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



Standalone Interim Simplified Financial Statements on the date and for the six-month period ending on **June 30, 2025**

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

	Note	June 30, 2025	December 31, 2024
Assets			
Non-current assets			
Tangible assets		5,804,979,731	5,774,758,870
Assets related to the usage rights of assets under		6,376,255	5,964,180
easing - buildings		0,370,233	3,904,100
intangible assets		295,739,920	312,464,795
Financial assets		89,726,139	85,767,355
Total non-current assets	4	6,196,822,045	6,178,955,200
Current assets			
nventories		48,934,767	47,175,766
Frade and other receivables	5	2,671,802,337	3,778,692,640
Receivable income tax		-	
Other financial assets		_	
Cash and cash equivalents	6	970,656,118	671,557,851
Total current assets		3,691,393,222	4,497,426,257
Total assets		9,888,215,267	10,676,381,457
Shareholders' equities and liabilities			
Shareholders' equities		722 021 420	722 021 424
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 Other reserves		1,459,694,749 258,997,161	1,514,138,168 256,706,249
Retained earnings		3,146,247,964	3,114,650,000
Total shareholders' equities	7	5,794,420,130	5,814,974,673
Non-current liabilities			
Non-current deferred revenues	8	670,832,477	537,371,10
Borrowings	9	1,952,961	7,918,172
Other borrowings and similar liabilities - Building easing - long term	10	-	
Deferred tax liabilities		240,259,488	243,910,434
Employee benefit obligations		88,335,459	88,335,459
Other non-current liabilities	10	-	5,612,979
Total non-current liabilities		1,001,380,385	883,148,145
Current liabilities			
Trade and other liabilities	10	2,988,443,236	3,861,508,368
Other borrowings and similar liabilities - Building easing - short term	10	6,840,123	6,607,203
Other taxes and social security liabilities	11	15,421,645	18,431,750
Borrowings	9	18,557,348	24,287,300
Provisions	10	32,342,465	32,595,447
Current deferred revenues	8	27,170,121	22,211,90
Payable income tax		3,639,814	12,616,670
Total current liabilities		3,092,414,752	3,978,258,639
Fotal liabilities		4,093,795,137	4,861,406,784
Fotal shareholders' equities and liabilities		9,888,215,267	10,676,381,457

NPG CO. Transelectrica SA
Standalone profit and loss account for the six-month period ending on June 30, 2025
(All amounts are expressed in RON, unless otherwise provided)

			1 21 04		T 04
	Note	April 01 - June 30, 2025	April 01 - June 30, 2024	January 01 - June 30, 2025	January 01 - June 30, 2024
Revenues					
Transmission revenues		542,521,345	482,677,913	1,118,580,412	985,278,041
System service revenues		123,662,069	184,895,944	281,621,836	311,694,891
Revenues from the balancing market		823,923,796	1,896,721,756	1,490,519,196	3,229,089,384
Other revenues		21,077,515	132,679,828	31,761,108	159,126,942
Total revenues	13	1,511,184,725	2,696,975,441	2,922,482,552	4,685,189,258
Operating expenses					
System operating expenses	14	(168,979,441)	(186,451,651)	(358,073,312)	(355,200,809)
Balancing market expenses	14	(824,219,058)	(1,896,938,639)	(1,490,940,346)	(3,229,285,561)
Expenses on system services	14	(134,293,859)	(195,586,467)	(234,589,681)	(300,957,046)
Depreciation	15	(97,844,711)	(86,616,097)	(192,049,858)	(171,642,879)
Personnel expenses	16	(105,169,677)	(99,996,785)	(201,655,417)	(187,493,102)
Repairs and maintenance		(34,039,878)	(28,127,632)	(60,002,932)	(51,876,416)
Materials and consumables		(1,416,781)	(1,658,080)	(2,786,159)	(3,191,807)
Other operational expenses	17	(67,452,165)	(61,657,685)	(118,077,285)	(118,343,254)
Total operating expenses	-	(1,433,415,570)	(2,557,033,036)	(2,658,174,990)	(4,417,990,874)
Operating profit		77,769,155	139,942,405	264,307,562	267,198,384
Financial revenues		51,821,428	17,552,775	54,854,313	19,734,482
Financial expenses		(27,568,122)	(1,277,023)	(29,568,149)	(3,540,000)
Net financial result	18	24,253,306	16,275,752	25,286,164	16,194,482
Profit before corporate income tax		102,022,461	156,218,157	289,593,726	283,392,866
Income tax	12	(3,136,859)	4,064,760	(33,154,210)	(19,731,722)
Profit for the time interval		98,885,602	160,282,917	256,439,516	263,661,144

Standalone profit and loss account for the six-month period ending on June 30, 2025 (All amounts are expressed in RON, unless otherwise provided)

	Note	April 01 - June 30, 2025	April 01 - June 30, 2024	January 01 - June 30, 2025	January 01 - June 30, 2024
Profit for the time interval		98,885,602	160,282,917	256,439,516	263,661,144
Other comprehensive income		-	-	-	-
Total comprehensive result		98,885,602	160,282,917	256,439,516	263,661,144

The simplified standalone interim financial statements presented have been signed by the Company's management on August 05, 2025.

DIRECTORATE,

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

Director of the Economic and Financial Directorate

Ana-Iuliana DINU

Accounting Department Manager Georgiana-Beatrice ŞTEFAN

	Share Capital	Share premium	Legal reserves	Revaluation reserve	Other	Retained earnings	Total
Balance at 1 January 2024	733,031,420	49,842,552	146,606,284	1,634,711,533	195,710,506	2,430,243,814	5,190,146,109
Comprehensive result of the period							
Profit of the time interval	-	-	-	-	-	585,924,311	585,924,311
Other comprehensive result items, of which: Recognition of actuarial gains of the defined benefit plan	<u>-</u>	-	-	-	-	(1,535,364)	(1,535,364)
Surplus from revaluation of tangible assets	-		-	-	-	-	-
Deferred tax liability ass. to revaluation reserve Transfer of revaluation reserves into retained	-	-	- -	(120,542,130)	- -	120,542,130	- -
earnings Total other comprehensive revenue for the period	-	-	-	(120,542,130)	-	119,006,766	(1,535,364)
Total comprehensive result for the period				(120,542,130)		704,931,077	584,388,947
Other items				, , , , , , ,			
Increase of the legal reserve Other items	-		-		-	(11)	(11)
Total other items						(11)	(11)
Contributions from and distributions to							
Derecognition of assets such as public domain	-	-	-	(31,235)	-	-	(31,235)
Subsidies related to assets from the state public domain	-	-	-	-	60,995,743	-	60,995,743
Dividend distribution Total contributions from and distributions to shareholders	-	-	-	(21 225)	- (0.005.742	(20,524,880)	(20,524,880)
Balance at December 31, 2024	-	40.042.552	146 606 204	(31,235)	60,995,743	(20,524,880)	40,439,628
	733,031,420	49,842,552	146,606,284	1,514,138,168	256,706,249	3,114,650,000	5,814,974,673
Balance at 1 January 2025	733,031,420	10 0 10 550	146 606 204	1 514 120 170	256 706 240	2 114 (50 000	5 014 074 672
	733,031,420	49,842,552	140,000,284	1,514,138,168	256,706,249	3,114,650,000	5,814,974,673
Comprehensive result of the period	733,031,420	49,842,552	140,000,284	1,514,138,168	250,700,249	3,114,650,000	5,814,974,075
Comprehensive result of the period Profit of the time interval	733,031,420	49,842,552	140,000,284	1,514,138,168	250,700,249	256,439,516	256,439,516
	-	49,842,552	140,000,284	1,314,138,108	250,700,249		
Profit of the time interval Other comprehensive revenue, of which: Recognition of actuarial profit / loss of the defined benefit plan		49,842,552		-	250,/00,249		
Profit of the time interval Other comprehensive revenue, of which: Recognition of actuarial profit / loss of the defined benefit plan Surplus from revaluation of tangible assets		49,842,552		1,514,138,108			
Profit of the time interval Other comprehensive revenue, of which: Recognition of actuarial profit / loss of the defined benefit plan Surplus from revaluation of tangible assets Deferred tax liability ass. to revaluation reserve		49,842,552				256,439,516	
Profit of the time interval Other comprehensive revenue, of which: 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		49,842,552	- - - -	- (54,443,419)		256,439,516 - - - 54,443,419	
Profit of the time interval Other comprehensive revenue, of which: 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		- - - -			256,/06,249 - - - - -	256,439,516	
Profit of the time interval Other comprehensive revenue, of which: 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 Total other comprehensive revenue Total comprehensive result of the interval				- (54,443,419)	256,/06,249 - - - - -	256,439,516 - - - 54,443,419	
Profit of the time interval Other comprehensive revenue, of which: 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 Total other comprehensive revenue Total comprehensive result of the interval Other items Increase of the legal reserve				(54,443,419) (54,443,419)	256,/06,249 - - - - - -	256,439,516 - - - 54,443,419 54,443,419	256,439,516
Profit of the time interval Other comprehensive revenue, of which: 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 Total other comprehensive revenue Total comprehensive result of the interval Other items				(54,443,419) (54,443,419)		256,439,516 - - - 54,443,419 54,443,419	256,439,516
Profit of the time interval Other comprehensive revenue, of which: 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 Total other comprehensive revenue Total comprehensive result of the interval Other items Increase of the legal reserve Other items				(54,443,419) (54,443,419)	256,/06,249 - - - - - - - -	256,439,516 - - - 54,443,419 54,443,419	256,439,516
Profit of the time interval Other comprehensive revenue, of which: 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 Total other comprehensive revenue Total comprehensive result of the interval Other items Increase of the legal reserve Other items Total other items Contributions from and distributions to shareholders Derecognition of assets such as public domain				(54,443,419) (54,443,419)	256,706,249 - - - - - - - -	256,439,516 - - - 54,443,419 54,443,419	256,439,516
Profit of the time interval Other comprehensive revenue, of which: 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 Total other comprehensive revenue Total comprehensive result of the interval Other items Increase of the legal reserve Other items Total other items Contributions from and distributions to shareholders				(54,443,419) (54,443,419)	2,290,912	256,439,516 - - - 54,443,419 54,443,419	256,439,516
Profit of the time interval Other comprehensive revenue, of which: 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 Total other comprehensive revenue Total comprehensive result of the interval Other items Increase of the legal reserve Other items Total other items Contributions from and distributions to shareholders Derecognition of assets such as public domain Subsidies related to assets from the state public domain Dividends distribution				(54,443,419) (54,443,419)	2,290,912	256,439,516 - - - 54,443,419 54,443,419	256,439,516 - - - 256,439,516
Other comprehensive revenue, of which: 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 Total other comprehensive revenue Total comprehensive result of the interval Other items Increase of the legal reserve Other items Total other items Contributions from and distributions to shareholders Derecognition of assets such as public domain Subsidies related to assets from the state public domain				(54,443,419) (54,443,419)		256,439,516 54,443,419 54,443,419 310,882,935	256,439,516 - - - - - 256,439,516

	6-month period Ending on June 30, 2025	6-month period ending on June 30, 2024
Cash flows from operating activities	_	
Profit for the time interval Allowances for:	256,439,516	263,661,144
Income tax expense	22 154 210	10 721 722
Depreciation expenses (including additional OTC)	33,154,210 192,049,859	19,731,722 171,642,879
Revenue from the production of intangible assets (including additional OTC)	(924,241)	(23,866,156)
Expenses related to adjustments for impairment of trade receivables	2,130,164	15,079
Reversal of adjustments for impairment of trade receivables	-,,	(2,056,083)
Losses on sundry receivables and debtors	1.668.980	2.917.956
Net revenues/expenses with impairment adjustments on sundry debtors	119,393	1,610,114
Net revenues/expense on inventory impairment adjustments	(145,266)	779,843
Net profit/loss on sale of tangible assets Net expenses on value adjustments in respect of tangible assets	(1,068,717)	4,382,543
Net revenues on provisions for risks and charges	(258,647)	(4,256,249)
Interest expense, interest revenues and unrealised revenues	(230,047)	(4,230,249)
exchange rate differences	(27,548,498)	(16,714,205)
Cash flows before working capital changes	455,616,753	417,848,587
Changes in:		
Trade and similar accounts - energy and other activities	1,065,284,551	(473,832,813)
Customers - balancing	26,551,547	(786,614,532
Customers - cogeneration	11,655,746	(16,319,431
Inventories	(1,613,735)	(4,010,452)
Trade and other accounts payable - energy and other activities	(1,048,331,144)	249,097,914
Balancing liabilities	(84,917,716)	979,603,309
Liabilities - cogeneration	(34,108,731)	(111,539,978
Other taxes and social security contributions	(3,010,105)	(2,235,254)
Deferred revenues	132,589,377	51,088,442
Cash flows from operating activities	519,716,543	303,085,792
Interest paid	(735,423)	(1,227,454)
Income tax paid	(39,139,246)	(20,970,475)
Net cash generated from operating activities	479,841,874	280,887,863
Cash flows from investing activities		
Purchases of tangible and intangible assets	(196,608,797)	(256,214,304)
Shares held in GECO POWER COMPANY GREEN ENERGY CORRIDOR POWER COMPANY SRL	(3,750,000)	-
Proceeds from EC grant funding	8,121,131	2,711,521
Interest received	6,235,090	3,431,751
Dividends received Proceeds from sale of tangible assets	22,123,754 1,379,514	14,649,757
Net cash used in investment activity	(162,499,308)	(235,421,275)
Cash flows used in financing activities	_	
Repayments of non-current borrowings	(11,998,910)	(11,980,707)
Utilisation of working capital credit line	-	-
Current borrowing repayments	(6,237,897)	(5,327,832)
Building lease payments	(7,492)	(20,412,502)
Net cash used in financing activities	(18,244,299)	(37,721,041)
Net increase/(decrease) in cash and cash equivalents	299,098,267	7,745,546
Cash and cash equivalents at January 1st	671,557,851	519,358,908
Cash and cash equivalents at end of the period	970,656,118	527,104,454

Notes to the separate interim financial statements as at June 30, 2025

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

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 license No. 161/2000 issued by ANRE, updated by ANRE Decision No. 1413/10.07.2024, the General Conditions associated with the license approved by ANRE Order No. 104/2014, as amended and supplemented, and the final certification of the Company as a transmission and system operator of the National Electricity System according to the ownership unbundling model ("ownership unbundling") by ANRE Order No. 164/07.12.2015.

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

The standalone interim financial statements as of June 30, 2025 are unaudited.

2. Basis 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 increase in the total value of tangible assets at June 30, 2025 compared to December 31, 2024 was due to the increase in the value of tangible assets in progress concurrent with the recording of depreciation of tangible assets.

Thus, the increase in the **value of tangible assets** in the first half of 2025 was mainly due to the realization of investment works in high-voltage substations and power lines, as follows:

- Increase of supply reliability for consumers in the southern area of Bucharest municipality, connected to the 400/220/110 kV Bucharest Sud Substation - 43,410,244;
- Installation of two modern reactive power compensation devices in the 400/220/110/20 kV Sibiu Sud and 400/220/110/20 kV Bradu Substations 26,429,877;
- Refurbishment of the 400/110 kV Pelicanu transformer substation 26,404,576;
- 220 kV double circuit Ostrovu Mare ETG OHL (H.CA no. 17/2007) 15,008,687;
- Refurbishment of the 400 kV Isaccea Substation Stage II 8,904,939;
- Upgrade to 400 kV voltage of the Porțile de Fier Reşița Timișoara Săcălaz Arad axis Stage I 400 kV s.c. Porțile de Fier - (Anina) - Resita OHL - 8,321,610;
- Power Quality Monitoring System (PQMS) 7,865,536;
- 400 kV d.c. Gutinaș Smârdan OHL 7,535,462;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 5,274,630;

Notes to the separate interim financial statements as at June 30, 2025

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

- Relocation/protection of high voltage 400 kV network 400 kV s.c Urecheşti-Domneşti OHL and 400 kV s.c Brazi Vest-Domneşti OHL at the intersection with Bucharest Ring Motorway-KM 0+000, KM 100+900, Lot 3, Sector 1, KM 85+300, KM 100+765 South Ring, Sector 2, KM:0+00 3,087,838;
- Replacement of hardware components, update and development of specific applications of the Balancing Market Platform II DAMAS, procurement component for migration and upgrade services, specific applications for the Balancing Market 2,723.653;
- Upgrade to 400 kV of the 220 kV Brazi Vest Teleajen Stâlpu OHL, including procurement of a 400 MVA 400/220/20 kV autotransformer, extension works for the associated 400 kV and 220 kV substations, in the 400/220/110 kV Brazi Vest Substation 2,240,020.

In the first semester of 2025, the largest transfers from tangible assets in progress to tangible assets, in the amount of RON 319,467,892, are mainly represented by the commissioning of investment objectives, of which we list the most significant:

- Upgrade to 400 kV voltage of the Porțile de Fier Reșița Timișoara Săcălaz Arad axis Stage I 400kV s.c. Porțile de Fier (Anina) Reșița OHL 176,794,711;
- Increase of operational security for the Argeş-Vâlcea network area, construction of the 400 kV Arefu Substation and installation of a 400 MVA, 400/220 kV autotransformer 83,359,978;
- 400 kV d.c. Gutinaş Smârdan OHL (Stage I financing) 30,737,788;
- Increase of transmission capacity of the 220 kV Stejaru Gheorgheni Fântânele OHL 14,831,594;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 4,765,045;
- Replacement of indoor heating and air conditioning installation in the administrative building of the U.T.T Bucharest headquarters (S.F+P.T+C.S) 2,718,800;
- Site clearance and establishment of coexistence conditions between DN 69 access road with A1 and 220 kV Arad Calea Aradului OHL 1,927,357;
- Purchase of the 49.6% share held by Smart SA in the "Păltiniş Training Centre" building 1,702,589;
- Refurbishment of the 400 kV Isaccea Substation Stage I Replacement of compensation coils, associated bays and the 400 kV Stupina bay 955,370;
- Connection to the ETG of the Cristeşti Photovoltaic Power Plant, Cristeşti commune, Mureş county 488,332;
- Replacement of battery banks no. 1 and no. 2 220 V DC and 220 kV in the 400/220/110 kV Slatina Substation 773,262;
- Extension of Wi-Fi system for own network and internet access 373,993;
- Regulation of coexistence between 400 kV Bradu-Braşov OHL in the span between towers no. 314 no. 315 and the national road DN73F km 0+000-8+450 357,665;
- Mobile diesel generator 110 KVA at STT Sibiu 81,050;
- Photovoltaic Park 1.955 MW, NC39234, Ciprian Porumbescu locality, Suceava county Reinforcement works in ETG installations of NPG CO. Transelectrica SA 80,321;
- Establishment of coexistence conditions for the project "Connection of OHL 110 kV Gutinaş Focşani Nord to the 110 kV Mărăşeşti Substation and site organisation with OHL 400kV Gutinaş Smârdan" 69,800.

In the first half of 2025 there was an outflow from tangible assets in progress through the recognition on the Company's operating costs of the project "Connection to the ETG of CEE 136 MW Platonești, Ialomița County, through the realization of a 110 kV cell in the 400/110 kV Gura Ialomiței 400/110 kV substation", concomitant with an entry of inventories, in the amount of RON 2,889,337.

The balance of **tangible assets under construction** at June 30, 2025, amounting to **RON 833,527,529**, is represented by projects in progress, the most significant of which are listed below:

- 400 kV d.c. Gutinaş Smârdan OHL 281,731,770;
- Refurbishment of the 400/110 kV Pelicanu transformer substation 66,225,715;
- Installation of two modern reactive power compensation devices in the 400/220/110/20 kV Sibiu Sud and Bradu Substations 58,786,378;

Notes to the separate interim financial statements as at June 30, 2025

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

- Increase of supply reliability for consumers in the southern area of Bucharest municipality, connected to the 400/220/110 kV Bucharest Sud Substation - 58,615,716;
- 220 kV double circuit Ostrovu Mare ETG OHL (H.CA no. 17/2007) 50,083,128;
- Connection to the ETG of the 300 MW Iveşti wind farm, 88 MW Fălciu 1 wind farm and 18 MW Fălciu 2 wind farm through the new (400)/220/110 kV Banca Substation 46,884,983;
- Refurbishment of the 400 kV Isaccea Substation Stage II 43,467,946;
- Refurbishment of the 400/110/20 kV Smardan Substation 39,808,823;
- 400 kV Stâlpu Substation 38,332,563;
- Refurbishment of the 110 kV Medgidia Sud Substation 26,706,132;
- Refurbishment of the 110 kV Timişoara Substation and upgrade to 400 kV voltage of the Porţile de Fier Anina Reşiţa Timişoara Săcălaz Arad axis, Stage II: 400 kV Timişoara Substation 9,399,501;
- Power Quality Monitoring System (PQMS) 8,562,744;
- 400 kV Gădălin Suceava OHL, including interconnection to the NES (H.CA no. 7/08.07.2010) 8,524,388;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 7,149,002;
- Relocation of high-voltage networks OHL 400 kV (220 kV) Gutinaş Focşani Vest common circuit with 400 (220) kV
 Focşani Vest-Barboşi and Buzău Focşani Motorway OHL Design & Execution 5,328,654;
- Upgrade to 400 kV of the 220 kV Brazi Vest Teleajen Stâlpu OHL, including procurement of a 400 MVA 400/220/20 kV autotransformer, extension works for the associated 400 kV and 220 kV substations, in the 400/220/110 kV Brazi Vest Substation 5,289,806;
- Relocation of 220 kV networks for the Bucharest Ring Motorway, KM 0+000 KM 52+770, LOT 4 KM 47+600 KM 52+070 4,530,263;
- Modernisation of 110 kV and 400 (220 kV) installations in the Focsani Vest Substation 4,512,921;
- 400 kV Suceava Bălţi OHL, for the section of the project on Romanian territory 4,474,926;
- Integrated security system for electrical substations, Stage IV 4,277,804;
- Implementation of new functions and software modifications in the EMS-SCADA IT system to comply with European and national legislative requirements 4,250,678;
- Research and development centre for live working technologies (LST) and rapid intervention in the NES Stage II -4,177,583;
- Upgrade to 400 kV voltage of the Porțile de Fier Reşița Timișoara Săcălaz Arad axis, Stage II, 400 kV d.c. Reşița Timișoara Săcălaz OHL 3,852,501;
- Extension with new functionalities of the control and computerised access monitoring system for NPG CO. Transelectrica SA facilities 3,200,918;
- Relocation/protection of high voltage 400 kV network 400 kV s.c Urecheşti-Domneşti OHL and 400 kV s.c Brazi Vest-Domneşti OHL at the intersection with Bucharest Ring Motorway-KM 0+000, KM 100+900, Lot 3, Sector 1, KM 85+300, KM 100+765 South Ring, Sector 2, KM:0+00 3,087,838;
- Mobile bays of 110 kV, 220 kV and 400 kV 3,016,230;
- Integrated security system for electrical substations, Stage III (H.CA no. 2/2008) 2,798,024;
- Modernisation of the 220/110 kV Calafat Substation 2,776,772;
- Pilot Project Refurbishment of the 220/110/20 kV Alba Iulia Substation in digital substation concept 2,624,978;
- Deviation of 110 kV Cetate 1 and 2 OHL near the 110/20/6 kV Ostrovul Mare Substation 2,578,438;
- Connection to the ETG of the 99 MW Dumeşti wind farm and 30 MW Româneşti wind farm, Iaşi county, by construction of a 110 kV line bay in the 220/110 kV Fai Substation - 2,545,853;
- Connection to the public electricity network of the 7.5 MW Anasun Energy SRL photovoltaic plant located in Ulmi Dâmboviţa county 2,202,079.

Notes to the separate interim financial statements as at June 30, 2025

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

b) Intangible assets

The balance of **intangible assets in progress** at June 30, 2025, amounting to **RON 27,799,648**, is represented by projects in progress, the most significant of which are listed below:

- Modernization of the electronic messaging system within NPG CO. Transelectrica SA 12,853,899;
- Development of dedicated software necessary for the determination of reserve quantities using the probabilistic method 5,940,000;
- Power Quality Monitoring System (PQMS) 3,013,315;
- MARI platform development 2,531,563;
- Program for the off-line calculation of short-circuit currents, verification of protection settings, determination of system equivalents and simulation of fault scenarios in power grids 2,570,100.

In the first semester of 2025, there were **transfers from intangible assets in progress to intangible assets** in the amount of **RON** 13,207,395, of which the most important are:

- Replacement of hardware components, upgrade and development of specific applications of the Balancing Market Platform II DAMAS, component purchase of migration and upgrade services, specific applications of the Balancing Market 11,538,610;
- Off-line program for the realization of individual grid models, steady state calculation, cross-border capacity calculation, CGMES format conversion module (cf. ENTSO-E requirements), in order to program and operate the NES on various time horizons 1,117,500.

As of September 30, 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 from January 1, 2022 to March 31, 2025, in order to cover its own technological consumption and technological consumption, respectively, compared to the costs included in the regulated tariffs, are capitalized on a quarterly basis. Thus, the capitalized costs are amortized over a period of 5 years from the date of capitalization and are remunerated at 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable during the amortization period of such costs and are recognized as a separate component.

The Company has recorded revenues representing additional OTC calculated as the difference between the net OTC acquisition cost and the OTC cost recognized in the regulatory tariff through June 30, 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;
- 924,241,241 for the first quarter of 2025.

At June 30, 2025, depreciation in the amount of 201,980,005 is calculated on these capitalizations. Thus, the carrying amount of the intangible asset resulting from the capitalization of the additional OTC is in the amount of 253,226,189.

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

c) Financial assets

The balance of financial fixed assets as at June 30, 2025 amounting to 89,726,139, mainly consists of:

- ➤ shares held by the Company, the net value of which is 85,253,833;
- parantees for the temporary occupation of land, calculated and withheld in accordance with art. 39 para. (1), para. (2) and para. (5) of Law No 46/2008 on the Forestry Code, in order to realize the investment objectives, as follows:
 - 400 kV Reşiţa Pancevo (Serbia) OHL in the amount of 4,199,505;
 - 220 kV d.c. 220 kV Ostrovu Mare ETG OHL in the amount of 208,784.

Notes to the separate interim financial statements as at June 30, 2025

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

In March 2025, the Company participates with a contribution of 25% in the share capital of GECO POWER COMPANY GREEN ENERGY CORRIDOR POWER COMPANY - LIMITED LIABILITY COMPANY, according to the resolution of the Directorate no. 7516/05.03.2025, in the amount of RON 3,750,000.

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 ensures the implementation of the Green Energy Corridor project, a 1.200 km long high-voltage direct current submarine cable, which will cross the Black Sea and connect Romania and Georgia, the connection will be 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

The 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 office building Platinum, 2-4 Olteni Str., sector 3, Bucharest, in accordance with IFRS 16 - Leases.

Contract no. C232 entered into with effect from 01.10.2020, valid for a period of 5 years, has a value of 9,000,000 euro (excluding VAT).

On 05.05.2025, Addendum no. 2 to contract C232/2020 was signed, extending the duration by 6 months until 01.04.2026, under the same conditions, for an amount of 900,000 euro (excluding VAT), thus bringing the total value of the contract, for an area of 9,000 sq.m, 35 parking spaces and a duration of 66 months, to 9,900,000 euro (excluding VAT).

At June 30, 2025, the book value of the right to use the premises leased by the Company in the Platinum office building amounts to RON 6,376,255.

For this contract, the Company pays a monthly amount of 16.67 euro/sq.m. (excluding VAT) for the lease of the office premises, resulting in an annual value of approx. 1.8 mil. euro.

5. Trade and other receivables

As at June 30, 2025 and December 31, 2024, trade and other receivables are as follows:

_	June 30, 2025	December 31, 2024
Trade receivables	2,178,877,883	2,701,899,740
Other receivables	220,604,532	231,066,730
Advances to suppliers	286,739,239	769,813,328
VAT recoverable	183,819,663	271,906,743
Impairment adjustments for doubtful trade receivables	(125,219,094)	(123,088,931)
Impairment adjustments for other doubtful receivables	(73,019,886)	(72,904,970)
Total trade and other receivables	2,671,802,337	3,778,692,640
The structure of trade receivables is as follows.	June 30, 2025	December 31, 2024
The structure of trade receivables is as follows:		
Customers on the electricity market, of which:	2,174,610,193	2,698,954,123
- customers - operational activity	1,412,605,434	1,898,742,070
- customers - balancing market	641,309,978	
	011,507,770	667,861,526
- customers - bonus support scheme to promote high efficiency cogeneration	120,694,781	667,861,526 132,350,527
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•NPG CO. Transelectrica SA carries out its operational activity on the basis of Operating License no. 161/2000 issued by ANRE, updated by ANRE President Decision no. 1413/10.07.2024, for the provision of electricity transmission service, for the provision of system service and for the management of the balancing market.

Notes to the separate interim financial statements as at June 30, 2025

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

As of June 30, 2025, the outstanding customers from operating activities show a decrease compared to December 31, 2024 mainly due to the decrease in the volume of transactions resulting from the coupling of energy markets in the second quarter of 2025 compared to the fourth quarter of 2024.

The decrease in the volume of balancing market transactions in the second quarter of 2025 compared to the fourth quarter of 2024 also resulted in a decrease in the balance of customers in contracts entered into for this type of activity.

The main customers in the total trade receivables are represented by Bursa Romana de Mărfuri, IBEX, MAVIR, Ciga Energy SA, Electrica Furnizare SA, Hidroelectrica, OPCOM, RAAN, PPC ENERGIE SA, JAO. Their share is 62.81% 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 HGR 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 of June 30, 2025, the Company has receivables receivable from the bonus support scheme for the promotion of high efficiency cogeneration of approximately 6% (5% as of December 31, 2024) of total trade receivables.

The customers of the bonus support scheme for the promotion of high-efficiency cogeneration are recording a decrease in receivables at June 30, 2025 mainly due to the decrease in the invoiced amount for the collection of the monthly contribution.

As of June 30, 2025, the Company records receivables receivable amounting to 120,694,781, represented by invoices issued related to the bonus support scheme for the promotion of high efficiency cogeneration, of which:

- overcompensation for 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;
- ➤ uncollected contribution for cogeneration from suppliers of electricity consumers, in the amount of 20,510,497, 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 of the undue bonus established by ANRE Decisions for the year 2024, from the following producers: Bepco SRL, Electro Energy Sud, Electrocentrale Bucureşti, Electrocentrale Craiova, Electroutilaj SA, Municipiul Iași, Soceram SA, Termoficare Oradea, Thermoenergy Group and Vest Energo.

For the settlement of receivables generated by overcompensation and undue bonus from previous years, the Company requested qualified producers under the support scheme to carry out mutual compensations. For the producers (Autonomous Authority for Nuclear Activities – RAAN, CET Govora) that did not agree with this method of settling reciprocal receivables and payables, the Company applied and continues to apply the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 approving the Regulation on establishing the method of collecting the contribution for high-efficiency cogeneration and paying the bonus for electricity produced in high-efficiency cogeneration: "in the event that 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 the producer the difference between the value of the invoices issued by the producer and the payment obligations of the producer related to the support scheme, with the explicit mention, on the payment document, of the respective amounts" and withheld from payment the amounts due under the support scheme.

• 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 "claims amount of RON 86,513,431", in which the Company acts as Plaintiff, the Defendant being the **Autonomous Authority for Nuclear Activities – RAAN.**

By the statement of claim filed by NPG CO. Transelectrica SA, it requested that the Defendant RAAN be ordered to pay the amount of RON 86,513,431.

On 19.05.2016, the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, issued a hearing ruling, by which it ordered the following: "Pursuant to Art. 413 point 1 Civil Procedure Code, orders the suspension of the case

Notes to the separate interim financial statements as at June 30, 2025

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

until the settlement of case file no. 3014/2/2014 on the docket of the High Court of Cassation and Justice. With appeal throughout the suspension period. Delivered today, 19 May 2016, in public session." Hearing set for 06.06.2019. We note that case file no. 3014/2/2014 on the docket of the High Court of Cassation and Justice concerns an appeal – annulment of ANRE Decision no. 743/28.03.2014, with the parties being RAAN (Plaintiff) and ANRE (Defendant). We also note that, by the ruling of 18.09.2013, delivered 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 – RAAN was ordered.

By judgment no. 387/20.03.2014, the Mehedinți Tribunal confirmed the reorganisation plan of the debtor Autonomous Authority for Nuclear Activities – RAAN, proposed by the judicial administrator Tudor&Asociații SPRL and approved by the General Meeting of Creditors as per the minutes of 28.02.2014.

By the intermediate ruling no. 10/28.01.2016, delivered by the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, the syndic judge ordered the commencement of the bankruptcy procedure of 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 removal of the debtor's right of administration.

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

Upon the filing of 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 taken over by Art. 90 of Law no. 85/2014, regarding the creditor's right to invoke the set-off of its claim with the debtor's claim against it, when the legal conditions for statutory set-off are met at the date of opening the proceedings. Transelectrica was registered in the debtor RAAN's schedule of debts with the amount of RON 11,264,777, under the category of claims resulting from the continuation of the debtor's activity. Of the amount claimed by the Company, RON 89,360,986, the amount of RON 78,096,208.76 was not included in the preliminary schedule of debts on the grounds that "this amount does not appear as owed in RAAN's accounting records". Moreover, the judicial liquidator considered that the request to include the amount of RON 78,096,209 in the schedule was filed late, being related to the period 2011–2013, for which reason the statement of claim should have been filed at the time of opening the insolvency proceedings, namely on 18.09.2013.

As a result of the partial registration of the total amount claimed by Transelectrica in the amount of RON 89,360,986.06 and of letter no. 4162/03.10.2016, by which the judicial liquidator informed us that only the amount of RON 11,264,777.30 was registered in the supplementary schedule under the category of claims resulting from the continuation of the debtor's activity, while the amount of RON 78,096,208.76 was rejected, an objection to the Supplementary Schedule of Debts was filed within the legal term.

At the hearing on 14.02.2019, the Mehedinți Tribunal ordered the consolidation of case file no. 9089/101/2013/a152 with case file no. 9089/101/2013/a140 (having as subject claims – payment request). The trial of the case was postponed, as the court considered that the presentation of Civil Decision no. 2969/26.09.2018, delivered by the High Court of Cassation and Justice in case file no. 3014/2/2014, regarding the annulment of ANRE President's Decision no. 743/2014, was useful for the settlement of the case. Ruling of the Mehedinți Tribunal: "Admits the plea of forfeiture. Admits in part the main action as well as the connected objection. Orders the Defendant RAAN to pay the Plaintiff Transelectrica the amount of RON 16,950,117.14 – claim arisen during the proceedings, ordering its registration in the creditors' schedule drawn up against the debtor RAAN with this amount. Dismisses the rest of the connected claims. Pursuant to Art. 453 para. 2 Civil Procedure Code, orders the Defendant to pay the Plaintiff RON 1,000 in legal costs. With appeal. Delivered today, 20.06.2019, in public session." Document: Ruling 163/2019 – 20.06.2019. Transelectrica filed an appeal within the legal term. The Craiova Court of Appeal set the first hearing for 30.10.2019. The appeal was dismissed as unfounded. Transelectrica filed a revision request for contradiction of judgments, registered under case file no. 1711/54/2019, with hearing date of 26.03.2020 at the Craiova Court of Appeal, which was to refer the case to the High Court of Cassation and Justice for competent settlement.

On 26.03.2020, the hearing date was rescheduled, the next being on 21.05.2020.

On 21.05.2020, the case was removed from the docket with the following ruling: the plea of lack of subject-matter jurisdiction of the Craiova Court of Appeal was upheld and the case was referred to the HCCJ – Administrative and Fiscal Litigation Section. Ruling 140/21.05.2020. Hearing date 03.02.2021.

At the hearing on 03.02.2021, the HCCJ upheld the plea of late filing of the revision request 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 schedule of debts with the following claims: RON 2,162,138.86 + RON 16,951,117.14.

Hearing for continuation of proceedings for claim collection, asset liquidation and fulfilment of other liquidation operations: 17.09.2025.

• NPG CO. Transelectrica SA concluded with CET Govora SA a settlement and payment rescheduling agreement for the amounts representing receivables from the value of overcompensation for the period 2011–2013 and 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 1 year (July 2015–

Notes to the separate interim financial statements as at June 30, 2025

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

August 2016) and it provided the Company with the right to calculate and collect penalties during the payment rescheduling period.

Under the Agreement, the Company's receivables from CET Govora SA were offset against the Company's payables to CET Govora SA, represented by the cogeneration bonus for the period May 2014 – October 2015, withheld by applying the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 and the provisions of the Agreement, in the amount of RON 40,507,669.

Following the suspension in court, by Civil Judgment no. 3185/27.11.2015, of ANRE Decision no. 738/28.03.2014, which had established the value of the overcompensation for the period 2011–2013, CET Govora SA no longer complied with the obligations assumed under the Agreement.

As of 09.05.2016, the general insolvency procedure was opened for CET Govora. In order to recover the receivables arising before the opening of the insolvency procedure, the Company followed the specific procedures provided by Law no. 85/2014 – Insolvency Law and requested the court to admit the receivables, according to the law. Considering the above, as of 09.05.2016, the Company ceased applying the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 approving the Regulation on establishing the method of collecting the contribution for high-efficiency cogeneration and paying the bonus for electricity produced in high-efficiency cogeneration and made monthly payments to CET Govora of the cogeneration bonus.

By Civil Decision no. 2430/05.10.2016, the High Court of Cassation and Justice admitted the appeal filed by ANRE against Civil Judgment no. 3185/27.11.2015, partially quashed the challenged judgment and dismissed the suspension request filed by CET Govora, the decision being final. Thus, as of 05.10.2016, the effects of ANRE Decision no. 738/28.03.2014 were no longer suspended and became fully effective.

Under these circumstances, the Company applies the provisions of Art. 17 para. 5 of ANRE Order no. 116/2013 for reciprocal debts and receivables arising after the insolvency procedure, by withholding the bonus due to CET Govora SA up to the amount of the unpaid amounts under the support scheme owed to the Company. Transelectrica was registered in the preliminary and final schedules of debts with a total claim value of RON 28,200,440.31, of which RON 25,557,189.98 pertains to the support scheme. We note that this receivable, in the amount of RON 21,962,243.71, representing principal debt and penalties related to invoice no. 8116/08.04.2016, is registered subject to the suspensive condition of a final court judgment in favour of ANRE in case file no. 2428/2/2014 on the docket of the Bucharest Court of Appeal, concerning the annulment of ANRE Decision no. 738/28.03.2014. At the hearing on 18.07.2018, the Vâlcea Tribunal delivered the following ruling:

- Confirms the reorganisation plan of the debtor CET Govora SA, proposed by the judicial administrator EURO INSOL SPRL, filed in the case on 25 May 2018 and published in the Insolvency Proceedings Bulletin no. 11924 of 13 June 2018.
- Dismisses the objections filed by the creditors Complexul Energetic Oltenia SA, SNTFM CFR Marfã SA, Solek Project Delta SRL, Solek Project Omega SRL, Clean Energy Alternativ SRL, and Solar Electric Curtisoara SRL.
- Sets the hearing for continuation of proceedings for 08.10.2018.

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

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

Under these circumstances, the Company recorded the amount of RON 22,188,224.16 pertaining to the support scheme under the account "various debtors", separate analytical – ANRE, with an impact on the net position of the support scheme.

The amount of RON 22,188,224.16 represents the receivable to be collected from CET Govora under the support scheme (in the amount of RON 25,557,190), corrected by the bonus withheld by the Company pursuant to Art. 17 para. 5 of Order of the ANRE President no. 116/2013, in the amount of RON 3,368,966.

On 25.03.2022, by Government Decision no. 409/2022, the amendment and completion of Government Decision no. 1215/2009 on establishing the criteria and conditions necessary for implementing the support scheme for promoting high-efficiency cogeneration based on demand for useful thermal energy was adopted. Thus, the period of application of the support scheme is extended until 2033, exclusively for producers who meet the conditions for accessing the extension of the support scheme.

At the same time, the financial closure of the support scheme is also extended and will be carried out in the first semester of 2034.

Other receivables

As of June 30, 2025, other receivables amounting to 220,604,532 include mainly:

- Sundry debtors (116,567,055), of which:
 - late payment penalties assessed on defaulting customers, amounting to 80,286,257 (of which 25,853,770 are penalties related to the support scheme). The highest late payment penalties were recorded by the following customers: Romelectro (24,464,321), RAAN (16,901,449), Electromontaj (11,471,298), 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

Notes to the separate interim financial statements as at June 30, 2025

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

(1,068,302), GE Digital Services Europe (835,443). Impairment adjustments have been recognized 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); for compensation due from suppliers from operating activities, impairment adjustments have been recognized;
- the receivable to be recovered from OPCOM representing VAT relating to the contribution in kind to the capital of the subsidiary amounting to 4,517,460.
- amounts received in the nature of a subsidy (38,113,878), relating to ETG connection contracts;
- expenses recorded in advance in the amount of **22,360,047** mainly represented by: pole tax (10,909,684) domestic and international contributions (4,041,050), taxes and duties relating to 2025 (2,117,647), OTC (1,932,428), ANRE annual contribution relating to 2025 (1,336,464), insurance policies (1,106,635), rent and maintenance of office building (754,755) and others;
- other social security receivables amounting to **4,591,830** representing sick leave paid by the employer to employees and to be recovered from the National Health Insurance House, in accordance with the legislation in force.

Advances to suppliers

As of June 30, 2025, advances paid to suppliers are represented by debtor suppliers for services rendered in the amount of **286,739,239** 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 - 201,011,240, IBEX - 70,195,008 and JAO - 15,509,868).

The application of the price coupling mechanism started on November 19, 2014, when the "4 Market Market Coupling (4MMC)" Project, which envisages the joining of the DAM (Day-Ahead Market) electricity markets in Romania, Hungary, 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 of the 4MMC countries with those of Poland, Austria and Germany.

Under the mechanism of price coupling of day-ahead markets, power exchanges, on the basis of auctions, link day-ahead electricity transactions taking into account the interconnection capacity made available by the TSOs through which its implicit allocation is realized. NPG CO. Transelectrica SA, as an OTS, transfers electricity, both physically and commercially, to neighbors (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 an 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 November 19, 2019, the 2nd wave of the European Single Intraday Market Coupling (SIDC - Single Intraday Coupling) solution was launched, with the first deliveries on November 20. Seven countries - Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Slovenia, Croatia, Hungary, Poland, Romania and Slovenia joined the fourteen countries - Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Latvia, Lithuania, the Netherlands, Norway, Portugal, Spain and Sweden, which have already been operating in the coupled mode 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.

October 28, 2021 marked the start of the successful new SDAC Single Day-ahead Coupling, the result of the cooperation between the Designated Electricity Market Operators (DSOs) 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 cross-border pan-European day-ahead energy market. An integrated day-ahead market increases overall trading efficiency by promoting effective competition, increasing liquidity and enabling more efficient use 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 represented the transition from the ICP-Interim Coupling Project coupling mechanism to FBMC - Flow Based Market Coupling, optimizing the European electricity market for 13 countries: Austria, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, the Czech Republic, the Netherlands, Belgium, Croatia, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia.

Notes to the separate interim financial statements as at June 30, 2025

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

In the FBMC project, Transelectrica acts as 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.

Since March 18, 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 neighboring EU countries Hungary and Bulgaria. Also in this activity, the Company retains its role as Shipper (Transfer Agent).

VAT recoverable

VAT to be recovered (183,819,663) - amount related to the settlements for the period from March to June 2025. As of the date of this report, the Company has collected 58,402,746 from the State in the amount of 58,402,746, representing value added tax claimed for refund for the month of March 2025.

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

It is Transelectrica's policy to record 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, except for outstanding receivables generated by the support scheme. The Company also performs an individual analysis of trade and other uncollected receivables.

The highest impairment adjustments at June 30, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30,626,840), 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 (9,142,913), RAAN (8,516,707), Next Energy Partners (8,395,132).

In order to recover the claims adjusted for impairment, the Company has taken the following measures: legal action, enrollment in the creditor's estate etc.

6. Cash and cash equivalents

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

As of June 30, 2025 and December 31, 2024, cash and cash equivalents are as follows:

	June 30, 2025	December 31, 2024
1. Current accounts with banks and deposits with original maturities up to 90 days, of which:	970,542,513	671,481,765
a) current accounts with banks and deposits with original maturities of up to 90 days from current activity	361,047,936	164,871,298
b) current accounts with banks and deposits with original maturities of up to 90 days, of which:	609,494,577	506,610,467
- cash and deposits from high-efficiency cogeneration	181,944,139	300,321,261
- cash and deposits from revenues from the allocation of interconnection capacities used for network investments	7,243,105	3,902,857
- cash from the connection fee	222,703,548	88,098,871
- European funds	3,470,094	4,870,929
- other restricted accounts (energy market guarantees and dividends)	194,133,691	109,416,549
2. Cash account	76,681	76,086
3. Other cash equivalents	36,924	-
Total	970,656,118	671,557,851

7. Equity

In accordance with the provisions of GEO no. 86/2014 on the establishment of some reorganization measures at the level of central public administration and for the amendment and completion of some normative acts, on February 20, 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 on February 20, 2015.

Notes to the separate interim financial statements as at June 30, 2025

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

Based on the provisions of Article 2 of GEO no. 55/19 November 2015 on establishing some reorganization 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 reorganizing and taking over the activities of the Ministry of Economy, Trade and Tourism, which was abolished, 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.

According to the provisions of GD no. 27/12 January 2017 on the organization and functioning of the Ministry of Economy, the Company operated under the authority of the Ministry of Economy until November 5, 2019.

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

On November 14, 2019, the Central Depository S.A. recorded 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 to 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.

At June 30, 2025, the shareholders of NPG CO. Transelectrica SA are: the Romanian State represented by the General Secretariat of the Government holding a number of 43,020,309 shares (58.69%), the privately managed pension fund NN with a number of 4,007,688 shares (5.47%), PAVAL HOLDING with a number of 4,753,567 shares (6.49%), other shareholders Legal Persons with a number of 16,584,688 shares (22.62%) and other shareholders Individuals with a number of 4,936,890 shares (6.73%).

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

The shareholder structure at June 30, 2025 and December 31, 2024 is as follows:

	June 3	30, 2025	December 31, 2024	
Shareholder	Number of shares	% of capital share	Number of shares	of capital share
Romanian State through SGG	43,020,309	58.69%	43,020,309	58.69%
Other legal entities shareholders	16,584,688	22.62%	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	4,936,890	6.73%	5,078,895	6.92%
Total	73,303,142	100.00%	73,303,142	100.00%

The decrease in shareholders' equity as of June 30, 2025 compared to December 31, 2024 was primarily due to changes in the following items:

- The recording in retained earnings of the net profit, in the amount of 256,439,516, realized as of June 30, 2025;
- recording the distribution of the profit for 2024 as dividends to be distributed to shareholders in 2025 in the amount of 279,284,971.

8. Deferred revenues

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

As of June 30, 2025, the statement of **deferred revenues** is as follows:

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

	June 30, 2025	Of which: Current portion at June 30, 2025	December 31, 2024	Of which: Current portion at 12/31/2024
Deferred revenue - allocation of interconnection capacity	11,279,499	11,279,499	6,728,118	6,728,118
Deferred revenue - European funds	2,631,796	2,631,796	3,334,602	3,334,602
Funds from the connection fee	432,888,651	7,265,101	296,793,165	7,154,699
European Funds	230,965,979	5,971,645	232,179,802	2,298,734
Other subsidies	20,236,673	22,080	20,547,315	2,695,748
Total	698,002,598	27,170,121	559,583,002	22,211,901

The evolution of **current deferred revenue** from January to June 2025 is as follows:

	June 30, 2025	December 31, 2024
Balance at beginning of period	22,211,901	16,137,336
Interconnection capacity prepayments	67,261,578	93,714,147
Receipts from European funds	(55)	2,584,899
Transfer from non-current deferred revenue	1,109,645	(2,094,976)
Revenues from the use of interconnection capacity	(62,710,197)	(88,040,170)
Income from European funds	(702,751)	(89,335)
Total	27,170,121	22,211,901

The development of **non-current deferred revenue** from January through June 2025 is presented as follows:

	June 30, 2025	December 31, 2024
Balance at beginning of period	537,371,101	519,083,803
Connection subsidies	142,086,443	47,520,391
Non-reimbursable funds	1,674,928	43,189,235
Non-reimbursable funds to be reimbursed	-	-
Transfer to current deferred revenue	(13,667,916)	(85,943,609)
Reversal to income of subsidies	3,367,921	13,521,281
Total	670,832,477	537,371,101

9. Borrowings

• Non-current borrowings

At June 30, 2025, the amount of non-current borrowings decreased from December 31, 2024 primarily due to repayments under existing loan agreements.

Movements in borrowings during the six months ended June 30, 2025 are as follows:

	Currenc	y Interest Rate	Accounting value	Maturity
Balance at January 1, 2025			31,902,971	
New drawings			-	
Reimbursements, of which:			(11,998,910)	
EIB 25709	EUR	3,596%	(5,990,232)	10-Sep-2025
EIB 25710	EUR	3,856%+2,847%	(6,008,678)	11-Apr-2028
Exchange rate differences at t	he date of r	eimbursement	421,206	_
Balance at June 30, 2025			20,325,267	

As of June 30, 2025 and December 31, 2024, the balances of non-current borrowings from credit institutions are as follows:

Description	June 30, 2025	December 31, 2024
EIB 25709	6,112,047	11,974,686
EIB 25710	14,213,220	19,928,285
Total non-current borrowings from credit institutions, of which:	20,325,267	31,902,971
Current portion of non-current borrowings	(18,372,306)	(23,984,799)
Total non-current borrowings, net of current installments	1,952,961	7,918,172

The non-current portion of borrowings will be repaid as follows:

	June 30, 2025	December 31, 2024
Between 1 and 2 years	976,481	6,483,336
Between 2 and 5 years Over 5 years	976,480 -	1,434,836
Total	1,952,961	7,918,172

The Company has not hedged its foreign currency obligations or exposure to interest rate risk. All non-current borrowings outstanding at 30.06.2025 bear fixed interest rates.

• Current borrowings

Current borrowings are itemized as follows:

	June 30, 2025	December 31, 2024
Current portion of non-current borrowings	18,372,306	23,984,799
Current bank credit	-	-
Interest on non-current and current borrowings	185,042	302,501
Total current borrowings	18,557,348	24,287,300

• Borrowings contracted 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 interest calculated based on the reference rate ROBOR 1M, plus a margin of 0% and a commission of 0,088%. On 04.01.2023 Transelectrica entered into Addendum no. 1 to the credit agreement no. C624 entered into 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 Addendum 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 Addendum 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:

- 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.

On June 30, 2025 the credit line is not used.

Notes to the separate interim financial statements as at June 30, 2025

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

On 10.03.2022 Transelectrica entered into credit 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 loan agreement in the amount of RON 200 million has the following structure:

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

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

On 16.06.2022 Transelectrica entered into Addendum no. 2 to loan 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 (use of the ceiling until 09.03.2023).

On 19.04.2023 Transelectrica concluded Addendum no. 3 to the credit agreement no. C588 concluded with Banca Transilvania, with the purpose of amending the guarantee contracts.

On 07.03.2024 Transelectrica concluded Addendum no. 4 to credit agreement no. C588 concluded with Banca Transilvania, with the purpose of extending the validity of the credit line to 12 months (use of the credit line until 09.03.2025).

The credit line is secured by:

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

On June 30, 2025 the credit line is closed.

10. Trade and other payables

a) As of June 30, 2025 and December 31, 2024, trade and other payables are as follows:

	June 30, 2025	December 31, 2024
Suppliers energy market	1,590,047,187	2,253,148,039
Suppliers of fixed assets	142,917,991	158,164,085
Suppliers other activities	67,499,040	77,353,875
Amounts owed to employees	13,627,102	12,833,281
Other liabilities	1,181,192,039	1,372,229,270
Total	2,995,283,359	3,873,728,550

As of June 30, 2025 and December 31, 2024, the outstanding energy market liabilities in the amount of 1,590,047,187 and 2,253,148,039, respectively, have the following structure:

	June 30, 2025	December 31, 2024
Electricity market suppliers, of which:		
- suppliers - operational activity	952,150,762	1,496,225,168
- suppliers - balancing market	627,059,093	711,976,808
- suppliers - bonus support scheme promoting high-efficiency cogeneration	10,837,332	44,946,063
Total	1,590,047,187	2,253,148,039

Suppliers on the electricity market are mainly represented by: MAVIR, IBEX, Hidroelectrica SA, OPCOM, S Complexul energetic Oltenia SA, CIGA Energy SA, Bursa Română de Mărfuri, Joint Allocation Office, Nova Power&Gas, OMV Petrom SA. At June 30, 2025, their share in the total energy suppliers is 69%.

The decrease in the balance of "liabilities related to operating activity" in the analyzed period was influenced by the supply and demand price formation model for electricity market coupling. The implicit allocations, in which capacity and energy are provided simultaneously, 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 Q2 2025 compared to Q4 2024.

The decrease in "support scheme liabilities" to suppliers (generators) was driven by the decrease in the value of the monthly bonus for high efficiency cogeneration in June 2025 compared to December 2024.

Notes to the separate interim financial statements as at June 30, 2025

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

As of June 30, 2025, there are liabilities payable to suppliers (producers) in the amount of 3,539,953 to CET Govora SA (monthly bonus for cogeneration and ante overcompensation for 2015). The amounts representing the Company's liabilities related to the support scheme to CET Govora were withheld for payment based on art. 17 para. 5 of ANRE President's Order no. 116/2013, since the supplier (producer) has payment obligations towards the Company on 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 liabilities compensation at their minimum level through the Institute of Management and Informatics (IMI) that manages all the information received from the taxpayers in a unitary manner, based on the provisions of HG no. 773/2019.

CET Govora did not agree with this way of extinguishing 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 related to the support scheme, with explicit mention on the payment document of the respective amounts' and withheld from payment the amounts related to the support scheme due.

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

Based on the Agreement, the Company's receivables to be collected from CET Govora SA were offset against the liabilities 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 Judgment 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 May 9, 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 May 9, 2016, the application of the provisions of Article 17.5 of ANRE President's 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 Judgment no. 3185/27.11.2015, partially quashed the appealed 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, taking full effect.

In 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 balance of "suppliers of fixed assets" at June 30, 2025 compared to December 31, 2024 was due to the payment of overdue payments.

Payables due to "suppliers other activities" are mainly represented by payables for services rendered by third parties not yet due, which decreased from December 31, 2024.

As of June 30, 2025, the Company has no outstanding payables to suppliers (state budget, local budget or other public institutions).

The structure of liabilities recorded in "other liabilities" is as follows:

	June 30, 2025	December 31, 2024
Sundry creditors	285,691,378	385,402,830
Customers - creditors	389,365,286	834,707,577
Dividends payable	279,411,091	133,613
Payables - Current building leases	6,840,123	6,607,203
Payables - Leasing non-current buildings	-	-
Other current liabilities	219,884,161	139,765,068
Other non-current liabilities		5,612,979
Total	1,181,192,039	1,372,229,270

Notes to the separate interim financial statements as at June 30, 2025

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

- "Sundry creditors", amounting to 285,691,378 as of June 30, 2025, mainly represent:
- High Efficiency Cogeneration Support Scheme net position, liabilities position, amounting to 265,664,008. The net position of the support scheme represents the difference between:
 - ✓ the amount of the contribution to be collected from the suppliers of electricity consumers, the amount of overcompensation for the activity of electricity and thermal energy production in high efficiency cogeneration, the undue bonus to be collected from producers, according to ANRE decisions, on the one hand, and
 - the amount of the cogeneration bonus, the overcompensation and the ungranted bonus to be paid to the high efficiency cogeneration producers, beneficiaries of the support scheme, on the other hand;
- 16,359,462 solution study contracts for connection to the ETG;
- 1,779,081 royalty Q2 2025;
- 1,041,298 guarantees and others.
- "Creditor customers", as of June 30, 2025, amount to **389,365,286**, of which 386,444,581 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 (293,763,822), IBEX (46,105,096), MAVIR (21,347,103), JAO (1,173,436) and OPCOM (24,055,123).
- As of June 30, 2025, dividends due to the Company's shareholders and unpaid amount to **279,411,091**. These amounts are available to shareholders through the paying agent.
- At June 30, 2025, the **liability for fixed assets related to rights to use leased assets buildings**, in accordance with IFRS 16 Leases, amounts to 6,840,123, of which:
- current liabilities: 6.840,123
- non-current liabilities: -
 - "Other current liabilities", in the amount of **219,884,161**, are mainly represented by guarantees of good payment of contracts entered into by NPG CO. Transelectrica SA in the amount of 196,540,105, VAT not chargeable in the reporting period in the amount of 17,422,910 and the estimated global minimum tax related to the Group, as a result of the application of the provisions of *Law no. 431/2023 on the provision of a global minimum level of taxation for multinational groups of companies and large national groups* in the amount of 5,612,979.

b) Provisions

As at June 30, 2025 and December 31, 2024, the statement of provisions is as follows:

	June 30, 2025	December 31, 2024
Provisions for litigation	23,860,499	23,950,036
Provisions for mandate contracts	8,448,033	8,600,444
Other provisions	33,933	44,967
TOTAL	32,342,465	32,595,447

The provisions for litigation outstanding at 06/30/2025, in the amount of 23,860,499, are mainly represented by the provisions set aside for the following litigation:

- Case file No. 36755/3/2018 plaintiff Conaid Company SRL (17,216,093) further details on this case are disclosed in Note 19 Litigation and Contingencies.
- Case file no. 15561/3/2022 claimant SMART SA (4,467,108) further details on this case are set out in Note 19 Litigation and Contingencies.
- Case 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

Notes to the separate interim financial statements as at June 30, 2025

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

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 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 agreements", in the amount of 8,448,033 as of June 30, 2025, represent:

- the variable component relating to the OAVT packages allocated and not valorized during the terms of office executed between 2013 and 2017, for executive and non-executive directors, claimed by them in court;
- the remuneration representing the variable component, the non-competition compensation and that relating to the gross monthly fixed gross indemnities remaining until the end of the term of office for the dismissed members of the Supervisory Board/Directorate, i.e. for the 2020-2024 terms of office.

11. Other taxes and social security obligations

At June 30, 2025 and December 31, 2024, other taxes and social security liabilities include:

	June 30, 2025	December 31, 2024
Contribution to social security funds	11,985,999	14,303,638
Salary tax	2,154,811	2,861,321
Other taxes payable	1,280,835	1,266,791
Total	15,421,645	18,431,750

As of June 30, 2025, the Company has accrued liabilities for social security contributions, payroll tax and other taxes, which were due and payable in July 2025.

12. Income tax

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

Income tax expense for the second quarter of 2025 and the second quarter of 2024 and income tax expense as of June 30, 2025 and June 30, 2024 are presented, as follows:

	Quarter II 2025	Quarter II 2024	June 30, 2025	June 30, 2024
Current income tax	3,786,180	(3,771,540)	36,805,155	17,199,205
Deferred income tax	(649,321)	(293,220)	(3,650,945)	2,532,517
Total	3,136,859	(4,064,760)	33,154,210	19,731,722

[&]quot;Other provisions" amounting to 33,933 represent untaken vacation leave.

Notes to the separate interim financial statements as at June 30, 2025

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

13. Operating revenue

Q2 2025 compared to Q2 2024

Operating revenues comprise revenues realized 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 second quarter of 2025 and the second quarter of 2024 are as follows:

	Tariff for the transmission service of feeding electricity into the electricity transmission system (TG)	Tariff for the transmission service for the extraction of electricity from the networks (TL)	Average tarrif for transport service	Tariff for system service
Order No 21/27.05.2025 for the period June 01 - June 30, 2025	-	-	-	7.04
Order No 99/20.12.2024 for the period April 01 - June 30, 2025	3.29	33.03	-	-
Order No 57/28.08.2024 for the period 01 April - May 31, 2025	-	-	-	11.51
Order No 15/29.05.2024 for the period June 01 - June 30, 2024	-	-	-	12.84
Order No 116/20.12.2023 for the period April 01 - May 31, 2024	-	-	-	9.17
Order No 109/20.12.2023 for the period April 01 - June 30, 2024	-	-	31.67	-

As of January 01, 2025 ANRE approves the tariff for transmission service only on the two components: the tariff for the introduction of electricity into the transmission grid (TG) and the tariff for the extraction of electricity from the networks (TL), according to ANRE Order no. 99/20.12.2024.

The change in the value of the tariff for the system service as of June 01, 2025 by ANRE Order no. 21/27.05.2025 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 came into force on September 01, 2024 (ANRE Order no. 57/28.08.2024), in accordance with the provisions of the regulatory framework issued by ANRE.

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

Quarter II 2025

Quarter II 2024

Quantity of electricity delivered to consumers (MWh)	12,302,660	12,175,471
The operating revenues realized in Q2 2025 and Q2 2024 are as follows:		
	Quarter II 2025	Quarter II 2024
Transport service revenue	438,729,912	376,469,572
Revenues from the allocation of interconnection capacity	82,191,778	56,855,140
Revenue from reactive energy	598,288	351,592
Revenue from Inter TSO Compensation (ITC)	6,040,263	7,469,808
OTC transaction revenues	14,961,104	41,531,801
Transport revenue - total	542,521,345	482,677,913
Revenue from system services	123,662,069	127,629,718
Revenue from emergency aid	<u> </u>	57,266,226
Revenue from system services - total	123,662,069	184,895,944
Balancing market revenues	823,923,796	1,896,721,756

Notes to the separate interim financial statements as at June 30, 2025

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

	Quarter II 2025	Quarter II 2024
Revenue from other benefits and other operating income	21,077,515	116,182,811
Revenue from capitalisation of OTC	-	16,497,017
Other revenue - total	21,077,515	132,679,828
Total operating revenue	1,511,184,725	2,696,975,441

Revenues from transportation service

Revenues from the transmission service increased in Q2 2025 compared to Q2 2024 by 62,260,340, driven both by the increase in the tariff for the transmission service approved by ANRE (see the table on tariffs approved by ANRE for the period under review, presented above) and by the increase in the quantity of electricity delivered to consumers by 1.04%, i.e. by 127,189 MWh.

Revenues from interconnection capacity allocation

Revenues from the allocation of interconnection capacity recorded an increase in Q2 2025 compared to Q2 2024, amounting to 25,336,638, corresponding to the level of utilization of available interconnection capacity by the traders in the electricity market. The market for the allocation of interconnection capacity is fluctuating, with prices fluctuating according to demand and the need of electricity market participants to purchase interconnection capacity. Thus, the growth over the analyzed 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.

Inter TSO Compensation (ITC) revenues

The revenues recorded following the application of the ITC mechanism come mainly from scheduled exchanges of electricity with the countries considered perimeter countries of the mechanism, namely Ukraine and the Republic of Moldova. In general, Romania is a paying country under the mechanism, but exceptionally, revenues may also be recorded from monthly settlements. As from July 01, 2024, Ukraine joined the ITC mechanism and was no longer considered as a perimeter country. Therefore, only trade with the Republic of Moldova was taken into account.

In Q2 2025, revenues recorded under the ITC mechanism decreased by 1,429,545 compared to Q2 2024.

Revenue from OTC transactions

OTC energy trading revenues 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 realized OTC (per settlement interval) on the Balancing Market, respectively. These revenues were lower in Q2 2025 compared to Q2 2024 by 26,570,697.

Revenues from transactions in the Intra-Dil market were higher than the prior year as a result of an increase in energy sold in the Intra-Dil market as a result of forecast corrections as close to the time of delivery as possible and slightly higher prices in this market.

Revenues from transactions on the Balancing Market were significantly lower, as the OTC recorded in Q2 2025 was lower than in the same period of the previous year. Given the increase in the share of solar and wind generation, there has been 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 short-term market prices.

Revenues from system services

Revenues from system services decreased in Q2 2025 compared to Q2 2024 by 3,967,649, due to the decrease in the tariff approved by ANRE for these services (see the table on tariffs approved by ANRE for the period under review, presented above), while the quantity of electricity delivered to consumers increased by 1.04%, i.e. by 127,189 MWh.

Revenues on the balancing market

Revenues realized on the balancing market decreased in Q2 2025 compared to Q2 2024 by 1,072,797,960, mainly due to the following:

- Evolution of contractual imbalances recorded at the level of electricity suppliers in the balancing market;
- the evolution of hydraulicity;
- developments in electricity generation and consumption;
- the evolution of the output of power plants on probation;
- a continuation of the accelerated growth of installed power at prosumers;

Notes to the separate interim financial statements as at June 30, 2025

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

• improved control/monitoring at the supplier level for the output of prosumers in their portfolio and increased concern at the supplier level to estimate/adjust prosumers' output forecasts in relation to their contractual position.

S1 2025 compared to S1 2024

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

	Tariff for the transmission service for the introduction of electricity into the transmission grid (TG)	Tariff for the transmission service for extracting electricity from the networks (TL)	Average transmissio n service tariff	Tariff for system service
Order No 21/27.05.2025 for the period June 01 - June 30, 2025	-	-	-	7.04
Order No 99/20.12.2024 for the period January 01 - June 30, 2025	3.29	33.03	-	-
Order No 57/28.08.2024 for the period 01 January - May 31, 2025	-	-	-	11.51
Order No 15/29.05.2024 for the period June 01 - June 30, 2024	-	-	-	12.84
Order No 116/20.12.2023 for the period January 01 - May 31, 2024	-	-	-	9.17
Order No 109/20.12.2023 for the period January 01 - June 30, 2024	-	-	31.67	-

Starting with January 01, 2025, ANRE approves the tariff for transmission service only for the two components: the tariff for introducing 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 modification of the tariff value for the system service as of June 01, 2025 by ANRE Order no. 21/27.05.2025 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 in force as of September 01, 2024 (ANRE Order no. 57/28.08.2024), in accordance with the provisions of the regulatory framework issued by ANRE.

The quantity of electricity delivered to consumers in the first semester of 2025 and the first semester of 2024, respectively, is presented as follows:

	Semester I 2025	Semester I 2024
Quantity of electricity delivered to consumers (MWh)	25,871,125	25,402,341

The operating revenues realized in the first half of 2025 and the first half of 2024 are as follows:

	Semester I 2025	Semester I 2024
Transport service revenue	925,349,751	800,888,516
Revenues from the allocation of interconnection capacity	151,278,789	101,900,336
Revenue from reactive energy	1,453,992	758,012
Revenue from Inter TSO Compensation (ITC)	14,415,315	11,631,554
OTC transaction revenues	26,082,565	70,099,623
Transport revenue - total	1,118,580,412	985,278,041
Revenue from system services	281,353,073	251,393,138
Revenue from emergency aid	268,763	60,301,753
Revenue from system services - total	281,621,836	311,694,891

Notes to the separate interim financial statements as at June 30, 2025

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

Balancing market revenues	1,490,519,196	3,229,089,384
Revenue from other benefits and other operating income	30,836,867	135,260,786
Revenue from capitalisation of OTC	924,241	23,866,156
Other revenue - total	31,761,108	159,126,942
Total operating revenue	2,922,482,552	4,685,189,258

Revenues from transportation service

Revenues from transmission service increased in S1 2025 compared to S1 2024 by 124,461,235, due both to the increase in the tariff for the transmission service approved by ANRE (see the table on tariffs approved by ANRE for the period under review, presented above) and to the increase in the quantity of electricity delivered to consumers by 1.85%, i.e. by 468.784 MWh.

Revenues from the allocation of interconnection capacity

Revenues from the allocation of interconnection capacity showed an increase in S1 2025 compared to S1 2024, amounting to 49,378,453, corresponding to the level of utilization of available interconnection capacity by traders on the electricity market.

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 analyzed 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 power exchanges.

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

On June 8, 2022, the Core FB MC (Core Flow-Based Market Coupling) was put into operation, thus initiating the day-ahead flow-based market coupling in the Core capacity calculation region. The Flow-Based Market Coupling mechanism optimizes 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 October 27, 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 - Single Intraday Coupling) was launched. The single intraday market coupling mechanism ensures the seamless matching of bids and offers from market participants in a bidding area with bids and offers from within their own bidding area and from any other bidding area where crossborder capacity is available. Thus, explicit intra-domestic auctions are only on the borders with Serbia and Moldova, and implicit intra-domestic auctions are implicit (within the SIDC) on the borders with Bulgaria and Hungary.

On March 18, 2025 the Intraday Auctions (IDA) project was launched for Romania's bidding borders (Romania-Bulgaria and Romania-Hungary). According to Article 55 of Commission Regulation (EU) 2015/1222 of July 24, 2015 establishing guidelines on capacity allocation and congestion management it is necessary to set intraday capacity prices. Thus, on the basis of ACER Decision No 01/2019 on the Methodology for intrazonal intrazonal capacity pricing, an auction mechanism has been introduced to fulfill this objective. This is the so called Intra-Trading Auction - "IDA" which means the implicit auction of intra-Trading Transactions for the simultaneous matching of orders from different bidding zones and allocation of available intra-Trading Transzonal 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 modernization and development of interconnection capacity with neighboring systems.

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

The extension of 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".

Notes to the separate interim financial statements as at June 30, 2025

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

Inter TSO Compensation (ITC) revenues

The revenues recorded as a result of the application of the ITC mechanism come mostly from scheduled exchanges of electricity with the countries considered perimeter countries of the mechanism, namely Ukraine and the Republic of Moldova. In general, Romania is a paying country under the mechanism, but exceptionally, revenues may also be recorded from monthly settlements.

As from July 01, 2024, Ukraine joined the ITC mechanism and was no longer considered as a perimeter country. Therefore, only trade with the Republic of Moldova was taken into account.

Thus, in the first semester of 2025, the revenues recorded following the application of the ITC mechanism recorded an increase of 2,783,761 compared to the first semester of 2024, with the following mentions:

- although the energy exchanges with the perimeter countries taken into consideration were only those with the Republic of Moldova, they increased by about 2 times;
- the tariff value for exchanges with perimeter countries was 2.5 EUR/MWh up to May 14, 2025 and 1.5 EUR/MWh from May 15, 2025 onwards, compared to 3 EUR/MWh in 2024.

OTC trading revenues

OTC energy trading revenues 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 managed by OPCOM and, respectively, from the difference between the forecast OTC and the actual realized OTC (per settlement interval) on the Balancing Market. These revenues were lower in S1 2025 compared to S1 2024 by 44,017,058.

Revenues from transactions on the Intra-Dil market were higher than those realized in the previous year due to an increase in energy sold on the Intra-Dil market as a result of forecast corrections as close to the time of delivery as possible, as well as slightly higher prices on this market.

Revenues from transactions on the Balancing Market were significantly lower, given that the OTC recorded in S1 2025 was lower than in the same period of the previous year. Given the increase in the share of solar and wind generation, there has been an increase in the supply of energy in the peak intervals and an increase in the share of very low and even negative price intervals for prices in the short-term markets.

Revenues from system services

Revenues from system services recorded an increase in S1 2025 compared to S1 2024 by the amount of 29,959,935, determined by the increase in the quantity of electricity delivered to consumers by 1.85%, i.e. by 468,784 MWh, in the context of the decrease in the tariff approved by ANRE for these services as of June 01, 2025 (see the table on tariffs approved by ANRE for the period under review, presented above).

For the system services activity, the specific regulatory framework contains regularization 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 income in relation to the recognized costs resulting from the performance of this activity shall be compensated by ex-post tariff correction (negative/positive correction) applied by ANRE in the tariff in the years following the year in which the respective surplus/deficit was recorded. The surplus/deficit of income compared to the costs resulting from the carrying out of this activity is calculated by tariff programming periods.

Revenues from emergency aid

In the first half of 2025, 268,763 in emergency aid was granted to Serbia (March), due to the accidental shutdown of generating units in this country.

Balancing market revenues

Revenues realized on the balancing market recorded a decrease in S1 2025 compared to S1 2024, amounting to 1,738,570,188, mainly due to the following:

- The evolution of contractual imbalances recorded at the level of electricity suppliers on the balancing market;
- the evolution of hydraulicity;
- developments in electricity generation and consumption;
- the evolution of the output of power plants on probation;
- continued accelerated growth of installed power at prosumers;

Notes to the separate interim financial statements as at June 30, 2025

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

• an improvement in the control/monitoring at the level of suppliers for the production of prosumers they have in their portfolio and an increased concern at their level to estimate/adjust the prosumers' production forecasts in relation to their contractual position.

Revenues from capitalization of own technological consumption (OTC)

According to art. III of GEO no. 119/2022 for amending and supplementing GEO no. 27/2022 on measures applicable to end customers in the electricity and natural gas market in the period April 1, 2022 - March 31, 2023, and for 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 with the purchase of electricity realized 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 capitalized on a quarterly basis, and the assets resulting from the capitalization shall be depreciated over a period of 5 years from the date of capitalization.

Thus, as of June 30, 2025, the Company has recorded income from the capitalization of OTC in the amount of 924,241, representing additional OTC calculated as the difference between the net cost of OTC acquisition and the cost of OTC included in the regulated tariff, for the period January 1 to March 31, 2025.

14. System operation and balancing market expenses

Q2 2025 compared to Q2 2024

Expenses in Q2 2025 compared to Q2 2024 are presented as follows:

	Quarter II 2025	Quarter II 2024
Own Technological Consumption expenses	129,724,431	153,186,443
Congestion expenses	-	107,222
Expenses on electricity consumption in ETG stations	8,019,550	11,327,703
OTC expenses transit RED (acc. to ANRE decision)	17,442,815	12,840,055
Inter TSO Compensation (ITC)	13,792,645	8,990,228
Total operating expenses	168,979,441	186,451,651
System services expenses	134,293,859	195,586,467
Balancing market expenses	824,219,058	1,896,938,639
Total	1,127,492,358	2,278,976,757

Own Technological Consumption expenses

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

Expenditure on own technology consumption was lower by an amount of 23,462,012 in Q2 2025 as compared to Q2 2024, considering a number of aspects as follows:

- due to its characteristics, the Own Technological Consumption (OTC) 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 neighboring power systems, its value being very little to not controllable at all in the conditions of an interconnected and coupled regional energy market;
- as a result of weather conditions and flows on interconnection lines, the OTC value recorded in Q2 2025 was lower than that recorded in the same period of the previous year;
- as of 01.04.2024, the centralized electricity purchase mechanism (MACEE) was modified by GEO no. 32/2024, in the sense of:
- reduction of the regulated purchase price to 400 RON/MWh;
- removing the obligation for generators to participate in the mechanism;
- changing the period of application of the mechanism from 31.03.2025 to 31.12.2024;
- to allow other producers with production capacities below 10 MW to participate in the mechanism.

Notes to the separate interim financial statements as at June 30, 2025

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

- The amendments 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;
- Elimination of the price-regulated MACEE mechanism, increased consumption as well as decrease in hydropower generation led to increased imports and an increase in energy prices on the short-term markets compared to the similar period of 2024;
- the price of DAM is highly dependent on weather conditions (droughts, 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% within a week;
- As of July 01, 2024, a number of amendments 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. The Own Technological Consumption recorded in the analyzed period was lower compared to the same period of 2024, leading to lower costs resulting from the coverage of energy imbalances in this market compared to the same period of 2024.

Electricity consumption expenses at ETG stations

In order to carry out the activity of electricity transmission in electricity substations and to operate the National Electricity Power System in safe conditions, NPG CO. Transelectrica SA has to purchase electricity to cover the consumption related to internal services in the high voltage substations under the Company's management. These expenses decreased by 3,308,153 in Q2 2025 compared to Q2 2024.

OTC expenses transit RED (acc. to ANRE decision)

In June 2025, OTC expenses related to additional transits of electricity from the concessionary distribution operators' networks at the 110 kV voltage level (for the quota assigned to the OTS) were recorded in the amount of 17,442,815.

By ANRE Decisions no. 2780/20.12.2024 and no. 2781/20.12.2024, the forecast OTC quantities and the corresponding costs related to the additional transits of electricity from the 110 kV electricity grids for the year 2025 were approved for the companies Reţele Electrice România S.A. and Distribuţie Energie Oltenia S.A.

Inter TSO Compensation (ITC)

The ITC expenses represent the monthly payment obligations/collection rights for each transmission system operator (TSO). They are established within the framework of the mechanism of compensation/remission 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 within the ENTSO-E. In Q2 2025, these expenses were higher by 4,802,417 compared to the same period of the previous year.

Expenditure on system services (balancing capacity)

Expenditure on system services (balancing capacity) showed a decrease in Q2 2025 as compared to Q2 2024, amounting to 61 292 608

The purchase of balancing capacity is made on the basis of the needs established by the National Energy Dispatching (organizational unit within the Company) responsible for ensuring the stability and safety of the operation of the NES, in confomitate with the provisions of ANRE Order no. 127/08.12.2021 for the approval of the Regulation on the Terms and Conditions for Balancing Service Providers and Frequency Stabilization Reserve Providers and the Regulation on the Terms and Conditions for Balancing Parties and for the amendment and repeal of some orders of the President of the National Energy Regulatory Authority, as amended and supplemented.

In the second quarter of 2025, NPG CO. Transelectrica SA contracted Reactive Energy from Hydroelectric Power Plant Generation Company "Hidroelectrica" SA, according to:

- ANRE decision no. 2281/29.10.2024 regarding the granting of derogation for the transmission and system operator to purchase on market basis the reactive electricity service for voltage regulation in the network;
- NPG CO. Transelectrica SA decision no. 218/12.12.2024 approving the maximum prices for the purchase of reactive energy system service for voltage regulation in the transmission grid;
- the achievements confirmed by the National Energy Dispatch.

In the balancing capacity market, in line with the trend in the balancing market in 2025, there was a downward trend in the purchase price for RRFa at increasing and decreasing power and an upward trend from May 2025 for RRfm at decreasing power.

Notes to the separate interim financial statements as at June 30, 2025

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

Balancing market expenditure

The balancing market expenses realized in Q2 2025, amounting to 824,219,058, were lower by 1,072,719,581, respectively, than those realized in Q2 2024. These expenses result from the notifications/realizations 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 realization of contracting on the markets prior to the balancing market.

S1 2025 compared to S1 2024

The expenses realized in S1 2025 compared to S1 2024 are presented as follows:

Semester I 2025	Semester I 2024
288,040,965	296,081,042
-	107,222
20,630,150	25,567,731
17,442,815	12,840,055
31,959,382	20,604,759
358,073,312	355,200,809
234,589,681	300,957,046
1,490,940,346	3,229,285,561
2,083,603,339	3,885,443,416
	288,040,965 20,630,150 17,442,815 31,959,382 358,073,312 234,589,681 1,490,940,346

Own Technological Consumption expenses

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

The expenditure on own technology consumption was lower by an amount of 8,040,077 in S1 2025 as compared to S1 2024, considering a number of aspects as follows:

- due to its characteristics, the Own Technological Consumption (OTC) 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 neighboring electroenergy systems, its value being very little to not controllable at all in the conditions of an interconnected and coupled regional energy market;
- as a result of weather conditions and flows on interconnection lines, the OTC value recorded in the first semester of 2025 was lower than that recorded in the previous year;
- compared to 2025, in the first three months of 2024, following 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 corresponding to the OTC forecast validated by the Centralized Electricity Purchase Mechanism (MACEE), at the regulated price of 450 RON/MWh;
- as of 01.04.2024, the centralized electricity purchase mechanism (MACEE) was amended by GEO no. 32/2024, in the sense of:
- reduction of the regulated purchase price to 400 RON/MWh;
- removing the obligation for generators to participate in the mechanism;
- changing the period of application of the mechanism from 31.03.2025 to 31.12.2024;
- to allow other producers with production capacities below 10 MW to participate in the mechanism.
 - The amendments 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 was purchased in a proportion of about 50% through bilateral contracts, at an average price for the first semester of 2025 of 477.25 RON/MWh;
 - the elimination of the MACEE mechanism with regulated price, increased consumption and low temperatures in February, as well as lower hydropower generation led to increased imports and higher energy prices in the short-term markets compared to the same period of 2024;
 - the price of DAM is highly dependent on weather conditions (droughts, precipitation, extreme events) and prices on the European market. The Day-Ahead market is an unpredictable market with a high degree of volatility, with prices increasing by as much as 30-40% within a week;

Notes to the separate interim financial statements as at June 30, 2025

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

• As of July 01, 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. The Own Technological Consumption recorded in the analyzed period was lower compared to the same period of 2024, leading to lower costs resulting from the coverage of energy imbalances in this market compared to the same period of 2024.

Electricity consumption expenses at ETG stations

In order to carry out the activity of electricity transmission in electricity substations and to operate the National Electricity Power System in safe conditions, NPG CO. Transelectrica SA has to purchase electricity to cover the consumption related to internal services in the high voltage substations under the Company's management. These expenses decreased by the amount of 4,937,581 in S1 2025 compared to S1 2024.

OTC expenses transit RED (acc. to ANRE decision)

In June 2025, OTC expenses related to additional transit of electricity from the networks of concessionary distribution operators at the voltage level of 110 kV (for the quota assigned to the OTS) were recorded in the amount of 17,442,815.

By ANRE Decisions no. 2780/20.12.2024 and no. 2781/20.12.2024, the forecast OTC quantities and the corresponding costs related to the additional electricity transits from the 110 kV electricity grids for 2025 were approved for the companies Reţele Electrice România S.A. and Distribuţie Energie Oltenia S.A.

Inter TSO Compensation (ITC)

The ITC expenses represent the monthly payment obligations/collection rights for each transmission system operator (TSO). They are established within the framework of the mechanism of compensation/remission 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 within the ENTSO-E. In S1 2025, these expenses were higher by 11,354,623 compared to the same period of the previous year.

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

System service costs (balancing capacity)

Expenditure on system services (balancing capacity) showed a decrease in S1 2025 compared to S1 2024, amounting to 66,367,365.

The balancing capacity is purchased based on the needs established by the National Energy Dispatching (organizational unit within the Company) responsible for ensuring the stability and safety of NES operation, in accordance with the provisions of ANRE Order no. 127/08.12.12.2021 for the approval of the Regulation on the Terms and Conditions for Balancing Service Providers and Frequency Stabilization Reserve Providers and the Regulation on the Terms and Conditions for Balancing Parties and for the amendment and repeal of some Orders of the President of the National Energy Regulatory Authority, as subsequently amended and supplemented.

In the first semester of 2025, NPG CO. Transelectrica SA contracted Reactive Energy from Hydroelectric Power Plant Generation Company "Hidroelectrica" SA, according to:

- ANRE decision no. 2281/29.10.2024 regarding the granting of derogation for the transmission and system operator to purchase on market basis the reactive electricity service for voltage regulation in the network;
- NPG CO. Transelectrica SA decision no. 218/12.12.2024 approving the maximum prices for the purchase of reactive energy system service for voltage regulation in the transmission grid;
- the achievements confirmed by the National Energy Dispatch.

We point out that in line with the trend observed in the balancing market, there has been an increase in the purchase price of the Fast Tertiary Reserve - power curtailment since May 2025. If in the first five months of the year the average prices fluctuated between 15 and 23 RON/hMW, in June 2025 there was an explosion of values, with an overall average of more than 108 RON/hMW. This increase is justified neither by significant changes in demand or supply, nor by objective technical factors, but represents a sudden and unilateral change in the bidding behavior of a small group of participants. The bids submitted by some producers in June 2025 reached values between 100 and 999 RON/hMW, with repeated prices of 500, 700 and even 999 RON/hMW. Producers such as CE Oltenia, Electrocentrale Craiova, BEPCO, INGKA Investments Renewable Energy Romania and True Energy Management had a completely divergent behavior compared to the other months, when the same bidders in the market had prices around 15 RON/hMW.

Notes to the separate interim financial statements as at June 30, 2025

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

In the balancing capacity market, in line with the trend in the balancing market in the first semester of 2025, there has been a downward trend in the purchase price for RRFa in the upward and downward trend in the upward trend for RRfm in the downward trend since May 2025:

- average purchase price in the first semester of 2025, for RRFa at growth 60.51 RON/hMW;
- average purchase price in the first semester of 2025, for RRFa at reduction 62.75 RON/hMW;
- average purchase price in the first semester of 2025, for RRFm at increase 36.57 RON/hMW;
- average purchase price in the first semester of 2025, for RRFm at reduction 38.09 RON/hMW.

For the subsequent period of 2025, it is estimated that a significant impact on the evolution of the costs for the purchase of system services (balancing capacity) through daily and directional auctions, at the level of NPG CO. Transelectrica SA, will be the market behavior of the participants registered on the balancing capacity market, 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 realized in S1 2025, amounting to 1,490,940,346, were lower by 1,738,345,215 in comparison with S1 2024, i.e. by 1,738,345,215. These expenses result from the notifications/realizations 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 realization of contracting on the markets prior to the balancing market.

15. Depreciation

	Quarter II 2025	Quarter II 2024
Depreciation and amortisation of tangible and intangible assets	73,004,788	66,646,479
Depreciation of intangible assets - additional OTC	22,760,309	17,981,559
Depreciation of assets related to rights of use of leased assets	2,079,614	1,988,059
Total	97,844,711	86,616,097
	Semester I 2025	Semester I 2024
Depreciation and amortisation of tangible and intangible assets	142,507,777	132,072,099
Depreciation of intangible assets - additional OTC	45,474,407	35,594,661
Depreciation of assets related to rights of use of leased assets	4,067,674	3,976,119
Total	192,049,858	171,642,879

Depreciation of tangible and intangible assets in the amount of 142,507,777 represents the depreciation recorded in the first half of 2025, calculated at the fair value of the assets at December 31, 2024, correlated with the commissioning of the investment works and the acceptance of the assets.

Expenses for amortization of intangible assets - additional OTC in the amount of 45,474,407 were recorded in accordance with the provisions of OMF no. 3900/2022 on the approval of accounting clarifications 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 April 1, 2022 to March 31, 2023, and for the amendment and completion of some normative acts in the energy sector.

According to art. III of GEO no. 119/2022 and 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 1 January 2022 to 31 March 2025, in order to cover their own technological consumption, compared to the costs included in the regulated tariffs, are capitalized on a quarterly basis, and the assets resulting from the capitalization are depreciated over a period of 5 years from the date of capitalization.

Intangible asset amortization expense recognized under IFRS 16 in the amount of 4,067,674 (The Company partially operates in leased office premises). In accordance with IFRS 16 - Leases, the right to use the premises leased by the Company in the Platinium office building at 2-4 Olteni Street, Platinium, is recognized as an asset measured at the level of the rent payable by the end of the

Notes to the separate interim financial statements as at June 30, 2025

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

lease contract. The asset recognized in accordance with IFRS 16 is depreciated at the level of the monthly rent and is recorded under the indicator "depreciation of tangible and intangible fixed assets".

16.	Personnel	costs
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	Quarter II 2025	Quarter II 2024
Salary expenses	85,775,258	85,243,115
Social expenses	5,215,085	4,477,407
Expenses on tickets granted to employees	3,999,960	4,033,240
Expenses for mandate contracts and other committees, commissions	1,361,987	1,253,283
Social security and protection expenses	8,856,569	6,858,018
Provisions constituted for salary expenses and assimilated	(5,160)	(1,868,278)
Other expenses	(34,022)	<u> </u>
Total	105,169,677	99,996,785
	Semester I 2025	Semester I 2024
Salary expenses	168,947,429	162,833,818
Social expenses	5,692,785	4,912,948
Expenses on tickets granted to employees	8,189,440	8,446,880
Expenses for mandate contracts and other committees, commissions	2,780,420	2,362,408
Social security and protection expenses	16,242,809	12,896,846
Provisions constituted for salary expenses and assimilated	(163,444)	(3,959,886)
Other expenses	(34,022)	88
Total	201,655,417	187,493,102

Total personnel expenses realized in the second quarter of 2025 and the first semester of 2025 show an increase compared to the same period of the previous year, mainly due to the increase in some expense items, such as: staff salary expenses, social expenses, expenses related to the mandate contracts, expenses related to insurance and social protection in accordance with the applicable legal provisions, as well as the reversal to income of a part of the provisions set aside for the dismissed executive and non-executive directors, representing the variable component related to the packages of FVOVs allocated and not valorized during the terms of office executed in the period 2013-2017 and 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 judgments received by the Company.

17. Other operating expenses

	Quarter II 2025	Quarter II 2024
Other expenses with services executed by third parties	35,708,407	32,310,516
Postal expenses and telecommunication fees	179,730	217,949
Royalties and rents	1,879,381	1,662,306
(Net) operating expenses related to impairment adjustments on current assets	2,225,695	558,397
Other expenses, of which:	27,458,952	26,908,517
- losses on receivables and debtors	-	258,093
- (net) expenses on provisions for other charges	(1,421)	(287,473)
- compensation expenses on the basis of mandate contracts / OATs		
acc. to court decision	820,155	1,750,862
- expenses on taxes, duties and similar charges (ANRE tax, natural	15,371,635	4,159,819
monopoly tax, other local taxes) - expenses on goods	1,020,036 2,008,736	4,865,257 1,913,102

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

	Quarter II 2025	Quarter II 2024
- expenses on international subscriptions	1,802,931	1,795,976
- internal and external travelling expenses	1,256,242	1,874,441
- expenses on administrative energy consumption	1,382,000	2,446,700
- expenses on sponsorship	34,320	4,240,856
- expenses on fines and penalties		
- other operating expenses	3,764,318	3,890,884
Total	67,452,165	61,657,685

In the second quarter of 2025, these expenses increased in the amount of 5,794,480 compared to the second quarter of 2024, mainly due to the variation in certain expense items, as follows:

- an increase in expenditure on taxes, duties and similar payments, in view of the introduction in 2025 of the construction tax, in accordance with the provisions of GEO No. 156/2024 on some fiscal-budgetary measures in the field of public expenditure for the substantiation of the consolidated budget for 2025, for the amendment and completion of some normative acts, as well as for the extension of some deadlines;
- the increase of some other expenditure items, namely: expenditure on civil protection and security, expenditure on Teletrans maintenance, expenditure on the implementation of pan-European codes, expenditure on royalties, expenditure on insurance premiums etc.;
- the recognition of the investment project "Connection to the ETG of CEE 136MW Platoneşti through the construction of a 110kV Gura Ialomiţei cell", in the Company's operating costs, under other tax-deductible operating expenses, concomitant with the recording of an operating income related to the subsidy, respectively, the recording in the accounting records of the Bucharest Branch, as an entry of the nature of stocks, of the 110kV cell under other operating income;
- the decrease of some items of expenditure, such as: expenses on goods, expenses on administrative energy consumption, expenses on personnel training etc.;
- decrease in expenses related to FVOVs paid on the basis of enforceable court decisions issued by the court (performance bonus related to FVOV Certificates granted to former executive and non-executive and non-vested members, remuneration under the mandate contracts concluded between 2013 and 2017);
- The recording of adjustments for impairment of receivables (RESTART ENERGY TRADING SRL, JOINT ALLOCATION OFFICE SA, OPCOM SA, etc.), adjustments for inventory impairment, and the reversal to income of adjustments for impairment of current assets (BALKANS POWER CORE SRL), respectively adjustments for inventory impairment etc.

	Semester I 2025	Semester I 2024
Other expenses with services executed by third parties	68,163,395	62,572,152
Postal expenses and telecommunication fees	416,564	458,624
Royalties and rents	3,955,922	3,441,929
(Net) operating expenses related to impairment adjustments on current assets	2,104,290	348,953
Other expenses, of which:	43,437,114	51,521,596
- losses on receivables and debtors	1,668,980	2,917,956
- (net) expenses on provisions for other charges	(95,203)	(296,363)
- compensation expenses on the basis of mandate contracts / OATs		
acc. to court decision	956,394	3,236,348
- expenses on taxes, duties and similar charges (ANRE tax, natural	20,132,580	8,545,404
monopoly tax, other local taxes)		
- expenses on goods	2,621,266	8,278,318
- expenses on international subscriptions	3,997,141	3,796,943
- internal and external travelling expenses	3,207,256	3,528,017
- expenses on administrative energy consumption	2,011,860	3,324,344
- expenses on sponsorship	2,020,214	3,902,800
- expenses on fines and penalties	55,629	4,271,007
- other operating expenses	6,860,997	10,016,822
Total	118,077,285	118,343,254

Notes to the separate interim financial statements as at June 30, 2025

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

In the first semester of 2025, these expenses recorded a decrease in the amount of 265,969 compared to the first semester of 2024, mainly due to the variation of some expense items, as follows:

- Decrease in certain expense items such as: commodity expense, administrative energy consumption expense, travel expense, staff training expense etc.;
- decrease in expenses relating to the FVOVs paid on the basis of enforceable court judgments issued (performance bonus related to the FVOV Certificates granted to former executive and non-executive members and not valorized, remuneration under the mandate contracts concluded between 2013 and 2017) and expenses paid on the basis of enforceable court judgments issued to former executive and non-executive members who were dismissed, representing compensation provided for in the mandate contracts concluded in 2020, for the period 2020-2024;
- in the context of the increase in expenditure on taxes, duties and similar payments, through the introduction in 2025 of the construction tax, in accordance with the provisions of GEO no. 156/2024 on some fiscal-budgetary measures in the field of public expenditure for the consolidated budget for the year 2025, for amending and supplementing some normative acts, as well as for the extension of some deadlines, as well as the increase in other expenditure items, such as: expenditure on civil protection and security, expenditure on Teletrans maintenance, expenditure on the implementation of pan-European codes, expenditure on royalties, expenditure on insurance premiums etc.;
- recognizing the investment project "Connection to the ETG of CEE 136MW Platonești by building a 110kV Gura Ialomiței 110kV cell" on the Company's operating costs, under other tax-deductible operating expenses, concomitant with the recording of an operating income related to the subsidy, respectively the recording in the accounting records of the Bucharest Branch, as an entry of the 110kV cell as stocks, under other operating income;
- the recording of some operating expenses with losses on receivables (REGIA AUTONOMĂ PENTRU ACTIVITĂȚI NUCLEARE SA), of some adjustments for impairment of receivables (RESTART ENERGY TRADING SRL, JOINT ALLOCATION OFFICE SA, OPCOM SA etc.) and of adjustments for inventory depreciation, as well as the reversal to income of some adjustments for impairment of current assets (MENAROM PEC SA, BALKANS POWER CORE SRL), respectively of adjustments for inventory depreciation etc.

18. Net financial result

	Quarter II 2025	Quarter II 2024
Interest revenue	4,518,304	2,295,405
Exchange rate revenues	25,177,462	605,843
Other financial revenues	22,125,662	14,651,527
Total financial revenues	51,821,428	17,552,775
Interest expenses	(377,595)	(534,506)
Expenses from exchange rate differences	(27,190,527)	(742,517)
Total financial expenses	(27,568,122)	(1,277,023)
Net financial result	24,253,306	16,275,752
	Semester I 2025	Semester I 2024
Interest income	6,755,167	3,438,349
Exchange rate revenues	25,928,176	1,603,660
Other financial revenues	22,170,970	14,692,473
Total financial revenues	54,854,313	19,734,482
Interest expenses	(909,217)	(1,364,737)
Exchange rate expenses	(28,658,932)	(2,175,263)
Other financial expenses		
Total financial expenses	(29,568,149)	(3,540,000)
Net financial result	25,286,164	16,194,482

As of June 30, 2025, the Company recorded a net financial result (profit) in the amount of 25,286,164, mainly influenced by the dividends received from the subsidiary OPCOM SA in the amount of 22,108,364, as well as by the increase in interest income received during the period under review.

Notes to the separate interim financial statements as at June 30, 2025

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

Compared to the first half of 2024, the level of income and expenses from exchange rate differences realized in the first half 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.

As at June 30, 2025, in the total amount of 909,217 (interest expense), the amount of 291,254 represents the interest calculated on fixed assets related to the rights of use of leased assets - buildings, in accordance with IFRS 16 - Leases.

The exchange rate of the national currency recorded at June 30, 2025 compared to that recorded at June 30, 2024, is as follows:

Currency	30.06.2025	30.06.2024
RON / EUR	5.0777	4.9771

19. Disputes and contingencies

i) Pending disputes

Management periodically analyses the status of ongoing litigations and, after consulting with its legal representatives, decides whether it is necessary to create/cancel provisions for the amounts involved or to present them in the financial statements.

Considering the available information, the Company's management considers that, as of the date of these statements, there are no significant ongoing litigations in which the Company acts as Defendant, except for the following:

• AUTONOMOUS AUTHORITY 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 procedure against RAAN.

On 09.03.2015, the Mehedinți Tribunal confirmed the reorganisation plan of the debtor Autonomous Authority for Nuclear Activities – RAAN, proposed by the judicial administrator Tudor&Asociații SPRL and approved by the General Meeting of Creditors according to the minutes of 28.02.2014.

On 14.06.2016, the bankruptcy procedure was opened against RAAN.

NPG CO. Transelectrica SA filed an objection to the supplementary schedule of debts, subject of case file no. 9089/101/2013/a152 against the debtor RAAN, as the judicial liquidator did not register a claim amounting to RON 78,096,209 on the grounds that "this amount does not appear as owed in RAAN's accounting records." Moreover, the judicial liquidator considered that the request to register in the schedule the amount of RON 78,096,209 was filed late, being related to the period 2011–2013, for which reason the statement of claim should have been filed at the time of opening the insolvency proceedings, namely on 18.09.2013. The objection to the supplementary schedule of debts was filed within the legal term, the Mehedinți Tribunal admitting the evidence with accounting expertise.

By Ruling 163/20.06.2019, the Mehedinți Tribunal decided: Admits the plea of forfeiture. Admits in part the main action as well as the connected objection. Orders the Defendant to pay the Plaintiff the amount of RON 16,950,117.14 – claim arisen during the proceedings, ordering its registration in the creditors' schedule drawn up against the debtor RAAN with this amount. Dismisses the rest of the connected claims. Pursuant to Art. 453 para. 2 Civil Procedure Code, orders the Defendant to pay the Plaintiff RON 1,000 in legal costs. With appeal. Delivered in public session. Document: Ruling 163/20.06.2019.

Transelectrica filed an appeal within the legal term. At the hearing on 06.11.2019, the Craiova Court of Appeal dismissed Transelectrica's appeal as unfounded. Final decision. Ruling 846/06.11.2019.

In the RAAN bankruptcy case file registered under no. 9089/101/2013, NPG CO. Transelectrica SA was registered in the schedule of debts with the following receivables: RON 2,162,138.86 + RON 16,951,117.14.

Hearing for continuation of proceedings for claim collection, asset liquidation and fulfilment of other liquidation operations: 03.10.2024.

At the hearing on 03.10.2024, the court set the hearing for 23.01.2025, and at this hearing of 23.01.2025, a new date was set for 26.03.2025 for continuation of the proceedings, respectively for claim collection, asset liquidation and fulfilment of other liquidation operations. At the hearing on 26.03.2025, the case was postponed to 11.06.2025 for continuation of the bankruptcy proceedings, respectively for claim collection, asset liquidation and fulfilment of other liquidation operations. At the hearing on 11.06.2025, the case was postponed to 17.09.2025 for continuation of the bankruptcy proceedings, respectively for claim collection, asset liquidation and fulfilment of other liquidation operations.

In addition, between RAAN and Transelectrica there are also 2 other case files at different stages of trial, as follows:

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

Notes to the separate interim financial statements as at June 30, 2025

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

Brief ruling of the Bucharest Tribunal: Dismisses the statement of claim filed by the Plaintiff Autonomous Authority for Nuclear Activities against the Defendant National Power Grid Company Transelectrica SA as unfounded. Dismisses, as unfounded, the parties' request for legal costs. With right of appeal within 30 days from communication. The appeal is to be filed with the Bucharest Tribunal – Sixth Civil Division. Document: Judgment no. 777/24.06.2020. RAAN filed an appeal, which was set for hearing on 27.09.2021. Ruling of the Bucharest Court of Appeal: Admits the appeal. Changes the challenged judgment as follows: Admits the statement of claim. Orders the Defendant to pay the Plaintiff the amount of RON 12,346,063.10, representing principal debt and penalties. With right of recourse within 30 days from communication, to be filed with the Bucharest Court of Appeal – Sixth Civil Division. Pronounced by making the decision available to the parties through the court registry, today, 20.05.2024. Document: Civil Decision no. 806/20.05.2024.

NPG CO. Transelectrica SA filed a recourse with no hearing date set.

b) Case file no. 3694/3/2016 – Bucharest Tribunal – Sixth Civil Division.

By the statement of claim, the Plaintiff RAAN requests ordering the undersigned to pay the total amount of RON 15,698,721.80. By its statement of defence, NPG CO. Transelectrica SA requested the court to dismiss the head of claim regarding delay penalties and to acknowledge the occurrence of statutory set-off of the reciprocal debts and their extinguishment up to the amount of the smaller debt, namely the total amount of RON 12,727,101.99, representing the value of the bonus for high-efficiency cogeneration electricity delivered to the NES for the period March–September 2015 and the regularisation of overcompensation for the period 01.01.2014 – 31.12.2014 requested by the Plaintiff by the statement of claim.

At the hearing on 11.06.2020, the brief ruling of the Bucharest Tribunal: dismisses the statement of claim as unfounded. With appeal within 30 days from communication. Document: Judgment no. 630/11.06.2020.

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

Ruling of the Bucharest Court of Appeal: Admits the appeal. Fully changes the challenged judgment as follows: Admits the statement of claim. Orders the Defendant to pay the Plaintiff the amount of RON 12,727,101.99, representing the value of the bonus and regularisation of 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 delay penalties related to the principal debt, for which the following invoices were issued: series SRTF no. 1500059 of 31.12.2015 and series SRTF no. 1500060 of 31.12.2015. With right of recourse within 30 days from communication. The recourse is to be filed with the Bucharest Court of Appeal – Sixth Civil Division. Pronounced today, 03.06.2024, and made available to the parties through the court registry. Document: Judgment no. 898/03.06.2024.

Transelectrica filed a recourse, which is in the filter procedure stage, hearing date: 16.10.2025.

COURT OF AUDITORS OF ROMANIA

As a result of an audit carried out in 2017, the Romanian Court of Accounts ordered certain measures to be implemented by the Company as a result of deficiencies identified during this audit. The Company filed several objections against the measures ordered by the Romanian Court of Accounts (CCR) by 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. 29117/08.08.2017, and of the Audit Report no. 19211/26.05.2017. The objections were on the docket of the Bucharest Court of Appeal, among which case file no. 6581/2/2017 concerning the annulment of the findings at point 6 and the measure ordered at point II.9, at the hearing on 31.03.2023: according to the minutes of 29.03.2023, case file no. 6581/2/2017*. Brief ruling: In order to allow the parties to submit written conclusions and for deliberation, the pronouncement was postponed to the following hearing dates: 31.03.2023, 13.04.2023, 12.05.2023.

At the hearing on 26.05.2023, the statement of claim was admitted. Ruling no. 77/03.08.2017 was partially annulled with respect to the rejection of point 6 of Objection no. 26140/17.07.2017, Decision no. 8/27.06.2017 was annulled with respect to the findings at point 6 and the measure ordered at point II.9, as well as Audit Report no. 19211/26.05.2017 with respect to the findings at point 3.2. The Defendant was ordered to pay the Plaintiff legal costs in the total amount of RON 10,450, representing the judicial stamp tax and the fee of the court-appointed expert. With recourse within 15 days from communication. Ruling 920/2023 – 26.05.2023. Hearing date set for 23.01.2025. At the hearing on 23.01.2025, the HCCJ dismissed the recourse filed by the Defendant-Appellant Romanian Court of Accounts against Civil Judgment no. 920 of 26 May 2023 of the Bucharest Court of Appeal – Eighth Administrative and Fiscal Litigation Division, as unfounded. Final.

Between January–July 2020, the Romanian Court of Accounts carried out an audit at all the Territorial Transmission Units of NPG CO. Transelectrica SA, and between 25.05–27.08.2020, the audit continued at the Company's executive headquarters. The theme of the CCR audit was "audit of the status, evolution, and administration of the public and private patrimony of the state, as well as the legality of revenue collection and expenditure for the period 2017–2019" at NPG CO. Transelectrica SA.

After the completion of the audit regarding the administration of the public and private patrimony of the state, as well as the legality of revenue collection and expenditure for the period 2017–2019, completed on 06.10.2020, the Audit Report no.

Notes to the separate interim financial statements as at June 30, 2025

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

40507/06.10.2020 was issued and, on 09.11.2020, the Romanian Court of Accounts, through Department IV, issued Decision no. 15 containing 10 measures, with a deadline for implementation of 31.05.2021, which was extended by the CCR at the Company's request until 31.12.2021.

The Company filed objections and submitted Objection no. 50090/26.11.2020, registered at the Romanian Court of Accounts under no. 139775/26.11.2020, requesting the annulment of the measures. Following the examination and analysis of the Objection submitted by the Company, by Ruling no. 2 of 10.03.2021, one of the 10 measures ordered was annulled.

On 02.04.2021, the Company filed a claim for the annulment of the administrative act, the case being 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 statement of claim filed by the Plaintiff NATIONAL POWER GRID COMPANY "Transelectrica" SA against the Defendant ROMANIAN COURT OF ACCOUNTS, as unfounded. Dismisses the suspension request, as unfounded. With right of recourse within 15 days from communication, and with right of recourse within 5 days from communication with respect to the head of claim concerning suspension; the recourse to be filed with the Bucharest Court of Appeal.

On 24 July 2023, the judgment was communicated to the Company, and on 10.08.2023 it filed a recourse with hearing date set for 07.03.2024.

At the hearing on 07.03.2024, the HCCJ dismissed the recourse filed by the Plaintiff NATIONAL POWER GRID COMPANY "Transelectrica" SA against Civil Judgment no. 1889 of 10 December 2021 of the Bucharest Court of Appeal – Ninth Administrative and Fiscal Litigation Division, as unfounded. Final. Pronounced today, 7 March 2024, by making the ruling available to the parties through the court registry.

OPCOM

On the docket of the Bucharest Tribunal, case file no. 22567/3/2019 was registered, having as subject "claims," in which the Company acts as Plaintiff and the Defendant is OPCOM SA.

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

- the Defendant OPCOM SA to pay the amount of RON 4,517,460, related to invoice series TEL 16 AAA no. 19533/29.07.2016, representing the value of VAT related to the contribution made by NPG CO. Transelectrica SA to the share capital of OPCOM SA, issued under Loan Agreement no. 7181RO/2003, commitment for financing the investment project "Electricity Market Project";
- the Defendant OPCOM SA to pay the amount of RON 1,293,778.27, related to invoices TEL 19 T00 no. 17/28.01.2019 and TEL 19 T00 no. 131/10.07.2019, representing penalty interest calculated for late payment of invoice series TEL 16 AAA no. 19533/29.07.2016;
 - the Defendant OPCOM SA to pay the legal costs.

At the hearing on 03.12.2021, the Bucharest Tribunal delivered the following brief ruling: "Admits the plea of limitation of the substantive right of action. Dismisses the claim as time-barred. With right of appeal within 30 days from communication, to be filed with the Bucharest Tribunal, Sixth Civil Division. Pronounced by making the decision 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 brief ruling: Dismisses the appeal as unfounded. Orders the Appellant to pay the Respondent the amount of RON 11,325.21 as legal costs. With right of recourse within 30 days from communication. Pronounced today, 12 October 2022, by making the decision available to the parties through the court registry. Document: Judgment no. 1532/12.10.2022.

NPG CO. Transelectrica SA filed a recourse against Civil Decision no. 1532/12.10.2022 delivered by the Bucharest Court of Appeal, the case being referred to the HCCJ, which was settled by Judgment no. 1640/19.09.2023, by which the supreme court ruled as follows: "Admits the principal recourse filed by the Appellant-Plaintiff National Power Grid Company 'Transelectrica' SA and the incidental recourse filed by the Appellant-Defendant Operator of the Electricity and Natural Gas Market 'OPCOM' SA against Civil Decision no. 1532 of 12 October 2022, delivered by the Bucharest Court of Appeal – Fifth Civil Division, quashes it and remands the case for a new trial to the same court. Final."

Considering the HCCJ decision to quash and remand for retrial, the case was referred to the Bucharest Court of Appeal with the hearing for appeal/retrial set for 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-Plaintiff (NPG CO. Transelectrica SA) to pay the Respondent-Defendant (OPCOM) the amount of RON 28,777.79 as legal costs. With right of recourse within 30 days from communication, to be filed with the Bucharest Court of Appeal – Fifth Civil Division.

On the docket of the Bucharest Tribunal, case file no. 24242/3/2021 was before the court, in which the Plaintiff is OPCOM SA and NPG CO. Transelectrica SA acts as Defendant.

Notes to the separate interim financial statements as at June 30, 2025

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

This case concerns the annulment of the act – contribution in kind, materialised by intangible assets, namely "Trading Platform – Commercial Power Exchange and Regional Power Exchange," financed from loans contracted by NPG CO. Transelectrica SA from the IBRD, under Loan Agreement no. 7181RO/17.07.2003, as well as from NPG CO. Transelectrica SA's own sources, which were carried out under service and deliverable contracts no.: P081406-O-C.78, P081406-O-C.125, and P081406-O-C.300/2005, materialised by EGM Resolution no. 6/15.06.2016 and, subsequently, OGM Resolution no. 2/25.05.2017 and OGM Resolution no. 7/24.05.2018.

At the hearing on 11.04.2022, the court discussed the exceptions raised by NPG CO. Transelectrica SA in its statement of defence. Also, at this hearing, the evidence proposed to be administered in the case was discussed. The court postponed the hearing to 22.11.2022 to administer the financial-accounting expert evidence to be carried out in this case. After several postponements, the next hearing was set for 27.06.2023 for lack of expert report. At the hearing on 27.06.2023, based on the Resolution of the General Assembly of Judges of the Bucharest Tribunal no. 4/20.06.2023, the court postponed the case and set the next hearing for 10.10.2023. The court postponed the hearing to 07.11.2023.

At the hearing on 07.11.2023, the court's ruling was: Classifies the plea of inadmissibility as a defence on the merits. Dismisses the statement of claim as unfounded. With right of appeal within 30 days from communication, to be filed with the Bucharest Tribunal – Sixth Civil Division. Pronounced today, 07.11.2023, pursuant to Art. 396 para. 2 Civil Procedure Code, by making the decision available to the parties through 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, with the court ordering OPCOM to pay the difference in judicial stamp tax corresponding to the value of the contribution in kind.

At the hearing on 24.10.2024, the court noted that OPCOM SA had paid the difference in judicial stamp tax, ordered the administration of the evidence proposed by the parties, postponed the administration of the interrogatory evidence requested from Transelectrica SA – to be answered at least 5 days before the hearing date – and postponed the case to 05.12.2024.

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

At the hearing on 13.03.2025, the Bucharest Court of Appeal dismissed the appeal as unfounded. Orders the Plaintiff (OPCOM) to pay the State the amount of RON 179,550.57, representing the judicial stamp tax. With right of recourse within 30 days from communication, the recourse to be filed with the Bucharest Court of Appeal – Fifth Civil Division.

On the docket of the Bucharest Tribunal, case file no. 44380/3/2024 is pending, in which the Plaintiff is OPCOM SA and NPG CO. Transelectrica SA acts as Defendant.

This case concerns:

- Ordering the Defendant Transelectrica to pay the amount of RON 2,914,065.21, representing the value of services rendered by OPCOM to Transelectrica under Contract no. C 707/2022, for calculating the receivables and payables of transactions carried out by participants in the balancing market and the imbalances of the balancing responsible parties for the period 01.01.2023 29.02.2024;
- Ordering the Defendant Transelectrica to conclude Addendum no. 4 to Contract no. C 707/2022 regarding the value of the services rendered by OPCOM mentioned above, as well as the remuneration for the services to be further rendered by OPCOM under the Contract, for each run/re-run;
- Ordering the Defendant Transelectrica to pay legal interest on the above amount from the filing of the statement of claim until full payment;
- Ordering the Defendant Transelectrica to pay all legal costs incurred in the settlement of this dispute.

At the hearing on 10.06.2025, for the fulfilment of certain obligations, the court postponed the case to 30.09.2025.

• CONAID COMPANY SRL

In 2013, Conaid Company SRL sued NPG CO. Transelectrica SA for its unjustified refusal to sign an addendum to the connection agreement or a new connection agreement and requested damages for the expenses incurred up to that time in the amount of RON 17,419,508 and lost profits for the period 2013–2033 in the amount of EUR 722,756,000. Up to this point, the Company has not concluded an addendum to the connection agreement, as the suspensive conditions included in the agreement were not met by Conaid Company SRL. A new connection agreement should have been concluded by 11 March 2014, the date on which the technical connection approval expired. **Case file no. 5302/2/2013** was on the docket of the High Court of Cassation and Justice, Administrative and Fiscal Litigation Section, having as subject the obligation to issue an administrative act, procedural stage – recourse, with hearing date 09.12.2015. At this hearing, the High Court of Cassation and Justice admitted, in principle, the recourses and set the hearing on the merits of the recourses for 08 April 2016, Panel 4, with the parties summoned.

The trial was postponed to 17.06.2016, when the court remained in deliberation, postponing the pronouncement to 29.06.2016, when it delivered Decision no. 2148/2016, ruling as follows: "Dismisses the pleas raised by the Appellant-Plaintiff Conaid Company SRL, through judicial administrator RVA Insolvency Specialists SPRL, and by the Appellant-Defendant National Power

Notes to the separate interim financial statements as at June 30, 2025

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

Grid Company Transelectrica SA. Admits the recourse filed by the Defendant National Power Grid Company Transelectrica SA against the hearing ruling of 18 February 2014 and Civil Judgment no. 1866 of 11 June 2014 delivered by the Bucharest Court of Appeal – Eighth Administrative and Fiscal Litigation Division. Quashes in part the challenged ruling and judgment and remands the case to the Bucharest Tribunal – Sixth Civil Division for settlement of the Plaintiff's action against the National Power Grid Company Transelectrica SA. Maintains the other provisions of the judgment regarding the Plaintiff's action against the National Energy Regulatory Authority. Dismisses the recourses filed by the Plaintiff Conaid Company SRL, through judicial administrator RVA Insolvency Specialists SPRL, and by the Intervener Duro Felguera SA against Civil Judgment no. 1866 of 11 June 2014 delivered by the Bucharest Court of Appeal – Eighth Administrative and Fiscal Litigation Division. Dismisses the recourse filed by the Defendant National Power Grid Company Transelectrica SA against the hearing ruling of 25 March 2014 delivered by the Bucharest Court of Appeal – Eighth Administrative and Fiscal Litigation Division. Final. Pronounced in public session on 29 June 2016."

On the docket of the Bucharest Tribunal – Sixth Civil Division, the case was registered under no. 12107/3/2017. By Civil Judgment no. 4364/23.11.2017, the Tribunal admitted the plea of inadmissibility and dismissed the claim as inadmissible. Also dismissed the intervention request in support of the Plaintiff. With appeal within 30 days from communication. The appeal was filed with the Bucharest Tribunal – Sixth Civil Division and made available to the parties through the court registry on 23.11.2017.

On 02.11.2018, on the docket of the Bucharest Tribunal – Sixth Civil Division, a new statement of claim was filed by Conaid Company SRL, in case file no. 36755/3/2018, by which the Plaintiff requested the court to order NPG CO. Transelectrica SA to "repair the damage caused to the Plaintiff as a result of the Defendant's culpable non-performance of obligations, in the amount of RON 17,216,093.43, consisting of the actual loss suffered and the lost profit, provisionally estimated at EUR 100,000. Given the unjustified refusal of NPG CO. Transelectrica SA to conclude and sign an addendum to Contract no. C154/27.04.2012, and in the event that the court considers that, formally, the obligation regarding the suspensive conditions cannot be deemed fulfilled by the Plaintiff, such non-performance is due to the exclusive fault of NPG CO. Transelectrica SA, the Defendant preventing the fulfillment of the conditions."

At the hearing on 15.10.2019, dismisses as unfounded the pleas of lack of active standing and lack of interest. Joins to the merits the plea of limitation. With appeal together with the merits. Pronounced by making the decision available to the parties through the court registry.

Hearing set for continuation of proceedings on 26.11.2019, with the parties summoned. With appeal together with the merits. Pronounced by making the decision available to the parties through the court registry.

Postponed for administration of expert evidence and hearing set for 21.01.2020.

On 21.01.2020, case postponed to allow the expert report to be prepared, next hearing set for 31.03.2020.

At the hearing on 31.03.2020, brief ruling: Suspended by operation of law pursuant to Art. 42 para. 6 of Presidential Decree no. 195/2020 on the establishment of the state of emergency on the territory of Romania, for the entire period of the state of emergency.

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

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

On 07.12.2022, case postponed for lack of response to objections, next hearing set for 22.02.2023, and subsequently for 03.05.2023 for the same reason.

On 03.05.2023, case postponed to take note of the response to objections, next hearing set for 13.09.2023. Hearing set for 06.12.2023.

On 06.12.2023, the Bucharest Tribunal remained in deliberation, postponing the pronouncement to 20.12.2023, then to 03.01.2024, when it ruled as follows: "Dismisses the request for an increase in the expert's fee, filed by expert Chirilă Adelaida Adriana, as unfounded. Admits the plea of limitation of the substantive right of action, raised in the statement of defence. Dismisses the claim as time-barred." With appeal within 30 days from communication. The appeal is to be filed with the Bucharest Tribunal – Sixth Civil Division. Pronounced by making the decision available to the parties through the court registry today, 03.01.2024.

Conaid Company SRL filed an appeal, hearing set for 27.03.2025. At the hearing on 27.03.2025, the court admits the appeal. Quashes the appealed civil judgment and remands the case to the first instance for settlement on the merits. With recourse within 30 days from communication; the recourse is to be filed with the Bucharest Court of Appeal – Sixth Civil Division.

• REŞIŢA MUNICIPALITY

Case file no. 2494/115/2018* – case file no. 2494/115/2018**, registered on the docket of the Caraş-Severin Tribunal, concerns the statement of claim by which the Plaintiff Municipality of Reşiţa requests that the Defendant NPG CO. Transelectrica SA be ordered to pay the amount of RON 17,038,126.88, representing land rent for the years 2015, 2016, 2018, 2019, 2020, 2021, 2022, and 2023, plus penalty legal interest from the due date until full payment.

Brief ruling: Admits the plea of lack of territorial jurisdiction of the Caraş-Severin Tribunal. Declines jurisdiction to hear the claim filed by the Plaintiff Municipality of Reşiţa – through the Mayor – against the Defendant National Power Grid Company

Notes to the separate interim financial statements as at June 30, 2025

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

"Transelectrica" SA in favour of the Bucharest Tribunal. No appeal, pursuant to Art. 132 para. 3 Civil Procedure Code. Pronounced in public session. Judgment no. 313/11.03.2019.

At the hearing on 25.10.2019, the plea of lack of territorial jurisdiction of the Bucharest Tribunal is admitted. Declines jurisdiction to hear the case in favour of the Caraṣ-Severin Tribunal. Notes the occurrence of a negative conflict of jurisdiction between the Bucharest Tribunal and the Caraṣ-Severin Tribunal. Suspends the case and refers the file to the High Court of Cassation and Justice for settlement of the negative conflict of jurisdiction. No appeal. Pronouncement to be made by making the decision available to the parties through the court registry. Judgment no. 2376/25.10.2019.

At the hearing on 16.07.2020, the High Court of Cassation and Justice, by Decision no. 1578, established jurisdiction to hear the case in favour of the Caraş-Severin Tribunal – First Civil Division.

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

At the hearing on 22.03.2021, brief ruling: Suspends the trial of the statement of claim filed by the Plaintiff Municipality of Reṣiṭa – through the Mayor – against the Defendant National Power Grid Company "Transelectrica" SA, having as subject claims, pursuant to Art. 413 para. (1) point 1 Civil Procedure Code. With right of recourse during the suspension of the trial, to the hierarchically superior court. The suspension of the trial was ordered until the final settlement of case file no. 3154/115/2018* of the Caraş-Severin Tribunal.

At the hearing on 19.01.2023, brief ruling: Dismisses the plea of lack of stamp duty payment, noting that the Defendant does not have the standing to challenge the method of determining the judicial stamp duty. Dismisses the plea of late submission of the amending claim. Defers discussion on the plea of res judicata (positive effect) until the date when the decision of the High Court of Cassation and Justice in case file no. 3154/115/2018** is filed in full. Defers ruling on the evidentiary requests consisting of interrogatories of the Defendant and accounting expert evidence. Postpones the trial and sets hearing date for 02.03.2023.

At the hearing on 02.03.2023, brief ruling: Suspends the trial of the statement of claim filed by the Plaintiff Municipality of Reşiţa against the Defendant National Power Grid Company "Transelectrica" SA, having as subject claims. With right of recourse during the entire suspension. The court ordered the resumption of the trial and set hearing date for 16.11.2023. Hearing date granted for 22.02.2024.

At the hearing on 22.02.2024, the court postponed the trial to 14.03.2024 and subsequently to 06.06.2024, in order to return case file no. 2494/115/2018**, forwarded on appeal to the Timişoara Court of Appeal, for which the parties had deemed notice under Art. 229 Civil Procedure Code by the presence of their legal representatives.

At the hearing on 06.06.2024, the court dismissed the request for postponement filed by the Plaintiff Municipality of Reşiţa, postponed the trial due to the absence of the expert report to 27.06.2024, for which the parties had deemed notice under Art. 229 Civil Procedure Code through their legal representatives.

At the hearing on 27.06.2024, the court ordered that a copy of the hearing notes (pages 172–174), filed by the Defendant National Power Grid Company "Transelectrica" SA, be sent to the expert. Orders that a copy of the clarifications filed by the Plaintiff Municipality of Resita, following the expert's request, be sent to the expert. Postpones the trial due to the absence of the expert report to 19.09.2024, for which the parties had deemed notice under Art. 229 Civil Procedure Code through their legal representatives.

At the hearing on 19.09.2024, the court admits the Plaintiff's request to postpone the case and orders that a copy of the expert report be served on the Plaintiff. Defers discussion of the final fee for the expert report until after it is reviewed by both parties. Postpones the trial due to the absence of the expert report to 10.10.2024, for which the parties had deemed notice under Art. 229 Civil Procedure Code through their legal representatives.

At the hearing on 10.10.2024, the court orders both the Plaintiff and the Defendant to pay RON 1,000 each as expert fee. Orders a supplemental expert report with the following scope:

- calculation of penalty legal interest based on the amount of RON 2,129,765.86, representing the annual rent charged by the Plaintiff, and not on the amounts calculated by the expert as rent for the temporary occupation of land from the national forest fund;
- removal of the calculation of penalty legal interest for 2017, as it is not part of the statement of claim;
- removal of the calculation of penalty legal interest for 2015 and 2016;
- calculation of rent for the period 28.09.2016–30.03.2018 based on the amount of RON 2,129,765.86, representing annual rent, and calculation of penalty legal interest based on the amount of RON 2,129,765.86, representing annual rent charged by the Plaintiff, and not on the amounts calculated by the expert as rent for removal of land from the national forest fund.

Orders that a copy of this ruling be sent to the expert. Sets the deadline for completing the expert report for 12.12.2024.

At the hearing on 12.12.2024, the court granted a new hearing date to allow the parties' representatives to review the supplemental expert report and to submit any objections. Postpones the trial to 27.02.2025.

At the hearing on 27.02.2025, the court dismisses the plea of limitation of the right of action concerning the claim for rent for 2015 and the plea of late submission of the amendments to the claim, both raised by the Defendant National Power Grid Company "Transelectrica" SA. Classifies the plea of res judicata as a defence on the merits regarding the positive effect of res judicata. Dismisses the statement of claim filed by the Plaintiff Municipality of Reşiţa against the Defendant National Power Grid Company "Transelectrica" SA.

The Municipality of Resita filed an appeal, no hearing date set.

Notes to the separate interim financial statements as at June 30, 2025

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

SMART SA

Case file no. 15561/3/2022, registered on the docket of the Bucharest Tribunal, concerns the statement of claim by which the Plaintiff SMART SA requests that the Defendant NPG CO. Transelectrica SA be ordered to pay the amount of RON 4,467,108, representing the amount of fiscal obligations related to increased revenues as a result of the increase of the tax base resulting from the adjustment of revenues for the years 2014, 2015, and 2016, plus legal costs.

At the hearing on 23.03.2023, the court set the hearing for 15.06.2023 for the preparation of the approved expert report.

After several postponements, for lack of the expert report, the hearing was set for 17.10.2024.

At the hearing on 17.10.2024, in order to review the expert report, the trial was postponed to 23.01.2025.

At the hearing on 23.01.2025, the court postponed the trial to 15.05.2025 for amicable settlement of the dispute.

At the hearing on 06.03.2025, the court postponed the pronouncement to 20.03.2025. At the hearing on 20.03.2025, the court admitted the statement of claim. Orders the Defendant to pay the Plaintiff the amount of RON 4,467,108.18, as well as penalty legal interest on the amount of RON 3,193,869 from 21.12.2021 until full payment. Orders the Defendant to pay the Plaintiff legal costs consisting of RON 51,378.78 as judicial stamp duty and RON 3,000 as expert fee. With right of appeal within 30 days from communication. The appeal shall be filed with the Bucharest Tribunal – Sixth Civil Division.

• ANAF

In 2017, the general tax inspection started at the headquarters of NPG CO. Transelectrica SA on 14.12.2011 was completed; the inspection covered the period December 2005 – December 2010.

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

Following the completion of the inspection, ANAF – DGAMC established additional fiscal obligations payable by the Company, namely corporate income tax and VAT, as well as ancillary fiscal obligations (interest/late payment increases and late payment penalties) related to the technological system services (STS) invoiced by electricity suppliers, considered non-deductible as a result of the tax inspection.

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

In particular, ANAF's tax inspection report recorded the following additional payment obligations: corporate income tax in the amount of RON 13,726,800, plus ancillary amounts, due for a number of unused invoices identified as missing (these were destroyed in the fire of the night of 26–27 June 2009 at the work point in the Millenium Business Center building, Str. Armand Călinescu no. 2–4, Sector 2, where the Company was operating), documents with special status.

These invoices had been the subject of a dispute with ANAF, which issued a tax inspection report on 20 September 2011 estimating output VAT for a number of unused invoices identified as missing.

The Company challenged, within the legal term, under GEO no. 92/2003 on the Fiscal Procedure Code, the Tax Assessment Decision no. F-MC 439/30.06.2017.

ANAF issued Enforcement Order no. 13540/22.08.2017, under which the additional payment obligations established by Tax Assessment Decision no. F-MC 439/30.06.2017 were enforced.

The Company requested the annulment of Enforcement Order no. 13540/22.08.2017 before the Court of Appeal – case file no. 7141/2/2017. Brief ruling: Admits the plea of lack of material jurisdiction of the Bucharest Court of Appeal – Administrative and Fiscal Litigation Section. Declines jurisdiction in favour of the Bucharest District Court – District 1. No appeal. Pronounced in public session on 08.02.2018. Document: Judgment no. 478/2018 of 08.02.2018.

Following the declination of jurisdiction, case file no. 8993/299/2018 was registered on the docket of the District 1 Court, by which the Company contested the enforcement initiated under Enforcement Order no. 13540/22.08.2017, based on Tax Assessment Decision no. F-MC 439/30.06.2017.

Subsequent to the Company's challenge of the fiscal administrative act Tax Assessment Decision no. F-MC 439/30.06.2017, ANAF communicated to the Company Decision no. 122/13.03.2018, rejecting as unsubstantiated the challenge filed by NPG CO. Transelectrica SA, the decision being received on 16.03.2018, after the filing of the statement of claim subject of case file no. 1802/2/2018.

Brief ruling: Admits the request to suspend the trial filed by the Contestant. Pursuant to Art. 413 para. (1) point 1 Civil Procedure Code, suspends the trial until the final settlement of case file no. 1802/2/2018, on the docket of the Bucharest Court of Appeal – Eighth Administrative and Fiscal Litigation Division. With right of recourse during the entire suspension, the recourse to be filed with the District 1 Court of Bucharest. Pronounced in public session – Document: Ruling – Suspension 17.04.2018.

The trial was resumed, and at the hearing on 10.10.2024, for the communication to the Respondent of the documents filed by the Contestant, the trial was postponed to 21.11.2024, and subsequently to 06.03.2025 for trial. On 06.03.2025, the court postponed

Notes to the separate interim financial statements as at June 30, 2025

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

the pronouncement to 17.04.2025. At the hearing on 17.04.2025, the court postponed the case to 19.06.2025 for lack of the expert report. At the hearing on 19.06.2025, the court postponed the case to **02.10.2025**.

OTHER

The company is involved in significant litigation, in particular for debt recovery (e.g.: Total Electric Oltenia SA, Autonomous Authority for Nuclear Activities, Energy Holding SRL, UGM Energy Trading SRL, CET Bacău, CET Govora, Nuclearelectrica, CET Brașov, Elsaco Energy SRL, Arelco Power SRL, Opcom, Menarom PEC SA Galați, Romelectro SA, Transenergo Com SA, ENNET GRUP SRL, PET Communication, ISPE, Grand Voltage SRL, EXPLOCOM GK SRL, Romelectro SA, Next Energy Partners, SC ENOL GRUP SA, Aderro GP Energy and others).

The Company has recognized impairment adjustments for customers 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 agency agreements entered into between the Company and them. The Company has made a provision for these disputes.

ii) Contingencies

As at 30 June 2025, **contingent liabilities** amount to RON 55,523,616. These relate to litigations concerning claims representing additional costs following the increase of the minimum wage in the construction sector for investment contracts, the most significant of which are listed below:

• Case file no. 25896/3/2020 – Plaintiff Electromontaj București (RON 37,033,592)

The case concerns claims representing additional costs related to the increase of the minimum wage in the construction sector for investment contract C229/2015 – *Upgrade to 400 kV voltage of the Porțile de Fier – Reșița – Timișoara – Săcălaz – Arad axis / OHL 400 kV Portile de Fier (Anina) – Resita.*

Hearing date: 25.08.2022 – submission of expert report.

At the hearing on 25.08.2022, pronouncement was postponed to 13.09.2022. On 13.09.2022, the Bucharest Tribunal dismissed as unfounded the Defendant's objections to the accounting expert report and admitted the Plaintiff's objections to the accounting expert report. An address was to be issued to expert Mihaela Cojocaru to respond to the objections and to file the response with the case file. With right of appeal together with the merits.

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

At the hearing on 16.05.2023, the court postponed the case to 12.09.2023 for submission of the response to the objections to the expert report.

At the hearing on 12.09.2023, the court postponed pronouncement to 26.09.2023 and set hearing for 07.11.2023.

After several postponements, at the hearing on 18.01.2024, the Bucharest Tribunal dismissed the claim as unfounded. With right of appeal within 10 days from communication.

Electromontaj SA filed an appeal, with hearing set for 13.09.2024.

At the hearing on 13.09.2024, the case was postponed to 08.11.2024 for payment of the difference in judicial stamp duty ordered to be paid by the Appellant-Plaintiff. The case file was referred to the competent panel under the law to hear the recusal request filed by the Appellant-Plaintiff against panel 11 appeal, pursuant to Art. 50 para. (1) Civil Procedure Code.

On 06.12.2024, the Court of Appeal dismissed the appeal as unfounded and dismissed as unfounded the Appellant-Plaintiff's request for legal costs on appeal. Final.

The HCCJ ordered the transfer of the case to the Craiova Court of Appeal and the annulment of the decision of the Bucharest Court of Appeal.

• Case file no. 30801/3/2021 – Plaintiff Romelectro (RON 2,271,075)

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

At the hearing on 20.04.2022, the Bucharest Tribunal ruled: "Admits the evidence with accounting expertise with the following objectives:

- -the expert shall specify whether Romelectro meets the condition set out in Art. 66 of GEO 114/2018, namely whether 80% of Romelectro's turnover is from construction works, both in the year prior to the reference period (2018) and in the reference period (2019):
- -the expert shall calculate the cost difference generated by the increase in the wages of the human resources actually used by Romelectro in carrying out the works under Contract no. C145/2018, during the reference period and in the first two months prior thereto, namely:
- a) To specify for each employee (human resource actually used) whether they had a gross salary below or above RON 3,000/month in November and December 2018;

Notes to the separate interim financial statements as at June 30, 2025

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

- b) When the increase of the salary to RON 3,000/month occurred;
- c) The difference between the previous salary and the salary imposed by GEO 114/2018;
- d) Whether, between 01.11.2018 and 31.12.2018, Romelectro reduced the salaries of the human resources used;
- e) The real, cumulative cost difference related to the salaries of the human resources used by Romelectro in the actual execution of the works under Contract no. C145/2018, for the reference period;
- the expert shall determine, based on analytical estimates, the percentage and amount by which Transelectrica must adjust the price of Contract no. C145/2018 for the labour related to the works remaining to be executed as at 01.01.2019, as a result of the legislative changes introduced by GEO 114/2018 regarding the increase of the minimum wage in the construction sector to RON 3,000/month;
- the expert shall determine the days/months of delay in the execution of the works under Works Contract no. C145/2018 due to financing issues encountered by Romelectro SA as a result of Transelectrica's refusal to pay the price at the adjusted value, and the impact on the execution schedule caused by Transelectrica's failure to adjust the contract price as a result of the legislative changes introduced by GEO 114/2018 regarding the increase of the minimum wage in the construction sector to RON 3,000/month." Hearing set for 29 April 2022, 09:00, with the parties summoned.

At the hearing on 29 April 2022, the case was postponed for evidence administration and set for 14.10.2022.

After several postponements, at the hearing on 12.01.2024, brief ruling: hearing set for 08.03.2024 to take note of the expert report. After further postponements, at the hearing on 27.05.2024, brief ruling: Dismisses as unfounded the Defendant NATIONAL POWER GRID COMPANY "Transelectrica" SA's request to supplement the expert report. Admits the Plaintiff ROMELECTRO SA's request to redo the expert report. Orders the expert to redo the expert report, taking into account all documents provided by the parties, including subcontracting contracts. Sets the deadline for submission of the expert report for 18 October 2024, with the parties summoned. Orders the expert to submit the report at least 10 days before the hearing on 18 October 2024.

At the hearing on 18 October 2024, the case was postponed to 10.01.2025 for lack of the expert report. At the hearing on 10.01.2025, the court set the hearing for communication of the expert report on 04.04.2025. At the hearing on 04.04.2025, the case was postponed to 16.05.2025 to review the objections to the expert report. After several postponements, at the hearing on 11.07.2025, the court postponed the pronouncement to 25.07.2025.

At the hearing on 25.07.2025, the Bucharest Tribunal dismissed as unfounded the request for clarification and completion. Sets the hearing date, with the parties summoned, for **17.10.2025**. Appeal together with the merits..

• Case file no. 8193/3/2022 – Plaintiff Tempos Sev (RON 2,437,253)

The case concerns claims – GEO 114/2018 – for Contract C80/2018 – Refurbishment of the 220/110 kV Hăşdat substation. At the hearing on 10.06.2022, the case was postponed to 14.10.2022.

At the hearing on 14.10.2022, pronouncement was postponed to 21.10.2022. Ruling: "Pursuant to Art. 258 and Art. 255 Civil Procedure Code, admits the evidence with documents for both parties, and for the Defendant also admits the evidence with interrogatory of the Plaintiff and with accounting expertise. The accounting expertise shall have the objectives indicated by the Defendant in the statement of defence, to which will be added the supplementary objectives indicated by it in the Evidence Note filed at the hearing on 14.10.2022, as well as the objectives indicated by the Plaintiff in the Hearing Notes filed at the same hearing. Orders the Plaintiff to file with the case file the documents requested by the Defendant in the Evidence Note of 14.10.2022. Orders the Plaintiff to file with the case file the answer to the interrogatory communicated together with the statement of defence, signed by the legal representative, under the sanction of the provisions of Art. 358 Civil Procedure Code. Pronounced today, 21.10.2022, by making the decision available to the parties through the court registry." Hearing set for 05.05.2023.

At the hearing on 05.05.2023, the case was postponed to 15.09.2023 for administration of the accounting expert evidence.

After several postponements, at the hearing on 14.06.2024, brief ruling: For lack of the expert report, postpones the trial to 18.10.2024.

At the hearing on 18.10.2024, the case was postponed to 13.12.2024 for lack of the expert report. At the hearing on 13.12.2024, the court set the hearing for 21.03.2025 for preparation of the expert report based on the available documents. At the hearing on 21.03.2025, the case was postponed to 13.06.2025 for preparation of the expert report. At the hearing on 13.06.2025, the case was postponed to 03.10.2025 for reply to objections.

• Case file no. 8442/3/2022 – Plaintiff Tempos Sev (RON 1,429,832)

The case concerns claims – GEO 114/2018 – for Contract C80/2018 – Refurbishment of the 220/110 kV Hășdat substation.

At the hearing on 16.09.2022, admits the plea of connection. Refers the case to the panel first seized, to be heard together with case file no. 8193/3/2022, namely Panel 12 Merits, for connection of case file no. 8442/3/2022 to case file no. 8193/3/2022. With appeal together with the merits. Pronounced today, 16.09.2022, by making the decision available to the parties through the court registry. Document: Final interlocutory ruling (de-investiture) – 16.09.2022.

Following the connection of case file no. 8442/3/2022 to case file no. 8193/3/2022, presented above, the matters under debate will be analysed within the first constituted case file (8193/3/2022).

Notes to the separate interim financial statements as at June 30, 2025

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

• Case file no. 8440/3/2022 – Plaintiff Tempos Sev (RON 2,437,253)

The case concerns claims – GEO 114/2018 – for Contract C80/2018 – Refurbishment of the 220/110 kV Hăsdat substation.

At the hearing on 13.09.2022, the case was postponed to 08.11.2022 for administration of the admitted evidence.

At the hearing on 08.11.2022, the trial was suspended.

The case was reinstated on the docket and set for hearing on 12.09.2023.

At the hearing on 12.09.2023, brief ruling: To allow the Defendant to review the documents filed, the case was postponed to 07.11.2023.

After several postponements, at the hearing on 11.06.2024, brief ruling: For administration of the construction expert evidence, the case was postponed to 10.12.2024. For lack of the expert report, the court postponed the case to **02.09.2025**.

• Case file no. 4478/118/2024 – Plaintiff Pet Communication (RON 3,093,206)

The case concerns the inexistence of the right of the Defendant NPG CO. Transelectrica SA to invoice penalties for exceeding the execution time for main stages 2 and 3 of Contract no. C45/23.02.2021.

At the hearing on 08.08.2024, for administration of the proposed evidence, the case was postponed to 07.11.2024.

After several postponements, for lack of the expert report, the hearing was set for 03.04.2025.

For lack of the expert report, the court postponed the case to 05.06.2025. For lack of the expert report, the court postponed the case to **04.09.2025**.

• Case file no. 6580/117/2024 – Plaintiff Electrogrup SA from Cluj (RON 2,759,855)

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

1.Ordering Transelectrica to conclude an addendum to Works Contract no. C5 of 19 May 2021, for extending the contractual duration by the delay days incurred in executing the contract not attributable to the Contractor, provisionally estimated at 616 days; 2.Ordering Transelectrica to reimburse the amounts paid as penalties under 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 Defendant, in the total amount of RON 2,164,304.25 as undue payment, plus legal interest from their payment date until reimbursement, (i) primarily, as a result of ordering the Defendant to conclude an addendum to Works Contract no. C5 of 19 May 2021, for extending the contractual duration by the delay days incurred in executing the contract not attributable to the Contractor, and (ii) subsidiarily, as a result of finding that the delay days charged by Transelectrica are not attributable to the Contractor; 3.Ordering Transelectrica to pay damages, representing the loss suffered by the Plaintiff due to the delays, provisionally estimated

at RON 595,550. At the hearing on 14.02.2025, the court postponed the case to 14.03.2025. The court postponed the case to 23.05.2025 for the Defendant to file a procedural position/response. At the hearing on 23.05.2025, the court postponed the case to 20.06.2025 for the appointed expert to reply to the court's request regarding their competence to perform the expertise. At the hearing on 20.06.2025,

All amounts in the cases concerning claims representing additional costs requested by the Plaintiffs, which are the subject of works execution contracts, will be reflected in the value of the investments if they are settled in court and invoiced by the respective partners, except for legal costs and penalties awarded by the court.

• Control by the Court of Auditors of Romania

Starting on 04 September 2023, the Romanian Court of Accounts, 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) remuneration and other rights granted to Company personnel.

the court postponed the case to 21.11.2025 for performance of the expertise.

The compliance audit theme was "status, evolution, and administration of the public and private patrimony of the state, as well as the legality of revenue collection and expenditure for the period 2020–2022" at NPG CO. Transelectrica SA.

Following the completion of the audit mission, Department IV of the Romanian Court of Accounts issued the Compliance Audit Report of NPG CO. Transelectrica SA no. 6000/23.01.2025 and the Management Letter no. 60001/23.01.2025, establishing 17 findings/recommendations with an implementation deadline of 30 April 2025.

The Company's management has ordered an internal review on the scope of the verifications of the findings as per Management Letter No. 60001/23.01.2025 and implementation of the recommendations. As of the date of this report, of the 17 recommendations, 6 have been implemented and 11 are in the process of implementation.

Notes to the separate interim financial statements as at June 30, 2025

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

20. Related parties

i) Transactions with subsidiaries owned by the Company

Entity	Country of Origin	June 30, 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 as of June 30, 2025 and December 31, 2024.

The gross value of the Company's holdings in its subsidiaries are as follows:

SMART SA

SMART SA, with its registered office at 33 Magheru Blvd., Sector 1, Bucharest, and its headquarters at the work point located at 3 Gheorghe Şincai Blvd., "Formenerg" Building, 1st floor, Sector 4, Bucharest, whose main business activity is the performance of maintenance works for the transmission-dispatching system, was established by Government Decision no. 710/19.07.2001 on 1 November 2001.

The Extraordinary General Meeting of Shareholders of S SMART SA approved, by Resolution no. 14/10.12.2014, the share capital increase of S SMART SA by contribution in kind with the value of the land for which a certificate attesting the ownership right was obtained.

On 30.12.2014, the Trade Register Office attached to the Bucharest Tribunal registered the share capital increase of S SMART SA.

As of 25.01.2016, the National Trade Register Office recorded the amendment regarding the shareholder structure of S SMART SA, namely the mention relating to the administration of the state's portfolio, an amendment imposed pursuant to Art. 10 of GEO no. 86/2014, as amended and supplemented.

Thus, as at 30 June 2025, the share capital of S SMART SA amounts to RON 38,528,600, divided into 3,852,860 registered shares, each share having a value of RON 10, subscribed and fully paid by the Company.

TELETRANS SA

TELETRANS SA, with its registered office at 16–18 Hristo-Botev Blvd., Sector 3, Bucharest, and its headquarters at the work point located at 12 Stelea Spătarul Street, Sector 3, Bucharest, has as main business activity the provision of IT process and managerial maintenance services, specific telecommunications services, and information technology services in the ETG, telephony, and data transmission. It was established by EGM Resolution no. 3/2002.

The share capital at June 30, 2025 is 6,874,430, fully subscribed and paid up.

ICEMENERG SA

The subsidiary Institute for Energy Research and Modernisation – ICEMENERG SA, with its registered office at 8 Energeticienilor Blvd., Sector 3, Bucharest, has as main business activity research and development in physical and natural sciences, innovation, studies, development strategies, design activities, urban planning, engineering, and other technical services. It was established by Government Decision no. 1065/04.09.2003.

In the Company's accounting records, as at 30 June 2025, the share capital of the subsidiary ICEMENERG SA amounts to RON 1,083,450, subscribed and fully paid.

*) On 07.04.2014, the National Trade Register Office admitted the registration file no. 121452/03.04.2014 concerning the deregistration of the subsidiary Institute for Energy Research and Modernisation – ICEMENERG SA Bucharest. By Order no. 123/13.03.2014 (act of incorporation and authorisation to operate), the "National Institute for Research and Development in Energy Bucharest" (GD no. 925/2010) was incorporated in the Trade Register. The Company filed a complaint against the resolution of the ORC director ordering the registration in the Trade Register of the deregistration of the subsidiary ICEMENERG SA Bucharest.

Notes to the separate interim financial statements as at June 30, 2025

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

The Bucharest Tribunal – Sixth Civil Division, by Judgment no. 3569/14.07.2014 in case file no. 15483/3/2014, in which the Company was opposed to the Defendants Institute for Energy Research and Modernisation "ICEMENERG" SA Bucharest and the National Institute for Research and Development in Energy – ICEMENERG Bucharest, dismissed the Company's complaint, on the grounds that GD no. 925/2010 had not been repealed at the time of deregistration at the ORC. The Court of Appeal communicated on 24.02.2015 the ruling in case file no. 15483/3/2014, namely Decision no. 173/2015, by which it dismissed as unfounded the appeal filed by NPG CO. Transelectrica SA, the decision being final.

Against Decision no. 173/2015, delivered by the Bucharest Court of Appeal, Transelectrica SA filed an annulment complaint, the subject of case file no. 1088/2/2015, on the docket of the Bucharest Court of Appeal – Sixth Civil Division, with hearing date 13.05.2015. On 13.05.2015, by Decision no. 777/2015, the Bucharest Court of Appeal dismissed the annulment complaint as unfounded, the decision being final.

In 2015, the Company recorded an impairment adjustment of RON 1,083,450 for the shares held in the subsidiary Institute for Energy Research and Modernisation – ICEMENERG SA Bucharest, which had been deregistered.

In the meetings of 28.03.2016 and 30.08.2016, the EGM did not approve the reduction of the share capital of NPG CO. Transelectrica SA by the amount of RON 1,084,610, representing the subscribed and paid share capital of the subsidiary ICEMENERG SA Bucharest, by reducing the Romanian State's participation in the share capital of NPG CO. Transelectrica SA, pursuant to GD no. 925/2010.

OPCOM SA

OPCOM SA, with its registered office at 16–18 Hristo Botev Blvd., Sector 3, Bucharest, is a legal entity whose main business activity is the organisation, administration, and supervision of the electricity market. It was established by Government Decision no. 627/2000.

On 13.02.2018, the Extraordinary General Meeting of the subsidiary OPCOM SA approved the share capital increase of the Electricity and Natural Gas Market Operator "OPCOM" SA ("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 right over land series M03 no. 12899/27.02.2014, issued by the Ministry of Economy. The contribution in kind was evaluated by an appraiser appointed by the ONRC. In exchange for the in-kind contribution to the share capital, the company issued to the new shareholder, the Romanian State through the Ministry of Economy, which as of the EGM resolution date exercised the duties of an involved person, 67,879 new registered shares with a nominal value of RON 10 each.

On 20.03.2019, the National Trade Register Office attached to the Bucharest Tribunal registered the share capital increase of OPCOM SA.

As at 31.12.2018, the share capital represented by the increase through the Company's in-kind contribution of RON 22,587,300 is recorded in the financial statements submitted for approval by the GMS of OPCOM, being presented as subscribed share capital not fully paid.

As at 30 June 2025, the share capital amounts to RON 31,366,090, of which RON 8,778,790 is subscribed and fully paid. The difference in share capital of RON 22,587,300 represents the Company's in-kind contribution, namely intangible assets – "OPCOM Commercial Electricity Exchange" and "OPCOM Regional Electricity Exchange", financed from the Company's own sources and from IBRD funds, and evaluated according to Valuation Report no. 786/15.03.2016 issued by JPA Audit & Consultantă SRL.

As at 30 June 2025, the share capital of OPCOM SA amounts to RON 31,366,090, representing 3,136,609 registered shares with a nominal value of RON 10 each, and NPG CO. Transelectrica SA's participation share in profits and losses is 97.84%

FORMENERG SA

FORMENERG SA, with its registered office at 3 Gh. Sincai Blvd., Sector 4, Bucharest, is a legal entity whose main business activity is initial and continuing professional training in all areas of activity for energy personnel, as well as other beneficiaries. It was established by GMS Resolution no. 33/2001.

The share capital on June 30, 2025 is 1,948,420, fully subscribed and paid up.

ICEMENERG SERVICE SA

By Government Decision no. 2294/09.12.2004, the transfer of the shares held by the subsidiary "Institute for Energy Research and Modernisation – ICEMENERG" SA Bucharest in the subsidiary "ICEMENERG-SERVICE" SA Bucharest to the National Power Grid Company "Transelectrica" SA was approved.

In 2016, the Company recorded an impairment adjustment of RON 493,000 for the shares held in the subsidiary ICEMENERG SERVICE SA.

Notes to the separate interim financial statements as at June 30, 2025

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

The share capital as at 30 June 2025 is RON 493,000, subscribed and fully paid.

**) On 09.06.2017, the Bucharest Tribunal – Seventh Civil Division ordered the commencement of bankruptcy proceedings under the simplified procedure against the debtor ICEMENERG SERVICE SA, appointing Solvendi SPRL as provisional judicial liquidator.

On 27.04.2021, the Special Administrator of the subsidiary ICEMENERG Service SA informed that on 23.04.2021, following the auction held, the assets of the subsidiary ICEMENERG Service SA, both movable and immovable, were sold as a block, the buyer being Portland Trust Developments Five SRL.

In case file no. 18051/3/2017, pursuant to the Insolvency Proceedings Bulletin no. 9152/26.05.2022, the Bucharest Tribunal – Seventh Civil Division, by Civil Judgment no. 2429, approved the final report of the judicial liquidator and, pursuant to Art. 175 para. 2 of Law no. 85/2014 on insolvency prevention and insolvency proceedings, closed the insolvency proceedings against the debtor ICEMENERG Service SA by deregistering it from the Bucharest Trade Register. The Company had not been notified of the judgment by 30.06.2025.

The balances with subsidiaries held by the Company are presented as follows:

ENTITY	Trade	receivables*)	Trade	liabilities
AFFILIATED	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
SMART SA	358,188	344,243	23,997,379	20,272,899
TELETRANS SA	197,051	112,719	26,423,788	18,099,560
FORMENERG SA	-	-	-	-
OPCOM SA	88,539,530	634,690,819	98,760,170	644,297,354
TOTAL	89,094,769	635,147,781	149,181,337	682,669,813

^{*)} Trade receivables are shown gross.

Transactions with the Company's subsidiaries during the reporting period are detailed as follows:

ENTITY		Sales		
AFFILIATED	Quarter II 2025	Quarter II 2024	Semester I 2025	Semester I 2024
SMART SA	306,138	249,037	619,573	624,050
TELETRANS SA	251,497	185,315	536,114	419,126
FORMENERG SA	-	-	-	1
OPCOM SA	328,452,259	560,233,759	1,009,433,179	734,626,402
TOTAL	329,009,894	560,668,111	1,010,588,866	735,669,578

ENTITY	Procurement			
AFFILIATED	Quarter II 2025	Quarter II 2024	Semester I 2025	Semester I 2024
SMART SA	31,067,107	21,173,087	52,585,465	41,975,235
TELETRANS SA	14,555,605	13,435,894	27,618,030	26,430,881
FORMENERG SA	-	-	2,700	-
OPCOM SA	414,646,175	309,223,912	1,056,866,377	1,090,555,523
TOTAL	460,268,887	343,832,893	1,137,072,572	1,158,961,639

During the second quarter of 2025, the Company received dividends from its subsidiary OPCOM amounting to 22,108,364.

Notes to the separate interim financial statements as at June 30, 2025

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

21. Credit risk

Credit risk is the risk that the Company incurs a financial loss as a result of a customer or counterparty to a financial instrument failing to fulfill its contractual obligations. 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: decentralization of the energy sector in which generation, transmission, distribution and supply are distinct activities and the interface for the customer is the supplier, electricity trading on the Romanian market in two market segments: regulated market and 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 made to customers with adequate collection by including in the commercial contracts the obligation to provide financial guarantees. The amount of receivables, net of adjustments for impairment losses, represents the maximum amount exposed to collection risk.

The maximum exposure to collection risk at the reporting date was:

	June 30, 2025	December 31, 2024
Financial assets		
Net trade receivables	2,053,658,789	2,578,810,809
Other net receivables and advances to suppliers	434,323,885	927,975,088
VAT recoverable	183,819,663	271,906,743
Cash and cash equivalents	970,656,118	671,557,851
Other financial assets	-	-
Total	3,642,458,455	4,450,250,491

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

	Gross amount	Impairment allowance	Gross value	Impairment allowance
	June 30, 2025	June 30, 2025	December 31, 2024	December 31, 2024
Maturity	1,967,075,237	-	2,487,412,712	-
Overdue between 1 - 30 days	(1,295,616)	-	2,118,109	-
Overdue between 31 - 90 days	526,688	-	292,245	-
Overdue between 90 - 180 days	145,532	-	70,075	-
Overdue between 180 - 270 days	2,003,133	-	(31,135)	-
Overdue between 270 - 365 days	(3,727,342)	-	(8,225)	-
More than one year	214,150,251	125,219,094	212,045,959	123,088,931
Total	2,178,877,883	125,219,094	2,701,899,740	123,088,931

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

	Gross amount June 30, 2025	Impairment allowance June 30, 2025	Gross amount December 31, 2024	Depreciation allowance December 31, 2024
Maturity	554,965,229	324,824	1,178,585,895	330,694
Overdue between 1 - 30 days	18,015,379	-	919,582	-
Overdue between 31 - 90 days	14,661,508	-	4,762,786	-
Overdue between 90 - 180 days	12,483,941	-	397,322	342,478
Overdue between 180 - 270 days	59,250	30,168	913,317	910,870
Overdue between 270 - 365 days	1,029,521	347,998	441,069	412,681
More than one year	89,948,606	72,316,896	86,766,830	70,908,247
Total	691,163,434	73,019,886	1,272,786,801	72,904,970

Notes to the separate interim financial statements as at June 30, 2025

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

Transelectrica's policy is to record impairment adjustments for loss of value amounting to 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, except for outstanding receivables generated by the support scheme. The Company also performs an individual analysis of trade and other uncollected receivables.

The highest impairment adjustments at June 30, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30,626,840), 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 (9,142,913), RAAN (8,516,707), Next Energy Partners (8,395,132).

In order to recover the claims adjusted for impairment, the Company has taken the following measures: legal action, enrollment in the creditor's estate etc.

The development of **doubtful receivables impairment allowances** is presented as follows:

	June 30, 2025	December 31, 2024
Balance at January 1	123,088,931	125,521,130
Recognition of impairment allowances	2,130,163	-
Reversal of impairment allowances	<u> </u>	2,432,199
Balance at end of period	125,219,094	123,088,931

Movements in impairment adjustments for other doubtful receivables are as follows:

	June 30, 2025	December 31, 2024
Balance at January 1	72,904,970	84,456,130
Recognition of impairment allowances	366,031	7,303,511
Reversal of impairment allowances	251,115	18,854,671
Balance at end of period	73,019,886	72,904,970

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 made 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.

Cash is placed with financial institutions, which are considered to have minimal risk.

22. Subsequent events

• Resolution No 6 of the Ordinary General Meeting of Shareholders of July 8, 2025

The Ordinary General Meeting of the Company's shareholders, pursuant to the provisions of Companies Law no. 31/1990, republished, as subsequently amended and supplemented, Law no. 24/2017 on issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, and ASF Regulation no. 5/2018 on issuers of financial instruments and market operations, as subsequently amended and supplemented, held in session on July 8, 2025:

- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Păun Costin Mihai, member of the Supervisory Board, registered under no. 23093/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Atanasiu Teodor, member of the Supervisory Board, registered under no. 23088/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Vasilescu Alexandru-Cristian, member of the Supervisory Board, registered under no. 23089/May 30, 2025;

Notes to the separate interim financial statements as at June 30, 2025

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

- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Zezeanu Luminița, member of the Supervisory Board, registered under no. 23092/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Dascăl Cătălin-Andrei, member of the Supervisory Board, registered under no. 23090/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Orlandea Virgil-Dumitru, member of the Supervisory Board, registered under no. 23091/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Rusu Rareş-Stelian, member of the Supervisory Board, registered under no. 23094/May 30, 2025.

Incident in the transmission grid in the western part of the country

On July 9, 2024, the Company announced that, following the extreme weather phenomena recorded on the afternoon of July 8, 2025 in the western part of the country, manifested by violent storms and wind gusts with speeds between 90 and 120 km/h (code red), a portion of the 220 kV Resita-Timisoara double-circuit overhead power line (OHL) was significantly affected, with several poles damaged, in the Timis county.

At the same time, the recent severe weather conditions of gales and strong winds (code red) in the west and north-west of the country also affected the 400 kV Rosiori - Gădălin overhead power line, where a pole on the OHL route was damaged.

The incident that affected the 220 kV Reṣiṭa - Timiṣoara 220 kV OHL did not cause interruptions in the power supply to consumers, but temporarily affected the full availability of the transmission grid (ETG) in the western part of the country.

The intervention teams were mobilized immediately after the occurrence of the event were in the field to assess the damage and establish the technical measures necessary to remedy the situation, involving all technical entities with responsibilities within Transelectrica and the subsidiary SMART SA.

A permanent cooperation with the competent authorities and the local distribution operator was established to manage the situation.

The National Electricity System (NES) operates in safe conditions and is constantly monitored by the National Energy Dispatcher.

Convocation of the Extraordinary General Meeting of Shareholders

The Company's Directorate has convened in accordance with the provisions of the Companies Law no. 31/1990, republished, as subsequently amended and supplemented, the Law no. 24/2017 on issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, the A.S.F. Regulation no. 5/2018 on issuers of financial instruments and market operations, as subsequently amended and supplemented, and the Company's Articles of Incorporation in force, the Extraordinary General Shareholders' Meeting on August 18/19, 2025, with the following agenda:

- Approval of the acquisition by Transelectrica of the services of consultancy and respectively legal assistance and representation before the Courts in order to defend the Company's interests in connection with the fulfillment and, respectively, the challenge of the Romanian Court of Auditors' Plenum Decision no. 47/23.01.2025 and in subsidiary the Compliance Audit Report no. 6000/23.01.2025 and the Management Letter no. 6001/23.01.2025, prepared by the Court of Auditors,
- information on the procurement of products, services and works, commitments involving significant obligations of the Company with a value of more than EUR 5,000,000, as well as loans and guarantees for loans with a value of less than EUR 50,000,000.