

CURRENT REPORT according to Law 24/2017 and Financial Supervisory Authority Regulation 5/2018 on the issuers of financial instruments and market operationsDate of report: **29.02.2024**Name of issuing entity: **SNTGN TRANSGAZ SA**Headquarters: **Mediaș, 1 Constantin I. Motaș Square, Sibiu County**Telephone/fax number: **0269803333/ 0269839029**Tax identification code: **RO 13068733**Trade Register number: **J32/301/2000**Subscribed and paid-up capital: **lei 1.883.815.040**Regulated market on which issued securities are traded: **Bucharest Stock Exchange**Reported events: **Preliminary unaudited financial results for year 2023**

According to the Financial Communication Calendar and compliant with the capital market laws on reporting to capital market institutions and shareholders, SNTGN Transgaz SA brings to the attention of all those concerned the preliminary unaudited annual individual and consolidated financial statements for 2023.

THE MAIN INDICATORS OF THE CONSOLIDATED ECONOMIC AND FINANCIAL RESULTS

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%

As of 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 preliminary consolidated economic and financial indicators at 31 December 2023, compared to the indicators in the same period of 2022 are presented in the table below:

** thousand lei**

Indicator	Preliminary 2023	Achieved 2022	Increase
0	1	2	3=1/2x100-100
Operating revenue before the balancing and construction activity, according to IFRIC12	1.784.935	1.579.284	13%
Revenue from the balancing activity	458.811	1.005.544	-54%
Revenue from the construction activity according to IFRIC12	170.617	299.868	-43%
Financial revenue	260.962	498.370	-48%
Operating costs before the balancing and construction activity, according to IFRIC12	1.672.517	1.432.967	17%
Balancing activity costs	458.811	1.005.544	-54%
Cost of constructed assets according to IFRIC12	170.617	299.868	-43%
Financial costs	161.568	225.110	-28%
GROSS PROFIT, of which:	211.812	419.576	-50%
• from operation	112.418	146.316	-23%
• from the financial activity	99.394	273.260	-64%
Income tax	39.425	72.507	-46%
NET PROFIT	172.387	347.069	-50%

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

In 2023 Vestmoldtransgaz SRL of the Republic of Moldova provided natural gas delivery services amounting to lei 67.440thousand.

THE MAIN INDICATORS OF THE INDIVIDUAL ECONOMIC AND FINANCIAL RESULTS

The main economic and financial indicators according to the preliminary individual financial statements on 31 December 2023, compared to the indicators obtained in the same period of 2022 are as follows:

** thousand lei**

Indicator	Preliminary 2023	Achieved 2022	Increase
0	1	2	3=1/2x100-100
Operating revenue before the balancing and construction activity, according to IFRIC12, of which	1.712.546	1.575.186	9%
- -revenue from domestic transmission	1.451.982	1.351.931	7%
- -revenue from international transmission and similar	116.306	73.927	57%
Operating costs before the balancing and construction activity, according to IFRIC12	1.617.855	1.415.554	14%
Operating profit before the balancing and construction activity, according to IFRIC12	94.691	159.633	-41%
Revenue from the balancing activity	458.811	1.005.544	-54%

Indicator	Preliminary 2023	Achieved 2022	Increase
Balancing activity costs	458.811	1.005.544	-54%
Revenue from the construction activity according to IFRIC12	170.617	299.868	-43%
Cost of constructed assets according to IFRIC12	170.617	299.868	-43%
Operating profit	94.691	159.633	-41%
Financial revenue	233.094	461.287	-49%
Financial costs	129.106	183.446	-30%
Financial result	103.988	277.841	-63%
GROSS PROFIT	198.679	437.474	-55%
Income tax	38.717	71.719	-46%
NET PROFIT	159.962	365.755	-56%

Operating revenue before the balancing and construction activity, according to IFRIC12 increased by 9% compared to the one achieved at 31 December 2022, which is higher by lei 137.360 thousand.

This revenue was obtained under the conditions of the prorogation for the period 1 October 2022 - 30 September 2023 of the tariffs approved by Order 32/26.05.2021 of ANRE President.

The revenue was influenced mainly by the following factors:

- *revenue from capacity booking* higher by **lei 80.564 thousand** due to:
 - *capacity booking tariff* higher by lei cu 0,344/MWh, with a positive influence of lei 123.343 thousand;
 - *booked capacity* higher by 2.489.350 MWh, with a positive influence of lei 6.220 thousand;
 - *capacity overrun revenue* higher by lei 45.459 thousand. Capacity overrun revenue at 31 December 2022 amounted to lei 75.737 thousand, and at 31 December 2023 to lei 121.196 thousand;
 - *revenue from the auction premium* lower by lei 94.458 thousand following the capacity booking auctions performed according to the CAM-NC by interconnection points; revenue from the auction premium at 31 December 2022 amounted to lei 227.801 thousand, and at 31 December 2023 to lei 133.343 thousand.
- *commodity revenue* higher by **lei 19.488 thousand** due to:
 - *the commodity transmission tariff* higher by lei 0,14 lei/MWh, with a positive influence of lei 19.985 thousand;
 - *the gas transmitted capacities* lower by 448.256 MWh as compared to 31 December 2022, with a negative influence of lei 498 thousand, detailed by categories of consumers as follows:

		2023	2022	Differences
Quantity transmitted for direct consumers	MWh	71.894.881	68.472.756	3.422.125
	thousand m ³	6.548.241	6.185.284	362.957
Quantity transmitted for distribution	MWh	69.624.750	73.495.131	-3.870.381
	thousand m ³	6.507.679	6.846.782	-339.103
Total	MWh	141.519.631	141.967.887	-448.256
	thousand m ³	13.055.920	13.032.066	23.854

- *international gas transmission revenue and similar* higher by **lei 42.379 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* lower by **lei 5.071 thousand**.

The revenue from the balancing activity was lower by **lei 546.733 thousand** based on the following factors:

- trading price lower by lei 301,86/MWh, with a negative influence of lei 602.597 thousand;
- quantity higher by 105.068 MWh with a positive influence of lei 55.863 thousand;

The revenue from the construction activity lower by **lei 129.251 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 negative influence of **lei 228.193 thousand** mainly due to the recording of the updating of the regulated assets value with the inflation rate of 6,61% at 31 December 2023 compared to 16,37% at 31 December 2022 (lei 144.616 thousand at 31 December 2023 as compared to lei 286.877 thousand at 31 December 2022). In 2022 Transgaz record revenue from shareholdings following the reduction of Eurotransgaz's share capital by EUR 13,15 million and in 2023 the share capital of Eurotransgaz was diminished by lei 13.504 thousand, amount received in August 2023.

Operating costs before the balancing and construction activity according to IFRIC12 increased by **14%** as compared to 31 December 2022, which is higher by **lei 202.301 thousand**.

The company made savings of lei 38.497 thousand to the following cost elements:

- transmission system gas consumption of lei 36.049 thousand due to:
 - the quantity of natural gas for NTS gas consumption lower by 126.518 MWh as compared to 31 December 2022, with a positive influence of lei 25.588 thousand;
 - the average purchase price achieved lower by lei 16,68/MWh as compared to the one achieved at 31 December 2022, with a positive influence of lei 10.461 thousand;
- cost of licensing fee: lei 2.448 thousand.

A surplus amounting to lei 240.798 thousand was recorded to the following cost elements:

- employee costs: lei 75.969 thousand;
- cost of provision for risks and charges: lei 4.753 thousand;
- cost of royalty: lei 49.582 thousand; By Law 296/2023 *on some fiscal-budgetary measures to ensure Romania's long-term financial sustainability*, the provisions of Article 103(2) of the Electricity and Gas Law 123/2012 were repealed. As of 30 October 2023, the royalty rate was changed from 0,4% to 11,5% of the value of the gross revenue from transmission and transit operations through the national transmission systems, according to Article 49(2)(b) of Petroleum Law 238/2004;
- cost of depreciation: lei 33.547 thousand, based on the completion and commissioning of investments projects;
- cost of auxiliary materials: lei 9.231thousand;
- cost of maintenance and transmission: lei 3.866 thousand;
- cost of monopoly tax: lei 2.522 thousand;

- other operating costs: lei 60.677 thousand. In 2023 the company recorded costs with the depreciation of trade receivables in the amount of lei 108.175 thousand, higher by lei 52.800 thousand compared to 2022. The amount of depreciation of trade receivables was mainly determined by the non-collection of receivables from Gazprom Export LLC (lei 120.908 thousand) decreased by the collection of receivables from Electrocentrale Constanta (lei 20.546 thousand) and Mehedinți Gaz SA (lei 3.214 thousand). As at 31 December 2023, the Company capitalized the amount of lei 10.113 thousand (lei 3.345 thousand as of 31 December 2022), representing the difference between the costs of technological consumption realized over the one approved in the transmission tariff, in accordance with GEO 27/2022;
- other costs: lei 651 thousand.

The financial cost is lower by **lei 54.340 thousand**, due to the decrease in the share capital of EUROTRANSGAZ Chisinau of the Republic of Moldova. In 2022 Transgaz recorded expenses from shareholdings following the reduction of Eurotransgaz's share capital by EUR 13,15 million and in 2023 the share capital of Eurotransgaz was reduced by lei 13.504 thousand, amount received in August 2023.

Compared to 31 December 2022 the preliminary gross profit at 31 December 2023 decreased by 55%, which is lower by lei 238.795 thousand, and the net profit is decreased by 56%, which is lower by lei 205.793 thousand.

The preliminary consolidated and individual financial statements for 2023 were prepared in accordance with the EU-IFRS and are unaudited.

The full report is published at the link below and on Transgaz's website at: http://www.transgaz.ro/en/investitori/raportari_financiare

**DIRECTOR - GENERAL
ION STERIAN**

**THE NATIONAL GAS TRANSMISSION COMPANY
TRANSGAZ S.A.**

**PRELIMINARY UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023**

**PREPARED IN ACCORDANCE WITH
THE INTERNATIONAL FINANCIAL REPORTING STANDARDS
ADOPTED BY THE EUROPEAN UNION**

This version of the interim financial statements is a translation from the original, which was prepared in Romanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

CONSOLIDATED PRELIMINARY CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)



	<u>31 December 2023</u> <u>(unaudited)</u>	<u>31 December 2022</u>
ASSET		
Fixed assets		
Tangible Assets	767.359.458	801.193.708
Rights of use of the leased assets	187.272.930	16.934.813
Intangible Assets	3.631.015.300	3.909.592.137
Goodwill	10.126.276	9.566.769
Trade receivables and other receivables	2.423.669.229	2.141.205.428
Deferred tax	<u>7.186.195</u>	<u>-</u>
	7.026.629.388	6.878.492.855
Current assets		
Inventories	585.217.588	613.182.876
Trade receivables and other receivables	433.883.893	346.798.529
Cash and cash equivalent	<u>712.592.750</u>	<u>418.666.555</u>
	1.731.694.231	1.378.647.960
Total asset	8.758.323.619	8.257.140.815
Equity		
Share capital	1.883.815.040	1.883.815.040
Hyperinflation adjustment of share capital	441.418.396	441.418.396
Share premium	247.478.865	247.478.865
Other reserves	1.265.796.861	1.265.796.861
Retained earnings	241.396.473	199.648.810
Exchange rate differences from consolidation	<u>23.812.304</u>	<u>19.932.259</u>
	4.103.717.939	4.058.090.231
Shareholders` equity		
Non-controlling interests	<u>99.069.694</u>	<u>82.818.034</u>
	4.202.787.633	4.140.908.265
Long-term debts		
Long-term loans	2.025.632.533	2.054.247.351
Provision for employee benefits	114.807.183	110.895.341
Deferred revenue	849.564.612	969.150.112
Deferred tax	-	3.053.157
Commercial debt and other debts	<u>155.051.001</u>	<u>14.178.481</u>
	3.145.055.329	3.151.524.442
Current debts		
Commercial debts and other debts	699.161.698	634.601.301
Deferred revenue	113.993.591	107.439.092
Provision for risks and charges	125.243.573	81.438.491
Short-term loans	455.946.578	136.644.990
Provision for employee benefits	<u>16.135.217</u>	<u>4.584.234</u>
	1.410.480.657	964.708.108
Total debts	4.555.535.986	4.116.232.550
Total equity and debts	8.758.323.619	8.257.140.815

Director – General
Ion Sterian

Chief Financial Officer
Marius Lupean

CONSOLIDATED PRELIMINARY CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)



	The year ended 31 December 2023 (unaudited)	The year ended 31 December 2022
Revenue from the domestic transmission activity	1.519.421.773	1.356.044.593
Revenue from the international transmission activity and assimilated	116.305.612	73.926.517
Other revenue	<u>149.207.638</u>	<u>149.312.392</u>
Operational revenue before the balancing and construction activity according to IFRIC12	1.784.935.023	1.579.283.502
Depreciation	(482.704.105)	(435.409.965)
Employees costs	(572.057.843)	(495.131.807)
NTS gas consumption, materials and consumables used	(148.293.231)	(180.267.951)
Cost of royalty	(55.285.137)	(5.703.430)
Maintenance and transport	(40.822.612)	(37.253.061)
Taxes and other state duties	(87.662.227)	(86.781.521)
Revenue/ (Expenses) with provisions for risks and charges	(23.012.421)	(18.096.076)
Other operating cost	<u>(262.679.613)</u>	<u>(174.323.882)</u>
Operational profit before the balancing and construction activity according to IFRIC12	112.417.834	146.315.809
Revenue from the balancing activity	458.810.505	1.005.543.997
Cost of balancing gas	(458.810.505)	(1.005.543.997)
Revenue from the construction activity according to IFRIC12	170.617.135	299.868.442
Cost of assets constructed according to IFRIC12	<u>(170.617.135)</u>	<u>(299.868.442)</u>
Operational profit	112.417.834	146.315.809
Financial revenue	260.962.331	498.370.151
Financial cost	<u>(161.568.335)</u>	<u>(225.110.222)</u>
Financial revenue, net	<u>99.393.996</u>	<u>273.259.929</u>
Profit before tax	211.811.830	419.575.738
Profit tax expense	<u>(39.424.866)</u>	<u>(72.507.267)</u>
Net profit for the period	<u>172.386.964</u>	<u>347.068.471</u>
Attributable to the parent company	169.280.666	351.895.142
Attributable to the non-controlling interests	3.106.298	(4.826.671)
Number of shares	188.381.504	188.381.504
Other elements of the comprehensive result		
Basic and diluted earnings per share (expressed in lei per share)	0,92	1,84
Actuarial (gain)/loss for the period	4.334.050	2.452.222
Exchange rate differences	30.170.769	(8.396.441)
Total comprehensive income for the period	<u>206.891.783</u>	<u>341.124.252</u>
Attributable to the parent company	203.785.485	345.950.923
Attributable to the non-controlling interests	3.106.298	(4.826.671)

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

CONSOLIDATED PRELIMINARY CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)



	<u>Share Capital</u>	<u>Share capital adjustments</u>	<u>Share premium</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Exchange rate differences from consolidation</u>	<u>Non- controlling interests</u>	<u>Total equity</u>
Balance on 1 January 2022	<u>117.738.440</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>1.785.866.415</u>	<u>16.520.600</u>	<u>93.548.755</u>	<u>3.968.368.332</u>
Net profit for the period, reported	-	-	-	-	351.895.142	-	(4.826.671)	347.068.471
Actuarial gain / loss for the period	-	-	-	-	2.452.222	-	-	2.452.222
	-	-	-	-	354.347.364	-	(4.826.671)	349.520.693
Establishing profit reserves	-	-	-	-	(21.873.676)	-	-	(21.873.676)
Legal reserve increase	-	-	-	-	21.873.676	-	-	21.873.676
<i>Transactions with shareholders:</i>	-	-	-	-	-	-	-	-
	-	-	-	-	(1.766.076.600)	-	-	-
Increase of share capital	1.766.076.600	-	-	-	-	-	-	-
Dividends related to 2021	-	-	-	-	(174.488.369)	-	-	(174.488.369)
Exchange rate differences from consolidation	-	-	-	-	-	3.411.659	(11.808.100)	(8.396.441)
Non-controlling interests	-	-	-	-	-	-	5.904.050	5.904.050
Balance on 31 December 2022	<u>1.883.815.040</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>199.648.810</u>	<u>19.932.259</u>	<u>82.818.034</u>	<u>4.140.908.265</u>
Net profit for the period	-	-	-	-	169.280.666	-	3.106.298	172.386.964
Actuarial gain / loss for the period	-	-	-	-	4.334.050	-	-	4.334.050
	-	-	-	-	173.614.716	-	3.106.298	176.721.014
<i>Transactions with shareholders:</i>	-	-	-	-	-	-	-	-
Dividends related to 2022	-	-	-	-	(131.867.053)	-	-	(131.867.053)
Non-controlling interests	-	-	-	-	-	3.880.045	26.290.724	30.170.769
Exchange rate differences from consolidation	-	-	-	-	-	-	(13.145.362)	(13.145.362)
Balance on 31 December 2023 (unaudited)	<u>1.883.815.040</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>241.396.473</u>	<u>23.812.304</u>	<u>99.069.694</u>	<u>4.202.787.633</u>

The exchange rate differences from consolidation arise from the presentation of the financial statements of the subsidiary Eurotransgaz under the reporting currency of the parent company (RON).

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

INTERIM CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)

	The year ended 31 December 2023 (unaudited)	The year ended 31 December 2022
Profit before tax	211.811.830	419.575.738
<i>Adjustments for:</i>		
Depreciation	482.704.105	435.409.965
Gain/(loss) on transfer of fixed assets	(123.138)	(451.748)
Provisions for risks and charges	11.862.111	13.759.358
Revenue from connection fees, grants and goods taken free of charge	(113.957.081)	(107.066.896)
Adjustment of the Claim regarding the Concession Agreement	(147.131.305)	(286.877.258)
Sundry debtors and receivable loss	126.282	1.695.530
Loss/(gain) from the impairment of inventories	8.499.713	13.249.122
Adjustments for the receivable's impairment	108.175.204	42.126.151
Provisions for employee benefits	12.567.497	2.341.979
The effect of updating the provision for employee benefits	7.229.379	5.541.410
Interest revenue	(59.913.067)	(50.739.681)
Interest expenses	103.554.726	55.752.281
Effect of exchange rate fluctuation on other items than from operation	9.686.599	2.312.196
Other revenue and expenses	<u>(330.242)</u>	<u>(834.770)</u>
Operating profit before the changes in working capital	<u>634.762.613</u>	<u>545.793.377</u>
(Increase)/decrease in trade and other receivables	47.935.656	110.453.918
(Increase)/decrease in inventories	19.031.377	(320.635.665)
Increase/(decrease) in trade payables and other debts	<u>104.026.565</u>	<u>326.100.884</u>
Cash generated from operations	<u>805.756.211</u>	<u>661.712.514</u>
Interest paid	(128.084.979)	(69.604.175)
Interest received	4.317.150	1.277.835
Paid profit tax	<u>(93.897.260)</u>	<u>(77.532.781)</u>
Net cash inflow from operation activities	588.091.122	515.853.393
Cash flow from investment activities		
Payments to acquire intangible assets	(441.200.047)	(598.243.216)
Payments to acquire tangible assets	(5.087.811)	(18.801.250)
Financial investment/shares	-	-
Receipts from the disposal of tangible assets	263.919	479.363
Cash flow from connection fees and grants	<u>4.477.340</u>	<u>133.208.997</u>
Net cash used in investment activities	<u>(441.546.599)</u>	<u>(483.356.106)</u>

INTERIM CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)

	The year ended 31 December 2023 (unaudited)	The year ended 31 December 2022
Cash flow from financing activities		
Share capital increase		3.205.405
Long term loans repayments	(136.659.386)	(143.485.273)
Credit withdrawals/repayments for working capital	175.431.456	291.740.052
Payments IFRS 16	(5.601.390)	(5.157.454)
Dividends paid	(132.399.008)	(175.088.518)
Long-term loan withdrawals	246.610.000	-
Net cash used in financing activities	<u>147.381.672</u>	<u>(28.785.788)</u>
Net change in cash and cash equivalents	<u>293.926.195</u>	<u>3.711.499</u>
Cash and cash equivalent as at the beginning of the year	<u>418.666.555</u>	<u>414.955.056</u>
Cash and cash equivalent as at the end of the period	<u>712.592.750</u>	<u>418.666.555</u>

Director – General
 Ion Sterian

Chief Financial Officer
 Marius Lupean

**THE NATIONAL GAS TRANSMISSION COMPANY
TRANSGAZ S.A.**

**PRELIMINARY UNAUDITED INDIVIDUAL FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2023**

**PREPARED IN ACCORDANCE WITH
THE INTERNATIONAL FINANCIAL REPORTING STANDARDS
ADOPTED BY THE EUROPEAN UNION**

PRELIMINARY CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)



	31 December 2023	31 December 2022
	(unaudited)	
ASSET		
Fixed assets		
Tangible Assets	377.609.917	418.131.904
Rights of use of the leased assets	14.500.703	16.934.813
Intangible Assets	3.631.006.197	3.909.577.432
Financial assets	177.619.145	191.122.702
Trade receivables and other receivables	2.423.669.228	2.141.205.427
Deferred tax	<u>9.868.530</u>	<u>-</u>
	6.634.273.720	6.676.972.278
Current assets		
Inventories	577.080.618	609.876.837
Trade receivables and other receivables	392.434.334	335.331.267
Cash and cash equivalent	<u>677.336.356</u>	<u>384.237.135</u>
	1.646.851.308	1.329.445.239
Total asset	8.281.125.028	8.006.417.517
Equity		
Share capital	1.883.815.040	1.883.815.040
Hyperinflation adjustment of share capital	441.418.396	441.418.396
Share premium	247.478.865	247.478.865
Other reserves	1.265.796.861	1.265.796.861
Retained earnings	<u>276.665.369</u>	<u>244.236.598</u>
	4.115.174.531	4.082.745.760
Long-term debts		
Long-term loans	1.865.388.334	1.871.382.547
Provision for employee benefits	114.807.183	110.895.341
Deferred revenue	849.564.612	969.150.112
Deferred tax	-	1.206.204
Commercial debt and other debts	<u>12.208.966</u>	<u>14.178.481</u>
	2.841.969.095	2.966.812.685
Current debts		
Commercial debts and other debts	668.647.505	631.538.978
Deferred revenue	113.993.591	107.439.092
Provision for risks and charges	92.889.057	81.197.994
Short-term loans	432.316.032	132.098.774
Provision for employee benefits	<u>16.135.217</u>	<u>4.584.234</u>
	1.323.981.402	956.859.072
Total debts	4.165.950.497	3.923.671.757
Total equity and debts	8.281.125.028	8.006.417.517
Director – General Ion Sterian	Chief Financial Officer Marius Lupean	

PRELIMINARY CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)



	The year ended 31 December 2023 (unaudited)	The year ended 31 December 2022
Revenue from the domestic transmission activity	1.451.982.194	1.351.930.670
Revenue from the international transmission activity and assimilated	116.305.612	73.926.517
Other revenue	<u>144.258.238</u>	<u>149.328.948</u>
Operational revenue before the balancing and construction activity according to IFRIC12	1.712.546.044	1.575.186.135
Depreciation	(457.196.923)	(423.649.671)
Employees costs	(567.556.752)	(491.588.137)
NTS gas consumption, materials and consumables used	(148.201.016)	(180.267.951)
Cost of royalty	(55.285.137)	(5.703.430)
Maintenance and transport	(40.779.817)	(36.913.734)
Taxes and other state duties	(87.506.609)	(86.781.521)
Revenue/ (Expenses) with provisions for risks and charges	(22.841.375)	(18.088.348)
Other operating cost	<u>(238.486.930)</u>	<u>(172.561.046)</u>
Operational profit before the balancing and construction activity according to IFRIC12	94.691.485	159.632.297
Revenue from the balancing activity	458.810.505	1.005.543.977
Cost of balancing gas	(458.810.505)	(1.005.543.977)
Revenue from the construction activity according to IFRIC12	170.617.135	299.868.442
Cost of assets constructed according to IFRIC12	<u>(170.617.135)</u>	<u>(299.868.442)</u>
Operational profit	94.691.485	159.632.297
Financial revenue	233.093.910	461.287.140
Financial cost	<u>(129.106.401)</u>	<u>(183.445.916)</u>
Financial revenue, net	<u>103.987.509</u>	<u>277.841.224</u>
Profit before tax	198.678.994	437.473.521
Profit tax expense	<u>(38.717.220)</u>	<u>(71.718.653)</u>
Net profit for the period	<u>159.961.774</u>	<u>365.754.868</u>
Number of shares	188.381.504	188.381.504
Basic and diluted earnings per share (expressed in lei per share)	0,85	1,94
Other elements of the comprehensive result	4.334.050	2.452.222
Total comprehensive income for the period	<u>164.295.824</u>	<u>368.207.090</u>

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

PRELIMINARY CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)



	<u>Share Capital</u>	<u>Share capital adjustments</u>	<u>Share premium</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
Balance on 1 January 2022	<u>117.738.440</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>1.816.594.475</u>	<u>3.889.027.037</u>
<i>Elements of the comprehensive result</i>						
Net profit for the period	-	-	-	-	365.754.868	365.754.868
Actuarial gain / loss for the period	-	-	-	-	<u>2.452.222</u>	<u>2.452.222</u>
	-	-	-	-	368.207.090	368.207.090
Establishing profit reserves	-	-	-	-	(21.873.676)	(21.873.676)
Legal reserve increase	-	-	-	-	21.873.676	21.873.676
Increase of share capital by incorporation of reserves	<u>1.766.076.600</u>	-	-	-	<u>(1.766.076.600)</u>	-
<i>Transactions with shareholders:</i>						
Dividends related to 2021	-	-	-	-	<u>(174.488.367)</u>	<u>(174.488.367)</u>
	1.766.076.600				(1.940.564.967)	(174.488.367)
Balance on 31 December 2022	<u>1.883.815.040</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>244.236.598</u>	<u>4.082.745.760</u>
<i>Elements of the comprehensive result</i>						
Net profit for the period	-	-	-	-	159.961.774	159.961.774
Actuarial gain / loss for the period	-	-	-	-	<u>4.334.050</u>	<u>4.334.050</u>
					164.295.824	164.295.824
<i>Transactions with shareholders:</i>						
Dividends related to 2022	-	-	-	-	<u>(131.867.053)</u>	<u>(131.867.053)</u>
Balance on 31 December 2023	<u>1.883.815.040</u>	<u>441.418.396</u>	<u>247.478.865</u>	<u>1.265.796.861</u>	<u>276.665.369</u>	<u>4.115.174.531</u>

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

INTERIM CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)

	The year ended 31 December 2023 (unaudited)	The year ended 31 December 2022
Profit before tax	198.678.994	437.473.521
<i>Adjustments for:</i>		
Depreciation	457.196.923	423.649.671
Gain/(loss) on transfer of fixed assets	(123.138)	(451.748)
Provisions for risks and charges	11.691.064	13.751.630
Adjustments for impairment of inventories	8.499.713	13.249.122
Revenue from connection fees, grants and goods taken free of charge	(113.957.081)	(107.066.896)
Provisions for employee benefits	12.567.497	2.341.979
The effect of updating the provision for employee benefits	7.229.379	5.541.410
Sundry debtors and receivable loss	126.282	1.695.530
Adjustments for the receivable's impairment	108.175.204	42.126.151
Interest revenue	(59.679.235)	(50.732.498)
Interest expenses	90.701.784	51.913.796
Adjustment of the Claim regarding the Concession Agreement	(147.131.305)	(286.877.258)
Effect of exchange rate fluctuation on other items than from operation	5.297.914	(124.977)
Other expenses and revenue	(330.242)	(834.770)
Operating profit before the changes in working capital	578.943.753	545.654.663
(Increase)/decrease in trade and other receivables	22.101.324	45.563.916
(Increase)/decrease in inventories	23.533.328	(320.447.461)
Increase/(decrease) in trade payables and other debts	<u>153.941.808</u>	<u>343.602.258</u>
Cash generated from operations	778.520.213	614.373.376
Interest received	4.317.150	1.277.835
Interest paid	(119.820.194)	(66.822.526)
Paid profit tax	<u>(93.897.261)</u>	<u>(77.532.781)</u>
Net cash inflow from operation activities	569.119.908	471.295.904
Cash flow from investment activities		
Payments to acquire intangible assets	(441.119.974)	(596.593.415)
Payments to acquire tangible assets	(5.087.811)	(18.801.250)
Financial investment/shares	13.503.557	105.453.468
Receipts from the disposal of tangible assets	263.918	479.363
Cash flow from connection fees and grants	<u>4.477.340</u>	<u>133.208.997</u>
Net cash used in investment activities	(427.962.970)	(376.252.837)

INTERIM CASH FLOW STATEMENT
(expressed in lei, unless otherwise stated)

	The year ended 31 December 2023 (unaudited)	The year ended 31 December 2022
Cash flow from financing activities		
Long-term loan withdrawals	246.610.000	-
Long term loans repayments	(132.098.774)	(143.485.273)
Credit withdrawals/repayments for working capital	175.431.456	291.740.052
Leasing payments (IFRS 16)	(5.601.391)	(5.157.454)
Dividends paid	<u>(132.399.008)</u>	<u>(175.088.518)</u>
Net cash used in financing activities	151.942.283	(31.991.193)
Net change in cash and cash equivalents	<u>293.099.221</u>	<u>63.051.874</u>
Cash and cash equivalent as at the beginning of the year	<u>384.237.135</u>	<u>321.185.261</u>
Cash and cash equivalent as at the end of the period	<u>677.336.356</u>	<u>384.237.135</u>

Director – General
 Ion Sterian

Chief Financial Officer
 Marius Lup