



# Transelectrica SA

**Transmission and System Operator**  
of the Romanian Electrical Power System

We lead the power

**Financial results**

**2023**

(01.01.2023 – 31.12.2023)

unconsolidated accounts

## Purpose, disclaimer and other cautionary statements

### DOCUMENT PURPOSE:

This presentation has been prepared with the sole intention to facilitate the understanding of Transelectrica’s operational and financial results by the general investing public (shareholders, creditors, analysts, financial media). Therefore it is of a purely informative nature. **This presentation is not an offer, invitation or a recommendation to trade in securities issued by the Company.** The detailed financial statements and the full reports prepared in accordance with capital market regulations are available online at [www.transelectrica.ro](http://www.transelectrica.ro).

### FINANCIAL NUMBERS (preliminary):

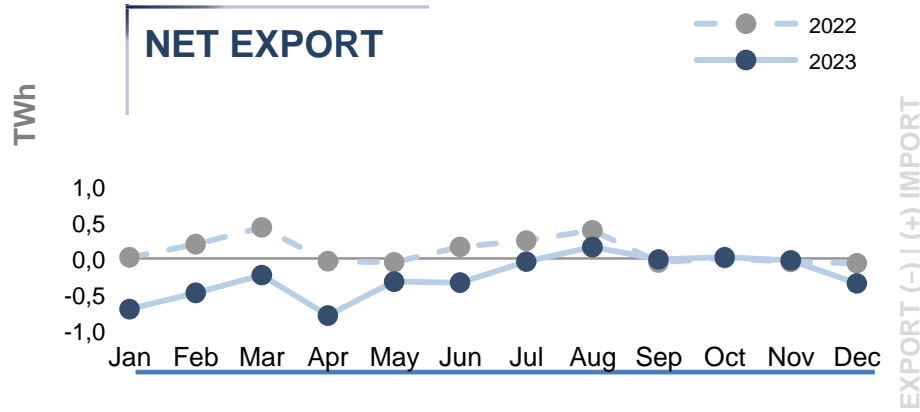
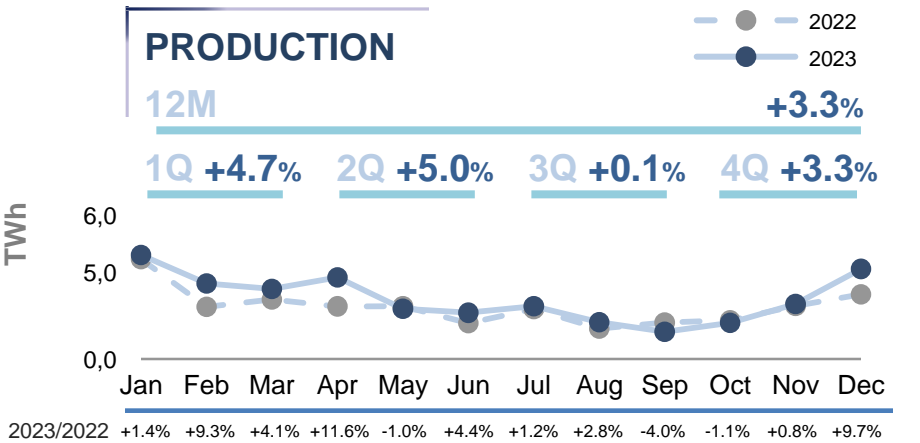
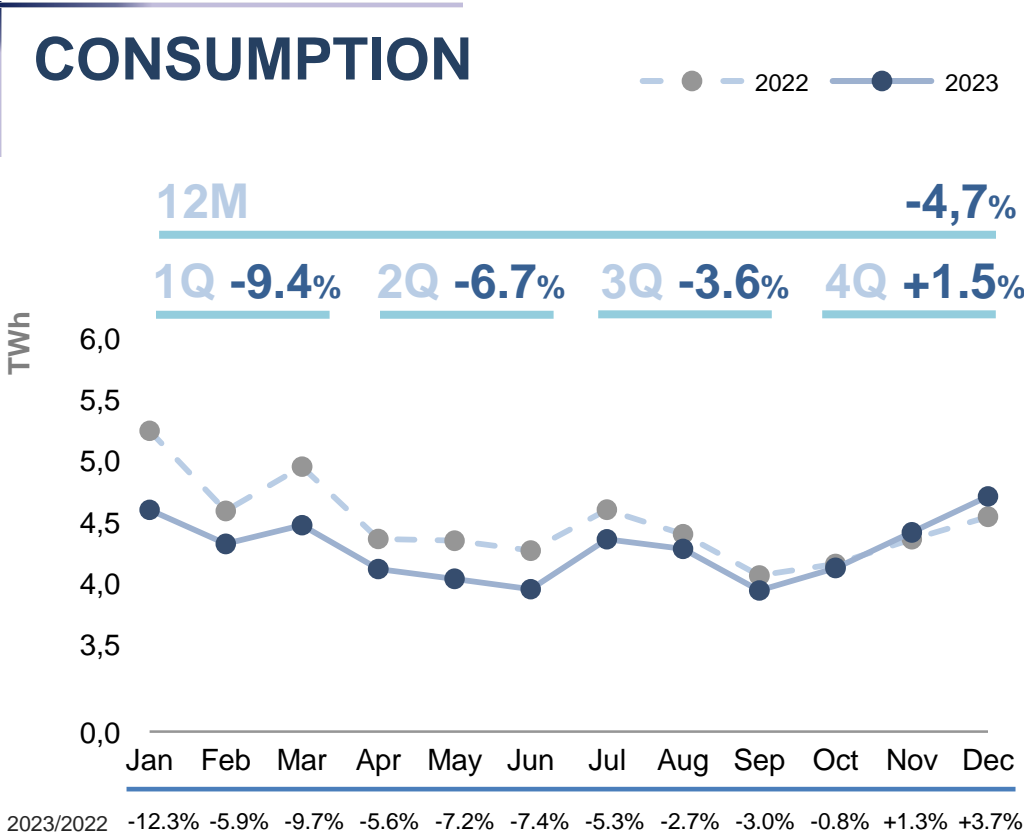
<i>reporting period:</i>	1 <sup>st</sup> January 2023 – 31 <sup>st</sup> December 2023
<i>reporting standard:</i>	International Financial Reporting Standards (IFRS)
<i>basis/scope:</i>	standalone (unconsolidated)
<i>external audit:</i>	audited
<i>rounded numbers:</i>	for ease of reading, certain figures used in this presentation (tables and charts) are displayed in millions and rounded to such unit or to one or two decimals. In some cases this leads to minor differences between totals and the sum of the individual elements (rounding errors)

### LANGUAGE DISCLAIMER:

This document represents the English-language version of the original Romanian-language document. The English version has been created for English readers’ convenience. Reasonable efforts have been made to provide an accurate translation, however, discrepancies may occur. The Romanian version of this document is the original official document. If any questions arise related to the accuracy of the information contained in the English version, please refer to the Romanian version of the document.

Domestic demand -4.7% y.o.y.

Domestic production +3.3% y.o.y.



Consumption and generation numbers do not include power plants' own electricity consumption. Consumption includes (i) energy losses in transmission and distribution networks, and (ii) consumption for hydro pumped storage. Cross-border net flow is calculated based on physical flows (import-export).

Operations | Revenues

Operational revenues

ALL OPERATIONS      PROFIT-ALLOWED OPERATIONS

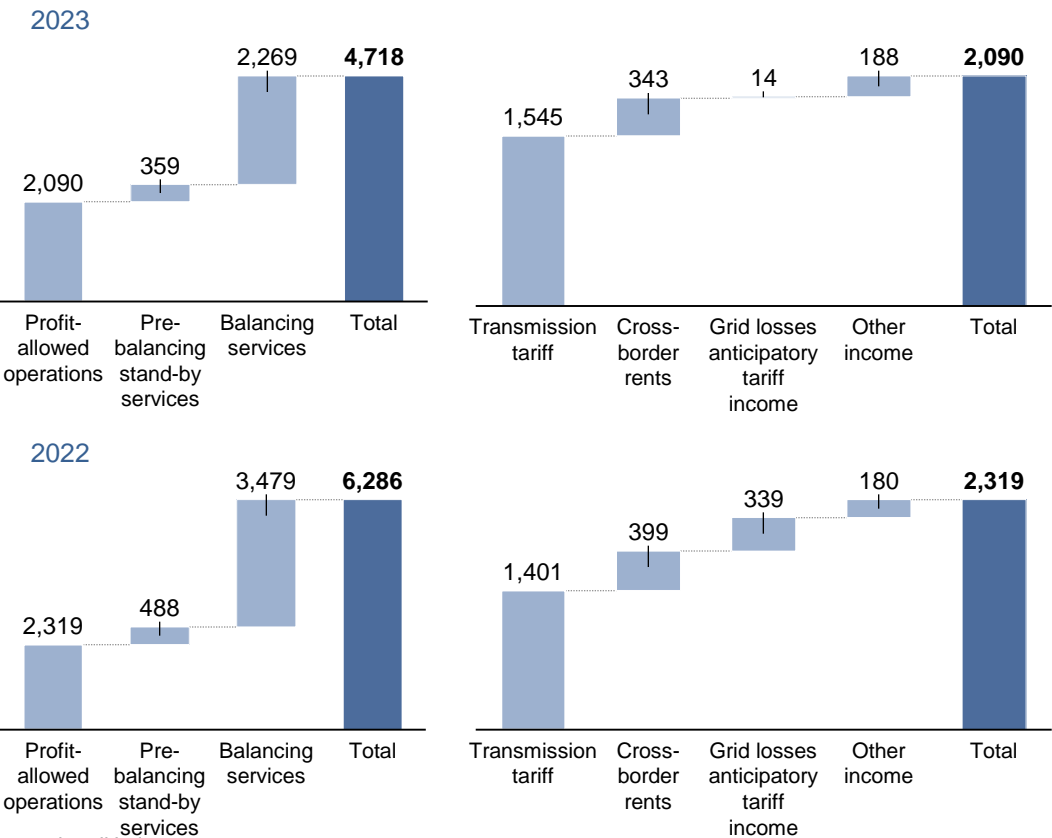
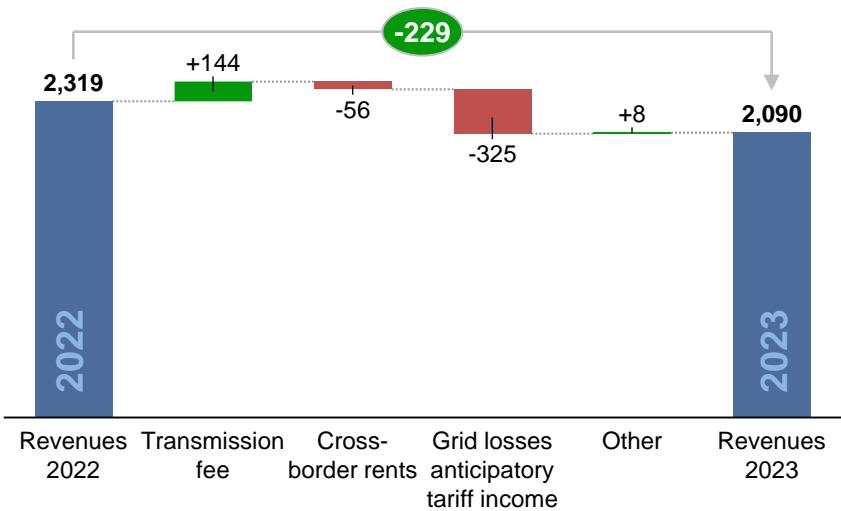


Chart unit: mil Lei

Operational revenues

PROFIT-ALLOWED OPERATIONS: BREAKDOWN



DRIVERS BEHIND THE DECLINE IN REVENUES

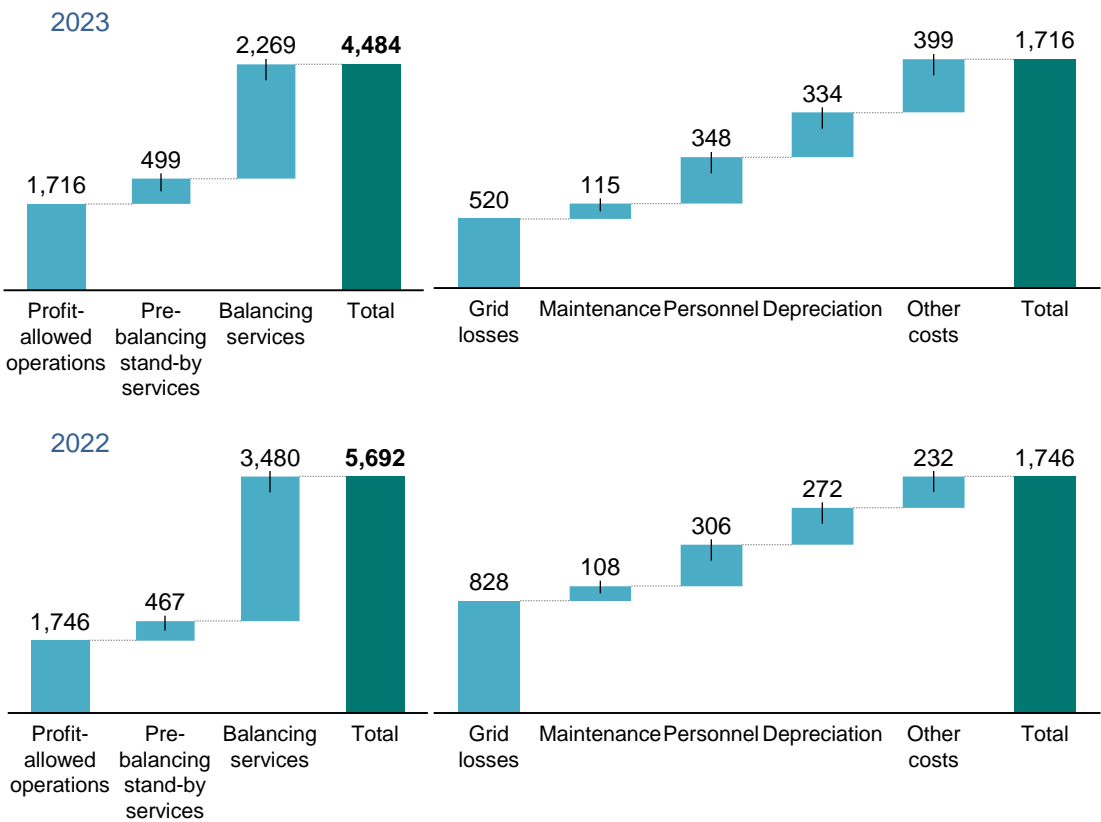
- ▼ Lower grid losses anticipatory income reflecting declining energy costs
- ▼ Lower cross-border capacity income
- ▲ Higher tariff revenue. Higher tariff (+14%) offset lower volumes (-3%)

Operations | Costs

Operational expenses

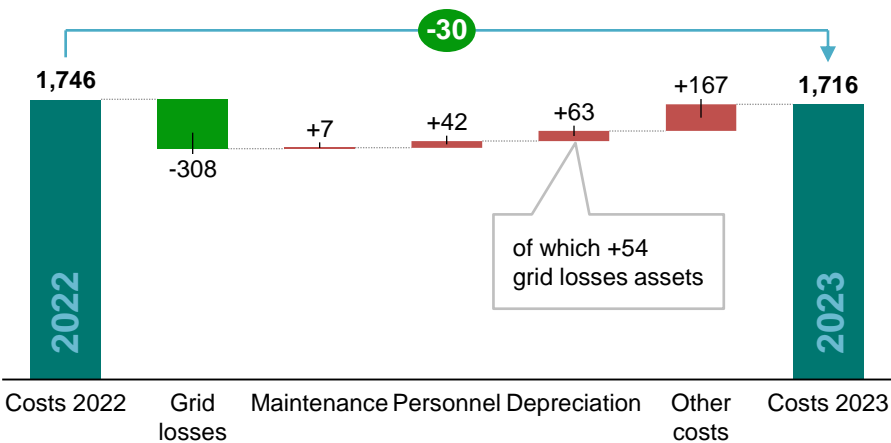
ALL OPERATIONS

PROFIT-ALLOWED OPERATIONS



Operational expenses

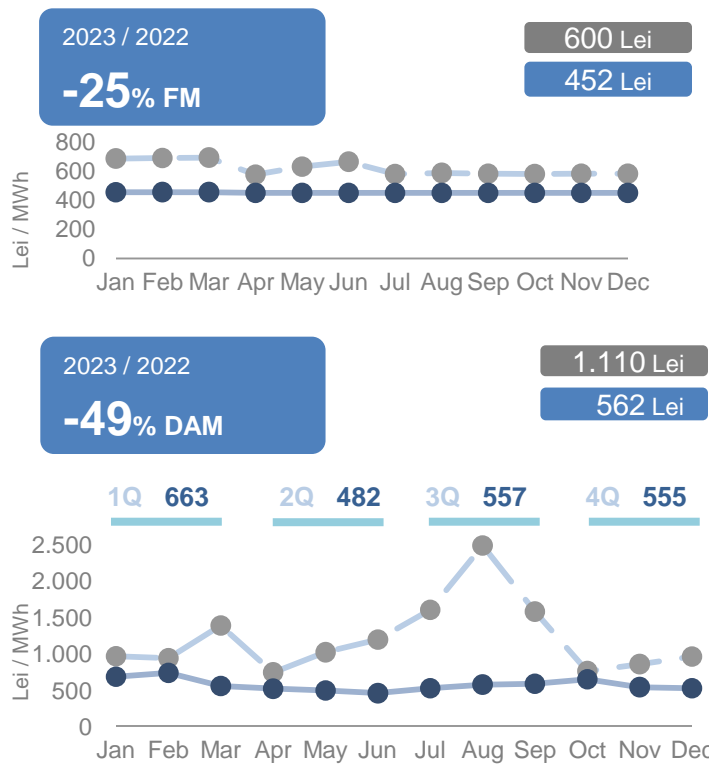
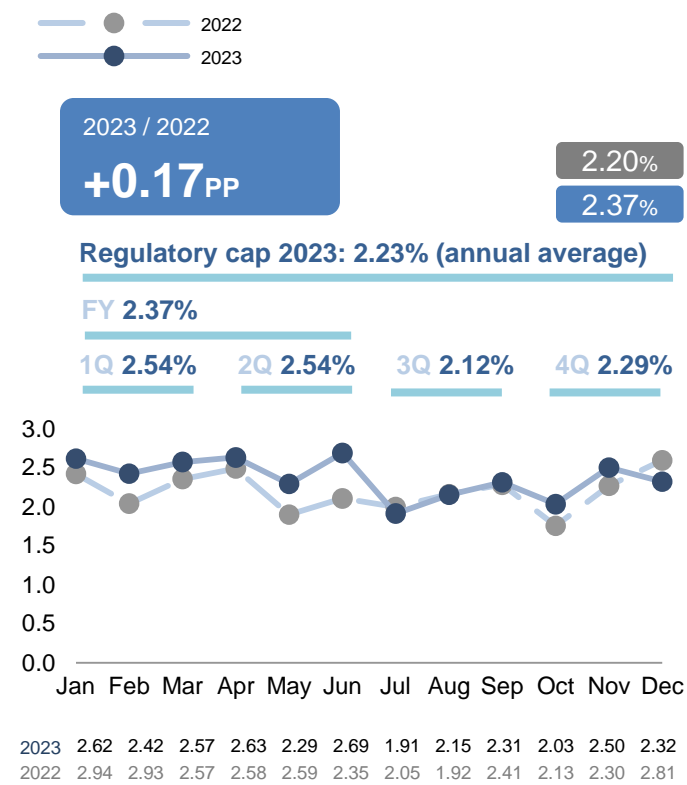
PROFIT-ALLOWED OPERATIONS: BREAKDOWN



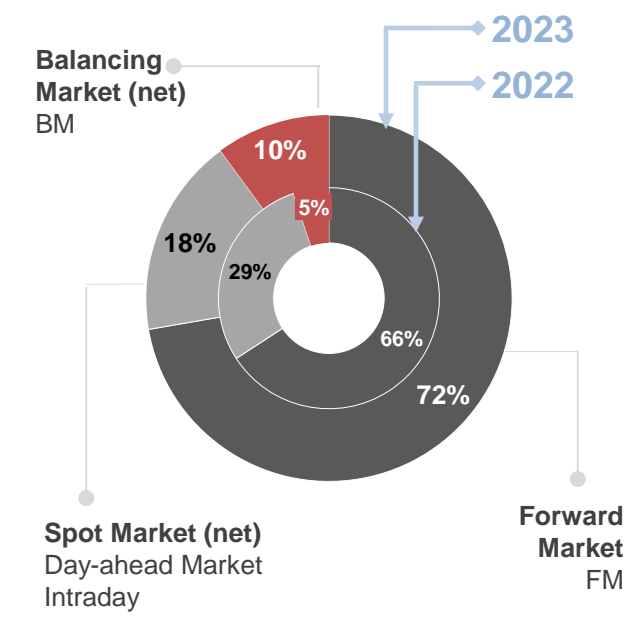
DRIVERS BEHIND THE EVOLUTION OF COSTS

- ▼ Grid losses (lower purchase prices both in the open market and in the Government-designed contractual framework for the forward purchase of electricity at a fixed price of 450 Lei/MWh)
- ▲ Depreciation (mainly due to grid losses assets created in 2022)
- ▲ Other costs - cross-border transit costs (Inter-TSO-Compensation), asset revaluation losses, taxes, liabilities to former company directors, receivable write-offs

Chart unit: mil Lei



Operational costs | grid losses



GRID LOSSES

**42.15 TWh**  
GRID IN-TAKE VOLUME IN 2023

**41.15 TWh**  
GRID OFF-TAKE VOLUME IN 2023

**2.37% (1.00TWh)**  
GRID LOSSES 2023

PRICES PAID PER MARKET

**452 Lei/MWh (▼ 25%)**  
FORWARD MARKET (FM)

**562 Lei/MWh (▼ 49%)**  
DAY-AHEAD MARKET (DAM)

**447 Lei/MWh (▼ 65%)**  
BALANCING MARKET (BM) (Net, BRP fee included)

AVERAGE PRICE / PURCHASE MIX

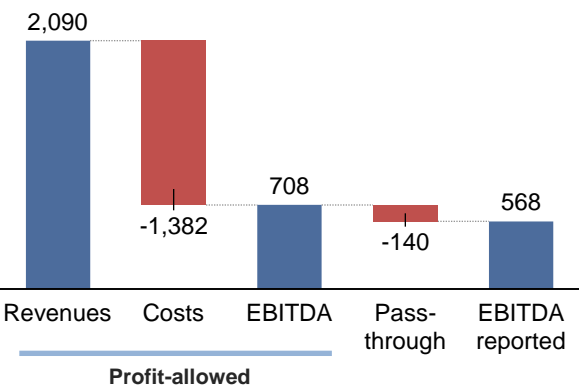
**473 Lei/MWh (▼ 39%)**  
CROSS-MARKET AVERAGE PRICE PAID

**72%FM / 18%SPOT / 10%BM (2023)**  
PURCHASE MIX (VOLUMES)

**66%FM / 29%SPOT / 5%BM (2022)**  
PURCHASE MIX (VOLUMES)

FROM REVENUES TO EBITDA

2023



2022

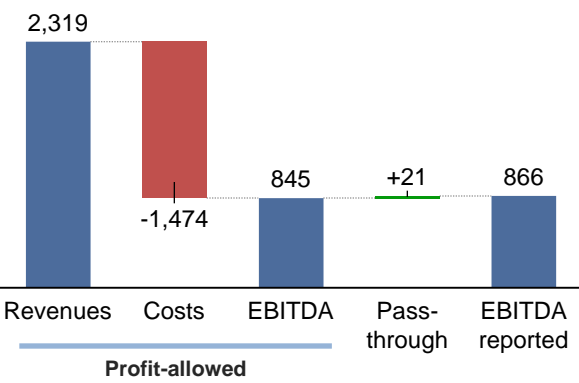
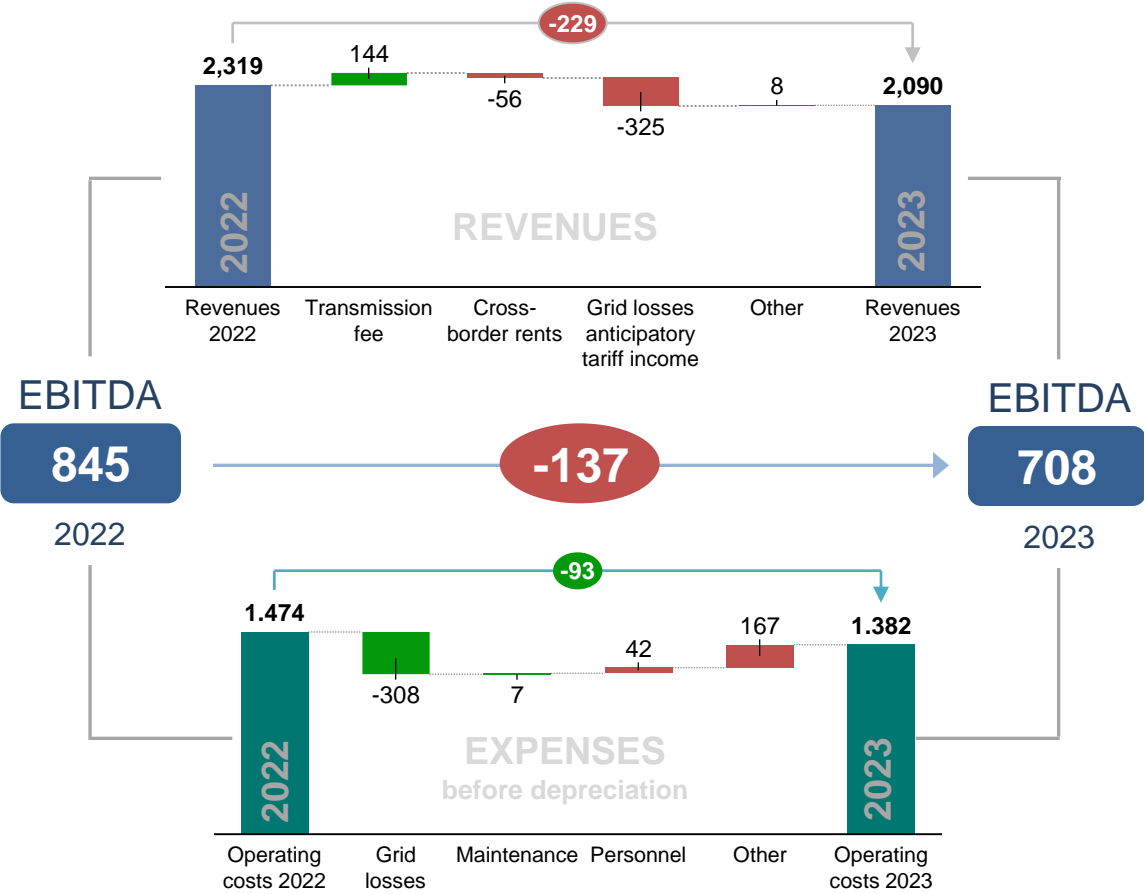


Chart unit: mil Lei

EBITDA BREAKDOWN (PROFIT-ALLOWED)



From EBITDA to Net income

FROM EBITDA TO NET INCOME

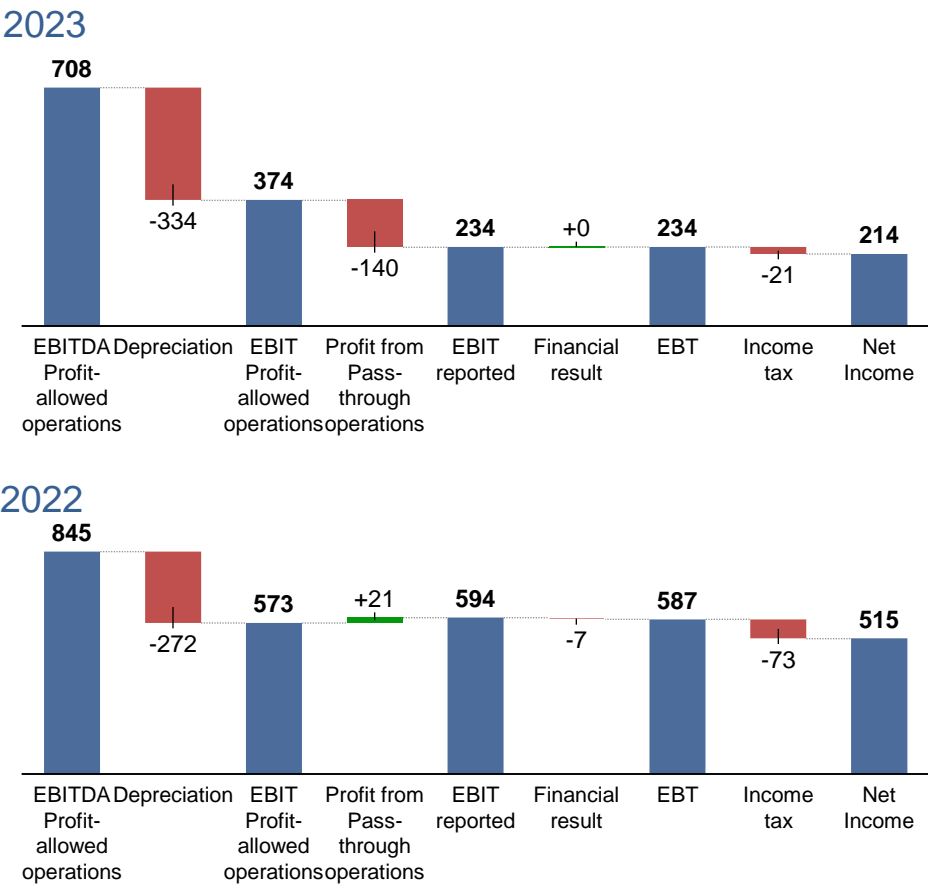
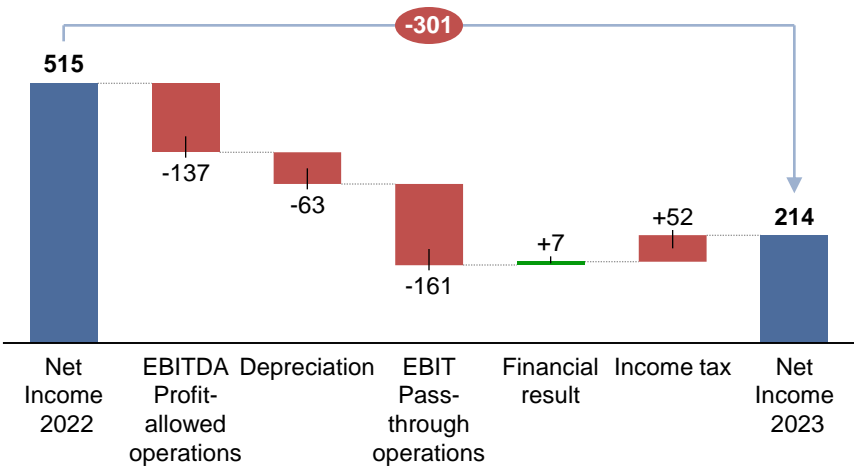


Chart unit: mil Lei

NET INCOME BREAKDOWN



MAIN DRIVERS BEHIND  
THE DECREASE IN NET INCOME

- ▼ EBITDA from core operations (transmission) mainly driven by:
  - (i) Higher OPEX (Inter-TSO-Compensation, personnel, services, taxes)
  - (ii) Lower cross-border income (congestion rents)
- ▼ EBIT from pass-through operations (2023 cleared a significant backlog of temporary gains accrued in previous years)



Delivered in 2023

555  
Lei m

### New contracts

Total aggregate amount for contracts signed in 2023

Selected items:

- 260 Lei m - Installation of two modern reactive power compensation means in Bradu
- 161 Lei m - Upgrade to 400kV of the 220 kV line Brazi Vest - Stalpu and works in Brazi Vest substation
- 72 Lei m - New substation 400 kV Arefu



511  
Lei m

### Capital expenditure

Amounts added to construction-work-in-progress in 2023

Selected items:

- 94 Lei m - Modernization of substation Arefu
- 90 Lei m - New internal line Gutinas-Smardan
- 61 Lei m - RO-BG intermediate connections in Medgidia substation



558  
Lei m

### Assets commissioned

Amounts transferred from construction-work-in-progress to fixed assets in 2023

Selected items:

- 354 Lei m - New internal line Cernavoda-Stalpu
- 47 Lei m - Modernization of Munteni substation
- 40 Lei m - Modernization of substation Arefu



of which RAB: 169 Lei m

Note: The biggest investment commissioned in 2023 is a cluster of assets consisting of a new internal transmission line (Cernavoda-Stalpu) and related connection works in two substations. Cluster total value: 373 Lei millions (of which 354 Lei millions the line). The assets were financed with a mix of EU grants (Connecting Europe Facility) and cross-border congestion income therefore the investment has no impact on RAB



Thank you for your attention!



# Romanian Electricity Transmission Network



[Lei m]	FY 2023 IFRS audited	FY 2022 IFRS audited		4Q 2023 IFRS unaudited	4Q 2022 IFRS unaudited		3Q 2023 IFRS unaudited	3Q 2022 IFRS unaudited		2Q 2023 IFRS unaudited	2Q 2022 IFRS unaudited		1Q 2023 IFRS unaudited	1Q 2022 IFRS unaudited						
Billed volume [TWh]	50.39	52.18	▼	3.4%	12.95	12.68	▲	2.2%	12.47	12.59	▼	1.0%	11.97	12.56	▼	5%	13.01	14.35	▼	9%
Profit-allowed operations																				
Operational revenues	2,090	2,319	▼	9.9%	586	579	▲	1.2%	511	883	▼	42.1%	494	426	▲	16%	499	431	▲	16%
Operational revenues   Transmission	1,956	1,885	▲	3.8%	517	469	▲	10.3%	480	583	▼	17.7%	472	414	▲	14%	487	419	▲	16%
Operational revenues   Transmission   Regulated fee	1,545	1,401	▲	10.3%	408	356	▲	14.5%	390	351	▲	11.0%	380	351	▲	8%	368	343	▲	7%
Operational revenues   Transmission   Cross-border rents	343	399	▼	14.0%	89	85	▲	4.8%	74	188	▼	60.8%	79	57	▲	38%	102	70	▲	47%
Operational revenues   Transmission   Other	68	85	▼	19.6%	21	28	▼	26.1%	16	44	▼	62.7%	14	6	▲	148%	17	7	▲	155%
Operational revenues   Dispatching	32	45	▼	30.1%	12	36	▼	65.0%	16	10	▲	62.0%	4	0	▲	9507%	0	0	▼	-
Operational revenues   Dispatching   Regulated fee	0	0	-	-	0	0	-	-	0	0	-	-	0	0	-	-	0	0	-	-
Operational revenues   Dispatching   Unplanned cross-border flows	0	0	▼	-	0	0	▼	-	0	0	▼	-	0	0	▼	-	0	0	▼	-
Operational revenues   Dispatching   Emergency energy assistance to neighboring countries	32	45	▼	29.8%	12	36	▼	65.0%	16	10	▲	63.8%	4	0	▲	-	0	0	-	-
Operational revenues   Other income	102	389	▼	73.8%	57	74	▼	23.9%	15	290	▼	94.8%	18	12	▲	45%	12	13	▼	3%
Operational revenues   Other income   Grid losses anticipatory tariff income	14	339	▼	95.9%	11	59	▼	81.4%	3	279	▼	99.0%	0	0	-	-	0	0	-	-
Operational revenues   Other income   Other income	88	50	▲	75.1%	46	15	▲	202.4%	12	10	▲	20.2%	18	12	▲	45%	12	13	▼	3%
Operational costs	1,382	1,474	▼	6.3%	450	393	▲	14.5%	324	367	▼	11.7%	295	338	▼	13%	312	377	▼	17%
Operational costs   System operation	640	902	▼	29.0%	171	220	▼	22.4%	162	215	▼	24.6%	136	192	▼	30%	171	274	▼	37%
Operational costs   System operation   Grid losses	520	828	▼	37.2%	142	191	▼	25.7%	116	202	▼	42.5%	114	179	▼	36%	147	255	▼	42%
Operational costs   System operation   Congestion relief	0	0	▼	-	0	0	▼	-	0	0	-	-	0	0	▲	38%	0	0	▼	-
Operational costs   System operation   Power consumption in grid substations	38	40	▼	4.9%	10	10	▼	4.9%	3	9	▼	70.2%	14	9	▲	63%	11	12	▼	6%
Operational costs   System operation   Inter-TSO-Compensation	83	34	▲	143.1%	19	19	▲	2.4%	44	5	▲	848.6%	7	5	▲	51%	13	6	▲	111%
Operational costs   System operation   Other	0	0	▼	-	0	0	-	-	0	0	-	-	0	0	▼	-	0	0	-	-
Operational costs   Maintenance	115	108	▲	6.0%	42	30	▲	41.0%	28	37	▼	23.6%	25	23	▲	12%	19	18	▲	2%
Operational costs   Personell	348	306	▲	13.7%	106	102	▲	3.5%	85	72	▲	16.9%	83	71	▲	17%	75	61	▲	22%
Operational costs   Other	278	158	▲	75.9%	132	41	▲	220.2%	48	42	▲	15.5%	51	51	▼	1%	48	24	▲	98%
EBITDA	708	845	▼	16.2%	136	186	▼	26.9%	187	516	▼	63.7%	199	89	▲	124%	187	55	▲	242%
Operational costs   Depreciation and amortization	334	272	▲	23.1%	82	78	▲	4.8%	85	65	▲	30.7%	85	65	▲	30%	82	63	▲	31%
EBIT	374	573	▼	34.8%	53	107	▼	50.2%	102	451	▼	77.3%	114	23	▲	392%	105	-8	▲	-
Pass-through operations																				
Operational revenues	2,628	3,967	▼	33.7%	824	823	▲	0.0%	598	1,397	▼	57.2%	598	947	▼	37%	609	799	▼	24%
Operational revenues   System service	359	488	▼	26.5%	86	119	▼	27.3%	83	118	▼	29.2%	89	118	▼	25%	101	134	▼	25%
Operational revenues   Balancing service	2,269	3,479	▼	34.8%	737	705	▲	4.7%	514	1,280	▼	59.8%	510	830	▼	39%	508	665	▼	24%
Operational costs	2,768	3,946	▼	29.9%	874	833	▲	4.9%	647	1,388	▼	53.4%	630	947	▼	33%	618	778	▼	21%
Operational costs   System service	499	467	▲	7.0%	137	128	▲	6.9%	132	108	▲	22.0%	121	110	▲	11%	110	121	▼	10%
Operational costs   Balancing service	2,269	3,480	▼	34.8%	737	705	▲	4.5%	515	1,280	▼	59.8%	509	838	▼	39%	508	657	▼	23%
EBIT	-140	21	▼	-	-50	-10	▼	425.3%	-49	10	▼	-	-32	0	▼	-	-9	21	▼	-
All operations (profit-allowed and pass-through)																				
Operational revenues	4,718	6,286	▼	24.9%	1,410	1,402	▲	0.5%	1,109	2,280	▼	51.4%	1,092	1,374	▼	21%	1,108	1,231	▼	10%
Operational costs	4,150	5,421	▼	23.4%	1,324	1,226	▲	8.0%	970	1,754	▼	44.7%	925	1,285	▼	28%	930	1,155	▼	19%
EBITDA	568	866	▼	34.3%	86	176	▼	51.4%	138	526	▼	73.7%	166	89	▲	88%	178	75	▲	136%
Operational costs   Depreciation and amortization	334	272	▲	23.1%	82	78	▲	4.8%	85	65	▲	30.7%	85	65	▲	30%	82	63	▲	31%
EBIT	234	594	▼	60.6%	3	98	▼	96.6%	53	461	▼	88.4%	82	23	▲	251%	96	13	▲	656%
Financial result	0	-7	▲	-	-3	-6	▲	45.2%	1	2	▼	18.7%	1	-1	▲	-	1	-2	▲	-
EBT	234	587	▼	60.1%	0	92	▼	99.7%	55	462	▼	88.2%	82	23	▲	263%	97	11	▲	819%
Income tax	-21	-73	▲	71.6%	7	4	▲	56.8%	-10	-72	▲	86.4%	-1	-3	▲	65%	-17	-3	▼	563%
Net Income	214	515	▼	58.5%	7	96	▼	92.7%	45	390	▼	88.5%	81	20	▲	306%	80	8	▲	899%

## TRANSELECTRICA S.A.



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### **Executive Board**

**Stefanita Munteanu**

**Chair (CEO)**

**Catalin Constantin Nadolu**

**Member**

**Florin Cristian Tataru**

**Member**

**Bogdan Toncescu**

**Member**





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