

To: **Bucharest Stock Exchange - Regulated Markets Issuers Operations Department**
Financial Supervisory Authority - Directorate General for Supervision - Issuers Department

Statement in accordance with Law 24/2017, Financial Supervisory Authority Regulation no. 5/2018 and the BVB Code

Report date: **November 14, 2024**

Name of the issuing entity: **NPG CO. TRANSELECTRICA SA, Company managed under a two-tier system**

Bucharest, : 2-4 Olteni Str., sector 3, Bucharest

Telephone/fax number: 021 30 35 611/021 30 35 610

Tax Registration Number: 13328043

Order number in the Trade Register: J40/8060/2000

Subscribed and paid-up share capital: 733.031.420 RON

LEI Code: 254900OLXCOUQC90M036

Regulated market on which issued securities are traded: Bucharest Stock Exchange

Important event to report:

Summary of financial results for the end of Q3 2024

Reporting includes:

- Unaudited Interim Simplified Separate Financial Statements as at September 30, 2024
- Quarterly report on the activity of NPG CO. "Transelectrica" S.A. in the period January-September 2024

The segment of activities with profit allowed recorded a positive result in the amount of RON 424 mil as at 9M 2024, up from the result in the amount of RON 320 mil achieved as at 9M 2023, as operating revenues increased by 16% (RON 241 mil), correlated with an increase in expenses (including depreciation and amortization) by 12% (RON 138 mil).

The increase in operating revenues (RON 1.745 mil at 9M 2024 vs. RON 1.504 million at 9M 2023) was mainly influenced by the increase in revenues from the regulated tariff (RON +63 million), in the context of the increase in the quantity of charged energy (+2.3%), revenues from Grid losses transactions (+ RON 50.8 million), revenues from emergency aid (+ RON 61.2 million), Grid losses anticipatory tariff income (+ RON 46.6 million), as well as the recording of certain conjunctural revenues represented by additional payment obligations recovered through legal proceedings in accordance with Civil Decision no. 6169/2023.

Interconnection revenues decreased from RON 255 million in 9M 2023 to RON 189 million in 9M 2024 corresponding to the level of utilization of available interconnection capacity by electricity market traders. The interconnection capacity allocation market is fluctuating, with prices evolving depending on the demand and the need of electricity market participants to purchase interconnection capacity.

Operating expenses (including depreciation and amortization) increased by 12% (RON 1,321 million in 9M 2024 compared to RON 1,183 million in 9M 2023), mainly influenced by the increase in expenses related to system operation (in the context of the costs of energy purchase to cover own technological consumption amounted to RON 434 million, 15% higher (+ RON 57 million) compared to 9M 2023), personnel expenses and other expenses.

Following the provisions of GEO no. 153/2022, Transelectrica has purchased electricity to cover 75% of the quantity related to the Grid Losses forecast validated by the Centralized Electricity Purchase Mechanism (MACEE). For 50% of the validated needs, the energy was purchased through annual allocation, at a regulated purchase price of 450 lei/MWh.

Starting with 01.04.2024, the centralized electricity purchase mechanism MACEE was amended by GEO no. 32/2024, in order to reduce the regulated purchase price to 400 lei/MWh, to eliminate the obligation for producers to participate in the mechanism, to change the period of application of the mechanism from 31.03.2025 to 31.12.2024, to allow other producers with production capacities of less than 10MW to participate in the mechanism. As a result, starting with the monthly allocations for the month of August, the amount allocated for Grid Losses coverage through MACEE has been almost zero. The required energy was purchased through bilateral contracts and from DAM.

Starting with July 01, 2024, the ANRE Order no.127/08.12.2021 for the approval of *the Regulation regarding the terms and conditions for balancing service providers and for frequency stabilization reserve providers and the*

Regulation on the terms and conditions for the parties responsible for balancing, in accordance with the requirements of the European codes, which led to very high prices on the Balancing Market, entered into force.

The segment of zero-profit activities recorded a positive result at 9M 2024 in the amount of RON 8 mil compared to the negative result realized at 9M 2023. Revenues from zero-profit activities recorded an increase mainly driven by the increase in revenues on the balancing market (+ RON 2,481 mil) due to the prices recorded on the balancing market, concomitant with the appreciation in revenues from technological system services (+ RON 140 mil), at the tariff approved by ANRE, compared to the same period of the previous year, in the context of a 2.3% increase in the quantity. Balancing market revenues/expenditures were more than 2 times higher in 9M 2024 compared to 9M 2023.

Indicators	MU	9M 2024	9M 2023	Δ
Financial				
Quantity charged	[TWh]	38.32	37.44	▲ 2.3%
ACTIVITIES WITH PROFIT ALLOWED				
Average transmission tariff (realized)	[lei/MWh]	31.32	30.37	▲ 3%
Operating income, of which:	[mil lei]	1,745	1,504	▲ 16%
Regulated transmission tariff revenue	[mil lei]	1,200	1,137	▲ 6%
Interconnection revenues	[mil lei]	189	255	▼ 26%
Grid losses anticipatory tariff income	[mil lei]	49	3	▲ n/a
Operational expenditure, of which:	[mil lei]	(1,058)	(931)	▼ 14%
Grid losses expenses	[mil lei]	(434)	(377)	▼ 15%
EBITDA	[mil lei]	687	573	▲ 20%
Depreciation	[mil lei]	(263)	(252)	▼ 4%
EBIT	[mil lei]	424	320	▲ 32%
ZERO PROFIT ACTIVITIES				
EBIT	[mil lei]	8	(90)	▲ n/a
ALL ACTIVITIES (with Profit Allowed and Zero Profit)				
EBIT	[mil lei]	432	231	▲ 87%
Net profit	[mil lei]	410	207	▲ 99%
Operational				
Net domestic consumption	[TWh]	39.1	38.1	▲ 3%
Net domestic production	[TWh]	37.8	40.8	▼ 7%
Net Export(-)/Import(+)	[TWh]	1.27	-2.8	n/a

* +Revenues, positive impact on result (▲), +Expenses, negative impact on result (▼)

Investment expenditures in 9M 2024 amounted to RON 456.46 million, 55% higher than investment expenditures in 9M 2023 (RON 293.8 million).

In 9M 2024, there was a 3% increase in net domestic consumption and a 7% decrease in net energy production.

On August 29, 2024, Moody's Investors Service reconfirmed Transelectrica S.A.'s long-term debt rating at "Baa3" and stable outlook.

Overall in Q3 2024 Grid losses in the ETG decreased by 8% compared to the same period in 2023, mainly as a result of favorable physical flows on the interconnection lines on the borders with Ukraine, Hungary and Moldova, but also favorable weather conditions characterized by lower amounts of precipitation, which led to reduced corona losses.

The Report concerning the activity of the Company for the period January - September 2024 and the Separate Interim Financial Statements as of September 30, 2024, are available as of November 14, 2024, as follows:

- online, on the website www.transelectrica.ro, in the Investor Relations section Periodic Reporting/Reports, respectively <https://www.transelectrica.ro/rapoarte-2024> ;
- at the Company headquarters: 2-4 Olteni str., sector 3, Bucharest.

Ștefăniță MUNTEANU
Chairman of the Directorate

Florin-Cristian TĂTARU
Directorate Member