

**To the: Bucharest Stock Exchange – Department of Operations Issuers Regulated Markets  
Financial Supervision Authority - General Directorate Supervision - Issuers Division**

**Communiqué as per the provisions of Law 24/2017, ASF Regulation 5/2018 and the BVB Code**

Date of the communiqué: **13 August 2021**

Name of Issuer Company: **NPG TRANSELECTRICA SA, Managed under Two-tier System**

Headquarters: Blvd. Gheorghe Magheru 33, Bucharest 1

Working location: Str. Olteni 2-4, Bucharest 3

Phone / fax numbers: 021 30 35 611/021 30 35 610

Single registration code: 13328043

Number in the Trade Register: J40/8060/2000

Share capital subscribed and paid: 733.031.420 RON

LEI Code: 254900OLXCOUQC90M036

Regulated market where the issued securities are transacted: Bucharest Stock Exchange

**Important event to report: Summary of financial results from H1 2021**

**Reporting includes:**

- Stand-alone Interim Simplified Financial Statements not audited on 30 June 2021
- Consolidated Simplified Interim Financial Statements not audited on 30 June 2021
- Semestrial Report about the activities of NPG Transelectrica SA in January-June 2021

Total operational revenues of Transelectrica registered 30% growth compared to the same period of last year (RON 1,422 mn in H1 2021 against RON 1,090 mn in H1 2020), mainly determined by higher electricity quantity delivered to consumers, higher average transmission tariff and greater balancing market revenues.

Total operational expenses (depreciation included) also registered 37% growth compared to the same period of last year, when they recorded decrease determined by diminished overall activity because of the COVID-19 pandemic.

Thus on 30 June 2021 the Company registered gross profit amounting to RON 121 mn.

Compared to the same period of the previous year, the total electricity quantity transmitted in semester I 2021 increased about 7.7% (28.28 TWh in H1 2021 against 26.26 TWh in H1 2020) simultaneously with greater expenses for one's technological consumption (OTC), 55% (RON 63 mn) higher compared to semester I 2020, mainly because of almost 80% higher average price of the electricity procured on the Day Ahead Market in semester I 2021 compared to the same period of 2020.

OTC within PTG grew about 28% compared to the same interval of 2020 because of disadvantageous distribution of physical flows on interconnection lines and of bad meteorological conditions in April and June, which determined higher corona losses; losses increased from 2.21% to 2.50% as compared to the electricity introduced into the PTG outline.

The Company management apply prudent approach towards reducing Company costs, taking into consideration the most important factors with a view to make certain no economic loss will be recorded.

One of the main concerns of Company management is the permanent consolidation and extension of the transmission infrastructure by upgrading it using the state-of-the-art technologies and thus provided the necessary conditions so as the electricity transmission grid can comply with current and future market requirements.

Transelectrica has launched a wide upgrade & development plan in order to comply with the requirements of technical and operational regulations of SEN and ENTSO-E, which is rigorously devised in technical and economic terms since it will enable performing the Company's fundamental mission to provide safe operation of SEN and develop the country's power infrastructure.

To support the above statements investment expenses made in H1 2021 amounting to RON 242 mn grew 95.9% compared to the investment expenses made in the same interval of last year.

**Segment of profit allowed activities:** The main area of basic activities (transmission and SEN dispatch) registered 9% revenue increase, mainly determined by higher electricity quantity delivered to consumers, with indexed ANRE-approved average tariff for transmission services.

Beginning with 1 January 2021 the system functional service component was integrated into transmission services, therefore in the time period before 1 January 2021 a cumulated tariff was calculated for transmission, which means a virtual theoretical tariff calculated by summing up tariffs of profit allowed activities, namely transmission and system functional services (the two tariffs were applied to the same electricity quantity taken out of the network).

**Segment of pass-through activities:** The main area of zero profit activities registered 54% growth (RON 787 mn on 30 June 2021 against RON 509 mn on 30 June 2020), mainly determined by RON 303 mn increase of balancing market revenues (from RON 166 mn on 30 June 2020 to RON 469 mn on 30 June 2021).

In accordance with ANRE regulations non-null monthly balances (revenue surpluses) resulted from such activities will be compensated by ex-post (negative) tariff correction applied by ANRE in the tariff of years after that when such balances were registered.

Rating Ba1 (Corporate Family Rating) with positive outlook granted by Moody's Investors Service shows that Transelectrica has sound financial profile, with low indebtedness and strong stable predictable financial values.

	M.U.	H1 2021	H1 2020	Δ
<b>Financial</b>				
Charged energy volume	[TWh]	28.28	26.26	▲ 8%
<b>PROFIT ALLOWED ACTIVITIES</b>				
Total revenues	[RON mn]	635	581	▲ 9%
Average transmission tariff (achieved)	[Lei/MWh]	20.49	17.91	▲ 14%
Transmission revenues and other electricity market activities	[RON mn]	612	507	▲ 21%
EBITDA	[RON mn]	214	236	▼ 9%
Depreciation	[RON mn]	130	136	▼ 4%
EBIT	[RON mn]	84	100	▼ 16%
<b>ZERO PROFIT ACTIVITIES</b>				
EBIT	[RON mn]	39	45	▼ 13%
<b>ALL ACTIVITIES (PROFIT ALLOWED AND ZERO PROFIT)</b>				
EBIT	[RON mn]	123	145	▼ 15%
Net profit	[RON mn]	104	116	▼ 10%
<b>Operational</b>				
Net internal consumption	[TWh]	29.2	27.2	▲ 7%
Net internal output	[TWh]	29.4	26.0	▲ 13%
Net export	[TWh]	0.2	-1.1	n/a

The Report on the activities of NPG Transelectrica SA in January-June 2021 and the stand-alone and consolidated financial statements, not audited on 30 June 2021 are available as of 13 August 2021, as follows:

- Online, on the website [www.transelectrica.ro](http://www.transelectrica.ro), section Investor Relations Periodical Reporting/Reports, namely <https://www.transelectrica.ro/rapoarte-2021>;
- At Company offices: Str. Olteni 2-4, Bucharest 3;

**Bogdan TONCESCU**

**Executive Director General  
Directorate Chairman**

**Adrian MORARU**

**Directorate Member**