841         | 73.965         | -64%                     |
| <b>Financial result</b>  | <b>41.225</b>  | <b>80.073</b>  | <b>-49%</b>              |
| <b>GROSS PROFIT</b>  | <b>151.394</b> | <b>323.341</b> | <b>-53%</b>              |

*\*thousand lei\**

| Indicator         | Q I 2023       | Q I 2022       | Increase                 |
|-------------------|----------------|----------------|--------------------------|
| 0                 | 1              | 2              | $3=1/2 \times 100 - 100$ |
| <b>Income tax</b> | <b>26.027</b>  | <b>55.423</b>  | <b>-53%</b>              |
| <b>NET PROFIT</b> | <b>125.366</b> | <b>267.918</b> | <b>-53%</b>              |

In Q I 2023 **operating revenue before the balancing and construction activity, according to IFRIC12** are similar to the one achieved in Q I 2022.

In Q I 2023 **operating costs before the balancing and construction activity according to IFRIC12** increased by **63%** as compared to Q I 2022, which is higher by **lei 133.770 thousand**.

**Compared to 31 March 2022 the gross profit achieved at 31 March 2023 decreased by 53%, which is lower by lei 171.947 thousand.**

The Quarterly Report as at 31 March 2023 is prepared in accordance with the provisions of Annex 13 to Financial Supervisory Authority Regulation No. 5/2018 on the issuers of financial instruments and market operations, and includes unaudited financial information.

The full version of the report is publicly available:

- on our website at: [https://www.transgaz.ro/en/investitori/raportari\\_financiare](https://www.transgaz.ro/en/investitori/raportari_financiare)
- at the headquarters of SNTGN TRANSGAZ SA, Mediaş, 1 C.I. Medias Square, Sibiu County.
- In soft copy – on the website of the Bucharest Stock Exchange at the link below.

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