

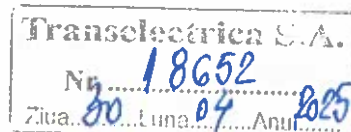
INDEPENDENT AUDITOR'S REPORT

(free translation)

To the shareholders of C.N.T.E.E. – Transelectrica S.A.

Report on consolidated financial statements

Opinion



1. We audited the attached consolidated financial statements of C.N.T.E.E. Transelectrica S.A. (the "Company"), together with its subsidiaries (the "Group"), headquartered at 2-4 Olteni Street, sector 3, Bucharest, Romania identified by the unique tax registration code RO 13328043, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year ended at this date, as well as a summary of significant accounting policies and explanatory notes.
2. The consolidated financial statements as at 31 December 2024 are identified as follows:
 - Net asset/Total equity: 5,907,116 thousand lei
 - Net result for the financial year - profit: 580,108 thousand lei
3. In our opinion, the attached consolidated financial statements provide a true and fair view of the Group's financial position as at 31 December 2024, as well as its financial performance and cash flows for the year ended that date, in accordance with Order of the Minister of Public Finance No. 2844/2016 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, with subsequent amendments and with the accounting policies described in the notes to the consolidated financial statements.

Basis for opinion

4. We conducted our audit in accordance with International Standards on Auditing ("ISA"), EU Regulation No. 537 of the European Parliament and of the Council (hereinafter referred to as the "Regulation") and Law no. 162/2017 (the "Law"). Our responsibilities under these standards are described in detail in the section "Auditor's responsibilities in an audit of consolidated financial statements" of our report. We are independent from the Group under the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ("IESBA Code"), ethical requirements that are relevant to the audit of financial statements in Romania, including the Regulation and the Law, and have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Highlighting some aspects

5. As mentioned in Note 10, "Trade receivables and other receivables", As of December 31, 2024, the Group presents receivables arising from the management of the support scheme for the promotion of high-efficiency cogeneration in the amount of RON 128,337 thousand, the significant share being related to customers in financial difficulties, as well as debts in the amount of RON 3,540 thousand. According to the legislation in force issued by ANRE, the amounts remaining uncollected by the scheme administrator from electricity and heat producers in cogeneration and who accessed the support scheme will be recovered by including them in the cogeneration contribution, according to the methodology issued by ANRE, if the administrator has taken all legal steps to collect them from those who owe. At the date of this report, ANRE did not issue the methodology on how to recover uncollected receivables, respectively to pay unpaid debts. Our audit opinion is not modified in this respect.
6. As mentioned in Note 34 "Subsequent Events," the Company's Management has amended the consolidated financial statements that were previously issued on March 17, 2025, due to the fact that, on April 8, 2025, the Company received from the majority shareholder a memorandum regarding the dividend distribution rate from the current year's profit, as well as the fact that, on April 29, 2025, the majority shareholder did not approve the consolidated financial statements. We draw attention to the fact that we issued an audit report ("Initial Report") on March 21, 2025, on the Company's consolidated financial statements prepared in accordance with OMFP 2844/2016 for the financial year ended December 31, 2024. Therefore, we hereby withdraw and replace the Initial Audit Report issued on March 21, 2025. We do not assume any responsibility of any kind to anyone with respect to the Initial Audit Report. Our audit opinion does not include a qualification in relation to the matters mentioned above.

Key audit issues

7. The key audit aspects are those aspects that, based on our professional judgement, were of the greatest importance for the audit of the consolidated financial statements of the current period. These issues have been addressed in the context of auditing the financial statements as a whole and forming our opinion on them, and we do not provide a

separate opinion on these key issues.

- **Provisions for litigation.**
 - **Description.** The company is party to numerous disputes with business partners, authorities and employees, thus risking future economic losses. Note 28 "*Commitments and Contingents*" sets out material disputes in which the Group is involved. The decision to make a provision for litigation or to present a contingent liability in consolidated financial statements depends on professional judgment and certain estimates by the Company's management. We considered that recognizing or not recognizing litigation provisions was material to the audit because it would result in the recognition of overvalued profits.
 - **Our response.** Our audit procedures to address the risk of material misstatement in relation to the recognition of provisions for litigation, which was considered materially risky, included:
 - reviewing the resolutions of the General Shareholders Meeting, of the Supervisory Board and of the Executive Board,
 - obtaining and evaluating lawyers' answers to auditor's letters, followed by obtaining clarifications on the status of certain disputes. During the audit mission, discussions were also held with management and lawyers (internal and external) on significant disputes,
 - critical assessment of working assumptions and estimates made by the Company with respect to disputes, including the amount of provisions recognised in consolidated financial statements or contingent liabilities presented.
 - Measurement of the information disclosed in the notes to the consolidated financial statements on provisions for risks and charges in accordance with the requirements of applicable reporting standards.
- **Revenue recognition.**
 - **Description.** The revenue recognition policy is outlined in Note 3 "*Accounting policies*". According to International Standards on Auditing, there is an implicit risk in revenue recognition due to the pressure management may feel to achieve budgeted results. The main revenue-generating activities for the Company are: electricity transmission service, system services and balancing market operator activity. The electricity transmission activity is an activity of general interest in the field of electricity, authorized and monitored by a public authority, with a natural monopoly character. The tariffs charged by the Company for transmission and system services are established and approved by ANRE (National Energy Regulatory Authority). The company is an operator of the balancing market, its mode of operation being regulated by order by ANRE, the purpose of the market being to ensure the balancing of the balance of production - electricity consumption in real time, using resources from a competitive environment.
 - **Our response.** Our audit procedures to address the risk of material misstatement in relation to revenue recognition included, among others:
 - understanding how to recognize and register the main categories of income, in accordance with the requirements of applicable reporting standards,
 - Detailed tests on transactions recorded by the Company during the financial year,
 - Test procedures to ensure that earnings are recorded within the correct period,
 - Procedures for confirmations of trade receivables for a representative sample.

Other issues

8. This report is addressed exclusively to shareholders of the Company as a whole. Our audit was performed in order to be able to report to the Company's shareholders those aspects that we need to report in a financial audit report and not for other purposes. To the extent permitted by law, we accept and assume responsibility only to the Company and its shareholders as a whole for our audit, for this report.
 9. Taxation in Romania is constantly evolving. There is a possibility of different interpretations of legal provisions by the Ministry of Finance and local tax authorities. The Company's management recorded in the submitted accounts various taxes, penalties and fees, based on the best interpretation of the tax provisions in force, an interpretation that can be challenged by a possible fiscal control.
- Responsibilities of management and persons responsible for governance for consolidated financial statements**
10. The Company's management is responsible for preparing consolidated financial statements that provide a true and fair view in accordance with OMFP 2844/2016 and for that internal control that management considers necessary to allow the preparation of consolidated financial statements free from material misstatements, caused either by fraud or error.
 11. In preparing consolidated financial statements, management shall be responsible for assessing the Group's ability

to continue as a going concern, for disclosing going concern in the notes to consolidated financial statements, if any, and for using going concern accounting, unless management either intends to liquidate the Group or cease operations, or has no realistic alternative other than these.

12. The persons responsible for governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor in an audit of consolidated financial statements

13. Our goals are to obtain insurance Reasonable on whether the financial statements, as a whole, are free from material misstatements, whether caused by fraud or error, and in issuing an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement, if one exists. Distortions can be caused either by defraud error and are considered material if that can be expected, flax reasonably well, that they, individually or cumulatively, will influence economic decisions of users, taken on the basis of these consolidated financial statements.

14. As part of an ISA audit, we exercise professional judgement and maintain professional skepticism throughout the audit. Also:

- We identify and assess risks of material misstatement of consolidated financial statements caused by either fraud or error, design and execute audit procedures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than not detecting a material misstatement due to error, as fraud can involve collusion, forgery, intentional omissions, misrepresentation and avoidance of internal control.
- We understand internal control relevant to the audit, in order to design audit procedures appropriate to the circumstances, but without the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We assess the adequacy of the accounting policies used and the reasonableness of the cantabile estimates and related disclosures made by management.
- We conclude on the appropriateness of management's use of accounting on a going concern basis and determine, based on the audit evidence obtained, whether there is material uncertainty about events or conditions that could raise material doubts about the Group's ability to continue as a going concern. If we conclude that there is material uncertainty, we should draw attention in the auditor's report to related disclosures in consolidated financial statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group to stop going on a going concern basis.
- We evaluate the presentation, structure and content of consolidated financial statements, including disclosures, and the extent to which consolidated financial statements reflect the underlying transactions and events in a manner that results in a fair presentation.

15. We communicate to those responsible for governance, among other aspects, the planned scope and timing of the audit, as well as the main findings of the audit, including any significant deficiencies in internal control, that we identify during the audit.

16. We also provide those responsible for governance with a statement as to our compliance with ethical independence requirements and communicate to them all relationships and other matters that may reasonably be considered to affect our independence and, where applicable, related safeguards.

17. Among the issues we have communicated to those responsible for governance, we determine those aspects that were of greater importance in the audit of consolidated financial statements in the current period and are therefore key audit issues. We describe these matters in our audit report unless legislation or regulation prevents the matter from being made public, or in extremely rare circumstances we believe that something should not be disclosed in our report because the benefits of the public interest are reasonably expected to be outweighed by the negative consequences of such disclosure.

Report on the compliance of the consolidated management report with the consolidated financial statements

The administrators (Executive Board and Supervisory Board) are responsible for preparing and submitting, in accordance with the requirements of Articles 15-19 of the Accounting Regulations approved by OMFP 2844/2016, a consolidated annual report of the directors that does not contain material misstatements and for that internal control that the management considers necessary to allow the preparation of the consolidated annual report of the directors that does not contain misstatements material, due to fraud or error. The consolidated annual management report is not part of the consolidated financial statements of the Group.

Our opinion on the consolidated financial statements does not cover the consolidated annual management report

and, unless explicitly stated in our report, we do not express any assurance conclusions about it. In connection with the audit of the consolidated financial statements for the year ended December 31, 2024, it is our responsibility to read the consolidated annual management report and, in doing so, to assess whether it is materially inconsistent with the consolidated financial statements, or with knowledge we have obtained during the audit, or whether it appears to be materially misstated.

Regarding the consolidated annual report of the administrators, we have read and report whether it has been prepared, in all material aspects, in accordance with the requirements of OMFP 2844/2016, Annex 1, paragraphs 15-19.

Based solely on the activities to be carried out during the audit of consolidated financial statements, in our opinion:

- The information presented in the consolidated annual management report for the financial year for which the consolidated financial statements have been prepared is consistent, in all material respects, with the consolidated financial statements.
- The consolidated annual report of the administrators was prepared, in all material aspects, in accordance with the requirements of OMFP 2844/2016, Annex 1, paragraphs 15-19 and 26-28.

In addition, based on our knowledge and understanding of the Group and its environment acquired during the audit of the consolidated financial statements for the year ended 31 December 2024, we are required to report whether we have identified material misstatements in the consolidated management report. We have nothing to report on this.

The consolidated annual management report does not include the Non-Financial Statement and the Sustainability Report, which will be prepared in accordance with OMFP 2844/2016, paragraphs 39-42 and will be published according to the legal requirements, at a date subsequent to the audit report. This has no impact on the audit opinion.

Report on other legal and regulatory provisions

We were appointed by signing the audit contract dated 16.01.2025 to audit the consolidated financial statements of the Company, for the financial years ended December 31, 2024. The total uninterrupted duration of our commitment is 4 years, covering the financial years ended December 31, 2021, 2022, 2023 and 2024.

We confirm that:

- Our audit opinion is consistent with the additional report submitted to the Company's Board of Directors, which we issued on the same date we issued this report. Also, in conducting our audit, we maintained our independence from the audited entity.
- We have not provided for the Company the prohibited non-audit services mentioned in Article 5 (1) of EU Regulation no. 537/2014.

Autoritatea Pentru Supravegherea Publică a
Activităţii de Audit Statutar (ASPAAS)

On behalf of: PKF Finconta SRL

St. Grigore Mora, nr. 37, Sector 1, Bucharest
Firma de Audit: PKF Finconta SRL

Registered with the Authority for Public Oversight of Statutory Audit under number FA32

Name of audit partner: Florentina Susnea

Registered with the Authority for Public Oversight of Statutory Audit under number AF433

Autoritatea Pentru Supravegherea Publică a
Activităţii de Audit Statutar (ASPAAS)

Auditor financiar Susnea Florentina
Registru Public Electronic AF433

Bucharest, April 30, 2025