TRANSGAZ
MAGISTRALA ENERGIEI

CONSOLIDATED ADMINISTRATORS' REPORT FOR HALF I 2026

CUPRINS

THE ADMINISTRATORS' MESSAGE

The natural gas transmission sector has a long tradition in Romania and it is a strategic activity for the national economy and for its sustainable growth and development. The performance of the gas transmission activity increased year by year through the work, dedication and professionalism of those who have worked in this field and contributed to what SNTGN TRANSGAZ SA is – today -– the 4th company – in the top of natural gas Transmission System Operators (TSOs) of the European Union, according to the length of the managed transmission network, a Group of sustainable performance oriented companies with responsibility for the future, in which the corporate governance model has added and will add value and the transparency needed to increase the confidence of the stakeholders in the management and performance of the company.

By performance, transparency, openness to dialogue and application of good practices for corporate governance, SNTGN TRANSGAZ SA is a successful genuine brand today, a company that believes in its organizational values and concepts and that continuously invests in the education and professional development of its human resources. SNTGN TRANSGAZ SA is a company managed under a unitary system, with the current Board of Administrators appointed by the General Meeting of the Shareholders under Decision no. 6/29.04.2025 of the Ordinary General Meeting of the Shareholders according to the selection procedure provided for in Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as amended.

***The strategic objectives established in respect of the management of SNTGN Transgaz SA for the period 2025-2029** are in line with the objectives provided for in the **SHAREHOLDERS' LETTER OF EXPECTATIONS** and aim to achieve**: continuity of operational and investment activities, energy safety and security, operational efficiency and stability, sustainable development**, in accordance with the provisions of the Strategy of the European Energy Union on decarbonisation, energy efficiency, the internal energy market, research, innovation, digitization and competitiveness**, alignment of the company with modern performance and corporate governance standards supported by the OECD, optimisation of the company's performance,** increasing the international recognition of SNTGN Transgaz SA, its leading role in the regional energy market, maximising the efficiency of all existing and future opportunities, so that Romania can consolidate its position as an important natural gas energy corridor to Europe.*

We are aware of the essential role that Transgaz Group plays not only in the development, modernization, and consolidation of the energy infrastructure of Romania and the Republic of Moldova, but also in improving the standard of living and the effective transition of the entire society towards achieving all sustainable development goals.

For SNTGN Transgaz SA, an objective of strategic importance deriving from the European Green Deal for a transition to the green economy is the repurposing of the existing natural gas transmission infrastructure for the transmission of hydrogen in blends with natural gas, for decarbonization.

Recognizing the importance of TRANSGAZ Group both as a driver of economic activity and as a vector of economic growth, through its role in developing the national, regional and European energy sector and transforming Romania into an energy powerhouse in Europe, the company's administrators are committed to continuing the launch and implementation of one of the largest and most important natural gas transmission infrastructure development programs in Romania in the last 20 years, a program with investment projects estimated at EURO 9.1 billion.

Our guarantee for success in the face of the challenges and constraints of the external and internal context in which Transgaz Group operates and will operate is the link between the efficient administration and management strategies and the vast expertise and professional experience of the management, human resources employed to operationalize these strategies, the organizational values and concepts, the professionalism, reliability, transparency, and responsibility in the execution of all activities.

Yours sincerely,

ION STERIAN
Executive Administrator - Director - General

NICOLAE MINEA
Non-Executive Administrator, Chairman of the Board of Administration

ILINCA VON DERENTHALL
Non-Executive Administrator

ADINA LĂCRIMIOARA HANZA
Non-Executive Administrator

COSTIN MIHALACHE
Non-Executive Administrator

1. REPORT AND ISSUER GENERAL DATA

Basis of the report	Report for H I 2026, prepared in accordance with the provisions of Law 24/2017 on issuers of financial instruments and market operations (Article 65) and FSA Regulation 5/2018 on issuers of financial instruments and market operations (Annex 15), as amended
Date of the report:	11 August 2026
Name of the issuer	The National Gas Transmission Company TRANSGAZ SA
Headquarters	Mediaș, 1 C.I. Motaș Square, code 551130, Sibiu county
Phone/fax	0269-803333/0269-839029
Web/e-mail	www.transgaz.ro / cabinet@transgaz.ro
Trade register number	J32/301/2000
Tax registration code	RO13068733
Regulated market on which the securities issued are traded	Bucharest Stock Exchange
Subscribed and paid-up share capital	1.883.815.040 lei
Main characteristics of securities issued	188.381.504 shares with a nominal value of 10 lei. The shares are registered, ordinary, indivisible, issued in dematerialised form and freely tradable since 2008 under the TGN stock exchange symbol

2. EXECUTIVE SUMMARY H I 2026

2.1. Presentation of the consolidated companies in the Transgaz group

SNTGN Transgaz SA is the first state-owned company in the energy sector to consolidate its international reputation and develop investor confidence by establishing the TRANSGAZ Group, thus becoming an active player in ensuring and strengthening regional energy security. The companies consolidated to form Transgaz Group are: SNTGN Transgaz SA, Eurotransgaz SRL, Vestmoldtransgaz SRL, and Petrostar SA.

TRANSGAZ, thus established, contributes both to the integration of the Republic of Moldova into future major gas infrastructure projects and to the expansion of operational capacities in the field of support and ancillary services for energy infrastructure, generating additional revenue from activities related to natural gas transmission.

		Share (%)
SNTGN Transgaz SA	Parent company	
Eurotransgaz SRL, the Republic of Moldova	Company held by SNTGN Transgaz SA	100%
Vestmoldtransgaz SRL, the Republic of Moldova	Company held by Eurotransgaz SRL and EBRD	75% 25%
Transport Romania Hidrogen SRL	Company held by SNTGN Transgaz SA	100%
Petrostar SA	Company held by SNTGN Transgaz SA Other shareholders	51% 49%

Eurotransgaz SRL

The establishment of the company EUROTRANSGAZ SRL on the territory of the Republic of Moldova was approved by Resolution no. 10/12.12.2017 of the Extraordinary General Meeting of the Shareholders (EGMS) for enabling successful participation in the privatization procedure of the State Enterprise Vestmoldtransgaz. Transgaz is the sole shareholder of EUROTRANSGAZ SRL.

Vestmoldtransgaz SRL

Since 2018, following the procurement of Vestmoldtransgaz SRL of the Republic of Moldova by Eurotransgaz SRL, Transgaz, as a parent company, prepares consolidated group financial statements.

As at 25.08.2021 the European Bank for Reconstruction and Development (EBRD) became a shareholder, holding a 25% interest 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 gas transmission pipeline Ungheni-Chisinau.

As of 19 September 2023 SNTGN TRANSGAZ SA, through Vestmoldtransgaz SRL (VMTG), its subsidiary in the Republic of Moldova, the company which operates, exploits and dispatches the Ungheni-Chișinău gas pipeline and is certified according to the ownership unbundling model, took over the operation, maintenance, dispatching and transmission of natural gas in the Republic of Moldova from Moldovatransgaz SRL.

As the operator of the gas transmission system in the Republic of Moldova, Vestmoldtransgaz S.R.L. is responsible for its operation and functioning in terms of quality, safety, economic efficiency, and environmental protection.

By the ANRE's Resolution No. 513 of 23 August 2024, SRL "Vestmoldtransgaz", holder of license Series AC No. 001561 of 6 January 2015 for natural gas transmission, valid until 6 January 2040, was certified according to the "Independent System Operator" model.

Vestmoldtransgaz S.R.L. fully complies with its legal and contractual obligations established by the applicable legislation, ensuring compliance with the provisions of Law No. 108/2016 on natural gas and the regulatory acts approved by ANRE, in accordance with the principles of ensuring the stability, reliability, security, and efficiency of the natural gas system.

The best practices in place within SNTGN Transgaz SA, having rendered the company a benchmark in Romania, are being adopted and implemented within the companies owned by Transgaz in the Republic of Moldova as well, resulting in:

- improvements in how the implementation of the NTS Maintenance Plan is monitored;
- efficient, real-time monitoring of the Procurement Plan by the setting up of an electronic/Excel database;
- effective prioritization of the Investment Plan;
- starting the implementation of the internal management control system for risk management, in order to provide reasonable assurance on achieving the planned targets and results. To this end, the Action Plan for the implementation of the internal management control system at Vestmoldtransgaz SRL is approved and continuously updated.

SNTGN Transgaz SA has become the only gas transmission system operator (TSO) in Europe that fully operates two national gas transmission systems in two different countries, one of which is an EU member state and the other a non-EU member state, in process of joining.

Transport Romania Hidrogen SRL (TRH)

In 2024 the limited liability company Transport Romania Hidrogen SRL (TRH) was established based on EGSM Resolution no. 5/05.06.2024 its main activity being hydrogen transmission. The company was established in accordance with the action plan for the implementation of the National Hydrogen Strategy 2030. The establishment of this company is proof of Transgaz's commitment to expand and upgrade the transmission infrastructure by tapping into the potential of integrating hydrogen from renewable and low-carbon sources into the National Natural Gas Transmission System. TRH is fully (100%) owned by Transgaz.

Under BoA Resolution no. 32/29.08.2024 the temporary suspension of the business activity of Transport Romania Hidrogen SRL for a period of three years was approved.

Petrostar SA

By Resolution No. 5 of the Extraordinary General Meeting of the Shareholders of 9 April 2025, the acquisition of a 51% interest in the share capital of Petrostar S.A. was approved at a maximum price of lei 4.520.143. Petrostar S.A. is one of the oldest and most representative companies in Romania, operating in the field of research, technological engineering, and design for the oil and gas extraction industry.

The acquisition is part of Transgaz's development strategy, which aims to expand its operational capabilities in the area of support and auxiliary services for energy infrastructure, to generate additional revenue from activities related to natural gas transmission, and to capitalize on the complementarity between Transgaz's and Petrostar's areas of activity.

Petrostar S.A. is one of the oldest and most representative companies in Romania, operating in the research, technological engineering, and design fields for the oil and gas extraction industry. The acquisition is part of Transgaz' development strategy, aiming to expand its operational capabilities in the energy infrastructure support and auxiliary services area, to generate additional revenue from activities related to gas transmission, and to tap into the complementarity between Transgaz and Petrostar's activities.

Petrostar's main activities include:

- Preparation of feasibility studies for the exploitation of newly discovered and existing offshore and onshore oil and gas fields in Romania and abroad;
- Preparation of feasibility studies and comprehensive designs for the underground gas storage in depleted gas fields;
- Preparation of comprehensive studies and designs for drilling wells up to 10,000 m deep, offshore and onshore, in Romania and abroad;
- Preparation of specifications, technical and commercial proposals for design and execution activities;
- Process and detail engineering for primary, secondary, and tertiary exploitation of oil and gas fields, covering all disciplines involved in achieving oil field goals, such as: electrical, mechanical, construction, automation, SCADA, corrosion protection, water supply;
- Preparation of studies and comprehensive engineering designs for transportation and storage systems in the fields of crude oil, gas, petroleum products, and water;
- Preparation of topographical and trans-testing, hydrogeological, hydrotechnical, and geotechnical studies and documentation;
- Project development management and management of the execution of objectives in the fields of oil, gas, and related works;

2.2. Indicators of the consolidated economic and financial results

Consolidated standard performance indicators

The economic and financial activity of the National Gas Transmission Company Transgaz S.A. since the beginning of the year until 30 June 2026 was conducted based on the indicators included in the Revenue and Expense Budget (REB) approved by Resolution No. 2/26 May 2026 of the Ordinary General Meeting of the Shareholders.

The value of the standard performance indicators on 30 June 2026 as compared to their value as at 30 June 2025 is as follows:

No.	Performance criteria	Performance objective	MU	Weighting factor	Achieved	
					H I 2026	H I 2025
1.	**Commissioned investments**	Plan achieved	Thousand lei	0,15	2.445.620	86.855
2.	**EBITDA**	EBITDA increase	Thousand lei	0,15	744.913	828.107
3.	**Labour productivity**	Increasing labour productivity in units of value (turnover / average no. of employees);	Thousand lei/ pers.	0,15	388	414
4.	**Outstanding payments**	Payments made during the contract duration (in current prices)	Thousand lei	0,15	0	0
5.	**Outstanding receivables**	Diminished amount of outstanding receivables (in current prices)	Thousand lei	0,10	682.282	683.156
6.	**NTS gas consumption**	Remaining within the gas quantities representing NTS gas consumption	%	0,15	29,35%	41,04%
7	**OPEX at lei 1000 operating revenue**	Diminishing of OPEX at lei 1000 operating revenue	lei	0,15	759	647

Table 1 - Consolidated standard performance indicators for H I 2026 compared to H I 2025

Consolidated profitability, liquidity, risk and activity ratios

The values of the profitability, liquidity, risk and activity indicators – consolidated statement – in H I 2026 compared to the same period of 2025:

No.	Indicators	Calculation formula	H I 2026	H I 2025
1.	**Profitability indicators**			
	EBITDA margin	EBITDA / Turnover	46,73%	47,91%
	EBITDA to equity ratio	EBITDA / Equity	15,45%	18,06%
	Gross profit margin	Gross profit / Turnover	23,27%	35,05%
	Return on capital	Net profit / Equity	6,30%	11,32%
2.	**Liquidity ratios**			
	Current indicator	Current assets / Current liabilities	1,25	1,02
	Quick ratio	Current assets - Inventories / Current liabilities	0,87	0,66
3.	**Risk indicators**			
	Leverage indicator	Borrowed capital / Equity	79,76%	67,10%
	Interest coverage ratio	EBIT / Interest expense	4,58	7,11
4.	**Activity indicators**			
	Days sales outstanding	Average trade receivables x 181 days / Turnover	105,87	98,27
	Days payable outstanding	Average trade payables x 181 days / Turnover	19,38	42,15

**) Calculated in accordance with FSA Regulation No. 5/2018, Annex 13 (Borrowed capital = Loans over 1 year)*

Table 2 - Consolidated profitability, liquidity, risk and activity indicators in H I 2026 compared to H I 2025

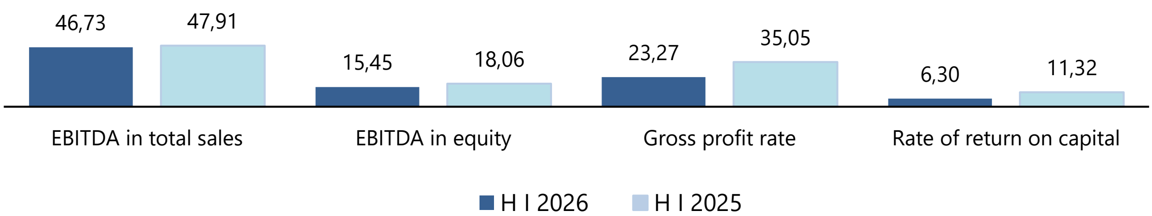


Chart 1 – Evolution of the consolidated profitability indicators in H I 2026 compared to H I 2025 (%)

The main consolidated economic and financial indicators achieved in H 1 2026 compared to the same period of 2025 are as follows:

- thousand lei -

No.	Indicator	H I 2026	H I 2025	Dynamics (%)
0	**1**	**2**	**3**	**4=2/3*100**
1.	Turnover	1.594.086	1.728.482	92,22
2.	Operating revenue before balancing and the construction activity according to IFRIC12	1.532.810	1.573.478	97,42
3.	Revenue from balancing	164.828	233.935	70,46
4.	Revenue from the construction activity according to IFRIC12	104.264	451.112	23,11
5.	Financial revenue	138.477	134.194	103,19
6.	Operating cost before balancing and the construction activity according to IFRIC12	1.163.154	1.017.609	114,30
7.	Cost of balancing gas	164.828	233.935	70,46
8.	Cost of constructed assets according to IFRIC12	104.264	451.112	23,11
9.	Financial cost	137.263	84.167	163,08
10.	Gross profit	370.880	605.896	61,21
11.	Profit tax	67.222	86.927	77,33
12.	Net profit	303.658	518.969	58,51
13.	Total comprehensive result related to the period	319.943	521.239	61,38
14.	Transmitted gas -thousand cm-	7.803.360	7.181.016	108,67
15.	Investment cost	142.357	482.876	29,48
16.	Rehabilitation cost	65.172	47.757	136,47
17.	Technological consumption thousand lei	37.001	40.167	92,12
18.	Technological consumption thousand cm	16.944	26.956	62,86

Table 3 – Evolution of the main consolidated economic and financial indicators H I 2026 compared to H I 2025

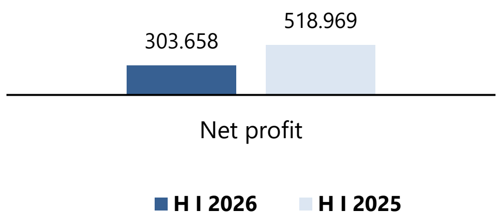


Chart 2 Net profit (consolidated) H I 2026 compared to H I 2025

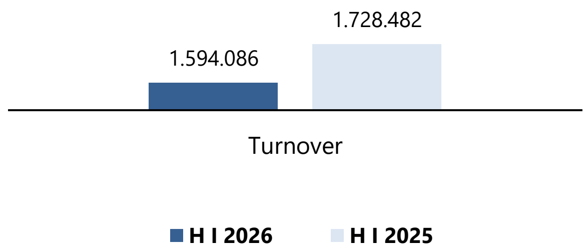


Chart 3 Turnover (consolidated) in H I 2026 compared to H I 2025 (thousand lei)

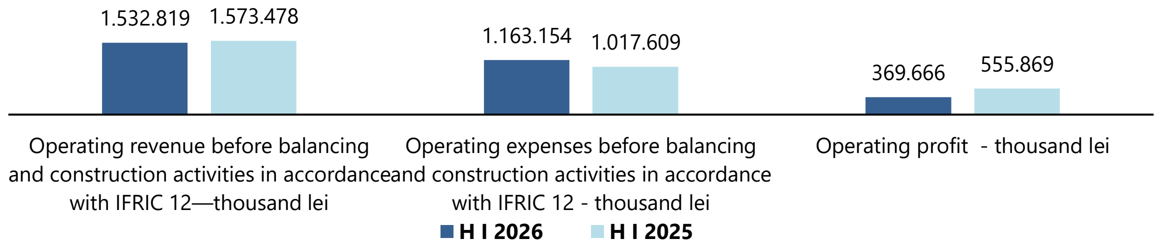


Chart 4 – Evolution of the operating revenue, expense and profit before the construction activity according to IFRIC 12 – consolidated –H I 2026 compared to H I 2025 (thousand lei)

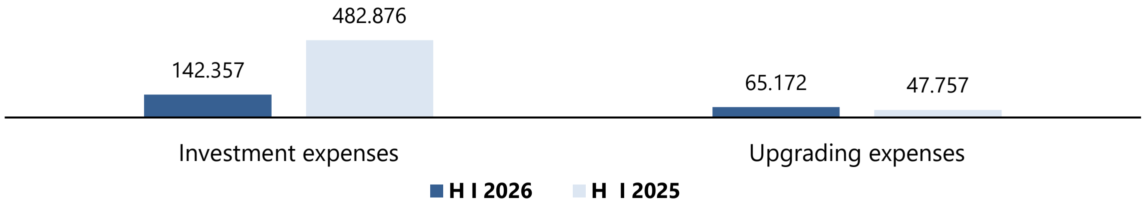


Chart 5 – Evolution of the investment and upgrading expenses – (consolidated) –H I 2026 compared to H I 2025 (thousand lei)

2.3. Indicators of the separate economic and financial results

Standard performance indicators – separate statements

The economic and financial activity of the National Gas Transmission Company Transgaz S.A. from the beginning of the year until 30 June 2026 was conducted based on the indicators established in the Revenue and Expense Budget (REB 2026) approved by Resolution no. 2/26 May 2026 of the Ordinary General Meeting of the Shareholders.

The value of the separate standard performance indicators at the end of H I 2026 compared to their value at the end of H I 2025, is presented in the table below:

No.	Performance criteria	Performance objective	MU	Weighting factor	Achieved	
					H I 2026	H I 2025
1.	**Commissioned investments**	Plan achieved	Thousand lei	0,15	2.445.506	86.582
2.	**EBITDA**	EBITDA increase	Thousand lei	0,15	634.497	719.401
3.	**Labour productivity**	Increasing labour output in units of value (turnover / average no. of employees);	Thousand lei/ pers.	0,15	360	394
4.	**Outstanding payments**	Payments made during the contract duration (in current prices)	Thousand lei	0,15	0	0
5.	**Outstanding receivables**	Diminished amount of outstanding receivables (in current prices)	Thousand lei	0,1	650.434	683.156
6.	**Technological consumption**	Remaining within the gas quantities representing technological consumption	%	0,15	29,35%	41,04%
7.	**OPEX at lei 1000 operating revenue**	Diminishing of OPEX at lei 1000 operating revenue	lei	0,15	790	667

Table 4 - Separate standard performance indicators in H I 2026 compared to H I 2025

Profitability, liquidity, risk and activity indicators

The values of the profitability, liquidity, risk, and management indicators in H I 2026, compared with their values for the same period in 2025, are presented in the following table:

Indicators	Calculation formula	H I 2026	H I 2025
Proftability indicators			
EBITDA margin	EBITDA Turnover	44,79%	45,55%
EBITDA to equity ratio	EBITDA Equity	13,53%	15,86%
Gross profit margin	Gros profit Turnover	20,53%	34,01%
Return on capital	Net profit Equity	4,99%	10,14%
Liquidity ratios			
Current ratio	Current assets Current liabilities	1,18	0,98
Quick ratio	Curent assets - inventories Current liabilities	0,77	0,61
Risk indicators			
Leverage ratio	Borrowed capital* Equity	79,06%	64,54%
Interest coverage ratio	EBIT ** Interest expense	3,77	6,20
Activity indicators			
–Days sale outstanding	Average trade receivables x 181 days Turnover	119,14	107,56
–Days payable outstanding	Average trade payables x 181 days	21,81	46,13

*) Calculated in accordance with FSA Regulation No. 5/2018, Annex 13 (Loans = Loans over 1 year)
**) Calculated in accordance with the Management Plan 2025-2029 (EBIT=Operating profit+Interest expense)

Table 5 - Separate profitability, liquidity, risk and activity indicators H I 2026 compared to H I 2025

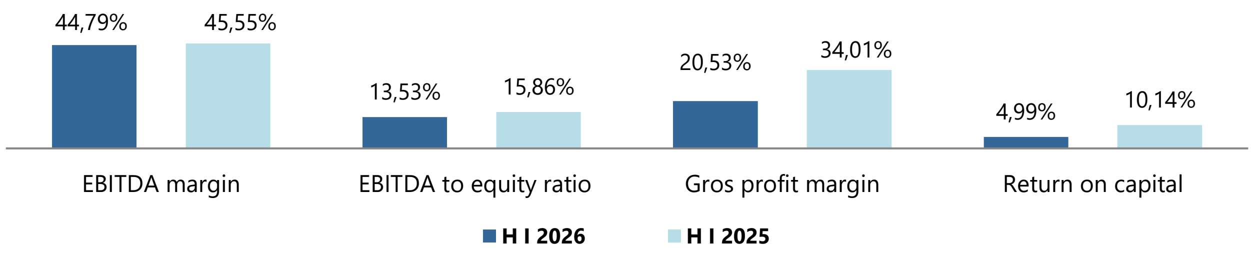


Chart 6 - Separate profitability indicators in H I 2026 compared to H I 2025

The values of the key separate economic - financial indicators achieved in H I 2026, compared to their values for the same period in 2025, are as follows:

No	Indicator	MU	H I 2026	H I 2025	Change %
0	1	2	3	4	5=3/4*100
1.	Turnover	thousand lei	1.416.460	1.579.304	89,69
2.	Operating revenue before balancing and construction activity according to IFRIC12	thousand lei	1.360.636	1.421.802	95,70
3.	Operating expenses before balancing and construction activity according to IFRIC12	thousand lei	1.075.113	948.720	113,32
4.	Operating profit before balancing and construction activity according to IFRIC12	thousand lei	285.522	473.082	60,35
5.	Revenue from balancing activity	thousand lei	158.209	231.869	68,23
6.	Balancing gas expenses	thousand lei	158.209	231.869	68,23
7.	Revenue from construction activity according to IFRIC12	thousand lei	104.264	451.112	23,11
8.	Cost of constructed assets according to IFRIC12	thousand lei	104.264	451.112	23,11
9.	Operating profit	thousand lei	285.522	473.082	60,35
10.	Finance income	thousand lei	129.377	130.729	98,97
11.	Finance expenses	thousand lei	124.091	66.656	186,17
12.	Gross profit	thousand lei	290.808	537.156	54,14
13.	Income tax expense	thousand lei	56.615	77.275	73,26
14.	Net profit	thousand lei	234.193	459.880	50,92
15.	Transmitted gas	MWh	84.450.085	77.656.998	108,75
16.	Capital expenditure	thousand lei	141.998*	466.534	30,44
17.	Rehabilitation expenses	thousand lei	26.221	16.328	160,59
18.	Technological consumption	thousand lei	37.001	40.159	92,13
19.	Technological consumption	MWh	189.852	276.220	68,73

**) exclusively advances for fixed assests*

Table 6 – Key separate economic-financial indicators in H I 2026 compared to H I 2025

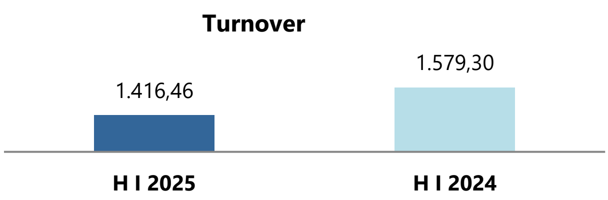


Chart 7 - Turnover (separate) in H I 2026 compared to H I 2025 (thousand lei)

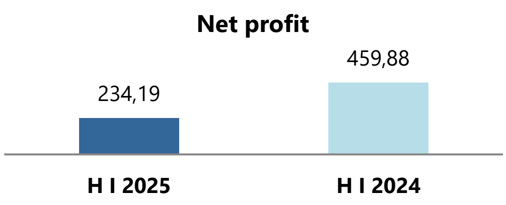


Chart 8- Net profit (separate) in H I 2026 compared to H I 2025 (thousand lei)

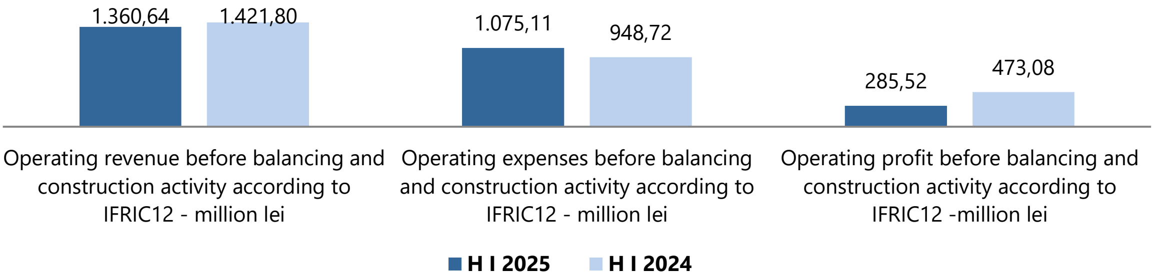


Chart 9 - Operating revenue, expense and profit before the construction activity according to IFRIC – separate statement – in H I 2026 compared to H I 2025 (million lei)

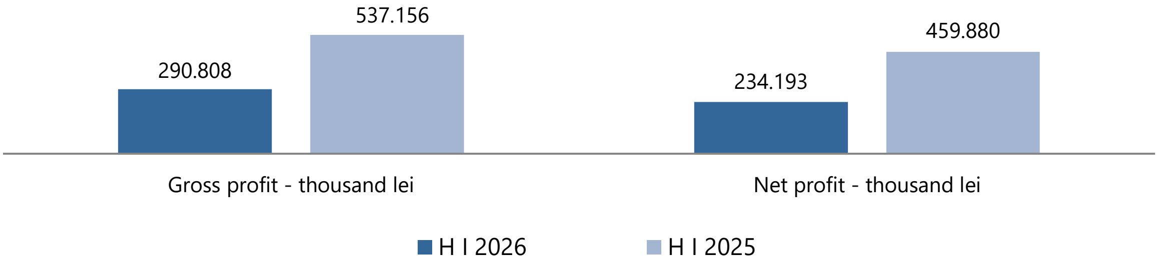


Chart 10 - Evolution of the gross profit and net profit (separate statements) - H I 2026 compared to H I 2025 (thousand lei)

SNTGN Transgaz SA holds the monopoly in Romania in terms of natural gas transmission and circulates approximately 90% of the total natural gas consumed.

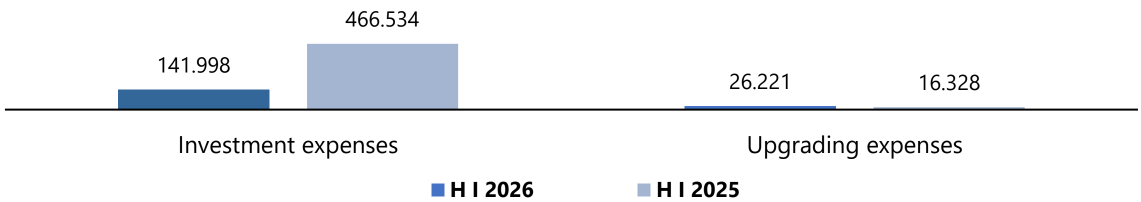


Chart 11 – Evolution of investment and upgrading costs – separate statements – in H I 2026 compared to H I 2025 (thousand lei)

2.4. Summary of Key Achievements In Terms of Sustainability

In H I of 2026, sustainability efforts were carried out in line with the strategic objectives of SNTGN Transgaz SA, with the primary objective of strengthening the sustainability reporting process and ensuring compliance with the applicable European and national legislative frameworks in the area of sustainability.
During the reporting period, activities focused both on implementing the measures resulting from the preparation and audit of the Consolidated Sustainability Report for financial year 2025 and on preparing the necessary steps for the preparation of the Consolidated Sustainability Report for financial year 2026.

Ongoing efforts were made to monitor developments in the European and national legislative frameworks, with a view to identifying and implementing new requirements applicable to the company in a timely manner.

A priority objective in H I of 2026 was the implementation of the comments and recommendations made by the external auditor during the audit of the Consolidated Sustainability Report and the European Union Taxonomy Report for the financial year 2025.

At the same time, work continued on reviewing and updating the internal documents underlying the sustainability reporting process, with the aim of aligning them with the requirements of the European Sustainability Reporting Standards (ESRS) as well as with the recommendations made by the external auditor.

Internal workflows for collecting and validating ESG information were analyzed, and measures were identified to streamline the reporting process and strengthen internal control mechanisms.

During the period under review, work continued on updating the Climate Risk and Vulnerability Assessment Study to align it with evolving European requirements for climate-related reporting and with the recommendations made during the audit process.

Other internal documents relevant to strengthening the sustainability governance framework were also reviewed.

In preparation for the reporting process for financial year 2026, a work schedule and timeline for the steps required to prepare the Consolidated Sustainability Report were developed, establishing the responsibilities of the involved organizational units and the key deadlines for collecting and validating the information needed for reporting.

The activities carried out in H I of 2026 contributed to strengthening the internal sustainability reporting framework, improving the quality and reliability of ESG information, and increasing the company’s readiness to prepare the Consolidated Sustainability Report for the financial year 2026.

Occupational health and safety

In H I 2026, the occupational health and safety activity was carried out in an organized manner, according to planning, aimed at reducing and/or eliminating the risks of occurrence of events, occupational accidents, dangerous incidents and occupational diseases at workplaces within the company, as well as the compliance with the legislative provisions in the field of safety and health at work, by implementing the measures included in the ***Prevention and Protection Plan for 2026*** and fulfilling the duties established by the Rules of procedure and organization of the company.

In H I 2026, no occupational diseases were reported/researched/declared.

Environmental management

The main environmental management activities in H I 2026 aimed at preventing pollution, reducing the risks of environmental incidents on the company's sites, as well as complying with the applicable legislative provisions.

Social responsibility

Corporate Social Responsibility within Transgaz is part of the corporate governance through which companies initiated a range of social responsibility actions that can be quantified in terms of sustainability and sustainable performance.

SNTGN TRANSGAZ SA, consistent with the principle of applying a responsible management in fulfilling the undertaken mission, is aware of the importance that sometimes financial support for a noble cause or for an important purpose is vital and, in this respect, through the programs and projects of social responsibility initiated, it is actively involved in community life, demonstrating its status as a *good citizen*.

Corporate social Responsibility is an aspect of corporate governance, with TRANSGAZ' key role in the energy field in Romania and Europe being naturally complemented by the desire to support the real needs of all those who are constantly contributing to the smooth way of its activity.

The commitment undertaken by the company's management through the *Environmental Quality Management System Policy Statement* is a definite proof that TRANSGAZ acknowledges the importance of ensuring an organizational climate where all stakeholders: employees, shareholders, customers, suppliers, community and the environment can effectively and responsibly network both from an economic and social point of view.

The company's social responsibility policy is based on a set of principles that define this interaction between Transgaz on the one hand and employees, shareholders, partners, community and the environment on the other.

Detailed information on social responsibility is available on the Transgaz website at: https://www.transgaz.ro/ro/sustenabilitate/politica-csr/bilantul-actiunilor-csr

2.5. Integrated Management System

As at 30.06.2026, the following certificates were effective within the company:

- **Certificate No.529/20.10.2025 related to SR EN ISO 14001:2015;**
- **Certificate No.3276/20.10.2025 related to SR ISO 45001:2023;**
- **Certificate No.70/20.10.2025 related to SR EN ISO 50001:2019**
- **Certificate No.3533/20.10.2025 related to SR EN ISO 9001:2015**

The activity of the Integrated Management System Department was focused on ensuring an approach to minimize risks and non-conformities, taking into account the improvement of the overall performance of the Integrated Management System for Quality, Environment, Occupational Health and Safety and Energy. Thus, the emphasis was placed especially on:

- Maintaining the certification of the Integrated Management System for Quality, Environment, Occupational Health and Safety and Energy;
- Analysis and evaluation of the Integrated Management System;
- Evaluating customer satisfaction;
- Implementation and monitoring of the Annual Internal Audit Program of the Integrated Management System for Quality, Environment, Occupational Health and Safety and Energy;

- Monitoring the status of implementation of corrections, corrective actions and areas for improvement/recommendations;
- Rendering employees aware of the requirements of the Integrated Management System;

The Integrated Management System policy was updated in order to maintain a policy that is appropriate to the current purpose and context. The Integrated Management System Policy effective since 19.01.2026 was published both on the internal platform and on the company's website in order to be accessible to all relevant stakeholders and implicitly to meet requirement 5.2 of the implemented standards.

The proposed target is to obtain:

- **After the surveillance audit no. 2 conducted in September - the <u>annual certification confirmation</u> related to the following certificates held:**
  - **No. 3533/09.09.2024 related to SR EN ISO 9001:2015;**
  - **No. 529/09.09.2024 related to SR EN ISO 14001:2015;**
  - **No. 3276/09.09.2024 related to SR ISO 45001:2023.**
- **following the surveillance audit no. 1 in September of the <u>annual certification confirmation</u> with respect to certificate No. 70/20.10.2025 related to SR EN ISO 50001:2019.**

2.6. Important events in Half I 2026

12 January 2026 - commissioning of Tuzla-Podisor gas pipeline, 308.3 km long, amounting to approximately EUR 500 million, which, after the BRUA and Onești-Ungheni-Chisinau gas pipelines, is an important gas infrastructure project that Transgaz has built, being a strategic, vital project for the strengthening of energy security and the sustainable development of the national economy.
The natural gas transmission pipeline "Black Sea Shore-Podisor" was completed in 2025, in compliance with the execution schedule and allows natural gas from the Black Sea to enter the NTS and thus to reach economic operators and households in the localities connected to the system.

29 May 2026 - The International Rating Agency Fitch **upgraded** Transgaz's long-term Issuer Default Rating (IDR) from "BBB-" to "BBB", stable outlook. Fitch also revised the company's Standalone Credit Profile (SCP) from "bbb-" to "bbb".

***

In H I of 2026, the activity of Transgaz's Board of Administration was materialized in 15 meetings, of which the following were subject of analysis, approval and/or endorsement:

15 January 2026

- By Board of Administration Resolution 1/15 January 2026, the Annual Sectoral Procurement Program for 2026 was approved.

28 January 2026

By Board of Administration Resolution 2/28 January 2026, the following were approved/acknowledged:

- Transgaz's policy of granting sponsorships and financial support for 2026;
- Report on sponsorships granted by SNTGN Transgaz SA in 2025;
- Start of the procurement procedure for the work "*Preparation of the DN400 Micfalău-Sfântu Gheorghe transmission pipeline for transformation into a PIGGABLE pipeline*".

25 February 2026

- By Board of Administration Resolution 5/25 February 2026, the following were approved:
  - The company's risk profile, December 2025;
  - Risk appetite, 2026;
  - The company's tolerance limit applicable for 2026;
  - Transgaz's Risk Management Analysis;
  - Transgaz's membership in the Romania-Ukraine Bilateral Chamber of Commerce (CCBRU);
  - Internal Regulation, Code of Ethics and Anti-Fraud and Anticorruption Policy of Eurotransgaz SRL;
  - Start of the procurement procedure for:
    "*Interconnection pipeline between the natural gas transmission pipeline DN1200/DN1000 Tuzla-Podișor and TN Podișor*"
    "*Centrifugal compressor for the expansion of Jupa compressor station in order to increase the security of natural gas supply in the Western part of Romania*"

6 March 2026

- By Board of Administration Resolution 6/6 March 2026, the following were endorsed and/or approved:
  - The corrected regulated income and regulated tariffs for the natural gas transmission activity related to year 2 of the fifth regulatory period, respectively 1 October 2026 – 30 September 2027, in order to be submitted to ANRE for analysis and approval.

25 March 2026

- By Board of Administration Resolution 7/25 March 2026, the following were endorsed and/or approved:
  - The Human Rights Policy and the Equal Opportunities and Gender Policy to be submitted for approval to the Ordinary General Meeting of Shareholders;
  - Policy on Transgaz's transactions with related parties;

1 April, 2026

- By Board of Administration Resolution 8/01 April 2026, the following were endorsed and/or approved:
  - Transgaz's forecast policy;
  - The "Comply or Explain" statement related to the BSE Corporate Governance Code;
  - Initiating steps to revise the values of key financial performance indicators under the Management Plan of SNTGN Transgaz SA for the period 2025-2029;

21 April 2026

- By Board of Administration Resolution 8/01 April 2026, the following were endorsed and/or approved:
  - Separate and consolidated annual financial statements of the company for the year 2025;
  - Financial audit report on the separate annual financial statements for 2025;
  - Financial audit report on the consolidated annual financial statements for 2025;
  - Transgaz Administrators' Consolidated Annual Report on the activity carried out in 2025 and the Consolidated Sustainability Report for 2025 (Annex 1 to the Administrators' Consolidated Report);
  - Report on the fulfilment of the mandate of the Director - General for 2025;
  - Report on the fulfilment of the mandate of the Chief Financial Officer of SNTGN Transgaz SA, for 2025;
  - Evaluation of the fulfillment of the financial and non-financial performance indicators, for 2025, which is an annex to the non-executive directors' mandate contracts;
  - Report on the adequacy and effectiveness assessment of the risk management and internal/managerial control framework for the year 2025;
  - Report on the evaluation of the activity of the Board of Administration for 2025 and annexes regarding the evaluation of the activity of the members of the Board of Administration for 2025, in accordance with Article 30, paragraph 7 of GEO 109/2011, as amended, to be submitted for approval to the Ordinary General Meeting of Shareholders.
  - Development Plan of the National Gas Transmission System for the period 2026-2035", to be submitted for public consultation;
  - Individual financial statements for 2025 of Eurotransgaz SRL prepared according to the International Financial Reporting Standards;
  - The independent auditor's report on the separate financial statements for 2025 of Eurotransgaz SRL prepared according to the International Financial Reporting Standards;
  - Report on the activity of Eurotransgaz SRL administrators for 2024;
  - Distribution of the net profit and the value of the gross dividend per share of RON 2.13;

20 May 2026

- By Board of Administration Resolution 12/20 May 2026, the following were approved:
  - The report on the evaluation of the activity of Transgaz's administrators regarding the fulfilment of the mandate contracts and the management component of the Management Plan for 2026;

26 May 2026

- By Board of Administration Resolution 13/26 May 2026, the following were approved:

- Report on the fulfilment of the mandate of Transgaz's Director - General for the first quarter of 2026;
- Report on the situation of economic and financial indicators as at March 31, 2026;
- Evaluation of the fulfillment of the financial and non-financial performance indicators, for the first quarter of 2026, which is an annex to the mandate contracts of the non-executive directors and directors of SNTGN Transgaz SA;
- Transgaz's Management White Paper 2021-2025;

11 June 2026

- By Board of Administration Resolution 14/ 11 June 2026, the "Development Plan for the National Gas Transmission System for the period 2026-2035" (presented attached to the report) was approved, completed/updated according to the comments following the public consultation process, to be submitted for prior approval to the Ordinary General Meeting of Shareholders.

30 June 2026

- By Board of Administration Resolution 15/30 June 2026, the following were approved/acknowledged:
  - 48 requests for financial support, formulated by employees and retired employees of S.N.T.G.N. TRANSGAZ S.A;
  - 12 sponsorship requests in the total amount of lei 337,500 and the empowerment of the Director - General to conclude/sign the sponsorship contracts;
  - Correction of the Revenue and Expense Budget for 2026 and of the estimates for 2027 and 2028 of Vestmoldtransgaz SRL;
  - Report no. DG52002/22.06.2026 regarding the approval of the regulated income and the corrected regulated income, related to the regulatory year October 1, 2026 - September 30, 2027, for the natural gas transmission activity through the National Transmission System;
  - Report no. DG51729/22.06.2026 regarding the rating Fitch Rating Agency assigned to Transgaz under the 2026 annual review.

3. ABOUT SNTGN TRANSGAZ SA

3.1. Vision, mission, organizational values

Vision

The company aims to expand and consolidate its role as an internationally recognized operator in the field of natural gas transportation, as a leader in the region's energy market, with a modern national natural gas transmission system, integrated at European level, and with a competitive management system, in line with best corporate governance practices.

Vision as a message to the community

The responsible fulfilment of the public service mission, the safe operation of the National Gas Transmission System, high quality services, safe connection to the NTS under non-discriminatory and transparent conditions for all network users and the integration at European level of the national gas market.

Vision as a message to the shareholders

A proficient company oriented towards business excellence and continuous growth of the added value for the shareholders.

Vision as a message to employees

The company as an attractive, stable and motivating working environment with a continuous commitment to professional excellence

Mission

- **efficient, transparent, safe, and competitive implementation of the national energy strategy established for natural gas transmission, natural gas dispatching, and research and design in the field of natural gas transmission.**
- **safe and economically efficient operation of the NTS;**
- **rehabilitating, updating, and developing the NTS in the main consumption areas;**
- **connecting the NTS to the natural gas transmission systems of the neighbouring countries;**
- **developing new natural gas transmission infrastructures to Western Europe;**
- **developing natural gas transmission infrastructure for the transmission of natural gas and hydrogen blends, and for the transmission of hydrogen;**
- **ensuring non-discriminatory access to the NTS;**
- **implementing participatory management in all areas of the company's activity;**
- **developing organizational culture and professional performance;**
- **improving the computerization of natural gas transmission activities;**
- **integrating the principles of good corporate governance into business practice.**

Values and organisational concepts

Organizational values and concepts communicate the essential principles that govern the company's identity and activity and define the business ethics of SNTGN Transgaz SA and are clustered under the motto **"TRANSGAZ – A RESPONSIBLE COMPANY, A COMPANY OF THE FUTURE "** and when the group is referred to, under the motto **"TRANSGAZ' GROUP – RESPONSIBILITY FOR THE FUTURE"!**

The organizational values and concepts that Transgaz focuses on in its business strategy, in its human resources management strategy, and in all of its activities are:

- **Tradition, continuity, professionalism**
- **Visionary leadership, corporate governance**
- **Participatory management**
- **Focus on Excellence in Business**
- **Ethics, Transparency, Compliance**
- **Organizational learning**
- **Resilience and Flexibility**
- **Added value and performance**
- **Special emphasis on and for the quality of human resources**
- **Team spirit, effective communication, social dialogue**
- **Social responsibility / Community involvement**

Transgaz's core strengths:

- **The quality of licensed NTS operator - monopoly;**
- **The solid financial profile of the company;**
- **The continuity of the technical, economic and financial performance;**
- **The predictability of the cash-flow due to the regulated character of the gas transmission activity;**
- **Dividends granted to shareholders;**
- **good corporate governance practices;**
- **publicly traded company;**
- **Friendly and open organizational climate, motivating, results- and performance-oriented, recognition.**

3.2. The activity of the company

SNTGN TRANSGAZ SA is the technical operator of the National Gas Transmission System and ensures the performance in terms of efficiency, transparency, safety, non-discriminatory access and competitiveness of the core business regarding:

- **natural gas transmission;**
- **gas dispatching and research and design in the field of gas transmission**,

in compliance with European and national legislation, as well as quality, performance, environmental, and sustainable development standards.

SNTGN TRANSGAZ SA may additionally carry out other related activities to support its core business, according to the applicable laws and its own bylaws, and may purchase gas from domestic production or imports only for its own technological consumption or to balance the National Natural Gas Transmission System.

The activity of the company meets the requirements of European energy policy regarding:

- **ensuring the security of natural gas supply;**
- **increasing the degree of interconnection between the national natural gas transmission network and the European network;**
- **increasing the flexibility of the national natural gas transmission network;**
- **liberalization of the natural gas market;**
- **creation of an integrated natural gas market at European Union level;**
- **Ensuring third-party connection to the natural gas transmission system, in accordance with specific regulations, within the limits of transmission capacities and in compliance with technological regimes;**
- **Ensuring natural gas supply to localities in Romania;**
- **Ensuring connection to the natural gas network for new investments that generate jobs;**
- **development of the transmission system so that it is compatible with the gradual blending of hydrogen into natural gas, in line with European targets, based on detailed analyses that include relevant technical and economic aspects;**
- **the development of the company's strategy for connecting hydrogen ecosystems and industrial centres with the integrated hydrogen pipeline transport system at EU level (Hydrogen Backbone);**
- **Ensuring a phased transition to climate-neutral activity and strengthening resilience to climate change;**
- **Compliance with national and international requirements and regulations (on climate)/Integrated National Energy and Climate Change Plan.**

The natural gas transmission activity is carried out based on the Concession Agreement for the pipelines, installations, equipment and facilities related to NTS, in the public domain of the Romanian state, concluded with the National Agency for Mineral Resources (ANRM), as the representative of the Romanian state, approved by Government Resolution 668/20 June 2002 (published in Official Journal 486/8 July 2002), valid until 2032, as further amended and supplemented by nine addenda approved by Government resolutions, and based on the natural gas transmission system operating licence no. 1933/20.12.2013 issued by the National Energy Regulatory Authority (ANRE), effective until 08.07.2032.

By ANRE Order 3/22 January 2014 on the approval of the certification of the National Gas Transmission Company Transgaz - SA Mediaș as transmission system operator of the National Gas Transmission System the company was established *to be organized and operate as an `independent system operator`*.

The operation by SNTGN Transgaz SA of the National Gas Transmission System mainly includes the following activities:

- commercial balancing;
- contracting natural gas transmission services;
- dispatching and technological regimes;
- measurement and monitoring of gas quality;
- gas odorization and international gas transmission.

The quality of the gas transmission service is a constant concern of both SNTGN Transgaz SA and the National Energy Regulatory Authority. In order to monitor the quality of the natural gas transmission service based on specific indicators and minimum performance levels, starting with 1 October 2022, **ANRE Order 140/2021** on the **Performance Standard for the natural gas transmission service**, as amended, entered into force, repealing ANRE Order no.161/2015.

3.3. NTS infrastructure

Main components of the National Gas Transmission System at the end Half I 2026:

- **14.366,23 km** of main gas transmission pipelines and connections for gas supply, of which BRUA pipeline - 481 km;
- **1.194** metering regulating stations (MRS) in operation (**1.301** metering directions);
- **61** valve control stations (VCS, TN);
- **9** gas metering stations for import/export (GMS) **(Giurgiu, Medieșu Aurit, Isaccea 1, Isaccea 2, Negru Vodă 1, Negru Vodă 2, Isaccea 3, Negru Vodă 3);**
- **2** technological Gas metering stations (GMS) (**Horia, Negru Vodă 4**)
- **9** gas compressor stations (CS) (**Șinca, Onești, Siliștea, Jupa, Podișor, Bibești, Onești M, Gherăești, Vințu de Jos);**
- **1.099** Cathodic protection stations (CPS);
- **1.153** gas odorization units (GOU).

The National Transmission System (NTS) has coverage across the entire national territory and has a radial-ring structure. The domestic and international gas transmission capacity is ensured through a network of pipelines and supply connections with diameters between 50 mm and 1200 mm at pressures between 6 bar and 63 bar.

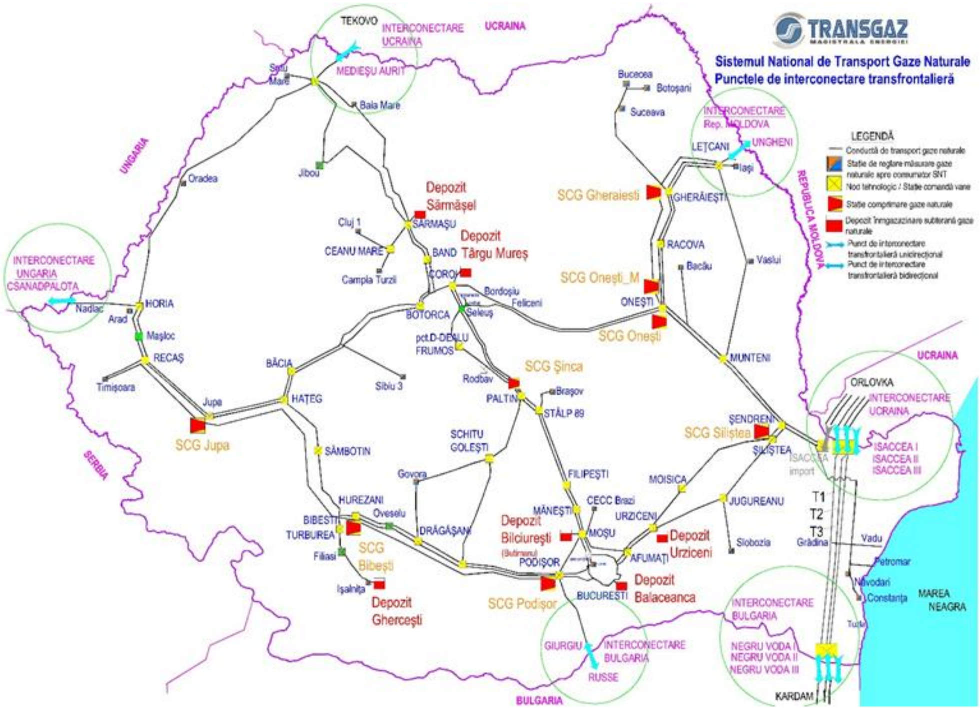


Figure 1- Map of the National Gas Transmission System and the NTS cross-border interconnection points

Cross-border interconnection points

At the end of Half I 2026, the import/export of natural gas to/from Romania was achieved by the 7 cross-border interconnection points, as follows:

Country	Interconnection pipeline	Technical specifications	Total technical capacity
UKRAINE	Orlovka (UA) - Isaccea (RO) * LLC GAS TSO UA → Transgaz	DN 1000, Pmax = 45 bar	6,85 Sbcm/y
	Tekovo (UA) - Medieşu Aurit (RO) ** LLC GAS TSO UA → Transgaz	DN 700, Pmax = 75 bar	2,71 Sbcm/y at Pmin=47 bar
	Isaccea 1 (RO) - Orlovka 1 (UA) Transgaz ↔ LLC GAS TSO UA	DN 1000, Pmax = 55 bar	6,85 Sbcm/y at import capacity at Pmin=46,5 bar 4,12 Sbcm/y export capacity*** at Pmin=35,4 bar
HUNGARY	Szeged (HU) - Arad (RO) - Csanádpalota (HU) FGSZ ↔Transgaz	DN 700, Pmax = 64 bar	2,80 Sbcm/y import capacity at Pmin=40 bar 2,80 Sbcm/y export capacity at Pmin=40 bar 2,72 Sbcm/y import capacity at Pmin=40 bar
REPUBLIC OF MOLDOVA	Iași (RO) - Ungheni (MO) Transgaz↔ Vestmoldtransgaz	DN 500, Pmax =55 bar	2,19 Sbcm/y export capacity at Pmin=42,7 bar 0,73 Sbcm/y import capacity at Pmin=24 bar
BULGARIA	Giurgiu (RO) - Ruse (BG) Transgaz. ↔ Bulgartransgaz	DN 500, Pmax = 50 bar	1,50 Sbcm/y export capacity at Pmin=40 bar 0,92 Sbcm/y import capacity at Pmin=30 bar

	Kardam (BG) - Negru Vodă 1 (RO) Transgaz ↔ Bulgartransgaz	DN 1000, Pmax = 55 bar	6,36 Sbcm/y on export capacity at Pmin=31,5 bar (of which 2,31 Sbcm/year at Pmin 41 bar available from the NTS) ***** 5,31 Sbcm/y import capacity at Pmin=45 bar

** This interconnection point is not used since there is no Interconnection Agreement concluded. Gas import from Ukraine is currently performed through Isaccea 1.*
***For this point the Romanian TSO and the Ukrainian TSO are having discussions on the signature of a new Interconnection Agreement.*
****Capacity is available for transit conditional on the entry capacity booking at the Negru Vodă 1 IP, in the BG-RO direction.*
******The difference of capacity 6,36-2,31=4,05 billion Scm/year is available for transit, conditional on entry capacity booking at the Isaccea 1 IP in the UA-RO direction.*

3.4. Shareholding

As of 14 November 2019, the exercising of the rights and the fulfilment of the obligations arising from the quality of shareholder of the Romanian State at the National Gas Transmission Company Transgaz SA is performed by the Romanian State through the General Secretariat of the Government, following the transfer of shares from the account of the Romanian State through the Ministry of Economy, according to GEO 68/06.11.2019 on the establishment of measures at the level of the central public administration and for the amendment and supplementation of some normative acts.

According to the recordings of Depozitarul Central, on 2 July 2026 the consolidated structure of SNTGN Transgaz SA's shareholders was as follows:

Shareholder's name	Number of shares	Percentage %
The State of Romania represented by the General Secretariat of the Government	110.221.440	58,5096
Free float - Other shareholders (natural and legal persons) out of which:	78.160.064	41,4904
✓ legal persons	15.353.174	8,1500
✓ natural persons	62.806.890	33,3404
Total	**188.381.504**	**100**

Table 7- Shareholding structure as at 02.07.2026

Shareholding structure as at 2 July 2026

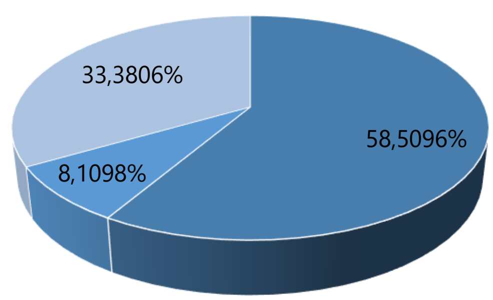


Chart 12 - Shareholding structure as at 02 iulie 2026

Regarding the number of shareholders, as at 2 July 2026 the company had 25.620 TGN shareholders, which is 16.286 shareholders more than the ones registered on 31.12.2025, namely 16.286 shareholders more than as at 31.12.2008, the listing year.

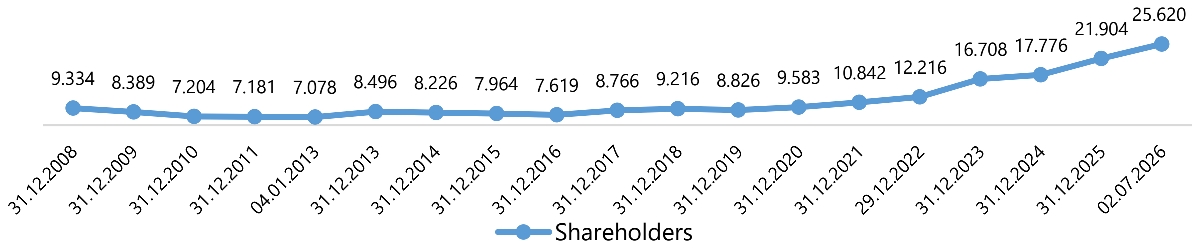


Chart 13 - Number of Transgaz shareholders since BSE listing date and until 02.07.2026

3.5. Structure

SNTGN TRANSGAZ SA is structured into functional entities (divisions, units, departments, offices, compartments, etc.) and production entities (9 regional offices, sectors, laboratories, work units, etc.)

SNTGN Transgaz SA conducts its activity at the premises as follows:

MEDIAS, SIBIU county - Romania

- **Transgaz registered office**: 1 C.I. Motaş Square, code 551130;
- **Maintenance Division**: 11 George Enescu Street, code 551018;
- **Research and Design Division:** 6 Unirii Street, code 550173.

BUCHAREST - Romania

- **Transgaz Representative Office – Romania:** 55 Primaverii Blvd;
- **General Inspection Division**: 155 Victoriei Blvd., District 1, code 010073;
- **Bucharest Gas Market Operation Division**: 155 Victoriei Blvd., building D1, area 6, floor 11.

The SNTGN Transgaz SA subsidiaries in the Republic of Moldova are the following:

- EUROTRANSGAZ Limited Liability Company: 7/E Balcani Road, outside the build-up area, Ghidighici village;
- VESTMOLDTRANSGAZ Limited Liability Company: 7/E Balcani Road, outside the build-up area, Ghidighici village.

SNTGN Transgaz SA has 9 regional offices and a subsidiary:

- **Arad Regional Office**, 56 Poetului Street, Arad, Arad County, code 310369;
- **Bacău Regional Office**, 63 George Bacovia Street, Bacău, Bacău County, code 600238;
- **Brăila Regional Office**, 5 Ion Ghica Street, Brăila, Brăila County, code 810089;
- **Braşov Regional Office**, 102A Griviței Bvd, Braşov, Braşov County, code 500449;
- **Bucharest Regional Office**, 24 Lacul Ursului Street, District 6, Bucharest, code 060594;

- **Cluj Regional Office**, 12 Crişului Street, Cluj-Napoca, Cluj County, code 400597;
- **Craiova Regional Office**, 33 Arhitect Ioan Mincu Street, Craiova, Dolj County, code 200011;
- **Constanţa Regional Office**, 2 bis Caraiman Street, Constanţa, Constanţa County, code 900117;
- **Mediaş Regional Office**, 29 George Coşbuc Street, Mediaş, Sibiu County, code 551027;
- **Mediaş Subsidiary**, 59 Sibiului Street, Mediaş, Sibiu County.

Figure 2 – Administrative map of SNTGN Transgaz SA

3.6. Management

THE ADMINISTRATIVE MANAGEMENT

By Resolution No. 6 of the Ordinary General Meeting of Shareholders dated 29 April 2025, the following persons were appointed as administrators of SNTGN Transgaz SA for a term of 4 years, specifically from 30 April 2025 through 29 April 2029: Ms. Ilinca Von Derenthall, Adina Lăcrimioara Hanza, and Mr. Ion Sterian, Mr. Nicolae Minea, and Mr. Costin Mihalache were appointed as administrators. Furthermore, by Board of Administration Resolution No. 12 of 7 May 2025, Mr. Nicolae Minea was appointed Chairman of the Board of Administration for a term of 6 months, specifically until 6 November 2025.

Subsequently, pursuant to the provisions of Article 23 of Board of Administration Decision No. 27 of 28 October 2025, the administrator, Mr. Nicolae Minea, was appointed Chairman of the Board of Administration for a term of 12 months, specifically from 07.11.2025 to 06.11.2026.

The composition of the Board of Administration is as follows:

- **Ion Sterian,** Executive Administrator, (term of office: 4 years, from 30 April 2025 to 29 April 2029 (selection procedure); Director - General (term of office: 4 years, from 26.07.2025 until 29.04.2029, selection procedure);
- **Nicolae Minea,** Independent Non-Executive Administrator, (term of office: 4 years, from30.04.2025 to 29.04.2029, selection procedure) -
- Chairman of BA (for a term of 6 months, specifically from 07.05.2025 to 06.11.2025, followed by an appointment for a term of 12 months, specifically from 07.11.2025 to 06.11.2026.) - non-executive administrator;
- **Ilinca Von Derenthall,** Non-executive, independent administrator (term of office: 4 years, from 30 April 2025 to 29 April 2029; selection procedure);
- **Adina Lăcrimioara Hanza,** Non-executive, independent administrator (term of office: 4 years, from 30 April 2025 to 29 April 2029; selection procedure);
- **Costin Mihalache,** Non-executive, independent administrator (term of office: 4 years, from 30 April 2025 to 29 April 2029; selection procedure).

CVs of the administrators
The CVs of the members of SNTGN Transgaz SA' Board of Administration are available on the company's website at: https://www.Transgaz.ro/ro/despre-noi/consiliul-de-administratie

Arrangements/agreements or special family ties
According to the information provided by the administrators, there is no arrangement or family tie between the person in question and another person due to which the person in question was appointed administrator.

Participation of the administrators in Transgaz' share capital
The company's administrators do not hold shares in the company's share capital.

Litigations or administrative proceedings
In the last 5 years, there were no litigation or administrative proceedings involving persons who are part of the administrative or executive management.

EXECUTIVE MANAGEMENT

The Board of Administration delegated the management of the company to the Director - General of Transgaz.

The Director - General of Transgaz represents the company in its relations with third parties and is responsible for taking all measures related to management, within the scope of activity of the company and in compliance with the exclusive powers established by law, the Articles of Incorporation or delegated by the Board of Administration and the General Meeting of the Shareholders.

The members of the executive management concluded individual labour contracts for an unlimited period of time.
The management and execution personnel within Transgaz is appointed, employed and discharged by the Director - General.

The members of the executive management holding shares at Transgaz as at 30 June 2026:

Name and surname	Position	Number of shares on 30.06.2026	Interest share (%)
Marius Ioan Toderici	Director	1168	0,000620
Ion Tătaru	Director	400	0,000212
Marius Lupean	Director	320	0,000169
Alexandru Șai	Director	160	0,000084
Viorel Niță	Director	80	0,000042
Maria Carmen Pângăleanu	Director	32	0,000017

Table 8 - Members of Transgaz's executive management holding TGN shares as at 30.06.2026

The executive management of SNTGN Transgaz SA as at 30 June 2026:

No	Name and surname	Position	Division/Unit
1.	Ion Sterian	Director - General	SNTGN Transgaz SA
2.	Marius Vasile Lupean	Chief Financial Officer	SNTGN Transgaz SA
3.	Mihai Leontin Leahu	Research and Design Division Director	Deputy Director - General
4.	Alexandru Iuga	Deputy Director-General	SNTGN Transgaz SA
5.	Ion Tătaru	Development Division Director/Deputy Director - General	Deputy Director - General
6.	Alexandru Adrian Simionescu	PMU 1 Project Manager NTS Developments in North- East/ Deputy Director - General	Deputy Director - General
7.	Elisabeta Ghidiu	Director	Strategy and Corporate Management Division
8.	Angela Aneta Mateş	Director	HR Organization Division
9.	Ioan Fodor	Director/ Development Division Director -delegated	Development Division
10.	Șai Alexandru	Natural Gas Metering Unit Director /Operation Division Director delegated	Operation Division
11.	Irina Ștefan	Head of department/Division Director-delegated	EU Funds and International Relations Division
12.	Ionel Sârbu	Director	Land Regulation and Acquisition Division
13.	Sergiu Lascu	Director	Information Technology Division
14.	Paul Oancea	Director/ Exploitation Maintenance Division Director -delegated	Regional Operating Centre Mediaș
15.	Bogdan Avram Luca	Director	Sectoral Procurement and Contracting Division
16.	Dragoș Vasile Costea	Director	Gas Compression Division

No	Name and surname	Position	Division/Unit
17.	Cristina Daniela Iancu	Director of unit/ Legal Division Director delegated	Legal Division
18.	Dan Stroi	Chief Engineer Design/Research and Design Division delegated	Design and Research Division
19.	Alin Ene	Director	General Inspection Division
20.	Liudmila Gabriela Codreanu	Director	Internal Audit Unit
21.	Irina Dragoman	Director	Gas Regulation Unit
22.	Daniela Ciucu	Head of work team/Unit Director-delegated	Technical Economic Documentations Analysis, Checking and Endorsement Unit
23.	Emil Lupu	Director	Archaeological Unit
24.	Sebastian Caminschi	Expert/Director -delegated	Protection Security and Environment Unit
25.	Mihai Grosuleac	Economist/Director -delegated	Administration, Supply and Transport Unit
26.	Nicolae Adrian Voican	Subsidiary Director	Mediaș Subsidiary
27.	Ionel Alexandru	Regional Office Director/Deputy Director Exploitation Manintenance Division -delegated	West area
28.	Eduard Schimdt-Hăineală	Regional Office Director/Deputy Director Exploitation Manintenance Division -delegated	East area
29.	Cosmin Morariu	Engineer/Regional Office Director-delegated	Arad Regional Office
30.	Neculae Teodorescu	Chief Engineer/Regional Office Director-delegated	Bacău Regional Office
31.	Nicușor Dumitru	Director	Brăila Regional Office
32.	Sorin Isar	Adviser/Regional Office Director delegated	Brașov Regional Office
33.	Victorel Gurgu	Regional Office Director/PMU Project Manager delegated	Bucharest Regional Office
34.	Petru Goia	Sector Engineer/Regional Office Director delegated	Cluj Regional Office
35.	Ciprian Iulian Popescu	Head of Sector/Regional Office Director delegated	Constanta Regional Office
36.	Viorel Niță	Director	Craiova Regional Office
37.	Dan Șușcă	Head of Sector/Exploitation Director -delegated	Mediaș Regional Office

Table 9 - The executive management of Transgaz as at 30.06.2026

VESTMOLDTRANSGAZ SRL management:

	VESTMOLDTRANSGAZ	Name and Surname
1	Company Board	1. Mihai Leontin Leahu – Chairman on behalf of Transgaz 2. Bogdan Avram Luca - Member on behalf of Transgaz 3. Octavian Costas – Member on behalf of EBRD 4. Sanda Pop-Gîscă – Member on behalf of Transgaz 5. Cristina Iancu –Member on behalf of Transgaz
2	Company Administrator	Liviu Valentin Duminică (until 31.05.2026) Dolcoș Emil (as of 01.06.2026)

Table 10 - Vestmoldtransgaz SRL management as at 30.06.2026

EUROTRANSGAZ SRL management:

	EUROTRANSGAZ	Name and Surname
1	Administrator	Elena Sasu (as of 28.10.2025)
2	Administrator	Vasilica Grăjdan

Table 11 - Eurotransgaz SRL management as at 30.06.2026

TRANSPORT ROMÂNIA HIDROGEN SRL management:

	TRANSPORT ROMÂNIA HIDROGEN	Name and Surname
1	Administrator	Mihai Leahu
2	Administrator	Elisabeta Ghidiu
3	Administrator	Mirela Rancu-Pătru

Table 12- Members of the management of Transport România Hidogen SRL as at 30.06.2026

PETROSTAR SA management:

	PETROSTAR	Name and Surname
1	Administrator	Elisabeta Ghidiu – Chairman of the Board of Administration
2	Administrator	Gheorghe Doru Stoica (Acting Director - General)
3	Administrator	Vasile Cârstea

Table 13 - Petrostar SA management as at 30.06.2026

3.7. Human resources

The company's human resources strategy aims to cover the operational needs of the organization, through the efficient use of the human resources. The optimal dimensioning of the number of personnel in the company is correlated with the real personnel needs required by the operational activities carried out by the company, with the modernizations and refurbishments realized for increasing the safety and efficiency in NTS operation and annex facilities, as well as the realization of the major development projects of the company.

As at 30 June 2026, Transgaz' Group had 4.087 employees, of which 3.895 employees within Transgaz, 80 employees within VMTG, 2 employees within ETG and 110 employees within Petrostar SA.

No	Indicator	2021	2022	2023	2024	2025	H I 2026
1	Number of Transgaz employees	4.050	4.029	4.022	3.976	3.950	3.895
2	Number of VMTG employees	34	31	61	75	78	80
3	Number of Eurotransgaz employees	3	3	3	3	2	2
4	Number of Petrostar employees					118	110
	TOTAL	**4.087**	**4.063**	**4.086**	**4.054**	**4.148**	**4.087**

Table 14- The evolution of the number of Transgaz Group personnel in 2021- Q.I 2026

The number of Transgaz's personnel during the period 2021- H I 2026:

Specification	2021	2022	2023	2024	2025	H I 2026
Number of employees at the beginning of the period	4.145	4.050	4.029	4.022	3.976	3.950
Number of persons employed/resuming activity	210	243	258	198	207	48
Number of employees who terminated/suspended their working relations with the company	305	264	265	244	233	103
Number of employees at the end of the period	**4.050**	**4.029**	**4.022**	**3.976**	**3.950**	**3.895**

Table 15- The evolution of the number of Transgaz' employees in the period 2021- Q I 2026

SNTGN Transgaz SA employees structure as at 30 June 2026:

a) By category of studies

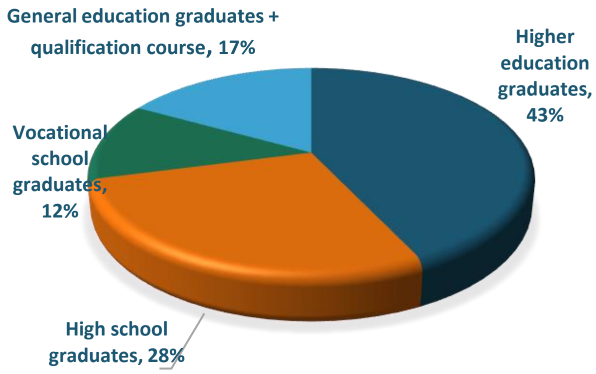


Chart 14- Personnel structure by categories of studies as at 30 June 2026

b) By gender

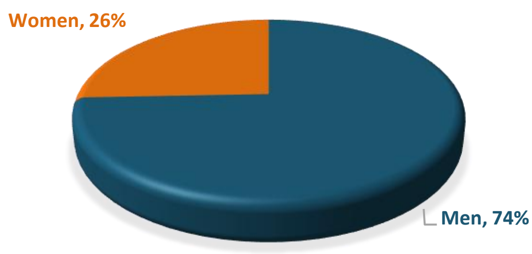


Chart 15 - Personnel structure by gender as at 30 June 2026

c) By headquarters and regional offices

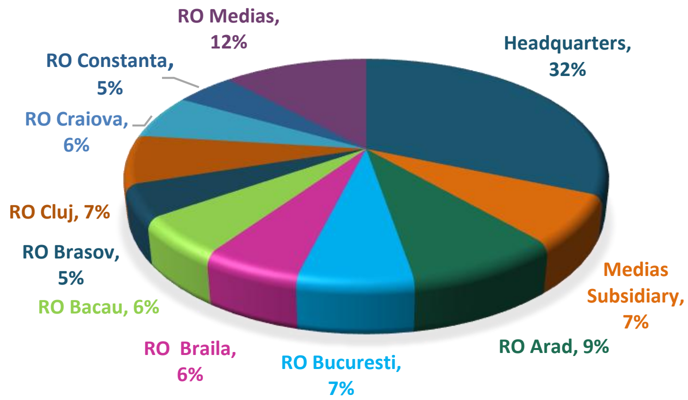


Chart 16 - Personnel structure by headquarters and regional offices (RO) as at 30 June 2026

d) By activities

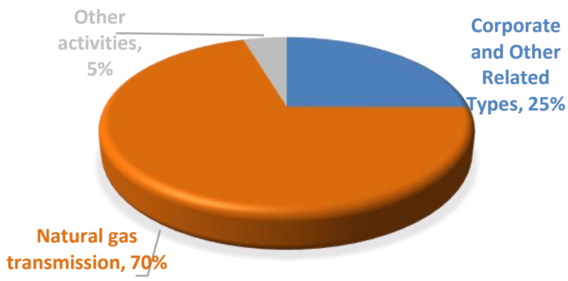


Chart 17 - Personnel structure by activities as at 30 June 2026

e) By age categories

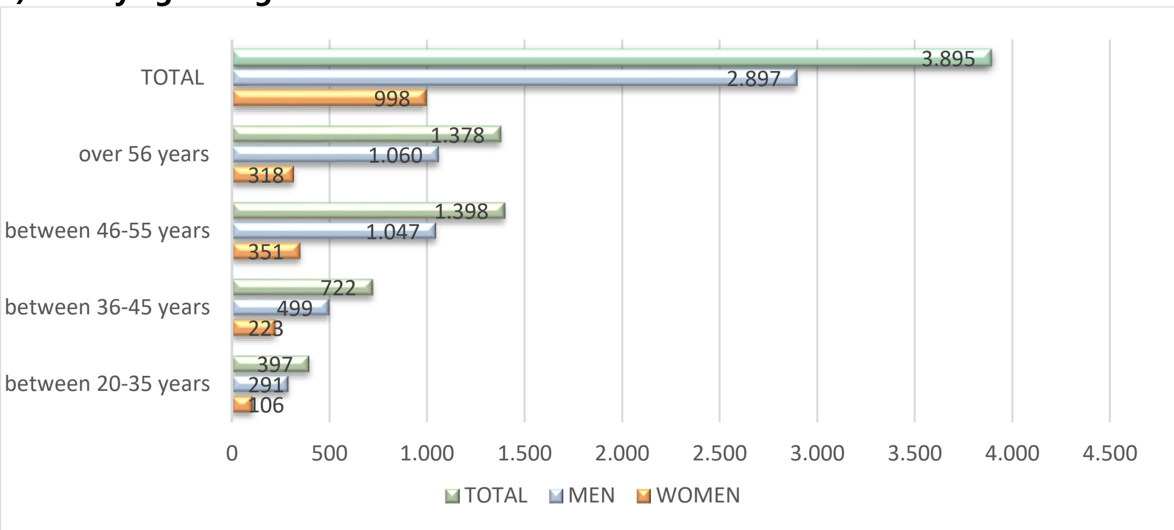


Chart 18 - Personnel structure by age categories as at 30 June 2026

The evolution of the personnel structure by category of studies reveals the interest of the company to cover the needs of personnel through the employment of highly qualified specialists as well as the continuous improvement of the existing personnel, considering the tendencies of increasing the number of employees with higher education in parallel with the decrease of the number of employed persons with secondary education and the number of employees with general education and in training.

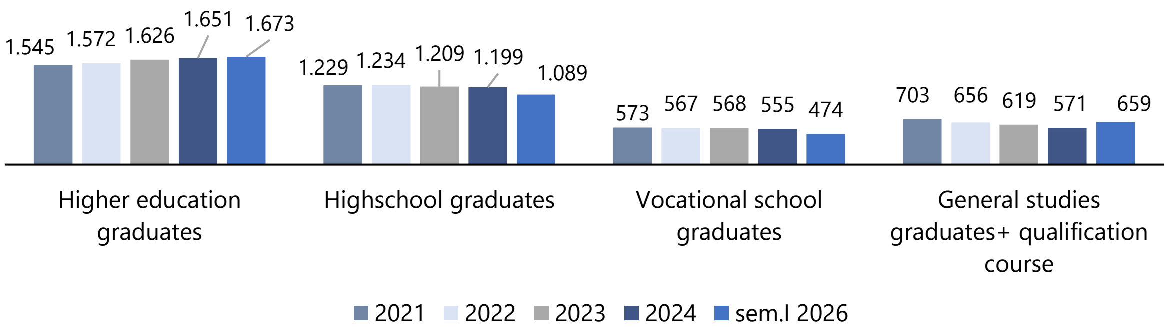


Chart 19 - The evolution of the personnel structure by categories of studies in the period 2021-Q I 2026

Improving personnel training, instruction and professional development

The high level of professional competence of employees is considered a prerequisite for achieving the objectives of any organisation, which is why investment in human resources is considered profitable in all areas of activity.

This is regulated by the following legislative documents: Law 53/2003 (Labour Code), republished, as amended; Government Ordinance No. 129/2000 on the professional training of adults, republished, as amended , approved by Law 375/2002, as amended; Law No. 227/2015 on the Fiscal Code, as amended.

The process of professional training of employees, with external professional training providers, is carried out in a continuous and planned manner, through the participation of employees in training programmes (courses, conferences, seminars, workshops and other similar events), hereinafter referred to as courses. The courses aim to develop theoretical and practical knowledge common to most professions and to develop theoretical and practical knowledge specific to certain fields of activity, both objectives being necessary for the performance of work tasks.

The training, improvement and professional development of the company's employees is carried out on the basis of the *`Annual training and professional improvement program for employees`*, drawn up at company level, taking into account the provisions of Articles 194 and 195 of Law 53/2003 (Labour Code), republished, as subsequently amended and supplemented, according to which the legal entity employer with more than 20 employees shall draw up annual training programs and shall ensure the participation of employees in courses at least once every two years.

In the field of training and professional development, the programs cover the areas of interest for the company's activity, namely, engineering, management of natural gas transmission systems, including SCADA, research and design, economics, legal, human resources, corporate strategy and management, information technology and communications and quality - environment, health and safety at work, security, safety, internal audit, internal and financial management control, as well as other topics of general interest necessary for the company's activity.

In Half I 2026, through the External Training and Career Management Unit, together with the Performance Evaluation and Improvement Office and the Authorization and Compliance Support Office, **48** training and professional development courses were initiated and carried out for **349** participants.

At the end of Half I 2026, **the degree of unionization of the labour force was 98,45 %.**

Within SNTGN Transgaz SA there are 4 trade union organizations that employees can choose to affiliate to, namely:

- The "Transport Gaz Mediaş" Trade Union;
- The "Metan" Mediaș Professional Trade Union;
- The "CERTEH" Mediaș Technological Research Trade Union;
- The SNTGN TRANSGAZ SA Mediaș Free Trade Union;

The "Transport Gaz Medias" Trade Union is the representative union at the unit level, according to Law 367/2022 of the Social Dialogue, Art. 54 (1) C, which is why they represent the employees of the company when concluding and carrying out the Collective labour contract concluded at the level of SNTGN TRANSGAZ SA.

The relations between the employer and the employees are regulated by the Collective Labour Contract at the company level as well as by the individual labour contracts.

Since 25.06.2024 the current Collective Labour Contract entered into force at SNTGN TRANSGAZ SA, with a validity of 24 months, registered at the Territorial Labour Inspectorate Sibiu under no. 104/18.06.2024 in the Single Register of Records of Collective Labour Contracts. The term of the Collective Labour Contract has been extended for a period of 12 months until 25 June 2027, pursuant to the Addendum registered with the Sibiu Labor Inspectorate under No. 104/5 dated 3 June 2026.

The relations between the employer and the employees are in line with the legal provisions in force in Half I 2026 and there are no conflicting elements connected to these relations.

3.8. Transgaz on the Bucharest Stock Exchange

TGN shares are an attractive investment option, supported by the company's monopoly status in natural gas transmission, its strategic position in the national and regional energy market, its financial strength, and its ability to generate stable and predictable revenues, coupled with consistent dividend distribution policies.

At the same time, the quality of management and the National Natural Gas Transmission System Development Plan for the next decade, which includes major investments in the upgrading and expansion of infrastructure in line with European sustainability and energy security standards, contribute significantly to strengthening Transgaz's attractiveness among investors.

SNTGN Transgaz SA, through the efficient use of management tools and the responsible implementation of measures undertaken towards shareholders, investors, the business environment, and the community, has achieved remarkable performance on the capital market.

With an increase of approximately 42% in H I of 2026, the TGN share was among the best-performing stocks in the BET Index, strengthening the company's position among the leading issuers on the Bucharest Stock Exchange.

At the end of Half I 2026, Transgaz ranks 9th in the *Top 15 companies listed on the Bucharest Stock Exchange*, based on market capitalization, and 10th in the *Top 15 companies listed on the Bucharest Stock Exchange, based on traded value*, according to the Monthly Bulletin issued by the BSE.

TGN share

Transgaz (TGN) share posted strong performance on the stock market in H I of 2026, rising each month by between 150% and 223% compared to the figures recorded during the same period in 2025. This appreciation was driven by continued solid financial results, favorable prospects associated with the development of strategic projects in the energy sector, and increased investor interest in energy companies with medium- and long-term growth potential.

The upward trend strengthened during H I of 2026, culminating on 30 June 2026 with TGN's share price reaching its highest level since the company's listing on the Bucharest Stock Exchange, namely 95.00 lei per share.

In January 2026, the closing price of TGN share was 76.10 lei per share, up approximately 217% from the 24.00 lei recorded in January 2025. This significant appreciation was driven by the continuation of the positive trend from the previous year, as well as by investors' optimistic expectations regarding the financial results for fiscal year 2025.

Following the publication of the preliminary financial results as at 31 December 2025, and amid intensifying investor demand, supported by widespread positive market sentiment, TGN's share price rose to 92.10 lei per share, representing an increase of approximately 223% compared to the level recorded in February 2025.

In March 2026, TGN share experienced a slight correction, closing on 31 March 2026 at 85.50 lei per share, but remaining at a level significantly higher than that of March 2025 (29.50 lei), which corresponds to an increase of approximately 190%. This adjustment can be attributed, on the one hand, to profit-taking following the significant gains recorded in previous months, and on the other hand, to investors' reaction to the escalation of conflicts in the Middle East.

At the end of April 2026, the closing price of TGN share was 87.00 lei per share, approximately 208% higher than the 28.25 lei per share recorded in April 2025. This performance took place against the backdrop of the publication, on 21 April 2026, of the Annual Report for the 2025 fiscal year, which reaffirmed the company's financial and operational results, as well as the status of implementation of its strategic investment projects.

Following the approval of the dividend amount for fiscal year 2025 and the publication of the financial results for the first quarter of 2026—which provided investors with updated information on the company's economic and financial performance—TGN's share continued its upward trend, with the closing price in May standing at 86.50 lei per share, a level approximately 150% higher than that recorded during the same period of the previous year.

TGN shares reached an all-time high of 95.00 lei per share on 30 June 2026, marking the highest level for TGN shares since the company's listing on the Bucharest Stock Exchange. The month's performance was also supported by Fitch Ratings' upgrade of Transgaz's credit rating to BBB with a stable outlook, confirming the strengthening of the company's financial profile.

Overall, the performance of TGN shares in H I of 2026 reflects growing investor confidence in the company's performance and prospects, while also confirming Transgaz's position among the leading issuers on the Romanian capital market.

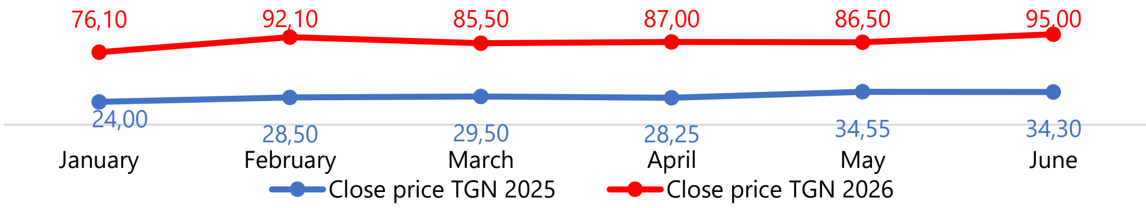


Chart 20 - Closing price of TGN share in Half I 2025 vs Half I 2026

Trading volumes and transaction values for the period ended 30 June 2026 were generally significantly higher than those recorded during the same period in 2025, reflecting sustained investor interest in the company's shares.

Trading activity began with high liquidity for TGN shares in January 2026, when 1,401,553 shares were traded—nearly six times more than in January 2025 (240,698 shares). This trend was driven by increased investor interest in the issuer, fueled by the accelerated rise in the share price from the very first trading sessions of the year, favorable prospects for the company's growth, and expectations regarding the dividend policy and the implementation of the investment program—factors that stimulated activity among both institutional and individual investors.

The value of transactions reached 108.66 million lei, compared with 5.81 million lei in the same period of the previous year, marking the highest level recorded in H I of 2026.

From February through June 2026, trading volumes remained at levels comparable to or higher than those of the same period the previous year, with the exception of March and June, when they were slightly below the levels recorded in 2025.

Although monthly trading volumes were lower than the peak reached in January, they remained significantly higher than those recorded in H I of 2025, a trend driven both by the higher price of TGN shares and by continued strong investor interest.

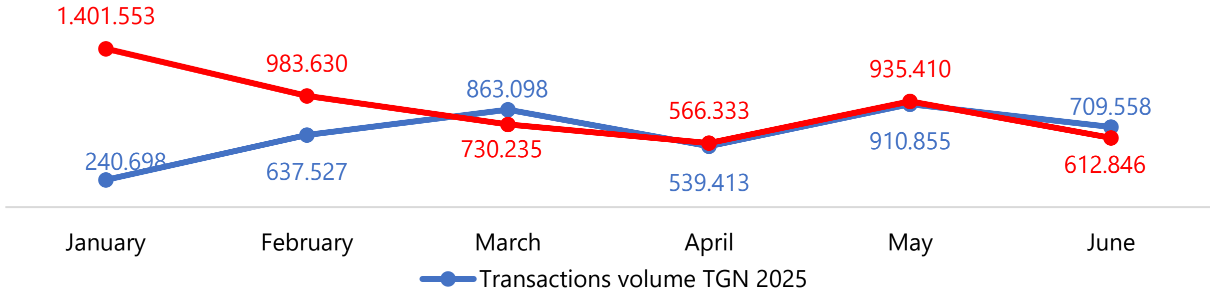


Chart 21 – Transactions volume TGN in Half I 2025 vs. Half I 2026

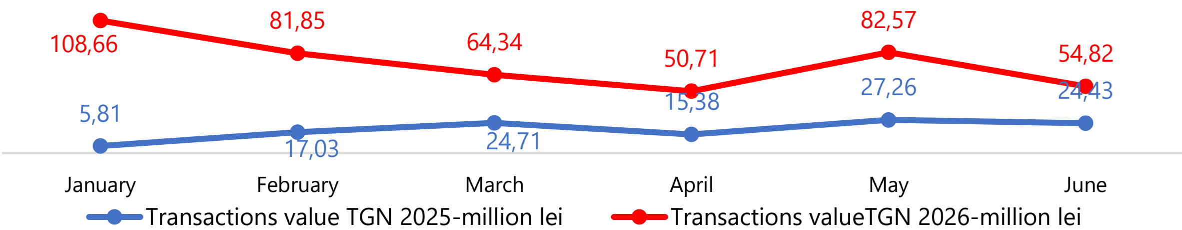


Chart 22 – Transactions value TGN – mil lei. Half I 2025 vs. Half I 2026

Main corporate events with an impact upon the TGN share price in the period January - June 2026

Stock Market Indices: P/BV, EPS, PER, DIVY

Date	P/BV	PER*	DIVY	EPS
30.06.2026	3,54	20,32	2,24	4,68
30.06.2025	1,47	15,73	3,15	2,18

*data PER 31 December 2025, respectively 31 December 2024

In H I of 2026, **the P/BV ratio** (price-to-book value ratio) recorded an increase compared to the same period in 2025, reaching a value of 3.54 on 30 June 2026.

The PER ratio (price per share/earnings per share) was higher than the figure recorded on 30 June 2025, a trend driven primarily by the significant increase in TGN's share price.

The decrease in the **dividend yield** (DIVY), compared to the level recorded on 30 June 2025, is due to the increase in the TGN share price, which was more pronounced than the increase in the gross dividend per share, from 1.08 lei (for fiscal year 2024, approved by OGMS Resolution No. 6/April 29, 2025) to 2.13 lei (for fiscal year 2025, approved by OGMS Resolution No. 2/26 May 2026).

The data presented shows that the **EPS (earnings per share)** indicator recorded a significant increase in H I of 2026 compared to the same period in 2025, reaching 4.68.

TGN's weight in the stock market indices (BET, BET-BK, BET-NG, BET-XT, BET-EF, BET-TR, BET-XT-TR) at the end of H I of 2026

Name of the Stock Index	Rank	Share in index
BET (BSE reference index, it represents the 10 most liquid companies listed on BVB)	6	6,70%
BET-BK (benchmark index, calculated as a price index weighted by the free float capitalisation of the most liquid companies listed on the regulated market of the BSE)	8	4,66%
BET-NG (sector index / energy - utilities)	4	11,07%
BET-XT (blue-chip index, tracks the price changes of the most liquid 25 traded companies)	6	6,43%
BET-EF (sector index, reflecting the price performance of representative Romanian companies in the energy, utilities, and financial sectors, weighted by free-float market capitalization)	6	7,98%
BET-TR (the first total return index, lunched by the Bucharest Stock Exchange, based on the structure of the market reference index, BET. BET-TR tracks both the price changes of the constituent companies and the dividends paid by them)	6	6,64%

Stock market capitalization

Currency	Year 2025		Year 2026	
	03.01.2025	30.06.2025	05.01.2026	30.06.2026
LEI	4.483.479.795	6.461.485.587	12.602.722.618	17.896.242.880
EURO	901.220.084	1.272.522.124	2.475.733.743	3.412.838.567
Euro/BNR exchange rate	4,9749	5,0777	5,0905	5,2438

At the end of H I of 2026, Transgaz's market capitalization showed a significant increase compared to the same period of the previous year, increasing by approximately 180%, or 11.44 billion lei (2.14 billion euros), from the 6.46 billion lei (1.27 billion euros) recorded on 30 June 2025, to 17.90 billion lei (3.41 billion euros) as at 30 June 2026.

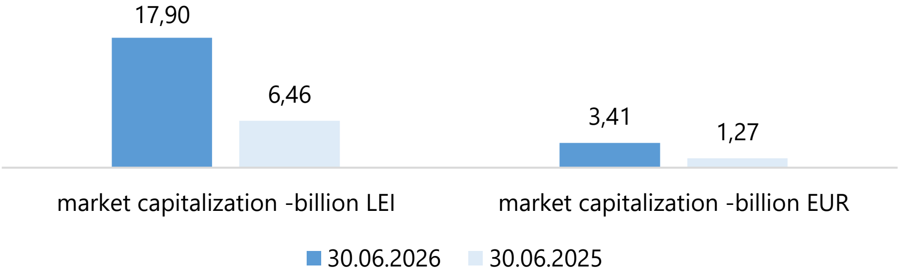


Chart 23 - Stock market capitalization of Transgaz on 30.06.2026 vs. 30.06.2025

Based on the company's market capitalization in June 2026, the Bucharest Stock Exchange ranked Transgaz 9th among the top 15 companies listed on the BSE, based on market capitalization.

The TGN share compared to BET, BET-BK, ROTX, BET-NG, BET-TR și BET-XT during semester I 2026

TGN VERSUS BET

TGN VERSUS BET-BK

TGN VERSUS ROTX

TGN VERSUS BET-NG

TGN VERSUS BET-TR

TGN VERSUS BET-XT

Sursa: www.bvb.ro

Chart 24 - The TGN share evolution compared to stock exchange indices BET, BET-BK, BET-TR, ROTX, BET-NG și BET-XT in Half I 2026

Source: www.bvb.ro

In H I of 2026, Transgaz (TGN) share continued to outperform the main stock market indices of the Bucharest Stock Exchange, namely BET, BET-BK, ROTX, BET-NG, BET-TR, and BET-XT. With an increase of approximately 42% during the period under review, TGN shares significantly outperformed the returns recorded by the major stock indices, confirming sustained investor interest and strengthening the company’s position among the leading issuers on the Bucharest Stock Exchange.

The positive performance of TGN shares supported the performance of the BET and BET-NG indices, reflecting the company’s significant role in their composition and strengthening Transgaz’s position as a leading issuer on the Bucharest Stock Exchange, while also reaffirming its status as a blue-chip company.

Dividend policy

In 2026, the amount of dividends for the 2025 fiscal year was determined in accordance with the provisions of Government Ordinance No. 64/2001 *on the distribution of profits among national corporations, national companies, and commercial companies wholly or majority-owned by the state, as well as autonomous public enterprises*. The distribution of net profit in the form of dividends was set at a rate of 65.0718938%. The rate provided for in the 2025 income and expense budget of SNTGN Transgaz SA, approved by OGMS Resolution No. 4/09.04.2025, was 50%.

In accordance with the provisions of Article 67(2) of Law No. 31/1990 on Commercial Companies, as republished as amended and supplemented, dividends are distributed to shareholders in proportion to their share of the company’s capital.

Accordingly, in accordance with the provisions of Resolution No. 2 of the Ordinary General Meeting of Shareholders held on 26 May 2026, Societatea Națională de Transport Gaze Naturale Transgaz SA will pay dividends through Depozitarul Central SA and Banca Transilvania, the designated paying agent as at 21 July 2026 (the payment date), to shareholders registered on the record date of 2 July 2026, with the gross dividend per share amounting to 2.13 lei.

Transgaz' rating

Starting in 2006 and through March 2019, S&P Global Ratings assigned and monitored Transgaz's rating. Obtaining this rating was a necessary step in the company's strategy to open up to international capital markets, with a view to attracting the most favorable sources of financing while also providing a valuable tool for investors in the IPO and SPO listing processes. Accordingly, S&P Global Ratings published its latest report in 2018, in which Transgaz's outlook was revised from stable to negative, while the company's credit rating was affirmed at BB+.

In 2019, following an internal review and in compliance with all legal provisions regarding the procurement of rating services, the company entered into a contract with Fitch for the assignment of a rating. As a result of the assessment, on 17 July 2019, the agency assigned Transgaz a 'BBB-' rating with a Stable Outlook.

The most recent assessment took place on 29 May 2026, when Fitch Ratings upgraded Transgaz's Long-Term Default Risk Rating (IDR) from "BBB-" to "BBB," with a stable outlook. Fitch also revised the company's Standalone Credit Profile (SCP) from "bbb-" to "bbb."

"The upgrade of SNTGN TRANSGAZ SA's rating reflects the company's funds from operations (FFO) netleverage averaging 3.1x in 2026-2028, considerably below the positive sensitivity of 4x for the previous 'BBB-' rating, and sustainablyincreased EBITDA following large capex in 2024-2025. Projected free cash flow (FCF) remains negative but is more normalised, onaverage at about minus RON210 million in 2026-2028 versus Fitch Ratings' previous projection. Transgaz no longer has a concentration of capex on a single large project, following the completion of the Black Sea-Podisorinterconnection, which had exposed the company to large execution risk, potentially leading to much lower EBITDA than expected", according to the agency's report.

3.9. List of entities where Transgaz holds shares

- **SC MEBIS SA Bistrita**, based in Bistrita, (J06/150/1991), where Transgaz owns 17,47% of the share capital, having as object the realization of metal structures and complex welded assemblies, assemblies and hydraulic products; is in liquidation proceedings, which is why the shareholding in SC MEBIS SA was fully provisioned. Transgaz has no obligations towards SC MEBIS SA;
- **SC EUROTRANSGAZ SRL** with headquarters in Chisinau, the Republic of Moldova, where Transgaz owns 100% of its share capital with the objective of production, transmission, distribution, storage and supplying natural gas, transmission through, storage as well as business consulting activities; management (establishment of this subsidiary was approved by EGMS Resolution no 10 of 12.12.2017); **in 2018, the subsidiary purchased State Enterprise Vestmoldtransgaz**.

- **Shareholding in TRANSPORT ROMÂNIA HIDROGEN SRL**

  By EGMS Resolution No. 5 of 05 June 2024 the establishment of a limited liability company with the object of activity of hydrogen transport, with sole shareholder SNTGN Transgaz SA, was approved.

- **Shareholding in PETROSTAR SA**
  By EGMS Resolution No. 5 dated 9 April 2025, the acquisition of a 51% stake in the share capital of Petrostar SA was approved.

4 ACTIVITY ANALYSYS

4.1. Operation activity

Domestic gas transmission ensures the fulfilling of all obligations of Transgaz to provide NTS access to network users in equivalent, non-discriminatory and transparent conditions and contract clauses.

In Half I 2026 a total of **564** contracts were concluded and signed with network users, of which **559** contracts for domestic points and **5** contracts for cross-border interconnection points, for gas transmission services, including annual, quarterly, monthly, daily, within-day capacity products for National Gas Transmission System entry/exit points, including for the Csanadpalota, Ruse - Giurgiu, Negru Vodă 1/Kardam and Isaccea 1/Orlovka and Ungheni interconnection points.

The total number of gas contracts concluded for gas transmission with capacity booking at the domestic NTS entry/exit points, concluded in Half I 2026, by booking period:

Contract type	Annual	Quarterly	Monthly	Daily	Total
No. of contracts	0	67	477	15	**559**

The evolution of the volumes of natural gas conveyed and transported through the National Natural Gas Transmission System (NTS), as well as technological consumption, from 2021 through H I of 2026 was as follows:

Indicator	MU	2021	2022	2023	2024	2025	Half I 2026
1	2	3	4	5	6	7	8
Circulated gas	thousand cm	14.098.211	13.106.226	13.110.875	13.265.284	14.695.116	7.821.518
Transmitted gas	thousand cm	14.026.269	13.032.066	13.055.920	13.197.787	14.652.083	7.803.360
NTS gas consumption	thousand cm	70.188	70.739	57.690	65.773	37.404	16.944
Share of NTS gas consumption/circulated gas	%	0,50%	0,54%	0,44%	0,50%	0,25%	0,22%

Table 16- Gas quantities circulated, transmitted and NTS consumption in the period 2021- Half .I 2026

Evolution of the quantities of natural gas circulated, transported, consumed in the National Transmission System (NTS), and stored—as planned and actual—in H I of 2026 compared to the same period last year:

	MU	Half I 2025			Half I 2026		
		Planned	Achieved	%	Planned	Achieved	%
Circulated gas	thousand cm	7.444.079	7.208.897	*96,84*	7.583.959	7.821.518	*103,13*
Gaze naturale transportate	thousand cm	7.413.296	7.181.016	*96,87*	7.555.918	7.803.360	*103,27*
Consum de gaze în SNT	thousand cm	30.782	26.956	*87,57*	28.042	16.944	*60,42%*
Gaze destinate înmagazinării	thousand cm	1.019.934	997.892	*97,84*	959.440	814.263	*84,87%*

Table 17 - Gas quantities circulated, transmitted and NTS consumption planned compared to the quantities achieved in Half I 2026 and Half I 2025

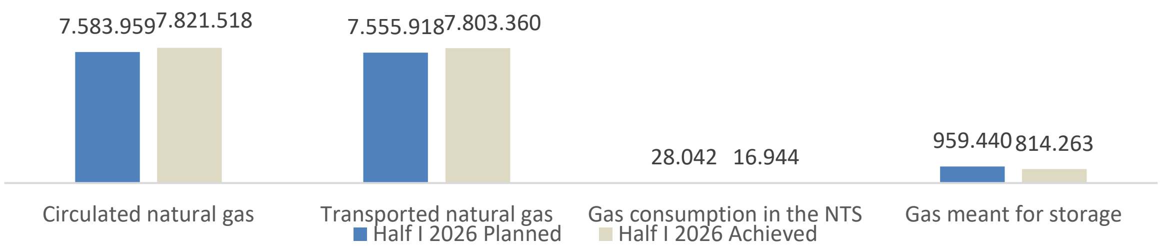


Chart 25 - Gas quantities circulated, transmitted and stored and NTS consumption, planned vs achieved In Half I 2026

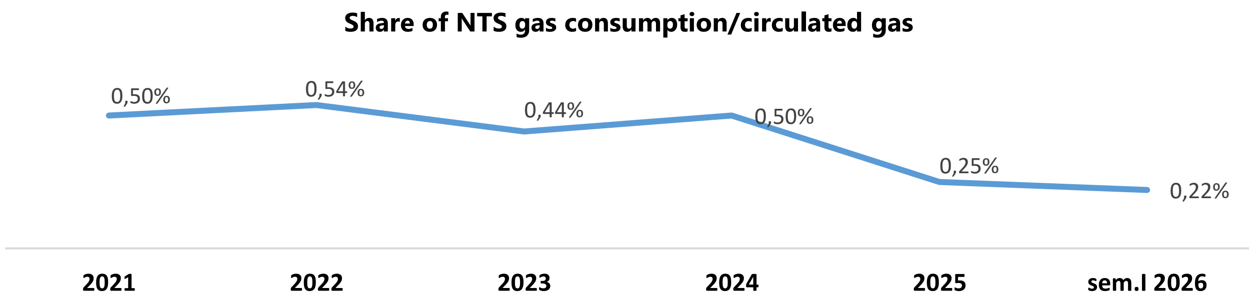


Chart 26 - The share NTS gas consumption in total circulated gas in the period 2021- Half I 2026

	2021	2022	2023	2024	2025	Half I 2026
PLANNED NTS GAS CONSUMPTION–thousand cm	79.423	86.136	60.880	58.493	65.773	28.042
ACHIEVED NTS GAS CONSUMPTION–thousand cm	70.188	70.739	57.690	65.773	37.404	16.944

Table 18 - Gas quantities as NTS gas consumption achieved vs planned in the period 2021- Half I 2026

The main beneficiaries of the gas transmission service in Half I 2026:

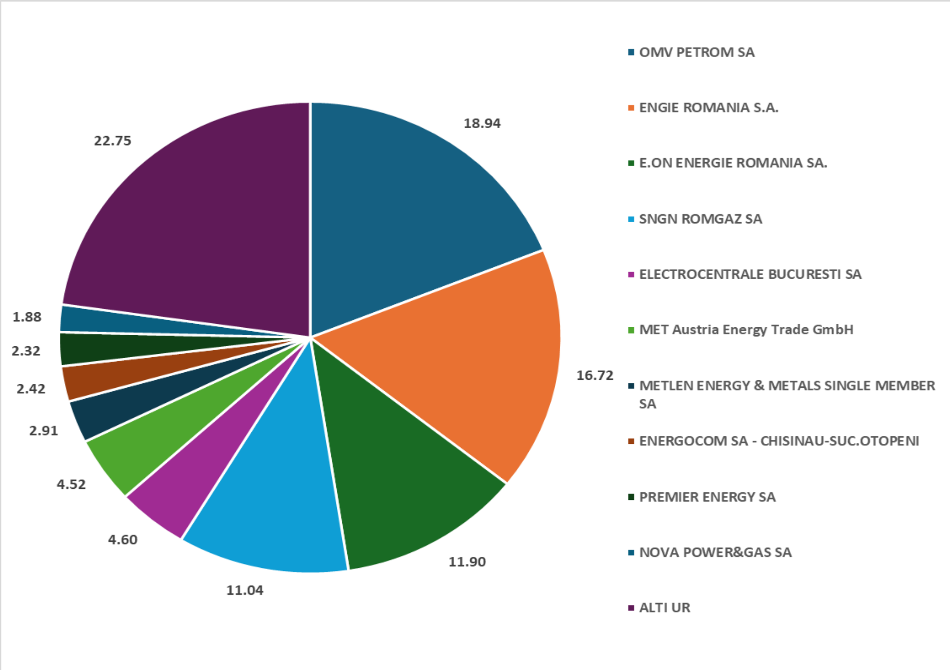


Chart 27 - The share of the main NTS users in Half I 2026

Through the transmission services contracted in the period January – June 2026, the total quantity of 83.878.327,782MWh (7.803.360,424 thousand cubic meter) was transmitted to:

	MWh	thousand cm	%
Distribution	43.514.739,670571	4.057.589,373	51,88
Direct customers	11.391.759,442463	1.065.247,997	13,58
Storage	8.697.028,842966	814.262,738	10,37
Export Csanadpalota, Giurgiu, Ruse, Negru Vodă, Ungheni	20.274.799,826000	1.866.260,316	24,17

4.2. The investment activity

The investment activity is mainly directed towards the modernization and development of the NTS in order to improve efficiency, to increase its capacity and to develop new consumption areas.

The achievement of the Modernisation and Investment Development Programme at the end of Half I 2026, is presented below:

-thousand lei-

Chapter	Categoria de lucrări	Programme 2026	Programme H I 2026	Achieved H I 2026	Achieved H I /Budget H I (%)
Ch. A	***NTS modernisation and development works***	**375.429**	**157.656**	**44.517**	**11,86%**
1.	**Modernisation and Retechnologisation of the National Gas Transmission System**	**16.072**	3.022	**525**	**17,37%**
1.1.	*Adaptation to field of the metering lines to be installed by the SCADA programme and technological node automation*	15.259	3.005	418	13,91%
1.2.	*Supervisory Control and Data Acquisition*	813	17	107	629,41%
2.	**Development of the National gas Transmission System and related facilities**	**359.356**	**154.634**	**43.992**	**28,45%**
2.1.	*Natural gas transmission pipelines*	146.930	71.435	15.277	21,39%
2.2.	*Increasing the transmission capacity of the National Transmission System*	121.660	47.285	18.392	38,90%
2.3.	*Above-ground construction and installation works for MRSs*	52.145	23.285	4.521	19,42%
2.4.	*Cathodic protection stations*	3.237	0	225	
2.5.	*Investments related to information technology and telecommunications*	18.634	3.134	1.588	50,67%
2.6.	*Construction works and above - ground installations for odorization installations*	0	0	0	-
2.7.	*Works on operational natural gas transmission pipelines located in areas at risk of incidents*	274	0	249	-
2.8.	*Power installations and networks*	4.407	427	337	78,92%
2.9.	*Archaeological services*	10.500	7.500	3.351	44,68%
2.10.	*Biodiversity monitoring services*	1.569	1.569	53	3,38%
Ch. B	***Modernisation and development works of own assets***	**94.919**	**54.123**	**30.338**	**56,05%**
1.	**Other works**	**34.817**	**17.424**	**7.248**	**41,60%**
1.1.	Connections, networks, and heating installations at administrative offices and MRSs	885	0	0	0
1.2	Administrative offices and production facilities at regional offices	28.136	13.554	6.985	51,53%
1.3	Security and surveillance systems	5.795	3.876	264	6,82%
2.	**Independent equipment**	**60.102**	**36.699**	**23.090**	**62,92%**
Ch. C	***NTS access works***	**60.130**	**31.373**	**5.123**	**16,33%**
Ch. D	***NTS development according to Law 123/2012 (updated) Art. 132, e1 and e2***	**180.252**	**112.213**	**24.409**	**21,75%**
TOTAL PMDI		**710.731**	**355.365**	**104.387**	**29,37%**

Table 19 - Achievement of the Investment Program in Half I 2026

The value of the Investment Modernization and Development Programme approved for 2026 through the Revenue and Expense Budget is **710.730.600** lei, in accordance with Board of Administration Resolution 8/01.04.2026. The value of the PMDI for the Half I 2026 is **355.365.300** lei, and the achievements recorded as of 30 June 2026, amount to **104.386.886 lei, representing a 29,37% completion rate for the PMDI for Half I 2026.**

In January 2026, the structure of the Modernisation and Investment Development Programme was as follows: 34,26% works in progress, 33,21% works in the procurement procedure, 14,37% contracted works awaiting order to commence, 12,36% works in the design phase and 5,80% not requested.

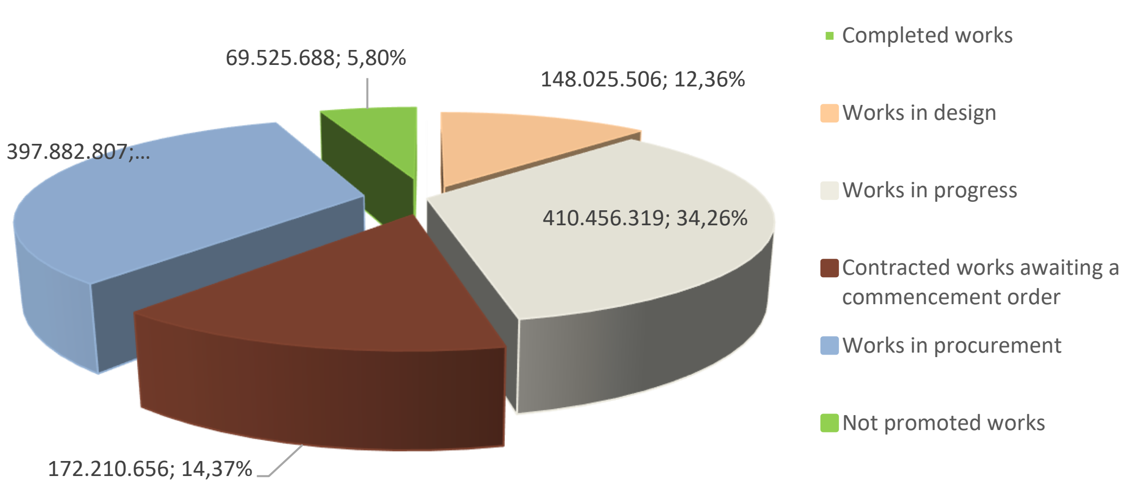


Chart 28 - PMDI status in 2026 - January 2026

At the end of Half I 2026 the structure of the Modernisation and Investment Development Plan was as follows: 65,50% works in progress, 23,42% works in the procurement procedure, 4,35% completed works, 4,11% works to be started, 1,94% works in the design phase and 0,60% contracted works awaiting order to commence. Compared with the status of the works at the end of January, the percentage of works in progress increased, mainly in conjunction with a decrease in the percentage of works in the design and procurement phase.

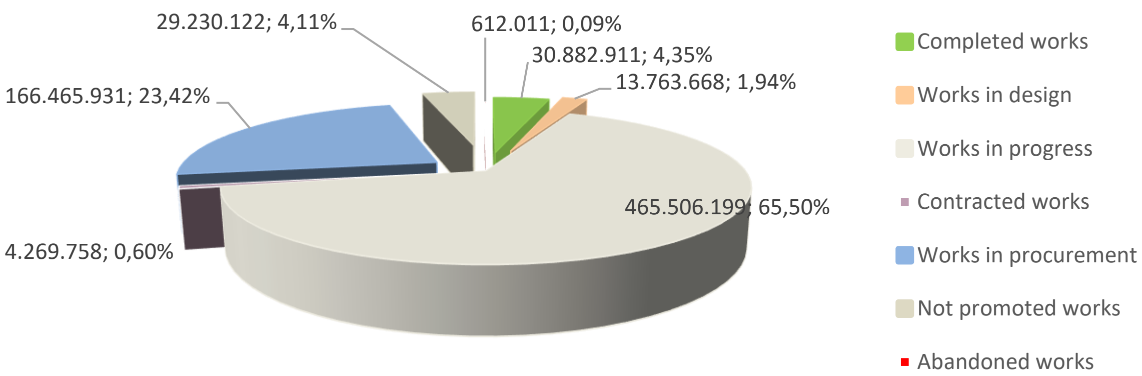


Chart 29 - PMDI status 2026 – June 2026

The main investment objectives completed in Half I 2026:

- Procurement and installation of a turnstile-based access control/time-attendance system with flap barrier gates, for access to Transgaz's headquarters at 1 C.I. Motaș Squareș
- Connection and DMRS Zănești, Neamț county;
- Connection and DMRS Ionești, Vâlcea county;
- Ariniș-Oarța de Jos gas transmission pipeline (including power supply, cathodic protection and optical fibre);
- Securing Ghimbășel River abovecrossing with DN 700 Paltin-Gura Diham-Mediaș Regional Office Section gas transmission pipeline, Râșnov Construction Site area, Brașov county;
- Modernisation CS Vințu;
- N2 4x4 truck fitted with a loader crane and a drop-side tipper body;
- Truck with loader crane, 6 t (3 axles);
- Truck with loader crane, 21 t (4 axles);
- Securing Nadișa River abovecrossing with DN 500 Helegiu-Racova gas transmission pipeline, lines F1 and F2, Enachesti area, Bacău county;
- Securing Provița River undercrossing with the DN 700 Platou Sinaia-Filipești gas transmission pipeline, Provița de Sus area, Prahova county;
- Power supply and indoor power installations at MRS Foieni, Satu Mare county;
- Power supply and indoor power installations at MRS Cenade;
- Connection and DMRS Timișești, Neamț county;

The main investment objectives completed at the end of Half I 2026 and awaiting acceptance upon completion of the works:

- Securing DN 500 Posada-Bobolia gas transmission pipeline at the undercrossing of the Prahova River, Nistorești-Breaza area, Prahova county;
- Securing Siret River undercrossing with the DN 500 Onești-Adjudul Vechi pipeline, Adjudul Vechi, Vrancea county;
- Securing Corunca-Coroi-Șinca Bucharest DN700-DN600-DN500 Izvor Plateau Sinaia-Filipești gas transmission pipeline, Valea Târsei area, Prahova county, Farm point.

The main works in progress:

- Gas transmission pipeline to supply Mintia Plant (including power supply, cathodic protection and optical fibre);
- Timișoara-Deta-Denta-Moravița gas transmission pipeline, Timiș country;
- Orlat-Gura Râului-Păltiniș gas transmission pipeline;
- Procurement of a centrifugal compressor for: to increase the transmission capacities in the NTS for gas supply to the Mintia, Ișalnița and Turceni power plants, including the Territorial Administrative Units and other industrial consumers in the area.;
- Ghercești - Jitaru gas transmission pipeline;
- Securing DN800 Onesti-Han Domnesti and DN 500 Onesti Adjudul Vechi gas transmission pipelines, Stefan cel Mare area;
- Securing DN 300 gas transmission pipeline Piatra Neamt bypass, Valeni area, and installation of gas pressure regulation equipment, Savinesti area, Neamt county;
- Bentu gas transmission pipeline, Siliștea Bucharest-Cotu Ciorii gas transmission pipeline;

- Modernisation of TN Jugureanu, including power supply for the facility, actuators and automation components, Brăila county;
- Connection and DMRS Toplița, Harghita county;
- DMRS Cârligi capacity increase, NT;
- Connection and DMRS Cefin 2 județul Ilfov;
- Connection and DMRS Segarcea, DJ;
- Connection and DMRS Bălteni, Vaslui county;
- Connection and DMRS Scornicești, Olt county;
- DMRS Brătuleni Vorovești capacity increase, Iași county;
- Connection and DMRS Ciumeghiu, Bihor county;
- DMRS Luna and connection capacity increase, Cluj county;
- Connection and DMRS Brezoaele, Dâmbovița county;
- DMRS Roznov capacity increase, Neamț county;
- Connection and DMRS Făgetu, Argeș county;
- Connection and DMRS Vatra Dornei, Suceava county;
- MRS Moinești I (Dealu Mare) connection to national gas transmission system and to gas distribution system;
- Modernisation MRS Sighișoara;
- Replacement of technological installation MRS Fântânele, Arad county;
- Power supply for actuation and automation components at TN Munteni- power line and transformer station;
- Attic conversion into office space at the Sibiu Sector Headquarters;
- Mounting DN 500 pig trap on the Munteni–Bârlad pipeline;
- Securing DN 700 Moghioroș-Onești and DN 800 Moghioroș-Onești gas transmission pipelines, Hârja(Piștoaia), Oituz commune, Bacău county;
- Replacement of the Botoșani-Bucecea pipeline section, Baisa village, Botoșani county;
- Rehabilitation and modernisation of Transgaz building in 30 Dorobanți Road, Bucharest;
- Building administrative building and materials storage at the Bucharest Regional Office;
- Râmnicu Vâlcea - Tetila gas transmission pipeline (including power supply, cathodic protection and optical fibre);
- Prunișor-Orșova-Băile Herculane-Jupa – LOT1 gas transmission pipeline;
- Prunișor-Orșova-Băile Herculane-Jupa – LOT2 gas transmission pipeline;
- Prunișor-Orșova-Băile Herculane-Jupa – LOT3 gas transmission pipeline;
- Prunișor-Orșova-Băile Herculane-Jupa – LOT4 gas transmission pipeline;
- Securing Dn 500 Posada-Bobolia gas transmission pipeline at the undercrossing of the Prahova River, Silistre area, Prahova county;
- Securing undercrossing of the Siret River with the DN 350 Tisauti - Bucecea gas transmission pipeline, Siminicea area, PT, Suceava county;
- Installation of pig receiving strap and gas regulation installation at the Cruce point on the DN 500 Ișalnița-Panou 402-Cruce pipeline, Dolj county;
- DN600 Mihai Bravu - Siliștea gas transmission pipeline (without Danube);
- Expansion of the Podișor and Bibești compressor stations in order to increase the transmission capacities in the NTS for gas supply to the Mintia, Ișalnița and Turceni power plants, including the Territorial Administrative Units and other industrial consumers in the area;

- Pipeline for connecting the gas distribution system for MRS Craiova, Dolj county;
- Placement/Siting of metal container module intended as offices for the Oradea sector headquarters at the MRS Oradea.

The main works with signed contract but awaiting order to commence:

- Securing Fântânele-Bistrița DN150 (Line 1) and DN250 (Line 2) gar transmission pipelines at the undercrossing of the Șieu River, Crainimat, Bistrița-Năsăud county;
- Securing Nisipoasa River undercrossing with the DN400 Govora-Drăgășani gas transmission pipeline, Scăioși village, Vâlcea county;
- Securing Filipea River abovecrossing with DN 500 Helegiu-Racova gas transmission pipeline, line F1, Livezi area.

The main works under procurement:

- Increasing the transmission capacity of the NTS and the security of gas supply of the Electrocentrale Ișalnița Branch (Dolj county) and the Electrocentrale Turceni Branch (Gorj county);
- Lugașu–Huedin gas transmission pipeline;
- Segarcea-Băilești–Calafat gas transmission pipeline;
- Radauti-Horodnic de Jos-Vicovu de Sus gas transmission pipeline (including power supply, cathodic protection and optical fibre);
- Connection and DMRS Sânnicolau Român, Bihor county;
- Connection and DMRS Cefa, Bihor county;
- Connection and DMRS Sălard, Bihor county;
- Connection and DMRS Petrăchioaia, Ilfov county;
- Connection and DMRS Fabrica de var Corbu, Constanța county;
- Connection and DMRS Fundulea, Călărași county;
- MRS Craiova Sud-Podari, connection to the National gas Transmission System;
- Upgrading of MRS Onești, Bacău county;
- Procurement of centrifugal compressor for: Expansion of the Jupa Compressor Station in order to increase the transmission capacity and security of gas supply in Western Romania;
- Securing abovecrossing of the Târnava Mare River with the DN 700 Seleuș - Hetiur - Iașu gas transmission pipeline, Secuieni area, Harghita county;
- Transformation of the Dn 700 Isaccea - Sendreni pipeline into a piggable pipeline;
- Interconnection pipeline between the DN800 BRUA gas transmission pipeline and the DN500 Vest II gas transmission pipeline, Hațeg – Boutari section, Totești area, Hunedoara county (including CPS DN500 Vest 1 and Vest 2, Copaci area, Hunedoara county);
- Securing DN 300 Simeria - MRS Hunedoara I gas transmission pipeline, Bârcea Mică and Peștișu Mare areas, Hunedoara county;
- Securing abovecrossing of the Plapcea River with the DN 100 supply connection MRS Scornicești at GMS, Olt county;
- Interconnection of DN 800 Crevedia - Podișor gas transmission pipeline with DN 400 Gura Șuții - Bucharest pipeline, Slobozia Moară area, Dâmbovița county;
- Securing DN 80 - MRS Bisericani gas supply connection gas transmission pipeline, Schit Bisericani area, Neamț county;

- Securing Dn 300 Tazlau - Savinesti gas transmission pipeline, Nechit area, Neamt county;
- Securing crossing/undercrossing of Ozunca River with the DN700 Iașu-Deal Moghioroș, DN800 Bățani-Sânzieni gas transmission pipelines, Bățanii Mari;
- Securing DN300 Vlădeni-Mănești gas transmission pipeline, ndercrossing Cricovu Dulce River, Vlădeni, Dâmbovița county;
- Cathodic protection stations on the DN400 Gura Șuții – Bucharest gas transmission pipeline, Cuza Vodă – SRM Joița pipeline section, inclusiv pe racordul de alimentare a SRM Avicola Titu;
- Cathodic protection stations on the DN500 Vest 1 and Vest 2 main transmission pipelines, CS Jupa valve assembly, Caraș Severin county;
- Runc - Borsec gas transmission pipeline (including power supply, cathodic protection and optical fibre).

The main works under the preparation of the technical and design documentation phase:

- Techirghiol - Ovidiu gas transmission pipeline;
- DN700 Gănești - Botorca transmission pipeline and interconnections between the new DN700 Coroi - Gănești pipeline and the DN700 Band - Idrifaia and DN600 Coroi - Botorca - Băcia (West II), pipelines, Bahnea and Gănești area;
- Expansion of the Jupa Compressor Station and construction of the gas transmission pipeline in the TN Recaș – TN Horia direction in order to increase the transmission capacity and security of gas supply in Western Romania;
- DN 500 Horia–Borș gas transmission pipeline;
- DN 800 Bordoșiu - Coroi gas transmission pipeline (including power supply, cathodic protection and optical fibre);
- CS Coroi (execution);
- DN 700 Șăușa-Azomureș - Târgu Mureș gas transmission pipeline;
- Interconnection between the National Gas Transmission System of Romania and the similar gas transmission system of the Republic of Serbia (including power supply, cathodic protection and optical fibre);
- Mihaileni - Lunca de Sus gas transmission pipeline (including power supply, cathodic protection and optical fibre);
- DMRS Panciu capacity increase, Vrancea county;
- Connection and PRMS Bacău 2;
- Connection and PRMS Răcari, Dâmbovița county;
- Connection and PRMS Fertilplant Crizbav, Brașov county;
- Connection and PRMS Asphalt station S.C. FAR FUNDATION S.R.L., Bistrița-Năsăud county;
- Gas transmission pipeline in the Barbuncești-Măgura-Pătârlagele direction (including power supply, cathodic protection and optical fibre);
- Coșula-Săveni-Dărăbani gas transmission pipeline;
- Dorohoi-Dărăbani gas transmission pipeline;
- Stăuceni – Ștefănești gas transmission pipeline;
- Gas Transmission Pipeline in the Petelea-Aluniș direction, Mureș county (including power supply, cathodic protection and optical fibre);
- Ghergheasa–Focșani gas transmission pipeline;
- Vladimirescu–Lipova gas transmission pipeline;

- Adaptation to field and installation of pig receiving trap DN 700 on the DN 700 Bucharest Ring gas transmission pipeline;
- Securing DN 350 Cășei-Baia Mare gas transmission pipeline section at the undercrossing of the Craica creek, Baia Mare area, Maramures area;
- Securing DN500 Drăgușeni - Spătăreni gas transmission pipeline, Drăgușeni area, Suceava county;
- Securing DN 300 Satu-Mare-Baia-Mare gas transmission pipeline section at the undercrossing of the Ilba creek, Ilba area, Maramures county;
- MRS Craiova 1 and connection pipeline, including field enclosure;
- Modernisation of technological installation DMRS Jijila- Măcin.

MAJOR PROJECTS

For compliance with Art. 22 of European Directive EC/73/2009 on the obligation of all EU gas transmission system operators to prepare **TYNDPs,** SNTGN Transgaz SA Mediaş, as the technical operator of the National Gas Transmission System of Romania, prepared the **Development Plan for the gas transmission system for 2026-2035, endorsed by the Board of Administration, submitted for prior approval to the OGMS and subsequently for approval to ANRE.**

Through the proposed strategic investment projects, the company aims to become an energy hub in Eastern Europe both from the perspective of achieving a gas transmission network strongly interconnected with similar gas transmission networks in the region, and form the perspective of gas supplying.

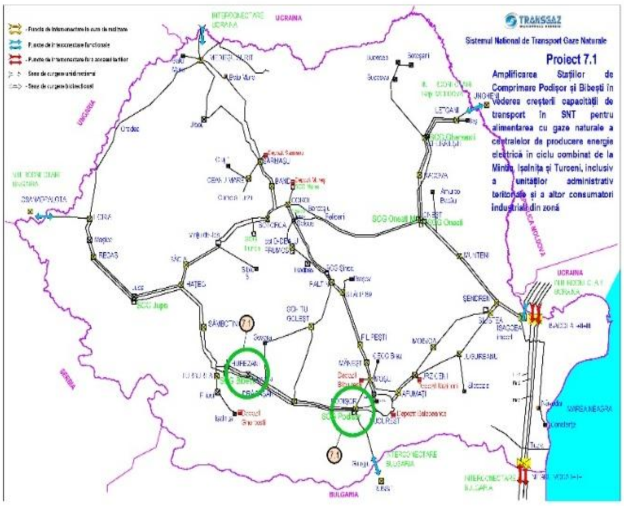
1. Expansion of the Podișor and Bibești compressor stations in order to increase the transmission capacities in the NTS for gas supply to the Mintia, Ișalnița and Turceni power plants, including the Territorial Administrative Units and other industrial consumers in the area

Project objective:

The expansion of the Podișor and Bibești compressor stations will ensure a constant gas supply for the Mintia, Ișalnița and Turceni power plants, as well as for other industrial facilities and Territorial Administrative Units, thus increasing the reliability of the region's energy system. The project will increase the gas capacity and pressure in order to ensure a constant and stable gas flow to industrial customers and power plants, and it will support the industrial development of the region by ensuring a constant gas flow, contributing to energy stability and increasing industrial competitivity.

Project description:

The project "Expansion of the Podișor and Bibești compressor stations in order to increase the transmission capacities in the NTS for gas supply to the Mintia, Ișalnița and Turceni power plants, including the Territorial Administrative Units and other industrial consumers in the area" involves the expansion of the existing Podișor and Bibești Gas Compressor Stations (CS), by installing, in each of them, a new compressor, as well as a gas filtering-separation system and a compressed gas cooling system, in order to increase the NTS transmission capacity for gas supply to the Mintia power plant and the Ișalnița and Turceni power plants, including consumers in their area. No additional land areas beyond the existing Podișor CS and Bibești CS enclosure are needed, all the works will be carried out inside the station, toate lucrările se vor realiza în interiorul stației.



Estimated value: EUR 55,54 million

Estimated completion date: 2027

Project stage: The project is currently in execution, the work commencement order having been issued.

The investment project was declared gas project of national importance by Government Resolution 759/18.09.2025.

2. Expansion of the Jupa Compressor Station and the construction of the gas transmission pipeline in the TN Recaș – TN Horia direction in order to increase the transmission capacity and security of gas supply in Western Romania

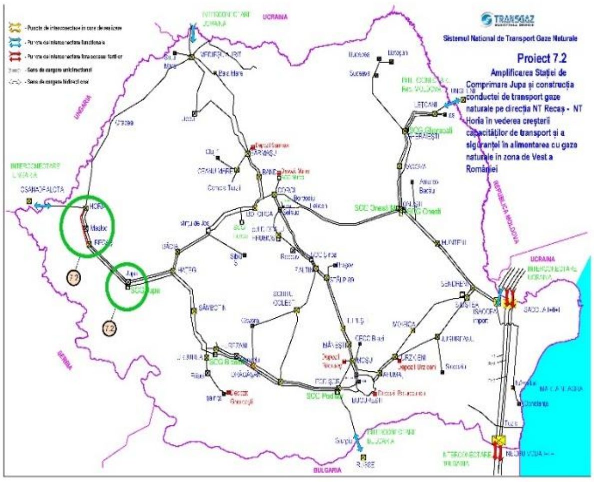
Project objective:

The expansion of the Jupa Compressor Station and the construction of the gas transmission pipeline in the TN Recaș – TN Horia direction will ensure the transmission of the additional volumes and the necessary pressures in the system to supply consumers, balance the natural gas transmission system in the western part of the country, increase the reliability of natural gas transmission to Central European markets, and enable the further development of the natural gas transmission and distribution network in the region.

At the same time, through the investment to expand the Jupa Compressor Station (CS Jupa) and the construction of the gas transmission pipeline in the TN Recaș - TN Horia direction, the aim is not only to improve transmission capacity and ensure a safer and more efficient energy system, but also to support the transition to cleaner energy, promote economic development, and strengthen regional interconnectivity.

These overall objectives are fundamental to supporting sustainable growth and meeting the demands of the ever-changing energy market.

Project description:



The project "Expansion of the Jupa Compressor Station and the construction of the gas transmission pipeline in the TN Recaș – TN Horia direction in order to increase the transmission capacity and security of gas supply in Western Romania" involves the expansion of the existing Jupa Gas Compressor Station (CS), by installing a new compressor and a gas filtering-separation system and a compressed gas cooling system, as well as the construction of the gas transmission pipeline in the TN Recaș – TN Horia direction, in order to increase the transmission capacity and security of gas supply in Western Romania.
No additional land areas beyond the existing Jupa CS enclosure are needed, all the works will be carried out inside the station.

Estimated value: EUR 100,21 million

Estimated completion date: 2027

Project stage: The pre-feasibility study is completed.

The investment project was declared gas project of national importance by Government Resolution 760/18.09.2025.

3. Development of the SCADA system for the National Gas Transmission System

Project objective:

The upgrading of the natural gas transmission infrastructure must be supported in the coming years by the development of an efficient and flexible SCADA system, by upgrading the hardware and software architecture, by migrating to a decentralized architecture, with distributed control on administrative organizational units in accordance with the structure of SNTGN TRANSGAZ SA.

Project description:

The project *"Development of the SCADA system for the National Gas Transmission System"* consists in:

- the analysis of the possibilities to optimise the SCADA system architecture;
- replacement/upgrade, at the level of national/territorial SCADA dispatch centres, of aging hardware equipment, in order to ensure — through the new firmware/operating

system/software application versions used — an increase in data processing volume and power, as well as a higher level of cybersecurity;

- Ensuring a hardware/software capacity reserve at the level of national and territorial SCADA dispatch centres, necessary for the future integration into the SCADA system of the NTS objectives, which are to be commissioned in 2022-2027;
- additional integration of approximately operational 170 MRS (metering regulating stations) in the National gas Transmission System (NTS);
- ensuring the continuity of transmission, real-time monitoring at national and regional SCADA dispatch centres, of the relevant and necessary technological parameters within the NTS objectives, In line with the level and pace of development of technological installations in the short and medium term, for the purpose of monitoring and operating the NTS under conditions of safety, efficiency, and environmental protection; integration of new local automation systems to be commissioned by 2022, resulting from the retechnologization/development of natural gas compressor stations technological nodes, sectioning valves located on the main transmission pipelines, etc;
- istallation of SCADA Intrusion Detection System LAN SCADA;
- installation of dedicated IP&DS (Intrusion Prevention & Detection System) type systems, with monitoring at industrial protocol level for sensitive applications — stations remotely operated through the SCADA system: technological nodes; interconnection stations; compressor stations; future pipeline automation systems.
- installation of a simulation system and PMS (Pipeline Monitoring Software) or NMS (Network Management System);
- identification and provision of technical solutions for securing the industrial data network on which the data acquisition and control (SCADA) systems are installed;
- analysis of the technical opportunities regarding the design and implementation of an emergency dispatch centre, should the study on the opportunity and necessity of such a centre indicate this need; training of SCADA operating/technical/maintenance personnel in the use of the newly implemented security techniques and policies.

For the implementation of the project "Development of TRANSGAZ SCADA System for the National Transmission System", taking into account the conclusions of the feasibility study it was proposed to develop the project in stages:

Stage 1 - upgrading the central hardware and software infrastructure - servers and SCADA operator stations.

Stage 2 - Equipping new MRSs for SCADA monitoring.

Stage 3 - Implementation of interconnection, control and monitoring projects with other TRANSGAZ SCADA systems.

Estimated value: EUR 5,5 million

Estimated completion date: Stage 1 – 2025 completed
Stage 2 - 2028
Stage 3 - 2026

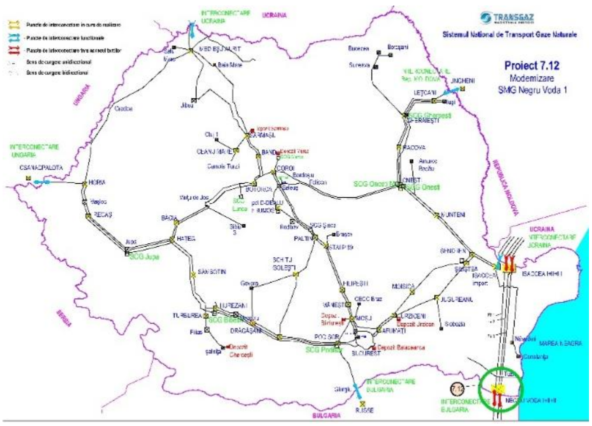
Project stage: Feasibility study – completed.
Stage 1- completed
Stage 2 – in execution
Stage 3 – in execution

4. Upgrading GMS Negru Vodă 1

Project objective:

The investment aims to upgrade GMS Negru Vodă 1, thus creating conditions for the interoperability of cross-border gas transmission networks and enabling metering under optimal conditions of quality and accuracy agreed upon with the neighbouring gas transmission operator, as well as achieving the objective of ensuring the security of natural gas supply as stipulated in European Regulation No. 994/2010, and at the same time to comply with European Regulation 703/2015 establishing a network code on interoperability and data exchange rules regarding gas flow control requirements and gas measurement under reference conditions in accordance with the common set of measurement units.
In addition, the measurement uncertainty of natural gas quantities circulated through the newly designed gas metering station is reduced.

Project description:



The project "Upgrading GMS Negru Vodă 1" consists in upgrading the existing Metering Station and involves the following:

- site preparation for the execution of the works, including the construction of the access road to the project site
- construction of the DN800 connection pipeline to the technological installations of the upgraded GMS Negru Vodă 1
- construction and adaptation to field of the technological installations of the upgraded GMS Negru Vodă 1, including the connecting pipelines between the component modules of the designed technological installation, namely the separation/filtration module and the metering module
- construction of the DN800 outlet connection from the designed facilities to the T1 gas transmission pipeline
- execution of construction work to provide the utilities necessary for the safe operation of the upgraded GMS Negru Vodă 1 (power supply, outdoor/indoor lighting systems, grounding systems, lightning protection systems, automation systems, remote data transmission systems, water supply, sewerage, etc.)
- carrying out construction work necessary for the future safe operation of the upgraded GMS Negru Vodă 1 (installation of the metering system in a metal-framed building, etc.)

Estimated value: EUR 12,77 million

Estimated completion date: 2027

Project stage: FEED completed.

5. Interconnection between the National Gas Transmission System of Romania and the similar gas transmission system of the Republic of Serbia, Petrovaselo – Comloșu Mare – Mokrin (Serbia), including power supply, cathodic protection and optical fibre

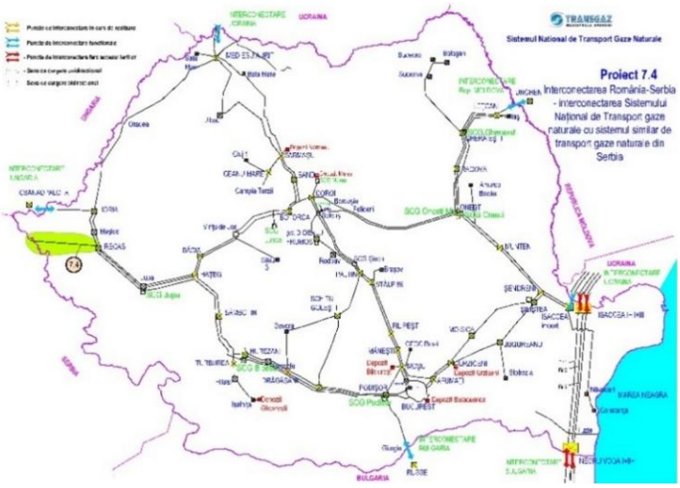
Stage I: Petrovaselo – Comloșu Mare;
Stage II: Comloșu Mare - Mokrin (Serbia), section Comloșu Mare – Romania/Serbia border and Comloșu Mare Gas Metering Station

Project objective:

Increasing the level of interconnectivity between natural gas transmission systems in EU member states and enhancing energy security in the region.

Project description:

The project consists in:



- The construction of a new gas transmission pipeline in the Recaș–Mokrin direction , approximately 97 km long, of which approximately 85 km on the territory of Romania and 12 km on the territory of Serbia, with the following characteristics:
  - pressure in the BRUA pipeline, Recaș area: 50-54 bar (PN BRUA–63 bar);
  - diameter of interconnectio pipeline: DN 600, PN 63 bar;
  - transmission capacity: max. 1,6 billion Scm/year (185.000 Scm/h), both in the Romania-Serbia direction and in the Serbia-Romania direction.
- The construction of a gas metering station (located in Romania).

Estimated value: lei 86,8 million (VAT included)

Estimated completion date: 2028

Project stage

FEED - completed.

II PROJECTS FINANCED FROM THE MODERNISATION FUND

1. Ghercești - Jitaru gas transmission pipeline (including power supply, cathodic protection and optical fibre)

Project objective

In accordance with Romania's Energy Strategy adopted by the Ministry of Energy in conjunction with EU Regulation 347/2013, SNTGN TRANSGAZ SA has included in the Development Plan for the National Natural Gas Transmission System large-scale projects aimed at reconfiguring the natural gas transmission network to increase underground natural gas storage capacity, in coordination with the development plans of the storage facility operators.

Project description

The project consists in the construction of a DN 600 PN 50 bar gas transmission pipeline 89,6 km long, the project site being located within the counties of Dolj and Olt. The project includes a cathodic protection system and a digital data transmission system (optical fibre).

Estimated value: lei 373,3 million (VAT included)

Eatimated completion date: 2026

Project stage

The project is currently underway and is approximately 59% complete.

2. Increasing the transmission capacity of the NTS and the security of natural gas supply of the Ișalnița Electrocentrale Branch (Dolj county) and the Turceni Electrocentrale Branch (Gorj county)

Project objective

The project ensures the natural gas supply required for baseload energy production at the two gas-fired power plants, the 850 MW Ișalnița plant and the 475 MW Turceni plant, while also being part of the decarbonisation process undertaken by Romania. Through this investment, Transgaz achieves two additional major objectives: increasing the security of natural gas supply for southeastern Romania and creating the necessary conditions for connecting localities in the region to the National Gas Transmission System, with these developments also enabling the supply of natural gas to other residential and industrial consumers in the area.

Project description

The projects consists in the construction of DN 500 PN 50 bar gas transmission pipelines, with a total lengths of approximately 35,8 km:

- CCGT Ișalnița connection pipeline (Dolj county) – 0,610 km,
- TN Hurezani – TN Turburea gas transmission pipeline (Gorj county) -24,165 km
- Țânțăreni – Turceni gas transmission pipeline (Gorj county)- 11,055 km

The project site is located within the counties of Dolj and Gorj.

Estimated value: lei 143,6 million (VAT included)

Estimated completion date: 2027-2028

Project stage: The project is currently at the procurement stage for the execution of works.

III PROJECTS FINANCED FROM THE ENVIRONMENTAL FUND

1. Gas transmission pipeline Prunișor – Orșova – Băile Herculane – Jupa (including power supply, cathodic protection and optical fibre)

Project objective

This investment will enable the interconnection of the western part of the country (Caransebeș) with the southwestern part (Drobeta Turnu Severin), ensuring a gas supply to the relevant areas from two directions and balancing the national gas transmission system.
Thus, in the area where the pipeline is located, high-pressure natural gas supply is ensured from the Jupa technical node (part of the BRUA corridor).

Project description

The project consists in the construction of a DN 600 PN 40 bar gas transmission pipeline, approximately 177,5 km long, the project site being located within the counties of Mehedinți and Caraș Severin. The project includes a cathodic protection system and a digital data transmission system (optical fibre).

Estimated value: lei 682,62 million (VAT included)

Estimated completion date: 2027

Project stage

The project is currently underway and is approximately 34,5% complete.

2. Gas transmission pipeline Tetila – Horezu – Râmnicu Vâlcea (including power supply, cathodic protection and optical fibre)

Project objective

This investment will contribute to balancing the National Gas Transmission System and ensuring the supply of natural gas to consumers in the area where the pipeline is located.

Project description

The project consists in the construction of a DN 500 PN 50 bar gas transmission pipeline, approximately 92,1 km long, the project site being located within the counties of Gorj and Vâlcea. The project includes a cathodic protection system and a digital data transmission system (optical fibre).

Estimated value: lei 303,18 million (VAT included)

Estimated completion date: 2027

Project stage

The project is currently underway and is approximately 12,2% complete.

3. DN 600 gas transmission pipeline Mihai Bravu – Siliștea and transformation into a piggable pipeline (including power supply, cathodic protection and optical fibre)

Project objective

This investment contributes to ensuring an adequate supply of natural gas to the Dobrogea region, creates the possibility of expanding the supply to new consumption areas, and also helps maintain the balance of the National Gas Transmission System.

Project description

The project consists in the rehabilitation, through targeted interventions, of the existing pipelines and the construction of new pipelines between Mihai Bravu and Siliștea, including the construction of new Danube undercrossings (Măcin arm and Borcea arm). The project site is located within the counties of Tulcea and Brăila. The project includes a cathodic protection system and a digital data transmission system (optical fibre).

Estimated value: lei 504,06 million (VAT included)

Estimated completion date: 2027

Project stage

The project is currently in execution, the work commencement order having been issued.

4.3. Maintenance activity

Repair and Rehabilitation Works Programme for NTS Maintenance

The **Repair and Rehabilitation Work Plan for NTS Maintenance (PLRRM) 2026** had an allocated value of **lei 37.636.780,80**.

The implementation of the Repair and Rehabilitation Works Programme for NTS Maintenance in Half I 2026 compared to the planned level is as follows:

No.	Chapter	Budgeted 2026 (lei)	Budgeted H I 2026 (lei)	Achieved H I 2026 (lei)	Achieved H I vs Budget H I %
0	1	2	3	4	5=4/3*100
Chap. A. REPAIR AND REHABILITATION WORKS FOR NTS MAINTENANCE (lei)					
1.	Main pipelines repair and rehabilitation works	36.423.907,25	31.551.719,36	12.693.754,72	40,23%
2.	Metering regulating stations (MRS) repair works	-		-	-
3.	Technological nodes repair works	-		-	-
4.	Compressor stations repair works	-		-	-
5.	MRS and VCS special constructions repair works	-		-	-
6.	Cathodic protection systems (CPS) repair works	-		-	-
7.	Repair works to TC installations and equipment	-		-	-
8.	Building repair works	1.212.873,55	403.000,00	532.353,31	132,10%
TOTAL WORKS		**37.636.780,80**	**31.954.719,36**	**13.226.108,03**	**41,39%**

Table 20 - The completion of the Repair and Rehabilitation Work Programme for NTS Maintenance (PLRRM)-Half I 2026

The value of the Repair and Rehabilitation Work Programme for NTS Maintenance, approved for 2026 through the Revenue and Expense Budget, is **lei 37.636.780,80**. The value of the PLRRM for H I 2026 is **lei 31.954.719**, while the achievements recorded as of 30.06.2026 amount to **lei 13.226.108, representing a PLRRM completion rate for H1 2026 of 41,39%.**

On 30.06.2026 the works in the *Repair and Rehabilitation Works Programme for NTS Maintenance (PLRRM) 2026* were at different stages: 93,39% works in progress, 3,59% completed works, 2,97% works in the procurement phase and 0,06% works in the design phase.

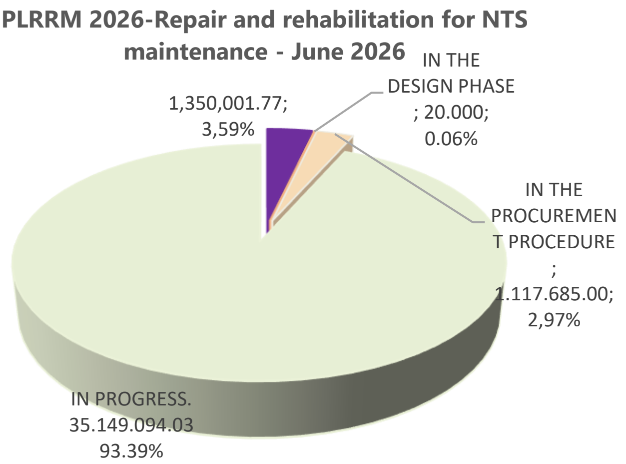


Chart 30 - PLRRM 2026 - Repair and rehabilitation works for NTS maintenance - June 2026

Main pipelines repair and rehabilitation works

Repair and rehabilitation works on main pipelines, amounting to lei 36.423.907,25 represent 96,78% of the allocated budget.

On 30.06.2026 these works were at various stages of completion, as follows: 95,39% in progress, 9,59% in the procurement phase, 4,27% in the design phase and 2,23% completed works.

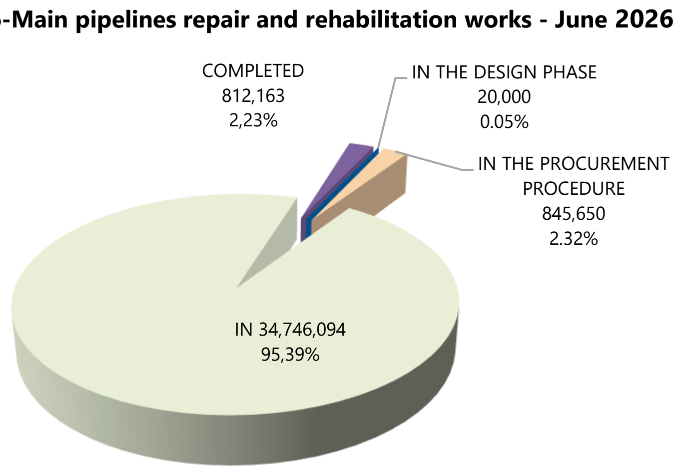


Chart 31 - PLRRM 2026 - Main pipelines repair and rehabilitation works - June 2026

Repair and rehabilitation works for NTS maintenance in progress at the end of Half I 2026:

- pipeline insulation repair works at fixed stations;
- repair/painting works for abovecrossings Brașov I Regional Office (Sighișoara Sector);
- repair/painting works for abovecrossings Cluj Regional Office (Sărmășel Satu Mare, Sucutard);

- repair/painting works for abovecrossings Brăila Regional Office (Albești TN and CD Dunăre Șendreni);
- preparation of DN500 Munteni - Bârlad pipeline for transformation into a piggable pipeline
- repair of DN 500 Mașloc-Caransebeș pipeline, following smart pig inspection;
- repair of DN500 Drăgășani - Căldăraru pipeline, following smart pig inspection;
- repair of DN800 Șendreni – Butimanu pipeline, following smart pig inspection.
- repair of DN800 Șendreni – Onești pipeline, following smart pig inspection;
- repair of DN1200 Isaccea - Negru Vodă, Transit 2, pipeline following smart pig inspection.

Repair and rehabilitation works for NTS maintenance in the procurement phase at the end of Half I 2026:

- repair/painting works at VCS Urziceni;
- securing DN500 Tigveni-Govora gas transmission pipeline, Piatra, Argeș county;
- preparation of DN400 Micfalău - Sfântu Gheorghe pipeline for transformation into a piggable pipeline;
- rehabilitation of the DN700 Bățani-Onești pipeline, Stage 1- preparation of pipeline for transformation into a piggable pipeline;
- rehabilitation of the DN700 Bucharest Ring gas transmission pipeline. Preparation of pipeline for transformation into a piggable pipeline, Linde Gaz-Moara Domnească section.

Repair and rehabilitation works for NTS maintenance in the design phase at the end of Half I 2026:

- preparation of the DN508 Sărmășel - Ceanu Mare Cluj I pipeline for transformation into a piggable pipeline - Stage I.

Repair and rehabilitation works for NTS maintenance completed at the end of Half I 2026:

- repair/painting works for abovecrossings Bacău II Regional Office (Onești Comănești);
- repair/painting works for abovecrossings Bucharest Regional Office (Sălcioara);
- repair/painting works for abovecrossings Arad II Regional Office (Marga Oțelul Roșu);
- repair/painting works for abovecrossings Constanta Regional Office;
- repair/painting works for abovecrossings Arad III Regional Office (Crivina);
- preparation of DN 700 Seleuș Cristur Bățani gas transmission pipeline for transformation into a piggable pipeline - phase 2B (jud. Harghita).

Buildings repair works

The buildings repair works amounting to lei 1.212.873,55 represents a percentage of 3,22% of the allocated budget. On 30.06.2026 these works were at various stages of completion, as follows: 44,34% completed works, 33,23% in progress and 22,43% in the procurement phase.

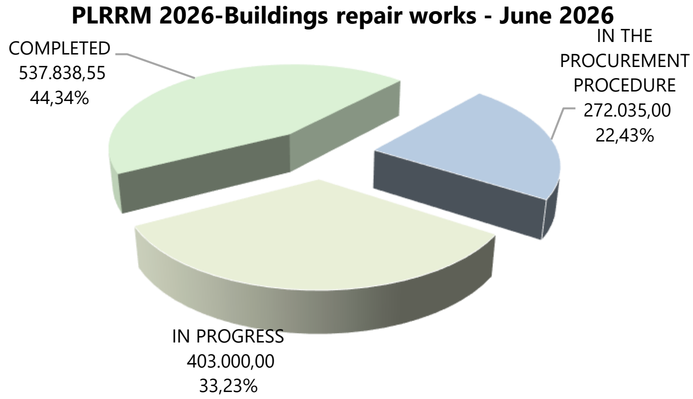


Chart 32 - PLRRM 2026- Building repair works- Half I 2026

Buildings repair works in progress at the end of Half I 2026:

- refurbishment works for platform, alleys, sidewalks and fencing at the Luduș sector headquarters;
- repair of MRS Pașcani II building.

Buildings repair works in the procurement phase at the end of Half I 2026:

- restoration of the parapet railing on the 4th floor terrace (S-E);
- waterproofing restoration worksPTAB 20/0,4 KV STC Podișor;
- demolition of the building within the premises of MRS CET Fântânele, Fântânele, Mureș county

Buildings repair works completed at the end of Half I 2026:

- repairs to the exterior terraces at the headquarters of TRANSGAZ, 1 C.I. Motaș Square Mediaș;
- works for obtaining the safety authorization Sector Pitești headquarters and Fir Pitești;
- demolition of the residential building/gatehouseCumpătu Sinaia.

Preventive works are the works preparing the pipelines for diagnosis, followed by targeted rehabilitation works designed on the basis of diagnosis to restore nominal gas transmission capacity.

Preparing pipelines for the cleaning and diagnostic equipment is achieved by replacing or reconsidering components that do not allow running of such equipment.

The technological activity of internal pipeline cleaning has also the aim of maintaining the pipeline at its original gas transmission capacity by periodically removing impurities (solid and liquid).

All these activities are oriented towards achieving maintenance, based on the principle of operational risk assessment.

As described above, an important category of the **repair works is that based on diagnosis**, resulting from the interpretation and evaluation of the reports obtained by analysing the information provided by running intelligent pigs, which resulted in spot or area repair projects carried out using welding or seamless technologies.

In accordance with the provisions of Article 12 of Law No. 346/3 December 2007 on measures to ensure the security of the natural gas supply, we note that, **between January 2026 –March 2026, no work was carried out in the NTS requiring the interruption of the natural gas supply for a period exceeding 12 hours.**

With regard to the efficiency and effectiveness of the process of carrying out the repair and rehabilitation works on main pipelines, the main external factors with a negative impact were as follows:

- late delivery of the materials (pipes and valves) needed to carry out the work in the current economic and political context;
- lack or expiry of the necessary permits; lack of landowner agreements.

In order to resolve the obstacles to the completion of repair and rehabilitation works, the following measures were adopted:

- documentation for obtaining permits/authorisations was re-drafted and submitted to the competent authorities;
- in some more difficult areas, in terms of obtaining agreements from landowners or at the request of local administrations, it was taken the decision to re-design the pipeline route and the technical solutions for construction;
- the priority works were achieved inhouse (Mediaș Subsidiary and regional offices).

4.4 The procurement activity

The **Annual Sectoral Procurement Plan** (PAAS) includes all contracts that the company is to award during a year, following the conduct of procurement procedures, direct procurement and framework agreements based on which subsequent contracts are awarded, in accordance with the provisions of Law 99/2016 on sectoral procurement, as amended.

The Annual Sectoral Procurement Plan for 2026 (PAAS 2026) had an assigned value of **lei 3.139.038.894,54,** approved by Board of Administration Resolution **1/15.01.2026**.

Following the amendments to PAAS 2026, which became necessary as a result of the revision of the implementation programmes that formed the basis for the REB, the total value of PAAS became **lei 3.316.653.476,61**.

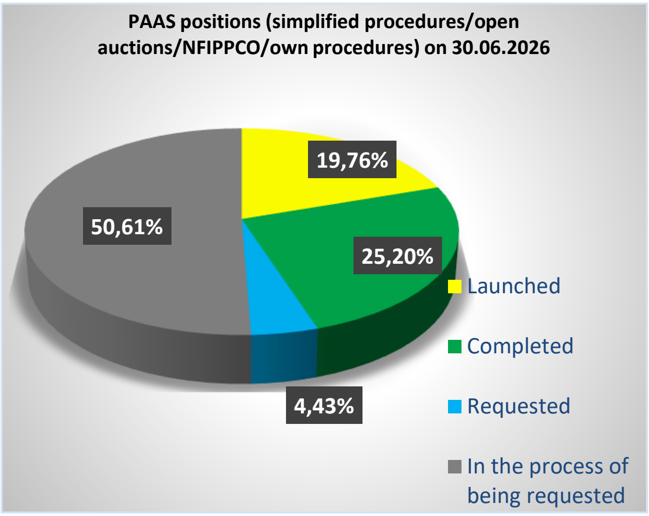
The status of the procurement procedures is illustrated in the table below.:

Procedure summary (physical-no. of positions)		
Total procedures as at 30.06.2026, of which:	**496**	% PAAS accomplished (procedures section)
- launched	98	19,76%
- completed	125	25,20%
- received by DASC and not launched	22	4,44%
- in the process of being requested	251	50,60%

The status of the actual implementation of procurement procedures is as follows:

SIMPLIFIED PROCEDURES/OPEN BIDS/ NFIPPCO/OWN PROCEDURES

DIRECT PROCUREMENTS



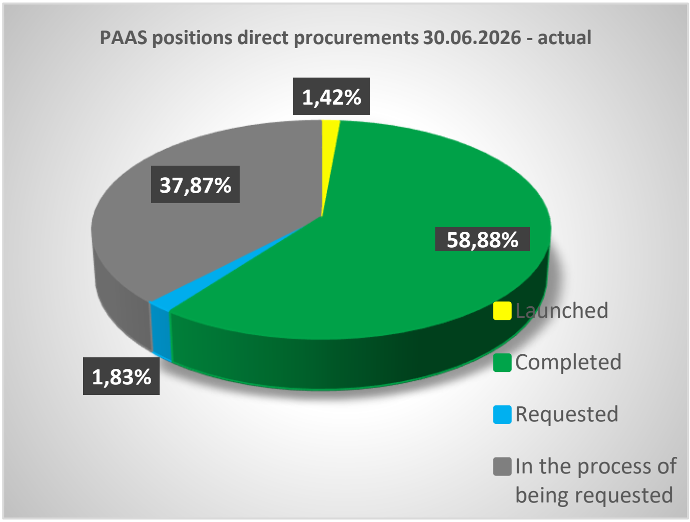


Chart 33 - Actual status of procurement procedures on 30 June 2026

4.5. The legal assistance and representation activity

The activity of legal assistance and representation of SNTGN Transgaz SA before the courts and other bodies with jurisdictional activity aimed mainly at:

- ensuring legal assistance before courts of all levels of jurisdiction and other bodies with jurisdictional activity;
- initiating legal actions, establishing claims, filing statement of defence, preparing answers to statements of defence, examinations, setting objectives of expertise and / or objecting to judicial expert reports approved by the court, administration of evidence, etc.
- promoting remedies at law;
- enforcement of the enforceable titles obtained;
- assistance and legal representation of Transgaz within the enforcement procedure (formulation of enforcement requests and any other steps specific to the enforcement procedure);
- preparation of various reports/evidence on the state of litigation to which the company is a party;
- participation in commissions set up to evaluate tenders submitted under the sectoral procurement procedures;
- participation in various working groups/committees in order to support normative acts promoted by various public institutions with an impact on Transgaz's activity.

According to case registry records in **01.01.2026 – 30.06.2026** there were a total of **60 new cases** in which SNTGN Transgaz SA was plaintiff and defendant as follows:

- **37 cases** as plaintiff;
- **23 cases** as defendant.

Chart 34 - Structure and number of cases in which the company was involved in Half I 2026

Final decisions served:

- **34** SNTGN Transgaz SA **favourable decision cases** ;
- **6** SNTGN Transgaz SA **unfavourable decision cases**.

4.6. International cooperation activity

In Half I 2026 the international cooperation activity was mainly focused on:

- cooperation with Natural Gas Transmission Operators from neighbouring countries (Bulgaria, Hungary, Ukraine, Moldova, Serbia) in order to jointly establish and operate cross-border interconnections;
- collaboration with European and neighbouring Transmission System Operators within the Trans-Balkan Corridor Project;
- cooperation with European and neighbouring Transmission System Operators within the Vertical Gas Corridor Project (Transgaz, DESFA Greece, ICGB, Bulgartransgaz Bulgaria, Vestmoldtransgaz, LLC Gas TSO of Ukraine, FGSZ Hungary, Eustream Slovacia, Gastrade);
- cooperation with national and international bodies, the European Commission and other institutional relations;
- working with Regional Gas Transmission Operators to develop new partnerships with relevance to the energy sector and conclude cooperation agreements or memoranda.

In order to expand its activity, **TRANSGAZ is considering the development of new partnerships with various international companies relevant to the energy sector** and, in this regard, is actively discussing the signing of cooperation agreements.

Over the years, SNTGN Transgaz SA has initiated contacts with natural gas transmission operators in the European Union and beyond, with the aim of developing partnerships for exchanging experiences and analysing the potential of bilateral cooperation for the promotion of possible joint projects (Gaz-System Poland, ICGB - the company implementing the Greece-Bulgaria Interconnection project, Botaș-Turkey, GasConnect Austria, CEGH Austria, FGSZ - Hungary, SOCAR - Azerbaijan, EGAS Egypt, Energy Community Secretariat (SEEGAS initiative), Greenpoint Renewables (USA), SIFAX (Nigeria), Plinacro (Croatia), Fluxys (Belgium), joining the SEEHyC initiative etc.

In Half I 2026, correspondence was exchanged with the neighbouring transmission system operators, the European Commission and the network users who concluded transmission contracts and contracts for balancing and access to the VTP with companies or who expressed interest in developing a cooperation relationship with Transgaz.

In Half I 2026, activities were carried out on an ongoing basis to monitor and identify new sources and opportunities for non-repayable funding, both at the national level and at the European Union level, for SNTGN Transgaz S.A. projects. The websites of the European

Commission, the management authorities, the Ministry of Energy, and the Ministry of Investments and European Projects were monitored daily to identify newly launched calls for projects and published beneficiary guidelines that would fall within SNTGN Transgaz S.A.'s field of activity and could represent funding opportunities..

4.7. Internal audit

According to the approved Audit Plan for 2026, by BoA Resolution 31/18.12.2025, in Half I four internal audit assignments were planned to be carried out and one assignment to be initiated.

The situation of the assignments as of 30.06.2026 is as follows:

Internal audit assignment	Planned assignment	Ad-hoc assignment	Performance period
Assessment of the permit issuing activity and establishing protection and safety zones	x		By Report DAI nr. 24477/23.03.2026 upfating the *Annual Internal Audit Plan* it was requested the extension of the assignment completion deadline until 29.05.2026, time required for field visits, an activity identified as to be carried out during the assignment. The draft Report is currently under review by the audited entity for the purpose of providing any comments.
Assessment of the activities carried out by the personnel employed of VESTMOLDTRANSGAZ in 2025, ncluding those with an impact on the revenue and expense budget		x	On 30.06.2026, the assignment is currently in the reporting phase (drafting the report).
Assessment of market operation, data processing and support activities	x		On 30.06.2026, the assignment is in the reporting phase (endorsement, approval by the deputy director-general and the director-general).
Assessment of the activity of the Pipeline Diagnostics Laboratory	x		On 30.06.2026, the Audit Report is endorsed by the deputy director-general and approved by the director-general.
Assessment of the activity of the Forest Fund Department	x		On 30.06.2026, the Audit Report is endorsed by the deputy director-general and approved by the director-general.
Assessment of the activity of the Gas Compression Division	x		On 30.06.2026, the assignment is in the on-site intervention phase.

The audit reports prepared following the verifications carried out and endorsed by the Director-General were sent to the Audit Committee within the Board of Administration.

A permanent concern of the internal audit structure is to monitor the implementation of the recommendations made in the audit reports and to increase the efficiency of their implementation, as well as compliance with the implementation deadlines set in the action plan.

4.8. Investor relations

SNTGN TRANSGAZ SA has a specialised organisational structure dedicated to managing capital market activities – the Investor Relations and Sustainability Unit, within which the Investor Relations Department operates. The activity of this structure is exclusively focused on ensuring efficient and transparent communication with the company's investors and shareholders. The personnel of the Investor Relations Department receive continuous professional training in areas specific to shareholder relations, corporate governance, management and customer relations, in order to ensure compliance with the highest standards of transparency and corporate responsibility.

Placing particular importance on the financial and non-financial reporting process, and considering informational transparency a key pillar of good corporate governance, SNTGN TRANSGAZ SA conducts its reporting activity in accordance with capital market regulations and the requirements of the Bucharest Stock Exchange and the Financial Supervisory Authority, while also ensuring compliance with the highest international standards in the field.

Transgaz's reporting is structured both on a periodic and ongoing basis. Periodic reports include the annual, semi-annual and quarterly financial statements, presenting economic results, operational performance, the evolution of financial indicators and development prospects. At the same time, the company submits current reports whenever significant events occur that may affect its activity, results or share price, ensuring prompt and fair communication with investor.

At the beginning of each year, Transgaz prepares the Financial Communication Calendar, a document establishing and publishing the publication dates of financial reports, the dates of the General Meetings of Shareholders, as well as the periods dedicated to meetings with financial analysts, placement consultants, brokers and institutional investors. This approach ensures predictability and equal access to information for all market participants.

In order to ensure transparent information for investors, SNTGN Transgaz SA carried out the following activities in Half I 2026:

- conference call organised with financial analysts and investors to present the preliminary financial results for 2025, on 5 March 2026;
- conference call organised with financial analysts and investors to present the interim financial results for the Quarter I 2026, on 4 June 2026;
- provision of responses to information requests received from financial analysts and investors.

All reports are prepared in accordance with the International Financial Reporting Standards (IFRS) and are published in the European Single Electronic Format (ESEF), which facilitates comparability and accessibility of data at European level.

In addition to financial reporting, Transgaz also publishes annually a sustainability report prepared in accordance with the European Sustainability Reporting Standards (ESRS), which includes information on the company's environmental performance, social aspects and corporate governance (ESG).

On its website (www.transgaz.ro), the company has created a dedicated Investor Relations section where essential information regarding the company's capital market activity is published in Romanian and English. This section also includes information on the convening notices and related documentation for the General Meetings of Shareholders, participation and voting procedures, current reports, financial statements, the financial calendar, corporate governance information, dividend distribution, the company's rating and transaction notifications.

All materials are permanently updated and are also available on the websites of the Bucharest Stock Exchange and the Financial Supervisory Authority, contributing to ensuring transparency and fair communication with investors and shareholders.

4.9. The tariff setting methodology

From 1 October 2025 the natural gas transmission tariffs approved by the Order 22/05.06.2025 of the ANRE President were applied. The approved regulated revenue for natural gas transmission for 1 October 2025 – 30 September 2026 is lei 2.301.699.490.

The adjusted regulated revenue and the transmission tariffs for the first year of the fifth regulatory period, 1 October 2025 - 30 September 2026 were substantiated and approved based on the provisions of the natural gas transmission service regulated tariff setting methodology approved by ANRE Order 7/12 March 2025.

4.10 Consolidated financial results (consolidated factorial analysis of the activity)

Indicators of consolidated economic and financial results (SNTGN Transgaz SA, Eurotransgaz SRL, Vestmoldtransgaz SRL, Petrostar SA)

Consolidated companies in Transgaz's Group:

		Shareholding (%)
SNTGN Transgaz SA	Parent company	
Eurotransgaz SRL	Company held by SNTGN Transgaz SA	100%
Vestmoldtransgaz SRL	Company held by Eurotransgaz SRL EBRD	75% 25%
Transport România Hidrogen SRL	Company held by SNTGN Transgaz SA	100%
Petrostar SA	Company held by SNTGN Transgaz SA Other shareholders	51% 49%

(thousand lei)

Indicator	Consolidated statements Half I 2026	Transgaz separate statements H I 2026	ETG, VMTG, Petrostar adjustments
0	**1=2+3**	**2**	**3**
Revenue from the domestic transmission activity	1.254.547	1.254.547	0
Revenue from the transmission activity the Republic of Moldova	167.649	0	167.649
Other revenue	110.623	106.088	4.535
Operating revenue before the balancing and construction activity according to IFRIC12	**1.532.819**	**1.360.636**	**172.184**
Depreciation	375.248	348.975	26.273
Employees costs	350.250	338.374	11.876
Technological consumption, materials and consumables used	64.689	64.581	107
Royalty expense	144.273	144.273	0
Maintenance and transport	74.818	35.799	39.019
Taxes and duties due to the state	73.260	72.734	525
Income / (Expenses) from provisions	-2.070	-5.699	3.629
Loss / (Gain) from impairment of receivables	10.539	10.539	0
Other operating expenses	72.149	65.537	6.612
Operating profit before the balancing and construction activity, according to IFRIC12	**369.666**	**285.522**	**84.144**
Revenue from the balancing activity	164.828	158.209	6.619
Cost of balancing gas	164.828	158.209	6.619
Revenue from the construction activity according to IFRIC12	104.264	104.264	0
Cost of constructed assets according to IFRIC12	104.264	104.264	0
Operating profit	**369.666**	**285.522**	**84.144**

Indicator	Consolidated statements Half I 2026	Transgaz separate statements H I 2026	ETG, VMTG, Petrostar adjustments
Interest income	127.530	121.557	5.973
Financial income	10.947	7.820	3.127
Financial costs	137.263	124.091	13.172
Net financial income	**1.215**	**5.286**	**-4.071**
Profit before tax	**370.880**	**290.808**	**80.072**
Income tax expense	67.222	56.615	10.607
Net profit related to the period	**303.658**	**234.193**	**69.465**
Attributable to owners of the parent	**285.002**	**223.094**	61.908
Attributable to non-controlling interests	**18.657**		22.930
Foreign currency translation differences	4.019		4.019
Actuarial gain/loss related to the period	12.265	12.265	0
Total comprehensive income related to the period	**319.943**	**246.458**	**73.485**

Table 21 - Indicators of consolidated economic and financial results for Half I

Consolidated achievements Half I 2026 compared to consolidated achievements Half I 2025

The main consolidated economic and financial indicators achieved as at 30 June 2026 as compared to the same period of 2025 are presented in the table below:

(thousand lei)

No.	Indicator	Achieved Half I 2026	Achieved Half I 2025	Change (%)
0	**1**	**2**	**3**	**4=2/3x100**
1.	Operating revenue before the balancing and construction activity, according to IFRIC12	1.532.819	1.573.478	97%
2.	Revenue from the balancing activity	164.828	233.935	70%
3.	Revenue from the construction activity according to IFRIC12	104.264	451.112	23%
4.	Financial income	138.477	134.194	103%
5.	Operating expenses before the balancing and construction activity, according to IFRIC12	1.163.154	1.017.609	114%
6.	Balancing activity costs	164.828	233.935	70%
7.	Cost of constructed assets according to IFRIC12	104.264	451.112	23%
8.	Financial costs	137.263	84.167	163%
9.	**GROSS PROFIT,** of which:	**370.880**	**605.896**	**61%**
	• from operation	369.666	555.869	67%
	• from the financial activity	1.215	50.027	2%
10.	**Income tax**	**67.222**	**86.927**	**77%**

No.	Indicator	Achieved Half I 2026	Achieved Half I 2025	Change (%)
0	1	2	3	4=2/3x100
11.	**NET PROFIT**	**303.658**	**518.969**	**59%**
12.	**Foreign currency translation differences**	**4.019**	**454**	**885%**
13.	**Actuarial gain/loss for the period**	**12.265**	**1.816**	**675%**
14.	**Total comprehensive income for the period**	**319.943**	**521.239**	**61%**

Table 22 - Consolidated financial results in Half I 2026 compared to Half I 2025

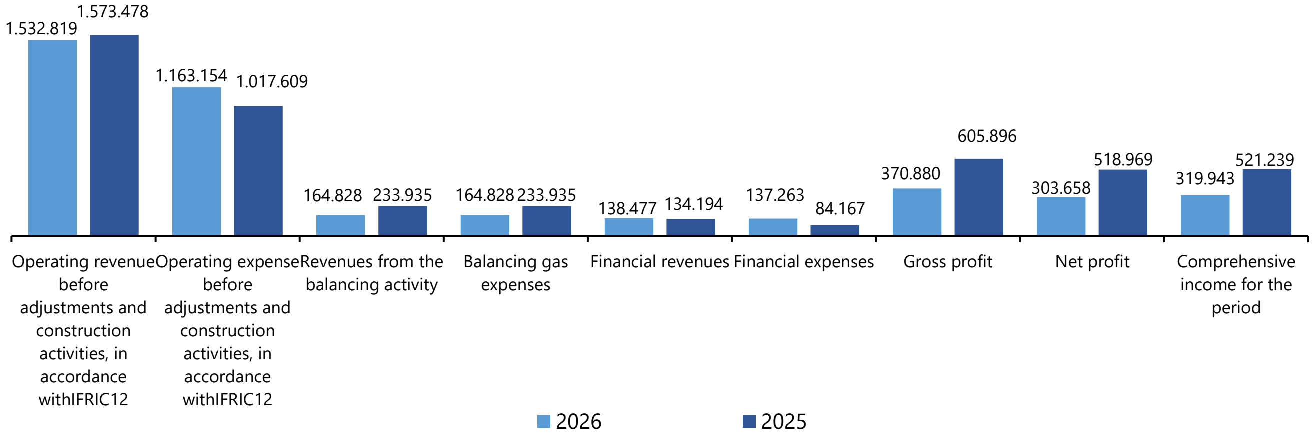


Chart 35 - Consolidated financial results in Half I 2026 compared to Half I 2025 (thousand lei)

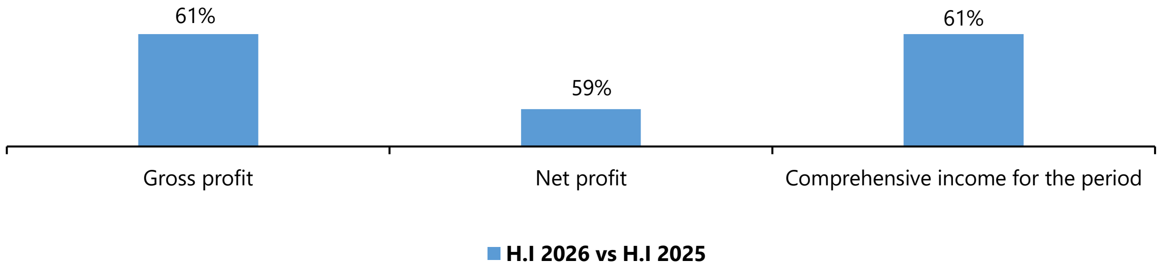


Chart 36 - Consolidated financial results in H I 2026 compared to H I 2025 (%)

As at 30 June 2026, the operating revenues of the subsidiaries in the Republic of Moldova recorded an increase by **113%** compared to the revenue achieved at 30 June 2025, particularly by Lei 19.103 thousand.

Revenue was mainly influenced by revenue from the natural gas transmission activity achieved by Vestmoldtransgaz from the provision of the natural gas transmission service, amounting to lei 167.649 thousand.

The operating expenses increased by 121% compared to 30 June 2025, being higher lei 14.054 thousand, the financial income increased by lei 9.990 thousand, this leading to an increase of the gross profit by lei 15.039 thousand.

4.11. Individual financial results (factorial analysis of the individual activity)

Achievements H I 2025 compared to achievements H I 2024

The statement of the financial results for H I 2026 as compared to those for H I of 2025 is shown in the table below:

(thousand lei)

Indicator	Achieved H I 2026	Achieved H I 2025	Change
0	1	2	3=1/2x100
Operating revenue before the balancing and construction activity, according to IFRIC12	1.360.636	1.421.802	96%
Revenue from the balancing activity	158.209	231.869	68%
Revenue from the construction activity according to IFRIC12	104.264	451.112	23%
Financial income	129.377	130.729	99%
Operating expenses before the balancing and construction activity, according to IFRIC12	1.075.113	948.720	113%
Balancing gas costs	158.209	231.869	68%
Cost of constructed assets according to IFRIC12	104.264	451.112	23%
Financial costs	124.091	66.656	186%
Total GROSS PROFIT, of which:	**290.808**	**537.156**	**54%**
• from operation	285.522	473.082	60%
• from the financial activity	5.286	64.073	8%
Income tax	56.615	77.275	73%
NET PROFITUL	**234.193**	**459.880**	**51%**
Other elements of the comprehensive income	12.265	1.816	675%
Total comprehensive income for the period	**246.458**	**461.696**	**53%**

Table 23 - Separate Financial Results for the First Half of 2026 Compared to the First Half of 2025

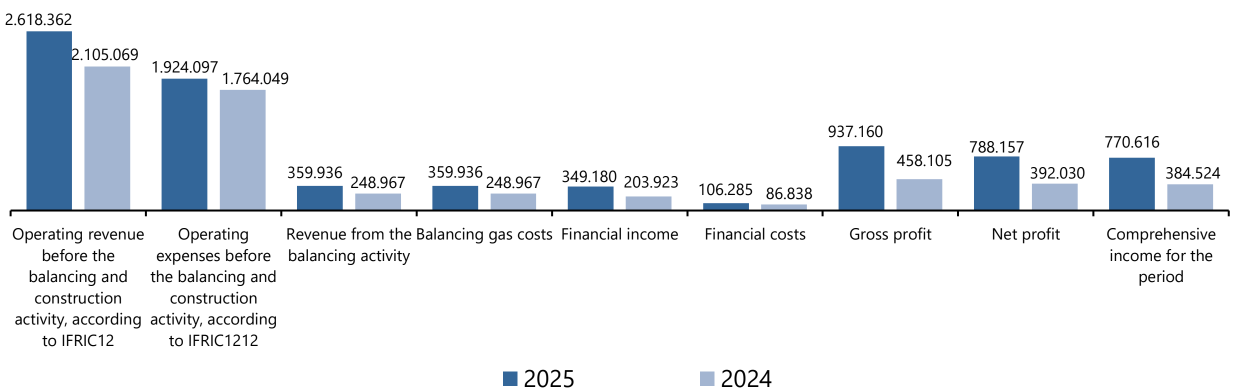


Chart 37 - Individual financial results H I 2026 compared to H I 2025 (thousand lei)

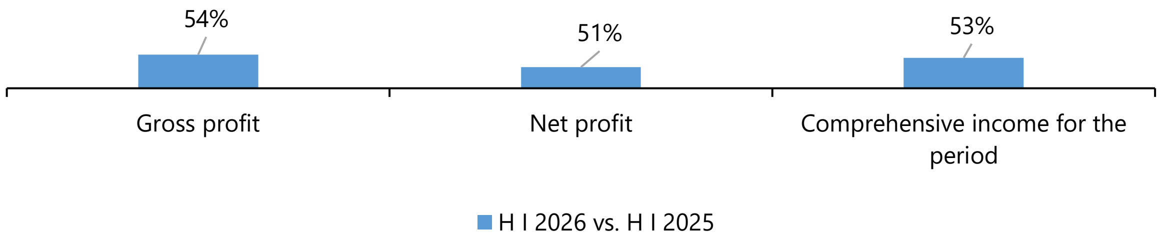


Chart 38 – Individual financial results H I 2026 compared to H I 2025 (%)

Operating revenue before the balancing and construction activity, according to IFRIC12 decreased by **4%** compared to the one achieved at 30 June 2025, which is lower by lei 61.167 thousand.

The revenue was influenced mainly by the following factors:

- *revenue from capacity booking* lower by ***lei 91.160 thousand*** due to:
    - *average capacity booking tariff* lower by lei 0,472 lei/MWh, determined by the structure of the booked capacity products compared to H I 2025, with a negative influence of Lei 89.625 thousand;
    - *booked capacity* higher by 4.970.205 MWh, (increase by 3%) with a positive influence of lei 28.358 thousand;
    - *capacity overrun revenue* lower by lei 5.286 thousand. Capacity overrun revenue at 30 June 2025 amounted to lei 104.491 thousand, and at 30 June 2026 to lei 99.205 thousand;
    - *revenue from the auction premium* lower by lei 770 thousand following the capacity booking auctions performed according to the CAM-NC by interconnection points; revenue from the auction premium at 30 June 2025 amounted to lei 34.703 thousand, and at 30 June 2026 to lei 10.097 thousand.
- *commodity revenue* higher by ***lei 2.132 thousand*** due to:
    - *the gas transmitted capacities* higher by 6.793.087 MWh as compared to H I 2025, (increase by 9%) with a positive influence of lei 13.111 thousand, detailed by categories of consumers as follows:

		H I 2026	H I 2025	Differences
Quantity transmitted for direct consumers	MWh	40.935.345	35.243.848	5.691.497
	thousand m^3	3.745.771	3.214.197	531.574
Quantity transmitted for distribution	MWh	43.514.740	42.413.150	1.101.590
	thousand m^3	4.057.589	3.966.819	90.770
Total	MWh	84.450.085	77.656.998	6.793.087
	thousand m^3	7.803.360	7.181.016	622.344

    - *commodity transmission tariff* lower by 0,13 lei/MWh, with a negative influence of Lei 10.979 thousand;
- *other operating revenue* higher by **lei 27.861 thousand.**

The revenue from the balancing activity was lower by **lei 73.660 thousand** based on the following factors:

- trading price lower by lei 25,07 /MWh, with a negative influence of lei 17.751 thousand;
- quantity lower by 224.955 MWh with a negative influence of lei 55.909 thousand.

The revenue from the construction activity lower by **lei 346.848 thousand**, recorded 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 recorded, must be acknowledged in line with IAS 11, Construction Contracts.

The financial income decreased by **lei 1.352 thousand**, primarily attributable to the recognition of the regulated asset value adjustment with the inflation rate approved by ANRE for the update of the regulated asset base, effective from 1 October 2025 at 3,01% per year, resulting in a 1.5% adjustment for the first half of 2026, compared with the inflation-based adjustment recorded as at 30 June 2025, at 3.08% (a decrease of 32.7 million lei) and an increase of 28.5 million lei in revenue related to the revaluation of long-term receivables due to the completion and commissioning of investment projects in H1 2026.

Operating expenses before the balancing and construction activity according to IFRIC12 increased by **113%** as compared to 30 June 2025, which is higher by **lei 126.394 thousand**.

The company made savings of lei 23.449 thousand to the following cost elements:

- transmission system gas consumption of lei 3.159 thousand due to:
  - the quantity of natural gas for NTS gas consumption lower by 86.368 MWh as compared to 30 June 2025 with a positive influence of lei 12.557 thousand;
  - the average purchase price achieved higher by lei 49,50/MWh as compared to the one achieved at 30 June 2025 with a negative influence of lei 9.398 thousand;
- royalty expense: Lei 10.238 thousand;
- other operating expenses: lei 10.052 thousand.

Increases of lei 149.843 thousand were recorded in the following cost categories:

- employee cost: lei 1.233 thousand;
- depreciation expense: lei 102.657 thousand based on the completion and commissioning of investments projects;
- provision expense: lei 15.025 thousand;
- Maintenance and transport expense: Lei 9.600 thousand;
- loss/gain on impairment of receivables: lei 3.912 thousand;
- auxiliary material expense: Lei 5.960 thousand;
- cost of taxes and duties: lei 11.456 thousand.

The financial cost is higher by **lei 57.435 thousand**, mainly due to non-capitalized bank interest expenses related to loans used to finance investment projects after commissioning and due to unfavorable exchange rate fluctuations.

Compared to the results as at 30 June 2025, gross profit as at 30 June 2026 decreased by Lei 246.348 thousand and the net profit decreased by Lei 225.687 thousand.

Achievements H I 2026 compared to REB H I 2026

The main economic and financial indicators achieved in H I 2026, compared to the revenue and expense budget approved by OGMS Resolution no. 2 of 26 May 2026:

(thousand lei)

Indicator	REB H I 2026	Achieved H I 2026	%
0	1	2	3=2/1x100
Operating revenue before the balancing and construction activity, according to IFRIC12	1.400.199	1.360.636	97%
Revenue from the balancing activity	214.915	158.209	74%
Revenue from the construction activity, according to IFRIC12	621.456	104.264	17%
Financial income	206.491	129.377	63%
Operating expenses before the balancing and construction activity, according to IFRIC12	1.248.237	1.075.113	86%
Balancing gas costs	214.915	158.209	74%
Cost of constructed assets according to IFRIC12	621.456	104.264	17%
Financial costs	108.407	124.091	114%
Total GROSS PROFIT, of which:	**250.046**	**290.808**	**116%**
• from operation	151.962	285.522	188%
• from the financial activity	98.084	5.286	5%
Income tax	**38.231**	**56.615**	**148%**
NET PROFIT	**211.816**	**234.193**	**111%**

Table 24 - Individual financial results in H I 2026 compared to the Budget for H I 2026

Operating revenue before the balancing and construction activity according to IFRIC12 decreased by **lei 39.564 thousand** as compared to the REB.

The revenue was influenced by the following:

- Gas transmission services decreased by **lei 10.728 thousand** because of:
  - *average capacity booking tariff, determined by the structure of the booked products* lower by lei 0,407 /MWh, with a negative influence of **lei 80.769 thousand**;
  - *booked capacity* higher by 3.902.454 MWh (2% increase), with a positive influence of **lei 21.146 thousand**;
  - *revenues from capacity overruns* higher by **lei 46.622 thousand**. The value of revenues from capacity overruns recorded on June 30, 2026 is lei 99.205 thousand and the budgeted value is lei 52.583 thousand;
  - *revenues from the auction premium* higher by **lei 2.160 thousand**, as a result of the capacity booking auctions conducted according to CAM-NC at the interconnection points; the revenues from the auction premium recorded on June 30, 2026 were Lei 10.097 thousand and the budgeted ones were Lei 7.937 thousand.
  - *the quantity of transmitted gas* higher than planned by 62.704 MWh, with a positive influence of **lei 113 thousand**;
- Other operating revenue decreased by **lei 28.835 thousand** as compared to the REB; the financial statements of Transgaz do not present the value of revenue from the production of tangible assets or the amount of the relevant expenses according to Order 2.844/2016 on the approval of the Accounting Regulations in accordance with International Financial

Reporting Standards applicable to companies whose securities are admitted to trading on a regulated market.

Revenue from the balancing activity decreased by **lei 56.706 thousand** based on the following:

- trading price lower by lei 14,17 /MWh, with a negative influence of lei 10.033 thousand;
- amount lower by 196.406 MWh with a negative influence of lei 46.673.

Financial income decreased by **lei 77.114 thousand** compared to the level provided for in the REB mainly due to lower revenues from the revaluation of regulated assets (-45 million lei) and dividend income from subsidiaries in the Republic of Moldova (39 million lei) which in the REB were estimated to be recorded in the first half of 2026, dividends not distributed by Vestmoldtransgaz as of 30 June 2026.

Operating expenses before the balancing and construction activity according to IFRIC12 decreased by **lei 173.123 thousand** as compared to the REB.

Savings amounting to lei 196.547 thousand were recorded mainly the following cost elements:

- employee costs: lei 44.642 thousand;
- transmission system gas consumption: lei 34.747 thousand;
- auxiliary materials and other material costs: lei 31.649 thousand;
- cost of maintenance and transport: lei 37.877 thousand;
- NTS concession royalty expense: lei 1.234 thousand;
- other operating expenses: lei 31.998 thousand;
- depreciation expenses: lei 14.400 thousand.

Increases of lei 23.424 thousand were recorded in relation with the following expense items:

- loss/gain from depreciation of current assets: lei 10.539 thousand.
- expenses with taxes and duties: lei 7.922 thousand;
- expenses with the provision for risks and expenses: lei 4.963 thousand;

The financial cost is higher by **lei 15.684 thousand** as compared to the REB , mainly due to higher-than-budgeted foreign exchange losses.

***The gross profit* increased by lei 40.762 thousand as compared to the REB, which is higher by 116%, and the net profit is lei 22.377 thousand higher than the one under the REB, which is higher by 111%.**

	Achieved H I 2026 compared to Achieved H I 2025	Achieved H I 2026 compared to REB H I 2026
Operating revenue before the balancing and construction activity, according to IFRIC12	96%	97%
Operating expenses before the balancing and construction activity, according to IFRIC12	113%	86%
Gross result	54%	116%
Income tax	73%	148%
Net profit	51%	111%

Table 25 - 12 months 2026 achievements compared to 12 months 2025 achievements and 12 months 2026 achievements compared to REB (%)

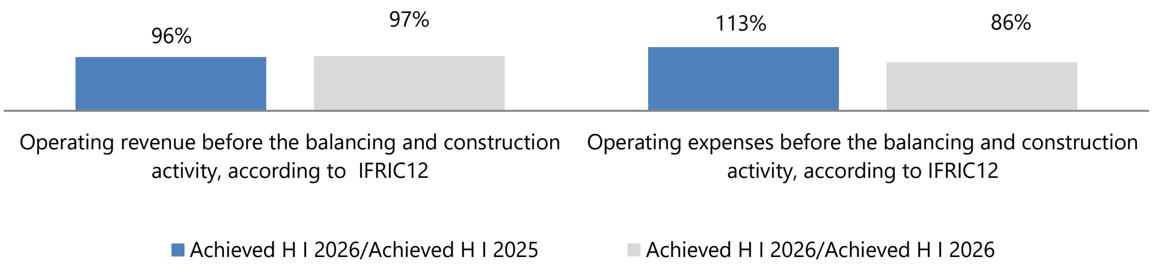


Chart 39 - Individual achievements 12 months 2026 compared to separate achievements 12 months 2025 and Individual Achievements 12 months 2026 compared to REB 12 months 2026

Achievements H I 2026 compared to the Management Plan 2025-2029, updated 2026

The financial performance indicators for the period 2025-2029 were approved by OGMS Resolution no. 8/2025. By the Resolution of the Ordinary General Meeting of Shareholders no. **HAGOA no.2/26 May 2026**, **the revision of key financial performance indicators** under the Management Plan of SNTGN Transgaz SA for the period 2025 – 2029, approved by OGMS Resolution no. 8 of 19 November 2025, art.1, which is an annex to the mandate contracts of the members of the Board of Adminstration, the Director General and the Chief Financial Officer, **was approved**. This revision was **previously approved by the Agency for Monitoring and Evaluation of Performance of Public Enterprises (AMEPIP) under Letter no. 6209/15.04.2026.**

By **AMEPIP Letter no. 9041/30 June 2026, the assent no. 555/30.06.2026 was received** according regarding the financial and non-financial key performance indicators resulting from the 2026-2029 Management Plan.

The level of the achieved financial performance indicators compared to those set out in the Management Plan is presented in the table below:

No.	Performance criteria	2026		Percentage
		Management Plan 2025-2029 updated 2026	Achieved H1 2026	
1.	Capital expenditure ratio	5,36%	1,25%	23%
2.	Current ratio	1,10	1,18	107%
3.	Debt/EBITDA ratio	6,81	9,14	74%
4.	Asset turnover ratio	23,22%	12,50%	54%
5.	Return on assets	2,70%	2,07%	76%
6.	Net profit margin	12,37%	16,53%	134%
7.	Dividend payout ratio	50%	x	x

**)EBITDA calculated according to the 2025-2029 Management Plan (EBITDA = Net Profit + Interest Expenses + Tax Expenses + Impairment Expenses + Depreciation Expenses)*
The values listed in the column "Management Plan 2025–2029, updated 2026" are annual figures.

Table 26 – Achievements 2026 compared to the Management Plan 2026, according to the 2025-2029 Management Plan

5. CONSOLIDATED ECONOMIC AND FINANCIAL STATEMENT

5.1 Consolidated financial position

According to Article 1 of Order 881/25 June 2012 of the Ministry of Public Finance on the application of the International Financial Reporting Standards by companies having securities admitted to trading on a regulated market, starting with financial year 2012, the companies having securities admitted to trading on a regulated market are obliged to apply the International Financial Reporting Standards (IFRS) upon preparation of the annual financial statements.

The statement of the consolidated financial position as at 30.06.2026 as compared to 31.12.2025 is as follows:

Indicator	30.06.2026 (thousand lei)	31.12.2025 (thousand lei)	Change (%)
0	1	2	3=1/2
Tangible assets	669.276	686.480	97%
Right-of-use assets	106.316	119.761	89%
Intangible assets	4.833.599	5.957.234	81%
Goodwill	10.252	10.166	101%
Trade and other receivables	4.076.719	3.033.954	134%
Long-term financial investments	45.904	30.960	148%
Deferred tax	67.085	71.315	94%
Restricted cash	1.975	2.212	89%
Non-current assets	**9.811.126**	**9.912.083**	**99%**
Inventories	650.401	496.444	131%
Trade and other receivables	196.487	386.007	51%
Income tax receivables	7.360	0	
Other receivables	112.775	110.080	102%
Short-term financial investments	194.842	143.279	136%
Cash and cash equivalents	979.762	839.493	117%
Current assets –TOTAL	**2.141.627**	**1.975.303**	**108%**
TOTAL ASSETS	**11.952.753**	**11.887.386**	**101%**
Current liabilities	1.709.399	1.526.605	112%
Non-current liabilities	5.262.568	5.298.684	99%
Total liabilities	**6.971.966**	**6.825.290**	**102%**
Equity attributable to owners of the parent	**4.980.787**	**5.062.097**	**98%**
Non-controlling interests	**162.495**	**142.493**	**114%**
Equity	**4.818.291**	**4.919.603**	**98%**
Share capital	1.883.815	1.883.815	100%
Adjustments to share capital for hyperinflation	441.418	441.418	100%
Share premium	247.479	247.479	100%

Indicator	30.06.2026 (thousand lei)	31.12.2025 (thousand lei)	Change (%)
0	1	2	3=1/2
Other reserves	1.265.797	1.265.797	100%
Retained earnings	968.454	1.071.368	90%
Foreign currency translation differences from consolidation	11.328	9.726	116%
Total equity and liabilities	**11.952.753**	**11.887.386**	**101%**

Table 27 - Statement of consolidated financial position in H I 2026 compared to 2025

Tangible assets

Tangible assets include auxiliary buildings of operating assets, office buildings, land, assets used for the transit activity, as well as objectives related to the national transmission system taken over free of charge.

***Tangible assets* decreased by lei 17.204 thousand** as compared to the value as at 31.12.2025, mainly due to the fact that the tangible assets entries were exceeded by the depreciation cost for tangible assets.

Rights of use assets

As at 1 January 2019 the company applies IFRS 16 for lease contracts complying with the recognition criteria and recognized as intangible asset right of use related to the lease contracts.

The rights of use of leased assets decreased by lei 13.445 thousand as compared to 31 December 2025 due to the fact that the initial value of the leased assets contracts was lower compared to the depreciation expense.

Intangible assets

IT Programs

The purchased licenses related to the rights to use the IT programmes are capitalized on based on the costs incurred with the procurement and commissioning of the respective IT programmes. Such costs are depreciated over their estimated useful life (three years). Costs related to the development or maintenance of the IT programmes are recognized as costs during the period when they are recorded.

Service concession agreement

From 2010, in accordance with the EU approval process, the parent company started to apply IFRIC 12, ***Service Concession Arrangements***, adopted by the EU.

The scope of IFRIC 12 includes: the existing infrastructure at the time of signing the concession agreement and, also, modernization and improvement brought to the gas transmission system, which are transferred to the regulatory authority at the end of the concession agreement.

The parent company is entitled to charge the users of the public service and, consequently, an intangible asset was recognized for this right. As they occur, costs of replacements are recorded as expense, while the improvements of assets used within SCA are recognized at fair value. Intangible assets are amortized at zero value during the remaining period of the concession agreement.

Intangible assets decreased by lei 1.123.635 thousand as compared with the value as at 31.12.2025. This decrease is primarily due to the recognition of investments made under the split-model approach, namely: the intangible asset represents the excess of costs incurred in relation with the financial asset; for investments made up to the balance sheet date, the Company has recognised a discounted receivable relating to the regulated asset base remaining undepreciated at the end of the concession agreement (2032) and an intangible asset for the difference in value.

Financial assets

Trade and other receivables/Non-current assets

The receivables regarding the right to collect the regulated value remaining unamortized at the end of the concession agreement on 31 December 2025 increased by the amount of lei 1.042.765 thousand. The receivables are recorded according to Law 127/2014 of 5 October 2014, which states that in case of termination of the concession agreement for any reason, or upon termination, the investment of the national transmission system operator shall be transferred to the owner of the national transmission system or another concession provider on payment of a compensation equal to the regulated value remaining not amortized, established by ANRE.

The increase of lei 1.042.765 thousand compared to the value at 31 December 2025 is mainly due to the updating of the receivables with the changes recorded in the regulated asset base and the adjustment of the regulated value of the assets with the inflation rate starting with 2019, as per ANRE Order 41/2019. Non-current assets recognised in the regulated asset base in a gas year are discounted with the rate of inflation from the following gas year.

Inventories

As at 30 June 2026 inventories increased by lei 153.957 thousand compared to the value as at 31 December 2025, due to the decreasing by lei 21.105 thousand of the value of natural gas procured for the balancing activity, the increasing by lei 29.439 thousand of the stored gas procured to cover technological consumption, the increasing by lei 39.795 thousand of the materials held in custody by third parties, the increasing by lei 110.111 thousand of the raw materials and supplies inventory, and the increasing by lei 4.283 thousand of the in the allowance for inventory impairment.

Trade receivables

As at 30 June 2026 the balance of the trade receivables **decreased by lei 189.520 thousand** as compared to 31 December 2025, mainly due to the following factors:

- decrease in trade receivables balance by lei 192.414 thousand, mainly driven by the collection of receivables arising from domestic transmission and balancing activities;

- decrease in allowances for impairment of trade and other receivables by lei 2.894 thousand;

Other receivables

As at 30 June 2026 trade and other receivables balance **increased by lei 2.696 thousand** compared to 31 December 2025, mainly due to the following:

- decrease in other receivables and receivables to the state budget by lei 4.669 thousand;
- increase in the balance of subsidy-type non-reimbursable loans by lei 6.902 thousand.
- decrease in allowances for impairment of trade and other receivables by lei 463 thousand;

Cash at hand and in bank

As at 30 June 2026 the company's cash increased by lei 140.269 thousand as compared to the end of 2025. Cash in bank accounts in lei increased by lei 98.590 thousand and cash in bank accounts in foreign currency increased by lei 41.652 thousand.

Other cash and cash equivalents increased by lei 27 thousand compared to 2025.

Liabilities due within one year

The following changes were recorded in the composition of current liabilities compared to 31 December 2025:

- decrease of balance of trade payables by lei 115.203 thousand;
- increase in the balance of other liabilities by lei 379.986 thousand;
- decrease in contract liabilities by lei 52.647 thousand;
- decrease in provisions by lei 15.582 thousand;
- increase in the provision for employee benefits by lei 1.281thousand;
- increase in short-term deferred income by lei 2.130 thousand;
- increase in short-term borrowings by lei 66.223 thousand.
- increase in current liabilities related to the lease liabilities of right-of-use assets by lei 10.410 thousand;

Non-current liabilities

The evolution of the non-current liabilities is due to the following aspects:

- increase in long-term borrowings by lei 16.036 thousand;
- increase in the employee benefit provision by lei 5.073 thousand;
- decrease in the deferred income and subsidies by lei 39.129 thousand;
- decrease in non-current liabilities related to the lease liabilities of right-of-use assets by lei 18.096 thousand.

Equity

Subscribed and paid-in capital remained unchanged. Retained earnings decreased by lei 102.914 thousand due to the recognition of the profit allocation for 2025 and the recording of the profit for 2026.

5.2 Consolidated comprehensive income

The situation of the profit and loss account – consolidated statement – H I 2026 compared to H I 2025:

-thousand lei-

Specification	Achieved (thousand lei)		Dynamics (%)
	30.06.2026	30.06.2025	
1	2	3	4=2/3*100
TOTAL revenue of which:	**1.940.389**	**2.392.718**	**81%**
Operating revenue before the construction activity, according to IFRIC12 and balancing	1.532.819	1.573.478	97%
Revenue from the balancing activity	164.828	233.935	70%
Revenue from the construction activity according to IFRIC12	104.264	451.112	23%
Financial income	138.477	134.194	103%
TOTAL expenses, of which:	**1.569.509**	**1.786.823**	**88%**
Operating expenses before the construction activity, according to IFRIC12, and balancing	1.163.154	1.017.609	114%
Expenses from balancing activities	164.828	233.935	70%
Cost of constructed assets according to IFRIC12	104.264	451.112	23%
Financial expenses	137.263	84.167	163%
GROSS PROFIT, of which:	**370.880**	**605.896**	**61%**
Operating result	369.666	555.869	67%
Financial result	1.215	50.027	2%
INCOME TAX	**67.222**	**86.927**	**77%**
NET PROFIT	**303.658**	**518.969**	**59%**
Attributable to owners of the parent	285.002	503.574	57%
Attributable to the non-controlling interests	18.656	15.394	121%
Number of shares	188.381.504	188.381.504	100%
Other comprehensive income items			
Basic and diluted earnings per share (in lei per share)	1,61	2,76	58%
Actuarial (gain)/loss for the period	12.265	1.816	675%
Foreign currency translation differences	4.019	454	885%
Total comprehensive income for the period	**319.943**	**521.239**	**61%**
Attributable to owners of the parent	299.941	505.490	59%
Attributable to the non-controlling interests	20.002	15.749	127%

Table 28 - Consolidated profit and loss account in H I 2026 compared to H I 2025

5.3 Consolidated cash flow statement

The consolidated cash flow statement on 30 June 2026 is as follows:

Indicator	Financial year ended 30 June (thousand lei)	
	2026	**2025**
Profit before tax	**370.880**	**605.896**
Adjustments for:		
Depreciation	375.248	272.238
Gain/(loss) on disposal of non-current assets	-174	96
Other provisions	-2.070	-15.851
Income from connection fees, non-reimbursable grants, and assets received free of charge	-80.522	-52.672
Adjustment of receivable under the Concession Agreement	-50.361	-83.062
Loss on receivables and other debtors	13.963	41
Loss/(gain) from inventory impairment	4.265	10.529
Allowances for impairment of receivables	-3.424	6.626
Provisions for employee benefits	6.536	1.919
Effect of discounting provisions for employee benefits	11.736	11.156
Interest income	-77.169	-44.198
Interest expense	84.697	54.179
Effect of exchange rate fluctuations on items other than operating items	28.798	29.113
Gains from bargain acquisitions	0	-2.669
Other income/expenses	0	-414
Operating profit before changes in working capital	682.402	793.711
Increase/(decrease) in trade and other receivables	167.822	81.966
Increase/(decrease) in inventories	-158.202	21.556
Increase/(decrease) in trade and other payables	-117.983	-113.284
Cash generated from operations	**574.040**	**783.949**
Income tax paid	-78.732	-86.372
Net cash generated from operating activities	**495.307**	**697.576**
Cash flows from investing activities		
Acquisition of intangible assets	-152.106	-720.310
Acquisition of tangible assets	-18.460	-5.544
Proceeds from disposal of tangible assets	181	0
Interest received	15.097	8.421
Payments for financial investments	-63.933	-108.066
Net cash used in investing activities	**-219.223**	**-825.499**
Cash flows from financing activities		
Repayment of long-term loans	-74.953	-74.132
Drawings of short-term loans for working capital	-34.053	-26.117
Drawings of long-term loans	0	0
Payment of lease liabilities principal	-22.118	-19.281
Cash from connection fees and non-reimbursable grants	102.135	1.827
Interest paid	-106.663	-80.854
Dividends paid	-165	-216
Net cash used in financing activities	**-135.816**	**-198.773**
Net increase/(decrease) in cash and cash equivalents	**140.268**	**-326.696**
Cash and cash equivalents at the beginning of the year	**839.493**	**1.064.299**
Cash and cash equivalents at the end of the period	**979.762**	**737.603**

Table 29 - Consolidated cash flow statements H I 2026 compared to H I 2025

The analysis of the cashflow in H I 2026 shows an **increase of liquid assets by lei 242.159 thousand** as compared to H I 2025.

The changes to the structure of the cash flow are:

- cash flow from operation is lei 495.307 thousand, lower by lei 202.269 thousand than in 2025;
- cash flow from the investment activity is lei -219.223 thousand, higher by lei 606.277 thousand than in 2025;
- cash flow used in the financing activity is lei -135.816 thousand, higher by lei 62.957 thousand than in 2025.

5.4 Evaluation of the activity related to the financial risk management

Financial risk factors

By the nature of the activities performed, the company is exposed to various risks, which include: market risk (including currency risk, interest rate risk on fair value, interest rate risk on cash flow and price risk), credit risk and liquidity risk.

Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.
The Company does not use derivative financial instruments to protect itself from certain risk exposures.

Market risk

Currency risk
The Group is exposed to currency risk by exposures to various foreign currencies, especially to EUR. Currency risk is associated to assets and recognized liabilities.
The Group does not perform formal actions to minimize the currency risk related to its operations; so the Group does not apply hedge accounting.
To cover the currency risk associated with trade receivables and payables, the company concludes all sales and purchase contracts in the national currency, RON.

30 June 2026	**EUR**	**GBP**	**USD**	**MDL**	**RON**	**Total**
	(RON)	**(RON)**	**(RON)**	**(RON)**	**(RON)**	**(RON)**
Financial assets						
Cash and cash equivalents (including restricted cash)	44.339.051	509	1.587.088	46.239.742	889.570.294	981.736.684
Short-term financial investments	2.621.398	-	19.040.473	173.179.842	-	194.841.713
Long-term financial investments	14.679.828	-	-	31.224.000	-	45.903.828

30 June 2026	EUR (RON)	GBP (RON)	USD (RON)	MDL (RON)	RON (RON)	Total (RON)
Receivable relating to the remaining undepreciated regulated value upon termination of the concession agreement	-	-	-	-	4.076.718.872	4.076.718.872
Other financial assets	26.219	-	-	-	-	26.219
Other receivables				-	54.825.473	54.825.473
Trade receivables	537.259	-	7.459.710	3.786.492	184.677.428	196.460.889
Total financial assets	**62.203.755**	**509**	**28.087.271**	**254.430.076**	**5.205.792.067**	**5.550.513.678**
Financial liabilities						
Trade payables	13.919.301	-	1.207.446	10.809.157	97.227.917	123.163.821
Dividends payable					402.158.127	402.158.127
Other payables				-	286.258.707	286.258.707
Lease liabilities	-	-	-	100.827.019	22.965.038	123.792.057
Borrowings	1.256.960.918	-	-	-	2.939.938.120	4.196.899.038
Total financial liabilities	**1.270.880.219**	-	**1.207.446**	**111.636.176**	**3.748.547.909**	**5.132.271.750**
Net	**(1.208.676.464)**	**509**	**26.879.825**	**142.793.900**	**1.457.244.158**	**418.241.928**

30 June 2025	EUR (RON)	GBP (RON)	USD (RON)	MDL (RON)	RON (RON)	Total (RON)
Financial assets						
Cash and cash equivalents (including restricted cash)	2.539.286	2.862	1.720.041	50.240.684	787.202.509	841.705.382
Short term financial investments	14.274.407	-	12.997.395	116.006.975	-	143.278.777
Long term financial investments	-	-	-	30.960.000	-	30.960.000
Receivable regarding the remaining undepreciated regulated value upon termination of the concession agreement	-	-	-	-	3.033.953.960	3.033.953.960

30 June 2025	EUR (RON)	GBP (RON)	USD (RON)	MDL (RON)	RON (RON)	Total (RON)
Other financial assets	25.493	-	-	-	-	25.493
Other receivables	553.362	-	7.284.016	2.079.222	376.064.958	385.981.558
Trade receivables	**17.392.548**	**2.862**	**22.001.452**	**199.286.881**	**4.248.669.085**	**4.487.352.828**
Total financial assets	553.362	-	7.284.016	2.079.222	376.064.958	385.981.558
Financial liabilities						
Trade payables	14.198.698	-	2.076.513	11.469.563	210.622.101	238.366.875
Dividends payable					1.070.500	1.070.500
Other payables	-		-	-	282.081.496	282.081.496
Lease liabilities	-	-	-	107.919.302	23.559.019	131.478.321
Borrowings	1.250.457.421	-	-	-	3.020.782.098	4.271.239.519
Total financial liabilities	**1.264.656.119**	-	**2.076.513**	**119.388.865**	**3.538.115.214**	**4.924.236.711**
Net	**(1.247.263.571)**	**2.862**	**19.924.939**	**79.898.016**	**710.553.871**	**(436.883.883)**

As of 30 June 2026, the amount of lei 8.049.407 (31 December 2025: Lei 8.102.420) representing trade receivables and other receivables net is expressed in foreign currency, of which 93% in USD (31 December 2025: 93%) and 7% in EUR (31 December 2025: 7%).

The following table shows the sensitivity of profit or loss and equity, to reasonably possible changes in exchange rates applied to the end of the reporting period of the functional currency of the Group, with all variables held constant and takes into account the maximum market fluctuation in the exchange rate of each currency during the reporting periods:

	31 December 2025	**31 December 2024**
Impact on profit and loss and on equity of:		
USD appreciation by 8%	2.150.386	1.593.995
USD depreciation by 8%	(2.150.386)	(1.593.995)
EUR appreciation by 2%	(24.173.529)	(24.945.271)
EUR depreciation by 2%	24.173.529	24.945.271
MDL appreciation by 2%	4.283.187	2.396.940
MDL depreciation by 2%	(4.283.187)	(2.396.940)

Price risk

The group is exposed to commodity price risk for the gas purchased for its own consumption. If the gas price had been 5% higher/lower, the net profit related to the period would have been lower/higher by lei 1.554.026 (June 2025: 2.549.679 lei).

Interest rate risk on cash flow

The Group is exposed to interest rate risk by deposits with banks and loans with variable and fixed interest taken. The regulatory framework governing the Company's activities ensures full coverage of interest rate risk, interest expenses related to loans taken out to finance investment projects being recovered by 30 December 2025 through regulated income for natural gas transmission activities, and interest related to credit lines taken out to finance commercial balancing activities is recovered through the neutrality tariff.

The neutrality tariff ensures that the difference between the expenses and revenues recorded by the National Transmission System Operator as a result of activities carried out to fulfill its obligations regarding the balancing of the natural gas transmission network is allocated to network users.

For the average exposure of the period, if the interest rates had been by 50 basis points lower/higher, with all the other variables maintained constant, the profit related to the period and equity would have been higher/lower by lei 7.427.317 (June 2025: higher/lower by lei 6.809.359), as a net result of the change of interest rate for variable interest loans and interest rate for bank deposits.

The value of 50 basis points represents the company management's assessment of a reasonable change in interest rates.

Credit risk

Credit risk is especially related to cash and cash equivalents and trade receivables. The Group prepared a number of policies ensuring that products and services are sold to proper customers. The accounting value of the receivables without the adjustments for loss allowance represents the maximum value exposed to credit risk.

The Group's credit risk related to trade receivables is concentrated on the five main customers, which together account for 50% of the trade receivable balances as at 30 June 2026 (31 December 2025: 49%). Although the collection of receivables can be influenced by economic factors, the management believes that there is no significant risk of loss exceeding the adjustments already made.

Since the long-term concession receivable is guaranteed by the Romanian state, the Group considered that the potential impairment using the ECL model is not significant for these financial statements.

In order to cover credit risk the Group requests payment guarantees for natural gas transmission and commercial balancing contracts. On 30 June 2026 the Group has off-balance payment guarantees from clients amounting to lei 418.900.742 (2025: 564.735.358 lei) mainly in the form of bank guarantee letters and cash guarantee deposits.

The cash and deposits (long and short term) is placed in financial institutions which are considered to be associated with a minimum performance risk.

	30 June 2026	31 December 2025
Without rating	293.152.591	228.886.724
BBB-	486.177.501	592.592.869
BBB	12.143.426	
BBB+	428.709.424	191.885.093
A+	-	133.591
AA-	133.392	233.939
AA	191.029	-
	1.220.507.363	**1.013.732.217**

All financial institutions are presented to Fitch rating or equivalent.
The financial institutions based in the Republic of Moldova where the subsidiary's cash is held do not have a rating.

Liquidity risk

Cautious liquidity risk management involves keeping enough cash and funds available by a proper value of committed credit facilities.

The Group forecasts cash flows. The financial structure of the Company continuously monitors the Company's liquidity requirement to make sure there is enough cash to meet the operational requirements, maintaining at the same time a sufficient level of unused borrowing facilities at any time, so that the Company does not break the limits or breach loan agreements (where applicable) for any of its credit facilities.

Such forecasts consider the Company's debt financing plans, compliance with agreements, compliance with internal objectives on the balance sheet indicators and, if appropriate, external regulations or provisions.

The Financial Division of the Group invests extra cash in interest bearing current accounts and term deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide the appropriate framework, established under the provisions mentioned above.

The table below shows the obligations as at 30 June 2026 in terms of remained contractual maturity. The amounts disclosed in the maturity table are contractual undiscounted cash flows.

The analysis of financial liabilities as at 30 June 2026 in terms of maturity is as follows:

	Total amount	Less than 1 year	1-5 years	Over 5 years
Loans	5.321.120.815	531.756.802	2.661.779.648	2.127.584.365
Trade debts and other debts	123.163.820	123.163.820	-	-
Dividends payable	402.214.418	402.214.418		
Other liabilities	286.258.707	286.258.707	-	-
Lease liabilities	132.818.719	54.006.992	73.867.298	4.944.429
	6.265.696.754	1.397.521.014	2.735.646.946	2.132.528.794

The analysis of the financial liabilities in terms of maturity as at 31 December 2025:

	Total amount	Less than 1 year	1-5 years	Over 5 years
Loans	5.505.718.409	601.681.662	2.565.572.526	2.338.464.221
Trade debts and other debts	238.366.873	238.366.873	-	-
Dividends payable	1.070.500	1.070.500		
Other liabilities	282.325.857	282.325.857	-	-
Lease liabilities	148.770.972	50.504.755	94.118.296	4.147.921
	6.176.008.250	1.173.705.287	2.659.690.822	2.342.612.142

Trade and other debts comprise trade payables, suppliers of fixed assets, dividends payable and other debts which are not included: debt generated as a result of the legal provisions imposed by the authorities, debts to employees and deferred revenue.

ANRE Order no. 130/2020 regulates two types of guarantee deposits, namely the auction participation guarantee, established before the entry into capacity auctions and the financial payment guarantee, established after the auctions close, for the booked capacity products.

Auction participation guarantees are used by network users to participate in future capacity booking auctions, in which daily, within-day, monthly, quarterly, annual capacity products are offered by Transgaz and entitle them to enter at any time during the term of the transmission framework contract, in capacity booking auctions, for the booking of capacity products offered by Transgaz, within the limit of the guarantees established. The guarantees for participation in capacity booking auctions shall be partially or fully returned at the request of the NU.

Contract payment guarantees shall be established, in accordance with the provisions of the Framework Transmission Contract, after the capacity products have been booked and shall be increased or reduced according to the value of the contracted products. They shall be returned 45 days after the termination of the contract by the due date, if the NU has honoured all payment obligations.

In the category including loans and liabilities, the liabilities related to employees and payables registered in advance are not included.

Capital risk management

The Group's objectives related to capital management refer to maintaining the Company's capacity to continue its activity in order to provide compensation to shareholders and benefits to the other stakeholders and maintain an optimal structure of the capital, as to reduce capital expenditure.

There are no capital requirements imposed from outside. Like the other companies in this sector, Transgaz monitors the capital based on the debt leverage. This factor is calculated as net debt divided by total capital.

The net debt is calculated as total borrowings (including `current and long-term borrowings`, as indicated in the statement of financial position), except cash and cash equivalent. The total capital is calculated as `equity`, according to the statement of financial position, plus the net debt.

The net leverage at 30 June 2026 and at 31 December 2025 is as follows:

	30 June 2026	31 December 2025
Total loans	4.196.899.038	4.271.239.519
Less: cash and cash equivalents	(981.736.683)	(841.705.382)
Net debt	3.215.162.355	3.429.534.137
Equity	4.980.786.595	5.062.096.573
Leverage	0,65	0,68

Fair value estimate

The carrying amount of variable rate financial assets and liabilities is assumed to approximate their fair value.
Financial instruments in the balance sheet include trade and other receivables, cash and cash equivalents, other financial assets, trade payables, and interest-bearing loans. The estimated values of these instruments approximate their carrying amounts. Carrying amounts represent the Company's maximum exposure to credit risk for existing receivables.

6. INDIVIDUAL ECONOMIC AND FINANCIAL STATEMENT

6.1 Individual financial position

According to Article 1 of Order 881/25 June 2012 of the Ministry of Public Finance on the application of the International Financial Reporting Standards by companies having securities admitted to trading on a regulated market, starting with financial year 2012, the companies having securities admitted to trading on a regulated market are obliged to apply the International Financial Reporting Standards (IFRS) upon preparation of the separate annual financial statements.

The statement of the financial position as at 30.06.2026 as compared to 31.12.2025 is as follows:

-thousand lei-

Indicator	30.06.2026	31.12.2025	Change
0	1	2	3=1/2x100
Tangible assets	295.811	308.044	96%
Right-of-use assets	21.313	22.067	97%
Intangible assets	4.833.187	5.956.785	81%
Financial assets	182.164	182.164	100%
Trade and other receivables	4.076.719	3.033.954	134%
Deferred tax	65.740	70.457	93%
Restricted cash	1.975	2.212	89%
Non-current assets	**9.476.908**	**9.575.684**	**99%**
Inventories	647.754	494.036	131%
Trade receivables	186.586	378.042	49%
Other receivables	92.538	83.634	111%
Current tax to be recovered	7.350	0	
Cash and cash equivalents	927.746	784.336	118%
Current assets –TOTAL	**1.861.973**	**1.740.047**	**107%**
TOTAL ASSETS	**11.338.881**	**11.315.731**	**100%**
Current liabilities	1.574.894	1.382.092	114%
Non-current liabilities	5.072.802	5.087.659	100%
Total liabilities	**6.647.696**	**6.469.751**	**103%**
Equity	**4.691.186**	**4.845.981**	**97%**
Share capital	1.883.815	1.883.815	100%
Adjustments to share capital for hyperinflation	441.418	441.418	100%
Share premium	247.479	247.479	100%
Other reserves	1.265.797	1.265.797	100%
Retained earnings	852.677	1.007.471	85%
Total equity and liabilities	**11.338.881**	**11.315.731**	**100%**

Table 30 - Statement of separate financial position in Half I 2026 compared to 2025

Tangible assets

Tangible assets include auxiliary buildings of operating assets, office buildings, land, assets used for the international transmission activity, as well as objectives related to the national transmission system taken over free of charge.

***Tangible assets* decreased by lei 12.233 thousand** as compared to the value as at 31.12.2025, mainly due to the fact that the tangible assets entries exceeded the depreciation cost for tangible assets.

Rights of use leased assets

As at 1 January 2019 the company applies IFRS 16 for lease contracts complying with the recognition criteria and recognized as intangible asset right of use related to the lease contracts.

The rights of use leased assets decreased by lei 754 thousand as compared to 31 December 2025 due to the fact that the initial value of the leased assets contracts was lower than the depreciation expense.

Intangible assets

IT Programs - The purchased licenses related to the rights to use the IT programmes are capitalized on based on the costs incurred with the procurement and commissioning of the respective IT programmes. Such costs are depreciated over their estimated useful life (three years). Costs related to the development or maintenance of the IT programmes are recognized as costs during the period when they are recorded.

Service concession agreement - From 2010, in accordance with the EU approval process, the company started to apply IFRIC 12, ***Service Concession Arrangements***, adopted by the EU.

The scope of IFRIC 12 includes: the existing infrastructure at the time of signing the concession agreement and, also, modernization and improvement brought to the gas transmission system, which are transferred to the regulatory authority at the end of the concession agreement.

The company is entitled to charge the users of the public service and, consequently, an intangible asset was recognized for this right. As they occur, costs of replacements are recorded as expense, while the improvements of assets used within SCA are recognized at fair value. Intangible assets are amortized at zero value during the remaining period of the concession agreement.

Intangible assets decreased by lei 1.123.599 thousand as compared with the value as at 31.12.2025. This decrease is primarily due to the recognition of investments made under the bifurcated model, namely: the intangible asset represents the excess of costs incurred over the financial asset; for investments made up to the balance sheet date, the Company recognized a discounted receivable related to the regulated asset base remaining unamortized at the end of the concession agreement (2032) and an intangible asset for the difference in value.

Financial assets

There have been no changes in financial assets compared to the amount recorded as of 31.12.2025.

The equity interest of SNTGN Transgaz SA in the share capital of EUROTRANSGAZ SRL Chișinău, the Republic of Moldova — established under EGMS Resolution no. 10/12 December 2017, of SNTGN Transgaz SA in the share capital of *TRANSPORT ROMÂNIA HIDROGEN S.R.L.*, whose main activity is hydrogen transmission and whose sole shareholder is SNTGN Transgaz SA Bucharest, established under EGMS Resolution no. 5/5 June 2024 of SNTGN Transgaz SA and the 51% stake in the share capital of Petrostar SA, whose primary business is engineering and related technical consulting services, remained unchanged as at 30 June 2026.

Trade and other receivables/ Non-current assets

***The receivables regarding the right to collect the regulated value remaining unamortized at the end of the concession agreement* on 30 June 2026 increased by the amount of lei 1.042.765 thousand**. The receivables are recorded according to Law 127/2014 of 5 October 2014, which states that in case of termination of the concession agreement for any reason, or upon termination, the investment of the national transmission system operator shall be transferred to the owner of the national transmission system or another concession provider on payment of a compensation equal to the regulated value remaining not amortized, established by ANRE.

The increase of lei **1.042.765** thousand compared to the value at 31 December 2025 is mainly due to the updating of the receivables with the changes recorded in the regulated asset base and the adjustment of the regulated value of the assets with the inflation rate starting with 2019, as per ANRE Order 41/2019, as amended. Non-current assets recognised in the regulated asset base in a gas year are discounted with the rate of inflation from the following gas year.

Inventories

On 30 June 2026 inventories increased by lei 153.718 thousand compared to the value as at 31 December 2025, due to the increase of the stored gas procured to cover technological consumption and the balancing activity by lei 4.599 thousand, the increase of the inventory of raw materials and other materials by lei 39.008 thousand and the increase in the inventory of materials in custody by lei 110.111 thousand.

Trade receivables

On 30 June 2026, the balance of the trade receivables **decreased by lei 191.456 thousand** as compared to 31 December 2025, mainly due to the following factors:

- decrease of the client receivables balance by lei 194.419 thousand;
- decrease of the provisions for the impairment of the trade receivables by lei 2.963 thousand.

Other receivables

On 30 June 2026, the other receivables balance **increased by lei 8.905 thousand** compared to 31 December 2025, mainly due to the following:

- increase of the balance of other receivables by lei 10.802 thousand;
- decrease in receivables from the state budget by lei 1.897 thousand.

Cash at hand and in bank

On 30 June 2025 the company's cash increased by lei 143.410 thousand as compared to the end of 2025. Cash in bank accounts in lei increased by lei 103.031 thousand and cash in bank accounts in foreign currency increased by lei 40.351 thousand. Other cash and cash equivalents increased by lei 28 thousand compared to 2025.

Liabilities due within one year

In the structure of liabilities to be paid over a one-year period, the following changes were recorded compared to 31 December 2025:

- decrease of balance of trade payables and other liabilities by lei 114.172 thousand;
- increase in the balance of other liabilities by lei 387.615 thousand;
- decrease in contract liabilities by lei 35.230 thousand;
- increase in lease liabilities by lei 525 thousand;
- decrease in provisionsfor risks and expenses by lei 19.064 thousand;
- decrease in the current tax payable in the amount of lei 1.298 thousand;
- increase in the provision for employee benefits by lei 938 thousand;
- decrease in short-term borrowings by lei 92.736 thousand;
- increase in the current portion of deferred income by lei 66.223 thousand.

Non-current liabilities

The evolution of the non-current liabilities is due to the following aspects:

- increase in long-term borrowings by lei 20.322 thousand;
- increase in the provision for employee benefits by lei 5.070 thousand;
- decrease in deferred revenue and subsidies of lei 39.129 thousand;
- decrease in lease liabilities related to right-of-use assets amounting to lei 1.119 thousand.

Equity

There was no change in the subscribed and paid-up capital. Retained earnings decreased by lei 154.794 thousand, attributable to the profit distribution for 2025 which exceeded the profit for the first half of 2026.

6.2 Separate comprehensive income

The situation of the profit and loss account in H I 2026 compared to H I 2025:

Specification	Achieved (thousand lei)		Change (%)
	30.06.2026	30.06.2025	
1	2	3	4=2/3*100
TOTAL revenue of which:	**1.752.485**	**2.235.511**	**78%**
Operating revenue before the construction activity, according to IFRIC12 and balancing	1.360.636	1.421.802	96%
Revenue from the balancing activity	158.209	231.869	68%
Revenue from the construction activity according to IFRIC12	104.264	451.112	23%
Interest income	121.557	126.725	96%
Financial income	7.820	4.004	195%
TOTAL expenses, of which:	**1.461.677**	**1.698.356**	**86%**
Operating expenses before the construction activity, according to IFRIC12 and balancing	1.075.113	948.720	113%
Expenses from balancing activities	158.209	231.869	68%
Cost of constructed assets according to IFRIC12	104.264	451.112	23%
Financial expenses	124.091	66.656	186%
GROSS PROFIT, of which:	**290.808**	**537.156**	**54%**
Operating result	285.522	473.082	60%
Financial result	5.286	64.073	8 %
INCOME TAX	**56.615**	**77.275**	**73%**
NET PROFIT	**234.193**	**459.880**	**51%**
Other comprehensive income items	**12.265**	**1.816**	**675%**
Total comprehensive income for the period	**246.458**	**461.696**	**53%**

Table 31- Individual profit and loss account in H I 2026 compared to H I 2025

Operating revenue

Operating revenue before the balancing and construction activity, according to IFRIC12, achieved in H I 2026 compared to H I 2025, is as follows:

No.	Specification	Achievements H I (thousand lei)		Change (%)
		2026	2025	
0	1	2	3	4=2/3*100
1.	**Revenue from the transmission activity**			
	- thousand lei	1.254.547	1.343.575	93,37
	- MWh	84.450.085	77.656.998	108,75
	- lei/MWh	14,86	17,30	85,86
2.	**Other operating revenue**			
	- mii lei	106.088	78.227	135,62
TOTAL OPERATING REVENUE before balancing and the construction activity according to IFRIC12		**1.360.636**	**1.421.802**	**95,70**

Table 32 - Operating revenue-Achievements Half I 2026 compared to Achievements Half I 2025

Operating expenses

Operating expenses incurred in H I 2026 compared to H I 2025:

No.	SPECIFICATION	H I (thousand lei)		Change (%)
		2026	2025	
0	1	2	3	4=2/3*100
1.	Depreciation	348.975	246.318	141,68
2.	Wages, salaries, other salary-related expenses and employee benefits	338.374	337.141	100,37
3.	Gas consumption within the NTS, materials and consumables used, of which:	64.581	61.780	104,53
	- Gas consumption within the transmission system	37.001	40.159	92,13
	quantity of gas consumed in the NTS (MWh)	189.852	276.220	68,73
	- Auxiliary materials	25.229	19.149	131,75
	- Other material expenses	2.351	2.472	95,14
4.	Royalty expenses	144.273	154.511	93,37
5.	Maintenance and transport expenses, of which	35.799	26.199	136,64
	- Works and services performed by third parties	26.221	16.328	160,59
6.	Taxes and other amounts payable to the state, of which:	72.734	61.278	118,70
	- License fee for gas transmission and international transit	4.146	4.770	86,92
	- Monopoly tax	39.147	34.199	114,47
	- Tax on Special Structures	19.153	17.017	112,55
7.	Expenses related to provisions	-5.699	-20.724	x
8.	Loss/(gain) from impairment of receivables	10.539	6.626	159,04
9.	Other operating expenses	65.537	75.590	86,70
TOTAL CHELTUIELI DE EXPLOATARE înainte de echilibrare și de activitatea de construcții conform cu IFRIC12		**1.075.113**	**948.720**	**113,32**

Table 33- Operating expenses achieved in H I 2026 compared to H I 2025

6.3 Separate cash flow statement

The cash flow statement on 30 June 2026 compared to 30 June 2025 is as follows:

Indicator	Six-month period ended on	
	30 June 2026	30 June 2025
	thousand lei	thousand lei
Profit before tax	**290.808**	**537.156**
Adjustments for:		
Depreciation	348.975	246.318
Gain/(loss) on disposal of non-current assets	-174	96
Other provisions	-5.699	-15.838
Income from connection fees, non-reimbursable grants, and assets received free of charge	-80.522	-52.672
Loss on receivables and other debtors	13.963	41
Allowances for impairment of receivables	-3.424	6.626
Interest income	-71.196	-43.664
Interest expense	76.747	43.942
Unwinding of discount on Concession Agreement Receivable	-50.361	-83.062
Effect of exchange rate fluctuations on items other than operating items	26.949	26.387
Provisions for employee benefits	6.536	1.645
Effect of restatement of employee benefits provision	11.736	11.156
Impairment adjustments for investments	4.172	10.529
Operating profit before changes in working capital	568.511	688.661
Decrease in trade and other receivables	163.360	65.654
Decrease in inventories	-157.890	20.414
Decrease/increase in trade and other payables	-102.712	-90.936
Cash generated from operations	**471.268**	**683.793**
Income tax paid	-59.247	-86.372
Net cash generated from operating activities	**412.021**	**597.421**
Cash flows from investing activities		
Payments for the acquisition of fixed assets	-152.008	-720.185
Payments for the acquisition of tangible assets	-18.391	-5.544
Proceeds from disposal of tangible assets	181	0
Financial investments/shareholdings	0	-4.520
Interest received	10.218	7.890
Net cash used in investing activities	**-160.001**	**-722.359**
Cash flows from financing activities		
Drawings of long-term loans	0	0
Repayment of long-term loans	-66.653	-66.156
Drawdowns/Repayments of working capital credit facility	-35.842	-26.117
Cash from connection fees and non-reimbursable grants	102.135	1.827
Lease payments (IFRS 16)	-4.589	-3.912
Interest paid	-103.497	-74.559
Dividends paid	-165	-216
Net cash used in financing activities	**-108.610**	**-169.133**
Net increase/(decrease) in cash and cash equivalents	**143.410**	**-294.071**
Cash and cash equivalents at the beginning of the year	784.336	993.072
Cash and cash equivalents at the end of the period	**927.746**	**699.001**

Table 34 - Individual cash flow statements H I 2026 compared to H I 2025

The analysis of the cashflow as of 30 June 2026 show an increase of liquid assets by lei 228.745 thousands compared to 30 June 2025.
The changes to the structure of the cash flow are:

- cash flow from operation is of lei 412.021 thousand, lower by lei 185.400 thousand than in H I 2025;
- cash flow from the investment activity is of lei -160.001 thousand, lower by lei 562.359 thousand than in H I 2025;
- cash flow used in the financing activity is of lei -108.610 thousand, lower by lei 60.523 thousand than in H I 2025.

On 30 June 2026, the balance of cash held in the company's bank accounts was 929.579 thousand, of which 4.35% was foreign currency - denominated cash, most of it in EUR.

6.4 Evaluation of the activity related to the financial risk management

Financial risk factors

By the nature of the activities performed, the company is exposed to various risks, which include: market risk (including currency risk, interest rate risk on fair value, interest rate risk on cash flow and price risk), credit risk and liquidity risk.

The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company. The Company does not use derivative financial instruments to protect itself from certain risk exposures.

Market risk

Currency risk
The Company is exposed to currency risk by exposures to various foreign currencies, especially to EUR. Currency risk is associated to assets and recognized liabilities.

The Company does not perform formal actions to minimize the currency risk related to its operations. The company does not apply hedge accounting.

30 June 2026 (unaudited)	**EUR**	**GBP**	**USD**	**RON**	**Total**
Financial assets	(RON)	(RON)	(RON)	(RON)	(RON)
Cash and cash equivalents	40.436.819	509	48.524	889.234.900	929.720.752
Other financial assets	26.219	-	-	-	26.219
Receivable relating to the remaining undepreciated regulated value upon termination of the concession agreement	-	-	-	4.076.718.872	4.076.718.872
Other receivables	-	-	-	54.825.473	54.825.473
Trade receivables	537.259	-	6.945.505	179.076.593	186.559.357
Total financial assets	**41.000.297**	**509**	**6.994.029**	**5.199.855.838**	**5.247.850.673**
Financial liabilities					

Trade payables	13.878.391	-	1.207.446	97.144.254	112.230.091
Dividends payable				402.158.127	402.158.127
Other payables	-	-	-	286.258.707	286.258.707
Lease liabilities	-	-	-	22.965.038	22.965.038
Borrowings	1.102.755.094	-	-	2.938.149.266	4.040.904.360
Total financial liabilities	**1.116.633.485**	**-**	**1.207.446**	**3.746.675.392**	**4.864.516.323**
Net	**(1.075.633.188)**	**509**	**5.786.583**	**1.453.180.446**	**383.334.350**
31 December 2025	**EUR**	**GBP**	**USD**	**RON**	**Total**
Financial assets	(RON)	(RON)	(RON)	(RON)	(RON)
Cash and cash equivalents	58.911	2.862	71.134	786.414.598	786.547.505
Other financial assets	25.493	-	-	-	25.493
Receivable relating to the remaining undepreciated regulated value upon termination of the concession agreement	-	-	-	3.033.953.960	3.033.953.960
Other receivables	-	-	-	51.447.658	51.447.658
Trade receivables	522.372	-	6.554.075	370.940.000	378.016.447
Total financial assets	**606.776**	**2.862**	**6.625.209**	**4.242.756.216**	**4.249.991.063**
Financial liabilities					
Trade payables	14.198.700	-	2.076.513	210.126.569	226.401.782
Dividends payable				1.070.500	1.070.500
Other payables	-	-	-	282.081.495	282.081.495
Lease liabilities	-	-	-	23.559.019	23.559.019
Borrowings	1.092.535.785	-	-	3.020.782.097	4.113.317.882
Total financial liabilities	**1.106.734.485**	**-**	**2.076.513**	**3.537.619.680**	**4.646.430.678**
Net	**(1.106.127.709)**	**2.862**	**4.548.696**	**705.136.536**	**(396.439.615)**

As of 30 June 2026, the amount of lei 7.535.202 (31 December 2025: Lei 7.127.432) representing trade receivables and other receivables net is expressed in foreign currency, of which 92% in USD (31 December 2025: 92%) and 8% in EUR (31 December 2025: 92%).

The following table shows the sensitivity of profit or loss and equity, to reasonably possible changes in exchange rates applied to the end of the reporting period of the functional currency of the company, with all variables held constant and takes into account the maximum market fluctuation in the exchange rate of each currency during the reporting periods:

	30 June 2026 (unaudited) RON	**31 December 2025 RON**
Impact on profit and loss and on equity of:		
USD appreciation by 8%	462.927	363.896
USD depreciation by 8%	(462.927)	(363.896)
EUR appreciation by 2%	(21.512.139)	(18.712.771)
EUR depreciation by 2%	21.512.139	18.712.771

Price risk

The company is exposed to commodity price risk for the gas purchased for its own consumption. If the gas price had been 5% higher/lower, the net profit related to the period would have been lower/higher by lei 1.554.026 (June 2025: lei 2.549.679).

Interest rate risk on cash flow and fair value

The company is exposed interest rate risk by deposits with banks and loans with variable interest taken.

The regulatory framework governing the Company's activities ensures coverage of interest rate risk, interest expenses related to loans taken out to finance investment projects being recovered by 30 September 2025 through regulated income for natural gas transmission activities, and interest related to credit lines taken out to finance commercial balancing activities is recovered through the neutrality tariff.

The neutrality tariff ensures that the difference between the expenses and revenues recorded by the National Transmission System Operator as a result of activities carried out to fulfill its obligations regarding the balancing of the natural gas transmission network is allocated to network users.

For the average exposure of the period, if the interest rates had been by 50 basis points lower/higher, with all the other variables maintained constant, the profit related to the period and equity would have been higher/lower by lei 7.057.658 (June 2025: higher/lower by lei 6.501.079 as a net result of the change of interest rate for variable interest loans and interest rate for bank deposits.

The value of 50 basis points represents the company management's assessment of a reasonable change in interest rates.

Credit risk

Credit risk is especially related to cash and cash equivalents and trade receivables. The Company prepared a number of policies ensuring that products and services are sold to proper customers. The carrying amount of receivables, net of adjustments for losses, represents the maximum value exposed to credit risk. The company's credit risk in respect of trade receivables is concentrated on the 5 main customers, which together account for 50% of the trade receivable balances as at 30 June 2026 (31 December 2025: 49%). Although the collection of receivables can be influenced by economic factors, the management believes that there is no significant risk of loss exceeding the already made impairment adjustments.

As the long-term concession receivable is guaranteed by the Romanian State, the Company considered that the potential impairment using the ECL (Expected Credit Losses) model is not significant for these financial statements.

To cover credit risk, the Company requires payment guarantees for natural gas transmission and commercial balancing contracts. At 30 June 2026 the payment guarantees available to the company from clients amounting to lei 418.900.742 (at 31 December 2025: 564.735.358 lei).

Cash is placed with financial institutions, which are considered as associated to a minimum performance risk.

	30 June 2026 (unaudited)	31 December 2025
Without rating	255.060	381.670
BBB-	486.177.501	592.592.869
BBB	12.143.426	-
BBB+	428.703.973	190.879.789
A+	-	133.591
AA-	133.392	233.939
AA	191.029	-
Total	**927.604.381**	**784.221.858**

All financial institutions are presented to Fitch rating or equivalent.

Liquidity risk

Cautious liquidity risk management involves keeping enough cash and funds available by a proper value of committed credit facilities. The company forecasts the cash flows.

The financial structure of the Company continuously monitors the Company's liquidity requirement to make sure there is enough cash to meet the operational requirements, maintaining at the same time a sufficient level of unused borrowing facilities (Note 16) at any time, so that the Company does not break the limits or breach loan agreements (where applicable) for any of its credit facilities.

Such forecasts consider the Company's debt financing plans, compliance with agreements, compliance with internal objectives on the balance sheet indicators and, if appropriate, external regulations or provisions.

The Company's Finance Department invests the extra cash in current interest bearing accounts and term deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide the appropriate framework, established under the provisions mentioned above.

The table below shows the obligations as at 30 June 2026 in terms of remained contractual maturity.

The amounts disclosed in the maturity table are contractual undiscounted cash flows.

The analysis of financial liabilities on 30 June 2026 in terms of maturity is as follows:

(lei)

	Total amount	Less than 1 year	1-5 years	Over 5 years
Borrowings	5.135.715.155	508.636.366	2.576.554.746	2.050.524.043
Trade payables	112.230.091	112.230.091	-	-
Dividends payable	402.158.127	402.158.127	-	-
Other payables	286.258.707	286.258.707	-	-
Lease liabilities	27.922.789	6.304.996	16.673.364	4.944.429
	5.964.284.869	1.315.588.287	2.593.228.110	2.055.468.472

Maturity analysis of financial liabilities as at 31 December 2025 is as follows:

(lei)

	Total amount	Less than 1 year	1-5 years	Over 5 years
Borrowings	5.316.963.002	579.423.176	2.482.989.461	2.254.550.365
Trade payables	226.401.781	226.401.781	-	-
Dividends payable	1.070.500	1.070.500		
Other liabilities	282.081.496	282.081.496	-	-
Lease liabilities	27.372.714	5.818.280	17.406.514	4.147.920
	5.853.889.493	1.094.795.233	2.500.395.975	2.258.698.285

Commercial and other debts comprise trade payables, suppliers of fixed assets, dividends payable and other debts which are not included: debt generated as a result of the legal provisions imposed by the authorities, debts to employees and deferred revenue.

ANRE Order no. 130/2020 regulates two types of guarantee namely the auction participation guarantee, established before the entry into capacity auctions and the financial payment guarantee, established after the auctions close, for the booked capacity products.

Auction participation guarantees are used by network users ("NU") to participate in future capacity booking auctions, in which daily, within-day, monthly, quarterly, annual capacity products are offered by Transgaz and entitle them to enter at any time during the term of the transmission framework contract, in capacity booking auctions, for the booking of capacity products offered by Transgaz, within the limit of the guarantees established.

The guarantees for participation in capacity booking auctions shall be partially or fully returned at the request of the NU.

Payment guarantees shall be established, in accordance with the provisions of the Framework Transmission Contract, after the capacity products have been booked and shall be increased or reduced according to the value of the contracted products.

They shall be returned 45 days after the termination of the contract by the due date, if the NU has honoured all payment obligations.

The category Trade and other receivables does not include the receivables related to employees and payables registered in advance are not included.

Capital risk management

The company's objectives related to capital management refer to maintaining the Company's capacity to continue its activity in order to provide compensation to shareholders and benefits to the other stakeholders and maintain an optimal structure of the capital, as to reduce capital expenditure.

There are no capital requirements imposed from outside. Like the other companies in this sector, Transgaz monitors the capital based on the debt leverage. This factor is calculated as net debt divided by total capital. The net debt is calculated as total borrowings (including `current and long-term borrowings`, as indicated in the statement of financial position), except cash and cash equivalent. The total capital is calculated as `equity`, according to the statement of financial position.

The net leverage at 30 June 2026 and at 31 December 2025 is as follows:

(lei)

	30 June 2026 (unaudited)	31 December 2025
Total loans (interest excluded)	3.993.448.683	4.065.509.140
Less: cash and cash equivalents	(929.720.752)	(786.547.505)
Net cash position	3.063.727.931	3.278.961.635
Equity	4.689.412.482	4.845.980.504
Leverage	0,65	0,68

Fair value estimate

The carrying amount of variable rate financial assets and liabilities is assumed to approximate their fair value.

On-balance sheet financial instruments include trade and other receivables, cash and cash equivalents, other financial assets, trade payables, interest-bearing loans.

The estimated values of these instruments approximate their book value. The book values represent the Company's maximum exposure to credit risk for existing receivables.

7. RISK MANAGEMENT

The nature of SNTGN Transgaz SA's operations exposes the Company to a wide range of risks. All risks are identified, analyzed, monitored, mitigated, and reported in accordance with the risk management process defined in the Company's internal procedures, these risks are organized into the following categories: operational and strategic business risks, health, safety, security, and environmental (HSSE) risks, climate change risks, ESG-related risks, and corruption risks managed in accordance with the "Corruption Prevention" System Procedure, code PS 06 SMI. In addition, the implementation of major investment projects may be affected by numerous other risks that are managed within the project management framework.

SNTGN Transgaz SA continuously reassesses its existing operational and strategic business risks within a rigorous internal framework established by Risk Management System Procedure PS 05 SMI, identifying potential risks and the factors that may lead to their occurrence, in light of the dynamics of the external and internal environments, and analyzing the impact from the perspectives of political, economic, technological, and legal factors, as well as from the perspective of vulnerabilities identified within the organizational structures. The aim of risk management is to systematically manage risks within the context of SNTGN Transgaz SA's risk appetite and in accordance with the principles of the Risk Management Strategy, approved by the Board of Administration, in order to achieve strategic targets.

The management of operational and strategic business risks within SNTGN Transgaz SA is presented in the following chapters.

7.1 Legal Framework

The main legislative documents underlying the regulation of operational risk management are as follows:

- Government Ordinance No. 119/1999 on internal/managerial control and preventive financial control, *as republished, amended and supplemented*;
- Order of the General Secretariat of the Government No. 600/2018 approving the Code of Internal Managerial Control for Public Entities—in effect as of 07.05.2018;
- Law No. 187 of 28 June 2023, amending and supplementing Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises;
- The 2018 Risk Management Methodology, developed by the General Secretariat of the Government;
- ISO 31000:2018, Risk Management—Guidelines.

7.2 The Internal Organizational Framework of the Risk Management Process

In order to support the Monitoring Committee in the risk management process, the Director-General of SNTGN Transgaz SA approved, by Internal Decision No. 41/12.01.2023, as amended, the establishment of a unit with responsibilities in this regard, named the **Risk Management Team (RMT)**, with the following members:

- **The Coordinator** of the RMT is Mr. Fodor Ioan, Director of the Development Division.
- **The members** of the RMT are the **Risk Officers** designated by the heads of the independent Divisions/Units, the Mediaș Subsidiary, the Regional Operating Centers, and the independent departments.
- **The RMT Secretariat** is managed by the Risk Management Office/MICS Implementation and Monitoring Department, within the Budget Strategy Unit/Corporate Strategy and Management Division.

Within SNTGN Transgaz SA, in addition to the Risk Management Team (RMT) at the corporate level, **the Risk Management Teams (WG-RMT)** are established within each independent Division/Units/Mediaș Subsidiary/Regional Operating Centers, composed of the heads of such entities.

The organization and activities of the Risk Management Team are the responsibility of the coordinator and are governed by the **RMT's Rules of Procedure**, code REG DJ 01.

The Board of Administration (with the assistance of the Risk Management Committee) establishes the company's risk appetite, monitors significant risks and mitigation measures, and assesses the sufficiency and effectiveness of the risk management and internal/managerial control framework.

The operational framework for risk management is entrusted to the **Director-General**, who ensures the existence of clear structures, policies, and procedures for identifying, assessing, managing, monitoring, and reporting significant risks, including those related to sustainability and cybersecurity.

The **MICS Monitoring Committee**, established by an internal decision, is tasked with coordinating the **Risk Management Team (RMT)** within the risk management process and reporting to the Director-General and the Board of Administration on risk management within the Company.

All employees are responsible for the activities listed in their job descriptions and for the related risks (whether identified or new).

7.3 SNTGN Transgaz SA's Policies and Objectives related to Risk Management

a) The Risk Management Strategy approved by BoA Decision No. 29/26.11.2025 for the period **2025–2029**, a strategic document which:

- defines the Company's attitude and approach to risk;
- establishes acceptable risk limits (risk appetite);
- establishes the response to risk;
- establishes both the actions required to optimise the risk management process and the framework for identifying, assessing, monitoring and controlling significant risks in order to keep them at acceptable levels within the *risk tolerance limit*;
- sets forth the specific objectives and the measures for their achievement.

b) The Statement of commitment on Risk Management for 2025-2029, a document that reflects the Company's management commitment to maintaining an effective risk management system, which contributes to the achievement of the Company's strategic and operational objectives in a safe, efficient, and compliant manner.

c) System Procedure PS 05 SMI Risk Management, ed. 1 rev. 1, disseminated by publication in the "Zonapublică" database. System Procedure PS 05 SMI establishes a uniform set of rules for risk management and for the preparation and updating of the Risk Register.

d) System Procedure PS 07 SMI SCI/M Management, ed. 1 rev. 0, disseminated by publication in the "Zonapublică" database. System Procedure PS 07 SMI establishes the methodology and responsibilities regarding the implementation and development of the internal/managerial control system.

e) The Risk Appetite Statement at the SNTGN Transgaz SA level. It defines the level of risk that SNTGN Transgaz SA is prepared to accept in order to achieve technical, economic, and social performance, to avoid incurring losses, and to protect the interests of the internal and external parties involved.

7.4 Actions Taken in H I 2026

Risk management activities for **H I 2026** comply with the schedule established by internal policies. To this end, the following were drafted and approved:

- by resolution of the Board of Administration:
    - The 2026 Risk Appetite Statement for SNTGN Transgaz SA;
    - The 2026 risk tolerance limit, in a 25-value matrix, established based on risk appetite and on the analysis of the results obtained in 2025 regarding the risk profile and overall risk.
- risk registers for each organizational entity;
- by resolution of the Board of Administration:
    - The 2026 Company's Risk Register, which incorporates significant risks (strategic and operational);
    - The 2026 Company-wide Risk Mitigation Action Plan.
- Reports to the Director-General and the Board of Administration regarding:
    - risk management and monitoring within SNTGN Transgaz SA for 2025;
    - an analysis of the achievement of specific objectives and the courses of action established in the Implementation Program for the measures set forth in the 2021-2025 Risk Management Strategy;
    - monitoring performance at SNTGN Transgaz SA for 2025;
    - the status of implementation of the internal/managerial control system at SNTGN Transgaz SA for 2025

Within the organizational structures

Letter No. DSMC/16358/27.02.2026 was sent, requesting that the following documents be uploaded to the database dedicated to organizational structures by 31 March 2026 at the latest:

- *List of specific objectives and performance indicators*, code F 01 01/PS 05 SMI, by independent division / unit / independent department /Regional Operating Centre/ Mediaș Subsidiary / department / independent office / workshop (studies, projects) / laboratory / compartment of Regional Operating Centre and of Metering Station / Regional Operating Centre’s Sector / Rapid Response Team of Metering Station/gas compressor station;
- *Performance Monitoring System*, code F 09 02/PS 07 SMI, for independent division/unit/independent department/Regional Operating Centre/Mediaș Subsidiary;
- *List of operational targets, activities, and risks*, code F 02 01/PS 05 SMI, by independent department/office/workshop (studies, projects)/laboratory/compartment of the Regional Operating Centre and of the Metering Station/Regional Operating Centre's Sector/Rapid Response Team of Metering Station/gas compressor station;
- *Risk Register* – RR, code F 03 01/PS 05 SMI, for independent department/office/workshop (studies, projects)/laboratory/compartment of the Regional Operating Centre and of the Metering Station/Regional Operating Centre's Sector/Rapid Response Team of Metering Station/gas compressor station;
- *Risk Register* – RD, code F 04 01/PS 05 SMI, for independent division/unit/Independent department/Regional Operating Centre/Mediaș Subsidiary;

- *Risk Mitigation Action Plan*, code F 06 01/PS 05 SMI;
- *Risk Tracking Sheet (RTS)*, code F 07 10/PS 05 SMI;
- *List of Business Disruption Events*, code F 07 00/PS 07 SMI.

All organizational structures have completed the process of updating the internal/managerial control system documents.

The following relevant results were obtained by compiling the data:

- with regard to specific and operational targets and performance indicators:

No. of Specific targets	No. of Operational targets	No. of Performance indicators
333	920	1.399

- with regard to operational risks:
  - Total identified operational risks: 1.450;
  - Operational risk profile:

Low risk	Medium risk	High risk
1.308	142	0

  - Overall operational risk: 5,08.

Within SNTGN Transgaz SA

By Resolution No. 10/2026, as adopted at the Board of Administration meeting on 21 April 2026, the following were approved:

- The Register of Significant Risks for SNTGN Transgaz SA, No. DSMC/26828/30.03.2026, containing 25 risks, of which 23 are strategic risks and 2 are operational risks escalated from the organizational entities;
- The Action Plan for Minimizing Significant Risks within SNTGN Transgaz SA, No. DSMC/26828/30.03.2026.

Combining the operational and strategic risks resulted in the following picture:

- number of risks at the company level: 1,473;
- overall risk at the company level: 5.16;
- risk profile at the company level:

Low risk	Medium risk	High risk
1.310	163	0

7.5 Changes to the Risk Profile

The risk profile provides a comprehensive overview that includes a general, documented, and prioritized assessment of the set of identified specific risks faced by the company.
The risk profile, shown in the risk matrix, arose from grouping the identified, assessed, and prioritized risks based on their positioning in relation to the tolerance limit.
The figure below shows the risk profile for H I 2026 (brown) compared to 2025 (black).

Impact (I)		1 Very low	2 Low	3 Medium	4 High	5 Very high
Very high	5	48 47	7 8	5 5	0 0	0 0
High	4	74 76	105 107	7 7	3 2	0 0
Medium	3	98 128	548 621	20 15	15 15	0 0
Low	2	153 125	199 198	72 77	4 7	0 0
Very low	1	34 24	9 8	3 6	3 3	0 0
		Probability (P)				

Figure 3 - Risk Profile for Half I 2026 and 2025

The analysis of changes in the risk profile is based on the figures below:

Figure 4 - Number of identified risks, H I 2026 compared to 2025

Figure 5 - Risk Assessment, Half I 2026 compared to 2025

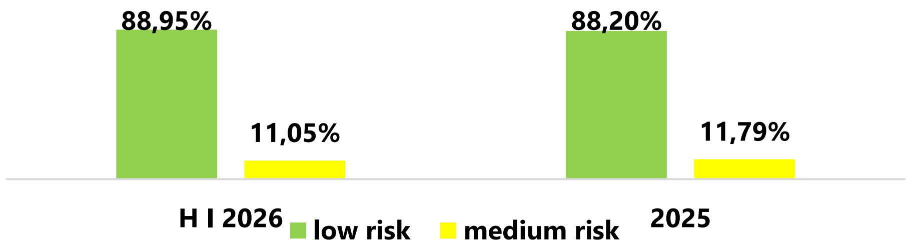


Figure 6 - Low/medium risk rate, Half I compared to 2025

- There are no risks in the “high” category;
- There are 1313 risks in the “low” category, which are below the tolerance limit; they account for 88.95% of all identified risks and show an upward trend compared to 2025. These risks do not require mitigation measures.
- There are 164 risks in the ”medium” category, which are above the tolerance limit; they account for 11.05% of all identified risks and show a downward trend compared to 2025.
  These risks require mitigation measures.

Overall Risk provides an overview of the risk level in relation to the approved 5-tier Tolerance Limit, calculated as a weighted average of the risk exposure value using the following formula:

OR = *[(number of risks × exposure 1) + (number of risks × exposure 2) + (number of risks × exposure 3) + (number of risks × exposure 4) + (number of risks × exposure 6) + (number of risks × exposure 9) + (number of risks × exposure 10) + (number of risks × exposure 12) + (number of risks × exposure 15) + (number of risks × exposure 16) + (number of risks × exposure 20) + (number of risks × exposure 25) / total number of risks.*

Given that the Overall Risk value ranges from 1 (1×1) to 25 (5×5), the trend is shown in the following figure:

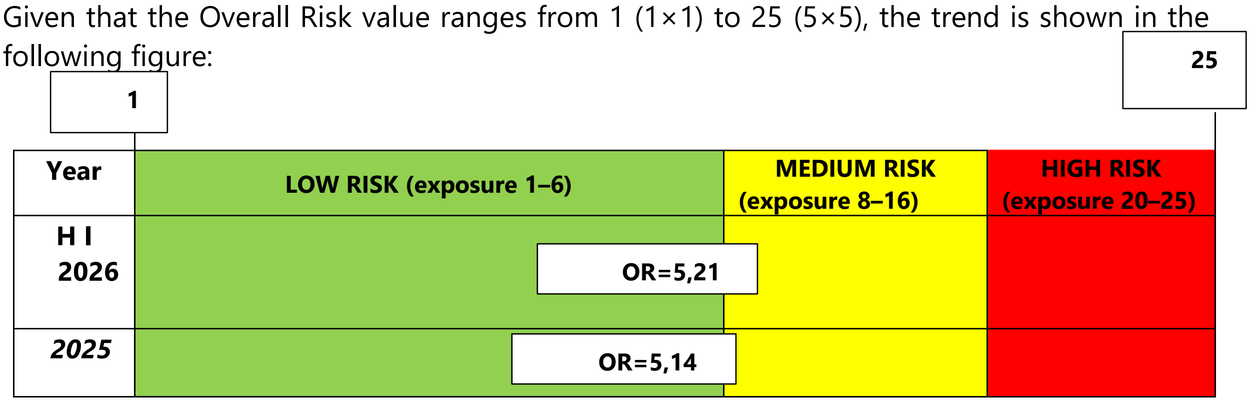


Figure 7 - Overall risk for Half I 2026 and 2025

The company’s overall risk is at a low level, relative to the tolerance threshold, thus demonstrating that SNTGN Transgaz SA adopts a forward-looking management approach enabling the anticipation of events that may occur.

7.6 Main risks and uncertainties for H II 2026 and mitigation measures

Strategic Risks

Political	SNTGN Transgaz SA ensures and strengthens energy security by developing NTS interconnections and providing physical access to energy for all consumers. Projects are impacted by several factors, such as: the weakening of domestic macroeconomic balances; rapid and unforeseen political, legal, social, and economic changes, including periods of economic recession; significant fluctuations in inflation and exchange rates; major market imbalances, uncertainties arising from a multitude of geopolitical events—which are expected to intensify in the coming period—a geopolitical context characterized by a lack of stability and predictability, current geopolitical challenges to national energy security, and the need to continue ensuring energy supplies to the Republic of Moldova and Ukraine.

Measures to Minimize Political Risk: Measures to minimize political risk involve applying the principles of corporate governance and shielding business decisions from political influence by: continuously assessing changes in government policies, promptly identifying European targets for the energy sector, and adapting the company's development and investment plans accordingly, strengthening and diversifying cooperative relationships with Gas Transmission System Operators, and initiating discussions with government representatives to emphasize the importance of fiscal and legislative stability and predictability so that investments can benefit from a clear medium- and long-term outlook.

Low carbon emissions, climate change	The Company recognizes the risks of climate change resulting from potential delays in achieving emission reduction targets, which may lead to exposure to decarbonization costs and reputational damage. An important strategic direction for SNTGN Transgaz SA is compliance with European provisions on decarbonization—low-carbon energy. The Ministry of Energy has finalized the 2025-2030 National Hydrogen Strategy (NHS), with a vision extending to 2050, along with the Action Plan for its implementation, marking a significant step in the country's energy transition. Although the NHS offers significant opportunities for decarbonizing the economy and advancing technological development, there are multiple challenges stemming from the lack of a comprehensive legislative and technical framework for hydrogen; projects may face delays, and decarbonization targets may be difficult to achieve. The long-term impact on existing pipelines and equipment is uncertain, which highlights the need for precise planning and ongoing research to optimize processes.

Measures to minimize risks related to low-carbon emissions and climate change:
continuing to develop projects for the transmission of natural gas blended with renewable and decarbonized gas, including hydrogen, with a view to transitioning to a sustainable economy and decarbonizing consumption in Romania in accordance with the European NetZero2050 Plan; optimizing collaboration with representatives of the Ministry of Energy and all stakeholders to repurpose and upgrade gas transmission networks with a view to integrating gas from renewable sources and low-carbon gas into the system, in compliance with the dual Smart Grid and "hydrogen-ready" standards; committing to the 2024-2033 National Natural Gas Transmission System Development Plan to construct seven hydrogen transmission pipelines by 2040; training specialists in the disciplines necessary for the operation of the hydrogen economy.

Cybersecurity	An important strategic focus for SNTGN Transgaz SA is digitalization, the development of smart grids, and cybersecurity and resilience. This may lead to: attacks on data security; an exponential increase in the number and diversity of cyber threats; vulnerabilities in IT systems due to a high level of interconnectivity; and the exploitation of vulnerabilities, with the potential for unauthorized access or data corruption.

Measures to Minimize Cybersecurity Risks
Risk mitigation measures are implemented by prevention, detection, mitigation, and recovery. Accordingly, appropriate policies and controls are implemented to address vulnerabilities; data security procedures—including the backup system; multiple test scenarios; and updating IT systems to the versions recommended by their manufacturers; conducting periodic cybersecurity audits in accordance with established frequencies and conditions to ensure compliance with legal requirements, including penetration tests; appropriate policies and controls to manage internal access and monitor activities; data security procedures—including the backup system; multiple test scenarios; updating IT systems to versions recommended by their producers; using cybersecurity solutions such as firewalls, IDS/IPS, antivirus, and XDR; implementing a SIEM solution for monitoring, identifying, analyzing, and remediating cybersecurity incidents; using only IT systems supported by the manufacturer; providing regular training to employees to raise their awareness and educate them about the types of cybersecurity threats and the appropriate protective measures; implementing an e-learning solution to provide employees with training courses (in written or video format, or as tutorials) on cybersecurity-related topics; conducting periodic cybersecurity audits in accordance with established frequency and conditions to ensure compliance with legal requirements, including penetration tests.

Regulations/ Legislation	SNTGN Transgaz SA operates within a regulated framework. The laws, regulations, and policies adopted by the European Union, the Romanian Government, and ANRE can significantly impact current operations, Policy changes have led to changes in regulations and fees, driven primarily by the needs of the state budget.

Measures to Minimize Regulatory/Legislative Risks

Prompt response to proposals put forward by ANRE to amend the existing regulatory framework by analyzing the impact of their implementation on the company and proposing the necessary adjustments to protect SNTGN Transgaz SA's interests; proactive and forward-looking assessment of regulatory trends; optimizing the drafting of specific regulatory proposals initiated by the Company and submitting them to the competent authorities; obtaining savings on operational costs recognized by the authorities by accurately determining technological consumption at the NTS level and the quantities of natural gas transmitted; realistic justification of the operating costs proposed for approval for the regulatory period and continuous monitoring of budget execution, with the implementation of optimization measures to keep costs within the limits approved by ANRE; monitoring and optimizing operating expenses, including by means of efficiency improvement programs (PASM, PASET, and other internal programs), in order to ensure that cost trends remain within the regulatory cap and limit the impact on profitability; implementing an internal mechanism for periodically monitoring the price of gas for consumption in the National Transmission System (NTS) and promptly reporting to the departments responsible for liaising with ANRE.

Finance Lending	The company is exposed to credit risk due to its trade receivables and other types of receivables. Customer credit references are normally obtained for all new customers, the due dates of receivables are closely monitored, and amounts past due are promptly followed up on. The recovery of receivables may be influenced by economic factors

Measures to Minimize Credit-Related Risks

The due dates for payments are closely monitored, and amounts owed after the due date are promptly followed up on. Credit references are obtained for all new customers; ensuring the coordination of commercial natural gas transmission and balancing activities, with network users providing appropriate financial guarantees.

Finance Exchange Rate	The company is exposed to fluctuations in exchange rates due to liabilities arising from loans or trade payables denominated in foreign currencies, particularly the euro. Currency risk is associated with recognized assets and liabilities. Due to the high costs involved, the company's policy is not to use financial instruments to mitigate this risk.

Measures to minimize risks related to exchange rates

Attracting financing primarily in the national currency; developing an internal foreign exchange risk management policy when attracting financing in foreign currency; ongoing monitoring and quarterly reporting in financial statements; human resources development. Increasing financial literacy on climate changes.

Finance Interest Rate	Prudent liquidity risk management involves maintaining sufficient cash and available credit lines. Given the business nature of the Company, it seeks to maintain flexibility in its financing options by keeping credit lines available to finance its operating activities.

Measures to minimize risks related to interest rates
Securing fixed-rate loans to ensure predictability; ongoing monitoring and quarterly reporting in financial statements; human resources development; and increasing financial literacy on climate changes.

Financial **Cash and Cash Equivalents**	Prudent liquidity risk management involves maintaining sufficient cash and available credit lines. Given the nature of its business, the company seeks to maintain flexibility in its financing options by keeping credit lines available to finance its operating activities.

Measures to minimize liquidity-related risks
Continuously monitoring the company's liquidity needs; developing human resources; increasing financial literacy on climate changes; investing excess cash in interest-bearing checking accounts and time deposits; ensuring flexibility in financing options by maintaining available credit lines to fund specific activities.

Operational Risks

Requirements for safety and operational continuity compel SNTGN Transgaz SA to identify and address potential losses before the events causing them occur, by preparing specific technical and operational solutions in advance.

The nature of SNTGN Transgaz SA's business exposes the company to various operational risks.

The managers of the organizational units and all staff members within them are required to identify risks that could hinder the achievement of established targets.

Operational risks are systematically identified, analyzed, monitored, and minimized in accordance with the risk management process established in the Risk Management System Procedure, code PS 05 SMI.

To improve risk monitoring, risks are classified into risk categories, which allows us to develop consistent responses to risks.

The operational risk categories are: human resources; information/communication; activity control; organizational environment; site availability; material/financial resources; design/construction; infrastructure/work environment; technical; suppliers/subcontractors; regulatory/legislative; customers; and institutional environment.

Each source of risk is analyzed using the six control tools (targets, resources, information systems, organization, procedures, and control) as a framework.

Based on this analysis, the necessary actions to minimize risk are identified: allocating resources at the optimal level if it is determined that the initially established means may be insufficient to achieve the desired level of the set targets, to meet the deadlines for their completion, or to adjust them by reallocating resources from other targets, improving organizational relationships, establishing new control points to enhance oversight of operations, and improving communication procedures by eliminating redundant steps, internal regulations and standards, and organizational relationships involved in achieving the target in order to facilitate decision-making at the next higher level.

8. CORPORATE GOVERNANCE

Corporate governance is a key element in improving the company's efficiency and economic growth, as well as increasing investor confidence. It provides the framework/context through which the company's objectives are set and the means by which these objectives are achieved. The existence of an effective system in this regard, both within the company and the economy at large, provides the confidence necessary for the proper functioning of the market economy.

Sustainable corporate governance is a guarantee that the company provides value for its stakeholders over the long term. A priority for the boards of administration is to identify the company's relevant stakeholders, including customers, investors, regulators and suppliers, as well as local communities. It should also be considered that different stakeholder groups are not homogeneous, and a wide range of views and interests may exist within each stakeholder group. It also sets guidelines to help governing bodies clarify purpose and values, ensure that the strategy is aligned with this intent and that it generates value for all relevant stakeholders to strategically achieve the purpose in line with the values.

Responsibility at all levels is another principle of good governance, both the members of the administrative and executive management and those to whom management was delegated must enforce and supervise compliance with the legislation in force. The management of the company is responsible for the actions and omissions of the organisation, therefore the governing bodies must ensure that they define roles and responsibilities and have a functioning reporting and accountability system. As they move towards sustainable business strategies, companies need to ensure that non-financial indicators and targets are as important and meaningful as financial indicators, financial targets and financial reporting.

Non-financial reporting and financial reporting must be integrated so that when the company announces its annual results, they incorporate all types of values generated by the business.

Sustainability should be seen as an important part of setting strategy and objectives at company level, with a high level of focus on sustainability issues at both strategic and operational levels.

At SNTGN Transgaz SA level, the development of corporate governance is carried out taking into account its impact on economic performance, market integrity, as well as the context it creates for market participants and the proportion of transparent and efficient markets. Sustainability is an integral part of the company's purpose and strategy, environmental, social and governance (ESG) issues are embedded in the company's culture and taken into account in the decision-making process at every level as well as in the reports issued by the company.

Shareholders have the right to be informed and to participate in the decision-making on fundamental changes within the company, to consult with other shareholders on issues concerning their rights.

The members of the Board of Administration make decisions and act on the basis of complete information and in the interest of the company and its shareholders. At the same time, the Board operates with high ethical standards and integrity, taking into account the interests of shareholders, stakeholders, sustainability and sustainable development issues.

The Corporate Governance Rules of SNTGN TRANSGAZ SA were approved by the Ordinary General Meeting of the Shareholders on 2 March 2011, by GMS Resolution 1/2011 (Art. 4), and the latest updating of the document was approved in the Board of Administration meeting of 24.08.2023 according to the Code of Corporate Governance of the Bucharest Stock Exchange.

The updated corporate governance reference document has a structure in line with corporate governance requirements and has **7 chapters**, as follows:

Chap.1 – **Corporate governance structures**: the administration system, the Board of Administration, advisory committees, Executive Management;
Chap.2 – **Board of Administration:** Role and obligations of the Board of Administration, Structure of the Board of Administration, Election of members of the Board of Administration, Remuneration of the members of the Board of Administration;
Chap.3 – **Shareholders' rights:** Shareholders' rights, shareholders' treatment;
Chap.4 – **Transparency and Reporting, Internal Audit and Risk Management** transparency and reporting, internal control, risk management;
Chap.5 – **Conflicts of interest and significant related party transactions:** SNTGN Transgaz SA Code of Ethics, conflict of interest; significant related party transactions;
Chap.6 – **Corporate information regime**
Chap.7 – **Sustainability**

8.1 Management System

Transgaz has a unitary management system and is managed by a Board of Administration. It has the general competence to take out all necessary actions in order to successfully carry out the activity of the company, except for the issues that are within the competence of the General Meeting of the Shareholders according to the provisions of the Articles of Incorporation updated on 03.06.2025, or of the applicable laws.

The management of Transgaz is provided by a Board of Administration formed mostly by non-executive and independent administrators within the meaning of Art. 138^2 of the Law no. 31/1990 on companies, republished, as amended.

The Board of Administration is composed of 5 members that guarantee the efficiency of the supervisory, analysing and evaluating capacity of the company as well as the fair treatment of the shareholders.

Members of the Board of Administration are elected by the General Meeting of Shareholders for a four-year term. Depending on the extent to which they have fulfilled their duties, the administrators' mandates may be renewed or revoked, the decision being taken by the ordinary general meeting.

The Members of the Board of Administration may be shareholders. The Transgaz Board of Administration is chaired by a Chairman appointed by the Board of Administration, from among its, which ensures the optimal functioning of the company's bodies. Members of the Board of Administration will participate in all the General Meetings of the Shareholders and will exercise their mandate in good faith and knowledge for the interest of the Company with prudence, without disclosing the confidential information and trade secrets of the Company during the term of office and after its termination.

The Articles of Incorporation of Transgaz updated and approved by the Board of Administration, regulates the duties, responsibilities and powers of the Board of Administration as well as the obligations of the company's administrators.

The Board of Administration operates in accordance with its own regulations and legal regulations in force. Following the amending GEO 109/2011, on the corporate governance of public companies, a number of changes were made regarding the organization, composition, as well as the powers of the Board of Administration and advisory committees, which required the amendment of the ROF of the Board of Administration, its approval by Art. 2 of the OGMS Resolution 8/25.09.2024.

In addition, Transgaz has approved *Internal Rules on the establishment and operation of the Advisory Committees created within the Board of Administration of SNTGN Transgaz SA*.

Pursuant to Board of Administration Resolution No. 12/07.05.2025, amendments were approved to the Internal Rules on the establishment and operation of the Advisory Committees created within the Board of Administration of SNTGN Transgaz SA and to the structure of the

Advisory Committees created within the Board of Administration of SNTGN Transgaz SA, as follows:

Name of the Advisory Committee	Composition of the Committee	
Nomination and remuneration committee	ILINCA VON DERENTHALL	non-executive administrator, independent, **chairman of the committee**
	NICOLAE MINEA	non-executive administrator
	ADINA-LĂCRIMIOARA HANZA	non-executive administrator
Audit committee	ADINA-LĂCRIMIOARA HANZA	non-executive administrator, independent, **chairman of the committee**
	NICOLAE MINEA	non-executive administrator
	ILINCA VON DERENTHALL	non-executive administrator
Risk management committee	COSTIN MIHALACHE	non-executive administrator, independent, **chairman of the committee**
	ILINCA VON DERENTHALL	non-executive administrator
	NICOLAE MINEA	non-executive administrator
NTS regulatory, security and safety committee	COSTIN MIHALACHE	non-executive administrator, independent, **chairman of the committee**
	ION STERIAN	executive administrator
	ADINA-LĂCRIMIOARA HANZA	non-executive administrator
Corporate governance and sustainability committee	ILINCA VON DERENTHALL	non-executive administrator, independent, **chairman of the committee**
	ION STERIAN	executive administrator
	ADINA-LĂCRIMIOARA HANZA	non-executive administrator

The Internal Regulation on the organization and functioning of the consultative committees constituted at the level of the Board of Administration of SNTGN Transgaz SA, updated on 07.05.2025, can be found on the company's website, in the section https://www.Transgaz.ro/guvernanta-corporativa/documente-de-guvernanta-corporativa.

The structure of Transgaz's Board of Administration ensures a balance between executive and non-executive members, so that no individual or small group of individuals can dominate the Board's decision-making process. it will remain a collective responsibility of the Board of Administration, which will be held jointly and severally liable for all decisions taken in the exercise of its powers.

The members of the Board of Administration will continuously improve their skills and knowledge regarding the company's activity, as well as regarding best corporate governance practices for fulfilling their role.

Members of the Board of Administration of SNTGN Transgaz SA

By OGMS Resolution No. 6 of 29 April 2025, the following persons were appointed as Administrators of SNTGN Transgaz SA for a period of 4 years, from 30.04.2025 to 29.04.2029: by OGMS Resolution No. 12 of 7 May 2025, Mr. Nicolae Minea, administrator, was appointed Chairman of the Board of Directors for a period of 6 months, namely until 6 November 2025.

Subsequently, based on the provisions of Article 23 of the Board of Administration Resolution No. 27/28.10.2025, Mr. Nicolae Minea, administrator, was appointed Chairman of the Board of Administration for a term of 12 months, starting with 07.11.2025 until 06.11.2026.

The CVs of the members of the Board of Administration of SNTGN Transgaz SA are available on the company's website at: https://www.Transgaz.ro/ro/despre-noi/consiliul-de-administratie

The composition of the company's Board of Administration is as follows:

- **Ion Sterian,** Executive Administrator (term of mandate: 4 years, from 30.04.2025 to 29.04.2029, selection procedure); Director - General (term of mandate: 4 years, until 26.07.2025, selection procedure); Director-General (term of mandate 3 years, 9 months, 2 days, from 26.07.2025 until 29.04.2029, selection procedure);
- **Nicolae Minea,** Non-executive, independent administrator (term of mandate: 4 years, from 30.04.2025 to 29.04.2029, selection procedure) - Chairman of the Board of Administration (for a term of 6 months, from 07.05.2025 to 06.11.2025, followed by an appointment for a term of 12 months, from 07.11.2025 to 06.11.2026) - non-executive administrator;
- **Ilinca Von Derenthall,** Non-executive, independent administrator (term of mandate: 4 years, from 30.04.2025 to 29.04.2029, selection procedure);
- **Adina Lăcrimioara Hanza,** Non-executive, independent administrator (term of mandate: 4 years, from 30.04.2025 to 29.04.2029, selection procedure);
- **Costin Mihalache,** Non-executive, independent administrator (term of mandate: 4 years, from 30.04.2025 to 29.04.2029, selection procedure).

The Board of Administration delegates the management of the company to the Director - General of SNTGN Transgaz SA, which is not the Chairman of the Board of Administration. The Director - General of the National Gas Transmission Company Transgaz S.A. represents the company in its relations with third parties.

The Director - General prepares and submits to the Board of Administration a proposal for the management component of the management plan for the duration of the mandate in order to achieve the financial and non-financial performance indicators.

The Board of Administration may require that the management plan be amended or revised if it does not provide for measures to achieve the objectives set out in the letter of expectation and does not include the expected results to ensure the assessment of the financial and non-financial performance indicators.

After the approval of the management plan by the Board of Administration, the management component or, as appropriate, the approved financial and non-financial performance indicators are an annex to the mandate contract concluded with the Director. The assessment of the directors' activity by the Board of Administration will concern both the execution of the mandate contract and the management plan management component.

The Director - General prepares and submits to the Board of Administration the reports provided by law. The Director - General submits to the Board of Administration for approval the transactions concluded by the company with the administrators or directors, employees or shareholders holding control over Transgaz or with a company controlled by them, if the transaction has, individually or in a series of transactions, a value of at least the equivalent in lei of EUR 50,000.

The executive directors and the directors of subsidiaries are appointed by the Director-General and are subordinate to him, are officials of TRANSGAZ S.A., carry out its operations and are accountable to it for the performance of their duties under the same conditions as the members of the Board of Administration.

The duties of the executive directors and of the directors within the subsidiaries are established by the Transgaz Rules of Procedure. Persons who are incompatible under the Companies Law no. 31/1990, republished, as amended, may not act as executive directors or Subsidiary directors.

According to Art. 19 (8^1) of the updated Articles of Incorporation, , the Board of Administration reports, at the first general meeting of the shareholders following the conclusion of the legal act regarding the following:

- Carrying out any transaction with the administrators or with the directors, the employees, the shareholders who control the company or with a company controlled by them;
- Carrying out any transactions concluded with the spouse, with relatives or kin up to the 4th degree including any of the persons above;
- Carrying out any transaction concluded between TRANSGAZ S.A. and another public undertaking or with the public supervisory body, if the transaction has the value, individually or in a series of transactions, of at least the RON equivalent of EUR 100,000.

The Board of Administration has the obligation to provide the general meeting of the shareholders and the financial auditors with the documents of TRANSGAZ S.A. and the activity reports in accordance with the law.

Transgaz's intention to acquire own shares
Not applicable.

Number and nominal value of shares issued by the parent company held by subsidiaries
Not applicable.

Bonds and/or other debt securities
Not applicable.

Significant mergers or reorganizations
In H I 2026, there were no mergers or reorganizations within SNTGN Transgaz SA

8.2. Legal documents concluded under the terms of Article 52(1) and (6) of GEO No. 109/30.11.2011

In H I 2026, no legal documents were executed under the terms of Article 52 (1) and (6), of Government Emergency Ordinance No. 109/30.11.2011.

8.3. Main transactions concluded between affiliated parties (pursuant to Article 108 of Law No. 24/2017 on issuers of financial instruments and market operations, republished)

In accordance with the provisions of Article 108 of Law No. 24/2017 and Article 209[1] of ASF Regulation No. 5/2018, in H I 2026 Transgaz has informed its shareholders and investors, by supplementing the information presented in the current reports published on 1 November 2024 and 1 September 2025, regarding the updated values realized under the contracts concluded with SNGN Romgaz SA, an affiliated party.

Details of these transactions, containing information about the terms and conditions of payment are presented in the current report published on: 14.05.2026.

No.	SNGN ROMGAZ SA – Contracting Party	Contract scope	Reported estimated value* 01.09.2025 (LEI)	Achieved value** (LEI, including VAT)
1.	Contract no. OR24/29.04.2025	Technological consumption for the period 01.04.2025 - 31.10.2025	47.391.221,25	50.203.431,41
Underground Gas Storage Subsidiary DEPOGAZ Ploiești SRL				
2.	Contract no. 1862 /2025	Natural gas storage services for technological consumption for the period 01.04.2025 - 31.03.2026	5.298.177,50	5.026.040,12
3.	Contract no. 1863/2025	Natural gas balancing storage services for the period 01.04.2025-31.03.2026	8.626.544,13	5.495.937,77

No.	SNGN ROMGAZ SA – Contracting Party	Contract scope	Reported estimated value* 01.11.2024 (LEI)	Achieved value** (LEI, including VAT)
1.	**Contract no. 30/26.08.2024 (1 October 2024 – 1 October 2025)**	Provision of natural gas transmission services for the annual capacity product related to entry points into the NTS	276.478.912,10	296.045.238,98
2.	**Contract no. 82/26.08.2024 (1 October 2024 – 1 October 2025)**	Provision of natural gas transmission services for the annual capacity product related to entry points into the NTS	9.028.865,16	17.361.042,16

* Estimated reported value – represents the value calculated at the time of signing the contract
** Achieved value – represents the final invoiced value at the time of contract completion

9. KEY PERFORMANCE INDICATORS ESTABLISHED IN THE MANDATE CONTRACTS

KEY PERFORMANCE INDICATORS – FINANCIAL for the calculation of the variable component of remuneration (separate)

No.	Indicator	Objective	M.U.	2026		Achievement degree
				Budgeted	Achieved	
1.	**Capital expenditure ratio**	Implementation of investment projects included in the company's development program in compliance with the applicable legal framework and efficiency principles, aiming to ensure security of natural gas supply and increase the degree of interconnection of the national natural gas transmission network to the European network	%	5,36%	1,25	23%
2.	**Current liquidity ratio**		Number	1,10	1,18	107%
3.	**Debt/EBITDA* ratio**		Number	6,81	9,14	74%
4.	**Asset turnover ratio**	Ensuring sustainable financial and economic performance and operational stability	%	23,22%	12,50	54%
5.	**Return on assets (ROA)**		%	2,70%	2,07	76%
6.	**Net profit margin**		%	12,37%	16,53	134%
7	**Dividend payout ratio**		%	50%	x	x

**) EBITDA calculated in accordance with the 2025-2029 Management Plan (EBITDA = Net Profit + Interest Expense + Tax Expense + Impairment Expense + Depreciation Expense)*
The values listed in the column "Management Plan 2025–2029, updated 2026" are annual figures.

Table 35 - Key financial performance indicators for the calculation of the variable component of remuneration in 2026 compared to the target values for 2026 according to the 2025-2029 Management Plan

KEY NON-FINANCIAL PERFORMANCE INDICATORS for the calculation of the variable component of the remuneration

No.	Non-financial objectives	Category of non-financial indicators	Non-financial indicators	Calculation formula	M.U.	2026	
						Target values	Achieved Half I
Public enterprise strategy							
1.		Customer-related indicators	Customer satisfaction score	Customer satisfaction score_t = total number of ratings of 4 and 5_t/total number of ratings_t-1	%	95,2	It is reported annually
2.	Increasing customer, business partner, and supplier satisfaction and the quality of services provided		Monitoring Development Strategy*	Implementation of FID projects in the 10-year development plan = actions completed + actions started / actions proposed	%	100	100
3.		Focused on public services	Performance indicators for natural gas transmission services	Achievement of the targets set out in the Performance Standard for Natural Gas Transmission and System Services for the indicators $IP_0^1 \geq 90\%$, $IP_1^1 \geq 90\%, IP_1^2 \geq 95\%$, $IP_1^3 \geq 95\%, IP_1^4 \geq 95\%, IP_1^5 \geq 95\%, IP_2^1 \geq 95\% IP_{,3}^1 \geq 95\% I, P_3^2 \geq 95\%, IP_4^1 \geq 95\%, IP_5^1 \geq 98\%, IP_5^2 \geq 98\%, IP_6^1 \geq 98\%, IP_6^2 \geq 98\%$.	%	100	100
4.	Improving the process of training, instruction, and professional development of staff.		Average number of training hours per employee	Average number of training hours per employee = Total number of training hours_t/Total number of employees_t	Number	22	9
5.	Responsible management, sustainable strategies, and maintaining Integrated Management certification for Quality, Environment, Health, and Occupational Safety	Employee-related indicators	Establishment of an employee safety system	YES/NO	Confirmation of the establishment of the system	YES	DA

No.	Non-financial objectives	Category of non-financial indicators	Non-financial indicators	Calculation formula	M.U.	2026	
						Target values	Achieved Half I
6.	Optimizing the implementation process of corporate governance, ethics, and integrity principles	Governance-related indicators	Percentage of independent members on the board of directors	Percentage of independent members on the board of administration_t = Total number of non-executive and independent members on the board of administration_t/ Total number of members on the board of administration_t	%	60	80
7.			Number of board meetings	Number of board meetings_t = Number of board meetings held during the year_t	Number	12	15
8.	Optimization of the risk management process		Establishing risk management policies	YES/NO	Confirmation of policy establishment	YES	YES

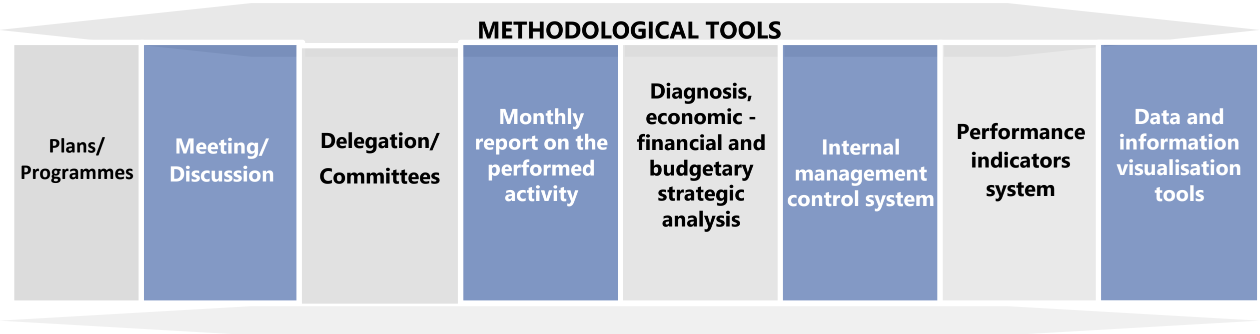
Table 36 - Achievement of key non-financial performance indicators according to MP 2025-2029, updated 2026, for the calculation of remuneration in 2026

PERFORMANCE INDICATORS - NON-COMMERCIAL for calculating the variable component of remuneration

No.	Non-financial objectives	Category of non-financial indicators	Non-financial indicators	Calculation formula	M.U.	2026	
						Target values	Achieved Half I
Public enterprise strategy							
1.	Optimal sizing of human resource requirements in relation to the actual activity and development needs of the company	Job creation	Full-time equivalent number of employees	Number of full-time equivalent employees_t = Total number of working hours for all employees according to contract_t/ Number of working hours for a full-time employee_t	Number	4.010	3.960
2.		Gender equality	Percentage of female senior managers	Percentage of female senior managers = Number of female directors_t/Total number of directors_t	%	31,50	32,20

Table 37 - Achievements of non-commercial key performance indicators according to PA 2025-2029, updated 2026 for the calculation of remuneration in 2026

In order to optimize the company's activities, the administrators and management will continue to act with the utmost responsibility and will efficiently use modern administration/management methods and techniques, appropriate for improving and enhancing the performance of all processes and activities carried out by the company, as presented below:



ION STERIAN – Executive Administrator – Director-General

NICOLAE MINEA – Non-Executive Administrator

ILINCA VON DERENTHALL – Non-Executive Administrator

ADINA LĂCRIMIOARA HANZA – Non-Executive Administrator

COSTIN MIHALACHE – Non-Executive Administrator

LIST OF TABLES

LIST OF CHARTS

LIST OF FIGURES

NATIONAL GAS TRANSMISSION COMPANY
TRANSGAZ S.A. GROUP

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED ON 30 JUNE 2026 (UNAUDITED)

PREPARED IN ACCORDANCE WITH
THE ORDER OF THE MINISTRY OF PUBLIC FINANCE 2844/2016

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Contents **Page**

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(expressed in lei, unless otherwise stated)

	Note	30 June 2026 (unaudited)	31 December 2025
ASSET			
Non-current assets			
Tangible Assets	7	669,275,875	686,480,217
Right of use assets	7.1	106,316,343	119,761,305
Intangible assets	9	4,833,598,517	5,957,234,399
Financial assets	10	-	-
Goodwill	9.1	10,252,361	10,165,677
Other receivables under the Concession Agreement	12	4,076,718,872	3,033,953,960
Long-term financial investments	13	45,903,828	30,960,000
Deferred tax	18	67,085,176	71,315,446
Restricted cash	13	1,974,861	2,211,942
		9,811,125,833	**9,912,082,946**
Current assets			
Inventories	11		
Trade receivables	12.1	650,401,329	496,444,235
Other receivables	12.2	196,487,108	386,007,051
Income tax receivables		112,775,046	110,079,886
Short-term financial investments	13	7,359,891	-
Cash and cash equivalent	13	194,841,713	143,278,777
		979,761,822	839,493,440
		2,141,626,909	**1,975,303,389**
Total assets			
		11,952,752,742	**11,887,386,335**
EQUITY AND LIABILITIES			
Equity			
Share capital	14	1,883,815,040	1,883,815,040
Hyperinflation adjustment of share capital	14	441,418,396	441,418,396
Share premium	14	247,478,865	247,478,865
Other reserves	15	1,265,796,861	1,265,796,861
Retained earnings	15	968,454,409	1,071,367,897
Foreign currency translation reserve		11,327,894	9,726,218
Equity attributable to shareholders of the Parent		**4,818,291,465**	**4,919,603,277**
Non-controlling interests	15	162,495,130	142,493,296
Total equity		**4,980,786,595**	**5,062,096,573**
Non-current liabilities			
Long-term borrowings	16	3,844,700,976	3,828,665,050
Deferred revenue	17	1,172,793,275	1,211,922,715
Lease liabilities	19.2	71,464,492	89,560,397
Provision for employee benefits	21	173,608,839	168,536,238

Notes 1 to 32 are part of these financial statements.

		5,262,567,582	**5,298,684,400**
	Note	**30 June 2026 (unaudited)**	**31 December 2025**
Current liabilities			
Short-term borrowings	16	352,198,062	442,574,469
Deferred revenue	17	172,029,626	105,806,400
Current tax payable	18	-	1,298,495
Trade payables	19.1.a	123,163,820	238,366,875
Other payables	19.1.b	883,979,567	503,993,973
Contract liabilities	19.1.c	55,896,275	108,542,826
Lease liability	19.2	52,327,565	41,917,924
Other provisions	20	44,632,045	60,213,686
Provision for employee benefits	21	25,171,605	23,890,714
		1,709,398,565	**1,526,605,362**
Total liabilities		**6,971,966,147**	**6,825,289,762**
Total equity and liabilities		**11,952,752,742**	**11,887,386,335**

Endorsed and signed on behalf of the Board of Administration on 12 August, 2026 by:

Chairman of the Board of Administration
Nicolae Minea

Director – General
Ion Sterian

Chief Financial Officer
Marius Lupean

Notes 1 to 32 are part of these financial statements.

This version of the 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.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(expressed in lei, unless otherwise stated)

	Note	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Revenue from the domestic transmission activity - Romania	22.1	1,254,547,245	1,343,574,613
Revenue from the transmission activity – Republic of Moldova	22.1	167,649,427	147,111,296
Other income	22.2	110,622,826	82,791,593
Operational revenue before the balancing and construction activity according to IFRIC12		**1,532,819,498**	**1,573,477,502**
Depreciation and amortization	7. 9	(375,247,713)	(272,238,338)
Employees costs	24	(350,249,797)	(343,424,766)
Natural gas consumption, materials and consumables used		(64,688,581)	(61,787,958)
Royalty costs		(144,272,933)	(154,511,081)
Maintenance and transmission costs		(74,817,694)	(57,639,425)
Taxes and duties		(73,259,598)	(61,660,889)
Income/ (Expenses) with other provisions		2,069,978	20,462,533
Receivables impairment (loss)/gain		(10,538,584)	(6,626,335)
Other operating expenses	23.1	(72,148,963)	(80,182,326)
Operational profit before the balancing and construction activity according to IFRIC12		**369,665,613**	**555,868,917**
Revenue from the balancing activity	22.1	164,827,991	233,935,410
Expenses with the balancing activity	23.2	(164,827,991)	(233,935,410)
Revenue from the construction activity according to IFRIC12	32	104,264,053	451,111,690
Cost of assets constructed according to IFRIC12	32	(104,264,053)	(451,111,690)
Operational profit		**369,665,613**	**555,868,917**
Interest income	25	127,530,033	127,255,543
Other Financial income	25	10,947,454	6,938,196
Financial cost	25	(137,262,841)	(84,166,923)
Financial income, net		**1,214,646**	**50,026,816**
Profit before tax		**370,880,259**	**605,895,733**
Income tax expense	0	(67,221,974)	(86,927,220)
Net profit for the year		**303,658,285**	**518,968,513**
Attributable to equity holders of the parent		285,001,580	503,574,330
Attributable to the non-controlling interests		18,656,705	15,394,183
Number of shares		188,381,504	188,381,504
Basic and diluted earnings per share (expressed in lei per share)	28	1,61	2,75
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax)			
Actuarial gain/(loss) for the period		12,264,959	1,815,950
Foreign currency translation reserve		4,019,381	454,422
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax)			
Total comprehensive income for the year		**319,942,625**	**521,238,885**
Attributable to equity holders of the parent		299,940,791	505,489,960
Attributable to the non-controlling interests		20,001,834	15,748,925

Chairman of the Board of Administration
Nicolae Minea

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

Notes 1 to 32 are integral part of these financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(expressed in lei, unless otherwise stated)

	Share Capital	Share capital adjustments	Share premium	Other reserves	Legal reserve	Profit reserve	Retained earnings	oreign currency translation reserve	Total	Non-controlling interests	Total equity
Balance at 1 January 2025	**1,883,815,040**	**441,418,396**	**247,478,865**	**1,265,796,861**	**78,670,680**	**58,121,457**	**297,191,640**	**9,922,595**	**4,282,415,534**	**107,136,408**	**4,389,551,942**
Net profit for the period	-	-	-	-	-	-	503,574,330	-	503,574,330	15,394,183	518,968,513
Actuarial Gain/(loss)	-	-	-	-	-	-	1,815,950	-	1,815,950	-	1,815,950
Foreign currency translation reserve (*)	-	-	-	-	-	-	318,090	(218,409)	99,681	354,741	454,422
Total other comprehensive income	-	-	-	-	-	-	2,134,040	(218,409)	1,915,631	354,741	2,270,372
Comprehensive income for the period	-	-	-	-	-	-	**505,708,370**	**(218,409)**	**505,489,961**	**15,748,924**	**521,238,885**
Petrostar acquisition	-	-	-	-	-	-	-	-	-	7,074,751	7,074,751
Dividends for 2024	-	-	-	-	-	-	(203,452,024)	-	(203,452,024)	-	(203,452,024)
Balance as at 30 June 2025 (unaudited)	**1,883,815,040**	**441,418,396**	**247,478,865**	**1,265,796,861**	**78,670,680**	**58,121,457**	**599,447,986**	**9,704,186**	**4,584,453,471**	**129,960,083**	**4,714,413,554**
Net profit for the period	-	-	-	-	-	-	354,216,206	-	354,216,206	7,535,757	361,751,963
Actuarial gain (loss)	-	-	-	-	-	-	(19,356,796)	-	(19,356,796)	-	(19,356,796)
Foreign currency translation reserve (*)	-	-	-	-	-	-	268,364	22,032	290,396	307,071	597,467
Total other items of comprehensive income	-	-	-	-	-	-	(19,088,432)	22,032	(19,066,400)	307,071	(18,759,329)
Total comprehensive income for the period	-	-	-	-	-	-	**335,127,774**	**22,032**	**335,149,806**	**7,842,828**	**342,992,634**
Non-controlling interests for Petrostar	-	-	-	-	-	-	-	-	-	4,690,385	4,690,385
Reserves from reinvested profits	-	-	-	-	-	30,520,848	(30,520,848)	-	-	-	-
Increase in legal reserve	-	-	-	-	46,858,017	-	(46,858,017)	-	-	-	-
Balance at 31 December 2025	**1,883,815,040**	**441,418,396**	**247,478,865**	**1,265,796,861**	**125,528,697**	**88,642,305**	**857,196,895**	**9,726,218**	**4,919,603,277**	**142,493,296**	**5,062,096,573**
Net profit for the period	-	-	-	-	-	-	285,001,580	-	285,001,580	18,656,705	303,658,285
Actuarial Gain/(loss)	-	-	-	-	-	-	12,264,959	-	12,264,959	-	12,264,959
Foreign currency translation reserve (*)	-	-	-	-	-	-	1,072,576	1,601,676	2,674,252	1,345,129	4,019,381
Total other comprehensive income	-	-	-	-	-	-	13,337,535	1,601,676	14,939,211	1,345,129	16,284,340
Comprehensive income for the period	-	-	-	-	-	-	**298,339,115**	**1,601,676**	**299,940,791**	**20,001,834**	**319,942,625**
Allocation of Profits to Reserves	-	-	-	-	-	38,746,667	(38,746,667)	-	-		
Dividends for 2025	-	-	-	-	-	-	(401,252,603)	-	(401,252,603)	-	(401,252,603)
Balance as at 30 June 2026 (unaudited)	**1,883,815,040**	**441,418,396**	**247,478,865**	**1,265,796,861**	**125,528,697**	**127,388,972**	**715,536,740**	**11,327,894**	**4,818,291,465**	**162,495,130**	**4,980,786,595**

(*) Foreign currency translation reserves arise from translating the financial statements of the subsidiary Eurotransgaz from its functional currency (MDL) in the reporting currency (RON).

Chairman of the Board of Administration
Nicolae Minea

Director – General
Ion Sterian

Chief Financial Officer
Marius Lupean

Notes 1 to 32 are integral part of these financial statements.

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

	Note	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Profit before tax		**370,880,259**	**605,895,733**
Adjustments for:			
Depreciation		375,247,712	272,238,338
Gain/(loss) on transfer of non-current assets		(173,530)	96,298
Other Provisions		(2,069,978)	(15,850,585)
Income from connection fees, grants and goods taken free of charge		(80,522,327)	(52,672,097)
Adjustment of the Receivable regarding the Concession Agreement		(50,360,636)	(83,061,686)
Sundry debtors and receivable loss		13,962,757	40,538
Loss / (Gain) from the Write-Down of Inventories		4,264,929	10,529,143
Adjustments for the receivable's impairment		(3,424,173)	6,626,334
Provisions for Employee Benefits		6,536,411	1,919,211
The Effect of Restating the Provision for Employee Benefits		11,736,022	11,155,645
Interest income		(77,169,412)	(44,198,113)
Interest expenses		84,696,513	54,178,501
Other Income and Expenses		-	783,369
Income from a Bargain Purchase		-	(2,668,524)
Income from the Revaluation of Non-Controlling Interests		-	(413,609)
Effect of exchange rate fluctuation on other items than from operation		28,797,612	29,112,703
Operating profit before the changes in working capital		**682,402,159**	**793,711,199**
Increase/(decrease) in trade and other receivables		167,822,052	81,965,736
Increase/(decrease) in inventories		(158,201,508)	21,555,591
Increase/(decrease) in trade payables and other debts		(117,982,971)	(113,283,986)
Cash generated from operations		**574,039,732**	**783,948,540**
Income tax paid		(78,732,478)	(86,372,256)
Net cash generated from operating activities		**495,307,254**	**697,576,284**
Cash flow from investing activities			
Purchase of intangible assets		(152,106,467)	(720,310,178)
Purchase of property, plant and equipment		(18,460,386)	(5,544,499)
Receipt from the transfer of tangible assets		180,521	-

Notes 1 to 32 are part of these financial statements.

Interest received		15,096,575	8,421,416
Payments for financial investments		(63,932,884)	(108,066,000)
Net cash used in investing activities		**(219,222,641)**	**(825,499,261)**
Cash flow from financing activities			
Repayment of long-term borrowings		(74,953,477)	(74,131,972)
Proceeds from short term borrowings for working capital		(34,052,796)	(26,117,015)
Proceeds from long term borrowings		-	-
Payment of principal portion of lease liabilities		(22,117,571)	(19,281,406)
Cash from connection fees and grants		102,135,480	1,826,529
Interest paid		(106,662,891)	(80,853,668)
Dividends paid		(164,976)	(215,560)
Net cash (used in)/ generated from financing activities		**(135,816,231)**	**(198,773,092)**
Net change in cash and cash equivalents		**140,268,382**	**(326,696,069)**
Cash and cash equivalent as at the beginning of the year	**13**	**839,493,440**	**1,064,299,187**
Cash and cash equivalent as at the end of the year	**13**	**979,761,822**	**737,603,118**

Chairman of the Board of Administration
Nicolae Minea

Director – General
Ion Sterian

Chief Financial Officer
Marius Lupean

Notes 1 to 32 are part of these financial statements.

1. GENERAL INFORMATION

Information on the S.N.T.G.N. Transgaz S.A. Group ("the Group") and its subsidiaries.

The Group consists of S.N.T.G.N. Transgaz S.A. ("the Company"/"Transgaz") as the parent company and its subsidiaries EUROTRANSGAZ S.R.L., VESTMOLDTRANSGAZ S.R.L, TRANSPORT ROMÂNIA HIDROGEN S.R.L. and Petrostar SA.

The National Gas Transmission Company - SNTGN Transgaz SA (`Company` or `Transgaz`) has as main activity the transmission of natural gas. Also, Transgaz maintains and operates the national gas transmission system and carries out research and design activities in the area of natural gas transmission. At 30 June 2026, the majority shareholder of the company is the Romanian state, through the General Secretariat of the Government.

According to the applicable European and national provisions, Transgaz ensures the balancing activity for the National Transmission System ("NTS"). The balancing activity is carried out by the Company based on ANRE Order no.160/2015 establishing the obligations regarding the balancing of the national transmission system, a financially neutral activity, any profit or loss from this activity being distributed to the clients for which domestic transmission services are provided.

Transgaz was established in May 2000, following several reorganizations of the gas sector in Romania: its predecessor was part of the former national gas monopoly SNGN Romgaz SA (`predecessor company`), which was reorganized under Government Decision 334/2000.

The natural gas sector is regulated by the `National Energy Regulatory Authority` - `ANRE`. ANRE's main responsibilities are the following:

- issuing or withdrawing licenses for companies operating in the natural gas sector;
- publishing framework contracts for the sale, transmission, purchase and distribution of natural gas;
- setting the criteria, requirements and procedures related to the selection of eligible consumers;
- setting the pricing criteria and the calculation methods for the natural gas sector.

The Group is headquartered in 1 C.I. Motaş Square, Mediaş, Romania.

Since January 2008, the Transgaz has been listed at the Bucharest Stock Exchange, as a Tier 1 company, under the TGN symbol.

On 18 December 2017, the limited liability company EUROTRANSGAZ SRL Chisinau (EUROTRANSGAZ S.R.L.) was established in the Republic of Moldova. SNTGN Transgaz SA Mediaş is the sole shareholder of EUROTRANSGAZ S.R.L. under EGMS Resolution no. 10/12 December 2017 on the establishment company.

The core business of EUROTRANSGAZ is:

1. Natural gas production; natural gas transmission; natural gas distribution; natural gas storage; natural gas supply
2. Transmission through pipelines
3. Storage
4. Business and management consulting activities.

The share capital of EUROTRANSGAZ S.R.L. as at 30 June 2026 is in the amount of MDL 728,034,705 (equivalent in RON of lei 189,434,630) and is wholly owned by SNTGN Transgaz SA Medias - the founder of the Company, as sole shareholder.

The Decision of the Board of Administration of March 2018 approved the signing of the Sale and Purchase Agreement of I.S Vestmoldtransgaz and the payment of the price offered for the privatization and all taxes and fees related to the privatization process.

Based on the Decision no.39/05.09.2019, the Board of Administration of SNTGN Transgaz S.A. approved the authorization of Eurotransgaz (ETG) administrators to register the sale-purchase contract and the transfer of the property right on the single asset complex IS "Vestmoldtransgaz" and also to carry out any actions necessary for the reorganization procedure of Vestmoldtransgaz (VTMG) into a limited liability company.

Based on the Resolution no. 434 of the National Agency for Energy Regulation Board of Administration of 07.07.2023, S.R.L. Vestmoldtransgaz was appointed as operator of the natural gas transmission system in the Republic of Moldova as of 19.09.2023 on a temporary basis until the completion of the certification procedure.

Also, from 19.09.2023 SRL Vestmoldtransgaz became the successor of the rights and obligations of SRL Moldovatransgaz regarding the contracts with system users and interoperability agreements.

For the purpose of consolidating this set of financial statements, the non-controlling interest in the subsidiary's equity in amount of LEI 152,847,234 (MDL 587,422,115) represents EBRD's share in the total net assets of the Vestmoldtransgaz S.R.L. in statement as at 30 June 2026, as well as the stake held by other shareholders, amounted to Lei 9.647.896 of the total net assets of Petrostar S.A.

Non-controlling interests 30 June 2026 (unaudited)	**Ownership percentage**	**Amount in MDL**	**Amount in LEI**
The EBRD’s share of the total net assets of Vestmoldtransgaz S.R.L.	25%	587,422,115	152,847,234
The share owned by other shareholders in the total net assets of Petrostar SA	49%	-	9,647,896

By EGMS Resolution no. 5 of 5 June 2024 the establishment of a limited liability company TRANSPORT ROMÂNIA HIDROGEN S.R.L. was approved, having as its core business the hydrogen transmission, with sole shareholder SNTGN Transgaz SA. The company's activity is suspended.

By EGMS Resolution no. 5 of 09 April 2025 the takeover of 51% of the PETROSTAR S.A. company was approved, having as its core business the engineering and related technical consultancy activities. The acquisition process was completed in May 2025, and now the Company holds 51% of the share capital of Petrostar S.A., one of the oldest and most representative companies in Romania, operating in the research, technological engineering, and design fields for the oil and gas extraction industry.

The Ordinary General Meeting of Shareholders approves the annual financial statements of the Company based on the reports of the Board of Administration and of the financial auditors.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

The Group's consolidated financial statements have been prepared in accordance with OMFP 2844/2016 for the approval of the Accounting Regulations in line with International Financial Reporting Standards as adopted by the European Union (OMF 2844/2016). OMF 2844/2016, complies with IFRS as adopted by the European Union, with the following exceptions:

a) IAS 21 The effects of changes in foreign exchange rates on functional currency,

b) IAS 20 Accounting for Government Grants on the recognition of revenue from green certificates,

c) IAS 12 Income Taxes relating to the treatment of the minimum tax on turnover as an income tax expense.

These exceptions do not affect the compliance of the Company's financial statements with IFRS Accounting Standards as adopted by the EU.

d) IFRS 15 Revenue from Contracts with Customers on revenue from connection fees to the distribution network. The Company's policy on connection fee income, as described in Note 3.17, does not affect the compliance of the Company's financial statements with IFRS Accounting Standards as adopted by the EU with regards to measurement, it does affect however its presentation. In accordance with OMF 2844 these items are presented as deferred revenue, while under IFRS 15 these should have been classified as contract liability.

e) Another exception is provided by the provisions of Government Emergency Ordinance no. 119/1 September 2022 to amend and supplement Government Emergency Ordinance no. 27/2022 on the measures applicable to end customers in the electricity and natural gas market in the period from 1 April 2022 to 30 June 2023, as well as for amending and supplementing some normative acts in the energy sector, according to which the natural gas transmission service provider is obliged to capitalize on a quarterly basis the additional costs of natural gas purchase, realized in the period from 1 January 2022 to 30 June 2025, in order to cover the technological consumption, compared to the costs included in the regulated tariffs and the assets resulting from the capitalization are recognized in the accounting records and financial statements according to the instructions prepared by the Ministry of Finance. In application of the provisions of Article III of the Government Emergency Ordinance no. 119/2022 on the recognition in the accounting records and financial statements of assets resulting from capitalization, the Minister of Finance issued Order no. 3900/19 October 2022 and the Company recorded the related amount under intangible assets. These assets are depreciated over 5 years. These provisions are not in accordance with IFRS Accounting Standards. If the provisions of IFRS Accounting Standards had been applied, the value of the lines in the statement of comprehensive income would have recorded the following effect.

Consumption of NTS gas, materials and consumables would have recorded zero Lei in H1 2026 (20,547,260 Lei in 2025), Depreciation would have recorded a decrease by 7,599,193 Lei in Q1 2026 (14,196,455 Lei in 2025), Operating profit would have recorded an increase by 7,599,193 Lei in H1 2026 (decrease by 6,350,805 Lei in 2025), and the value of the lines in the statement of the financial position would have recorded the following effect:

Intangible assets would have recorded a decrease by 47,634,626 Lei in H1 2026 (55,208,388 Lei as at 31 December 2025) and Retained result would have recorded a decrease by 40,035,433 Lei in H1 2026 (48,857,582 Lei as at 31 December 2025).

The financial statements have been prepared on the historical cost basis, except for financial assets that are measured at fair value through profit or loss or at fair value through other comprehensive income.

The financial statements have been prepared based on a going concern principle.

The material accounting policies applied in the preparation of these financial statements are presented below. These policies were consistently applied to all the financial years considered, unless otherwise stated.

The preparation of the financial statements in accordance with OMFP 2844/2016 requires the use of critical accounting estimates. Also, the management is required to use judgment in applying the company's accounting policies. Areas with a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are presented in Note 5.

The Group's parent company must disclose non-controlling interests in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent company. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Basis for Consolidation

In accordance with the Accounting Law no. 82/1991 republished, as amended and supplemented, and with OMFP 2844/2016, as amended and supplemented, for the approval of accounting regulations in accordance with International Financial Reporting Standards, the parent company must prepare both its own separate financial statements and consolidated financial statements of the Group.

IFRS 10 sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee and also sets out the accounting requirements for the preparation of consolidated financial statements.

The parent company must prepare consolidated financial statements using uniform accounting policies for similar transactions and events in similar circumstances. Consolidation of an investee shall begin at the date when the investor obtains control and shall cease when the investor loses control of the investee.

Subsidiaries

The consolidated financial statements comprise the financial statements of Transgaz and its subsidiaries as at 30 June 2026.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

• Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)

• Exposure, or rights, to variable returns from its involvement with the investee

• The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other operating expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs.

The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3. SUMMARY OF THE MATERIAL ACCOUNTING POLICIES

The main accounting policies applied in the preparation of these financial statements are set out below.

3.1 Standards/amendments

Standards/amendments that are in force and have been endorsed by the European Union

The accounting policies adopted are consistent with those of the previous financial year with the exception of the following standards and amendments to IFRS Accounting Standards that have been adopted by the Company as from 1 January 2026:

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments (Amendments).** In May 2024, IASB issued Amendments to Classification and Measurement of Financial Instruments, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Presentation, and are effective for annual reporting periods beginning on or after 1 January 2026, with early adoption permitted.
- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Contracts for Factor-Dependent Electricity.** In December 2024, IASB issued specific amendments for enhanced presentation of contracts relating to naturally-dependent electricity, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, these become effective for annual reporting periods beginning on or after January 1, 2026, with early adoption permitted.
- **Annual Improvements to IFRS Accounting Standards - Volume 11.** In July 2024, IASB issued Annual Improvements to IFRS Accounting Standards - Volume 11. An entity shall adopt these amendments for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted.

Standards issued but not yet in force and not adopted early

Standards/amendments which are not yet in force but have been approved by the European Union

- **IFRS 18 Financial Statement Disclosures.** In April 2024, IASB issued IFRS 18 Presentation of Financial Statement Disclosures, which replaces IAS 1 - Presentation of Financial Statements, it is effective for annual reporting periods beginning on or after 1 January 2027, with early adoption permitted. In subsequent reporting periods, Management will review the requirements of this newly issued standard and assess its impact. During this period, the Company is assessing the impact on its reporting processes, investor communications, and business strategy in order to implement the requirements of this standard and ensure accuracy and transparency in its reporting.

Standards/amendments not yet in force and not yet approved by the European Union

- **IFRS 19 - Non-public Subsidiaries: Disclosures.** In May 2024, IASB issued IFRS 19 - Non-publicly Accountable Subsidiaries: Disclosure Requirements, which will be effective for annual reporting periods beginning on or after 1 January 2027, with early adoption permitted. In subsequent reporting periods, Management will review the requirements of this newly issued standard and assess its impact.
- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (Amendments).** In November 2025, the IASB issued amendments to Translation to a Hyperinflationary Presentation Currency which amend IAS 21 The Effects of Changes in Foreign Exchange Rates, and they become effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. Management has assessed that these amendments will not have a material impact
- **Amendment to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and the Associate or Joint Venture.** In December 2015, IASB indefinitely postponed the effective date of this amendment pending the outcome of its research project on the equity method.

3.2 Segment reporting

The information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the gas transmission segment and other activities, including headquarter activities. The Directors of the Group have chosen to organize the Group around differences in activities performed.

Specifically, the Group is organized in the following segments:

- Domestic gas transmission segment for the gas transmission services in Romania
- Balancing market segment – the Group is obliged to ensure balancing of the physical gas market, a profit neutral activity
- Republic of Moldova gas transmission segment – the services performed on the territory of Republic of Moldova by the Group's subsidiary, Vestmoldtransgaz
- Other activities

Transactions between the companies within the Group are at current market prices. Unrealized profits are eliminated in the financial statements.

All transactions between Group's segments within the same company (SNTN Transgaz SA) are at cost.

3.3 Foreign currency transactions

The Group's consolidated financial statements are presented in Romanian RON ("lei"), which is also the parent company's functional currency.
For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into lei at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

3.4 Accounting for the effects of hyperinflation

Romania has gone through periods of relatively high inflation and was considered hyperinflationary under IAS 29 `Financial Reporting in Hyperinflationary Economies`. This standard required financial statements prepared in the currency of a hyperinflationary economy to be presented in terms of purchasing power as of 31 December 2003. As the characteristics of the economic environment in Romania indicate the cessation of hyperinflation, from 1 January 2004, the company no longer applies IAS 29.

Therefore, values reported in terms of purchasing power on 31 December 2003 are treated as basis for the accounting values of these financial statements.

3.5 Intangible Assets

Computer Software

Licenses acquired related to rights of use of the computer software are capitalized on the basis of the costs incurred with the acquisition and operation of the software in question. These costs are amortized over their estimated useful lives (three years).

Costs associated with maintaining computer software are recognized as expenses in the period in which they are registered.

3.6 Service concession agreement

Public concession agreement and Regulated Asset Base (used for computation of regulated tariffs)

In 2002 Transgaz SA has signed Concession Agreement with ANRM (National Agency for Mineral Resources) for the concession of the national gas transmission system for a period of 30 years (up to 2032)

In accordance with Public Domain Law No. 213/1998, pipelines for gas transmission are public property. Government Decision 491/1998, confirmed by Government Decision 334/2000, states that property, plant and equipment with a gross historical statutory book value of lei 474,952,575 (31 December 2017: lei 474,952,575), representing gas pipelines, are managed by the company. Therefore, the company has the exclusive right to use such assets during the concession and shall return them to the state at the end of this period.

In 2004 ANRE has issued Order 141/ 14.06.2004 and introduced the first regulated tariff on the natural gas transmission system starting with 1 July 2004, for the period 2004-2005, on the basis of the methodology for the approval of transmission tariffs approved by ANRE Decision No 1078/2003.

The tariff methodology provided that the determination of the initial value of the Regulated Asset Base (RAB), used for the calculation of the base revenue of the first regulatory period, is carried out by the Default RAB method.

The default RAB value was allocated to the objectives participating in the provision of natural gas transmission service as at June 2004, including the remaining value of the NTS assets subject to the Concession Agreement and recoverable from regulated tariffs until 2032.

The additions and modernization of the NTS, that at the end of the concession agreement will be returned to the state (ANRM) and are expected to be recovered from tariffs until 2032 are recognized as RAB. As such this RAB is constantly updated with upgrades and developments of the National Gas Transmission System. The value of the amount to be recovered at end of concession is established, and known, at the moment construction of an extension/improvement to the National Gas Transport System is finalized, as it is equal to the residual value of the assets, computed as unamortized net book value at the end of concession. This value is adjusted each year with inflation index.

RAB is recognized at the level of CAPEX reduced by non-refundable funds used to finance CAPEX, such as investment subsidies.

In 2012 the Law 123/2012 (The Electricity and Natural Gas Law) was issued by the Romanian Parliament. Based on Law 123/2012, ANRE (National Energy Regulatory Authority) is the natural gas sector regulatory authority that has regulatory responsibility, the control and oversight of the natural gas transmission business. Art. 125-133 of Law 123 contain the newly established legal framework and the tasks of ANRE and the NTS operator.

Transgaz prepares every year, in the first part of the year, the substantiation note of the transmission tariffs for the following gas year (October - September).

In the tariff methodology applicable during the fourth regulatory period (1 October 2019 – 30 September 2025) approved by ANRE Order 41/2019 in Article 17 and in the methodology applicable for the fifth regulatory period (1 October 2025 – 30 September 2030) approved by ANRE Order No. 7/2025, in Article 21 is mentioned the computation formula of RAB included in the tariff.

The BAR used to determine the tariffs applicable to the next gas year is based on the results achieved up to the date of calculation and on estimated values expected to be achieved by the end of the gas year preceding the one for which the transmission tariffs are being determined.

Bifurcated model according to IFRIC 12

Initial application and recognition of intangible asset

Transgaz receives most of the benefits associated with the assets and is exposed to most of the risks, including the obligation to maintain network assets over a period at least equal to the remaining useful life, and the financial performance of the company is directly influenced by the state of the network.

The scope of IFRIC 12 includes: the existing infrastructure at the time of signing the concession agreement and, also, the modernization and improvement brought to the gas transmission system, which are transferred to the ANRM at the end of the concession agreement.

Due to the fact that the Service Concession Agreement (`SCA`) had nothing substantial changed in the way the Transgaz assets are operated (i.e.; cash flows changed only with the payment of royalties, but, on the other hand, the transmission tariff increased to cover the royalty), the intangible asset was measured at the remaining net value of the derecognized assets (classified in the financial statements as tangible assets on the date of application of IFRIC 12). Consequently, Transgaz continued to recognize the asset, but reclassified it as intangible asset. Transgaz tested the intangible assets recognized at that time for impairment, and no impairment resulted.

Transgaz is entitled to charge the users of the public service and, consequently, an intangible asset was recognized for this right. At the same time Transgaz is entitled to a compensation at the end of the concession that would reflect the unamortised residual value of the assets, as determined in the law. Given that the value and the depreciation rate are also determined in the law, at the time of implementation of IFRIC 12, Transgaz could estimate the amount that is entitled to at the end of the concession. This amount, as per the law, represent an unconditional receivable, and per IFRIC 12, is recognised as a financial asset (details follow).

Financial Asset (Long term receivable) and intangible asset computation basis

Law 127/2014 entered into force on 5 October 2014 states that if the concession contract is terminated for any reason, or upon contract termination, the investment made by the national transmission system operator shall be transferred to the national transmission system owner or another grantor on payment of compensation equal to the Regulated Asset Base which was not depreciated fixed by ANRE.

The company applies the bifurcated model.

Under this model, the intangible asset is excess of the costs occurred over the financial asset (measured as per below). Said differently, the company recognized for the investments made until the balance sheet date an updated receivable related to the Regulated Asset Base remained undepreciated at the end of the concession agreement (2032), and an intangible asset for the value difference.

The present value of this long-term receivable is discounted using a discount rate equal to Romanian long-term government bonds, with a maturity close to the remainder of the concession agreement.

The initial measurement of the receivable is made at the fair value which reflects the credit risk which applies to the regulated amount remaining unamortized at the end of the contract, discounted using a risk-free rate - Romanian long term government bond rate. Subsequent valuation is done at amortized cost using the effective interest method. The interest rate used does not change thereafter.

Long term receivable adjusted with inflation rate

In 2019, ANRE Order no. 41/2019 on the adjustment of Regulated Asset Base to the actual inflation rate; this order was applicable as of 30 September 2025, and under ANRE Order No. 7/2025, effective from 1 October 2025, the value of assets recognized in the Regulated Asset Base is adjusted by the inflation rate used by ANRE to determine the regulated rate of return.

The Company records the present value of the contractual cash flows recalculated as a result of the adjustment of the Regulated Asset Base with the yearly inflation rate and recognizes a gain or loss in the profit or loss account.

This method is in accordance with IFRS 9.B5.4.6, is based on the traditional approach of accounting for floating-rate debt instruments. Rather than taking account of expectations of future inflation it takes account of inflation only during the reporting period.

The depreciation of intangible assets falling within the scope of the concession agreement have a useful life defined in the accounts ending at the time of the termination of the concession agreement (2032). The amortization of these intangible assets is calculated using the straight-line method in order to allocate their cost less residual value over their useful life.

In accordance with Public Concession Law No. 238/2004, a royalty is due for public goods managed by companies other than 100% state-owned. The royalty rate for using the gas transmission pipelines is set by the government. As of October 2007, the royalty was set at 10% of the revenue. The duration of the concession agreement is 30 years, until 2032. Subsequent to entry into force of the provisions of art. 103 para. 2 of Law no. 123/2012, as of 12 November 2020, the royalty was set at 0.4%, from the domestic and international gas transmission services provided by the company, and as of 30 October 2023 the royalty has been set at 11.5% of the value of gross revenues from natural gas transmission services, in accordance with GEO No 91 of 27 October 2023.

3.7 Property, plant and equipment

Property, plant and equipment assets include buildings, land, assets used for the non-regulated international transmission activity (e.g. pipelines, compressors, filtering installations, devices).

The Group's policy is to reflect property, plant and equipment at their cost at their cost less any accumulated depreciation and any impairment accumulated losses.

Property, plant and equipment transferred from customers are initially measured at fair value at the date on which control is obtained.

Buildings include particularly ancillary buildings of operating assets, a research centre and office buildings.

Subsequent expenditure is included in the carrying amount of the asset or recognized as separate asset, as the case may be, only when the entry of future economic benefits for the group associated to the item is likely and the cost of the respective item can be valued in a reliable manner. The carrying amount of the replaced asset is derecognized. All the other expenses with repairs and maintenance are recognized in the statement of comprehensive income in the financial period when they occur.

Other property, plant and equipment

Regarding the assets developed by the company, which are complementary to the provision of services according to the concession agreement, the State has the option to acquire these assets at the end of the concession agreement. The company does not have the obligation to keep these assets until the end of the concession agreement and it is allowed to sell them. These assets do not fall within the scope of IFRIC 12, as these assets are not part of the concession agreement and the grantor has no residual interest on these assets. All the other assets related to the domestic transmission activity and which are part of the national gas transmission system, including improvements made after signing the concession agreement and which must be handed over to the ANRM at the end of the concession agreement fall within the scope of IFRIC 12.

Land is not depreciated. Depreciation on other items of tangible assets is calculated based on the straight-line method in order to allocate their cost minus the residual value, during their useful life, as follows:

	Number of years
Buildings	50
Assets of the gas transmission system	20
Other non-current assets	4 - 20

The residual values of the assets and their useful lives are reviewed and adjusted as appropriate, at the end of each reporting period.

The carrying amount of the asset is written down immediately to its recoverable amount if the carrying amount of the respective asset is greater than its estimated recoverable amount (Note 3.7).

Gain and loss on disposal are determined by comparing amounts to be received with the book value and are recognized in the statement of comprehensive income in the period in which the sale took place.

Borrowing costs attributable directly to the acquisition, construction or production of an asset with a long production cycle are capitalized as part of the cost of the respective asset. Borrowing costs attributable directly to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if expenses with the asset hadn't been made. To the extent that funds are borrowed specifically for obtaining a qualifying asset, the borrowing costs eligible for the capitalization of the respective asset is determined by the actual cost generated by that borrowing during the period, minus the income from the temporary investments of those borrowings. To the extent that funds are generally borrowed and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset.

The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for obtaining the qualifying asset.

The costs of the funds borrowed for obtaining a qualifying asset (achievement of the investment) are capitalized by the company on the asset as a difference between the current leverage costs related to such loan during the period and any revenue from the investments obtained from the temporary investment of these loans.

3.8. Impairment of non-financial assets

Non-current assets must be recognized at the lower of the carrying amount and recoverable amount. If and only if the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset should be reduced to be equal to its recoverable amount. Such a reduction represents an impairment loss that is recognized in the result of the period.

Thus, at the end of each reporting period, the Group assesses whether there is any indication of impairment of assets. If such indication is identified, the Group tests the assets to determine whether they are impaired.

The Group's assets are allocated to cash-generating units. The cash-generating unit is the smallest identifiable asset group that generates independent cash inflows to a large extent from cash inflows generated by other assets or asset groups. The Group considers the National Transport System from Romania and Moldova as a separate cash-generating units.

No impairment indicators were identified in 2026 or 2025.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Plant and machinery 3 to 15 years
- Motor vehicles and other equipment 3 to 5 years
- Leased gas transmission network in Moldova – 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group’s lease liabilities are included in Interest-bearing loans and borrowings.

Short-term leases and leases of low-value assets. The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term

3.9 Financial assets

Financial assets and liabilities

The Group's financial assets include cash and cash equivalents, trade receivables, the long term receivable under the concession agreement other receivables, loans granted, bank deposits and government securities with a maturity from the date of incorporation/acquisition of more than six months and other investments in equity instruments.

Financial debts include interest-bearing bank loans, overdrafts, commercial debts and other debts.

For each item, the accounting policies on recognition and measurement are presented in this note.

Cash and cash equivalents include cash in hand and bank accounts and short-term bank deposits with a maturity of less than six months from the date of deposit.

The Group recognises a financial asset or a financial liability in the statement of financial position when and only when it becomes a party to the contractual provisions of the instrument. At initial recognition, financial assets are classified as measured at amortized cost or measured at fair value through profit or loss. The classification depends on the Company's business model for managing financial assets and their contractual cash flows.

The Company does not hold financial assets measured at fair value through other comprehensive income elements.

At initial recognition, financial assets and financial liabilities are measured at fair value plus or minus, in the case of assets measured at amortized cost, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Receivables arising from contracts with customers represent the Company's unconditional right to consideration. The right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. They are measured on initial recognition at the transaction price.

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method for each difference between the initial amount and the maturity amount and, for financial assets, modified for any adjustment for impairment.

Any difference between the entry value and the value at the maturity date is recognised in the statement of comprehensive income for the period of the loans, using the effective interest method.

Financial instruments are classified as liabilities or equity according to the nature of the contractual arrangement. Interest, dividends, gains and losses related to a financial instrument classified as debt are reported as expense or revenue. Distributions to holders of financial instruments classified as equity are recorded directly in equity.

Financial instruments are offset when the Company has an enforceable legal right to offset and intends to settle either on a net basis or to realize the asset and settle the obligation simultaneously.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are measured for impairment at the end of each reporting period.

With the exception of trade receivables, the loss adjustment related to a financial instrument shall be measured at an amount equal to the expected lifetime credit losses if the credit risk of that financial instrument has increased significantly since initial recognition. If, at the reporting date, the credit risk for a financial instrument has not increased significantly since initial recognition, the Company measures the loss adjustment for that financial instrument at an amount equal to the expected 12-month credit losses.

The adjustment for losses related to trade receivables arising from transactions within the scope of IFRS 15 is measured at an amount equal to the expected lifetime credit losses. The Company considers the risk or probability that a credit loss will occur by reflecting the possibility that a credit loss will occur and the possibility that a credit loss will not occur, even if the possibility of a credit loss is very remote.

The Group assesses the expected credit losses of a financial instrument in a manner that reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. At the end of each reporting period, the company assesses whether there are any indications of impairment of assets. If such indications are identified, the company estimates the asset's recoverable amount.

The carrying amount of financial assets, other than those measured at fair value through the profit and loss account, is reduced by using an impairment adjustment account.

Derecognition of assets and liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows related to the assets expire, or when it transfers the financial asset and, substantially, all risks and rewards related to the asset to another entity.

The Group derecognizes financial liabilities if and only if the Group's obligations have been discharged or cancelled/expired.

3.10. Inventories

Inventories are stated at the lower of cost and net achievable value.

The components recovered from disassembling and repairs of pipelines built by the company are recorded as inventories at a value determined by a technical committee. The amount so determined does not exceed the net realisable value.

The cost for spare parts bought is determined based on the first in, first out method. Where necessary, adjustment is made for obsolete and slow-moving inventories. Individually identified obsolete inventories are adjusted for the full value or written off. For slow moving inventory, an estimate is made of the age of each main category on inventory rotation.

The calculation of the general adjustment for the depreciation of stocks is made monthly depending on the age of the existing items in stock, applying the following percentages according to age: 0 - 12 months 0%; 1 - 2 years 10%; 2 - 3 years 30% - 40%; over 3 years 75% - 80%. The Group holds a minimum safety stock of spare parts and materials.

The cost of natural gas used for the balancing activity related to the transmission system is determined based on the average weighted cost method.

The minimum gas stock that the company, as holder of the national natural gas transmission system operating license is required to have in underground storage facilities, is established by decision of the President of the National Energy Regulatory Authority (ANRE President). The Decision no. 56/08.04.2025 of the ANRE President established the obligation for the company to have a level of natural gas stock of 393,546,504 MWh as at 31 October 2025.

By the Decision no. 6/2026 of the Chairman of ANRE, amendments and supplements to the Decision no. 36/2016 of the Chairman of the National Energy Regulatory Authority were approved, on establishing the method for annually determining the minimum natural gas stock level for holders of licenses to operate natural gas transmission systems. As at 30 June 2026, the minimum natural gas stock level is 393,546 MWh.

3.11. Trade receivables

Trade receivables are amounts due from customers for services rendered in the course of the company's ordinary activities. If the collection period is one year or less (or in the normal operating cycle of the business), they are classified as current assets.

Trade receivables are initially recognized at the transaction price and subsequently measured at amortized cost using the effective interest method, minus the adjustments for impairment.

3.12. Cash and cash equivalent

Cash and cash equivalents comprise cash on hand, cash in current accounts with banks, other short-term investments with high liquidity and with maturity terms of up to six months. In the statement of financial position, overdraft facilities are registered at loans, under current liabilities.

3.13. Equity

Share capital
Ordinary shares are classified as equity.
Additional costs directly attributable to the issue of new shares or options are registered at equity as a deduction, net of tax, from the receipts.

Dividends
Dividends are recognized as liabilities and deducted from equity at the end of the reporting period if they are declared before or at the end of the reporting period. Dividends are recognized when they are proposed before the end of the reporting period.
The company did not distribute partial dividends during the financial year.

Reserves

Reserves are accounted for by categories of reserves: legal reserves, statutory or contractual reserves, reserves from reinvested earnings and other reserves.

Legal reserves are established annually from the company's profits, in the proportions and within the limits laid down by law, and from other sources laid down by law. Legal reserves may be used only under the conditions provided for by law.

Retained earnings

Comprise the result carried forward from the takeover at the beginning of the current financial year of the profit and loss account result of the previous financial year and the result carried forward from the correction of accounting errors.

3.14. Borrowings

Borrowings are recognized initially at fair value, net of transaction costs recorded. Subsequently, borrowings are stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss, based on the effective interest method.
Borrowings are classified as current liabilities, unless the company has an unconditional right to defer payment of debt for no less than 12 months after the end of the reporting period.

3.15. Current and deferred income tax

Tax expense for the period includes the current tax and the deferred tax and is recognized in profit or loss, unless it is recognized in other items of the comprehensive income or directly in equity because it relates to transactions that are, in turn, recognized in the same or in a different period, in other items of the comprehensive income or directly in equity.

Current income tax expense is calculated based on the tax regulations in force at the end of the reporting period. The company periodically evaluates situations where the applicable tax regulations are subject to interpretation and establishes provisions/ adjustments for impairment, where appropriate, for the amounts with accounting/fiscal impact.

The deferred income tax is recognized based on the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax arising from the initial recognition of an asset or liability in a transaction other than a business combination and at the time of the transaction does not affect the accounting profit and the taxable revenue is not recognized. The deferred income tax is determined based on tax rates (and legal regulations) in force until the end of the reporting period and which are expected to apply in the period in which the deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred revenue tax assets are recognized to the extent that it is probable that future taxable profit be derived from temporary differences.

3.16. Trade payables and other payables

Suppliers and other payables are recognized initially at transaction price and subsequently measured at amortized cost, using the effective interest method.

3.17. Deferred revenue

Deferred revenue is recorded for

a) connection fees applied to customers upon their connection to the gas transmission network
b) for the assets received free of charge and
c) for government grants received.

The connection fees are billed to some clients for their connection to the gas transmission network (additional connecting pipeline to be built by Transgaz). The fees billed to customer can cover partially or totally the cost of the pipe's construction cost. These fees are considered to partially finance the construction of these additional connection pipelines, and are recognised as deferred revenue. The income from this deferred revenue is recognized straight line over the useful life of the asset financed.

The governmental subsidies are recognised at their market value when there is a reasonable assurance that they will be received and that the relevant conditions will be met.

The company recognizes a right to collect the grant when there is reasonable assurance that it will comply with the conditions attached to its award and that the grant will be received. The Company considers that the reasonable assurance that the grant will be received can be confirmed by the fulfilment of the eligibility conditions in the funding applications, prior to the approval of the funding application.

The income from the grant is recognized proportionally from the amortization of the financed assets, applying the percentage of financing of the eligible expenses on the monthly amortization.

Cash inflows from government grant cashed or Connection fees are presented within financing cash flows in the Statement of Cash flows, as it is the Group's policy choice under IAS 7.

Assets received free of charge from third parties (SRMs, pipelines, connections) are classified as owned assets because they do not result from investments made by the Company. Following the receiving free of charge of assets belonging to the National Transmission System, these assets are included in the Company's patrimony at fair value, determined based on the asset handover protocol.

3.18. Employee benefits

In the normal course of business, the company makes payments to the Romanian state on behalf of its employees, for health funds, pensions and unemployment benefits. All the company employees are members of the pension plan of the Romanian state, which is a fixed contribution plan. These costs are recognized in the profit and loss account with the recognition of salary expenses.

Benefits granted on retirement

Under the collective agreement, the company must pay the employees on retirement a compensatory amount equal to a certain number of gross salaries, depending on the time worked in the gas industry, working conditions etc. The company recorded a provision for such payments (see Note 21). The obligation recognized in the balance sheet represents the present value of the obligation at the reporting date. The obligation is calculated annually by independent experts using the Projected Unit Credit Method. The present value is determined by discounting future cash flows with the interest rate of the long-term government bonds.

The current service cost is recognized in the profit and loss account in the employee costs. Interest expense is included in the profit and loss account in the financial costs.

Actuarial gain or loss due to changes in actuarial assumptions is recognized in the statement of comprehensive income (are debited/credited to retained earnings via other comprehensive income) in the period for which the actuarial calculation is made.

Social insurance

The company records expenses related to its employees, as a result of granting social insurance benefits. These amounts mainly include the implicit costs of employing workers and, therefore, are included in the salary expenses.

Profit sharing and bonuses

The company recognizes an obligation and expense for bonuses and profit sharing, based on a formula taking into account the profit attributable to the company's shareholders, after certain adjustments. The company recognizes an obligation where it is required under contract or where there is a past practice which created an implicit obligation.

3.19. Provisions

The provisions are recognized when the Group has a legal or implicit obligation as a result of past events, when for the settlement of the obligation an outflow of resources is required, which incorporates economic benefits and for which a credible estimate can be made in terms of the obligation value. Where there are similar obligations, the probability for an outflow of resources to be necessary for settlement is set after the assessment of the obligation class as a whole.

The provision is recognized even if the probability of an outflow of resources related to any item included in any obligation class is reduced.

Where the Group expects the reversal of a provision, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is theoretically certain.

Provisions are measured at the discounted value of the expenditures expected to be required to settle the obligation, using a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3.20. Revenue recognition

The Group recognizes contracts with customers when all of the following criteria are met:

- the parties to the contract have approved the contract and undertake to fulfil their obligations;
- The Group may identify the rights of each party in relation to the goods or services to be transferred;
- The Group can identify the payment terms;
- the contract has commercial substance;
- it is likely that the Company will collect the value of the goods delivered and of the services provided.

Income from contracts with customers is recognised when, or as, the Group transfers the goods or provides services to the client, i.e. the client gains control over them.

Depending on the nature of the goods or services, revenue may be recognised over time or at a specific time.

Revenue is recognised over time if:

- the client simultaneously receives and consumes the benefits of obtaining the goods and services as the Group performs the obligation;
- the Group's performance creates or enhances an asset that the client controls to the extent that the asset is created or enhanced;
- the Group's performance does not create an asset with an alternative use for the Company.

All other revenue that does not meet the above criteria is recognised at a specific time.

In order for revenue to be recognized over time, the Group assesses progress towards the performance obligation using either outcome-based or input-based methods, depending on the nature of the good or service transferred to the client. Revenue is recognized only if the Group can reasonably estimate the outcome of the performance obligation, or, if the outcome cannot be estimated, only at the level of costs incurred that it expects to recover from the client.

Revenue from client contracts mainly relates to gas transmission services and balancing services. Revenues related to these contracts are recognized at a specific point in time, based on actual quantities, at the prices set in the contracts. Each NTS user receives and consumes the benefits offered by the operator simultaneously, as the operator provides NTS operating services, and the operator recognizes revenue over time.

The contracts concluded by the Group do not contain any significant financing components.

1. The Group has the following revenue streams:

a) *Revenues linked to the concession agreement in Romania*

- Revenue from transmission services – Romania
- Revenue from the balancing activity -Romania
- Revenues from connection fees charged to clients upon their connection to the gas transmission network- Romania
- Revenue from construction activity according to IFRIC 12

b) *Revenues not linked to the concession agreement in Romania*

- Revenue from transmission services – republic of Moldova

The contracts entered into by the Company do not contain significant financing components.

a) Revenue from transmission services-Romania

Revenue from the domestic gas transmission results from the booking the transmission capacity and from the transmission through the National Transmission System of the determined quantities of natural gas, expressed in units of energy, during the validity of a gas transmission contract, and are recognized at the moment of their delivery. During the administration of the transmission contracts, the Company issues and submits to the clients, by day 15 of the month following the month for which the transmission service was provided.

b) Revenue from the balancing activity-Romania

In accordance with the applicable European and national provisions, Transgaz ensures the balancing activity for the National Transmission System (NTS). The balancing activity is carried out by Transgaz on the basis of ANRE Order no.160/2015 establishing the obligations regarding the balancing of the national transmission system, a financially neutral activity, any profit or loss from this activity being distributed on a monthly basis to the customers for which internal transmission services are provided.

The commercial, operational and physical balancing of the NTS defines a set of activities and procedures necessary to allocate the quantities of natural gas at network user level and to ensure the safe transmission of natural gas through the NTS. Commercial balancing takes the form of issuing Surplus invoices by network users, Deficit invoices by the transmission system operator and neutrality invoices respectively.

The balancing actions carried out by Transgaz imply the recording of revenues and expenses separately in the accounting records. The difference between the revenues and expenses related to the balancing actions carried out is allocated on a monthly basis to the network users, according to the methodology approved by ANRE, by applying a neutrality tariff.

ANRE Order 85/2017 regulates the mechanism that ensures the cost and revenue neutrality of the natural gas transmission operator (TSO) and considers only the following categories:

- costs and revenues of the TSO as a result of paying or charging imbalance charges in relation to individual NUs;
- costs and revenues arising from the purchase/sale of gas by the TSO for the physical balancing of the NTS;
- costs and revenues arising from the activity of gas storage to ensure the physical balance of the transmission system;
- costs resulting from taking out a credit line to finance the physical and commercial balancing activity;
- costs and revenues resulting from contracting balancing services.

Transgaz presents separate line items for *Revenues from the balancing activity* and *Expenses from the balancing activity* in the statement of comprehensive income, which provides a better picture and understanding of Transgaz' financial results and performance and of the contribution of the balancing activity to the entity's performance.

The presentation of the line-item *Revenues from the balancing activity* under operating revenue does not provide a fair and complete picture of Transgaz' financial performance. The financial neutrality required by the regulations makes it appropriate to present balancing revenues and expenses separately from the Transgaz' other operating revenues and expenses, separating the balancing activity that has zero regulated profit from the rest of the activities performed by Transgaz.

c) Revenue from transmission services – Republic of Moldova

Revenues from the provision of natural gas transmission services consist of the reservation of transmission capacity, nominations at interconnection points and the transport of natural gas through the transmission system of the allocated quantities to the exit points in the distribution networks, during the validity period of a natural gas transmission contract and are recognized at the time of their delivery.

During the administration of transmission contracts, the company issues and transmits by the 15th of the month following the month for which the transmission service was provided, an invoice for the transmission services provided for the previous month, drawn up based on the Delivery-Receipt Acts of the natural gas transmission service and the applicable tariffs provided by the National Agency for Energy Regulation (ANRE). Payment of invoices issued by the Transmission System Operator ("TSO") is made within 15 calendar days from the date of issue of the invoice.

d) *Revenues from connection fees charged to clients upon their connection to the gas transmission network*
These connection fees partially or fully finance the cost of construction works for connection to the National Gas Transmission System, are recognized as deferred revenues at the time of invoicing to the client and are recognized as revenue over the asset's useful life.

e) *Revenue from the sale of goods (including network balancing)*
Revenue from the sale of goods is registered when the goods are delivered.
According to the Network Code for the National Natural Gas Transmission System, Transgaz sells natural gas as part of measures aimed at balancing differences between the quantities of natural gas delivered to the NTS and those taken by network users from it.
Revenue from the sale of waste materials is generated from the scrapping and capitalization of decommissioned assets.

f) *Interest income*
Interest income is recognized proportionally, based on the effective interest method.

g) *Revenue from dividends*
Dividends are recognized when the right to receive payment is recognized.

h) *Revenue from penalties*
Revenue from penalties for late payment is recognized when future economic benefits are expected for the company.

3.21. Contract liabilities

Contract liabilities are an obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (ie. a receivable), before the Group transfers the good or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

3.22. Related parties

The Parties are considered related if one of the parties has the ability to control the other party, to exercise a significant influence over the other party in financial or operational decision making, if they are under the common control with another party, if there is a joint venture in which the entity is an associate or a member of the management as described in the IAS 24 `Related Party Disclosures`. In evaluating each possible related party relationship, the focus is on the essence of this relationship and not necessarily on its legal form. Related parties may enter into transactions which unrelated parties cannot conclude, and transactions between related parties will not apply the same terms, conditions and values as for unrelated parties.

4. FINANCIAL RISK MANAGEMENT

Financial risk factors

By the nature of the activities performed, the company is exposed to various risks, which include: market risk (including currency risk, interest rate risk on fair value, interest rate risk on cash flow and price risk), credit risk and liquidity risk. company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the company. The group does not use derivative financial instruments to protect itself from certain risk exposures.

(a) *Market risk*

(i) Currency risk

The group is exposed to currency risk by exposures to various foreign currencies, especially to EUR. Currency risk is associated to assets (Note 12) and recognized liabilities.

To cover the currency risk associated with trade receivables and payables, the Group concludes sales and purchase contracts in the national currency.

30 June 2026 (unaudited)	EUR (RON)	GBP (RON)	USD (RON)	MDL (RON)	RON (RON)	Total (RON)
Financial assets						
Cash and cash equivalents	44,339,051	509	1,587,088	46,239,742	889,570,294	981,736,684
Short-term financial investments	2,621,398	-	19,040,473	173,179,842	-	194,841,713
Long-term financial investments	14,679,828	-	-	31,224,000	-	45,903,828
Receivables related to the remaining regulated amount remained undepreciated at the end of the concession agreement	-	-	-	-	4,076,718,872	4,076,718,872
Other financial assets	26,219	-	-	-	-	26,219
Other receivables				-	54,825,473	54,825,473
Trade receivables	537,259	-	7,459,710	3,786,492	184,677,428	196,460,889
Total financial assets	**62,203,755**	**509**	**28,087,271**	**254,430,076**	**5,205,792,067**	**5,550,513,678**
Financial liabilities						
Trade payables	13,919,301	-	1,207,446	10,809,157	97,227,917	123,163,821
Dividends payable					402,158,127	402,158,127
Other payables				-	286,258,707	286,258,707
Lease liabilities	-	-	-	100,827,019	22,965,038	123,792,057
Loans	1,256,960,918	-	-	-	2,939,938,120	4,196,899,038
Total financial liabilities	**1,270,880,219**	-	**1,207,446**	**111,636,176**	**3,748,547,909**	**5,132,271,750**
Net	**(1,208,676,464)**	**509**	**26,879,825**	**142,793,900**	**1,457,244,158**	**418,241,928**

31 December 2025	EUR (RON)	GBP (RON)	USD (RON)	MDL (RON)	RON (RON)	Total (RON)
Financial assets						
Cash and cash equivalents	2,539,286	2,862	1,720,041	50,240,684	787,202,509	841,705,382
Short-term financial investments	14,274,407	-	12,997,395	116,006,975	-	143,278,777
Long-term financial investments	-	-	-	30,960,000	-	30,960,000
Receivables related to the remaining regulated amount remained undepreciated at the end of the concession agreement	-	-	-	-	3,033,953,960	3,033,953,960
Other financial assets	25,493	-	-	-	-	25,493
Other receivables					51,447,658	51,447,658
Trade receivables	553,362	-	7,284,016	2,079,222	376,064,958	385,981,558
Total financial assets	**17,392,548**	**2,862**	**22,001,452**	**199,286,881**	**4,248,669,085**	**4,487,352,828**
Financial liabilities						
Trade payables	14,198,698	-	2,076,513	11,469,563	210,622,101	238,366,875
Dividends payable					1,070,500	1,070,500
Other payables	-		-	-	282,081,496	282,081,496
Lease liabilities	-	-	-	107,919,302	23,559,019	131,478,321
Borrowings	1,250,457,421	-	-	-	3,020,782,098	4,271,239,519
Total financial liabilities	**1,264,656,119**	-	**2,076,513**	**119,388,865**	**3,538,115,214**	**4,924,236,711**
Net	**(1,247,263,571)**	**2,862**	**19,924,939**	**79,898,016**	**710,553,871**	**(436,883,883)**

As at 30 June 2026, the amount of lei 8,049,407 (31 December 2025: lei 8,102,420) representing trade receivables and other receivables net is expressed in foreign currency, of which 93% in USD (31 December 2025: 93%) and 7% in EUR (31 December 2025: 7%).

The following table shows the sensitivity of profit or loss and equity, to reasonably possible changes in exchange rates applied at the end of the reporting period of the functional currency of the Group, with all variables held constant and takes into account the maximum market fluctuation of the exchange rate of each currency during the reporting periods:

	30 June 2026 (unaudited)	31 December 2025
Impact on profit and loss and on equity of:		
USD appreciation by 8%	2,150,386	1,593,995
USD depreciation by 8%	(2,150,386)	(1,593,995)
EUR appreciation by 2%	(24,173,529)	(24,945,271)
EUR depreciation by 2%	24,173,529	24,945,271
MDL appreciation by 2%	4,283,187	2,396,940
MDL depreciation by 2%	(4,283,187)	(2,396,940)

(ii) Price risk

The Group is exposed to the commodity price risk related to gas purchased for own consumption. If the gas price had been 5% higher/lower, the net profit related to the period would have been lower/higher by lei 1,554,026 (on June 2025: lei 2,549,679).

(iii) Interest rate risk on cash flow

The Group is exposed to interest rate risk by its bank deposits and variable and fixed interest borrowings. The regulatory framework governing the Transgaz' activities ensures full coverage of interest rate risk. Interest expenses related to loans taken out to finance investment projects being recovered through regulated income for gas transmission activities, and the interest related to credit lines taken out to finance commercial balancing activities is recovered through the neutrality tariff.

The neutrality tariff ensures that the difference between the expenses and revenue recorded by the National Transmission System Operator as a result of activities carried out to fulfil its obligations to balance the natural gas transmission network is allocated to network users.

For the average exposure of the period, if the interest rates had been lower/higher by 50 basis points, with all the other variables maintained constant, the profit related to the period and equity would have been higher/lower by lei 7,427,317 (June 2025: lei 6,809,359 higher / lower) as a result of reducing the interest rate for variable interest loans and the interest rate on the bank deposits.

The value of 50 basis points represents management's assessment of the reasonable change in interest rates.

(b) *Credit risk*

Credit risk is especially related to cash and cash equivalents and trade receivables. The Group drew up a number of policies, through their application ensuring that sales of products and services are made to proper customers. The carrying amount of receivables, net of adjustments for loss, represents the maximum value exposed to credit risk. The Group 's credit risk in respect of trade receivables is concentrated on the 5 main customers, which together account for 50% of the trade receivable balances as at 30 June 2026 (31 December 2025: 49%). Although the collection of receivables can be influenced by economic factors, the management believes that there is no significant risk of loss exceeding the already made adjustments.

As the long-term concession receivable is guaranteed by the Romanian State, the Group considered that the potential impairment using the ECL (Expected Credit Losses) model is not significant for these financial statements.

To cover credit risk the Group requests payment guarantees for gas transmission and commercial balancing contracts. As at 30 June 2026 the payment guarantees available to the Group from clients amounting to lei 418,900,742 (2025: lei 564,735,358) - mainly in form of bank guarantee letters and guarantee deposits.

Cash and the deposits (short and long term) are placed with financial institutions, which are considered as associated to a minimum performance risk.

	30 June 2026 (unaudited)	31 December 2025
Without rating	293,152,591	228,886,724
BBB-	486,177,501	592,592,869
BBB	12,143,426	
BBB+	428, 709,424	191, 885,093
A+	-	133,591
AA-	133,392	233,939
AA	191,029	-
	1,220,507,363	**1,013,732,217**

All the financial institutions are presented in the Fitch rating or equivalent.
The financial institutions based in the Republic of Moldova where the subsidiary's cash is held are without a rating.

(c) *Liquidity risk*

Preventive liquidity risk management involves keeping enough cash and funds available by a proper value of committed credit facilities.

The Group projects cash flows. The financial function of the Group continually monitors the Group's liquidity requirements to ensure that there is sufficient cash to meet operational requirements, while maintaining a sufficient level of unused borrowing facilities (Note 16) at any time, so the Group does not violate the limits or loan agreements (where applicable) for any of its borrowing facilities. These projections take into account the Group's debt financing plans, compliance with agreements, compliance with internal targets on the balance sheet indicators and, where appropriate, external regulations or legal provisions.

The Financial Division of the Group invests extra cash in interest bearing current accounts and term deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide the appropriate framework, established under the provisions mentioned above.

The table below shows obligations on 30 June 2026 in terms of contractual maturity remained. The amounts disclosed in the maturity table are contractual undiscounted cash flows.

Maturity analysis of financial liabilities as at 30 June 2026 is as follows:

	Total amount	Less than 1 year	1-5 years	Over 5 years
Borrowings	5,321,120,815	531,756,802	2,661,779,648	2,127,584,365
Trade payables	123,163,820	123,163,820	-	-
Dividends payable	402,214,418	402,214,418		
Other payables	286,258,707	286,258,707	-	-
Lease liabilities	132,818,719	54,006,992	73,867,298	4,944,429
	6,265,696,754	1,397,521,014	2,735,646,946	2,132,528,794

Maturity analysis of financial liabilities as at 31 December 2025 is as follows:

	Total amount	Less than 1 year	1-5 years	Over 5 years
Borrowings	5,505,718,409	601,681,662	2,565,572,526	2,338,464,221
Trade payables	238,366,873	238,366,873	-	-
Dividends payable	1,070,500	1,070,500		
Other payables	282,325,857	282,325,857	-	-
Lease liabilities	148,770,972	50,504,755	94,118,296	4,147,921
	6,176,008,250	1,173,705,287	2,659,690,822	2,342,612,142

Trade payables and other payables include trade payables, suppliers of non-current assets, dividends payable, payables and other payables (see Note 19) and are not included: payables generated as a result of the legal provisions imposed by the authorities, payables to the employees and deferred revenue, advances received from customers.

ANRE Order no. 130/2020 regulates two types of guarantees, namely the auction participation guarantee, established before the entry into capacity auctions and the financial payment guarantee, established after the auctions close, for the booked capacity products.

Auction participation guarantees are used by network users to participate in future capacity booking auctions, in which daily, within-day, monthly, quarterly, annual capacity products are offered by Transgaz and entitle them to enter at any time during the term of the transmission framework contract, in capacity booking auctions, for the booking of capacity products offered by Transgaz, within the limit of the guarantees established. The guarantees for participation in capacity booking auctions shall be partially or fully returned at the request of the NU.

Payment guarantees shall be established, in accordance with the provisions of the Framework Transmission Contract, after the capacity products have been booked and shall be increased or reduced according to the value of the contracted products. They shall be returned 45 days after the termination of the contract by the due date, if the NU has honoured all payment obligations.

In the category including loans and liabilities, the liabilities related to employees and payables registered in advance are not included.

Capital risk management

The Group's objectives related to capital management refer to keeping the Group's capacity to continue its activity to provide compensation to shareholders and benefits to the other stakeholders and to maintain an optimal structure of the capital, as to reduce capital expenditure. There are no capital requirements imposed from outside.

As for the other companies in this sector, the Group monitors the capital based on the leverage degree. This coefficient is calculated as net debt divided by total capital. The net debt is calculated as total borrowings (including `current and long-term borrowings`, according to the statement of financial position), except for cash and cash equivalent. The total capital is calculated as `equity`, according to the statement of the financial position.

The net leverage degree at 30 June 2026 and at 31 December 2025 is reflected in the table below:

	30 June 2026 (unaudited)	**31 December 2025**
Total borrowings	4,196,899,038	4,271,239,519
Except: cash and cash equivalents (Note 13)	(981,736,683)	(841,705,382)
Net debt	3,215,162,355	3,429,534,137
Equity capital	4,980,786,595	5,062,096,573
Leverage ratio	0.65	0.68

Fair value estimate

The carrying amount of variable rate financial assets and liabilities is assumed to approximate their fair value.

On-balance sheet financial instruments include trade and other receivables, cash and cash equivalents, other financial assets, trade payables, interest-bearing loans. The estimated fair values of these instruments approximate their carrying amount due to the short maturity. The carrying amount values represent the Group's maximum exposure to credit risk for existing receivables.

5. MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES IN APPLYING ACCOUNTING POLICIES

Critical accounting estimates and assumptions

The Group develops estimates and assumptions concerning the future. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including predictions of future events considered reasonable under certain circumstances.

The resulting accounting estimates will, by definition, seldom equal the actual results. Estimates and assumptions that have a significant risk of causing an important material adjustment to the carrying amount of assets and liabilities within the next financial year are presented below.

5.1 Assumptions for the determination of the provision for retirement benefits

The key assumptions for the computation of this provision are the inflation rate and the interest rate, variation of these inputs resulting in significant effect on the liability as at 30 June 2026 (and 31 December 2025)

This provision was calculated based on estimates of the average wage, the average number of employees and the average number of wage payment at retirement, as well as based on the benefits payment scheme. The provision was brought to the present value by applying a discount factor calculated based on the risk-free interest rate (i.e. interest rate on government bonds).

The present value of the obligations at 30 June 2026 is of lei 198,780,444 (at 31 December 2025: lei 192,426,952) (Note 21).

The presentation of the current value for the 2024 depending on the following variables (having potential effect in Other comprehensive income, representing actuarial gains/losses):

	30 June 2026 (unaudited)	31 December 2025
Inflation rate +1%	214,735,143	207,871,701
Inflation rate -1%	184,553,285	178,654,527
Interest rate +10%	190,002,246	183,929,326
Interest rate -10%	208,334,939	201,676,063

Analysis of the maturity of benefits payments:

	30 June 2026 (unaudited)	31 December 2025
Up to one year	23,982,203	22,831,764
Between 1 and 2 years	9,827,732	9,687,805
Between 2 and 5 years	31,785,337	28,069,813
Between 5 and 10 years	139,742,647	130,472,803
Over 10 years	308,170,156	322,768,305

5.2 The accounting treatment of the concession agreement

As indicated in Note 8, in May 2002 Transgaz concluded a Concession Agreement with the National Agency for Mineral Resources (`ANRM`), which entitles the company to use the main pipelines of the national gas transmission system for a period of 30 years

Scope of IFRIC 12 - applicability

The Grantor - National Agency for Mineral Resources (`ANRM`) is a public sector entity and it granted concession to Transgaz. Transgaz being owned by the Romanian State, can be considered also a public entity.

While IFRIC 12 doesn't specifically state its applicability to "public-to-public concession" it applies to any such arrangement where infrastructure is provided to the public and involves **a concession arrangement**, regardless of whether the operator is in the private or public sector

IFRIC 12 applies to service concession arrangements where:

a) the grantor is a public sector entity;

b) the operator is a private sector entity (or, in some cases, a public sector entity); and

c) the operator is granted the right to operate the infrastructure used to provide services to the public."

Based on the above details, upon detailed analysis, management of Transgaz considered the Concession Agreement signed with ANRM is in scope of IFRIC 12.

Scope of IFRIC 12 – bifurcated model

Transgaz has the following rights:

a) To charge users of the national Transport system with a tariff which is approved by ANRE and which is based on its Regulated Asset Base (pipes, compression stations, etc – which forms the infrastructure called National Gas Transport System

b) If the concession contract is terminated for any reason, or upon contract termination, the investment made by the national transmission system operator shall be transferred to the national transmission system owner or another grantor on payment of compensation equal to the Regulated Asset Base which was not depreciated fixed by ANRE (according to provisions of Law 127/2014 entered into force on 5 October 2014 states) – basically undepreciated NBV at the end of concession (using regulated depreciation periods which approximates economic useful lives). All the parameters were known since the enactment of the law, and as such, it represents an unconditional right to receive cash at the end of the concession.

As such, these two points above, represent two separate assets under IFRIC 12. One representing the unconditional right to receive cash (financial asset) and the other representing the right to charge tariffs for the gas transmission.

Therefore, in this arrangement it is necessary to divide the two components of the contract asset - and measured as a long-term financial asset and an intangible asset accordingly.

5.3 The accounting treatment of royalties payable for using the national gas transmission system

As indicated in Note 8, Transgaz pays royalties, calculated as percentage of the gross revenue achieved from the operation of pipelines of the national gas transmission system. These costs were recognized as expenses, rather than deduction from revenue, because they are not of the nature of taxes collected from customers and sent to the state, given the nature of activity and the regulatory framework:

- the company's revenue is based on tariffs approved by another regulator than the one setting the level of royalties;
- expense with royalties is an item taken into consideration at the calculation of the transmission tariff;

As of 1 January 2020, according to ANRE Order no. 1/2020, the company has the obligation to pay annually to ANRE a tariff amounting to 0.062 lei MWh applied to the quantity of natural gas transmitted for carrying out activities in the natural gas sector based on a license.

5.4 Accounting treatment of the lease agreement between Vestmoldtransgaz and Moldovatransgaz

On 04.09.2023, Lease Agreement No. 70-SJ was concluded between Moldovatransgaz and Vestmoldtransgaz.
The lease agreement is presented in accordance with IFRS 16, its arguments for being included in IFRS 16 being:

a. The contract concluded with Moldovatransgaz ensures only the transmission for use of the transmission network, not the right to provide the public service. The goods (infrastructure) are not public goods, they are leased by Moldovatransgaz.

b. Moldovatransgaz is not a public sector entity in order to be associated with the Regulatory Authority of the Republic of Moldova, which grants Vestmoldtransgaz the right to provide the public service.

c. The risks related to maintenance, as well as the decisions regarding capital repairs remain with Moldovatransgaz, respectively Moldovatransgaz has the obligation to carry out all capital repairs in order to maintain the Transmission Network in accordance with their destination.

d. ANRE is not a party to the lease agreement and as a result cannot have a residual interest in the assets that are the subject of the lease agreement (the gas transmission network).

6. INFORMATION ON SEGMENTS

Reporting segments are set according to the nature of the activities conducted by the company: the regulated activity, the unregulated activity and other activities. As transmission system operator, the Group reported annually to the National Regulatory Authority on the activity performed on the three reporting segments.

The segment information provided to the Board of Administration, which makes strategic decisions for reportable segments, for the 6 months period ended 30 June 2026 is:

	Domestic gas transmission	Balancing	Unallocated	Moldova domestic gas transmission and Petrostar`s activity	Total
Revenue from domestic transmission	1,254,547,245	-	-	167,649,427	1,422,196,672
Other income	100,625,105	-	5,463,159	4,534,562	110,622,826
Operating revenue before the balancing and the construction activity according to IFRIC12	**1,355,172,350**	**-**	**5,463,159**	**172,183,989**	**1,532,819,498**
Depreciation	(348,069,724)	-	(905,148)	(26,272,841)	(375,247,713)
Allowances, salaries, and other payroll expenses	(335,762,203)	-	(2,611,714)	(11,875,880)	(350,249,797)
Gas consumption, materials, and supplies used	(64,409,860)	-	(171,360)	(107,361)	(64,688,581)
Royalty expenses	(144,272,933)	-	-	-	(144,272,933)
Maintenance and transportation	(35,668,835)	-	(130,192)	(39,018,667)	(74,817,694)
Taxes and other amounts owed to the state	(72,237,376)	-	(496,850)	(525,372)	(73,259,598)
Income/(Expenses) from provisions for risks and expenses	5,698,593	-	-	(3,628,615)	2,069,978
Loss/(gain) from the impairment of receivables	(10,538,584)	-	-	-	(10,538,584)
Other operating expenses	(64,877,120)	-	(660,143)	(6,611,700)	(72,148,963)
Profit from operation before the balancing and construction activity according to IFRIC12	**285,034,308**	**-**	**487,752**	**84,143,553**	**369,665,613**
Revenue from the balancing activity	-	158,208,534	-	6,619,457	164,827,991
Cost of balancing activity	-	(158,208,534)	-	(6,619,457)	(164,827,991)
Revenue from the construction activity according to IFRIC12	104,264,053	-	-		104,264,053
Cost of constructed assets according to IFRIC12	(104,264,053)	-	-		(104,264,053)
Operating profit	**285,034,308**	**-**	**487,752**	**84,143,553**	**369,665,613**
Net financial gain	-	-	-	-	1,214,646
Profit before tax	-	-	-		**370,880,259**
Income tax	-	-	-	-	(67,221,974)
Net profit	-	-	-		**303,658,285**
Assets on segments	9,865,451,295	258,698,415	1,032,592,063	796,010,969	11,952,752,742
Liabilities on segments	5,842,957,140	400,803,850	403,934,198	324,270,959	6,971,966,147
Capital expenditure - increases in assets in progress	141,278,912	-	910,448	-	142,189,360
Non-monetary (income)/ expenses other than depreciation	(27,206,609)	-	77,532	(3,721,828)	(30,850,905)

In 2026, the Eurotransgaz SRL and Vestmoldtransgaz subsidiaries carried out transmission activities, their assets amounting to lei 773,466,742, and Petrostar SA carried out engineering and technical consulting activities related to these, their registered assets being worth lei 22,544,227 and the of liabilities for Eurotransgaz SRL and Vestmoldtransgaz subsidiaries being worth lei 321,416,315, respectively, while those of Petrostar SA amount to lei 2,854,644.

Assets shown for the two main operating segments mainly comprise tangible and intangible assets, inventories and receivables, and mainly exclude cash and bank accounts. Assets shown for the balancing segment comprise mainly gas stocks procured for NTS balancing and trade receivables from the balancing activity.

The assets presented in the segment Domestic gas transmission Moldova include the value of the lease contract of natural gas transmission networks no.70-SJ of 04.09.2023 concluded between Moldovatransgaz SRL and Vestmoldtransgaz SRL recorded as the right of use of the leased assets.

Unallocated assets and liabilities consist primarily of assets and liabilities of Transgaz SA; the assets and liabilities of Petrostar SA, Eurotransgaz SRL, and Vestmoldtransgaz are classified under the “Domestic Gas Transmission in Moldova and Petrostar Operations” segment.

Unallocated assets include Transgaz' assets:	**30 June 2026 (unaudited)**
Tangible and intangible assets	28,221,264
Right of use lease assets	787,757
Cash	929,745,752
Deferred tax	65,739,598
Current tax recoverable	7,349,751
Other assets	747,941
	1,032,592,063
Unallocated liabilities include Transgaz' liabilities:	
Dividends payable	402,158,127
Lease liabilities	225,450
Other debts	1,550,621
	403,934,198

The liabilities presented for the two main operating segments consist of payables and borrowings contracted by the company for the acquisition of assets for the respective segments. Liabilities shown for the balancing segment comprise mainly trade payables from the balancing activity and the borrowings contracted to finance the balancing activity.

Unallocated tangible and intangible assets are assets held by the Company that do not contribute to the conduct of gas transmission or balancing activities.

Non-cash expenses other than depreciation consist of the expense with the impairment of receivables and the inventory write-downs, provisions for risks.

Transmission services are performed for several domestic and foreign clients.

	Domestic Clients	Foreign Clients	Moldova domestic transmission and Petrostar's activity	Total
Revenue from the domestic transmission	1,071,775,464	182,771,781	167,649,427	1,422,196,672
Other income	106,088,264	-	4,534,562	110,622,826
	1,177,863,728	**182,771,781**	**172,183,989**	**1,532,819,498**

Domestic clients with over 10% of the total revenue include:	**Percentage of the total revenue**
OMV PETROM SA	18%
ENGIE ROMANIA S.A.	13%
SNGN ROMGAZ SA	10%
E.ON ENERGIE ROMANIA SA.	10%

All of the assets of the parent company are located in Romania. All of the activities of the parent company are carried out in Romania.

The Group has external trade receivables amounting to lei 19,014,065 (31 December 2025: lei 27,302,724).

The *domestic gas transmission* segment includes information related to the activity of domestic gas transmission, which is regulated by the National Regulatory Authority as well as the operating and financial income related to the claims for the regulated value of the regulated asset base remained undepreciated at the end of the Concession Agreement; *the balancing* segment includes expenses and revenue related to the national transmission system balancing activity developed starting with 1 December 2015, neutral in financial terms, any profit or loss from this activity will be distributed to clients for whom domestic transmission services are provided; the *unallocated* segment includes activities with a low share in the company's revenue such as sales of assets, rents, royalties. The “Domestic Gas Transportation in Moldova and Petrostar Operations” segment includes the expenses and revenues related to the operations of Petrostar SA, Eurotransgaz SRL, and Vestmoldtransgaz.

The information on segments provided to the Board of Administration, who makes strategic decisions for the reporting segments, related to the financial year ended 30 June 2025, is as follows:

	Domestic gas transmission	International gas transmission	Balancing	Unallocated	Domestic transmission Moldova and Petrostar`s activity	Total
Revenue from domestic transmission	1,343,574,613	-	-	-	147,111,296	1,490,685,909
Other income	61,906,142	5,310,358	-	11,010,987	4,564,106	82,791,593
Operating revenue before the balancing and the construction activity according to IFRIC12	**1,405,480,755**	**5,310,358**	-	**11,010,987**	**151,675,402**	**1,573,477,502**
Depreciation	(229,927,404)	(15,513,837)	-	(877,120)	(25,919,977)	(272,238,338)
Allowances, salaries, and other payroll expenses	(333,795,426)	(819,475)	-	(2,526,223)	(6,283,642)	(343,424,766)
NTS gas consumption, materials, and supplies used	(61,450,313)	(83,443)	-	(246,345)	(7,857)	(61,787,958)
Royalty expenses	(154,337,212)	(40,269)		(133,600)	-	(154,511,081)
Maintenance and transportation	(26,198,999)	-	-	-	(32,714)	(26,231,713)
Taxes and other amounts owed to the state	(61,019,466)	(9,164)	-	(249,205)	(383,054)	(61,660,889)
Expenses related to the provision for risks and expenses	20,723,689	-	-	-	(261,156)	20,462,533
Loss/(gain) from the impairment of receivables	1,502,625	(8,128,591)	-	(369)	-	(6,626,335)
Other operating expenses	(74,889,954)	(75,707)	-	(623,973)	(36,000,403)	(111,590,037)
Profit from operation before the balancing activity according to IFRIC12	**486,088,295**	**(19,360,128)**	-	**6,354,152**	**82,786,598**	**555,868,916**
Revenue from the balancing activity	-	-	231,868,550	-	2,066,860	233,935,410
Cost of balancing activity	-	-	(231,868,550)	-	(2,066,860)	(233,935,410)
Revenue from the construction activity according to IFRIC12	451,111,690	-	-	-		451,111,690
Cost of constructed assets according to IFRIC12	(451,111,690)	-	-	-		(451,111,690)
Profit from operation	**486,088,295**	**(19,360,128)**	-	**6,354,152**	**82,786,598**	**555,868,916**
Net financial gain						50,026,817
Profit before tax						**605,895,733**
Income tax	-	-	-	-	-	(86,927,220)
Net profit	-	-	-	-		**518,968,513**
Assets on segments	10,009,227,674	-	238,133,461	886,230,725	753,794,475	11,887,386,335
Liabilities on segments	6,023,630,643	-	441,380,533	4,739,468	355,539,118	6,825,289,762
Capital expenditure - increases in assets in progress	461,605,584	-	-	376,250	-	461,981,834
Non-cash costs other than depreciation	(22,240,340)	(8,151,411)	254,432	(98,195)	-	(30,235,514)

Assets indicated for the two main operating segments mainly comprise tangible and intangible assets, inventories and receivables, and mainly exclude cash and bank accounts. The presented assets for the balancing segment are mainly gas stocks procured for NTS balancing and trade receivables from the balancing activity.

The assets presented in the segment Domestic gas transmission Moldova include the value of the lease contract of natural gas transmission networks no.70-SJ of 04.09.2023 concluded between Moldovatransgaz SRL and Vestmoldtransgaz SRL recorded as the right of use of the leased assets.

Unallocated assets and liabilities consist primarily of assets and liabilities of Transgaz SA; the assets and liabilities of Petrostar SA, Eurotransgaz SRL, and Vestmoldtransgaz are classified under the "Domestic Gas Transmission in Moldova and Petrostar Operations" segment.

Unallocated assets include Transgaz' assets:	**31 December 2025**
Tangible and intangible assets	28,541,121
Right of use of leased assets	454,965
Cash	786,572,505
Deferred tax	70,457,300
Other assets	204,834
	886,230,725
Unallocated liabilities include Transgaz' liabilities:	
Tax payable	1,298,495
Lease liabilities	1,070,500
Dividends payable	501,279
Other debts	1,869,194
	4,739,468

The liabilities presented for the two main operating segments in Romania consist of payables and borrowings contracted by the company for the acquisition of assets for the respective segments. Liabilities shown for the balancing segment comprise mainly trade payables from the balancing activity.

The "Domestic Gas Transportation in Moldova and Petrostar Operations" segment includes the expenses and revenues related to the operations of Petrostar SA, Eurotransgaz SRL, and Vestmoldtransgaz.

Unallocated tangible and intangible assets are assets held by the parent company that do not contribute to the conduct of gas transmission or balancing activities.

Non-cash expenses other than depreciation consist of the expense with the impairment of receivables and the expense with the inventory of write-downs, other provisions for risks.

Transmission services are provided for several foreign customers.

	Domestic Clients	**Foreign Clients**	**Domestic gas transmission Moldova**	**Total**
Revenue from domestic transmission	1,298,200,525	45,374,088	147,111,296	1,490,685,909
Other trade income	-	-	-	-
Other income	76,025,774	5,310,715	1,455,104	82,791,593
	1,374,226,299	**50,684,803**	**148,566,400**	**1,573,477,502**

Domestic clients of the total revenue include:	**Percentage of the total revenue**
OMV PETROM SA	8%
SNGN ROMGAZ SA	5%
E.ON ENERGIE ROMÂNIA S.A.	4%

All of the assets of the parent company are located in Romania. All of the activities of the parent company are carried out in Romania.

7. PROPERTY, PLANT AND EQUIPMENT

	Lands and buildings	Transmission system assets	Other non-current assets	Assets in progress	Total
On 30 June 2025					
Cost	319,264,270	984,059,610	772,876,442	12,164,588	2,088,364,910
Accumulated depreciation	(177,222,472)	(823,510,998)	(376,162,962)	-	(1,376,896,431)
Accumulated impairment adjustment	-	-	-	(1,656,182)	(1,656,182)
Foreign currency translation reserve	23,607	-	180,584	-	204,191
Initial net book value as at 1 January 2025	**142,065,405**	**160,548,613**	**396,894,064**	**10,508,406**	**710,016,488**
Additions	-	-	115,313	5,645,350	5,760,663
Reclassification	42,560	(1,532,698)	(222,684)	(115,269)	(1,828,091)
Transfers	368,219	-	5,137,678	(5,505,897)	-
Disposals (net value)	(79,505)	(1,672)	(15,121)	-	(96,298)
Expense with depreciation	(4,081,416)	(8,529,908)	(20,248,421)	-	(32,859,746)
Foreign currency translation reserve	(2,731)	-	(18,695)	-	(21,426)
Final net book value as at 30 June 2025	**138,268,628**	**150,484,334**	**381,686,039**	**10,532,590**	**680,971,592**
Cost	319,180,507	989,667,613	771,530,560	12,188,772	2,092,567,451
Accumulated depreciation	(180,888,491)	(839,183,277)	(390,095,698)	-	(1,410,167,467)
Accumulated impairment adjustment	-	-	-	(1,656,182)	(1,656,182)
Foreign currency translation reserve	(23,387)	-	251,177	-	227,791
Final net book value as at 30 June 2025	**138,268,628**	**150,484,334**	**381,686,039**	**10,532,590**	**680,971,592**
As at 31 December 2025					
Initial net book value as at 30 June 2025	**138,268,628**	**150,484,334**	**381,686,039**	**10,532,590**	**680,971,592**
Additions		-	358,735	24,252,239	24,610,974
Petrostar acquisition	17,151,492		51,387		17,202,879
Reclassification	(42,560)	5,946,922	928,207	2,853,919	9,686,488
Transfers	6,442,295	121,642	18,633,259	(25,197,196)	-
Disposals (net value)	(52,654)	-	(3,455)	-	(56,109)
Expense with depreciation	(3,979,167)	(22,914,568)	(19,607,417)	-	(46501,152)
Foreign currency translation reserve	99,964	-	465,580	-	565,544
Final net book value as at 31 December 2025	**157,887,997**	**133,638,333**	**382,512,336**	**12,441,551**	**686,480,217**
Cost	346,046,805	988,568,727	794,745,805	14,097,733	2,143,459,070
Accumulated depreciation	(188,134,173)	(854,930,394)	(412,049,960)	-	(1,455,114,527)
Accumulated depreciation adjustment	-	-	-	(1,656,182)	(1,656,182)
Foreign currency translation reserve	(24,635)	-	(183,509)	-	(208,144)
Final net book value	**157,887,997**	**133,638,333**	**382,512,336**	**12,441,551**	**686,480,217**
On 30 June2026					
Initial net book value as at 1 January 2026	**157,887,997**	**133,638,333**	**382,512,336**	**12,441,551**	**686,480,217**
Additions	-	-	15,848	18,516,718	18,532,566
Reclassification	-	(287,770)	410,649	(323,988)	(201,109)
Transfers	95,569	-	19,863,650	(19,959,219)	-
Disposals (net value)	-	-	(6,989)	-	(6,989)
Expense with depreciation	(3,831,066)	(15,221,487)	(19,469,117)	-	(38,521,670)
Foreign currency translation reserve	293,082	-	2,699,260	517	2,992,859
Final net book value as at 30 June 2026	**154,445,583**	**118,129,075**	**386,025,637**	**10,675,580**	**669,275,875**
Cost	346,243,340	988,280,956	811,812,228	12,331,761	2,158,668,285
Accumulated depreciation	(191,677,765)	(870,151,881)	(424,900,543)	-	(1,486,730,189)
Accumulated impairment adjustment	-	-	-	(1,656,182)	(1,656,182)
Foreign currency translation reserve	(119,993)	-	(886,047)	-	(1,006,039)
Final net book value as at 30 June 2026	**154,445,583**	**118,129,075**	**386,025,637**	**10,675,580**	**669,275,875**

The category *Other property, plant and equipment* include measuring, controlling and regulating equipment and installations, vehicles, furniture, office equipment, equipment for the protection of human and material values and other tangible assets.

The gross book value of the fully depreciated assets, still used, is lei 456,423,052 (31 December 2025: lei 428,245,239). As at 30 June 2026 no advances granted for the procurement of tangible assets are registered.

Regarding the assets developed by Transgaz, which are complementary to the provision of services according to the concession agreement, the State has the option to acquire these assets at the end of the concession agreement. Transgaz does not have the obligation to keep these assets until the end of the concession agreement and it is allowed to sell them. These assets do not fall within the scope of IFRIC 12. All the other assets related to the domestic transmission activity and which are part of the national gas transmission system, including improvements made after signing the concession agreement and which must be handed over to the ANRM at the end of the concession agreement fall within the scope of IFRIC 12.

Impairment adjustments have been established for work in progress whose completion and commissioning are uncertain.

The Group has no pledged non-current assets.

7.1. The rights of use of the leased assets (IFRS 16)

The Group applies IFRS 16 for the leasing contracts complying with the recognition criteria and recognized the intangible asset as a right of use related to the leasing contract:

	Leases according to IFRS16 of which:	**Forestry Agreements**	**VMTG Lease Agreement**
Cost on 1 January 2026	**227,460,051**	**21,317,647**	**179,857,629**
Accumulated depreciation	(107,698,746)	(8,367,459)	(82,163,202)
Net book value as at 01 January 2026	**119,761,305**	**12,950,188**	**97,694,427**
Value adjustment	4,783,325		4,783,325
Additions	1,874,814	107,831	
Disposals	(68,372)	-	-
Depreciation	(20,034,729)	(966,749)	(18,228,287)
Final net book value on 30 June 2026	**106,316,343**	**12,091,270**	**84,249,465**
Cost as at 30 June 2026	234,049,817	21,425,478	184,640,953
Accumulated depreciation as at 30 June 2026	(127,733,474)	(9,334,208)	(100,391,488)

Detailed information on IFRS 16 as at 30 June 2026:

	30 June 2026 (unaudited) of which:	Forestry conventions	Lease contract VMTG
Right of use assets	234,049,817	21,425,479	184,640,953
Right of use asset-accumulated depreciation	(127,733,474)	(9,334,208)	(100,391,488)
Interest expense on lease liability	12,667,370	332,042	11,955,198
Lease liability	123,792,057	13,060,243	100,827,019
Of which:			
Short term	52,327,565	2,086,461	47,244,396
Long term	71,464,492	10,973,782	53,582,623

Detailed information on IFRS 16 as at 31 December 2025:

	Leases according to IFRS16 of which:	Forestry Agreements	VMTG Lease Agreement
Cost on 1 January 2025	**221,701,412**	**16,683,915**	**180,877,944**
Accumulated depreciation	(65,462,875)	(6,712,689)	(44,334,499)
Net book value as at 01 January 2025	156,238,537	9,971,226	136,543,445
Additions	6,936,642	4,661,640	
Disposals	(2,979,573)	(27,908)	(2,821,885)
Depreciation	(40,434,301)	(1,654,770)	(36,027,133)
Final net book value on 31 December 2025	**119,761,305**	**12,950,188**	**97,694,427**
Cost as at 31 December 2025	227,460,051	21,317,647	179,857,629
Accumulated depreciation as at 31 December 2025	(107,698,745)	(8,367,459)	(82,163,201)

	31 December 2025 of which:	Forestry conventions	Lease contract VMTG
Right of use assets	227,460,051	21,317,647	179,857,629
Right of use asset-accumulated depreciation	(107,698,745)	(8,367,459)	(82,163,201)
Interest expense on lease liability	13,101,985	540,234	11,854,117
Lease liability	131,478,321	13,979,850	107,919,302
Of which:			
Short term	41,917,924	2,058,361	37,359,790
Long term	89,560,397	11,921,489	70,559,512

Lease liability according to IFRS 16 is presented in the balance sheet at long-term and short-term leasing payables.

Assets accounted for in accordance with IFRS 16, other than those classified as forestry agreements, are classified as buildings and land and are recorded based on lease agreements with terms of 2 to 5 years and temporary land use agreements entered into for the term of the concession agreement.

The group of forestry agreements includes contracts of temporary occupation of forest land under private ownership, concluded on the basis of Law no.185/2016 on some measures necessary for the implementation of projects of national importance in the field of natural gas.

On 4 September 2023 the gas transmission network lease contract No.70-SJ of 04 September 2023 between Moldovatransgaz Ltd. and Vestmoldtransgaz Ltd. was signed. This contract entered into force on 19 September 2023. The lease was concluded for a period of 5 years. The amount of annual rent is 42.6/ 165 million lei/MDL. The lease contract was recognized as an asset related to the right of use and a corresponding liability on the date the asset was leased and became available for use by Vestmoldtransgaz. On 19 August 2024 the Addendum Agreement No. 1 was signed on amendments and additions to the above-mentioned contract, namely the amount of annual rent for 2024 was increased and constitutes the amount of lei (MDL) 45,636.6/176,612.31 thousand lei/thousand MDL. On 7 May 2025, Addendum No. 2 was signed to amend and supplement the aforementioned contract; namely, the annual rent for 2025 was reduced to 173.2 million Moldovan Lei (MDL).

8. SERVICE CONCESSION AGREEMENT

In May 2002, the company concluded a Service Concession Agreement (`SCA`) with the ANRM, which entitles the company to operate the main pipelines of the national gas transmission system for a period of 30 years. All modernizations and improvements made by the company to the system are considered part of the system and become property of the ANRM at the end of their useful life. The company cannot sell or discard any asset part of the national transmission system; withdrawals can only be made with the approval of the state.

At the expiration of the agreement, the assets belonging to the public domain, existing upon signing the agreement and all investments made in the system will be returned to the State. The company owns and develops other assets that are not directly part of the national gas transmission system, but are complementary assets for gas transmission operations. The ANRM has the option to buy these assets at the end of the concession agreement, at the fair value.

The main terms of the Concession Agreement are the following:

- The company is entitled to operate directly the assets subject to the concession agreement and to apply and collect tariffs for domestic and international transmission from clients in exchange for services provided; the company is the only entity authorized to operate the pipelines of the national gas transmission system, no sub-concession being allowed;
- Any change of tariffs must be proposed by the company and then approved by the ANRE;
- The company is exempt from the payment of import duties for the assets acquired for operation, improvement or development of the system;

- The company must annually publish by 30 October the available capacity of the system for the following year;
- The company must annually respond to the clients' orders by 30 November and the ANRM must be informed on all rejected orders decided by the company's management;
- The company must keep a specific level of functioning (guaranteed through a mandatory minimum investment programme);
- Royalties are paid as percentage (as of 30 October 2023: 11.5%) of the gross revenue from the operation of the national transmission system (domestic and international transmission);
- All operating expenses for operating the system are incurred by the company;
- The company may cancel the agreement by notifying the ANRM 12 months in advance;
- The ANRM may cancel the agreement by a 6-month prior notice, if the company fails to comply with the contractual conditions; it also has the option to cancel the agreement with a 30-day prior notice for `national interest` reasons; in this case, the company will receive compensation equal to the average net profit of the past 5 years multiplied by the remaining duration of the agreement.

The Concession Agreement does not include an automatic renewal clause.

By GD 906/28 September 2023, the amendment of Annex No 22 to Government Decision No 1 was approved. 705/2006 for the approval of the centralized inventory of goods in the public domain of the State, as subsequently amended and supplemented, by including the goods resulting from the completion of the investment objective "Interconnection pipeline of the National Gas Transmission System of Romania with the National Gas Transmission System of the Republic of Moldova on the direction Iasi (Romania)-Ungheni (Republic of Moldova), electricity supply, automation, data procurement, burglary and fire surveillance" and the transfer of these goods to the administration of the National Agency for Mineral Resources and to the concession of the National Gas Transmission Company TRANSGAZ - S.A.

No changes were made to the terms of the Concession Agreement after June 2003, except for the approval of the minimum investment plans.

9. INTANGIBLE ASSETS

	Assets related to the Service Concession Agreement	Goodwill from consolidation	Software and other intangible assets	Intangible assets in progress	Total
On 1 January 2025					
Cost as at 1 January 2025	8,547,606,509	9,413,102	131,382,835	2,070,783,181	10,759,185,627
Accumulated depreciation	(5,547,003,829)	-	(74,458,274)	-	(5,621,462,103)
Adjustment for impairment	-	-	-	(11,201,898)	(11,201,898)
Foreign currency translation effect	-	736,815	16	141	736,972
Net book value as at 1 January 2025	**3,000,602,680**	**10,149,917**	**56,924,577**	**2,059,581,424**	**5,127,258,598**
Additions	-	-	20,778,757	456,336,483	477,115,240
Reclassifications	-	-	(282,312)	282,312	-
Transfers	48,825,294	-	629,140	(81,349,530)	(31,895,096)
Disposals	-	-	-	-	-
Depreciation	(202,882,229)	-	(8,877,672)	-	(211,759,901)
Foreign currency translation effect	-	-	-	-	-
Final net book value as at 30 June 2025 (unaudited)	-	(11,821)	-	109,251	97,430
Cost	**2,846,545,745**	**10,138,096**	**69,172,491**	**2,434,959,940**	**5,360,816,271**
Accumulated depreciation	8,596,431,803	9,413,102	152,508,356	2,446,052,446	11,204,405,707
Adjustment for impairment	(5,749,886,058)	-	(83,335,591)	-	(5,833,221,649)
	-	-	-	(11,201,898)	(11,201,898)
Foreign currency translation effect	-	724,994	(275)	109,392	834,111
Net book value as at 30 June 2025 (unaudited)	**2,846,545,745**	**10,138,096**	**69,172,491**	**2,434,959,940**	**5,360,816,271**
At 31 December 2025					
Initial net book value 30 June 2025	**2,846,545,745**	**10,138,096**	**69,172,491**	**2,434,959,940**	**5,360,816,271**
Additions	-	-	294,053	852,341,304	852,635,357
Reclassifications	(5,119,748)	-	231,497	2,060,033	(2,828,218)
Transfers	42,857,042	-	976,808	(73,772,026)	(29,938,176)
Disposals	-	-	(27,637)	-	(27,637)
Depreciation	(203,060,035)	-	(10,115,822)	-	(213,175,857)
Foreign currency translation effect	-	27,581	146	(109,392)	(81,664)
Final net book value as at 31 December 2025	**2,681,223,004**	**10,165,677**	**60,531,536**	**3,215,479,859**	**5,967,400,076**
Cost	8,634,169,098	9,413,102	154,951,634	3,226,681,757	12,025,215,591
Accumulated depreciation	(5,952,946,094)	-	(94,419,966)	-	(6,047,366,060)
Adjustment for impairment	-	-	-	(11,201,898)	(11,201,898)
Foreign currency translation effect	-	752,575	(132)	-	752,443
Net book value as at 31 December 2025	**2,681,223,004**	**10,165,677**	**60,531,536**	**3,215,479,859**	**5,967,400,076**
On 1 January 2026					
Initial net book value 01 January 2026	**2,681,223,004**	**10,165,677**	**60,531,536**	**3,215,479,859**	**5,967,400,076**
Additions	-	-	33,057	123,791,800	123,824,857
Reclassifications	(366,001)	-	-	313,977	(52,024)
Transfers	1,492,340,731	-	1,856,242	(2,425,661,232)	(931,464,259)
Disposals	-	-	(15,725)	-	(15,725)
Depreciation	(305,996,877)	-	(9,931,884)	-	(315,928,761)
Adjustment for impairment	-	-	-	-	-
Foreign currency translation effect	-	86,684	30	-	86,714
Final net book value as at 30 June 2026 (unaudited)	**3,867,200,857**	**10,252,361**	**52,473,256**	**913,924,404**	**4,843,850,878**
Cost	10,126,143,829	9,413,101	156,826,539	925,126,302	11,217,509,771
Accumulated depreciation	(6,258,942,972)	-	(104,352,699)	-	(6,363,295,671)
Adjustment for impairment	-	-	-	(11,201,898)	(11,201,898)
Foreign currency translation effect	-	839,260	(584)	-	838,676
Net book value as at 30 June 2026 (unaudited)	**3,867,200,857**	**10,252,361**	**52,473,256**	**913,924,404**	**4,843,850,878**

*Transfers - due to the use of the bifurcated model under IFRIC 12, when an improvement or expansion of NTS is put into operation, the respective value is split between a long-term financial asset (note 12.3) and an intangible asset (note 9).

In accordance with IFRIC12, in the Current intangible assets category the investment projects carried out by Transgaz for the development and modernization of the national gas transmission system are presented, which will be handed over to the grantor at the end of the Concession Agreement (Note 8).

The project "Development on the Romanian territory of the Southern Corridor for taking over Black Sea gas " has the largest share in the value of the additions in 2025 amounting to lei 607,934,443.

The minimum NTS gas quantity required to ensure the pressures and flow rates for the end consumers under the contractual conditions (NTS pipeline stock) is recognized in the value of the right to use, as an intangible asset. At 30 June 2026 the line pack quantity is 1,000,557 MWh and has a value of lei 112,034,199, of which the NTS pipeline stock is 875,274 MWh and has a value of lei 98,522,009. At 31 December 2025 the line pack quantity is 987,666 MWh and has a value of lei 111,827,346, of which the NTS pipeline stock is 874,382 MWh and has a value of lei 98,331,129.

In 2026, the company capitalized interest expense amounting to lei 16,288,119 (in 2025 it capitalized interest expenses amounting to lei 106,557,396, for NTS (National Transmission System) assets.

The remaining life of the intangible assets is presented in Note 3.5 and Note 3.8.

As at 31 December 2025, the Company capitalized additional costs for the procurement of natural gas, incurred between 1 January 2025 – 31 March 2025 amounting to lei 20,547,260, in order to cover its own technological consumption compared to the costs included in the regulated tariffs, in accordance with the provisions of the Order of the Ministry of Finance no. 5378/12 December 2023 and the Order of the President of ANRE no.128 /12 October 2022. These are included in the category of software and other intangible assets.

As a result of the acquisition of Vestmoldtransgaz SRL (VTMG) by Eurotransgaz SRL (ETG), goodwill calculated as the difference between the value of the shareholding and the value of the equity of VTMG weighted by the percentage of shareholding held, i.e. 100%, was recognized in the consolidated financial statements as intangible assets. The calculation of goodwill was performed at the acquisition date, i.e. March 2018, and is presented in the consolidated financial statements at the closing rate.

Impairment adjustments were made for work in progress for which completion and commissioning is uncertain.

9.1. Goodwill

On 28 March 2018 the Moldovan company Eurotransgaz S.R.L. owned by "SNTGN Tansgaz" S.A. Romania, concluded as buyer with the Public Property Agency of the Republic of Moldova, the contract for the sale and purchase of the single asset complex - state-owned enterprise Vestmoldtransgaz, the resulting goodwill being lei 10,252,361 as at 30 June 2026.

The Company has carried as at 31.12.2025 out an impairment test in respect of the goodwill for its investment of the Moldova operations and did not identify any elements that would lead to goodwill impairment.

As at 31 December 2025, the Company prepared an acquisition price allocation report for its investment in Petrostar SA. This acquisition did not generate goodwill.

10. FINANCIAL ASSETS

Financial assets consist of shares in unlisted companies. The fair value of these investment as at 30 June 2026 and 31 December 2025 is zero:

Company	Activity	% Percentage owned 2026	% Percentage owned 2025	30 June 2026	31 December 2025
Mebis SA	Gas production distribution and supply	17.47	17.47	-	-

Shares in Mebis SA

Shares owned in Mebis SA were obtained in February 2004, as a result of a procedure for the recovery of claims due from a client. Mebis SA is in the liquidation procedure, which is why the stake in Mebis SA was fully adjusted. The company has no obligations to Mebis SA.

In case of the financial assets held by Transgaz, i.e. Mebis SA, the application of IFRS 9 has no impact whatsoever, as such assets are measured at the fair value by the profit and loss account

11. INVENTORIES

	30 June 2026 (unaudited)	31 December 2025
Gas inventories for balancing purposes	218,470,086	189,030,800
Gas for technological consumption	143,377,813	164,482,383
Spare parts and materials	197,461,350	157,666,715
Materials in custody at third parties	156,771,839	46,661,321
Adjustments for inventory write-downs	(65,679,759)	(61,396,984)
	650,401,329	**496,444,235**

ANRE Order 160/2015 sets the obligations of Transgaz, as the transmission system operator, regarding the balancing of the national transmission system.

According to the provisions of ANRE Order No. 16/2013 (Network Code), in order to ensure the physical balance of the NTS, Transgaz must have a sufficient gas quantity as gas linepack and/or as balancing gas stored in underground storage facilities.

By the Decision no. 6/2026 of the Chairman of ANRE, amendments and supplements to the Decision no. 36/2016 of the Chairman of the National Energy Regulatory Authority were approved, on establishing the method for annually determining the minimum natural gas stock level for holders of licenses to operate natural gas transmission systems.
The gas stock stored by S.N.T.G.N. TRANSGAZ in storage facilities for the NTS's physical balancing is of 393,546 MWh as at 30 June 2026 (31 December 2025: 393,546.504 MWh).

In 2025, the Company reduced its balancing inventory by transferring the quantity exceeding the level established by Decision no. 656/08.04.2025—namely, 225,365.639 MWh—to gas for technological consumption.

The network users have the obligation to balance their own portfolios. The balancing actions are carried out according to the order of merit of, imposed by Article 9 of Regulation (EU) 312/2014, gas withdrawal from storage facilities being the last priority in the balancing actions list.

The Group does not hold any restricted inventories and has established safety inventories amounting to lei 5,250,084 as at 30 June 2026 (5,247,233 lei as at 31 December 2025).

Discharge for the balancing activity is achieved by applying the weighted average cost method, and for the remaining operations by applying the first-in-first-out method (FIFO).

Movements in the adjustments for inventory write-downs account are analysed below:

	30 June 2026 (unaudited)	31 December 2025
Adjustment for inventory write-downs on 1 January	61,396,984	57,530,775
Expense with adjustment for inventory write-downs (Note 23)	4,282,775	3,866,209
Adjustment at the end of the period	**65,679,759**	**61,396,984**

In 2026 adjustments for inventory write-downs were established according to Note 3.10.

12. TRADE RECEIVABLES AND OTHER RECEIVABLES

12.1 Trade receivables

	30 June 2026 (unaudited)	31 December 2025
Trade receivables	853,678,946	1,046,092,479
Adjustment of impairment of trade receivables	(657,191,838)	(660,085,428)
	196,487,108	386,007,051

At 30 June 2026, the amount of lei 8,049,407 (31 December 2025: lei 8,102,420) of trade and other receivables net is denominated in foreign currency of which 93% in USD (31 December 2025: 93%) and 7% in EUR (31 December 2025: 7%).

12.2 Other receivables

	30 June 2026 (unaudited)	31 December 2025
Advance payments to suppliers for goods and services	88,777	9,788,179
State budget receivables	19,099,030	26,728,546
Receivables from various debtors	58,415,406	61,867,699
Other receivables	84,351,708	68,239,234
Non-refundable loans as subsidies	12,904,942	6,002,515
Provisions for impairment of other long-term receivables	(5,218,923)	(5,218,922)
Adjustment of impairment, sundry debtors	(56,865,894)	(57,327,365)
	112,775,046	110,079,886

In July 2022 Transgaz paid the amount of 29,277,726 lei, to which it was bound by Arbitral Award no. 39/06.06.2022, rendered by the Arbitral Tribunal in case no. 107/2018, following the conclusion of the arbitration proceedings concerning the non-fulfilment of obligations under the supply contract for "Software Licences for Additional I/Os/Bandwidth Upgrade for SCADA System", a contract concluded by Transgaz with the Association consisting of RMG REGEL UND MESSTECHNIK GmbH Germany, IDS GmbH Germany and General Fluid S.A. Bucharest. The company appealed the arbitral tribunal's decision in court and recorded an impairment allowance of lei 29,277,726 as at 31 December 2022. This adjustment was maintained as at 30 June 2026 as well.

The advance payments granted to the Group in the context of the contractual relationships are guaranteed by the suppliers by letters of bank guarantee.

Other receivables include guarantees for investment works.

12.3 Other receivables related to the Concession Agreement

	30 June 2026 (unaudited)	31 December 2025
Receivable related to the regulated value remaining unamortized at the end of the concession agreement	4,076,718,872	3,033,953,960

According to ANRE Order no. 41/2019 the value of the assets recognised in the Regulated Asset Base is adjusted to the actual inflation for the period 01.10.2019–30.09.2025, and according to the methodology applicable for the fifth regulatory period (1 October 2025 – 30 September 2030) approved by ANRE Decision no. 7/2025, the value of assets recognized in the Regulated Asset Base is adjusted for inflation using the rate applied by ANRE in setting the regulated rate of return of 3.01%. The Company recalculated the amount of the receivable related to the Concession Agreement and recognized a gain amounting to lei 50,360,636 in accordance with IFRS 9 (31 December 2025: lei 257,121,166).

According to IFRS 9.B5.4.6 in cases where there is an inflation adjustment embedded in the cash flows of a financial instrument, the adjustment for inflation is typically treated as part of the total contractual cash flows and is included in the effective interest rate calculation. As such, the inflation adjustment will contribute to the recognition of interest income over time, and the recognized income is adjusted to reflect changes in the principal's purchasing power.

In practice, the inflation adjustment will be reflected in the interest income recognized in profit or loss, as part of the overall effective interest rate calculation, which takes into account both the nominal interest rate and any inflation-related adjustments that affect the cash flows of the instrument.

	30 June 2026 (unaudited)	31 December 2025
Initial balance	3,033,953,960	2,648,907,892
Additions	931,464,260	63,231,360
Interest accued	60,947,194	70,669,822
Inflation update	50,360,636	257,121,166
Disposals	(7,178)	(5,976,280)
	4,076,718,872	3,033,953,960

* Transfers / Additions - due to the use of the bifurcated model under IFRIC 12, when an improvement or extension of an NTS is commissioned, the respective value is split between a long-term financial asset (note 12.3) and an intangible asset (note 9).

As the long-term concession receivable is guaranteed by the Romanian State, the Company considered that the potential impairment using the ECL model is not significant for these financial statements.
The main investment project completed in H1 2026 is the Black Sea–Podişor Pipeline.

12.4 Analysis of receivable impairment

The trade receivables analysis according to IFRS 9 is as follows:

Trade receivables

	30 June 2026 (unaudited)	31 December 2025
Unimpaired gross amounts		
Transit receivables	182,185,749	169,278,262
Receivables with customers in insolvency procedures	151,648,904	209,133,982
Related party receivables	199,602,943	213,945,900
Other trade receivables	320,241,350	453,734,335
Total	853,678,946	1,046,092,479
Impairment by categories		
Transit receivables	182,185,749	169,278,262
Receivables with customers in insolvency procedures	151,648,904	209,133,982
Related party receivables	113,410,926	68,240,502
Other trade receivables	209,946,259	213,432,682
Total impairment	657,191,838	660,085,428
Total trade receivables net of provision	196,487,108	386,007,051

Receivables from various debtors

	30 June 2026 (unaudited)	31 December 2025
Unimpaired –gross amount		
Receivables from various debtors	58,415,406	61,867,699
Impairment		
Receivables from various debtors	56,865,894	57,327,365
Total debtors' receivables net of provision	1,549,512	4,540,334

On 24.12.2020, the Agreement on the Termination of the Legacy Contract on the T3 transit pipeline was signed between SNTGN Transgaz S.A. and Gazprom Export LLC for the period 01.12.2020 - 31.12.2023, which ensures the collection of the outstanding amounts under the historical contract and allows the booking of transmission capacities on entry/exit points in/out of the NTS and on international transmission pipelines. The transit receivables category includes invoices issued on the basis of the Agreement on Termination of the Legacy Contract after October 2022, invoices that have not been paid by Gazprom Export LLC and for which Transgaz has initiated legal proceedings necessary to recover the outstanding debt recorded.

IFRS 9 applies a new model for expected impairment loss based on the estimated loss. This model entails the expected recognition of the loss from receivables impairment. The standard requires entities to recognize the expected impairment loss on receivables from the time of initial recognition of financial instruments, and to recognize the anticipated impairment loss over their lifetime. The amount of expected loss will be updated for each reporting period so as to reflect changes in credit risk as compared to initial recognition.

For the application of IFRS 9 on the held receivables, based on a loss estimation model, the client's categories were reconsidered starting from the IFRS 9 principle for the anticipation of a non-cashing in risk related to the current receivables.

Risk exposure for trade receivables:

30 June 2026 (unaudited)	Gross value	Expected loss rate	Expected lifetime loss
Current receivables including invoices to be issued	195,594,267	4%	8,089,250
Overdue by up to 30 days	2,827,782	10%	282,778
Overdue by up to 60 days	4,166,018	20%	833,204
Overdue by up to 90 days	789,157	30%	236,747
Overdue by up to 120 days	2,837,200	35%	993,020
Overdue by up to 150 days	1,065,789	34%	358,106
Overdue by over 150 days	646,398,733	100%	646,398,733
Total receivables	853,678,946		657,191,838

Risk exposure for other receivables:

30 June 2026 (unaudited)	Gross value	Expected loss rate	Expected lifetime loss
Current receivables including invoices to be issued	1,577,143	2%	39,328
Overdue by up to 30 days	-	-	-
Overdue by up to 60 days	-	-	-
Overdue by up to 90 days	4,641	30%	1,392
Overdue by up to 120 days	-	-	-
Overdue by up to 150 days	21,121	60%	12,673
Overdue by over 150 days	56,812,501	100%	56,812,501
Total receivables	58,415,406		56,865,894

Risk exposure for trade receivables:

31 December 2025	Gross value	Expected loss rate	Expected lifetime loss
Current receivables including invoices to be issued	390,376,015	4%	16,392,516
Overdue by up to 30 days	2,879,254	10%	287,925
Overdue by up to 60 days	1,174,566	20%	234,913
Overdue by up to 90 days	2,624,395	30%	787,318
Overdue by up to 120 days	9,080,675	35%	3,178,236
Overdue by up to 150 days	1,882,634	60%	1,129,580
Overdue by over 150 days	638,074,940	100%	638,074,940
Total receivables	1,046,092,479		660,085,428

Risk exposure for other receivables:

31 December 2025	Gross value	Expected loss rate	Expected lifetime loss
Current receivables including invoices to be issued	3,462,978	31%	1,067,454
Overdue by up to 30 days	1,307,272	10%	130,727
Overdue by up to 60 days	848,294	20%	169,659
Overdue by up to 90 days	-	-	-
Overdue by up to 120 days	-	-	-
Overdue by up to 150 days	724,075	60%	434,445
Overdue by over 150 days	55,525,080	100%	55,525,080
Total receivables	61,867,699		57,327,365

The Group constantly analyses the customers' situation and records adjustments whenever there are indications of an increase in the non-collection risk.

As at 30 June 2026, the Company has recorded adjustments for receivables with an increased risk of non-collection, mainly for Gazprom Export LLC (lei 10,463,573), Electrocentrale Constanta (lei 1,683,234), Black Sea Oil& Gas SA (lei 1,205,640) and reduced the adjustment for Electrocentrale Galati (lei 13,281,130).

The payment of the equivalent value of the invoices for the natural gas transmission services, issued according to the provisions of the Network Code, is made within 15 calendar days from the date of issuing the invoice. If the due date is a non-working day, the deadline is considered fulfilled on the next working day.

Movements in the provision account are analysed below:

	30 June 2026 (unaudited)	31 December 2025
Adjustment on 1 January	722,631,716	735,919,571
Expense with the adjustment for contingent clients	22,650,597	33,963,695
Reversing the adjustment for contingent clients	(26,005,657)	(47,251,550)
Adjustment at the end of the period	719,276,656	722,631,716

Top 5 clients by balance at 30 June 2026:

CLIENT	Client balance	Adjustment made
GAZPROM EXPORT	180,927,237	180,927,237
ELECTROCENTRALE CONSTANTA	80,946,826	80,946,826
OMV PETROM SA	46,337,263	-
NORTH CHEMICAL COMPLEX SRL	44,401,056	44,401,056
BLACK SEA OIL&GAS SA	43,762,152	43,762,152

Top 5 clients by balance at 31 December 2025:

CLIENT	Client balance	Adjustment made
GAZPROM EXPORT	170,463,663	170,463,663
ELECTROCENTRALE CONSTANTA	79,263,591	79,263,591
OMV PETROM SA	102,522,288	-
E.ON ENERGIE ROMANIA SA	70,813,293	-
ENGIE ROMANIA S.A.	61,908,676	-

13. CASH AND CASH EQUIVALENT and SHORT-TERM AND LONG-TERM FINANCIAL INVESTMENTS

13.a) Cash and cash equivalent

Cash at bank in foreign currency is mostly denominated in EUR.

	30 June 2026 (unaudited)	31 December 2025
Cash at bank in lei	905,123,213	817,094,989
Cash at bank in foreign currency	45,871,571	4,219,884
Short-term bank deposits with a maturity of < 3 months	28,622,000	18,060,000
Other cash equivalents	145,038	118,567
	979,761,822	**839,493,440**

	30 June 2026 (unaudited)	31 December 2025
Restricted cash (administrators guaranties)	1,974,861	2,211,942

13.b) Short-term financial investments

	30 June 2026 (unaudited)	31 December 2025
Short-term financial investments	194,841,713	143,278,777

The weighted average of the effective interest related to short-term bank deposits opened during the year was of 5,41% on 30 June 2026 (5,45% on 31 December 2025), and these deposits have a maximum maturity of 30 days. The fair value of short-term financial investments as at June 30, 2026 is RON 198,198,968 (MDL 761,717,787) (December 31, 2025: RON 146,845,176 (MDL 569,167,349)).

13.c) Long term financial investments:

The Group opened a deposit for a period of 1800 days in the amount of 30.168.000 RON (120,000,000 MDL) at Moldova Agroindbank. The interest rate is 5.5% fixed for the first 365 days, thereafter a variable interest rate based on National Bank of Moldova reference interest rate. The due date is 06.04.2030.

As at 04.06.2026, a 25-month deposit in the amount of EUR 2,800,000 was also contracted at Victoria Bank with a floating interest rate of 1.5%. As of June 30, 2026, the value of the deposit amounted to RON 14,680,627 (MDL 56,417,480).

The fair value of long-term financial investments as at June 30, 2026 is RON 52,821,301 (MDL 203,002,693) (June 30, 2025: RON 38,223,725 (MDL 148,153,973).

	30 June 2026 (unaudited)	31 December 2025
Long term financial investments	45,903,828	30,960,000

14. SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	Share capital	Share premium	Total
On 31 December 2025	188,381,504	1,883,815,040	247,478,865	2,131,293,905
On 30 June 2026 (unaudited)	188,381,504	1,883,815,040	247,478,865	2,131,293,905
Capital adjustment to the hyperinflation accumulated on 30.06.2026 and 31.12.2025	-	441,418,396	-	441,418,396
On 31 December 2025	188,381,504	2,325,233,436	247,478,865	2,572,712,301
On 30 June 2026 (unaudited)	188,381,504	2,325,233,436	247,478,865	2,572,712,301

The authorized number of ordinary shares registered at the National Trade Registry Office is 188,381,504 (31 December 2025: 188,381,504) with a nominal value of lei 10 each.
Each share represents one vote.

The ownership structure registered with Depozitarul Central on 30 June 2026 is the following:

	Number of ordinary shares	Statutory value (lei)	Percentage (%)
The Romanian state, represented by the General Secretariat of the Government	110,221,453	1,102,214,528	58,5097
Other shareholders	78,160,051	781,600,512	41,4903
	188,381,504	1,883,815,040	100,0000

The ownership structure registered with Depozitarul Central on 31 December 2025 is the following:

	Number of ordinary shares	Statutory value (lei)	Percentage (%)
The Romanian state, represented by the General Secretariat of the Government	110,221,453	1,102,214,528	58,5097
Other shareholders	78,160,051	781,600,512	41,4903
	188,381,504	1,883,815,040	100,0000

In the statutory accounting, before 1 January 2012, the company included in the share capital revaluation reserves arising from revaluations performed before 31 December 2001. In order to prepare these financial statements according to Order no. 2844/2016 of the Minister of Finance, such increases were not recognized, because hyperinflation adjustments for non-current assets were annually recognized in the statement of comprehensive income by 31 December 2003. Therefore, in these financial statements, the company recorded only the share capital from contributions in cash or in-kind, adjusted for inflation from the date of the initial contribution on 31 December 2003 and the increase in the share capital that took place after 1 January 2004 was recognized in nominal terms.

15. OTHER RESERVES, LEGAL RESERVE AND RETAINED EARNINGS

Other reserves

Before IFRIC 12, a proper reserve related to assets belonging to the public domain (Notes 3.6 and 5.2) was included in equity as `Reserve of the public domain` at the value of the respective assets restated depending on inflation until 1 January 2004. It was renamed `Other reserves` at the adoption of IFRIC 12 (Note 3.5), to reflect the change in the statute of the related assets. The Company does not intend to change the allocation of deferred income arising from the first-time adoption of IAS 29.

Legal reserve

In accordance with the Romanian law and the company's Articles of Incorporation, the Transgaz must transfer five percent of the profit from the statutory financial statements in a statutory reserve of up to 20% of the statutory share capital. The balance of the statutory reserve, which is not available for allocation on 30 June 2026, amounts to lei 125,528,697 (31 December 2025: 125,528,697 lei).

The legal reserve is included in the `Retained earnings` in these financial statements. The company does not intend to change the allocation of the legal reserve.

Reserve relating to reinvested profit

The balance of the invested profit reserve as at 30 June 2026 is lei 127,586,324 (31 December 2025 lei 88,839,656).

The Company registered from the 2025 profit reserve in the amount of 38,746,667 lei representing tax incentives provided for by Law 227/2015 on the Tax Code on the profit invested in technological equipment-machinery, machinery and work installations, electronic computers and peripheral equipment, cash register, control and invoicing machines and appliances, as well as in software, produced and/or purchased and put into operation, used for the purpose of carrying out the economic activity, amended in 2023 by GO 16/2022 which extended the exemption from payment of reinvested profits also for some categories of assets related to the refurbishment.

Dividend allocation

In 2026, the company declared a dividend of lei 2.13/share, related to the profit of the previous year (2025: lei 1.08 /share). The total dividends declared from the profit of 2025 are lei 401,252,603 (dividends declared from the profit of 2024: lei 203,452,024).

Non-controlling interest

For the purpose of consolidating this set of financial statements, the non-controlling interest in the Vestmoldtrangaz equity of lei 152,847,234 (MDL 587,422,115) on 30 June 2026, lei 132,094,350 lei (MDL 511,993,606) on 31 December 2025 represents EBRD's share in the total net assets of Vestmoldtransgaz S.R.L. (0.2602 lei/mdl on 30 June 2026 and 0.2580 lei/mld on 31 December 2025) and the amount of lei 9,647,896 (10,398,946 lei as at 31 December 2025), representing the 49% stake held by other shareholders in the equity of Petrostar S.A.

Non-controlling interests	30 June 2026 (unaudited)	31 December 2025
Opening balance	142,493,296	107,136,408
Net profit for the period	18,656,705	22,929,940
Petrostar SA shares purchase	-	11,765,136
Foreign currency translation reserve	1,345,129	661,812
Non-controlling interests	162,495,130	142,493,296

Summary financial statements of Vestmoldtransgaz, where the amount of non-controlling interest is material:

	30 June 2026 (unaudited)	31 December 2025
Non-current assets	494,273,466	496,241,443
Current assets	267,762,614	225,793,307
Long-term liabilities	53,942,248	83,377,771
Current liabilities	113,549,882	126,459,741
Equity	594,543,950	512,197,237

	30 June 2026 (unaudited)	30 June 2025 (unaudited)
Revenue	167,660,501	148,566,400
Net profit	77,110,040	63,355,692

Summary of Petrostar SA's financial statements, where the value of the non-controlling interest is significant:

	30 June 2026 (unaudited)	31 December 2025
Non-current assets	15,858,508	17,932,962
Current assets	6,685,719	6,697,538
Long-term liabilities	-	-
Current liabilities	2,854,644	3,408,161
Equity	19,689,583	21,222,339

	30 June 2026 (unaudited)	30 June 2025 (unaudited)
Revenue	4,514,350	-
Net loss	(1,532,756)	-

16. LONG-TERM BORROWINGS

Loans breakdown by maturity range:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	302,962,190	393,097,363
Interest payable	49,235,872	49,477,106
Over 1 year	352,198,062	442,574,469
Total	3,844,700,975	3,828,665,049
	4,196,899,038	**4,271,239,519**

The carrying amount of long-term loans recorded by the Group as at 30 June 2026:

	30 June 2026 (unaudited)	31 December 2025
BEI 83644RO	143,680,120	149,895,900
BEI 88825RO	168,097,953	173,605,126
BEI 89417RO	262,190,000	254,925,000
BEI 90512RO	524,380,000	509,850,000
BEI ETG 90703	152,425,628	156,253,273
BCR 20190409029	104,160,000	111,600,000
BCR 20201028056	216,000,000	230,400,000
BCR 20210817030	62,499,997	66,666,664
BCR 20211124044	137,500,000	146,666,667
BERD	155,645,280	166,762,800
Syndicated BCR	382,352,179	382,352,179
Syndicated BT	382,352,179	382,352,179
Syndicated CEC	137,646,784	137,646,784
Syndicated Raiffeisen	382,352,179	382,352,179
Syndicated Unicredit	190,296,679	190,296,679
Unicredit credit line	1,788,854	-
BT	401,814,249	406,994,072
Raiffeisen Bank	143,531,084	174,242,911
BRD GSG	198,950,000	198,900,000
Total	**4,147,663,165**	**4,221,762,413**

As at 30 June 2026, the balance of interest due on the loans contracted by the Group is 49,235,872 lei, detailed by loan as follows:

	30 June 2026 (unaudited)	31 December 2025
BEI 83644RO	375,503	815,416
BEI 88825RO	971,760	526,712
BEI 89417RO	1,166,778	1,111,041
BEI 90512RO	1,892,979	1,806,590
BEI ETG 90703	1,780,196	1,668,363
BCR 20190409029	626,467	2,524,730
BCR 20201028056	2,123,736	722,948
BCR 20210817030	1,222,603	1,516,091
BCR 20211124044	648,699	771,426
BERD	1,041,094	1,252,898
Syndicated BCR	9,430,292	9,258,824
Syndicated Unicredit	4,693,456	4,608,117
Syndicated BT	9,430,291	9,258,824
Syndicated CEC	3,394,905	3,333,177
Syndicated Raiffeisen	9,430,292	9,258,824
BRD GSG	1,006,821	1,043,125
	49,235,872	**49,477,106**

The European Investment Bank (EIB)

The parent company signed with the European Investment Bank the following loans for the financing of the project `Development on the Romanian territory of the National Gas Transmission System on the Bulgaria – Romania – Hungary – Austria corridor` (BRUA Phase 1).

- Loan Agreement no. 83644RO concluded on 27.10.2017 for the amount of EUR 50 million, fixed interest rate, maturity of 15 years, grace period of 3 years at principal repayment.
- Loan Agreement no.88825RO concluded on 14.12.2017 for the amount of EUR 50 million, with disbursements in lei or EUR (at the choice of the company), with fixed or variable interest (at the choice of the company), maturity of 15 years, the grace period of 3 years of repayment of the principal.

The parent company signed with the EIB the following loans for the financing of the project `Development on the Romanian territory of the Southern Transmission Corridor for taking over Black Sea gas` (Black Sea - Podişor):

- the Loan Agreement no.89417RO dated 17.12.2018 for the amount of EUR 50 million, maturity of 15 years, grace period of 3 years at principal repayment.
- the Loan Agreement no. 90512RO dated 24 January 2019 for the amount of EUR 100 million, maturity of 15 years, grace period of 3 years at principal repayment.

On 24 January 2019, the Parent Company signed a loan agreement with the European Investment Bank for an amount of EUR 38 million, maturity of 15 years, grace period of 3 years for the repayment of the principal, for the purpose of financing the project "Construction of the pipeline interconnecting the national natural gas transmission system of the Republic of Moldova with the natural gas transmission system of the European Union, through Romania, in the direction Ungheni - Chisinau".

The financial commitments undertaken by the loan agreements requires the group to comply with the negotiated limits of the following financial indicators: the ratio of the total net debts to the Borrower's RAB, the net leverage ratio and the Interest coverage rate.

The Borrower's own RAB means the Borrower's undepreciated regulated asset base, as recognized by the National Energy Regulatory Authority (ANRE).

Below we present the accepted limits of the indicators and the calculation formula, noting that for the reporting periods ended 30 June 2026 and 31 December 2025 reporting periods all indicators have been met:

Indicator name	**Calculation formula**	**Commitment**
Ratio of total net debt to RAB	Total net debt/RAB	Max. 0.70x
Net debt ratio	Total net debt/EBITDA	Max. 4.5x
Interest coverage ratio	Cash flow from operating/financing charges	Min. 3.00x

In 2017 the parent company received the first tranche of Loan Agreement number 83644RO of EUR 15 million issued by EIB on 30 November 2017, in 28 February 2018 the second tranche of the loan amounting to EUR 15 million and on 30 April 2018, the third tranche of the loan amounting to EUR 20 million was received.

The maturity of the loan 83644RO from the EIB is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	20,975,200	20,394,000
Between 1 and 5 years	83,900,800	81,576,000
Over 5 years	38,804,120	47,925,900
	143,680,120	149,895,900

In 2019 the parent company received under Loan Agreement no. 88825RO two tranches totalling EUR 50 million.

The maturity of the loan 88825RO from the EIB is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	20,909,344	20,329,969
Between 1 and 5 years	83,637,375	81,319,874
Over 5 years	63,551,234	71,955,283
	168,097,953	173,605,126

In July 2023 the parent company received under Loan Agreement no. 89417RO the first tranche of EUR 25 million and in June 2024 the final tranche of EUR 25 million.

The maturity of the loan 89417RO from the EIB is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	13,377,041	5,202,551
Between 1 and 5 years	85,613,061	80,639,541
Over 5 years	163,199,898	169,082,908
	262,190,000	254,925,000

In July 2023 the parent company received under Loan Agreement no. 90512RO the first tranche of EUR 25 million and in June 2024 the final tranche of EUR 75 million.

The maturity of the loan 90512RO from the EIB is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	18,727,857	5,202,551
Between 1 and 5 years	171,226,122	158,677,806
Over 5 years	334,426,021	345,969,643
	524,380,000	509,850,000

At 24 April 2020, the subsidiary EUROTRANSGAZ SRL received the first tranche of EUR 22 million from the EIB loan No 90703RO and on 22 January 2021, the second tranche of EUR 16 million.

The EBRD 90703RO loan maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	16,602,187	16,143,675
Between 1 and 5 years	66,408,748	64,574,700
Over 5 years	69,414,693	75,534,898
	152,425,628	156,253,272

The European Bank for Reconstruction and Development (EBRD)

At 23 February 2018 the parent company signed with EBRD a contract amounting to lei 278 million, the equivalent of EUR 60 million, for the financing of the BRUA Project.

The loan was fully disbursed by two equal disbursements: on 29 April 2020 and on 29 May 2020.

The EBRD loan maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	22,235,040	22,235,040
Between 1 and 5 years	88,940,160	88,940,160
Over 5 years	44,470,080	55,587,600
	155,645,280	166,762,800

The carrying amount of loans approximates their fair value as they bear a variable interest rate.

The Romanian Commercial Bank (BCR)

The parent company signed on 24.04.2019 the contract no. 20190409029 with the Romanian Commercial Bank for committing the financing in the amount of 186 million lei, the equivalent of 40 million EUR, with drawing and repayment in lei, maturity 15 years, grace period for principal repayment of 3 years, variable interest for the financing of the project Development on the Romanian territory of the National Gas Transmission System on the Bulgaria – Romania – Hungary – Austria corridor` (BRUA Phase 1).

The BCR loan no. 20190409029 is fully disbursed and its maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	14,880,000	14,880,000
Between 1 and 5 years	59,520,000	59,520,000
Over 5 years	29,760,000	37,200,000
	104,160,000	111,600,000

On 29.10.2020, the parent Company signed contract no.20201028056 with Banca Comercială Română contemplating the parent Company's benefiting from a lei 360 million loan for a period of 13 years, destined to refinance two major projects carried out by Transgaz: "National Transmission System Developments in the North Eastern part of Romania (Oneşti - Gherăeşti - Leţcani)"and “The interconnection of the National Transmission System with the international gas transmission pipeline T1 and reverse flow at Isaccea Phase II (Oneşti - Siliştea)”.

BCR loan no. 20201028056 is fully collected and its maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	28,800,000	28,800,000
Between 1 and 5 years	115,200,000	115,200,000
Over 5 years	72,000,000	86,400,000
	216,000,000	230,400,000

On 17.08.2021, the parent Company signed contract no. 20210817030 with Banca Comercială Română contemplating the parent Company's benefiting from a lei 100 million loan for a period of 12 years, destined to refinance the project "National Transmission System Developments in the North Eastern part of Romania (Oneşti - Gherăeşti - Leţcani)".

BCR loan no. 20210817030 is fully collected and its maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	8,333,334	8,333,334
Between 1 and 5 years	33,333,336	33,333,336
Over 5 years	20,833,327	24,999,994
	62,499,997	66,666,664

On 24.11.2021, the parent Company signed contract no. 20211124044 with Banca Comercială Română contemplating the parent Company's benefiting from a lei 220 million loan for a period of 12 years, destined to refinance the project: "National Transmission System Developments in the North Eastern part of Romania (Oneşti - Gherăeşti - Leţcani)".

BCR loan no. 20211124044 is fully collected and its maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	18,333,333	18,333,334
Between 1 and 5 years	73,333,334	73,333,333
Over 5 years	45,833,333	55,000,000
	137,500,000	146,666,667

Transilvania Bank (BT)

On 15 July 2020, as a result of a competitive negotiation procedure, the parent company signed a contract with Transilvania Bank allowing the company to benefit from a credit facility amounting to lei 300 million, for 2 years, to cover the necessary working capital and partly to issuing letters of guarantee. By Addendum No. 1/20.12.2021, Addendum No. 4/22.03.2023, Addendum No. 5/14.06.2024 and Addendum No. 7/23.12.2025 the parties agreed successive extensions of the final maturity date of the loan agreement until 23.12.2027.

Under the Addendum No. 6, signed on 27 November 2024, the cash limit of the facility was increased by LEI 153,000,000, to a new value of LEI 453,000,000.

On 30 June 2026, out of the total credit line, the amount of lei 401,814,249 (2025: lei 406,994,072) was used to cover the working capital requirements and the amount of lei 16,250,000 (2025: lei 44,978,094) to cover three bank guarantee letters issued in favour of third parties, the amount of lei 34,935,751 remaining at the parent Company's disposal to finance its current activity.

RAIFFEISEN BANK

The parent company signed on 14 July 2022, following a competitive negotiation procedure, an agreement with Raiffeisen Bank under which it benefits from a credit facility of 300 million lei for a period of 2 years, intended to finance working capital for the commercial balancing activity. By Addendum No. 1/11.07.2024, the loan term was extended by 24 months as of the execution date.

Through the amendment signed on 30 June, it was agreed to extend the loan term by an additional 2 years and to divide the amount of 300 million lei into two sub-limits: 150 million lei allocated for balancing activities and 150 million lei allocated for transmission activities.

As at 30 June 2026, only the credit line allocated to balancing activities has been utilized, in the amount of lei 143,531,084 (2025: lei 174,242,91).

BRD GROUPE SOCIETE GENERALE

The parent company signed on 2 August 2023, following a competitive negotiation procedure, an agreement with BRD Groupe Societe Generale, whereby it benefits from a credit facility of 200 million lei for a period of 2 years, intended to finance working capital for the commercial balancing activity. By Addendum No. A001 dated 30.07.2025, the facility was extended until 02.08.2027.

As at 30 June 2026 the credit facility is drawn down to the maximum level of lei 198,950,000 (2025: lei 198,900,000). The obligation is presented under long-term loans.

SYNDICATED LOAN

On 31.07.2024, the parent company signed a syndicated loan agreement for a total amount of lei 1,928,850,000 to ensure the financing of investment projects included in the National Natural Gas Transmission System Development Plan. The banks participating in the transaction are Banca Transilvania, Banca Comercială Română, Raiffeisen Bank, UniCredit Bank and CEC Bank.

At the reporting date the amount drawn from this loan is lei 1,475,000,000.

The maturity of the amount drawn from the BCR syndicated loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	30,588,174	15,294,087
Between 1 and 5 years	122,352,698	122,352,698
Over 5 years	229,411,307	244,705,394
	382,352,179	382,352,179

The maturity of the amount drawn from the BT syndicated loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	30,588,174	15,294,087
Between 1 and 5 years	122,352,698	122,352,698
Over 5 years	229,411,307	244,705,394
	382,352,179	382,352,179

The maturity of the drawn amount of the syndicated CEC loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	11,011,743	5,505,871
Between 1 and 5 years	44,046,970	44,046,971
Over 5 years	82,588,071	88,093,942
	137,646,784	137,646,784

The maturity of the drawn amount of the syndicated Raiffeisen Bank loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	30,588,174	15,294,087
Between 1 and 5 years	122,352,698	122,352,698
Over 5 years	229,411,307	244,705,394
	382,352,179	382,352,179

The maturity of the drawn amount of the Unicredit syndicated loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	15,223,734	7,611,867
Between 1 and 5 years	60,894,937	60,894,937
Over 5 years	114,178,008	121,789,875
	190,296,679	190,296,679

Unicredit Bank—Credit Line obtained by Petrostar

Petrostar signed Contract No. GRIM/20574 with Unicredit Bank on 06.04.2026, to obtain a credit line in the amount of 2,000,000 lei for a term of 12 months, for general purposes. As of 30 June 2026, 1,788,854 lei of the credit line had been drawn down.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	30 June 2026 (unaudited)		31 December 2025	
	Accounting value	Fair value	Accounting value	Fair value
Variable interest rate loans	4,003,983,045	4,003,983,045	4,071,866,513	4,071,866,512
Fixed interest rate loans	143,680,120	133,498,102	149,895,900	140,029,074
Total	4,147,663,165	4,137,481,147	4,221,762,413	4,211,895,586

The fair value of fixed-rate borrowings was determined based on discounted cash flow analyses, using observable market interest rates for similar instruments with similar credit risk and maturities. As such, the fair value measurement is classified within Level 2 of the fair value hierarchy under IFRS 13 Fair Value Measurement.

The fair value of the Company's fixed-rate loans (from the EIB) was estimated by discounting future cash flows using the average of the current interest rates applicable to the three variable-rate loans the Company has contracted with the EIB.

There were no transfers between levels of the fair value hierarchy during the period.

Reconciliation of liabilities arising from financing activities:

	Long-term loans	Working capital	Leasing debt	Total
Balance as at 01.01.2025	3,025,161,245	749,823,044	163.025.547	3,938,009,836
Net cash flows	406,703,847	31,356,161	(49,893,591)	388,166,417
Exchange rate differences	30,316,442	-	-	30,316,442
New leasing contracts	-	-	6,936,642	6,936,642
Leasing adjustments	-	-	(2,823,736)	(2,823,736)
Interest expense	66,942,709	891,263	13,100,223	80,934,195
Capitalized interest	106,608,209	-	3,614	106,611,823
Interest on the recovered balancing activity	-	29,667,140	-	29,667,140
Paid interest	(145,937,728)	(30,557,501)	-	(176,495,229)
Other financial expenses under IFRS 16	264,688	-	1,129,622	1,394,310
Balance as at 31 December 2025	3,490,059,412	781,180,107	131,478,321	4,402,717,840
Balance as at 01.01.2026	3,490,059,412	781,180,107	131,478,321	4,402,717,840
Net cash flows	(74,953,477)	(34,052,796)	(22,117,571)	(131,123,844)
Exchange rate differences	34,890,326	-	920,241	35,810,567
New leasing contracts	-	-	1,874,814	1,874,814
Leasing adjustments	-	-	4,783,325	4,783,325
Interest expense	79,466,551	550,619	5,437,784	85,454,954
Capitalized interest	16,313,742	-	7,169	16,320,911
Interest on the balancing activity recovered by neutrality fee		10,107,445		10,107,445
Paid interest	(95,968,525)	(10,694,366)	-	(106,662,891)
Other financial expenses under IFRS 16	-	-	1,407,974	1,407,974
Balance as at 30 June 2026 (unaudited)	3,449,808,029	747,091,009	123,792,057	4,320,691,095

17. DEFERRED REVENUE

Based on the connection contracts, the necessary infrastructure is built to ensure the estimated transmission capacity to be used over the duration of the concession agreement.

Connection fees	30 June 2026 (unaudited)	31 December 2025
Initial balance	122,118,868	136,266,747
Increases	1,390,412	481,007
Revenue from connection fees (Note 22)	(7,403,456)	(14,628,886)
Final balance	116,105,824	122,118,868

Non-reimbursable funding	30 June 2026 (unaudited)	31 December 2025
Initial balance	1,112,697,653	1,025,577,142
Increases	106,.111,565	172,537,822
Income from non-reimbursable funds -grants (Note 22)	(70,341,028)	(85,417,311)
Final balance	1,148,468,190	1,112,697,653

	30 June 2026 (unaudited)	31 December 2025
Assets received free of charge		
Initial balance	82,912,594	83,032,221
Increases	114,136	5,255,229
Income from goods taken over free of charge (Note 22)	(2,777,843)	(5,374,856)
Final balance	80,248,887	82,912,594

The balance of the deferred revenue consists of:

	30 June 2026 (unaudited)	31 December 2025
Connection fees	116,105,824	122,118,868
Assets received free of charge	80,248,887	82,912,594
Grants (non reimbursable funding)	1,148,468,190	1,112,697,653
	1,344,822,901	1,317,729,115

The connections financed through the connection fees and other assets taken over free of charge from third parties (MRSs, pipelines) do not result from investments funded by TRANSGAZ and are classified as Transgaz' own assets.

In 2024 the Company obtained from the European Union through the Innovation and Networks Executive Agency (INEA), for the BRUA project, a grant amounting to 1,519,342 Euro, representing 50% of the estimated eligible expenses, awarded to finance the design for the three compressor stations of the project (Podişor, Bibești and Jupa) and a grant amounting to 159,449,379 Euro, representing 40% of the estimated eligible expenses, awarded to finance the implementation works of the BRUA Phase I project.

The following amounts were received as pre-financing to finance the implementation of the BRUA Phase I project: EUR 25,834,489.60 (in 2016) and EUR 13,839,087.37 (in 2018) and EUR 29,192,463.92 (in 2019), EUR 37,740,347 (in 2020) and EUR 20,953,114.91 in 2021. On 19 July 2022 the amount of EUR 21,129,634.05 was received from INEA. Since the project's actual cost was lower than the estimated cost, the grant received was reduced proportionally.

On 22 November 2018, the company signed Financing Agreement No. 226 with the Ministry of European Funds AM POIM, which provides non-reimbursable financing for the implementation of project code MYSMIS 2014 – 122972 " NTS developments in the north-east of Romania in order to improve the natural gas supply in the area as well as to ensure transmission capacities to the Republic of Moldova" under Specific Objective 8.2 - to increase the degree of interconnection of the Natural Gas Transmission System with other neighbouring states. The value of the non-reimbursable funding is 214,496,026.71 lei, i.e. 32.53% of the eligible expenses. Since the actual cost of the project was lower than the estimated cost, the grant received was reduced proportionally

For the financing of the works for the implementation of the project NTS developments in North-East Romania for enhancing gas supply to the area and for ensuring transmission capacities to the Republic of Moldova, the amount of lei 203,657,168 was collected as eligible expenses grant funding. Since the actual cost of the project was lower than the estimated cost, the grant received was reduced proportionally.

On 18.06.2020 the Company signed Grant Agreement no. HCOP/685/3/8/132556 on the implementation of the project „TransGasFormation" Code 132556 for the amount of LEI 701,259.60 with the Ministry of European Funds, as Management Authority for the Human Capital Operational Programme.

In 2024, the company concluded grant agreements for the projects: Black Sea - Podişor natural gas transmission pipeline, for which it received pre-financing in February amounting to lei 243,216,983.06, Ghercești-Jitaru natural gas transmission pipeline (including power supply, cathodic protection and fiber optics), The natural gas transmission pipeline supplying the Mintia Power Plant (including other industrial and residential consumers) and the expansion of the NTS's transmission capacity and the security of natural gas supply to the Işalnița Power Plant Branch (Dolj County) and the Turceni Power Plant Branch (Gorj County). The contracts were concluded based on EC Decision No C(2023) 3643 of 30 May 2023, by which the projects were allocated grants under the Modernization Fund in total amount of EUR 108,874,197:

- Black Sea - Podişor natural gas transmission pipeline: EUR 85,544,422. In 2025, the final tranche, amounted to Lei 54,709,431 was received;
- Ghercești-Jitaru natural gas transmission pipeline (including power supply, cathodic protection and optical fiber): EUR 8,038,348. No amounts were received in H1 2026, and the amount remaining to be receipted in H1 2026 from financing applications submitted in H1 2026 is Lei 11,997,958 (in 2025, the amount lei 11,997,958 was received).
- Natural gas transmission pipeline to supply the Mintia Power Plant (including other industrial and household customers): EUR 6,826,947. In H1 2026, the following amount was received: 5,095,530 lei.
- Increasing the transmission capacity of the NTS and the security of natural gas supply to Işalnița Power Plant Branch (Dolj County) and Turceni Power Plant Branch (Gorj County) – EUR 8,464,480.

On 04.09.2024 the Government Decision no.1102/04.09.2024 (published in the Official Gazette no. 904/06.09.2024) approved the financing from the Environment Fund of three natural gas transmission projects worth 500,000,000 lei, for which Transgaz has concluded financing contacts in 2024, namely:

- Gas transmission pipeline Prunișor - Orșova - Băile Herculane-Jupa (including electricity supply, cathodic protection and fiber optics): lei 229,108,514.31. In the first half of 2026, the following amount was collected: lei 94,113,607 (in 2025 the amount of Lei 85,428,393 was received);
- Gas transmission pipeline Tetila - Horezu - Râmnicu Vâlcea (including power supply, cathodic protection and fiber optics) lei 101,713,128.45. No amounts were received in Q1 2026 (in 2025 the amount of Lei 5,001,796 was received);
- Gas transmission pipeline DN 600 Mihai Bravu - Siliștea and transformation into a piggable pipeline lei 169,178,357.24. No amounts were received in Q1 2026 (in 2025 the amount of Lei 113,652 was received)

18. INCOME TAX

Income tax expense

	The six months ended 30 June 2026 (unaudited)	**The six months ended 30 June 2025 (unaudited)**
Expense with the income tax - current	62,991,704	93,814,296
Deferred tax - impact of temporary differences	4,230,270	(6,887,076)
Income tax expense	67,221,974	86,927,220

In H1 2026 and H1 2025 the Company calculated the income tax at the rate of 16% applied to the profit determined in accordance with the Romanian laws.

	The six months ended 30 June 2026 (unaudited)	**The six months ended 30 June 2025 (unaudited)**
Income before tax	290,808,200	533,649,556
Profit/loss (ETG-VTMG)	81,604,815	72,246,177
Profit/loss (Petrostar)	(1,532,756)	
Theoretical expense with the tax the statutory rate of 16% (2021: 16%)	57,136,097	89,836,553
Non-deductible expenses/non-taxable income, net	10,085,877	(2,909,333)
Income tax expense	67,221,974	86,927,220

Depreciation of tangible assets hyperinflation adjustments is a deductible expense with the adoption of EU IFRS as framework of statutory reporting.

At Eurotransgaz the current expenses regarding income tax are calculated based on the taxable income in the statutory financial statements. For tax purposes, the deductibility of certain expenses, such as protocol expenses, is limited to a certain percentage of the profit specified in the tax legislation. On 30 June 2026 the standard rate of income tax was set at 12% (31 December 2025: 12%).

Deferred tax

Deferred tax payment and recoverable tax are valued at the actual tax rate of 16% on 30 June 2026 (31 December 2025: 16%). Deferred tax payment and recoverable tax, as well as expenses with/(revenue from) deferred tax recognized in the statement of comprehensive income or in other components of comprehensive income, based on the nature of the transaction that gave rise to the temporary difference are attributable to the following items:

	30 June 2026 (unaudited)	Movement	31 December 2025	Expense/Revenue	Petrostar acquisition	30 June 2025 (unaudited)	Movement	31 December 2024
Deferred tax payment								
Tangible assets	30,843,411	(2,493,553)	33,336,964	(2,840,464)	1,848,857	36,177,428	(996,205)	37,173,633
Intangible assets	8,441,770	(862,543)	9,304,313	(15,544)		9,319,857	(1,852,186)	11,172,043
Recoverable deferred tax								
Provision for Employee benefits	(31,523,023)	(961,196)	(30,561,827)	(2,941,404)	-	(27,620,423)	(5,122,331)	(22,498,092)
Other provisions	(7,074,821)	3,199,333	(10,274,154)	(5,494,099)	-	(4,780,055)	6,514,110	(11,294,165)
Receivables and other assets	(67,772,513)	5,348,229	(73,120,742)	27,974,645	-	(101,095,387)	(5,430,464)	(95,664,923)
	(67,085,176)	**4,230,270**	**(71,315,446)**	**16,683,134**	**1,848,857**	**(87,998,580)**	**(6,887,076)**	**(81,111,504)**

Deferred revenue tax liability related to tangible and intangible assets is determined by the fact that: a) the fiscal value of intangible assets does not include inflation update; and b) the nature of public domain property does not represent depreciable assets from a tax perspective, regardless of how they are reflected in the accounts. Temporary differences for receivables and other assets arise from impairment adjustments for bad debts.

The amounts presented in the statement of the financial position include the following:

	30 June 2026 (unaudited)	31 December 2025
Deferred tax liabilities/receivables in more than 12 months as reported	(67,085,176)	(71,315,446)

19. TRADE PAYABLES AND OTHER PAYABLES

19.1 Short term payables

19.1.a Trade payables

	30 June 2026 (unaudited)	31 December 2025
Trade payables	104,040,114	187,353,912
Suppliers of non-current assets	19,123,706	51,012,961
	123,163,820	**238,366,873**

19.1.b Other payables

	30 June 2026 (unaudited)	31 December 2025
Dividends payable	402,214,418	1,126,791
Payables related to royalties	52,144,648	77,234,896
Other taxes	48,958,732	33,824,509
Amounts payable to employees	24,240,951	22,451,484
VAT payable	4,995,228	10,366,855
Non-exemptible VAT	16,058,690	24,207,610
Transmission service guarantees	202,286,267	196,166,888
Tender guarantees	83,972,440	85,914,608
Other debts	49,108,193	52,700,332
	883,979,567	**503,993,973**

19.1.c Contract liabilities

	30 June 2026 (unaudited)	31 December 2025
Clients' advances	1,013,076	1,101,990
Transmission service advances	54,883,199	107,440,836
	55,896,275	**108,542,826**

At 30 June 2026, of the total trade payables and other debts the amount of lei 115,944,866 (31 December 2025: lei 85,152,838) is expressed in foreign currency, especially in EUR.

19.2 Lease liability

	30 June 2026 (unaudited)	31 December 2025
Initial balance	131,478,321	163,246,267
Inflows	6,658,139	4,114,757
Interest expense	5,444,953	13,101,985
Leasing payments	(19,789,356)	(48,984,688)
Final balance, of which:	123,792,057	131,478,321
Long-term debts	71,464,492	89,560,397
Short-term debts	52,327,565	41,917,924

As at 04.09.2023, the lease contract for natural gas transmission networks no. 70-SJ of 04.09.2023 concluded between SRL Moldovatransgaz and SRL Vestmoldtransgaz was signed. This contract entered into force on 19.09.2023. The lease contract was concluded for a period of 5 years. The amount of the annual rent is changed annually and is lei LEI 47 mln. (180.7 MDL), VAT excluded as at 30 June 2026 (MDL 173,2 mln. As at 31 December 2025). The lease contract was recognized as a right-of-use asset and a corresponding liability on the date the asset was leased and became available for use by Vestmoldtransgaz.

20. PROVISIONS

	30 June 2026 (unaudited)	31 December 2025
Current provision		
Provision for litigation	24,561,403	20,889,834
Provision for BoA remuneration	-	1,893,368
Provision for employee participation in profits	17,012,723	27,549,487
Other provision	3,057,919	9,880,997
	44,632,045	60,213,686

Employees` participation in the profit is calculated within the limit of 10% of the net profit, but not more than a monthly average salary achieved in the relevant financial year according to the provisions of GO 64/2001 and the Collective Labour Agreement.

Following the conclusion of the arbitration proceedings which had as dispute the restitution of the quantity of natural gas from the Transit 1 pipeline, the arbitral tribunal admitted Bulgargaz EAD's action, and a provision for litigation in the amount of Lei 1,673,984, the equivalent in Lei for legal interest and incidental expenses was established. The arbitral tribunal's decision was appealed. The action for annulment has been granted. Bulgargaz has filed an appeal.

The Group also made provisions for the dispute with Blue Star SRL for the MRS Timisoara I - Timisoara pipeline in the amount of Lei 2,300,000.

Also included in the provisions for litigation are provisions recorded in connection with the balancing activity and technological consumption of gas in the pipelines in Moldova, the ownership of which is not clarified at the date of these financial statements, as presented below.

During 2024, EGET consumed 4,387,082 cm of gas from the network, for which the group recorded revenues from balancing and a fully provisioned trade receivable. This also represents a gas consumption from the surplus gas in the pipeline network. According to ANRE Decision no. 537 of 03.09.2025, the Group is responsible for purchasing the respective gas. The Group challenged this decision, but considering that a cash outflow for the purchase of this gas is likely, it recorded a provision in amount of RON 9,628,873 (MDL 37,321,214) as at 31 December 2025. In the current period, in order to fulfil the obligation established by the Decision of the ANRE Board of Administration no. 537 of 03.09.2025, the Group introduced 1,702,717 m^3 of natural gas into the transmission system. The cost of such gas, amounting to RON 4,390,438 (MDL 16,873,319), was recorded in the profit and loss account of the period on the line Other operating expenses. As a result, in accordance with the provisions of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, the provision previously established for this obligation was revised to reflect only the outstanding obligation, namely 2,684,365 m3 of natural gas at its price on 30 June 2026, resulting in a partial reversal of the provision established on 31 December 2025, up to the amount of RON 6,938,939 (MDL 26,675,555).

For the financial year ended 31 December 2025, the Group recorded technological gas consumption in a total amount of RON 5,110,574 (MDL 19,808,427), representing technological consumption from the surplus gas in the Moldovan pipeline network and taken over with it. As the ownership of this surplus gas in the pipelines is not clear, at the date of these financial statements, discussions are ongoing with ANRE and Moldovatransgaz on this matter, the Group considered that a cash outflow in relation to this technological consumption is not certain (neither in terms of timing nor amount), but rather probable, and therefore recorded a provision in relation to this technological consumption in the amount of RON 5,110,574 as at 31 December 2025. For the period ended 30.06.2026, the Group recorded technological consumption of this surplus gas in a total amount of RON 5,006,529 (MDL 19,237,223), and therefore, the value of the provision for technological consumption was supplemented to reflect the consumption of the period. Also, its value was updated to reflect the quantity consumed at the purchase price of gas on 30.06.2026, resulting in an increase in the provision value of RON 1,291,797 (MDL 4,964,639) in the current period.

As at 31.12.2025 the Group decided to establish a provision for disputes in the accounting records amounting to MDL 8,435,667. Energocom filed a lawsuit against Vestmoldtransgaz. The subject of the dispute is the determination of the non-retroactivity of the application of ANRE provision 517/2024 and the collection from Vestmoldtransgaz' account of the amount of RON 2,176,402 (MDL 8,435,667). As at 30 June 2026, the dispute is still ongoing..

21. PROVISION FOR EMPLOYEE BENEFITS

Employee benefits

The present value of the provision was determined based on the Projected Unit Credit Method. Retirement benefits received by an employee were first raised by the contributions of the employer and then every benefit was updated taking into account the rotation of employees, layoffs and the probability of survival until retirement. The number of years until retirement was calculated as the difference between retirement age and age at time of reporting. The expected average of the remaining work period was calculated based on the number of years until retirement, also taking into account the rate of layoffs, employee rotation rate and the probability of survival.

Assumptions 2025 and 2026

The amount of the provision has been calculated individually for each distinct employee/beneficiary of the company using the actuarial calculation method and taking into account International Accounting Standards, in particular the IAS 19. The provision is calculated taking into account the long-term liabilities undertaken by the company under the collective labour contract. The calculation assumptions and specifications for the calculation model were established based on the company's previous experience and a set of assumptions about the company's future experience. The most important actuarial assumptions used are as follows:

- for the benefit consisting of basic salaries paid at retirement, this benefit is paid for company employees who reach retirement;
- Employee rotation considers seniority and staff rotation within the company;
- the mortality of the entity's employees is calculated according to the data provided by the National Institute of Statistics for the years 2015-2024;
- The employee turnover rate is calculated as a function of departures from the company and a probability has been assigned to each age group and gender;
- The method used is the projected credit factor method, with values allocated to each employee and discounted to 12/31/2024, and respectively to 31 December 2025;
- The plan is unfunded by the entity and the employees;
- The age of retirement was considered as 65 years for men and 63 years for women, but the percentage of early retirement at certain ages was also taken into account.
- For the death compensation for retired former employees of S.N.T.G.N. TRANSGAZ SA in the first year after retirement, the mortality at the age of 66 for men and 64 for women was used by simplification;
- Data provided by the beneficiary for the years 2018 – June 2026 were analysed

Financial assumptions

For the calculation for 31 December 2025, according to the National Institute of Statistics, the long-term salary growth rate is considered equal to the forecasted inflation rate for lei and is 2.5%, and in the short term it is considered equal to the forecasted inflation rate for lei and is 5.60% in the first year 3.40% in the second year and 2.70% in the third year for both genders.

Movement in the provision for employee benefits

1 January 2025	161,295,114
of which:	
Short-term	17,034,346
Long-term	144,260,768
Interest cost	12,607,343
Current service cost	11,926,144
Payments from provisions during the year	(11,706,142)
Actuarial gain/loss related to the period	18,304,493
31 December 2025	192,426,952
of which:	
Short-term	23,890,714
Long-term	168,536,238
Interest expense	11,736,022
Current service cost	10,369,463
Payments from reserves during the year	(3,487,034)
Actuarial gain/loss for the period	(12,264,959)
30 June 2026	198,780,444
of which:	
Short-term	25,171,605
Long-term	173,608,839

22. REVENUE

22.1 Revenue from contracts with customers

	The six months ended 30 June 2026 (unaudited)	**The six months ended 30 June 2025 (unaudited)**
Revenue from domestic transmission activity - Romania	1,254,547,245	1,343,574,613
Revenue from transmission activity – Republic of Moldova	167,649,427	147,111,296
Revenue from balancing activities	164,827,991	233,935,410
Revenue from construction activities in accordance with IFRIC12	104,264,053	451,111,690
Operating revenue within the scope of IFRS 15	**1,691,288,716**	**2,175,733,009**

22.2 Other income

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Income from penalties applied to clients for delay payments	11,311,212	11,032,634
Income from leases	652,454	732,048
Income from recovered materials	3,229,513	6,904,188
Income from the sale of residual materials	4,274,058	180,984
Income from connection fees	7,403,456	7,225,437
Income from grants and goods taken free of charge	73,118,871	45,446,660
Revenue from a favourable-term acquisition (acquisition of Petrostar)	-	2,668,524
Revenue from the revaluation of a previously held equity interest (acquisition of Petrostar)	-	413,609
Other operating income	10,633,262	8,187,509
	110,622,826	**82,791,593**

As at 30 June 2026 and 31 December 2025 there is no intra-group income to be eliminated.

23. OTHER OPERATING EXPENSES

23.1 Other operating expenses - for the provision of the transmission service

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Utilities	12,439,087	13,361,751
Insurance premium	926,516	959,638
Maintenance costs	28,132	28,735
Security and protection expenses	17,299,121	19,057,397
Professional training	100,294	115,897
Telecommunications	1,595,675	1,413,064
Bank charges and other fees	118,680	174,883
Rents	2,856,075	3,070,432
Bad debt expense	-	10,529,143
Loss/(Gain) from the impairment of inventory	4,171,716	-
Marketing and protocol costs	252,315	286,934
Penalties and fines	1,553,840	53,953
Gas storage capacity booking	3,098,595	1,993,495
Sponsorship expenses	1,977,800	1,287,200
Computer service	4,794,303	5,979,974
Other expenses	20,936,814	21,869,829
	72,148,963	**80,182,326**

23.2 Balancing activity expenses

According to the applicable European and national provisions, the Company ensures the balancing activity for the National Transmission System ("NTS"). The balancing activity is carried out by the Parent Company based on ANRE Order no.160/2015 establishing the obligations regarding the balancing of the national transmission system, a financially neutral activity, any profit or loss from this activity being distributed to the clients for which domestic transmission services are provided.

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Expenses on balancing gas	152,580,792	216,378,553
Expenses on balancing financing line	10,021,440	14,345,599
Expenses on balancing gas storage	2,225,759	3,211,258
	164,827,991	**233,935,410**

24. EMPLOYEE COSTS

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Salaries and benefits	325,654,761	319,155,205
Cost of insurance and social security	16,192,490	17,464,488
Other employee costs	8,402,546	6,805,073
	350,249,797	**343,424,766**

Employee expenses are presented as net of the amount capitalized in self-constructed tangible and intangible assets. In Q1 2026, the capitalized amount of employee expenses was 13,766,390 lei (11,067,385 lei in Q1 2025).

Average number of employees in financial year:

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Blue collars	2,060	2,145
White collars	1,875	1,859
	3,935	4,004
Eurotransgaz S.R.L.	4	3
Vestmoldtransgaz S.R.L.	81	58
	85	61
Petrostar SA	92	**78**

25. NET FINANCIAL INCOME/(LOSS)

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Interest income from bank deposits	77,169,397	44,193,856
Income from the update of the Receivable regarding the Concession Agreement	50,360,636	83,061,686
Total interest income	127,530,033	127,255,542

Other financial income

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Foreign exchange income	10,947,437	6,932,522
Other financial income	17	5,675
Total other financial income	10,947,454	6,938,197
Total financial income	138,477,487	134,193,739

Financial expenses	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Foreign exchange loss	(40,125,304)	(32,598,623)
Interest expense related to IFRS16	(705,002)	(579,753)
Interest expense	(84,696,513)	(39,832,902)
The Effect of Restating the Provision for Employee Benefits	(11,736,022)	(11,155,645)
	(137,262,841)	(84,166,923)

According to ANRE Order no. 41/2019 the value of the assets recognised in the Regulated Asset Base is adjusted to the inflation for the period 01.10.2019–30.09.2025, and according to the methodology applicable for the fifth regulatory period (1 October 2025 – 30 September 2030) approved by ANRE Decision no. 7/2025, the value of assets recognized in the Regulated Asset Base is adjusted for inflation using the rate applied by ANRE in setting the regulated rate of return of 3.01%. The parent company recalculated the value of the Concession Agreement receivables and recognized gains amounting to lei 50,360,636 according to IFRS 9 (31 December 2025: Lei 257,121,166).

Non-current assets recognized under regulated assets within a gas year are updated with the inflation rate starting from the next gas year. The income from the adjustment of the receivable related to the Concession Agreement is a non-monetary item.

26. TRANSACTIONS WITH RELATED PARTIES

The prices / tariffs related to the transport and balancing contracts are approved by the National Energy Regulatory Authority (ANRE), are regulated and are not established under market conditions.

Procurement is carried out in compliance with the legal regulations on public procurement.

Transactions with Vestmoldtransgaz were concluded at the market value established by the cost-plus method and represent services provided by specialized personnel for the conduct of the procurement and equipment rental procedures.

In the periods ended 30 June 2026 and 31 December 2025, the following transactions with related parties were performed and the following balances were payable/receivable from related parties at the respective dates.

a) Compensation granted to the members of the Board of Administration and of the management

	The six months ended 30 June 2026 (unaudited)	**The six months ended 30 June 2025 (unaudited)**
Salary paid to the members of the Board of Administration and management	14,880,727	16,497,496
Social contribution of the parent company	324,911	348,097
	15,205,638	16,845,593

In the periods ended 30 June 2026 and 31 December 2025, no advance payments and loans were granted to the company's administrators and management, except for advance payments from salaries and those for business trips, and they don't owe any amount from such advance payments to the company at the end of the period.

The Company has no contractual obligations related to pensions towards the current administrators and directors.

The provision for the mandate contract is presented in Note 20.

The Company has no contractual obligations related to pensions towards the former administrators and directors.

b) Entities affiliated with a government authority

The Company is under the control of the Romanian Government through the General Secretariat of the Government. Thus, companies over which the Romanian Government exercises control or has significant influence are considered affiliates of the Company. In accordance with IAS 24, the Company applies the exemption from disclosure for government-affiliated entities and, therefore, discloses material transactions and balances. The materiality threshold is based on the size of the transactions and existing regulatory/supervisory disclosure requirements (Law No. 24/2017 on Issuers of Financial Instruments and Capital Market Transactions and FSA Regulation No. 5/2018). Except for the transactions listed below, no other separate material transactions or collectively material transactions were identified. Transactions with affiliated parties are conducted at regulated rates and under market conditions, with no transactions falling outside the scope of normal daily operations

i) Revenue from related parties – services supplied (VAT excluded)

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	142,131,503	167,760,413
Electrocentrale Bucureşti SA	Entity under the Romanian state control	49,207,548	53,628,848
Termo Calor Confort	Entity under the Romanian state control	1,911,706	2,193,602
Complex Energetic Oltenia	Entity under the Romanian state control	1,071,964	1,140,101
E,ON Energie Romania	Entity under significant influence of the Romanian state	134,420,240	153,452,655
Engie Romania	Entity under significant influence of the Romanian state	205,750,194	249,701,029
OMV Petrom	Entity under significant influence of the Romanian state	244,609,086	235,907,976
		779,102,241	863,784,624

ii) Sales of other goods and services (VAT excluded)

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	8,898	8,380
Electrocentrale Bucuresti	Entity under the Romanian state control	2,412	1,524
Electrocentrale Constanța	Entity under the Romanian state control	2,083,235	2,191,270
E,ON Energie Romania	Entity under significant influence of the Romanian state	3,461	2,771
Complex Energetic Hunedoara	Entity under the Romanian state control		694,613
Complex Energetic Oltenia	Entity under the Romanian state control	3,442	1,472
Engie Romania	Entity under significant influence of the Romanian state	14,516	21,151
OMV Petrom	Entity under significant influence of the Romanian state	49,456	15,802
		2,165,421	2,936,983

iii) Gas sales – balancing activity (VAT excluded)

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	29,817	3,498,081
Electrocentrale București	Entity under the Romanian state control	1,539,339	3,095,740
Termo Calor Confort	Entity under the Romanian state control	826,268	1,755,643
Complex Energetic Oltenia	Entity under the Romanian state control	713,588	1,547,078
E.ON Energie Romania	Entity under significant influence of the Romanian state	18,271,024	22,068,488

Engie Romania	Entity under significant influence of the Romanian state	39,110,668	38,428,535
OMV Petrom	Entity under significant influence of the Romanian state	5,881,145	11,538,395
		66,371,849	81,931,960

iv) Receivables from related parties (net of adjustments)

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	27,057,288	31,960,517
Electrocentrale Bucureşti	Entity under the Romanian state control	2,728,487	16,948,498
E.ON Energie Romania	Entity under significant influence of the Romanian state	25,433,927	66,740,876
Complex Energetic Oltenia	Entity under the Romanian state control	111,976	-
Engie Romania	Entity under significant influence of the Romanian state	17,142,712	64,017,317
OMV Petrom	Entity under significant influence of the Romanian state	44,902,669	100,771,894
		117,377,059	280,439,102

v) Client receivables – the balancing activity (net of adjustments)

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	33,127	17,540
Electrocentrale Constanţa	Entity under the Romanian state control	-	-
Complex Energetic Oltenia	Entity under the Romanian state control	204,801	57,182
Electrocentrale Bucureşti	Entity under the Romanian state control	124,145	327,945
Termo Calor Confort	Entity under the Romanian state control	15,334	73,959
E.ON Energie Romania	Entity under significant influence of the Romanian state	5,484,139	4,072,417
Engie Romania	Entity under significant influence of the Romanian state	2,326,635	2,490,151
OMV Petrom	Entity under significant influence of the Romanian state	1,434,595	1,750,024
		9,622,776	8,789,218

vi) Procurement of services from related parties (other services – VAT excluded)

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	10,525,504	4,041,002
Complex Energetic Oltenia	Entity under the Romanian state control	2,967	2,117
Electrocentrale Bucureşti	Entity under the Romanian state control	6,493	5,093
Engie Romania	Entity under significant influence of the Romanian state	1,867	15,862
OMV Petrom	Entity under significant influence of the Romanian state	233,573	237,689
		10,770,404	4,301,763

vii) Procurement of gas – the balancing activity (VAT excluded)

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	1,928,911	2,709,323
Electrocentrale București	Entity under the Romanian state control	3,721,987	4,475,708
Termo Calor Confort	Entity under the Romanian state control	2,417,201	3,392,659
Complex Energetic Oltenia	Entity under the Romanian state control	463,233	611,293
E.ON Energie Romania	Entity under significant influence of the Romanian state	28,404,319	43,047,433
Engie Romania	Entity under significant influence of the Romanian state	30,674,358	33,761,565
OMV Petrom	Entity under significant influence of the Romanian state	14,253,311	15,539,377
		81,863,320	103,537,358

viii) Procurement of natural gas (VAT excluded)

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	16,009,871	66,403,283
		16,009,871	66,403,283

ix) Debts to affiliated parties from services (other services - VAT included)

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	1,259,555	1,523,961
Electrocentrale București	Entity under the Romanian state control	-	1,900
Engie Romania	Entity under significant influence of the Romanian state	47,647,878	228
OMV Petrom	Entity under significant influence of the Romanian state	6,695,586	8,239,816
		55,603,019	9,765,905

x) Debts to suppliers – balancing activity (VAT included)

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	1,482,686	1,504,068
Electrocentrale București	Entity under the Romanian state control	940,708	637,768
Termo Calor Confort	Entity under the Romanian state control	1,512,689	1,507,567
E.ON Energie Romania	Entity under significant influence of the Romanian state	5,905,598	8,679,498

Complex Energetic Oltenia	Entity under the Romanian state control	144,797	20,806
Engie Romania	Entity under significant influence of the Romanian state	3,718,638	1,307,729
OMV Petrom	Entity under significant influence of the Romanian state	4,515,900	2,760,972
		18,221,016	16,418,408

xi) Guarantees from affiliates

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	1,000	1,000
Termo Calor Confort	Entity under the Romanian state control	-	1,206,333
E.ON Energie Romania	Entity under significant influence of the Romanian state	504,300	504,300
Complex Energetic Oltenia	Entity under the Romanian state control	996,565	1,104,055
		1,501,865	2,815,688

xii) Guarantees from affiliates (bank guarantee letter)

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	-	2,909,124
E.ON Energie Romania	Entity under significant influence of the Romanian state	24,175,221	68,446,125
Electrocentrale Bucureşti	Entity under the Romanian state control	1,000,000	18,100,000
		25,175,221	89,455,249

Guarantees to affiliated parties

The Company acts as guarantor under the loan agreement entered into on 24 January 2019 between the European Investment Bank and Eurotransgaz, amounting to EUR 38 million, for the purpose of financing the construction by Vestmoldtransgaz SRL of the Ungheni–Chişinău natural gas transmission pipeline.

xiii) Cash and cash equivalents, and bank deposits (other than cash equivalents) held at banks over which the Romanian State has control.

	Relationship	30 June 2026 (unaudited)	31 December 2025
CEC BANK S.A.	Entity under the Romanian state control	467,639,505	486,104,580
EXIM BANCA ROMANEASCA	Entity under the Romanian state control	1,791	1,434
		467,641,296	486,106,014

27. EARNINGS PER SHARE

The company shares are listed on the first category of the Bucharest Stock Exchange.

Basic earnings per share are calculated by dividing the profit attributable to the company's equity holders to the average number of ordinary shares existing during the year.

	The six months ended 30 June 2026 (unaudited)	**The six months ended 30 June 2025 (unaudited)**
Profit attributable to the company's equity holders	303,658,285	518,968,513
Weighted average of the number of shares	188,381,504	188,381,504
Basic and diluted earnings per share (lei per share)	1.61	2.75

28. MATERIAL NON-CASH TRANSACTIONS

Compensations

Approximately 0.95 % of the receivables were settled by transactions that haven't involved cash outflows during the period ended 30 June 2026 (31 December 2025: 1.91%). Transactions mainly represent offsets with clients and suppliers within the operating cycle and offsets between tax debts and receivables registered with the state budget.

29. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS

i) Commitments

The Service Concession Agreement (S.C.A. - Note 8) provides that, at the end of the agreement, the ANRM is entitled to receive back, all goods of public property existing when the agreement was signed and all investments made into the national transmission system, in accordance with the investment program stipulated in the service concession agreement. The company also has other obligations related to the concession agreement, which are described in Note 8.

Law 127/2014 entered into force on 5 October 2014 states that if the concession contract is terminated for any reason, or upon contract termination, the investment made by the national transmission system operator shall be transferred to the owner of the national transmission system or to another grantor in exchange for compensation equal to the unamortized regulated value established by ANRE.

As at 30 June 2026 the value of the contractual firm obligations for the purchase of tangible and intangible assets is of lei 697,097,334 (31 December 2025: lei 635,726,893) and subsidiary Eurotrangaz SRL has no capital commitments.

ii) Taxation

The taxation system in Romania is in a phase of consolidation and harmonization with the European law. However, there are still various interpretations of the tax law. In Romania, the tax year remains open for fiscal verification for 5 years. The company's management believes that fiscal obligations included in these financial statements are properly presented and that it is not necessary for any additional provisions to be established to cover the uncertainties related to tax treatment.

See the existing litigation referring to oil royalty detailed in the chapter "Court and other actions".

The tax system in Moldova is subject to different interpretations and continuous changes, which may have retroactive effect. The tax authorities' interpretation of the tax legislation on the Group's transactions may differ from that of management. As a result, the tax authorities may question certain transactions as giving rise to additional taxes, penalties or interest, which may be significant.

iii) Insurance policies

The company does not have insurance policies related to operations, complaints on products, or for the public debt. The company has insurance policies for buildings and mandatory civil liability policies for the car fleet. Moreover, the company has contracted professional liability insurance services for the members of the Board of Administration and for 59 managers in 2026 (59 managers in 2025).

iv) Environmental aspects

Environmental regulations are under development in Romania and the company did not record any obligation on 30 June 2026 and on 31 December 2025 related to anticipated expenses that include legal and consulting fees, analysis of locations, preparing and implementing recovery measures related to environmental protection. The management of the company believes there are no significant obligations related to environmental aspects.

Transgaz, as natural gas transmission operator in Romania, plays a key role in decarbonizing the entire Romanian energy system. To this end, in December 2023, Transgaz' Climate and Decarbonization Strategy was developed in order to meet national and international (climate) policy requirements and regulations.

The Strategy is intended for Romania and will be extended to the other entities after Transgaz' first consolidated reporting exercise. This is planned to take place in the next two years, after the assessment of the first report that will establish the baseline situation for Transgaz. The strategy is also applicable for Transgaz as a whole, but the specific objectives are only for Romania. Transgaz's Climate and Decarbonization Strategy can be consulted at: https://www.transgaz.ro/ro/sustenabilitate/strategia-climatica-si-de-decarbonizare.

Transgaz has conducted an assessment of the impacts of climate change on its operations and infrastructure using climate scenarios. Transition risks pose a low level of vulnerability and are manageable within the current strategic and operational framework. Following the assessment conducted, Transgaz has not identified any assets or business activities incompatible with the transition to a climate-neutral economy. Transgaz does not have a formalized transition plan in accordance with ESRS requirements. However, Transgaz recognizes the importance of addressing the risks and opportunities related to climate change and intends to take progressive steps toward developing, implementing, and monitoring such a plan. In the absence of a transition plan, its climate and decarbonization strategy acts as a substitute, directing the company's efforts towards managing climate risks and emerging opportunities.

The management has analyzed the impact of climate risk on the figures included in the financial statements, particularly on asset impairments and provisions recognized, and considers that there is no significant impact.

v) Lawsuits and other actions

During the normal activity of Transgaz, there were complaints against it. Transgaz has pending disputes for the lack of use of lands occupied with NTS objectives, commercial and labour disputes. Based on its own estimates and internal and external consulting, the Transgaz' management believes there will be no material loss exceeding the provisions established in these financial statements and is not aware of circumstances that give rise to potentially significant obligations in this regard.

As of 6 June 2016, Transgaz was subject to an inspection carried out by the European Commission - Directorate General for Competition under Art. 20 (4) of Council Regulation (EC) No 1/2003 on the implementation of the rules on competition laid down in Articles 81 and 82 of the EC Treaty, which became Articles 101 and 102 of the Treaty on the Functioning of the European Union. In 2020, the European Commission approved the Company's commitments to address concerns related to a possible breach of Article 102 of the Treaty on the Functioning of the European Union, namely:

- to provide a minimum export capacity of 1.75 billion cubic meters per year at the interconnection point between Romania and Hungary (Csanádpalota);
- to make available minimum export capacities of 3.7 billion cubic meters per year in total at two interconnection points between Romania and Bulgaria (Giurgiu / Ruse and Negru Vodă I / Kardam);
- to make sure that the tariffs to be proposed to the Romanian Energy Regulatory Authority (ANRE) will not make any difference between the export and the domestic markets, thus avoiding interconnection tariffs that render exports commercially non-feasible;
- refrain from using any other means of obstructing exports.

The company meets its commitments and, based on its own estimates, the company's management considers that there are no circumstances that would give rise to significant potential liabilities in this regard.

Following the conclusion of the arbitration proceedings with Bulgargaz EAD, the arbitral tribunal upheld Bulgargaz EAD's claim and ordered the restitution of the quantity of natural gas of 6,733,433 cm and, if restitution in kind is not possible, the reimbursement of the monetary equivalent of the linepack, and statutory interest (Note 20). The decision of the arbitral tribunal has been appealed and the action for annulment has been registered with the Bucharest Court of Appeal. The action for annulment was dismissed as unfounded. Transgaz lodged an appeal. The Court of Cassation of the Court of Justice has admitted Transgaz' appeal, the case being sent to the Bucharest Court of Appeal for retrial. In the retrial of the case, the Bucharest Court of Appeal upheld Transgaz' request and referred the case back to the arbitration court for retrial. Bulgargaz filed an appeal.

The dispute between ANRM and Transgaz was the subject of a tax inspection of the royalty which ended with the issuance of a mandatory order to pay two royalty rates, namely 10% and 0.4% of the value of domestic and international natural gas transmission services performed by the company.

The company lodged a preliminary complaint against the mandatory provision no. 6006/250938/IEF/14.04.2022 issued by the Ministry of Finance, by which Transgaz S.A. was charged with the payment of the amount of 152,964,894 lei, representing the royalty due to the state budget and ancillaries. The preliminary complaint was upheld and the Ministry of Finance, by decision 82/P/2022, ordered the annulment in its entirety of binding order No 6006/250938/IEF/14.04.2022 and the issue of a new order taking into account the considerations put forward by the Ministry of Finance in the decision. Following decision no 85/P/2022 issued by the Ministry of Finance, binding order No 6009/253087/IEF of 14.12.2022 was issued, which only supplements the recitals of the first decision, maintaining the same amount payable by Transgaz.

The company lodged a preliminary complaint against this new provision, which was rejected by the settlement body. An appeal was also lodged with the court, within the legal time-limit, against the administrative act consisting of mandatory order 6009/253087/IEF., seeking its full annulment. The application for the annulment of the mandatory injunction 6009 was decided on the merits by the Bucharest Court of Appeal, which rejected it. Transgaz lodged an appeal in which it invoked the illegality of Decision No. 27/P/12.09.2023 regarding the resolution of preliminary complaint No. 4538/13.01.2023, lodged by Transgaz against Mandatory Order No. 6009/253087/IEF/14.12.2022. The High Court of Cassation and Justice upheld Transgaz's appeal and referred the case back to the Bucharest Court of Appeal for retrial. It also rejected the objection of illegality of Decision No. 27/P/12.09.2023.

The Company paid in 2024 the amount of lei 213,041,251 representing the above-mentioned oil royalty and the additional amount for the period between Quarter 4 2020 and 25 July 2022, in order to eliminate, according to the provisions of GEO no. 107/2024, the risk of payment of the amount of lei 65,452,508 representing accessories for the claim on the additional oil royalty, in case it loses the appeal in court. The value of the oil royalty is recovered through the regulated income from natural gas transmission, through the component relating to directly incurred costs, but the value of the accessories, not being recovered through regulated income, would represent a loss for the company, which was avoided by applying the mechanism approved by GEO 107/2024. Corrective statements were also submitted for the period not covered by the tax audit, and the comparatives relating to this amount were restated.

Litigations of Vestmoldtransgaz subsidiary:

VMTG vs EAST GAS ENERGY TRADING S.R.L: Subject matter of the dispute – issuance of a court order based on the attached documents, with a view to collecting from the defendant EGET the debt in the amount of LEI 31,414,543.41, contractual penalties, and court costs.

The dispute is currently under appeal before the Court of Appeals, with a request to cancel the decision to dismiss the appeal. (repeated, after the simplified procedure for confirming the Settlement Agreement was rejected)

Chances of winning or losing: the liabilities are confirmed by documents, so the chances of winning are high.

Completion date: end of 2026.

vi) Government policies in the gas sector in Romania and Republic of Moldova

ANRE is an autonomous public institution and sets tariffs for the natural gas transmission activity charged by the company. It is likely that the Agency decides the implementation of changes of the government strategies in the gas sector, determining changes in the tariffs approved for the company and, thus, having a significant impact on the company's revenue. At the same time, the Romanian government could decide to change the royalty applied to the company for using the assets part of the public domain according to SCA.

Currently, the effects cannot be determined, if they exist, of the future government policies in the gas sector in Romania on the company's asset and liability.

There are various interpretations of the legislation in force. In certain situations, ANRE may treat differently certain aspects, proceeding to the calculation of additional tariffs and of delay penalties. The company's management believes that its obligations to ANRE are properly presented in these financial statements.

ANRE Order no.126/12.2021 approved the modification of the contractual clauses for the balancing activity and access to the PVT which allows the Company to terminate access to the virtual trading point (VTP) and to terminate balancing contracts, for network users who register cumulative imbalances of the Deficit type during the month higher than the guarantees established.

Starting with 1 October 2024, the natural gas transmission tariffs approved by ANRE President Order no.17 of 29.05.2024 are applicable. The approved regulated revenue related to natural gas transmission in the period 1 October 2024 - 31 December 2025 is lei 2,005,006,850.

As of 1 October 2025, the natural gas transmission tariffs approved by the Order of the President of ANRE no.22 of 05.06.2025 were applicable. The approved regulated revenue related to natural gas transmission for the period from 1 October 2025 to 31 December 2026 is lei 2,301,699,490.

According to GEO no. 119/1 September 2022 amending and supplementing Government Emergency Ordinance no. 27/2022 on measures applicable to end customers in the electricity and natural gas market for the period from 1 April 2022 to 30 June 2023, the natural gas transmission service provider is required to capitalise on a quarterly basis the additional costs for the procurement of natural gas incurred during the period from 1 January 2022 to 30 June 2025 to cover technological consumption, compared to the costs included in the regulated tariffs, and the assets resulting from the capitalisation shall be recognised in the accounting records and financial statements in accordance with the instructions issued by the Ministry of Finance.

By Order 111/24 August 2022, ANRE stipulates, as of 1 October 2022, that the mechanism ensuring cost and revenue neutrality of the Transport System Operator (“Transgaz” or “TSO”)s take into account the following categories of costs and revenues:

a) costs and revenues of the TSO as a result of the payment or collection of imbalance charges under the provisions of the Network Code in relation to individual NUs;

b) costs and revenues arising from the purchase/sale of gas by the TSO for the physical balancing of the NTS, in compliance with the procedure on the operating limits of the NTS, approved by the TSO and endorsed by ANRE;

c) costs and revenues resulting from the activity of natural gas storage intended to ensure the physical balance of the transmission system in accordance with the provisions of Article 130(1) of the Law no. 123/2012 on electricity and natural gas, as amended;
d) costs arising from the taking out of a credit line to finance physical and commercial balancing activity;

e) costs and revenues arising from the contracting of balancing services, in accordance with the provisions of Article 832 of the Network Code and Article 6(3) b of Regulation (EU) No 312/2014.

Eurotransgaz has fulfilled all its obligations under the Contract for Sale and Purchase of the State Enterprise Vestmoldtransgaz, concluded between Eurotransgaz S.R.L. on the one hand and the Public Property Agency ("APP") and the Ministry of Economy and Infrastructure ("MEI").

Pursuant to the provisions of Article 9(5)(g), Article 12(1)(k) and (l) of Law No. 174/2017 on Energy, Article 7((2)(d), Article 26 of Law No. 108/2016 on Natural Gas, and points 13(d) and (e) of the Regulation on the Organization and Operation of the National Energy Regulatory Agency No. 334/2018, in accordance with the Methodology for the Calculation, Approval, and Application of Regulated Tariffs for Natural Gas Transmission Services, approved by Decision of the ANRE Board of Directors No. 535/2019, based on the request of S.R.L. "Vestmoldtransgaz" no. 02-297 of 15.04.2026, as well as the Argumentation Note of the Natural Gas and Heat Department, the Board of Directors of National Energy Regulatory Agency approved Exit/Entry Tariffs for the natural gas transmission service provided by S.R.L. "Vestmoldtransgaz", which apply starting with October 1, 2026. The tariffs were approved by ANRE taking into account the Basic Cost approved in 2021, given that the 2026-2030 Basic Costs were not yet approved at the time. The tariff proposed by ANRE is MDL 438.30 per 1000 m^3. The tariff applicable until 30.09.2026 is MDL 561.5 per 1000 m^3.

In accordance with the Regulation on the procedures for submitting and reviewing applications by licensees regarding regulated prices and tariffs, the file for the review of the basic costs of Vestmoldtransgaz for the base year 2026 (2026-2030) was submitted to ANRE. The file was submitted to ANRE on 02.12.2025 and registered under no. 18434, accompanied by the arguments and supporting documents demonstrating the real need for the costs related to the 2026–2030 regulatory period, in the context of the transition of the infrastructure from the warranty period to the operational stage requiring planned maintenance services and additional operational expenses. On 16.06.2026, ANRE by Decision no. 370 approved the basic costs for the 2026–2030 regulatory period. The basic costs are approved by ANRE with MDL 56,914 thousand less than identified by "Vestmoldtransgaz" S.R.L. for its activity as a natural gas TSO.

Following the approval of the Basic Costs for 2026-2030, a deviation of MDL 5,036.46 thousand is observed, which is caused by the difference between the level of basic costs approved in 2021 and those approved in 2026, which will be taken into account for the approval of the tariff for natural gas transmission for 2027-2028.

On 25.06.2026, ANRE approved Decision no. 379 on establishing the mechanism for the refund of the regulated income correction component registered by S.R.L. "Moldovatransgaz" as a regulated operator of the natural gas transmission system. The decision provides that the component of correction of the regulated revenue (surplus) will be returned to the network users, by reducing the value of the lease agreement of the natural gas transmission networks no. 70-SJ of 04.09.2023 concluded between S.R.L. "Moldovatransgaz" and S.R.L. "Vestmoldtransgaz" within 2 years (2026 - 2028), in equal installments. Starting with September 19, 2026 - the value of the Contract decreases annually by lei 32,587.4 thousand as follows: 2026 – MDL 9,233,083 thousand, 2027 – MDL 32,587,350 thousand, 2028 – MDL 23354,268 thousand.

vii) The military conflict in Ukraine

As of 24 February 2022, a military conflict is taking place on the territory of Ukraine. Gas flows can be redirected through the Negru Voda entry point and other interconnection points with transmission operators in Bulgaria and Hungary. The Company considers that no additional adjustments to those disclosed in the financial statements are necessary.

viii) The military conflict in the Middle East

At the end of February 2026, a significant geopolitical event occurred in the Middle East, leading to heightened regional tensions and increased uncertainty. As a result, there was a significant rise in market volatility, as well as fluctuations in energy, oil, and natural gas prices. Inflationary pressures, disruptions in global supply chains, and a slowdown in economic growth are anticipated.

The Group has no direct exposure to affiliates and/or customers or suppliers in the affected region.

30. FEES OF THE STATUTORY AUDITOR

In H 1 2026, the contractual fees for limited review services of the interim separate and consolidated financial statements prepared in accordance with International Standard on Review Engagements 2410 for the first half of the year ended June 30, 2026, amount to lei 110,493, services provided by Ernst & Young Assurance Services SRL ('E&Y').

Other non-audit services for 2026 provided by Ernst & Young Assurance Services SRL ("E&Y") amounted to lei 11,077. The non-audit services contracted by the Company are for statutory audit for transactions reported pursuant to art. 225 of Law 297/2004.

31. REVENUE AND COSTS FROM THE CONSTRUCTION OF ASSETS

In accordance with IFRIC 12 the revenue and costs of network construction should be recognized in accordance with IFRS 15 Revenue from Contracts with Customers.

	The six months ended 30 June 2026 (unaudited)	**The six months ended 30 June 2025 (unaudited)**
Revenue from the construction activity according to IFRIC12	104,264,053	451,111,690
Cost of assets constructed according to IFRIC12	(104,264,053)	(451,111,690)

The related costs were equal to the revenue, the company did not obtain any profit from the construction activity.

More than 90% of the construction works are carried out by third companies, under contracts concluded as a result of public procurement procedures by electronic public procurement system, with the cost of the works approximating fair value.

32. POST-BALANCE SHEET EVENTS

On July 1, 2026, the amount of 11,997,957.84 lei was collected as grants for the Gherceşti Jitaru project.

By Resolution No. 4 of the Extraordinary General Meeting of Shareholders dated 21 July 2026, the shareholders preliminarily endorsed the 2026-2032 “Development Plan for the National Natural Gas Transmission System” in order to submit it to the National Energy Regulatory Authority for approval.

On 31 July 2026, the Company concluded an amendment to the Credit Facility Agreement dated 31 July 2024 with the syndicate of banks consisting of Banca Transilvania SA, Banca Comercială Română SA, Raiffeisen Bank SA, Unicredit Bank SA, and CEC Bank SA to extend the drawdown period from 31 July 2026 to 31 December 2027 (Note 16).

On 12 August 2026, the Company entered into a loan agreement with Banca Transilvania SA in the amount of EUR 300 million, with a 15-year term, a 3-year grace period for principal repayment, and a variable interest rate, to finance major natural gas infrastructure projects.

Chairman of the Board of administration
Nicolae Minea

Director – General
Ion Sterian

Chief Financial Officer
Marius Lupean

THE NATIONAL GAS TRANSMISSION COMPANY
TRANSGAZ S.A.

INTERIM SEPARATE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED ON 30 JUNE 2026 (UNAUDITED)

PREPARED IN ACCORDANCE WITH
THE ORDER OF THE MINISTRY OF PUBLIC FINANCE 2844/2016

SEPARATE FINANCIAL STATEMENTS

CONTENTS **PAGE**

This version of the 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.

INTERIM STATEMENT OF FINANCIAL POSITION
(expressed in lei, unless otherwise stated)

	Note	30 June 2026 (unaudited)	31 December 2025
ASSET			
Non-current assets			
Tangible Assets	7	295.810.675	308.044.165
Right of use assets	7.1	21.312.739	22.066.878
Intangible assets	9	4.833.186.649	5.956.785.352
Investments in subsidiaries	10.1	182.164.288	182.164.288
Receivables from Concession Agreement	12.3	4.076.718.872	3.033.953.960
Deferred tax	18	65.739.598	70.457.300
Restricted cash	13	1.974.861	2.211.942
		9.476.907.682	**9.575.683.885**
Current assets			
Inventories	11	647.754.382	494.035.918
Trade receivables	12.1	186.585.576	378.041.940
Other receivables	12.2	92.537.779	83.633.842
Current tax recoverable	18	7.349.751	
Cash and cash equivalents	13	927.745.891	784.335.563
		1.861.973.379	**1.740.047.263**
Total assets		**11.338.881.061**	**11.315.731.148**
EQUITY AND LIABILITIES			
Equity			
Share capital	14	1.883.815.040	1.883.815.040
Hyperinflation adjustment of share capital	14	441.418.396	441.418.396
Share premium	14	247.478.865	247.478.865
Other reserves	15	1.265.796.861	1.265.796.861
Retained earnings	15	852.676.711	1.007.471.342
		4.691.185.873	**4.845.980.504**
Non-current liabilities			
Long-term loans	16	3.708.877.535	3.688.555.452
Deferred revenue	17	1.172.793.275	1.211.922.715
Lease liabilities	19.2	17.881.869	19.000.885
Provision for employee benefits	21	173.249.214	168.179.654
		5.072.801.893	**5.087.658.706**

Notes 1 to 32 are part of these financial statements.

This version of the 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.

	Note	30 June 2026 (unaudited)	31 December 2025
Current liabilities			
Short-term loans	16	332.026.825	424.762.430
Deferred revenue	17	172.029.626	105.806.400
Current tax payable	18	-	1.298.495
Trade payables	19.1.a	112.230.091	226.401.782
Other payables	19.1.b	875.960.950	488.346.334
Client contract liabilities	19.1.c	29.749.795	64.979.850
Lease liability	19.2	5.083.169	4.558.134
Other provisions	20	24.043.161	43.106.749
Provision for employee benefits	21	23.769.678	22.831.764
		1.574.893.295	**1.382.091.938**
Total liabilities		**6.647.695.188**	**6.469.750.644**
Total equity and liabilities		**11.338.881.061**	**11.315.731.148**

Endorsed and signed on behalf of the Board of Administration on 12 August 2026 by:

Chairman of the Board of Administration
Nicolae Minea

Director – General
Ion Sterian

Chief Financial Officer
Marius Lupean

Notes 1 to 32 are part of these financial statements.

This version of the 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.

INTERIM STATEMENT OF COMPREHENSIVE INCOME

(expressed in lei, unless otherwise stated)

	Note	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Revenue from the domestic transmission activity	22.1	1.254.547.245	1.343.574.613
Other income	22.2	106.088.264	78.227.487
Operational revenue before the balancing and construction activity according to IFRIC12		**1.360.635.509**	**1.421.802.100**
Depreciation and amortization	7, 9	(348.974.872)	(246.318.361)
Employees costs	24	(338.373.917)	(337.141.124)
NTS gas consumption, materials and consumables used		(64.581.220)	(61.780.101)
Expenses with royalties		(144.272.933)	(154.511.081)
Maintenance and transmission		(35.799.027)	(26.198.999)
Taxes and duties		(72.734.226)	(61.277.835)
Income/ (Expenses) with other provisions		5.698.593	20.723.689
Receivables impairment loss/(gain)		(10.538.584)	(6.626.335)
Other operating expenses	23.1	(65.537.262)	(75.589.634)
Operational profit before the balancing and construction activity according to IFRIC12		**285.522.061**	**473.082.319**
Revenue from the balancing activity	22.1	158.208.534	231.868.550
Cost of balancing activity	23.2	(158.208.534)	(231.868.550)
Revenue from the construction activity according to IFRIC12	22.1	104.264.053	451.111.690
Cost of assets constructed according to IFRIC12	31	(104.264.053)	(451.111.690)
Operational profit		**285.522.061**	**473.082.319**
Interest Income	25	121.556.817	126.725.418
Financial income	25	7.820.429	4.003.667
Financial cost	25	(124.091.105)	(66.655.639)
Financial income, net		**5.286.141**	**64.073.446**
Profit before tax		**290.808.202**	**537.155.765**
Income tax expense	18	(56.615.189)	(77.275.287)
Net profit for the period		**234.193.013**	**459.880.478**
Shares number		188.381.504	188.381.504
Basic and diluted earnings per share (expressed in Lei per share)	27	1,24	2,44
Other items of comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax)			
Actuarial gain/loss for the period		12.264.959	1.815.950
Total comprehensive income for the period		**246.457.972**	**461.696.428**

Chairman of the Board of Administration
Nicolae Minea

Director - General
Ion Sterian

Chief Financial Officer
Marius Lupean

Notes 1 to 32 are integral part of these interim financial statements.

INTERIM STATEMENT OF CHANGES IN EQUITY
(expressed in lei, unless otherwise stated)

	Note	Share Capital	Share capital adjustments for hyperinflation	Share premium	Other reserves	Legal reserve	Reinvested profit reserve	Retained earnings	Total equity
Balance at 1 January 2025		**1.883.815.040**	**441.418.396**	**247.478.865**	**1.265.796.861**	**78.670.680**	**58.121.457**	**303.515.498**	**4.278.816.797**
Elements of the comprehensive income									
Net profit for the period		-	-	-	-	-	-	459.880.478	459.880.478
Actuarial gains and losses								1.815.950	1.815.950
Total other comprehensive income		-	-	-	-	-	-	1.815.950	1.815.950
Total comprehensive income for the period		-	-	-	-	-	-	**461.696.428**	**461.696.428**
Establishing tax reserves		-	-	-	-	-	30.520.848	(30.520.848)	-
Shareholder transactions:									
Dividends for 2024	15	-	-	-	-	-	-	(203.452.024)	(203.452.024)
Balance at 30 June 2025 (unaudited)		**1.883.815.040**	**441.418.396**	**247.478.865**	**1.265.796.861**	**78.670.680**	**88.642.305**	**531.239.054**	**4.537.061.201**
Elements of the comprehensive income									
Net profit for the period		-	-	-	-	-	-	328.276.098	328.276.098
Actuarial gains and losses								(19.356.795)	(19.356.795)
Total other comprehensive income		-	-	-	-	-	-	(19.356.795)	(19.356.795)
Total comprehensive income for the period								**308.919.303**	**308.919.303**
Increasing Legal reserves		-	-	-	-	46.858.017	-	(46.858.017)	-
Establishing tax reserves		-	-	-	-	-	-	-	-
Shareholder transactions:									
Dividends for 2024	15	-	-	-	-	-	-	-	-
Balance at 31 December 2025		**1.883.815.040**	**441.418.396**	**247.478.865**	**1.265.796.861**	**125.528.697**	**88.642.305**	**793.300.340**	**4.845.980.504**
Elements of the comprehensive income									
Net profit for the period								234.193.013	234.193.013
Actuarial gains and losses								12.264.959	12.264.959
Total other comprehensive income		-	-	-	-	-	-	12.264.959	12.264.959
Total comprehensive income for the period								**246.457.972**	**246.457.972**
Increasing Legal reserves							38.746.667	(38.746.667)	-
Shareholder transactions:									
Dividends for 2025								(401.252.603)	(401.252.603)
Balance at 30 June 2026 (unaudited)		**1.883.815.040**	**441.418.396**	**247.478.865**	**1.265.796.861**	**125.528.697**	**127.388.972**	**599.759.042**	**4.691.185.873**

Chairman of the Board of Administration
Nicolae Minea

Director – General
Ion Sterian

Chief Financial Officer
Marius Lupean

Notes 1 to 32 are integral part of these interim financial statements.

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

	Note	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Profit before tax		**290.808.202**	**537.155.765**
Depreciation		348.974.871	246.318.361
Gain/(loss) on transfer of non-current assets		(173.530)	96.298
Other provisions		(5.698.593)	(15.837.721)
Provisions for employee benefits		6.536.411	1.645.191
Income from connection fees, grants and goods taken free of charge		(80.522.327)	(52.672.097)
Sundry debtors and receivable loss		13.962.757	40.538
Adjustments for the receivable's impairment		(3.424.173)	6.626.335
Adjustments for inventory's impairment		4.171.716	10.529.143
Interest income		(71.196.181)	(43.663.731)
Interest expenses		76.746.542	43.942.061
Update of the Receivable regarding the Concession Agreement		(50.360.636)	(83.061.686)
Effect of exchange rate fluctuation on other items than from operation		26.949.490	26.386.708
Effect of restatement of the provision for employee benefits		11.736.022	11.155.645
Operating profit before the changes in working capital		**568.510.571**	**688.660.810**
Decrease in trade and other receivables		163.359.680	65.654.454
Decrease in inventories		(157.890.180)	20.413.792
(Decrease/Increase in trade payables and other debts		(102.711.762)	(90.935.565)
Cash generated from operations		**471.268.309**	**683.793.491**
Income tax paid		(59.247.238)	(86.372.256)
Net cash inflow from operating activities		**412.021.071**	**597.421.235**
Cash flow from investing activities			
Payments to acquire intangible assets		(152.008.217)	(720.184.572)
Payments to acquire tangible assets		(18.390.572)	(5.544.499)
Receipts from the disposal of tangible assets		180.521	-
Financial Investments/Interests		-	(4.520.143)
Interest received		10.217.643	7.889.844
Net cash used in investing activities		**(160.000.625)**	**(722.359.370)**

Notes 1 to 32 are part of these interim financial statements.

	Note	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Cash flow from financing activities			
Long-term loans withdrawals		-	-
Long term loans repayments		(66.652.837)	(66.156.019)
Credit repayments for working capital		(35.841.650)	(26.117.015)
Cash flow from connection fees and grants		102.135.480	1.826.529
Lease Payments (IFRS 16)		(4.588.941)	(3.912.013)
Interest paid		(103.497.194)	(74.558.763)
Dividends paid		(164.976)	(215.560)
Net cash (used in)/ generated from financing activities		**(108.610.118)**	**(169.132.841)**
Net change in cash and cash equivalents		**143.410.328**	**(294.070.975)**
Cash and cash equivalent as at the beginning of the year	13	**784.335.563**	**993.071.864**
Cash and cash equivalent as at the end of the period	13	**927.745.891**	**699.000.889**

Chairman of the Board of Administration
Nicolae Minea

Director – General
Ion Sterian

Chief Financial Officer
Marius Lupean

Notes 1 to 32 are part of these interim financial statements.

1. GENERAL INFORMATION

The National Gas Transmission Company - SNTGN Transgaz SA (`company`) has as main activity the transmission of natural gas. Also, the company maintains and operates the national gas transmission system and carries out research and design activities in the area of natural gas transmission. At 30 June 2026, the majority shareholder of the company is the Romanian state, through the General Secretariat of the Government.

According to the applicable European and national provisions, the Company ensures the balancing activity for the National Transmission System ("NTS"). The balancing activity is carried out by the Company based on ANRE Order no.160/2015 establishing the obligations regarding the balancing of the national transmission system, a financially neutral activity, any profit or loss from this activity being distributed to the clients for which domestic transmission services are provided.

The company was established in May 2000, following several reorganizations of the gas sector in Romania: its predecessor was part of the former national gas monopoly SNGN Romgaz SA (`predecessor company`), which was reorganized under Government Decision 334/2000.

The natural gas sector is regulated by the `National Energy Regulatory Authority` - `ANRE`. ANRE's main responsibilities are the following:

- issuing or withdrawing licenses for companies operating in the natural gas sector;
- publishing framework contracts for the sale, transmission and distribution of natural gas;
- setting the criteria, requirements and procedures related to the selection of eligible consumers;
- setting the pricing criteria and the calculation methods for the natural gas sector.

The company is headquartered in 1 C.I. Motaş Square, Mediaş, Romania.

Since January 2008, the company has been listed at the Bucharest Stock Exchange, as a Tier 1 company, under the TGN symbol.

The Ordinary General Meeting of Shareholders approves the annual financial statements of the Company based on the reports of the Board of Administration and of the financial auditors.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Statement of compliance

The Company's financial statements were prepared in accordance with the Order of the Minister of Public Finance no. 2.844/2016, as amended ("OMF 2844/2016") for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards (IFRS Accounting Standards), as adopted by the European Union, applicable to companies whose real shares are admitted for trading on a regulated market.

OMF 2844/2016 complies with IFRS Accounting Standards as adopted by the European Union with the following exceptions:

- IAS 21 The Effects of Changes in Foreign Exchange Rates regarding the functional currency, IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, the exception of IAS 12 Income Taxes related to the treatment of minimum tax on turnover as an income tax expense.

  These exceptions do not affect the compliance of the Company's financial statements with IFRS Accounting Standards as adopted by the EU.
- IFRS 15 Revenue from contracts with customers regarding the revenue from connection fees to the distribution grid. The Company's policy on connection fee income, described in Note 3.17, does not affect the compliance of the Company's financial statements with IFRS Accounting Standards as adopted by the EU with regards to measurement, it does affect however its presentation. In accordance with OMF 2844 these items are presented as deferred revenue, while under IFRS 15 these should have been classified as contract liability.
- Another exception is provided by the provisions of Government Emergency Ordinance no. 119/1 September 2022 to amend and supplement Government Emergency Ordinance no. 27/2022 on the measures applicable to end customers in the electricity and natural gas market in the period from 1 April 2022 to 31 March 2023, as well as for amending and supplementing some normative acts in the energy sector, under which the natural gas transmission service provider is obliged to capitalize on a quarterly basis the additional costs of natural gas purchase, realized in the period from 1 January 2022 to 31 March 2025, in order to cover the technological consumption, compared to the costs included in the regulated tariffs and the assets resulting from the capitalization are recognized in the accounting records and financial statements according to the instructions prepared by the Ministry of Finance. In application of the provisions of Article III of the Government Emergency Ordinance no. 119/2022 on the recognition in the accounting records and financial statements of assets resulting from capitalization, the Minister of Finance issued Order no. 3900/19 October 2022 and the Company recorded the related amount under intangible assets. These assets are depreciated over 5 year period. These provisions are not in accordance with IFRS Accounting Standards. If the IFRS Accounting Standards had been applied, the value of the lines in the statement of comprehensive income would have recorded the following effect:

  Consumption of NTS gas, materials and consumables would have recorded zero Lei in H1 2026 (20.547.260 Lei in 2025), *Depreciation* would have recorded a decrease by 7.599.193 Lei in H1 2026 (14.196.455 Lei in 2025), *Operating profit* would have recorded an increase by 7.599.193 Lei in H1 2026 (decrease by 6.350.805 Lei in 2025), and the value of the lines in the statement of the financial position would have recorded the following effect: *Intangible assets* would have recorded a decrease by 47.634.626 Lei in H1 2026 (55.208.388 Lei as at 31 December 2025) and *Retained result* would have recorded a decrease by 40.035.433 Lei in H1 2026 (48.857.582 Lei as at 31 December 2025).

The financial statements were prepared based on the historical cost convention, except for the financial assets which are measured at fair value by the profit and loss account or at the fair value by other elements of the comprehensive income.

The financial statements have been prepared based on a going concern principle.

The preparation of the financial statements in accordance with OMFP 2844/2016 requires the use of critical accounting estimates. Also, the management is required to use judgment in applying the company's accounting policies. Areas with a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are presented in Note 5.

3. SUMMARY OF THE MATERIAL ACCOUNTING POLICIES

The main accounting policies applied in the preparation of these financial statements are presented below.

3.1 Standards/amendments

Standards/amendments that are in force and have been endorsed by the European Union

The accounting policies adopted are consistent with those of the previous financial year with the exception of the following standards and amendments to IFRS Accounting Standards that have been adopted by the Company as from 1 January 2026:

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments (Amendments).** In May 2024, IASB issued Amendments to Classification and Measurement of Financial Instruments, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Presentation, and are effective for annual reporting periods beginning on or after 1 January 2026, with early adoption permitted.
- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Contracts for Factor-Dependent Electricity.** In December 2024, IASB issued specific amendments for enhanced presentation of contracts relating to naturally-dependent electricity, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, these become effective for annual reporting periods beginning on or after January 1, 2026, with early adoption permitted.
- **Annual Improvements to IFRS Accounting Standards - Volume 11.** In July 2024, IASB issued Annual Improvements to IFRS Accounting Standards - Volume 11. An entity shall adopt these amendments for annual reporting periods beginning on or after 1 January 2026.

Standards issued but not yet in force and not adopted early

Standards/amendments which are not yet in force but have been endorsed by the European Union

- **IFRS 18 Financial Statement Disclosures.**

  In April 2024, IASB issued IFRS 18 Presentation of Financial Statement Disclosures, which replaces IAS 1 - Presentation of Financial Statements, it is effective for annual reporting periods beginning on or after 1 January 2027, with early adoption permitted. During this period, the Company is assessing the impact on its reporting processes, investor communications, and business strategy in order to implement the requirements of this standard and ensure accuracy and transparency in its reporting.

Standards/amendments not yet in force and not yet approved by the European Union

- **IFRS 19 - Non-public Subsidiaries: Disclosures.** In May 2024, IASB issued IFRS 19 - Non-publicly Accountable Subsidiaries: Disclosure Requirements, which will be effective for annual reporting periods beginning on or after 1 January 2027, with early adoption permitted. In subsequent reporting periods, This standard has no impact on separate financial statements.

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (amendments).** In November 2025, the IASB issued amendments to Translation to a Hyperinflationary Presentation Currency, which amend IAS 21 The Effects of Changes in Foreign Exchange Rates, and which are effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. Management has assessed that these amendments will not have a significant impact.
- **Amendment to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and the Associate or Joint Venture.** In December 2015, IASB indefinitely postponed the effective date of this amendment pending the outcome of its research project on the equity method.

3.2 Subsidiaries

A subsidiary is an entity controlled by the Company. In determining whether control exists, the Company assesses the following:
• whether it has authority over the investee;
• whether it has exposure to or rights to variable returns based on its interest in the investee;
• whether it has the ability to use its authority over the investee to influence the Company's results.
Investments in subsidiaries are recognized at cost less any accumulated impairment losses, as applicable.
The Company assesses as at the date of the financial statements whether there are any indications of impairment of investments in subsidiaries. If, in prior periods, the carrying amount of an investment in a subsidiary has been recovered through dividends received from that subsidiary, the investment is recognized at cost without further testing for impairment. If the investment in a subsidiary has not been recovered in prior periods, the Company assesses the current and future economic environment in comparison with the conditions existing at the date of the investment in that subsidiary; a deterioration in economic conditions (e.g., selling price, tax environment) may necessitate an impairment test.

3.3 Reporting on segments

Reporting on business segments is made consistently with the internal reporting by the main operating decision-maker. The main operating decision-maker, which is in charge with resource allocation and assessment of business segments' performance, was identified as being the Board of Administration, which makes the strategic decisions.

3.4 Transactions in foreign currency

a) *Functional currency*

The items included in the financial statements of the company are valued using the currency of the economic environment where the entity operates (`functional currency`). The financial statements are presented in Romanian leu (`lei`), which is the functional currency and the currency of company presentation.

b) *The rounding level used in the presentation of the financial statements*

In the financial statements the value is presented rounded by units.

c) *Transactions and balances*

Transactions in foreign currency are converted into functional currency using the exchange rate valid on the date of transactions or valuation at the reporting date. Profit and loss resulting from foreign currency translation reserve following the conclusion of such transactions and from the conversion at the exchange rate at the end of the reporting period of monetary assets and liabilities denominated in foreign currency are reflected in the statement of the comprehensive income.

3.5 Accounting for the effects of hyperinflation

Romania has gone through periods of relatively high inflation and was considered hyperinflationary under IAS 29 `Financial Reporting in Hyperinflationary Economies`. This standard required financial statements prepared in the currency of a hyperinflationary economy to be presented in terms of purchasing power as of 31 December 2003. As the characteristics of the economic environment in Romania indicate the cessation of hyperinflation, from 1 January 2004, the company no longer applies IAS 29.
Therefore, values reported in terms of purchasing power on 31 December 2003 are treated as basis for the accounting values of these financial statements.

3.6 Intangible Assets

Computer Software

Licenses acquired related to rights of use of the computer software are capitalized on the basis of the costs incurred with the acquisition and operation of the software in question. These costs are amortized over their estimated useful lives (three years).

Costs associated with maintaining computer software are recognized as expenses in the period in which they are registered.

Service Concession Agreement

Public concession agreement and Regulated Asset Base (used for computation of regulated tariffs)

In 2002 Transgaz SA has signed Concession Agreement with ANRM (National Agency for Mineral Resources) for the concession of the national gas transmission system for a period of 30 years (up to 2032)

In accordance with Public Domain Law No. 213/1998, pipelines for gas transmission are public property. Government Decision 491/1998, confirmed by Government Decision 334/2000, states that fixed assets with a gross historical statutory book value of Lei 474.952.575 (31 December 2017: Lei 474.952.575) , representing gas pipelines, are managed by the company. Therefore, the company has the exclusive right to use such assets during the concession and shall return them to the state at the end of this period.

In 2004 ANRE has issued Order 141/ 14.06.2004 and introduced the first regulated tariff on the natural gas transmission system starting with July 1, 2004, for the period 2004-2005, on the basis of the methodology for the approval of transmission tariffs approved by ANRE Decision No 1078/2003.

The tariff methodology provided that the determination of the initial value of the Regulated Asset Base (RAB), used for the calculation of the base revenue of the first regulatory period, is carried out by the Default RAB method.

The default RAB value was allocated to the objectives participating in the provision of natural gas transmission service as at June 2004, including the remaining value of the NTS assets subject to the Concession Agreement and recoverable from regulated tariffs until 2032.

The additions and modernization of the NTS, that at the end of the concession agreement will be returned to the state (ANRM) and are expected to be recovered from tariffs until 2032 are recognized as RAB. As such this RAB is constantly updated with upgrades and developments of the National Gas Transmission System. The value of the amount to be recovered at end of concession is established, and known, at the moment construction of an extension/improvement to the National Gas Transport System is finalized, as it is equal to the residual value of the assets, computed as unamortized net book value at the end of concession. This value is adjusted each year with inflation index.

RAB is recognized at the level of CAPEX reduced by non-refundable funds used to finance CAPEX, such as investment subsidies.

In 2012 the Law 123/2012 (The Electricity and Natural Gas Law) was issued by the Romanian Parliament. Based on Law 123/2012, ANRE (National Energy Regulatory Authority) is the natural gas sector regulatory authority that has regulatory responsibility, the control and oversight of the natural gas transmission business. Art. 125-133 of Law 123 contain the newly established legal framework and the tasks of ANRE and the NTS operator.

Transgaz prepares every year, in the first part of the year, the substantiation note of the transmission tariffs for the following gas year (October - September).

In the tariff methodology applicable during the fourth regulatory period (1 October 2019 – 30 September 2025) approved by ANRE Order 41/2019 in Article 17 and in the methodology applicable for the fifth regulatory period (1 October 2025 – 30 September 2030) approved by ANRE Order No. 7/2025, in Article 21 is mentioned the computation formula of RAB included in the tariff. The BAR used to determine the tariffs applicable to the next gas year is based on the results achieved up to the date of calculation and on estimated values expected to be achieved by the end of the gas year preceding the one for which the transmission tariffs are being determined.

Bifurcated model according to IFRIC 12

Initial application and recognition of intangible asset

Transgaz receives most of the benefits associated with the assets and is exposed to most of the risks, including the obligation to maintain network assets over a period at least equal to the remaining useful life, and the financial performance of the company is directly influenced by the state of the network.

The scope of IFRIC 12 includes: the existing infrastructure at the time of signing the concession agreement and, also, the modernization and improvement brought to the gas transmission system, which are transferred to the ANRM at the end of the concession agreement.

Due to the fact that the Service Concession Agreement (`SCA`) had nothing substantial changed in the way the Transgaz assets are operated (i.e.; cash flows changed only with the payment of royalties, but, on the other hand, the transmission tariff increased to cover the royalty), the intangible asset was measured at the remaining net value of the derecognized assets (classified in the financial statements as tangible assets on the date of application of IFRIC 12). Consequently, Transgaz continued to recognize the asset, but reclassified it as intangible asset. Transgaz tested the intangible assets recognized at that time for impairment, and no impairment resulted.

Transgaz is entitled to charge the users of the public service and, consequently, an intangible asset was recognized for this right. At the same time Transgaz is entitled to a compensation at the end of the concession that would reflect the unamortised residual value of the assets, as determined in the law. Given that the value and the depreciation rate are also determined in the law, at the time of implementation of IFRIC 12, Transgaz could estimate the amount that it is entitled to at the end of the concession. This amount, as per the law, represent an unconditional receivable, and according to IFRIC 12, is recognised as a financial asset (details follow).

Financial Asset (Long term receivable) and intangible asset computation basis
Law 127/2014 entered into force on 5 October 2014 states that if the concession contract is terminated for any reason, or upon contract termination, the investment made by the national transmission system operator shall be transferred to the national transmission system owner or another grantor on payment of compensation equal to the Regulated Asset Base which was not depreciated fixed by ANRE.

The company applies the bifurcated model.

Under this model, the intangible asset is excess of the costs occurred over the financial asset (measured as per below). Said differently, the company recognized for the investments made until the balance sheet date an updated receivable related to the Regulated Asset Base remained undepreciated at the end of the concession agreement (2032), and an intangible asset for the value difference.

The present value of this long-term receivable is discounted using a discount rate equal to Romanian long-term government bonds, with a maturity close to the remainder of the concession agreement.

The initial measurement of the receivable is made at the fair value which reflects the credit risk which applies to the regulated amount remaining unamortized at the end of the contract, discounted using a risk-free rate - Romanian long term government bond rate. Subsequent valuation is done at amortized cost using the effective interest method. The interest rate used does not change thereafter.

Long term receivable adjusted with inflation rate
In 2019, ANRE Order no. 41/2019 on the adjustment of Regulated Asset Base to the actual inflation rate; this order was applicable as of 30 September 2025, and under ANRE Order No. 7/2025, effective from 1 October 2025, the value of assets recognized in the Regulated Asset Base is adjusted by the inflation rate used by ANRE to determine the regulated rate of return. The Company records the present value of the contractual cash flows recalculated as a result of the adjustment of the Regulated Asset Base with the yearly inflation rate and recognizes a gain or loss in the profit or loss account.

This method is in accordance with IFRS 9.B5.4.6, is based on the traditional approach of accounting for floating-rate debt instruments. Rather than taking account of expectations of future inflation it takes account of inflation only during the reporting period.

The amortization of intangible assets falling within the scope of the concession agreement have a useful life defined in the accounts ending at the time of the termination of the concession agreement (2032). The amortization of these intangible assets is calculated using the straight-line method in order to allocate their cost less residual value over their useful life.

In accordance with Public Concession Law No. 238/2004, a royalty is due for public goods managed by companies other than 100% state-owned. The royalty rate for using the gas transmission pipelines is set by the government. As of October 2007, the royalty was set at 10% of the revenue. The duration of the concession agreement is 30 years, until 2032. Subsequent to entry into force of the provisions of art. 103 para. 2 of Law no. 123/2012, as of 12 November 2020, the royalty was set at 0,4%, from the domestic and international gas transmission services provided by the company, and as of 30 October 2023 the royalty has been set at 11,5% of the value of gross revenues from natural gas transmission services, in accordance with GEO No 91 of 27 October 2023.

3.7 Tangible Assets

Tangible assets include buildings, land, assets used for the non-regulated international transmission activity (e.g. pipelines, compressors, filtering installations, devices).

The company’s policy is to reflect intangible assets at their cost at their cost less any accumulated depreciation and any impairment accumulated losses.

Buildings include particularly ancillary buildings of operating assets, a research centre and office buildings.

Property, plant and equipment transferred from customers are initially measured at fair value at the date on which control is obtained.

Subsequent expenditure is included in the carrying amount of the asset or recognized as separate asset, as the case may be, only when the entry of future economic benefits for the company associated to the item is likely and the cost of the respective item can be valued in a reliable manner. The carrying amount of the replaced asset is derecognized. All the other expenses with repairs and maintenance are recognized in the statement of comprehensive income in the financial period when they occur.

Other fixed assets

Regarding the assets developed by the company, which are complementary to the provision of services according to the concession agreement, the State has the option to acquire these assets at the end of the concession agreement. The company does not have the obligation to keep these assets until the end of the concession agreement and it is allowed to sell them. These assets do not fall within the scope of IFRIC 12 , as these assets are not part of the concession agreement and the grantor has no residual interest on these assets. All the other assets related to the domestic transmission activity and which are part of the national gas transmission system, including improvements made after signing the concession agreement and which must be handed over to the ANRM at the end of the concession agreement fall within the scope of IFRIC 12.

Land is not depreciated. Depreciation on other items of tangible assets is calculated based on the straight-line method in order to allocate their cost minus the residual value, during their useful life, as follows:

	Number of years
Buildings	50
Assets of the gas transmission system	20
Other non-current assets	4 - 20

The residual values of the assets and their useful lives are reviewed and adjusted as appropriate, at the end of each reporting period.

The carrying amount of the asset is written down immediately to its recoverable amount if the carrying amount of the respective asset is greater than its estimated recoverable amount.

Gain and loss on disposal are determined by comparing amounts to be received with the book value and are recognized in the statement of comprehensive income in the period in which the sale took place.

Costs attributable directly to the acquisition, construction or production of an asset with a long production cycle are capitalized as part of the cost of the respective asset. Borrowing costs attributable directly to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if expenses with the asset hadn't been made. To the extent that funds are borrowed specifically for obtaining a qualifying asset, the borrowing costs eligible for the capitalization of the respective asset is determined by the actual cost generated by that borrowing during the period, minus the income from the temporary investments of those borrowings. To the extent that funds are generally borrowed and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset.

The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for obtaining the qualifying asset.

The costs of the funds borrowed for obtaining a qualifying asset (achievement of the investment) are capitalized by the company on the asset as a difference between the current leverage costs related to such loan during the period and any revenue from the investments obtained from the temporary investment of these loans.

3.8 Impairment of non-financial assets

Depreciated assets are reviewed for impairment loss whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The impairment loss is the difference between the carrying amount and the recoverable amount of the asset. The recoverable amount is the greater of the asset's fair value minus costs to sell and value in use. An impairment loss recognized for an asset in prior periods is reversed if there are changes in the estimates used to determine the recoverable amount of the asset at the date the last impairment loss was recognized. For the calculation of this impairment, assets are grouped at the lowest levels for which there are identifiable independent cash flows (cash generating units).

Depreciated non-financial assets are reviewed for possible reversal of the impairment at each reporting date.

Leased assets

The Company assesses at the beginning of a contract whether a contract is, or contains, a lease. That is, whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases except for short-term leases and leases of low value assets. The Company recognizes lease liabilities for lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of recognized lease liabilities, initial direct costs incurred and lease payments made on or before the commencement date, less any lease inducements received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Plant and machinery 3 to 15 years
- Motor vehicles and other equipment 3 to 5 years
- Leased gas transmission network in Moldova – 5 years

If ownership of the leased asset transfers at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company’s lease liabilities are included in Interest-bearing loans and borrowings.

Short-term leases and leases of low-value assets The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a call option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.9 Financial assets

Financial assets and liabilities

The Company's financial assets include cash and cash equivalents, trade receivables, the long term receivable under the concession agreement other receivables, loans granted, bank deposits and government securities with a maturity from the date of incorporation/acquisition of more than three months and other investments in equity instruments.

Financial debts include interest-bearing bank loans, overdrafts, commercial debts and other debts.

For each item, the accounting policies on recognition and measurement are presented in this note.

Cash and cash equivalents include cash in hand and bank accounts and short-term bank deposits with a maturity of less than three months from the date of deposit.

The Company recognises a financial asset or a financial liability in the statement of financial position when and only when it becomes a party to the contractual provisions of the instrument. At initial recognition, financial assets are classified as measured at amortized cost or measured at fair value through profit or loss. The classification depends on the Company's business model for managing financial assets and their contractual cash flows.

The Company does not hold financial assets measured at fair value by other comprehensive income elements.

At initial recognition, financial assets and financial liabilities are measured at fair value plus or minus, in the case of assets measured at amortized cost, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Receivables arising from contracts with customers represent the Company's unconditional right to consideration. The right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. They are measured on initial recognition at the transaction price.

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method for each difference between the initial amount and the maturity amount and, for financial assets, modified for any adjustment for impairment.

Any difference between the entry value and the value at the maturity date is recognised in the statement of comprehensive income for the period of the loans, using the effective interest method.

Financial instruments are classified as liabilities or equity according to the nature of the contractual arrangement. Interest, dividends, gains and losses related to a financial instrument classified as debt are reported as expense or revenue. Distributions to holders of financial instruments classified as equity are recorded directly in equity.

Financial instruments are offset when the Company has an enforceable legal right to offset and intends to settle either on a net basis or to realize the asset and settle the obligation simultaneously.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are measured for impairment at the end of each reporting period.

With the exception of trade receivables, the loss adjustment related to a financial instrument shall be measured at an amount equal to the expected lifetime credit losses if the credit risk of that financial instrument has increased significantly since initial recognition. If, at the reporting date, the credit risk for a financial instrument has not increased significantly since initial recognition, the

Company measures the loss adjustment for that financial instrument at an amount equal to the expected 12-month credit losses.

The adjustment for losses related to trade receivables arising from transactions within the scope of IFRS 15 is measured at an amount equal to the expected lifetime credit losses. The Company considers the risk or probability that a credit loss will occur by reflecting the possibility that a credit loss will occur and the possibility that a credit loss will not occur, even if the possibility of a credit loss is very remote.

The Company assesses the expected credit losses of a financial instrument in a manner that reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. At the end of each reporting period, the company assesses whether there are any indications of impairment of assets. If such indications are identified, the company estimates the asset's recoverable amount.

The carrying amount of financial assets, other than those measured at fair value through the profit and loss account, is reduced by using an impairment adjustment account.

Derecognition of assets and liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows related to the assets expire, or when it transfers the financial asset and, substantially, all risks and rewards related to the asset to another entity.

The Company derecognizes financial liabilities if and only if the Company's obligations have been paid,

(i) Assets measured at cost

The share held at Eurotrangaz SRL is recognized at cost according to Art.10.a-IAS 27-Separate Financial Statements:

In H1 2026 and in 2025 the Company evaluated the stake held in Eurotrangaz SRL in order to identify any possible impairment losses No impairments were found.

3.10. Inventories

Inventories are stated at the lower of cost and net achievable value. The components recovered from disassembling and repairs of pipelines built by the company are recorded as stocks at a value determined by a technical committee. The amount so determined does not exceed the net achievable value.

The cost for spare parts bought is determined based on the first in, first out method, except for the cost of gas used in the national transmission system balancing activity which is determined based on the weighted average cost method. Where necessary, adjustment is made for obsolete and slow-moving inventories. Individually identified obsolete inventories are adjusted for the full value or written off. For slow moving inventory, an estimate is made of the age of each main category on inventory rotation.

The calculation of the general adjustment for the depreciation of stocks is made monthly depending on the age of the existing items in stock, applying the following percentages according to age: 0 - 12 months 0%; 1 - 2 years 10%; 2 - 3 years 30% - 40%; over 3 years 75% - 80%.

The company holds a minimum safety stock of spare parts and materials.

The minimum gas stock that the company, as holder of the national natural gas transmission system operating license is required to have in underground storage facilities, is established by decision of the President of the National Energy Regulatory Authority (ANRE President). The Decision no. 656/08.04.2025 ANRE established the minimum level of natural gas that the TSO must have in its storage facilities by 31 October 2025, namely 393.546,504 MWh.

By the Decision no. 6/2026 of the Chairman of ANRE, amendments and supplements to the Decision no. 36/2016 of the Chairman of the National Energy Regulatory Authority were approved, on establishing the method for annually determining the minimum natural gas stock level for holders of licenses to operate natural gas transmission systems. As at 30 June 2025, the minimum natural gas stock level is 393.546 MWh.

3.11. Trade receivables

Trade receivables are amounts due from customers for services rendered in the course of the company's ordinary activities. If the collection period is one year or less (or in the normal operating cycle of the business), they are classified as current assets.

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, minus the adjustments for impairment.

3.12. Cash and cash equivalent

Cash and cash equivalents comprise cash on hand, cash in current accounts with banks, other short-term investments with high liquidity and with maturity terms of up to three months and overdrafts from banks. In the statement of financial position, overdraft facilities are registered at loans, under current liabilities.

3.13. Equity

Share capital
Ordinary shares are classified as equity.
Additional costs directly attributable to the issue of new shares or options are registered at equity as a deduction, net of tax, from the receipts.

Dividends

Dividends are recognized as liabilities and deducted from equity at the end of the reporting period if they are declared before or at the end of the reporting period. Dividends are recognized when they are proposed before the end of the reporting period.

The company did not partially distribute dividends during the financial year.

Reserves

Reserves are accounted for by categories of reserves: legal reserves, statutory or contractual reserves, reserves from reinvested earnings and other reserves.

Legal reserves are established annually from the company's profits, in the proportions and within the limits laid down by law, and from other sources laid down by law. Legal reserves may be used only under the conditions provided for by law.

Retained earnings

Comprise the result carried forward from the takeover at the beginning of the current financial year of the profit and loss account result of the previous financial year and the result carried forward from the correction of accounting errors.

The company did not distribute interim dividends during the financial year.

3.14. Borrowings

Borrowings are recognized initially at fair value, net of transaction costs recorded. Subsequently, borrowings are stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss, based on the effective interest method.

Borrowings are classified as current liabilities, unless the company has an unconditional right to defer payment of debt for no less than 12 months after the end of the reporting period.

3.15. Current and deferred income tax

Tax expense for the period includes the current tax and the deferred tax and is recognized in profit or loss, unless it is recognized in other items of the comprehensive income or directly in equity because it relates to transactions that are, in turn, recognized in the same or in a different period, in other items of the comprehensive income or directly in equity.

Current income tax expense is calculated based on the tax regulations in force at the end of the reporting period. The company periodically evaluates situations where the applicable tax regulations are subject to interpretation and establishes provisions/ adjustments for impairment, where appropriate, for the amounts with accounting/fiscal impact.

The deferred income tax is recognized based on the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax arising from the initial recognition of an asset or liability in a transaction other than a business combination and at the time of the transaction does not affect the accounting profit and the taxable revenue is not recognized. The deferred income tax is determined based on tax rates (and legal regulations) in force until the end of the reporting period and which are expected to apply in the period in which the deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred revenue tax assets are recognized to the extent that it is probable that future taxable profit be derived from temporary differences.

3.16. Trade payables and other payables

Suppliers and other payables are recognized initially at fair value and subsequently measured at amortized cost, using the effective interest method.

3.17. Deferred revenue

Deferred revenue is recorded for

a) connection fees applied to customers upon their connection to the gas transmission network

b) for the assets received free of charge, and

c) for government grants received.

The connection fees are billed to some clients for their connection to the gas transmission network (additional connecting pipeline to be built by Transgaz). The fees billed to customer can cover partially or totally the cost of the pipes construction cost. These fees are considered to partially finance the construction of these additional connection pipelines, and are recognised as deferred revenue. The income from this deferred revenue is recognized straight line over the useful life of the asset financed.

The governmental subsidies are recognised at their market value when there is a reasonable assurance that they will be received and that the relevant conditions will be met

The company recognizes a right to collect the grant when there is reasonable assurance that it will comply with the conditions attached to its award and that the grant will be received. The Company considers that the reasonable assurance that the grant will be received can be confirmed by the fulfilment of the eligibility conditions in the funding applications, prior to the approval of the funding application.

The income from the grant is recognized proportionally from the amortization of the financed assets, applying the percentage of financing of the eligible expenses on the monthly amortization.

Cash inflows from government grant cashed or Connection fees are presented within financing cash flows in the Statement of Cash flows, as it is the Company’s policy choice under IAS 7.

Assets received free of charge from third parties (SRMs, pipelines, connections) are classified as owned assets because they do not result from investments made by the company. They are recorded at fair value. Following the receiving free of charge of assets belonging to the National Transmission System, these assets are included in the Company's patrimony at fair value, determined based on the asset handover protocol.

3.18. Employee benefits

In the normal course of business, the company makes payments to the Romanian state on behalf of its employees, for health funds, pensions and unemployment benefits. All the company employees are members of the pension plan of the Romanian state, which is a fixed contribution plan. These costs are recognized in the profit and loss account with the recognition of salary expenses.

Benefits granted on retirement
Under the collective agreement, the company must pay the employees on retirement a compensatory amount equal to a certain number of gross salaries, depending on the time worked in the gas industry, working conditions etc. The company recorded a provision for such payments (see Note 21). The obligation recognized in the balance sheet represents the present value of the obligation at the reporting date. The obligation is calculated annually by independent experts using the Projected Unit Credit Method. The present value is determined by discounting future cash flows with the interest rate of the long-term government bonds.

The current service cost is recognized in the profit and loss account in the employee costs. Interest expense is included in the profit and loss account in the financial costs.

Actuarial gain or loss due to changes in actuarial assumptions is recognized in the statement of comprehensive income (are debited/credited to retained earnings via other comprehensive income) in the period for which the actuarial calculation is made.

Social insurance
The company records expenses related to its employees, as a result of granting social insurance benefits. These amounts mainly include the implicit costs of employing workers and, therefore, are included in the salary expenses.

Profit sharing and bonuses
The company recognizes an obligation and expense for bonuses and profit sharing, based on a formula taking into account the profit attributable to the company's shareholders, after certain adjustments. The company recognizes an obligation where it is required under contract or where there is a past practice which created an implicit obligation.

3.19. Provisions

The provisions are recognized when the company has a legal or implicit obligation as a result of past events, when for the settlement of the obligation an outflow of resources is required, which incorporates economic benefits and for which a credible estimate can be made in terms of the obligation value. Where there are similar obligations, the probability for an outflow of resources to be necessary for settlement is set after the assessment of the obligation class as a whole.

The provision is recognized even if the probability of an outflow of resources related to any item included in any obligation class is reduced.

Where the company expects the writing back to revenue of a provision, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is theoretically certain.

Provisions are measured at the discounted value of the expenditures expected to be required to settle the obligation, using a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3.20. Revenue recognition

The Company recognizes contracts with customers when all of the following criteria are met:

- the parties to the contract have approved the contract and undertake to fulfil their obligations;
- The Company may identify the rights of each party in relation to the goods or services to be transferred;
- The Company can identify the payment terms;
- the contract has commercial substance;
- it is likely that the Company will collect the value of the goods delivered and of the services provided.

Income from contracts with customers is recognised when, or as, the Company transfers the goods or provides services to the client, i.e. the client gains control over them.

Depending on the nature of the goods or services, revenue may be recognised over time or at a specific time.

Revenue is recognised over time if:

- the client simultaneously receives and consumes the benefits of obtaining the goods and services as the Company performs the obligation;
- the Company's performance creates or enhances an asset that the client controls to the extent that the asset is created or enhanced;
- the Company's performance does not create an asset with an alternative use for the Company.

All other revenue that does not meet the above criteria is recognised at a specific time.

In order for revenue to be recognized over time, the Company assesses progress towards the performance obligation using either outcome-based or input-based methods, depending on the nature of the good or service transferred to the client. Revenue is recognized only if the Company can reasonably estimate the outcome of the performance obligation, or, if the outcome cannot be estimated, only at the level of costs incurred that it expects to recover from the client.

Revenue from client contracts mainly relates to natural gas transmission services. Each NTS user simultaneously receives and consumes the benefits provided by the operator as the operator provides the NTS operating services and therefore the operator recognises revenue over time

The Company has the following revenue streams:

a) *Revenues linked to the concession agreement in Romania*
- Revenue from transmission services – Romania
- Revenue from the balancing activity -Romania
- Revenues from connection fees charged to clients upon their connection to the gas transmission network- Romania
- Revenue from construction activity according to IFRIC 12

The contracts entered into by the Company do not contain significant financing components.

i. *Revenue from services*

Revenue from the domestic gas transmission results from the booking the transmission capacity and from the transmission through the National Transmission System of the determined quantities of natural gas, expressed in units of energy, during the validity of a gas transmission contract, and are recognized at the moment of their delivery. During the administration of the transmission contracts, the Company issues and submits invoices to the clients, by day 15 of the month following the month for which the transmission service was provided.

ii. *Revenue from the balancing activity*

In accordance with the applicable European and national provisions, the Company ensures the balancing activity for the National Transmission System (NTS). The balancing activity is carried out by the Company on the basis of ANRE Order no.160/2015 establishing the obligations regarding the balancing of the national transmission system, a financially neutral activity, any profit or loss from this activity being distributed on a monthly basis to the customers for which internal transmission services are provided.

The commercial, operational and physical balancing of the NTS defines a set of activities and procedures necessary to allocate the quantities of natural gas at network user level and to ensure the safe transmission of natural gas through the NTS. Commercial balancing takes the form of issuing Surplus invoices by network users, Deficit invoices by the transmission system operator and neutrality invoices respectively.

The balancing actions carried out by the Company imply the recording of revenues and expenses separately in the accounting records. The difference between the revenues and expenses related to the balancing actions carried out is allocated on a monthly basis to the network users, according to the methodology approved by ANRE, by applying a neutrality tariff.

ANRE Order 85/2017 regulates the mechanism that ensures the cost and revenue neutrality of the natural gas transmission operator (TSO) and considers only the following categories:

- costs and revenues of the TSO as a result of paying or charging imbalance charges in relation to individual Network Users (NUs);
- costs and revenues arising from the purchase/sale of gas by the TSO for the physical balancing of the NTS;
- costs and revenues arising from the activity of gas storage to ensure the physical balance of the transmission system;
- costs resulting from taking out a credit line to finance the physical and commercial balancing activity;
- costs and revenues resulting from contracting balancing services.

The Company presents separate line items for *Revenues from the balancing activity* and *Expenses from the balancing activity* in the statement of comprehensive income, which provides a better picture and understanding of the Company's financial results and performance and of the contribution of the balancing activity to the entity's performance.

The presentation of the line-item *Revenues from the balancing activity* under operating revenue does not provide a fair and complete picture of the Company's financial performance. The financial neutrality required by the regulations makes it appropriate to present balancing revenues and expenses separately from the Company's other operating revenues and expenses, separating the balancing activity that has zero regulated profit from the rest of the activities performed by the Company.

iii. *Revenues from connection fees charged to clients upon their connection to the gas transmission network*
These connection fees partially or fully finance the cost of construction works for connection to the National Gas Transmission System, are recognized as prepaid revenues at the time of invoicing to the client and are recognized as revenue over the asset's useful life.

iv. *Revenue from the sale of goods (including network balancing)*
Revenue from the sale of goods is registered when the goods are delivered.
According to the Network Code for the National Gas Transmission System, Transgaz sells natural gas within the actions aimed at balancing the differences between the quantities of natural gas delivered to the NTS and those taken over by the network users from it.
Revenue from the sale of waste materials is generated from the scrapping and capitalization of decommissioned assets.

v. *Interest income*
Interest income is recognized proportionally, based on the effective interest method.

vi. *Revenue from dividends*
Dividends are recognized when the right to receive payment is recognized.

vii. *Revenue from penalties*
Revenue from penalties for late payment is recognized when future economic benefits are expected for the company.

3.21. Contract liabilities

Contract liabilities are an obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (ie. a receivable), before the Company transfers the good or service to the customer, the Company presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

3.22. Related parties

The Parties are considered related if one of the parties has the ability to control the other party, to exercise a significant influence over the other party in financial or operational decision making, if they are under the common control with another party, if there is a joint venture in which the entity is an associate or a member of the management as described in the IAS 24 `Related Party Disclosures`. In evaluating each possible related party relationship, the focus is on the essence of this relationship and not necessarily on its legal form. Related parties may enter into transactions which unrelated parties cannot conclude, and transactions between related parties will not apply the same terms, conditions and values as for unrelated parties.

4. FINANCIAL RISK MANAGEMENT

Financial risk factors

By the nature of the activities performed, the company is exposed to various risks, which include: market risk (including currency risk, interest rate risk on fair value, interest rate risk on cash flow and price risk), credit risk and liquidity risk. company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the company. The company does not use derivative financial instruments to protect itself from certain risk exposures.

(a) ***Market risk***

(i) Currency risk

The company is exposed to currency risk by exposures to various foreign currencies, especially to EUR. Currency risk is associated to monetary assets and recognized liabilities.

To cover the currency risk associated with trade receivables and payables, the Company concludes sales and purchase contracts in the national currency, RON.

30 June 2026 (unaudited)	**EUR**	**GBP**	**USD**	**RON**	**Total**
Financial assets	(RON)	(RON)	(RON)	(RON)	(RON)
Cash and cash equivalents	40.436.819	509	48.524	889.234.900	929.720.752
Other financial assets	26.219	-	-	-	26.219
The receivable related to the regulated value remaining undepreciated upon termination of the concession agreement	-	-	-	4.076.718.872	4.076.718.872
Other receivables	-	-	-	54.825.473	54.825.473
Trade receivables	537.259	-	6.945.505	179.076.593	186.559.357
Total financial assets	**41.000.297**	**509**	**6.994.029**	**5.199.855.838**	**5.247.850.673**
Financial liabilities					
Trade payables	13.878.391	-	1.207.446	97.144.254	112.230.091
Dividends payable				402.158.127	402.158.127
Other payables	-	-	-	286.258.707	286.258.707
Lease liabilities	-	-	-	22.965.038	22.965.038
Loans	1.102.755.094	-	-	2.938.149.266	4.040.904.360
Total financial liabilities	**1.116.633.485**	**-**	**1.207.446**	**3.746.675.392**	**4.864.516.323**
Net	**(1.075.633.188)**	**509**	**5.786.583**	**1.453.180.446**	**383.334.350**

31 December 2025	**EUR**	**GBP**	**USD**	**RON**	**Total**
Financial assets	(RON)	(RON)	(RON)	(RON)	(RON)
Cash and cash equivalents	58.911	2.862	71.134	786.414.598	786.547.505
Other financial assets	25.493	-	-	-	25.493
The receivable related to the regulated value remaining undepreciated upon termination of the concession agreement	-	-	-	3.033.953.960	3.033.953.960
Other receivables	-	-	-	51.447.658	51.447.658
Trade receivables	522.372	-	6.554.075	370.940.000	378.016.447
Total financial assets	**606.776**	**2.862**	**6.625.209**	**4.242.756.216**	**4.249.991.063**
Financial liabilities					
Trade payables	14.198.700	-	2.076.513	210.126.569	226.401.782
Dividends payable				1.070.500	1.070.500
Other payables	-	-	-	282.081.495	282.081.495
Lease liabilities	-	-	-	23.559.019	23.559.019
Loans	1.092.535.785	-	-	3.020.782.097	4.113.317.882
Total financial liabilities	**1.106.734.485**	**-**	**2.076.513**	**3.537.619.680**	**4.646.430.678**
Net	**(1.106.127.709)**	**2.862**	**4.548.696**	**705.136.536**	**(396.439.615)**

As at 30 June 2026, the amount of Lei 7.535.202 (31 December 2025: Lei 7.127.432) representing trade receivables and other receivables net is expressed in foreign currency, of which 92% in USD (31 December 2025: 92%) and 8% in EUR (31 December 2025: 92%).

The following table shows the sensitivity of profit or loss and equity, to reasonably possible changes in exchange rates applied at the end of the reporting period of the functional currency of the company, with all variables held constant and takes into account the maximum market fluctuation of the exchange rate of each currency during the reporting periods:

	30 June 2026 (unaudited) RON	31 December 2025 RON
Impact on profit and loss and on equity of:		
USD appreciation by 8%	462.927	363.896
USD depreciation by 8%	(462.927)	(363.896)
EUR appreciation by 2%	(21.512.139)	(18.712.771)
EUR depreciation by 2%	21.512.139	18.712.771

(ii) Price risk

The company is exposed to the commodity price risk related to gas purchased for own consumption. If the gas price had been 5% higher/lower, the net profit related to the period would have been lower/higher by Lei 1.554.026 (on June 2025: Lei 2.549.679).

(iii) Interest rate risk on cash flow

The company is exposed to interest rate risk by its bank deposits and variable interest loans.

The regulatory framework governing the Company's activities ensures full coverage of interest rate risk. Interest expenses related to loans taken out to finance investment projects being recovered by 30 September 2025 through regulated income for gas transmission activities, and the interest related to credit lines taken out to finance commercial balancing activities is recovered through the neutrality tariff.

The neutrality tariff ensures that the difference between the expenses and revenue recorded by the National Transmission System Operator as a result of activities carried out to fulfill its obligations to balance the natural gas transmission network is allocated to network users.

For the average exposure of the period, if the interest rates had been lower/higher by 50 basis points, with all the other variables maintained constant, the profit related to the period and equity would have been higher/lower by 7.057.658 (June 2025: Lei 6.501.079 lei higher / lower) as a result of reducing the interest rate for variable interest loans and the interest rate on the bank deposits. The value of 50 basis points represents management's assessment of the reasonable change in interest rates.

(b) *Credit risk*

Credit risk is especially related to cash and cash equivalents and trade receivables. The company drew up a number of policies, through their application ensuring that sales of products and services are made to proper customers. The carrying amount of receivables, net of adjustments for loss, represents the maximum value exposed to credit risk. The company's credit risk in respect of trade receivables is concentrated on the 5 main customers, which together account for 50% of the trade receivable balances as at 30 June 2026 (31 December 2025: 49%). Although the collection of receivables can be influenced by economic factors, the management believes that there is no significant risk of loss exceeding the already made impairment adjustments.

As the long-term concession receivable is guaranteed by the Romanian State, the Company considered that the potential impairment using the ECL (Expected Credit Losses) model is not significant for these financial statements.

To cover credit risk the Company requests payment guarantees for gas transmission and commercial balancing contracts. As at 30 June 2026 the payment guarantees available to the Group from clients amounting to Lei 418.900.742 (as at 31 December 2025: Lei 564.735.358).

Cash is placed with financial institutions, which are considered as associated to a minimum performance risk.

	30 June 2026 (unaudited)	31 December 2025
Without rating	255.060	381.670
BBB-	486.177.501	592.592.869
BBB	12.143.426	-
BBB+	428.703.973	190.879.789
A+	-	133.591
AA-	133.392	233.939
AA	191.029	-
Total	**927.604.381**	**784.221.858**

All the financial institutions are presented in the Fitch rating or equivalent.

(c) *Liquidity risk*

Preventive liquidity risk management involves keeping enough cash and funds available by a proper value of committed credit facilities.

The company projects cash flows. The financial function of the company continually monitors the company's liquidity requirements to ensure that there is sufficient cash to meet operational requirements, while maintaining a sufficient level of unused borrowing facilities (Note 16) at any time, so the company does not violate the limits or loan agreements (where applicable) for any of its borrowing facilities. These projections take into account the company's debt financing plans, compliance with agreements, compliance with internal targets on the balance sheet indicators and, where appropriate, external regulations or legal provisions.

The Financial Division of the company invests extra cash in interest bearing current accounts and term deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide the appropriate framework, established under the provisions mentioned above.

The table below shows obligations on 30 June 2026 in terms of contractual maturity remained. The amounts disclosed in the maturity table are contractual undiscounted cash flows.

Maturity analysis of financial liabilities as at 30 June 2026 is as follows:

	Total amount	Less than 1 year	1-5 years	Over 5 years
Borrowings	5.135.715.155	508.636.366	2.576.554.746	2.050.524.043
Trade payables	112.230.091	112.230.091	-	-
Dividends payable	402.158.127	402.158.127		
Other payables	286.258.707	286.258.707	-	-
Lease liabilities	27.922.789	6.304.996	16.673.364	4.944.429
	5.964.284.869	1.315.588.287	2.593.228.110	2.055.468.472

Maturity analysis of financial liabilities as at 31 December 2025 is as follows:

	Total amount	Less than 1 year	1-5 years	Over 5 years
Borrowings	5.316.963.002	579.423.176	2.482.989.461	2.254.550.365
Trade payables	226.401.781	226.401.781	-	-
Dividends payable	1.070.500	1.070.500		
Other payables	282.081.496	282.081.496		
Lease liabilities	27.372.714	5.818.280	17.406.514	4.147.920
	5.853.889.493	1.094.795.233	2.500.395.975	2.258.698.285

Trade payables and other payables include trade payables, suppliers of non-current assets, dividends payable, payables and other payables (see Note 19.1) and are not included: payables generated as a result of the legal provisions imposed by the authorities, payables to the employees and advance registered revenue.

ANRE Order no. 130/2020 regulates two types of guarantees, namely the auction participation guarantee, established before the entry into capacity auctions and the financial payment guarantee, established after the auctions close, for the booked capacity products.

Auction participation guarantees are used by network users (“NU”) to participate in future capacity booking auctions, in which daily, within-day, monthly, quarterly, annual capacity products are offered by Transgaz and entitle them to enter at any time during the term of the transmission framework contract, in capacity booking auctions, for the booking of capacity products offered by Transgaz, within the limit of the guarantees established. The guarantees for participation in capacity booking auctions shall be partially or fully returned at the request of the NU.

Payment guarantees shall be established, in accordance with the provisions of the Framework Transmission Contract, after the capacity products have been booked and shall be increased or reduced according to the value of the contracted products. They shall be returned 45 days after the termination of the contract by the due date, if the NU has honoured all payment obligations.

The category Trade and other receivables does not include the receivables related to employees and payables registered in advance are not included.

Capital risk management

The company's objectives related to capital management refer to keeping the company's capacity to continue its activity to provide compensation to shareholders and benefits to the other stakeholders and to maintain an optimal structure of the capital, as to reduce capital expenditure. There are no capital requirements imposed from outside.

As for the other companies in this sector, the company monitors the capital based on the leverage degree. This coefficient is calculated as net debt divided by total capital. The net debt is calculated as total borrowings (including `current and long-term borrowings`, according to the statement of financial position), except for cash and cash equivalent. The total capital is calculated as `equity`, according to the statement of the financial position.

The net leverage degree at 30 June 2026 and at 31 December 2025 is reflected in the table below:

	30 June 2026 (unaudited)	31 December 2025
Total borrowings (interest excluded)	3.993.448.683	4.065.509.140
Except: cash and cash equivalents (Note 13)	(929.720.752)	(786.547.505)
Net cash position	3.063.727.931	3.278.961.635
Equity capital	4.689.412.482	4.845.980.504
Leverage ratio	0,65	0,68

Fair value estimate

The carrying amount of variable rate financial assets and liabilities is assumed to approximate their fair value.

On-balance sheet financial instruments include trade and other receivables, cash and cash equivalents, other financial assets, trade payables, interest-bearing loans. The estimated values of these instruments approximate their carrying amount due to the short maturity. The carrying amount represent the Company's maximum exposure to credit risk for existing receivables.

5. MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES IN APPLYING ACCOUNTING POLICIES

Critical accounting estimates and assumptions

The company develops estimates and assumptions concerning the future. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including predictions of future events considered reasonable under certain circumstances.

The resulting accounting estimates will, by definition, seldom equal the actual results. Estimates and assumptions that have a significant risk of causing an important material adjustment to the carrying amount of assets and liabilities within the next financial year are presented below.

5.1 Assumptions for the determination of the provision for retirement benefits

The key assumptions for the computation of this provision are the inflation rate and the interest rate, variation of these inputs resulting in significant effect on the liability as at 30 June 2026 and 31 December 2025.

The provision calculated based on estimates of the average wage, the average number of employees and the average number of wage payment at retirement, as well as based on the benefits payment scheme. The provision was brought to the present value by applying a discount factor calculated based on the risk-free interest rate (i.e. interest rate on government bonds).

The present value of the obligations at 30 June 2026 is of Lei 197.018.892 (at 31 December 2025: Lei 191.011.418) (Note 21).

The presentation of the current value for 30 June 2026 and 31 December 2025 depending on the following variables (having potential effect in Other comprehensive income, being actuarial gains/losses):

	30 June 2026 (unaudited)	31 December 2025
Inflation rate +1%	212.244.871	206.592.192
Inflation rate -1%	183.399.648	177.149.496
Interest rate+10%	188.598.509	182.426.612
Interest rate -10%	206.183.405	200.396.693

Analysis of the maturity of benefits payments:

	30 June 2026 (unaudited)	31 December 2025
Up to one year	23.769.678	22.831.764
Between 1 and 2 years	9.740.641	9.687.805
Between 2 and 5 years	31.503.662	28.069.813
Between 5 and 10 years	139.742.647	130.472.803
Over 10 years	308.170.156	322.768.305

5.2 The accounting treatment of the concession agreement

As indicated in Note 8, in May 2002 the company concluded a Concession Agreement with the National Agency for Mineral Resources (`ANRM`), which entitles the company to use the main pipelines of the national gas transmission system for a period of 30 years

Scope of IFRIC 12 - applicability

The Grantor - National Agency for Mineral Resources (`ANRM`) is a public sector entity and it granted concession to Transgaz. Transgaz being owned by the Romanian State, can be considered also a public entity.

While IFRIC 12 doesn't specifically state its applicability to "public-to-public concession" it does apply to any such arrangement where infrastructure is provided to the public and involves a concession arrangement, regardless of whether the operator is in the private or public sector.

IFRIC 12 applies to service concession arrangements where:

(a) the grantor is a public sector entity;

(b) the operator is a private sector entity (or, in some cases, a public sector entity); and

(c) the operator is granted the right to operate the infrastructure used to provide services to the public."

Based on the above details, upon detailed analysis, management of Transgaz considered the Concession Agreement signed with ANRM is in scope of IFRIC 12.

Scope of IFRIC 12 – bifurcated model

Transgaz has the following rights:

a) To charge users of the national Transport system with a tariff which is approved by ANRE and which is based on its Regulated Asset Base (pipes, compression stations, etc – which forms the infrastructure called National Gas Transport System);

b) If the concession contract is terminated for any reason, or upon contract termination, the investment made by the national transmission system operator shall be transferred to the national transmission system owner or another grantor on payment of compensation equal to the Regulated Asset Base which was not depreciated fixed by ANRE (according to provisions of Law 127/2014 entered into force on 5 October 2014 states) – basically undepreciated NBV at the end of concession (using regulated depreciation periods which approximates economic useful lives). All the parameters were known since the enactment of the law, and as such, it represents an unconditional right to receive cash at the end of the concession.

As such, these two points above, represent two separate assets under IFRIC 12. One representing the unconditional right to receive cash (financial asset) and the other representing the right to charge tariffs for the gas transmission.

Therefore, in this arrangement it is necessary to divide the two components of the contract asset - and measured as a long term financial asset and an intangible asset accordingly.

5.3 The accounting treatment of royalties payable for using the national gas transmission system

As indicated in Note 8, the company pays royalties, calculated as percentage of the gross revenue achieved from the operation of pipelines of the national gas transmission system. These costs were recognized as expenses, rather than deduction from revenue, because they are not of the nature of taxes collected from customers and sent to the state, given the nature of activity and the regulatory framework:

- the company's revenue is based on tariffs approved by another regulator than the one setting the level of royalties;
- expense with royalties is an item taken into consideration at the calculation of the transmission tariff;

As of 1 January 2020, according to ANRE Order no. 1/2020, the company has the obligation to pay annually to ANRE a tariff amounting to 0.062 Lei MWh applied to the quantity of natural gas transmitted for carrying out activities in the natural gas sector based on a license.

6. INFORMATION ON SEGMENTS

Reporting segments are set according to the nature of the activities conducted by the company: the regulated activity, the unregulated activity and other activities. As transmission system operator, the company reported annually to the National Regulatory Authority on the activity performed on the three reporting segments.

The segment information provided to the Board of Administration, which makes strategic decisions for reportable segments, for the period ended 30 June 2026 is:

	Domestic gas transmission	Balancing	Unallocated	Total
Revenue from domestic transmission	1.254.547.245	-	-	1.254.547.245
Other income	100.625.103	-	5.463.161	106.088.264
Operating revenue before the balancing and the construction activity according to IFRIC12	**1.355.172.348**	**-**	**5.463.161**	**1.360.635.509**
Depreciation	(348.069.724)	-	(905.148)	(348.974.872)
Allowances, salaries, and other payroll expenses	(335.762.203)	-	(2.611.714)	(338.373.917)
NTS gas consumption, materials, and supplies used	(64.409.860)	-	(171.360)	(64.581.220)
Royalty expenses	(144.272.933)	-	-	(144.272.933)
Maintenance and transportation	(35.668.835)	-	(130.192)	(35.799.027)
Taxes and other amounts owed to the state	(72.237.376)	-	(496.850)	(72.734.226)
Expenses related to the provision for risks and expenses	5.698.593	-	-	5.698.593
Loss/(gain) from the impairment of receivables	(10.538.584)	-	-	(10.538.584)
Other operating expenses	(64.877.119)	-	(660.143)	(65.537.262)
Profit from operation before the balancing and construction activity according to IFRIC12	**285.034.307**	**-**	**487.754**	**285.522.061**
Revenue from the balancing activity	-	158.208.534	-	158.208.534
Cost of balancing activity	-	(158.208.534)	-	(158.208.534)
Revenue from the construction activity according to IFRIC12	104.264.053	-	-	104.264.053
Cost of constructed assets according to IFRIC12	(104.264.053)	-	-	(104.264.053)
Operating profit	**285.034.307**	**-**	**487.754**	**285.522.061**
Net financial gain	-	-	-	5.286.141
Profit before tax	-	-	-	**290.808.202**
Income tax	-	-	-	(56.615.189)
Net profit	-	-	-	**234.193.013**
Assets on segments	9.865.451.295	258.698.415	1.214.731.351	11.338.881.061
Liabilities on segments	5.842.957.140	400.803.850	403.934.198	6.647.695.188
Capital expenditure - increases	141.278.912	-	910.448	142.189.360

in assets in progress				
Non-monetary expenses other than depreciation	(27.206.609)	-	77.532	(27.284.141)

Assets shown for the two main operating segments mainly comprise tangible and intangible assets, inventories and receivables, and mainly exclude cash and bank accounts. Assets shown for the balancing segment comprise mainly gas stocks procured for NTS balancing and trade receivables from the balancing activity.

Unallocated assets include:	**30 June 2026 (unaudited)**
Tangible and intangible assets	28.221.264
Right of use assets	787.757
Investment in subsidiaries	182.164.288
Current Tax Recoverable	7.349.751
Cash	929.720.752
Other assets	747.941
Deferred tax	65.739.598
	1.214.731.351
Unallocated liabilities include:	
Dividends payable	402.158.127
Lease liabilities	225.450
Other debts	1.550.621
	403.934.198

The liabilities presented for the two main operating segments consist of operating liabilities and borrowings contracted by the Company for the acquisition of assets for the respective segments. Liabilities shown for the balancing segment comprise mainly trade payables from the balancing activity and the borrowings contracted to finance the balancing activity.

Unallocated tangible and intangible assets are assets held by the Company that do not contribute to the conduct of gas transmission or balancing activities.

Non-cash expenses other than depreciation consist of the expense with the impairment of receivables and the inventory write-downs, provisions for risks.

Transmission services are performed for several domestic and foreign clients.

	Domestic Clients	**Foreign Clients**	**Total**
Revenue from the domestic transmission	1.071.775.464	182.771.781	1.254.547.245
Other income	106.088.264	-	106.088.264
	1.177.863.728	182.771.781	1.360.635.509

Domestic clients with over 10% of the total revenue include:	**Percentage of the total revenue**
OMV PETROM SA	18%
ENGIE ROMANIA S.A.	13%

SNGN ROMGAZ SA	10%
E.ON ENERGIE ROMANIA SA.	10%

All of the assets of the company are located in Romania. All of the activities of the company are carried out in Romania.

The company has external trade receivables amounting to Lei 19.014.065 (31 December 2025: Lei 27.302.724).

The *domestic gas transmission* segment includes information related to the activity of domestic gas transmission, which is regulated by the National Regulatory Authority as well as the operating and financial income related to the claims for the regulated value of the regulated asset base remained undepreciated at the end of the Concession Agreement; *the balancing* segment includes expenses and revenue related to the national transmission system balancing activity developed starting with 1 December 2015, neutral in financial terms, any profit or loss from this activity will be distributed to clients for whom domestic transmission services are provided; the *unallocated* segment includes activities with a low share in the company's revenue such as sales of assets, rents, royalties.

The information on segments provided to the Board of Administration, who makes strategic decisions for the reporting segments, related to the financial year ended 30 June 2025, is as follows:

	Domestic gas transmission	International gas transmission	Balancing	Unallocated	Total
Revenue from domestic transmission	1.343.574.613	-	-	-	1.343.574.613
Revenue from international transmission	-	-	-	-	-
Other trade income	-	-	-	-	-
Other income	61.906.142	5.310.358	-	11.010.987	78.227.487
Operating revenue before the balancing and the construction activity according to IFRIC12	**1.405.480.755**	**5.310.358**	**-**	**11.010.987**	**1.421.802.100**
Depreciation	(229.927.404)	(15.513.837)	-	(877.120)	(246.318.361)
Allowances, salaries, and other payroll expenses	(333.795.426)	(819.475)	-	(2.526.223)	(337.141.124)
NTS gas consumption, materials, and supplies used	(61.450.313)	(83.443)	-	(246.345)	(61.780.101)
Royalty expenses	(154.337.212)	(40.269)	-	(133.600)	(154.511.081)
Maintenance and transportation	(26.198.999)	-	-	-	(26.198.999)
Taxes and other amounts owed to the state	(61.019.466)	(9.164)	-	(249.205)	(61.277.835)
Expenses related to the provision for risks and expenses	20.723.689	-	-	-	20.723.689
Loss/(gain) from the impairment of receivables	1.502.625	(8.128.591)	-	(369)	(6.626.335)
Other operating expenses	(74.889.954)	(75.707)	-	(623.973)	(75.589.634)
Profit from operation before the balancing activity according to IFRIC12	**486.088.295**	**(19.360.128)**	**-**	**6.354.152**	**473.082.319**
Revenue from the balancing activity	-	-	231.868.550	-	231.868.550
Cost of balancing activity	-	-	(231.868.550)	-	(231.868.550)
Revenue from the construction activity according to IFRIC12	451.111.690	-	-	-	451.111.690
Cost of constructed assets according to IFRIC12	(451.111.690)	-	-	-	(451.111.690)
Profit from operation	**486.088.295**	**(19.360.128)**	**-**	**6.354.152**	**473.082.319**
Net financial gain	-	-	-	-	64.073.446
Profit before tax	-	-	-	-	**537.155.765**
Income tax	-	-	-	-	(77.275.287)
Net profit	-	-	-	-	**459.880.478**
On 31 December 2025					
Assets on segments	10.009.227.674	-	238.133.461	1.068.370.013	11.315.731.148
Liabilities on segments	6.023.630.643	-	441.380.533	4.739.468	6.469.750.644
Capital expenditure - increases in assets in progress	461.605.584	-	-	376.250	461.981.834
Non-cash costs other than depreciation	(22.240.340)	(8.151.411)	-	156.237	(30.235.514)

Assets indicated for the two main operating segments mainly comprise tangible and intangible assets, inventories and receivables, and mainly exclude cash and bank accounts. The presented assets for the balancing segment are mainly gas stocks procured for NTS balancing and trade receivables from the balancing activity.

Unallocated assets include:	**31 December 2025**
Tangible and intangible assets	28.541.121
Right of use assets	454.965
Investment in subsidiaries	182.164.288
Cash	786.547.505
Other assets	204.834
Deferred tax	70.457.300
	1.068.370.013
Unallocated liabilities include:	
Payable tax	1.298.495
Dividends payable	1.070.500
Lease liabilities	501.279
Other debts	1.869.194
	4.739.468

The liabilities presented for the two main operating segments consist of payables and borrowings contracted by the company for the acquisition of assets for the respective segments. Liabilities shown for the balancing segment comprise mainly trade payables from the balancing activity and the borrowings contracted to finance the balancing activity.

Unallocated tangible and intangible assets are assets held by the Company that do not contribute to the conduct of gas transmission or balancing activities.

Non-cash expenses other than depreciation consist of the expense with the impairment of receivables and the expense with the inventory of write-downs, other provisions for risks.

Transmission services are provided for several domestic and foreign customers.

	Domestic Clients	**Foreign Clients**	**Total**
Revenue from domestic transmission	1.298.200.525	45.374.088	1.343.574.613
Other income	72.916.772	5.310.715	78.227.487
	1.371.117.297	50.684.803	1.421.802.100

Domestic clients with over 10% of the total revenue include:	**Percentage of the total revenue**
OMV PETROM SA	8%
SNGN ROMGAZ SA.	5%
E.ON ENERGIE ROMANIA SA.	4%

All of the assets of the company are located in Romania. All of the activities of the company are carried out in Romania.

7. TANGIBLE ASSETS

	Lands and buildings	Transmission system assets	Other non-current assets	Assets in progress	Total
Cost	273.964.156	984.059.610	376.181.015	12.164.587	1.646.369.368
Accumulated depreciation	(169.597.554)	(823.510.997)	(317.834.375)	-	(1.310.942.926)
Adjustments for impairment	-	-	-	(1.656.182)	(1.656.182)
Initial net book value as at 1 January 2025	**104.366.602**	**160.548.613**	**58.346.640**	**10.508.405**	**333.770.260**
Inflows	-	-	-	5.645.351	5.645.351
Reclassification	42.560	(7.167.451)	(222.684)	(115.269)	(7.462.844)
Transfers	368.219	-	5.137.678	(5.505.897)	-
Outflow (net value)	(79.505)	(1.672)	(15.121)	-	(96.298)
Expense with depreciation	(3.080.287)	(8.529.907)	(13.529.444)	-	(25.139.638)
Final net book value as at 30 June 2025 (unaudited)	**101.617.589**	**144.849.583**	**49.717.069**	**10.532.590**	**306.716.831**
Cost	273.933.148	984.032.860	375.171.518	12.188.772	1.645.326.298
Accumulated depreciation	(172.315.559)	(839.183.277)	(325.454.449)	-	(1.336.953.285)
Adjustments for impairment	-	-	-	(1.656.182)	(1.656.182)
Final net book value at 30 June 2025 (unaudited)	**101.617.589**	**144.849.583**	**49.717.069**	**10.532.590**	**306.716.831**
Initial net book value as at 30 June 2025	**101.617.589**	**144.849.583**	**49.717.069**	**10.532.590**	**306.716.831**
Inflows	-	-	-	24.191.567	24.191.567
Reclassification	(42.560)	11.581.675	928.207	2.853.919	15.321.241
Transfers	6.442.295	121.642	18.633.259	(25.197.196)	-
Outflow (net value)	(52.654)	-	(3.455)	-	(56.109)
Expense with depreciation	(2.638.637)	(22.914.568)	(12.576.160)	-	(38.129.365)
Final net book value as at 31 December 2025	**105.326.033**	**133.638.332**	**56.698.920**	**12.380.880**	**308.044.165**
Cost	280.007.342	988.568.726	393.075.715	14.037.062	1.675.688.845
Accumulated depreciation	(174.681.309)	(854.930.394)	(336.376.795)	-	(1.365.988.498)
Adjustments for impairment	-	-	-	(1.656.182)	(1.656.182)
Final net book value as at 31 December 2025	**105.326.033**	**133.638.332**	**56.698.920**	**12.380.880**	**308.044.165**
Initial net book value as at 1 January 2026	**105.326.033**	**133.638.332**	**56.698.920**	**12.380.880**	**308.044.165**
Inflows	-	-	-	18.397.560	18.397.560
Reclassification	-	(287.770)	410.649	(323.988)	(201.109)
Transfers	95.569	-	19.863.650	(19.959.219)	-
Outflow (net value)	-	-	(6.989)	-	(6.989)
Expense with depreciation	(2.661.153)	(15.221.487)	(12.540.312)	-	(30.422.952)
Final net book value at 30 June 2026 (unaudited)	**102.760.449**	**118.129.075**	**64.425.918**	**10.495.233**	**295.810.675**
Cost	279.816.996	988.280.956	406.736.105	12.151.415	1.686.985.472
Accumulated depreciation	(177.056.547)	(870.151.881)	(342.310.187)	-	(1.389.518.615)
Adjustments for impairment	-	-	-	(1.656.182)	(1.656.182)

Final net book value at 30 June 2026 (unaudited)	**102.760.449**	**118.129.075**	**64.425.918**	**10.495.233**	**295.810.675**

The category *Other non-current assets* include measuring, controlling and regulating equipment and installations, means of transport, furniture, office equipment, equipment for the protection of human and material values and other tangible assets.

The gross book value of the fully depreciated assets, still used, is Lei 456.423.052 (31 December 2025: Lei 428.245.239). As at 30 June 2026 no advances granted for the procurement of tangible assets are registered.

Regarding the assets developed by the company, which are complementary to the provision of services according to the concession agreement, the State has the option to acquire these assets at the end of the concession agreement. The company does not have the obligation to keep these assets until the end of the concession agreement and it is allowed to sell them. These assets do not fall within the scope of IFRIC 12. All the other assets related to the domestic transmission activity and which are part of the national gas transmission system, including improvements made after signing the concession agreement and which must be handed over to the ANRM at the end of the concession agreement fall within the scope of IFRIC 12.

Impairment adjustments were made for work in progress for which completion and commissioning is uncertain.

The company and has no pledged non-current assets.

7.1. The rights of use of the leased assets (IFRS 16)

The company applies IFRS 16 for the leasing contracts complying with the recognition criteria and recognized the intangible asset as a right of use related to the leasing contract:

	Leases according to IFRS16	Of which related to the group - Forestry Agreements
Cost on 1 January 2026	47.602.422	21.317.647
Accumulated depreciation	(25.535.544)	(8.367.459)
Net book value	**22.066.878**	**12.950.188**
Inflow	1.874.814	107.831
Outflow	(68.372)	-
Depreciation	(2.560.581)	(966.749)
Final net book value on 30 June 2026 (unaudited)	**21.312.739**	**12.091.270**

Detailed information on IFRS 16 as at 30 June 2026:

	30 June 2026 (unaudited)	Of which related to - Forestry conventions
Right of use assets	49.408.864	21.425.479
Accumulated depreciation on Right of use assets	(28.096.125)	(9.461.024)
Interest expense on lease liability	712.172	332.042
Lease liability	22.965.038	13.060.243

Of which:		
Short term	5.083.169	2.086.461
Long term	17.881.869	10.973.782

	Leases according to IFRS16	**Of which related to the group - Forestry Agreements**
Cost on 1 January 2025	40.823.468	16.683.915
Accumulated depreciation	(21.128.376)	(6.712.689)
Net book value	**19.695.092**	**9.971.226**
Inflow	6.936.642	4.661.640
Outflow	(157.688)	(27.908)
Depreciation	(4.407.168)	(1.654.770)
Final net book value on 31 December 2025	**22.066.878**	**12.950.188**

Detailed information on IFRS 16 as at 31 December 2025:

	31 December 2025	**Of which related to - Forestry conventions**
Right of use assets	47.602.422	21.317.647
Right of use assets- Accumulated depreciation on	(25.535.544)	(8.367.459)
Interest expense on lease liability	1.247.868	540.234
Lease liability	23.559.019	13.979.850
Of which:		
Short term	4.558.134	2.058.361
Long term	19.000.885	11.921.489

Lease liability according to IFRS 16 is presented in the balance sheet at long-term and short-term trade payables.

Assets accounted for in accordance with IFRS 16, other than those classified as forestry agreements, are classified as buildings and land and are recorded based on lease agreements with terms of 2 to 5 years and temporary land use agreements entered into for the term of the concession agreement.

The group of forestry agreements includes contracts of temporary occupation of forest land under private ownership, concluded on the basis of Law no.185/2016 on some measures necessary for the implementation of projects of national importance in the field of natural gas.

8. SERVICE CONCESSION AGREEMENT

In May 2002, the company concluded a Service Concession Agreement (`SCA`) with the ANRM, which entitles the company to operate the main pipelines of the national gas transmission system for a period of 30 years. All modernizations and improvements made by the company to the system are considered part of the system and become property of the ANRM at the end of their useful life. The company cannot sell or discard any asset part of the national transmission system; withdrawals can only be made with the approval of the state.

At the expiration of the agreement, the assets belonging to the public domain, existing upon signing the agreement and all investments made in the system will be returned to the State. The company owns and develops other assets that are not directly part of the national gas transmission system, but are complementary assets for gas transmission operations. The ANRM has the option to buy these assets at the end of the concession agreement, at the fair value.

The main terms of the Concession Agreement are the following:

- The company is entitled to operate directly the assets subject to the concession agreement and to apply and collect tariffs for domestic and international transmission from clients in exchange for services provided; the company is the only entity authorized to operate the pipelines of the national gas transmission system, no sub-concession being allowed;
- Any change of tariffs must be proposed by the company and then approved by the ANRE;
- The company is exempt from the payment of import duties for the assets acquired for operation, improvement or development of the system;
- The company must annually publish by 30 October the available capacity of the system for the following year;
- The company must annually respond to the clients' orders by 30 November and the ANRM must be informed on all rejected orders decided by the company's management;
- The company must keep a specific level of functioning (guaranteed through a mandatory minimum investment programme);
- royalties are paid as percentage (b as of 30 October 2023: 11,5%) of the gross revenue from the operation of the national transmission system (domestic and international transmission);
- all operating expenses for operating the system are incurred by the company;
- The company may cancel the agreement by notifying the ANRM 12 months in advance;
- The ANRM may cancel the agreement by a 6-month prior notice, if the company fails to comply with the contractual conditions; it also has the option to cancel the agreement with a 30-day prior notice for `national interest` reasons; in this case, the company will receive compensation equal to the average net profit of the past 5 years multiplied by the remaining duration of the agreement.

The Concession Agreement does not include an automatic renewal clause.

By GD 906/28 September 2023, the amendment of Annex No 22 to Government Decision No 1 was approved. 705/2006 for the approval of the centralized inventory of goods in the public domain of the State, as subsequently amended and supplemented, by including the goods resulting from the completion of the investment objective "Interconnection pipeline of the National Gas Transmission System of Romania with the National Gas Transmission System of the Republic of Moldova on the direction Iasi (Romania)-Ungheni (Republic of Moldova), electricity supply, automation, data procurement, burglary and fire surveillance" and the transfer of these goods to the administration of the National Agency for Mineral Resources and to the concession of the National Gas Transmission Company "TRANSGAZ" - S.A.

9. INTANGIBLE ASSETS

	Assets related to the ACS	Software and other intangible assets	Intangible assets under development	Total
On 30 June 2025 (unaudited)				
Cost	8.547.606.509	135.989.759	2.070.783.181	10.754.379.449
Accumulated amortization	(5.547.003.830)	(79.067.588)	-	(5.626.071.418)
Adjustments for impairment	-	-	(11.201.898)	(11.201.898)
Net book value as at 1 January 2025	**3.000.602.680**	**56.922.171**	**2.059.581.283**	**5.117.106.134**
Inflow	-	20.778.757	456.336.483	477.115.240
Reclassifications	-	(282.312)	282.312	-
Transfers*	48.825.294	629.140	(81.349.530)	(31.895.096)
Outflow	-	-	-	-
Amortization	(202.882.229)	(8.877.531)	-	(211.759.760)
Adjustments for impairment	-	-	-	-
Net book value as at 30 June 2025	**2.846.545.745**	**69.170.225**	**2.434.850.548**	**5.350.566.518**
Cost	8.596.431.803	152.455.065	2.446.052.446	11.194.939.314
Accumulated depreciation	(5.749.886.058)	(83.284.840)	-	(5.833.170.898)
Adjustment for impairment	-	-	(11.201.898)	(11.201.898)
Net book value as at 30 June 2025	**2.846.545.745**	**69.170.225**	**2.434.850.548**	**5.350.566.518**
At 31 December 2025				
Net book value as at 30 June 2025	**2.846.545.745**	**69.170.225**	**2.434.850.548**	**5.350.566.518**
Inflow	-	(231.497)	852.341.304	852.109.807
Reclassifications	(5.119.748)	231.497	2.060.033	(2.828.218)
Transfers*	42.857.042	976.808	(73.772.026)	(29.938.176)
Outflow	-	-	-	-
Amortization	(203.060.036)	(10.064.543)	-	(213.124.579)
Adjustment for impairment	-	-	-	-
Final net book value as at 31 December 2025	**2.681.223.003**	**60.082.490**	**3.215.479.859**	**5.956.785.352**
Cost	8.634.169.097	153.431.873	3.226.681.757	12.014.282.727
Accumulated amortization	(5.952.946.094)	(93.349.383)	-	(6.046.295.477)
Adjustment for impairment	-	-	(11.201.898)	(11.201.898)
Final net book value as at 31 December 2025	**2.681.223.003**	**60.082.490**	**3.215.479.859**	**5.956.785.352**
At 30 June 2026 (unaudited)				
Initial net book value as at 1 January 2026	**2.681.223.003**	**60.082.490**	**3.215.479.859**	**5.956.785.352**
Inflow	-	-	123.791.800	123.791.800
Reclassifications	(366.001)	-	313.977	(52.024)
Transfers*	1.492.340.731	1.856.242	(2.425.661.232)	(931.464.259)
Outflow	-	-	-	-
Amortization	(305.996.877)	(9.877.343)	-	(315.874.220)
Adjustment for impairment	-	-	-	-
Final net book value as at 30 June 2026	**3.867.200.856**	**52.061.389**	**913.924.404**	**4.833.186.649**
Cost	10.126.143.828	155.287.221	925.126.302	11.206.557.351
Accumulated amortization	(6.258.942.972)	(103.225.832)	-	(6.362.168.804)
Adjustment for impairment	-	-	(11.201.898)	(11.201.898)
Final net book value as at 30 June 2026	**3.867.200.856**	**52.061.389**	**913.924.404**	**4.833.186.649**

*Transfers - due to the use of the bifurcated model under IFRIC 12, when an improvement or expansion of NTS is put into operation, the respective value is split between a long-term financial asset (note 12.3) and an intangible asset (note 9).

In the category Intangible assets in progress are presented, in accordance with IFRIC12, the investment projects carried out by the Company for the development and upgrading of the national natural gas transmission system, which will be handed over to the grantor at the end of the Concession Agreement (Note 8).

The project "Development of the Southern Transportation Corridor in Romania to take over natural gas from the Black Sea coast" accounts for the largest share in the value of the additions in 2025 totalling 607.934.443 Lei

The minimum NTS gas quantity required to ensure the pressures and flow rates for the end consumers under the contractual conditions (NTS pipeline stock) is recognized in the value of the right to use, as an intangible asset. At 30 June 2026 the line pack quantity is 1.000.557 MWh and has a value of 112.034.199 lei, of which the NTS pipeline stock is 875.274 MWh and has a value of 98.522.009 lei. At 31 December 2025 the line pack quantity is 987.666 MWh and has a value of 111.827.346 lei, of which the NTS pipeline stock is 874.382 MWh and amounts to Lei 98.331.129.

The remaining life of the intangible assets is presented in Note 3.6 and Note 3.8.

As at 31 December 2025, the Company capitalized additional costs for the procurement of natural gas, incurred between 1 January 2025 – 31 March 2025 amounting to 20.547.260 lei, in order to cover its own technological consumption compared to the costs included in the regulated tariffs, in accordance with the provisions of the Order of the Ministry of Finance no. 5378/12 December 2023 and the Order of the President of ANRE no.128 /12 October 2022. These are included in the category of software and other intangible assets.

Impairment adjustments were made for work in progress for which completion and commissioning is uncertain.

10.1 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries consist of unlisted stakes in the following companies:

Company	Activity	% Percentage owned 2026	% Percentage owned 2025	30 June 2026 (unaudited)	31 December 2025
Eurotransgaz SRL	Gas transmission	100	100	177.619.145	177.619.145
Transport România Hidrogen S.R.L.	Transmission by pipelines	100	100	25.000	25.000
Petrostar SA	Engineering activities and related technical consulting	51	51	4.520.143	4.520.143
				182.164.288	182.164.288

Participation in the Limited liability company Eurotransgaz Ltd.

By EGMS Resolution 10/12.12.2017 the establishment of the company EUROTRANSGAZ Ltd. on the territory of the Republic of Moldova was approved for the successful participation in the privatization of the State Enterprise Vestmoldtransgaz.

After the company was incorporated, Transgaz participated in multiple share capital increases reaching an investment value of Lei 177.619.145 as at 30 March 2026 (2025: 177.619.145 lei).

The equity securities held at Eurotransgaz S.R.L represent a capital investment recognized according to IFRS 9, at the date of the transaction being measured at its fair value at the date of the transaction, and assessed, after the initial recognition, at the cost.

For 30 June 2026 and 31 December 2025 the Company has carried out the valuation of the shareholding in Eurotransgaz S.R.L. and Vestmoldtransgaz SRL, for the estimation of the fair value of the shareholders' equity of the two companies the Adjusted Net Assets method was applied and did not identify any elements that would lead to investment impairment.

Shareholding in TRANSPORT ROMÂNIA HIDROGEN S.R.L

By EGMS resolution no. 5 of 05 June 2024 the establishment of a limited liability company with the activity of hydrogen transport, with sole shareholder SNTGN Transgaz SA, was approved.

Interest in PETROSTAR SA

EGMS Resolution No. 5 of 9 April 2025 approved the acquisition of a 51% interest in the share capital of Petrostar S.A.

The acquisition process was completed in May 2025, and the Company now holds 51% of the share capital of Petrostar S.A.

Petrostar S.A. is one of the oldest and most representative companies in Romania, operating in the research, technological engineering, and design fields for the oil and gas extraction industry.

10.2. FINANCIAL ASSETS

Financial assets consist of shares in unlisted companies. The fair value of these investment as at 30 June 2026 and 31 December 2025 is zero:

Company	Activity	Percentage owned 2026	Percentage owned 2025	30 June 2026 (unaudited)	31 December 2025
Mebis SA	Gas production distribution and supply	17,47	17,47	-	-

Shares in Mebis SA

Shares owned in Mebis SA were obtained in February 2004, as a result of a procedure for the recovery of claims due from a client. Mebis SA is in the liquidation procedure, which is why the stake in Mebis SA was fully adjusted. The company has no obligations to Mebis SA.

In case of the financial assets held by Transgaz, i.e. Mebis SA, the application of IFRS 9 has no impact whatsoever, as such assets are measured at the fair value by the profit and loss account.

11 INVENTORIES

	30 June 2026 (unaudited)	31 December 2025
Gas inventories for balancing purposes	217.720.015	187.843.094
Gas for technological consumption	143.377.813	164.482.383
Spare parts and materials	193.461.553	154.454.241
Materials in custody at third parties	156.771.839	46.661.322
Adjustments for inventory write-downs	(63.576.838)	(59.405.122)
	647.754.382	494.035.918

ANRE Order 160/2015 sets the obligations of Transgaz, as the transmission system operator, regarding the balancing of the national transmission system.

According to the provisions of ANRE Order No. 16/2013 (Network Code), in order to ensure the physical balance of the NTS, Transgaz must have a sufficient gas quantity as gas linepack and/or as balancing gas stored in underground storage facilities.

By the Decision no. 6/2026 of the Chairman of ANRE, amendments and supplements to the Decision no. 36/2016 of the Chairman of the National Energy Regulatory Authority were approved, on establishing the method for annually determining the minimum natural gas stock level for holders of licenses to operate natural gas transmission systems.
The gas stock stored by S.N.T.G.N. TRANSGAZ in storage facilities for the NTS's physical balancing is of 393.546 MWh as at 30 June, 2026 (31 December 2025: 393.546,504 MWh).

In 2025, the Company reduced its balancing inventory by transferring the quantity exceeding the level established by Decision no. 656/08.04.2025—namely, 225.365,639 MWh—to gas for technological consumption.

The network users have the obligation to balance their own portfolios. The balancing actions are carried out according to the order of merit of, imposed by Article 9 of Regulation (EU) 312/2014, gas withdrawal from storage facilities being the last priority in the balancing actions list.

The company does not hold any restricted stocks and has established safety stocks amounting to Lei 5.250.084 as at 30 June 2026 (5.247.233 Lei as at 31 December 2025).

Movements in the s adjustments for inventory write-downs account are analysed below:

	30 June 2026 (unaudited)	31 December 2025
Adjustment for inventory write-downs	59.405.122	56.587.832

on 1 January		
(Revenue)/expense with adjustment for inventory write-downs (Note 23)	4.171.716	2.817.290
Adjustment at the end of the period	63.576.838	59.405.122

In 2026 adjustments for inventory write-downs were established according to Note 3.10.

12 TRADE RECEIVABLES AND OTHER RECEIVABLES

12.1 Trade receivables

	30 June 2026 (unaudited)	31 December 2025
Trade receivables	835.168.963	1.029.588.029
Adjustment of impairment of trade receivables	(648.583.387)	(651.546.089)
	186.585.576	378.041.940

At 30 June 2026, the amount of 7.535.202 Lei (31 December 2025: 7.127.432 lei) of trade and other receivables net is denominated in foreign currency of which 92% in USD (31 December 2025: 92%) and 8% in EUR (31 December 2025: 92%).

12.2 Other receivables

	30 June 2026 (unaudited)	31 December 2025
Advance payments to suppliers for goods and services	88.777	9.788.179
State budget receivables	31.363	1.928.385
Receivables from sundry debtors	58.380.848	61.776.846
Other receivables	83.216.667	66.684.205
Non-refundable loans as subsidies	12.904.942	6.002.515
Impairment adjustments for other long-term receivables	(5.218.923)	(5.218.923)
Adjustment of impairment, sundry debtors	(56.865.895)	(57.327.365)
	92.537.779	83.633.842

In July 2022 the Company paid the amount of 29.277.726 lei, to which it was bound by Arbitral Award no. 39/06.06.2022, rendered by the Arbitral Tribunal in case no. 107/2018, following the conclusion of the arbitration proceedings concerning the non-fulfilment of obligations under the supply contract for "Software Licences for Additional I/Os/Bandwidth Upgrade for SCADA System", a contract concluded by Transgaz with the Association consisting of RMG REGEL UND MESSTECHNIK GmbH Germany, IDS GmbH Germany and General Fluid S.A. Bucharest. The company has appealed the arbitral tribunal's decision in court and has recorded an impairment adjustment of 29.277.726 Lei as at 31 December 2022. This adjustment was maintained at 30 June 2026 as well.

The advance payments granted to the company in the context of the contractual relationships are guaranteed by the suppliers by letters of bank guarantee.

“Other receivables” include guarantees for investment works.

12.3 Receivable related to the Concession Agreement

	30 June 2026 (unaudited)	31 December 2025
Receivable related to the regulated value remaining unamortized at the end of the concession agreement	4.076.718.872	3.033.953.960

According to ANRE Order no. 41/2019 the value of the assets recognised in the Regulated Asset Base is adjusted to the inflation for the period 01.10.2019–30.09.2025, and according to the methodology applicable for the fifth regulatory period (1 October 2025 – 30 September 2030) approved by ANRE Decision no. 7/2025, the value of assets recognized in the Regulated Asset Base is adjusted for actual inflation using the rate applied by ANRE in setting the regulated rate of return of 3.01%. The Company recalculated the amount of the receivable related to the Concession Agreement and recognized a gain amounting to 50.360.636 Lei in accordance with IFRS 9 (31 December 2025: 257.121.166 lei).

In accordance with IFRS 9.B5.4.6, in cases where there is an inflation adjustment incorporated in the cash flows of a financial instrument, the adjustment for inflation is usually treated as part of the contractual cash flows and is included in the calculation of the effective interest rate. Thus, the adjustment for inflation will contribute to the recognition of interest income over time, and the recognized income is adjusted to reflect changes in the principal’s purchasing power.

In practice, the inflation adjustment will be reflected in the interest income recognized in profit or loss as part of calculation of the overall effective interest rate, which takes into account both the nominal interest rate and any inflation-related adjustments that affect cash flows of the instrument.

	30 June 2026 (unaudited)	31 December 2025
Initial balance	3.033.953.960	2.648.907.892
Inflow	931.464.260	63.231.360
Interest	60.947.194	70.669.822
Inflation update	50.360.636	257.121.166
Outflow	(7.178)	(5.976.280)
	4.076.718.872	3.033.953.960

As the long-term concession receivable is guaranteed by the Romanian State, the Company considered that the potential impairment using the ECL model is not significant for these financial statements.

The main investment project completed in H1 2026 is the Black Sea–Podişor Pipeline.

12.4 Analysis of receivable impairment

Trade receivables analysis according to IFRS9 is as follows:

Trade receivables

	30 June 2026 (unaudited)	31 December 2025
Non-impaired gross amounts		
Transit receivables	180.927.237	169.278.262
Receivables with customers in insolvency procedures	143.040.453	200.594.643
Related party receivables	199.602.943	213.945.900
Other trade receivables	311.598.330	445.769.224
	835.168.963	1.029.588.029
Impairment by category		
Transit receivables	180.927.237	169.278.262
Bad and insolvency debts	143.040.453	200.594.643
Related party receivables	113.410.926	68.240.502
Other trade receivables	211.204.771	213.432.682
Total impairment	648.583.387	651.546.089
Total trade receivables net of provision	186.585.576	378.041.940

Receivables from various debtors

	30 June 2026 (unaudited)	31 December 2025
Unimpaired –gross amount		
Receivables from various debtors	58.380.848	61.776.846
Impairment		
Receivables from various debtors	56.865.894	57.327.365
Total debtors’ receivables net of provision	1.514.954	4.449.481

On 24.12.2020, the Agreement on the Termination of the Legacy Contract on the T3 transit pipeline was signed between SNTGN Transgaz S.A. and Gazprom Export LLC for the period 01.12.2020 - 31.12.2023, which ensures the collection of the outstanding amounts under the historical contract

and allows the booking of transmission capacities on entry/exit points in/out of the NTS and on international transmission pipelines. The transit receivables category includes invoices issued on the basis of the Agreement on Termination of the Legacy Contract after October 2022, invoices that have not been paid by Gazprom Export LLC and for which Transgaz has initiated legal proceedings necessary to recover the outstanding debt recorded.

IFRS 9 applies a model for expected impairment loss based on the estimated loss. This model entails the expected recognition of the loss from receivables impairment. The standard requires entities to recognize the expected impairment loss on receivables from the time of initial recognition of financial instruments, and to recognize the anticipated impairment loss over their lifetime. The amount of expected loss will be updated for each reporting period so as to reflect changes in credit risk as compared to initial recognition.

Risk exposure for trade receivables:

30 June 2026 (unaudited)	Gross value	Expected loss rate	Expected lifetime loss
Current receivables including invoices to be issued	186.161.680	4%	8.089.250
Overdue by up to 30 days	2.827.782	10%	282.778
Overdue by up to 60 days	4.166.018	20%	833.204
Overdue by up to 90 days	789.157	30%	236.747
Overdue by up to 120 days	2.837.200	35%	993.020
Overdue by up to 150 days	596.844	60%	358.106
Overdue by over 150 days	637.790.282	100%	637.790.282
Total receivables	835.168.963		648.583.387

Risk exposure for other receivables:

30 June 2026 (unaudited)	Gross value	Expected loss rate	Expected lifetime loss
Current receivables including invoices to be issued	1.542.585	3%	39.328
Overdue by up to 30 days	-	-	-
Overdue by up to 60 days	-	-	-
Overdue by up to 90 days	4.641	30%	1.392
Overdue by up to 120 days	-	-	-
Overdue by up to 150 days	21.121	60%	12.673
Overdue by over 150 days	56.812.501	100%	56.812.501
Total receivables	58.380.848		56.865.894

Risk exposure for trade receivables:

31 December 2025	Gross value	Expected loss rate	Expected lifetime loss
Current receivables including invoices to be issued	382.410.904	4%	16.392.517
Overdue by up to 30 days	2.879.254	10%	287.925
Overdue by up to 60 days	1.174.566	20%	234.913
Overdue by up to 90 days	2.624.395	30%	787.318
Overdue by up to 120 days	9.080.675	35%	3.178.236
Overdue by up to 150 days	1.882.635	60%	1.129.580

Overdue by over 150 days	629.535.600	100%	629.535.600
Total receivables	1.029.588.029		651.546.089

Risk exposure for other receivables:

31 December 2025	Gross value	Expected loss rate	Expected lifetime loss
Current receivables including invoices to be issued	3.372.125	32%	1.067.454
Overdue by up to 30 days	1.307.272	10%	130.727
Overdue by up to 60 days	848.294	20%	169.659
Overdue by up to 90 days	-	-	-
Overdue by up to 120 days	-	-	-
Overdue by up to 150 days	724.074	60%	434.444
Overdue by over 150 days	55.525.081	100%	55.525.081
Total receivables	61.776.846		57.327.365

The company constantly analyses the customers' situation and records adjustments whenever there are indications of an increase in the non-collection risk.

The payment of the equivalent value of the invoices for the natural gas transmission services, issued according to the provisions of the Network Code, is made within 15 calendar days from the date of issuing the invoice. If the due date is a non-working day, the deadline is considered fulfilled on the next working day.

Movements in the adjustments account are analysed below:

	30 June 2026 (unaudited)	31 December 2025
Adjustments on 1 January	714.092.377	729.597.533
Expense with the adjustment for doubtful assets	22.581.484	33.516.326
Reversal of adjustment for doubtful assets	(26.005.657)	(49.021.482)
Adjustments at the end of the period	710.668.204	714.092.377

Top 5 clients by balance at 30 June 2026:

CLIENT	Client balance	Adjustment made
GAZPROM EXPORT	180.927.237	180.927.237
ELECTROCENTRALE CONSTANTA	80.946.826	80.946.826
OMV PETROM SA	46.337.263	-
NORTH CHEMICAL COMPLEX SRL	44.401.056	44.401.056
BLACK SEA OIL&GAS SA	43.762.152	43.762.152

Top 5 clients by balance at 31 December 2025:

CLIENT	Client balance	Adjustment made
GAZPROM EXPORT	170.463.663	170.463.663
ELECTROCENTRALE CONSTANTA	79.263.591	79.263.591

OMV PETROM SA	102.522.288	-
E.ON ENERGIE ROMANIA SA	70.813.293	-
ENGIE ROMANIA S.A.	61.908.676	-

As at 30 June 2026, the Company has recorded adjustments for receivables with an increased risk of non-collection, mainly for Gazprom Export LLC (10.463.573 lei), Electrocentrale Constanţa (1.683.234 lei), Black Sea Oil& Gas SA (1.205.640 lei), and reduced the adjustment for Electrocentrale Galaţi (13.281.130 lei).

13 CASH AND CASH EQUIVALENT

Most of the foreign currency cash at the bank is denominated in EUR.

	30 June 2026 (unaudited)	31 December 2025
Cash at bank in lei	887.180.071	784.148.876
Cash at bank in foreign currency	40.424.310	72.982
Other cash equivalents	141.510	113.705
	927.745.891	784.335.563

	30 June 2026 (unaudited)	31 December 2025
Restricted cash (administrators guaranties)	1.974.861	2.211.942

The weighted average of the effective interest related to short-term bank deposits opened during the year was of 5,41% on 30 June 2026 (5,45% on 31 December 2025) and these deposits have a maximum maturity of 30 days.

14 SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	Share capital	Share premium	Total
On 31 December 2025 On 30 June 2026 (unaudited)	188.381.504	1.883.815.040	247.478.865	2.131.293.905
Capital adjustment to the hyperinflation accumulated on 31 December 2025 and 2024	-	441.418.396	-	441.418.396
On 31 December 2025 On 30 June 2026 (unaudited)	188.381.504	2.325.233.436	247.478.865	2.572.712.301

The authorized number of ordinary shares registered at the National Trade Registry Office is 188.381.504 (31 December 2025: 188.381.504) with a nominal value of LEI 10 each. Each share represents one vote.

The ownership structure registered with Depozitarul Central on 30 June 2026 is the following:

	Number of ordinary shares	Statutory value	Percentage
		(lei)	(%)
The Romanian state, represented by the General Secretariat of the Government	110.221.440	1.102.214.400	58,5097
Other shareholders	78.160.064	781.600.640	41,4903
	188.381.504	1.883.815.040	100,0000

The ownership structure registered with Depozitarul Central on 31 December 2025 is the following:

	Number of ordinary shares	Statutory value	Percentage
		(lei)	(%)
The Romanian state, represented by the General Secretariat of the Government	110.221.440	1.102.214.400	58,5097
Other shareholders	78.160.064	781.600.640	41,4903
	188.381.504	1.883.815.040	100,0000

In the statutory accounting, before 1 January 2012, the company included in the share capital certain reserves from revaluation for revaluations made before 31 December 2001. In order to prepare these financial statements according to Accounting Standards approved by Order no. 2844/2016 of the Minister of Finance, such increases were not recognized, because adjustments to hyperinflation for non-current assets were annually recognized in the statement of comprehensive income by 31 December 2003. Therefore, in 2022, the company recorded only the share capital from cash or in-kind contribution, adjusted to inflation from the date of the initial contribution on 31 December 2003 and the increase in the share capital that took place after 1 January 2004 was recognized in nominal terms.

15 OTHER RESERVES, LEGAL RESERVE AND RETAINED EARNINGS

Other reserves

Before IFRIC 12, a proper reserve related to assets belonging to the public domain (Note 3.5 and 5.2) was included in equity as `Reserve of the public domain` at the value of the respective assets restated depending on inflation until 1 January 2004. It was renamed `Other reserves` at the adoption of IFRIC 12 (Note 3.5), to reflect the change in the statute of the related assets. The Company does not intend to change the allocation of deferred income arising from the first-time adoption of IAS 29.

Legal reserve

In accordance with the Romanian law and the company's Articles of Incorporation, the Transgaz must transfer five percent of the profit from the statutory financial statements in a statutory reserve of up to 20% of the statutory share capital. The balance of the statutory reserve, which is not available for allocation on 30 June 2026, amounts to Lei 125.528.697 (31 December 2025: 125.528.697 lei).
The legal reserve is included in the `Retained earnings` in these financial statements. The company does not intend to change the allocation of the legal reserve.

Reserve relating to reinvested profit

The balance of the invested profit reserve as at 30 June 2026 is Lei 127.586.324 (31 December 2025 Lei 88.839.656).

The Company recorded reserves totalling 38.746.667 Lei from its 2025 profit, representing tax incentives provided for by Law 227/2015 on the Tax Code on the profit invested in technological equipment-machinery, machinery and work installations, electronic computers and peripheral equipment, cash register, control and invoicing machines and appliances, as well as in software, produced and/or purchased and put into operation, used for the purpose of carrying out the economic activity, amended in 2023 by GO 16/2022 which extended the exemption from payment of reinvested profits also for some categories of assets related to the refurbishment.

Dividend allocation

In 2026, the company declared a dividend of Lei 2.13 /share, related to the profit of the previous year ((2025: 1,08/share). The total dividends declared from the profit of 2025 are Lei 401.252.603 (dividends declared from the profit of 2024: Lei 203.452.024).

16 LONG-TERM BORROWINGS

The carrying amount of the long-term loans recorded by the company on 30 June 2026:

	30 June 2026 (unaudited)	31 December 2025
BEI 83644RO	143.680.120	149.895.900
BEI 88825RO	168.097.953	173.605.126
BEI 89417RO	262.190.000	254.925.000
BEI 90512RO	524.380.000	509.850.000
BCR 20190409029	104.160.000	111.600.000
BCR 20201028056	216.000.000	230.400.000
BCR 20210817030	62.499.997	66.666.664
BCR 20211124044	137.500.000	146.666.667
BERD	155.645.280	166.762.800
BCR syndicated	382.352.179	382.352.179
BT syndicated	382.352.179	382.352.179
CEC syndicated	137.646.784	137.646.784

Raiffeisen syndicated	382.352.179	382.352.179
Unicredit syndicated	190.296.679	190.296.679
BT	401.814.249	406.994.072
Raiffeisen Bank	143.531.084	174.242.911
BRD GSG	198.950.000	198.900.000
	3.993.448.683	4.065.509.140

As at 30 June 2026, the balance of interest due on the loans contracted by the company is 47.455.676 lei, detailed by loan as follows:

	30 June 2026 (unaudited)	31 December 2025
BEI 83644RO	375.503	815.415
BEI 88825RO	971.760	526.712
BEI 89417RO	1.166.778	1.111.041
BEI 90512RO	1.892.979	1.806.590
BCR 20190409029	626.467	2.524.730
BCR 20201028056	2.123.736	722.948
BCR 20210817030	1.222.603	1.516.091
BCR 20211124044	648.699	771.426
BERD	1.041.094	1.252.898
BCR syndicated	9.430.292	9.258.824
Unicredit syndicated	4.693.456	4.608.117
BT syndicated	9.430.291	9.258.824
CEC syndicated	3.394.905	3.333.177
Raiffeisen syndicated	9.430.292	9.258.824
Raiffeisen Bank	-	-
BRD GSG	1.006.822	1.043.125
	47.455.677	47.808.742

Loans breakdown by maturity range:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	284.571.148	376.953.688
Interest to be paid	47.455.677	47.808.742
	332.026.825	424.762.430
Over 1 year	3.708.877.535	3.688.555.452
Total loan and interest	4.040.904.360	4.113.317.882

The European Investment Bank (EIB)

The company signed with the European Investment Bank the following loans for the financing of the project `Development on the Romanian territory of the National Gas Transmission System on the Bulgaria – Romania – Hungary – Austria corridor` (BRUA Phase 1).

- Loan Agreement no. 83644RO concluded on 27.10.2017 for the amount of EUR 50 million, fixed interest rate, maturity of 15 years, grace period of 3 years at principal repayment.
- Loan Agreement no.88825RO concluded on 14.12.2017 for the amount of EUR 50 million, with disbursements in Lei or EUR (at the choice of the company), with fixed or variable interest (at the choice of the company), maturity of 15 years, the grace period of 3 years of repayment of the principal.

The company signed with the EIB the following loans for the financing of the project `Development on the Romanian territory of the Southern Transmission Corridor for taking over Black Sea gas` (Black Sea - Podişor):

- the Loan Agreement no.89417RO dated 17.12.2018 for the amount of EUR 50 million, maturity of 15 years, grace period of 3 years at principal repayment.
- the Loan Agreement no. 90512RO dated 24 January 2019 for the amount of EUR 100 million, maturity of 15 years, grace period of 3 years at principal repayment.

The financial commitments undertaken by the loan agreements requires the company to comply with the negotiated limits of the following financial indicators: the ratio of the total net debts to the Borrower's RAB, the net leverage ratio and the Interest coverage rate.

The Borrower's own RAB means the Borrower's undepreciated regulated asset base, as recognized by the National Energy Regulatory Authority (ANRE).

Below we present the accepted limits of the indicators and the calculation formula, noting that for the reporting periods all indicators have been met:

Indicator name	**Calculation formula**	**Commitment**
Ratio of total net debt to RAB	Total net debt/RAB	Max. 0,70x
Net debt ratio	Total net debt/EBITDA	Max. 4,50x
Interest coverage ratio	Cash flow from operating/financing charges	Min. 3,00x

In 2017 the company received the first tranche of Loan Agreement number 83644RO of EUR 15 million issued by EIB on 30 November 2017, in 28 February 2018 the second tranche of the loan amounting to EUR 15 million and on 30 April 2018, the third tranche of the loan amounting to EUR 20 million was received.

The maturity of the loan 83644RO from the EIB is presented below:

	30 June 2026 (unaudited)	**31 December 2025**
Within 1 year	20.975.200	20.394.000
Between 1 and 5 years	83.900.800	81.576.000
Over 5 years	38.804.120	47.925.900
	143.680.120	149.895.900

In 2019 the company received under Loan Agreement no. 88825RO two tranches totalling EUR 50 million.

The maturity of the loan 88825RO from the EIB is presented below:

	30 June 2026 (unaudited)	**31 December 2025**

Within 1 year	20.909.344	20.329.969
Between 1 and 5 years	83.637.375	81.319.874
Over 5 years	63.551.234	71.955.283
	168.097.953	173.605.126

In July 2023 the company received under Loan Agreement no. 89417RO the first tranche of EUR 25 million and in June 2024 the final tranche of EUR 25 million.

The maturity of the loan 89417RO from the EIB is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	13.377.041	5.202.551
Between 1 and 5 years	85.613.061	80.639.541
Over 5 years	163.199.898	169.082.908
	262.190.000	254.925.000

In July 2023 the company received under Loan Agreement no. 90512 RO the first tranche of EUR 25 million and in June 2024 the final tranche of EUR 75 million.

The maturity of the loan 90512 RO from the EIB is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	18.727.857	5.202.551
Between 1 and 5 years	171.226.122	158.677.806
Over 5 years	334.426.021	345.969.643
	524.380.000	509.850.000

The carrying amount of loans approximates their fair value as they bear a variable interest rate.

The European Bank for Reconstruction and Development (EBRD)

At 23 February 2018 Transgaz signed with EBRD a contract amounting to Lei 278 million, the equivalent of EUR 60 million, for the financing of the BRUA Project. The loan was fully disbursed by two equal disbursements: on 29 April 2020 and on 29 May 2020.

The EBRD loan maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	22.235.040	22.235.040
Between 1 and 5 years	88.940.160	88.940.160
Over 5 years	44.470.080	55.587.600
	155.645.280	166.762.800

The Romanian Commercial Bank (BCR)

The company signed on 24.04.2019 the contract no. 20190409029 with the Romanian Commercial Bank for committing the financing in the amount of 186 million lei, the equivalent of 40 million EUR, with drawing and repayment in lei, maturity 15 years, grace period for principal repayment of 3 years, variable interest for the financing of the project Development on the Romanian territory of the National Gas Transmission System on the Bulgaria – Romania – Hungary – Austria corridor` (BRUA Phase 1).

The BCR loan no. 20190409029 is fully disbursed and its maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	14.880.000	14.880.000
Between 1 and 5 years	59.520.000	59.520.000
Over 5 years	29.760.000	37.200.000
	104.160.000	111.600.000

On 29.10.2020, the Company signed contract no.20201028056 with Banca Comercială Română contemplating the Company's benefiting from a Lei 360 million loan for a period of 13 years, destined to refinance two major projects carried out by Transgaz: "National Transmission System Developments in the North Eastern part of Romania (Oneşti - Gherăeşti - Leţcani)”and “The interconnection of the National Transmission System with the international gas transmission pipeline T1 and reverse flow at Isaccea Phase II (Oneşti - Siliştea)”.

BCR loan no. 20201028056 is fully collected and its maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	28.800.000	28.800.000
Between 1 and 5 years	115.200.000	115.200.000
Over 5 years	72.000.000	86.400.000
	216.000.000	230.400.000

On 17.08.2021, the Company signed contract no. 20210817030 with Banca Comercială Română contemplating the Company's benefiting from a Lei 100 million loan for a period of 12 years, destined to refinance the project "National Transmission System Developments in the North Eastern part of Romania (Oneşti - Gherăeşti - Leţcani)”.

BCR loan no. 20210817030 is fully collected and its maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	8.333.334	8.333.334
Between 1 and 5 years	33.333.336	33.333.336
Over 5 years	20.833.327	24.999.994

	62.499.997	66.666.664

On 24.11.2021, the Company signed contract no. 20211124044 with Banca Comercială Română contemplating the Company's benefiting from a Lei 220 million loan for a period of 12 years, destined to refinance the project: "National Transmission System Developments in the North Eastern part of Romania (Oneşti - Gherăeşti - Leţcani)".

BCR loan no. 20211124044 is fully collected and its maturity is presented below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	18.333.333	18.333.333
Between 1 and 5 years	73.333.334	73.333.334
Over 5 years	45.833.333	55.000.000
	137.500.000	146.666.667

Transilvania Bank (BT)

On 15 July 2020, as a result of a competitive negotiation procedure, the company signed a contract with Transilvania Bank allowing the company to benefit from a credit facility amounting to Lei 300 million, for 2 years, to cover the necessary working capital and partly to issuing letters of guarantee. By Addendum No. 1/20.12.2021, Addendum No. 4/22.03.2023, Addendum no. 5/14.06.2024 and Addendum No. 7/23.12.2025 the parties agreed successive extensions of the final maturity date of the loan agreement until 23.12.2027.

By Addendum no. 6 signed on 27.11.2024 the facility cash threshold was increased by Lei 153.000.000 up to the new value of Lei 453.000.000.

On 30 June 2026, out of the total credit line, the amount of Lei 401.814.249 (2025: Lei 406.994.072) was used to cover the working capital requirements - the amount of Lei 16.250.000 (2025: Lei 44.978.094) to cover three bank guarantee letters issued in favor of third parties, the amount of Lei 34.935.751 remaining at the Company's disposal to finance its current activity.

RAIFFEISEN BANK

The company signed on 14 July 2022, following a competitive negotiation procedure, an agreement with Raiffeisen Bank under which it benefits from a credit facility of 300 million Lei for a period of 2 years, intended to finance working capital for the commercial balancing activity. By Addendum No. 1/11.07.2024, the loan term was extended by 24 months as of the execution date.

By the amendment signed on 30 June 2026, it was agreed to extend the term of the loan by another 2 years and to divide the amount of 300 million Lei into two sub-limits: 150 million Lei allocated for balancing operations and 150 million Lei allocated for transmission operations.

As at 30 June 2026, only the credit line allocated to balancing operations is being used, in the amount of Lei 143.531.084 (2025: Lei 174.242.911). The liability is reported under long-term loans.

BRD GROUPE SOCIETE GENERALE

The company signed on 2 August 2023, following a competitive negotiation procedure, an agreement with BRD Groupe Societe Generale, whereby it benefits from a credit facility of 200 million Lei for a period of 2 years, intended to finance working capital for the commercial balancing activity. By Addendum No. A001 dated 30 July 2025, the facility was extended until 2 August 2027.

As at 30 June 2026 the credit facility is drawn down to the maximum level of Lei 198.900.000 (2025: Lei 198.950.000). The obligation is presented under long-term loans.

SYNDICATED LOAN

As at 31.07.2024, the company signed a syndicated loan agreement for a total amount of Lei 1.928.850.000 to ensure the financing of investment projects included in the National Natural Gas Transmission System Development Plan. The banks participating in the transaction are Banca Transilvania, Banca Comercială Română, Raiffeisen Bank, UniCredit Bank and CEC Bank.

As at reporting date, the amount drawn on this loan is of 1.475.000.000 lei.

The maturity of the amount drawn from the syndicated BCR loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	30.588.174	15.294.087
Between 1 and 5 years	122.352.698	122.352.698
Over 5 years	229.411.307	244.705.394
	382.352.179	382.352.179

The maturity of the amount drawn from the syndicated BT loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	30.588.174	15.294.087
Between 1 and 5 years	122.352.698	122.352.698
Over 5 years	229.411.307	244.705.394
	382.352.179	382.352.179

The maturity of the amount drawn from the syndicated CEC loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	11.011.743	5.505.871
Between 1 and 5 years	44.046.970	44.046.971
Over 5 years	82.588.071	88.093.942
	137.646.784	137.646.784

The maturity of the amount drawn from the syndicated Raiffeisen Bank loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	30.588.174	15.294.087
Between 1 and 5 years	122.352.698	122.352.698
Over 5 years	229.411.307	244.705.394
	382.352.179	382.352.179

The maturity of the amount drawn from the syndicated Unicredit loan is shown below:

	30 June 2026 (unaudited)	31 December 2025
Within 1 year	15.223.734	7.611.867
Between 1 and 5 years	60.894.937	60.894.937
Over 5 years	114.178.008	121.789.875
	190.296.679	190.296.679

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	30 June 2026 (unaudited)		31 December 2025	
	Accounting value	Fair value	Accounting value	Fair value
Variable interest rate loans	3.849.768.563	3.849.768.563	3.915.613.240	3.915.613.240
Fixed interest rate loans	143.680.120	134.060.780	149.895.900	140.029.074
	3.993.448.683	3.983.829.344	4.065.509.140	4.055.642.314

The fair value of the Company's fixed-rate loans (borrowed from the EIB) was estimated by discounting future cash flows using the average of the current interest rates applicable to the three variable-rate loans the Company has taken out from the EIB.

There were no transfers between levels of the fair value hierarchy during the period.

Reconciliation of liabilities arising from financing activities:

	Long term loans	Working capital	Leasing debt	Total
Balance as at 01.01.2025	2.854.703.467	749.823.044	20.881.905	3.625.408.416
Net cash flows	422.687.962	31.356.161	(6.416.298)	447.627.825
Exchange rate differences	26.555.228	-	-	26.555.228
New leasing contracts	-	-	6.936.642	6.936.642
Leasing adjustments	-	-	-	-
Interest expense	59.660.262	891.262	1.244.253	61.795.777
Capitalized interest	106.557.396	-	3.614	106.561.010
Interest on balancing activities recovered from the neutrality tariff	-	29.667.140	-	29.667.140
Paid interest	(138.026.540)	(30.557.500)	-	(168.584.040)
Other financial expenses under IFRS 16	-	-	908.903	908.903
Balance as at 31 December 2025	3.332.137.775	781.180.107	23.559.019	4.136.876.901
Balance as at 01.01.2026	3.332.137.775	781.180.107	23.559.019	4.136.876.901
Net cash flows	(66.652.837)	(35.841.650)	(4.588.941)	(107.225.591)
Exchange rate differences	30.436.053	-	-	30.578.217
New leasing contracts	-	-	1.874.814	1.874.814
Leasing adjustments	-	-	-	-
Interest expense	76.195.923	550.619	705.003	77.451.545
Capitalized interest	16.288.119	-	7.169	16.295.287

Interest on balancing activities recovered from the neutrality tariff		10.107.445		10.107.445
Paid interest	(92.802.828)	(10.694.366)	-	(103.497.194)
Other financial expenses under IFRS 16	-	-	1.407.974	1.407.974
Balance as at 30 June 2026 (unaudited)	3.295.602.205	745.302.155	22.965.038	4.063.869.398

17 DEFERRED REVENUE

Based on the connection contracts, the necessary infrastructure is built to ensure the estimated transmission capacity to be used over the duration of the concession agreement.

Connections	**30 June 2026 (unaudited)**	**31 December 2025**
Initial balance	122.118.868	136.266.747
Increases	1.390.412	481.007
Revenue from connection fees (Note 22)	(7.403.456)	(14.628.886)
Final balance	116.105.824	122.118.868

Non-reimbursable funding	**30 June 2026 (unaudited)**	**31 December 2025**
Initial balance	1.112.697.653	1.025.577.142
Increases	106.111.565	172.537.822
Income from non-reimbursable funds and goods taken over free of charge (Note 22)	(70.341.028)	(85.417.311)
Final balance	1.148.468.190	1.112.697.653

Assets received free of charge	**30 June 2026 (unaudited)**	**31 December 2025**
Initial balance	82.912.594	83.032.221
Increases	114.136	5.255.229
Income from non-reimbursable funds and goods taken over free of charge (Note 22)	(2.777.843)	(5.374.856)
Final balance	80.248.887	82.912.594

The balance of the deferred revenue consists of:

	30 June 2026 (unaudited)	**31 December 2025**
Connection fees	116.105.824	122.118.868
Assets received free of charge	80.248.887	82.912.594
Grants	1.148.468.190	1.112.697.653
	1.344.822.901	1.317.729.115

The connections financed through the connection fees and other assets taken over free of charge from third parties (MRSs, pipelines) do not result from investments funded by TRANSGAZ and are classified as the Company's own assets.

In 2014 the Company obtained from the European Union through the Innovation and Networks Executive Agency (INEA), for the BRUA project, a grant amounting to 1.519.342 Euro, representing 50% of the estimated eligible expenses, awarded to finance the design for the three compressor stations of the project (Podișor, Bibești and Jupa) and a grant amounting to 159.449.379 Euro, representing 40% of the estimated eligible expenses, awarded to finance the implementation works of the BRUA Phase I project.

The following amounts were received as pre-financing for the financing of the implementation works of the BRUA Phase I project: EUR 25.834.489,60 (in 2016), EUR 13.839.087,37 (in 2018), EUR 29.192.463,92 (in 2019), EUR 37.740.347 (in 2020) and EUR 20.953.114,91 in 2021. On 19 July 2022 the amount of EUR 21.129.634,05 was received from INEA. Since the project's actual cost was lower than the estimated cost, the grant received was reduced proportionally

On 22.11.2018 the company signed with the Ministry of European Funds AM POIM Financing Contract 226 for non-reimbursable financing for the implementation of the draft project code MYSMIS 2014-122972 NTS developments in North-East Romania for enhancing gas supply to the area and for ensuring transmission capacities to the Republic of Moldova within the Specific objective 8.2 – Increasing the interconnectivity of the National Transmission System with neighbouring states. The amount of the grant is Lei 214.496.026,71, namely 32,53% of the value of the eligible expenses.

For the financing of the works for the implementation of the project NTS developments in North-East Romania for enhancing gas supply to the area and for ensuring transmission capacities to the Republic of Moldova, the amount of Lei 203.657.168 was collected as eligible expenses grant funding. Since the project's actual cost was lower than the estimated cost, the grant received was reduced proportionally.

On 18.06.2020 the company signed Grant Agreement no. HCOP/685/3/8/132556 on the implementation of the project „TransGasFormation” Code 132556 for the amount of Lei 701.259,60 with the Ministry of European Funds, as Management Authority for the Human Capital Operational Programme.

In 2024, the company concluded grant agreements for the projects: Black Sea - Podişor natural gas transmission pipeline, for which it received pre-financing amounting to Lei 243.216.983,06 and Ghercești-Jitaru natural gas transmission pipeline (including power supply, cathodic protection and fiber optics). The natural gas transmission pipeline supplying the Mintia Power Plant (including other industrial and residential consumers) and the expansion of the NTS's transmission capacity and the security of natural gas supply to the Işalniţa Power Plant Branch (Dolj County) and the Turceni Power Plant Branch (Gorj County). The contracts were concluded based on EC Decision No C(2023) 3643 of 30.05.2023, by which the projects were allocated grants under the Modernization Fund in total amount of EUR 108.874.197:

- Black Sea - Podişor natural gas transmission pipeline: EUR 85.544.422. In 2025, the final tranche, amounted to Lei 54.709.431 was received;
- Ghercești-Jitaru natural gas transmission pipeline (including power supply, cathodic protection and optical fiber): EUR 8.038.348. No amounts were received in H1 2026, and the amount remaining to be receipted in H1 2026 from financing applications submitted in H1 2026 is Lei 11.997.958 (in 2025, the amount received was: Lei 11.997.958).

- Natural gas transmission pipeline to supply the Mintia Power Plant (including other industrial and household customers): EUR 6.826.947. In H1 2026, the following amount was received: Lei 5.095.530.
- Increasing the transmission capacity of the NTS and the security of natural gas supply to Işalniţa Power Plant Branch (Dolj County) and Turceni Power Plant Branch (Gorj County) – EUR 8.464.480.

On 04.09.2024 the Government Decision no.1102/04.09.2024 (published in the Official Gazette no. 904/06.09.2024) approved the financing from the Environment Fund of three natural gas transmission projects worth 500.000.000 lei, for which Transgaz has concluded financing contacts in 2024, namely:

- Gas transmission pipeline Prunișor - Orșova - Băile Herculane-Jupa (including electricity supply, cathodic protection and fiber optics): Lei 229.108.514,31. In H1 2026, the amount of 94.113.607 Lei was received. (in 2025 the amount of Lei 85.428.393 was received);
- Gas transmission pipeline Tetila - Horezu - Râmnicu Vâlcea (including power supply, cathodic protection and fiber optics) Lei 101.713.128,45. No amounts were received in H1 2026 (in 2025 the amount of Lei 5.001.796 was received);
- Gas transmission pipeline DN 600 Mihai Bravu - Siliştea and transformation into a piggable pipeline Lei 169.178.357,24. No amounts were received in H1 2026 (in 2025 the amount of Lei 113.652 was received)

18. INCOME TAX

Income tax expense

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Expense with the income tax - current	51.897.487	84.481.415
Deferred tax - impact of temporary differences	4.717.702	(7.206.128)
Income tax expense	56.615.189	77.275.287

In H1 2026 and H1 2025, the Company calculated the income tax at the rate of 16% applied to the profit determined in accordance with the Romanian laws.

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Profit before tax	290.808.202	537.155.765
Theoretical expense with the tax the statutory rate of 16% (2024: 16%)	46.529.312	85.944.923
Non-taxable expenses/non-taxable revenues or deductions, net	10.085.877	(8.669.636)

Income tax expense	56.615.189	77.275.287
Income tax liability/receivable, current	(7.349.751)	(25.049.501)

Depreciation of tangible assets hyperinflation adjustments is a deductible expense with the adoption of Accounting standards as adopted by Order no. 2844/2016 of the Minister of Public Finance.

Deferred tax

Deferred tax payment and recoverable tax are valued at the actual tax rate of 16% on 30 June 2026 (31 December 2025: 16%). Deferred tax payment and recoverable tax, as well as expenses with/(revenue from) deferred tax recognized in the statement of comprehensive income or in other components of comprehensive income, based on the nature of the transaction that gave rise to the temporary difference are attributable to the following items:

	30 June 2026 (unaudited)	Movement	31 December 2025	Movement	30 June 2025 (unaudited)	Movement	1 January 2025
Deferred tax payment							
Tangible assets	28.325.236	(2.492.800)	30.818.036	(2.228.776)	33.046.811	(1.401.337)	34.448.148
Intangible assets	8.441.770	(862.543)	9.304.313	(15.543)	9.319.857	(1.852.186)	11.172.043
Recoverable deferred tax							
Provision for							
Employee benefits	(31.523.023)	(961.196)	(30.561.827)	(3.176.432)	(27.385.395)	(5.035.119)	(22.350.276)
Other provisions	(3.211.068)	3.686.012	(6.897.080)	(3.086.980)	(3.810.100)	6.512.978	(10.323.078)
Receivables and other assets	(67.772.513)	5.348.229	(73.120.742)	27.974.645	(101.095.387)	(5.430.464)	(95.664.923)
	(65.739.598)	4.717.702	(70.457.300)	19.466.914	(89.924.214)	(7.206.128)	(82.718.086)

Deferred income tax liability related to tangible and intangible assets is determined by the fact that: a) the fiscal value of intangible assets does not include inflation update; and b) the nature of public domain property does not represent depreciable assets from a tax perspective, regardless of how they are reflected in the accounts. Temporary differences for receivables and other assets arise from impairment adjustments for bad debts.

The amounts presented in the statement of the financial position include the following:

	30 June 2026 (unaudited)	31 December 2025
Deferred tax liabilities/receivables	(65.739.598)	(70.457.300)

19. TRADE PAYABLES AND OTHER PAYABLES

19.1 Short term payables

19.1.a Trade payables

	30 June 2026 (unaudited)	31 December 2025
Trade payables	93.106.385	175.388.819
Suppliers of non-current assets	19.123.706	51.012.963
	112.230.091	**226.401.782**

19.1.b Other payables

	30 June 2026 (unaudited)	31 December 2025
Dividends payable	402.158.127	1.070.500
Debts related to royalties	52.144.648	77.234.896
Other taxes	48.619.840	33.465.732
Amounts payable to employees	24.000.385	22.204.576
VAT payable	4.760.452	10.244.928
Non-exemptible VAT	16.058.690	24.207.610
Transmission service guarantees	202.286.267	196.166.888
Tender guarantees	83.972.440	85.914.608
Other debts	41.960.101	37.836.596
	875.960.950	**488.346.334**

19.1.c Clients contract liabilities

	30 June 2026 (unaudited)	31 December 2025
Clients' advances	883.533	1.101.990
Transmission service advances	28.866.262	63.877.860
	29.749.795	**64.979.850**

At 30 June 2026, of the total trade payables and other debts the amount of Lei 107.110.782 (31 December 2025: Lei 85.152.838) is expressed in foreign currency, especially in EUR.

19.2 Lease liability

	30 June 2026 (unaudited)	31 December 2025
	Land and buildings	Land and buildings
Initial balance	23.559.019	20.881.905
Inflows	1.874.814	6.936.642
Interest expense	712.172	1.247.868
Leasing payments	(3.180.967)	(5.507.396)
Final balance, of which:	22.965.038	23.559.019
Long-term debts	17.881.869	19.000.885
Short-term debts	5.083.169	4.558.134

20. OTHER PROVISIONS

	30 June 2026 (unaudited)	31 December 2025
Current provision		
Provision for litigation	3.973.985	3.973.985
Provision for BoA remuneration	-	1.893.368
Provision for employee participation in profits	17.011.257	27.358.399
Other provision	3.057.919	9.880.997
	24.043.161	43.106.749

Employees` participation in the profit is calculated within the limit of 10% of the net profit, but not more than a monthly average salary achieved in the relevant financial year according to the provisions of GO 64/2001 and the Collective Labour Agreement.

Following the conclusion of the arbitration proceedings which had as dispute the restitution of the quantity of natural gas from the Transit 1 pipeline, the arbitral tribunal admitted Bulgargaz EAD's action, and a provision for litigation in the amount of Lei 1.673.984, the equivalent in Lei for legal interest and incidental expenses was established. The arbitral tribunal's decision was appealed. The action for annulment has been granted. Bulgargaz has filed an appeal.

The company also made provisions for the dispute with Blue Star SRL for the MRS Timisoara I - Timisoara pipeline in the amount of Lei 2.300.000.

The Company records provisions for untaken leave at the end of the financial year.

The Company has recorded provisions for untaken leave in the amount of Lei 3.057.919 relating to the period ended 31 December 2025.

21. PROVISION FOR EMPLOYEE BENEFITS

Employee benefits

The present value of the provision was determined based on the Projected Unit Credit Method. Retirement benefits received by an employee were first raised by the contributions of the employer and then every benefit was updated taking into account the rotation of employees, layoffs and the probability of survival until retirement. The number of years until retirement was calculated as the difference between retirement age and age at time of reporting. The expected average of the remaining work period was calculated based on the number of years until retirement, also taking into account the rate of layoffs, employee rotation rate and the probability of survival.

Assumptions 2025 and 2026

The amount of the provision has been calculated individually for each distinct employee/beneficiary of the company using the actuarial calculation method and taking into account International Accounting Standards, in particular the IAS 19. The provision is calculated taking into account the long-term liabilities undertaken by the company under the collective labour contract. The calculation assumptions and specifications for the calculation model were established based on the company's previous experience and a set of assumptions about the company's future experience. The most important actuarial assumptions used are as follows:

- for the benefit consisting of basic salaries paid at retirement, this benefit is paid for company employees who reach retirement;
- Employee rotation considers seniority and staff rotation within the company;
- The mortality of the entity's employees is calculated according to the data provided by the National Institute of Statistics for the period between 2015-2024;
- Employee rotation is calculated based on leaves from the company and a probability was assigned to each age group and gender;
- The method used is the projected credit factor method, the amounts being allocated to each employee and updated to 30 June 2026;
- Retirement age at retirement was considered 65 for men and 63 for women, but the share of early retirements at certain ages was also considered;
- The plan is not funded by the entity and employees.
- For the death compensation for pensioners former employees of S.N.T.G.N. TRANSGAZ SA in the first year after retirement, the mortality at the age of 66 years for men and 64 years for women was used by simplification;
- Data provided by the beneficiary for the period between 2018 – June 2026 were analysed

Financial assumptions

The discount rate is the interest rate curve in Lei without adjustments of variations provided by EIOPA for December 2025.

For the calculation for 31 December 2025, according to the National Institute of Statistics, the long-term salary growth rate is considered equal to the forecasted inflation rate for Lei and is 2,5%, and in the short term it is considered equal to the forecasted inflation rate for Lei and is 5,60% in the first year, 3,40% in the second year and 2,70% in the third year for both genders.

Movement in the provision for employee benefits

1 January 2024	160.173.832
of which:	
Short-term	15.913.064
Long-term	144.260.768
Interest cost	12.581.731
Current service cost	9.728.950
Payments from provisions during the year	(9.013.940)
Actuarial gain/loss related to the period	17.540.845
31 December 2025	191.011.418
of which:	
Short-term	22.831.764
Long-term	168.179.654
Interest cost	11.736.022
Current service cost	10.023.445
Payments from provisions during the year	(3.487.034)
Actuarial gain/loss related to the period	(12.264.959)
30 June 2026	197.018.892
of which:	
Short-term	23.769.678
Long-term	173.249.214

22. REVENUE AND OTHER INCOME

22.1 Revenue from contracts with customers

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Revenues from domestic transmission activity - Romania	1.254.547.245	1.343.574.613
Balancing revenues	158.208.534	231.868.550
Revenue from construction activities according to IFRIC12	104.264.053	451.111.690
Operating revenue within the scope of IFRS 15	1.517.019.832	2.026.554.853

22.2 Other income

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Income from penalties applied to clients for delay payments	11.311.212	11.029.133
Income from leases	645.944	723.090
Income from recovered materials	3.229.513	6.904.188
Income from the sale of residual materials	4.274.058	180.984
Other income from operation	6.105.210	6.717.995
Income from connection fees	7.403.456	7.225.437
Income from grants and goods taken free of charge	73.118.871	45.446.660
	106.088.264	78.227.487

23. OTHER OPERATING EXPENSES

23.1 Other operating expenses

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Utilities	12.028.021	12.848.169
Insurance premium	918.382	958.216
Security and protection expenses	16.821.858	18.729.314
Maintenance costs	28.132	28.097
Professional training	99.769	115.897
Telecommunications	1.588.425	1.411.898
Bank charges and other fees	97.465	140.328
Rents	2.856.075	3.069.420
Marketing and protocol costs	249.956	286.249
Penalties and fines	1.553.840	53.953
Gas storage capacity booking	2.794.146	1.993.495
Sponsorship costs	1.977.800	1.287.200
Loss/(Gain) from inventory impairment	4.171.716	10.529.143
IT Support Services	4.794.304	5.979.974
Other	15.557.373	18.158.281
	65.537.262	75.589.634

23.2 Balancing activity expenses

According to the applicable European and national provisions, the Company ensures the balancing activity for the National Transmission System ("NTS"). The balancing activity is carried out by the Company based on ANRE Order no.160/2015 establishing the obligations regarding the balancing of the national transmission system, a financially neutral activity, any profit or loss from this activity being distributed to the clients for which domestic transmission services are provided.

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Expenses on balancing gas	145.961.335	214.311.692
Expenses on balancing financing line	10.021.440	14.313.758
Expenses on balancing gas storage	2.225.759	3.243.100
	158.208.534	231.868.550

24. EMPLOYEE COSTS

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Salaries and benefits	317.856.168	315.734.084
Cost of insurance and social security	16.075.196	17.446.202
Other employee costs	4.442.553	3.960.838
	338.373.917	337.141.124

Employee expenses are presented as net of the amount capitalized in self-constructed tangible and intangible assets. In H1 2026, the capitalized amount of employee expenses was 16.344.308 Lei (14.808.991 Lei in H1 2025).

Average number of employees in financial year:

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Blue collars	2.060	2.145
White collars	1.875	1.859
	3.935	4.004

25. NET FINANCIAL INCOME/(LOSS)

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Interest income	71.196.181	43.663.732
Income from the update of the Receivable regarding the Concession Agreement	50.360.636	83.061.686
Total interest income	121.556.817	126.725.418
Foreign exchange income	7.820.412	4.002.210
Other financial income	17	1.457
Total other financial income	7.820.429	4.003.667
Total financial income	129.377.246	130.729.085
Foreign exchange loss	(34.903.539)	(25.323.777)
Interest expense to IFRS16	(705.002)	(579.753)
Interest expense	(76.746.542)	(29.596.464)
Effect of restatement of the provision for employee benefits	(11.736.022)	(11.155.645)
	(124.091.105)	(66.655.639)

According to ANRE Order no. 41/2019 the value of the assets recognised in the Regulated Asset Base is adjusted to the actual inflation for the period 01.10.2019–30.09.2025, and according to the methodology applicable for the fifth regulatory period (1 October 2025 – 30 September 2030) approved by ANRE Decision no. 7/2025, the value of assets recognized in the Regulated Asset Base is adjusted for inflation using the rate applied by ANRE in setting the regulated rate of return of 3.01%. The company recalculated the value of the Concession Agreement receivables and recognized gains amounting to Lei 50.360.636 according to IFRS 9 (31 December 2025: Lei 257.121.166).

Non-current assets recognized under regulated assets within a gas year are updated with the inflation rate starting from the next gas year.

The income from the adjustment of the receivable related to the Concession Agreement is a non-monetary item.

26. TRANSACTIONS WITH RELATED PARTIES

The prices / tariffs related to the transport and balancing contracts are approved by the National Energy Regulatory Authority (ANRE), are regulated and are not established under market conditions.

Procurement is carried out in compliance with the legal regulations on public procurement.

In the periods ended 30 June 2026 and 30 June 2025, the following transactions with related parties were performed and the following balances were payable/receivable from related parties at the respective dates.

a. Compensation granted to the members of the Board of Administration and of the management

	The six months ended 30 June 2026 (unaudited)	**The six months ended 30 June 2025 (unaudited)**
Salary paid to the members of the Board of Administration and management	14.440.482	15.470.995
Social contribution of the company	324.911	348.097
	14.765.393	15.819.092

In the periods ended 30 June 2026 and 30 June 2025, no advance payments and loans were granted to the company's administrators and management, except for advance payments from salaries

and those for business trips, and they don't owe any amount from such advance payments to the company at the end of the period.

The company has no contractual obligations related to pensions towards the current administrators and directors.

The provision for the mandate contract is presented in Note 20.

The company has no contractual obligations related to pensions towards the former administrators and directors.

b. Entities affiliated with a government authority

The Company is under the control of the Romanian Government through the General Secretariat of the Government. Thus, companies over which the Romanian Government exercises control or has significant influence are considered affiliates of the Company. In accordance with IAS 24, the Company applies the exemption from disclosure for government-affiliated entities and, therefore, discloses material transactions and balances. The materiality threshold is based on the size of the transactions and existing regulatory/supervisory disclosure requirements (Law No. 24/2017 on Issuers of Financial Instruments and Capital Market Transactions and FSA Regulation No. 5/2018). Except for the transactions listed below, no other separate material transactions or collectively material transactions were identified. Transactions with affiliated parties are conducted at regulated rates and under market conditions, with no transactions falling outside the scope of normal daily operations.

i) Revenue from related parties – services supplied

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	142.131.503	167.760.413
Electrocentrale Bucureşti SA	Entity under the Romanian state control	49.207.548	53.628.848
Termo Calor Confort	Entity under the Romanian state control	1.911.706	2.193.602
Complex Energetic Oltenia	Entity under the Romanian state control	1.071.964	1.140.101
Engie România	Entity under significant influence of the Romanian state	205.750.194	249.701.029
OMV Petrom	Entity under significant influence of the Romanian state	244.609.086	235.907.976
E.ON Energie Romania	Entity under significant influence of the Romanian state	134.420.240	153.452.655
		779.102.241	863.784.624

ii) Sales of other goods and services

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	8.898	8.380
Electrocentrale Bucuresti	Entity under the Romanian state control	2.412	1.524
Electrocentrale Constanţa	Entity under the Romanian state control	2.083.235	2.191.270
Engie România	Entity under significant influence of the Romanian state	14.516	21.151
OMV Petrom	Entity under significant influence of the Romanian state	49.456	15.802
E.ON Energie Romania	Entity under significant influence of the Romanian state	3.461	2.771
Complex Energetic Hunedoara	Entity under the Romanian state control		694.613
Complex Energetic Oltenia	Entity under the Romanian state control	3.442	1.472
		2.165.420	2.936.983

iii) Gas sales – the balancing activity (VAT excluded)

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	29.817	3.498.081
Electrocentrale București	Entity under the Romanian state control	1.539.339	3.095.740
Termo Calor Confort	Entity under the Romanian state control	826.268	1.755.643
Complex Energetic Oltenia	Entity under the Romanian state control	713.588	1.547.078
Engie România	Entity under significant influence of the Romanian state	39.110.668	38.428.535
OMV Petrom	Entity under significant influence of the Romanian state	5.881.145	11.538.395
E.ON Energie Romania	Entity under significant influence of the Romanian state	18.271.024	22.068.488
		66.371.849	81.931.960

iv) Receivables from related parties (without the adjustment)

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	27.057.288	31.960.517
Electrocentrale București	Entity under the Romanian state control	2.728.487	16.948.498
E.ON Energie Romania	Entity under significant influence of the Romanian state	25.433.927	66.740.876
Engie România	Entity under significant influence of the Romanian state	17.142.712	64.017.317
OMV Petrom	Entity under significant influence of the Romanian state	44.902.669	100.771.894
Complex Energetic Oltenia	Entity under the Romanian state control	111.976	-
		117.377.059	280.439.102

v) Client receivables – the balancing activity ((net of adjustments)

	Relationship	31 March 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	33.127	17.540
Electrocentrale Constanţa	Entity under the Romanian state control	-	-
Complex Energetic Oltenia	Entity under the Romanian state control	204.801	57.182
Electrocentrale Bucureşti	Entity under the Romanian state control	124.145	327.945
Termo Calor Confort	Entity under the Romanian state control	15.334	73.959
Engie România	Entity under significant influence of the Romanian state	2.326.635	2.490.151
OMV Petrom	Entity under significant influence of the Romanian state	1.434.595	1.750.024
E.ON Energie Romania	Entity under significant influence of the Romanian state	5.484.139	4.072.417
		9.622.776	8.789.218

vi) Procurement of services from related parties (other services)

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	10.525.504	4.041.002
Complex Energetic Oltenia	Entity under the Romanian state control	2.967	2.117
Electrocentrale București	Entity under the Romanian state control	6.493	5.093
Engie România	Entity under significant influence of the Romanian state	1.867	15.862
OMV Petrom	Entity under significant influence of the Romanian state	233.573	237.689
		10.770.404	4.301.763

vii) Procurement of gas – the balancing activity

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	1.928.911	2.709.323
Electrocentrale București	Entity under the Romanian state control	3.721.987	4.475.708
Termo Calor Confort	Entity under the Romanian state control	2.417.201	3.392.659
Complex Energetic Oltenia	Entity under the Romanian state control	463.233	611.293
E.ON Energie Romania	Entity under significant influence of the Romanian state	28.404.319	43.047.433
Engie România	Entity under significant influence of the Romanian state	30.674.358	33.761.565
OMV Petrom	Entity under significant influence of the Romanian state	14.253.311	15.539.377
		81.863.320	103.537.358

viii) Procurement of natural gas

	Relationship	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
SNGN Romgaz	Entity under the Romanian state control	16.009.871	66.403.283
		16.009.871	66.403.283

ix) Debts to affiliated parties from services (other services)

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	1.259.555	1.523.961
Electrocentrale București	Entity under the Romanian state control	-	1.900
Engie România	Entity under significant influence of the Romanian state	47.647.878	228
OMV Petrom	Entity under significant influence of the Romanian state	6.695.586	8.239.816
		55.603.019	9.765.905

x) Debts to suppliers – balancing activity

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	1.482.686	1.504.068
Electrocentrale București	Entity under the Romanian state control	940.708	637.768
Termo Calor Confort	Entity under the Romanian state control	1.512.689	1.507.567
E.ON Energie Romania	Entity under significant influence of the Romanian state	5.905.598	8.679.498
Complex Energetic Oltenia	Entity under the Romanian state control	144.797	20.806
Engie România	Entity under significant influence of the Romanian state	3.718.638	1.307.729
OMV Petrom	Entity under significant influence of the Romanian state	4.515.900	2.760.972
		18.221.016	16.418.408

xi) Guarantees from affiliates

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	1.000	1.000
Termo Calor Confort	Entity under the Romanian state control	-	1.206.333
E.ON Energie Romania	Entity under significant influence of the Romanian state	504.300	504.300
Complex Energetic Oltenia	Entity under the Romanian state control	996.565	1.104.055
		1.501.865	2.815.688

xii) Guarantees from affiliates (bank guarantee letter)

	Relationship	30 June 2026 (unaudited)	31 December 2025
SNGN Romgaz	Entity under the Romanian state control	-	2.909.124
E.ON Energie Romania	Entity under significant influence of the Romanian state	24.175.221	68.446.125
Electrocentrale Bucureşti	Entity under the Romanian state control	1.000.000	18.100.000
		25.175.221	89.455.249

Guarantees to affiliated parties

The Company acts as guarantor under the loan agreement entered into on 24 January 2019 between the European Investment Bank and Eurotransgaz, (a company 100% owned by Transgaz), (company 75% owned by Eurotransgaz) amounting to EUR 38 million, for the purpose of financing the construction by Vestmoldtransgaz SRL of the Ungheni–Chișinău natural gas transmission pipeline.

xiii) Cash and cash equivalents, and bank deposits (other than cash equivalents) held at banks under the control of the Romanian State.

	Relationship	30 June 2026 (unaudited)	31 December 2025
CEC BANK S.A.	Entity under the Romanian state control	467,639,505	486,104,580
EXIM BANCA ROMANEASCA	Entity under the Romanian state control	1.791	1.434
		467.641.296	486.106.014

27. EARNINGS PER SHARE

The company shares are listed on the first category of the Bucharest Stock Exchange.

Basic earnings per share are calculated by dividing the profit attributable to the company's equity holders to the average number of ordinary shares existing during the year.

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Profit attributable to the company's equity holders	234.193.013	459.880.478
Weighted average of the number of shares	188.381.504	188.381.504
Basic and diluted earnings per share (lei per share)	1,24	2,44

28. MATERIAL NON-CASH TRANSACTIONS

Compensations

Approximately 0,95% of the receivables were settled by transactions that haven't involved cash outflows during the period ended 30 June 2026 (31 December 2025: 1,91%). Transactions mainly represent offsets with clients and suppliers within the operating cycle and offsets between tax debts and receivables registered with the state budget.

29. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS

i) Commitments

The Service Concession Agreement (S.C.A. - Note 8) provides that, at the end of the agreement, the ANRM is entitled to receive back, all goods of public property existing when the agreement was signed and all investments made into the national transmission system, in accordance with the investment program stipulated in the service concession agreement. The company also has other obligations related to the concession agreement, which are described in Note 8.

Law 127/2014 entered into force on 5 October 2014 states that if the concession contract is terminated for any reason, or upon contract termination, the investment made by the national transmission system operator shall be transferred to the owner of the national transmission system or to another grantor in exchange for compensation equal to the unamortized regulated value established by ANRE, as presented in Note 3.6.

As at 30 June 2026 the value of the contractual firm obligations of parent Company for the purchase of tangible and intangible assets is of Lei 697.097.334 (31 December 2025: Lei 635.726.893).

Eurotransgaz SRL, the company established and owned by Transgaz in Republic of Moldova, was appointed the winner of the privatization investment contest for the single patrimonial complex State Enterprise Vestmoldtransgaz operating the Iasi-Ungheni gas transmission pipeline on the territory of Republic of Moldova.

The company is a guarantor of the loan agreement concluded on 24 January 2019 between the European Investment Bank and Eurotransgaz, in total amount of Euro 38 million, for the funding of the construction by Vestmoldtransgaz of the Ungheni-Chisinau gas transmission pipeline.

ii) Taxation

The taxation system in Romania is in a phase of consolidation and harmonization with the European law. However, there are still various interpretations of the tax law. In Romania, the tax year remains open for fiscal verification for 5 years. The company's management believes that fiscal obligations included in these financial statements are properly presented and that it is not necessary for any additional provisions to be established to cover the uncertainties related to tax treatment.

See the existing litigation referring to oil royalty detailed in the chapter "Court and other actions".

iii) Insurance policies

The company does not have insurance policies related to operations, complaints on products, or for the public debt. The company has insurance policies for buildings and mandatory civil liability policies for the car fleet. Moreover, the company has contracted professional liability insurance services for the members of the Board of Administration and for 59 managers in 2026 (59 managers in 2025).

iv) Environmental aspects

Environmental regulations are under development in Romania and the company did not record any obligation on 30 June 2026 and on 30 June 2025 related to anticipated expenses that include legal and consulting fees, analysis of locations, preparing and implementing recovery measures related to environmental protection. The management of the company believes there are no significant obligations related to environmental aspects.

Transgaz, as natural gas transmission operator in Romania, plays a key role in decarbonizing the entire Romanian energy system. To this end, in December 2023, Transgaz' Climate and Decarbonization Strategy was developed in order to meet national and international (climate) policy requirements and regulations.

The Strategy is intended for Romania and will be extended to the other entities after Transgaz' first consolidated reporting exercise. This is planned to take place in the next two years, after the assessment of the first report that will establish the baseline situation for Transgaz. The strategy is also applicable for Transgaz as a whole, but the specific objectives are only for Romania. Transgaz' Climate and Decarbonization Strategy can be consulted at: https://www.transgaz.ro/ro/sustenabilitate/strategia-climatica-si-de-decarbonizare .

Transgaz has conducted an assessment of the impacts of climate change on its operations and infrastructure using climate scenarios. Transition risks pose a low level of vulnerability and are manageable within the current strategic and operational framework. Following the assessment conducted, Transgaz has not identified any assets or business activities incompatible with the transition to a climate-neutral economy. Transgaz does not have a formalized transition plan in accordance with ESRS requirements. However, Transgaz recognizes the importance of addressing the risks and opportunities related to climate change and intends to take progressive steps toward developing, implementing, and monitoring such a plan. In the absence of a transition plan, its climate and decarbonization strategy acts as a substitute, directing the company's efforts towards managing climate risks and emerging opportunities. The management has analysed the impact of climate risk on the figures included in the financial statements, particularly on asset impairments and provisions recognized, and considers that there is no significant impact.

v) Lawsuits and other actions

During the normal activity of the company, various litigations in which the Company is a defendant or plaintiff have been registered with the courts. The company has pending disputes for the lack of use of some lands occupied with NTS objectives, commercial and labour disputes. Based on its own estimates and internal and external consulting, the company's management believes there will be no material loss exceeding the provisions established in these financial statements and is not aware of circumstances that give rise to potentially significant obligations in this regard.

As of 6 June 2016, the company was subject to an inspection carried out by the European Commission - Directorate General for Competition under Art. 20 (4) of Council Regulation (EC) No 1/2003 on the implementation of the rules on competition laid down in Articles 81 and 82 of the EC Treaty, which became Articles 101 and 102 of the Treaty on the Functioning of the European Union. In 2020, the European Commission approved the Company's commitments to address concerns related to a possible breach of Article 102 of the Treaty on the Functioning of the European Union, namely:

- to provide a minimum export capacity of 1,75 billion cubic meters per year at the interconnection point between Romania and Hungary (Csanádpalota);
- to make available minimum export capacities of 3.7 billion cubic meters per year in total at two interconnection points between Romania and Bulgaria (Giurgiu / Ruse and Negru Vodă I / Kardam);
- to make sure that the tariffs to be proposed to the Romanian Energy Regulatory Authority (ANRE) will not make any difference between the export and the domestic markets, thus avoiding interconnection tariffs that render exports commercially non-feasible;
- refrain from using any other means of obstructing exports.

The company meets its commitments and, based on its own estimates, the company's management considers that there are no circumstances that would give rise to significant potential liabilities in this regard.

Following the conclusion of the arbitration proceedings with Bulgargaz EAD, the arbitral tribunal upheld Bulgargaz EAD's claim and ordered the restitution of the quantity of natural gas of 6.733.433 cm and, if restitution in kind is not possible, the reimbursement of the monetary equivalent of the linepack, and statutory interest (Note 20). The decision of the arbitral tribunal has been appealed and the action for annulment has been registered with the Bucharest Court of Appeal. The action for annulment was dismissed as unfounded. Transgaz lodged an appeal. The Court of Cassation of the Court of Justice has admitted Transgaz' appeal, the case being sent to the Bucharest Court of Appeal for retrial. For the retrial of the case, the Bucharest Court of Appeal upheld Transgaz' request and referred the case back to the arbitration court for retrial. Bulgargaz lodged an appeal

The dispute between ANRM and Transgaz was the subject of a tax inspection of the royalty which ended with the issuance of a mandatory order to pay two royalty rates, namely 10% and 0,4% of the value of domestic and international natural gas transmission services performed by the company. The company lodged a preliminary complaint against the mandatory provision no. 6006/250938/IEF/14.04.2022 issued by the Ministry of Finance, by which Transgaz S.A. was charged with the payment of the amount of 152,964,894 lei, representing the royalty due to the state budget and ancillaries. The preliminary complaint was upheld and the Ministry of Finance, by decision 82/P/2022, ordered the annulment in its entirety of binding order No 6006/250938/IEF/14.04.2022 and the issue of a new order taking into account the considerations put forward by the Ministry of Finance in the decision. Following decision no 85/P/2022 issued by the Ministry of Finance, binding order No 6009/253087/IEF of 14.12.2022 was issued, which only supplements the recitals of the first decision, maintaining the same amount payable by Transgaz. The company lodged a preliminary complaint against this new provision, which was rejected by the settlement body. An appeal was also lodged with the court, within the legal time-limit, against the administrative act consisting of mandatory order 6009/253087/IEF., seeking its full annulment. The application for the annulment of the mandatory injunction 6009 was decided on the merits by the Bucharest Court of Appeal, which rejected it. Transgaz lodged an appeal in which it claimed the illegality of Decision no. 27/P/12.09.2023 on the settlement of preliminary complaint No. 4538/13.01.2023, lodged by Transgaz against Mandatory Order No. 6009/253087/IEF/14.12.2022. The High Court of Cassation and Justice upheld Transgaz' appeal and referred the case back to the Bucharest Court of Appeal for retrial. It also rejected the plea of illegality of the Decision no. 27/P/12.09.2023.The Company paid in 2024 the amount of Lei 213.041.251 representing the above mentioned oil royalty and an additional amount for the period between Quarter 4 2020 and 25 July 2022, in order to eliminate, according to the provisions of GEO no. 107/2024, the risk of payment of the amount of Lei 65.452.508 representing accessories for the claim on the additional oil royalty, in case it loses the appeal in court. The amount of the petroleum royalty is recovered through the regulated revenue of natural gas transmission, through the component relating to the pass through costs but the amount of the accessorial amounts, not being recovered through the regulated revenue, would represent a loss for the company that was avoided by applying the mechanism approved by GEO 107/2024. Amending returns were also filed for the period not covered by the tax audit and comparatives were restated for this amount.

vi) Government policies in the gas sector in Romania

ANRE is an autonomous public institution and sets tariffs for the natural gas transmission activity charged by the company. It is likely that the Agency decides the implementation of changes of the government strategies in the gas sector, determining changes in the tariffs approved for the company and, thus, having a significant impact on the company's revenue. At the same time, the Romanian government could decide to change the royalty applied to the company for using the assets part of the public domain according to SCA.

Currently, the effects cannot be determined, if they exist, of the future government policies in the gas sector in Romania on the company's asset and liability.

There are various interpretations of the legislation in force. In certain situations, ANRE may treat differently certain aspects, proceeding to the calculation of additional tariffs and of delay penalties. The company's management believes that its obligations to ANRE are properly presented in these financial statements.

ANRE Order no.126/12.2021 approved the modification of the contractual clauses for the balancing activity and access to the PVT which allows the Company to terminate access to the virtual trading point (VTP) and to terminate balancing contracts, for network users who register cumulative imbalances of the Deficit type during the month higher than the guarantees established.

As of October 1, 2024, the natural gas transmission tariffs approved by ANRE Presidential Order No. 17 of May 29, 2024 shall apply. The approved regulated revenue for natural gas transmission during the period October 1, 2024 – December 31, 2025 is Lei 2.005.006.850.

As of October 1, 2025, the gas transmission tariffs approved by ANRE President Order no.22 of 05.06.2025 were applicable. The approved regulated revenue related to gas transmission between 1 October 2025 - 31 December 2026 is 2.301.699.490 lei.

According to GEO no. 119/1 September 2022 amending and supplementing Government Emergency Ordinance no. 27/2022 on measures applicable to end customers in the electricity and natural gas market for the period from 1 April 2022 to 31 March 2023, the natural gas transmission service provider is required to capitalise on a quarterly basis the additional costs for the procurement of natural gas incurred during the period from 1 January 2022 to 31 March 2025 to cover technological consumption, compared to the costs included in the regulated tariffs, and the assets resulting from the capitalisation shall be recognised in the accounting records and financial statements in accordance with the instructions issued by the Ministry of Finance.

By Order 111/24 August 2022, ANRE stipulates, as of 1 October 2022, that the mechanism ensuring cost and revenue neutrality of the TSOs take into account the following categories of costs and revenues:

a) costs and revenues of the TSO as a result of the payment or collection of imbalance charges under the provisions of the Network Code in relation to individual NUs;

b) costs and revenues arising from the purchase/sale of gas by the TSO for the physical balancing of the NTS, in compliance with the procedure on the operating limits of the NTS, approved by the TSO and endorsed by ANRE;

c) costs and revenues resulting from the activity of natural gas storage intended to ensure the physical balance of the transmission system in accordance with the provisions of Article 130(1) of the Law no. 123/2012 on electricity and natural gas, as amended;

d) costs arising from the taking out of a credit line to finance physical and commercial balancing activity;

e) costs and revenues arising from the contracting of balancing services, in accordance with the provisions of Article 832 of the Network Code and Article 6(3) b of Regulation (EU) No 312/2014.

vii) The military conflict in Ukraine

As of 24 February 2022, a military conflict is taking place on the territory of Ukraine. Gas flows can be redirected through the Negru Voda entry point and other interconnection points with transmission operators in Bulgaria and Hungary. The Company considers that no additional adjustments to those disclosed in the financial statements are necessary.

viii) The military conflict in the Middle East

At the end of February 2026, a significant geopolitical event occurred in the Middle East, leading to heightened regional tensions and increased uncertainty. As a result, there was a significant rise in market volatility, as well as fluctuations in energy, oil, and natural gas prices. Inflationary pressures, disruptions in global supply chains, and a slowdown in economic growth are anticipated.

The Company has no direct exposure to affiliates and/or customers or suppliers in the affected region.

30. FEES OF THE STATUTORY AUDITOR

In H I 2026, the contractual fees for the limited review of the Interim Separate and Consolidated Financial Statements, prepared in accordance with International Standard on Review Engagements 2410, for the six-month period ended 30 June 2026, amount to Lei 110.493, services provided by Ernst & Young Assurance Services SRL (‘E&Y’).

Other non-audit services for 2026 provided by Ernst & Young Assurance Services SRL (“E&Y”) amounted to Lei 11.077. The non-audit services contracted by the Company are for statutory audit of transactions reported pursuant to Art. 225 of Law 297/2004.

31. REVENUE AND COSTS FROM THE CONSTRUCTION OF ASSETS

In accordance with IFRIC 12 the revenue and costs of network construction should be recognized in accordance with IFRS 15 Revenue from Contracts with Customers.

	The six months ended 30 June 2026 (unaudited)	The six months ended 30 June 2025 (unaudited)
Revenue from the construction activity according to IFRIC12	104.264.053	451.111.690
Cost of assets constructed according to IFRIC12	(104.264.053)	(451.111.690)

The related costs were equal to the revenue, the company did not obtain any profit from the construction activity.

More than 90% of the construction works are carried out by third companies, under contracts concluded as a result of public procurement procedures by electronic public procurement system, with the cost of the works approximating fair value.

32. EVENTS SUBSEQUENT TO THE BALANCE DATE

On 1 July 2026, the amount of Lei 11.997.957,84 was received as a grant for the Gherceşti Jitaru project.

By Resolution No. 4 of the Extraordinary General Meeting of Shareholders dated 21 July 2026, the shareholders preliminarily endorsed the 2026-2032 “Development Plan for the National Natural Gas Transmission System” in order to submit it to the National Energy Regulatory Authority for approval.

On 31 July 2026, the Company concluded an amendment to the Credit Facility Agreement dated 31 July 2024 with the syndicate of banks consisting of Banca Transilvania SA, Banca Comercială Română SA, Raiffeisen Bank SA, Unicredit Bank SA, and CEC Bank SA to extend the drawdown period from 31 July 2026 to 31 December 2027 (Note 16).

On 12 august 2026 the Company entered into a loan agreement with Banca Transilvania SA in the amount of EUR 300 million, with a 15-year term, a 3-year grace period for principal repayment, and a variable interest rate, to finance major natural gas infrastructure projects.

Chairman of the Board of Administration
Nicolae Minea

Director-General
Ion Sterian

Chief Financial Officer
Marius Lupean

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Shape the future
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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of SNTGN Transgaz SA

Introduction

We have reviewed the accompanying interim consolidated financial statements of SNTGN Transgaz SA and its subsidiaries (together "the Group") for the six months months periods ended 30 June 2026, which comprise the interim consolidated statement of financial position as at 30 June 2026, and the interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six months period then ended, and and notes to the interim consolidated financial statements, including a summary of material accounting policy information.

Management is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with the Order of the Ministry of Public Finance 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent amendments ("OMPF 2844/2016"). Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements are not prepared, in all material respects, in accordance with OMPF 2844/2016.

On behalf of

Ernst & Young Assurance Services SRL
15-17, Ion Mihalache Blvd., floor 21, Bucharest, Romania

Registered in the electronic Public Register under No. 77

Name of the Auditor/ Partner: Cojocaru Iuliana Verona
Registered in the electronic Public Register under No. 1568

Bucharest, Romania
12 august 2026

The English version of the review report represents a translation of the original review report issued in Romanian language. The Romanian language version is the official version.

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REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

To the shareholders of SNTGN Transgaz SA

Introduction

We have reviewed the accompanying interim separate financial statements of SNTGN Transgaz SA for the six months periods ended 30 June 2026, which comprise the interim statement of financial position as at 30 June 2026, and the interim statement of comprehensive income, interim statement of changes in equity and interim statement of cash flows for the six months period then ended, and and notes to the interim separate financial statements, including a summary of material accounting policy information.

Management is responsible for the preparation and presentation of these interim separate financial statements in accordance with the Order of the Ministry of Public Finance 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent amendments ("OMPF 2844/2016"). Our responsibility is to express a conclusion on these interim separate financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements are not prepared, in all material respects, in accordance with OMPF 2844/2016.

On behalf of

Ernst & Young Assurance Services SRL
15-17, Ion Mihalache Blvd., floor 21, Bucharest, Romania

Registered in the electronic Public Register under No. 77

Name of the Auditor/ Partner: Cojocaru Iuliana Verona
Registered in the electronic Public Register under No. 1568

Bucharest, Romania
12 august 2026

The English version of the review report represents a translation of the original review report issued in Romanian language. The Romanian language version is the official version.

STATEMENT OF RESPONSIBLE PERSONS

According to the provisions of Art. 67 (2) (c) of Law 24/2017 on the issuers of financial instruments and market operations and Art. 223 (B) (1) (c) of the Financial Supervisory Authority Regulation No. 5/2018, on the issuers of financial instruments and market operations, we declare the following:

- To the best of our knowledge, the half year simplified financial statements as at 30 June 2026 were prepared in compliance with the International Financing Reporting Standards adopted by the European Union and offer a true and correct image of the assets, liabilities, financial position, profit and loss account of the Company;
- The Report Issued by the Board of Administration presents in a correct and comprehensive manner the information on the issuer.

Nicolae MINEA - Non-Executive Administrator – Chairman of the Board of Administration

Ion STERIAN– Director - General, Executive Administrator

Adina Lăcrimioara HANZA - Non-executive Administrator

Ilinca VON DERENTHALL - Non-executive Administrator

MIHALACHE Costin - Non-executive Administrator