

CNTEE Transelectrica SA
Company managed by two-tier system

Preliminary Stand-alone Financial Statements
as of and for the year ending on
31 December 2023

- Unaudited -

Drafted in accordance with
Order of the Minister of Public Finance No 2844/2016
approving the Accounting Rules
in accordance with International Financial Reporting Standards,
as subsequently amended and supplemented

CNTEE Traselectrica SA

Preliminary separate statement of financial position as at 31 December 2023 - Unaudited
(All amounts are in LEI unless otherwise indicated)

| | 31 December 2023 | 31 December 2022 |
|---|-------------------------|-------------------------|
| Assets | | |
| Non-current assets | | |
| Tangible assets | 5,389,917,578 | 4,001,791,825 |
| Assets related to the usage rights of assets under leasing - buildings | 13,916,419 | 21,868,658 |
| Intangible assets | 282,257,042 | 337,701,123 |
| Financial assets | 85,767,355 | 86,000,088 |
| Total non-current assets | 5,771,858,394 | 4,447,361,694 |
| Current assets | | |
| Inventories | 51,084,832 | 42,047,194 |
| Trade and other receivables | 2,114,517,530 | 3,340,471,542 |
| Income tax to be recovered | - | 3,988,973 |
| Other financial assets | - | - |
| Cash and cash equivalents | 519,358,908 | 315,146,396 |
| Total current assets | 2,684,961,270 | 3,701,654,105 |
| Total assets | 8,456,819,664 | 8,149,015,799 |
| Shareholders' equities and liabilities | | |
| Shareholders' equities | | |
| Share capital, of which: | 733,031,420 | 733,031,420 |
| - <i>Subscribed share capital</i> | 733,031,420 | 733,031,420 |
| Share premium | 49,842,552 | 49,842,552 |
| Legal reserves | 146,606,284 | 146,606,284 |
| Revaluation reserves | 1,624,046,923 | 703,232,784 |
| Other reserves | 177,306,220 | 39,310,392 |
| Retained earnings | 2,430,218,751 | 2,196,479,419 |
| Total shareholders' equities | 5,161,052,150 | 3,868,502,851 |
| Non-current liabilities | | |
| Non-current deferred revenues | 550,602,580 | 439,025,206 |
| Borrowings | 31,906,178 | 55,587,774 |
| Other loans and similar liabilities - Building leasing - long term | 6,481,491 | 14,754,992 |
| Deferred tax liabilities | 282,524,634 | 107,408,732 |
| Employee benefit obligations | 70,533,349 | 70,533,349 |
| Total non-current liabilities | 942,048,232 | 687,310,053 |

CNTEE Tranelectrica SA

Preliminary separate statement of financial position as at 31 December 2023 - Unaudited
(All amounts are in LEI unless otherwise indicated)

| | 31 December 2023 | 31 December 2022 |
|--|-------------------------|-------------------------|
| Current liabilities | | |
| Trade and other liabilities | 2,230,217,146 | 3,372,266,925 |
| Other loans and similar liabilities - Building leasing - short term | 8,641,987 | 8,431,424 |
| Other taxes and social security liabilities | 18,507,735 | 12,718,537 |
| Borrowings | 24,528,217 | 92,249,024 |
| Provisions | 58,823,107 | 68,174,547 |
| Current deferred revenues | 1,893,179 | 39,362,438 |
| Payable income tax | 11,107,911 | - |
| Total current liabilities | 2,353,719,282 | 3,593,202,895 |
| Total liabilities | 3,295,767,514 | 4,280,512,948 |
| Total shareholders' equities and liabilities | 8,456,819,664 | 8,149,015,799 |

DIRECTORATE,

| | | | |
|--|--|---|-------------------------------------|
| Chairman Stefăniță MUNTEANU | Member Florin-Cristian TĂTARU | Member Cătălin-Constantin NADOLU | Member Bogdan TONCESCU |
|--|--|---|-------------------------------------|

Director Economic and Financial Department

Ana-Iuliana DINU

Accounting Department Manager

Georgiana-Beatrice ȘTEFAN

CNTEE Transelectrica SA

Preliminary separate income statement for the year ended 31 December 2023 - Unaudited
(All amounts are in LEI unless otherwise indicated)

| | 2023 | 2022 |
|---|------------------------|------------------------|
| Revenues | | |
| Transmission revenues | 1,956,077,230 | 1,884,908,784 |
| System service revenues | 390,649,477 | 533,615,814 |
| Revenues from the balancing market | 2,270,656,986 | 3,478,995,282 |
| Other revenues | 103,146,666 | 388,937,976 |
| Total revenues | 4,720,530,359 | 6,286,457,856 |
| Operating expenses | | |
| System operation expenses | (640,437,281) | (901,663,440) |
| Balancing market expenses | (2,270,260,716) | (3,479,716,063) |
| Expenses regarding technological system services | (499,228,876) | (466,608,039) |
| Amortisation | (335,417,108) | (271,601,694) |
| Personnel expenses | (336,228,025) | (306,389,734) |
| Repairs and maintenance | (112,793,677) | (108,250,673) |
| Materials and consumables | (8,109,699) | (13,159,965) |
| Other operational expenses | (269,269,369) | (144,988,830) |
| Total operating expenses | (4,471,744,751) | (5,692,378,438) |
| Operating revenues | 248,785,608 | 594,079,418 |
| Financial revenues | 35,900,320 | 65,189,878 |
| Financial expenses | (31,292,745) | (71,883,403) |
| Net financial result | 4,607,575 | (6,693,525) |
| Profit before income tax | 253,393,183 | 587,385,893 |
| Income tax | 34,572,482 | (72,813,152) |
| Profit for the time interval | 218,820,701 | 514,572,741 |
| Basic and diluted earnings per share (lei/share) | 2.985 | 7.020 |

DIRECTORATE,

Chairman
Stefăniță
MUNTEANU

Member
Florin-Cristian
TĂTARU

Member
Cătălin-Constantin
NADOLU

Member
Bogdan
TONCESCU

Director Economic and Financial Department

Ana-Iuliana DINU

Accounting Department Manager

Georgiana-Beatrice ȘTEFAN

CNTEE TRANSELECTRICA SAPreliminary stand-alone cash flow statement for the year ending on 31 December 2023 - Unaudited
(All amounts are expressed in LEI unless otherwise provided)

| | 2023 | 2022 |
|--|----------------------|----------------------|
| Cash flows from operating activities | | |
| Profit for the period | 218,820,701 | 514,572,741 |
| Adjustments for: | | |
| Income tax expense | 34,572,482 | 72,813,152 |
| Amortisation expense (including additional OTC) | 335,417,108 | 271,601,694 |
| Revenues from the production of intangible assets (including additional OTC) | (13,760,418) | (338,526,677) |
| Expenses on impairment allowances for trade receivables | 31,664,485 | 2,496,172 |
| Reversal of adjustments for impairment of trade receivables | (3,766,254) | (14,800,619) |
| Losses on receivables and sundry debtors | 2,856,437 | 410,765 |
| Net expense/revenues on impairment allowances of sundry debtors | 24,658,642 | 9,067,818 |
| Net revenues/expenses with inventory impairment allowances | (1,310,251) | 272,694 |
| Net profit/loss on sale of tangible assets | 437,717 | 736,980 |
| Net expenses for value adjustments regarding tangible assets | 17,612,352 | (3,162,363) |
| Net revenues relating to provisions for risks and expenses | (9,908,530) | 16,260,508 |
| Interest expense, interest revenues and unearned revenues from exchange rate differences | (4,881,108) | 5,207,364 |
| Cash flows before changes in current capital | 632,413,363 | 536,950,229 |
| Changes in: | | |
| Clients and assimilated accounts - electricity and other activities | 1,243,726,798 | (420,987,095) |
| Clients - balancing | (60,593,277) | 2,619,553 |
| Clients - cogeneration | (12,595,337) | 76,309,490 |
| Inventories | (7,727,387) | (2,380,191) |
| Trade and other liabilities - electricity and other activities | (1,092,088,813) | 502,795,307 |
| Liabilities – balancing | 35,803,004 | 33,156,405 |
| Liabilities - cogeneration | 95,539,493 | (181,342,848) |
| Other tax and social security liabilities | 5,789,198 | (1,605,124) |
| Deferred revenues | 94,959,115 | 1,954,727 |
| Cash flows from operating activities | 935,226,157 | 547,470,453 |
| Interest paid | (3,090,121) | (7,412,980) |
| Income tax paid | (32,618,616) | (62,266,911) |
| Net cash generated from operating activities | 899,517,420 | 477,790,562 |
| Cash flows used in investment activity | | |
| Acquisitions of tangible and intangible assets | (668,452,521) | (461,855,439) |
| Exit from shareholding of SELENE CC Societe Anonyme | 242,140 | - |
| Proceeds from EC non-reimbursable financing | 117,144,828 | 9,582,823 |
| Earned Interest | 6,051,521 | 2,664,622 |
| Earned Dividends | 1,988,071 | 1,534,971 |
| Proceeds from the sale of tangible assets | 1,771,600 | 156 |
| Net cash used in investments | (541,254,361) | (448,072,867) |
| Cash flows used in financing | | |
| Repayments of non-current borrowings | (23,850,498) | (23,753,139) |
| Usage of working capital credit line | - | - |
| Short-term loan repayments | - | 67,617,751 |
| Building leasing payments | (67,617,751) | - |
| Dividends paid | (10,581,712) | (10,575,197) |
| Usage of working capital credit line | (52,000,586) | (85,856) |

CNTEE TRANSELECTRICA SA

Preliminary stand-alone cash flow statement for the year ending on 31 December 2023 - Unaudited
(All amounts are expressed in LEI unless otherwise provided)

| | | |
|---|----------------------|--------------------|
| Net cash used in financing | (154,050,547) | 33,203,559 |
| Net growth(decrease) of cash and cash equivalents | 204,212,512 | 62,921,254 |
| Cash and cash equivalents on 1 January | 315,146,396 | 252,225,142 |
| Cash and cash equivalents at the end of the period | 519,358,908 | 315,146,396 |

DIRECTORATE,

| | | | |
|-----------------------|---------------------------|------------------------------|--------------------|
| Chairman | Member | Member | Member |
| Stefăniță MUNTEANU | Florin-Cristian TĂTARU | Cătălin-Constantin NADOLU | Bogdan TONCESCU |

Director Economic and Financial Department

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