

**NPG CO. Transelectrica SA**  
**Company managed under a two-tier system**



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

Prepared in accordance with the  
**International Accounting Standard 34 - Interim Financial Reporting**

**CNTEE Transelectrica SA**

Simplified standalone statement of financial position as at 31 March 2025

(All amounts are in LEI unless otherwise indicated)

	Note	March 31, 2025	December 31, 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets		5,751,291,466	5,774,758,870
Assets related to the usage rights of assets under leasing - buildings		3,976,120	5,964,180
Intangible assets		289,805,053	312,464,795
Financial assets		89,517,355	85,767,355
<b>Total non-current assets</b>	<b>4</b>	<b>6,134,589,994</b>	<b>6,178,955,200</b>
<b>Current assets</b>			
Inventories		45,844,028	47,175,766
Trade and other receivables	<b>5</b>	2,921,961,856	3,778,692,640
Receivable income tax		-	-
Other financial assets		-	-
Cash and cash equivalents	<b>6</b>	821,133,684	671,557,851
<b>Total current assets</b>		<b>3,788,939,568</b>	<b>4,497,426,257</b>
<b>Total assets</b>		<b>9,923,529,562</b>	<b>10,676,381,457</b>
<b>Shareholders' equities and liabilities</b>			
<b>Shareholders' equities</b>			
Share capital, of which:		733,031,420	733,031,420
- Subscribed share capital		733,031,420	733,031,420
Share premium		49,842,552	49,842,552
Legal reserves		146,606,284	146,606,284
Revaluation reserves		1,486,513,162	1,514,138,168
Other reserves		256,706,249	256,706,249
Retained earnings		3,299,828,920	3,114,650,000
<b>Total shareholders' equities</b>	<b>7</b>	<b>5,972,528,587</b>	<b>5,814,974,673</b>
<b>Non-current liabilities</b>			
Non-current deferred revenues	<b>8</b>	620,888,688	537,371,101
Borrowings	<b>9</b>	7,922,947	7,918,172
Other borrowings and similar liabilities - Building leasing - long term	<b>10 (a)</b>	-	-
Deferred tax liabilities		240,908,811	243,910,434
Employee benefit obligations		88,335,459	88,335,459
Other long-term liabilities	<b>10 (a)</b>	5,612,979	5,612,979
<b>Total long-term liabilities</b>		<b>963,668,884</b>	<b>883,148,145</b>
<b>Current liabilities</b>			
Trade and other liabilities	<b>10 (a)</b>	2,845,444,501	3,861,508,368
Other borrowings and similar liabilities - Building leasing - short term	<b>10 (a)</b>	4,428,875	6,607,203
Other taxes and social security liabilities	<b>11</b>	15,109,685	18,431,750
Borrowings	<b>9</b>	18,372,091	24,287,300
Provisions	<b>10 (b)</b>	32,347,626	32,595,447
Current deferred revenues	<b>8</b>	25,993,669	22,211,901
Payable income tax		45,635,644	12,616,670
<b>Total current liabilities</b>		<b>2,987,332,091</b>	<b>3,978,258,639</b>
<b>Total liabilities</b>		<b>3,951,000,975</b>	<b>4,861,406,784</b>
<b>Total shareholders' equities and liabilities</b>		<b>9,923,529,562</b>	<b>10,676,381,457</b>

The accompanying Notes 1 to 22 form an integral part of these condensed standalone interim financial statements.

**CNTEE Transelectrica SA**

Separate profit and loss account for the three-month period 31 March 2025

*(All amounts are expressed in LEI, unless otherwise provided)*

	Note	3-month period ending on March 31, 2025	3-month period ending on 31 March 2024
<b>Revenues</b>			
Transmission revenues		576,059,067	502,600,128
System service revenues		157,959,767	126,798,947
Revenues from the balancing market		666,595,400	1,332,367,628
Other revenues		10,683,593	26,447,114
<b>Total revenue</b>	<b>13</b>	<b>1,411,297,827</b>	<b>1,988,213,817</b>
<b>Operational expenses</b>			
System operation expenses	<b>14</b>	(189,093,871)	(168,749,158)
Balancing market expenses	<b>14</b>	(666,721,288)	(1,332,346,922)
Expenses regarding technological system services	<b>14</b>	(100,295,822)	(105,370,579)
Depreciation	<b>15</b>	(94,205,147)	(85,026,782)
Personnel expenses	<b>16</b>	(96,485,740)	(87,496,317)
Repairs and maintenance		(25,963,054)	(23,748,784)
Materials and consumables		(1,369,378)	(1,533,727)
Other operational expenses	<b>17</b>	(50,625,120)	(56,685,569)
<b>Total operating expenses</b>		<b>(1,224,759,420)</b>	<b>(1,860,957,838)</b>
<b>Operating profit</b>		<b>186,538,407</b>	<b>127,255,979</b>
Financial revenues		3,032,885	2,181,707
Financial expenses		(2,000,027)	(2,262,977)
<b>Net financial result</b>	<b>18</b>	<b>1,032,858</b>	<b>(81,270)</b>
<b>Profit before corporation tax</b>		<b>187,571,265</b>	<b>127,174,709</b>
Income tax	<b>12</b>	(30,017,351)	(23,796,482)
<b>Profit of the time interval</b>		<b>157,553,914</b>	<b>103,378,227</b>

The standalone interim simplified financial statements presented were signed by the Company's management on **06 May 2025**.**DIRECTORATE,**

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

**f. Directorate Economic and Financial Affairs**  
**Florin STANCIU - Manager DSFTM**

**Accounting Department Manager**  
**Georgiana-Beatrice ȘTEFAN**

The accompanying Notes 1 to 22 form an integral part of these condensed standalone interim financial statements.

**CNTEE Transelectrica**

Separate statement of changes in equity as at 31 March 2025

(All amounts are expressed in LEI, unless otherwise provided)

	Share capital	Share premium	Legal reserves	Revaluation reserve	Other reserves	Retained earnings	Total
<b>Balance at 1 January 2024</b>	<b>733,031,420</b>	<b>49,842,552</b>	<b>146,606,284</b>	<b>1,634,711,533</b>	<b>195,710,506</b>	<b>2,430,243,814</b>	<b>5,190,146,109</b>
<b>Comprehensive result of the period</b>							
Profit of the time interval	-	-	-	-	-	585,924,311	<b>585,924,311</b>
<b>Other comprehensive result items, of which :</b>							
Recognition of actuarial gains of the defined benefit plan	-	-	-	-	-	(1,535,364)	<b>(1,535,364)</b>
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-
Deferred tax liability ass. to revaluation reserve	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained earnings	-	-	-	(120,542,130)	-	120,542,130	-
<b>Total other comprehensive revenue for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(120,542,130)</b>	<b>-</b>	<b>119,006,766</b>	<b>(1,535,364)</b>
<b>Total comprehensive result for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(120,542,130)</b>	<b>-</b>	<b>704,931,077</b>	<b>584,388,947</b>
<b>Other items</b>							
Increase of the legal reserve	-	-	-	-	-	-	-
Other items	-	-	-	-	-	(11)	(11)
<b>Total other items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11)</b>	<b>(11)</b>
<b>Contributions from and distributions to shareholders</b>							
Derecognition of assets such as public domain	-	-	-	(31,235)	-	-	<b>(31,235)</b>
Subsidies related to assets from the state public domain	-	-	-	-	60,995,743	-	60,995,743
Dividend distribution	-	-	-	-	-	(20,524,880)	(20,524,880)
<b>Total contributions from and distributions to shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(31,235)</b>	<b>60,995,743</b>	<b>(20,524,880)</b>	<b>40,439,628</b>
<b>Balance at December 31, 2024</b>	<b>733,031,420</b>	<b>49,842,552</b>	<b>146,606,284</b>	<b>1,514,138,168</b>	<b>256,706,249</b>	<b>3,114,650,000</b>	<b>5,814,974,673</b>
<b>Balance at 1 January 2025</b>	<b>733,031,420</b>	<b>49,842,552</b>	<b>146,606,284</b>	<b>1,514,138,168</b>	<b>256,706,249</b>	<b>3,114,650,000</b>	<b>5,814,974,673</b>
<b>Comprehensive result of the period</b>							
Profit of the time interval	-	-	-	-	-	157,553,914	<b>157,553,914</b>
<b>Other comprehensive revenue, of which:</b>							
Recognition of actuarial profit / loss of the defined benefit plan	-	-	-	-	-	-	-
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-
Deferred tax liability ass. to revaluation reserve	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained earnings	-	-	-	(27,625,006)	-	27,625,006	-
<b>Total other comprehensive revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27,625,006)</b>	<b>-</b>	<b>27,625,006</b>	<b>-</b>
<b>Total comprehensive result of the interval</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27,625,006)</b>	<b>-</b>	<b>185,178,920</b>	<b>157,553,914</b>
<b>Other items</b>							
Increase of the legal reserve	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-
<b>Total other items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contributions from and distributions to shareholders</b>							
Derecognition of assets such as public domain	-	-	-	-	-	-	-
Subsidies related to assets from the state public domain	-	-	-	-	-	-	-
Dividends distribution	-	-	-	-	-	-	-
<b>Total contributions from and distributions to shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at March 31, 2025</b>	<b>733,031,420</b>	<b>49,842,552</b>	<b>146,606,284</b>	<b>1,486,513,162</b>	<b>256,706,249</b>	<b>3,299,828,920</b>	<b>5,972,528,587</b>

The accompanying Notes 1 to 22 form an integral part of these condensed standalone interim financial statements.

**CNTEE Transelectrica SA**

Separate cash flow statement as at 31 March 2025

*(All amounts are expressed in LEI, unless otherwise provided)*

	<b>3-month period concluded on March 31, 2025</b>	<b>3-month period ending on 31 March 2024</b>
<b>Cash flows from operating activities</b>		
Profit for the time interval	157,553,914	103,378,227
<b>Allowances for:</b>		
Income tax expense	30,017,351	23,796,482
Depreciation expenses (including additional OTC)	94,205,147	85,026,782
Revenue from the production of intangible assets (including additional OTC)	(924,241)	(7,369,139)
Expenses related to adjustments for impairment of trade receivables	18,095	(30,761)
Reversal of adjustments for impairment of trade receivables	-	(1,999,669)
Losses on sundry receivables and debtors	1,668,980	2,659,863
Net revenues/expenses with impairment adjustments on sundry debtors	(139,501)	1,917,903
Net revenues/expense on inventory impairment adjustments	-	(96,917)
Net profit/loss on sale of tangible assets	49,745	3,171,264
Net expenses on value adjustments in respect of tangible assets	-	-
Net revenues on provisions for risks and charges	(252,065)	(2,100,498)
Interest expense, interest revenues and unrealised revenues exchange rate differences	(1,686,722)	(370,620)
<b>Cash flows before working capital changes</b>	<b>280,510,703</b>	<b>207,982,917</b>
<b>Changes in:</b>		
Trade and similar accounts - energy and other activities	745,126,309	121,004,625
Customers - balancing	110,383,345	(109,612,731)
Customers - cogeneration	(332,734)	(32,090,665)
Inventories	1,331,739	(2,377,704)
Trade and other accounts payable - energy and other activities	(898,044,549)	(234,862,254)
Balancing liabilities	(126,630,906)	81,490,736
Liabilities - cogeneration	36,869,994	(23,527,120)
Other taxes and social security contributions	(3,322,065)	(4,621,596)
Deferred revenues	93,021,958	9,479,528
<b>Cash flows from operating activities</b>	<b>238,913,794</b>	<b>12,865,736</b>
Interest paid	(215,230)	(625,825)
Income tax paid	-	-
<b>Net cash generated from operating activities</b>	<b>238,698,564</b>	<b>12,239,911</b>
<b>Cash flows from investing activities</b>		
Purchases of tangible and intangible assets	(73,235,212)	(112,754,221)
Shares held in GECCO POWER COMPANY CORRIDOR POWER COMPANY	(3,750,000)	-
Receipts/ repayments of grant funding	(5,722,603)	2,711,521
Interest received	2,243,153	1,145,787
Proceeds from the sale of tangible assets	-	-
<b>Net cash used in investment activity</b>	<b>(80,464,662)</b>	<b>(108,896,913)</b>
<b>Cash flows used in financing activities</b>		
Repayments of long-term borrowings	(5,990,231)	(5,981,204)
Utilisation of working capital credit line	-	48,733,419
Short-term loan repayments	-	-
Building lease payments	(2,664,755)	(2,663,773)
Dividends paid	(3,083)	(13,508)
<b>Net cash used in financing activities</b>	<b>(8,658,069)</b>	<b>40,074,934</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>149,575,833</b>	<b>(56,582,068)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>671,557,851</b>	<b>519,358,908</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>821,133,684</b>	<b>462,776,840</b>

**1. General Information**

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

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

**2. Basics of preparation****a) Declaration of conformity**

These simplified standalone interim financial statements have been prepared in accordance with IAS 34 - *Interim Financial Reporting*. They do not include all the information required for a full set of financial statements in accordance with International Financial Reporting Standards ("IFRS"). However, certain explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last standalone annual financial statements as at and for the year ended December 31, 2024.

**b) Professional reasoning and estimates**

The significant reasoning used by the management in applying the Company's accounting policies and the key sources of uncertainty relating to estimates were the same as those applied to the standalone financial statements prepared for the year ended December 31, 2024.

**3. Significant accounting policies**

The accounting policies applied in these simplified standalone interim financial statements are the same as those applied in the Company's standalone financial statements for the year ended December 31, 2024.

**4. Tangible, intangible and financial assets****a) Tangible assets**

The decrease in the total value of tangible assets as at March 31, 2025 compared to December 31, 2024 was due to the increase in the value of tangible assets in progress concurrent with the recognition of depreciation on tangible assets.

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

- Installation of two modern means of reactive power compensation in 400/220/110/20kV stations Sibiu Sud and Bradu - 11,051,555;
- 220 kV double circuit Ostrovu Mare - ETG OHL (H.CA no. 17/2007) - 10,191,172;
- Transition to 400 kV of the Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad - Stage I - 400 kV OHL s.c. Porțile de Fier - (Anina) - Reșița - 9,116,113;
- Replacement of hardware components, upgrading and development of applications specific applications of the Balancing Market Platform - II DAMAS, Component Procurement of migration and upgrade services for Balancing Market specific applications - 2,723,653;
- Upgrading of the 400/110 kV Pelicanu transformer station - 2,404,211;
- Optimisation of the operation of the existing 400 kV OHL in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line systems (SMART GRID type) - 1,627,318;
- Power Quality Monitoring System (PQMS) - 1,555,534;

## CNTEE Transelectrica SA

Notes to the standalone interim financial statements as at 31 March 2025

(All amounts are expressed in LEI, unless otherwise provided)

- Relocation of high voltage electrical networks - 400kV (220kV) Gutinaş - Focşani Vest OHL joint circuit with 400 (220) kV Focşani Vest-Barboşi OHL and Buzău - Focşani Motorway - Design Execution - 1,212,879;
- Upgrading of Isaccea 400 kV Station - Stage II - 1,118,715;
- Increasing the security of supply to consumers in the southern area of Bucharest, connected to the 400/220/110 kV Bucharest South 400/220/110 kV station - 1,096,397.

In the first quarter of 2025, the largest **transfers from tangible assets in progress to tangible assets**, totalling **RON 51,576,233**, are mainly represented by the commissioning of investment objectives, of which we list the most significant:

- 400 kV d.c. Gutinaş - Smârdan OHL (Stage I financing) - 26,641,782;
- Increasing the transmission capacity of the 220 kV Stejaru - Gheorgheni - Fântânele OHL - 14,831,594;
- Increasing the operational reliability of the Argeş-Vâlcea network area, realisation of the 400 kV Arefu Station and installation of a 400 MVA, 400/220 kV HV 400/220 kV - 4,281,735;
- 400kV Gutinaş-Smârdan OHL (Stage II financing) - 4,096,006;
- Refurbishment of 400 kV Isaccea Station - Phase I - Replacement of compensation coils, related cells and 400 kV Stupina cell - 955,370;
- Replacement of accumulator batteries no. 1 and no. 2 - 220 V d.c. SI 220 kV from 400/220/110 kV Slatina 400/220/110 kV station - 434,206;
- Replacement of accumulator batteries no. 1 and no. 2 - 220 V d.c. SI 400 kV from 400/220/110 kV Slatina 400/220/110 kV station - 339,056;
- Photovoltaic Park 1,955 MW, NC3939234, Ciprian Porumbescu, Suceava county - RED hardening works in NPG CO. Transelectrica" SA installations - 80,321;
- Connection of the 20 kV Cimitir and 20 kV Poligon distributors to the 220/110/20 kV Cluj Floreşti Station, in order to increase the security of electricity supply in Floreşti, Cluj county - 56,083;
- Sărdăneşti Station - 13,320.

The balance of **tangible assets in progress** at March 31, 2025, in the amount of **RON 974,853,305**, is represented by projects in progress, the most significant of which are listed below:

- 400 kV d.c. Gutinaş - Smârdan OHL - 275,129,535;
- Transition to 400 kV of the Porţile de Fier - Reşiţa - Timişoara - Săcălaz - Arad - Stage I - 400kV OHL s.c. Porţile de Fier - (Anina) - Reşiţa - 176,739,440;
- Increasing the operational reliability of the Argeş-Vâlcea network area, realisation of the 400 kV Arefu Station and installation of a 400 MVA, 400/220 kV HV 400/220 kV - 79,094,011;
- Connection to the ETG of CEE 300 MW Iveşti, CEE 88 MW Fălciu 1 and CEE 18 MW Fălciu 2 through the new (400)/220/110 kV station Banca - 46,884,983;
- 220 kV double circuit Ostrovu Mare - ETG OHL (H.CA no. 17/2007) - 45,474,397;
- Installation of two modern means of reactive power compensation in 400/220/110/20kV stations Sibiu Sud and Bradu - 43,408,056;
- Upgrading of the 400/110 kV Pelicanu transformer station - 42,225,351;
- Upgrading of the 400/110/20 kV Smârdan Station - 39,425,285;
- Station 400 kV Stâlpu - 38,242,675;
- Upgrading of Isaccea 400 kV Station - Phase II - 35,681,723;
- Refurbishment of the 110 kV Medgidia Sud Station - 26,524,901;
- Increasing the security of supply to consumers in the southern area of Bucharest, connected to the 400/220/110 kV Bucharest South Station - 16,321,669;
- Upgrading of the 110 kV Timişoara 110 kV station and upgrading to 400 kV of the Porţile de Fier - Anina - Reşiţa - Timişoara - Săcălaz - Arad axis, phase II: 400 kV Timişoara - 9,399,501;
- 400 kV Gădălin – Suceava OHL, including interconnection to NES (H.CA no. 7/08.07.2010) - 8,524,388;

## CNTEE Transelectrica SA

Notes to the standalone interim financial statements as at 31 March 2025

(All amounts are expressed in LEI, unless otherwise provided)

- Optimisation of the operation of the existing 400kV OHL in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line systems (SMART GRID type) - 8,266,735;
- Relocation of high voltage electrical networks - 400kV (220kV) Gutinaş - Focşani Vest OHL joint circuit with 400 (220) kV Focşani Vest-Barboşi OHL and Buzău - Focşani Motorway - Design Execution - 5,296,120;
- Modernisation of the 110kV and 400 (220 kV) installations in Focşani Vest Station - 4,512,921;
- 400 kV Suceava - Balti OHL, for the project section on Romanian territory - 4,473,755;
- Implementation of new functions and software modifications in the EMS - SCADA computer system for the implementation of European and national legislative requirements - 4,281,554;
- Integrated security system at stations, stage IV - 4,277,804;
- Relocation of the 220 kV networks for the Bucharest Ring Motorway, KM 0+000 - KM 52+770, LOT 4 KM 47+600 - KM 52+070 - 3,989,600;
- Transition to 400 kV of the Porţile de Fier - Resita - Timisoara - Săcălaz - Arad axis, phase II, 400 kV d.c. Resita - Timisoara - Săcălaz OHL - 3,491,362;
- Expansion with new functionalities of the computerised access control and recording system in NPG CO. Transelectrica SA objectives - 3,200,918;
- Upgrade to 400 kV of the 220 kV Brazi Vest - Teleajen - Stâlpu OHL, including purchase of 400 MVA 400/220/20 kV HV, extension works of the 400 kV and 220 kV stations, in the 400/220/110kV Brazi Vest station - 3,083,487;
- 110 kV, 220 kV and 400 kV mobile cells - 3,016,230;
- Connection to ETG of 136 MW Platoneşti EEC, Ialomiţa county, through the realisation of a 110 kV cell in the 400/110 kV Gura Ialomiţei 400/110 kV station - 2,889,337;
- Integrated security system at stations, stage III (H.CA no. 2/2008) - 2,798,024;
- Replacement of hardware components, upgrading and development of specific applications of the Balancing Market Platform - II DAMAS, Component Procurement of migration services and upgrade of specific applications of the Balancing Market - 2,760,354;
- Replacement of the heating and air-conditioning system in the administrative building of the Bucharest Branch (S.F+P.T+ C.S) - 2,718,800;
- Centre for research and development of live working technologies (LST) and rapid intervention in NES - phase II - 2,680,973;
- Pilot Project - Refurbishment of the 220/110/20 kV Alba Iulia 220/110/20 kV station into a digital station - 2,624,978.

### b) Intangible assets

#### Intangible assets in progress

The balance of **intangible assets in progress** as at March 31, 2025, amounting to **11,923,643 lei**, is represented by projects in progress, the most significant of which are listed below:

- Replacement of hardware components, upgrading and development of specific applications of the Balancing Market Platform - II DAMAS, Component Purchase of migration and upgrade services for specific applications of the Balancing Market - 7,607,441;
- MARI platform development - 2,531,563;
- 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 - 1,117,500;
- PICASSO platform development - 550,146.

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

#### Intangible assets - additional OTC

As from 30 September 2022, the Company applies the provisions of GEO no. 119/2022 for amending and supplementing GEO no. 27/2022 and approved by Law no. 357/13.12.2022, whereby the additional costs of electricity purchase incurred in the period January 1, 2022 - March 31, 2024, in order to cover its own technological consumption and technological consumption,



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*(All amounts are expressed in LEI, unless otherwise provided)*

respectively, compared to the costs included in the regulated tariffs, are capitalised on a quarterly basis. Accordingly, the capitalised costs are amortised over a period of 5 years from the date of capitalisation and are remunerated at 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable during the amortisation period of such costs and are recognised as a separate component.

The Company has recognised revenue representing additional OTC calculated as the difference between the net OTC acquisition cost and the OTC cost recognised in the regulatory tariff up to March 31, 2025 in the amount of 455,206,194 as follows:

- 338,526,677 - for the year 2022;
- 13,735,364 - for the year 2023;
- 102,019,913 - for the year 2024;
- 924,241 - for the first quarter of 2025.

At March 31, 2025, depreciation amounting to 179,219,695 is calculated on these capitalisations. Thus, the carrying amount of the intangible asset resulting from the capitalisation of the additional OTC is 275,986,499.

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

### **c) Financial assets**

The balance of financial assets as at March 31, 2025, amounting to 89,517,355, is mainly represented by:

- the net value of shares held by the Company (85,253,833);
- of guarantees for the temporary occupation of land, calculated and retained in accordance with Art. 39 para. (1), para. (2) and para. (5) of Law no. 46/2008 on the Forestry Code, for the realisation of the investment objectives: 400 kV Reșița - Pancevo (Serbia) LEA 400 kV in the amount of 4,199,505.

The increase in the value of financial assets as at March 31, 2025 compared to December 31, 2024, in the amount of 3,750,000, was determined by the Company's affiliation to the shareholder GECO POWER COMPANY GREEN ENERGY CORRIDOR POWER COMPANY - LIMITED LIABILITY COMPANY ("the project company") with 25% share capital contribution representing 375,000 shares with a nominal value of RON 10/share.

The founding partners of the project company are NPG CO. Transelectrica SA, JSC Georgian State Electrosystem, "AZERENERJI" OPEN JOINT STOCK COMPANY and MVM Energy Private Limited Liability Company.

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

### **d) Assets related to rights of use of leased assets - buildings**

Such assets related to the rights of use of leased assets - buildings represent the right of use of the premises leased by the Company in the Platinum office building, in accordance with IFRS 16 - Leases.

Contract No. C232 entered into force on 01.10.2020, valid for a period of 5 years, has a value of 9,000,000 euro (excluding VAT).

As at March 31, 2025, the carrying amount of the right to use the premises leased by the Company in the Platinum office building is RON 3,976,120.

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

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*(All amounts are expressed in LEI, unless otherwise provided)***5. Trade and other receivables**

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Trade receivables	2,275,381,705	2,701,899,740
Other receivables	196,893,305	231,066,730
Advances to suppliers	402,535,341	769,813,328
VAT recoverable	243,020,946	271,906,743
Impairment adjustments for doubtful trade receivables	(123,107,026)	(123,088,931)
Impairment adjustments for other doubtful receivables	(72,762,415)	(72,904,970)
<b>Total trade and other receivables</b>	<b>2,921,961,856</b>	<b>3,778,692,640</b>

The structure of trade receivables is as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Customers on the electricity market, of which:	2,273,024,102	2,698,954,123
- customers - operational activity	1,582,862,660	1,898,742,070
- customers - balancing market	557,478,181	667,861,526
- customers - bonus support scheme to promote high efficiency cogeneration	132,683,261	132,350,527
Customers from other activities	2,357,603	2,945,617
<b>Total trade receivables</b>	<b>2,275,381,705</b>	<b>2,701,899,740</b>

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

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

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

The main customers in the total trade receivables are represented by: the Romanian Stock Exchange, IBEX, MAVIR, Electrica Furnizare SA, OPCOM, RAAN, Ciga Energy SA, PPC ENERGIE SA, Hidroelectrica, JAO. Their share is 63.77% of total trade receivables.

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

As at March 31, 2025, the Company has receivables receivable from the bonus support scheme for the promotion of high efficiency cogeneration of approximately 6% (up from December 31, 2024) of total trade receivables.

The customers of the bonus support scheme for the promotion of high-efficiency cogeneration are recording an increase in receivables at March 31, 2025, mainly due to the increase in the invoiced amount for the collection of the monthly contribution.

As at March 31, 2025, the Company has receivables receivable amounting to 132,683,261, represented by invoices issued related to the bonus support scheme for the promotion of high efficiency cogeneration, of which:

- overcompensation for the period 2011-2013 in the amount of 76,702,140, respectively from RAAN - 63,467,054 and CET Govora SA - 13,235,086;
- undue bonus for 2014, in the amount of 3,914,960, respectively from RAAN - 1,981,235, CET Govora - 1,933,725;
- undue bonus for 2015 in the amount of 563,899, respectively from CET Govora - 534,377, Interagro - 29,523;
- undue bonus for 2020 in the amount of 522,181 from Donau Chem;

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- undue bonus for 2024 in the amount of 94 from the Municipality of Iasi;
- overcompensation for 2024 in the amount of 8,600,911 from Contourglobal Solutions;
- uncollected contribution for cogeneration from suppliers of electricity consumers, in the amount of 20,424,561, respectively from: Transenergo Com - 5,882,073, Petprod - 4,391,193, Romenergy Industry - 2,680,620, RAAN - 2,385,922, UGM Energy - 1,504,046, CET Govora - 900,864, KDF Energy - 473,940 and others.

Up to the date of this financial report, the Company has collected all receivables related to the overcompensation of the activity related to the support scheme for the year 2024, the amount of 8,600,911, from Contourglobal Solutions, as well as the amount of 8,400,873 from the undue bonus established by ANRE Decisions for the year 2024, from the following producers: Bepco SRL, Electro Energy Sud, Electrocentrale București, Electrocentrale Craiova, Electrouilaj SA, Municipiul Iași, Soceram SA, Termoficare Oradea, Thermoenergy Group and Vest Energo.

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

• On the docket of the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, case file no. 9089/101/2013/a140 was registered, having as subject matter “claims in the amount of 86,513,431”, in which the Company is the claimant and the defendant is the **Autonomous Authority for Nuclear Activities – RAAN**.

Through the statement of claim filed by Transelectrica SA, the latter requested that the defendant RAAN be ordered to pay the amount of 86,513,431.

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

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

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

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

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

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

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

Transelectrica was registered in RAAN's creditors' table with the amount of 11,264,777 RON, under the category of claims resulting from the continuation of the debtor's activity. From the amount claimed by the Company, 89,360,986 RON, the amount of 78,096,208.76 RON was not registered in the preliminary table of claims, on the grounds that “it does not appear as owed in RAAN's accounting records.” Moreover, the judicial liquidator considered that the request for registration of the amount of 78,096,209 RON in the table was filed late, as it pertains to the period 2011 – 2013, for which reason the statement of claim should have been submitted at the time the insolvency procedure was opened, i.e., on 18.09.2013.

As a result of the partial registration of the total amount claimed by Transelectrica in the amount of 89,360,986.06 RON and of address no. 4162/03.10.2016, through which the judicial liquidator informed us that only the amount of 11,264,777.30 RON had been registered in the supplementary table under the category of claims resulting from the continuation of the debtor's activity,

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while the amount of 78,096,208.76 RON had been rejected, a challenge against the supplementary table of claims was filed within the legal deadline.

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

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

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

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

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

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

In the RAAN bankruptcy case file registered under no. **9089/101/2013**, NPG CO. Transelectrica SA was registered in the creditors' table with the following claims: 2,162,138.86 RON + 16,951,117.14 RON.

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

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

Based on the Agreement, the Company's receivables from CET Govora SA were compensated with the Company's debts to CET Govora SA, consisting of the cogeneration bonus for the period May 2014 – October 2015, withheld pursuant to the provisions of Article 17 paragraph 5 of the ANRE President's Order No. 116/2013 and the provisions of the Agreement, in the amount of 40,507,669.

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

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

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

Under these conditions, the Company applies the provisions of Article 17 paragraph 5 of ANRE Order No. 116/2013 for reciprocal liabilities and receivables arising after the initiation of insolvency proceedings, by withholding the bonus owed to CET Govora SA up to the amount of the unpaid sums under the support scheme. Transelectrica was registered in the preliminary and final table with a total receivable of 28,200,440.31, of which the amount of 25,557,189.98 relates to the support scheme. This claim, in the amount of RON 21,962,243.71, representing principal debt and penalties related to invoice no. 8116/08.04.2016, was registered under the suspensive condition of a final judgment in favor of ANRE in case file no. 2428/2/2014 on the docket of the Bucharest Court of Appeal, seeking the annulment of ANRE Decision no. 738/28.03.2014.

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

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- Confirms the reorganization plan of the debtor SC CET Govora SA, proposed by the judicial administrator EURO INSOL SPRL, submitted to the case file on 25 May 2018 and published in the Insolvency Proceedings Bulletin No. 11924 of 13 June 2018.
- Dismisses the objections filed by creditors Complexul Energetic Oltenia SA, SNTFM CFR Marfă SA, Solek Project Delta SRL, Solek Project Omega SRL, Clean Energy Alternativ SRL, and Solar Electric Curtișoara SRL.
- Sets a trial date for the continuation of the procedure on 8 October 2018.

With right of appeal within 7 days from the communication, effected through the Insolvency Proceedings Bulletin. Pronounced in public session on 18 July 2018. Document: Judgment: 1196/18.07.2018.

By Decision No. 766/03.12.2018, the Pitești Court of Appeal annulled the amount of 28,013,984.83 – representing the obligation registered by the Company in the Creditors' Table (Case file No. 1396/90/2016).

Under these circumstances, the Company included the amount of 22,188,224.16 related to the support scheme under “various debtors,” in a distinct analytical account – ANRE, with impact on the net position of the support scheme.

The amount of 22,188,224.16 represents the receivable from CET Govora related to the support scheme (initially amounting to 25,557,190), adjusted with the bonus withheld by the Company pursuant to Article 17(5) of the ANRE President's Order No. 116/2013, in the amount of 3,368,966.

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

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

### Other receivables

As at March 31, 2025, other receivables amounting to **196,893,305** include principally:

- sundry debtors (**135,796,124**), of which:
  - late payment penalties calculated for defaulting customers, totalling 80,869,917 (of which 25,853,770 are penalties related to the support scheme). The highest late payment penalties were recorded by customers: Romelectro (24,464,342), RAAN (16,901,449), Electromontaj SA (12,209,682), CET Govora (9,606,504), OPCOM (4,300,629), Total Electric Oltenia (3,288,967), Multiservice G&G SRL (2,162,468), Petprod (1,894,232), ISPE Proiectare și Consultanță (1,079,342), Electrogrup (602,178). Impairment adjustments were recognised for penalties calculated for late payment of receivables from operating activities;
  - compensation due from suppliers for non-delivery of electricity: Arelco Power (987,555), Enol Grup (2,541,312) and Next Energy Partners (8,395,132). Impairment adjustments have been recognised for compensation due from suppliers from operating activities;
  - the receivable to be recovered from OPCOM representing the VAT related to the contribution in kind to the capital of the subsidiary in the amount of 4,517,460.
- amounts received as a subsidy (**36,617,341**), related to ETG connection contracts;
- Deferred charges totalling **13,710,857** represented mainly by: internal and international subscriptions (7,974,110), taxes and duties (3,221,044), insurance policies (1,521,779), rent and maintenance of office building (746,535), subscriptions (75,583), OPCOM tariffs (50,085), miscellaneous services (34,076), other charges (30,042) and others;
- other social liabilities in the amount of **3,763,475** representing sick leave paid by the employer to employees and to be recovered from the National Health Insurance Fund, in accordance with the legislation in force.

### Advances to suppliers

As at March 31, 2025, advances paid to suppliers are represented by debtor suppliers for services rendered in the amount of **402,535,341** and mainly represent amounts from transactions related to the price coupling mechanism (ICP - *Interim Coupling Project*, SIDC - *Single Intraday Coupling*, SDAC - *Single Day-ahead Coupling* and IDA - *"IntraDay Auction"*) (MAVIR - 324,005,385, IBEX - 66,266,554 and JAO - 12,131,957).

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

Under the day-ahead price coupling mechanism, the power exchanges, on the basis of auctions, match day-ahead electricity transactions taking into account the interconnection capacity made available by the TSOs through which the implicit allocation of

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the day-ahead capacity is realised. NPG CO. Transelectrica SA, as an OTS, transfers electricity, both physically and commercially, to neighbours (MAVIR-Hungary) and manages congestion revenues on the respective interconnection (art. 139 of ANRE Order no. 82/2014), and in relation to OPCOM SA and Bursa Română de Mărfuri SA - BRM SA (as of November 2024) it has the quality of Implicit Participant in the Day-Ahead Market.

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

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

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

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

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

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

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

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

### ***VAT to be recovered***

VAT to be recovered (243,020,946) - amount related to the VAT returns for the period December 2024 - March 2025. As at the date of this report, the Company has collected 66,995,013 from the State, representing value added tax claimed for refund for the month of December 2024.

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

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

The highest impairment adjustments at March 31, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30,020,058), CET Govora (24,645,019), Romelectro (24,468,153), Arelco Power (14,513,236), Total Electric Oltenia SA (14,185,577), Romenergy Industry (13,512,997), Elsaco Energy (9,276,118), OPCOM (8,818,089), RAAN (8,516,707), Next Energy Partners (8,395,132).

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

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

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
1. Current accounts with banks and deposits with original maturities up to 90 days, of which:	820,950,790	671,481,765
<i>a) current accounts with banks and deposits with original maturities of up to 90 days from current activity</i>	<i>256,335,264</i>	<i>164,871,298</i>
<i>b) current accounts with banks and deposits with original maturities of up to 90 days, of which:</i>	<i>564,615,526</i>	<i>506,610,467</i>
- cash and deposits from high-efficiency cogeneration	228,977,705	300,321,261
- cash and deposits from revenues from the allocation of interconnection capacities used for network investments	3,907,270	3,902,857
- cash from the connection fee	167,237,493	88,098,871
- European funds	54,417	54,384
- other restricted accounts (energy market guarantees and dividends)	159,645,567	109,416,549
2. Cash account	<b>85,845</b>	<b>76,086</b>
3. Other cash equivalents	<b>97,049</b>	<b>-</b>
<b>Total</b>	<b><u>821,133,684</u></b>	<b><u>671,557,851</u></b>

**7. Equity capital**

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

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

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

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

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

On March 31, 2025, the shareholders of NPG CO. Transelectrica SA are: the Romanian State represented by the General Secretariat of the Government which holds 43,020,309 shares (58,69%), the privately managed pension fund NN with 4,007,688 shares (5,47%), PAVAL HOLDING with 4,753,567 shares (6,49%), other shareholders Legal Entities with 16,585,131 shares (22,63%) and other shareholders Individuals with 4,936,447 shares (6,72%).

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

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

Shareholder	March 31, 2025		December 31, 2024	
	Number of shares	% of share capital	Number of shares	% of share capital
The Romanian State through SGG	43,020,309	58.69%	43,020,309	58.69%
Other legal entity shareholders	16,585,131	22.63%	16,442,683	22.43%
PAVAL HOLDING	4,753,567	6.49%	4,753,567	6.49%
Privately managed pension fund NN	4,007,688	5.47%	4,007,688	5.47%
Other individual shareholders	4,936,447	6.72%	5,078,895	6.92%
<b>Total</b>	<b>73,303,142</b>	<b>100.00%</b>	<b>73,303,142</b>	<b>100.00%</b>

The increase in shareholders' equity as at March 31, 2025 compared to December 31, 2024 was mainly due to the recognition in retained earnings of the net profit of 157,553,914 realised as at March 31, 2025.

**8. Deferred revenues**

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

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

	March 31, 2025	Of which: short-term portion at March 31, 2025	December 31, 2024	Of which: short-term portion at December 31, 2024
Deferred revenue - allocation of interconnection capacity	11,130,513	11,130,513	6,728,118	6,728,118
Deferred revenue - European funds	2,715,292	2,715,292	3,334,602	3,334,602
Funds from the connection fee	387,595,233	7,148,695	296,793,165	7,154,699
European Funds	225,049,324	4,965,316	232,179,802	2,298,734
Other subsidies	20,391,995	33,852	20,547,315	2,695,748
<b>Total</b>	<b>646,882,357</b>	<b>25,993,669</b>	<b>559,583,002</b>	<b>22,211,901</b>

Developments in **short-term revenue advances** from January to March 2025 are as follows:

	March 31, 2025	December 31, 2024
<b>Balance at beginning of period</b>	<b>22,211,901</b>	<b>16,137,336</b>
Interconnection capacity upfront payments	33,389,526	93,714,147
European funding	-	2,584,899
Transfer from long-term revenue advances	(1,317)	(2,094,976)
Revenues from the use of interconnection capacity	(28,987,131)	(88,040,170)
Revenues from EU funds	(619,310)	(89,335)
<b>Total</b>	<b>25,993,669</b>	<b>22,211,901</b>



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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
<b>Balance at beginning of period</b>	<b>537,371,101</b>	<b>519,083,803</b>
Subsidised connection	(92,607,294)	47,520,391
Non-reimbursable funds	(5,723,103)	43,189,235
Non-reimbursable funds to be repaid	-	-
Transfer to short-term revenues advances	178,480,063	(85,943,609)
Subsidies back to revenue	3,367,921	13,521,281
<b>Total</b>	<b>620,888,688</b>	<b>537,371,101</b>

**9. Borrowings**• *Long-term borrowings*

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

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

	<b>Currency</b>	<b>Interest rate</b>	<b>Accounting value</b>	<b>Due date</b>
<b>Balance at 1 January 2025</b>			<b>31,902,971</b>	
<b>New drawings</b>			-	
<b>Reimbursements, of which:</b>			<b>(5,990,232)</b>	
EIB 25709	EUR	3,596%	(5,990,232)	10-Sep-2025
EIB 25710	EUR	3,856%+2,847%	-	11-Apr-2028
<b>Exchange rate differences at the date of reimbursement</b>			<b>18,519</b>	
<b>Balance at March 31, 2024</b>			<b>25,931,258</b>	

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

<b>Description</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>
EIB 25709	5,990,954	11,974,686
EIB 25710	19,940,304	19,928,285
<b>Total long-term borrowings from credit institutions, of which:</b>	<b>25,931,258</b>	<b>31,902,971</b>
<b>Current portion of long-term borrowings</b>	<b>(18,008,311)</b>	<b>(23,984,799)</b>
<b>Total long-term borrowings net of current instalments</b>	<b>7,922,947</b>	<b>7,918,172</b>

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Between 1 and 2 years	6,487,246	6,483,336
Between 2 and 5 years	1,435,701	1,434,836
Over 5 years	-	-
<b>Total</b>	<b>7,922,947</b>	<b>7,918,172</b>

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The Company has not hedged its foreign currency obligations or interest rate risk exposures.  
All long-term borrowings outstanding at March 31, 2025 bear fixed interest.

• *Short-term borrowings*

Short-term borrowings are detailed as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Current portion of long-term borrowings	18,008,311	23,984,799
Short-term bank loan	-	-
Interest on long-term and short-term borrowings	363,780	302,501
<b>Total short-term borrowings</b>	<b>18,372,091</b>	<b>24,287,300</b>

• *Borrowing for current activity*

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

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

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

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

The credit line is secured by:

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

At March 31, 2025 the credit line is not drawn down.

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

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

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

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

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

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

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

The credit line is secured by:

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

On March 31, 2025 the credit line is closed.

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*(All amounts are expressed in LEI, unless otherwise provided)***10. Trade and other payables**a) As at March 31, 2025 and December 31, 2024, **trade and other payables** are as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Suppliers energy market	1,656,998,680	2,253,148,039
Suppliers of fixed assets	105,953,760	158,164,085
Suppliers other activities	65,641,215	77,353,875
Amounts owed to employees	13,765,881	12,833,281
Other liabilities	1,013,126,819	1,372,229,270
<b>Total</b>	<b>2,855,486,355</b>	<b>3,873,728,550</b>

As at March 31, 2025 and December 31, 2024, the outstanding energy market liabilities amounting to 1,656,998,680 and 2,253,148,039, respectively, are structured as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Electricity market suppliers, of which:		
- suppliers - operational activity	989,836,721	1,496,225,168
- suppliers - balancing market	585,345,902	711,976,808
- suppliers - bonus support scheme promoting high-efficiency cogeneration	81,816,057	44,946,063
<b>Total</b>	<b>1,656,998,680</b>	<b>2,253,148,039</b>

The suppliers on the electricity market are mainly represented by MAVIR, IBEX, Hidroelectrica SA, OPCOM, S Complexul energetic Oltenia SA, Electrocentrale București, Joint Allocation Office, CIGA Energy SA, Bursa Română de Mărfuri, Nova Power&Gas. On March 31, 2025, their share in total energy suppliers is 68.71%.

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

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

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

As at March 31, 2025, there are payment obligations to suppliers (producers) in the amount of 35,160,064, respectively, 3,539,953 to CET Govora SA (monthly cogeneration bonus and pre-overcompensation for 2015) and 31,791,098 to Electrocentrale București SA (pre-overcompensation for 2024). The amounts representing the Company's liabilities related to the support scheme to CET Govora were withheld for payment on the basis of art. 17 para. 5 of ANRE President's Order no. 116/2013, since the supplier (producer) has payment obligations towards the Company under the bonus support scheme.

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

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

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

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2016) and provided for the Company's right to calculate and collect penalties during the payment instalment period.

On the basis of the Agreement, the Company's receivables from CET Govora SA were offset against the debts to CET Govora SA, represented by the cogeneration bonus for the period May 2014 - October 2015 withheld by applying the provisions of Article 17 paragraph 5 of the Order of the President of ANRE no. 116/2013 and the provisions of the Agreement, in the amount of 40,507,669.

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

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

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

Amounts owed to **"suppliers other activities"** mainly consist of amounts owed for services rendered by third parties not yet due, which have decreased since December 31, 2024.

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

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

	March 31, 2025	December 31, 2024
Various creditors	278,203,682	385,402,830
Customers - Creditors	532,250,707	834,707,577
Dividends payable	130,530	133,613
Payables - Short-term building leases	4,428,875	6,607,203
Liabilities - Long-term building leases	-	-
Other short-term liabilities	192,500,046	139,765,068
Other long-term liabilities	5,612,979	5,612,979
<b>Total</b>	<b>1,013,126,819</b>	<b>1,372,229,270</b>

- "Sundry creditors", amounting to **278,203,682** as at March 31, 2025, mainly represent:
  - the net position of the support scheme for high efficiency cogeneration, liability position, in the amount of 254,548,228.  
The net position of the support scheme is the difference between:
    - ✓ the amount of the contribution to be collected from the suppliers of electricity consumers, the amount of overcompensation for high-efficiency cogeneration of electricity and heat production, the undue bonus to be collected from producers, in accordance with ANRE decisions, and
    - ✓ the amount of the CHP bonus, the pre-compensation and the unallocated bonus to be paid to the high-efficiency cogeneration producers, beneficiaries of the support scheme, on the other hand;
  - 15,306,163 solution study contracts for connection to the ETG;
  - 4,937,380 OTC caused by additional transits of energy in the networks of concessionary distribution operators at the voltage level of 110 kV, for the share allocated to producers owning power plants with installed capacity exceeding 5MW connected to the respective distribution networks;
  - 1,979,980 royalty Q1 2025 and others.

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- "Creditor customers" as at March 31, 2025 amount to **532,250,707**, of which 529,132,762 represent amounts received in advance under transactions related to price coupling mechanisms, ICP (Interim Coupling Project), SIDC (Single Intraday Coupling), SDAC (Single Day-ahead Coupling), FBMC (Flow Based Market Coupling) and IDA (Intra Day Auction), from: BRM (296,256,236), IBEX (147,117,009), MAVIR (51,342,542), JAO (3,538,524) and OPCOM (30,878,451).
- At March 31, 2025, dividends due to shareholders of the Company and unpaid amount to **130,530**. These amounts are available to shareholders through the paying agent.
- At March 31, 2025, the **liability for tangible assets related to rights of use of leased assets - buildings**, in accordance with IFRS 16 - Leases, amounts to 4,428,875, of which:
  - short-term liabilities: 4,428,875
  - long-term liabilities: 0
- "Other short-term payables", in the amount of **192,500,046**, are mainly represented by guarantees of good payment of electricity market contracts concluded by NPG CO. Transelectrica SA in the amount of 161,360,211, VAT not chargeable during the reporting period in the amount of 30,848,143 and others.
- "Other long-term payables", amounting to **5,612,979**, represents the estimated global minimum tax liability relating to the Group, as a result of the application of the provisions of *Law 431/2023 on the provision of a global minimum level of taxation for multinational groups of companies and large national groups*.

**b) Provisions**

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Provisions for litigation	23,860,499	23,950,036
Provisions for mandate contracts	8,448,033	8,600,444
Other provisions	39,094	44,967
<b>TOTAL</b>	<b>32,347,626</b>	<b>32,595,447</b>

The provisions for litigation outstanding at March 31, 2025, amounting to 23,860,499, are mainly represented by provisions set aside for the following litigation:

- *File no. 36755/3/2018 - Claimant Conaid Company SRL (17,216,093)* - more details on this case are set out in Note 19 - Litigation and Contingencies.
- *File No 15561/3/2022 - Claimant SMART SA (4,467,108)* - more details on this file are given in Note 19 - Litigation and Contingencies.
- *File no. 3083/3/202020 - Claimant NUCLEARELECTRICA SA (1,472,785)*

On 26.06.2020, Nuclearelectrica filed a lawsuit against the Company seeking payment of the amount of RON 1,290,533 representing a negative imbalance and RON 182,251 as legal interest.

After several trial dates during which the case was postponed (26.06.2020, 16.10.2020, 11.12.2020) for various reasons, at the trial date of 22.12.2020, the Court ordered the Company to pay the claimant the amount of RON 1,290,533.156 as compensatory damages, to update this amount with the inflation rate from 27.09.2018 until the actual payment date, to pay the amount of RON 182,251.94 representing penal legal interest calculated from 27.09.2018 to 31.01.2020, as well as to continue paying the penal legal interest calculated from 01.02.2020 until the actual payment date. It also ordered the defendant to pay the claimant the amount of RON 23,441.66 as legal costs, consisting of court stamp duty. It rejected the defendant's request regarding the reimbursement of legal costs as unfounded. With right of appeal within 30 days from communication. (Judgment No. 2698/2020 dated 22.12.2020).

NPG CO. Transelectrica SA filed an appeal. In the hearing held on 25.11.2021, the Bucharest Court of Appeal admitted the appeal. It partially changed the appealed civil judgment, in the sense that: it rejected the statement of claim as unfounded. It upheld the first-instance court's decision to reject as unfounded the defendant's request for legal costs. It ordered the respondent-claimant to pay the appellant-defendant the amount of RON 20,591.66 as legal costs on appeal. With right of second appeal within 30 days from communication; the second appeal is to be submitted to the Bucharest Court of Appeal – 6th Civil Division. Pronounced by making the decision available to the parties through the court registry today, 25.11.2021. Document: Judgment No. 1927/2021 dated 25.11.2021.

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

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date: 12.10.2022.

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

"Provisions for agency contracts", amounting to 8,448,033 as at March 31, 2025, represent:

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

"Other provisions" in the amount of 39,094 represent untaken holidays.

**11. Other taxes and social security liabilities**

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Contribution to social security funds	11,681,673	14,303,638
Salary tax	2,118,498	2,861,321
Other payable taxes	1,309,514	1,266,791
<b>Total</b>	<b>15,109,685</b>	<b>18,431,750</b>

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

**12. Income tax**

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

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

	<b>Quarter I 2025</b>	<b>Quarter I 2024</b>
Current income tax	33,018,975	20,970,745
Deferred income tax	(3,001,624)	2,825,737
<b>Total</b>	<b>30,017,351</b>	<b>23,796,482</b>

**13. Operating revenue**

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

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

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Notes to the standalone interim financial statements as at 31 March 2025

(All amounts are expressed in LEI, unless otherwise provided)

	Tariff for the transmission service of feeding electricity into the electricity transmission system (TG)	Tariff for the transmission service for the extraction of electricity from the networks (TL)	Average tariff for transport service	Tariff for system service
Order No 99/20.12.2024 for the period 01 January - March 31, 2025	3.29	33.03	-	-
Order No 57/28.08.2024 for the period 01 January - March 31, 2025	-	-	-	11.51
Order No 116/20.12.2023 for the period 01 January - 31 March 2024	-	-	-	9.17
Order No 109/20.12.2023 for the period 01 January - 31 March 2024	-	-	31.67	-

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

The change in the value of the tariff for the transmission service on the two components of 01 January 2025 was determined by the application of the mechanism for correcting significant deviations from the forecast that was the basis for the approval of the tariff that entered into force on 01 January 2024, in accordance with the provisions of the regulatory framework issued by ANRE.

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

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

Operating revenue realised in Q1 2025 and Q1 2024 is presented as follows:

	<b>Quarter I 2025</b>	<b>Quarter I 2024</b>
Transport service revenue	486,619,839	424,418,944
Revenues from the allocation of interconnection capacity	69,087,011	45,045,196
Revenue from reactive energy	855,704	406,420
Revenue from Inter TSO Compensation (ITC)	8,375,052	4,161,746
OTC transaction revenues	11,121,461	28,567,822
<b>Transport revenue - total</b>	<b>576,059,067</b>	<b>502,600,128</b>
Revenue from system services	157,691,004	123,763,420
Revenue from disaster aid	268,763	3,035,527
<b>Revenue from system services - total</b>	<b>157,959,767</b>	<b>126,798,947</b>
<b>Balancing market revenues</b>	<b>666,595,400</b>	<b>1,332,367,628</b>
Revenue from other benefits and other operating income	9,759,352	19,077,975
Revenue from capitalisation of OTC	924,241	7,369,139
<b>Other revenue - total</b>	<b>10,683,593</b>	<b>26,447,114</b>
<b>Total operating revenue</b>	<b>1,411,297,827</b>	<b>1,988,213,817</b>

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(All amounts are expressed in LEI, unless otherwise provided)

### *Transport service revenues*

Revenues from the transmission service increased in Q1 2025 compared to Q1 2024 by 62,200,895, due to both the increase in the tariff for the transmission service approved by ANRE (see the table on tariffs approved by ANRE for the period analysed, presented above) and the increase in the quantity of electricity delivered to consumers by 2,58%, i.e. by 341,595 MWh.

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

Revenue from interconnection capacity allocation has recorded an increase in Q1 2025 compared to Q1 2024, amounting to 24,041,815, corresponding to the level of utilisation of available interconnection capacity by the electricity market traders.

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

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

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

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

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

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

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

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

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

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

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

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

Thus, in the first quarter of 2025, the revenue recorded under the ITC mechanism has recorded an increase of 4,213,306 compared to the first quarter of 2024.



*OTC transaction revenue*

Energy trading revenues for OTC were mainly derived from the sale of surplus energy at a positive price and the purchase of deficit energy at a negative price, resulting from the difference between the long and medium term forecast and the short term forecast (per settlement interval) on the Intra-day Market administered by OPCOM and the difference between the forecast OTC and the actual realised OTC (per settlement interval) on the Balancing Market, respectively. These revenues were lower in Q1 2025 compared to Q1 2024 by 17,446,361.

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

*Revenue from system services*

Revenues from system services recorded an increase in Q1 2025 compared to Q1 2024 in the amount of 33,927,584, determined both by the increase in the tariff approved by ANRE for these services (see the table on tariffs approved by ANRE for the period analysed, presented above), and by the increase in the quantity of electricity delivered to consumers by 2,58%, i.e. by 341,595 MWh.

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

*Revenue from disaster aid*

In the first quarter of 2025 268,763 in emergency aid was granted to Serbia (March), due to the accidental shutdown of groups in that country.

*Balancing market revenues*

The revenue realised on the balancing market decreased in Q1 2025 compared to Q1 2024 by 665,772,228, mainly due to the following:

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

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

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

Accordingly, as on March 31, 2024, the Company has recognised OTC capitalisation revenue of 924,241 representing additional OTC calculated as the difference between the net OTC acquisition cost and the OTC cost included in the regulatory tariff for the period 01 January to March 31, 2025.

**14. System operation and balancing market expenses**

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

	<b>Quarter I 2025</b>	<b>Quarter I 2024</b>
Expenses on own technological consumption	158,316,534	142,894,599
Expenses on electricity consumption in ETG stations	12,610,600	14,240,028
Inter TSO Compensation (ITC) expenses	18,166,737	11,614,531
<b>Total operational expenditure</b>	<b>189,093,871</b>	<b>168,749,158</b>
 <b>Expenses on system services</b>	 <b>100,295,822</b>	 <b>105,370,579</b>
<b>Balancing market expenses</b>	<b>666,721,288</b>	<b>1,332,346,922</b>
<b>Total</b>	<b>956,110,981</b>	<b>1,606,466,659</b>

*Expenses on own technological consumption*

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

Technological own consumption expenses were higher by 15,421,935 in Q1 2025 compared to Q1 2024, given a number of factors, as follows:

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

*Expenses on electricity consumption in ETG stations*

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

These expenses decreased by 1,629,428 in Q1 2025 compared to Q1 2024.

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

TCI expenses are the monthly payment obligations/collection fees for each transmission system operator (TSO). They are established under the mechanism of compensation/dispensation of the effects of the use of the transmission electricity network (ETG) for electricity transits between TSOs of the countries that have joined this mechanism under ENTSO-E. In Q1 2025, these expenses were higher by 6,552,206 compared to the same period of the previous year.

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

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

System service expenses / balancing capacity expenses have decreased in Q1 2025 compared to Q1 2024 in the amount of 5,074,757.

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

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

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

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

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

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

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

### *Balancing market expenses*

The balancing market expenses realised in Q1 2025, amounting to 666,721,288, were lower by 665,625,634 in Q1 2025 compared to Q1 2024. These expenses result from the notifications/realisations of the participants on this market and are significantly influenced by the evolution of electricity production and consumption at national level, the European context of the evolution of the electricity market and the way of contracting on the markets prior to the balancing market.

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**15. Depreciation**

	Quarter I 2025	Quarter I 2024
Depreciation and amortisation of tangible and intangible assets	69,502,989	65,425,620
Depreciation of intangible assets - additional OTC	22,714,098	17,613,102
Depreciation of assets related to rights of use of leased assets	1,988,060	1,988,060
<b>Total</b>	<b>94,205,147</b>	<b>85,026,782</b>

*Depreciation expense on tangible and intangible assets* in the amount of 69,502,989 represents the depreciation recorded in the first quarter of 2025, calculated at the revalued amount of the assets at December 31, 2024, correlated with the commissioning of investment works and the acceptance of the assets.

*Expenses with the amortisation of intangible assets - additional OTC* in the amount of 22,714,098 were recorded in accordance with the provisions of OMF no. 3900/2022 on the approval of accounting specifications in application of the provisions of Article III of GEO no. 119/2022 for the amendment and completion of *GEO no. 27/2022 on the measures applicable to end customers in the electricity and natural gas market in the period from 1 April 2022 to 31 March 2023, as well as for the amendment and completion of some normative acts in the energy sector.*

According to Article III of GEO no. 119/2022 approved by Law no. 357/13.12.2022 with subsequent amendments and additions, for licensed economic operators, providers of electricity transmission services, the additional costs of electricity purchase incurred in the period from January 1, 2022 to March 31, 2025, in order to cover their own technological consumption, compared to the costs included in the regulated tariffs, are capitalised on a quarterly basis, and the assets resulting from the capitalisation are depreciated over a period of 5 years from the date of capitalisation.

*Intangible asset amortisation expense recognised under IFRS 16* in the amount of 1,988,060 (the Company partly operates in leased office premises). In accordance with *IFRS 16 - Leases*, the right to use the premises leased by the Company in the Platinum office building at 2-4 Olteni Street, Platinum Platinum, is recognised as an asset measured at the level of the rent payable until the end of the lease contract. The asset recognised in accordance with IFRS 16 is depreciated at the level of the monthly rent and is recorded under the "depreciation of tangible and intangible assets" indicator.

**16. Personnel expenses**

	Quarter I 2025	Quarter I 2024
Salary expenses	83,172,171	77,590,703
Social expenses	477,700	435,541
Expenses on tickets granted to employees	4,189,480	4,413,640
Expenses for mandate contracts and other committees, commissions	1,418,433	1,109,125
Social security and protection expenses	7,386,240	6,038,828
Provisions constituted for salary expenses and assimilated	(158,284)	(2,091,608)
Other expenses	-	88
<b>Total</b>	<b>96,485,740</b>	<b>87,496,317</b>

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

**17. Other operating expenses**

	Quarter I 2025	Quarter I 2024
Other expenses with services executed by third parties	32,454,988	30,261,636
Postal expenses and telecommunication fees	236,834	240,675
Royalties and rents	2,076,541	1,779,623
(Net) operating expenses related to impairment adjustments on current assets	(121,405)	(209,444)

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	Quarter I 2025	Quarter I 2024
Other expenses, of which:	15,978,162	24,613,079
- losses on receivables and debtors	1,668,980	2,659,863
- (net) expenses on provisions for other charges	(93,782)	(8,890)
- compensation expenses on the basis of mandate contracts / OATs acc. to court decision	136,239	1,485,486
- expenses on taxes, duties and similar charges (ANRE tax, natural monopoly tax, other local taxes)	4,760,945	4,385,585
- expenses on goods	1,601,230	3,413,061
- expenses on international subscriptions	1,988,405	1,883,841
- internal and external travelling expenses	1,404,325	1,732,041
- expenses on administrative consumption	755,618	1,449,903
- sponsorship expenses	638,214	1,456,100
- other operating expenses	3,117,988	6,156,089
<b>Total</b>	<b>50,625,120</b>	<b>56,685,569</b>

In the first quarter of 2025, these expenses decreased by 6,060,449 compared to the first quarter of 2024, mainly due to the variation in certain expense items, as follows:

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

**18. Net financial result**

	Quarter I 2025	Quarter I 2024
Interest revenue	2,236,863	1,142,944
Foreign exchange revenues	750,714	997,817
Other financial revenues	45,308	40,946
<b>Total financial revenues</b>	<b>3,032,885</b>	<b>2,181,707</b>
Interest expenses	(531,622)	(830,231)
Expenses from exchange rate differences	(1,468,405)	(1,432,746)
Other financial charges	-	-
<b>Total financial expenditure</b>	<b>(2,000,027)</b>	<b>(2,262,977)</b>
<b>Net financial result</b>	<b>1,032,858</b>	<b>(81,270)</b>

As at March 31, 2025, the Company recorded a net financial result (profit) amounting to 1,032,858, mainly influenced by the increase in interest revenue received during the period under review

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

At March 31, 2025, totalling 531,622 (interest expense), the amount of 255,113 represents the interest calculated on fixed assets related to the rights of use of leased assets - buildings, in accordance with IFRS 16 - Leases.

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

Currency	31.03.2025	31.03.2024
Lei / Euro	4.9771	4.9695

## **19. Disputes and contingencies**

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

Based on the information available, the Company's management believes that, as of the date of these financial statements, there are no material litigations pending in which the Company is a defendant, except for the following:

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

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

On 09.03.2015, the Mehedinți Tribunal confirmed the reorganization plan of the debtor Autonomous Authority for Nuclear Activities (Regia Autonomă pentru Activități Nucleare), proposed by the judicial administrator Tudor & Asociații SPRL and approved by the General Meeting of Creditors according to the minutes dated 28.02.2014.

On 14.06.2016, the opening of the bankruptcy proceedings against RAAN was ordered.

NPG CO. Transelectrica SA filed a challenge to the supplementary creditors' table, which was the subject of case file no. 9089/101/2013/a152, against the debtor RAAN, since the judicial liquidator did not register a claim in the amount of RON 78,096,209, on the grounds that "it does not appear as owed in the accounting records of RAAN." Moreover, the judicial liquidator considered that the request to register the amount of RON 78,096,209 in the table was submitted late, as it relates to the period 2011–2013, and thus the claim declaration should have been filed at the time of opening the insolvency proceedings, i.e., on 18.09.2013. A challenge to the supplementary creditors' table was filed within the legal deadline, and the Mehedinți Tribunal admitted the evidentiary request for an accounting expert report. By Civil Judgment no. 163/20.06.2019, the Mehedinți Tribunal ruled as follows: Upholds the statute of limitations defense. Partially admits the main action as well as the related challenge. Orders the defendant to pay the claimant the amount of RON 16,950,117.14, representing a claim arising during the proceedings, and orders its registration in the creditors' table constituted against the debtor RAAN with this amount. Rejects the remaining related claims. Pursuant to Article 453 paragraph 2 of the Civil Procedure Code, orders the defendant to pay the claimant RON 1,000 in legal costs. With right of appeal. Pronounced in public hearing. Document: Civil Judgment no. 163/20.06.2019.

Transelectrica filed an appeal within the legal deadline. At the hearing on 06.11.2019, the Craiova Court of Appeal dismissed the appeal of Transelectrica as unfounded. Final judgment. Civil Decision no. 846/06.11.2019.

In the RAAN bankruptcy case file registered under no. **9089/101/2013**, NPG CO. Transelectrica SA was registered on the docket with the following claims: RON 2,162,138.86 + RON 16,951,117.14.

Date for continuation of proceedings for claim collection, asset liquidation, and performance of other winding-up operations: 03.10.2024.

At the hearing on 03.10.2024, the court granted a new date for 23.01.2025, and at the hearing on 23.01.2025, a new date was set for 26.03.2025 for the continuation of the proceedings, namely for the collection of claims, liquidation of assets, and completion of other winding-up operations. At the hearing on 26.03.2025, the case was adjourned to **11.06.2025** for the continuation of the bankruptcy proceedings, i.e., for the collection of claims, liquidation of assets, and performance of other winding-up operations.

Additionally, between RAAN and Transelectrica there are two more case files at various stages of adjudication, as follows:

**a)** Case file no. **28460/3/2017** – Bucharest Tribunal – 6th Civil Division. Case subject: ordering the undersigned to pay the total amount of RON 12,346,063.10.

Summary solution of the Bucharest Tribunal: Dismisses the statement of claim filed by the claimant Autonomous Authority for Nuclear Activities (Regia Autonomă pentru Activități Nucleare) against the defendant National Power Transmission Company Transelectrica SA, as unfounded. Dismisses as unfounded the parties' requests for legal costs. With right of appeal within 30 days from communication. The appeal is to be lodged at the Bucharest Tribunal – 6th Civil Division. Document: Civil Judgment no. 777/24.06.2020.

RAAN filed an appeal, which was heard on 27.09.2021. The solution of the Bucharest Court of Appeal: Admits the appeal. Changes the appealed judgment as follows: Admits the statement of claim. Orders the defendant to pay the claimant the amount of RON 12,346,063.10, representing principal debt and penalties. With right of second appeal within 30 days from communication, to be lodged at the Bucharest Court of Appeal – 6th Civil Division. Pronounced by making the solution available to the parties through the court clerk's office, today, 20.05.2024. Document: Civil Decision no. 806/20.05.2024.

NPG CO. Transelectrica SA filed a second appeal which is pending without a set hearing date.

**b)** Case file no. **3694/3/2016** – Bucharest Tribunal – 6th Civil Division.

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By the statement of claim, the claimant R.A.A.N. requested that the undersigned be ordered to pay the total amount of RON 15,698,721.80. By the statement of defense, NPG CO. Transelectrica SA requested the court to dismiss the head of claim concerning late payment penalties and to acknowledge the legal set-off of mutual debts and their extinguishment up to the amount of the smaller sum, namely the total amount of RON 12,727,101.99, representing the equivalent value of the bonus for high-efficiency cogenerated electricity delivered to the National Energy System for the period March–September 2015, and the adjustment for overcompensation for the period 01.01.2014 – 31.12.2014, as requested by the claimant in the statement of claim.

At the hearing on 11.06.2020, the Bucharest Tribunal's summary solution: dismisses the statement of claim as unfounded. With right of appeal within 30 days from communication. Document: Civil Judgment no. 630/11.06.2020.

RAAN filed an appeal, which was admitted by the Bucharest Court of Appeal.

The solution of the Court of Appeal: Admits the appeal. Fully changes the appealed judgment, as follows: Admits the statement of claim. Orders the defendant to pay the claimant the amount of RON 12,727,101.99, representing the equivalent of the bonus and the adjustment for overcompensation for which the following invoices were issued: series SRTF no. 1500031 of 24.04.2015, series SRTF no. 1500033 of 22.05.2015, series SRTF no. 1500036 of 22.06.2015, series SRTF no. 1521311 of 23.07.2015, series SRTF no. 1500041 of 17.08.2015, series SRTF no. 1500045 of 23.09.2015, series SRTF no. 1521339 of 26.10.2015, and series SRTF no. 1521282 of 08.04.2015, as well as the amount of RON 2,917,619.81, representing late payment penalties related to the principal debt, for which invoices series SRTF no. 1500059 of 31.12.2015 and series SRTF no. 1500060 of 31.12.2015 were issued. With right of second appeal within 30 days from communication. The second appeal is to be filed at the Bucharest Court of Appeal – 6th Civil Division. Pronounced today, 03.06.2024, and made available to the parties through the court clerk's office. Document: Civil Judgment no. 898/03.06.2024.

The case is currently in the second appeal phase before the High Court of Cassation and Justice, and a hearing date has not yet been set.

### • COURT OF AUDITORS OF ROMANIA

Following an audit carried out in 2017, the Romanian Court of Audit ordered certain measures to be implemented by the Company as a result of deficiencies identified during this control. The Company filed several challenges against the measures ordered by the Romanian Court of Audit (RCA) through Decision No. 8/27.06.2017, requesting their annulment, as well as the annulment of Ruling No. 77/03.08.2017, registered at the Company's registry under No. 29,117/08.08.2017, and the Audit Report No. 19,211/26.05.2017. The challenges were pending before the Bucharest Court of Appeal, including Case No. 6581/2/2017 regarding the annulment of the findings under point 6 as well as the measure ordered under point II.9. At the hearing on 31.03.2023: According to the minutes of 29.03.2023, Case No. 6581/2/2017 was re-registered in Panel 12 of the 8th Section – Administrative and Fiscal Litigation under No. 6581/2/2017\*.

Summary solution: 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 admitted the claim. It partially annulled Ruling No. 77/03.08.2017 regarding the rejection of point 6 of Challenge No. 26,140/17.07.2017, Decision No. 8/27.06.2017 concerning the findings under point 6 and the measure ordered under point II.9, as well as Audit Report No. 19,211/26.05.2017 regarding the findings under point 3.2. The defendant was ordered to pay the claimant court costs totaling RON 10,450, representing the judicial stamp duty and the court expert's fee. With right to appeal within 15 days from communication. Judgment No. 920/2023 of 26.05.2023.

A hearing date was set for 23.01.2025. At the hearing on 23.01.2025, the High Court of Cassation and Justice (HCCJ) dismissed the appeal filed by the appellant-defendant Romanian Court of Audit against Civil Judgment No. 920 of 26 May 2023 of the Bucharest Court of Appeal – 8th Section for Administrative and Fiscal Litigation, as unfounded. Final.

Between January–July 2020, the Romanian Court of Audit carried out an audit at all Territorial Transmission Units of NPG CO. Transelectrica, and between 25.05–27.08.2020, the verification activity continued at the Company's executive headquarters. The theme of the RCA's control action was "control of the status, evolution, and management of the public and private patrimony of the state, as well as the legality of the revenues and expenditures for the period 2017–2019" at NPG CO. Transelectrica SA.

After the completion of the audit regarding the management of the public and private patrimony of the state, as well as the legality of revenues and expenditures for the period 2017–2019, completed on 06.10.2020, Control Report No. 40,507/06.10.2020 was issued, and on 09.11.2020, the Romanian Court of Audit, through Department IV, issued Decision No. 15 containing 10 measures, with a deadline for implementation of 31.05.2021, which was extended by the RCA upon the Company's request until 31.12.2021. The Company submitted objections and Challenge No. 50,090/26.11.2020, registered with the Court of Audit under No. 139,775/26.11.2020, requesting the annulment of the measures. As a result of the review and analysis by the RCA auditors of the Challenge submitted by the Company, Ruling No. 2 of 10.03.2021 admitted the annulment of one of the 10 measures imposed. On 02.04.2021, the Company filed an administrative litigation action, registered at the Bucharest Court of Appeal under No. 2153/2/2021.

At the hearing on 10.12.2021, the Bucharest Court of Appeal dismissed the claim filed by the claimant NATIONAL POWER GRID COMPANY Transelectrica SA against the defendant ROMANIAN COURT OF AUDIT as unfounded. The request for

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suspension was also dismissed as unfounded. With right to appeal within 15 days from communication, and with right to appeal within 5 days from communication regarding the request for suspension; the appeal must be lodged at the Bucharest Court of Appeal.

On 24 July 2023, the Company was served the judgment, and on 10.08.2023 it filed an appeal, with a hearing scheduled for 07.03.2024.

At the hearing on 07.03.2024, the High Court of Cassation and Justice dismissed the appeal filed by the claimant NATIONAL POWER GRID COMPANY "Transelectrica" SA against Judgment No. 1889 of 10 December 2021 of the Bucharest Court of Appeal – 9th Section for Administrative and Fiscal Litigation, as unfounded. Final. Delivered on 7 March 2024, by making the decision available to the parties through the court registry.

### • OPCOM

Case no. **22567/3/2019** was registered before the Bucharest Tribunal, concerning "claims," in which the Company is the claimant and the defendant is OPCOM SA.

By the statement of claim, the claimant NPG CO. Transelectrica SA requested the court to order, by the judgment to be delivered:

- the obligation of the defendant OPCOM SA to pay the amount of RON 4,517,460 corresponding to invoice series TEL 16 AAA no. 19533/29.07.2016, representing the equivalent value of the VAT related to the contribution made by NPG CO. Transelectrica SA to the share capital of OPCOM SA, issued on the basis of Loan Agreement no. 7181RO/2003, a commitment to finance the investment project "Electricity Market Project";
- the obligation of the defendant OPCOM SA to pay the amount of RON 1,293,778.27 corresponding to invoices TEL 19 T00 no. 17/28.01.2019 and TEL 19 T00 no. 131/10.07.2019, representing default legal interest calculated for the non-payment on due date of invoice series TEL 16 AAA no. 19533/29.07.2016;
- the obligation of the defendant OPCOM SA to pay the court costs.

At the hearing on 03.12.2021, the Bucharest Tribunal delivered the following summary solution: *"Admits the plea of limitation of the substantive right of action. Dismisses the action as time-barred. With right of appeal within 30 days from communication, to be lodged with the Bucharest Tribunal, 6th Civil Division. Delivered by making the solution available to the parties through the court registry, today, 03.12.2021. Document: Judgment no. 3021/2021, 03.12.2021."*

The Company filed an appeal.

At the hearing on 12.10.2022, the Bucharest Court of Appeal delivered the following summary solution: Dismisses the appeal as unfounded. Orders the appellant to pay the respondent the amount of RON 11,325.21 as court costs. With right to appeal on points of law (recurs) within 30 days from communication. Delivered today, 12 October 2022, by making the solution available to the parties through the court registry. Document: Judgment 1532/12.10.2022.

NPG CO. Transelectrica SA filed an appeal on points of law against Civil Judgment no. 1532/12.10.2022 issued by the Court of Appeal of Bucharest, the case being referred to the High Court of Cassation and Justice, where it was resolved by Judgment no. 1640/19.09.2023 by which the supreme court ruled as follows: *"Admits the main appeal filed by the appellant-claimant National Power Grid Company 'TRANSELECTRICA' S.A. and the incidental appeal filed by the appellant-defendant Operator of the Electricity and Natural Gas Market 'OPCOM' S.A. against Civil Judgment no. 1532 of 12 October 2022, delivered by the Bucharest Court of Appeal – 5th Civil Division, which it quashes and remands the case for retrial to the same court. Final."*

Following the ruling for quashing and retrial by the High Court of Cassation and Justice, the case was forwarded to the Bucharest Court of Appeal for hearing the appeal/retrial on 26.11.2024.

At the hearing on 26.11.2024, the court postponed the pronouncement to 18.02.2025, by making the decision available to the parties through the court registry.

At the hearing on 18.02.2025, the Bucharest Court of Appeal dismissed the appeal as unfounded. Orders the appellant-claimant (NPG CO. Transelectrica SA) to pay the respondent-defendant (OPCOM) the amount of RON 28,777.79 as court costs. With right to appeal on points of law within 30 days from communication, to be lodged with the Bucharest Court of Appeal – 5th Civil Division.

Case no. **24242/3/2021** was pending before the Bucharest Tribunal, in which the claimant is OPCOM SA and the defendant is NPG CO. Transelectrica SA.

This case concerns the annulment of the legal act – contribution in kind, materialized through intangible assets, namely the "Trading Platform – Commercial and Regional Power Exchange," financed from loans contracted by NPG CO. Transelectrica SA from the IBRD, based on Loan Agreement no. 7181RO/17.07.2003, as well as from NPG CO. Transelectrica SA's own resources, carried out under service and deliverables contracts no.: P081406-O-C.78, P081406-O-C.125 and P081406-O-C.300/2005, materialized through the Extraordinary General Meeting of Shareholders Decision no. 6/15.06.2016 and, subsequently, the Ordinary General Meeting of Shareholders Decisions no. 2/25.05.2017 and no. 7/24.05.2018.

At the hearing on 11.04.2022, the court debated the pleas raised by NPG CO. Transelectrica SA in the statement of defense. At the same hearing, the evidence proposed for administration in this case was discussed. The court postponed the hearing of the case to 22.11.2022, for the administration of the financial-accounting expert evidence to be conducted in this case. After several postponements, the next hearing was scheduled for 27.06.2023 due to the absence of the expert report. At the hearing on



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27.06.2023, based on Decision of the General Assembly of Judges of the Bucharest Tribunal no. 4/20.06.2023, the court postponed the case, setting the next hearing for 10.10.2023. The hearing was then postponed to 07.11.2023.

At the hearing on 07.11.2023, the court ruled: Qualifies the inadmissibility plea as a defense on the merits. Dismisses the statement of claim as unfounded. With right to appeal within 30 days from communication for the parties, the appeal to be lodged with the Bucharest Tribunal, 6th Civil Division. Delivered today, 07.11.2023, pursuant to art. 396 para. 2 of the Civil Procedure Code, by making the solution available to the parties at the court registry.

OPCOM filed an appeal, and the hearing was set for 12.09.2024. At the hearing on 12.09.2024, the case was postponed to 24.10.2024, the court ordering OPCOM to pay the outstanding judicial stamp duty corresponding to the value of the contribution in kind.

At the hearing on 24.10.2024, the court took note that OPCOM SA had paid the difference in stamp duty, ordered the administration of evidence proposed by the parties, and deferred the administration of the interrogatory evidence in the responsibility of Transelectrica SA, with the requirement to respond at least 5 days before the scheduled hearing date for this evidence proposed by Opcom, and postponed the hearing to 05.12.2024.

At the hearing on 05.12.2024, the Court of Appeal scheduled the next hearing for 13.02.2025 for document verification and submission of documents. At the hearing on 13.02.2025, pronouncement was postponed to 13.03.2025, the decision to be delivered by making it available to the parties through the court registry.

At the hearing on 13.03.2025, the Court of Appeal dismissed the appeal as unfounded. Orders the claimant (OPCOM) to pay the amount of RON 179,550.57 to the state, representing the judicial stamp duty. With right to appeal on points of law within 30 days from communication, the request for appeal to be lodged with the Bucharest Court of Appeal – 5th Civil Division.

### • CONAID COMPANY SRL

In 2013, Conaid Company SRL sued NPG CO. Transelectrica for its unjustified refusal to sign an addendum to the connection contract or a new connection contract, and claimed damages for expenses incurred up to that point in the amount of RON 17,419,508 and for unrealized profits during the period 2013–2033 in the amount of EUR 722,756,000.

To date, the Company has not concluded an addendum to the connection contract, as the suspensive conditions included in the contract were not fulfilled by Conaid Company SRL. A new connection contract should have been concluded by March 11, 2014, the date on which the technical connection permit expired.

**Case no. 5302/2/2013** was pending before the High Court of Cassation and Justice, Administrative and Fiscal Litigation Division, concerning the obligation to issue an administrative act, procedural stage – appeal, hearing date: 09.12.2015. At this hearing, the High Court of Cassation and Justice admitted, in principle, the appeals and set the hearing on the merits of the appeals for April 8, 2016. Panel 4, with summons of the parties.

The case was postponed to June 17, 2016, when the court deliberated, postponing the ruling to June 29, 2016, when it delivered Decision no. 2148/2016, by which it ordered the following:

“Dismisses the pleas raised by the appellant-claimant Conaid Company S.R.L., through the judicial administrator RVA Insolvency Specialists SPRL, and by the appellant-defendant National Power Grid Company Transelectrica S.A. Admits the appeal filed by the defendant National Power Grid Company Transelectrica S.A. against the court session ruling of February 18, 2014 and Civil Judgment no. 1866 of June 11, 2014, delivered by the Bucharest Court of Appeal – 8th Administrative and Fiscal Litigation Division. Quashes the challenged ruling and judgment in part and remands the case to the Bucharest Tribunal – 6th Civil Division for resolution of the claimant’s action against the National Power Grid Company Transelectrica S.A. Maintains the other provisions of the judgment concerning the claimant’s action against the National Energy Regulatory Authority.

Dismisses the appeals filed by the claimant Conaid Company S.R.L., through the judicial administrator RVA Insolvency Specialists SPRL, and the intervener Duro Felguera S.A. against Civil Judgment no. 1866 of June 11, 2014, delivered by the Bucharest Court of Appeal – 8th Administrative and Fiscal Litigation Division.

Dismisses the appeal filed by the defendant National Power Grid Company Transelectrica S.A. against the court session ruling of March 25, 2014, delivered by the Bucharest Court of Appeal – 8th Administrative and Fiscal Litigation Division. Final. Delivered in public session on June 29, 2016.”

The case was registered before the Bucharest Tribunal – 6th Civil Division under file no. 12107/3/2017. By Civil Judgment no. 4364/23.11.2017, the Tribunal upheld the plea of inadmissibility and dismissed the claim as inadmissible. It also dismissed the motion for intervention in support of the claimant. With right of appeal within 30 days from communication. The appeal was filed at the Bucharest Tribunal – 6th Civil Division and made available to the parties through the court registry on November 23, 2017.

On November 2, 2018, a new claim was filed by Conaid Company SRL before the Bucharest Tribunal – 6th Civil Division, registered under file no. **36755/3/2018**. The claimant requested that the court order Transelectrica SA to “compensate the damage caused to the claimant as a result of the defendant’s culpable non-performance of its obligations, amounting to RON 17,216,093.43, representing the actual damage suffered and the unrealized profit, provisionally estimated at EUR 100,000. Considering the unjustified refusal of Transelectrica SA to sign an addendum to Contract no. C154/27.04.2012, and in the event

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that the court deems that the suspensive conditions were not formally fulfilled by the claimant, such non-performance is solely attributable to Transelectrica SA, which obstructed the fulfillment of those conditions.”

At the hearing of 15.10.2019, the court dismissed as unfounded the pleas of lack of active legal standing and lack of interest. It joined the plea of prescription with the merits. The judgment was to be appealed together with the merits. Delivered by making the solution available to the parties through the court registry.

The next hearing for continuation of trial investigation was set for 26.11.2019, with summoning of the parties.

The case was postponed for the administration of expert evidence and rescheduled for 21.01.2020.

On 21.01.2020, the case was postponed to allow the expert evaluation, with the next hearing set for 31.03.2020.

At the hearing of 31.03.2020, the court issued the following short solution: Suspended by operation of law pursuant to art. 42 para. 6 of Presidential Decree no. 195/2020 regarding the state of emergency on Romanian territory, for the entire duration of the state of emergency.

After several postponements, the next hearing was set for 28.09.2022 for administration of expert evidence.

On 28.09.2022, the case was postponed due to lack of response to the objections, with the next hearing set for 07.12.2022.

On 07.12.2022, again postponed for the same reason, with further hearings set for 22.02.2023 and then 03.05.2023.

On 03.05.2023, the case was postponed to allow parties to review the expert's responses to objections, with the next hearing scheduled for 13.09.2023. A hearing was then scheduled for 06.12.2023.

On 06.12.2023, the Bucharest Tribunal deliberated and postponed pronouncement to 20.12.2023, and then to 03.01.2024, when it ruled:

“Dismisses as unfounded the request to increase the expert fee submitted by expert Chirilă Adelaida Adriana. Admits the plea of limitation of the material right of action raised in the statement of defense. Dismisses the claim as time-barred.”

With right of appeal within 30 days from communication. The appeal must be submitted to the Bucharest Tribunal, 6th Civil Division. Delivered by making the solution available to the parties through the court registry on 03.01.2024.

Conaid Company SRL filed an appeal, with the hearing date set for 27.03.2025.

At the hearing on **27.03.2025**, the court admitted the appeal. It quashed the appealed civil judgment and remanded the case to the first instance for resolution on the merits. With right to appeal on points of law within 30 days from communication. The appeal on points of law must be submitted to the Bucharest Court of Appeal, 6th Civil Division.

### • REȘIȚA MUNICIPALITY

Case file no. **2494/115/2018\*** – **case file no. 2494/115/2018\*\***, registered on the docket of the Caraș-Severin Tribunal, concerns the statement of claim by which the claimant, the Municipality of Reșița, requests that the defendant Transelectrica SA be ordered to pay the amount of 17,038,126.88 RON representing land rents for the years 2015, 2016, 2018, 2019, 2020, 2021, 2022 and 2023, to which shall be added penalty legal interest from the due date until actual payment.

Solution in brief: Admits the plea of lack of territorial jurisdiction of the Caraș-Severin Tribunal. Declines jurisdiction to hear the claim filed by the claimant Municipality of Reșița – through the mayor, against the defendant National Power Grid Company “Transelectrica” SA, in favor of the Bucharest Tribunal. No right of appeal, pursuant to Article 132 paragraph 3 of the Civil Procedure Code. Pronounced in public hearing. Decision 313/11.03.2019.

At the hearing date of 25.10.2019, the plea of lack of territorial jurisdiction of the Bucharest Tribunal is admitted. Declines jurisdiction to hear the case in favor of the Caraș-Severin Tribunal. Finds the occurrence of a negative conflict of jurisdiction between the Bucharest Tribunal and the Caraș-Severin Tribunal. Suspends the case and refers the file to the High Court of Cassation and Justice for the settlement of the negative conflict of jurisdiction. No right of appeal. The decision shall be delivered by making it available to the parties through the court clerk's office. Decision 2376/25.10.2019.

At the hearing date of 16.07.2020, the High Court of Cassation and Justice, by decision no. 1578, established the jurisdiction to resolve the case in favor of the Caraș-Severin Tribunal – Civil Section I.

At the hearing date of 16.11.2020, the court postponed the case and granted time for the study of the documents submitted at this hearing to the case file by the representative of NPG CO. Transelectrica SA, setting a new hearing date for 22.03.2021.

At the hearing date of 22.03.2021, the summary solution is: Suspends the trial of the statement of claim filed by the claimant Municipality of Reșița, through the Mayor, against the defendant National Power Grid Company “Transelectrica” SA, having as object claims, pursuant to Article 413 paragraph (1) point 1 of the Civil Procedure Code. Subject to appeal for the duration of the suspension of the trial, before the hierarchically superior court.

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

At the hearing date of 19.01.2023, the summary solution is: Dismisses the plea of unstamped claim, considering that the defendant does not have the necessary capacity to invoke the method of calculation of the judicial stamp duty. Dismisses the plea of late submission of the amending request to the statement of claim. Defers the discussion on the plea of the positive effect of res judicata until the hearing when the decision of the High Court of Cassation and Justice in case file no. 3154/115/2018\*\* is fully submitted. Defers the ruling on the requests for evidence consisting of the defendant's interrogatory and accounting expertise. Postpones the

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hearing of the case and sets a new hearing date for 02.03.2023.

At the hearing date of 02.03.2023, the summary solution is: suspends the trial of the statement of claim filed by the claimant Municipality of Reșița, against the defendant National Power Grid Company "Transelectrica" SA, having as object claims. Subject to appeal for the entire duration of the suspension of the trial. The court ordered the resumption of the trial and set the hearing date for 16.11.2023. A hearing date was set for 22.02.2024.

At the hearing date of 22.02.2024, the court postponed the hearing of the case to the date of 14.03.2024 and subsequently to the date of 06.06.2024, in order to return case file no. 2494/115/2018\*\*, forwarded on appeal to the Timișoara Court of Appeal, for which the parties are deemed informed pursuant to Article 229 of the Civil Procedure Code, through their conventional representatives.

At the hearing date of 06.06.2024, the court dismisses the request for postponement submitted by the claimant Municipality of Reșița, postpones the hearing of the case due to the absence of the expert report to the date of 27.06.2024, for which the parties are deemed informed pursuant to Article 229 of the Civil Procedure Code, through their conventional representatives.

At the hearing date of 27.06.2024, the court orders that a copy of the hearing notes, found at pages 172-174, submitted by the defendant National Power Grid Company "Transelectrica" SA, be communicated to the expert. Orders that a copy of the clarifications submitted by the claimant Municipality of Reșița in response to the expert's request be communicated to the expert. Postpones the hearing of the case, due to the absence of the expert report, to the date of 19.09.2024, for which the parties are deemed informed pursuant to Article 229 of the Civil Procedure Code, through conventional representatives.

At the hearing date of 19.09.2024, the court grants the claimant's request for postponement of the case and orders that a copy of the expert report be communicated to the claimant. Defers the discussion on the final fee of the expert report after it has been reviewed by both parties. Postpones the hearing of the case, due to the absence of the expert report, to the date of 10.10.2024, for which the parties are deemed informed pursuant to Article 229 of the Civil Procedure Code, through conventional representatives.

On 10.10.2024, the court orders that the claimant and the defendant each pay RON 1,000 as expert fee. Orders the performance of a supplemental expert report with the following scope:

- calculation of penalty legal interest in relation to the amount of 2,129,765.86 RON, representing the annual rent claimed by the claimant, and not to the amounts calculated by the expert as representing rent for temporary occupation of lands from the national forest fund;
- elimination of the calculation of penalty legal interest for the year 2017, considering that it is not the subject of the statement of claim;
- elimination of the calculation of penalty legal interest for the years 2015 and 2016;
- calculation of rent for the period 28.09.2016–30.03.2018 in relation to the amount of 2,129,765.86 RON representing annual rent, and calculation of penalty legal interest in relation to the amount of 2,129,765.86 RON, representing the annual rent claimed by the claimant, and not to the amounts calculated by the expert as representing rent for the removal of lands from the national forest fund.

Orders that a copy of this decision be communicated to the expert. Sets the deadline for the performance of the expertise on the date of 12.12.2024. At the hearing of 12.12.2024, the court grants a new hearing date in order to study the supplemental expert report and to allow the representatives of the parties to submit any objections. Postpones the hearing of the case to the date of 27.02.2025.

At the hearing date of 27.02.2025, the court dismisses the plea of prescription of the right of action regarding the claims consisting of the rent for the year 2015 and the plea of late amendment of the claim, pleas raised by the defendant National Power Grid Company "Transelectrica" S.A. Qualifies the *res judicata* plea as a substantive defense regarding the positive effect of *res judicata*. Dismisses the statement of claim filed by the claimant Municipality of Reșița against the defendant National Power Grid Company "Transelectrica" S.A. With right of appeal within 30 days from communication.

### • SMART SA

File no. **15561/3/2022**, registered with the Bucharest Court of First Instance, has as subject-matter of the application for summons, by which the claimant SMART SA requests that the defendant Transelectrica SA be ordered to pay the amount of 4,467,108 lei, representing the amount of tax liabilities related to the increased revenues due to the increase in the tax base resulting from the adjustment of revenues for the years 2014, 2015 and 2016 + costs.

At the deadline of 23.03.2023, a deadline of 15.06.2023 is set the expert's report to be drawn up.

After several adjournments, due to the absence of the expert's report, the court is set for 17.10.2024.

At the hearing on 17.10.2024, in order to take note of the expert's report, adjourned the case to 23.01.2025.

At the term of 23.01.2025, the court adjourned the case to **15.05.2025** in order to settle the dispute amicably.

### • ANAF

In 2017, the general tax inspection that had started at the headquarters of Transelectrica SA on December 14, 2011, and covered the period from December 2005 to December 2010, was concluded.

The general tax inspection began on December 14, 2011, and ended on June 26, 2017, with the final discussion with Transelectrica SA.

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As a result of the completion of the inspection, ANAF – DGAMC established additional fiscal obligations to be paid by the Company, including corporate income tax and VAT, as well as accessory fiscal obligations (interest/late payment penalties) related to technological system services (STS) invoiced by energy suppliers, which were considered non-deductible after the tax inspection.

According to the Tax Assessment Decision no. F-MC 439/30.06.2017, in the total amount of 99,013,399 lei, ANAF – DGAMC established additional fiscal obligations to be paid by the Company, amounting to 35,105,092 lei, as well as accessory fiscal obligations (interest/late payment penalties), amounting to 63,908,307 lei.

In principle, the ANAF tax inspection report recorded the following additional payment obligations: corporate income tax in the amount of 13,726,800 lei, as well as accessories, owed for a number of missing invoices (which were destroyed in the fire that broke out on the night of June 26-27, 2009, at the business premises in the Millenium Business Center on Armand Călinescu Street no. 2-4, Sector 2, where the Company carried out its activity), documents with special status.

These invoices were the subject of litigation with ANAF, which issued a tax inspection report on September 20, 2011, estimating VAT collected for a number of missing invoices.

The Company contested the Tax Assessment Decision no. F-MC 439/30.06.2017 within the legal term, according to Government Ordinance no. 92/2003 regarding the Fiscal Procedure Code.

ANAF issued the enforcement order no. 13540/22.08.2017, based on which the additional payment obligations established by the Tax Assessment Decision no. F-MC 439/30.06.2017 were enforced.

The Company requested the annulment of the enforcement order no. 13540/22.08.2017 at the Court of Appeal – Case no. 7141/2/2017. Brief solution: Admits the exception of material incompetence of the Court of Appeal Bucharest – SCAF. Declines the material competence for solving the case in favor of the Sector 1 Bucharest Court. No appeal. Pronounced in public session on 08.02.2018. Document: Decision no. 478/2018 from 08.02.2018.

After the declination of competence, the case was registered at the Sector 1 Bucharest Court under case no. **8993/299/2018**, where the Company contested the forced execution based on enforcement order no. 13540/22.08.2017, which is based on Tax Assessment Decision no. F-MC 439/30.06.2017.

Subsequently, after the Company's challenge of the fiscal administrative act, Tax Assessment Decision no. F-MC 439/30.06.2017, ANAF communicated Decision no. 122/13.03.2018 to the Company, rejecting the challenge as unsubstantiated. The decision was received on March 16, 2018, after the filing of the claim, which is the subject of case no. 1802/2/2018.

Brief solution: Admits the request for suspension of the judgment filed by the claimant. Based on art. 413 para. (1) point 1 of the Civil Procedure Code, suspends the judgment until the final resolution of case no. 1802/2/2018, pending at the Court of Appeal Bucharest, Section VIII of Administrative and Fiscal Litigation. With appeal during the entire suspension period, the appeal request must be submitted to the Sector 1 Bucharest Court. Pronounced in public session – Document: Conclusion – Suspension 17.04.2018.

The hearing of the case was resumed, and at the hearing on October 10, 2024, for the communication of the documents submitted to the file by the claimant to the defendant, the case was postponed to November 21, 2024, and further to March 6, 2025, for hearing. On March 6, 2025, the court postponed the decision to April 17, 2025. At the hearing on April 17, 2025, the court postponed the case to **June 19, 2025**, for lack of the expert report.

### • OTHERS

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

The company recognised impairment adjustments for customer and other receivables in dispute and for customers in bankruptcy.

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

### i) Contingencies

At March 31, 2025, **contingent liabilities** amount to RON 55,523,652. These relate to disputes involving claims for additional costs following the increase in the minimum construction wage for investment contracts, of which we list the most significant:

- *File no. 25896/3/2020 - claimant Electromontaj Bucharest (37,033,592)*

Case file no. 2494/115/2018 – The case file concerns claims representing additional costs related to the increase of the minimum wage in the construction sector for the investment contract C229/2015 – *The transition to 400 kV voltage of the "Porțile de Fier" – Reșița – Timișoara – Săcălaz – Arad axis / LEA 400 kV "Porțile de Fier" (Anina) – Reșița.*

Court date: 25.08.2022 – submission of expert report.

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On 25.08.2022, the ruling was postponed until 13.09.2022. On 13.09.2022, the Bucharest Tribunal rejected the defendant's objections to the expert report on accounting expertise as unfounded. It admits the objections raised by the claimant regarding the accounting expert report. An address will be issued to expert Cojocaru Mihaela, instructing her to respond to the objections and submit the answer to the file. Appeal is allowed.

Given the absence of the expert report, the case was postponed to allow the submission of the expert report.

On 16.05.2023, the court postponed the case to 12.09.2023 to allow submission of the expert's response to the objections.

On 12.09.2023, the court postponed the ruling until 26.09.2023 and set a new hearing for 07.11.2023.

After several delays, on 18.01.2024, the Bucharest Tribunal dismissed the action as unfounded. The decision is subject to appeal within 10 days of communication.

Electromontaj SA filed an appeal, and the court set the hearing for 13.09.2024.

On 13.09.2024, the court set a hearing for 08.11.2024 to allow the payment of the judicial stamp duty difference determined for the appellant-claimant. The case was forwarded to the competent panel of the court to resolve the motion for recusal of Panel 11, filed by the appellant-claimant, under Article 50(1) of the Civil Procedure Code.

On 06.12.2024, the Court of Appeal dismissed the appeal as unfounded, rejected the claimant's request regarding the court costs in the appeal, and the decision became final.

The High Court of Cassation and Justice ordered the transfer of the case to the Court of Appeal Craiova and annulled the Bucharest Court of Appeal's decision.

- *File No 30801/3/2021 - Claimant Romelectro (2,271,075)*

The case concerns claims representing additional costs associated with the increase of the minimum wage in the construction sector for investment contract C145/2018 - *Retrofitting of the 110 kV Medgidia Sud substation*.

At the hearing on 20.04.2022, the ruling of TMB is:

"Approves the evidence with an accounting expert report with the following objectives:

-to specify whether Romelectro meets the condition stipulated by Article 66 of OUG 114/2018, i.e., if 80% of Romelectro's turnover in both the year preceding the reference period (2018) and in the reference period (2019) is derived from construction works;

to calculate the cost difference generated by the wage increase for the human resources effectively used by Romelectro in executing the works under Contract C145/2018, for the reference period and the first two months prior, namely:

- a) To specify for each employee (effectively used human resource) whether their gross salary was below or above 3000 lei/month in the months of November and December 2018;
- b) When the wage increase to 3000 lei/month occurred;
- c) What the difference was between the previous wage and the wage imposed by OUG nr. 114/2018;
- d) Whether Romelectro reduced the wages of the human resources used between 01.11.2018 – 31.12.2018;
- e) To specify the actual cumulative cost difference regarding the wages of the human resources used by Romelectro in the execution of the works under Contract C145/2018 for the reference period;

-to determine, based on the analytical estimates, the percentage or amount by which Transelectrica must adjust the price of Contract C145/2018 for labor related to works remaining to be executed as of 01.01.2019, following legislative changes imposed by OUG nr. 114/2018 increasing the minimum wage in the construction sector to 3000 lei/month;

-to determine the delays in execution recorded for the works under Contract C145/2018 due to funding issues faced by Romelectro, as a result of Transelectrica's refusal to pay the adjusted price, and how the execution schedule was influenced by Transelectrica's failure to adjust the price of the Contract due to legislative changes imposed by OUG nr. 114/2018, increasing the minimum wage in the construction sector to 3000 lei/month."

The court sets the hearing date for 29 April 2022 at 09:00, when the parties will be summoned.

At the hearing on 29 April 2022, the case is postponed for the administration of evidence, and the new date is set for 14.10.2022.

After several postponements, at the hearing on 12.01.2024, the ruling in brief is: "Postpones the case to 08.03.2024 to be informed of the content of the expert report."

After further adjournments, at the hearing on 27.05.2024, the short ruling is: "Rejects the request for completion of the expert report, filed by the defendant, COMPANIA NAȚIONALĂ DE TRANSPORT AL ENERGIEI ELECTRICE TRANSELECTRICA SA, as unfounded. Approves the request for revision of the expert report filed by the claimant, ROMELECTRO S.A. Instructs the expert to revise the expert report, taking into account all documents provided by the parties, including subcontracting contracts. Sets the deadline for submitting the revised report for 18 October 2024, when the parties will be summoned. Instructs the expert to submit the expert report at least 10 days before the deadline of 18 October 2024."

At the hearing on 18 October 2024, the case is postponed to 10.01.2025 for lack of expert report.

At the hearing on 10.01.2025, the court sets the date for communication of the expert report for 04.04.2025.

At the hearing on 04.04.2025, the case is postponed to **16.05.2025** to review the objections to the expert report.

- *File no. 8193/3/2022 - complainant Tempus Sev (2,437,253)*

The case concerns claims representing requests under OUG 114/2018 for Contract C80/2018 - *Retrofitting of the 220/110 kV*

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### *Hășdat substation.*

At the hearing on 10 June 2022, the case is postponed to 14.10.2022.

At the hearing on 14.10.2022, the ruling is: "In accordance with Articles 258 and 255 of the Civil Procedure Code, approves evidence with documents for both parties, and for the defendant, approves the use of the interrogatory of the claimant and the accounting expert report. The expert report will have the objectives indicated by the defendant in the defense, to which will be added the additional objectives stated by them in the Note of evidence submitted at the hearing on 14.10.2022, as well as the objectives specified by the claimant in the meeting notes submitted at the same hearing. Orders the claimant to submit the documents requested by the defendant in the Note of evidence from 14.10.2022. Orders the claimant to submit the response to the interrogatory communicated with the defense, signed by the legal representative, under the penalty of the provisions of Article 358 of the Civil Procedure Code. Pronounced today, 21.10.2022, by making the ruling available to the parties through the court registry."

The court sets the hearing date for 05.05.2023.

At the hearing on 05.05.2023, the case is postponed and the new date is set for 15.09.2023 for the administration of evidence with the expert report.

After several postponements, at the hearing on 14.06.2024, the ruling in brief is: "Due to the lack of the expert report, the case is postponed to 18.10.2024."

At the hearing on 18 October 2024, the case is postponed to 13.12.2024 for the lack of the expert report.

At the hearing on 13 December 2024, the court sets the hearing date for 21.03.2025 for the expert report preparation based on the documents available.

At the hearing on 21.03.2025, the case is postponed and a new date is set for **13.06.2025** for the preparation of the expert report.

- *File No 8442/3/2022 - complainant Tempos Sev (1,429,832)*

The subject matter of the case is claims representing claims - GEO no. 114/2018 for contract C80/2018 - *Refurbishment of 220/110kV Hășdat station.*

At the hearing on 16.09.2022, the objection of joinder is allowed. Refers the case-file to the panel first responsible for dealing with case no. 8193/3/2022, namely panel 12 Merits, with a view to joining case no. 8442/3/2022 to case no. 8193/3/2022. With appeal with the merits. Pronounced today, 16 September 2022, by the Court Registry, which made the judgment available to the parties. Document: Final judgment (disinvestment) 16.09.2022.

Following the joinder of case no 8442/3/2022 with case no 8193/3/2022, as set out above, the issues to be discussed will be analysed in the first case (8193/3/2022).

- *File no. 8440/3/2022 - complainant Tempos Sev (2,437,253)*

The subject matter of the case is claims representing claims - OUG 114/2018 for contract C80/2018 - *Refurbishment of 220/110kV Hășdat station.*

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

At the hearing on 08.11.2022, the case is adjourned

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

At the hearing on 12.09.2023, the Court summarised its decision: In order to give the defendant the opportunity to take note of the pleadings filed, the case is adjourned to 07.11.2023.

After several adjournments, at the term of 11.06.2024, the summary solution: For the taking of the evidence of the expert witness on the construction, the case is adjourned to 10.12.2024. Due to the absence of the expert's report, the court adjourned the case until **02.09.2025**.

- *File 4478/118/2024 - complainant Pet Communication (3,093,206)*

The case concerns the non-existence of the right of the defendant NPG CO. Transelectrica SA to invoice penalties for exceeding the execution duration of the main stages 2 and 3 of the contract no. C45/23.02.2021.

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

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

Due to the absence of the expert's report, the court adjourns the case to **05.06.2025**.

- *File no. 6580/117/2024 - claimant Electrogrup SA from Cluj (2,759,855)*

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

1. To oblige Transelectrica to conclude an addendum to Works Contract no. C5 of 19 May 2021, having as object the extension of the contractual duration by the days of delay resulting from the execution of the contract that are not the Executor's fault, provisionally estimated at 616 days;
2. Order Transelectrica to reimburse the sums paid by way of penalties on the basis of invoices no. 114 of 29 March 2024 (paid by Payment Order no. 13065/25.06.2024) and no. 296 of 25 June 2024 (paid by Payment Order no. 15424/23.07.2024) issued by the

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defendant, in the total amount of 2,164,304.25 RON as an undue payment, plus the legal interest due from the date of their payment until the date of restitution, (i) primarily, as a result of the defendant being obliged to conclude an additional act to the Works Contract no. C5 of 19 May 2021, having as its object the extension of the contractual duration by the days of delay resulting from the execution of the contract which are not the fault of the Performer and (ii) in the alternative, as a result of the finding that the days of delay imputed by Transelectrica are not the fault of the Performer;

3. Obliging Transelectrica to pay damages, representing the damage suffered by the claimant due to the delays, provisionally estimated at 595,550 lei.

At the hearing on 14.02.2025, the court adjourned the case to 14.03.2025. The court adjourns the case to **23.05.2025**, for the filing of a procedural position/response by the defendant.

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

- *Audit by the Court of Auditors of Romania*

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

a) contracting and procurement;

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

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

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

With regard to these findings, the Company's management has ordered an internal review which is ongoing.

## 20. Affiliated parties

- i) *Transactions with subsidiaries owned by the Company*

Entity	Country of Origin	March 31, 2025 % of shares	December 31, 2024 % of shares
SMART SA	Romania	100	100
TELETRANS SA	Romania	100	100
ICEMENERG SA *)	Romania	-	-
OPCOM SA	Romania	97.84	97.84
FORMENERG SA	Romania	100	100
ICEMENERG SERVICE SA **)	Romania	-	-

The net value of the shares held by the Company in its subsidiaries is 78,038,750 at both March 31, 2025 and December 31, 2024.

The gross value of the Company's shareholdings in its subsidiaries is as follows:

- **SMART SA**

The company SMART SA with registered office in B-dul Magheru, nr. 33, sector 1, Bucharest and with its head office at the working point in B-dul Gheorghe Șincai, nr. 3, "Formenerg" Building, 1st floor, sector 4, Bucharest, whose main object of activity is to perform maintenance works for the transport-dispector system, was established by GD no. 710/19.07.2001 on 1 November 2001.

The Extraordinary General Meeting of the Shareholders of S Smart SA approved with the Resolution no. 14/10.12.2014 the capital increase of S Smart SA by contribution in kind with the value of the land for which the certificate of attestation of ownership was obtained.

On 30.12.2014, the Trade Register Office of the Bucharest Court of First Instance has resolved the application for registration of the share capital increase of S Smart SA.

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As of 25 January 2016, the National Trade Register Office has made a change in the shareholding structure of S Smart SA, namely the mention regarding the management of the state portfolio, a change required under Article 10 of GEO no. 86/2014, amended and updated.

Thus, on March 31, 2025, the share capital of S SMART SA is 38,528,600, divided into 3,852,860 registered shares, each share having a value of 10 lei, fully subscribed and paid in.

### **• TELETRANS SA**

The company TELETRANS SA with registered office in B-dul Hristo-Botev, no. 16 - 18, sector 3, Bucharest and with its head office at the working point in Stelea Spătarul Street no. 12, sector 3, Bucharest has as its main object of activity process and managerial computer maintenance services, specific telecommunications and information technology services in ETG, telephony, data transmissions and was established by AGA Decision no. 13/2002.

The share capital on March 31, 2025 is 6,874,430, fully subscribed and paid up.

### **• ICEMENERG SA**

ICEMENERG SA, with registered office in B-dul Energeticienilor, nr. 8, sector 3, Bucharest, has as its main object of activity research and development in physical and natural sciences, innovation, studies, development strategies, design activities, urban planning, engineering and other technical services and was established by GD no. 1065/04.09.2003.

In the Company's accounting records, as at March 31, 2025, the share capital of the Subsidiary Icemenerg SA is 1,083,450, fully subscribed and paid up.

\*) On 07.04.2014, the National Trade Register Office admitted the file with registration number 121452/03.04.2014, with the object of striking off the subsidiary Institutul de Cercetari si Modernizari Energetice - ICEMENERG SA Bucharest. By Order no. 123/13.03.2014 (act of registration and authorisation of officers), the "National Institute for Energy Research and Development Bucharest" was registered in the Trade Register (RGD no. 925/2010). The Company filed a complaint against the resolution of the Director of the ORC ordering the registration in the Trade Register of the cancellation of the subsidiary ICEMENERG SA Bucharest.

The Bucharest Tribunal, Civil Section VI, by Judgment no. 3569/14.07.2014 rendered in case no. 15483/3/2014, in which the Company was in conflict with the defendants Filiala Institutul de Cercetări și Modernizări Energetice "Icemenerg" S.A. Bucharest and Institutul Național de Cercetare-Dezvoltare pentru Energie-Icemenerg Bucharest, rejected the Company's complaint, on the grounds that GD no. 925/2010 had not been annulled until the moment of cancellation at the ORC. On 24.02.2015, the Court of Appeal communicated the decision rendered in case no. 15483/3/2014 și.e. Decision no. 173/2015, rejecting the appeal of NPG CO. Transelectrica SA as unfounded, the decision being final.

Transelectrica SA lodged an appeal for annulment against Decision no. 173/2015, rendered by the Bucharest Court of Appeal, which is the subject of case no. 1088/2/2015, pending before the Bucharest Court of Appeal - Section VI Civil, with a deadline for judgment on 13.05.2015. On 13.05.2015, by Decision no. 777/2015, the Bucharest Court of Appeal rejected the appeal for annulment as unfounded, the decision being final.

In 2015, the company recorded an impairment adjustment in the amount of 1,083,450 for the shares held in the subsidiary Institutul de Cercetări și Modernizări Energetice - ICEMENERG SA Bucharest, which was written off.

In the meetings of 28.03.2016 and 30.08.2016, the AGEA did not approve the reduction of the share capital of NPG CO. Transelectrica SA by the amount of 1,084,610, representing the subscribed and paid-up share capital of the Subsidiary ICEMENERG SA Bucharest, by reducing the Romanian State's shareholding in the share capital of NPG CO. Transelectrica SA, in application of the provisions of GD no. 925/2010.

### **• OPCOM**

The company OPCOM SA with registered office at 16-18 Hristo Botev Boulevard, sector 3, Bucharest, with legal personality, has as its main object of activity the organisation, management and supervision of the energy market and was established by GD no. 627/2000.

The registration of the amendment to the Articles of Incorporation of S OPCOM SA, based on the AGEA Decision no. 6/15.06.2016, was carried out at the ONRC according to the Certificate of registration of entries dated 11.07.2016.

As at 31.12.2018, the share capital represented by the increase with contribution in kind of the Company in the amount of 22,587,300 is recorded in the financial statements submitted for approval by OPCOM to the AGM, being presented as fully subscribed and unpaid share capital.



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On 13.02.2018, the Extraordinary General Meeting of the Subsidiary OPCOM SA approved the increase of the share capital of the Company OPCOM SA ("OPCOM SA"), the Operator of the Electricity and Natural Gas Market OPCOM SA, by the amount of RON 678,790 through contribution in kind represented by the value of the land for which the Company obtained the Certificate of Attestation of Ownership of Land, series M03 no. 12899/27.02.2014, issued by the Ministry of Economy. The contribution in kind was valued by an expert valuer appointed by the ONRC. In exchange for the contribution in kind to the share capital, the company issued to the new shareholder the Romanian State through the Ministry of Economy, which exercised from the date of the resolution of the AGEA the powers of the person involved, a number of 67,879 new registered shares with a nominal value of RON 10 each.

On 20.03.2019, the National Trade Register Office of the Bucharest Court of First Instance resolved the application for registration of the share capital increase of OPCOM SA.

At March 31, 2025, the share capital is 31,366,090, of which 8,778,790 is fully subscribed and paid-up share capital. The remaining share capital in the amount of 22,587,300 is represented by the Company's contribution in kind, i.e. intangible assets - "OPCOM Commercial Power Exchange" and "OPCOM Regional Power Exchange", financed from the Company's own sources and IBRD funds and valued as per the Valuation Report No. 786/15.03.2016 issued by JPA Audit & Consultancy Ltd.

On March 31, 2024, the share capital of OPCOM SA is RON 31,366,090, representing 3,136,609 registered shares with a share value of RON 10 and a profit and loss participation of NPG CO. Transelectrica SA in profits and losses of 97.84%.

- **FORMENERG SA**

The company FORMENERG SA with registered office in B-dul Gh.Șincai, nr. 3, sector 4, Bucharest, with legal personality, has as its main object of activity the initial and continuous vocational training in all fields of activity of energy personnel, as well as other beneficiaries and was established by AGA Decision no. 33/2001.

The share capital on March 31, 2025 is 1,948,420 fully subscribed and paid up.

- **ICEMENERG SERVICE SA**

By GD no. 2294/09.12.2004, the transfer of the shares held by the subsidiary "Institutul de Cercetări și Modernizări Energetice - ICEMENERG" - S.A. Bucharest to the subsidiary "ICEMENERG-SERVICE" - S.A. Bucharest to the National Company for the Transport of Electricity "Transelectrica" - S.A. was approved.

The Company recognised in 2016 an impairment adjustment in the amount of 493,000 for shares held in the subsidiary ICEMENERG SERVICE SA

The share capital on March 31, 2025 is 493,000, fully subscribed and paid up.

\*\*) On 09.06.2017, the Bucharest District Court, Civil Section VII, ordered the debtor ICEMENERG SERVICE - SA, the subsidiary company ICEMENERG SERVICE - SA, to file for bankruptcy by simplified procedure, appointing Solvendi SPRL as provisional liquidator.

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

In the file no.18051/3/2017, according to the Insolvency Proceedings Bulletin no. 9152/26.05.2022, the Bucharest Tribunal - Civil Section VII - by civil judgement no.2429 approved the final report of the judicial liquidator, and on the basis of Article 175 paragraph 2 of Law no.85/2014 on insolvency prevention and insolvency proceedings, closed the insolvency proceedings against the debtor "Icemenerg-Service" SA by striking it from the Bucharest Trade Register.

The company was not notified of the judgement until March 31, 2025.

Balances with subsidiaries held by the Company are analysed as follows:

ENTITY	Trade receivables*)		Trade liabilities	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
<b>AFFILIATED</b>				
SMART SA	407,380	344,243	19,551,259	20,272,899
TELETRANS SA	167,942	112,719	20,452,720	18,099,560
FORMENERG SA	-	-	3,213	-
OPCOM SA	121,396,155	634,690,819	104,792,841	644,297,354
<b>TOTAL</b>	<b>121,971,477</b>	<b>635,147,781</b>	<b>144,800,033</b>	<b>682,669,813</b>

\*) Trade receivables are shown gross.

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Transactions in Q1 2025 and Q1 2024 with the Company's subsidiaries are detailed as follows

ENTITY	Sales		Procurement	
	Quarter 1 2025	Quarter I 2024	Quarter I 2025	Quarter I 2024
<b>AFFILIATED</b>				
SMART SA	313,434	375,013	21,518,357	20,802,148
TELETRANS SA	284,617	233,811	13,062,425	12,994,987
FORMENERG SA	-	-	2,700	-
OPCOM SA	680,980,921	174,392,643	642,220,202	781,331,610
<b>Total</b>	<b>681,578,972</b>	<b>175,001,467</b>	<b>676,803,684</b>	<b>815,128,745</b>

**21. Credit risk**

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

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

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

Maximum exposure to collection risk at the reporting date:

	March 31, 2025	December 31, 2024
<b>Financial assets</b>		
Net trade receivables	2,152,274,679	2,578,810,809
Other net receivables and advances to suppliers	526,666,231	927,975,088
VAT recoverable	243,020,946	271,906,743
Cash and cash equivalents	821,133,684	671,557,851
Other financial assets	-	-
<b>Total</b>	<b>3,743,095,540</b>	<b>4,450,250,491</b>

The ageing of **receivables** at the date of the statement of financial position is shown below:

	Gross value	Impairment allowance	Gross value	Impairment allowance
	March 31, 2025	March 31, 2025	December 31, 2024	December 31, 2024
Overdue	2,060,681,259	-	2,487,412,712	-
1 - 30 days overdue	1,051,920	-	2,118,109	-
31 - 90 days overdue	201,015	-	292,245	-
90 - 180 days overdue	1,406,186	-	70,075	-
180 - 270 days overdue	(4,165)	-	(31,135)	-
270 - 365 days overdue	(49,369)	8,750	(8,225)	-
More than a year	212,094,859	123,098,276	212,045,959	123,088,931
<b>Total</b>	<b>2,275,381,705</b>	<b>123,107,026</b>	<b>2,701,899,740</b>	<b>123,088,931</b>

**CNTEE Transelectrica SA**

Notes to the standalone interim financial statements as at 31 March 2025

*(All amounts are expressed in LEI, unless otherwise provided)*

The ageing of **other receivables** at the date of the statement of financial position is shown below:

	<b>Gross value March 31, 2025</b>	<b>Impairment allowance March 31, 2025</b>	<b>Gross value December 31, 2024</b>	<b>Impairment allowance December 31, 2024</b>
Overdue	747,955,242	-	1,178,585,895	330,694
1 - 30 days overdue	7,253	-	919,582	-
31 - 90 days overdue	5,170,281	330,694	4,762,786	-
90 - 180 days overdue	986,511	-	397,322	342,478
180 - 270 days overdue	353,518	342,478	913,317	910,870
270 - 365 days overdue	916,899	910,870	441,069	412,681
More than a year	87,059,888	71,178,373	86,766,830	70,908,247
<b>Total</b>	<b>842,449,592</b>	<b>72,762,415</b>	<b>1,272,786,801</b>	<b>72,904,970</b>

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

The highest impairment adjustments at March 31, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30,020,058), CET Govora (24,645,019), Romelectro (24,468,153), Arelco Power (14,513,236), Total Electric Oltenia SA (14,185,577), Romenergy Industry (13,512,997), Elsaco Energy (9,276,118), OPCOM (8,818,089), RAAN (8,516,707), Next Energy Partners (8,395,132).

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

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
<b>Balance at 1 January</b>	<b>123,088,931</b>	<b>125,521,130</b>
Recognition of impairment adjustments	18,095	-
Reversal of impairment adjustments	-	2,432,199
<b>Balance at end of period</b>	<b>123,107,026</b>	<b>123,088,931</b>

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

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
<b>Balance at January 1<sup>st</sup></b>	<b>72,904,970</b>	<b>84,456,130</b>
Recognition of impairment adjustments	-	7,303,511
Reversal of impairment adjustments	142,555	18,854,671
<b>Balance at end of period</b>	<b>72,762,415</b>	<b>72,904,970</b>

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

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

## **22. Further events**

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

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

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

### **• Majority shareholder request**

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

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

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

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

- did not approve the standalone financial statements of NPG CO. "Transelectrica"-S.A. for the financial year 2024;
- has not approved the consolidated financial statements of NPG CO. "Transelectrica"-S.A. in accordance with International Financial Reporting Standards as adopted by the European Union as at and for the financial year ended December 31, 2024;
- did not approve the consolidated financial statements prepared in accordance with OMFP no. 2844/2016 for the approval of the accounting regulations in compliance with International Financial Reporting Standards as at and for the financial year ended December 31, 2024;
- did not approve the distribution of the accounting profit remaining after deduction of income tax as at 31.12.2024 in the amount of RON 585,924,311;
- did not approve the discharge of the members of the Directorate and the members of the Supervisory Board for the financial year 2024;
- approved the Remuneration Report for the financial year 2024;
- approved the "Remuneration policy for the members of the executive and non-executive management of NPG CO. "Transelectrica"-S.A. revised to March 2025;
- did not approve the Annual Report on the individual financial statements of the Company for the financial year ended December 31, 2024;
- did not approve the Annual Report on the consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union of the Company for the financial year ended December 31, 2024;
- did not approve the Annual Report on the consolidated financial statements of the Company prepared in accordance with OMFP no. 2844/2016 for the approval of the accounting regulations in compliance with International Financial Reporting Standards as adopted by the European Union for the financial year ending December 31, 2024;
- did not approve the Consolidated Sustainability Report of NPG CO. "Transelectrica"-S.A. for the year 2024;
- did not approve the setting of 05 June 2025 as the "ex date", the calendar date from which the Company's shares subject of the Ordinary General Meeting of Shareholders' Resolution shall be traded without the rights deriving from that resolution;
- approved the setting of 06 June 2025 as the record date of the shareholders on which the effects of the Ordinary General Meeting of Shareholders' Decision will be reflected;
- did not approve the setting of 26 June 2025 as the "payment date" of the gross dividend per share out of the profit recorded on 31.12.2024.