

**NPG TRANSELECTRICA SA**

**Company managed under a two-tier system**

**Condensed Consolidated Interim Financial Statements  
on the date and for the three-month period ending on  
March 31,2025**

**in accordance with the 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, as amended,**

**based on International Accounting Standard 34 – “Interim Financial Reporting”**

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED FINANCIAL POSITION AS OF MARCH 31, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	Note	31 march 2025	31 december 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets		5,891,181	5,915,254
Assets representing rights of use under a lease		5,957	8,150
Intangible assets		290,421	313,147
Investments accounted for using the equity method		3,682	-
Financial assets		40,983	40,833
<b>Total non-current assets</b>	<b>4</b>	<b>6,232,222</b>	<b>6,277,384</b>
<b>Current assets</b>			
Inventories		58,068	58,144
Trade and other receivables	<b>5</b>	2,927,102	3,782,840
Profit tax recoverable		-	-
Other financial assets		-	-
Cash and cash equivalents	<b>6</b>	851,366	707,174
<b>Total current assets</b>		<b>3,836,536</b>	<b>4,548,158</b>
<b>Total assets</b>		<b>10,068,758</b>	<b>10,825,542</b>
<b>Shareholder's equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital		733,031	733,031
Share premium		49,843	49,843
Legal reserve		146,606	146,606
Revaluation reserve		1,568,334	1,596,896
Other reserves		256,747	256,747
Retained earnings		3,304,549	3,123,993
<b>Total shareholders' equities attributable to Group owners</b>	<b>7</b>	<b>6,059,110</b>	<b>5,907,116</b>
Non-controlling interests		-	-
<b>Total equity</b>		<b>6,059,110</b>	<b>5,907,116</b>
<b>Non-current liabilities</b>			
Long term deferred revenues	<b>8</b>	622,754	538,015
Long term Borrowings	<b>9</b>	7,923	7,918
Other loans and assimilated debts - Non-current lease liabilities	<b>10</b>	1,171	1,604
Deferred tax liabilities		253,529	257,169
Employee benefits obligations		116,159	116,159
Other long term liabilities		5,613	5,613
<b>Total non-current liabilities</b>		<b>1,007,149</b>	<b>926,478</b>

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED FINANCIAL POSITION AS OF MARCH 31, 2025**

*(All amounts are presented in thousand RON, unless otherwise indicated)*

	<b>Note</b>	<b>31 march 2025</b>	<b>31 december 2024</b>
<b>Current liabilities</b>			
Trade and other liabilities	<b>10</b>	2,837,873	3,855,244
Other loans and assimilated debts - Current lease liabilities	<b>10</b>	5,413	7,328
Other tax and social security liabilities	<b>12</b>	21,380	25,537
Current Borrowings	<b>9</b>	29,094	32,641
Provisions	<b>11</b>	37,719	35,953
Short term deferred revenues	<b>8</b>	26,014	22,232
Income tax payable		45,006	13,013
<b>Total current liabilities</b>		<b>3,002,499</b>	<b>3,991,948</b>
<b>Total liabilities</b>		<b>4,009,648</b>	<b>4,918,426</b>
<b>Total shareholders' equity and liabilities</b>		<b>10,068,758</b>	<b>10,825,542</b>

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT STATEMENT AS OF MARCH 31, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	Nota	31 march 2025	31 march 2024
<b>Operating revenues</b>			
Transmission revenues		576,059	502,600
System service revenues		157,960	126,799
Balancing market revenues		666,595	1,332,368
Other revenues		12,317	28,823
<b>Total operating revenues</b>	<b>14</b>	<b>1,412,931</b>	<b>1,990,590</b>
<b>Operating expenses</b>			
System Operating Expenses	<b>15</b>	(189,094)	(168,749)
Balancing market expenses	<b>15</b>	(666,721)	(1,332,347)
System services expenses	<b>15</b>	(100,296)	(105,371)
Depreciation and amortization	<b>16</b>	(96,383)	(88,721)
Personnel expenses	<b>17</b>	(125,756)	(111,834)
Repairs and maintenance expenses		(10,757)	(9,875)
Materials and consumables		(4,869)	(4,685)
Other operational expenses	<b>18</b>	(37,405)	(41,263)
<b>Total operating expenses</b>		<b>(1,231,280)</b>	<b>(1,862,845)</b>
<b>Operating result</b>		<b>181,650</b>	<b>127,746</b>
Financial revenues		3,092	2,293
Financial expenses		(2,214)	(2,522)
Share of profit/(loss) of equity investments		(68)	-
<b>Net finance result</b>	<b>19</b>	<b>810</b>	<b>(229)</b>
<b>Profit before income tax</b>		<b>182,460</b>	<b>127,516</b>
Income tax	<b>13</b>	(29,255)	(23,659)
<b>Result for the year from continuing operations</b>		<b>153,205</b>	<b>103,857</b>
<b>Profit of the period</b>			
Attributable to:			
Owners of the Group		153,205	103,857
Non-controlling interests		-	-
<b>Basic and diluted earnings per share (lei/share)</b>		<b>2.09</b>	<b>1.42</b>

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT STATEMENT AS OF MARCH 31, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	31 march 2025	31 march 2024
<b>Result of the financial year</b>	<b>153,205</b>	<b>103,857</b>
<b>Other comprehensive income</b>		
Elements which will not be reclassified in the profit and loss account, out of which:		
- Effect of taxation on revaluation reserve	110	3,374
- Surplus from the revaluation of tangible assets	-	-
- Actuarial losses on defined benefit plans	-	-
<b>Other comprehensive income (OCI)</b>	<b>110</b>	<b>3,374</b>
<b>Total comprehensive income for the year</b>	<b>153,316</b>	<b>107,231</b>

The attached consolidated financial statements were signed by the Company's management on 12 may 2025:

Directorate,

<b>Ștefăniță MUNTEANU</b>	<b>Victor MORARU</b>	<b>Cătălin-Constantin NADOLU</b>	<b>Cosmin-Vasile NICULA</b>	<b>Florin-Cristian TĂTARU</b>
Directorate President	Directorate Member	Directorate Member	Directorate Member	Directorate Member

**Ana-Iuliana Dinu**  
Economic and Financial Director

**Cristiana Zîrnovan**  
Budget and Management Reporting Department Manager

	Share capital	Share premium	Legal reserve	Revaluation reserves	Other reserve	Retained result	Attributable to the group	Minority interests	Total
<b>Balance on 1 january 2025</b>	<b>733,031</b>	<b>49,843</b>	<b>146,606</b>	<b>1,596,896</b>	<b>256,747</b>	<b>3,123,993</b>	<b>5,907,116</b>	<b>-</b>	<b>5,907,116</b>
<b>Comprehensive result of the period</b>	-	-	-	-	-	-	-	-	-
Result of the period	-	-	-	-	-	153,205	153,205	-	153,205
<b>Other comprehensive revenue items</b>	-	-	-	-	-	-	-	-	-
Recognising the actuarial loss/profit of the benefit plan	-	-	-	-	-	-	-	-	-
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-	-	-
Liability regarding deferred tax associated to the revaluation reserve	-	-	-	110	-	-	110	-	110
<b>Total other comprehensive revenue items</b>	-	-	-	<b>110</b>	-	-	<b>110</b>	-	<b>110</b>
<b>Total comprehensive result of the period</b>	-	-	-	<b>110</b>	-	<b>153,205</b>	<b>153,316</b>	-	<b>153,316</b>
Legal reserve indexation	-	-	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained result	-	-	-	(28,673)	-	28,673	-	-	-
Minority interests from participation	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	(1,322)	(1,322)	-	(1,322)
<b>Total other items</b>	-	-	-	<b>(28,673)</b>	-	<b>27,351</b>	<b>(1,322)</b>	-	<b>(1,322)</b>
Derecognition of assets like public domain	-	-	-	-	-	-	-	-	-
Subsidies associated to public domain assets	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-	-
Dividends distribution	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	-	-
<b>Balance on 31 march 2025</b>	<b>733,031</b>	<b>49,843</b>	<b>146,606</b>	<b>1,568,334</b>	<b>256,747</b>	<b>3,304,549</b>	<b>6,059,110</b>	<b>-</b>	<b>6,059,110</b>

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF MARCH 31, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	Share capital	Share premium	Legal reserve	Revaluation reserves	Other reserve	Retained result	Attributable to the group	Minority interests	Total
<b>Balance on 1 January 2024</b>	<b>733,031</b>	<b>49,843</b>	<b>146,606</b>	<b>1,738,703</b>	<b>195,751</b>	<b>2,431,200</b>	<b>5,295,134</b>	-	<b>5,295,134</b>
<b>Comprehensive result of the period</b>	-	-	-	-	-	-	-	-	-
Result of the period	-	-	-	-	-	580,108	580,108	-	580,108
<b>Other comprehensive revenue items</b>	-	-	-	-	-	-	-	-	-
Recognising the actuarial loss/profit of the benefit plan	-	-	-	-	-	(414)	(414)	-	(414)
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-	-	-
Liability regarding deferred tax associated to the revaluation reserve	-	-	-	(6,014)	-	-	(6,014)	-	(6,014)
<b>Total other comprehensive revenue items</b>	-	-	-	<b>(6,014)</b>	-	<b>(414)</b>	<b>(6,428)</b>	-	<b>(6,428)</b>
<b>Total comprehensive result of the period</b>	-	-	-	<b>(6,014)</b>	-	<b>579,694</b>	<b>573,680</b>	-	<b>573,680</b>
Legal reserve indexation	-	-	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained result	-	-	-	(135,761)	-	135,761	-	-	-
Minority interests from participation	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	(2,137)	(2,137)	-	(2,137)
<b>Total other items</b>	-	-	-	<b>(135,761)</b>	-	<b>133,624</b>	<b>(2,137)</b>	-	<b>(2,137)</b>
Derecognition of assets like public domain	-	-	-	(31)	-	-	(31)	-	(31)
Subsidies associated to public domain assets	-	-	-	-	60,996	-	60,996	-	60,996
Other reserves	-	-	-	-	-	-	-	-	-
Dividends distribution	-	-	-	-	-	(20,525)	(20,525)	-	(20,525)
<b>Total transactions with owners</b>	-	-	-	<b>(31)</b>	<b>60,996</b>	<b>(20,525)</b>	<b>40,440</b>	-	<b>40,440</b>
<b>Balance on 31 december 2024</b>	<b>733,031</b>	<b>49,843</b>	<b>146,606</b>	<b>1,596,896</b>	<b>256,747</b>	<b>3,123,993</b>	<b>5,907,116</b>	-	<b>5,907,116</b>

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CASH FLOWS AS OF MARCH 31, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	31 march 2025	31 march 2024
<b>Cash flows from operational activities</b>		
<b>Result of the period</b>	<b>153,205</b>	<b>103,857</b>
<b>Adjustments for:</b>		
Income tax expense	29,255	23,659
Amortisement expense	96,383	88,721
Grid losses anticipatory tariff income	(924)	(7,369)
Expenses with adjustments for trade receivables impairment	18	(29)
Revenues from reversal of adjustments for trade receivables impairment	(3)	(2,000)
Losses from various debtors	1,669	2,660
Expenses/Revenues with adjustments for various debtors impairment	(140)	1,918
Net expenditures with adjustments for inventories impairment	-	(81)
Net profit/ loss on sale of tangible assets	46	3,171
Net expenditures on adjustments of value regarding tangible assets	-	-
Expenses/Revenues regarding provisions for risks and expenses, net	(288)	(3,400)
Net financial expenses regarding adjustments for the loss of value of fixed assets	(119)	71
Interest expense, interest revenue and unrealised exchange rate gains	(1,508)	(210)
<b>Cash flows before changes to working capital</b>	<b>277,595</b>	<b>210,969</b>
<b>Changes in:</b>		
Inventories	74	(3,362)
Clients and assimilated accounts	856,326	(21,830)
Trade payables and other liabilities	(990,384)	(168,814)
Investments accounted for using the equity method	68	-
Other taxes and social insurance liabilities	(4,156)	(6,326)
Deferred revenues	94,243	9,478
<b>Cash flows from operational activities</b>	<b>233,766</b>	<b>20,116</b>
Paid interests	(369)	(805)
Paid income tax	(149)	(1,302)
<b>Net cash generated from operational activities</b>	<b>233,248</b>	<b>18,008</b>
<b>Cash flows from the investment activity</b>		
Acquisition of tangible and intangible assets	(75,314)	(114,683)
Participation titles held in GECCO Power Company	(3,750)	-
Proceeds from EC non-reimbursable financing	(5,723)	2,712
Received Interests	2,285	1,165
Proceeds from sale of tangible assets	5	-
Dividends received/paid	-	-
<b>Net cash used in the investment activity</b>	<b>(82,497)</b>	<b>(110,806)</b>

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CASH FLOWS AS OF MARCH 31, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	31 martie 2025	31 martie 2024
<b>Cash flows used in financing activities</b>		
Repayments of non-current borrowings	(5,990)	(5,981)
Use of working capital credit line	-	48,733
Use of credit line Smart	2,368	2,986
Repayments of current borrowings	-	-
Building lease payments	(2,934)	(2,852)
Dividends paid	(3)	(14)
<b>Net cash used in financing activities</b>	<b>(6,559)</b>	<b>42,872</b>
Cash and cash equivalents as at January 1 <sup>st</sup>	707,174	526,900
<b>Net increase/decrease in cash and cash equivalents</b>	<b>144,191</b>	<b>(49,926)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>851,366</b>	<b>476,974</b>

## 1. DESCRIPTION OF ACTIVITIES AND GENERAL INFORMATION

The main activity of the National Power Grid Company Transelectrica SA ("the Company") and its subsidiaries (together with the Company, the "Group") is: provision of electricity transmission service and system service, balancing market operator, bonus support scheme administrator, other related activities. These activities are carried out in accordance with the provisions of the operating license no. 161/2000 issued by ANRE, updated by ANRE Decision no. 1413/10.07.2024, the General Conditions associated with the license approved by ANRE Order no. 104/2014, as amended and supplemented, and the final certification of the Company as a transmission and system operator of the National Electricity System according to the ownership unbundling model by ANRE Order no. 164/07.12.2015.

The address of the registered office is: Strada Olteni nr. 2 - 4 sector 3, Bucharest, Romania. Currently, the Company's executive activity is carried out at the head office in Strada Olteni nr. 2-4 sector 3, Bucharest.

The consolidated financial statements as at 31 march 2025 of the Group prepared in accordance with the 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, as amended, based on International Accounting Standard 34 – "Interim Financial", are available at the Company's registered office located at 2-4 Olteni Street, Sector 3, Bucharest.

The Group's consolidated financial statements drawn up on March 31, 2025 are not audited.

These Consolidated Financial Statements elaborated as of and for the financial year ended on March 31, 2025, include the financial informations of the parent Company and of its subsidiaries Smart SA and Teletrans SA, as well as of the jointly controlled company GECO Power Company.

### GROUP STRUCTURE

The main Group subsidiaries included in the consolidation and the percentage of shares held by the Company are provided below:

Entity	Country Of origin	31 March 2025 % participation	31 December 2024 % participation
SMART SA	Romania	100%	100%
TELETRANS SA	Romania	100%	100%
GECO POWER COMPANY	Romania	25%	0%

### SMART SA

The subsidiary Societatea Comercială pentru Servicii de Mentenanță a Rețelei Electrice de Transport "SMART" SA was established in 2001, by GD no.710/19.07.2001 through the reorganization of some activities within Transelectrica

The SMART SA company has registered office in B-dul Magheru, nr. 33, sector 1, Bucharest and with its headquarters at the work point in B-dul Gheorghe Șincai, nr. 3, Clădirea "Formenerg", et. 1, sector 4, Bucharest.

The main activities of the subsidiary are overhaul and repair of primary electrical network equipment and appliances (so that RET installations operate safely at the performance level required by the licence), troubleshooting of electrical installation incidents, provision of energy services, energy services for the energy system and micro-production of electrical equipment. The company has 8 branches without legal personality.

The mission for which SMART SA was established was and still is to ensure preventive maintenance, special works and corrective maintenance of the Transmission Grid (RET), based on Transelectrica's primary objective: to ensure the safe and stable transmission of electricity in the national transmission grid.

The branch offers professional services at a high level of performance, i.e. maintenance, repairs, expertise, consultancy for:

- Low, medium, high and extra high voltage switchgear and equipment - up to and including 750kV,
- Equipment and circuits for protection, automation, measurement, command - control,

Notele atașate constituie parte integrantă a acestor situații financiare consolidate.

- Transformers and autotransformers of all powers and voltages,
- Overhead and cable power lines of all voltage levels.

The subscribed and paid-up share capital as at 31.03.2025 is 38,529, Transelectrica being the sole shareholder. The results of the SMART subsidiary are consolidated with the financial results of the Company. SMART shares are 100% owned by Transelectrica.

### **TELETRANS SA**

The subsidiary TELETRANS SA was established by the AGA Resolution no. 13/04.12.2002 of Transelectrica, based on the Law no. 31/1990 and on the Ministry of Industry and Trade Orders no. 3098 and no. 3101 dated 23.10.2002 and is the provider of specific telecommunications and information technology services for the operational and management of Transelectrica, having as its main activity the provision of specific telecommunications services. At the same time, the Subsidiary has the possibility to market specific services on the liberalised communications market in Romania.

The company TELETRANS SA has registered office in B-dul Hristo-Botev, nr. 16 – 18, sector 3, Bucharest and with headquarters at the work point in Str. Stelea Spătarul nr. 12, sector 3, Bucharest.

The subsidiary has a high level of expertise in areas of profound uniqueness in systems and process management in the energy industry.

On the basis of the Articles of Association and the applicable regulations, Teletrans holds the ANCOM certificate of provider of electronic communications networks or services since 2002 (O.U.G. no. 679/2002), which entitles it to provide the following electronic communications services:

- Public electronic communications networks (from 11.11.2004);
- Electronic communications services to the public: (i) Leased line services and (ii) Electronic communications services other than telephony and leased lines (from 01.07.2003);
- Private electronic communications networks and services (from 15.01.2003).
- TELETRANS personnel also have certifications relevant to the operation and administration of IT&C systems dedicated to critical infrastructures.

TELETRANS uses a fibre optic network built in reliable OPGW technology with access points in 110 localities as well as cross-border links with Hungary, Bulgaria and Serbia and provides EMS/SCADA system integration services for renewable energy producers and new control systems in upgraded stations.

The services provided by Teletrans were mainly IT/Tc services to Transelectrica, maintenance services of the local metering system at the level of the Company's electricity stations, maintenance services of the telecontribution system related to the wholesale electricity market and telecommunication services through the marketing of the surplus capacity existing in the fibre optic communication infrastructure.

The subscribed and paid-up share capital as at 31.03.2025 is 6,874, Transelectrica being the sole shareholder. The results of the subsidiary Teletrans are consolidated with the financial results of the Company. TELETRANS shares are 100% owned by Transelectrica.

In accordance with Decision no. 3/13 February 2025, pursuant to art. 12 paragraph (2) letter f) of the Articles of Association of Teletrans SA, the General Meeting of Shareholders of the Company decided on the merger by absorption of Teletrans SA (as the absorbing company) with Formenerg SA (as the absorbed company)

### **GECO POWER COMPANY**

The Company was established on January 21, 2025 according to the Articles of Association, is a Romanian legal entity established in the form of a limited liability company.

The company was established in accordance with:

- Agreement of December 17, 2022 between the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary on the Strategic Partnership in the field of development and transportation of green energy, taking into account the joint initiative of Georgia and Romania for the development and implementation of the Black Sea submarine cable project and the ongoing feasibility study for this project that began on April 11, 2022, initiated by Georgia and joined by Romania and the Republic of Azerbaijan,

- Memorandum of Understanding on the establishment of a Joint Venture company between the relevant entities of the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary signed on 25.07.2023 in Bucharest, by which Transelectrica is designated as the relevant party for Romania,
- Memorandum of Understanding between the relevant ministries of Romania, the Republic of Azerbaijan, Georgia, Romania and Hungary on cooperation in the field of green energy, signed on 21.11.2023 in Budapest (Hungary)
- Minutes of the seventh ministerial meeting on the understanding on the strategic partnership in the field of development and transportation of green energy between the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary on May 15, 2024 in Tbilisi,
- Memorandum of Understanding by which the Parties agree to make the necessary efforts to undertake the steps regarding the establishment of a Joint Venture company, headquartered in Romania, between Transelectrica, AzerEnerji JSC, Georgian State Electrosystem and MVM Zrt., signed on May 27, 2024 in Bucharest,
- Decision no. 4 of the Extraordinary General Meeting of Shareholders dated August 12, 2024 by which the Extraordinary General Meeting of Shareholders of the Company approved the Company's participation in the share capital of a new company, along with the other relevant parties designated at the level of the Republic of Azerbaijan, Georgia, and Hungary, with the exception of the main object of activity which will be "Activities of holding companies" activity coded CAEN 642, respectively 6420

The company's headquarters are in Romania, Bucharest, Sector 3, 2-4 Olteni Street, office no.306, the object of activity of the company is Activities of holding companies.

Upon incorporation, the share capital of the company shall be 15 mil lei, of which 15 mil lei, cash contribution, being divided into a number of 1,500,000 shares, with a nominal value of 10 lei/share.

The share capital is held by the shareholders as follows

- „AZERENERJI” Open Joint Stock Company contribution to the subscribed share capital 20% representing a number of 375,000 shares, with a nominal value of 10 lei/share and in the total amount of 3,750,000 lei, profit sharing 25% and loss sharing 25%
- JSC Georgian State Electrosystem, contribution to the subscribed share capital 20% representing a number of 375,000 shares, with a nominal value of 10 lei/share and in the total amount of 3,750,000 lei, profit sharing 25% and loss sharing 25%
- MVM Energy Private Limited Liability Company, contribution to the subscribed share capital 20% representing a number of 375,000 shares, with a nominal value of 10 lei/share and in the total amount of 3,750,000 lei, profit sharing 25% and loss sharing 25%
- Compania Națională de Transport al Energiei Electrice Transelectrica SA, contribution to the subscribed share capital 20% representing a number of 375,000 shares, with a nominal value of 10 lei/share and in the total amount of 3,750,000 lei, profit sharing 25% and loss sharing 25%.

### **The Group's mission**

Misiunea Grupului este asigurarea siguranței și securității în funcționare a Sistemului Energetic Național (SEN), cu respectarea normelor și performanțelor prevăzute de reglementările tehnice în vigoare și prestarea unui serviciu public pentru toți utilizatorii rețelelor electrice de transport, în condiții de transparență, nediscriminare și echidistanță pentru toți participanții la piață.

## **2. BASES OF ELABORATION**

### **Statement of conformity**

The Consolidated Interim Financial Statements are presented in accordance with the requirements of IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of financial statements in accordance with International Financial Reporting Standards (“IFRS”) and should be read together with the *Consolidated Financial Statements as of and for the year ended 31 December 2024, prepared in accordance with the Order of the Minister of Public Finance No. 2844/2016 for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards (“OMFP No. 2844/2016”) with subsequent amendments and supplements*. However, certain explanatory

notes are included for to explain the events and transactions that are significant for the understanding of changes in the financial position and performance of the Group since the last consolidated annual financial statements as of and for the financial year ended 31 December 2024.

### **Utilisation of estimations and reasonings**

Raționamentele semnificative utilizate de către conducere pentru aplicarea politicilor contabile ale Grupului și principalele surse de incertitudine referitoare la estimări au fost aceleași cu cele aplicate situațiilor financiare consolidate la data de și pentru exercițiul financiar încheiat la 31 decembrie 2024.

### **3. ACCOUNTING POLICIES**

The accounting policies applied in these consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as of and for the financial ended on 31 december 2024.

#### **Bases of consolidation**

##### **(i) Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group has control of an entity when it is exposed to, or entitled to, variable earnings arising from its involvement with the entity and has the ability to affect those earnings through power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the time control commences until it ceases.

At the date of this report Transelectrica has six subsidiaries, Romanian legal entities, organized as joint-stock companies, of which it is the sole shareholder in the following: Formenerg, Teletrans, Smart, Icemenerg Service (subsidiary which at the date of this report is deregistered with the ONRC), Icemenerg SA (Institutul de Cercetări e Modernizări Energetice ICEMENERG SA - subsidiary which at the date of this report is deregistered with the ONRC).

**Among the Company's subsidiaries, Smart and Teletrans are included in the Group's financial consolidation scope. When preparing consolidated financial statements, the financial statements of the parent company and the subsidiaries to be consolidated are combined line by line aggregating similar items of assets, liabilities, equity, income and expenses. The financial statements should present financial information about the Group as a single economic entity, thus eliminating intragroup balances and transactions.**

They have not been taken into account in the preparation of the consolidated financial statements:

- the Formenerg subsidiary as according to the applicable accounting legislation, the impact of its activity is considered immaterial for consolidation purposes,
- the OPCOM subsidiary as the management is carried out according to the regulations set by ANRE and Transelectrica does not exercise effective direct control over its decision-making mechanisms.

**The FORMENERG subsidiary** is a company whose main activity is the initial and continuous professional training, in all fields of activity, of personnel working in the energy sector in all sectors of the national economy and other beneficiaries, as well as hotel services, rental services and event organisation services.

FORMENERG SA was established as a result of the Decision number 33/19.11.2001 of the General Meeting of Shareholders - "Transelectrica" S.A., by outsourcing the activity of the Branch for Training and Development of Energy Sector Personnel. The share capital on 30.06.2024 is 1,948 thousand lei, fully paid up, represented by 194,842 shares with a nominal value of 10 lei each. FORMENERG shares are 100% owned by Transelectrica.

**The ICEMENERG SERVICE - SA subsidiary** was focused on the design, production and distribution of measuring, control and management devices for the energy system, having ISO 9001 and IQ NET certification by SRAC ROMANIA, ANRE certified. On 09.06.2017, the Bucharest Court, Civil Section VII, ordered the entry into bankruptcy by simplified procedure of the debtor ICEMENERG SERVICE - SA, appointing Solvendi SPRL as provisional liquidator.

On 27.04.2021 the Special Administrator of ICEMENERG Service SA informs that on 23.04.2021, following the auction, the assets of ICEMENERG Service SA, both movable and immovable, were sold en bloc, the buyer being Portland Trust Developments Five SRL.

In the case no.18051/3/2017, according to the Insolvency Proceedings Bulletin no.9152/26.05.2022, the Bucharest Court - Civil Division VII by civil sentence no.2429 approved the final report of the judicial liquidator, and on the basis of art.175 paragraph 2 of Law no.85/2014 on insolvency prevention and insolvency proceedings, closed the insolvency proceedings against the debtor Company Filiala "Icemenerg-Service" SA by deleting it from the Bucharest Trade Register. The company was not notified of the judgment until 30.06.2024.

**The OPCOM SA subsidiary** was set up on the basis of GD no. 627/2000 on the reorganisation of the National Electricity Company SA, as a subsidiary whose sole shareholder was Transelectrica.

In accordance with the provisions of the primary and secondary legislation in force, the Operator of the Electricity and Natural Gas Market "OPCOM" S.A. performs the role of administrator of the electricity market, providing an organized, viable and efficient framework for the conduct of commercial transactions in the wholesale electricity market and carries out the administration of centralized markets in the natural gas sector, in conditions of consistency, fairness, objectivity, independence, impartiality, transparency and non-discrimination.

The subscribed and paid-up share capital of OPCOM as at 31.03.2025 is 31,366 thousand lei, Transelectrica being the majority shareholder at that date. The shareholder structure is as follows:

- National Power Grid Company Transelectrica SA - 97.84% - NPG CO
- The Romanian State through the General Secretariat of the Government - 2.16%.

Transelectrica does not exercise effective direct control over the decision-making mechanisms of OPCOM, whose management is conducted in accordance with the regulations established by ANRE. We specify below the elements provided for by IFRS 10, which must be taken into account in determining the exercise of control. Thus according to IFRS 10 - an investor controls an entity if and only if the investor holds all of the following:

- a. power over the entity in which it has the investment
- b. exposure or rights to variable returns from its involvement with the invested entity
- c. the ability to use its power over the invested entity to affect the value of the investor's return.

**(ii) Investments in associates and joint ventures**

If Transelectrica holds, directly or indirectly (for example, through subsidiaries), 20% or more of the voting rights of the entity in which it has invested, it is presumed to exercise significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the results of associated entities based on the equity method.

Investments in joint arrangements, in which the Group exercises joint control with other entities, are initially recognized at cost and subsequently measured using the equity method. Profits or losses attributable to the Group are recognized in the consolidated financial statements when joint control commences and until such control ceases.

The equity method is an accounting method whereby the investment is initially recognised at cost and subsequently adjusted for post-acquisition changes in the investor's share of the net assets of the investee. The investor's profit or loss includes its share of the investee's profit or loss, and other comprehensive income includes the investor's share of the investee's other comprehensive income.

**The newly established company GECO is included in the consolidation scope as a jointly controlled company, a Join Venture. Thus, the consolidated financial statements include the Group's share of the results of GECO based on the equity method. Since the shares of GECO were acquired at the time of its establishment, no goodwill was recorded.**

**(iii) Loss of control**

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity attributable to the subsidiary. Any surplus or deficit resulting from loss of control is recognised in the income statement. If the Group retains any interest in the former subsidiary, then that interest is measured at fair value at the date when control is lost. Subsequently this interest is accounted for using the equity method or as an available-for-sale financial asset depending on the degree of influence retained.

**(iv) Transactions eliminated on consolidation**

Balances and transactions within the Group and any unrealised revenues or expenses arising from transactions within the Group are eliminated in the preparation of the consolidated financial statements. Unrealised profits on transactions with associates accounted for using the equity method are eliminated against the investment in the associate to the extent of the Group's interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no indication of impairment.

#### **4. TANGIBLE, INTANGIBLE AND FINANCIAL FIXED ASSETS**

##### **a) Tangible fixed assets**

The decrease in the total value of tangible assets as at March 31, 2024 compared to December 31, 2024 was due to the increase in the value of tangible assets in progress concurrent with the recognition of depreciation on tangible assets.

Thus, the decrease in the **value of tangible assets in progress** in the first quarter of 2025 was mainly due to the realisation of investment works in high-voltage stations and power lines, as follows:

- Installation of two modern means of reactive power compensation in 400/220/110/20kV stations Sibiu Sud and Bradu – 11,052;
- 220 kV double circuit Ostrovu Mare - ETG OHL (H.CA no. 17/2007) - 10,191;
- Transition to 400 kV of the Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad - Stage I - 400 kV OHL s.c. Porțile de Fier - (Anina) - Reșița - 9,116;
- Replacement of hardware components, upgrading and development of applications specific applications of the Balancing Market Platform - II DAMAS, Component Procurement of migration and upgrade services for Balancing Market specific applications - 2,724;
- Upgrading of the 400/110 kV Pelicanu transformer station - 2,404;
- Optimisation of the operation of the existing 400 kV OHL in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line systems (SMART GRID type) - 1,627;
- Power Quality Monitoring System (PQMS) - 1,556;
- Relocation of high voltage electrical networks - 400kV (220kV) Gutinaș - Focșani Vest OHL joint circuit with 400 (220) kV Focșani Vest-Barboși OHL and Buzău - Focșani Motorway - Design Execution - 1,213;
- Upgrading of Isaccea 400 kV Station - Stage II - 1,119;
- Increasing the security of supply to consumers in the southern area of Bucharest, connected to the 400/220/110 kV Bucharest South 400/220/110 kV station - 1,096.

In the first quarter of 2025, the largest **transfers from tangible assets in progress to tangible assets**, totalling **51,597**, are mainly represented by the commissioning of investment objectives, of which we list the most significant:

- 400 kV d.c. Gutinaș - Smârdan OHL (Stage I financing) - 26,642;
- Increasing the transmission capacity of the 220 kV Stejaru - Gheorgheni - Fântânele OHL - 14,832;
- Increasing the operational reliability of the Argeș-Vâlcea network area, realisation of the 400 kV Arefu Station and installation of a 400 MVA, 400/220 kV HV 400/220 kV - 4,282;
- 400kV Gutinaș-Smârdan OHL (Stage II financing) - 4,096;
- Refurbishment of 400 kV Isaccea Station - Phase I - Replacement of compensation coils, related cells and 400 kV Stupina cell - 955;
- Replacement of accumulator batteries no. 1 and no. 2 - 220 V d.c. SI 220 kV from 400/220/110 kV Slatina 400/220/110 kV station - 434;
- Replacement of accumulator batteries no. 1 and no. 2 - 220 V d.c. SI 400 kV from 400/220/110 kV Slatina 400/220/110 kV station - 339;
- Photovoltaic Park 1,955 MW, NC3939234, Ciprian Porumbescu, Suceava county - RED hardening works in NPG CO. Transelectrica" SA installations - 80;
- Connection of the 20 kV Cimitir and 20 kV Poligon distributors to the 220/110/20 kV Cluj Florești Station, in order to increase the security of electricity supply in Florești, Cluj county - 56;
- Sărdănești Station - 13.

The balance of **tangible assets in progress** at March 31, 2024, in the amount of **976,662** is represented by projects in progress, the most significant of which are listed below:

- 400 kV d.c. Gutinaș - Smârdan OHL - 275,130;

- Transition to 400 kV of the Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad - Stage I - 400kV OHL s.c. Porțile de Fier - (Anina) - Reșița - 176,739;
- Increasing the operational reliability of the Argeș-Vâlcea network area, realisation of the 400 kV Arefu Station and installation of a 400 MVA, 400/220 kV HV 400/220 kV - 79,094;
- Connection to the ETG of CEE 300 MW Ivești, CEE 88 MW Fălciu 1 and CEE 18 MW Fălciu 2 through the new (400)/220/110 kV station Banca - 46,885;
- 220 kV double circuit Ostrovu Mare - ETG OHL (H.CA no. 17/2007) - 45,474;
- Installation of two modern means of reactive power compensation in 400/220/110/20kV stations Sibiu Sud and Bradu - 43,408;
- Upgrading of the 400/110 kV Pelicanu transformer station - 42,225;
- Upgrading of the 400/110/20 kV Smârdan Station -39,425;
- Station 400 kV Stâlpu - 38,243;
- Upgrading of Isaccea 400 kV Station - Phase II - 35,682;
- Refurbishment of the 110 kV Medgidia Sud Station - 26,525;
- Increasing the security of supply to consumers in the southern area of Bucharest, connected to the 400/220/110 kV Bucharest South Station - 16,322;
- Upgrading of the 110 kV Timișoara 110 kV station and upgrading to 400 kV of the Porțile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, phase II: 400 kV Timișoara - 9,400;
- 400 kV Gădălin – Suceava OHL, including interconnection to NES (H.CA no. 7/08.07.2010) - 8,524;
- Optimisation of the operation of the existing 400kV OHL in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line systems (SMART GRID type) - 8,267;
- Relocation of high voltage electrical networks - 400kV (220kV) Gutinaș - Focșani Vest OHL joint circuit with 400 (220) kV Focșani Vest-Barboși OHL and Buzău - Focșani Motorway - Design Execution - 5,296;
- Modernisation of the 110kV and 400 (220 kV) installations in Focșani Vest Station - 4,513;
- 400 kV Suceava - Balti OHL, for the project section on Romanian territory - 4,474;
- Implementation of new functions and software modifications in the EMS - SCADA computer system for the implementation of European and national legislative requirements - 4,282;
- Integrated security system at stations, stage IV - 4,278;
- Relocation of the 220 kV networks for the Bucharest Ring Motorway, KM 0+000 - KM 52+770, LOT 4 KM 47+600 - KM 52+070 - 3,990;
- Transition to 400 kV of the Porțile de Fier - Resita - Timisoara - Săcălaz - Arad axis, phase II, 400 kV d.c. Resita - Timisoara - Săcălaz OHL - 3,491;
- Expansion with new functionalities of the computerised access control and recording system in NPG CO. Transelectrica SA objectives - 3,201;
- Upgrade to 400 kV of the 220 kV Brazi Vest - Teleajen - Stâlpu OHL, including purchase of 400 MVA 400/220/20 kV HV, extension works of the 400 kV and 220 kV stations, in the 400/220/110kV Brazi Vest station - 3,083;
- 110 kV, 220 kV and 400 kV mobile cells - 3,016;
- Connection to ETG of 136 MW Platonești EEC, Ialomița county, through the realisation of a 110 kV cell in the 400/110 kV Gura Ialomiței 400/110 kV station - 2,889;
- Integrated security system at stations, stage III (H.CA no. 2/2008) - 2,798;
- Replacement of hardware components, upgrading and development of specific applications of the Balancing Market Platform - II DAMAS, Component Procurement of migration services and upgrade of specific applications of the Balancing Market - 2,760;
- Replacement of the heating and air-conditioning system in the administrative building of the Bucharest Branch (S.F+P.T+ C.S) - 2,719;
- Centre for research and development of live working technologies (LST) and rapid intervention in NES - phase II - 2,681;

- Pilot Project - Refurbishment of the 220/110/20 kV Alba Iulia 220/110/20 kV station into a digital station - 2,625.

**b) Intangible fixed assets**

*Intangible assets in course of construction*

The balance of **intangible assets in progress** as at March 31, 2024, amounting to **11,924**, is represented by projects in progress, the most significant of which are listed below:

- Replacement of hardware components, upgrading and development of specific applications of the Balancing Market Platform - II DAMAS, Component Purchase of migration and upgrade services for specific applications of the Balancing Market - 7,607;
- MARI platform development - 2,532;
- Off-line programme for individual network modelling, steady-state calculation, cross-border capacity calculation, CGMES format conversion module (according to ENTSO-E requirements), in order to programme and operate the NES on different time horizons - 1,118;
- PICASSO platform development - 550.

There were no transfers from intangible assets in progress to intangible assets in Q1 2025.

*Intangible fixed assets - additional OTC*

As from 30 September 2022, the Company applies the provisions of GEO no. 119/2022 for amending and supplementing GEO no. 27/2022 and approved by Law no. 357/13.12.2022, whereby the additional costs of electricity purchase incurred in the period January 1, 2022 - March 31, 2024, in order to cover its own technological consumption and technological consumption, respectively, compared to the costs included in the regulated tariffs, are capitalised on a quarterly basis. Accordingly, the capitalised costs are amortised over a period of 5 years from the date of capitalisation and are remunerated at 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable during the amortisation period of such costs and are recognised as a separate component

The Company has recognised revenue representing additional OTC calculated as the difference between the net OTC acquisition cost and the OTC cost recognised in the regulatory tariff up to March 31, 2024 in the amount of 455,206 as follows:

- 338.527 - for the year 2022;
- 13.735 - for the year 2023;
- 102.020 - for the year 2024;
- 924 - for the first quarter of 2025.

At March 31, 2024, depreciation amounting to 179,220 is calculated on these capitalisations. Thus, the carrying amount of the intangible asset resulting from the capitalisation of the additional OTC is 275,986.

It should be noted that this income is non-monetary in nature, its collection to be carried out by the Company in instalments through the transport tariff over the next five years from the date of capitalisation (2024-2029) in accordance with the relevant legislative provisions.

**c) Financial fixed assets**

The balance of financial assets as at March 31, 2024, amounting to **40.983**, is mainly represented by:

- the net value of shares held by the Company (85,254);
- of guarantees for the temporary occupation of land, calculated and retained in accordance with Art. 39 para. (1), para. (2) and para. (5) of Law no. 46/2008 on the Forestry Code, for the realisation of the investment objectives: 400 kV Reșița - Pancevo (Serbia) LEA 400 kV in the amount of 4,200.

The increase in the value of financial assets as at March 31, 2024 compared to December 31, 2024, in the amount of 3,750, was determined by the Company's affiliation to the shareholder Geco Power Company Green Energy Corridor Power Company - Limited Liability Company ("the project company") with 25% share capital contribution representing 375,000 shares with a nominal value of RON 10/share.

The founding partners of the project company are NPG CO. Transelectrica SA, JSC Georgian State Electrosystem, "AZERENERJI" Open Joint Stock Company and MVM Energy Private Limited Liability Company.

The company is implementing the Green Energy Corridor project, a 1,200 km-long high-voltage direct current submarine cable that will cross the Black Sea and connect Romania and Georgia, with the connection being extended to Hungary and Azerbaijan, in accordance with the agreement between the governments of Azerbaijan, Georgia, Romania and Hungary.

**d) Fixed assets related to the right of use of leased assets - buildings**

Such assets related to the rights of use of leased assets - buildings represent the right of use of the premises leased by the Company in the Platinum office building, in accordance with IFRS 16 - Leases. Contract No. C232 entered into force on 01.10.2020, valid for a period of 5 years, has a value of 9,000,000 euro (excluding VAT).

As at March 31, 2024, the carrying amount of the right to use the premises leased by the Company in the Platinum office building is **3,976**.

For this contract, the Company pays a monthly amount of 16,67 euro/sq.m (excl. VAT) for the lease of office space, resulting in an annual value of approx. 1,8 million euro.

Smart SA has taken a lease agreement consisting of renting an office building, with an area of 449.75 sq m, the Formenerg building at 3 Gheorghe Șincai Blvd., with a value of 53,970 euros/year in the amount of 10 euros/sq m representing 4,497.5 euros/month, with an addendum extending until the end of June 2025.

Teletrans SA has taken a lease agreement consisting of renting a building, related land and building yard, with an estimated rentable area of 1080 sq m and a yard for exclusive use of 196 sq m located at 12 Stelea Spătaru Street, with an addendum signed during the year for extension until July 2028. The addendum implies an increase in the rent from 8,600 euros/month to 9,460 euros/month, and from the 3rd year of the contract the rent value will be indexed annually with the HICP index.

As of March 31, 2025, the net value of the right to use the spaces leased by the subsidiaries in the respective office buildings is **1,981**.

**5. TRADE AND OTHER RECEIVABLES**

As at March 31, 2025 and December 31, 2024 ie 2024, trade and other receivables are as follows:

	<b>31 march 2025</b>	<b>31 december 2024</b>
Trade receivables	2,278,642	2,708,161
Other receivables	201,427	233,647
Down payments to suppliers	402,551	769,896
VAT to recover	243,350	272,236
Adjustments for impairment of uncertain trade receivables	(125,976)	(128,066)
Adjustments for impairment of other uncertain receivables	(72,890)	(73,033)
<b>Total</b>	<b>2,927,102</b>	<b>3,782,840</b>

The structure of trade receivables is as follows:

	31 march 2025	31 december 2024
Clients on the electricity market, of which:	2,273,024	2,698,954
- Clients - operational activities	1,582,863	1,898,742
- Clients - balancing market	557,478	667,862
- Clients - bonus type support scheme to promote high efficiency cogeneration	132,683	132,351
Clients from other activities	5,618	9,206
<b>Total trade receivables</b>	<b>2,278,642</b>	<b>2,708,161</b>

• NPG CO. Transelectrica SA carries out its operational activity on the basis of the Operating Licence no. 161/2000 issued by ANRE, updated by ANRE President Decision no. 1413/10.07.2024, for the provision of the electricity transmission service, the provision of the system service and the management of the balancing market.

As at March 31, 2024, outstanding customers from operating activities show a decrease compared to December 31, 2024 mainly driven by a decrease in the volume of transactions resulting from the coupling of energy markets in the first quarter of 2025 compared to the fourth quarter of 2024.

The decrease in the volume of balancing market transactions in Q1 2025 compared to Q4 2024 also led to a decrease in the balance of customers on contracts entered into for this type of activity.

The main customers in the total trade receivables are represented by: the Romanian Stock Exchange, IBEX, MAVIR, Electrica Furnizare SA, OPCOM, RAAN, Ciga Energy SA, PPC ENERGIE SA, Hidroelectrica, JAO.

• NPG CO. Transelectrica SA carries out the activities related to the bonus support scheme for the promotion of high efficiency cogeneration, as administrator of the support scheme, in accordance with the provisions of RGD no. 1215/2009 with subsequent additions and amendments, *"the main tasks being the monthly collection of the contribution for cogeneration and the monthly payment of bonuses"*.

As at March 31, 2024, the Company has receivables receivable from the bonus support scheme for the promotion of high efficiency cogeneration of approximately 6% (up from December 31, 2024) of total trade receivables.

The customers of the bonus support scheme for the promotion of high-efficiency cogeneration are recording an increase in receivables at March 31, 2024, mainly due to the increase in the invoiced amount for the collection of the monthly contribution.

As at March 31, 2024, the Company has receivables receivable amounting to 132,683,261, represented by invoices issued related to the bonus support scheme for the promotion of high efficiency cogeneration, of which:

- overcompensation for the period 2011-2013 in the amount of 76,702, respectively from RAAN - 63,467 and CET Govora SA - 13,235;
- undue bonus for 2014, in the amount of 3,915, respectively from RAAN - 1,981, CET Govora - 1,934;
- undue bonus for 2015 in the amount of 564 respectively from CET Govora - 534, Interagro - 30;
- undue bonus for 2020 in the amount of 522 from Donau Chem;
- undue bonus for 2024 in the amount of 0.094 from the Municipality of Iasi;
- overcompensation for 2024 in the amount of 8,601 from Contourglobal Solutions;
- uncollected contribution for cogeneration from suppliers of electricity consumers, in the amount of 20,425, respectively from: Transenergo Com - 5,882, Petprod - 4,391, Romenergy Industry - 2,681, RAAN - 2,386, UGM Energy - 1,504, CET Govora - 901, KDF Energy - 474 and others.

Up to the date of this financial report, the Company has collected all receivables related to the overcompensation of the activity related to the support scheme for the year 2024, the amount of 8,601, from Contourglobal Solutions, as well as the amount of 8,401 from the undue bonus established by ANRE Decisions for the year 2024, from the following producers: Bepco SRL, Electro Energy Sud, Electrocentrale București, Electrocentrale Craiova, Electrouilaj SA, Municipiul Iași, Soceram SA, Termoficare Oradea, Thermoenergy Group and Vest Energo.

In order to settle the claims generated by overcompensation and undue bonuses from previous years, the Company has requested the producers qualified in the support scheme to make reciprocal

compensations. For the producers (RAAN, CET Govora) that did not agree with this method of settling reciprocal claims and liabilities, the Company has applied and continues to apply the provisions of art. 17 para. 5 of ANRE President's Order no. 116/2013 for the approval of the Regulation on establishing the manner of collection of the contribution for high-efficiency cogeneration and payment of the bonus for electricity produced in high-efficiency cogeneration: *'if the producer has not fully paid to the support scheme administrator the payment obligations resulting in accordance with the provisions of this Regulation, the support scheme administrator shall pay to the producer the difference between the value of the invoices issued by the producer and the producer's payment obligations relating to the support scheme, with explicit mention of the respective amounts on the payment document'* and withheld from the payment the amounts relating to the support scheme due.

- On the docket of the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal

Litigation Section, case file no. 9089/101/2013/a140 was registered, having as subject matter “claims in the amount of 86,513”, in which the Company is the claimant and the defendant is the **Autonomous Authority for Nuclear Activities – RAAN**.

Through the statement of claim filed by Transelectrica SA, the latter requested that the defendant RAAN be ordered to pay the amount of 86,513.

On 19.05.2016, the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section rendered a hearing ruling whereby it ordered the following: “Pursuant to Art. 413 point 1 of the Civil Procedure Code. Orders the suspension of the proceedings until the resolution of case file no. 3014/2/2014 pending before the High Court of Cassation and Justice. Subject to appeal throughout the entire duration of the suspension. Delivered today, 19 May 2016, in public hearing.” Trial date set for 06.06.2019.

We specify that case file no.3014/2/2014 pending before the High Court of Cassation and Justice concerns an appeal – annulment of ANRE Decision no. 743/28.03.2014, with RAAN as claimant and ANRE as defendant.

We also specify that, by ruling dated 18.09.2013, rendered by the Mehedinți Tribunal in case file no. 9089/101/2013, the opening of the general insolvency procedure against the debtor Autonomous Authority for Nuclear Activities R.A. (RAAN) was ordered.

By judgment no. 387/20.03.2014, the Mehedinți Tribunal confirmed the reorganization plan of the debtor Autonomous Authority for Nuclear Activities, proposed by the judicial administrator Tudor & Asociații SPRL and approved by the General Assembly of Creditors pursuant to the minutes dated 28.02.2014.

By intermediate ruling no. 10/28.01.2016, rendered by the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, the syndic judge ordered the commencement of bankruptcy proceedings against the debtor, pursuant to Art. 107 para. 1 letter C of Law no. 85/2006, as well as the dissolution of the debtor and the lifting of the debtor's right of administration.

By Decision no. 563/14.06.2016, the Craiova Court of Appeal – Second Civil Division dismissed the appeals filed against intermediate ruling no. 10/28.01.2016, rendered by the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section.

Upon filing the statement of claim in the RAAN bankruptcy proceedings, NPG CO. Transelectrica SA may invoke the provisions of Art. 52 of Law no. 85/2006, applicable to the RAAN bankruptcy proceedings, provisions that have been incorporated into Art. 90 of Law no. 85/2014, regarding the creditor's right to invoke the set-off of its claim with that of the debtor against it, when the legal conditions for statutory set-off are met at the date of the commencement of the procedure.

Transelectrica was registered in RAAN's creditors' table with the amount of 11,265 , under the category of claims resulting from the continuation of the debtor's activity. From the amount claimed by the Company, 89,361, the amount of 78,096 RON was not registered in the preliminary table of claims, on the grounds that “it does not appear as owed in RAAN's accounting records.” Moreover, the judicial liquidator considered that the request for registration of the amount of 78,096 in the table was filed late, as it pertains to the period 2011 – 2013, for which reason the statement of claim should have been submitted at the time the insolvency procedure was opened, i.e., on 18.09.2013.

As a result of the partial registration of the total amount claimed by Transelectrica in the amount of 89,361 and of address no. 4162/03.10.2016, through which the judicial liquidator informed us that only the amount of 11,265 had been registered in the supplementary table under the category of claims resulting from the continuation of the debtor's activity, while the amount of 78,096 had been rejected, a challenge

against the supplementary table of claims was filed within the legal deadline.

At the hearing date of 14.02.2019, the Mehedinți Tribunal ordered the joinder of case file no. 9089/101/2013/a152 with case file no. 9089/101/2013/a140 (having as subject matter claims – payment request). The hearing of the case was postponed, as the court considered it necessary for the resolution of the case to present Civil Decision no. 2969/26.09.2018, rendered by the High Court of Cassation and Justice in case file no. 3014/2/2014, concerning the annulment of the ANRE President's Decision no. 743/2014.

Ruling of the Mehedinți Tribunal: "Admits the exception of foreclosure. Partially admits the main action as well as the joined challenge. Orders the defendant RAAN to pay the claimant Transelectrica the amount of 16,950,117.14 RON – a claim arising during the procedure – and orders its registration in the creditors' table constituted against the debtor RAAN with this amount. Rejects the rest of the joined claims. Pursuant to Art. 453 para. 2 of the Civil Procedure Code, orders the defendant to pay the claimant 1,000 RON in court costs. Subject to appeal. Delivered today, 20.06.2019, in public hearing." Document: Judgment 163/2019 – 20.06.2019.

Transelectrica filed an appeal within the legal deadline. The Craiova Court of Appeal set the first hearing date for 30.10.2019. The appeal was dismissed as unfounded. Transelectrica filed a motion for revision due to conflicting decisions, registered under case file no. 1711/54/2019, with a hearing date set for 26.03.2020 at the Craiova Court of Appeal, and which was to refer the case to the High Court of Cassation and Justice for competent resolution.

On 26.03.2020, the hearing date was rescheduled, the new date being 21.05.2020.

On 21.05.2020, the case was struck from the docket with the following solution: the plea of lack of material jurisdiction of the Craiova Court of Appeal was upheld, and the referral of the case to the HCCJ – Administrative and Fiscal Litigation Section was ordered. Decision 140/21.05.2020. Hearing date 03.02.2021.

At the hearing date of 03.02.2021, the HCCJ admitted the exception of the belated filing of the motion for revision and did not rule on its inadmissibility.

In the RAAN bankruptcy case file registered under no. **9089/101/2013**, NPG CO. Transelectrica SA was registered in the creditors' table with the following claims: 2,162 + 16,951.

Date for continuation of the proceedings for recovery of claims, asset realization and completion of the other liquidation operations: **11.06.2025..**

There are also 2 other cases between RAAN and Transelectrica that are in different stages of litigation. More details regarding these cases are presented in Note 20 – Litigation and Contingencies.

- NPG CO. Transelectrica SA concluded with CET Govora SA a compensation and payment rescheduling agreement concerning the amounts representing receivables from the overcompensation for the period 2011–2013 and the undue bonus for the year 2014 (Agreement No. C 135/30.06.2015 and Addendum No. 1/04.08.2015). The duration of the Agreement was one year (July 2015 – August 2016 period) and provided the Company with the right to calculate and collect penalties during the rescheduled payment period.

Based on the Agreement, the Company's receivables from CET Govora SA were compensated with the Company's debts to CET Govora SA, consisting of the cogeneration bonus for the period May 2014 – October 2015, withheld pursuant to the provisions of Article 17 paragraph 5 of the ANRE President's Order No. 116/2013 and the provisions of the Agreement, in the amount of 40,508.

Following the suspension in court, by Judgment No. 3185/27.11.2015, of ANRE Decision No. 738/28.03.2014, which had established the value of the overcompensation for the 2011–2013 period, CET Govora SA ceased to comply with its obligations assumed under the Agreement.

As of 9 May 2016, general insolvency proceedings were opened for CET Govora. In order to recover receivables arising prior to the opening of the insolvency proceedings, the Company followed the specific procedures provided by Law No. 85/2014 – the Insolvency Law – and requested the court to admit the receivables in accordance with the law. Considering the above, starting from 9 May 2016, the Company suspended the application of the provisions of Article 17(5) of the ANRE President's Order No. 116/2013 on the approval of the Regulation for determining the method of collecting the contribution for high-efficiency cogeneration and the payment of the bonus for electricity produced in high-efficiency cogeneration, and resumed the monthly payment of the cogeneration bonus to CET Govora.

By Civil Decision No. 2430/05.10.2016, the High Court of Cassation and Justice admitted the appeal filed by ANRE against Judgment No. 3185/27.11.2015, partially quashed the challenged judgment, and dismissed the request for suspension submitted by CET Govora; the ruling is final. Therefore, as of 05.10.2016, the effects of ANRE Decision No. 738/28.03.2014 are no longer suspended and are fully enforceable.

Under these conditions, the Company applies the provisions of Article 17 paragraph 5 of ANRE Order No. 116/2013 for reciprocal liabilities and receivables arising after the initiation of insolvency proceedings, by withholding the bonus owed to CET Govora SA up to the amount of the unpaid sums under the support scheme. Transelectrica was registered in the preliminary and final table with a total receivable of 28,200, of which the amount of 25,557 relates to the support scheme. This claim, in the amount of 21,962, representing principal debt and penalties related to invoice no. 8116/08.04.2016, was registered under the suspensive condition of a final judgment in favor of ANRE in case file no. 2428/2/2014 on the docket of the Bucharest Court of Appeal, seeking the annulment of ANRE Decision no. 738/28.03.2014.

At the hearing on 18.07.2018, the Vâlcea Tribunal rendered the following solution:

Confirms the reorganization plan of the debtor SC CET Govora SA, proposed by the judicial administrator EURO INSOL SPRL, submitted to the case file on 25 May 2018 and published in the Insolvency Proceedings Bulletin No. 11924 of 13 June 2018.

Dismisses the objections filed by creditors Complexul Energetic Oltenia SA, SNTFM CFR Marfă SA, Solek Project Delta SRL, Solek Project Omega SRL, Clean Energy Alternativ SRL, and Solar Electric Curtișoara SRL.

Sets a trial date for the continuation of the procedure on 8 October 2018.

With right of appeal within 7 days from the communication, effected through the Insolvency Proceedings Bulletin.

Pronounced in public session on 18 July 2018.

Document: Judgment: 1196/18.07.2018.

By Decision No. 766/03.12.2018, the Pitești Court of Appeal annulled the amount of 28,014 – representing the obligation registered by the Company in the Creditors' Table (Case file No. 1396/90/2016).

Under these circumstances, the Company included the amount of 22,188 related to the support scheme under "various debtors," in a distinct analytical account – ANRE, with impact on the net position of the support scheme.

The amount of 22,188 represents the receivable from CET Govora related to the support scheme (initially amounting to 25,557), adjusted with the bonus withheld by the Company pursuant to Article 17(5) of the ANRE President's Order No. 116/2013, in the amount of 3,369.

On 25.03.2022, by Government Decision No. 409/2022, amendments and supplements were adopted to Government Decision No. 1215/2009 regarding the establishment of criteria and conditions necessary for implementing the support scheme for promoting high-efficiency cogeneration based on useful thermal energy demand. Thus, the application period of the support scheme is extended until the year 2033, exclusively for producers who meet the access conditions for the scheme's extension.

At the same time, the financial closure of the support scheme is also extended and shall take place in the first semester of 2034.

### **Other receivables**

As at March 31, 2025, other receivables amounting to **201,427** include principally:

➤ sundry debtors (135,969), of which:

- late payment penalties calculated for defaulting customers, totalling 80,870 (of which 25,854 are penalties related to the support scheme). The highest late payment penalties were recorded by customers: Romelectro (24,464), RAAN (16,901), Electromontaj SA (12,210), CET Govora (9,607), OPCOM (4,301), Total Electric Oltenia (3,289), Multiservice G&G SRL (2,162), Petprod (1,894), ISPE Proiectare și Consultanță (1,079), Electrogrup (602). Impairment adjustments were recognised for penalties calculated for late payment of receivables from operating activities;
- Next Energy Partners (8,395). Impairment adjustments have been recognised for compensation due from suppliers from operating activities;

Notele atașate constituie parte integrantă a acestor situații financiare consolidate.

- the receivable to be recovered from OPCOM representing the VAT related to the contribution in kind to the capital of the subsidiary in the amount of 4,517.
  - amounts received as a subsidy (36,617), related to ETG connection contracts;
- Deferred charges totalling 15,263 represented mainly by: internal and international subscriptions (7,974), taxes and duties (3,221), insurance policies (1,522), rent and maintenance of office building (747), subscriptions (76), OPCOM tariffs (50), miscellaneous services (34), other charges (30) and others;
- other social claims in the amount of 4,694 representing sick leave paid by the employer to employees and to be recovered from the National Health Insurance Fund, in accordance with the legislation in force.

**Down payments to suppliers**

As at March 31, 2024, advances paid to suppliers are represented by debtor suppliers for services rendered in the amount of 402,551 and mainly represent amounts from transactions related to the price coupling mechanism (ICP - *Interim Coupling Project*, SIDC - *Single Intraday Coupling*, SDAC - *Single Day-ahead Coupling* and IDA - "*IntraDay Auction*") (MAVIR - 324,005, IBEX - 66,267 and JAO - 12,132).

The implementation of the price coupling mechanism started on 19 November 2014, when the 4 Market Market Coupling (4MMC) project, which envisages the linking of the DAM (Day-ahead Market) electricity markets in Romania, Hungary, the Czech Republic and Slovakia, entered the operational phase. On June 17, 2021, the Interim Coupling project was launched, which is the coupling of the day-ahead markets in the 4MMC countries with those in Poland, Austria and Germany.

Under the day-ahead price coupling mechanism, the power exchanges, on the basis of auctions, match day-ahead electricity transactions taking into account the interconnection capacity made available by the TSOs through which the implicit allocation of the day-ahead capacity is realised. NPG CO. Transelectrica SA, as an OTS, transfers electricity, both physically and commercially, to neighbours (MAVIR-Hungary) and manages congestion revenues on the respective interconnection (art. 139 of ANRE Order no. 82/2014), and in relation to OPCOM SA and Bursa Română de Mărfuri SA - BRM SA (as of November 2024) it has the quality of Implicit Participant in the Day-Ahead Market.

As Transfer Agent and Implicit Participant, NPG CO. Transelectrica SA has the commercial task of settling the energy traded between OPCOM SA, BRM SA and MAVIR.

On 19 November 2019, the 2nd wave of the European Single Intraday Market Coupling (SIDC) Single Intraday Coupling (SIDC) solution was launched, with the first deliveries on 20 November. Seven countries - Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, and Slovenia joined the fourteen countries - Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Latvia, Lithuania, Norway, the Netherlands, Portugal, Spain, and Sweden, which have already been operating in a coupled regime since June 2018.

The single intra-domestic market coupling mechanism ensures that bids and offers from market participants in a bidding area are continuously matched with bids and offers from within their own bidding area and from any other bidding area where cross-border capacity is available.

As Transfer Agent, NPG CO. Transelectrica SA has the commercial task of settling the energy traded between OPCOM SA, BRM SA, MAVIR and IBEX.

28 October 2021 marked the start of the new successful SDAC Single Day-ahead Coupling, the result of the cooperation between the Designated Electricity Market Operators (OPEEDs) and the Transmission System Operators (TSOs) of Bulgaria and Romania, namely IBEX EAD, OPCOM SA, ESO EAD and NPG CO. Transelectrica SA. The aim of the SDAC is to create a single pan-European cross-border day-ahead energy market. An integrated day-ahead market increases the overall efficiency of trading by promoting effective competition, increasing liquidity and enabling more efficient utilisation of generation resources across Europe.

As the transfer agent for Romania's bidding zone, NPG CO. Transelectrica SA has the role of settling the energy traded between OPCOM SA, BRM SA and IBEX.

The launch of the Flow Based Market Coupling in the Core region on 08 June 2022 marked the transition from the ICP - Interim Coupling Project to FBMC - Flow Based Market Coupling, optimising the European electricity market for 13 countries: Austria, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, Netherlands, Poland, Romania, Slovakia, and Slovenia.

Within the FBMC project, Transelectrica has the role of both Shipper (Transfer Agent) and CCP - Central Counterparty. As CCP, the Company has the task of transferring the financial flows generated by the electricity flows as a result of the coupling process.

As of 18 March 2025 a new coupled electricity market, IDA - "IntraDay Auction", has been put into operation, which involves cross-border electricity transactions between OPCOM and the electricity markets of the neighbouring EU countries Hungary and Bulgaria. Also in this activity, the Company retains its role of Shipper.

#### **VAT recoverable**

VAT to be recovered (243,350) - amount related to the VAT returns for the period December 2024 - March 2025. As at the date of this report, the Company has collected 66,995 from the State, representing value added tax claimed for refund for the month of December 2024.

#### **Adjustments for impairment of trade receivables, doubtful trade receivables and other doubtful receivables**

Transelectrica's policy is to recognise impairment adjustments for loss of value in the amount of 100% for customers in litigation, insolvency and bankruptcy and 100% of trade and other receivables not collected within a period of more than 180 days, excluding outstanding receivables generated by the support scheme. The Company also conducts an individual analysis of trade and other uncollected receivables.

The highest impairment adjustments at March 31, 2024, calculated for trade receivables and related penalties, were recorded for JAO (30,020), CET Govora (24,645), Romelectro (24,468), Arelco Power (14,513), Total Electric Oltenia SA (14,186), Romenergy Industry (13,513), Elsaco Energy (9,276), OPCOM (8,818), RAAN (8,517), Next Energy Partners (8,395).

The Company has taken the following measures to recover the impairment-adjusted receivables: legal action, registration in the creditor's estate, etc.

## **6. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include balances of cash, demand deposits and deposits with original maturities of up to 90 days from the date of inception that have an insignificant exposure to the risk of changes in fair value and are used by the Company for the management of short-term liabilities.

At March 31, 2025 și December 31, 2024, cash and cash equivalents are as follows:

	31 march 2025	31 december 2024
<b>Current bank accounts and deposits of which:</b>	<b>851,016</b>	<b>707,030</b>
a) current accounts at banks and deposits current activity	286,400	200,420
b) current accounts at banks and restricted deposits, of which	564,616	506,610
- cash and deposits from high efficiency cogeneration	228,978	300,321
- cash of revenues from the allocation of interconnection capacities used for network investments	3,907	3,903
- cash from the connection fee	167,237	88,099
- European funds	54	54
- other restricted accounts (energy market guarantees and dividends)	159,646	109,417
-modernization funds	0	4,817
<b>Cash desk</b>	<b>158</b>	<b>144</b>
<b>Other cash equivalents</b>	<b>191</b>	<b>0</b>
<b>Total</b>	<b>851,366</b>	<b>707,174</b>

## 7. EQUITY

In accordance with the provisions of GEO no. 86/2014 on establishing some reorganisation measures at the level of central public administration and amending and supplementing some normative acts, on 20 February 2015 the transfer of 43,020,309 shares from the account of the Romanian State in the administration of the General Secretariat of the Government to the account of the Romanian State in the administration of the Ministry of Economy, Trade and Tourism was registered in the Company's Shareholders' Register.

Based on the provisions of Article 2 of GEO no. 55/19 November 2015 on the establishment of some reorganisation measures at the level of central public administration and amending some normative acts, the Ministry of Economy, Trade and Business Environment Relations (MECRMA) was established by reorganising and taking over the activities of the Ministry of Economy, Trade and Tourism, which was dissolved, and by taking over the activities and structures in the field of small and medium enterprises and business environment from the Ministry of Energy, Small and Medium Enterprises and Business Environment.

In accordance with the provisions of GD no. 27/12 January 2017 on the organisation and functioning of the Ministry of Economy, the Company operated under the authority of the Ministry of Economy until 5 November 2019.

Pursuant to the Government Emergency Ordinance (GEO) no. 68/2019 for the establishment of certain measures at the level of central public administration and for amending and supplementing certain normative acts, published in the Official Gazette no. 898/06.11.2019, as of 6 November 2019, the exercise of rights and fulfilment of obligations arising from the status of shareholder of the State in the National Electricity Transmission Company "Transelectrica" - S.A. is carried out by the General Secretariat of the Government.

On 14.11.2019, the Central Depository S.A. registered the transfer of 43,020,309 shares (representing 58,69% of the share capital) issued by NPG CO. Transelectrica SA, from the account of the Romanian State through the Ministry of Economy to the account of the Romanian State represented by the Government through the General Secretariat of the Government, as a result of the implementation of the provisions of Government Emergency Ordinance no. 68/06.11.2019 on establishing some measures at the level of central public administration and amending and supplementing some normative acts.

On March 31, 2024, the shareholders of NPG CO. Transelectrica SA are: the Romanian State represented by the General Secretariat of the Government which holds 43,020,309 shares (58,69%), the privately managed pension fund NN with 4,007,688 shares (5,47%), PAVAL HOLDING with 4,753,567 shares (6,49%), other shareholders Legal Entities with 16,585,131 shares (22,63%) and other shareholders Individuals with 4,936,447 shares (6,72%).

At the end of each reporting period, the fully subscribed and paid-up share capital of the Company in the amount of 733,031,420 is divided into 73,303,142 ordinary shares with a nominal value of 10 lei/share and corresponds to that registered with the Trade Register Office.

The shareholder structure at March 31, 2025 și December 31, 2024 is as follows::

Shareholder	31 march 2025		31 december 2024	
	<i>Number of shares</i>	<i>% of the share capital</i>	<i>Number of shares</i>	<i>% of the share capital</i>
Romanian State by MECRMA	43,020,309	58.69%	43,020,309	58.69%
Other legal person shareholders	16,585,131	22.63%	16,442,683	22.43%
PAVAL HOLDING	4,753,567	6.49%	4,753,567	6.49%
NN Group NV	4,007,688	5.47%	4,007,688	5.47%
Other natural person shareholders	4,936,447	6.72%	5,078,895	6.92%
<b>Total</b>	<b>73,303,142</b>	<b>100.00%</b>	<b>73,303,142</b>	<b>100.00%</b>

The increase in shareholders' equity as at March 31, 2025 compared to December 31, 2024 was mainly due to the recognition in retained earnings of the net profit of **153,205** realised as at March 31, 2025.

## 8. DEFERRED REVENUES

Deferred revenue are mainly represented by: connection fee, other investment subsidies, non-refundable European funds received from the Ministry of European Funds, Ministry of Energy as well as revenues from the use of interconnection capacity.

At March 31, 2025, the statement of **deferred revenues** is as follows:

	31 march 2025	Of which: current part at 31 march 2025	31 december 2024	Of which: current part at 31 december 2024
Deferred revenues – allocation of the interconnection capacity	11,131	11,131	6,728	6,728
Deferred revenues – European funds	2,715	2,715	3,335	3,335
Connection fee funds	387,595	7,149	296,793	7,155
European funds	225,049	4,965	232,180	2,299
Other subsidies	22,277	54	21,211	2,716
<b>Total</b>	<b>648,767</b>	<b>26,014</b>	<b>560,247</b>	<b>22,232</b>

Developments in **short-term deferred revenues** from January to March 2025 are as follows:

	31 march 2025	31 december 2024
<b>Opening balance 1 january</b>	<b>22,232</b>	<b>16,138</b>
Cash in advance related to interconnection capacity	33,390	93,714
Proceeds from European funds	-	2,585
Transfer of long-term deferred revenues	(1)	(2,095)
Revenues from the use of interconnection capacities	(28,987)	(88,040)
Revenues from European funds	(619)	(70)
<b>Balance on the end of period</b>	<b>26,014</b>	<b>22,232</b>

The evolution of **long-term** deferred revenues the period from January to March 2025 is as follows:

	31 march 2025	31 december 2024
<b>Opening balance 1 january</b>	<b>538,015</b>	<b>519,115</b>
Connection subsidies	(92,607)	47,520
Non-reimbursable funds	(5,723)	43,189
Non-refundable funds to be repaid	-	-
Transfer from short term deferred revenues	178,480	(85,944)
Subsidies wich resumed into revenues	4,589	14,134
<b>Balance on the end of period</b>	<b>622,754</b>	<b>538,015</b>

## 9. BORROWINGS

### • Long term Borrowings

As at March 31, 2025, the amount of long-term borrowings decreased compared to 31 December 2024 mainly due to repayments under existing loan agreements.

Movements in borrowings in the three-month period ended March 31, 2025 are as follows:

	Currency	Interest rate	Accounting valuedate	Due
<b>Balance at 1 January 2025</b>			<b>31.903</b>	
<b>New drawings</b>			-	
<b>Reimbursements, of which:</b>			<b>(5.990)</b>	
BEI 25709	EUR	3,596%	(5.990)	10-Sep-2025
BEI 25710	EUR	3,856%+2,847%	-	11-Apr-2028
<b>Exchange rate differences at the date of reimbursement</b>			<b>19</b>	
<b>Balance at March 31, 2025</b>			<b>25.931</b>	

At March 31, 2025 and December 31, 2024, the balances of long-term borrowings from credit institutions are as follows:

Description	31 march 2025	31 december 2024
BEI 25709	5,991	11,975
BEI 25710	19,940	19,928
<b>Total non-current loans from credit institutions, of which:</b>	<b>25,931</b>	<b>31,903</b>
<b>Less: Current portion of non-current borrowings</b>	<b>(18,008)</b>	<b>(23,985)</b>
<b>Total non-current loans net of current instalments</b>	<b>7,923</b>	<b>7,918</b>

The long-term portion of the borrowings will be repaid as follows:

	31 march 2025	31 december 2024
From 1 to 2 years	6,487	6,483
From 2 to 5 years	1,436	1,435
More than 5 years	-	-
<b>Total</b>	<b>7,923</b>	<b>7,918</b>

The Group did not perform hedging activities against risks related to its foreign currency obligations or exposure to interest rate risks.

All long-term borrowings outstanding at March 31, 2025 bear fixed interest.

### • Short-term Borrowings

Short-term borrowings are detailed as follows:

	31 march 2025	31 december 2024
Current portion of non-current borrowings	18,008	23,985
Short-term bank loans	-	-
SMART credit lines	10,722	8,354
Interest related to the non-current and current loans	364	303
<b>Total current borrowings</b>	<b>29,094</b>	<b>32,641</b>

- *Borrowing for current activity*

On 30.03.2022 Transelectrica entered into loan agreement no. **C624 with Banca Comercială Română** for a period of 12 months for the financing of the bonus support scheme for high efficiency cogeneration, in the form of overdraft, in the amount of 175,000 with an interest rate calculated based on the reference rate ROBOR 1M, plus a margin of 0% and a commission of 0,088%.

On 04.01.2023 Transelectrica concluded the Additional Deed no. 1 to the credit agreement no. C624 concluded with Banca Comercială Română, with the purpose of extending the purpose of the credit line and to cover temporary working capital needs and extending the validity of the agreement by 12 months (from 30.03.2023 to 30.03.2024).

On 27.03.2024 Transelectrica concluded the Additional Deed no. 2 to the credit agreement no. C624 concluded with Banca Comercială Română, with the purpose of extending the validity of the agreement by 12 months (from 30.03.2024 to 30.03.2025).

On 27.03.2025 Transelectrica concluded the Additional Deed no. 3 to the credit agreement no. C624 concluded with Banca Comercială Română, with the purpose of extending the validity of the agreement by 12 months (from 30.03.2025 to 30.03.2026).

The credit line is secured by:

- a chattel mortgage on the bank account opened with the bank;
- chattel mortgage on the receivables resulting from the contracts on the contribution for high efficiency cogeneration concluded with Electrica Furnizare SA, Enel Energie SA, Enel Energie Muntenia SA, EON Energie Romania SA.

At March 31, 2024 the credit line is not drawn down.

On 10.03.2022 Transelectrica entered into loan agreement no. **C588 with Banca Transilvania** for a period of 12 months to finance the Company's working capital in the amount of 200,000 with an interest rate calculated based on the reference rate ROBOR 1M, plus a margin of 0,05%.

The credit agreement in the amount of 200 million lei has the following structure:

- 175 million lei - revolving credit line used to cover the temporary working capital needs for the timely payment of the Company's maturing obligations, with a utilisation period of 12 months, until 09.03.2023;
- 25 million lei in the form of a ceiling for the issuance of letters of guarantee, with a period of issuance of letters of guarantee of 12 months, until 09.03.2023 and a validity of letters of guarantee of 24 months.

On 09.05.2022 Transelectrica entered into Additional Deed no. 1 to the credit agreement no. C588 concluded with Banca Transilvania, with the purpose of extending the validity of the credit line to 24 months (credit line utilisation until 08.03.2024).

On 16.06.2022, Transelectrica concluded Addendum no. 2 to the credit agreement no. C588 concluded with Banca Transilvania, with the purpose of increasing the ceiling for issuing letters of guarantee from RON 25 million to RON 40 million (utilisation of the ceiling until 09.03.2023).

On 19.04.2023 Transelectrica entered into Additional Deed no. 3 to the credit agreement no. C588 entered into with Banca Transilvania, with the purpose of amending the guarantee agreements.

On 07.03.2024 Transelectrica entered into Additional Deed no. 4 to the credit agreement no. C588 concluded with Banca Transilvania, with the purpose of extending the validity of the credit line to 12 months (credit line utilisation until 09.03.2025).

The credit line is secured by:

- a chattel mortgage on the bank account opened with the bank;
- chattel mortgage on the claims resulting from the contract on the provision of electricity transmission and system service concluded with Electrica Furnizare SA.

On March 31, 2024 the credit line is closed.

- *Loans contracted by Subsidiaries*

On January 9, 2024, the Subsidiary has contracted from EXIM Banca Românească a multi-product ceiling loan - single-company with a ceiling of RON 21million, which took over and extended the revolving ceiling credit line of RON 15million.

In August 2024, SMART SA contracted two multi-product credit facilities in RON from Banca Comercială Română with the following structure:

- RON 46million for the purpose of financing working capital over a period of 48 months at a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 1.65 p.p.), of which: RON 15 million overdraft revolving overdraft facility (the first utilizations being for refinancing the facility granted by Exim - Banca Românească), RON 10 million for financing VAT related to investments (PNRR project), revolving, and revolving guarantee facility up to the amount of RON 46 million.
- RON 37 million to finance working capital for a period of 36 months at a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 1.95 p.p.), of which: RON 10 million for financing the working capital in connection with the works related to the Works Contracts (up to RON 4.5 million for uses in connection with the Sunlight Ventures Project and up to the amount of RON 10 million for uses in connection with the Black Sea Renewables Project, the sublimits may be used in any combination) and revolving guarantee facility up to the amount of RON 37 million.

As of March 31, 2025, **10,722** was drawn on the line of credit.

On February 3, 2025, the Teletrans Subsidiar contracted an overdraft loan from Banca Comercială Română with a ceiling of 10 million lei, granted for a period of 12 months with a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 0.75 p.p.) for the purpose of financing current activity.

As of March 31, 2025, the credit line is not used.

#### 10. a. TRADE AND OTHER LIABILITIES

As at March 31, 2025 and December 31, 2024, **trade and other liabilities** are as follows:

	31 march 2025	31 december 2024
Providers - electricity market	1,656,999	2,253,148
Asset providers	107,833	158,614
Providers of other activities	32,245	45,938
Amounts due to employees	17,248	16,143
Other liabilities	1,023,547	1,381,401
<b>Total</b>	<b>2,837,873</b>	<b>3,855,244</b>

As at March 31, 2025 and December 31, 2024, the outstanding energy market liabilities amounting to 1,657 and 2,253 respectively, are structured as follows:

	31 march 2025	31 december 2024
Providers - electricity market, of wich:		
-providers - operational activity	989,837	1,496,225
-providers - balancing market	585,346	711,977
-providers- bonus type support scheme to promote high efficiency cogeneration	81,816	44,946
<b>Total</b>	<b>1,656,999</b>	<b>2,253,148</b>

The suppliers on the electricity market are mainly represented by MAVIR, IBEX, Hidroelectrica SA, OPCOM, S Complexul energetic Oltenia SA, Electrocentrale București, Joint Allocation Office, CIGA Energy SA, Bursa Română de Mărfuri, Nova Power&Gas.

The decrease in the 'liabilities related to operating activities' balance in the period analysed was influenced by the supply and demand pricing model for electricity market coupling. The implicit allocations, in which capacity and energy are simultaneously provided for, were influenced by changes in

the price of electricity on the European power exchanges.

The decrease in the "balancing market liabilities" balance was driven by a decrease in the volume of transactions recorded in the balancing market in the first quarter of 2025 compared to the fourth quarter of 2024.

The increase in "support scheme liabilities" to suppliers (producers) was due to the payment of the pre-compensation amount for 2024, when due, after the reporting date.

As at March 31, 2024, there are payment obligations to suppliers (producers) in the amount of 35,160, respectively, 3,540 to CET Govora SA (monthly cogeneration bonus and pre-overcompensation for 2015) and 31,791 to Electrocentrale București SA (pre-overcompensation for 2024). The amounts representing the Company's liabilities related to the support scheme to CET Govora were withheld for payment on the basis of art. 17 para. 5 of ANRE President's Order no. 116/2013, since the supplier (producer) has payment obligations towards the Company under the bonus support scheme.

The company requested from the supplier (producer) that did not pay the overcompensation invoices, the agreement to carry out the mutual debt compensation at their minimum level through the Institute of Management and Informatics (IMI) that manages all the information received from taxpayers in a unitary manner, based on the provisions of GD no. 773/2019.

CET Govora did not agree with this way of settling mutual claims and liabilities, which is why the Company has applied and continues to apply the provisions of Art. 17 para. 5 of ANRE President's Order no. 116/2013 for the approval of the Regulation on establishing the manner of collecting the contribution for high-efficiency cogeneration and payment of the bonus for electricity produced in high-efficiency cogeneration: *'if the producer has not fully paid to the support scheme administrator the payment obligations resulting in accordance with the provisions of this Regulation, the support scheme administrator shall pay to the producer the difference between the value of the invoices issued by the producer and the producer's payment obligations relating to the support scheme, with explicit mention of the respective amounts on the payment document'* and withheld from the payment the amounts relating to the support scheme due.

NPG CO. Transelectrica SA has entered into an agreement with CET Govora SA for the set-off and instalment payment of the amounts representing the receivables from the overcompensation for 2011-2013 and the undue bonus for 2014 (Agreement No C 135/30.06.2015 and Additional Deed No 1/04.08.2015). The duration of the Agreement was 1 year (period July 2015-August 2016) and provided for the Company's right to calculate and collect penalties during the payment instalment period.

On the basis of the Agreement, the Company's receivables from CET Govora SA were offset against the debts to CET Govora SA, represented by the cogeneration bonus for the period May 2014 - October 2015 withheld by applying the provisions of Article 17 paragraph 5 of the Order of the President of ANRE no. 116/2013 and the provisions of the Agreement, in the amount of 40,508.

Following the suspension in court, by civil judgement no. 3185/27.11.2015, of ANRE Decision no. 738/28.03.2014, which established the amount of overcompensation for the period 2011-2013, CET Govora SA has no longer complied with the obligations assumed by the Agreement. As of 9 May 2016, general insolvency proceedings were opened for CET Govora. In view of the provisions of Law no. 85/2014 - the Insolvency Law, the Company suspended, as of 9 May 2016, the application of the provisions of Article 17.5 of ANRE's Presidential Order no. 116/2013 for the approval of the Regulation on the establishment of the manner of collection of the contribution for high efficiency cogeneration and payment of the bonus for electricity produced in high efficiency cogeneration and pays the cogeneration bonus due to CET Govora on a monthly basis to CET Govora. By Civil Decision no. 2430/05.10.2016, the High Court of Cassation and Justice admitted the appeal lodged by ANRE against Civil Judgement no. 3185/27.11.2015, partially quashed the contested judgment and rejected the request for suspension filed by CET Govora. Thus, as of 05.10.2016, the effects of ANRE Decision no. 738/28.03.2014 are no longer suspended, and are fully effective.

Under these circumstances, the Company applies the provisions of Article 17 paragraph 5 of ANRE Order no. 116/2013 for mutual liabilities and claims arising after the insolvency proceedings, in the sense of withholding the bonus due to CET Govora SA up to the amount of the amounts related to the support scheme not paid to the Company.

The decrease in the **"fixed assets suppliers"** balance at March 31, 2025 compared to December 31, 2024 was due to the payments falling due.

Amounts owed to **'suppliers other activities'** mainly consist of amounts owed for services rendered by

Notele atașate constituie parte integrantă a acestor situații financiare consolidate.

third parties not yet due, which have decreased since December 31, 2024.

At March 31, 2025, the Company has no outstanding liabilities to suppliers (state budget, local budget or other public institutions).

The structure of liabilities recorded under **"other liabilities"** is as follows:

	<b>31 march 2025</b>	<b>31 december 2024</b>
Various creditors	278,396	385,573
Client-creditors	547,891	850,989
Dividends to pay	131	134
Other liabilities	197,129	144,705
<b>Total</b>	<b>1,023,547</b>	<b>1,381,401</b>

- „Various creditors”, amounting to **278,396** as at March 31, 2025, mainly represent:
- the net position of the support scheme for high efficiency cogeneration, liability position, in the amount of 254,548.

The net position of the support scheme is the difference between:

- the amount of the contribution to be collected from the suppliers of electricity consumers, the amount of overcompensation for high-efficiency cogeneration of electricity and heat production, the undue bonus to be collected from producers, in accordance with ANRE decisions, and
- the amount of the CHP bonus, the pre-compensation and the unallocated bonus to be paid to the high-efficiency cogeneration producers, beneficiaries of the support scheme, on the other hand;
- 15,306 solution study contracts for connection to the ETG;
- 4,937 OTC caused by additional transits of energy in the networks of concessionary distribution operators at the voltage level of 110 kV, for the share allocated to producers owning power plants with installed capacity exceeding 5MW connected to the respective distribution networks;
- 1,980 royalty Q1 2025 and others.
- "Creditor customers" as at March 31, 2024 amount to **547,891**, of which 529,133 represent amounts received in advance under transactions related to price coupling mechanisms, ICP (Interim Coupling Project), SIDC (Single Intraday Coupling), SDAC (Single Day-ahead Coupling), FBMC (Flow Based Market Coupling) and IDA (Intra Day Auction), from: BRM (296,256), IBEX (147,117), MAVIR (51,343), JAO (3,539) and OPCOM (30,878).
- At March 31, 2025, dividends due to shareholders of the Company and unpaid amount to 130. These amounts are available to shareholders through the paying agent.
- "Other short-term payables", in the amount of **197,129**, are mainly represented by guarantees of good payment of electricity market contracts concluded by NPG CO. Transelectrica SA in the amount of 161,360, VAT not chargeable during the reporting period in the amount of 30,848 and others.

## **10.b DATORII LEASING**

As of March 31, 2025 and December 31, 2024, the liability for assets related to the right-of-use of leased assets, according to the provisions of IFRS 16 – Leases, is as follows:

	<b>31 march 2025</b>	<b>31 december 2024</b>
Liabilities - leasing, short term	5,413	7,328
Liabilities - leasing, long term	1,171	1,604
<b>Total</b>	<b>6,584</b>	<b>8,932</b>

At March 31, 2025, **liability for fixed assets related to the rights of use of leased assets - buildings**, according to the provisions of IFRS 16 - Leases, is in the amount of 6,584, from wich:

- Liabilities short term: 5,413
- Liabilities long term: 1,171.

## 11. PROVISIONS

As at March 31, 2025 and December 31, 2024, the statement of provisions is as follows:

	<b>31 march 2025</b>	<b>31 december 2024</b>
Provisions for litigations	25,795	25,885
Provisions for mandate contracts	8,448	8,600
Provisions for the employees' profit participation fund	3,476	1,468
<b>Total</b>	<b>37,719</b>	<b>35,953</b>

The provisions for litigation outstanding at March 31, 2025, amounting to **25,795** are mainly represented by provisions set aside for the following litigation:

- *File no. 36755/3/2018 - Claimant Conaid Company SRL (17,216)* - more details on this case are set out in Note 19 - Litigation and Contingencies.
- *File No 15561/3/2022 - Claimant SMART SA (4,467)* - more details on this file are given in Note 19 - Litigation and Contingencies.
- *File no. 3083/3/202020 - Claimant NUCLEARELECTRICA SA (1,473)*

On 26.06.2020, Nuclearelectrica filed a lawsuit against the Company seeking payment of the amount of 1,291 representing a negative imbalance and 182 as legal interest.

After several trial dates during which the case was postponed (26.06.2020, 16.10.2020, 11.12.2020) for various reasons, at the trial date of 22.12.2020, the Court ordered the Company to pay the claimant the amount of RON 1,290,533 as compensatory damages, to update this amount with the inflation rate from 27.09.2018 until the actual payment date, to pay the amount of 182 representing penal legal interest calculated from 27.09.2018 to 31.01.2020, as well as to continue paying the penal legal interest calculated from 01.02.2020 until the actual payment date. It also ordered the defendant to pay the claimant the amount of 23 as legal costs, consisting of court stamp duty. It rejected the defendant's request regarding the reimbursement of legal costs as unfounded. With right of appeal within 30 days from communication. (Judgment No. 2698/2020 dated 22.12.2020).

NPG CO. Transelectrica SA filed an appeal. In the hearing held on 25.11.2021, the Bucharest Court of Appeal admitted the appeal. It partially changed the appealed civil judgment, in the sense that: it rejected the statement of claim as unfounded. It upheld the first-instance court's decision to reject as unfounded the defendant's request for legal costs. It ordered the respondent-claimant to pay the appellant-defendant the amount of 21 as legal costs on appeal. With right of second appeal within 30 days from communication; the second appeal is to be submitted to the Bucharest Court of Appeal – 6th Civil Division. Pronounced by making the decision available to the parties through the court registry today, 25.11.2021. Document: Judgment No. 1927/2021 dated 25.11.2021.

Nuclearelectrica filed a second appeal, which was suspended until the resolution of the action for annulment of the order. Trial date: 12.10.2022.

Pursuant to Article 413 para. (1) point 1 of the Civil Procedure Code, it suspends the proceedings of the second appeal filed by the appellant-claimant National Company Nuclearelectrica S.A. against Civil Decision No. 1927/A/25.11.2021, rendered by the Bucharest Court of Appeal – 6th Civil Division, until the final settlement of Case No. 2659/2/2020, which is on the docket of the High Court of Cassation and Justice – Administrative and Fiscal Litigation Division. Final..

**"Provisions for agency contracts"**, amounting to 8,448 as at March 31, 2024, represent:

- the variable component related to the FVOV packages allocated and not valorised during the terms of office executed in the period 2013-2017, for executive and non-executive directors, claimed by them in court;
- the remuneration representing the variable component, the non-competition compensation and that of the gross monthly gross fixed allowances remaining until the end of the term of office for the members of the Supervisory Board/Directorate who have been removed from office, i.e. for the 2020-2024 terms of office.

## 12. OTHER TAX AND SOCIAL SECURITY LIABILITIES

At March 31, 2025 and December 31, 2024, other taxes and social insurance liabilities comprise:

	31 march 2025	31 december 2024
Contribution to the social security funds	15,133	18,859
Payable VAT	1,914	1,706
Salary tax	2,757	3,681
Other tax payable	1,577	1,291
<b>Total</b>	<b>21,380</b>	<b>25,537</b>

As at March 31, 2025, the Company has obligations to pay social security contributions, payroll tax and other taxes, which were paid in April 2025.

## 13. IMPOZITUL INCOME TAX

The Company's current and deferred income taxes are determined at a statutory rate of 16%.

The income tax expense for the first quarter of 2025 and the first quarter of 2024 is presented as follows:

	31 march 2025	31 march 2024
Expenses with current income tax	40.157	21.608
Deferred tax expense/ (income)	(10.901)	2.052
<b>TOTAL</b>	<b>29.255</b>	<b>23.659</b>

## 14. OPERATING REVENUES

Operating revenues comprise revenues realised from the provision by the Company, on the electricity market, of transmission and system services, interconnection capacity allocation, balancing market operation services and other revenues.

The tariffs approved by ANRE for the services provided on the electricity market for the first quarter of 2025 and the first quarter of 2024 are as follows:

	Tariff for the transmission service of feeding electricity into the electricity transmission system (TG)	Tariff for the transmission service for the extraction of electricity from the networks (TL)	Average tariff for transport service	Tariff for system service
Order No 99/20.12.2024 for the period 01 January - March 31, 2024	3.29	33.03	-	-
Order No 57/28.08.2024 for the period 01 January - March 31, 2024	-	-	-	11.51
Order No 116/20.12.2023 for the period 01 January - 31 March 2024	-	-	-	9.17
Order No 109/20.12.2023 for the period 01 January - 31 March 2024	-	-	31.67	-

Starting 01 January 2025, ANRE approves the tariff for the transmission service only for the two components: the tariff for feeding electricity into the transmission network (TG) and the tariff for extracting electricity from the networks (TL), according to ANRE Order no. 99/20.12.2024

The change in the value of the tariff for the transmission service on the two components of 01 January 2025 was determined by the application of the mechanism for correcting significant deviations from the

forecast that was the basis for the approval of the tariff that entered into force on 01 January 2024, in accordance with the provisions of the regulatory framework issued by ANRE.

The quantity of electricity delivered to consumers to which the tariffs for the services provided on the electricity market have been applied is as follows:

	<b>31 march 2025</b>	<b>31 march 2024</b>
Quantity of electricity delivered to consumers (MWh)	13,568,465	13,226,870

Operating income achieved in the first quarter of 2025 and the first quarter of 2024 is presented as follows:

	<b>31 march 2025</b>	<b>31 march 2024</b>
Transmission revenues	486,620	424,419
Revenues from the allocation of interconnection capacities	69,087	45,045
Revenues from reactive energy	856	406
Inter TSO Compensation (ITC) revenues	8,375	4,162
Revenues from transactions with own technological	11,121	28,568
<b>Total revenues from electricity transmission</b>	<b>576,059</b>	<b>502,600</b>
Revenues from system services	157,691	123,763
Emergency energy assistance to neighboring	269	3,036
<b>Total revenues from system services</b>	<b>157,960</b>	<b>126,799</b>
<b>Revenues on the balancing market</b>	<b>666,595</b>	<b>1,332,368</b>
Income from other benefits and other operating income	11,392	21,454
Grid losses anticipatory tariff income	924	7,369
<b>Other revenues</b>	<b>12,317</b>	<b>28,823</b>
<b>Total revenues</b>	<b>1,412,931</b>	<b>1,990,590</b>

#### *Revenues from transportation service*

Revenues from the transmission service increased in Q1 2025 compared to Q1 2024 by 62,201, due to both the increase in the tariff for the transmission service approved by ANRE (see the table on tariffs approved by ANRE for the period analysed, presented above) and the increase in the quantity of electricity delivered to consumers by 2,58%, i.e. by 341,595 MWh.

#### *Revenues from the allocation of interconnection capacity*

Revenue from interconnection capacity allocation has recorded an increase in Q1 2025 compared to Q1 2024, amounting to 24,042, corresponding to the level of utilisation of available interconnection capacity by the electricity market traders.

The market for the allocation of interconnection capacity is fluctuating, with prices evolving according to demand and the need of electricity market participants to purchase interconnection capacity. Thus, the growth over the analysed period has been influenced by the supply and demand price formation model. The implicit allocations, where capacity and energy are provided simultaneously, are strongly influenced by changes in the price of electricity on the European exchanges.

The interconnection capacity allocation mechanism consists of annual, monthly, daily and intra-day auctions. The auctions on the Romania-Serbia border, the long-term auctions on the borders with Hungary and Bulgaria and the short-term auctions on the borders with Moldova and Ukraine are explicit - only transmission capacity is auctioned, while the daily (borders with Hungary and Bulgaria) and intra-day (borders with Hungary and Bulgaria) auctions are implicit - they are allocated simultaneously with energy and capacity, through the coupling mechanism.

On 8 June 2022, the Core FB MC (Core Flow-Based Market Coupling) project went live, thus initiating the day-ahead flow-based market coupling in the Core Capacity Calculation Region. The Flow-Based Market Coupling mechanism optimises the European electricity market for 13 countries (Austria, Belgium, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, the Czech Republic, the Netherlands, Austria, Belgium, Croatia, France,

Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia).

As of 27 October 2021, the Romania - Bulgaria border has been integrated into the Single Day-Ahead Market Coupling (SDAC), with cross-border capacity between Romania and Bulgaria being allocated by default.

As of November 2019, the 2nd wave of the European Single Intraday Market Coupling (SIDC) has been launched. The single intraday market coupling mechanism ensures that the bids and offers of market participants in a bidding area are continuously matched with bids and offers from within their own bidding area and from any other bidding area where cross-border capacity is available. Thus, explicit intra-domestic auctions are only on the borders with Serbia and Moldova, while on the borders with Bulgaria and Hungary they are implicit (within the ICSD).

On 18 March 2025, the Intraday Auctions (IDA) project was launched for Romania's bidding borders (Romania-Bulgaria and Romania-Hungary). In accordance with Article 55 of Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing guidelines on capacity allocation and congestion management, it is necessary to set intraday capacity prices. Thus, on the basis of ACER Decision No 01/2019 on the Methodology for intrazonal intrazonal capacity pricing, an auction mechanism has been introduced to fulfil this objective. This is the so called intrazonal auction - "IDA" which means the implicit auction of intrazonal transactions for the simultaneous matching of orders from different bidding zones and allocation of available intrazonal transzonal intrazonal capacity at the bidding zone borders by applying a market coupling mechanism.

The use of the net revenues from the allocation of interconnection capacity is carried out in accordance with the provisions of ANRE Order no. 171/2019 and Regulation (EU) 2019/943 of 5 June 2019 on the internal electricity market, as a source of financing investments for the modernisation and development of interconnection capacity with neighbouring systems.

Starting with 2025, by ANRE Decision no. 2624/10.12.2024 *for the approval of the method of covering the expenses forecast for 2025 from the revenues obtained from the allocation of cross-border interconnection capacity*, it was approved the ETG maintenance expenses for certain major and minor maintenance projects, from the revenues obtained from the allocation of cross-border interconnection capacity.

Extending market coupling has the effect of making energy prices uniform across Europe, which is also one of the main objectives of Regulation (EU) 2015/1222 "establishing guidelines on capacity allocation and congestion management".

#### *Revenue from Inter TSO Compensation (ITC)*

Revenues from the application of the ITC mechanism come mostly from scheduled electricity exchanges with the countries considered as perimeter countries of the mechanism, namely Ukraine and the Republic of Moldova.

As of 01 July 2024, Ukraine joined the ITC mechanism and was no longer considered as a perimeter country. As a result, the exchanges taken into account were only those with the Republic of Moldova. In general, Romania is a paying country under the mechanism, but exceptionally, revenue can also be recorded from monthly settlements.

Thus, in the first quarter of 2025, the revenue recorded under the ITC mechanism has recorded an increase of 4,213 compared to the first quarter of 2024.

#### *OTC transaction revenue*

Energy trading revenues for OTC were mainly derived from the sale of surplus energy at a positive price and the purchase of deficit energy at a negative price, resulting from the difference between the long and medium term forecast and the short term forecast (per settlement interval) on the Intra-day Market administered by OPCOM and the difference between the forecast OTC and the actual realised OTC (per settlement interval) on the Balancing Market, respectively. These revenues were lower in Q1 2025 compared to Q1 2024 by 17,446.

Revenues from transactions on the Intra-Dil market were lower than those realised in the previous year, and revenues from transactions on the Balancing Market were significantly lower, as almost 50% of the required OTC was purchased on the short-term markets and the quantities available for sale on the IP were 40% lower. Given the increased share of solar and wind power generation, there is an increase in the supply of energy in the peak intervals and an increase in the share of very low and even negative price intervals for prices in the short-term markets.

#### *Revenue from system services*

Notele ataşate constituie parte integrantă a acestor situații financiare consolidate.

Revenues from system services recorded an increase in Q1 2025 compared to Q1 2024 in the amount of 33,928, determined both by the increase in the tariff approved by ANRE for these services (see the table on tariffs approved by ANRE for the period analysed, presented above), and by the increase in the quantity of electricity delivered to consumers by 2,58%, i.e. by 342 MWh.

For the system services activity, the specific regulatory framework contains regularisation mechanisms that ensure the compensation of the excess or deficit of revenues in relation to the level of expenses necessary to carry out the activity. Thus, according to ANRE's regulations, the surplus/deficit of revenue in relation to the recognised costs resulting from the performance of this activity is to be compensated by ex-post tariff correction (negative/positive correction) applied by ANRE in the tariff in the years following the year in which the respective surplus/deficit was recorded. The surplus/deficit of revenue over the costs resulting from the fulfilment of this activity shall be calculated per tariff programming period.

#### *Revenue from disaster aid*

In the first quarter of 2025, 269 in emergency aid was granted to Serbia (March), due to the accidental shutdown of groups in that country.

#### *Balancing market revenues*

The revenue realised on the balancing market decreased in Q1 2025 compared to Q1 2024 by 665,772, mainly due to the following:

- the evolution of contractual imbalances recorded at the level of electricity suppliers on the balancing market;
- hydraulic evolution;
- the evolution of electricity production and consumption;
- there has been further accelerated growth in the installed power of prosumers;
- improved control/monitoring at the level of suppliers for the production of the prosumers they have in their portfolio and increased concern at their level for estimating/adjusting the prosumers' production forecasts in relation to their contractual position.

#### *Revenue from capitalisation of own technological consumption (OTC)*

According to Art. III of GEO no. 119/2022 amending and supplementing GEO no. 27/2022 on the measures applicable to end customers in the electricity and natural gas market in the period 1 April 2022 - 31 March 2023, and amending and supplementing some normative acts in the energy sector, and approved by Law no. 357/13.12.2022, as subsequently amended and supplemented, for licensed economic operators, providers of electricity transmission services, the additional costs of electricity purchase made in the period from January 1, 2022 to March 31, 2025, in order to cover their own technological consumption, compared to the costs included in the regulated tariffs, shall be capitalised on a quarterly basis, and the assets resulting from the capitalisation shall be depreciated over a period of 5 years from the date of capitalisation.

Accordingly, as on March 31, 2025, the Company has recognised OTC capitalisation revenue of 924 representing additional OTC calculated as the difference between the net OTC acquisition cost and the OTC cost included in the regulatory tariff for the period 01 January to March 31, 2025.

## **15. SYSTEM OPERATING EXPENSES AND BALANCING MARKET EXPENSES**

The expenditure realised in Q1 2025 compared to Q1 2024 is presented as follows:

	<b>31 march 2025</b>	<b>31 march 2024</b>
Expenses on own technological consumption	158,317	142,895
Expenses for the electricity consumption in RET substations	12,611	14,240
ITC expenses (Inter TSO Compensation)	18,167	11,615
<b>Total system operating expenses</b>	<b>189,094</b>	<b>168,749</b>
Expenses regarding system services	<b>100,296</b>	<b>105,371</b>
Balancing market expenses	<b>666,721</b>	<b>1,332,347</b>
<b>Total</b>	<b>956,111</b>	<b>1,606,467</b>

#### *Expenses on own technological consumption*

Notele ataşate constituie parte integrantă a acestor situații financiare consolidate.

These represent expenses for the purchase of electricity on the free electricity market, i.e. the Centralised Bilateral Contracts Market (PCCB), the Day-ahead Market (DAM), the Balancing Market (PE) and the Intra-day Market (PI) to cover the own technological consumption (OTC) in the ETG.

Technological own consumption expenses were higher by 15,422 in Q1 2025 compared to Q1 2024, given a number of factors, as follows:

- Due to its characteristics, the Technological Own Consumption (TOC) in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, on the structure of electricity production and consumption, at national level, on the distribution of electricity flows in the internal transmission grid and on the interconnection lines with neighbouring power systems, and its value is very little to not controllable in an interconnected and coupled regional energy market;
- The changes introduced by GEO 32/2024 led to a gradual exit from the support scheme and a return to competitive market mechanisms. As a result, as of 01.01.2025, the energy needed to cover the OTC has been purchased in a proportion of about 50% through bilateral contracts, at an average price of 485.59 lei/MWh;
- The removal of the MACEE mechanism, increased consumption and low temperatures in February, which led to increased imports in the context of lower hydro production, led to an increase in energy prices in short-term markets compared to the same period in 2024;
- compared to the first quarter of 2025, in the first quarter of 2024, as result of the provisions of GEO no. 153/2022 amending and supplementing GEO no. 27/2022, NPG CO. Transelectrica SA purchased electricity to cover 75% of the quantity related to the OTC forecast validated by the Centralised Electricity Purchase Mechanism (MACEE), at the regulated price of 450 lei/MWh;
- as of 01.04.2024, the centralised electricity purchase mechanism (MACEE) was modified by GEO no. 32/2024, in the following sense:
  - reducing the regulated purchase price to 400 lei/MWh;
  - removing the obligation for producers to participate in the mechanism;
  - changing the period of application of the mechanism from March 31, 2024 to December 31, 2024;
  - allowing other producers with production capacities below 10 MW to participate in the scheme.
- The price of DAM is highly dependent on weather conditions (drought, precipitation, extreme events) and European market prices. The Day-ahead market is an unpredictable market with a high degree of volatility, with prices increasing by as much as 30-40% in a week;
- From 01 July 2024, a number of changes to the Regulation on Terms and Conditions for Balancing Parties, in line with the requirements of the European Codes, came into force, which led to very high prices in the Balancing Market. These prices have a high degree of volatility and uncertainty and can vary widely, but are still below the 2024 peaks.

#### *Expenses on electricity consumption in ETG stations*

In order to carry out the activity of electricity transmission in power stations and to operate the National Electricity System in safe conditions, NPG CO. Transelectrica SA must purchase electricity to cover the consumption related to the internal services of the high voltage power stations under the Company's management

These expenses decreased by 1,629 in Q1 2025 compared to Q1 2024.

#### *Inter TSO Compensation (ITC) expenses*

TCI expenses are the monthly payment obligations/collection fees for each transmission system operator (TSO). They are established under the mechanism of compensation/dispensation of the effects of the use of the transmission electricity network (ETG) for electricity transits between TSOs of the countries that have joined this mechanism under ENTSO-E. In Q1 2025, these expenses were higher by 6,552 compared to the same period of the previous year

The factors influencing the cost/revenue values of the JTI mechanism are the electricity exchanges - import, export, transit on the interconnection lines of the NES, correlated with the electricity flows transited at the level of all countries participating in the mechanism.

#### *Expenses on system services / expenditure on balancing capacity*

System service expenses / balancing capacity expenses have decreased in Q1 2025 compared to Q1 2024 in the amount of 5,075.

System services are purchased by the Company from producers in order to ensure the maintenance of the level of operational safety of the NES and the quality of the electricity transported at the parameters required by the technical standards in force, based on the requirements established by the National Energy Dispatching (organisational unit within the Company) responsible for ensuring the stability and safety of the NES operation.

The purchase of system services is carried out both in a competitive regime through daily and directional auctions, in accordance with the provisions of Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019, and in a regulated regime, based on ANRE Decisions (in the case of reactive energy reserves).

In the first quarter of 2025, the contracting of system services under the regulated regime was carried out only for reactive energy, according to ANRE Decision no. 2281/2024, being provided by the Societatea de Producere a Energia Electrica în Hidrocentrale "Hidroelectrica" SA.

In the balancing capacity market, in line with the trend in the balancing market in Q1 2025, there has been a downward trend in the purchase price for RRFa on uprating and downrating and RRFm on downrating:

- the average purchase price for RRFa at growth - 63.67 lei/hMW;
- average purchase price for RRFa at discount – 66.38 lei/hMW;
- the average purchase price for RRFm at growth - 36.22 lei/hMW;
- average purchase price for RRFm at discount – 15.46 lei/hMW.

As of 01 July 2024, ANRE Order no. 127/08.12.2021 for the approval of the Regulation on the terms and conditions for balancing service providers and frequency stabilisation reserve providers and the Regulation on the terms and conditions for parties responsible for balancing and for the amendment and repeal of some orders of the President of the National Energy Regulatory Authority, with subsequent amendments and additions, which defines the new types of reserves to be purchased by NPG CO. Transelectrica SA, in accordance with the requirements of the European codes, entered into force. These are the Frequency Stabilisation Reserve (symmetrical band), the Frequency Restoration Reserve with automatic and manual activation, and the Replacement Reserve. These reserves will be qualified as standard reserves, based on ANRE Order no. 89/2021 on the approval of the technical qualification for the provision of system services.

For the following period of 2025, it is estimated that a significant impact on the evolution of the costs for the purchase of system services through daily and directional auctions, at the level of NPG CO. Transelectrica SA, will be the regulatory framework of ANRE on the electricity market, the evolution of prices on the balancing market, as well as the regional and European context of the evolution of the electricity market.

#### *Balancing market expenses*

The balancing market expenses realised in Q1 2025, amounting to 666,721, were lower by 665,626 in Q1 2024 compared to Q1 2024. These expenses result from the notifications/realisations of the participants on this market and are significantly influenced by the evolution of electricity production and consumption at national level, the European context of the evolution of the electricity market and the way of contracting on the markets prior to the balancing market.

## **16. DEPRECIATION AND AMORTIZATION**

	<b>31 march 2025</b>	<b>31 march 2024</b>
Expenses with the depreciation of the tangible and intangible fixed assets	71,476	68,944
Expenses with the depreciation of the intangible fixed assets – additional Grid Losses	22,714	17,613
Expenses with the depreciation of the assets related to the rights of use of the leased assets	2,193	2,163
<b>Total</b>	<b>96,383</b>	<b>88,721</b>

*Depreciation expense on tangible and intangible assets* in the amount of **71,476** represents the depreciation recorded in the first quarter of 2025, calculated at the revalued amount of the assets at

December 31, 2024, correlated with the commissioning of investment works and the acceptance of the assets.

*Expenses with the amortisation of intangible assets - additional OTC* in the amount of **22,714** were recorded in accordance with the provisions of OMF no. 3900/2022 on the approval of accounting specifications in application of the provisions of Article III of GEO no. 119/2022 for the amendment and completion of *GEO no. 27/2022 on the measures applicable to end customers in the electricity and natural gas market in the period from 1 April 2022 to 31 March 2023, as well as for the amendment and completion of some normative acts in the energy sector.*

According to Article III of GEO no. 119/2022 approved by Law no. 357/13.12.2022 with subsequent amendments and additions, for licensed economic operators, providers of electricity transmission services, the additional costs of electricity purchase incurred in the period from January 1, 2022 to March 31, 2024, in order to cover their own technological consumption, compared to the costs included in the regulated tariffs, are capitalised on a quarterly basis, and the assets resulting from the capitalisation are depreciated over a period of 5 years from the date of capitalisation.

*Intangible asset amortisation expense recognised under IFRS 16* in the amount of **2,193** (the Company partly operates in leased office premises). In accordance with *IFRS 16 - Leases*, the right to use the premises leased by the Company in the Platinum office building at 2-4 Olteni Street, Platinum Platinum, is recognised as an asset measured at the level of the rent payable until the end of the lease contract. The asset recognised in accordance with IFRS 16 is depreciated at the level of the monthly rent and is recorded under the "depreciation of tangible and intangible assets" indicator.

## 17. PERSONNEL EXPENSES

	<u>31 march 2025</u>	<u>31 march 2024</u>
Personnel expenses	<b>125,756</b>	<b>111,834</b>
- of which expenses for employees' salaries	<u>109,387</u>	<u>100,383</u>

Total personnel expenses realised in Q1 2025 show an increase compared to Q1 2024, mainly driven by an increase in some expense items such as: staff salary expenses, social expenses, expenses related to mandate contracts, expenses related to social insurance and social protection in accordance with the applicable legal provisions, as well as the reversal to revenue of part of the provisions set aside for the dismissed executive and non-executive directors, representing compensation provided for in the mandate contracts concluded in 2020 for the period 2020-2024, concurrently with the payments made on the basis of enforceable court judgements received by the Company.

### ii) Number of employees

As of March 31, 2025 și March 31, 2024, the number of employees with individual employment contracts for an indefinite period is as follows:

<b>Number of employees</b>	<u>31 march 2025</u>	<u>31 march 2024</u>
Transelectrica SA	2,029	2,026
Smart SA	595	601
Teletrans SA	<u>242</u>	<u>234</u>

## 18. OTHER OPERATING EXPENSES

	<u>31 march 2025</u>	<u>31 march 2024</u>
Other expenses with services provided by third parties	36,931	32,672
Postal and telecommunication expenses	317	307
Expenses on rents	2,120	1,819
(Revenues)/ Expense net for impairment adjustments for current assets	(121)	(193)
Other expenses	<u>(1,841)</u>	<u>6,658</u>
<b>Total</b>	<u><b>37,405</b></u>	<u><b>41,263</b></u>

In the first quarter of 2025, these expenses decreased by **3,858** compared to the first quarter of 2024, mainly due to the variation in certain expense items, as follows

- decreasing some items of expenditure, such as: expenditure on goods, expenditure on energy purchased for administrative consumption, travelling expenses, staff training costs, etc.;
- the increase of some expenditure items, namely: civil protection and security costs, Teletrans maintenance costs, taxes, duties and similar charges, royalty costs, etc.;
- reduction of the expenses paid on the basis of enforceable court judgments awarded to the former executive and non-executive members who have been dismissed, representing compensation provided for in the mandate contracts concluded in 2020, for the period 2020-2024;
- recording of operating expenses with losses on receivables (REGIA AUTONOMĂ PENTRU ACTIVITĂȚI NUCLEARE SA), as well as the reversal to revenue of adjustments for impairment of current assets (MENAROM PEC SA), etc.

## 19. NET FINANCIAL RESULT

	31 march 2025	31 march 2024
Interest revenues	2,278	1,162
Revenues from exchange rate differences	769	1,089
Other financial revenues	45	41
<b>Total financial revenues</b>	<b>3,092</b>	<b>2,293</b>
Interest expenses	(723)	(995)
Expenses from exchange rate differences	(1,608)	(1,453)
Other financial expenses	117	(74)
<b>Total financial expenses</b>	<b>(2,214)</b>	<b>(2,522)</b>
<b>Share of profit/(loss) of equity investments</b>	<b>(68)</b>	<b>-</b>
<b>Net financial result</b>	<b>810</b>	<b>(229)</b>

As at March 31, 2025, the Company recorded a net financial result (profit) amounting to **810**, mainly influenced by the increase in interest revenue received during the period under review

Compared to the first quarter of 2024, the level of realised exchange rate gains and losses in the first quarter of 2025 was mainly influenced by the volume of transactions related to the market coupling business segment in conjunction with the evolution of the exchange rates of the national currency against the euro.

At March 31, 2025, totalling **723** (interest expense), the amount of 292 represents the interest calculated on fixed assets related to the rights of use of leased assets - buildings, in accordance with IFRS 16 - Leases.

**Share of profit/(loss) from investments** represents the share of the result related to the jointly controlled entity GECO Power Company. As of March 31, GECO recorded a loss, the Company's share of this loss thus representing an expense of **68**.

The national currency exchange rates on March 31, 2025 compared to March 31, 2024 are as follows:

Currency	31 march 2025	31 march 2024
Lei / Euro	4.9771	4.9695

## 20. COMMITMENTS AND CONTINGENCIES

### ➤ Ongoing litigation

Management periodically reviews the situation of ongoing litigation and, in consultation with its legal representatives, decides on the need to create/cancel provisions for the amounts involved or to disclose them in the financial statements.

Based on existing information, the Group's management believes that it believes that there are no significant pending litigations in which the Company is a defendant, except for the following:

- **AUTONOMOUS REGIE FOR NUCLEAR ACTIVITIES (RAAN)**

In case no. **9089/101/2013**, on 19.09.2013, the Mehedinți Court ordered the opening of general insolvency proceedings against RAAN.

On 09.03.2015, the Mehedinți Court confirmed the reorganisation plan of the debtor Regia Autonomă Pentru Activități Nucleare proposed by the insolvency administrator Tudor&Asociatii SPRL and voted by the General Meeting of Creditors according to the minutes of 28.02.2014.

On 14.06.2016, bankruptcy proceedings were ordered against RAAN.

NPG CO. Transelectrica SA filed an objection to the supplementary table of claims, which was the subject of file no. 9089/101/2013/a152 against the debtor RAAN, as the judicial liquidator did not enter a claim in the amount of 78,096,209 RON on the grounds that "it does not appear as being due in RAAN's accounting records." Moreover, the judicial liquidator considered that the request to enter the amount of 78,096,209 RON in the table was submitted late, as it related to the period 2011 - 2013, which is why the statement of claim should have been submitted at the time of the opening of the insolvency proceedings, namely on 18 September 2013. Within the legal time limit, an appeal to the Supplementary Table of Claims was filed, the Mehedinți Tribunal accepting the evidence of the accountant's expert's report. By Judgment 163/20.06.2019, the solution of the Mehedinți Tribunal is: The plea of forfeiture is allowed. The main action and the related appeal are allowed in part. Orders the defendant to pay to the claimant the amount of 16,950,117.14 RON, a claim arising in the course of the proceedings, ordering its entry in the table of creditors established against the debtor RAAN with this amount. Dismisses the remainder of the related claims. Under Article 453 para. 2 C. pr. civ. orders the defendant to pay the applicant 1,000 RON costs. Subject to appeal. Delivered in open court. Document Decision 163/20.06.2019. Transelectrica appealed within the legal deadline. At the trial date of 06.11.2019, the Craiova Court of Appeal dismissed Transelectrica's appeal as unfounded. Final decision. Decision 846/06.11.2019.

In the bankruptcy case of RAAN registered under No 9089/101/2013, CNTEE Transelectrica SA was entered in the creditor's estate with the following claims: 2,162,138.86 RON + 16,951,117.14 RON.

Date to continue the procedure for the collection of claims, the realisation of assets and the performance of other liquidation operations: **11.06.2025**.

RAAN and Transelectrica are also involved in 2 other cases at various stages of judgement, as follows:

File no. **28460/3/2017** - Subject of the file: obliging the underwriter to pay the total amount of 12,346,063 lei. CAB decision 09/27/2021: Suspends the judgment of the appeal until the final settlement of files no. 28458/3/2017, no. 26024/3/2015. The decision of 23.05.2022: Rejects as unfounded the request to reinstate the pending case. Keeps the judgment of the appeal suspended. At the deadline of 20.05.2024, the appeal was admitted, the appealed sentence was changed in the sense that: the summons request was admitted. It obliges the defendant to pay the plaintiff the sum of 12,346,063.10 lei, representing the principal debt and penalties, with the right of appeal. Decision 806/20.05.2024. Transelectrica filed an appeal, without time limit.

File no. **3694/3/2016** - Claims 15,698,721.88 lei. Court term on 08.11.2021: the case has been suspended until the final settlement of Files no. 26024/3/2015 and no. 28458/3/2017. Decision 06/03/2024: the appeal was accepted, the appealed sentence was changed in its entirety, in the sense that: the summons request was accepted. The defendant was obliged to pay the plaintiff the sum of 12,727,101.99 lei, representing the bonus value and regularization of the ante-overcompensation for which SRTF series invoices were issued, as well as the sum of 2,917,619.81 lei, representing the related delay penalties the main debit, for which SRTF series invoices were issued, with the right of appeal. Decision 898/03.06.2024. Transelectrica lodged an appeal, without time limit.

- **COURT OF AUDITORS**

Following an audit carried out in 2017, the Court of Auditors ordered certain measures to be implemented by the Company as a result of certain deficiencies found during this audit. The Company lodged several appeals against the measures ordered by the Court of Auditors of Romania (CoA) by Decision no. 8/27.06.2017, requesting their cancellation, as well as against the Decision no. 77/03.08.2017, registered at the Company's registry under no. 29117/08.08.2017, respectively the Audit Report no. 19211/26.05.2017. The appeals were filed before the Bucharest Court of Appeal, among which case no. 6581/2/2017 concerning the annulment of the findings in paragraph 6 and the measure ordered in

paragraph II.9, at the trial term of 31.03.2023: According to the minutes of 29.03.2023, case no. 6581/2/2017 was filed in the 12th Panel of first instance of the Eighth Administrative and Tax Litigation Department under no. 6581/2/2017\* The solution in brief: In order to give the parties the opportunity to submit written submissions and to deliberate, the Court adjourns the hearing to the following deadlines 31.03.2023, 13.04.2023, 28.04.2023, 12.05.2023.

At the hearing on 26 May 2023, the application was granted. Partial annulment of Decision No 77/03.08.2017, as regards the rejection of point 6 of Appeal No 26140/17.07.2017, Decision No 8/27.06.2017 as regards the findings in point 6 and the measure ordered in point 11.9, and Control Report No 19211/26.05.2017 as regards the findings in point 3.2. Orders the defendant to pay to the applicant the costs totalling 10,450 RON, representing the court stamp duty and the fees of the court expert. With appeal within 15 days of notification. Decision 920/26.05.2023.

Transelectrica's appeal dismissed as unfounded on January 23, 2025. Final decision no.288/2025.

- The subject of the case file **2153/2/2021** is the annulment of the administrative act issued as a result of the control carried out by the CCR between January and July 2020, which ordered 10 measures to be implemented by the Company contained in Decision No 15/2020.

At the hearing on 10.12.2021 the CAB dismisses the Company's application to intervene. Transelectrica's appeal was dismissed as unfounded on 07.03.2024. Final judgement no.1319/2024.

- **OPCOM**

Case no. **22567/3/2019** - Subject of the case: common law claims.

To order the defendant OPCOM SA to pay the amount of 4,517,460 RON, related to the invoice series TEL 16 AAA no. 19533/29.07.2016, representing the VAT amount, related to the contribution brought by NPG Transelectrica SA to the share capital of OPCOM SA, issued under the Loan Agreement no. 7181RO/2003, commitment for the financing of the investment project "Electricity Market Project".

Ordering the defendant OPCOM SA to pay the amount of 1,293,778.27 RON related to the invoices TEL 19 T00 nr.17/28.01.2019 and TEL 19 T00 nr. 131/10.07.2019, representing the legal penalty interest, calculated for the non-payment on time of the invoice TEL 16 AAA series no. 19533/29.07.2016.

Suspends the hearing of the case until the final resolution of case 31001/3/2017, regarding the action for annulment of the Opcom AGM decision (in which Transelectrica is not a party and in which on 01.02.2021 the appeals were dismissed, the decision being final).

The TMB's solution Admits the challenge of limitation. Dismisses the action as time-barred. Subject to appeal within 30 days from the date of communication, to be lodged with the Bucharest Tribunal, 6th Civil Department. Delivered by delivery of the judgment to the parties through the court registry. Document: Decision 3021/03.12.2021. So far the judgement in this case has not been drafted. After the drafting and communication of the Civil Judgement no. 3021/ 03.12.2021, the Company may appeal against this judgement. Transelectrica has appealed.

CAB solution according to Decision No 1532/12.10.2022: Dismisses the appeal as unfounded. Orders the appellant to pay the respondent the sum of 11,325.21 RON by way of costs. With appeal within 30 days of notification. Transelectrica filed an appeal against the civil decision no.1532/12.10.2022 issued by the CAB. . On 19.09.2023 at the ICCJ the appeal was admitted, the decision 1532/12.10.2022 was quashed and the case was sent for retrial to the same court. Definitive. Decision 1640/19.09.2023.

Case no. 24242/3/2021 - Bucharest Tribunal - Civil Department VI - Subject matter: The plaintiff OPCOM seeks a declaration of nullity of the act - contribution in kind.

On 07.11.2023 The TMB's solution in brief: the plea of inadmissibility was qualified as a substantive defence. The application was dismissed as unfounded. With right to appeal, within 30 days of communication to the parties, Decision 2600/07.11.2023.

New case **22567/3/2019\*** the case was remitted for retrial. At the term of February 18, 2025, the appeal was dismissed as unfounded. The appellant-plaintiff was ordered to pay the respondent-defendant the sum of 28,777.79 lei by way of costs. With the right to appeal within 30 days of communication. Decision 235/18.02.2025.

Case file no. **24242/3/2021** - Bucharest Tribunal - Civil Section VI - Object of the case: the plaintiff OPCOM requests the nullity of the act - contribution in kind.

On 07.11.2023 The TMB's solution in brief: the plea of inadmissibility was qualified as a substantive

defense. The claim was dismissed as unfounded. With the right to appeal within 30 days of communication to the parties, Decision 2600/07.11.2023.

OPCOM appealed. At the hearing on March 13, 2025, the appeal was dismissed as unfounded and the plaintiff was ordered to pay to the State the amount of 179,550.57 lei representing the court stamp duty. With appeal within 30 days of communication. Decision 423/13.03.2025.

File no. **44380/3/2024** - Bucharest Tribunal - Object of the case: claims and conclusion of an additional act for the amount of 2,914, value of services for calculating collection rights and payment obligations of transactions carried out by PRE and PPE plus legal interest. Deadline: **10.06.2025**

- **CONAID COMPANY SRL**

In 2013 Conaid Company SRL sued CNTEE for its unjustified refusal to sign an addendum to the connection contract or a new connection contract and requested compensations for the expenses incurred up to that date amounting to 17,419,508 Lei and for unrealised profits in 2013-2033 amounting to 722,76 mil EUR. To date the Company has not concluded an addendum to the connection contract because the suspensive terms included in the contract were not complied with by Conaid Company SRL. A new connection contract should have been concluded by 11 March 2014, expiry date of the technical connection endorsement. File 5302/2/2013 was found on the docket of the High Court of Cassation and Justice, Section of Administrative and Fiscal Disputes, and pertained to an obligation to issue an administrative deed; law court stage – appeal and hearing term on 09.12.2015. On this term the High Court of Cassation and Justice admitted in principle the appeals and set a hearing term of such appeals, for the main issue, on 08 April 2016. Panel 4 was entrusted to summon the parties.

Case judgement was deferred to 17.06.2016, when the court postponed pronouncement to 29.06.2016, when it pronounced Ruling 2148/2016 whereby it decided as follows: "It denies the exceptions invoked by the recurrent-Plaintiff SC Conaid Company SRL by means of the judiciary administrator RVA Insolvency Specialists SPRL and by the recurrent-defendant the National Power Grid Company Transelectrica SA. It admits the appeal filed by the defendant National Power Grid Company Transelectrica SA against the hearing conclusion of 18 February 2014 and civil ruling 1866 of 11 June 2014 pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes. It cancels the contested conclusion and partly the ruling and refers the case to Bucharest Tribunal, Section VI Civil to settle the Plaintiff's case in contradiction with the National Power Grid Company Transelectrica SA. It maintains the other ruling provisions as regards the Plaintiff's suit against the National Regulatory Authority in the Energy domain. It denies the appeals filed by Plaintiff SC Conaid Company SRL by means of the judiciary administrator RVA Insolvency Specialists SPRL and by the intervenient SC Duro Felguera SA against civil ruling 1866 of 11 June 2014, pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes. It denies the appeal filed by the defendant National Power Grid Company Transelectrica SA against the hearing conclusion of 25 March 2014, pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes; final". It was pronounced at public hearing on 29 June 2016.

The file was registered under no. 12107/3/2017 on the docket of Bucharest Tribunal. The Tribunal's civil sentence 4364/23.11.2017 admitted the exception of inadmissibility and denied the request as inadmissible. It also denied the intervention request on the Plaintiff's behalf. Appeal right granted within 30 days from notification. The appeal was filed to the Appeal Court Bucharest, Section VI Civil and the court clerk office notified it on 23.11.2017.

On 02.11.2018 on the docket of Bucharest Tribunal, Section VI Civil new summons were filed by Conaid Company SRL under file 36755/3/2018, by which the Plaintiff requested the court to compel Transelectrica SA to "repair the prejudice caused to the Plaintiff as a result of the defendant's culpable non-execution of obligations in quantum of 17,216,093.43 Lei, consisting of actual damage incurred and unrealised benefit, provisionally estimated at 100 thousand Euro. Taking into account the unjustified refusal of Transelectrica SA to conclude and sign an addendum to Contract C154/27.04.2012, and in case the instance deem in formal terms the Plaintiff's obligation of suspensive terms cannot be considered as fulfilled, such non-execution is owed to the exclusive guilt of Transelectrica SA, as the defendant prevented the compliance with the terms".

On the 15.10.2019 term it denied as groundless the exceptions of absence of active processual capacity and absence of interest. It joined the exception of prescription to the main issue; appeal right on the same date with the main issue. It was pronounced by placing the settlement to the parties' disposal by means of the court clerk.

It established the term on 26.11.2019 to continue investigating the case and summon the parties; appeal

right on the same date with the main issue. It was pronounced by placing the settlement to the parties' disposal by means of the court clerk.

It was deferred in order to bring the expertise evidence and a new term was established on 21.01.2020.

On 21.01.2020 the case was deferred provide the expertise and the next term was established on 31.03.2020.

On the 31.03.2020 term the settlement in brief was: Lawfully suspended according to article 42 para 6 from the Decree 195/2020 of Romania's president instituting the emergency state on Romanian territory, during the entire emergency period.

After several deferrals, at the hearing of 03.01.2024 the TMB admits the exception of the limitation of the material right to action, invoked by the statement of defence. Dismisses the claim as time-barred. With appeal within 30 days from the communication. Decision 4/03.01.2024.

Conaid Company SRL filed an appeal set for 27.03.2025. At the date of 27.03.2025, the court admits the appeal. It annuls the appealed civil sentence and sends the case to the first instance, for resolution of the merits. With appeal within 30 days from notification.

#### • **REȘIȚA MUNICIPALITY**

File no. 2494/115/2018\* - file no. 2494/115/2018\*\*, registered with the Caras Severin Court of Caras Severin, has as its object the application for summons, by which the plaintiff Municipality of Resita requests that the defendant Transelectrica SA be ordered to pay the amount of 17,038,126.88 RON representing land rents for the years 2015, 2016, 2018, 2019, 2020, 2021, 2022 and 2023, plus legal penalty interest from the due date until actual payment.

Settlement in brief: It admitted the exception of territorial incompetence for Caras Severin Tribunal. It declined the settlement competence of the request filed by Plaintiff Resita City through the mayor in contradiction with defendant CNTEE Transelectrica SA in favour of Bucharest Tribunal. No appeal according to article 132 para 3 Civil Procedural Code. It was pronounced at public hearing on 11 March 2019.

On the hearing term of 25.10.2019 the exception is admitted of territorial incompetence of Bucharest Tribunal. It declined the settlement competence of this case in favour of Caras-Severin Tribunal. It ascertains the occurrence of a negative competence conflict between Bucharest Tribunal and Caras Severin Tribunal. It suspended the case and referred the file to the High Court of Cassation and Justice, in order to settle the negative competence conflict. No appeal was granted. Ruling 2376/25.10.2019.

On the 16.07.2020 term the High Court of Cassation and Justice issued ruling 1578 and established the case settlement competence in favour of Caras Severin Tribunal, Section I civil.

File 2494/115/2018\*\*. Hearing: 22.03.2021 at the Court of Caras Severin. Settlement: Suspends the judgment of the summons filed by Plaintiff Resita City through the Mayor in contradiction with the defendant National Power Grid Company Transelectrica SA pertaining to claims, according to article 413 para (1) pt. 1 Civil Procedural Code. Appeal granted during the entire judgment suspension, to the higher instance.

The case was suspended until the final decision in case no. 3154/115/2018\* of the Court of Caras Severin.

At the hearing on 19.01.2023, the summary judgment is as follows: Dismiss the plea of stamp duty exception of the request as the defendant does not have the necessary standing to rely on the method of determining the stamp duty. Dismiss the plea of untimeliness of the request to amend the summons. Adjourns the discussion of the plea of res judicata until the date on which the decision of the High Court of Cassation and Justice in Case No 3154/115/2018\*\* is delivered in full. Postpones the ruling on the requests for evidence consisting of the defendant's cross-examination and the expert's report. Adjourns the case and sets term on 02.03.2023.

At the hearing on 02.03.2023, the short answer is as follows: suspends the proceedings on the claim for damages brought by the plaintiff Municipality of Resita against the defendant National Power Transmission Company "Transelectrica" SA, concerning claims. With right of appeal for the duration of the stay of proceedings.

At the hearing of 22.02.2024, the court adjourns the case, in order to return the file no. 2494/115/2018\*\*, submitted for appeal to the Timisoara Court of Appeal, for when the parties have a term notice under art.

229 of the Civil Procedure Code, in the presence of their representatives.

At the term of 06.06.2024, the court rejects the request for postponement made by the plaintiff Municipiul Reșița, to adjourn the judgement of the case, due to the absence of the expert's report to 27.06.2024 for when the parties have a term in knowledge on the basis of art. 229 of the Civil Procedure Code, through authorised representatives.

At the term of 27.06.2024, the court orders the communication to the expert of a copy of the notes of the hearing, on pages 172-174, submitted by the defendant Compania Națională de Transport al Energiei Electrice "Transelectrica" SA. Orders the communication to the expert of a copy of the clarifications submitted by the plaintiff Municipiul Reșița following the request made by the expert. Adjourn the hearing of the case, due to the absence of the expert's report, to 19.09.2024, for when the parties have a term of hearing on the basis of art. 229 of the Code of Civil Procedure.

On 19.09.2024, the plaintiff's request for adjournment of the case was granted and a copy of the expert's report was ordered to be served on him. The discussion on the final fee for the expert's report was postponed until both parties had studied it. The hearing of the case was adjourned, due to the absence of the expert's report, to 10.10.2024, when the parties will have a term to be informed pursuant to art. 229 of the Code of Civil Procedure, through their representatives.

On 10.10.2024, the plaintiff and the defendant were ordered to pay the expert's fees of 1000 lei each, and an additional expert's report was ordered.

At the term of 12.12.2024, a new term of judgment was granted in order to study the supplementary expert's report and to formulate any objections by the parties' representatives.

At the term of 27.02.2025, the court rejects the plea of prescription of the right to bring the action regarding the claims consisting in the rent for 2015 and the plea of lateness of the filing of the amendments to the action, pleaded by the defendant Transelectrica S.A. It qualifies the plea of res judicata as a substantive defense relating to the positive effect of res judicata. Dismisses the claim brought by the defendant Municipality of Reșița against the defendant Transelectrica S.A. With a right of appeal within 30 days of communication.

The next court date is on **29.05.2025**.

- **ANAF**

In 2017 a general fiscal audit was completed that had started in Transelectrica SA on 14.12.2011, control targeting the interval December 2005 – December 2010.

The general fiscal audit began on 14.12.2011 and ended on 26.06.2017, date of the final discussion with Transelectrica SA.

When the audit has ended ANAF – DGAMC established additional fiscal obligations payable by the Company, namely income tax and VAT, as well as accessory fiscal liabilities (interest/delay indexations and penalties) with respect to technological system services (STS) invoiced by energy suppliers, considered non-deductible after the fiscal audit.

In accordance with the taxation decision F-MC 439/30.06.2017 in total sum of 99,013, ANAF – DGAMC established additional fiscal liabilities payable by the Company, amounting to 35,105, as well as accessory fiscal ones (interest/delay indexations and penalties), amounting to 63,908.

ANAF's Tax inspection report mainly records the following additional payment liabilities: corporate tax amounting to 13,727 plus accessories, owed for a number of 123 unused invoices identified as missing (they were destroyed in the fire that broke out the night of 26-27 June 2009, at the business office in the Millennium Business Centre from 2-4, Armand Calinescu Street, Bucharest 2, where the company carried out its activity), documents under special regime.

These invoices were subject to a dispute with ANAF, the latter sending a tax inspection report on 20

September 2011 which estimated the amount of collected VAT for a number of 123 unused invoices identified as missing.

The Company filed contestation against Taxation Decision F-MC 439/30.06.2017 within the legal term according to OG 92/2003 on the Civil Procedural Code.

ANAF issued the enforcement title 13540/22.08.2017 based on which the additional payment liabilities were executed as established under the Taxation Decision F-MC 439/30.06.2017.

The Company requested cancellation of the enforcement title 13540/22.08.2017 from the Appeal Court, under file 7141/2/2017. Settlement in brief: it admitted the exception of material incompetence of the Appeal Court Bucharest, SCAF. It declined the material competence of case settlement in favour of Law Court of Bucharest 1; no appeal granted. It was pronounced at public hearing on 08.02.2018. Document: Ruling 478/2018 of 08.02.2018.

After such declination of competence file 8993/299/2018 was registered on the docket of Law Court of Bucharest 1 whereby the Company contested the enforcement performed according to the enforcement title 13540/22.08.2017, based on the Taxation Decision F-MC 439/30.06.2017.

After the Company's contestation of the fiscal administrative deed Decision F-MC 439/30.06.2017 ANAF notified the Company Decision 122/13.03.2018 whereby it rejected as groundless the contestation filed by CNTEE Transelectrica SA, such decision being received on 16.03.2018, after submitting the summons under file 1802/2/2018.

Settlement in brief: It admitted the judgment suspension request filed by the contestator. In accordance with article 413 para (1) pt. 1 of the Civil Procedural Code it suspended judgment until final settlement of file 1802/2/2018, on the docket of the Appeal Court Bucharest, Section VIII Administrative and Fiscal Disputes. Appeal right was granted during the entire suspension; appeal to be submitted to the Law Court Bucharest 1. Document: Conclusion - Suspension 17.04.2018.

The hearing of the case was resumed and on the term of 10.10.2024, for the communication of the documents submitted on file by the appellant to the respondent, the hearing of the case was adjourned to the terms of 21.11.2024 and after at 06.03.2025. On 06.03.2025, the court postponed the ruling of the case to 17.04.2025. At the deadline of 17.04.2025, the court postponed the case to **19.06.2025** due to the lack of an expert report.

*The Company is involved in litigation against SMART Subsidiary as follows:*

- **Case no.51633/299/2021 - Bucharest Tribunal**

**Subject matter:**

SMART SA requested that Transelectrica be ordered to pay the amount of 118 + VAT, representing "expenses for assistance services incurred on the Company's account as well as the payment of unrealized benefits (legal interest).

**Status of the case:**

Judgment of the District Court Sector 3 Bucharest: Dismisses the application as unfounded. With the right to appeal within 30 days of communication. Document: Decision 6134/21.06.2022.

On 02.11.2022 SMART SA filed an appeal against the civil judgment no.6134/21.06.2022 pronounced by the Sector 3 Bucharest District Court. The case was registered with the Bucharest Tribunal.

At the term of 11.09.2024, SMART's appeal was dismissed as unfounded. With appeal within 30 days of communication.

- **Case no.15561/3/2022 - Bucharest Tribunal**

**Subject matter:**

SMART SA has requested to order Transelectrica to pay the amount of 4.467.108 lei related to the execution of an administrative contract.

**Status of the case:**

At the trial term of 23.01.2025, the solution was that in order to settle the dispute amicably, the judgment of the case was adjourned to **15.05.2025**.

➤ **OTHERS**

The Group is involved in significant litigation, in particular for debt recovery (e.g. Total Electric Oltenia SA, Regia Autonomă de Activități Nucleare, Energy Holding SRL, UGM Energy Trading SRL, CET Bacău, CET Govora, Nuclearelectrica, CET Brașov, Elsaco Energy SRL, Arelco Power SRL, Opcom, Menarom PEC SA Galați, Romelectro SA, Transenergo Com SA, ENNET GRUP SRL, PET Communication, ISPE, Grand Voltage SRL, EXPLOCOM GK SRL and others).

The Group recognized impairment adjustments for customer and other receivables in dispute and for customers in bankruptcy.

The Company is also involved in litigation with former members of the Directorate and the Supervisory Board in respect of the contracts of mandate entered into between the Company and them. The Company has made a provision for these disputes.

➤ **Contingencies**

At March 31, 2025, **contingent liabilities** totaled 55.524. These relate to disputes involving claims for additional costs incurred as a result of the increase in the minimum construction wage for investment contracts, of which we list the most significant:

- *Case no. 25896/3/2020 - plaintiff Electromontaj Bucharest (37.034)*

The case concerns claims for additional costs related to the increase of the minimum wage in the construction sector for the investment contract C229/2015 - Transition to 400 kV voltage of the axis Porțile de Fier - Reșița - Timisoara - Sacalaz - Arad /Overhead Power Line 400 kV Portile de Fier (Anina) - Reșița.

Judgement date: 25.08.2022 - Expert report submission.

At the hearing on 25.08.2022, judgement was adjourned until 13.09.2022. On 13.09.2022, the TMB rejects the objections to the expert's report in the accounting speciality formulated by the defendant as unfounded. Admits the objections to the expert's report specialising in accountancy submitted by the applicant. The expert Cojocaru Mihaela Cojocaru will be addressed to respond to the objections and to submit her reply to the file. With appeal on the merits.

In the absence of the expert's report, the case is adjourned for the submission of the expert's report.

At the hearing on 16.05.2023, the court adjourned the case to 12.09.2023 to file a response to the expert's objections.

At the hearing on 12.09.2023, the court adjourned the case to 26.09.2023 and set a date for hearing on 07.11.2023. After several adjournments, at the date of 18.01.2024, the TMB dismissed the action as unfounded. Subject to appeal within 10 days of notification.

Electromontaj SA lodged an appeal and set a term for 13.09.2024.

At the term of September 13, 2024, 2024, grants the appellant-claimant a term of November 8, 2024, to pay the difference in the court stamp duty assessed against the appellant-claimant. Forwards the case file to the panel competent according to law to deal with the appellant-claimant's request for recusal of the 11th Appellate Panel, pursuant to Article 50(1) of the Code of Civil Procedure.

On 06.12.2024, the Court of Appeals dismisses the appeal as unfounded, dismisses the Appellant-Claimant's motion for costs on appeal as unfounded, final.

The ICCJ ordered the transfer of the case to the CA Craiova and the annulment of the CAB decision.

- *Case No 30801/3/2021 - Complainant Romelectro (2.271)*

The file concerns claims for additional costs related to the increase of the minimum wage in the construction sector for the investment contract C145/2018 - Refurbishment of the 110 kV Medgidia Sud substation.

At the meeting of 20.04.2022, the TMB solution is: "Consent to the evidence of expert accountancy with the following objectives:

- the expert to determine whether Romelectro fulfils the condition laid down in Article 66 of GEO 114/2018, i.e. whether 80% of Romelectro's turnover is realised from construction works, both in the year preceding the reference period (2018) and in the reference period (2019);
- the expert to calculate the cost difference generated by the increase in the salaries of the human resources actually employed by Romelectro in the realisation of the works related to Contract No C145/2018, during the reference period and the first two months prior to the reference period, respectively:

- a) Specify for each employee (human resource actually employed) whether his/her gross salary was below 3 RON/month or higher in November and December 2018;
- b) When the HR salary was increased to 3 RON/month;
- c) What is the difference between the previous salary and the salary imposed by GEO no. 114/2018;

d) Whether between 01.11.2018 - 31.12.2018, Romelectro reduced the salaries of the human resources employed;

e) Specify the actual cumulative cost difference in the actual aggregate cost difference in the salary of the human resources utilised by Romelectro in the actual performance of the works covered by Contract No C145/2018, for the reference period.

- the expert to determine, on the basis of the analytical estimates, the percentage, i.e. the amount by which Transelectrica has to adjust the price of Contract no. C145/2018 for the labour related to the works remaining to be executed on 01.01.2019, as a result of the legislative amendments introduced by GEO no. 114/2018 in the sense of increasing the minimum wage in the construction sector to the amount of 3000 RON/month;

- the expert to determine the days/months of delay in the execution of the works related to Works Contract No C145/2018 as a result of the financing problems encountered by Romelectro S.A. due to Transelectrica's refusal to pay the price at the adjusted value, respectively how the execution schedule was influenced by Transelectrica's failure to adjust the Contract price following the legislative changes introduced by GEO 114/2018 in the sense of increasing the minimum wage in the construction sector to the amount of 3 RON/month.

Sets a date of 29 April 2022, at 9:00 a.m., for hearing the parties. At the term of 29 April 2022, the case is adjourned for the taking of evidence and adjourned to 14.10.2022.

After several adjournments of the trial of the case, at the term of 12.01.2024, the summary solution is: grants a term on 08.03.2024 to take cognisance of the content of the expert's report.

After several adjournments, at the deadline of 27.05.2024, the solution in brief: Dismisses the request of the defendant Transelectrica for the expert's report to be supplemented as unfounded. Admit the request for a new expert's report submitted by the plaintiff ROMELECTRO S.A. Instructs the expert to redo the expert's report. Instructs the expert to take into account all the documents provided by the parties, including the subcontracting agreements, when drawing up the new expert report. Sets the deadline for the submission of the expert's report on 18 October 2024, for when the parties will be summoned. Instructs the expert to submit the expert's report at least 10 days before the deadline of October 18, 2024.

At the term of October 18, 2024, the case is adjourned to 10.01.2025 for lack of expert's report. At the term of 10.01.2025, the court sets a term for the communication of the expert's report on 04.04.2025.

At the deadline of 04.04.2025, the court adjourned the case to **16.05.2025** to take note of the objections raised to the expert report.

- *Case no. 8193/3/2022 - complainant Tempos Sev (2.437)*

The file concerns claims representing claims - GEO 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hășdat station.

The case is adjourned until 10 June 2022, and adjourned until 14.10.2022.

At the hearing on 14.10.2022, the judgement was adjourned to 21.10.2022. Solution: "Pursuant to Article 258 and Article 255 of the Civil Procedure Code, it authorises for both parties the production of documentary evidence and for the defendant it also authorises the production of evidence of the applicant's cross-examination and of the accountant's expert's report. The Court orders that the accountant's expert's report shall have the objectives indicated by the defendant in its statement of defence, to which shall be added the additional objectives indicated by the defendant in the Note of Evidence filed at the hearing on 14 October 2022, as well as the objectives indicated by the plaintiff in the Notes of the hearing filed at the same hearing. Orders the applicant to file the documents requested by the defendant in the Note of 14 October 2022. The applicant is requested to file the reply to the interrogatory which was communicated with the statement of defence, under the signature of the legal representative, under penalty of application of the provisions of Article 358 of the Civil Procedure Code. Delivered today, 21.10.2022, by delivery of the judgment to the parties by the court registry." Judgment date 05.05.2023.

At the hearing on 05.05.2023, the case is adjourned and a date is set for 15.09.2023 for the taking of expert evidence.

After several adjournments, at the deadline of 14.06.2024, the solution in brief: In the absence of the expert's report, the case is adjourned to 18.10.2024.

At the term of October 18, 2024, adjourned the case to 13.12.2024 for lack of expert's report. At the term of 13.12.2024, the court adjourned the case to 21.03.2025 for the drawing up of the expert's report on the basis of the documents before it. At the deadline of 21.03.2025, the case is postponed and a deadline of **13.06.2025** is granted for the preparation of the expert report.

- *Case No 8442/3/2022 - Complainant Tempos Sev (1.429)*

The file concerns claims representing claims - GEO no. 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hășdat station.

At the term of 16.09.2022, the plea of joinder is allowed. Refers the case back to the panel first responsible for dealing with case no. 8193/3/2022, namely the 12th Merits panel, with a view to joining case no. 8442/3/2022 to case no. 8193/3/2022. Appealed together with the merits. Pronounced today, 16.09.2022, by the court registry, which made the judgment available to the parties. Document: Final judgment (divestiture) 16.09.2022.

Following the joinder of case no. 8442/3/2022 to case no. 8193/3/2022, presented above, the issues at issue will be examined in the first case (8193/3/2022).

- *Case nr. 8440/3/2022 - complainant Tempos Sev (2.437)*

The file concerns claims representing claims - OUG 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hășdat station.

At the hearing of 13.09.2022, the case was adjourned to 08.11.2022, in order to administer the evidence.

At the hearing on 08.11.2022, the case is adjourned

The case was put back on the docket and a term of 12.09.2023 was granted.

At the term of 12.09.2023, the brief solution : In order to give the defendant the opportunity to take cognizance of the pleadings filed, the case is adjourned to 07.11.2023.

After several adjournments, at the term of 11.06.2024, the short solution: For the taking of the evidence of the expert construction, adjourn the case to 10.12.2024

Due to the absence of the expert's report, the court adjourns the case to **02.09.2025**.

- *Case 4478/118/2024 - complainant Pet Communication (3.093)*

The case concerns the non-existence of the right of the defendant NPG CO. Transelectrica SA to invoice penalties for exceeding the execution time for the main stages 2 and 3 of the contract no. C45/23.02.02.2021.

At the term of 08.08.2024, in order to administer the proposed evidence, adjourned the case to 07.11.2024.

After several adjournments, due to the absence of the expert's report, the trial is set for 03.04.2025.

Due to the lack of an expert report, the court postpones the hearing of the case to **05.06.2025**.

- *Case no. 6580/117/2024 - plaintiff Electrogrup SA from Cluj (2.760)*

The case concerns the execution of a procurement contract, namely:

1. To oblige Transelectrica to conclude an addendum to the Works Contract no. C5 of May 19, 2021, having as object the extension of the contractual duration with the days of delay resulting from the execution of the contract that are not the Executor's fault, provisionally estimated at 616 days;

2. Order Transelectrica to reimburse the amounts paid by way of penalties on the basis of Invoices No. 114 of March 29, 2024 (paid by Payment Order No. 13065/25.06.2024) and No. 296 of June 25, 2024 (paid by Payment Order No. 15424/23.07.2024) issued by the defendant, in the total amount of 2.164 as undue payment, plus the legal interest due from the date of their payment until the date of restitution, (i) primarily, as a result of the defendant being obliged to conclude an additional act to the Works Contract no. C5 of May 19, 2021, having as its object the extension of the contractual duration by the days of delay resulting from the execution of the contract which are not the fault of the Performer and (ii) in the alternative, as a result of the finding that the days of delay imputed by Transelectrica are not the fault of the Performer;

3. Obliging Transelectrica to pay damages, representing the damage suffered by the plaintiff due to the delays, provisionally estimated at 596.

Notele atașate constituie parte integrantă a acestor situații financiare consolidate.

At the term of 14.02.2025, the court adjourned the case until 14.03.2025. The court adjourns the case to **23.05.2025**, in order for the defendant to file a procedural position/response.

All amounts in cases involving claims for additional costs claimed by the claimants and covered by works contracts will be reflected in the value of the investments, if they are settled in court and invoiced by the respective partners, except for court costs and penalties set by the court.

- *Audit by the Court of Auditors of Romania*

As of September 04, 2023, the Court of Auditors of Romania, through Department IV carried out a compliance audit at NPG CO. Transelectrica SA. The scope of the audit was:

a) contracting and procurement;

b) salaries and other rights granted to the Company's personnel.

The subject of the compliance audit is "the situation, evolution and management of public and private state assets, as well as the legality of the realization of revenues and expenditure for the period 2020-2022" at NPG CO. Transelectrica SA.

Following the completion of the audit mission, Department IV of the Court of Auditors of Romania issued the Compliance Audit Report of NPG CO. Transelectrica SA no. 6000/23.01.2025 and the Letter to the management no. 60001/23.01.2025, which established a number of 17 findings with a deadline for implementation April 30, 2025.

In light of these findings, the Company's management has ordered an internal review which is ongoing.

- *Teletrans - Audit by the Court of Auditors of Romania*

Starting with March 24, 2025, the Romanian Court of Accounts carried out an audit within the Teletrans to verify the implementation of the measures ordered by Decision 7/22.06.2020 according to Law no. 94/1992. The control is ongoing.

## 21. AFFILIATED PARTIES

### i) *Related parties – transactions with Subsidiaries owned by the Company*

As of March 31, 2025 and December 31, 2024, the balances with the subsidiaries owned by the Company are detailed as follows:

Affiliated entity	Trade receivables		Trade liabilities	
	31 march 2025	31 december 2024	31 march 2025	31 december 2024
FORMENERG SA	-	-	3	-
OPCOM SA	121,396	634,691	104,793	644,297
<b>TOTAL</b>	<b>121,396</b>	<b>634,691</b>	<b>104,796</b>	<b>644,297</b>

The transactions carried out in Q1 2025 and Q1 2024 with its subsidiaries are detailed as follows:

Affiliated entity	Sales		Procurements	
	31 march 2025	31 march 2024	31 march 2025	31 march 2024
FORMENERG SA	-	-	3	-
OPCOM SA	680,981	174,393	642,220	781,332
<b>TOTAL</b>	<b>680,981</b>	<b>174,393</b>	<b>642,223</b>	<b>781,332</b>

### ii) *Related parties – transactions with other state-owned companies*

Compania este o entitate cu capital majoritar de stat, iar activitățile Companiei sunt reglementate de ANRE. În conformitate cu Contractul de concesiune, se plătește o redevență anuală, calculată ca 4/1000 din valoarea veniturilor brute realizate din operațiuni de transport și tranzit al energiei electrice, prin sistemele naționale de transport, aflate în proprietatea publică a statului (începând cu 12 noiembrie 2020).

### iv) *Affiliated parties – companies where Company holds participations*

Given that the energy sector is undergoing a process of transformation at the European level, focusing on

the transition from a predominantly national model of evolution and development of the energy sector, to a model of integrated and coordinated development at the European level, ensuring a unified development at the continental level but also allowing for adaptation to national specifications while pursuing the legitimate interests of the European states.

In this context, the Company is affiliated to the following entities:

- **TSCNET**
- **JAO**

***TSCNET (TSCNET Services GmbH)***

It has been set up to serve Transmission System Operators (OTs) in the Central-East-West European region (CORE region) for the coordinated implementation of the European network codes.

Membership is achieved by participation in the shareholding of TSCNET through a share purchase transaction in the company. By Resolution No. 9 of the EGMS of 05 June 2018, the Company's affiliation to the CORE Region Security Coordination Centre, TSCNET, was approved by participating in the share capital with a contribution of EUR 470,500 (1 share - EUR 2,500).

***JAO (Joint Allocation Office)***

As of 2019, auctions for long-term capacity allocation are coordinated by the JAO, which has been designated as the Single Allocation Platform (SAP) Operator.

Transelectrica has been invited by JAO to become part of its shareholding.

By Resolution no.10 of the EGMS of 20 August 2018, the Company was approved to join the Joint Allocation Office (JAO) shareholding with a cash subscription in the amount of EUR 259,325 and 50 shares were allocated to it.

## **22. FINANCIAL INSTRUMENTS**

*Credit risk*

Credit risk is the risk that the Company incurs a financial loss as a result of the non-performance of contractual obligations by a customer or counterparty to a financial instrument. This risk arises mainly from trade receivables and cash and cash equivalents.

The treatment of counterparty risk is based on the Company's internal and external success factors. The external success factors - which have an effect on reducing the risk systematically - are: the decentralisation of the energy sector in which production, transmission, distribution and supply are distinct activities and the interface for the customer is the supplier, the trading of electricity on the Romanian market in two market segments: the regulated market and the competitive market. Internal success factors in the treatment of counterparty risk include: diversification of the customer portfolio and diversification of the number of services offered on the electricity market.

Financial assets that may subject the Company to collection risk are mainly trade receivables and cash and cash equivalents. The Company has put in place a number of policies to ensure that the sale of services is realised to customers with adequate collection by including in the commercial contracts the obligation to provide financial guarantees. The amount of receivables, net of allowances for impairment, represents the maximum amount exposed to collection risk.

Maximum exposure to collection risk at the reporting date:

	<b>Net value</b>	<b>Net value</b>
	<b>31 march 2025</b>	<b>31 december 2024</b>
<b>Financial assets</b>		
Net trade receivables	2,152,666	2,580,095
Net other receivables and down payments to suppliers	531,087	930,509
VAT to recover	243,350	272,236
Cash and cash equivalents	851,366	707,174
Other financial assets	-	-
<b>Total</b>	<b>3,778,468</b>	<b>4,490,014</b>

The due date of the receivables (net trade receivables) at the date of the statement of financial position is

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARTIE 31, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

shown below:

	<b>Gross value 31 march 2025</b>	<b>Adjustment of depreciation 31 martie 2025</b>	<b>Gross value 31 december 2024</b>	<b>Adjustment of depreciation 31 december 2024</b>
Not reached to maturity	2,058,844	-	2,491,830	27
Due date exceeded 1 – 30 days	3,343	-	2,219	-
Due date exceeded 31 – 90 days	201	2	492	-
Due date exceeded 90 – 180 days	1,406	-	78	-
Due date exceeded 180 – 270 days	(2)	2	(31)	-
Due date exceeded 270 – 365 days	(49)	9	(8)	-
More than a year	214,898	125,963	213,581	128,038
<b>Total</b>	<b>2,278,642</b>	<b>125,976</b>	<b>2,708,160</b>	<b>128,066</b>

The due date of other receivables (net other receivables, down payments to suppliers, VAT to recover) at the date of the statement of financial position is shown below:

	<b>Gross value 31 march 2025</b>	<b>Adjustment of depreciation 31 martie 2025</b>	<b>Gross value 31 december 2024</b>	<b>Adjustment of depreciation 31 december 2024</b>
Not reached to maturity	751,467	-	1,180,385	331
Due date exceeded 1 – 30 days	524	-	1,197	-
Due date exceeded 31 – 90 days	5,421	331	4,784	-
Due date exceeded 90 – 180 days	1,027	-	424	342
Due date exceeded 180 – 270 days	380	342	1,154	911
Due date exceeded 270 – 365 days	1,384	911	849	413
More than a year	87,123	71,306	86,985	71,036
<b>Total</b>	<b>847,327</b>	<b>72,890</b>	<b>1,275,778</b>	<b>73,033</b>

The Group's policy is to recognise impairment adjustments for loss of value of 100% for customers in litigation, insolvency and bankruptcy and 100% of trade and other receivables not collected in a period of more than 180 days, excluding arrears generated by the support scheme. The Company also carries out an individual analysis of trade and other uncollected receivables

The highest impairment adjustments at March 31, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30,020), CET Govora (24,645), Romelectro (24,468), Arelco Power (14,513), Total Electric Oltenia SA (14,186), Romenergy Industry (13,513), Elsaco Energy (9,276), OPCOM (8,818), RAAN (8,517), Next Energy Partners (8,395).

The Group has taken the following measures to recover the impairment-adjusted receivables: legal action, registration in the creditor's estate, etc.

The evolution of the **doubtful receivables impairment adjustments** is analysed as follows:

	<b>31 march 2025</b>	<b>31 december 2024</b>
<b>Opening balance 1 january</b>	<b>128,066</b>	<b>130,158</b>
Recognition of adjustments for impairment	18	288
Reversal of adjustments for impairment	2,108	2,381
<b>Balance on the end of period</b>	<b>125,976</b>	<b>128,066</b>

Evoluția **ajustărilor pentru deprecierea altor creanțe** se prezintă, după cum urmează:

	<b>31 march 2025</b>	<b>31 december 2024</b>
<b>Opening balance 1 january</b>	<b>73,033</b>	<b>84,933</b>
Recognition of adjustments for impairment	-	7,431
Reversal of adjustments for impairment	142	19,331
<b>Balance on the end of period</b>	<b>72,891</b>	<b>73,033</b>

Financial assets that may subject the Group to collection risk are mainly trade receivables and cash and

Notele atașate constituie parte integrantă a acestor situații financiare consolidate.

cash equivalents. The Group has put in place a number of policies to ensure that the sale of services is realised to customers with adequate collection by including in the commercial contracts the obligation to provide financial guarantees. The amount of receivables, net of allowances for impairment, represents the maximum amount exposed to collection risk. The collection risk related to these receivables is limited as these amounts are mainly due from state-owned companies.

The cash is placed in financial institutions, which are considered to have minimal risk.

## **23. SUBSEQUENT EVENTS**

### **• Resolution No 3 of the Ordinary General Meeting of Shareholders of 1 April 2025**

The Ordinary General Meeting of the Company's shareholders held on 01 April 2025:

- approved the establishment of the Investment Programme for the financial year 2025 and the estimates for the years 2026 and 2027;
- approved the Company's revenue and expenditure budget for 2025, as well as estimates for 2026 and 2027;
- approved the reconfirmation, in accordance with art. 38 and art. 39 of GEO no. 109/2011, as subsequently amended and supplemented, of point 10 of the AGOA Resolution no. 3 of 29 April 2024, namely: the establishment of the general limits of the remuneration and other benefits to be granted by C.N.T.E.E. TRANSELECTRICA S.A. to the members of the Directorate, including the fixed and variable remuneration, as well as other benefits granted to them.

### **• Majority shareholder request**

The Company has informed the investing public that on 08 April 2025 it registered the address of the majority shareholder (legally represented by the General Secretariat of the Government), having as subject Memorandum on: *Mandating the representatives of the State in the General Meeting of Shareholders/Board of Directors, as the case may be, in national companies, national companies and companies with full or majority State capital, as well as in autonomous regions, to take the necessary measures to distribute a minimum of 90% of the net profit realised in 2024 as dividends/payments to the State budget, in order to fulfil its provisions.*

The majority shareholder's request and the Company's response are posted on the Company's website, in the Investor Relations/ AGM/Materials section, related to the annual AGM convened for 29 (30) April 2025.

### **• Resolution No 4 of the Ordinary General Meeting of Shareholders of 29 April 2025**

The Ordinary General Meeting of the Company's shareholders held on 29 April 2025:

- did not approve the standalone financial statements of NPG CO. "Transelectrica"-S.A. for the financial year 2024;
- has not approved the consolidated financial statements of NPG CO. "Transelectrica"-S.A in accordance with International Financial Reporting Standards as adopted by the European Union as at and for the financial year ended December 31, 2024;
- did not approve the consolidated financial statements prepared in accordance with OMFP no. 2844/2016 for the approval of the accounting regulations in compliance with International Financial Reporting Standards as at and for the financial year ended December 31, 2024;
- did not approve the distribution of the accounting profit remaining after deduction of income tax as at 31.12.2024 in the amount of RON 585,924,311;
- did not approve the discharge of the members of the Directorate and the members of the Supervisory Board for the financial year 2024;
- approved the Remuneration Report for the financial year 2024;
- approved the "Remuneration policy for the members of the executive and non-executive management of NPG CO. "Transelectrica"- S.A. revised to March 2025;
- did not approve the Annual Report on the individual financial statements of the Company for the financial year ended December 31, 2024;
- did not approve the Annual Report on the consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union of the Company for the financial year ended December 31, 2024;
- did not approve the Annual Report on the consolidated financial statements of the Company prepared in

accordance with OMFP no. 2844/2016 for the approval of the accounting regulations in compliance with International Financial Reporting Standards as adopted by the European Union for the financial year ending December 31, 2024;

- did not approve the Consolidated Sustainability Report of NPG CO. "Transelectrica"-S.A. for the year 2024;

- did not approve the setting of 05 June 2025 as the "ex date", the calendar date from which the Company's shares subject of the Ordinary General Meeting of Shareholders' Resolution shall be traded without the rights deriving from that resolution;

- approved the setting of 06 June 2025 as the record date of the shareholders on which the effects of the Ordinary General Meeting of Shareholders' Decision will be reflected;

- did not approve the setting of 26 June 2025 as the "payment date" of the gross dividend per share out of the profit recorded on 31.12.2024.