

**NPG CO. TRANSELECTRICA SA**

**Quarterly report**  
**January - March 2025**



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**REPORT ON ECONOMIC AND FINANCIAL ACTIVITY**

**OF NPG CO. "TRANSELECTRICA" SA**

**in accordance with the provisions of Article 63 of Law no.24/2017 amended by Law no.11/2025 on the capital market and Regulation no.5/2018 issued by the Financial Supervisory Authority (ASF)**

**for the period ending on March 31, 2025**

Report date:	May 14, 2025
Company name:	NPG CO. TRANSELECTRICA SA, a company managed under two-tier system
Headquarters:	Bucharest, 2 – 4 Olteni Str., sector 3, Postal Code 030786
Phone/fax number:	021 303 5611/ 021 303 5610
Code with the ONRC:	13328043
Order number with the RC:	J2000008060404
LEI code (Legal Entity Identifier)	254900OLXOUQC90M036
Date of establishment of the Company:	31.07.2000/ OUG 627
Share capital:	733,031,420 lei, subscribed and paid up
The regulated market on which the issued securities are traded:	Bucharest Stock Exchange, Premium category
Main characteristics of the securities issued:	73,303,142 shares with a par value of 10 lei/share, dematerialised, registered, ordinary, indivisible, freely tradable shares, since 29.08.2006 under the symbol TEL
Market value:	3,141,039,634.70 lei (42.85 lei/share on 31.03.2025)
Accounting standard applied:	Order of the Minister of Public Finance no.2844/2016 for the approval of the International Financial Reporting Standards accounting regulations, based on International Accounting Standard 34 - "Interim Financial Reporting"
Auditing:	The quarterly financial statements as at March 31, 2025 are unaudited. The amounts as at December 31, 2024 are audited by the external financial auditor.

## **RESPONSIBLE PERSONS' STATEMENT**

To the best of our knowledge, the standalone interim financial statements as at and for the 3-month period ended March 31, 2025 have been 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, as subsequently amended and supplemented, and they provide a true and fair view of the financial position and profit and loss account of NPG CO. Transelectrica SA.

This report contains accurate and complete information on the economic and financial situation and activity of NPG CO. Transelectrica SA.

**Bucharest, May 6, 2025**

**Ștefăniță  
MUNTEANU**  
**Chairman of the Directorate**

**Victor  
MORARU**

**Directorate  
Member**

**Cătălin-Constantin  
NADOLU**

**Directorate  
Member**

**Cosmin-Vasile  
NICULA**

**Directorate  
Member**

**Florin-Cristian  
TĂTARU**

**Directorate  
Member**



## Key figures for Q1 2025 vs Q1 2024

### KEY FIGURES

#### FINANCIAL HIGHLIGHTS

RON	1.411	mn	▼	-29%	Revenues
				y/y	
RON	281	mn	▲	32%	EBITDA
				y/y	
RON	158	mn	▲	52%	Net profit
				y/y	
TWh	13.57		▲	3%	Charged energy volume**
				y/y	

#### OPERATIONAL

2.11%	*	▼	-0.11	pp	Grid losses
			y/y		
11.37		▲	0.1%		Transported energy***
TWh			y/y		

#### INVESTMENTS

RON	73	mn	▼	-35%	Acquisition of tangible and intangible assets
				y/y	
RON	52	mn	▼	-77%	Fixed assets recorded in the accounts (commissioning)
				y/y	

OTC - Own Technological Consumption

\* Share of own technological consumption in the electricity taken by the electricity transmission grid (energy transported). Data to March 2025 are preliminary

\*\* The charged quantity is defined as the quantity of electricity extracted from the electricity grids of public interest (transmission and distribution grids), minus electricity exports

\*\*\* Quantity transported is defined by the amount of energy physically transported on the transmission network

**Note:** For ease of reading and understanding of the results, some figures presented in graphs and/or tables use mil. lei as the unit of measurement and are rounded to this unit. This convention of presentation may, in some cases, lead to minor differences between the totalising figures, the totals obtained by summing the component elements and the percentages calculated.



## Financial Information

The summary of preliminary financial results to March 31, 2025 is set out below. The quarterly financial results as at March 31, 2025 are unaudited and the expanded version of the quarterly financial results for the same period is presented in the Annexes to this Report.

Standalone profit and loss account				
[mil RON]	Q1 2025	Q1 2024	Δ	Δ (%)
	1	2	3=1-2	4=1/2
Charged energy volume [TWh]	13.57	13323	0.3	2.6%
<b>ALLOWED PROFIT ACTIVITIES</b>				
<b>Operating revenues</b>	<b>587</b>	<b>532</b>	<b>55</b>	<b>10%</b>
Transmission and other revenues on the electricity market, of which:	576	506	71	14%
<i>Regulated tariff</i>	487	424	62	15%
<i>Other revenues on the EM*</i>	21	36	(16)	(43%)
<i>Interconnection</i>	69	45	24	53%
Other revenues	11	26	(16)	(60%)
<b>Operating expenses</b>	<b>(364)</b>	<b>(338)</b>	<b>(25)</b>	<b>(7%)</b>
System operating expenses	(189)	(169)	(20)	(12%)
Repairs and maintenance expenses	(26)	(24)	(2)	(9%)
Personnel expenses	(96)	(87)	(9)	(10%)
Other expenses	(52)	(58)	6	11%
<b>EBITDA</b>	<b>223</b>	<b>194</b>	<b>30</b>	<b>15%</b>
Depreciation	(94)	(85)	(9)	(11%)
<b>EBIT</b>	<b>129</b>	<b>109</b>	<b>20</b>	<b>19%</b>
<b>ZERO PROFIT ACTIVITIES</b>				
<b>Operating revenue</b>	<b>824</b>	<b>1.456</b>	<b>(632)</b>	<b>(43%)</b>
System services revenues	158	124	34	27%
Balancing market revenues	667	1.332	(666)	(50%)
<b>Operational costs</b>	<b>(767)</b>	<b>(1.438)</b>	<b>671</b>	<b>47%</b>
System services expenses	(100)	(105)	5	5%
Balancing market expenses	(667)	(1.332)	666	50%
<b>EBIT</b>	<b>57</b>	<b>18</b>	<b>39</b>	<b>n/a</b>
<b>ALL ACTIVITIES (PROFIT ALLOWED AND ZERO PROFIT)</b>				
Operating revenues	1,411	1,988	(577)	(29%)
Operating expenses	(1,131)	(1,776)	645	36%
<b>EBITDA</b>	<b>281</b>	<b>212</b>	<b>68</b>	<b>32%</b>
Depreciation	(94)	(85)	(9)	(11%)
<b>EBIT</b>	<b>187</b>	<b>127</b>	<b>59</b>	<b>47%</b>
Financial result	1	(0,08)	1	n/a
<b>EBT</b>	<b>188</b>	<b>127</b>	<b>60</b>	<b>47%</b>
Income tax	(30)	(24)	(6)	(26%)
<b>Net profit</b>	<b>158</b>	<b>103</b>	<b>54</b>	<b>52%</b>

\* (+)Positive impact revenues, (+)Negative impact expenses

\*\*Energy market (ITC, reactive energy, OTC sales, energy swaps, emergency aid)



Standalone statement of financial position				
[mil RON]	Q1 2025	2024	Δ	Δ (%)
	1	2	3=1-2	4=1/2
<b>Non-current assets</b>				
Tangible assets	5,751	5,775	(23)	(0%)
Assets representing rights of use under a lease - buildings	4	6	(2)	(33%)
Intangible assets	290	312	(23)	(7%)
Financial assets	90	86	4	4%
<b>Total assets</b>	<b>6,135</b>	<b>6,179</b>	<b>(44)</b>	<b>(0.7%)</b>
<b>Current assets</b>				
Inventories	46	47	(1)	(3%)
Receivables	2,922	3,779	(857)	(23%)
Cash and cash equivalents	821	672	150	22%
<b>Total current assets</b>	<b>3,789</b>	<b>4,497</b>	<b>(708)</b>	<b>(16%)</b>
<b>Total assets</b>	<b>9,924</b>	<b>10,676</b>	<b>(753)</b>	<b>(7%)</b>
<b>Shareholders' Equity</b>	<b>5,973</b>	<b>5,815</b>	<b>158</b>	<b>3%</b>
<b>Non-current liabilities</b>				
Non-current deferred revenues	621	537	84	16%
Non-current borrowings	8	8	-	-
Other non-current liabilities	335	338	(3)	(1%)
<b>Total non-current liabilities</b>	<b>964</b>	<b>883</b>	<b>81</b>	<b>9%</b>
<b>Current liabilities</b>				
Trade and other liabilities	2,845	3,862	(1,016)	(26%)
Current borrowings	18.4	24.3	(5.9)	(24.4%)
Other loans and assimilated liabilities - Building leasing	4	7	(2)	(33%)
Other current liabilities	73	73	-	-
Capital gains tax payable	46	12,6	33,0	n/a
<b>Total current liabilities</b>	<b>2,987</b>	<b>3,978</b>	<b>(991)</b>	<b>(25%)</b>
<b>Total liabilities</b>	<b>3,951</b>	<b>4,861</b>	<b>(910)</b>	<b>(19%)</b>
<b>Equity and liabilities</b>	<b>9,924</b>	<b>10,676</b>	<b>(753)</b>	<b>(7.1%)</b>

Standalone cash flow statement				
[mil RON]	Q1 2025	Q1 2024	Δ	Δ (%)
Net cash generated from operating activities	239	12	226	n/a
Net cash used in investment activity	(80)	(109)	28	26%
Net cash used in financing activities	(9)	40	(49)	n/a
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>150</b>	<b>(57)</b>	<b>206</b>	<b>n/a</b>
<b>Cash and cash equivalents as of January 1<sup>st</sup></b>	<b>672</b>	<b>519</b>	<b>152</b>	<b>29%</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>821</b>	<b>463</b>	<b>358</b>	<b>77%</b>

## OPERATIONAL RESULTS

### I. Charged energy volume

In Q1 2025, the total amount of electricity charged for electricity market services (13.57 TWh) showed a slight increase of 2.6% compared to the same period in 2024 (the difference between the two periods was 0.3 TWh)

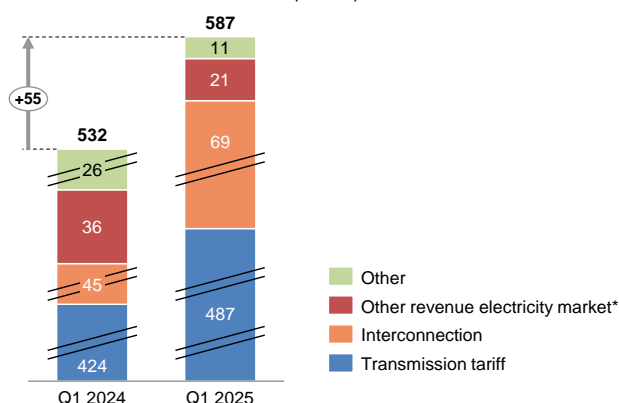
#### Allowed profit segment

##### Operating revenue



The segment of **activities with profit allowed** recorded a 10% increase in revenues (RON 587 million in Q1 2025 compared to RON 532 million in Q1 2024) mainly on the back of an increase in regulated tariff revenues, in the context of an increase in the quantity of charged energy (+2.6%), revenues from interconnection capacity allocation and ITC revenues.

Operating revenue from operating activities with profit allowed  
(mil lei)



\* ITC, reactive energy, Grid losses transactions, energy exchanges, emergency energy assistance

The increase in revenues from transmission and other energy market revenues (RON 576 million in Q1 2025 compared to RON 506 million in Q1 2024) was mainly influenced by the increase in the quantity of electricity, as well as by the tariff approved by ANRE, which led to an increase in **revenues from regulated tariff** by RON 62 million (+15%) compared to the same period of the previous year.

Between January-March 2025, **revenues from the allocation of interconnection capacity** increased from RON 45 million in Q1 2024 to RON 69 million in Q1 2025.

The market for the allocation of interconnection capacity is volatile, with prices fluctuating according to demand and the need of electricity market participants to purchase interconnection capacity.

Thus, the growth over the period analysed has been influenced by the supply and demand pricing model. The implicit allocations, where capacity and energy are

provided simultaneously, are strongly influenced by changes in the price of electricity on the European power 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 June 8, 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, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, Netherlands, Poland, Romania, Slovakia, and Slovenia).

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 July 24, 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 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.

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".

**Revenues from Inter TSO Compensation (ITC)** in Q1 2025 amounted to RON 8.4 million, higher (RON +4.2 million) compared to the same period in 2024 when it was RON 4.2 million and mostly originate from the scheduled electricity exchanges with countries



considered perimeter countries of the mechanism, namely Ukraine and Republic of Moldova.

As of July 1, 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, income can also be recorded from monthly settlements.

**Revenues from energy trading for own technological consumption (OTC)** were mainly obtained from the sale of surplus energy resulting from the difference between the long and medium term forecast and the short term forecast (on each settlement interval) on the Intra-Til Domestic Market managed by OPCOM and respectively from the difference between the forecast OTC and the OTC actually realised (on each settlement interval) on the Balancing Market.

In Q1 2025, the Company recorded lower revenues from energy trading for OTC (RON 11.1 million) compared to the same period of 2024 (RON 28.5 million), i.e. by -17.4 million.

Revenues from transactions on the Intra-Dil market were about 15% lower than the revenues realised in the same period of the previous year, and revenues from transactions on the Balancing Market were about 3 times 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.

#### Revenues from disaster aid

Between January-March 2025, the revenue of RON 0.3 million was recorded from the breakdown aid compared to RON 3 million revenue recorded in January-March 2024. In Q1 2025, disaster aid was granted to Serbia (month of March) due to the accidental shutdown of groups in this country.

#### Revenues from capitalisation of own technological consumption (OTC)

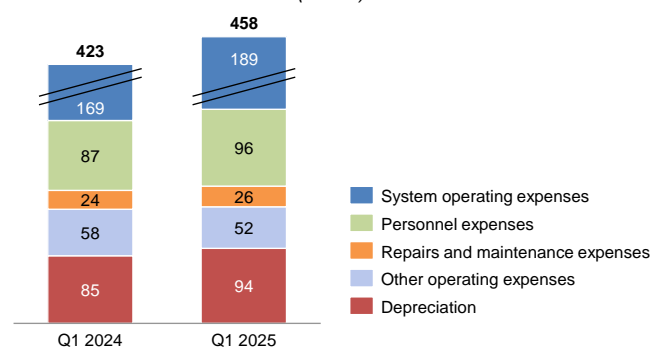
As from September 30, 2022, the Company applies the provisions of GEO no. 119/2022, whereby the additional costs of electricity purchase incurred between January 1, 2022 and March 31, 2025 to cover its own technological consumption, compared to the costs recognised in the regulated tariffs, are capitalised on a quarterly basis.

Thus, the Company recorded in Q1 2025 income from OTC capitalisation in the amount of RON 0.9 million (compared to RON 7.4 million income recorded in Q1 2024), representing additional OTC calculated as the difference between the net cost of OTC acquisition and the cost of OTC included in the regulatory tariff, for the period January 1 - March 31, 2025.

#### Operational expenses

In the segment of **activities with profit allowed**, expenses (including depreciation) increased by 8% (RON 458 million in Q1 2025 compared to RON 423 million in Q1 2024), mainly influenced by higher expenses related to system operation, ETG maintenance and repair expenses, personnel expenses and depreciation.

Operating costs of activities with profit allowed  
(mil lei)



In the category of **system operating expenses**, the impact had the expenses with the purchase of OTC, ITC expenses, expenses related to energy consumption - consumption of internal services of ETG stations.

**OTC:** In the period January-March 2025, the costs of energy purchase to cover own technological consumption totalled RON 158 million, 11% higher (+ RON 15 million) compared to RON 143 million in Q1 2024, mainly due to a number of factors:

- due to its characteristics, the OTC in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, the structure of national electricity production and consumption, the distribution of electricity flows in the internal transmission grid and on interconnection lines with neighbouring power systems, and its value is very little to not controllable in an interconnected and coupled regional power market;
- In the first quarter of 2024, NPG CO. Transelectrica SA purchased electricity to cover 75% of the quantity related to the forecast of its own technological consumption (OTC) through the Centralised Electricity Purchase Mechanism (MACEE), at the regulated price of 450 lei/MWh. Starting with

01.04.2024, the centralised electricity purchase mechanism MACEE was amended by GEO no. 32/2024, in the following sense:

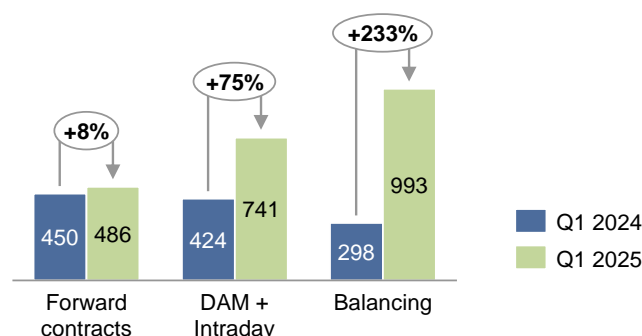
- ✓ reducing the regulated purchase price to 400 lei/MWh
- ✓ removing the obligation for producers to participate in the scheme
- ✓ changing the period of application of the Facility from March 31, 2025 to December 31, 2024
- ✓ allowing other producers with production capacities below 10MW to participate in the scheme.

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 around 50% through bilateral contracts, at an average price of 485.59 lei/MWh.

- From July 1, 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 have led to very high prices in the Balancing Market. These prices show a high degree of volatility and uncertainty, but are still below the 2024 peaks. Own Technological Consumption recorded in the period analysed was around 12 GWh (-5%) lower than in the same period of 2024, leading to costs resulting from the coverage of energy imbalances on this market 14% lower than in the same period of 2024.
- The removal of the MACEE mechanism, increased consumption and low temperatures in February 2025, 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. Thus, the average price of energy purchased from short-term bids in the January-March 2025 period was RON 741/MWh, higher than the price in Q1 2024.
- 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.

*The average net price of energy purchased on all markets in Q1 2025 was 612 lei/MWh, higher than the price in the same period of 2024, i.e. 436 lei/MWh.*

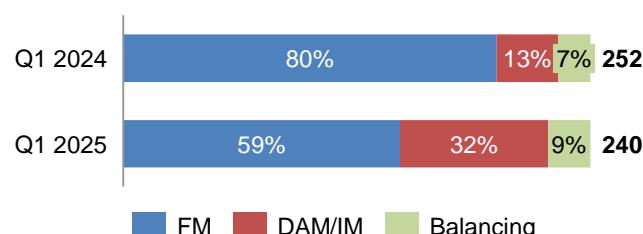
Average purchase prices\*  
(lei/MWh)



\* the average price was calculated at net value (purchases - sales)

The acquisition mix (net quantitative) shows the following components in the two periods analysed:

OTC acquisition mix in the markets  
(net quantities, GWh)



### Inter TSO Compensation (ITC) expenses

In the period January-March 2025 these expenses were higher by RON 7 million compared to the same period of the previous year. They are established within the framework of the mechanism of compensation/dispensation of the effects of the use of the transmission electricity network (ETG) for electricity transits between the TSOs that have joined this mechanism within the framework of ENTSO-E.

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 energy consumption - consumption of internal services of ETG stations

In order to carry out the activity of electricity transmission in the electricity stations and to operate the National Electricity Grid in safe conditions, the Company shall purchase electricity to cover the consumption of internal services in the high-voltage stations under the Company's management.

These expenses decreased by RON 1.6 million in Q1 2025 (RON 12.6 million) compared to Q1 2024 (RON 14.2 million).

From the category "**Other costs**" amounting to RON 50.6 million (a decrease of RON 6 million in the

analysed periods), the ones that had an impact in the analysed period are:

- decrease of some *other expenses* items, such as: losses from receivables and sundry debtors (- RON 1 million), expenses related to goods (- 2 million), expenses related to administrative energy consumption (- RON 1 million), expenses related to fixed assets (- RON 3 million).
- the increase in *expenses on services performed by third parties* by + RON 2 million.

**Repairs and maintenance expenses** totalled 26 mil lei, 2 mil higher than Q1 2024.

Starting with 2025, by ANRE Decision no. 2624/10.12.2024 for the approval of the method for covering the expenses forecasted 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.

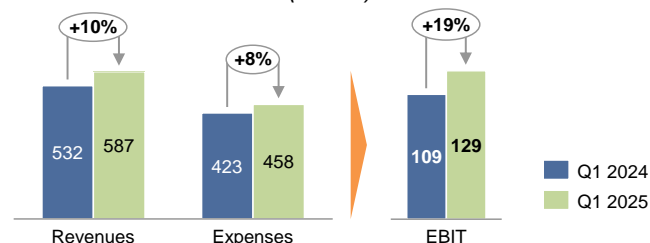
**Depreciation expenses** show an increase of RON 9 million, mainly influenced by the recording of depreciation expenses on tangible and intangible assets (+ RON 4 million), calculated at the revalued value of tangible assets as at December 31, 2023, correlated with the commissioning of investment works and the acceptance of assets.

At the same time, in Q1 2025 the expenses with amortisation of intangible assets - additional OTC amounted to RON 22.7 million, showing an increase compared to Q1 2024 (+RON 5 million). The additional costs with the purchase of electricity made in the period from January 1, 2022 to March 31, 2025, in order to cover own technological consumption, compared to the costs included in the regulated tariffs, were capitalised on a quarterly basis, and the assets resulting from the capitalisation are amortised over a period of 5 years from the date of capitalisation.

### Allowed profit operating result

**Activities with profit allowed** recorded a positive result in the amount of RON 129 million in Q1 2025 up from the result in the amount of RON 109 million realised in Q1 2024, as operating revenues increased by RON 55 million, correlated with a lower increase in expenses (including depreciation and amortisation), i.e. by RON 35 million.

EBIT structure of profit allowed activities  
(mil lei)



### Zero profit segment

segment of **zero-profit activities** recorded a decrease in **revenues** (- RON -632 million) from RON 1,456 million in Q1 2024 to RON 824 million in Q1 2025, mainly due to the decrease in revenues on the balancing market (- RON -666 million) due to the prices recorded at the level of the balancing market, concomitant with the appreciation of revenues from system services (RON +34 million), at the tariff approved by ANRE, compared to the same period of the previous year, in the context of a 2.6% increase in the quantity.

The segment of **zero-profit activities** also recorded a significant decrease in **costs** (- RON -671 million) driven by the decreased amount of expenses on the balancing market.

**Balancing market revenues/expenses** were more than 2 times lower in Q1 2025 compared to Q1 2024.

The balancing market was mainly influenced by the following elements:

- 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;

For the next period from 2025 it is important to correctly assess the production-consumption balance, and the most important elements that will have a significant impact on the evolution of the balancing market are:

- the regional and European context of electricity market developments,
- ANRE's regulatory framework to adjust the functioning of the balancing market,

- the evolution of consumption and the impact of prosumers on the electricity market,
- precipitation and temperature forecasts,
- the evolution of solar and wind production,
- hydraulic evolution,
- the evolution of national electricity production and consumption,
- behaviour of market participants,
- the evolution of contracting in pre-balancing markets.

**Revenues from system services** increased by 27% compared to the same period last year (RON 158 million in Q1 2025 compared to RON 125 million in Q1 2024), driven by the increase in the quantity of electricity delivered to consumers (+2.6%) at the tariffs approved by ANRE for these services.

**The purchase of system services/balancing capacity** is carried out 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 transmitted electricity at the parameters required by the technical standards in force.

These services are contracted out:

- under the regulated regime, based on Government Decisions and Decisions of the National Energy Regulatory Authority (ANRE);
- through competitive mechanisms.

The procurement of system services/balancing capacity shall be carried out on a competitive basis through daily auctions in accordance with Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019.

In Q1 2025, the contracting of system services / balancing capacity in 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 Electrice în Hidrocentrale "Hidroelectrica" SA.

The amount of **expenses on system services/balancing capacity** in Q1 2025, decreased (-5%) compared to the same period in 2024.

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

- Average purchase price in Q1 2025 for RRFa at growth - 63.67 lei/hMW,
- average purchase price in Q1 2025 for RRFa at discount - 66.38 lei/hMW;
- average purchase price in Q1 2025, for RRFm at

growth - 36.22 lei/hMW;

- average purchase price in Q1 2025, for RRFm at a discount of 15.46 lei/hMW.

Starting with July 1, 2024, the 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 balancing parties came into force. The Regulation defines the new types of reserves to be purchased by the Company, in accordance with the requirements of the European codes.

For the period after 2025 we make the following clarifications:

- the amount of balancing capacity reserves (RRFa, RRFm, up-raising and derating) actually procured will be adjusted by the DEN depending on the results of the analyses of the operation of the NES over time horizons closer to the operating day.
- we estimate that a significant impact on the evolution of the costs for the purchase of system services through daily and directional auctions, at Transelectrica level, will be the ANRE's regulatory framework 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.

### Operating result - zero profit

**EBIT generated by zero-profit activities** recorded a positive result in Q1 2025 in the amount of RON 57 million, up by RON +39 million compared to the result of RON 18 million realised in Q1 2024.

For the system services activity, according to ANRE's regulations, the surplus/deficit of income compared to the recognised costs resulting from the performance of this activity shall be compensated by ex-post tariff correction (negative/positive correction) applied by ANRE in the tariff in the years following the one in which the respective surplus/deficit was recorded.

The surplus/deficit of income over the costs of carrying out this activity shall be calculated by tariff programme periods.

## II. Financial Result

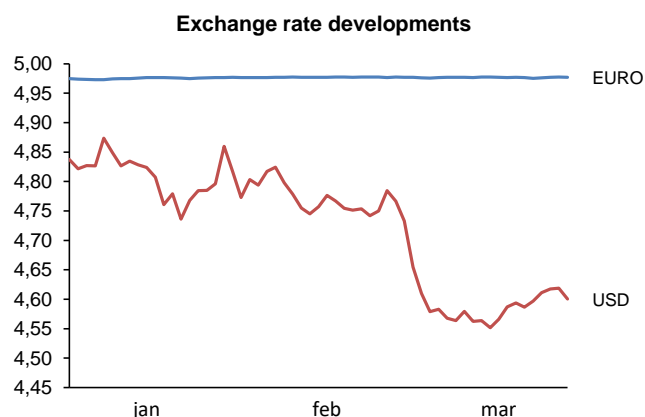
The net financial result recorded in Q1 2025 in the net amount of RON 1 million, compared to a loss of RON 0.08 million in the same period last year, was mainly influenced by the increase in interest income received during the period analysed

The level of exchange rate income and expenses 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.

The evolution of the RON/EUR and RON/USD exchange rate in Q1 2025 is shown in the following graph:



### III. Company gross result (EBT)

#### Total operating revenue

Total operating revenues realised in Q1 2025 decreased by 29% compared to the same period of the previous year (RON 1,411 million in Q1 2025 compared to RON 1,988 million in Q1 2024), as a result of the significant impact of the reduction in revenues from zero-profit activities.

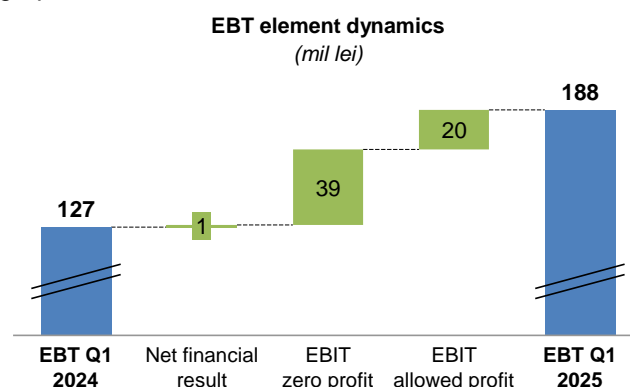
#### Total operational expenses

Total operating expenses (including depreciation and amortisation) realised in Q1 2025 decreased by 34% compared to the same period of the previous year RON 1,225 million in Q1 2025 compared to RON 1,861

million in Q1 2024 in the context of the significant impact of the reduction in expenses from zero-profit activities.

**The gross result** recorded a higher value in the period analysed, RON 127 million in Q1 2024 to RON 188 million in Q1 2025, mainly due to the 2.6% increase in the quantity of electricity delivered to consumers, the increase in regulated tariff revenues, interconnection revenues and revenues from system services.

The dynamics between the result recorded in Q1 2025 compared to Q1 2024, broken down by the constituent components of the result, are shown in the following graph:



### IV. Net result

The gross result impacted with income tax amounting to RON 30 million led to a **net result** at the end of Q1 2025 of RON 158 million, up from RON 103 million in Q1 2024

## FINANCIAL POSITION

### I. Non-current assets

Non-current assets recorded a decrease in the first quarter of 2025 compared to December 2024, in the amount of RON 44 million, mainly due to the decrease in the net value of tangible assets (- RON - 23.5 million).

#### Assets related to the right of use of leased assets - buildings

Assets related to rights of use of leased assets - buildings represent the right to use the premises leased by the Company in the Platinum office building, in accordance with IFRS 16 - Leases. As from 01.10.2020 the lease agreement valid for a period of 5 years entered into force.

As at March 31, 2025, the net accounting value of the right to use the premises leased by the Company in the Platinum office building amounts to RON 4 million.

#### Intangible assets

Intangible assets in progress as at March 31, 2025 show a balance of RON 12 million represented by projects in progress, of which the most significant are:

- Replacement of hardware components, update and development of specific applications of the Balancing Market Platform - II DAMAS, Component Purchase of migration services and upgrade of specific applications of the Balancing Market - RON 7.6 million;
- MARI platform development – RON 2.5 million;
- PICASSO platform development - RON 0.6 million;
- 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 - 1,1 mil;

*As from September 30, 2022, the Company applies the provisions of GEO no. 119/2022, whereby the additional costs of electricity purchase incurred between January 1, 2022 and March 31, 2025 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.*

*Thus, 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 over the amortisation period of those costs and are recognised as a separate component.*

As at March 31, 2025, for the first quarter of 2025, additional OTC capitalisation income in the amount of RON 0.9 million (non-monetary in nature) was recognised, representing additional costs of electricity purchase to cover own technological consumption compared to the cost recognised in the tariff.

The net accounting value of intangible assets resulting from the capitalisation of the additional OTC amounts to RON 276 million.

## II. Current assets

Current assets as at March 31, 2025 (RON 3,789 million) decreased by 16% compared to December 31, 2024 (RON 4,497 million), due to the decrease in receivables

**Trade receivables** decrease by 16% compared to December 31, 2024 (RON 2,702 million at December 31, 2024 compared to RON 2,275 million at March 31, 2025). The most significant developments were:

- *customers from operational activity* which, due to the decrease in the volume of transactions resulting from the coupling of energy markets, generated a lower balance of receivables from operational activity (RON 1,583 million on March 31, 2025 compared to RON 1,899 million on December 31, 2024).
- *customers - balancing market* which, due to the decrease in the volume of transactions on the balancing market in the first quarter of 2025 compared to the fourth quarter of 2024, also led to a decrease in the balance of customers in the contracts concluded for this type of activity (RON 557 million as at March 31, 2025 compared to RON 668 million as at December 31, 2024).

The main outstanding customers on the electricity market are represented by: Bursa Română de Mărfuri,

IBEX, MAVIR, Electrica Furnizare SA, OPCOM, RAAN, Ciga Energy SA, PPC ENERGIE SA, Hidroelectrica, JAO. Their share is 63.77% of total trade receivables.

- *customers - support scheme*, which recorded a slight increase in (+ RON +0.3 million) mainly determined by the increase in the invoiced amount for the collection of the monthly contribution.

The company 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 HGR no. 1215/2009, "the main tasks being the monthly collection of the cogeneration contribution and the monthly payment of bonuses".

As at March 31, 2025, the Company records receivables receivable amounting to RON 133 million, represented by invoices issued related to the bonus support scheme for the promotion of high efficiency cogeneration, of which mainly:

- overcompensation for the period 2011-2013 in the amount of RON 76.70 million, respectively from RAAN - RON 63.46 million and CET Govora SA - RON 13.23 million;
- undue bonus for 2014 in the amount of RON 3.91 million, respectively from RAAN - RON 1.98 million, and CET Govora - RON 1.93 million;
- undue bonus for 2015 in the amount of RON 0.56 million, respectively from CET Govora - RON 0.53 million, Interagro - RON 0.03 million;
- undue bonus for 2020 in the amount of RON 0.52 million from Donau Chem;
- overcompensation for 2024 in the amount of RON 8.6 million from Contourglobal Solutions;
- uncollected contribution for cogeneration from suppliers of electricity consumers in the amount of RON 20.4 million, respectively from Transenergo Com - RON 5.9 million, Petprod - RON 4.4 million, Romenergy Industry - RON 2.7 million, RAAN - RON 2.4 million, UGM Energy - RON 1.5 million, CET Govora - RON 0.9 million, KDF Energy - RON 0.5 million, etc.

Up to the date of this report, the Company has collected all the receivables related to overcompensation of the activity related to the support scheme for 2024 (amount of RON 8.6 million) from Contourglobal Solutions, as well as the amount of RON 8.4 million from the undue bonus established by ANRE Decisions for 2024, from the following producers: Bepco SRL, Electro Energy Sud, Electrocentrale București, Electrocentrale Craiova, Electroulaj SA, Municipiul Iași, Soceram SA, Termoficare Oradea, Thermoenergy Group and Vest Energo.



**Other receivables** as at March 31, 2025, amounting to RON 197 million, decreased by 15% (- RON 34 million) compared to December 31, 2024 and mainly include:

- *sundry debtors* (RON 136 million), of which:
  - late payment penalties calculated for defaulting customers in the amount of RON 81 million (of which RON 25.85 million are penalties related to the support scheme).

The highest late payment penalties were recorded by customers: Romelectro (RON 24.5 million), RAAN (RON 16.9 million), Electromontaj SA (RON 12.2 million), CET Govora (RON 9.6 million), OPCOM (RON 4.3 million), Total Electric Oltenia (RON 3.3 million), Multiservice G&G SRL (RON 2.2 million), Petprod (RON 1.9 million), ISPE Proiectare și Consultanță (RON 1.1 million), Electrogrup (RON 0.6 million). For penalties calculated for late payment of receivables from operating activity, adjustments were recognised

- compensation owed by suppliers for non-delivery of electricity: Arelco Power (RON 0.99 million), Enol Grup (RON 2.54 million) and Next Energy Partners (RON 8.39 million).
- the receivable to be recovered from OPCOM representing the VAT related to the contribution in kind to the share capital of the subsidiary in the amount of RON 4.52 million.
- amounts received as subsidy in the amount of RON 36.6 million related to connection contracts;
- Deferred expenses in the amount of RON 13.7 million represented mainly by domestic and international membership fees (RON 7.9 million), taxes and duties (3.2 million), insurance policies (RON 1.5 million) and others;
- other social receivables in the amount of RON 3.8 million representing sick leave paid by the employer to employees, amounts to be recovered from the National Health Insurance House, in accordance with the legislation in force.

**Advances to suppliers** paid as at March 31, 2025 represented by debtor suppliers for services rendered in the amount of RON 403 million decreased significantly compared to December 2024 when they amounted to RON 770 million.

The balance mainly represents 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 - RON 324 million, IBEX - 66.3 million and JAO - RON 12.1 million).

*The kick-off of the successful SDAC Single Day-ahead Coupling SDAC Single Day-ahead Coupling took place*

*on October 28, 2021 and is the result of the cooperation between the Designated Electricity Market Operators (OPEED) and the Transmission System Operators (TSOs) of Bulgaria and Romania, namely IBEX EAD, OPCOM SA, ESO EAD and Transelectrica. The aim of the SDAC is to create a single pan-European cross-border day-ahead energy market.*

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

*The launch of Flow Based Market Coupling in the Core region on June 8, 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.*

**The VAT to be recovered** in the amount of RON 243 million is related to the VAT returns for the period December 2024 - March 2025, of which up to the date of this report, the amount of RON 67 million has been collected, representing the value added tax claimed for refund for December 2024.

**Impairment adjustments** existing in the balance at March 31, 2025, calculated for trade receivables and related penalties, amount to RON 196 million. The highest are recorded for JAO (RON 30 million), CET Govora (RON 24.6 million), Romelectro (RON 24.5 million), Arelco Power (RON 14.5 million), Total Electric Oltenia SA (RON 14.2 million), Romenergy Industry (RON 13.5 million), Elsaco Energy (RON 9.3 million), OPCOM (RON 8.8 million), RAAN (RON 8.5 million), Next Energy Partners (RON 8.4 million).

## Liabilities

**Non-current liabilities** in the amount of RON 964 million as at March 31, 2025 increased by 9% compared to the amount recorded as at December 31, 2024, which was RON 883 million.

## Interest-bearing liabilities

At March 31, 2025 the amount of long-term borrowings net of current instalments remained constant compared to December 31, 2023, while the amount of short-term borrowings decreased by 24%.

Between January and March 2025, **current liabilities** decreased by 25%, from RON 3,978 million at December 31, 2024 to RON 2,987 million at March 31, 2025, mainly due to a decrease in trade and other payables.

Impact on the evolution of trade debts:

- **suppliers on the energy market** which decreased by RON 596 million and recorded a balance amounting to RON 1,657 million as at March 31, 2025 compared to RON 2,253 million as at December 2024.

This development was mainly influenced by:

- *The decrease in the balance of liabilities related to operating activities* by RON 506 million 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 strongly influenced by changes in the price of electricity on the European power exchanges.

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. On March 31, 2025, their share in total energy suppliers is 68.71%.

- *the decrease in the balance "balancing market liabilities"* by RON 127 million was mainly due to the decrease in the volume of transactions recorded on the balancing market in the first quarter of 2025 compared to the fourth quarter of 2024.

- *the increase in debts related to the support scheme to suppliers (producers)* by RON 37 million was determined by the payment of the amount of pre-compensation for 2024, on the due date, after the reporting date.

- **suppliers of fixed assets** decreased by 33% (- 52 million RON) due to the payments due,
- **Suppliers other activities** also decreased by 15 per cent (- RON 12 million), being mainly represented by the category of payables related to services rendered by third parties not due.
- **"other liabilities"** decreased by 26% (- RON 359 million), from a balance of RON 1,372 million on

December 31, 2024 to RON 1,013 million on March 31, 2025.

The **"other liabilities"** structure is as follows:

- *sundry creditors* in the amount of RON 278 million (decreased by RON 107 million compared to December 31, 2024) and are mainly represented by the net position of the support scheme for high efficiency cogeneration, debt position (RON 254.4 million), contracts for solution studies for connection to ETG (RON 15.3 million), OTC caused by additional transits of energy in the networks of the concessionary distribution operators at the voltage level of 110 kV, for the quota allocated to the producers owning power plants with installed capacity exceeding 5MW connected to the respective distribution networks (RON 4.9 million), royalty Q1 2025 (RON 1.98 million),
- *Clients creditors* as at March 31, 2025 in the amount of RON 532 million (decreased by RON 302 million compared to December 31, 2024) and mainly represent amounts received in advance in transactions related to price coupling mechanisms in the amount of RON 529.1.9 million (*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 (RON 296.3 million), IBEX (RON 147.1 million), MAVIR (RON 51.3 million), JAO (RON 3.5 million) and OPCOM (RON 30.9 million).
- *the liability for fixed assets related to the rights of use of leased assets - buildings*, in accordance with IFRS 16 - Leases, amounts to RON 4.4 million,
- *other short-term payables* in the amount of RON 193 million are mainly represented by guarantees of good payment of electricity market contracts concluded by Transelectrica in the amount of RON 161 million and VAT not recoverable during the reporting period in the amount of RON 31 million.
- *other long-term liabilities* in the amount of RON 5.6 million represents the estimated global minimum tax liability for the financial year 2024 related to the Group, as a result of the application of the provisions of Law 431/2023 on ensuring a global minimum level of taxation for multinational enterprise groups and large national groups.

## III. Shareholders' equity

Shareholders' equity increased mainly due to the recognition in retained earnings of the net profit amounting to RON 158 million realised on March 31, 2025. As a result, equity at the end of the first quarter of 2025 amounted to RON 5,973 million compared to RON 5,815 million at December 31, 2024.

## SHARE DEVELOPMENT

Symbol: **TEL**  
ISIN: **ROTSELACNOR9**  
Type: **Shares**  
Segment: **Main**  
Category: **Premium**  
Status: **Tradeable**

The first quarter of 2025 started with a trading price of 37.70 lei/share, opening the way to the maximum price of the period of 47.95 lei/share recorded on 18 February 2025, which generated a maximum return to shareholders of about 27%.

The final price of the period brought TEL shares market capitalisation of RON 3.141 million.

The variation in the return on TEL shares compared to BET, BET-NG and BET-EF fluctuated over the period analysed and on February 18, 2025, it recorded a positive evolution with an increase of 21 p.p. compared to BET, 19 p.p. compared to BET-NG and 20 p.p. compared to BET-EF.

The return on equities at the end of the period analysed was 9 p.p. higher than the BET return and 8 p.p. higher than the BET-NG and BET-EF returns.

The trading of TEL shares during the first quarter of 2025 on the Romanian capital market recorded 7,332 transactions with an average number of 124 transactions/day and 574,434 shares traded, with a total value of RON 25,425 thousand.

NG | BET-EF | BET-BK. The most representative for the Company are:

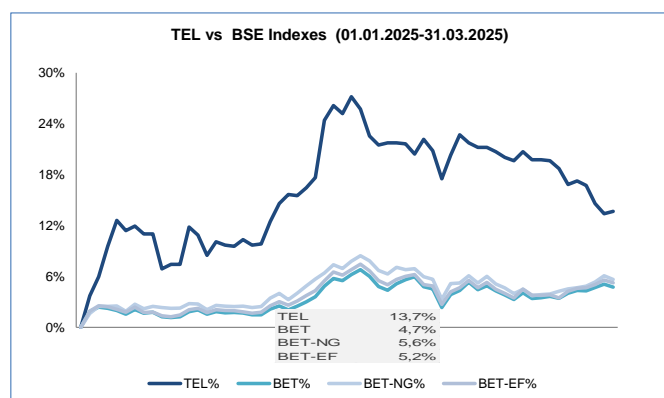
- the BET index (Bucharest Exchange Trading - the benchmark index of the capital market which reflects the evolution of the 20 most liquid companies listed on the regulated market of the BVB),
- the BET-NG index (Bucharest Exchange Trading Energy & Related Utilities - sector index that reflects the evolution of energy and utilities companies listed on the regulated market of the BVB)
- the BET-EF index (Bucharest Exchange Trading Energy, Utilities And Financials Index - a sector index that reflects the evolution of energy, utilities and financial companies excluding investment funds listed on the regulated market of the BVB).

According to the latest periodic adjustment date recorded on 07.03.2025, TEL shares have a weight of 1.88% in the BET index, 3.32% in the BET-NG index and 2.46% in the BET-EF index.

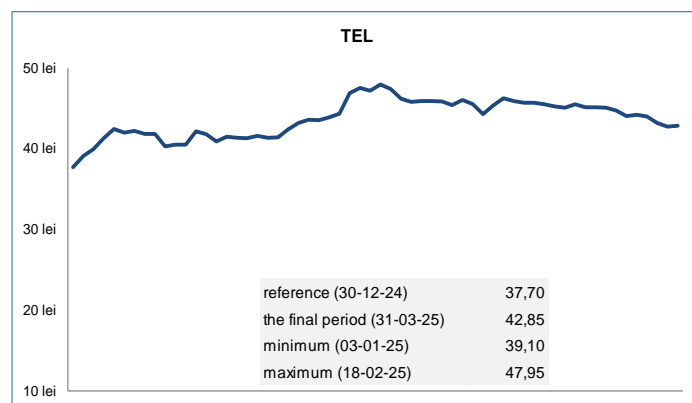
Internationally, TEL shares are part of the MSCI Frontier and MSCI Romania indices.

The evolution of the TEL share in relation to the two indices is shown in the graph opposite:

TEL share development



Transelectrica shares are part of the following stock market indices: BET | BET-TR | BET-TR | BET-TRN |



## MAIN RISKS AND UNCERTAINTIES

### MAIN RISKS AND UNCERTAINTIES

Analysing decision problems under conditions of risk involves an evaluation of decision alternatives and their consequences, taking into account the uncertainty of the effects of decisions. Risk management at Company level involves the identification, evaluation and

implementation of control measures to optimise results, in accordance with legal provisions and accepted volatility limits. The identified risks are analysed periodically and systematically, being recorded in the Risk Register and monitored through specific sheets and plans for the implementation of control measures.

From a financial risk management perspective, the Company's financial results in the first quarter of 2025 were exposed to a number of risks arising from both the financial instruments used and the specific operating framework of a regulated monopoly. These risks include: investment risk, foreign currency risk, liquidity risk, counterparty risk, risk related to provisions in financing agreements, credit rating deterioration risk (a significant event during the period), interest rate risk, regulatory risk, risk of non-compliance with legal requirements and tax risk.

The main risks identified and their specific analysis for the first quarter of 2025 are presented below:

#### ➤ interest rate fluctuation

In order to limit the impact of interest rate fluctuations on the Company's liquidity, long-term loans with fixed interest rates were contracted and the most favourable interest rates were negotiated for short-term loans.

During the first three months of 2025, interest rates on the domestic money market showed relative stability, with ROBOR 1M fluctuating between 5.8% and 5.75%, with an average value of 5.78%. The Company is exposed to interest rate risk primarily through its short-term revolving variable rate revolving credit facility, which was undrawn at March 31, 2025. The long-term euro-denominated loans are fixed rate.

The company constantly monitors macroeconomic indicators and this risk did not materialise in the period under review.



#### ➤ exchange rate movements

Currency risk expresses a probability of incurring losses from international commercial contracts or other economic relations (depreciation of RON vs. currencies), due to changes in the exchange rate in the period between the conclusion of the contract and its maturity.

One way of avoiding such effects is to include a currency clause or a price revision clause in the contract. The application of various extra-contractual

measures may relieve the Company from the presence of negative effects.

In order to limit the impact of exchange rate fluctuations, the Company negotiates the best exchange rates through its specialised department and constantly monitors macroeconomic indicators. In order to honour its obligations in foreign currency, the Company has opened foreign currency accounts with commercial banks within the Romanian banking system.

Overall, currency risk in the first 3 months of 2025 was driven by a combination of internal and external factors, including fiscal policies, the domestic political situation and global financial market trends. Fluctuations in the leu/currency exchange rate during this period had a minor impact, with the average euro exchange rate for the first quarter of 2025 being RON 4.9763.

For the management of foreign exchange flows, the Company carries out traditional foreign exchange operations at the required time, negotiating the best available rates. The exchange rate for the year 2025 is RON 4.9763.



#### ➤ provisions in the grant agreements

In the grant contracts, there are clauses on the fulfilment of financial indicators (covenants), the breach of which may entail, subject to prior notice and a reasonable time, early payment of the financing facilities.

Some financing facilities also have penalty clauses in case of early repayment.

In the first quarter of 2025, the Company was in compliance with the covenants stipulated in its existing financing agreements and maintained a very low leverage ratio.

➤ **Credit risk:** a financial loss due to the inability or unwillingness of a contractual partner to fulfil its contractual obligations. This risk arises mainly from trade receivables. The process of invoicing and collecting payments from customers was efficient during the period analysed, with payment deadlines being met or insignificant deviations occurring.



➤ **price risk**

Due to the unpredictability of the energy market (which can lead to significant cost increases associated with OTC.) This risk can affect the Company in a variety of ways, and its impact can be magnified by the volatility of national and international energy markets.

Transelectrica is not directly exposed to fluctuations in energy market prices, as its revenues are largely derived from regulated tariffs for electricity transmission services.

In the first quarter of 2025, energy prices on the domestic and international markets showed a slight upward trend. Although Transelectrica is not directly exposed, the evolution of prices is monitored to assess the potential indirect impact on transported volumes.

➤ **counterparty risk**

It represents the risk that in a financial transaction, the other party will not honour its contractual obligations. The cause that favours the occurrence of this risk is the solvency of the financial institutions with which the Company has placed financial instruments (cash, bank deposits), respectively contracted loans.

Counterparty creditworthiness assessment (credit ratings, financial analyses) and collateral calls are measures that the Company uses to monitor, manage and treat this type of risk.

In contractual relationships entered into in the first quarter of 2025, the Company carefully monitored counterparty risk.

No other significant counterparty risk exposures have been identified, given the high quality of most of the trading partners.

➤ **the risk of non-recovery of** amounts due to the execution of the guarantee instruments underpinning the guarantee of the advances received by the Executing Agents in the framework of the investment projects.

Causes that could favour the risk: the existence of banking or insurance companies offering guarantee services without having the financial capacity to honour their obligations under the guarantee instruments issued.

By monitoring the rating of the financial institutions with which the Company has business relationships, this risk did not materialise during the period under review.

➤ **Regulatory risk:** national and international regulatory policy risk specific to the sector.

During the first quarter of 2025, there were no major legislative or tariff changes that have a material direct impact on the Company's business.

➤ **macroeconomic risk - budget deficit**

Romania's budget deficit has been estimated at a maximum of 7% of GDP for 2025, in the first three months of 2025, a budget deficit of about 2.3% of GDP was recorded, slightly exceeding the 2.06% recorded in the same period in 2024.

The national budget deficit can affect Transelectrica directly and indirectly through various economic, fiscal and regulatory channels.

In high deficit conditions, the state may reduce spending on energy infrastructure investments or co-financing from EU funds.

Transelectrica, being involved in grid modernisation and European interconnection projects, may be affected by the delay of strategic projects.

➤ **risk of non-compliance with legal requirements**

The Company's liquidity could be affected by penalties due to non-compliance reported during the periodic control activities of the authorised bodies (ANAF, CCR, MFP, etc).

The company constantly monitors and adapts to new tax and regulatory changes to ensure compliance with new legislative requirements.

No significant instances of noncompliance were identified in the first quarter of 2025 as all tax returns were filed on time.

➤ **liquidity risk** - this is the risk that Transelectrica may not be able to honour its payment obligations when due. A prudent liquidity risk management policy involves maintaining a sufficient level of cash, cash equivalents and financial availability through adequately contracted credit facilities. The Company monitors the level of projected cash inflows from the collection of trade receivables as well as the level of projected cash outflows for the payment of trade and other payables.

The company pays particular attention to efficient treasury management, by effectively managing cash flows and optimising surplus liquidity to meet financial obligations as they fall due, as well as the availability, if necessary, to draw on appropriate credit facilities.

For situations requiring working capital financing, the Company resorts to short-term loans in the form of revolving credit lines.

During the first quarter of 2025, the Company maintained an adequate level of liquidity. Operating

cash flows were positive, ensuring the Company's ability to honour its short-term obligations.

During the period January to March 2025, thanks to the solutions found and measures taken on time, the Company has met its financial obligations as they fell due.

Other risks that may influence the Company's financial performance include:

- **the risk of a deterioration of the credit rating** as a result of worsening financial indicators, the macroeconomic and political climate and/or worsening financial performance of the Company.

This risk reflects a complex of factors, with a potential effect on the increase in financing costs on the credit market, which may significantly affect the Company in view of a possible need for capital to be attracted to finance the investment plan under the ETG 2024-2033 Development Plan.

On March 18, 2025 Moody's rating agency Moody's revised the credit rating outlook for the Company from "stable" to "negative", maintaining the long-term credit rating at Baa3 and BCA at ba1.

This change is a direct consequence of Moody's change in Romania's sovereign rating outlook on 14 March 2025.

Monitoring the elements analysed by the rating agency, such as liquidity, revenues, debt structure, covenants, working capital, the Company is not in financial difficulty.

- **investment risk**

In the first quarter of 2025, Transelectrica continued the implementation of its investment plan (CAPEX) for the modernisation and expansion of the transmission network, constantly monitoring the execution status of major projects and the evolution of costs. Efforts focussed on meeting deadlines and early identification of any potential risks of budget overruns or delays. The company also carried out regular analyses of the prospects of return on these investments, thereby ensuring prudent capital allocation and seeking to maximise long-term economic benefits.

During the period analysed (Q1 2025), Transelectrica actively monitored the performance of subsidiaries providing essential services, assessing their ability to support the operations of the parent company. Efforts were focused on ensuring the continuity and quality of the services provided, early identification of potential operational or financial risks at the level of the subsidiaries and implementation of the necessary preventive measures to minimise the impact on Transelectrica's business.

- **technical and operational risks**

The materialisation of risks of a technical nature or risks resulting from non-compliance with existing procedures or systems, generated by employee behaviour or external events, could adversely affect the Company's business.

During the period analysed, risk exposure was found to remain at a similar level to the previous year. There were no major technical or operational events with significant financial impact in the first quarter of 2025.

The company attaches great importance to analysing the risk environment and early identification of possible risks that may arise in the future as well as the use of early warning systems.

The company does not limit itself to dealing with the consequences of events that might occur, but adopts a reactive management style, implementing preventive measures, taken in advance, aimed at mitigating the occurrence of possible risks.

At the same time, the periodic review of risks, as foreseen in the standards, involves the assessment of the risk management process and the alerting tools of the higher hierarchical levels on newly identified risks or changes to existing risks so that these changes can be effectively managed.



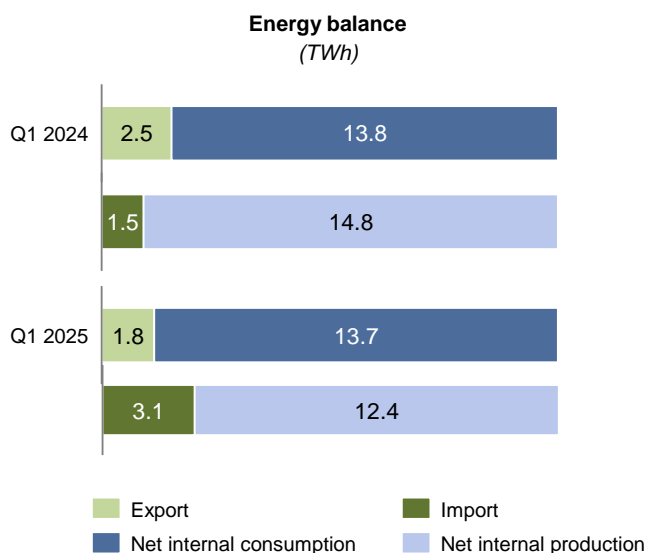


## Operational data

### NES ENERGY BALANCE

Analysing the evolution of the components of the energy balance in the period January - March 2025 compared to the same period in 2024, there is a slight decrease of 0.5% in net domestic consumption<sup>1</sup> and a 16% decrease in net energy production.

Physical cross-border trade in physical exports fell by 28 per cent in Q1 2025 compared with the same period in 2024, while imports grew by 109 per cent.



In terms of electricity consumption at the NES level, January (-1.76%) and March (-3.71%) recorded decreases in consumption, except for February (+6.43%) which recorded an increase in consumption.

The increase in consumption in February 2025 was largely influenced by the average monthly temperature, which was -2.10°C, compared to February 2024, when it was +6.0°C

*January 2025 includes energy injected into the grid by prosumers, but without their internal consumption. February and March outputs are preliminary. The net energy produced for February does not include the value for prosumers. Also for March the values for renewables and hydro are provisional and do not include the value for prosumers.*

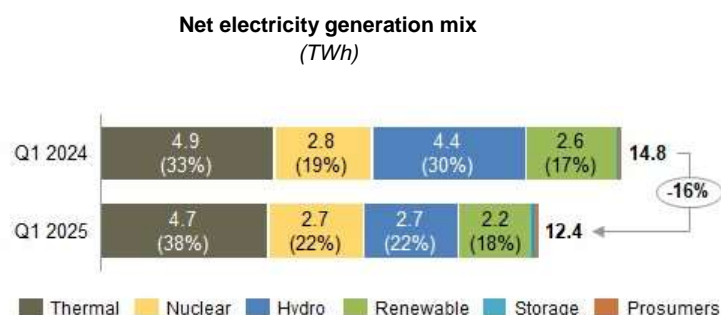
<sup>1</sup> the values do not include consumption related to own services in electricity generation plants; the net consumption value includes losses in transmission and distribution networks, consumption of pumped storage hydro stations and storage consumption

### PRODUCTION MIX

In terms of generation mix, in the period January - March 2025 compared to the same period in 2024, there was a decrease in all components respectively, from Thermo sources 3%, Nuclear 2%, Hydro 39%, Renewables 16%

At the end of the first quarter of 2025, production from batteries totalled 25.1 GWh, while the figure for prosumers was 57 GWh.

Analysing the weights of the components of the net production mix for the period January - March 2025, it can be seen that the largest share, 38%, is represented by the Thermo component, followed by the Hydro component (22%), while energy produced from renewable and nuclear sources have a share of 18% and 22% respectively.



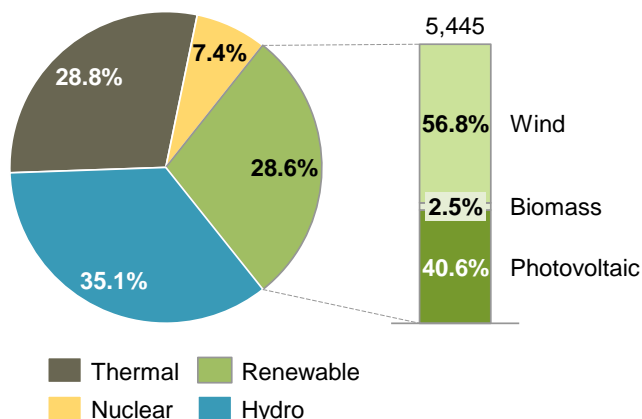
### NATIONAL PRODUCTION PARK

In the period January - March 2025, the installed capacity of thermal power plants, compared to the same period in 2024, decreased slightly by about 0.03%, from 5,477.4 MW installed on 31 March 2024 to 5,476 MW installed on March 31, 2025. On 01 February 2025, the installed capacity of storage facilities totalled 234.7 MW and the installed capacity of prosumers totalled 2,442 MW

On April 1, 2025, the gross installed capacity in the NES totalled 19,016 MW, with the following structure by primary energy sources: coal - 2,762 MW (2,162 MW net), hydrocarbons - 2,714 MW (2,186 MW net), nuclear - 1,413 MW (1,300 MW net), hydro - 6,682 MW (6,359 MW net), wind - 3,095 MW (3,035 MW net), photovoltaic - 2,211 MW (2,109 MW net), biomass - 139 MW (127 MW net).

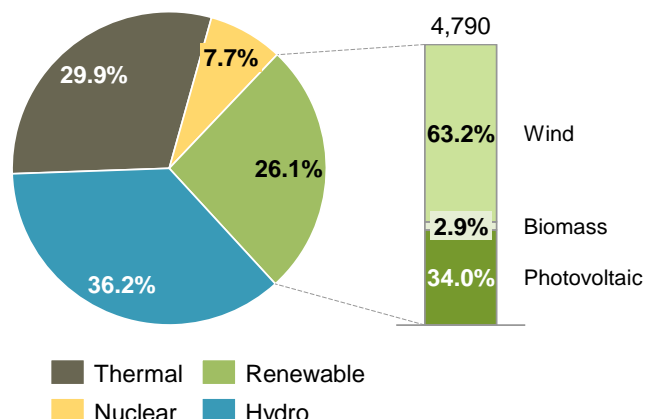
The installed power for the period January - March 2025 compared to January - March 2024 is shown in

Installed capacity Q1 2025 (19,016 MW. gross value)



the following graphs:

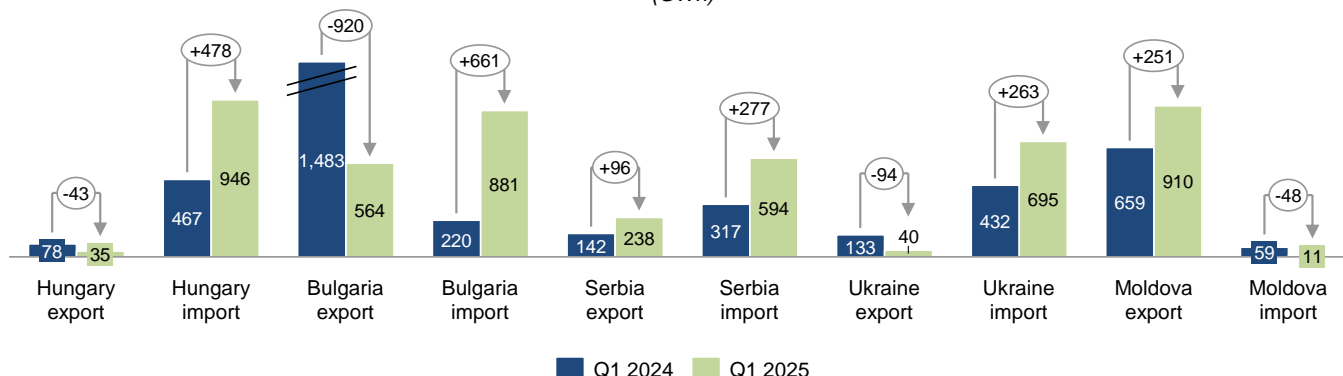
Installed capacity Q1 2024 (18,319 MW. gross value)



## CROSS-BORDER FLOWS

The physical flows of both imports and exports at each border are presented below:

Physical flows  
(GWh)



The distribution of the physical import (Q1 2025: 3,1TWh, Q1 2024:1,5TWh)/ export flows (Q1 2025: 1,8TWh, Q1 2024:2,5TWh) on the interconnection lines in the period January - March 2025 compared to January - March 2024 is as follows:

- exports decreased on the borders with Bulgaria, Hungary, Ukraine and increased on the borders with Serbia and Moldova, and
- imports increased on the border with Bulgaria, Serbia, Hungary, Ukraine and decreased on the border with Moldova.

Specifically, compared to January - March 2024, physical export flows decreased on the borders with Bulgaria (-62% -920GWh), Hungary (-55% -43GWh) and Ukraine (-70% -94GWh) and increased on the borders with Serbia (+68% +96GWh) and Moldova (38% +251 GWh).

Compared to Q1 2024, there was a 96% increase in import trade and a 25% decrease in energy transited, against the backdrop of much lower hydroelectricity compared to last year at this time of year and with

domestic electricity consumption not varying much compared to the same period in 2024, except in February when consumption increased at the NES level.

Trade includes the amount of electricity imported and exported as a result of Transelectrica S.A.'s participation as an operational member in the European Imbalance Netting (IGCC) platform, starting 17 December 2021.

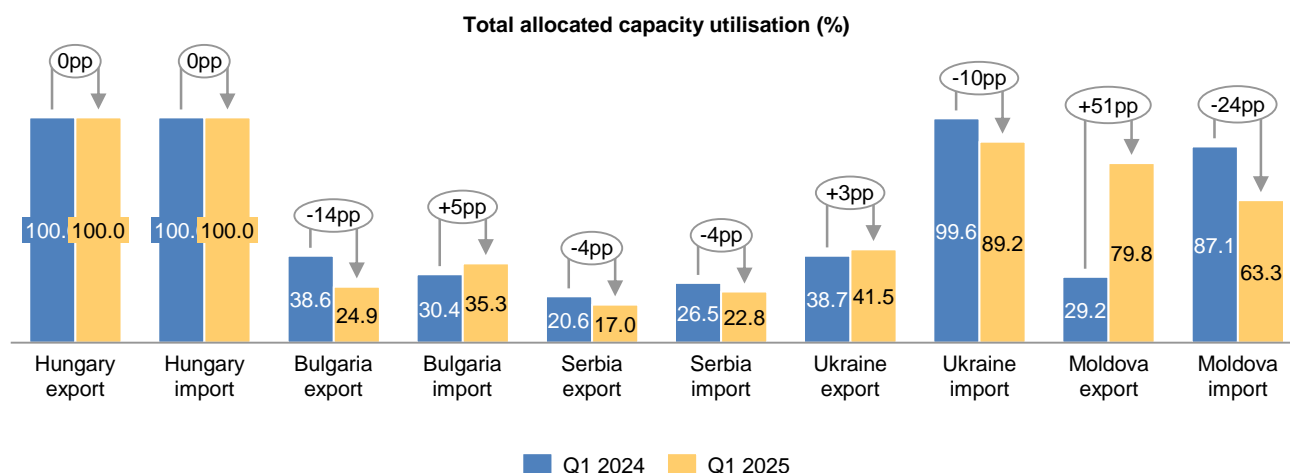
On July 1, 2024, at 00:00, the RFP-TEL frequency - exchange power regulating block belonging to Transelectrica S.A., was updated in terms of the activation of RRFa type reserves, their activation being carried out in the order of merit of the prices offered by the participants, with the optimisation cycle at 4 seconds.

With this update, Transelectrica, the Romanian Transmission and System Operator, complies with the legal obligations established by the European Commission Regulation (EU) 2017/2195 of August 2, 2017 establishing a guideline for the operation of the

electricity transmission system (Article 21), being technically ready to join the European balancing platform for the automatically activated frequency restoration reserve, PICASSO.

On the border with Hungary, the utilisation rate is 100%, both import and export, as short-term auctions are implicit (capacity and energy are allocated

simultaneously), and since January 2023, the long-term auctions have completely switched from the Physical Capacity Rights allocation mechanism to the Financial Capacity Rights allocation mechanism (capacity allocated in the annual and monthly auctions is no longer a physical right that can be used by the participant, but only a financial right of the participant).



*The degree of utilisation of total capacity rights on a border and direction, is the ratio expressed as a percentage between the energy corresponding to*

*realised (notified) trade on a monthly basis and the energy corresponding to total capacity rights.*

## OWN TECHNOLOGICAL CONSUMPTION

Due to its characteristics, the Own Technological Consumption (TOC) in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, the structure of electricity production and consumption at national level, 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 factors that significantly influenced the OTC in the period January - December 2024, such as precipitation and the distribution of cross-border physical flows, are not under Transelectrica's control.

### OTC EVOLUTION FACTORS

**In January 2025** OTC decreased compared to January 2024 by 8%, as a result of more favourable physical import/export flows on the interconnection lines on the borders with Ukraine, Hungary and the Republic of Moldova, which led to reduced transmission of energy away from sources, and weather conditions characterised by lower precipitation amounts, which led to lower corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.25% in 2024 to 2.09% in 2025.

The energy entering the electricity grid decreased by 0.8% in January 2025 (31.4 GWh) compared to the same period in 2024, as a result of a 17.6% (583.5 GWh) increase in energy received from producers connected to the ETG and a 29.4% (69 GWh) increase in energy received from the DER, as energy received from imports increased by 119.2% (621.1 GWh).

**In February 2025** OTC decreased compared to February 2024 by 9%, as a result of more favourable physical import/export flows on the interconnection lines on the borders with Ukraine and Hungary, which led to reduced transmission of distant energy to sources, and more favourable weather conditions characterised by lower precipitation amounts, which led to lower corona losses.

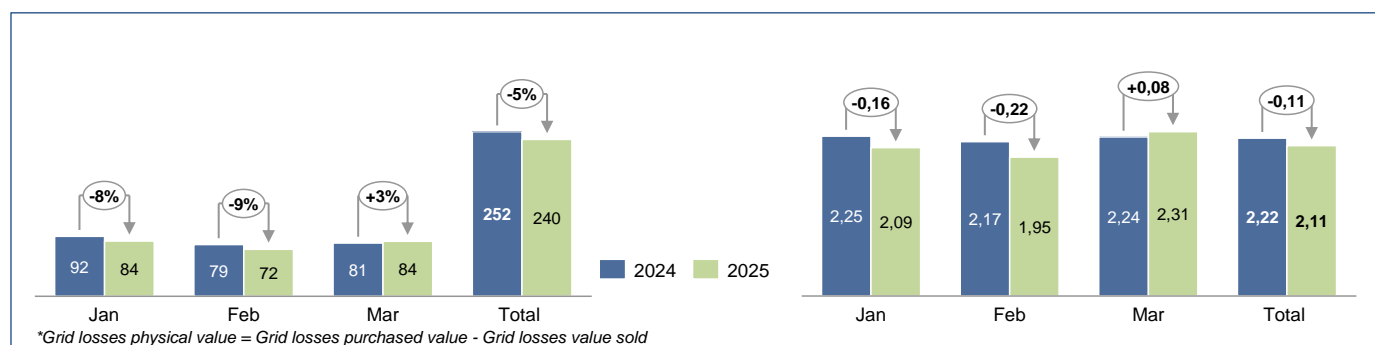
The percentage of losses relative to energy entering the ETG decreased from 2.17% in 2024 to 1.95% in 2025.

The energy entered into the electricity meter increased by 1.2% (44.5 GWh) in February 2025 compared to the same period in 2024, as a result of an increase of 133.7% (592.7 GWh) in energy received from imports, while energy received from producers connected to the ETG decreased by 13.8% (402.7 GWh) and energy received from the DER decreased by 51.7% (145.4 GWh).

In March 2025 OTC increased compared to March 2024 by 3.2%, mainly as a result of more unfavourable physical import/export flows on the interconnection lines on the borders with Serbia and Bulgaria, which led to increased transmission of energy away from sources, and more unfavourable weather conditions characterised by higher precipitation amounts, which led to increased corona losses.

The percentage of losses relative to energy entering the ETG increased from 2.24% in 2024 to 2.31% in 2025.

The energy entering the electricity meter decreased by 0.2% (6.3 GWh) in March 2025 compared to the same period in 2024, as a result of a 14.5% (412.2 GWh) decrease in energy received from ETG-connected generators and a 4.3% (11.2 GWh) decrease in energy received from DERs, as energy received from imports increased by 78.6% (417.2 GWh).



## Conclusions

For Q1 2025 as a whole, OTC in the ETG decreased by 4.7% compared to the same period in 2024, mainly as a result of more favourable physical flows on interconnection lines on the borders

with Ukraine, Hungary and Moldova and the more favourable weather conditions in the first two months, characterised by lower precipitation, which led to a reduction in corona losses. Relative to the energy entering the ETG contour losses decreased from 2.22% to 2.11%.



## ETG Development

### FIXED ASSETS RECORDED IN THE ACCOUNTS

Total net property, plant and equipment decreased at March 31, 2025 compared to December 31, 2024 being driven by the increase in value of property, plant and equipment in progress concurrent with the recognition of depreciation on property, plant and equipment.

The value of fixed assets recorded in the accounts in January-March 2025 is RON 51.6 million (RON 223.9 million in the same period of 2024), a decrease of RON 172 million.

The largest transfers from property, plant and equipment in progress to property, plant and equipment are mainly represented by the commissioning of investment objectives, the most significant of which are listed below:

- 400 kV d.c. Gutinaș - Smârdan OHL (Stage I of financing) - RON 26.6 million;
- Increasing the transmission capacity of the 220 kV Stejaru - Gheorgheni - Fântânele OHL - 14.8 million;
- 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 - RON 4.3 million;
- 400kV Gutinaș-Smârdan OHL (Stage II of financing) - RON 4.1 million;
- Isaccea 400 kV Station Refurbishment - Phase I - Replacement of compensation coils, related cells and 400 kV Stupina cell - RON 1 million.

### TANGIBLE AND INTANGIBLE ASSETS

Purchases of tangible and intangible assets in Q1 2025 totalled RON 80.7 million, a decrease compared to the same period of 2024 when purchases totalled RON 112.8 million.

The balance of property, plant and equipment in progress according to the financial position as at March 31, 2025, in the amount of RON 975 million, is represented by projects in progress, the most significant of which are listed below:

- 400 kV d.c. Gutinaș - Smârdan OHL - 275.1 million;
- Transition to 400 kV of the Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad - Phase I - 400kV OHL s.c. Porțile de Fier - (Anina) - Reșița - 176.7 million;
- 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 million;
- Connection to 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 – RON 46,9 million;
- 220 kV double circuit Ostrovu Mare - ETG OHL (H.CA no. 17/2007) - 45.5 million;
- Installation of two modern means of reactive power compensation in 400/220/110/20kV stations Sibiu Sud and Bradu - RON 43.4 million;
- Upgrading of the 400/110 kV Pelicanu transformer station - RON 42.2 million;
- Upgrading of the 400/110/20 kV Smârdan 400/110/20 kV station - RON 39.4 million;
- 400 kV station Stâlpu - RON 38.2 million;
- Isaccea 400 kV Station Upgrading - Stage II - RON 35.7 million;
- Upgrading of the 110 kV Medgidia Sud Station - RON 26.5 million;
- 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 - RON 16.3 million;
- Upgrading of the 110 kV Timișoara 110 kV Station and Transition to 400 kV of the Porțile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, phase II: 400 kV Timișoara Station - RON 9,4 million.



## ANNUAL INVESTMENT PROGRAMME

The breakdown of investment expenses at March 31, 2025 by the main chapters of the annual investment programme is as follows:

No.	Categories of expenses	Scheduled*	Realised (million RON)	
		(mil RON)	Q1 2025	Q1 2024
	<b>Grand total (A+B)</b>	<b>658.71</b>	<b>88.98</b>	<b>88.42</b>
<b>A</b>	<b>Company's own expenses</b>	<b>613.00</b>	<b>88.32</b>	<b>78.66</b>
<b>B</b>	<b>Investments financed from the connection fee</b>	<b>45.71</b>	<b>0.66</b>	<b>9.75</b>

(\*) PAI 2025 approved OGMS

Thus, the degree of realisation of the annual investment programme as at March 31, 2025 is 13.5% against Programme and 43.6% against budgeted Q1 under Grand Total and 14.4% against Programme and 46.2% against budgeted Q1 under the Company's own expenses category.

The realised value of further investments is RON 74.28 million and represents 84% of the Company's own investment expenses realised in Q1 2025.

The realised value of the investments financed from the connection tariff is RON 0.66 million, corresponding to requests for the execution of network relocation works or connection to the network of some producers.

The investment programme for 2025 has not been revised until 31.03.2025.

## EUROPEAN FUNDS

### *The collaboration between Transelectrica and the Politehnica University of Bucharest*

Investing in training young people is a core objective for the Company.

Transelectrica is participating in the selection process initiated by the Politehnica University of Bucharest for the establishment and operationalisation of a Consortium for the creation of a complete professional route for technical education, where, together with UPB, it has submitted the application for funding for the implementation of the **"Campus Dual Politehnica București"** project.

The project runs for a period of 3 years (maximum implementation deadline: until June 30, 2026). Starting with November 2023 and until now, NPG CO. Transelectrica S.A. is organising internships for 5 students enrolled in dual education at the Technical

The Company's development plan for the next 10 years includes a comprehensive investment programme aimed at strengthening energy security, digitisation and implementation of the SMART GRID concept, which will increase the capacity to integrate renewable energy into the system and increase interconnection capacity.

As regards the ETG's capacity to integrate new renewable generation units, the wind and solar potential of the Dobrogea (south-east of the country) and Banat (south-west of the country) regions should be mentioned.

These already congested regions no longer allow for the integration of new capacity, but taking into account the investments under realisation as well as those planned for these two regions alone, by 2027, there will be around 5,000 MW of additional capacity available.

## CONTRACTUAL ASPECTS

The most important investment contracts signed in Q1 2025 are:

- Upgrading to 400 kV of the Teleajen station and modernisation of the 110 KV Teleajen station - RON 161.95 million,
- 400 kV Suceava - Balti OHL for the project portion on the territory of Romania - RON 133.43 million,
- 400 kV Stâlpu power station and modernisation of 110 kV and medium voltage cells in Stâlpu power station - works - RON 95,33 million.

College of Post and Telecommunications "Gheorghe Airinei".





Between January and March 2025, the 11 students of the "Gheorghe Airinei" Technical College of Post and Telecommunications "Gheorghe Airinei" Bucharest, with whom we have concluded individual contracts for practical training in dual education, continued their internships in the Company.

Meetings were also held for the appointment of specialists from the Company to be associate lecturers in the dual degree programme "Renewable Energy and Sustainable Technologies".

### Modernization Fund

There are currently 11 Financing Contracts in progress:

1. Construction of a new 400 kV (d.c.) Medgidia Sud-Constanța Nord OHL, equipped with a single circuit;
2. Construction of a new 400 kV (1c) Gădălin – Suceava OHL, including interconnection to NES;
3. Phase II " Banat Axis", Construction of a new 400kV Resita - Timisoara/Săcălaz OHL, Upgrading of 110 /220 kV Timisoara station and transition to 400 kV;
4. Phase III "Banat Axis", Construction of a new 400 kV Timișoara/Săcălaz – Arad OHL, Upgrading of Arad 110kV station to 400kV and construction of a new 400 kV Săcălaz station;
5. Switching the Brazi West-Teleajen-Stâlpu axis to 400 kV;
6. Pilot Project - Refurbishment of the 220/110/20 kV Alba Iulia station into a digital station;
7. Installation of two modern means of reactive power compensation at 400/220/110/20 kV Sibiu Sud and 400/220/110/20/20 kV Bradu stations;
8. 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 the renewable energy plants in Dobrogea, by installing on-line monitoring systems (SMART GRID type);
9. Digitisation of the ETG by installing 2 online systems for metering and management of electricity metering data on the wholesale market, and for electricity quality monitoring;
10. DigiTEL Green pilot project - Retrofitting of the 220/110/20 kV Mostiștea station into a digital station with reduced environmental impact;
11. DigiTEL Power Lines of the Future Pilot Project - Transition of the 400 kV Isaccea-Tulcea West OHL from single circuit to double circuit.

In January-March 2025, for projects 1-11, in accordance with the provisions of the Financing Contracts, half-yearly progress reports for the second half of 2024 and annual reports for 2024, as well as other categories of information requested by the Ministry (reports related to public procurement

procedures, etc.) were prepared and submitted to the Ministry of Energy in January-March 2025.

Contract Financing Officers also regularly participate in online technical meetings with representatives of the Ministry of Energy in order to monitor the contracts financed from the Modernisation Fund.



### Project "400 kV d.c. Gutinaș Smârdan OHL"

As regards the project " 400 kV d.c. Gutinaș Smârdan OHL", financed by the Operational Programme Large Infrastructure 2014-2020, Priority Axis 8 - *Smart and sustainable electricity and natural gas transmission systems*, Specific Objective 8.1 - *Increasing the capacity of the National Energy System to take energy produced from renewable resources*, in the period June-September 2024, **2 (two) applications for reimbursement** with a total reimbursed amount of RON 27,590,123.87 **were submitted** to the Managing Authority - POIM.

With the signing of Financing Contract No 146 of 12 December 2024, the Gutinaș-Smârdan 400 kV double-circuit overhead power line (OHL) project entered the second phase of implementation starting January 1, 2025. This phase is financed by the Sustainable Development Programme 2021-2027 (MySMIS2021+ code: 326878), benefiting from a non-reimbursable allocation of RON 100,339,057.89 from the Cohesion Fund. The initial phase, completed on December 31, 2024, was supported by the Operational Programme Large Infrastructure 2014-2020 (code MySMIS2014+: 129245), with a funding of RON 138,136,986.79 from the European Regional Development Fund.

The public launch of the second phase was marked by the publication of the announcement in the national press on 6 March 2025, followed by the organisation, on 26 March 2025, of the official meeting to start the implementation of the grant contract no. 146/2024.

## REPowerEU scheme

The REPowerEU plan sets out a series of measures designed to rapidly reduce Russia's dependence on fossil fuels and accelerate the green transition, while increasing the resilience of the EU's energy system.

The objective of the REPowerEU-funded investment is to increase flexibility and address bottlenecks in the electricity grid to accelerate the integration of additional renewable energy capacity and increase the resilience of the grid, while strengthening cyber security by improving the ability to respond to cyber attacks.

After the signing of the Financing Contract between the General Secretariat of the Government (Reform and/or Investment Coordinator) and NPG CO. Transelectrica S.A. (Beneficiary) on 09.04.2024, activities were carried out for the implementation of Investment 5. Digitalisation, efficiency and modernisation of the national electricity transmission grid (allocation EUR 56,237,200), financed by the National Recovery and Resilience Plan, related to Component 16. REPowerEU, comprising the following Subinvestments:

- Sub-investment 5a. - Installation of photovoltaic power plants (PPPs) and electricity storage facilities to supply internal services installed in NPG CO. Transelectrica S.A. stations (allocation EUR 29,557,000);
- Sub-investment 5b. - SMART SA - subsidiary NPG CO. Transelectrica S.A. (allocation EUR 18,240,000);
- Sub-investment 5c. - Optimisation of the communication network and creation of a data centre -Teletrans SA, subsidiary of NPG CO. Transelectrica S.A. (allocation EUR 8,440,200).

On 09.04.2024 the Financing Contract for the implementation of this investment was signed between NPG CO. Transelectrica S.A. and the General Secretariat of the Government, as Coordinator of the reform and/or investment.

Between January and March 2025, weekly and bimonthly reports on the status of implementation of Investment 5 were submitted to the General Secretariat of the Government.

## Horizon Programme

Representatives of the Company participate in the consortia formed for the development of **TwinEU** and **SmarTWin** projects funded by the European Union's Horizon Programme for Research and Innovation.



**The TwinEU (Digital Twin for Europe) project**, funded by the Horizon Europe programme, started on 01.01.2024 and will run for 36 months.

- The company is part of the consortium formed to develop this project, - which brings together 71 partners from across Europe, including transport and system operators, technology companies, universities and research institutes, European associations, solution developers.
- The objective of the project is to increase the efficiency and penetration of smart technologies in electricity grids leading to a truly smart grid. The project results are expected to contribute to the development of new smart grid architectures and their integration into the European digital infrastructure.
- The benefits for the Company consist in training and familiarising the staff with the technical solutions for the development of the transmission network using Smart technologies and the benefits they can bring to the system, given the need to find solutions for the integration of renewable energy sources at the quotas set in the National Integrated Energy and Climate Change Plan (PNIESC) for 2030 and to fulfil the obligations imposed by ANRE
- In the first quarter of 2024, the Company received pre-financing in the amount of €65,625, representing 75% of the estimated budget amount on reimbursement, with project activity during 2024 continuing on schedule.

In the period January-March 2025, the project work continued according to schedule, with Company representatives actively contributing to the ongoing actions.

## Events

In relation to the **items, events or factors of uncertainty that impacted the business during the first quarter of 2025**, the following can be mentioned

- Volatility in the construction and energy materials market and the current geopolitical context have led to a dramatic increase in prices, impacting the value of the company's contribution to project financing.
- Long delays in the approval by the authorised institutions of the draft normative acts regulating the transfer of the right of administration, on behalf of the Romanian State, of some land located in the corridor of the overhead power lines that NPG CO. Transelectrica S.A., This has caused delays in the company's ability to provide contractors with access to these plots of land, resulting in long delays in the implementation of projects and in compliance with the deadlines for commissioning overhead power line investment projects, which in turn has caused some delays in compliance with the schedule for reimbursement of eligible amounts for projects with non-reimbursable financing. As a consequence of this, Transelectrica had to take into account the risk of not being able to fully benefit from the European non-reimbursable funds allocated to it, with a negative effect on Romania's absorption rate of European funds

## Outlook 2025

The company is considering the following:

- The approach to grant opportunities is two-pronged:
  - *the monitoring process of grant funding opportunities launched by national and European funding authorities, which is ongoing,*
  - *identification of funding opportunities which is carried out in correlation with the company's development priorities, as well as with the needs identified to support their implementation.*
- Continuation of a good inter-institutional cooperation with the Ministry of Investments and European Projects, the Ministry of Energy, the Ministry of Economy, the General Secretariat of the Government and other governmental entities, in order to ensure the necessary legal framework for the implementation of projects of common interest and national importance that the Company implements.

## THE COMPANY'S FINANCIAL INVESTMENTS

At the European level, the energy sector is in a process of transformation, emphasising 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, which ensures a unified development at continental level but also allows for adaptation to national specificities while pursuing the legitimate interests of the European states.

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

- **TSCNET**
- **JAO**
- **GECO POWER COMPANY**

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

It was set up to serve the Transmission System Operators (TSOs) in the East-Central-West region of Europe (CORE region) for the coordinated implementation of the European network codes. The affiliation is made by participating in the shareholding of TSCNET through a share purchase transaction in the company.

By Decision No. 9 of the EGMS of June 5, 2018, the affiliation of the Company to the CORE Regional Security Coordination Centre, TSCNET, was approved through participation in the share capital with a contribution of 470,500 EUR (1 share - 2,500 EUR).

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

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

Transelectrica was invited by JAO to become part of its shareholding.

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

### **GECO POWER COMPANY**

The General Shareholders' Meeting held on August 12, 2024 decided by EGMSR No.4, the Company's participation in the share capital of a new company, together with the other relevant parties designated at the level of the Republic of Azerbaijan, Georgia, and Hungary.

The Company, together with Azerenerji Open Joint Stock Company, JSC Georgian State Electrosystem and MVM Energy Private Limited Liability Company, established a limited liability company with registered office in Romania, organised and operating under Romanian law, with a total share capital of RON 15 million divided into 1,500,000 shares of 10 RON each, in which the Company's contribution is RON 3.75 million,

corresponding to 375,000 shares of 10 RON each and representing a 25% share in the share capital and profit/loss.





## Significant events

### JANUARY - MARCH

- **Resolution No. 1 of the Ordinary General Meeting of Shareholders of January 15, 2025**

The Ordinary General Meeting of the Company's shareholders held on 15 January 2025

- endorsed the key performance indicators resulting from the Management Plan,
- did not approve the fixed allowance of the members of the Supervisory Board of the Company in the amount of RON 42,350 gross/month,
- did not approve the establishment of the general limits of remuneration and other benefits to be granted by NPG CO. Transelectrica S.A. to the members of the Directorate, including the fixed indemnity and other benefits granted to them,
- approved the setting of February 6, 2025 as the record date of the shareholders on whom the effects of the Ordinary General Meeting of Shareholders' Resolution will be reflected.

- **Over RON 9.4 billion investment planned for the development of the electricity transmission grid**

On January 20, 2025, in a press release, Transelectrica informed the interested parties that it will implement a development plan for the Electricity Transmission Grid for the period 2024-2033, approved by the National Energy Regulatory Authority, in the amount of RON 9.49 billion, more than RON 2 billion more than the previous plan.

The new plan includes investment projects already underway, as well as 12 new projects, structured along 4 priority development axes:

- ✓ ETG retrofitting/modernisation,
- ✓ safety of supply for consumption,
- ✓ integration of renewable and new power generation in Dobrogea and Moldova; and
- ✓ increasing interconnection capacity.

The value of the ETG Development Plan for the period 2024-2033 registers an increase of RON 2.3 billion compared to the value of the previous plan for the period 2022-2031, and the structure of investment expenses, in terms of priority objectives pursued, is:

- Investment works aiming at the modernisation of existing electricity transmission networks (ETGs) -

30% of the total amount of investments planned in the period is allocated;

- Investment works aimed at integrating generation from renewable sources and other new plants - 28% of the total amount of investments planned in the period is allocated;
- Planned investments to increase interconnection capacity - 26% of the total amount of investments planned in the period is allocated;
- Investments to increase the security of electricity supply - 13% of the total amount of investments planned in the period is allocated.

Thus, for the next 10 years, the company proposes investment projects worth almost RON 2.7 billion for the integration of new renewable energy production units, both in Dobrogea and Moldova, as well as in other areas.

The ETG Development Plan for the period 2024-2033 includes projects of European interest that contribute to the implementation of the European Union's strategic priorities on trans-European energy infrastructure in the following investment clusters: the 138 Black Sea Corridor Project, the 144 Mid Continental East Corridor Project, the 259 Hungary - Romania Project and the 341 North CSE Corridor Project.

- **Moody's confirms Baa3 rating, stable outlook**

The Company has informed its shareholders and stakeholders that on January 20, 2025 it was notified that the International Rating Agency Moody's Investors Service has published the confirmation of its long-term rating "Baa3", while maintaining the stable outlook.

- **400 kV Resita-Pancevo Overhead Line has been put into commercial operation**

According to the Company's press release, on January 29, 2025, the second circuit of the overhead double-circuit 400 kV power line (OHL) Resita (RO) - Pancevo (RS), i.e. circuit 1, entered commercial operation, marking an important step in strengthening the interconnection of the Romanian and Serbian transmission grids.

Last year in November, circuit 2 of the 400 kV Reșița Pancevo OHL was put into commercial operation, following the partial commissioning of the new 400 kV Reșița station.

With the full commercial operationalisation of the 400 kV Reșița - Pancevo OHL, Romania's cross-border exchange capacity with Serbia reaches up to 1000 MW.



Thus, the 400 kV Reșița-Pancevo OHL becomes the 11th 400 kV interconnection line between Romania and neighbouring countries, reaffirming Transelectrica's commitment to energy infrastructure development and regional electricity market integration.

The 400 kV Reșița-Pancevo OHL has a total length of 131 kilometres, of which 63 kilometres are on Romanian territory.

The entry into full commercial operation of the interconnection line between Resita and Pancevo was realised within the framework of the second phase of the project for the construction of the 400 kV level in the Resita Electricity Transformer Station, which will be fully completed by the end of the first quarter of this year.

- **Upgrading of the Stâlpu station and construction of the new 400 kV station**

In a press release issued on January 31, 2025, the Company announced that it is starting the execution works for the investment on the construction of the "400 kV Stâlpu Power Station" and for the investment "Modernisation of 110 kV and medium voltage cells in Stâlpu Station".

Following the signing of the contract for the execution and finalisation of the works, which took place in January, Transelectrica's management and the members of the team responsible for the implementation of the investment had the first meeting

with the representatives of the contractor, namely Electromontaj SA.

The investment for the modernisation of the existing Stâlpu station and the construction of the new 400 kV station are based on the need to evacuate the energy produced in the Dobrogea area by the future groups 3 and 4 of the Cernavodă Nuclear Power Plant, the construction and grid connection of new renewable energy power plants, as well as the need to strengthen the security of supply to consumers.

Thus, the completion of the new 400 kV Stâlpu station will enable the connection of the 400 kV Cernavodă - Stâlpu overhead power line, which is currently completed and connected in Gura Ialomiței station, as well as the connection of the Brazi Vest - Teleajen - Stâlpu OHL axis, after the completion of the 400 kV voltage transition works, which are ongoing at this date.

The works, worth around RON 95 million, are due to be completed in January 2027.

- **Registration to ONRC Geco Power Company-Green Energy Corridor Power Company**

The company informed the investing public on January 31, 2025 about the registration at the Commercial Register Office of the Bucharest Tribunal of the Joint Venture company "GECO POWER COMPANY-Green Energy Corridor Power Company.

- **Resolution No 2 of the Ordinary General Meeting of Shareholders of February 24, 2025**

The Ordinary General Meeting of the Company's shareholders held on February 24, 2025:

- approved the carrying out by "Transelectrica" of financial operations and services with cash in lei or foreign currency, the decision for each treasury operation of this type (including foreign exchange and bank deposits) being within the competence of the Directorate, up to a maximum limit of RON 500,000,000 (or equivalent in EUR) per transaction;
- approved the purchase by the Company of legal assistance and representation services before the courts in order to defend the Company's interests in the case under file no. 28414/3/2024, up to the amount of RON 50,000, including all expenses incurred with the representation in court until the delivery of a final judgement;
- has approved the appointment of PKF FINCONTA SRL as financial auditor of NPG CO. Transelectrica S.A., for a period of 12 months, but not later than 31.12.2025;
- approved the content of the addendum to the mandate contract concluded between the members



of the Supervisory Board and the Company by including the indicators approved by the Resolution of the General Meeting of Shareholders no. 1/15.01.2025 and the authorisation of the representative of the General Secretariat of the Government in the General Meeting of Shareholders to sign on behalf of the Company the addendums to the mandate contracts with the persons appointed as members of the Supervisory Board.

- **Moody's has revised its outlook from 'stable' to 'negative'**

The Company has informed shareholders and stakeholders that the international rating agency Moody's Investors Service (Moody's) has revised the outlook on the Company's credit rating from "stable" to "negative". This change is a direct consequence of the change in the outlook of Romania's sovereign rating by Moody's announced on 14 March 2025.

The long-term credit rating of "Transelectrica" S.A. has been maintained at Baa3 and the basic credit assessment (BCA) has been affirmed at Ba1.

- **Upgrading of 220/110/20 kV Baru Mare transformer station**

Transelectrica has inaugurated the completion of the refurbishment process of the 220/110/20 kV Baru Mare 220/110/20 kV station, an important project for the safe and stable operation of the region's electricity grid. With this investment, the Company has completed the process of modernising all the transformer stations in Hunedoara County, consolidating the energy infrastructure in the area.

## **SUBSEQUENT EVENTS**

- **Resolution No 3 of the Ordinary General Meeting of Shareholders of April 1, 2025**

Ordinary General Meeting of the Company's shareholders convened on April 1, 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 expenses 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 amended and supplemented, of point 10 of the OGMS Resolution no. 3 of April 29, 2024, namely: the establishment of the general limits of the

remuneration and other benefits to be granted by NPG CO. TRANSELECTRICA S.A. to the members of the Directorate, including fixed and variable remuneration, as well as other benefits granted to them.

- **Majority shareholder request**

The Company has informed the investing public that on April 8, 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, in order 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.

- **Successful NES restoration exercise at Porțile de Fier I hydropower plant**

Nearly 100 technical specialists and dispatchers from the national power system, from Transelectrica, Hidroelectrica, OMV Petrom, Romgaz, CE Oltenia, CNE Cernavodă, DEER, PPC Rețele Electrice, Distribuție Energie Oltenia, Delgaz Grid, Nova Power&Gas and Monsson carried out, on April 8, 2025, a NES restoration exercise at the Porțile de Fier I Hydroelectric Power Plant, with power supply from the Serbian system.

Owners of large-scale storage facilities were also invited to participate in the refurbishment, as the role of storage is becoming increasingly important for system security as more and more renewable energy is integrated into the system.

The exercise organised at the Porțile de Fier I Hydroelectric Power Plant involved the start-up of a group with Serbian power supply from the Djerdap I hydroelectric power plant and involved dispatchers from Transelectrica - DEN, Hidroelectrica - Porțile de Fier I hydroelectric power plant and the Serbian National Energy Dispatcher.

Throughout the exercise, the energy installations behaved as designed and expected and the action was successful.

We note that the NES restoration actions are organised as a result of the legal obligations that Transelectrica has as Transmission and System Operator, member of the European interconnected grid, in accordance with the provisions of European Regulation 2196/2017.

Also, another objective of such exercises is to train and prepare the operational and technical staff of the entities within the National Electricity System, a task under the responsibility of Transelectrica.

Defence and restoration are essential activities to manage emergencies and return the system to normal operation.



- **Overcoming challenges of historically low consumption**

The National Electric Power System (SEN) successfully overcame the unprecedented technical challenges of the first two days of the Easter holidays, when electricity consumption reached historic lows amid the overlapping of Easter holidays for Orthodox and Catholic Christians.

On Sunday, the First Day of Easter, consumption fell to around 2,500 MW - the lowest level ever, and on Monday, the Second Day of Easter, between 12:00 and 13:00, the instantaneous minimum consumption was 2,701 MW.

The storage facilities played an important role in balancing the system, with consumption exceeding 130 MW on both days, 135 MW on Sunday and 133 MW on Monday.

This balance of the system under exceptional conditions was made possible thanks to the extraordinary collaboration and constant involvement of NES entities, authorities, generators and network operators, but above all thanks to the professionalism, vigilance and dedication of colleagues who were present on duty.

- **Resolution No 4 of the Ordinary General Meeting of Shareholders of April 29, 2025**

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

- did not approve the separate financial statements of NPG CO. "Transelectrica"-S.A. for the financial year 2024;
- did not approve 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 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 corporate income tax as at December 31, 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 Company's separate financial statements 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 ended 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 June 5, 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 June 6, 2025 as the record date of the shareholders on which the effects of the Ordinary General Meeting of Shareholders' Resolution will be reflected;
- did not approve the setting of June 26, 2025 as the "payment date" of the gross dividend per share out of the profit recorded on 31.12.2024.

• **Convening the ordinary general meeting of shareholders**

Taking into consideration the Memorandum approved by the Romanian Government in the meeting of 27 March 2025 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, in order to take the necessary measures for the distribution of a minimum of 90% of the net profit of 2024 as dividend/restitution to the State budget*", issued by the Ministry of Finance no. 658189/ 17.03.2025, submitted by the majority shareholder with address no. 20/10548/MD dated 07.04.2025,

The Company's Directorate has convened in accordance with the provisions of the Companies Law no. 31/1990, republished, as amended and supplemented, the Law no. 24/2017 on issuers of financial instruments and market operations, republished, as amended and supplemented, the A.S.F. Regulation no. 5/2018 on issuers of financial instruments and market operations, as amended and supplemented, as well as the Company's Articles of Incorporation in force, the Ordinary General Meeting of Shareholders on June 10, 2025 with the following agenda:

- approval of the separate financial statements of NPG CO. "Transelectrica"-S.A. for the financial year 2024;
- approval of the Consolidated Financial Statements of NPG CO. "Transelectrica"-S.A. prepared in accordance with International Financial Reporting Standards as adopted by the European Union as at

and for the financial year ended December 31, 2024;

- the approval of 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;
- approval of the distribution of the accounting profit remaining after deduction of corporate income tax as at December 31, 2024;
- approval of the gross dividend per share from the profit recorded as at 31.12.2024, (90% according to the Memorandum of the majority shareholder) at the amount of RON 3.81;
- Discharge of the members of the Directorate and the members of the Supervisory Board for the financial year 2024;
- Approval of the Annual Report on the individual financial statements of the Company for the financial year ended December 31, 2024;
- approval of 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;
- approval of 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 the International Financial Reporting Standards adopted by the European Union for the financial year ending December 31, 2024;
- approval of the Consolidated Sustainability Report of NPG CO. "Transelectrica"- S.A. for the year 2024;
- Presentation of the Independent Auditor's Report on the separate financial statements for the year ended December 31, 2024;
- the presentation of the Independent Auditor's Report on the consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the year ended December 31, 2024;
- the presentation of the Independent Auditor's Report on 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 for the year ended December 31, 2024;
- Presentation of the Independent Auditor's Limited Assurance Report on the sustainability report - consolidated for the financial year 2024;
  - presentation of the Report of the Audit Committee and the Risk Management Committee of the Supervisory Board of NPG CO. "Transelectrica"-SA for the year 2024 on the internal control and significant risk management systems of the Company;
  - presentation of the Report of the Supervisory Board of NPG CO. "Transelectrica"-S.A. on the management activity for 2024;
  - setting July 10, 2025 as the "ex date", the calendar date from which the Company's shares subject of the resolution of the Ordinary General Meeting of Shareholders shall be traded without the rights deriving from that resolution;
  - setting the date of July 11, 2025 as the record date of the shareholders on whom the effects of the Ordinary General Meeting of Shareholders' Resolution will be reflected;
  - setting July 31, 2025 as the "payment date" of the gross dividend per share out of the profit recorded on 31.12.2024.



## Other aspects

### SHAREHOLDER STRUCTURE

The shareholding structure of the Company as at March 31, 2025 is as follows:

Name of shareholder	No. of shares	Weight in total
The Romanian State through SGG	43.020.309	58,7%
PAVĂL Holding	4.753.567	6,5%
NN Private Managed Pension Fund	4.007.688	5,5%
Other shareholders - legal entities	16.585.131	22,6%
Other shareholders - individuals	4.936.447	6,7%
<b>Total</b>	<b>73.303.142</b>	<b>100%</b>

### COMPOSITION OF THE DIRECTORATE

At the date of this report the composition of the Directorate is as follows:

Stefan MUNTEANU	Chairman of the Directorate
Cătălin-Constantin NADOLU	Member of the Directorate
Victor MORARU	Member of the Directorate
Florin-Cristian TĂTARU	Member of the Directorate
Vasile-Cosmin NICULA	Member of the Directorate

### TARIFFS

In accordance with the provisions of *the Methodology for setting the tariffs for the electricity transmission service*, approved by ANRE's Presidential Order no.68/2024, the transmission tariff applied in 2025 was set, starting with 1 January.

#### I)Transport tariff applied in the first quarter of 2025

By ANRE President Order no.99/2024, the tariffs for the introduction of electricity into the transmission grid (T\_G) and for the extraction of electricity from the grid (T\_L), applied by NPG CO. Transelectrica S.A., valid from January 1, 2025, were approved, as shown in the table below:

Electricity transmission*	u.m.	Tariff applied in 2024	Tariff in force from 1 January 2025 as ANRE Order No 99/20.12.2024	Difference (%)
(1)	(2)	(3)	(4)	(5)=(4)/(3)
<b>T_G (grid injection component)</b>	<b>Lei/MWh</b>	<b>3.82</b>	<b>3.29</b>	<b>-13.87%</b>
<b>T_L (net extraction component)</b>	<b>Lei/MWh</b>	<b>27.72</b>	<b>33.03</b>	<b>19.16%</b>

\*Note: As from 1 January 2025, the notion of "average transmission tariff" has been abolished. Until 1 January 2025, ANRE had approved an average transmission tariff and the values of the tariffs for injection into the network T\_G (tariff paid by producers) and extraction from the network T\_L (tariff paid by consumers). Only the T\_G and T\_L tariffs are applied in the operation of transmission contracts. The average transmission tariff had only an indicative value and was an indicator of the evolution over time of the transmission tariff as a whole, regardless of the way costs were allocated to the two tariffs TG and TL.

The tariff components that make up the tariffs for the introduction of electricity into the transmission grid (TG) and for the extraction of electricity from the grid (T\_L), applied by NPG CO. Transelectrica S.A., valid from January 1, 2025, are presented in the tables below:

*Tariff components - Transmission Feed-in Tariff (TG)*

	Tariff as of 01 January 2025 (lei/MWh), according to ANRE Order No 99/20.12.2024, of which:	Tariff component corresponding to the OTC regulated income to be recovered from producers (C_OTC_P) (RON/MWh)	Tariff component corresponding to the capitalised additional OTC regulatory income to be recovered from producers (C_OTC_S_P) (RON/MWh)
Feed-in Tariff (T_G)	<b>3.29</b>	2.84	0.45



*Tariff components - Tariff for withdrawing electricity from the transmission system (TL)*

	<b>Tariff as of 01 January 2025 (lei/MWh), according to ANRE Order No 99/20.12.2024, of which:</b>	Tariff component corresponding to nonOTC regulated income (CT_nonOTC) (RON/MWh)	Tariff component corresponding to the OTC regulated income recovered from final customers (C_OTC_C)) (RON/MWh)	Tariff component corresponding to the capitalised additional OTC regulated revenue to be recovered from final customers (C_OTC_S_C) (RON/MWh)
Feed-in Tariff (T_L)	<b>33.03</b>	24.01	7.73	1.29

Also, based on the provisions of the *Methodology for establishing tariffs for the electricity transmission service* approved by ANRE's Presidential Order no.68/2024, ANRE approved by Order no./2024, the values of the annual investment plans of NPG CO. "Transelectrica" S.A. corresponding to the 5th regulatory period (2025 - 2029), broken down by financing sources as well as the minimum mandatory value for the total investments made from own sources for the 5th regulatory period and the minimum mandatory values for the investments made in the electricity transmission network from own sources corresponding to the 5th regulatory period, for the National Company for the Transmission of Electricity "Transelectrica" - S.A., as set out in the tables below:

*The values of the annual investment plans of the National Electricity Transmission Company "Transelectrica" - S.A. corresponding to the 5th regulatory period, broken down by financing sources:*

<b>Funding source</b>	<b>U.M</b>	<b>Total</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Own funds <sup>1</sup>	lei	1,519,247,619	160,578,744	183,502,139	219,155,662	487,452,699	468,558, 375
Revenue from cross-border capacity allocation	lei	415,251,209	129,807,692	91,873,571	33,211,246	141,047,120	19,311,580
Non-reimbursable funds <sup>2</sup>	lei	1,038,824,182	30,441,599	49,487,165	340,002,866	395,407,522	223,485,030
<b>TOTAL</b>	lei	<b>2,973,323,010</b>	<b>320,828,036</b>	<b>324,862,875</b>	<b>592,369,774</b>	<b>1,023,907,341</b>	<b>711,354,984</b>

*Mandatory minimum values for the total investments realised from own sources for the fifth regulatory period and the mandatory minimum values for the investments realised in the electricity transmission network from own sources corresponding to the fifth regulatory period, for the National Company for Electric Power Transmission "Transelectrica" - S.A.*

	<b>U.M</b>	<b>Total</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Mandatory minimum amount for own-source investment for the fifth regulatory period (real terms 2024)		1,374,845,978					
Mandatory minimum amount of investment in the electricity transmission network from own sources for each year of the fifth regulatory period (real terms 2024) <sup>3</sup>	lei	1,291,360,576	136,491,933	155,976,818	186,282,312	414,334,794	398,274,618

Other key elements of the linearised revenues approved by ANRE for the period V of regulation (2025-2029):

- Estimated regulated value BAR on 31.12.2024 (01.01.2025) - RON 3,179,231,936. Once the correction for 2024 is realised, the above mentioned value will be modified;
- The values of the controllable operating and maintenance costs for each year of the fifth regulatory period are shown in the following table:

<sup>1</sup> The value of the Regulated Rate of Return (RRR) of the invested capital, expressed in real terms, before taxation, for the 5th regulatory period is 6.94% (established by ANRE Order no.55/2024);

<sup>2</sup> An incentive of 0.5 percentage points above the regulated rate of return shall be applied for fixed assets related to investments in RETs realised from own funds within projects co-financed by non-reimbursable European funds, put into operation in the fifth regulatory period. It will be granted upon correction of the capital costs related to the Vth regulatory period, in accordance with the provisions of the Methodology for setting tariffs for the electricity transmission service.

<sup>3</sup> If the amount of investments in the network realised from own sources exceeds the mandatory minimum amount, ANRE shall apply an incentive of 1% above the approved RRR to the amount exceeded.

OPEX Controllable	U.M	2025	2026	2027	2028	2029
Costs subject to efficiency*	lei	290,564,114	287,658,473	284,781,889	281,934,070	279,114,729
Personnel costs	lei	429,397,593	450,867,472	473,410,845	497,081,387	521,935,456
Research and development costs	lei	-	1,250,000	1,250,000	1,250,000	1,250,000

\*99/2024, until 1 March 2025, the National Electricity Transmission Company "Transelectrica" - S.A. has the obligation to submit to the National Energy Regulatory Authority, for the year 2025, the breakdown of controllable operating and maintenance costs subject to efficiency, which are the basis for the tariffs approved by this order, by categories "Maintenance costs" and "Other costs".

- The OTC targets approved by ANRE for the 5th regulatory period are presented in the table below. The ex-ante electricity purchase price to cover the OTC in the 5th regulatory period, approved by ANRE, is 584.81 lei/MWh (real terms 2024). This price may be regularised according to the evolution of prices on the energy market.

	U.M	2025	2026	2027	2028	2029
Target OTC	%	2.29	2.26	2.24	2.21	2.19

**Events after the reporting period on electricity transmission service tariffs:**

**II) Tariff for the purchase of system services applied in the first quarter of 2025**

Based on the provisions of the *Methodology for establishing the tariff for the purchase of system services*, approved by ANRE Order no.116/2022, NPG CO. Transelectrica SA submitted to ANRE the proposal and the rationale for the tariff for the purchase of system services as of 1 January 2025. In view of the aforementioned and following the analysis of the elements on which the tariff is based, ANRE notified NPG CO. Transelectrica SA that the amount of the tariff for the purchase of system services from 1 January 2025 onwards is maintained at the current level approved by ANRE Order no.57/2024, as at September 1, 2024, i.e. 11.51lei/MWh.

System Service	u.m.	Tariff in force (applicable from 01 September 2024) cnf. ANRE Order nr.57/2024	Tariff applied from June 1 to August 31, 2024 cnf. ANRE Order nr.15/2024	Difference (%)
(1)	(2)	(3)	(4)	(5)=(3)/(4)
Tariff	Lei/MWh	11.51	12.84	-10.36%

The negative adjustment of the tariff as of September 1, 2024 was made on the basis of compliance with the provisions of Art.22 and Art.23 of the *Methodology for establishing the tariff for the purchase of system services*, approved by ANRE Order no.116/2022. The aforementioned articles provide as follows:

- Art.22 In order to avoid the subsequent recording of a significant level of corrections due to changes in the purchase prices and/or the quantities of system services purchased referred to in Article 2, the TSO shall calculate, for the first quarter and for the first half of a tariff period t-1, respectively, the difference between the realised and forecast revenues and costs, plus the amount of the unpaid corrections related to the previous period/periods, and shall submit the calculation to ANRE on 1 May and 1 August of the year t-1, respectively;*
- Art.23 In the event that the TSO finds that the value determined in accordance with the provisions of Article 22 shows a variation of more than "5% of the forecasted revenues for the same period, it is obliged to submit to ANRE the request for revision of the tariff for the purchase of system services, which shall include the value determined in accordance with the provisions of Article 22, valid until the end of the tariff periods.*

Thus, following the interim verification at the end of the first semester of 2024 of the situation of costs and revenues related to the system services activity, ANRE has adjusted the tariff amount accordingly, starting September 1, 2024.

**Events after the reporting period concerning the tariff for the purchase of system services:**

Also based on the provisions of the above-mentioned articles, on May 1, 2025, NPG CO. Transelectrica SA is obliged to submit to ANRE, the interim verification for the first quarter of 2025 of significant deviations from the forecast values of the situation of costs and revenues. Following this analysis, if it is found that in the first quarter of 2025 the provisions of Art. 22 and Art. 23 were again met, ANRE will adjust the tariff amount accordingly starting from June 1, 2025.

## DISPUTES

The most important disputes impacting the Company are set out below:

*Note: For ease of reading and understanding, all amounts in this chapter are provided for in lei/eur.*

### • RAAN

In case file no. **9089/101/2013**, on September 19, 2013, the Mehedinți Tribunal ordered the opening of the general insolvency proceedings against RAAN.

On March 9, 2015, the Mehedinți Tribunal confirmed the reorganization plan of the debtor Autonomous Administration for Nuclear Activities proposed by the judicial administrator Tudor&Asociații SPRL and approved by the General Assembly of Creditors according to the minutes dated February 28, 2014.

On June 14, 2016, bankruptcy proceedings were opened against RAAN.

NPG CO. Transelectrica SA filed a challenge to the supplementary creditors' list, subject of case file no. 9089/101/2013/a152 against the debtor RAAN, since the judicial liquidator failed to register a claim in the amount of 78,096,209 lei on the grounds that "it is not recorded as owed in RAAN's accounting records." Furthermore, the judicial liquidator considered that the request for the registration of the amount of 78,096,209 lei in the list was submitted late, as it pertains to the period 2011–2013, meaning the claim should have been filed at the time the insolvency proceedings were opened, namely on September 18, 2013. A timely challenge was filed against the supplementary creditors' list, and the Mehedinți Tribunal admitted the request for accounting expertise. By Ruling no. 163/20.06.2019, the Mehedinți Tribunal rendered the following solution: upheld the plea of forfeiture. Partially admitted the main action as well as the related challenge. Ordered the defendant to pay the claimant the amount of 16,950,117.14 lei – a claim born during the proceedings – and ordered that this amount be registered in the creditors' list against the debtor RAAN. The rest of the related claims were dismissed.

Pursuant to Art. 453 para. 2 of the Civil Procedure Code, the defendant was ordered to pay the claimant 1,000 lei in court costs. With right to appeal. Delivered in a public hearing. Document: Ruling no. 163/20.06.2019. NPG CO. Transelectrica SA filed an appeal within the legal time limit. At the hearing of November 6, 2019, the Craiova Court of Appeal dismissed the appeal filed by NPG CO. as unfounded. Final decision. Ruling no. 846/06.11.2019.

In the RAAN bankruptcy case, registered under no. 9089/101/2013, NPG CO. was registered in the creditors' list with the following claims: 2,162,138.86 lei + 16,951,117.14 lei.

Next procedural hearing for claim recovery, asset liquidation and other liquidation operations: **11.06.2025**.

There are also other court cases between RAAN and NPG CO. Transelectrica SA, deriving from Contract no. C137/08.04.2011, currently in various stages of litigation.

*Case file no. **28460/3/2017** – Subject: ordering the undersigned to pay the total amount of 12,346,063 lei. Ruling of the Bucharest Court of Appeal on September 27, 2021: Suspended appeal proceedings until final resolution of case files no. 28458/3/2017 and no. 26024/3/2015. Ruling of May 23, 2022: Dismissed as unfounded the request for reopening the case. Maintained the suspension of the appeal proceedings. At the hearing on May 20, 2024, the appeal was admitted; the appealed judgment was changed, in the sense that: the claim was admitted. The defendant was ordered to pay the claimant the amount of 12,346,063.10 lei, representing principal and penalties, with right to recourse. Ruling no. 806/20.05.2024. NPG CO. Transelectrica SA filed a recourse; no hearing date has been set.*

*Case file no. **3694/3/2016** – Claims: 15,698,721.88 lei. Hearing on November 8, 2021: the case was suspended until the final resolution of case files no. 26024/3/2015 and no. 28458/3/2017. Ruling of June 3, 2024: appeal was admitted, and the appealed judgment was fully changed as follows: the claim was admitted. The defendant was ordered to pay the claimant the amount of 12,727,101.99 lei, representing the value of bonuses and regularization of the overcompensation for which invoices with series SRTF were issued, and the amount of 2,917,619.81 lei, representing delay penalties related to the principal debt, for which invoices with series SRTF were issued. With right to recourse. Ruling no. 898/03.06.2024. NPG CO. Transelectrica SA filed a recourse; no hearing date has been set.*

### • REȘIȚA MUNICIPALITY

Case file no. **2494/115/2018\*\***, registered on the docket of the Caraș-Severin Tribunal.

Subject: Through the claim, the plaintiff Municipality of Reșița requests that the defendant NPG CO. Transelectrica SA be ordered to pay the following amounts: 2,129,765.86 lei, representing rent for the land temporarily occupied from the forest fund for 2015;

2,129,765.86 lei, land rent for 2016; 2,129,765.86 lei, land rent for 2018; and statutory penalty interest from the due date until full payment.

Ruling of the Caraş-Severin Tribunal: Suspended the proceedings initiated by the plaintiff Municipality of Reşiţa, through the Mayor, against the defendant NPG CO. Transelectrica SA, having as object claims, pursuant to Art. 413 para. (1) point 1 of the Civil Procedure Code.

Appealable for the duration of the suspension of trial proceedings, before the higher court. Document: Suspension Order 22.03.2021.

The suspension was ordered until the final resolution of case file no. 3154/115/2018\* of the Caraş-Severin Tribunal.

At the hearing on 02.03.2023, the claim proceedings were suspended again. Appealable throughout the suspension period.

At the hearing of 27.06.2024, the court ordered that a copy of the notes from pages 172–174, submitted by the defendant NPG CO. Transelectrica SA, be communicated to the expert. A copy of the clarifications submitted by the plaintiff Municipality of Reşiţa, following the expert's request, was also to be delivered to the expert.

On 19.09.2024, the plaintiff's request for adjournment was granted, and a copy of the expert report was ordered to be sent to the plaintiff. The discussion on the final fee for the report was postponed to allow both parties to review the report. The hearing was rescheduled, due to the absence of the expert report, for 10.10.2024.

On 10.10.2024, both plaintiff and defendant were ordered to each pay 1,000 lei as expert fee. A supplemental expert report was ordered.

At the hearing on 12.12.2024, a new date was scheduled for the study of the supplemental report and for the parties to formulate any objections. The hearing was postponed to 13.02.2025, 20.02.2025, and subsequently to 27.02.2025.

At the hearing of 27.02.2025, the court dismissed the plea of prescription of the right of action regarding the rent claim for 2015, as well as the plea of tardiness in amending the claim, both raised by the defendant NPG CO. Transelectrica SA. It requalified the plea of res judicata as a substantive defense relating to the positive effect of res judicata.

The claim filed by the plaintiff Municipality of Reşiţa against the defendant NPG CO. Transelectrica SA was dismissed.

Appealable within 30 days from the date of communication.

Next hearing date: **29.05.2025**.

- **ANAF**

In 2017, the general tax inspection initiated at the headquarters of NPG CO. Transelectrica SA on 14.12.2011 was finalized. The inspection covered the period from December 2005 to December 2010.

The general tax inspection started on 14.12.2011 and ended on 26.06.2017, the date of the final discussion with NPG CO. Transelectrica SA.

Following the completion of the inspection, ANAF – DGAMC established additional tax payment obligations for the Company, specifically profit tax and VAT, as well as ancillary tax obligations (interest/late payment increases and late payment penalties) related to technological system services (STS) invoiced by energy suppliers, which were deemed non-deductible following the tax inspection.

According to the Tax Decision No. F-MC 439/30.06.2017, in the total amount of RON 99,013,399, ANAF – DGAMC established additional tax payment obligations for the Company in the amount of RON 35,105,092, as well as ancillary tax obligations (interest/late payment increases and late payment penalties) in the amount of RON 63,908,307.

Mainly, the ANAF tax inspection report recorded the following additional payment obligations: profit tax in the amount of RON 13,726,800 and ancillary amounts, due for a number of unused invoices identified as missing (these were destroyed in the fire that broke out during the night of June 26–27, 2009, at the workplace located in the Millenium Business Center building, 2–4 Armand Călinescu Street, Sector 2, where the Company was operating), documents with special regime.

These invoices were the subject of a dispute with ANAF, which issued a tax inspection report dated September 20, 2011, estimating collected VAT for a number of unused invoices identified as missing.

The Company legally challenged, in accordance with Government Ordinance No. 92/2003 regarding the Fiscal Procedure Code, the Tax Decision No. F-MC 439/30.06.2017.

ANAF issued Enforcement Title No. 13540/22.08.2017, under which the additional tax obligations established by Tax Decision No. F-MC 439/30.06.2017 were enforced.

The Company requested the annulment of Enforcement Title No. 13540/22.08.2017 before the Court of Appeal



– Case No. **7141/2/2017**. Summary ruling: Upholds the exception of lack of material competence of the Bucharest Court of Appeal – SCAF. Declines material jurisdiction to the First District Court of Bucharest for resolution of the case. Final. Delivered in public session on 08.02.2018. Document: Decision No. 478/2018 dated 08.02.2018.

Following the jurisdictional declination, Case No. 8993/299/2018 was registered on the docket of the First District Court of Bucharest, whereby the Company challenged the enforcement initiated under Enforcement Title No. 13540/22.08.2017, which is based on Tax Decision No. F-MC 439/30.06.2017 issued by ANAF – General Directorate for the Administration of Large Taxpayers.

Summary ruling: Admits the request for suspension of the trial filed by the claimant. Pursuant to Art. 413 para. (1) point 1 of the Civil Procedure Code, suspends the case until the final resolution of Case No. 1802/2/2018, pending before the Bucharest Court of Appeal, 8th Administrative and Tax Litigation Division. Appealable throughout the suspension period, the appeal to be filed with the First District Court of Bucharest. Delivered in public session. Document: Suspension Ruling – April 17, 2018.

The trial was resumed, and at the hearing on 10.10.2024, for communication of the documents filed in the case by the claimant to the respondent, the case was postponed to 21.11.2024, and subsequently to 06.03.2025. On 06.03.2025, the court postponed the ruling to 17.04.2025. At the hearing on 17.04.2025, the court postponed the case to 19.06.2025 due to the absence of the expert report.

#### • **CONAID COMPANY SRL**

The subject of Case No. **36755/3/2018** is the acknowledgment of the unjustified refusal to conclude the addendum to RET Connection Contract C154/2012 and claims amounting to RON 17,216,093.43, the suffered loss, and EUR 100,000, representing the estimated unrealized benefit.

At the hearing on 03.01.2024, the Bucharest Tribunal upheld the statute of limitations objection to the right of action, invoked in the statement of defense. Dismisses the claim as time-barred. Appealable within 30 days from communication. Decision 4/2024.

Conaid Company SRL filed an appeal, with the hearing date set for **27.03.2025**. At the hearing on 27.03.2025, the court admits the appeal. Annuls the appealed civil ruling and refers the case to the first instance for judgment on the merits. Appealable within 30 days from communication.

#### • **OPCOM**

Case file no. **22567/3/2019** – Subject matter: claim for damages under common law.

Obligating the defendant OPCOM SA to pay the amount of RON 4,517,460 related to invoice series TEL 16 AAA no. 19533/29.07.2016, representing the VAT value corresponding to the contribution made by CNTEE Transelectrica SA to the share capital of the company OPCOM SA, issued based on Loan Agreement no. 7181RO/2003, commitment for financing the investment project “Electricity Market Project.”

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

The court suspends the proceedings until the final resolution of case no. 31001/3/2017, regarding the action for annulment of an OPCOM General Shareholders’ Meeting resolution (in which Transelectrica is not a party, and where, on 01.02.2021, the appeals were dismissed by final decision).

TMB ruling: Upholds the statute of limitation plea. Dismisses the action as time-barred. Appeal may be filed within 30 days from notification, to be submitted to the Bucharest Tribunal, 6th Civil Division. Decision rendered by making the ruling available to the parties through the court registry. Document: Ruling 3021/03.12.2021. To date, the judgment rendered in this case has not been drafted. After the drafting and notification of Civil Sentence no. 3021/03.12.2021, the Company will be able to file an appeal against this ruling. Transelectrica filed an appeal.

CAB ruling per Judgment no. 1532/12.10.2022: Dismisses the appeal as unfounded. Orders the appellant to pay the respondent the amount of RON 11,325.21 as court expenses. With right to lodge an appeal within 30 days from notification.

Transelectrica filed an appeal against Civil Decision no. 1532/12.10.2022 delivered by CAB.

On 19.09.2023, the High Court of Cassation and Justice upheld the appeal, quashed Decision 1532/12.10.2022 and remanded the case for retrial to the same court. Final. Judgment 1640/19.09.2023.

New case file no. **22567/3/2019\*** – the case was remanded for retrial. At the hearing on 18.02.2025, the appeal was dismissed as unfounded. The appellant-claimant was ordered to pay the respondent-defendant the amount of RON 28,777.79 as court expenses. With

the right to file an appeal within 30 days from notification. Judgment 235/18.02.2025.

Case file no. **24242/3/2021** – Bucharest Tribunal, 6th Civil Division – Subject matter: the claimant OPCOM seeks the declaration of nullity of an act – in-kind contribution.

On 07.11.2023, TMB ruling (brief): the inadmissibility plea was reclassified as a substantive defence.

The statement of claim was dismissed as unfounded.

With the right to file an appeal within 30 days from notification. Judgment 2600/07.11.2023. OPCOM filed an appeal. At the hearing on 13.03.2025, CAB dismissed the appeal as unfounded. Orders the claimant (OPCOM) to pay the state the amount of RON 179,550.57 as court fees. With the right to lodge a second appeal within 30 days from notification.

#### • **COURT OF AUDITORS**

Following an audit carried out in 2017, the Romanian Court of Auditors imposed certain measures to be implemented by the Company as a result of deficiencies identified during this audit. The Company filed several challenges against the measures ordered by the Romanian Court of Auditors (CCR) by Decision no. 8/27.06.2017, requesting their annulment, as well as the annulment of Conclusion no. 77/03.08.2017, registered with the Company under no. 29117/08.08.2017, and of the Audit Report no. 19211/26.05.2017. The challenges were pending before the Bucharest Court of Appeal, including case file no. 6581/2/2017 regarding the annulment of the findings in point 6 and of the measure set out under point II.9. At the hearing on 31.03.2023, according to the minutes dated 29.03.2023, case file no. 6581/2/2017 was assigned under the 12th Panel of the 8th Administrative and Fiscal Litigation Division as case no. 6581/2/2017\*. Ruling summary: In order to allow the parties to submit written conclusions and for deliberation, the ruling was postponed to the following dates: 31.03.2023, 13.04.2023, 28.04.2023, 12.05.2023.

At the hearing on 26.05.2023, the court upheld the statement of claim.

Partially annulled Conclusion no. 77/03.08.2017 with respect to the rejection of point 6 in Objection no. 26140/17.07.2017, Decision no. 8/27.06.2017 regarding the findings under point 6 and measure II.9, and Audit Report no. 19211/26.05.2017 regarding the findings under point 3.2. Orders the defendant to pay the claimant court expenses totaling RON 10,450, representing court stamp duty and the judicial expert's fee. With right to appeal within 15 days from notification. Judgment 920/26.05.2023.

Transelectrica filed an appeal, which was dismissed as unfounded on 23.01.2025. Final ruling no. 288/2025.

Case file no. 2153/2/2021 – Subject matter: annulment of the administrative act issued following the audit conducted by the Romanian Court of Auditors between January and July 2020, by which 10 implementation measures were ordered to be carried out by the Company, as detailed in Decision no. 15/2020.

At the hearing on 10.12.2021, CAB dismissed the statement of claim filed by the Company. Transelectrica filed an appeal, dismissed as unfounded on 07.03.2024. Final ruling no. 1319/2024.

#### - **OTHERS**

The Company is involved in significant litigation, particularly regarding the recovery of receivables (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, EXPLOCOM GK SRL, Grand Voltage and others).

The Company has recorded impairment adjustments for clients and other receivables in litigation and for clients in bankruptcy.

The Company is also involved in litigation with former members of the Directorate and Supervisory Board regarding the management contracts concluded between the Company and these individuals. Provisions have been set aside for these disputes.



## Annexes

## ANNEX 1: Standalone statement of financial position

[RON mn]	Q1 2025	2024	Δ	Δ (%)
	1	2	3=1-2	4=1/2
<b>ASSETS</b>				
<b>Non-current assets</b>				
Tangible assets	5,751	5,775	(23)	(0.4%)
Assets of the usage rights for leased assets - buildings	4	6	(2)	(33%)
Intangible assets	290	312	(23)	(7%)
Financial assets	90	86	4	4%
<b>Total non-current assets</b>	<b>6,135</b>	<b>6,179</b>	<b>(44)</b>	<b>(1%)</b>
<b>Current assets</b>				
Inventories	46	47	(1)	(3%)
Trade and other receivables	2,922	3,779	(857)	(23%)
Cash and cash equivalents	821	672	150	22%
<b>Total current assets</b>	<b>3,789</b>	<b>4,497</b>	<b>(708)</b>	<b>(16%)</b>
<b>Total assets</b>	<b>9,924</b>	<b>10,676</b>	<b>(753)</b>	<b>(7%)</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
<b>Shareholders' Equity</b>				
Share capital, of which:	733	733	-	n/a
<i>Subscribed share capital</i>	733	733	-	n/a
Share premium	50	50	-	n/a
Legal reserves	147	147	-	n/a
Revaluation reserves	1,487	1,514	(28)	(2%)
Other reserves	257	257	-	n/a
Retained earnings	3,300	3,115	185	6%
<b>Total shareholders' equity</b>	<b>5,973</b>	<b>5,815</b>	<b>158</b>	<b>3%</b>
<b>Non-current liabilities</b>				
Long term deferred revenues	621	537	84	16%
Long term borrowings	7.9	7,9	-	n/a
Deferred tax liability	241	244	(3)	(1%)
Employee benefits liabilities	88	88	-	n/a
Other long-term liabilities	6	6	-	n/a
<b>Total non-current liabilities</b>	<b>964</b>	<b>883</b>	<b>81</b>	<b>9%</b>
<b>Current liabilities</b>				
Trade and other liabilities	2,845	3,862	(1,016)	(26%)
Other loans and assimilated debts - Current building lease liabilities	4	7	(2.2)	(33%)
Other tax and social security liabilities	15	18	(3)	(18%)
Short-term borrowings	18	24	(5.92)	(24%)
Provisions	32	33	(0)	(1%)
Short-term deferred revenues	26	22	4	17%
Tax on profit to be paid	45.64	12.62	33.02	262%
<b>Total current liabilities</b>	<b>2,987</b>	<b>3,978</b>	<b>(991)</b>	<b>(25%)</b>
<b>Total liabilities</b>	<b>3,951</b>	<b>4,861</b>	<b>(910)</b>	<b>(19%)</b>
<b>Total shareholders' equity and liabilities</b>	<b>9,924</b>	<b>10,676</b>	<b>(753)</b>	<b>(7%)</b>

## ANNEX 2: Standalone profit account

[mil RON]									
Indicator	Q1 2025	Q1 2024	2023	2024	Budgeted Q1 2025	Realised Q1 2025 vs Q1 2024	Realised Q1 2025 vs Q1 2024 (%)	Realised vs Budgeted Q1 2025	Realised vs Budgeted Q1 2025 (%)
0	1	2	3	4	5	6=1-2	7=1/2	8=1-5	9=1/5
Operating revenues									
Transmission revenues	576	503	1.956	2.024	555	73	15%	21	4%
System services revenues	158	127	391	633	151	31	25%	7	4%
Balancing market revenues	667	1.332	2.269	4.966	1.214	(666)	(50%)	(547)	(45%)
Other revenues	11	26	102	256	21	(16)	(60%)	(10)	(49%)
<b>Total operating revenues</b>	<b>1.411</b>	<b>1.988</b>	<b>4.718</b>	<b>7.879</b>	<b>1.941</b>	<b>(577)</b>	<b>(29%)</b>	<b>(530)</b>	<b>(27%)</b>
Operating expenses									
System operating expenses	(189)	(169)	(640)	(716)	(211)	(20)	(12%)	22	10%
Balancing market expenses	(667)	(1.332)	(2.269)	(4.966)	(1.214)	666	50%	547	45%
System services expenses	(100)	(105)	(499)	(524)	(133)	5	5%	32	24%
Depreciation and Amortization	(94)	(85)	(334)	(356)	(95)	(9)	(11%)	1	1%
Personnel expenses	(96)	(87)	(348)	(373)	(98)	(9)	(10%)	1	1%
Repairs and maintenance expenses	(26)	(24)	(115)	(129)	(33)	(2)	(9%)	7	22%
Materials and consumables	(1)	(2)	(8)	(9)	(3)	-	11%	1	51%
Other operating expenses	(51)	(57)	(270)	(229)	(70)	6	11%	19	28%
<b>Total operating expenses</b>	<b>(1.225)</b>	<b>(1.861)</b>	<b>(4.484)</b>	<b>(7.301)</b>	<b>(1.856)</b>	<b>636</b>	<b>34%</b>	<b>631</b>	<b>34%</b>
<b>Operating profit</b>	<b>187</b>	<b>127</b>	<b>234</b>	<b>579</b>	<b>85</b>	<b>59</b>	<b>47%</b>	<b>102</b>	<b>n/a</b>
Financial revenues	3	2	36	27	2	1	39%	1	46%
Financial expenses	(2)	(2)	(36)	(14)	(1)	-	(12%)	(1)	(68%)
<b>Net financial result</b>	<b>1</b>	<b>(0.08)</b>	<b>0.3</b>	<b>13.5</b>	<b>1</b>	<b>1</b>	<b>n/a</b>	<b>-</b>	<b>17%</b>
<b>Profit before income tax</b>	<b>188</b>	<b>127</b>	<b>234</b>	<b>592</b>	<b>86</b>	<b>60</b>	<b>47%</b>	<b>102</b>	<b>n/a</b>
Income tax	(30)	(24)	(21)	(6)	(11)	(6)	(26%)	(19)	n/a
<b>Profit for the year</b>	<b>158</b>	<b>103</b>	<b>214</b>	<b>586</b>	<b>75</b>	<b>54</b>	<b>52%</b>	<b>83</b>	<b>n/a</b>



### ANNEX 3: Separate cash flow statement

[RON mn]	Q1 2025	Q1 2024	Δ
<b>Cash flows from operational activities</b>			
Profit/loss of the period	157.55	103.38	54.2
Income tax expense	30.02	23.80	6.2
Depreciation and Amortisation (including additional grid losses)	94.21	85.03	9.2
Income from the production of intangible assets (including additional grid losses)	(0.92)	(7.37)	6.4
Expenses with adjustments for trade receivables impairment	0.02	(0.03)	-
Revenues from reversal of adjustments for trade receivables impairment	-	(2.00)	2.0
Losses from various debtors	1.67	2.66	(0.99)
Net expenses/income with adjustments for various debtors impairment	(0.14)	1.92	(2.1)
Net expenses on value adjustments regarding tangible assets	-	(0.10)	0.1
Net profit/ loss on sale of tangible assets	0.05	3.17	(3.1)
Net Expenses/Income regarding provisions for risks and expenses	(0.25)	(2.10)	1.8
Interest expense, interest revenue and unrealised exchange rate gains	(1.69)	(0.37)	(1.3)
<b>Cash flows before changes to working capital</b>	<b>280.51</b>	<b>207.98</b>	<b>72.5</b>
<b>Changes in:</b>			
Clients and assimilated accounts - energy and other activities	745.13	121.00	624.1
Customers – balancing	110.38	(109.61)	220.0
Customers – cogeneration	(0.33)	(32.09)	31.8
Inventories	1.33	(2.38)	3.7
Trade and other liabilities - energy and other activities	(898.04)	(234.86)	(663.2)
Liabilities - balancing	(126.63)	81.49	(208.1)
Liabilities - cogeneration	36.87	(23.53)	60.4
Other taxes and social insurance liabilities	(3.32)	(4.62)	1.3
Deferred revenues	93.02	9.48	83.5
<b>Cash flows from operational activities</b>	<b>238.91</b>	<b>12.87</b>	<b>226.0</b>
Interests paid	(0.22)	(0.63)	0.4
<b>Net cash generated from operational activities</b>	<b>238.70</b>	<b>12.24</b>	<b>226.5</b>
<b>Cash flows from the investment activity</b>			
Acquisition of tangible and intangible assets	(73.24)	(112.75)	39.5
Participation titles held in Geco Power Company	(3.75)	-	(3.8)
Proceeds from EC non-reimbursable financing	(5.72)	2.71	(8.4)
Received Interests	2.24	1.15	1.1
<b>Net cash used in the investment activity</b>	<b>(80.46)</b>	<b>(108.90)</b>	<b>28.4</b>
<b>Cash flows used in financing activities</b>			
Repayments of non-current borrowings	(5.99)	(5.98)	(0.01)
Use of working capital credit line	-	48.73	(48.7)
Building lease payments	(2.66)	(2.66)	-
Dividends paid	-	(0.01)	-
<b>Net cash used in financing activities</b>	<b>(8.66)</b>	<b>40.07</b>	<b>(48.7)</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>149.58</b>	<b>(56.58)</b>	<b>206.2</b>
<b>Cash and cash equivalents as at January 1<sup>st</sup></b>	<b>671.56</b>	<b>519.36</b>	<b>152.2</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>821.13</b>	<b>462.78</b>	<b>358.4</b>

#### ANNEX 4: Economic-financial indicators according to ASF Regulation 5/2018

Indicators	Calculation formula	Q1 2025	2024
<b>Current liquidity ratio (x)</b>	$\frac{\text{Current assets}}{\text{Current liabilities}}$	1.27	1.13
<b>Indebtness indicators* (x):</b>			
(1) Indebtness degree indicator	$\frac{\text{Debt capital}}{\text{Shareholder's equity}} \times 100$	0.51%	0.67%
(2) Indebtness degree indicator	$\frac{\text{Debt capital}}{\text{Committed capital}} \times 100$	0.51%	0.66%
<b>Customer turnover speed (days)</b>	$\frac{\text{Average client balance}^{**} \times \text{no.days}}{\text{Turnover}}$	69.76	51.58
<b>Non-current assets turnover (x)</b>	$\frac{\text{Turnover}}{\text{Non-current assets}}$	0.23	1.24

\* Within the leverage ratio indicators, borrowed capital includes short-term borrowings, long-term borrowings and other similar short- and long-term borrowings/liabilities related to building leases under IFRS16.

\*\*Customers contributing to turnover (energy, balancing, other customers, customers with invoices to be drawn up) have been taken into account in the calculation of the average balance. The values corresponding to customers: uncertain, market coupling mechanism, cogeneration scheme and overcompensation have not been included in the average balance.

#### ANNEX 5: Constitutive acts amended between January-March 2025

At the time of this report, there are no amended Articles of Association in Q1 2025.

#### ANNEX 6: Appointment/revocation acts issued in January-March

##### Supervisory Board

- At the time of drafting this report there are no acts of appointment/revocation of the Supervisory Board

##### Directorate

- At the time of preparation of this report there are no acts of appointment/revocation of the Company's Directorate.

**ANNEX 7 REPORT (according to EGMSR no. 4/29.04.2015) on contracts signed in Q1 2025 for the procurement of goods, services and works, the value of which exceeds €500,000/procurement (for the procurement of goods and works) and €100,000/ procurement (for services) respectively**

No.	Contract Number	Subject of the Contract	Duration (months)	Value		Type of Contract	Legal Basis	Procurement procedure
				Thousand RON	Thousand EUR			
0	1	2	3	4	5	6	7	8
1	C 1317/2025	Upgrading of Teleajen station to 400 kV and modernisation of 110 kV Teleajen station	40	161.95	0.00	Works	Law 99/2016+ GD 394/2016	Open tender
2	C 1475/2025	400 kV Suceava - Balti OHL for the project section on Romanian territory	52	133.43	0.00	Works	Law 99/2016+ GD 394/2016	Open tender
3	C 1232/2025	400 kV Stâlpu station and modernisation of 110 kV and medium voltage cells in Stâlpu station - works	24	95.33	0.00	Works	Law 99/2016+ GD 394/2016	Open tender
4	SB 11/2025	Major maintenance of the 220 kV Cluj - Floresti - Alba Iulia OHL and antenna pole (execution)	36	17.04	0.00	Works	Law 99/2016+ GD 394/2016	Open tender
5	C 1465/2025	RC 400 kV Porțile de Fier – Slatina OHL	36	9.08	0.00	Works	Law 99/2016+ GD 394/2016	Open tender
6	PT 5/2980/2025	Installation of anti-galloping devices to mitigate the effects of galloping of active conductors on the 400 kV Slatina-Dragănești Olt s.c. and 220 kV Slatina-Grădiște d.c. OHL	12	5.30	0.00	Works	Law 99/2016+ GD 394/2016	Open tender
7	C 1519/2025	Programme for off-line calculation of short-circuit currents, checking of protection settings, determination of system equivalents and simulation of fault scenarios in electrical networks	38	3.30	0.00	Delivery	Law 99/2016+ GD 394/2016	Open tender
8	TM 12/2025	Reconductoring of the 220 kV Urechești, Târgu Jiu Nord - Paroșeni - Baru Mare - Hâsdat OHL axis (design)	18	2.71	0.00	Services	Law 99/2016+ GD 394/2016	Open tender
9	C 1235/2025	Financial audit services for the year 2024	12	1.10	0.00	Services	Law 99/2016+ GD 394/2016	Simplified procedure

## Annex 6 - Glossary of terms

"ANRE"	National Electricity Regulatory Authority
"BAR"	Regulated asset base
"BVB"	Bucharest Stock Exchange. operator of the regulated market on which the Shares are traded
"CAB"	Bucharest Court of Appeal
"EEC"	European Economic Community
"Company". "NPG CO.". "TEL"	National Electricity Transmission Company Transelectrica SA
"OTC"	Own Technological Consumption
"SB"	Supervisory Board
"DEN"	National Energy Dispatcher
"EBIT"	Operating profit before interest and income tax
"EBITDA"	Operating profit before interest, income tax, depreciation and amortisation
"EBT"	Operating profit before corporate income tax
"ENTSOE"	European Network of Transmission System Operators for Electricity
"GD"	Government Decision
"IFRS"	International Financial Reporting Standards
"LEA"	Overhead power lines
"Leu" or "Lei" or "RON"	Romania's official currency
"MFP"	Ministry of Public Finance
"MO"	Official Journal of Romania
"GO"	Government Ordinance
"OPCOM"	Romanian Electricity Market Operator OPCOM SA
"GEO"	Government Emergency Ordinance
"DAM"	Day Ahead Market
"ETG"	Electricity Transmission Grid. electricity network of national and strategic interest with nominal line voltage higher than 110 kV
"NES"	National Energy System
"RS"	Secondary adjustment
"RTL"	Slow tertiary adjustment
"SMART"	Commercial Company for Maintenance Services of the Electricity Transmission Grid SMART SA
"SS"	System Service
"TEL"	Stock market indicator for Transelectrica
"TSR"	Total shareholder return
"EU"	European Union
"u.m."	Unit of measurement
"USD" or "US dollars"	US dollar. official currency of the United States of America
"WACC"	Weighted Average Cost of Capital

