



**Transelectrica®**

Societate Administrată în Sistem Dualist

**Compania Națională de Transport al Energiei Electrice**

Transelectrica SA - Punct de lucru: Str. Olteni, nr. 2-4, C.P. 030786, București  
România, Număr înregistrare: Oficiul Registrului Comerțului J40/8060/2000,  
Cod Unic de înregistrare 13328043 Telefon +4021 303 56 11, Fax +4021 303 56 10  
Capitalul subscris și vărsat: 733.031.420 Lei

[www.transelectrica.ro](http://www.transelectrica.ro)

**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 BSE Code**

Date of the communiqué: **November 12, 2021**

Name of Issuer Company: **NPG Co. TRANSELECTRICA SA, company managed under two-tier system**

Headquarters: Bucharest 1, Blvd. Gheorghe Magheru 33

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

Phone/fax numbers: 004 (0)21 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 Q3 2021**

**The report includes:**

- Stand-alone Interim Simplified Financial Statements not audited on 30 September 2021
- Quarterly report on the activity of NPG Co. Transelectrica SA during January-September 2021

Transelectrica's total operational revenues increased by 37% compared to the same period of the previous year (RON 2,282 mn in 9M 2021 compared to RON 1,664 mn in 9M 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 increased by 49% compared to the same period of the previous year when they recorded decrease determined by diminished overall activity because of the COVID-19 pandemic, simultaneously with the increase of the 2021 electricity purchase prices but also with the applicable legislative amendments starting with July 1, 2021, namely the provisions of ANRE Order no. 82/2021.

Compared to the same period of the previous year, the total electricity quantity transmitted in 9M 2021 increased about 6% (41.93 TWh in 9M 2021 compared to 39.48 TWh in 9m 2020) simultaneously with greater expenses for one's technological consumption (OTC), 63% (+ RON 109 mn), mainly due to the average price of the electricity procured on the Day Ahead Market which was more than twice higher in January-September 2021 compared to the similar period in the previous year, significantly exceeding the values recorded in recent years.

OTC within RET grew about 20% compared to the same period in 2020 because of disadvantageous distribution of physical flows on interconnection lines and the increase of transmitted energy by 4%, but also the unfavorable weather conditions in certain months of the analyzed period, determining higher corona losses. Losses increased from 2.15% to 2.48% as compared to the energy introduced into the RET outline.

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 9M 2021 amounting to RON 379.5 mn increased by 60% compared to the investment expenses made in the same interval of last year.

Starting with October 19, 2021, the Company improved its rating (Corporate Family Rating) to Baa3, the outlook changing from positive to stable. The rating given shows that Transelectrica has a solid financial profile with a low level of indebtedness and strong, stable and predictable financial values.

**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 higher ANRE approved average tariff for transmission services.

Beginning with 1 January 2021 the functional system 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 zero profit activities:** The main area of zero profit activities registered a positive result amounting to RON 32 mn (mainly determined by the change of the regulatory framework regarding the settlement rules on the balancing market), decreasing compared to the result of RON 80 mn of the same period last year.

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.

The current situation of the wholesale electricity prices is fundamentally different from the situation in 2020 (strongly influenced by the Covid-19 pandemic) and from the situation in previous years. The difference is significant and is obvious in Europe-wide, not only in Romania. In this respect, the evolution of wholesale energy prices on the European spot market can be observed. The situation at European level has deteriorated rapidly since the beginning of the year, with energy stress being unprecedented, especially for electricity and natural gas, fuels for electricity production.

Indicators	M.U.	9M 2021	9M 2020	Δ
<b>Financial</b>				
Charged energy volume	[TWh]	41.93	39.48	▲ 6%
<b>PROFIT-ALLOWED ACTIVITIES</b>				
Total revenues	[RON mn]	952	876	▲ 9%
Average transmission tariff (achieved)	[RON/MWh]	20.45	19.95	▲ 3%
EBITDA	[RON mn]	264	321	▼ 18%
Amortisement	[RON mn]	196	202	▼ 3%
EBIT	[RON mn]	68	119	▼ 43%
<b>ZERO PROFIT ACTIVITIES</b>				
EBIT	[RON mn]	32	80	▼ 61%
<b>ALL ACTIVITIES (PROFIT-ALLOWED AND ZERO PROFIT)</b>				
EBIT	[RON mn]	100	199	▼ 50%
Net profit	[RON mn]	81	152	▼ 47%
<b>Operational</b>				
Net internal consumption	[TWh]	43.4	40.9	▲ 6%
Net internal production	[TWh]	42.4	39.2	▲ 8%
Net import	[TWh]	1.0	1.7	▼ 45%

The report about the activities of NPG Co. Transelectrica SA in January-September 2021 and the Stand-alone Interim non-audited Financial Statements as of September 30, 2021 are available beginning with November 12, 2021:

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

**Bogdan TONCESCU**

**Executive Director General  
Directorate Chairman**

**Adrian MORARU**

**Directorate Member**