

Summary of the IFRS-EU Consolidated Results for the 1st Quarter of 2025 – 27 May 2025

Increase of 53.2% in net profit and 14.6% in EBITDA at consolidated level in Q1 2025

The evolution of the main indicators for Q1 2025 compared with Q1 2024:

- **EBITDA** – RON 459.3 mn., an increase of 14.6% or RON 58.5 mn.;
- **Operating income** – RON 3,176.2 mn., an increase of 23.6%;
- **Net profit** – RON 195.7 mn., an increase of 53.2% or RON 68.0 mn.;
- **CAPEX PIF (commissioned)** – RON 85.7 mn., an increase of 21.9%.

Statement from Alexandru-Aurelian Chirita, CEO of Electrica S.A.:

„The results for the first quarter of 2025 confirm the resilience of our business model and Electrica Group’s ability to perform in a complex economic and operational environment. The solid growth in EBITDA and net profit is mainly supported by the contribution of the distribution segment, as well as by the balanced performance across all our business lines.

At the same time, we are accelerating investments in infrastructure and renewable energy projects, with the clear objective of strengthening our position as a key player in Romania’s energy transition.

I am confident that our operational discipline, long-term vision, and the professionalism of my colleagues will enable us to deliver sustainable value to all stakeholders and contribute to building a secure and green energy future for Romania.”

Analysis of the consolidated financial indicators

The main results presented below are extracted from the condensed consolidated interim financial statements as at and for the three-month period ended 31 March 2025 prepared in accordance with IFRS-EU:

Financial Results – in RON mn.*	Q1 2025	Q1 2024	Δ	Δ%
Operating income	3,176.2	2,569.7	606.4	23.6%
Operating expense	2,862.8	2,320.4	542.4	23.4%
Operating profit	313.4	249.3	64.1	25.7%
EBITDA	459.3	400.8	58.5	14.6%
Financial result	(79.6)	(79.5)	(0.1)	0.1%
Net profit	195.7	127.7	68.0	53.2%

*Amounts are rounded to the nearest whole value

Source: Electrica

EBITDA at the Electrica Group level recorded an increase of 14.6% or RON 58.5 mn. in Q1 2025, up to RON 459.3 mn., compared to Q1 2024, mainly due to the operational performance of the distribution segment, given the increase in revenues from electricity distribution by 14.8% or about RON 167.6 mn., to the value of RON 1,298.2 mn..

The **operating profit** had an increase of 25.7% or RON 64.1 mn., reaching a value of RON 313.4 mn. compared with the first three months of 2024, due to the increase in the operating revenues offset by the increase in operating costs.

The **net profit** for Q1 2025 recorded an increase of 53.2% or RON 68.0 mn., reaching a value of RON 195.7 mn.. This result is generated mainly by the performance of the distribution segment in the context of the increase in revenues as a result of the increase in quantity distributed.

On the **distribution segment**, revenues increased by approximately RON 167.6 mn. or 14.8% to RON 1,298.2 mn. (of which RON 684.2 mn. revenues with external customers), compared to Q1 2024, mainly due to the increase in the volume of electricity distributed by 4.8% compared to the previous period, combined with the increase in tariffs starting with 01.01.2025 by approx. 12.5%; the contribution of the electricity distribution segment to the Group's consolidated revenue is 27.2%.

For the **supply segment**, revenues increased in Q1 2025 by approximately RON 203.3 mn., or 12.6%, compared to the same period last year, to RON 1,818.1 mn. (of which RON 1,810.7 mn. RON revenues with the group's external customers), mainly as a net effect of the following 3 categories: i) the increase in the quantity of energy supplied on the retail market by 3.7%, ii) the increase in the purchase cost which results in higher subsidy revenues and iii) the change given by the new ANRE guide dated 29 July 2024 regarding the new calculation of the amounts to be recovered from the cap (subsidies). The contribution of the supply segment to the Group's consolidated revenues is in the proportion of 71.9%.

On 31 March 2025, the total amount estimated for subsidies was RON 2,398.6 mn. (31 December 2024: RON 1,976.7 mn.).

OTHER IMPORTANT OPERATIONAL INFORMATION

- **Distributed electricity volumes** – 4.61 TWh, up by 4,8% compared to 2024. DEER serves approx. 3.98 mn. users, over an area covering about 40.8% of Romania;
- **Volumes of electricity supplied to final customers** – 2.0 TWh, up by 0.6% compared to Q1 2024; Electrica Furnizare supplies electricity to approx. 3.5 mn. consumption places overall, out of which 1.79 consumption places on the competitive market, as well 1.70 mn. consumption places in universal service and as last resort supplier;
- **Supply market share** - Electrica Furnizare is the largest supplier, with a total market share of 17,16% and a competitive market share of 12.12%, according to the latest ANRE report available (January 2025);
- Electrica Group continues to pursue the expansion of its portfolio in the field of electricity production, especially from renewable sources, having at this time projects in different phases of execution with a **capacity of approx. 300 MW**.

In case of Vultur project (P = 12 MWp), starting 21 October 2024 it is connected to the National Energy System and is operating in the testing period according to the applicable regulations. Currently, the trial tests have been successfully completed and the certificate of compliance with the technical regulations issued by the responsible grid operator has been obtained.

In the case of Satu-Mare 2 project (P = 27 MWp), the final execution phase has started, and after the completion by the Distribution Operator of the connection installation, the necessary steps to perform the compliance tests and obtain the license for commercial operation of the production capacity, in accordance with the rules in force, will be followed;

- The **Regulated Asset Base (RAB)**, in nominal terms, with inflation of 4.0% for the year 2025 is estimated at the end of the first quarter of 2025 at RON 8.4 bn..
- At the end of the first quarter of 2025, the operator Distributie Energie Electrica Romania (DEER) realized and commissioned investments worth RON 85.7 mn, representing 100% of the estimated value of the commissioning programme planned for this period at RON 85.7 mn..

The results presented in this press release are based on the simplified consolidated interim financial statements as at and for the three-month period ended 31 March 2025, prepared in accordance with IFRS-EU.

The documents related to the Q1 2025 results are available on Electrica's website at the following link: <https://www.electrica.ro/en/investors/results-and-reports/financial-results/financial-statements-for-q1-2025/>, as well as in the pdf file attached below.

We remind you that Electrica's management is organising on **29 May 2025, 16:00** (Romanian time), a web conference for analysts and investors: **[Presentation of Electrica Group Q1 2025 Financial Results](#)**. The web conference can be accessed online under the following link: <https://87399.themediaframe.eu/links/electrica250529.html>

Contact Details: Electrica Investor Relations - ir@electrica.ro ; +40731796111

CEO
Alexandru-Aurelian Chirita

CFO
Stefan Alexandru Frangulea



SOCIETATEA ENERGETICA ELECTRICA S.A.

Condensed Consolidated Interim Financial Statements

as at and for the three-month period ended

31 March 2025

prepared in accordance with

International Financial Reporting Standards as adopted by the European Union

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE THREE-MONTH PERIOD ENDED 31 March 2025
PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

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SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

(All amounts are in THOUSAND RON, if not otherwise stated)

	Note	31 March 2025	31 December 2024
ASSETS			
Non-current assets			
Intangible assets related to concession arrangements		6,748,354	6,678,207
Other intangible assets		32,022	31,293
Goodwill		49,767	49,767
Property, plant and equipment		750,218	736,921
Investments in associates		23	23
Other investments		7,000	7,000
Deferred tax assets	10	91,001	84,627
Right of use assets		45,790	39,435
Other non-current assets		2,757	4,391
Total non-current assets		7,726,932	7,631,664
Current assets			
Trade receivables	11	3,599,218	3,675,688
Subsidies receivable	7	2,398,622	1,976,697
Other receivables		89,549	74,713
Cash and cash equivalents	12	884,644	454,455
Inventories		76,815	111,896
Prepayments		24,029	5,059
Current income tax assets		7,846	8,949
Assets held for sale		280	280
Total current assets		7,081,003	6,307,737
Total assets		14,807,935	13,939,401
EQUITY AND LIABILITIES			
Equity			
Share capital		3,395,530	3,395,530
Share premium		103,049	103,049
Pre-paid capital contributions in kind from shareholders		7	7
Revaluation reserve		148,365	150,268
Legal reserves		490,833	490,833
Retained earnings		1,758,395	1,561,291
Total equity attributable to the owners of the Company		5,896,179	5,700,978
Non-controlling interests		-	(25)
Total equity		5,896,179	5,700,953

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SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

(All amounts are in THOUSAND RON, if not otherwise stated)

	Note	31 March 2025	31 December 2024
Liabilities			
Non-current liabilities			
Long-term bank borrowings	14	3,001,372	1,824,506
Lease liability – long term		35,639	34,379
Deferred tax liabilities	10	140,450	128,165
Employee benefits		162,697	162,697
Other payables	13	33,750	45,692
Total non-current liabilities		3,373,908	2,195,439
Current liabilities			
Current portion of long-term bank borrowings	14	539,713	565,835
Lease liability – short term		14,466	7,411
Bank overdrafts	12	1,897,445	2,490,609
Trade payables		1,249,432	1,146,413
Other payables	13	1,598,919	1,585,864
Deferred revenue		1,875	6,626
Employee benefits		115,950	150,863
Provisions	16	75,383	75,905
Current tax liabilities		44,665	13,483
Total current liabilities		5,537,848	6,043,009
Total liabilities		8,911,756	8,238,448
Total equity and liabilities		14,807,935	13,939,401

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Chief Executive Officer

Alexandru – Aurelian Chirita

Chief Financial Officer

Stefan Alexandru Frangulea

27 May 2025

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in THOUSAND RON, if not otherwise stated)

	Note	Three-month period ended	
		31 March 2025	31 March 2024 (unaudited and not reviewed)
Revenue	6	2,519,347	2,233,985
Other income	7	656,822	335,753
Electricity, natural gas and merchandise purchased	8	(2,105,506)	(1,543,100)
Construction costs related to concession agreements		(185,547)	(225,948)
Employee benefits		(269,882)	(234,768)
Repairs, maintenance and materials		(37,137)	(16,855)
Depreciation and amortization		(145,664)	(151,445)
Impairment for trade and other receivables, net		(16,702)	(21,595)
Other operating expenses		(102,343)	(126,716)
Operating profit		313,388	249,311
Finance income		4,328	1,612
Finance costs		(83,944)	(81,143)
Net finance cost		(79,616)	(79,531)
Share of results of associates		-	(4)
Profit before tax		233,772	169,776
Income tax expense	10	(38,104)	(42,069)
Net profit		195,668	127,707
Net profit attributable to:			
- owners of the Company		195,668	127,765
- non-controlling interests		-	(58)
Net profit		195,668	127,707
Earnings per share			
Basic and diluted earnings per share (RON)	9	0.56	0.38

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Chief Executive Officer
Alexandru – Aurelian Chirita

Chief Financial Officer
Stefan Alexandru Frangulea

27 May 2025

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in THOUSAND RON, if not otherwise stated)

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Net profit	195,668	127,707
Other comprehensive income	-	-
Total comprehensive profit	195,668	127,707
Total comprehensive profit attributable to:		
- owners of the Company	195,668	127,765
- non-controlling interests	-	(58)
Total comprehensive profit	195,668	127,707

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Chief Executive Officer

Alexandru – Aurelian Chirita

Chief Financial Officer

Stefan Alexandru Frangulea

27 May 2025

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in THOUSAND RON, if not otherwise stated)

Attributable to the owners of the Company									
Share capital	Share premium	Treasury shares reserve	Capital contributions in kind from shareholders	Revaluation reserve	Legal reserves	Retained earnings	Total	Non-controlling interests	Total equity
3,395,530	103,049	-	7	150,268	490,833	1,561,291	5,700,978	(25)	5,700,953
-	-	-	-	-	-	195,668	195,668	-	195,668
-	-	-	-	-	-	195,668	195,668	-	195,668
-	-	-	-	-	-	(467)	(467)	25	(442)
-	-	-	-	-	-	(467)	(467)	25	(442)
-	-	-	-	-	-	(467)	(467)	25	(442)
-	-	-	-	(1,903)	-	1,903	-	-	-
3,395,530	103,049	-	7	148,365	490,833	1,758,395	5,896,179	-	5,896,179

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SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in THOUSAND RON, if not otherwise stated)

	Attributable to the owners of the Company									
	Share capital	Share premium	Treasury shares reserve	Capital contributions in kind from shareholders	Revaluation reserve	Legal reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2024 (audited)	3,464,436	103,049	(75,372)	7	159,536	449,363	1,259,396	5,360,415	(451)	5,359,964
Comprehensive income										
Profit for the period (unaudited and not reviewed)	-		-	-	-	-	127,765	127,765	(58)	127,707
Total comprehensive profit (unaudited and not reviewed)	-		-	-	-	-	127,765	127,765	(58)	127,707
Other changes in equity (unaudited and not reviewed)										
Transfer of revaluation reserve to retained earnings due to depreciation and disposals of property, plant and equipment	-	-	-	-	(1,719)	-	1,719	-	-	-
Balance at 31 March 2024 (unaudited and not reviewed)	3,464,436	103,049	(75,372)	7	157,817	449,363	1,388,880	5,488,180	(509)	5,487,671

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Chief Executive Officer
Alexandru – Aurelian Chirita

Chief Financial Officer
Stefan Alexandru Frangulea

27 May 2025

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in THOUSAND RON, if not otherwise stated)

	Note	Three-month period ended	
		31 March 2025	31 March 2024 (unaudited and not reviewed)
Cash flows from operating activities			
Profit		195,668	127,707
Adjustments for:			
Depreciation		4,547	4,500
Amortisation		141,117	146,945
Impairment of property, plant and equipment and intangible assets, net		210	-
Gain on disposal of property, plant and equipment and intangible assets		(559)	-
Impairment of trade and other receivables, net	11	16,702	21,595
Change in provisions, net	16	(523)	(884)
Net finance cost		79,616	79,531
Income tax expense	10	38,104	42,069
Share of loss of associates		-	4
		474,882	421,467
Changes in:			
Trade receivables		3,719	(681,622)
Subsidies receivable	7	(421,925)	304,207
Other receivables		(18,891)	12,667
Prepayments		(18,970)	(15,819)
Inventories		35,081	23,551
Trade payables		125,454	(391,655)
Other payables		4,804	(152,720)
Employee benefits		(34,912)	(10,415)
Deferred revenue		(4,751)	335
Cash from/(used in) operating activities		144,491	(490,004)
Interest paid		(97,336)	(78,742)
Net cash from/(used in) operating activities		47,155	(568,746)

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SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in THOUSAND RON, if not otherwise stated)

		Three-month period ended	
	Note	31 March 2025	31 March 2024 (unaudited and not reviewed)
Cash flows from investing activities			
Payments for purchase of property, plant and equipment		(17,503)	(6,755)
Payments for network construction related to concession agreements		(167,983)	(313,476)
Payments for purchase of other intangible assets		(4,114)	(2,577)
Proceeds from sale of property, plant and equipment		8	-
Interest received		3,936	1,296
Payments for non-controlling interest acquired without change in control		(442)	-
Net cash used in investing activities		(186,098)	(321,512)
Cash flows from financing activities			
Proceeds from long term bank borrowings	14	1,245,614	1,345,782
Payments from overdrafts	14	(590,578)	(498,318)
Repayment of long-term bank loans	14	(81,717)	(76,374)
Payment of lease liabilities		(4,188)	(7,304)
Net cash generated from financing activities		569,131	763,786
Net increase/(decrease) in cash and cash equivalents		430,189	(126,472)
Cash and cash equivalents at 1 January		454,455	377,215
Cash and cash equivalents at 31 March	12	884,644	250,743

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

The non-cash transactions are disclosed in Note 12.

Chief Executive Officer

Alexandru – Aurelian Chirita

Chief Financial Officer

Stefan Alexandru Frangulea

27 May 2025

SOCIETATEA ENERGETICA ELECTRICA S.A.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in THOUSAND RON, if not otherwise stated)

1 Reporting entity and general information

These financial statements are the condensed consolidated interim financial statements of Societatea Energetica Electrica S.A. ("the Company" or "Electrica SA") and its subsidiaries (together "the Group") as at and for the three-month period ended 31 March 2025.

The registered office of the Company is 9 Grigore Alexandrescu Street, District 1, Bucharest, Romania. The Company has sole registration code 13267221 and Trade Register registration number J2000007425408.

As at 31 March 2025 and 31 December 2024, the major shareholder of Societatea Energetica Electrica S.A. is the Romanian State, represented by the Ministry of Energy with an ownership share of 49.785% from the share capital.

The Company's shares are listed on the Bucharest Stock Exchange and the global depository receipts ("GDRs") are listed on the London Stock Exchange (LSE). The shares traded on the London Stock Exchange are the global depository receipts, one global depository receipt representing four shares. The Bank of New York Mellon is the depository bank for these securities.

As at 31 March 2025 and 31 December 2024, the Company's subsidiaries are the following:

Subsidiary	Activity	Sole registration code	Head Office	% shareholding as at 31 March 2025	% shareholding as at 31 December 2024
Distributie Energie Electrica Romania S.A. ("DEER")	Electricity distribution in geographical areas Transilvania Nord, Transilvania Sud and Muntenia Nord	14476722	Cluj-Napoca	99.99999929%	99.99999929%
Electrica Furnizare S.A. ("EFSA")	Electricity and natural gas supply	28909028	Bucuresti	99.9998444099934%	99.9998444099934%
Electrica Serv S.A. ("SERV")	Services in the energy sector (maintenance, repairs, construction)	17329505	Bucuresti	99.99998095%	99.99998095%
Sunwind Energy S.R.L. ("SWE")	Electricity generation	42910478	Bucuresti	100%	100%
New Trend Energy S.R.L. ("NTE")	Electricity generation	42921590	Bucuresti	100%	100%
Foton Power Energy S.R.L. ("FPE")	Electricity generation	43652555	Bucuresti	100%	100%
Crucea Power Park S.R.L. ("CPP")	Electricity generation	25242042	Bucuresti	100%	60%

As at 31 March 2025 and 31 December 2024, the Company's associates are the following:

Associate	Activity	Sole registration code	Head Office	% shareholding as at 31 March 2025	% shareholding as at 31 December 2024
Electrica EsyaSoft Smart Solutions S.A ("EsyaSoft")	Manufacture of accumulators and batteries	50993644	Bucuresti	25%	25%

Changes in Group structure for the three-months period ended 31 March 2025

Acquisition of shares in subsidiaries

On 7 February 2025, Electrica SA completed the acquisition of Crucea Power Park SRL (CPP), whose main activity is the production of energy from wind sources. CPP is developing the wind project "Crucea Est" with an installed turbine

SOCIETATEA ENERGETICA ELECTRICA S.A.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in THOUSAND RON, if not otherwise stated)

capacity of up to 138 MW and a projected electricity storage capacity of 60 MWh (15 MW x 4h), located in the county of Constanta, in the area of towns Crucea and Pantelimon. The project is in the ready-to-build phase.

Group's main activities

The activities of the Group include operation and construction of electricity distribution networks and electricity and natural gas supply to final consumer, as well as energy production from renewable sources.

Electricity distribution

The Group is the electricity distribution operator and the main electricity supplier in Muntenia Nord area (Prahova, Buzau, Dambovită, Braila, Galati and Vrancea counties), Transilvania Nord area (Cluj, Maramures, Satu Mare, Salaj, Bihor and Bistrita Nasaud counties) and Transilvania Sud area (Brasov, Alba, Sibiu, Mures, Harghita and Covasna counties), operating with transformation station and 0.4 kV to 110 kV power lines.

The Company's distribution subsidiary, Distributie Energie Electrica Romania S.A. which resulted from the merger through absorption of the three distribution subsidiaries Societatea de Distributie a Energiei Electrice Transilvania Nord S.A., Societatea de Distributie a Energiei Electrice Muntenia Nord S.A. and Societatea de Distributie a Energiei Electrice Transilvania Sud S.A. now operates electric lines in 18 counties, from three geographical areas of the country, representing 40.8% of the Romanian territory, and serves over 3.98 million users. It invoices the electricity distribution service to electricity suppliers (mainly to Electrica Furnizare S.A. subsidiary) which further invoices the electricity consumption to final consumers.

Electricity and natural gas supply

The electricity and natural gas supply segment operates through Electrica Furnizare S.A. ("EFSA"), with its main activity electricity supply to end users, on the universal service segment and as a supplier of last resort, and as a supplier on the competitive market, all over Romania.

The Group holds an electricity supply license that covers the entire territory of Romania, valid until 2031. In order to extend the EFSA operations in Hungary, an electricity trading license was granted by the Authority for Regulation of Electricity and Public Utilities in Hungary (MEKH) to Electrica Furnizare, by Decision no. H879/2022. EFSA also holds a natural gas supply license valid until 2032.

In 2025, EFSA was designated supplier of last resort for electricity in January, and for natural gas it was nominated supplier of last resort also in January.

Electricity production

The Group is active in the production of electricity, especially from renewable sources.

Regulations in the energy sector

Regulatory environment

The activity in the energy sector is regulated by the Romanian Energy Regulatory Authority.

Some of the main responsibilities of ANRE are to approve prices and tariffs and to issue substantiation methodologies used to set regulated prices and tariffs.

Electricity distribution

The distribution tariffs approved by the National Authority for Energy Regulation ("ANRE") are as follows (RON/MWh, presented cumulatively for medium and low voltage levels):

SOCIETATEA ENERGETICA ELECTRICA S.A.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

AS AT AND FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

(All amounts are in THOUSAND RON, if not otherwise stated)

Order 115/20.12.2023			
Starting 1 January 2024			
	High voltage	Medium voltage	Low voltage
Transilvania Nord area	31.22	74.86	190.16
Transilvania Sud area	29.55	63.05	185.49
Muntenia Nord area	34.72	74.69	238.63

Ordin 97/20.12.2024						
Starting 1 January 2025						
Distribution operator	Voltage	Unit	Specific tariff, comprising of:	non CPT component	CPT util component	CPT util_sc component
Societatea Distributie	High	RON/MWh	34.14	26.32	7.03	0.79
Energie Electrica	Medium	RON/MWh	80.69	46.38	30.84	3.47
Romania - S.A.	Low	RON/MWh	236.10	146.35	80.68	9.07

ANRE approved Order no. 97/2024, establishing the following:

- (i) Unique DEER distribution tariffs for 2025, applicable starting 1 January 2025, resulting in an average increase of 8.3% (in real terms) versus 1 January 2024,
- (ii) the investment plans for DEER over PR5, by financing sources: RON 3,702 mil. from own sources and RON 2,984 mil. from financial contributions,
- (iii) the minimum mandatory value for the investments made from own sources of RON 3,569 mil., of which RON 3,034 mil. RON related to the distribution network ("RED").

ANRE approved Order no. 55/6.08.2024 establishing the regulated rate of return, in the amount of 6.94%, for the fifth regulatory period 2025-2029 (PR5).

The methodology for establishing distribution tariffs was approved on 17 September by ANRE Order no. 67/2024 and entered into force on 20 September 2024.

The main changes to the Methodology for PR5 compared to the Methodology for the fourth regulatory period (PR4):

I. Controllable (CC) and non-controllable (CNC) operation and maintenance costs:

- CC and the efficiency factor for PR5 will be established based on the OPEX study carried out by ANRE with an external consultant;
- Personnel costs are not subject to efficiency and will be adjusted annually with the inflation rate (IR) and by 5%;
- Research and development costs will not be subject to efficiency, and can be requested by the distribution operator ("OD") in a maximum amount of 5 million RON per total PR5;
- Expenses related to contracts with affiliated parties with the object of representing the OD, consulting services in the field of regulation, and expenses corresponding to the profit attributed to any subcontracted parties are not recognized;
- The inflation correction between realized and forecasted IR is applied to personnel costs only if the difference in IR is positive.

II. Investments and BAR:

- The minimum mandatory value for the investments made from own sources for the regulatory period is equal to the value of the cost with the total forecasted regulated depreciation approved for the regulatory period;
- The minimum mandatory value for the investments made in RED from own sources in year t for the regulatory period is equal to 85% of the cost value with the total forecasted regulated depreciation approved for year t

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at the beginning of the regulatory period;

- BAR PR5 will be inflated with the predicted IR used in the RRR calculation;
- Investments such as updating IT applications or databases will not be recognized in the BAR, they will be recognized as special expenses within the CNC;
- Endowment-type assets will be recognized in the BAR if the OD demonstrates their efficiency.

III. RRR incentives:

- RRR incentives of 1% for new investments in RED and 1% for PIC will no longer be granted;
- For RED investments made within the projects co-financed from non-reimbursable EU funds, an incentive of 0.5% will be granted;
- A 1% incentive is granted for the value that exceeds the minimum mandatory value of the investments made in RED;
- RRR will increase or decrease by 0.5%, depending on the level of performance achieved by the OD regarding the development of a smart 4;
- RRR is reduced by 2% for investments in endowments (administrative buildings and tangible and intangible assets), which will be PIF in PR5. As an exception, the RRR is not reduced in the case of the equipment used for the works in the RED and which lead to the maintenance and/or improvement of the RED parameters.

IV. CPT

- CPT targets will decrease linearly during PR5 by 15% for JT and by 6% for MT;
- The CPT price recognized ex-post will not exceed the weighted average of the prices realized by the OD, plus 5%;
- In times of crisis on the energy market, declared by normative acts, the CPT price realized by the OD will be recognized.

V. Revenues and tariffs

- Regulated income will consist of: non-CPT income and CPT income;
- The non-CPT income is linearized and the related tariff component, calculated as a weighted average, will be capped at 10%;
- The CPT income is the basis for the establishment of CPT tariffs, which will not be capped and will be recovered from both consumers and producers;
- Pole rental activity is regulated and will be included in the income of the distribution service.

Tariff adjustments

Annually, ANRE makes revenue corrections due to: change in the quantities of electricity distributed compared to the forecast; change in quantities and acquisition price for the regulated own technological consumption compared to the forecast; the annual change in controllable operating and maintenance costs, realized and accepted against the forecast; annual change in uncontrollable operating and maintenance costs compared to the forecast; changes in revenues from reactive energy compared to the forecast; failure to meet/exceeding the approved investments programme; revenues generated from other operations made by the distribution operator and the quantity of electricity recovered from recalculations.

The regulator establishes through the regulated income and tariffs for the following year taking into account the justified corrections presented above, which are added algebraically to the income for the following year. The Group does not recognize assets and liabilities resulting from regulation in relation to these deficits or surpluses, as the differences are recovered or returned through the annual tariff changes.

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Electricity and natural gas supply

The regulatory framework suffered significant changes in the last decade in respect of: electricity and natural gas market liberalisation, separation of supply and distribution activities, implementation of the support scheme for renewable energy, support for the electricity consumers and prices caps for end users.

Starting with 1 November 2021, in the context of the increase in prices for the electricity and natural gas markets at international and national level, the energy crisis, as well as the effects caused by these increases among the population, in Romania, a series of support measures for electricity and natural gas customers have been applied, by establishing compensation and capping schemes between 1 November 2021 and 31 March 2025 for both electricity and natural gas, applicable to 1 April 2025 – 30 June 2025 for electricity and to 1 April 2025 – 31 March 2026 for natural gas.

Over 2025 as in the prior years, the following legal components had an impact on the electricity and gas supply operations:

- 1) Price capped for electricity for household and non-domestic customers according to GEO no. 27/2022, with subsequent amendments and additions;
- 2) The limitation of the average purchase price considered for determining the amounts to be recovered from the state budget initially to 1,300 RON/MWh; and currently at 900 RON/MWh (according to Law no. 206/2023, which approves GEO 153/2022), and to 700 RON/MWh starting 1 April 2024 (according to GEO 32/2024);
- 3) The mechanism of centralized purchase of electric energy (MACEE) provides - OPCOM, as sole acquirer, buys electricity from producers (electricity producers with an installed power equal to or greater than 10 MW) and sells the purchased electricity to electricity suppliers that have contracts with final customers, the transmission system operator electricity and distribution system operators electricity to cover their own technological consumption; the price paid by OPCOM to electricity producers, for the quantities of electricity sold by them is 450 RON/MWh and the sale price of OPCOM to the economic operators is also 450 RON/MWh (OPCOM has the right to charge market participants tariffs/commissions at the level of costs recorded by organizing the centralized electricity purchase mechanism); In order to carry out the transactions, OPCOM shall organize an annual procurement procedure as well as an additional procurement procedure each month for the quantities of electricity to be delivered in the following month; annual and monthly electricity quantities are firm obligations of electricity producers and economic operators and are evenly distributed across all settlement intervals each month (contracts are concluded by signing, within maximum 3 working days).

Starting with 1 April 2024, the MACEE price changes, respectively it decreases from 450 lei/MWh to 400 lei/MWh. At the same time, producers can sell electricity voluntarily through MACEE.

- 4) The natural gas storage obligation for the 2025-2026 cycle was established by ANRE based on information provided by SNTGN Transgaz at a volume of 197 GWh, an obligation that must be fulfilled by 31 October 2025, according to legal provisions;
- 5) The obligation of natural gas producers to sell at the price of 150 RON/MWh the necessary quantities to the suppliers of domestic customers/heat energy producers changed starting 1 April 2024, meaning the sale price of natural gas decreased from 150 lei/MWh to 120 lei/MWh.

In accordance with the provisions of GEO no. 32/2024 from 1 April 2024:

- the rule regarding the payment of 40% of the amount related to the capping within 10 days from the date of submission of the application is changed - in the new guide for the payment of the amount related to the capping there are 10 days from the date ANRE confirms to the Ministry of Energy ("ME")/National Agency for Payments and Social Inspection ("ANPIS") the correctness data "within the limits of the amounts available in the Energy

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Transition Fund and other legally established amounts";

- suppliers receive guarantees of origin for the quantity contracted through MACEE;
- the percentage for the accepted profit in order to overtax the trading activity increases to 10%;
- between 1 April 2025 and 31 March 2026, suppliers can prepare offers for final customers only if the purchase covers at least 50% of the consumption requirement of the portfolio held;
- the natural gas supply component was increased from 12 lei/MWh to 15 lei/MWh for non-FUI customers (FUI means supplier of last resort), and for natural gas customers taken over as a last resort, the increase is from 13.5 lei/MWh to 15 lei/MWh.

Additionally, on 29.07.2024, ANRE modified the Guide for completing the data that is uploaded on the ANRE portal in order to settle from the state budget the amounts related to price capping for final customers, with applicability from 1 January 2024 for electricity. The main changes consist in the recognition of the amount for which the settlement is made, respectively the consumption billed for the month of analysis, and the way of allocating imbalances based on the weight of the consumption made by each category of customers (eligible and FUI, including the wholesale market). This algorithm for allocating purchase costs significantly impacts the full recovery of costs recorded by suppliers.

Law no. 316/2024 was published in the Official Gazette on 23 December 2024, which approved GEO no. 32/2024 and introduced a settlement procedure for the volumes of electricity/natural gas for which payment was requested, applicable until 31 March 2026. The settlement of the amounts paid from the State budget to the electricity and natural gas suppliers, after submission to ANRE, for each month of the period and for each category of customers benefitting from the capped final price, of information related to energy quantities invoiced for the months of consumption within the applicable period, following certain changes of the amounts already paid from the State budget.

The categories of customers to whom the electricity price capped applies to the first quarter of 2025:

- household customers (tranche <100 KWh/month - maximum price 0.68 lei/KWh, tranche 100-300 KWh/month - with the distinct estimate of the volume exceeding 255 KWh/month - respectively the price level capped at 0.800 lei/KWh and with a maximum price of 1.3 lei/KWh);
- non-household customers - divided separately into the category of customers benefiting from capping for 85% of consumption with a price capped at 1.0 lei/KWh, category of customers benefiting from capping for 100% of consumption, price capped at 1.0 lei/KWh and the rest of the companies at a maximum price of 1.3 lei/KWh.

The categories of customers to whom the natural gas price capped applies to 2025:

- household customers – the maximum price is capped at 0.31 lei/KWh;
- non-household customers - the maximum price is capped at 0.37 lei/KWh for an annual consumption of up to 50 GWh.

The compensated amounts are settled by the National Agency for Payments and Social Inspection ("ANPIS") for household consumers and by the Ministry of Energy for non-household consumers.

Transactions on the competitive wholesale market are transparent, public, centralized and non-discriminatory. Participants on the wholesale market can trade electricity based on bilateral contracts concluded on dedicated markets.

A new capping scheme was approved by GEO no. 6/2025, published in the Official Bulletin on 28 February 2025, on the measures applicable to end users of the electricity market for the period 1 Aprilie 2025 - 30 June 2025, and to end users of the natural gas market for the period 1 April 2025 - 31 March 2026, respectively. Therefore, this GEO provides for:

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- the period for application of the supporting scheme (cap) is 3 months for electricity, from 1 April 2025 to 30 June 2025 and 1 year for natural gas, from 1 April 2025 to 31 March 2026.
- for electricity, the invoiced final price is: a) maximum 0.68 lei/kWh, VAT included, for the consumption of the following categories of customers: 1. households with a monthly consumption between 0 and 100 kWh, inclusively; 2. households hosting persons who use medical devices, appliances and equipment connected to the power network, required for medical treatment, based on a specialist doctor confirmation and on a request submitted to the supplier; 3. households which have at least 3 dependend children up to 18 years old, based on a request and a statement; the age limit is extended to 26 years in case the adult child attends a form of education; 4. households that are mono-parental families, which have at least one child up to 18 years old, basde on a request and a statement; the age limit is extended to 26 years in case the adult child attends a form of education; b) maximum 0.80 lei/kWh, VAT included, for the consumption of households with a monthly consumption of between 100.01 and 255 kWh (the electricity consumption of between 255 and 300 kWh/monthly is invoiced at the maximum price of 1.3 lei/kWh, VAT included, and in case consumption exceeds 300 kWh/month the entire consumption is invoiced at the maximum price of 1.3 lei/kWh); c) maximum 1 leu/kWh, VAT included, for 85% of the monthly consumption at the consumption place for certain categories of consumers (the difference of monthly electricity consumption is invoiced at the maximum price of 1.3 lei/kWh, VAT include, based on the statement of the legal representative); d) maximum 1 leu/kWh, VAT included, for the entire consumption of public and private hospitals, public and private educational units and nurseries, and public and private social services suppliers; e) maximum 1 leu/kWh, VAT included, for 85% of the monthly consumption at the consumption place, for public institutions, other than those described at d) above, and for those of certain religions officially recognised in Romania (the difference of monthly electricity consumption is invoiced at a maximum price of 1.3 lei/kWh, VAT included); f) maximum 1.3 lei/kWh, VAT included, for households and non- households which are not included in a) to e) above;
- for natural gas, the invoiced final price is: a) maximum 0.31 lei/kWh, VAT included, in case of households; b) maximum 0.37 lei/kWh, VAT included, in case of non-households with an annual consumption of natural gas in the previous year is 50,000 MWh or less, as well as in case of thermal energy producers and non-household customers included in the industrial parks regulated by Law no. 186/2013 on establishment and operation of industrial parks, subsequently modified and complemented, and of those included in the closed distribution systems definite according to Law no. 123/2012, subsequently modified and complemented.
- the price from the bids prepared and published by electricity/natural gas suppliers may not exceed the invoiced capped final price; the bids for the period 1 July 2025 – 30 June 2026 may be prepared and published only in case there is a purchase that is 50% completed in the bidding period, with an obligation to distinctly state the supply component;
- the statements of the end users on final capped price submitted to suppliers based in GEO no. 27/2022 provisions remain in force;
- the contribution related to contracts for diffecence (CfD) was included in the final capped price;
- the application of minimum of contractual price, capped price and the prise resulting from the GEO remains in force;
- in relation with electricity acquisition: the quota for imbalancing recognition increased from 5% to 10% in terms of value/cost and without limitation for FUI; the limit of the recognized price of 700 lei/MWh remains in force; the directly negotiated bilateral contracts are reported to ANRE within 2 working days from the date of conclusion;
- the payment requests are submitted before uploading the data on the ANRE portal for price capping; a quota of 40% of the amount of payment requests is paid within 10 days from the transfer of cash by the Ministry of Finance to ME and ANPIS (the payment date is not under the control of the supplier);
- the supplier shall notify the customers in its own portfolio on changes resulting from the application of the provisions of the GEO with the first invoice issued after enactment;
- non-compliance of the operators with the deadlines provided by the GEO, i.e. the deadline allowed for correctting the uploaded data on the IT platform and re-submitting the payment requests /or the statements, constitutes a

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violation and is sanctioned with a fine of between 25,000 lei and 50,000 lei;

- GEO no. 27 (in force) changes as follows: for the period April-August 2022, the final deadline to input data needed for cash payment from the State budget or settlement of the amounts paid from the State budget, if applicable, is 30 April 2025; for the September 2022-August 2023, the final deadline to input data needed for cash payment from the State budget or settlement of the amounts paid from the State budget, if applicable, is 30 April 2025;
- Law of electricity and natural gas no. 123/2012 changes as follows: the producers have the obligation to trade at least 50% of the annual electricity production via contacts on the electricity markets, other than PZU, PI and PE. There is an exception from this provision for the producers that have a portfolio including only wind, solar, micro-hydropower plants, which are beneficiaries of a green certificates supporting scheme, and also electricity production capacities in co-generation. OPCOM has the obligation to publish reference prices, closing prices and traded volumes on a daily basis.

In the first quarter of 2025, trading electricity on wholesale market was made transparently on the centralised markets operated by OPCOM and Romanian Commodities Exchange („BRM”), based on directly negotiated bilateral contracts; transactions on the spot market moved to BRM starting February.

Electricity generation

Green certificates

Producers of electricity from renewable energy sources (RES) have the right, according to Law no. 220/2008, to receive a certain number of green certificates, depending on the technology used (for example: hydraulic, wind, solar, geothermal, biomass, bioliquids, biogas), for each MWh produced and delivered to the network and for a certain period of time, depending on the degree of novelty of the group/power plant.

Starting from February 2013, the Stanesti photovoltaic park has the right to receive (the month from which it started injecting electricity into the network), for a period of 15 (fifteen) years, 6 (six) green certificates for each MWh of electricity produced and delivered to the grid, out of which, for the period 1 July 2013 – 31 December 2020, according to Law 23/2014 and Law 184/2018, 2 (two) green certificates were postponed from trading. Those two GC postponed from trading are to be recovered in equal monthly tranches starting from 1 January 2021 until 31 December 2030.

The green certificates issued by Transelectrica for the production made by the Stanesti photovoltaic park, during the validity period of the accreditation decision issued by ANRE, can be traded, according to GEO 24/2017, until 31 March 2032, respectively including the period after the expiration of the validity period of the accreditation decision (31 January 2028 in the case of the Stanesti photovoltaic park).

The sale of green certificates can be made on OPCOM markets (spot and combined market). The selling price has to be within the minimum and maximum values provided by Law 220/2008 (para. 11) on establishing the system to promote the production of energy from renewable energy sources, republished and subsequently amended.

For 2025 OPCOM set the minimum value of a green certificate to 146,2532 RON (29.4 euro), while for 2024 the minimum value was 145,4271 RON.

Increase in electricity price impact

The regulatory framework on the electricity segment has undergone significant changes in the last decade, regarding the total liberalization of the electricity and natural gas market, the implementation of the support scheme for renewable energy, the support of electricity consumers, the limitation of prices to final consumers and the capitalization of additional costs with own technological consumption.

As a result, for ***the distribution segment***, Romanian Regulatory Authority for Energy – ANRE (<https://www.anre.ro/>) adopted measures through its Order no. 129/12.10.2022 approving the Methodological Norms regarding the

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recognition in the tariffs of the additional costs with the acquisition of electricity for own technological consumption compared to the costs included in the regulated tariffs, carried out between 1 January 2022 – 31 March 2025.

ANRE will determine the recognized annual amounts of the capitalized costs based on the quantities and prices recognized for NL, and by 15 March of the year immediately following the year of capitalization of the additional costs, ANRE will transmit to the distribution operators the recognized annual amounts of the capitalized costs for the previous year. The computation of the capitalized amounts is carried out in compliance with the legislation specific to the entities that are the subject of GEO 119/2022, with subsequent additions and changes.

By GEO no. 21/2025 on modification and complementation of title X of Law no. 227/2015 on Tax Code, and by modification and complementation of certain legislation, a tax on special buildings was instated ("tax on poles"). The annual tax on special buildings is applicable starting with 04 April 2025 and it is computed by applying a 0.5% quota to the net carrying amount of constructions, except for those that are subject to the tax on buildings under title IX, existing as at 31 December of the preceding year or on the last day of the modified tax year preceding the tax year for which this tax is owed. The Group has estimated a tax liability for the full year 2025 of RON 31,000 thousand.

ANRE documents subject to public consultation:

The project of the order on modification and complementing the Procedure for substantiation and approval of development plans and other investments of the OD, approved by ANRE Order no. 98/2022, is aimed at harmonising this Procedure with the modifications to the distribution tariff setting methodology for PR5, with the main modifications referring to:

- Investments efficiency – to be reflected by the benefits brought to the network users;
- OD transparency – publication by the OD of certain forecasted information: the volume of new/ modernised / refurbished, increase in network capacity by integrating consumption and production;
- Investments in endowments - clarifications on classification of endowments (those used in the distribution network have an RRR of 6.94%, while the rest have an RRR of 4.94%); and
- Exclusion of interest, bank charges and foreign exchange differences on financing tangible and intangible assets that have been put in function from RAB.

The project of the order on modification, complementing and abrogation of certain ANRE orders related to the electricity market provides for complementing of the ANRE regulations on forward electricity markets by establishing the obligation of a 30% advance payment for certain contracts and the provision that the price of the transactions include the Tg component, with no further adjustment.

The project of the order on modification and complementing the regulatory framework related to connection of users to the public interest electricity network. The main provisions refer to changing the period of the connection process and to specific rules related to connecting production sites to the 110 kV and higher-voltage networks, including those related to delimitation points, splitting the costs between users and the right for compensation.

For **the supply segment**, in the first quarter of 2025, the effect of retail electricity prices was covered by subsidies received from the state authorities, as a result of the price ceiling mechanism for electricity and natural gas to final customers, following the application of GEO 27/2022, with subsequent amendments and additions. The implementation of these schemes and the mechanism for *ex post* payment from the State budget to the electricity suppliers of the amounts granted as a support for customers have raised cash flow constraints, as well as uncertainties related to the full recovery of the related amounts by the suppliers. Under such circumstances, EFSA has adapted to these changes in order to mitigate their impact on the company's operations in a responsible and sustainable manner, given multiple, successive and highly significant updates to the regulatory framework.

The Group actively reviews and implements policies and strategies to recover from the loss generated by the increase in energy price, strategies which mainly aim in revising the method of generating the selling price for final consumers, concluding agreements with specific clauses ensuring new financing facilities, closely monitoring suppliers and consumers payment terms, monitoring daily cash flow and forecasted cash flow. The Group continues to closely monitor the macroeconomic outlook and as additional information will be available, their effects on the activity of Group companies and over the financial results will be analyzed.

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2 Basis of accounting

These condensed consolidated interim financial statements ("interim financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("IFRS-EU").

These condensed consolidated interim financial statements have been prepared for submission to the Bucharest Stock Exchange. These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on 27 May 2025.

Going concern

The consolidated financial statements have been prepared on the going concern basis. In making this judgement management considers current trading performance and access to finance resources. The Group has prepared a forecast that includes the following assumptions:

- A termination of the support scheme until on 30 June 2025 for electricity according to the applicable legislation but with a continuously stable flow of repayments of the reimbursement requests for subsidies;
- The renewal of the confirmed existing overdraft limits is planned up to a limit of RON 3,089,057 thousand (out of which drawn at RON 1,897,445 thousand 31 March 2025 – pls see note 15).

At the date of issuance of these consolidated financial statements the regulatory position may be further amended and there may be further laws enacted which could adversely impact the Groups operating cash flows during the forecast period. Given the current market uncertainties, the Group is closely monitoring the market context and is continuously analysing the opportunities for optimisation of debt and increase of bank overdrafts and long-term loans. In light of the importance of the Group as the supplier and distributed of electricity on the Romanian market, having 39.3% (according to the latest ANRE report 2023 for the distribution segment) as market share on the electricity distribution and 17.16 % (according to the latest ANRE report January 2025 for the supply segment) as market share on the electricity supply market and having as main shareholder of Electrica SA the Romanian State, the management believes sufficient financing will be made available to cover any financing requirements arising from market uncertainty and Group will be able to meet its obligations as they fall due.

Based upon the above projections and other information, given the measures already implemented and the strategies to reduce the risks which may occur due to the instability of the economic environment, the Board of Directors has, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Judgements and estimates

In preparing these interim financial statements, management has made professional judgements, estimates and assumptions that affect the application of Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant professional judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended 31 December 2024.

3 Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for land and buildings which are measured based on the revaluation model.

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4 Significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's annual consolidated financial statements as at and for the year ended 31 December 2024.

The new amendments to existing standards that are effective starting with 1 January 2025 do not have a significant impact over the Group's condensed consolidated interim financial statements.

5 Operating segments

(a) Basis for segmentation

The following summary describes the operations of each reportable segment:

Reportable segments	Operations
Electricity and natural gas supply	Supplying electricity and natural gas to final consumers (includes Electrica Furnizare S.A.).
Electricity distribution	Operation, maintenance and construction of electricity networks operated by the Group (includes Distributie Energie Electrica Romania S.A. and the activity performed by Electrica Serv S.A. within the distribution network).
Electricity generation	Production of electricity from renewable sources (Sunwind Energy S.R.L., New Trend Energy S.R.L., Crucea Power Park S.R.L., Foton Power Energy S.R.L. and the activity carried out by Electrica S.A. in the electricity production segment).
External electricity network maintenance	Repairs, maintenance and other services for electricity networks owned by other distributors (Electrica Serv S.A., without the activity performed in the electricity distribution segment).

The Board of Directors of the Company reviews management reports of each segment. Segment earnings before interest, tax, depreciation and amortisation ("Adjusted EBITDA") is used to measure performance because management believes that such information is one of the most relevant in evaluating the results of the segments.

There are varying levels of integration between the Electricity supply, Electricity distribution and External electricity network maintenance segment. This integration includes electricity distribution and shared electricity network maintenance services. Inter-segment pricing policy is determined on an arm's length basis.

All assets are allocated to reportable segments, except for investments in associates and deferred tax assets.

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(b) Information about reportable segments

Three-month period ended 31 March 2025	Electricity and natural gas supply	Electricity distribution	Electricity generation	External electricity network maintenance	Total for reportable segments	Headquarter	Consolidation eliminations and adjustments	Consolidated total
External revenues	1,810,707	684,185	1,763	22,670	2,519,325	22	-	2,519,347
Inter-segment revenue	7,442	613,981	664	193	622,280	-	(622,280)	-
Segment revenue	1,818,149	1,298,166	2,427	22,863	3,141,605	22	(622,280)	2,519,347
Other income	626,826	49,881	-	2,534	679,241	211	(22,630)	656,822
Segment profit/(loss) before tax	(21,657)	253,062	(612)	(755)	230,038	5,875	(2,140)	233,773
Net finance (cost)/ income	(53,128)	(45,548)	(1,719)	1,217	(99,178)	21,701	(2,139)	(79,616)
Depreciation and amortization	(5,600)	(136,417)	(603)	(2,463)	(145,083)	(581)	-	(145,664)
Impairment of property, plant and equipment and intangible assets, net	-	-	-	(210)	(210)	-	-	(210)
Impairment of trade and other receivables, net	(11,204)	(3,681)	-	(1,817)	(16,702)	-	-	(16,702)
Adjusted EBITDA*	37,071	435,027	1,710	701	474,509	(15,245)	(1)	459,263
Segment profit/(loss) after tax	(16,592)	213,745	(5,369)	557	192,341	5,468	(2,140)	195,669
Employee benefits	(31,774)	(215,598)	(14)	(12,747)	(260,133)	(9,749)	-	(269,882)
Capital expenditure	4,241	200,732	6,238	8,024	219,235	888	-	220,123

Three-month period ended 31 March 2024 (unaudited and not reviewed)	Electricity and natural gas supply	Electricity distribution	Electricity generation	External electricity network maintenance	Total for reportable segments	Headquarter	Consolidation eliminations and adjustments	Consolidated total
External revenues	1,613,810	604,071	403	15,673	2,233,957	28	-	2,233,985
Inter-segment revenue	1,059	526,521	-	2,662	530,242	-	(530,242)	-
Segment revenue	1,614,869	1,130,592	403	18,335	2,764,199	28	(530,242)	2,233,985
Other income	305,140	29,733	-	5,509	340,382	290	(4,919)	335,753
Segment profit/(loss) before tax	10,691	158,465	(1,039)	419	168,536	1,559	(319)	169,776
Net finance (cost)/ income	(45,865)	(52,668)	(187)	4,033	(94,687)	15,156	-	(79,531)
Depreciation and amortization	(5,050)	(142,562)	(657)	(2,625)	(150,894)	(551)	-	(151,445)
Impairment of impairment of trade and other receivables, net	(17,922)	(3,657)	-	(16)	(21,595)	-	-	(21,595)
Adjusted EBITDA*	61,606	353,695	(195)	(989)	414,117	(13,046)	(319)	400,752
Segment profit/(loss) after tax	5,717	115,831	(1,039)	1,242	121,751	6,275	(319)	127,707
Employee benefits	(26,375)	(191,596)	(10)	(8,250)	(226,231)	(8,537)	-	(234,768)
Capital expenditure	6,267	235,776	715	27	242,785	259	-	243,044

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At 31 March 2025	Electricity and natural gas supply	Electricity distribution	Electricity generation	External electricity network maintenance	Total for reportable segments	Headquarter	Consolidation eliminations and adjustments	Consolidated total
Segment assets	6,954,815	11,121,504	384,366	569,996	19,030,681	156,802	(4,379,548)	14,807,935
Trade and other receivables	3,932,166	2,173,030	25,509	83,595	6,214,300	30,122	(2,555,655)	3,688,767
Cash and cash equivalents	56,502	820,018	621	4,818	881,959	2,685	-	884,644
Trade and other payables and short-term employee benefits	4,260,204	1,072,483	19,669	67,529	5,419,885	106,834	(2,528,670)	2,998,049
Bank overdrafts	1,538,186	1,222	-	-	1,539,408	358,037	-	1,897,445
Lease liability	5,730	14,507	12,817	557	33,611	16,494	-	50,105
Bank borrowings	225,063	3,079,994	-	-	3,305,057	236,028	-	3,541,085

At 31 December 2024	Electricity and natural gas supply	Electricity distribution	Electricity generation	External electricity network maintenance	Total for reportable segments	Headquarter	Consolidation eliminations and adjustments	Consolidated total
Segment assets	6,669,999	10,052,743	344,111	443,305	17,510,158	137,088	(3,707,845)	13,939,401
Trade and other receivables	3,945,640	1,733,709	2,703	73,994	5,756,046	6,680	(2,012,325)	3,750,401
Cash and cash equivalents	159,017	278,666	1,104	7,667	446,454	8,001	-	454,455
Trade and other payables and short-term employee benefits	3,661,799	1,076,451	24,868	40,427	4,803,545	187,130	(2,061,843)	2,928,832
Bank overdrafts	2,007,818	164,580	-	-	2,172,398	318,211	-	2,490,609
Lease liability	6,290	7,355	25,923	557	40,125	1,665	-	41,790
Bank borrowings	49,537	2,104,762	-	-	2,154,299	236,042	-	2,390,341

Adjusted EBITDA (Earnings before interest, tax, depreciation and amortisation or namely EBITDA) for operating segments is defined and calculated as segment profit/(loss) before tax of a given operating segment adjusted for i) depreciation, amortization and impairment/reversal of impairment of property, plant and equipment and intangible assets in the operating segment, ii) impairment of assets held for sale and iii) net finance income in the operating segment. EBITDA is not an IFRS measure and should not be treated as an alternative to IFRS measures. Moreover, EBITDA is not uniformly defined. The method used to calculate EBITDA by other companies may differ significantly from that used by the Group. As a consequence, the EBITDA presented in this note cannot, as such, be relied upon for the purpose of comparison to EBITDA of other companies.

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*(All amounts are in THOUSAND RON, if not otherwise stated)***6 Revenue**

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Electricity distribution and supply, net	2,046,446	1,772,807
Supply of natural gas	90,450	64,545
Construction revenue related to concession agreements	200,729	235,776
Repairs, maintenance and other services rendered	27,265	17,461
Proceeds from sale of green certificates	146,640	143,326
Services related to re-connection fees	907	-
Sales of merchandise	6,910	70
Total	2,519,347	2,233,985

In respect of timing of revenue recognition, most of the Group's services provided are transferred to the customer over time, only a small part amounting to RON 746 thousand (three month period ended 31 March 2024: RON 376 thousand) being transferred at a point in time (e.g. metering services provided by the distribution companies, providing periodic data analysis to customers for certain taxes collected on their behalf).

7 Other income

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Subsidies	622,676	302,232
Rental income	22,129	23,149
Late payment penalties from customers	3,057	3,298
Other	8,960	7,074
Total	656,822	335,753

Rental income mainly refers to rental of electricity poles by the distribution subsidiary to telecom operators. During the three-month period ended 31 March 2025, Electrica Furnizare S.A. recognized subsidies of RON 622,676 thousand (three-month period ended 31 March 2024: RON 302,232 thousand), following the application of the mechanism for capping and compensating the electricity and natural gas price, approved by Order no.118/2021, with subsequent amendments and additions and GEO no.27/2022 as modified by GEO no.119/2022.

8 Electricity, natural gas and merchandise purchased

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Electricity purchased	1,864,831	1,338,114
Green certificates purchased	146,486	143,689
Cost of merchandise	5,994	-
Natural gas purchased	88,195	61,297
Total	2,105,506	1,543,100

The supply subsidiary has a legal obligation to purchase green certificates from producers of electricity from renewable sources, based on annual targets or quotas set by law, which are applied to the quantity of electricity supplied to final

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customers. The cost of green certificates is then invoiced to final customers separately from electricity tariffs.

9 Earnings per share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to Company's shareholders and weighted-average number of ordinary shares outstanding:

Profit for the period attributable to the Company's shareholders

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Profit for the period attributable to the owners of the Company	195,668	127,707
Profit for the period attributable to Company's shareholders	195,668	127,707

Weighted-average number of outstanding ordinary shares (in number of shares)

The weighted average number of outstanding ordinary shares (unaudited) as at 31 March 2025 is 339,553,004 (31 March 2024: 339,553,004).

Earnings per share

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Basic and diluted earnings per share (RON)	0.56	0.38

10 Income tax

(i) Amounts recognised in profit or loss

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Current tax expense	32,193	53,674
Deferred tax expense/(benefit)	5,911	(11,605)
Total income tax expense	38,104	42,069

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(ii) Reconciliation of effective tax rate

		31 March 2025		31 March 2024 (unaudited and not reviewed)
Profit before tax		233,772		169,776
Tax using Company's domestic tax rate	16%	37,404	16%	27,164
Non-deductible expenses	1%	2,020	3%	4,602
Non-taxable income	0%	(24)	-1%	(1,248)
Other tax effects	0%	(175)	9%	15,329
Current-year losses for which no deferred tax asset is recognised	0%	(1,121)	-2%	(3,778)
Income tax expense	16%	38,104	25%	42,069

(iii) Movement in deferred tax balances

				Balance at 31 March 2025		
31 March 2025	Net balance at 1 January 2025	Recognised in profit or loss	Recognised in other comprehensive income	Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	51,407	3,963	-	55,370	-	55,370
Intangible assets related to concession agreements	242,651	6,213	-	248,864	-	248,864
Employee benefits	(30,438)	75	-	(30,363)	(30,363)	-
Impairment of trade receivables	(30,050)	(3,424)	-	(33,474)	(33,474)	-
Tax loss carried forward	(19,213)	3,129	-	(16,083)	(16,083)	-
Capitalised network losses	(120,855)	2,494	-	(118,362)	(118,362)	-
Other items	(49,965)	(6,538)	-	(56,502)	(56,502)	-
Tax liabilities/(assets) before set-off	43,538	5,911	-	49,449	(254,785)	304,234
Set off of tax			-		163,784	(163,784)
Net tax liabilities/(assets)	43,538	5,911	-	49,449	(91,001)	140,450

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31 March 2024	Balance at 31 March 2024 (unaudited and not reviewed)						
	Net balance at 1 January 2024	Recognised in profit or loss	Recognised in other comprehensive income	Other movements	Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	59,516	(15,332)	-	-	44,185	-	44,185
Intangible assets related to concession agreements	229,694	-	-	-	229,694	-	229,694
Employee benefits	(27,244)	-	-	-	(27,244)	(27,244)	-
Impairment of trade receivables	(25,560)	639	-	-	(24,921)	(24,921)	-
Tax loss carried forward	(4,356)	1,404	-	-	(2,951)	(2,951)	-
Capitalised network losses	(123,349)	(3,943)	-	-	(127,292)	(127,292)	-
Other items	(19,787)	5,626	-	(1,016)	(15,176)	(15,176)	-
Tax liabilities/(assets) before set-off	88,914	(11,605)	-	(1,016)	76,295	(197,584)	273,879
Set off of tax						161,533	(161,533)
Net tax liabilities/(assets)	88,914	(11,605)	-	(1,016)	76,295	(36,051)	112,346

11 Trade receivables

	31 March 2025	31 December 2024
Trade receivables, gross	4,352,572	4,412,930
-out of which accrued trade receivables	2,916,714	3,041,936
Bad debt allowance	(753,354)	(737,242)
Total trade receivables, net	3,599,218	3,675,688

Receivables from related parties are disclosed in Note 18.

According to GEO no. 119/2022, with subsequent amendments, regarding the capping and compensation mechanism, part of the receivables of the subsidiary Electrica Furnizare S.A. from the sale of electricity and gas to final consumers will be recovered from the Romanian State through the National Agency for Payments and Social Inspection (household consumers) and the Ministry of Energy (non-household consumers).

Electricity distribution and supply

On 31 March 2025, the amounts estimated to be received from the Ministry of Energy for non-household consumers are 10,130 thousand RON (31 December 2024: 10,130 thousand RON) and from the National Agency for Payments and Social Inspection for household consumers are 10,155 thousand RON (31 December 2024: 11,672 thousand RON). The receivables are booked under the caption "Electricity distribution and supply".

Grants to be received

As at 31 March 2025 the estimated amount for subsidies to be received from the Ministry of Energy is RON 2,398,622 thousand (31 December 2024: RON 1,976,697, thousand). From the total amount of subsidies to be received, RON 1,114,045 thousand represent uncollected claims submitted to the state authorities, out of which RON 308,498 thousand estimated to be received from the Ministry of Energy, and RON 805,547 thousand from de la National Agency for Payments and Social Inspection and the amount of RON 1,284,577 thousand represents applications that have not

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yet been submitted to the state authorities until 31 March 2025. Of the total uncollected applications submitted to the state authorities in the amount of RON 1,114,045 thousand, applications submitted for the year 2024 are in the amount of RON 762,782 thousand, for the year 2023 are in the amount of RON 242,785 thousand and the difference in the amount of RON 108,477 thousand are applications for the year 2022. For the year 2022 the aforementioned applications have been submitted, they are currently suspended for payment due to further clarifications needed.

The amounts should be recovered within 40 days of submission of the required documentation to the National Agency for Payments and Social Inspection or the Ministry of Energy, as appropriate. Claims are recorded under the line "Electricity distribution and supply".

The reconciliation between the opening balances and the closing balances of the lifetime expected credit losses is as follows:

Lifetime expected credit losses

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Balance as at 1 January	737,242	640,218
Loss allowance recognized	59,276	39,253
Loss allowance reversed	(42,573)	(17,421)
Amounts written off	(591)	(459)
Balance as at 31 March	753,354	661,591

The Group has identified 5 clusters of customers based on shared risk characteristics: 3 separate clusters for the distribution subsidiaries and 2 clusters (households and non-households) for the supply subsidiary.

A significant part of the bad debt allowances refers to clients in litigation, insolvency or bankruptcy procedures, many of them being older than five years. The Group will derecognize these receivables together with the related allowances after the finalization of the bankruptcy process.

The Group has considered all the information available without undue costs (including forward looking information) that may affect the credit risk of its receivables since original recognition, thus recording a bad debt allowance in amount of RON 59,276 thousand.

12 Cash and cash equivalents

	31 March 2025	31 December 2024
Bank current accounts	284,600	330,064
Call deposits	599,434	123,865
Cash in hand	610	526
Total cash and cash equivalents in the condensed consolidated statement of financial position	884,644	454,455

The following information is relevant in the context of the consolidated statement of cash flows: non-cash activity includes set-off between trade receivables and trade payables of RON 56,049 thousand as at 31 March 2025 (31 December 2024: RON 325,838 thousand).

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	31 March 2025		31 December 2024	
	Current	Non-current	Current	Non-current
VAT payable	794,160	-	606,739	-
Liabilities towards the State	3,229	-	9,107	-
Other liabilities	801,530	33,750	970,018	45,692
Total	1,598,919	33,750	1,585,864	45,692

Other liabilities include mainly green certificates suppliers, guarantees, sundry payables, connection fees, habitat tax and cogeneration contribution. Other non-current liabilities refer to guarantees from customers related to electricity supply.

14 Long-term bank borrowings

Drawings and repayments of borrowings during the three-month period ended 31 March 2025 were as follows:

	Amount (RON thousand)
Balance at 1 January 2025	2,390,341
Drawings of borrowings during the period , out of which:	
CEC Bank (l)	175,537
EIB Instalment 3 (r)	995,420
EIB Instalment 4 (o)	74,657
Total drawings	1,245,614
Accumulated interest	14,099
Payment of interest	(27,252)
Reimbursements during the period , out of which:	
BRD (c)	(5,200)
BRD (d)	(3,571)
BRD (e)	(2,857)
Banca Transilvania (a)	(4,464)
Unicredit Bank (b)	(2,400)
BCR (f)	(4,737)
EBRD (k)	(17,143)
EBRD (g)	(11,479)
BCR (p)	(12,941)
Raiffeisen Bank (q)	(16,925)
Total reimbursements	(81,717)
Balance at 31 March 2025	3,541,085

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As at 31 March 2025 and 31 December 2024, the long term bank borrowings are as follows:

Lender	Borrower	Balance at 31 March 2025	Balance at 31 December 2024
EIB Instalment 1 (h)	Distributie Energie Electrica Romania	599,296	604,814
EIB Instalment 2 (i)	Distributie Energie Electrica Romania	449,472	453,611
EIB Instalment 3 (r)	Distributie Energie Electrica Romania	995,420	-
EIB Instalment 4 (o)	Distributie Energie Electrica Romania	74,918	-
EBRD (k)	Distributie Energie Electrica Romania	208,646	225,985
Raiffeisen Bank (q)	Distributie Energie Electrica Romania	187,986	205,041
BCR (p)	Distributie Energie Electrica Romania	169,285	182,364
EBRD (g)	Distributie Energie Electrica Romania	151,077	165,747
Vista Bank (j)	Societatea Energetica Electrica S.A.	129,950	130,840
ERSTE Group Bank and Raiffeisen Bank (m)	Societatea Energetica Electrica S.A.	106,093	105,202
BCR (f)	Distributie Energie Electrica Romania	66,710	71,475
BRD (d)	Distributie Energie Electrica Romania	46,458	50,037
Banca Transilvania (a)	Distributie Energie Electrica Romania	40,184	44,649
BRD (c)	Distributie Energie Electrica Romania	36,400	41,600
BRD (e)	Distributie Energie Electrica Romania	37,171	40,030
Unicredit Bank (n)	Electrica Furnizare S.A.	25,047	25,074
CEC Bank (l)	Electrica Furnizare S.A.	200,000	24,464
UniCredit Bank (b)	Distributie Energie Electrica Romania	16,973	19,409
Total		3,541,085	2,390,342
Less: current portion of the long-term bank borrowings		(526,243)	(538,583)
Less: accumulated interest		(13,470)	(27,252)
Total long-term borrowings, net of current portion		3,001,372	1,824,506

Bank Borrowings description*a) Investment loan granted by Banca Transilvania*

On 18 July 2019, Societatea de Distributie a Energiei Electrice Transilvania Sud S.A., currently Distributie Energie Electrica Romania S.A., as a borrower, concluded with Banca Transilvania an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the investment plan. Main provisions are: Maximum loan amount: RON 125,000 thousand; Interest rate: fixed, 4.59% per annum; Reimbursements: quarterly instalments until 17.07.2027; Grace period: 12 months.

As at 31 March 2025, the outstanding balance is of RON 40,184 thousand, of which RON 40,179 thousand principal and RON 5 thousand accrued interest (31 December 2024: RON 44,649 thousand, of which RON 44,643 thousand principal and RON 6 thousand accrued interest).

b) Investment loan granted by Unicredit Bank

On 13 November 2019, Societatea de Distributie a Energiei Electrice Transilvania Nord S.A., currently Distributie Energie Electrica Romania S.A., as borrower, concluded with Unicredit Bank an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the investment plan. Main provisions are: Maximum loan amount: RON 60,000 thousand; Interest rate: fixed, 3.85% per annum; Reimbursements: quarterly instalments until 13.11.2026; Grace period: 12 months.

As at 31 March 2025, the outstanding balance is of RON 16,973 thousand, of which RON 16,800 thousand principal and RON 173 thousand accrued interest (31 December 2024: RON 19,409 thousand, of which RON 19,200 thousand principal and RON 209 thousand accrued interest).

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c) Investment loan granted by BRD – Groupe Societe Generale

On 29 October 2019, Societatea de Distributie a Energiei Electrice Muntenia Nord S.A., currently Distributie Energie Electrica Romania S.A., as borrower, concluded with BRD – Groupe Societe Generale an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the investment plan. Main provisions are: Maximum loan amount: RON 130,000 thousand; Interest rate: fixed, 3.99% per annum; Reimbursements: quarterly instalments until 28.10.2026; Grace period: 12 months.

As at 31 March 2025, the outstanding balance is of RON 36,400 thousand, representing principal (31 December 2024: RON 41,600 thousand).

d) Investment loan granted by BRD – Groupe Societe Generale

On 25 June 2020, Societatea de Distributie a Energiei Electrice Transilvania Nord S.A., currently Distributie Energie Electrica Romania S.A., as a borrower, concluded with BRD – Groupe Societe Generale an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the approved investment plan for 2020. Main provisions are: Maximum loan amount: RON 100,000 thousand; Interest rate: fixed, 3.85% per annum; Reimbursements: quarterly instalments until 2028; Grace period: 12 months.

As at 31 March 2025, the outstanding balance is of RON 46,458 thousand, of which RON 46,428 thousand principal and RON 30 thousand accrued interest (31 December 2024: RON 50,037 thousand, of which RON 50.000 thousand principal and RON 37 thousand accrued interest).

e) Investment loan granted by BRD – Groupe Societe Generale

On 25 June 2020, Societatea de Distributie a Energiei Electrice Transilvania Sud S.A., currently Distributie Energie Electrica Romania S.A. as a borrower, concluded with BRD – Groupe Societe Generale an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the approved investment plan for 2020. Main provisions are: Maximum loan amount: RON 80,000 thousand; Interest rate: fixed, 3.85% per annum; Reimbursements: quarterly instalments until 2028; Grace period: 12 months.

As at 31 March 2025, the outstanding balance is RON 37,171 thousand, of which RON 37,143 thousand principal and RON 28 thousand accrued interest (31 December 2024: RON 40,030 thousand, of which RON 40,000 thousand principal and RON 30 thousand accrued interest).

f) Investment loan granted by Banca Comerciala Romana ("BCR")

On 17 September 2020, Societatea de Distributie a Energiei Electrice Muntenia Nord S.A., currently Distributie Energie Electrica Romania S.A., as a borrower and Electrica SA as a guarantor, concluded with Banca Comerciala Romana S.A. an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the approved investment plan for 2020. Main provisions are: Maximum loan amount: RON 155,000 thousand; Interest rate: ROBOR 3M+1% per annum; Reimbursements: quarterly instalments until 2028; Grace period: 12 months.

As at 31 March 2025, the outstanding balance is RON 66,710 thousand, of which RON 66,324 thousand principal and RON 386 thousand accrued interest (31 December 2024: RON 71,475 thousand, of which RON 71,062 thousand principal and RON 413 thousand accrued interest).

g) Investment loan granted by the European Bank for Reconstruction and Development ("EBRD")

On 2 July 2021, Societatea de Distributie Energie Electrica Romania SA, as a borrower, concluded with the European Bank for Reconstruction and Development a credit agreement for investments in order to finance investments in the electricity distribution network according to the 2021-2023 investment plan. The main provisions are: The maximum

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value of the loan RON 195,136 thousand; Interest rate: ROBOR 6M + spread 0.30% + margin 1.15%; Repayments: 17 semi-annual instalments until 31.07.2031; Grace period: 24 months. The loan agreement is guaranteed by Electrica SA.

As at 31 March 2025, the outstanding balance is RON 151,077 thousand, of which RON 149,222 thousand principal and RON 1,855 thousand accrued interest (31 December 2024: RON 165,747 thousand, of which RON 160,700 thousand principal and RON 5,047 thousand accrued interest).

h) Investment loan granted by the European Investment Bank ("EIB")

On 14 July 2021, Societatea de Distribuție Energie Electrica Romania SA, as a borrower, concluded with the European Investment Bank an investment credit contract, representing the first part of the Approved Credit in the amount of EUR 210,000 thousand for the purpose of financing investments in the electricity distribution network according to the 2021-2023 investment plan. The main provisions are: Maximum value of the loan: EUR 120,000 thousand; Interest rate: 3.733%; Repayments: 24 semi-annual instalments until 26.02.2039; Grace period: 36 months. The loan agreement is guaranteed by Electrica SA.

As at 31 March 2025, the outstanding balance is RON 599,296 thousand, of which RON 597,252 thousand principal and RON 2,044 thousand accrued interest (31 December 2024: RON 604,814 thousand, of which RON 596,892 thousand principal and RON 7,922 thousand accrued interest).

i) Investment loan granted by the European Investment Bank ("EIB")

On 7 December 2021, Societatea de Distribuție Energie Electrica Romania SA, as a borrower, concluded with the European Investment Bank an investment credit contract, representing the second part of the Approved Credit in the amount of EUR 210,000 thousand for the purpose of financing investments in the electricity distribution network according to the 2021-2023 investment plan. The main provisions are: Maximum value of the loan: EUR 90,000 thousand; Interest rate: 3.733%; Repayments: 24 semi-annual instalments until 26.02.2039; Grace period: 35 months. The loan agreement is guaranteed by Electrica SA.

As at 31 March 2025, the outstanding balance is RON 449,472 thousand, of which RON 447,939 thousand principal and RON 1,533 thousand accrued interest (31 December 2024: RON 453,611 thousand, of which RON 447,669 thousand principal and RON 5,942 thousand accrued interest).

j) Line of Credit for working capital and for issuing Bank Guarantee Letters granted by Vista Bank

On 30 December 2022, Societatea Energetica Electrica S.A., as the borrower, concluded a contract for a line of credit for working capital and for the issuance of Bank Guarantee Letters granted by Vista Bank for a period of 18 months. The main provisions are: Maximum credit amount: 125,000 thousand RON; On 28 June 2024, the value was increased with 5,000 thousand RON, up to the amount 130,000 thousand RON. Interest rate: ROBOR 3M + 2.4% p.a.; full refund at maturity. On 11 February 2025, the maturity was extended until 18 February 2026.

On 31 March 2025, the balance of the loan is RON 129,950 thousand, representing principal (31 December 2024: RON 130,840 thousand, of which RON 129,950 thousand principal and RON 890 thousand accrued interest).

k) Investment loan granted by the European Bank for Reconstruction and Development ("EBRD")

On 17 March 2023, Societatea de Distribuție Energie Electrica Romania SA, as a borrower, concluded with the European Bank for Reconstruction and Development a credit agreement for working capital. The main provisions are: The maximum value of the loan RON 180,000 thousand; Interest rate: ROBOR 3M + spread % + margin 2.10%; Repayments: 14 quarterly instalments until 31.01.2028; Grace period: 18 months. On 19 December 2023, the value of the loan increased by RON 60,000 thousand, to RON 240,000 thousand. The loan agreement is guaranteed by Electrica SA.

SOCIETATEA ENERGETICA ELECTRICA S.A.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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(All amounts are in THOUSAND RON, if not otherwise stated)

As at 31 March 2025, the outstanding balance is RON 208,646 thousand, of which RON 205,714 thousand principal and RON 2,932 thousand accrued interest (31 December 2024: RON 225,985 thousand, of which RON 222,857 thousand principal and RON 3,128 thousand accrued interest).

l) Multicredit facility for multiple financing by accessing cash and non-cash products granted by CEC BANK SA ("CEC")

On 4 August 2023, Electrica Furnizare S.A., as the borrower, concluded a Facility Agreement Multicredit. The main provisions are: The maximum value of the loan RON 150,000 thousand; Interest rate: ROBOR 3M + 2.85%; full repayment at maturity; Maturity date: 03 August 2026. On 18 December 2023 the amount of the loan was increased by RON 50,000 thousand to RON 200,000 thousand. The loan agreement is guaranteed by Electrica SA.

As at 31 March 2025, the outstanding balance is RON 200,000 thousand, representing principal (31 December 2024: RON 24,464 thousand).

m) Syndicated credit facility granted by Erste Group Bank AG and Raiffeisen Bank SA

On 2 November 2021, Electrica S.A., as borrower, entered into a syndicated credit facility with Erste Group Bank AG and Raiffeisen Bank SA. The main provisions are: Maximum loan amount RON 750,000 thousand; Interest rate: ROBOR 3M + 1.16%; full repayment at maturity. On 3 November 2023 the loan was extended for a period of one year and the maximum loan amount was reduced to RON 450,000 thousand. The maturity was further extended to 31 July 2025. On 20 August 2024 the bank issued two comfort letters in total amount of RON 345,020 thousand, as follows: New Trend Energy SRL, RON 92,020 thousand and Foton Power Energy SRL, RON 253,000 thousand.

As at 31 March 2025 the balance of the loan is RON 106,093 thousand, of which principal RON 104,918 thousand and accrued interest RON 1,175 thousand (31 December 2024: RON 105,202 thousand, of which principal RON 104,918 thousand and accrued interest RON 284 thousand).

n) Investment loan granted by Unicredit Bank

On 26 April 2024, Electrica Furnizare S.A. signed the credit contract no. GRIM/8714 with UniCredit Bank SA, with SE Electrica SA as a guarantor, for an investment loan in amount of RON 24,881 thousand, due until 26.04.2029. Interest rate: ROBOR 3M + 3.15%. Repayments: 17 quarterly instalments until 26.04.2029; Grace period: 12 months.

As at 31 March 2025 the balance of the loan is RON 25,047 thousand, of which principal RON 24,881 thousand and accrued interest RON 166 thousand (31 December 2024: RON 25,074 thousand, of which principal RON 24,881 thousand and accrued interest RON 193 thousand).

o) Investment loan granted by the European Investment Bank ("EIB")

On 8 May 2024, DEER concluded with the European Investment Bank the investment credit contract no. FI N° 98.007, with SE Electrica SA as a guarantor, for an investment credit in the amount of EUR 15,000 thousand, due until 14.07.2039. Interest rate: 3.497%.

As at 31 March 2025 the balance of the loan is RON 74,918 thousand, of which principal RON 74,656 thousand and accrued interest RON 261 thousand (31 December 2024: 0).

p) Loan for financing the own technological consumption expenses granted by BCR – Banca Comerciala Romana ("BCR")

On 25 January 2022, DEER signed the credit contract no. 2022012502 with BCR in the amount of RON 220,000 thousand. On 26 June 2024, the loan amount was increased by RON 150,000 thousand to the amount of RON 370,000 thousand, and the overdraft facility of RON 220,000 thousand was transformed into a long-term borrowing to cover the own technological consumption. The availability of the facility was extended to 30.04.2028; interest rate: ROBOR 3M + 1.3%; Repayments: 17 quarterly instalments until 30.04.2028.

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As at 31 March 2025 the balance of the loan is RON 169,285 thousand, of which principal RON 168,235 thousand and accrued interest RON 1,050 thousand (31 December 2024: RON 182,364 thousand, of which principal RON 181,176 thousand and accrued interest RON 1,188 thousand).

q) Loan for financing the own technological consumption expenses granted by Raiffeisen Bank SA

On 26 May 2022, DEER signed the credit contract no. 20/2022 with Raiffeisen in the amount of RON 220,000 thousand. On 26 June 2024, the amount of the loan was increased by RON 100,000 thousand to the amount of RON 320,000 thousand, and the overdraft facility of RON 220,000 thousand was transformed into a long-term borrowing to cover the own technological consumption. The availability of the facility was extended to 31.12.2027; interest rate: ROBOR 1M + 1.50%; Repayments: 13 quarterly instalments until 31.12.2027.

As at 31 March 2025 the balance of the loan is RON 187,986 thousand, of which principal RON 186,154 thousand and accrued interest RON 1,832 thousand (31 December 2024: RON 205,041 thousand, of which principal RON 203,077 thousand and accrued interest RON 1.964 thousand).

r) Investment loan granted by the European Investment Bank ("EIB")

On 16 December 2024, DEER concluded with the European Investment Bank the investment credit contract no. FI N° 97.868, with SE Electrica SA as a guarantor, for an investment credit in the amount of EUR 200,000 thousand, due until 16.12.2039. Interest rate: 3.574%.

As at 31 March 2025 the balance of the loan is RON 995,420 thousand, representing principal (31 December 2024: 0).

Financial Covenants

The financial covenants specified in the agreements with BRD – Groupe Societe Generale, Unicredit Bank, Banca Comerciala Romana, European Bank for Reconstruction and Development and European Investment Bank have been fulfilled as at 31 March 2025 and 31 December 2024.

15 Overdrafts

Until the authorization for issue of these Consolidated Financial Statements by the Board of Directors, the Group has overdrafts from various banks (ING Bank N.V., Raiffeisen Bank, Banca Comerciala Romana, Banca Transilvania, BNP Paribas, Intesa Sanpaolo Bank, BRD – Groupe Societe Generale S.A., Alpha Bank and UniCredit) with a total overdraft limit of up to RON 3,089,057 thousand (total overdraft limit as at 31 December 2024: RON 3,115,282 thousand).

The overdraft facilities are used for financing activities. The outstanding balance of the overdraft facilities as at 31 March 2025 is of RON 1,897,445 thousand (31 December 2024: RON 2,490,609 thousand).

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(All amounts are in THOUSAND RON, if not otherwise stated)

As at 31 March 2025 and 31 December 2024, the overdrafts are as follows:

Lender	Borrower	Balance at 31 March 2025	Balance at 31 December 2024
Alpha Bank	Electrica Furnizare S.A.	348,379	394,552
Raiffeisen Bank	Electrica Furnizare S.A.	335,785	380,829
BCR	Electrica Furnizare S.A.	242,046	325,016
UniCredit Bank	Electrica Furnizare S.A.	24,044	301,599
BRD	Electrica Furnizare S.A.	198,057	212,082
Banca Transilvania	Electrica Furnizare S.A.	176,405	182,233
ING Bank N.V	Electrica Furnizare S.A.	170,059	169,589
ING Bank N.V	Societatea Energetica Electrica S.A.	209,006	168,704
BRD	Societatea Energetica Electrica S.A.	149,030	149,508
Intesa Sanpaolo	Distributie Energie Electrica Romania S.A	-	135,655
Raiffeisen Bank	Distributie Energie Electrica Romania S.A	578	28,923
BNP Paribas	Electrica Furnizare S.A.	26,412	24,919
Vista Bank	Electrica Furnizare S.A.	17,000	17,000
Banca Transilvania	Distributie Energie Electrica Romania S.A	645	-
Total		1,897,445	2,490,609

Pledged Assets

As at 31 March 2025, for several overdrafts the Group has pledges (guarantees) for certain trade receivables of RON 419,664 thousand (31 December 2024: RON 423,114 thousand), as specified in the contracts.

Bank guarantees

As at 31 March 2025, the maximum limit of the credit facilities for issuing letters of guarantee is RON 1,128,000 thousand of which for non-cash use RON 662,862 thousand (31 December 2024: RON 1,009,655 thousand).

16 Provisions

	Fiscal	Others	Total provisions
Balance at 1 January 2025	1,084	74,821	75,905
Provisions recognised	-	2,231	2,231
Provisions reversed	-	(2,753)	(2,753)
Balance at 31 March 2025	1,084	74,299	75,383

As at 31 March 2025 provisions mainly refer to benefits upon the termination of executive directors' mandate contracts in the form of a non-compete clause of RON 1,568 thousand (31 December 2024: 1,477 RON thousand), a dispute with ANCOM in amount of RON 24,345 thousand (31 December 2024: RON 24,345 thousand) and for various claims and litigations involving the Group companies with a total amount of RON 48,385 thousand (31 December 2024: 49,000 RON thousand).

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17 Financial instruments – fair values

(a) Accounting classifications and fair values

According to IFRS 9, financial assets are measured at amortised cost because they are held within a business model to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

The Group assessed that the carrying amount is a reasonable approximation of the fair value for the financial assets and financial liabilities.

(b) Measurement of fair values

Fair value hierarchy

The fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (eg. prices) or indirectly (eg. derived from prices);
- Level 3: inputs from an asset or a liability that are not based on observable market data (unobservable inputs).

18 Related parties

(a) Main shareholders

As at 31 March 2025 and 31 December 2024, the major shareholder of Societatea Energetica Electrica S.A. is the Romanian State, represented by the Ministry of Energy with a share of ownership of 49.785% from the share capital.

(b) Management and directors' compensation

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Executive management compensation	8,485	7,501

Executive management compensation refers to both the managers with mandate contract and those with labour contract, from both the subsidiaries and Electrica SA. This also includes the benefits in the event of the termination of mandate contracts for executive directors.

Compensations granted to the members of the Board of Directors were as follows:

	Three-month period ended	
	31 March 2025	31 March 2024 (unaudited and not reviewed)
Members of the Board of Directors	1,036	1,988

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*(All amounts are in THOUSAND RON, if not otherwise stated)***(c) Transactions with companies in which the State has control or significant influence**

The Group has transactions with companies in which the State has control or significant influence in the ordinary course of business, related mainly to the acquisition of electricity and gas, transport and system services and sale of electricity. Significant purchases and balances are mainly with electricity and gas producers/suppliers, as follows:

Supplier	Purchases (excluding VAT)		Balance (including VAT)	
	Three-month period ended 31 March 2025	Three-month period ended 31 March 2024 (unaudited and not reviewed)	31 March 2025	31 December 2024
OPCOM	195,678	674,959	153	120,209
Transelectrica	208,153	304,350	155,754	226,413
Nuclearelectrica	257,986	1,780	88,725	34,552
Complexul Energetic Oltenia	17,159	2,299	3,044	-
Hidroelectrica	67,227	13,509	22,978	5,925
Electrocentrale Bucuresti	39,235	-	-	-
ANRE	12,024	10,690	8,985	-
Transgaz	6,163	4,209	1,271	1,856
SNGN Romgaz SA	6,745	14,030	3,733	5,086
Others	8,163	1,176	522	2,504
Total	818,533	1,027,002	285,165	396,545

The Group also makes sales to other entities in which the State has control or significant influence representing electricity supply, of which the most significant transactions are the following:

Client	Sales (excluding VAT)	Balance, gross (including VAT)	Allowance	Balance, net
	Three-month period ended 31 March 2025	31 March 2025		
OPCOM	5,598	33	-	33
Transelectrica	51,967	40,347	-	40,347
Hidroelectrica	97,882	31,667	-	31,667
CFR Electrificare	4,069	1,405	-	1,405
CFR Telecomunicatii	141	73	-	73
C.N.C.F. CFR S.A.	23,247	9,130	20	9,110
CN Remin SA	554	71,643	71,209	434
CNAIR	8,735	16,934	6	16,927
Oltchim	-	115,426	115,426	-
C.N.C.A.F. MINVEST SA	-	26,802	26,802	-
CET Braila	-	3,361	3,361	-
Termoelectrica	-	1,206	1,206	-
County Agency for Payments and Social Inspection	3,500	5,299	-	5,299
Ministry of Energy/ National Agency for Payments and Social Inspection (*)	619,176	2,404,793	-	2,404,793
Others	38,097	19,210	2,826	16,386
Total	852,966	2,747,329	220,856	2,526,473

(*) During the three-month period ended 31 March 2025, Electrica Furnizare S.A. recognized subsidies in amount of RON 619,176 thousand (three-month period ended 31 March 2024: 302,232 thousand), to be received from the Ministry of Energy, following the application of the capping price mechanism for the electricity and natural gas according to the

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(All amounts are in THOUSAND RON, if not otherwise stated)

legislation in force.

	Sales (excluding VAT)	Balance, gross (including VAT)	Allowance	Balance, net
Client	Three month period ended 31 March 2024 (unaudited and not reviewed)	31 December 2024		
OPCOM	2,211	3,571	-	3,571
Transelectrica	47,171	45,047	-	45,047
Hidroelectrica	72,716	65,447	-	65,444
CN Romarm	2,352	-	-	-
SNGN Romgaz	5,472	-	-	-
Transgaz	598	-	-	-
CFR Electrificare	4,409	1,475	-	1,475
CFR Telecomunicatii	-	47	-	47
C.N.C.F. CFR S.A.	7,114	3,586	68	3,518
CN Remin SA	114	71,242	71,209	33
CNAIR	-	8,555	-	8,555
Oltchim	-	115,426	115,426	-
C.N.C.A.F. MINVEST SA	-	26,802	26,802	-
CET Braila	-	3,379	3,379	-
Termoelectrica	-	1,206	1,206	-
County Agency for Payments and Social Inspection	-	19,802	-	19,802
Ministry of Energy/ National Agency for Payments and Social Inspection (*)	302,232	1,978,697	-	1,978,697
Others	15,611	15,986	534	15,454
Total	460,000	2,360,269	218,622	2,141,647

19 Contingencies

Contingent Liabilities

Fiscal environment

Tax audits are frequent in Romania, consisting of detailed verifications of the accounting records of taxpayers. Such audits sometimes take place after months, even years, from the date liabilities are established. Consequently, companies may be found liable for significant taxes and fines. Moreover, tax legislation is subject to frequent changes and the authorities demonstrate inconsistency in interpretation of the law.

Income tax returns may be subject to revision and corrections by tax authorities, generally for a five year period after they are completed.

The Group may incur expenses related to previous years' tax adjustments because of controls and litigations with tax authorities. The management of the Group believes that adequate provisions and liabilities were recorded in the consolidated financial statements for all significant tax obligations; however, a risk persists that the tax authorities might have different positions.

Other litigations and claims

The Group is involved in a series of litigations and claims (e.g. with ANRE, ANAF, Court of Accounts, claims for damages, claims over land titles, labour related litigations etc.).

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(All amounts are in THOUSAND RON, if not otherwise stated)

As summarised in Note 16, the Group made provisions for the litigations or claims for which the management assessed as probable the outflow of resources embodying economic benefits due to low chances of favourable outcomes of those litigations or disputes. The Group does not disclose information in the financial statements and did not made provisions for litigations and claims for which management assessed a remote possibility of outflow of economic benefits.

If applicable, the Group discloses information on the most significant amounts subject to litigations or claims for which the Group did not make provisions as they relate to possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group (ie. litigations for which different inconsistent sentences were issued by the courts, or litigations which are in early stages and no preliminary ruling was issued so far).

20 Subsequent events

Signing of a syndicated loan at Group level

On 30 April 2025, Electrica signed a syndicated loan contract of RON 3.1 billion. The signing of the contract was approved by GSM of 8 November 2024.

GMS of 29 April 2025

The General Meeting of Shareholders of 29 April 2025 approved the following:

- the distribution of dividends of RON 59,999,016 (gross dividend per share of RON 0.1767), and
- the dividend payment date for the financial year 2024 is 27 June 2025.

Chief Executive Officer
Alexandru – Aurelian Chirita

Chief Financial Officer
Stefan Alexandru Frangulea

27 May 2025



2025 FIRST QUARTER CONSOLIDATED DIRECTORS' REPORT (Q1 2025)

(based on the consolidated financial statements prepared in accordance with the International Financial Reporting Standards as adopted by the European Union)

**REGARDING THE ECONOMIC AND FINANCIAL ACTIVITY OF SOCIETATEA ENERGETICA
ELECTRICA S.A.**

in compliance with art. 67 of the Law no. 24/2017 on issuers of financial instruments and market operations and with annex no. 13 to ASF Regulation no. 5/2018 and the Bucharest Stock Exchange Code

for the three months period ended 31 March 2025

Free translation from the Romanian version of the report, which will prevail in the event of any discrepancies with the English version.

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Note: The figures presented in this document are rounded based on the round to nearest method; as a result, rounding differences may appear.

1. Identification Details Of The Issuer

Report date: 27 May 2025

Company name: Societatea Energetica Electrica S.A.

Headquarters: no. 9 Grigore Alexandrescu Street, 1st District, Bucharest, Romania

Phone/fax no: 004-021-2085999/ 004-021-2085998

Sole Registration Code: 13267221

Trade Registry registration number: J2000007425408

LEI Code (Legal Entity Identifier): 213800P4SUNUM5AUDX61

Subscribed and paid in share capital: RON 3,395,530,040

Main characteristic of issued shares: as of 31 March 2025 - 339,553,004 ordinary shares of 10 RON nominal value, issued in dematerialized form and freely transferable, nominative, tradable and fully paid.

Regulated market where the issued securities are traded: the Company's shares are listed on the Bucharest Stock Exchange (ticker: EL), and the Global Depositary Receipts (ticker: ELSA) are listed on the London Stock Exchange.

Applicable accounting standards: International Financial Reporting Standards as approved by the European Union ("IFRS-EU").

Reporting period: 2025 First quarter (period 1 January – 31 March 2025).

Audit/Review: The condensed consolidated interim financial statements as of and for the three months period ended 31 March 2025 are reviewed but not audited by an independent financial auditor.

Table 1. Company details

	Ordinary Shares	GDR
ISIN	ROELECACNOR5	US83367Y2072
Bloomberg Symbol	0QVZ	ELSA: LI
Currency	RON	USD
Nominal Value	RON 10	-
Stock Market	Bucharest Stock Exchange REGS	London Stock Exchange MAIN MARKET
Ticker	EL	ELSA

Source: Electrica

2. Highlights

The Group's core business segments are the distribution of electricity to users, the supply of electricity to household and non-household consumers, the segment of services related to the external distribution networks as well as the segment regarding the production of electricity from renewable sources.

Electrica's distribution segment operates through its subsidiary Distribuție Energie Electrica Romania („DEER”) and it is geographically limited to 18 counties from the historical regions Muntenia and Transylvania. The Group holds exclusive distribution license for these regions, which are valid until 2027, and may be extended for another 25 years.

The electricity and natural gas supply segment operates through Electrica Furnizare („EFSA”) subsidiary, and the main activity is the supply of electricity to final customers, on the universal service segment and as supplier of last resort, as well as a competitive supplier, all over Romania.

The Group holds an electricity supply license covering the entire territory of Romania, which was renewed in 2021 for a period of 10 years. In order to extend the economic activities of Electrica Furnizare S.A. (EFSA) in Hungary, the electricity trading license was granted by the Hungarian Energy and Public Utilities Regulatory Authority (MEKH) for an indefinite period for Electrica Furnizare S.A., by Decision no. H879/2022. Also, the Group holds a natural gas supply license valid until 2032.

Within the external electricity network maintenance segment, SERV provides maintenance, repair and various services to group companies (car rental, rental of buildings etc.) as well as repairs, maintenance and other energy related services to third parties.

Starting in 2020, the Group expanded its operations by entering the renewable energy production segment through the acquisition of a photovoltaic park with an installed capacity of 7.5 MW (operational capacity limited to 6.8 MW). Subsequently, the portfolio was strengthened through the acquisition of five additional renewable energy projects: four photovoltaic parks with a total installed capacity of 175.5 MW and one wind park with an installed capacity of 121 MW, which also includes an energy storage system with a capacity of 60 MW. In 2023, the Group completed the acquisition of two photovoltaic projects, with installed capacities of 12 MWp DC (peak panel capacity) and 9.75 MW AC (grid-injectable power), and 27.1 MW, respectively. Furthermore, in 2024, the Group signed an EPC (Engineering, Procurement & Construction) contract for the development of the "Satu Mare 2" photovoltaic project, which is partially financed through the National Recovery and Resilience Plan (PNRR) and is currently in an advanced stage of execution. Additionally, Electrica secured EUR 3.4 mn. in non-reimbursable funding under the PNRR for an energy storage project with an installed storage capacity of 69.93 MWh, to be developed in the locality of Fântânele, Mures County. In the first quarter of 2025, the Group acquired the remaining shares to reach full ownership (100%) of the share capital of Crucea Power Park S.R.L., and is currently in the advanced stages of selecting EPC contractors for the "Satu Mare 3" and "Bihor" projects.

In the consolidated report of the administrators for the three-month period ending on 31 March 2025, the main events that took place during the three months period of the current financial year (detailed below) are included together with their impact on the accounting reporting as well as in the operational results of the Group. Also, the report includes significant events subsequent to the reporting date.

Key figures: Investments – average degree of execution for DEER

For the year 2025, the following values were budgeted for Distribuție Energie Electrica Romania (DEER): the CAPEX plan is RON 970.8 mn. which represents 63% of the total CAPEX plan of the Group in the total amount of RON 1,544.5 mn. The Commissioning plan sent to ANRE is RON 797.8 mn. (RON 734.2 mn. plan related to the year 2025 and RON 63.6 mn. carried forward values related to the year 2024) to which an estimated value of RON 160.7 mn. additional works are added compared to the ANRE plan.

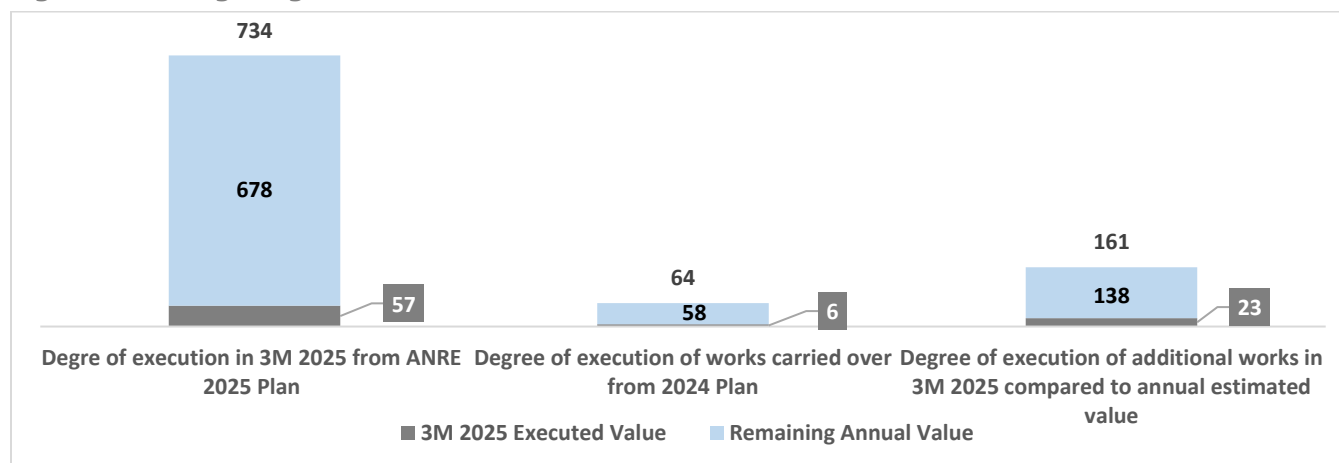
The average degree of execution of CAPEX investment in the first quarter of 2025 is 100% of the planned value for the first 3 months (RON 185.9 mn. estimated against the planned RON 186.0 mn.), respectively 19% of the planned annual value.

The average degree of execution of Commissioning investment in the first quarter of 2025 is:

- **Compared to the budgeted values:** 100% of the planned value for the first 3 months (RON 85.7 mn. compared to the budgeted RON 86.0 mn.), respectively 8.9% of the annual budgeted value (RON 85.7mn. from RON 958.5 mn.):
 - level of execution of the 2025 ANRE Plan: 100% of the plan for the first 3 months (RON 56.7 mn. realized from RON 57.0 mn. planned), respectively 7.7% of the annual budgeted value (56.7 mn. RON out of 734.2 mn. RON);
 - degree of execution of additional works: 100% for the first 3 months (RON 23.0 mn. out of RON 23.0 mn. requests), respectively 14.3% of the annual budgeted value (23.0 mn. RON out of 160.7 mn. RON);
 - degree of execution of works carried over from 2024 concluded in 2025: 100% of the first 3-month plan (5.9 mn. RON out of 6.0 mn. RON) respectively 9.3% of the annual budgeted value (5.9 mn. RON out of 63.6 mn. RON).
- **Compared to the values approved by ANRE*:**
 - degree of achievement of the 2025 ANRE plan, including additional works, compared to the ANRE 2025 Plan: 140.6% of the first 3-month plan (RON 79.8 mn. from RON 57.0 mn.), respectively 10.9% of the ANRE 2025 annual plan (RON 79.8 mn. from RON 734.2 mn.);
 - degree of completion of works carried over from the ANRE 2024 plan to 2025: 100% of the first 3-month plan (5.9 mn. RON out of 6.0 mn. RON) respectively 10.7% of the total planned value (5.9 mn. RON out of 63.6 mn. RON).

* Degree of completion of PIF investments, calculated according to ANRE = (PIF Plan Achievements Current Year + Supplement) / PIF Plan Current Year

Figure 1: Average degree of PIF execution



Key figures: Financial

Table 2. Consolidated financial result Q1 2025 vs Q1 2024

(mn. RON)	3M 2025	3M 2024	Var (abs)	Var (%)
Revenue	2,519.3	2,234.0	285.4	12.8%
Other operating income	656.8	335.8	321.1	95.6%
Operational costs	(2,862.8)	(2,320.4)	(542.4)	23.4%
EBITDA ¹	459.3	400.8	58.5	14.6%
EBIT	313.4	249.3	64.1	25.7%
Gross profit	233.8	169.8	64.0	37.7%
Net profit	195.7	127.7	68.0	53.2%

¹ Adjusted EBITDA (Earnings before interest, tax, depreciation and amortisation or namely EBITDA) is defined and calculated as profit/(loss) before tax adjusted for i) depreciation, amortization and impairment/reversal of impairment of property, plant and equipment and intangible assets, and iii) net finance income. EBITDA is not an IFRS measure and should not be treated as an alternative to IFRS measures. Moreover, EBITDA is not uniformly defined. The method used to calculate EBITDA by other companies may differ significantly from that used by the Group. As a consequence, the EBITDA presented in this note cannot, as such, be relied upon for the purpose of comparison to EBITDA of other companies.

2.1. Key Events during the period January – March 2025 (Q1 2025)

During the three months period ended 31 March 2025 the following main events took place:

General Meetings of Shareholders (GMS)

On 5 February 2025, the OGMS and EGMS took place physically and online, through the platform <https://electrica.voting.ro/>, with a quorum of 88.6024% of the total voting rights, respectively of the Company's share capital in the case of the OGMS and 88.5738% of the total voting rights, respectively of the Company's share capital, for the EGMS, which approved, mainly:

- the election of Mr. Mihai Diaconu as non-executive director for a mandate until 25 January 2028;
- the approval of the EUR 253 million investment in the "Crucea Est" wind farm, with an installed capacity in turbines of up to 138 MW and a projected electricity storage capacity of 60 MWh (15 MW x 4h), located in Constanta county, in the area of Crucea and Pantelimon (project in the "ready-to-build" phase) through the company fully owned at the date of this report by Crucea Power Park SRL, as well as the granting by ELSA of a loan to the associate of the company Crucea Power Park SRL, in the amount of up to EUR 253,000,000, in order to finance the investment works necessary for the completion and operation of the "Crucea Est" wind power plant;
- amendment of article 5 par. (2) and (3) of the Articles of Association of the Electrica S.A. Energy Company, in the sense of updating the main CAEN code and updating and completing the CAEN codes related to the secondary activities of the company, according to the new legal regulations.
- appointment of the company Deloitte Audit S.R.L. as auditor of Electrica S.A. regarding the sustainability reporting/sustainability statement prepared in accordance with the requirements of Directive (EU) 2022/2464 for a contract duration of 2 years, respectively for the financial years 2024 and 2025.

Main decision of ELSA's Board of Directors (BoD):

During the meeting of 29 January 2025, the ELSA Board of Directors elected Mr. Mihai Diaconu as Chairman of the Board of Directors starting with 1 February 2025, for the duration of his mandate as director and decided to maintain the existing composition of the Board of Directors Consultative Committees until 31 December 2025. The ELSA Board of Directors also abolished the positions of vice-chairmen of the Board starting with 29 January 2025.

On 6 March 2025 ELSA's BoD convened the EGMS and OGMS on 29 April 2025.

On 27 March 2025, Ms. Valentina Siclovan renounced to the position of member of the Board of Directors of the Company and of the Chair of the Consultative Audit and Risk Committee starting on 1 May 2025 (30 April 2025 being the last day of the mandate).

Other relevant events

On 31 January 2025, the second 4-year mandate of the Executive Director of the Distribution Department, Ms. Livioara Sujdea, effectively ended upon reaching its term.

On 28 February 2025 Electrica published the 2024 preliminary consolidated financial statements.

On 6 March 2025, Electrica informed the investors regarding the identification of inconsistencies in the payment processes at the level of its subsidiary Electrica Serv, with a financial impact no higher than EUR 1 mln. at the time. Besides the notification of the competent authorities and of the financial auditor and the thorough internal control, the company's economic director was revoked from office, and the mandate contract of the general manager was suspended by the consensus of the parties for a period of 30 days until the clarification of the situation and the executive management has been reorganized to ensure operational continuity and strengthen internal control mechanisms, in order to be able to prevent such situations in the future.

On 27 March 2025, Electrica published the Consolidated and Standalone Financial Statements for the year 2024, together with the 2024 dividend proposal, as well as the 2025 individual and consolidated budget.

On 28 March 2025, Electrica announced that Fitch Ratings improved the outlook of the Electrica Group's rating and maintained the long-term rating to "BBB-".

On 29 March 2025, Electrica published an announcement regarding the qualified opinion on the 2024 Consolidated Financial Statements.

The complete list of current reports can be found on the ELSA website at:

<https://www.electrica.ro/en/investors/results-and-reports/current-reports/>

Transactions with related parties

As of 31 March 2025, Electrica published 9 current reports, according to art. 108 of Law no. 24/2017, regarding the transactions concluded between DEER – OPCOM, EFSA – OPCOM, DEER – EFSA, EFSA – TEL, EFSA – SNN and EFSA – BRM, whose cumulative value in the case of each report exceeds the threshold of 5% of ELSA's net assets, calculated on the basis of the latest available individual financial statements of Electrica.

On 30 January 2025, Electrica published the Auditor's Report regarding the transactions reported in H2 2024 according to Art. 108 of Law 24/2017 (R).

All these current reports and auditor's reports can be found on ELSA's website, at this address: www.electrica.ro/en/investors/results-and-reports/current-reports-art-108/.

Acquisition of shares in subsidiaries

On 7 February 2025, ELSA acquired the remaining shares up to 100% of the share capital of Crucea Power Park S.R.L.

At the same time, based on the mandate granted by AGEA ELSA through HAGEA no. 1/05.02.2025, the General Meeting of the Associates of the Crucea Power Park S.R.L. company approved the investment project carried out by Crucea Power Park S.R.L. "Construction of a wind farm, medium voltage electrical network, electrical park transformation station, 110 KV underground network, land enclosure and connection to SEN (transformation station (110KV/400KV), LEA 400 KVA connection, Network strengthening works, Installation of electrical energy storage capacity" - in Crucea and Pantelimon communes, Constanta county (Crucea Est wind project), with a total investment value of up to EUR 253 mn. without VAT and the start of the implementation of the investment.

Litigations reported to the capital market

- **ELSA file no. 341/2/2025 and DEER file no. 321/2/2025**
https://www.electrica.ro/wp-content/uploads/2025/01/ELSA_EN_Current-report_Annulment-ANRE-Order-97-2024_22Jan2024_LSE.pdf
- **DEER file no. 167/1285/2025**
https://www.electrica.ro/wp-content/uploads/2025/03/ELSA_EN_Current_report_DEER_litigation_24Mar025_LSE.pdf

https://www.electrica.ro/wp-content/uploads/2025/03/ELSA_EN_Current_report_DEER_litigation_25Mar025_LSE.pdf

2.2. Applicable significant regulatory framework

Distribution segment

For the distribution segment, the significant changes in the Romanian legislation were detailed in *Appendix 9.2.1* of this report. Based on these changes, the expected effects refer to:

- ANRE Order no.1/2025 regarding the modification and completion of the Framework Conditions for the realization of the implementation calendar of the intelligent electricity metering systems at the national level approved by ANRE Order no. 177/2018 with subsequent changes and additions:
 - modifying and supplementing the existing provisions to ensure compliance with the conditions - framework with the provisions of art. 66 paragraphs (5) and (7) of Law 123/2012;
 - introduces provisions to create conditions so that the SMI realized are able to reach the performance criteria provided in terms of the reliability and accuracy of the transmission and valorization of the measurement and instrumentation data collected and transited through the system elements;
 - increasing the accuracy and relevance of the monitoring of the SMI implementation process by updating the corresponding annexes; detailed explanations of the monitored indicators and parameters were carried out; provisions were introduced for the preparation of annual monitoring reports in a unitary and sufficiently detailed manner to ensure visibility on the development of the SMI implementation process;
 - substantiating the proposals to change the SMI implementation calendar in a unitary way by introducing annex no. 6 to the conditions - framework that includes reference framework structures for the preparation of supporting memoranda and cost-benefit analyzes that substantiate the requests to change the SMI implementation calendar;
 - replacing the phrase "users integrated in SMI" with "places of consumption/production and consumption integrated in SMI" and reformulating references to integration in SMI so that it refers to places of consumption/production and consumption; the reference to users is made only in relation to information, rights and obligations;
 - the inclusion of provisions to ensure the access of users whose places of consumption/production and consumption are integrated in SMI, to unvalidated consumption data, in near real time, in accordance with the provisions of the Law.

GEO no. 21/2025 for amending and supplementing Title X of Law no. 227/2015 regarding the Fiscal Code, as well as for the modification and completion of some normative acts.

- The annual construction tax is calculated by applying a rate of 0.5% on the net value of the constructions, for which no building tax/building tax is due according to the provisions of Title IX, existing in the taxpayers' patrimony on December 31 of the previous year/on the last day of the amended fiscal year prior to the one for which the construction tax is due.

Supply segment

According to the provisions of GEO no. 6/2025 regarding the measures applicable to final customers in the **electricity market** during the period **April 1, 2025-June 30, 2025**, respectively the measures applicable to final customers in the **natural gas market** during the period **April 1, 2025- March 31, 2026**, as well as for the amendment and completion of some normative acts in the energy field with subsequent amendments and completions, the period for Capping support scheme (initially valid until March 31, 2025) **is extended** by 3 months for electricity (up to **June 30, 2025**) and by **one year for natural gas** (up to **March 31, 2026**).

Subsidies receivables

As at 31 March 2025 the estimated amount for subsidies to be received from the Ministry of Energy is RON 2,398.6 mn. (31 December 2024: RON 1,976.7 mn.). From the total amount of subsidies to be received, RON 1,114.0 mn. represent uncollected claims submitted to the state authorities, out of which RON 308.5 mn. estimated to be received from the Ministry of Energy, and RON 805.5 mn. from National Agency for Payments and Social Inspection and the amount of RON 1,284.6 mn. represents applications that have not yet been submitted to the state authorities until 31 March 2025.

2.3. Subsequent events

Below are presented the relevant events that took place at the Group level in the period between 31 March 2025 and the date of the present report.

General Meetings of Shareholders (GMS)

On 29 April 2025, the EGMS and OGMS took place, physically and online, through the platform <https://electrica.voting.ro/>, with a quorum of 89.9498% of the total voting rights, respectively of the Company's share capital in the case of the EGMS and 89.9442% of the total voting rights, respectively of the Company's share capital, for the OGMS, which approved, mainly:

- The Consolidated and Standalone Financial Statements for the year 2024, according to OMFP 2844/2016 and IFRS-EU, based on the BoD Report, integrated with Sustainability Reporting, and the Auditor's Report
- The Electrica's BoD proposal regarding the distribution of the net profit of the financial year 2024, respectively the approval of the total value of gross dividends of RON 60 mn. and the value of the gross dividend per share of RON 0.1767, as well as the approval of the dividend payment date for the financial year 2024 as 27 June 2025. Ex-date is 3 June 2025 and the registration date is 4 June 2025.
- The 2025 Budget at the consolidated and standalone levels
- Extension of the mandates for ELSA and EFSA for modifying the banking contracts, financing contracts and/or guarantee contracts/guarantees related to credit contracts concluded within the ceiling approved through ELSA's EGMS Resolution no. 3/09.06.2022 for 2022, respectively through item no. 1 of the EFSA EGMS Resolution no. 5/14.06.2022 for the year 2022, including, but not limited to the purpose, type, use, modification of the credits validity and the guarantees established.

Main decision of ELSA's Board of Directors (BoD)

29 April 2025, Electrica's BoD appointed Mr. Mihnea-Andrei Craciun as interim member of the BoD, starting on 1 May 2025 until the next Ordinary General Meeting of Shareholders (OGMS) or until 30 April 2026 at the latest.

On 29 April 2025, Electrica's BoD decided to modify the composition of its consultative committees, starting on 1 May 2025. The committees of the Board of Directors will function in their current composition until 31 December 2025, respectively:

Audit and Risk Committee:

- Mr. Adrian Florin Lotrean – Chair;
- Mr. Ion Cosmin Petrescu – Member.
- Mr. Mihai Diaconu – Member.

The Nomination and Remuneration Committee:

- Mr. Adrian Florin Lotrean – Chair;
- Mr. Marian Cristian Mocanu – Member;
- Mr. Ion Cosmin Petrescu – Member.

The Strategy and Corporate Governance Committee:

- Mr. Marian Cristian Mocanu – Chair;
- Mr. Mihai Diaconu – Member
- Mr. Dragos Valentin Neacsu – Member;

The Climate Governance and Public Affairs Committee:

- Mr. Dragos Valentin Neacsu – Chair;
- Ms. Georgiana Bogasievici – Member.
- Mr. Marian Cristian Mocanu – Member

On 29 April 2025, Electrica's BoD approved the 2025 Consolidated value of the Investment Plan (CAPEX) of the Electrica Group, in total amount of RON 1.5445 bn.

Other relevant events

On 22 April 2025, Electrica launched the Electrica IR mobile app for online voting in General Meetings of Shareholders. This is available both on Android mobile devices, as well as on the Apple mobile devices (starting on 13 May 2025).

On 30 April 2025, Electrica received a notification regarding exceeding the threshold of holding 10% of the voting rights by NN Group N.V. (up to 10.08%).

On 30 April 2025, Electrica announced the signing of a RON 3.1 bn. syndicated loan, including a credit facility intended to finance eligible green projects and support a sustainable business model. The loan is structured in four credit facilities and will be used to partially refinance existing bank exposure, support infrastructure investment plans and develop the renewable energy production portfolio.

On 7 May 2025, Electrica published the Q1 2025 Preliminary Key Operational Indicators.

Transactions with related parties

Subsequent to 31 March 2025, ELSA published 2 current reports, pursuant to Article 108 of Law no. 24/2017, relating to the transactions entered into between DEER – EFSA and DEER - Hidroelectrica, whose cumulative value in the case of each report exceeds the threshold of 5% of ELSA's net assets, calculated on the basis of the latest available individual financial statements of Electrica.

Litigations

ELSA file no. 4825/3/2025, EFSA file no. 4823/3/2025 and FISE file no. 4820/3/2025 - On 24 April 2025, Electrica informed the shareholders that informed the shareholders that, on 23 April 2025, it was notified of the lawsuit filed under file 4825/3/2025, an action filed by the company Laser CO SRL, aimed at the cessation of the use of the logos, payment of material and moral damages, given that the new logo for Electrica S.A. was approved by decision of the Board of Directors no. 4/20 March 2001 and by decision of the General Meeting of Shareholders no. 4/12 April 2001.

https://www.electrica.ro/wp-content/uploads/2025/04/ELSA_EN_Current_Raport_Litigation_LaserCO_24apr2024_LSE.pdf

2.4. Summary of financial indicators

A summary of the main financial indicators is presented below:

- In the three month period ended 31 March 2025, EBITDA increased by RON 58.5 mn. as compared with the same period of 2024, recording a positive value of RON 459.3 mn. vs positive value of RON 400.8 mn. in previous year;
- The capital expenses in Q1 2025 amounted to RON 220.1 mn., having a slight decrease by approx. 9.4%, compared to RON 243.0 mn. in Q1 2024, being correlated with the evolution of realized investments, related to the Regulated Asset Base, and with the allocation of the investment plan during the year.
- The operating result in Q1 2025 is a profit of RON 313.4 mn., recording an increase of RON 64,1 mn. as compared with the same period of the previous year, when the Group recorded an operational profit of RON 249.3 mn..
- The cost of electricity purchased increased by RON 562.4 mn., or 36.4%, to RON 2,105.5 mn. in the three month period ended 31 March 2025, compared to RON 1,543.1 mn. recorded in the comparative period, mainly as a result of the increase in the volumes sold by 3.7% compared to the same period of 2024 and the increase in the cost of electricity purchase on the supply segment, to which is added the increase in electricity purchase prices by 27% compared to the first three months of 2024 as a result of the elimination in 2025 of the MACEE centralized purchase mechanism and being offset by the decrease in the volumes of electricity needed to cover the CPT by 12% compared to the first three months of 2024.
- In Q1 2025, the revenue from the electricity supply segment increased by RON 203.3 mn. y-o-y, or 12.6%, to RON 1,818.1 mn. (out of which RON 1,810.7 mn. with external clients) mainly as a net effect of the following: i) the increase of the quantity of energy supplied on the retail market by 3.7%, ii) the increase of the purchase cost which results in higher revenues from subsidies and iii) the modification given by the new ANRE guide dated 29 July 2024 regarding the new calculation of the amounts to be recovered from the capping (subsidies); the contribution of the supply segment to the Group's consolidated revenues is 71.9%
- Revenue from the distribution segment increased by RON 167.6 mn., or 14.8%, to RON 1,298.2 mn. (out of which RON 684.2 mn. external clients), compared to Q1 2024 mainly due to the increase in the volume of electricity distributed by 4.8% compared to the previous period, combined with the increase in tariffs from 1 January 2025 of approx. 12.5%; the contribution of the electricity distribution segment to the Group's consolidated revenue is of 27.2%.

2.5. Risks and uncertainties

Risks and uncertainties present on 31 March 2025 and aspects regarding the main risks and uncertainties that could affect the Group's activity and its liquidity in 2025:

Risk description	Mitigation risk actions
<i>Ukraine Crisis</i>	
<ul style="list-style-type: none"> On 24 February 2022, Russia invaded Ukraine, marking a sharp escalation of the Russian-Ukrainian war that began in 2014 with Russia's annexation of the Crimea peninsula. The invasion generated on the one hand a refugee crisis with the fastest growth in Europe since the Second 	<ul style="list-style-type: none"> The mitigation of the impact was possible in the supply activity through the compensation and capping measures established at national level. In the distribution activity, the direct impact felt was visible through the price at which it was

<p>World War, and on the other hand a global food crisis. At the same time, at the regional level, a resource crisis was created due to the imposition of a series of restrictions on the international level, Russia being an important player in the natural gas market in Europe.</p> <ul style="list-style-type: none"> The Electrica Group does not own subsidiaries and affiliated entities on the territory of Ukraine, nor does it have any other relevant exposures in the countries directly involved in this conflict. From an operational point of view, the purchases of energy and natural gas are mainly made from the domestic market, availability, provenance and delivery of resources could be influenced by the dynamics of the conflict from region. 	<p>possible to purchase electricity for own technological consumption (CPT).</p> <p>These negative influences may continue in the next period due to market volatility and possible future regulations with a direct impact on the Group's activity.</p>
<p>Market risk</p> <ul style="list-style-type: none"> Market risk represents the risk that the change in energy and natural gas prices, the reference interest rate, such as share prices, interest rates or exchange rates, will affect the Group's income or the value of its holdings. In Q3 2024, the inflation rate in Romania fell slightly from 4.9% in Q3 2024 to 4.6%, the forecast for the end of Q4 is a an increase to 4.9%. For 2024, energy goods price inflation is forecast to decrease from 2.5% in Q1 2024 to negative 0.5 in Q4 2024. <p><i>Source: https://www.bnr.ro/Proiectii-BNR-22694-mobile.aspx</i></p>	<ul style="list-style-type: none"> Market risk management policies, procedures and tools are in place at the supply activity level to manage and control exposures on the electricity and natural gas market. In this regard, internal projects have been initiated to review the hedging strategy, improve demand forecasting capacity. It was also taken into account their adequacy to the reality imposed by the specific markets in this period: the decrease in consumption correlated with the increase in purchase prices..
<p>Credit and counterparty risk</p> <ul style="list-style-type: none"> Credit risk represents the risk of financial losses when a counterparty/client does not meet its contractual obligations to pay invoices when they are due. Counterparty risk is also the knowledge of potential business partners (customers and suppliers) of their reputation, creditworthiness and the nature of their business before entering into a contractual relationship. It is based on strict compliance with the legal provisions on the prevention of money laundering and combating terrorist financing. 	<ul style="list-style-type: none"> The current market context implies a significant pressure on the ability of counterparties in the energy market to ensure on-time delivery or to make the related compensation payments, which is why the subsidiaries monitor and review the current exposure, credit limits and counterparty ratings as well as the provisions set aside.

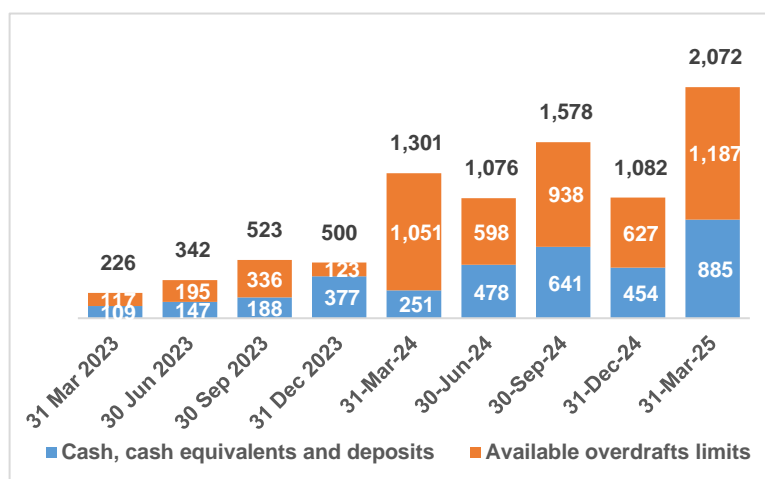
<p><i>Liquidity risk</i></p> <ul style="list-style-type: none"> Liquidity risk represents the risk that the Group will not be able to meet its financial obligations when they are due. 	<ul style="list-style-type: none"> The Group's approach to liquidity management consists in ensuring a sufficient level of liquidity for the payment of due obligations, both under normal conditions and under stress conditions, through the treasury management system through cash pooling and accessing a varied range of credit lines of the type overdraft. Also, the pre-financing of the support scheme for the segmental supply involves a liquidity risk, including the financing of the NL price that will be recovered through future tariffs. Failure to recover these amounts from the state on time (for reasons not attributable to the group) leads to a high risk of contagion (in relation to the group's distribution activities) associated with liquidity risk. The group carefully monitors, through the treasury structures, the impact and effects on the companies' activity and financial results and has adequate resources to continue its operational activity.
<p><i>Conformity (Legal) risk</i></p> <ul style="list-style-type: none"> The energy and natural gas markets are regulated by local and European legislation. These regulations may be modified or interpreted differently by the local authorities and may affect the operational profit margins of the Group. This risk is also supported by the legislative history of recent years, which contains a series of laws that significantly changed energy and natural gas prices, capping elements, etc. 	<ul style="list-style-type: none"> The group makes efforts to optimize operational efficiency in accordance with current and future regulations. The impact of these regulations is close to the maximum range used in the evaluation with immediate consequences in profitability at the group level.
<p><i>Operational risk</i></p> <ul style="list-style-type: none"> The Group may record direct or indirect losses resulting from a wide range of factors associated with processes, service providers, technology and infrastructure, and from external factors, such as regulatory or legal requirements and generally accepted standards regarding the best practices in the field. Violation or failure of security and information technology systems may entail the risk of financial loss, interruption of operations or damage to the Group's reputation. 	<ul style="list-style-type: none"> The group have implemented an operational monitoring system, documented by policies and procedures, which ensures the escalation and remediation of potential operational problems. In order to implement the best practices in the field, SE Electrica S.A. obtained in 2022 the certification for the implementation of standard ISO 27001: Information Technology, Security Techniques, Information Security Management Systems. The extension of the certification to the level of the other entities in the Group is further analyzed.

Source: Electrica

2.6. Group liquidity

At Group level, the total liquidity available in cash and overdraft limits as of 31 March 2025 was RON 2,072 mn., mainly due to the lower level of use of the overdraft limits in the distribution and supply segments. The level of cash on 31 March 2025 was RON 885 mn., an increase of approximately 95% compared to the previous reporting period.

After the approval of the financing ceiling of up to RON 1.5 bln. for Electrica Furnizare through EGMS Decision no. 1 from 21 March 2022, increased up to RON 1.7 bln. through EGMS Decision no. 3 from 9 June 2022 and up to RON 0.85 bln. through EGMS Decision no. 4 from 22 November 2023, the Group took all the necessary formalities with its partner banks to contract supplementary lines of credit to ensure the financing. Moreover, the cash pooling structures allow the Group to optimize the use of liquidity between companies and to quickly cover unforeseen liquidity needs.



Source: Electrica

The level of receipts, payments and liquidity is monitored continuously and closely at the level of each company of the Group and consolidated in order to detect any deviation in time.

3. Organizational Structure

3.1. Group Structure

The Electrica Group is one of the main distributors and suppliers of electricity on the Romanian market.

The main activity segments of the Group consist of the distribution of electricity to users, the supply of electricity to domestic and non-domestic consumers, the segment of services related to external distribution networks as well as the segment regarding the production of electricity from renewable sources.

Currently, the Group includes the parent company of the Group, Societatea Energetica Electrica SA ("ELSA") and the following subsidiaries and associated entities:

- **Distributie Energie Electrica Romania S.A. („DEER”)** resulted from the merger through absorption of the three distribution subsidiaries Societatea de Distributie a Energiei Electrice Muntenia Nord (“SDMN”), Societatea de Distributie a Energiei Electrice Transilvania Sud (“SDTS”) and Societatea de Distributie a Energiei Electrice Transilvania Nord (“SDTN”), the last one being the absorbing company. DEER is the main electricity supplier in Transilvania Nord area (Cluj, Maramures, Satu Mare, Salaj, Bihor and Bistrita Nasaud counties), Transilvania Sud area (Brasov, Alba, Sibiu, Mures, Harghita and Covasna counties) and Muntenia Nord area (Prahova, Buzau, Dambovita, Braila, Galati and Vrancea counties), ensuring the service of network users by operating the installations that work at 0.4 kV to 110 kV (power lines, substations and transformation stations). DEER holds exclusive distribution licenses for the aforementioned regions, which have a validity period until 2027, with the possibility of extension for a period of 25 years;
- **Electrica Furnizare S.A. („EFSA”)**, company whose main activity is the supply of electricity to final consumers. EFSA holds an electricity supply license that covers the entire territory of Romania, which was renewed in 2021 for a period of 10 years, and a license for carrying out the activity of natural gas supply, valid until 2022. In view the expansion of the economic activities of Electrica Furnizare S.A. (EFSA) in Hungary, the electricity trading license was granted by the Hungarian Energy and Public Utilities Regulatory Authority (MEKH) for Electrica Furnizare, by Decision no. H879/2022. Also, the Group holds a natural gas supply license valid until 2032 whose main activity is the supply of electricity to final consumers. EFSA holds an electricity supply license that covers the entire territory of Romania, which was renewed in 2021 for a period of 10 years, and a license for carrying out the activity of natural gas supply, valid until 2032. In view the expansion of the economic activities of Electrica Furnizare S.A. (EFSA) in Hungary, the electricity trading license was granted by the Hungarian Energy and Public Utilities Regulatory Authority (MEKH) for Electrica Furnizare, by Decision no. H879/2022. Also, the Group holds a gas supply license valid until 2032;
- **Electrica Serv S.A. („SERV”)** starting on 30 November 2020, the company absorbed Servicii Energetice Muntenia SA (“SEM”), following a merger process. SERV provides repair services and other related services to third parties and various services to the companies in the group (car rental, building rental, etc.);
- **Sunwind Energy S.R.L. („SWE”)** is developing the photovoltaic project "Satu Mare 2" with a designed installed capacity of 27 MW, located near Satu Mare and became a subsidiary on 21 March 2022 as a result of ELSA owning 60% of shares. On 24 March 2023, ELSA bought the remaining shares up to 100%;
- **New Trend Energy S.R.L. („NTE”)** develops the photovoltaic project "Satu Mare 3", with a designed capacity of 59 MW, located near Satu Mare and became a subsidiary on 27 May 2022 as a result of ELSA owning 60% of shares. Subsequently, on July 12, 2024, ELSA acquired the remaining shares up to 100%;
- **Foton Power Energy S.R.L. („FPE”)** develops the photovoltaic project “Bihor 1”, with a designed installed capacity of 77.5 MW, located near Oradea city and became subsidiary on 31 July 2023 as a result of ELSA

owning 60% of shares. Subsequently, on September 12, 2024, ELSA acquired the remaining shares up to 100%;

- **Crucea Power Park S.R.L. („CPP”)** develops the wind project “Crucea Est”, with a designed installed capacity of 121 MW and a projected electricity storage capacity of 60 MWh (15 MW x 4h), located outside the Crucea commune, Constanta county and became subsidiary on 15 October 2024 as a result of ELSA owning 60% of shares.

Table 3. ELSA’s subsidiaries

Subsidiary	Activity	Sole registration code	Headquarters	% shareholdings as of 31 March 2025
Distributie Energie Electrica Romania S.A. („DEER”)	Electricity distribution in geographical areas Transilvania Nord, Transilvania Sud and Muntenia Nord	14476722	Cluj-Napoca	99.99999929%
Electrica Furnizare S.A. („EFSA”)	Electricity and natural gas supply	28909028	Bucharest	99.9998444099934%
Electrica Serv S.A. („SERV”)	Services in the energy sector (maintenance, repairs, construction)	17329505	Bucharest	99.99998095%
Sunwind Energy S.R.L.	Production of electricity	42910478	Bucharest	100%
New Trend Energy S.R.L. („NTE”)	Production of electricity	42921590	Bucharest	100%
Foton Power Energy S.R.L. („FPE”)	Production of electricity	43652555	Bucharest	100%
Crucea Power Park S.R.L. („CPP”)	Production of electricity	25242042	Bucharest	100%

Source: Electrica

As at 31 March 2025, the Company’s associates are the following:

Table 4. ELSA’s associates

Associate	Activity	Sole registration code	Head Office	% shareholdings as of 31 March 2025
Electrica Esyasoft Smart Solutions S.A.	Manufacturing of batteries	50993644	Bucharest	25%

Source: Electrica

- **Electrica Esyasoft Smart Solutions S.A.** was registered at the Bucharest Trade Registry Office (owned 25% by Societatea Energetica Electrica S.A. and 75% by Esyasoft Enterprise Holding RSC LTD) on December 5, 2024, which will focus on intelligent network technologies (including storage solutions - batteries and digitization of networks).

Table 5. Long term investments owned by ELSA

Company	Activity	Sole registration code	Head Office	% shareholding as at 31 March 2025
CCP.RO Bucharest S.A. („CCP.RO“)	Financial brokerage activities, with the exception of insurance activities and pension funds (risk management through derivative products on the energy market)	41850416	Bucharest	5.92%

Source: Electrica

- On 8 December 2022, the effective subscription was made in the amount of RON 7 mn., equivalent to 8.06% of the share capital of the company CPP.RO Bucharest S.A. after the increase of the share capital, CCP.RO thus becoming a financial investment owned by ELSA for the long term. Following the completion of three processes of increase of the share capital of CCP.RO, processes in which ELSA did not participate, ELSA's shareholding decreased successively to 7.72%, 7.42% and 5.92% respectively, processes carried out on the basis of the approvals of the CCP.RO EGMS of 29 May 2023, 3 April 2024 and 4 September 2024.

3.2. The main elements of the Strategic Plan for the period 2024 – 2030

The results of the Corporate Strategy for the period 2019-2023 were the starting point for the analyses and debates necessary for the elaboration of the Corporate Strategy for the period 2024-2030. The Board of Directors approved the new strategic directions and objectives, the document being available on the company's website in the section Investors > Strategy Elements > [Main elements of the Electrica Group Strategy for the period 2024-2030 – document published in December 2024.](#)

The main strategic objectives assumed for the Group's General Strategy are:

❖ **Development of energy production and storage capacity.**

Electrica aims to expand its energy production and storage capacity, focusing on renewable sources and innovative solutions:

- Installation of 1,000 MW of capacity from solar and wind sources by 2030;
- Implementation of advanced technologies to streamline production;
- Develop a storage capacity of 900 MWh by 2030 to support the integration of renewables;
- Analysis of solutions for predictable in-belt production and advanced storage, including the use of hydrogen.

❖ **Development and modernization of distribution infrastructure**

For the integration of renewable sources and grid optimization, Electrica provides:

- Full automation of transformer stations (100%) and transformer substations (15%) by 2030;
- Implementation of a smart grid for monitoring and managing energy flows;
- Investments of 3.7 billion lei in the next 5 years, according to the 10-year development plan.

❖ **Diversifying the services offered to customers**

Electrica aims to introduce a wide range of services for B2B and B2C customers:

- Launching packages for energy efficiency, smart home solutions and electric vehicle infrastructure;
- Regional expansion into at least one new market by 2030.

❖ **Operational optimization**

Directions such as:

- Creating a performance management program
- Developing an integrated customer feedback system.
- Implementation of predictive maintenance solutions through digital technologies.

❖ **Digitalization and cybersecurity**

Electrica plans to digitize most processes (80% by 2030):

- Automating customer interaction and using AI.
- Strengthening cybersecurity through integrated strategies and the use of advanced technologies.

❖ **Skills development and employee retention**

The focus is on:

- Professional training programs and collaborations with the academic environment.
- Realigning the organizational culture for better alignment with the company's values.

❖ **ESG (Environmental, Social, Governance) Practices**

Electrica is stepping up its efforts towards sustainability:

- Reducing the carbon footprint and promoting renewable energy.
- Creating a fair working environment and implementing community initiatives.
- Adopting best corporate governance practices and implementing a robust ethics program.

These measures demonstrate Electrica's commitment to a sustainable future, based on innovation and efficiency. In addition to the traditional areas of interest, namely electricity distribution, electricity and natural gas supply and energy services, there is a high interest in the development of new activities, based on innovative technology, while continuing the monitoring and analysis of growth opportunities through mergers or acquisitions. Also, a closer relationship with customers is pursued, based on the development of skills, but also on an offer of products and services in line with their needs.

Also, an important role will be played by optimizing IT&C support functions and aligning with industry-specific trends and solutions. In this context, beyond the digitization of processes and their integration into IT platforms, the development of smart grids, the integration of smart meters at the pace of their implementation plan, support for the operationalization of prosumers, etc., are provided in the distribution area. In the supply area, the development of a customer-friendly interface, the automation of contracting, reporting and invoicing processes and data exchange with all distributors in Romania are critical elements supported by IT&C in order to ensure strategic advantages to the Group's business segments.

The corporate governance framework continues to be improved, with the close follow-up of the Corporate Governance Action Plan established together with the EBRD since 2014. The establishment of the Climate Governance and Public Policy Committee was approved in order to prepare the necessary framework for the implementation of initiatives that contribute to the achievement of the EU objective of zero greenhouse gas emissions by 2050 and to ensure the long-term resilience of the companies within the Group, in the light of potential structural changes in the business environment, resulting from climate change.

From a process-oriented culture to a results-oriented and customer-centric culture, through leadership and improving employee satisfaction, we aim to realign the culture with the vision, mission and core values of the organization to achieve the strategic objectives proposed in the 2024-2030 horizon.

We are committed to cultivating a culture that embraces diversity, we remain committed to creating the most

equitable and inclusive workplaces, advancing the representation of diversity at every level of the organization.

By translating overall strategic objectives into specific objectives and initiative plans, at the level of each subsidiary, the organization adapts to market conditions, customer expectations and the rapid pace of technology so as to deliver value consistently.

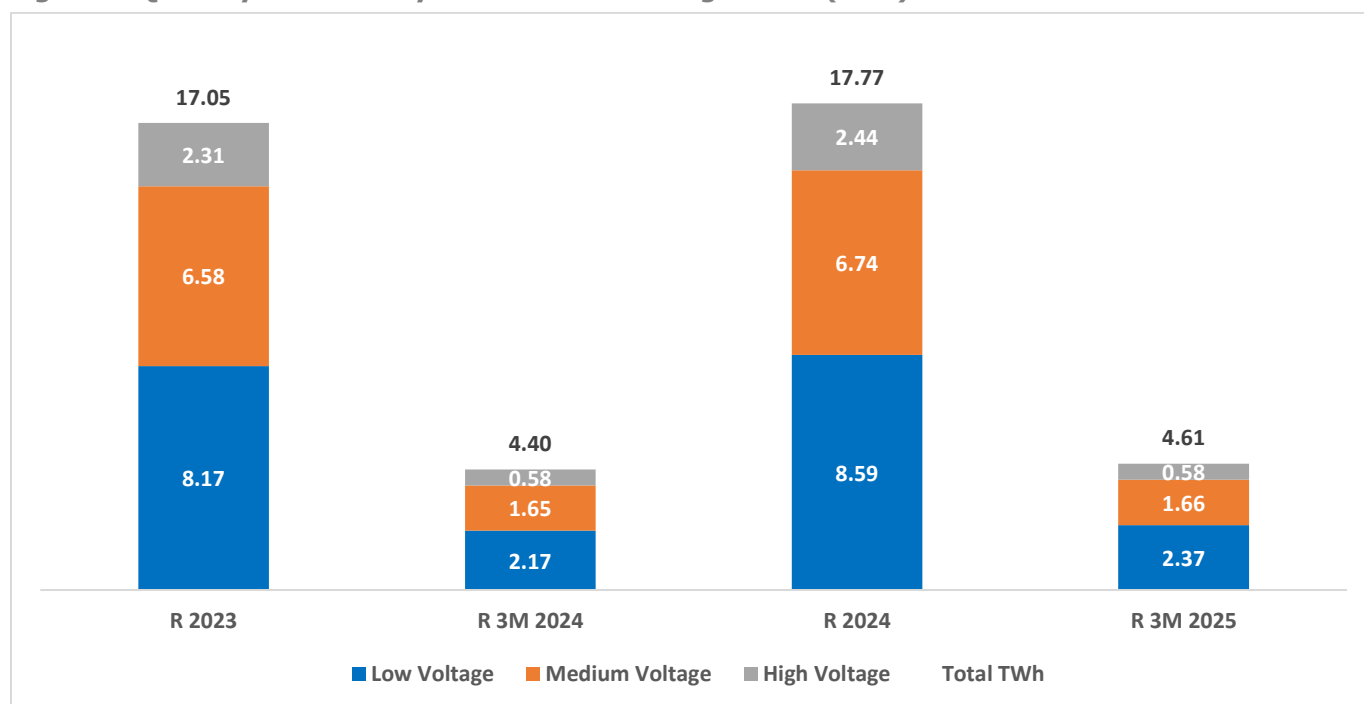
3.3. Key information by segments

Distribution segment

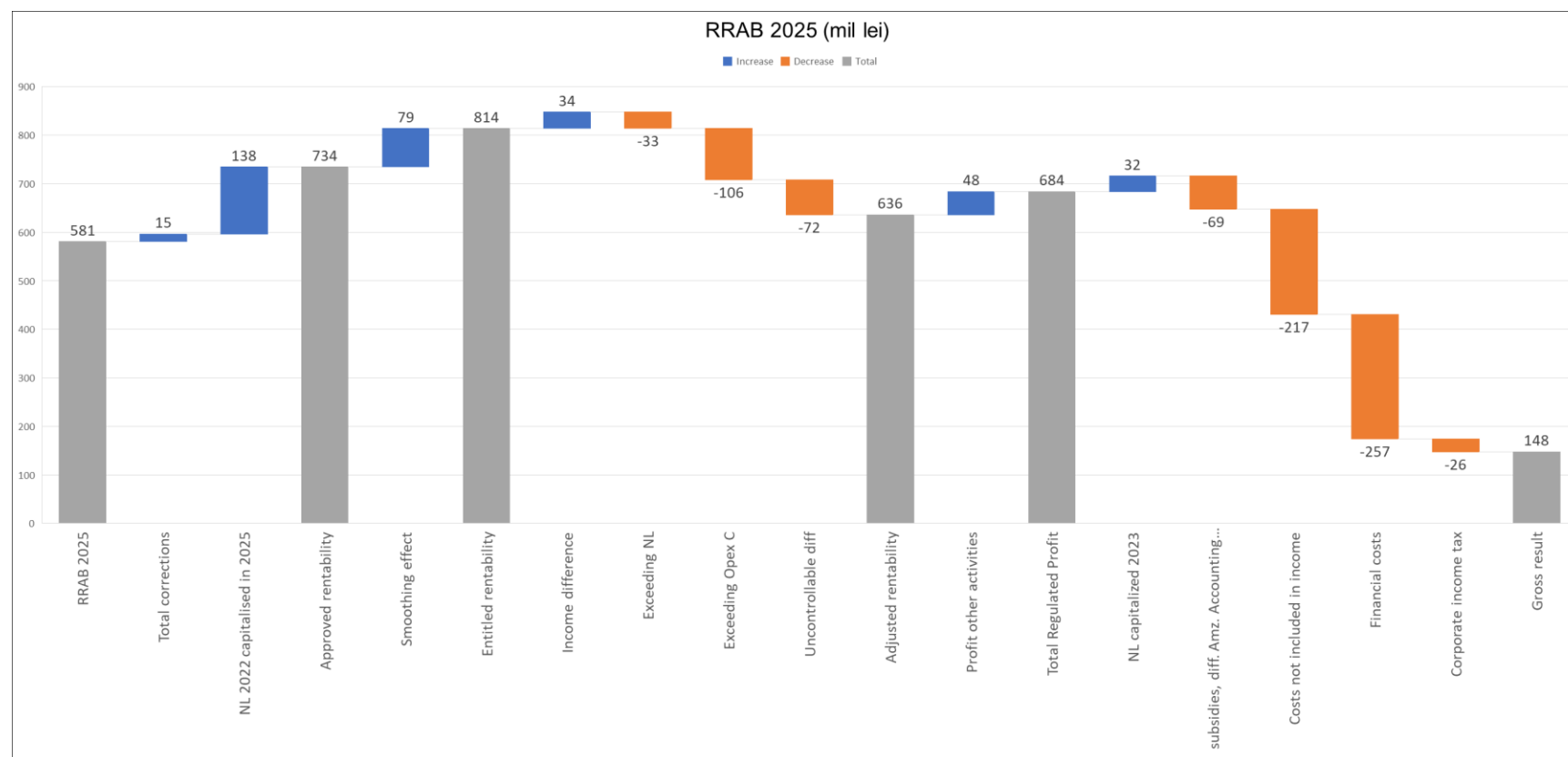
Information for the period ended 31 March 2025:

- The Regulated Assets Base (RAB), in nominal terms, with inflation of 4% for 2025, estimated at the end of the first quarter of 2025 is 8.4 bln. RON;
- 204,779 km of power lines – 7,606 km for high voltage ("IT"), 47,199 km for medium voltage ("MV") and 149,973 km for low voltage ("LV");
- Total area covered: 97,196 km², 40.8% of Romania's territory;
- 3.98 thousand. users served for the distribution activity;
- 4.6 TWh of electricity distributed in the first quarter of 2025, up 4.8% compared to the first 3 months of 2024.

Figure 2: Quantity of electricity distributed on voltage levels (TWh)



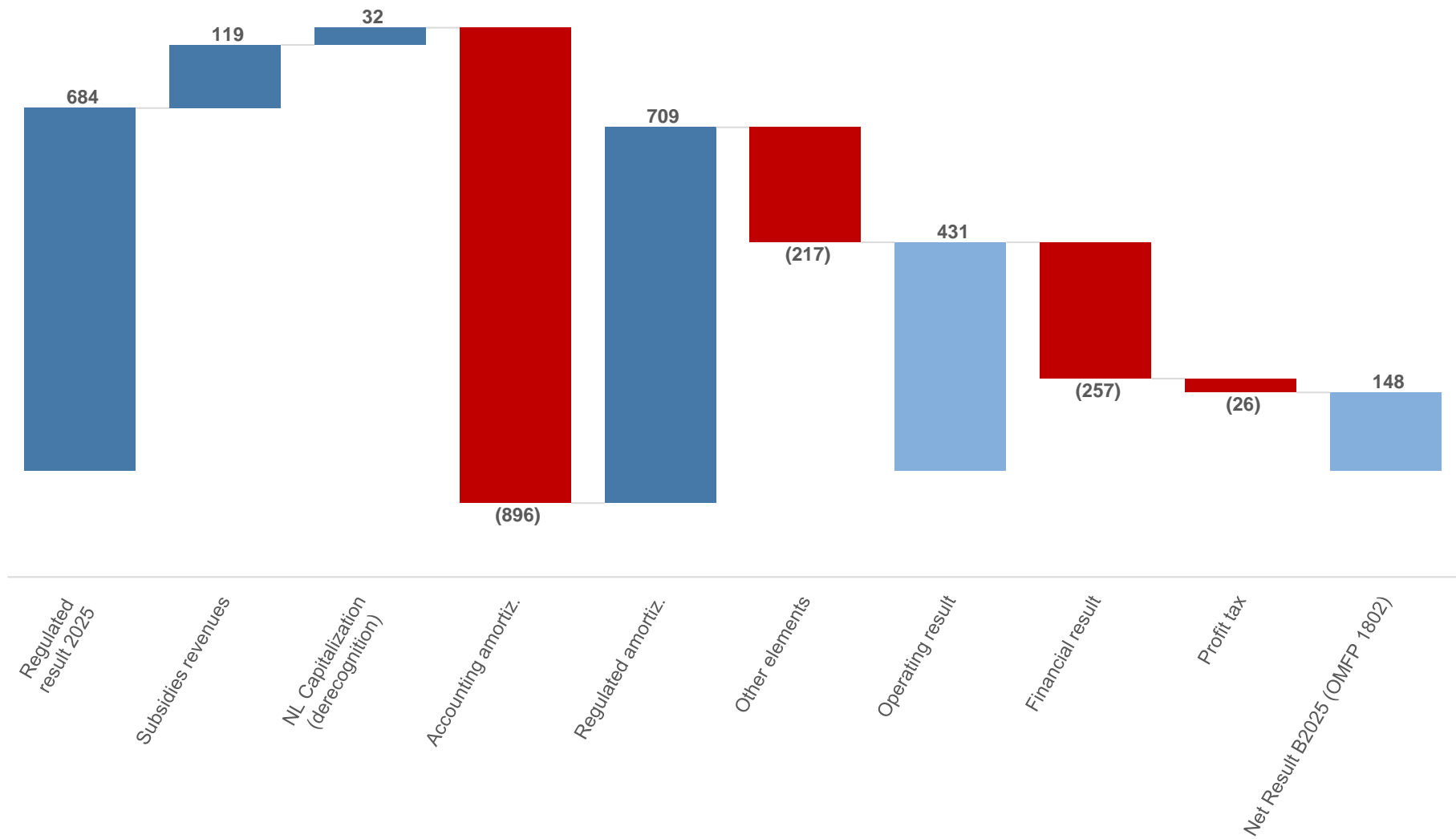
Source: Electrica

Figure 3: RRAB analysis of the distribution segment result for the year 2025 (RON mn.)

Source: Electrica

* The total corrections reflected in the 2025 tariffs are worth 15 million RON

Figure 4: Analysis of regulated profit – OMFP 2844/2014(EU) budgeted result for the distribution segment for the year 2025 (RON mn.)

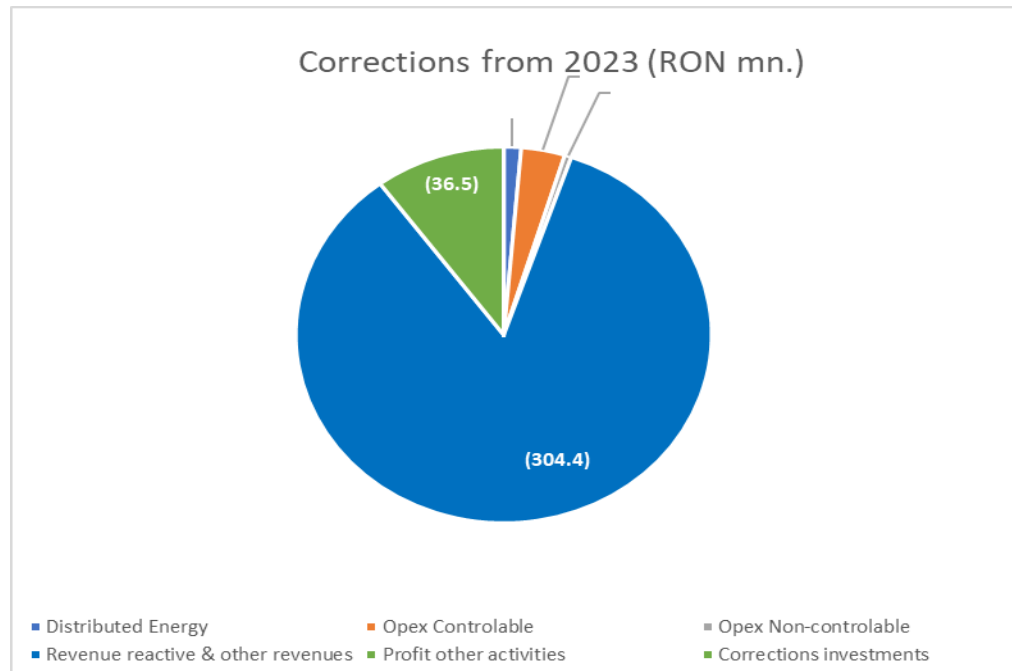


The total corrections reflected in the 2025 tariffs are positive, amounting to RON 15 mn., and include: negative non-NL income corrections of RON 29 mn. plus positive adjustments from reimbursements of RON 23 mn., and positive NL income corrections of RON 21 mn.

The negative non-NL income correction of RON 29 mn. includes the negative 2023 corrections of RON 364 mn. and the positive RP4 corrections of RON 336 mn. (of which the RP4 inflation correction is positive, amounting to RON 313 mn.).

The non-NL income corrections for 2023 are reflected by components in the chart below:

Figure 5: Non-CPT income corrections for 2023 (RON mn.)



Source: Electrica

The correction related to the additional capitalized CPT cost from 2022, in the amount of RON 138 mn., is reflected in the CPT component of the 2025 tariffs.

Supply segment

Market data (according to ANRE Report for January 2025):

- The supply market consists of competitive segment, universal service (US) and last resort (LR);
- The universal and last resort service segment includes five suppliers of last resort nominated at national level;
- Competitive segment includes 88 suppliers (including those of last resort with activity on the competitive segment of the retail market), of which 81 are relatively small (<4% market share).

Electrica Furnizare has a total market share of 17.16%, and on the competitive market with a total share of 12.12% (ANRE Report January 2025). By comparison, in 2024, Electrica Furnizare had a total electricity market share of

15.48% and a competitive market share of 10.36% (ANRE Report December 2024).

As of 31 March 2025, Electrica Furnizare supplied 2 TWh of electricity to approximately 3.5 million places of consumption (both in the universal service regime and last resort, as well as from the competitive market), representing an increase of 0.6% compared to the same period of the prior year.

Renewable electricity production segment

Projects in development/implementation

For the production segment, procedures have been initiated for the preparation of documentation for the competitive selection process related to the development of the projects, namely:

- Crucea Power Plant S.R.L. - Crucea wind farm project with P=121 MWp (up to 138 MW) and 60 MWh storage;
- ELSA – 35/70 MWh storage project - Fantanele, internally developed.

Ongoing investment projects

The competitive procedures for selecting the general contractor are currently underway:

- New Trend Energy S.R.L. - the CEF Satu Mare 3 project with P=62.5 MWp;
- Foton Energy S.R.L. - proiectul CEF Bihor 1 cu P=77.5 MWp.

Investment projects in the execution phase

- Sunwind Energy S.R.L. - Electrica S.A. holds 100% of the share capital in the Satu Mare 2 photovoltaic project (CEF Satu Mare 2), with a capacity of 27 MWp. The project benefits from non-reimbursable co-financing under the National Recovery and Resilience Plan (PNRR). As of the date of this report, the project is in the final stage of execution. Following the completion of the grid connection installation by the Distribution System Operator, the necessary steps will be taken to carry out conformity tests and obtain the commercial operation license for the production capacity, in accordance with applicable regulations.

Operational project

- ELSA - Stanesti photovoltaic power plant with a capacity of 7.5 MWp
- ELSA – Vulturul Project - The Vulturul project, with an installed capacity of 12 MWp, has completed construction works and, as of 21 October 2024, is connected to the National Energy System and operating in a trial period, in accordance with applicable regulations. The trial tests have been successfully completed, and the project has received the certificate of conformity with technical standards issued by the responsible grid operator.

In addition to the aspects mentioned above, activities continue on:

- Evaluation of new project acquisition opportunities regarding the production of electricity from renewable sources and/or the conclusion of partnerships through the acquisition of majority shares in RES projects (already developed by potential partners);
- Project development activities have started for: energy production using efficient and flexible capacities using natural gas (hydrogen ready);
- Project development activities for energy storage capacities in batteries.

4. Shareholders' Structure

Until July 2014, the Romanian State, through the Ministry of Economy, Energy and Business Environment, was the sole shareholder of ELSA. As of 4 July 2014, after the Initial Public Offering, the Company's shares are listed on the Bucharest Stock Exchange (BSE – ticker EL), and the Global Depositary Receipts are listed on the London Stock Exchange (LSE – ticker ELSA).

Subsequently, a secondary public offer took place, which ended on 3 December 2019, during which a total number of 208,554 new shares were subscribed, with a nominal value of RON 10 and a total nominal value of RON 2,085,540.

On 22 July 2024, the share capital was reduced by 6,890,593 own shares held by Electrica as a result of stabilization after the 2014 IPO, which had their voting rights suspended. Thus, starting from this date, the total number of voting rights is equal to the total number of shares.

As of 31 March 2025, the ownership structure according to the Central Depository records (Romanian: Depozitarul Central) is presented below.

Table 6. Ownership structure

Shareholder	Number of shares	Percent of the share capital/ voting rights (%)
The Romanian State, through the Ministry Energy, Bucharest, Romania	169,046,299	49.7850%
The European Bank for Reconstruction and Development	3,172,744	0.9344%
BNY MELLON DRS, New York, USA	1,934,808	0.5698%
Other legal entities	150,866,366	44.4309%
Individuals	14,532,787	4.2800%
TOTAL	339,553,004	100.0000%

Source: Central Depository, Electrica

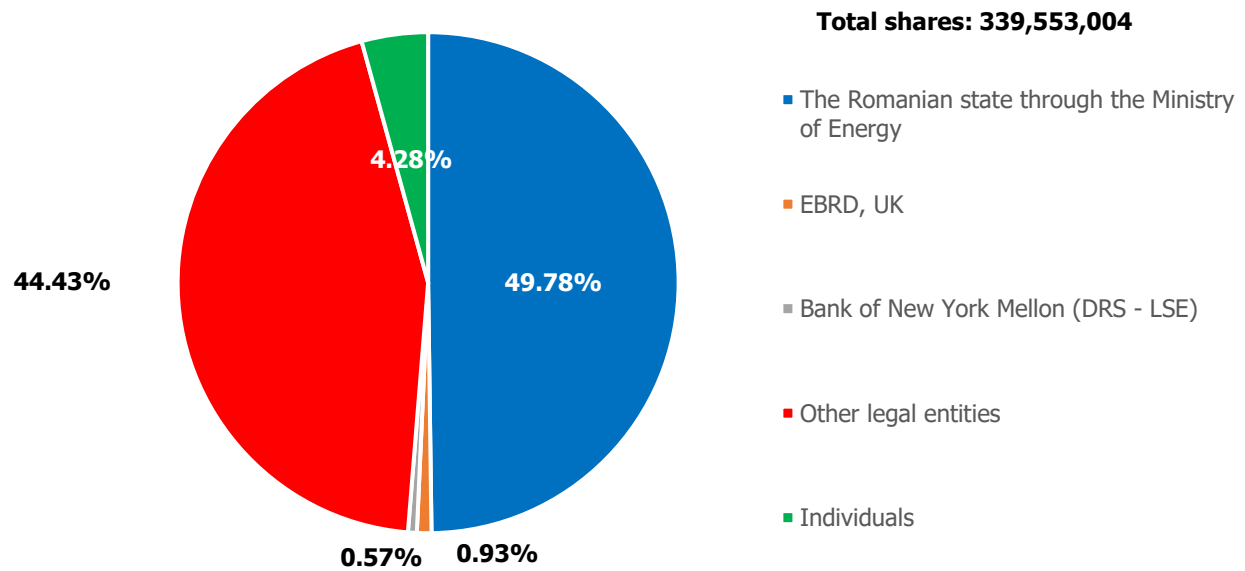
Note 1: Total Shares - 339,553,004 (all with voting rights)

Note2: Paval Holding and Allianz SE hold, directly or indirectly, between 5% and 10% of the total number of shares with voting rights

Note3: NN Group NV holds, directly or indirectly, between 10% and 15% of the total number of shares with voting rights

The shares presented to be held by the Bank of New York Mellon represent the global depositary receipts (GDRs) owned by ELSA shareholders that are traded on the London Stock Exchange (LSE). A global depositary receipt represents four shares. The Bank of New York Mellon is the depositary bank for these securities.

Figure 6: Ownership structure as of 31 March 2025



Source: Central Depository, Electrifica

At the end of March 2025, ELSA's shares were owned by a total of 14,314 shareholders, of which 243 legal entities and 14,071 individuals from 29 countries. 94.67% of the total number of shares (321,120,949 shares) were owned by investors with residence in Romania. Thus, foreign shareholders held 5.43% of the share capital (18,432,055 shares), the largest weight being represented by American and European shareholders. Shareholders in the United Kingdom and Ireland held 1.22% of share capital, while those in the USA held 2.52%, in this category being included also the GDRs holders.

5. Operational Results IFRS-EU

The following table presents the the condensed consolidated statement of profit or loss.

Table 7. Consolidated statement of profit or loss (RON mn.)

Indicator	31 March 2025	31 March 2024(unaudited and unreviewed)	Variation (abs.)
Revenues	2,519.3	2,234.0	285.4
Other income	656.8	335.8	321.1
Electricity and natural gas purchased	(2,105.5)	(1,543.1)	(562.4)
Construction costs related to concession agreements	(185.5)	(225.9)	40.4
Employee benefits	(269.9)	(234.8)	(35.1)
Repairs, maintenance and materials	(37.1)	(16.9)	(20.3)
Depreciation and amortization	(145.7)	(151.4)	5.8
Impairment loss on trade and other receivables, net	(16.7)	(21.6)	4.9
Other operating expenses	(102.3)	(126.7)	24.4
Operating profit	313.4	249.3	64.1
Finance income	4.3	1.6	2.7
Finance costs	(83.9)	(81.1)	(2.8)
Net finance cost	(79.6)	(79.5)	(0.1)
Share of the result of the associates	-	0.0	-
Profit before tax	233.8	169.8	64.0
Income tax expense	(38.1)	(42.1)	4.0
Net profit	195.7	127.7	68.0

Source: Electrica

Key financial indicators for the period ended 31 March 2025:

- **Revenues: RON 3.2 bn.**, increase of RON 606.4 mn. as compared to Q1 2024;
- **EBITDA: RON 459.3 mn.**, a RON 58.5 mn. increase compared to the same period of last year;
- **EBIT: RON 313.4 mn.**, a RON 64.1 mn. increase compared to Q1 2024;
- **EBT: RON 233.8 mn.**, a RON 64.0 mn. increase compared to Q1 2024;
- **Net result: profit of RON 195.7 mn.**, an increase of RON 68.0 mn. compared to Q1 2024.

Revenues and other income

Electrica's revenues and other income for the three-month period ended 31 March 2025 and 31 March 2024 amounted to RON 3,176.2 mn. and RON 2,569.7 mn., respectively, representing an increase of approx. RON 606.4 mn., or 23.6%; the variation in revenues is an increase of RON 285.4 mn. due to the increase in volumes distributed and supplied, while the change in other operating revenues is mainly due to subsidies (amounts to be recovered

as a result of the application of the electricity price cap) recognized by the supply subsidiary (EFSA). Other operating revenues recorded in Q1 2025 compared to Q1 2024, an increase of RON 321.1 mn. due to the increase in the purchase cost which results in higher revenues from subsidies.

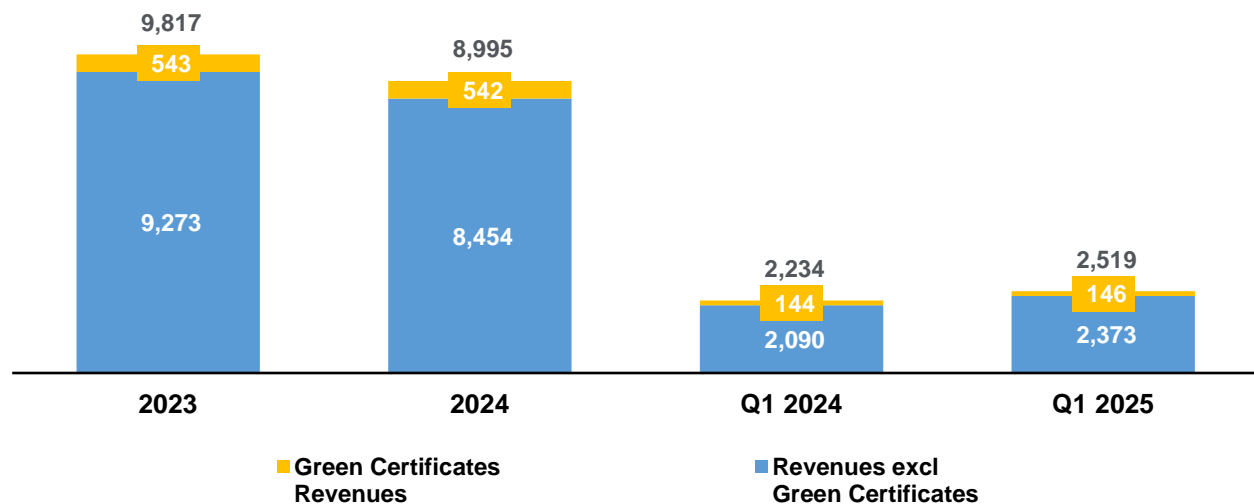
On 29 July 2024, ANRE updated the guidelines for the calculation of the amounts to be recovered from the capping to be carried out based on the provisions of GEO 27/2022, starting 1 January 2024, the way of allocating imbalances and the way of allocating contracts between FUI/non-FUI customer categories are updated. Thus, subsidy revenues as of 31 March 2025 amounted to RON 622.7 mn. compared to RON 302.2 mn. recorded in the same period of 2024.

Additionally, Emergency Ordinance no. 32/2024, amended and supplemented GEO no. 27/2022, and for the period April 1, 2024 - December 31, 2024, the MACEE was amended, so that generators will voluntarily sell to OPCOM at the price of 400 RON/MWh and OD buys electricity from OPCOM at the price of 400 RON/MWh.

Emergency Ordinance no. 32/2024, amended and supplemented Emergency Ordinance no. 27/2022, so that MACEE was functional only until 31 December 2024.

Revenues

Figure 7: Revenue for Q1 2025 and comparative information (RON mn.)



Source: Electrica

The revenues increased by RON 285.4 mn., or 12.8%, being the net effect of the following main factors:

- increase of RON 203.3 mn. on the supply segment;
- internal revenue (from the Group): the Group's consolidated revenues increased with RON 92.0 mn;
- RON 167.6 mn. increase of the distribution segment's revenues;
- increase of RON 4.5 mn. of the services segment's revenues;
- increase of RON 2.0 mn. of the production segment's revenues.

During the three months period ended 31 March 2025, revenues from the electricity distribution segment increased by approx. RON 167.6 mn., or 14.8%, to RON 1,298.2 mn., from RON 1,130.6 mn. in the same period of the previous year, as a result of the following factors:

- favorable impact of approx. RON 204.3 mn., from the increase in tariffs on the distribution segment which was motivated by the ANRE order no. 97/2024 in which distribution tariffs were higher by approx. 12.5% compared to the tariffs on 1 January 2024, a positive effect to which is added the increase in distributed electricity volumes by approx. 4.8%;
- negative impact from the evolution of revenues recognized in accordance with IFRIC 12 by RON 36.8 mn., compared to the same period last year.

As for the supply segment, revenues from electricity and natural gas supply increased by RON 203.3 mn., or 12.6%, to RON 1,818.1 mn. in Q1 2025, from RON 1,614.9 mn. in Q1 2024.

The variation is mainly generated by the increase in the amount of energy supplied on the retail market by 3.7%; ii) the increase in the acquisition cost, which determines higher subsidy revenues and iii) the amendment given by the new ANRE guide of 29 July 2024 regarding the new calculation of the amounts to be recovered from the capping (subsidies).

Electricity and gas purchased

In Q1 2025, the expense for electricity and gas purchased increased by RON 562.4 mn., or 36.4%, to RON 2,105.5 mn., from RON 1,543.1 mn. in the comparative period.

This variation is the net impact of the increase of electricity costs on the supply segment, and by the decrease in electricity costs for NL coverage on distribution segment.

The table below presents the structure of the electricity, gas and merchandise purchased for the indicated periods:

Table 8. Structure of the electricity, gas and merchandise purchased (RON mn.)

Three months period ending 31 March	2025	2024	%
Electricity purchased to cover network losses	420.7	315.5	33.4%
Electricity and natural gas purchased for supply	1,437.2	1,006.3	42.8%
Transportation and system services related to the supply activity	95.1	77.6	22.6%
Purchased goods	6.0	-	100%
Green Certificates	146.5	143.7	1.9%
Total electricity, goods and natural gas purchased	2,105.5	1,543.0	36.5%

Source: Electrica

Supply segment

In Q1 2025 the expense of electricity and gas purchased (including green certificates and transportation and system services) increased by RON 451,3 mn., or 36,8%, up to RON 1.678,8 mn., from RON 1,227.5 mn. in Q1 2024.

In 2021, after the complete liberalization of the energy market, the purchase prices were approximately the same both on the competitive segment and on the universal service and FUI segment. Starting with the end of March 2021 the acquisition market has registered significant increases manifested at international level and determined by the international economic and political context. Thus, the growth recorded in the purchasing market was transferred to the end customers, within the limits allowed by the legislation in force and by the contracts concluded with the end customer.

It should be noted that energy suppliers are unable to terminate existing contracts according to the Electricity and Natural Gas Law no. 123/2012, based on Art. 57.

The cost of green certificates (GCs) is recognized in the statement of profit or loss based on a quantitative quota established by the regulator and is influenced by the quantity of GCs that the Group is required to purchase for the

current year and the purchase price of the GCs on the centralized market. The cost of purchasing green certificates is a re-invoiced cost.

Distribution segment

Regarding the distribution segment, in the three-month period ended 31 March 2025, the cost of electricity purchased to cover the NL increased by RON 105.2 mn., or 33.4%, to RON 420.7 mn., from RON 315.5 mn., the evolution being generated by the increase in electricity purchase prices by 27% compared to the first 3 months of 2024 as a result of the elimination of the centralized purchasing mechanism MACEE and being counterbalanced by the decrease in electricity volumes necessary to cover the NL by 12% compared to the first three months of 2024.

Construction costs

In Q1 2025, the expenses with the construction of the electrical networks in connection with the concession contracts decreased by RON 40.4 mn., or 17.9%, to RON 185.5 mn., from RON 225.9 mn. in the comparative period, being correlated with the evolution of the investments realized, related to the Regulated Asset Base, and the allocation of the investment plan throughout the year.

Employee benefits

The expenses for salaries and employee benefits increased by RON 35.1 mn., or 15.0%, to RON 269.9 mn. in Q1 2025, from RON 234.8 mn. in Q1 2024, determined mainly from the increase of benefits negotiated through CCM.

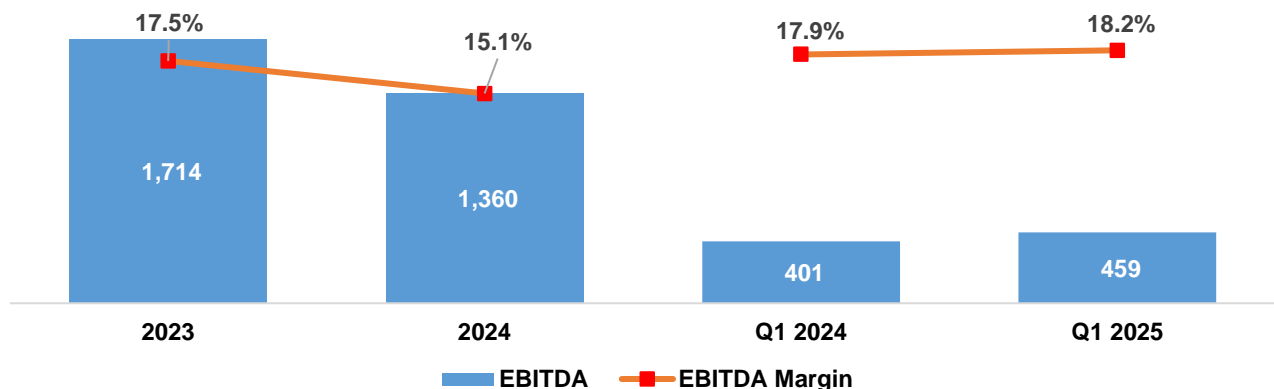
Other operating expenses

In the first three months of 2025, the other operating expenses decreased by RON 24.4 mn., or 19.2%, to RON 102.3 mn., from RON 126.7 mn. in the same period of 2024.

EBITDA and EBITDA margin

Group EBITDA increased by approx. RON 58.5 mn. compared to the same period of the previous year, reaching the value of RON 459.3 mn. in Q1 2025 from RON 400.8 mn. in Q1 2024.

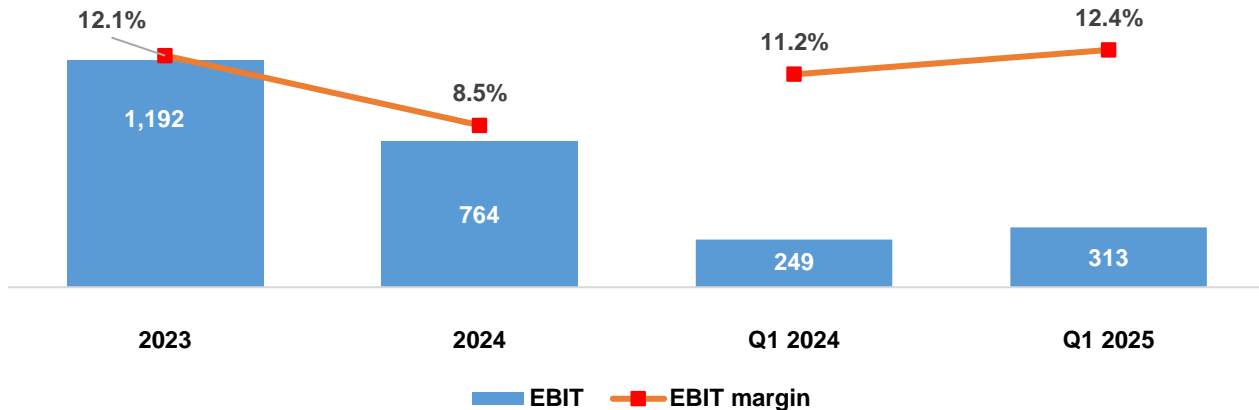
Figure 8: EBITDA and EBITDA margin for Q1 2025 and comparative information (RON mn. and %)



Source: Electrica

Operating result

The Group operating result (EBIT) increased by RON 64.1 mn. y-o-y, from RON 249.3 mn. to RON 313.4 mn.. EBITDA Margin increased from 11.2% in Q1 2024 to 12.4% in Q1 2025.

Figure 9: EBIT and EBIT margin for Q1 2025 and comparative information (RON mn. and %)

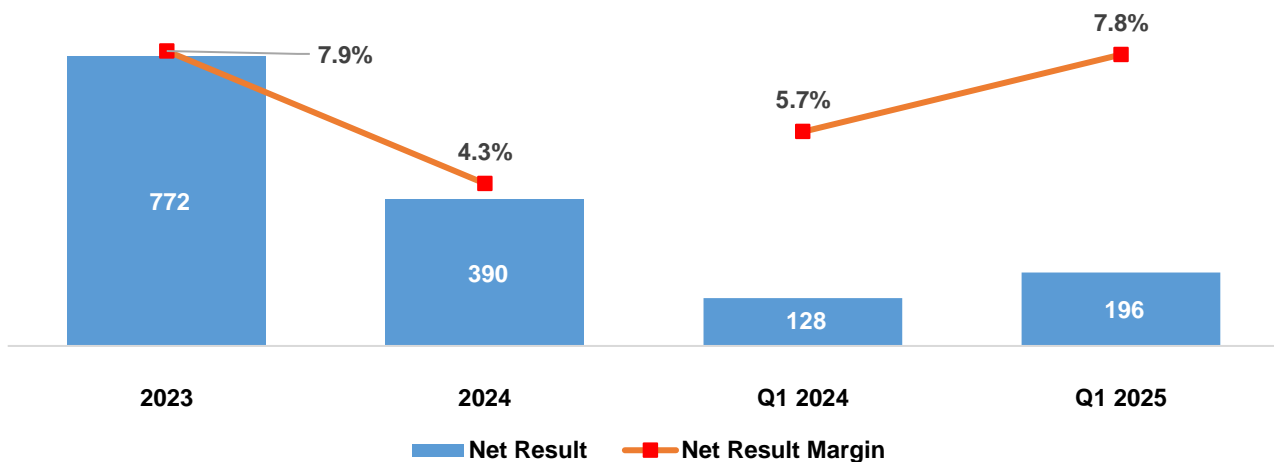
Source: Electrica

Net finance cost

The net financial result at group level remained at approximately the same level in Q1 2025 (RON -79.6 mn.) compared to Q1 2024 (RON -79.5 mn.).

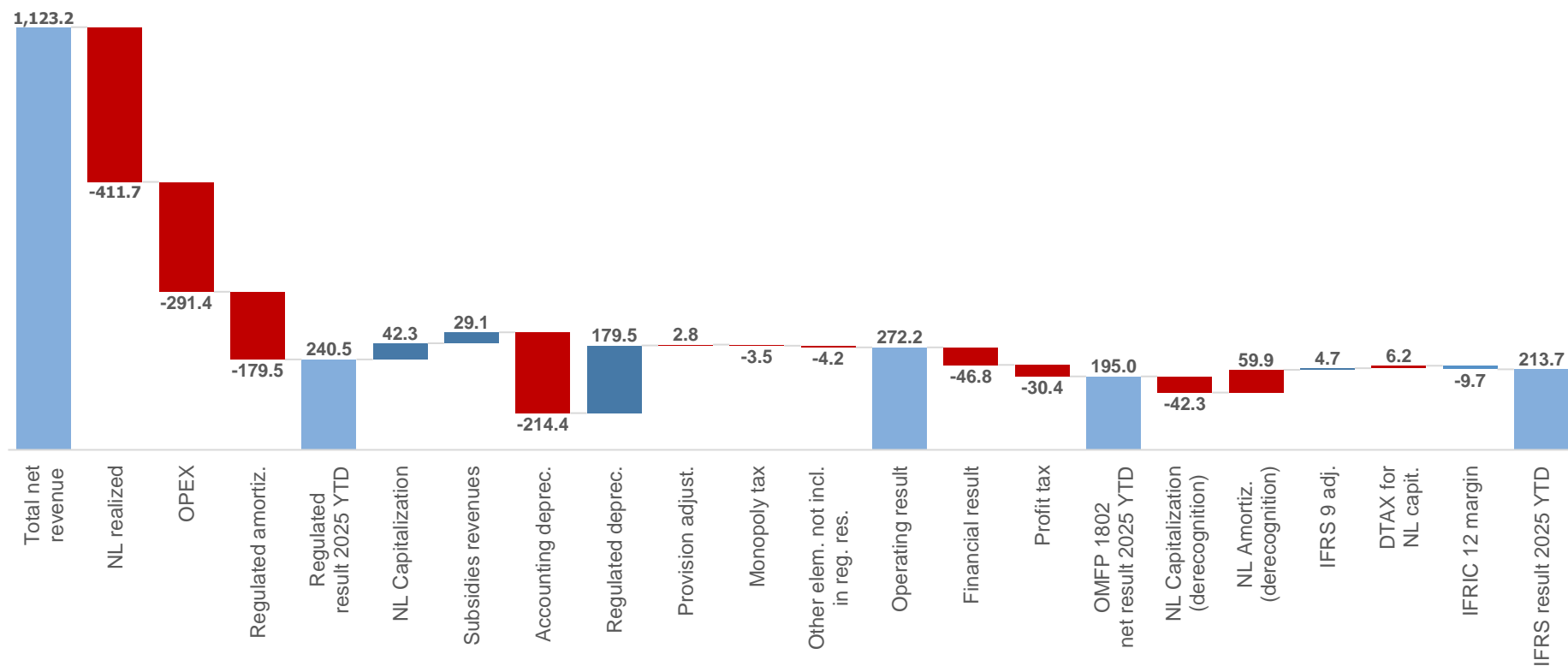
Net result for the period

As a result of the above described factors, in the three months period ended 31 March 2025 net profit increased by RON 68.0 mn., reaching RON 195.7 mn., up from RON 127.7 mn. in the comparative period.

Figure 10: Net result and Net result margin for Q1 2025 and comparative information (RON mn. and %)

Source: Electrica

Figure 11: Regulated net result - OMFP 1802/2014 – IFRS(EU) for the distribution segment in Q1 2025 (RON mn.)



The positive regulatory result of RON 241 mn. does not include the effect of capitalization of the negative NL cost variance - in realized values this was RON 42 mn., determined for the amount of NL realized in the first three months of 2025.

6. Financial position IFRS- EU

The following table presents the consolidated statement of the financial position (amounts in RON mn.):

Table 9. Financial position (RON mn.)

RON mn.	31 March 2025	31 December 2024 (audited)	Variation (abs.)
ASSETS			
Non-current assets			
Intangible assets related to concession agreements	6,748.4	6,678.2	70.1
Other intangible assets	32.0	31.3	0.7
Goodwill	49.8	49.8	-
Property, plant and equipment	750.2	736.9	13.3
Investments in associates	0.0	0.0	-
Other investments	7.0	7.0	-
Deferred tax assets	91.0	84.6	6.4
Other non-current assets	2.8	4.4	(1.6)
Right of use assets	45.8	39.4	6.4
Total non-current assets	7,726.9	7,631.7	95.3
Current assets			
Trade receivables	3,599.2	3,675.7	(76.5)
Other receivables	89.5	74.7	14.8
Cash and cash equivalents	884.6	454.5	430.2
Subsidies receivables	2,398.6	1,976.7	421.9
Inventories	76.8	111.9	(35.1)
Prepayments	24.0	5.1	19.0
Current income tax receivable	7.8	8.9	(1.1)
Assets held for sale	0.3	0.3	-
Total current assets	7,081.0	6,307.7	773.3
Total assets	14,807.9	13,939.4	868.5
EQUITY AND LIABILITIES			
Equity			
Share capital	3,395.5	3,395.5	-
Share premium	103.0	103.0	-
Treasury shares reserves	-	-	-
Pre-paid capital contributions in kind from shareholders	0.0	0,0	-
Revaluation reserve	148.4	150.3	(1.9)
Legal reserves	490.8	490.8	-
Retained earnings	1,758.4	1,561.3	197.1
Total equity attributable to shareholders of the Company	5,896.2	5,701.0	195.2
Non-controlling interests	0.0	(0,0)	-
Total equity attributable to shareholders of the Company	5,896.2	5,701.0	195.2

RON mn.	31 March 2025	31 December 2024 (audited)	Variation (abs.)
Liabilities			
Non-current liabilities			
Lease liability – long term	35.6	34.4	1.3
Deferred tax liabilities	140.5	128.2	12.3
Employee benefits	162.7	162.7	-
Other liabilities	33.8	45.7	(11.9)
Long-term bank borrowings	3,001.4	1,824.5	1,176.9
Total non-current liabilities	3,373.9	2,195.4	1,178.5
Current liabilities			
Lease liability – short term	14.5	7.4	7.1
Bank overdrafts	1,897.4	2,490.6	(593.2)
Trade payables	1,249.4	1,146.4	103.0
Other payables	1,598.9	1,585.9	13.1
Deferred revenue	1.9	6.6	(4.8)
Employee benefits	116.0	150.9	(34.9)
Provisions	75.4	75.9	(0.5)
Current income tax liability	44.7	13.5	31.2
Current portion of long-term bank borrowings	539.7	565.8	(26.1)
Total current liabilities	5,537.9	6,043.0	(505.2)
Total liabilities	8,911.8	8,238.4	673.3
Total equity and liabilities	14,807.9	13,939.4	868.5

Source: Electrica

The materiality threshold established internally at Group level in the analysis of the main indicators (below) is RON 23.0 mn., representing 5% of EBITDA.

Non-current assets

The non-current assets increased by RON 95.3 mn. in 2025, from RON 7,631.7 mn. as of 31 December 2024, to RON 7,726.9 mn. at 31 March 2025, this variation being mainly the effect of:

- an increase of RON 70.1 mn. in network investments made by the distribution subsidiaries;
- the increase by RON 13.3 mn. of tangible fixed assets, mainly due to the development of renewable energy production parks (investment works in progress);

Current assets

In 2025, current assets increased by RON 773.3 mn. compared to 31 December 2024, from RON 6,307.7 mn. to RON 7,081.0 mn., this evolution is mainly due to the increase in the balance of subsidies receivable as at 31 March 2025 by RON 421.9 mn. compared to 31 December 2024, the increase in cash and cash equivalents by RON 430.2 mn., effect mitigated by the decrease of RON 76.5 mn. in trade receivables and the decrease of RON 35.1 mn. in inventories.

Trade receivables

Trade receivables mainly include unpaid invoices issued up to the reporting date for the supply and distribution of electricity and services, penalties for late payment and estimated receivables related to electricity delivered and services rendered up to the year-end, but invoiced after the year-end.

Trade receivables decreased by RON 76.5 mn. in 2025, from RON 3,675.7 mn. to RON 3,599.2 mn. at 31 March 2025.

Cash and cash equivalents

Cash and cash equivalents include cash balances, demand deposits and current accounts with banks.

The value of cash and cash equivalents increased by RON 430.2 mn., from RON 454.5 mn. at 31 December 2024 to RON 884.6 mn. at 31 March 2025.

Table 10. Cash and cash equivalents

(mn. RON)	31 March 2025	31 December 2024
Current accounts	284.6	330.1
Deposits	599.4	123.9
Cash	0.6	0.5
Total cash and cash equivalents	884.6	454.5

Source: Electrica

Non-current liabilities

Long-term liabilities increased from RON 2,195.4 mn. at 31 December 2024 to RON 3,373.9 mn. at 31 March 2025.

This evolution is a net effect of the change in the main categories of long-term debt, the most significant of which is the increase in the balances of long-term loans of the distribution subsidiary (Investment Credit granted by the European Investment Bank "EIB") which made in Q1 2025 another 2 drawdowns compared to the end of the year amounting to RON 1,070.3 mn.

Current liabilities

In the first 3 months of 2025, current liabilities decreased by RON 505.2 mn. to RON 5,537.9 mn. from RON 6,043.0 mn. at the end of 2024, mainly as a result of the evolution of the categories listed below.

Overdrafts

Overdrafts decreased by RON 593.2 mn. in the first 3 months of 2025 from RON 2,490.7 mn. at 31 December 2024 to RON 1,897.4 mn. at 31 March 2025 due to the use of the drawdown of the loan with EIB, refinancing part of the amounts used from other lines for investment projects.

Trade payables

At 31 March 2025, trade payables increased by approximately RON 103.0 mn. to RON 1,249.4 mn. from RON 1,146.4 mn. at 31 December 2024.

7. The regulatory framework perspective and the impact on the energy market

Distribution segment

For the distribution segment, the significant changes in the Romanian legislation were detailed in *chapter 2.2 Applicable regulatory framework* and in *Annex A.9.2.1* of this report.

In 2022, according to the Government's emergency ordinance (OUG) no. 119/2022, the additional costs for the purchase of electricity (determined as the difference between the realized costs and the costs included in the approved distribution tariffs), realized between 01 January 2022 and 31 August 2023, in order to cover the NL, compared to the costs included in the tariffs regulated (and not only loans), are capitalized quarterly and remunerated with 50% of the regulated rate of return (RRR) approved by ANRE, applicable during the amortization period of the respective costs and are recognized as a distinct component in the regulated tariffs, called the component related to additional costs with NL. Also, ANRE developed the Methodological Norms regarding the recognition in tariffs of the additional costs with the purchase of electricity to cover the own technological consumption compared to the costs included in the regulated tariffs, with the aim of establishing the way of substantiating the additional costs with the purchase of electricity for NL coverage as well as the conditions for their recognition in the regulated income on the basis of which the distribution tariffs are established.

According to Emergency Ordinance no. 153/2022, between 1 January 2023 and 31 March 2025, the mechanism for the centralized purchase of electricity is established, with OPCOM being designated as the sole purchaser. The distribution operators ("DO") will buy from OPCOM through an annual/monthly mechanism 75% of the quantity forecast and validated by ANRE at the price of 450 lei/MWh, and the producers will sell to OPCOM through an annual/monthly mechanism 80% of the quantity forecasted and validated by ANRE and Transelectrica at the price of 450 lei/MWh.

Emergency Ordinance no. 32/2024, GEO no. 27/2022, so that MACEE was functional only until December 31, 2024.

The methodology for setting distribution tariffs approved by ANRE Order no. 67/2024, establishes the regulatory framework for the fifth regulatory period (PR5) and the method of establishing the regulated revenues and the rentability of the distribution subsidiary's assets. The regulated revenues of the DSO consist of: (i) non-NL revenues that are recovered through the tariffs applied to consumers and (ii) NL revenues that are recovered from both consumers and electricity producers.

For RP5, the approved RRR value is 6.94%, with the following incentives or penalties and RRR reductions being granted:

- Incentives of 1.0% for grid investments exceeding 85% of the regulated depreciation, 0.5% for grid investments financed from non-reimbursable EU funds and 0.5% depending on the level of performance achieved by the DSO regarding the development of a smart grid that promotes energy efficiency and the integration of energy produced from renewable sources, in relation to the values of a set of indicators that will be approved according to a methodology developed by ANRE;
- Penalty of 0.5% correlated with the performance of the smart grid;
- Reduction of 2% for buildings and facilities that do not contribute to the improvement of the RED.

Supply segment

Supply segment will focus on diversifying its activity through offers and services adapted to customer needs, on operational efficiency through optimized electricity sales and purchase processes and on orientation towards

customers and maximizing their satisfaction. The aim is to increase the supply segment, offer value-added solutions (products and services) and specific operations and processes digitalization.

Please consider that other factors that are not available at the date of this report (e.g. regulations and legislation in process of being amended) or that have not been presented above, or that have not been taken into account by the Group, may appear and can have a significant impact on Group's strategy implementation and evolution.

The regulatory framework has undergone significant changes in the last decade, including liberalization of electricity and natural gas markets, supply and distribution activities separation, support scheme implementation for renewable energy, electricity prosumers support and price capping for end customers.

In 2025 the price was set by suppliers through free market mechanisms, both for universal service offers and for offers related to competitive market, in compliance with price capping rules on invoicing.

Regarding last-resort electricity and natural gas supply, a monthly rotation system was introduced for SoLR nomination, which automatically accepts customers from all areas of the country. For this purpose, SoLR list is established according to the market share, each SoLR on the list being nominated in turn, monthly, to automatically take over the customers left without a supplier.

Thus, during the first quarter of 2025, Electrica Furnizare was nominated electricity and natural gas supplier of last resort. In January 2025.

Evolution of acquisition costs

First quarter of 2025 was characterized by low liquidity in the wholesale market generated by the low number of offers for sale, reluctance to conclude long-term contracts, amid legislative uncertainty regarding the extension or modification of the capping scheme after April 1, 2025.

GEO no. 6/27.02.2025 introduced specific measures to protect final electricity and natural gas customers, such as the extension of the price cap period for:

- electricity: April 1, 2025 – June 30, 2025;
- natural gas: April 1, 2025 – March 31, 2026.

The geopolitical context continues to have an important impact in uncertainty and volatility of the trading price evolution.

The trading price in the DAM during the evening peak hours recorded values of over RON 1,000/MWh, the maximum recorded being in January, respectively RON 3,001.98/MWh. The causes that led to this price increase were: the reduction of the volumes offered and the increase in electricity consumption. Electricity production decreased by about 14% compared to the same period last year and, to compensate for the shortfall in domestic production, Romania had to import energy by 1,335 GWh more than the 1st quarter of 2024.

The average trading price of energy in the DAM in Q1 2025 was RON 664.57/MWh, up by approximately 81% compared to the average price recorded in 2024, respectively RON 366.53/MWh.

Starting with March 2025, on days with low consumption (Sundays or public holidays) and high production from renewable sources, there were intervals with negative trading price in the DAM.

For natural gas, the average trading price in the DAM doubled in the first quarter of 2025, respectively RON 273.10/MWh, compared to the similar period of 2024, when the price was RON 136.22/MWh.

In the BM, the resulting cost for the first month of 2025 is approximately RON 22/MWh. By GEO no. 6/2025, starting with 01.04.2025, a supplier is recognized the equivalent value of the imbalance in the settlement process of the capping scheme in a percentage of 10% (compared to 5%, previously) of the equivalent value of the electricity purchased through all forward contracts and from the SPOT markets.

From the analyses carried out, it resulted that these costs are largely generated by the created and unrecognized imbalances of prosumers. Factors such as the rapid development of the prosumer segment, the lack of historical data for making a forecast based on mathematical models, the absence of real-time measurement data, have a significant impact on the estimation of imbalances..

It is difficult to estimate the evolution of the wholesale electricity and natural gas market in the coming period. Price volatility continues to be very high, amid geopolitical tensions, the increase in renewable energy production without major investments in storage capacities, but also the maintenance of low consumer demand, which is why prices are expected to have a similar dynamic to that recorded during 2024.

Impact on customers

The impact on customers in the dynamic national and international context:

- Accelerating and optimizing the implemented digitalization and developing synergies with the national supplier change platform, by adapting and homogenizing processes to optimize the relationship with customers;
- Adapting to domestic and international context of energy market, resulting from energy supply fluctuations, by granting support schemes for renewable energy;
- Maximizing the results obtained from the development of partnership relations in the dynamic context created by liberalization, after the support scheme by granting caps expires.

Energy services segment

The Group's portfolio also includes the energy services segment (equipment maintenance, repairs and other additional services related to the network), performed almost entirely for the distribution companies outside the Group.

Electrica Serv will multiply the efforts to develop the market for "green energy" generation solutions – photovoltaic power plants and reactive energy compensators – by strengthening the partnership with EFSA in finding solutions and opportunities for efficiency for customers, by mounting photovoltaic panels and reactive energy compensators, intelligent lighting solutions, backup power, smart metering.

The main objectives of the SERV for the next period are:

- Expanding the activity on the service market outside ELSA group and consolidating in the business lines the new activities simultaneously with reactivating the old activities for which there is accumulated experience;
- Adapting the business and staff structure to streamline the activity and compensate for the losses suffered in the last fiscal years;
- Strengthening the current financial situation and reinvesting resources for the company's development in new directions of development.

The IT&C perspective

For the first quarter of 2025, building on the objectives outlined in the Digitization Strategy approved in 2022, the Group continued to advance its digital transformation journey by accelerating the integration of artificial intelligence (AI) and expanding digitization initiatives across business functions. These efforts have already started to deliver significant benefits, enhancing operational efficiency, decision-making processes, and overall organizational agility.

The application of AI technologies across various operational and support functions has enabled real-time data analysis, predictive insights, and automated workflows, contributing to the optimization of internal processes and the improvement of customer-facing services. Key areas of AI integration include customer service automation, intelligent document processing, fraud detection, and supply chain optimization.

To further institutionalize innovation, the Group has strengthened its Innovation and Emerging Technologies Lab, focusing on the exploration and pilot implementation of cutting-edge solutions such as AI-powered analytics, machine learning models, and smart automation tools. These initiatives aim to drive innovation at scale, boosting competitiveness and positioning the organization as a tech-forward leader in its industry.

Given the increasing complexity of digital ecosystems and the rising number of cyber threats, the Group has also prioritized cybersecurity resilience. Investments have been made in next-generation security platforms, along with the launch of comprehensive training and awareness programs to foster a strong culture of cybersecurity across the organization.

Beyond enhancing IT&C infrastructure, the Group remains committed to developing digital-first customer experiences, offering personalized, flexible, and responsive services. By leveraging digitization and AI, the organization is better positioned to anticipate market trends, adapt to dynamic customer expectations, and sustain long-term growth in a rapidly evolving digital environment.

8. Statements

Based on the best available information, we confirm that the interim condensed consolidated financial statements for the three month period ended 31 March 2025 prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU"), provides an accurate and real image regarding the Electrica Group's financial position, the financial performance and the cash flows, as required by the applicable accounting standards, and that this Report, prepared in accordance with art. 67 of the law no. 24/2017 on issuers of financial instruments and market operations and to annex no. 13 to ASF Regulation no. 5/2018 for the three months period ended 31 March 2025, comprises accurate and real information regarding the Group's development and performance.

Chair of the Board of Directors,
Mihai DIACONU

Chief Executive Officer,
Alexandru-Aurelian CHIRITA

Chief Financial Officer,
Stefan Alexandru FRANGULEA

9. Appendix

9.1. Appendix 1 - Economic and financial indicators of Electrica Group as of 31 March 2025 according to Annex 13/ASF Regulation no. 5/2018

Indicator	Formula	Value
Current liquidity ratio	Current assets/Current liabilities	1.28
Capital Gearing Ratio	Debt/Equity * 100	60.7%
	Debt/Employed Capital * 100	37.8%
Trade receivables turnover	Average balance trade receivables/ Turnover * 270	129 days
Non-current asset turnover ratio	Turnover/Non-current assets	0.33

9.2. Appendix 2 - Applicable legal framework - issued in 2025

A.9.2.1 Distribution segment

ANRE has issued documents for the regulatory framework that requires additional efforts from distribution operators in order to comply with the new requirements:

2025

a) Primary legislation:

- **Order no. 97/20.12.2024 on the approval of the specific tariffs for the electricity distribution service and the price for reactive electricity, valid from January 1, 2025, for DEER, as well as the values of the investment plans for the fifth regulatory period.** The single distribution tariffs for DEER, applicable on January 1, 2025, have an average increase of 12.5% compared to January 1, 2024.
Annex 1 - Specific TARIFFS for the electricity distribution service practiced by DEER, valid from January 1, 2025
Annex 2 - VALUES of DEER's annual investment plans corresponding to RP5, broken down by financing sources
Annex 3 - Mandatory minimum value for the total investments made from own sources and the mandatory minimum value for investments made in the electricity distribution networks from own sources for each year of RP5, for DEER.
- **ANRE Order no.1/2025 regarding the amendment and completion of the Framework Conditions for the realization of the implementation schedule of smart metering systems for electricity at national level approved by ANRE Order no. 177/2018 with subsequent amendments and additions:**
 - o Completion with new definitions: "MMDC - Multi Meter Data Collector (HES universal)" and "PLC - Power Line Communication";
 - o Replacement of the phrase "users" with the phrase "places of consumption/production and consumption";
 - o Modification concerning communication subsystems by introducing the reference to the components necessary to ensure local or remote access to non-validated consumption data in near real time;
 - o Completion with the obligation for the DO to ensure interoperability at the level of equipment, communication technologies and IT applications integrated in the MIS;
 - o Amendment regarding the provision of information to the user on the integration of the place of consumption/production and consumption into the SMI;
 - o Introduction of provisions concerning the technical conditions to be met by the networks into which the SMIs are to be integrated;
 - o Obligation to draw up an analysis of the results recorded in the reporting period, detailing the specific conditions that determined those results, the problems encountered, the measures to be taken in the following period to overcome the problems encountered;
 - o Introducing the provision that the proposal for modification of the SMI implementation timetable submitted by the DO should be accompanied by a justification memorandum and a cost-benefit analysis, prepared according to a framework structure provided in a newly introduced annex;
 - o Access, on request of users, to historical consumption data and to the provision of data for billing of EE consumption based on the data recorded in the SMI. The periodicity of updating of validated historical metering data validated by users and suppliers has been changed to at least one month. For billing, in the event of data communication failure, a derogation has been provided for accepting the use of estimated consumption data;
 - o Conditions for granting access to non-validated consumption data, in near real time, to users. It provides for granting access to users or third parties authorized by the users, to non-validated consumption data, in near real time and ensuring security and interoperability conditions, as well as the related internal procedures, which the DOs are obliged to draw up and make accessible to interested parties, by publishing them on their own websites;
 - o The obligation of the DOs to integrate in the SMI, as a matter of priority, places of consumption/production and consumption located in areas where notifications have been registered regarding the establishment of energy communities.

2025

Introducing the obligation for the DO to develop and publish an operational procedure for the remote disconnection/reconnection of consumption/production and consumption sites in order to ensure that the process is carried out in conditions of safety and security of the network elements and of the persons at the consumption/production and consumption site. It was also introduced the provision that, for justified situations, the SB may charge costs for disconnection/reconnection of consumption/production and consumption sites integrated in the SMI.

- o amending and supplementing the existing provisions to ensure compliance of the framework conditions with the provisions of Art. 66 paragraphs (5) and (7) of Law 123/2012;
- o introduce provisions to create conditions so that the realized SMIs are able to meet the performance criteria set in terms of reliability and accuracy of transmission and use of measurement and instrumentation data collected and transited through the system elements;
- o increasing the accuracy and relevance of the monitoring of the process of implementation of the SMI by updating the corresponding annexes; the explanations of the monitored indicators and parameters have been detailed; provisions have been introduced for the preparation of annual monitoring reports in a uniform and sufficiently detailed manner to ensure visibility on the progress of the process of implementation of the SMI
- o substantiation of the proposals for modification of the SMI implementation timetable in a unitary manner by introducing Annex no. 6 to the framework conditions, which includes reference framework structures for the preparation of the justifying memoranda and cost-benefit analysis, which substantiate the requests for modification of the SMI implementation timetable;
- o replacing the phrase "users integrated in the MIS" with "places of consumption/production and consumption integrated in the MIS" and rewording the references to integration in the MIS so that it refers to places of consumption/production and consumption; the reference to users is made only in relation to information, rights and obligations;
- o the inclusion of provisions to ensure that users whose places of consumption/production and consumption are integrated in the SMI have access to non-validated consumption data in near real time, in accordance with the provisions of the Law.

ANRE Order no.6/2025 - approval of the Regulation for the granting of licenses and authorizations in the electricity sector

- improving the process of granting/modifying/suspending/withdrawing the authorizations and licenses of economic operators carrying out activities in the field of electricity, by revising the conditions applicable to applicants
- amending the legal provisions regarding the manner of transmission of documents by applicants for authorizations/licenses, in the sense of prioritizing electronic means of communication
- the inclusion of a chapter dedicated to the transfer of energy capacities in which the modalities of realization/exploitation of the energy capacities subject to a transfer are regulated, either as a result of the conclusion of contracts through which the right of ownership/use of these takes place, or as a result of a process of merger/division of the holders of establishment authorizations/licenses
- the inclusion in the Regulation of the situation of modification of the license for the commercial exploitation of energy capacities by including in it some energy capacities over which the applicant may hold the right of provisional exploitation, until the date on which the license holder obtains the definitive exploitation right, in case of transfer of the right of ownership/use over the respective energy capacities.

GEO no. 134/2024 for the amendment of the Energy Law no. 123/2012, and Law no. 220/2008 for establishing the system for promoting the production of E-RES was published in the Official Gazette no. 1179/26.11.2024.

The main changes:

- New definitions are introduced for the storage operator and the storage service provider providing storage services
- Storage facility operators are exempt from paying for transmission, system, distribution, GC and cogeneration contribution

GEO no. 21/2025 for amending and supplementing Title X of Law no. 227/2015 regarding the Fiscal Code, as well as for the modification and completion of some normative acts

The annual construction tax is calculated by applying a rate of 0.5% on the net value of the constructions, for which no building tax/building tax is due according to the provisions of Title IX, existing in the taxpayers' patrimony on December 31 of the previous year/on the last day of the amended fiscal year prior to the one for which the construction tax is due;

Draft Order on the approval of the Methodology for establishing performance indicators in relation to the development of a smart grid to promote energy efficiency and integration of electricity produced from renewable sources – public consultation.

The Methodology proposes:

Establishing a set of indicators to monitor:

- the quality of the electricity distribution/transmission service;
- Integration of renewable electricity generation (E-RES), storage facilities and flexibility services;
- the level of digitization of electricity networks.

The evaluation of the performance of each network operator (RO) is made through a composite performance indicator, determined as a weighted average of the monitored indicators.

2025

The monitoring of the indicators and the determination of the composite performance indicator is done annually, starting with 2027.

In 2024-2025, the composite indicator is determined as a weighted average based on quality indicators, those of integration of production, storage facilities and flexibility services, and the weighting coefficients are equal

For indicators reflecting the degree of digitalisation of networks, it is proposed to set targets to be achieved by DSOs.

The thresholds against which the RRR increases or decreases by 0.5% depending on the value achieved in one year of the composite performance indicator:

- if it is higher than 90%, the RRR is increased by 0.5%;
- if it is less than 70%, RRR is reduced by 0.5%

The draft order for amending and supplementing the Procedure for substantiating and approving the development and investment plans of the RO, approved by ANRE Order no. 98/2022 – public consultation

The draft envisages harmonization with the amendments brought to the RP5 Distribution Tariff Setting Methodology, and the main changes refer to:

- Efficiency of investments – reflected in terms of the benefits brought to the users of the network;
- Elaboration of Development Plans (NDP) with the consultation of relevant users: county councils, local and central public authorities, producers' associations, consumers' associations;
- NDP transparency - publication by the DSO of the expected results to be obtained: the volume of new/modernized/refurbished installations, the increase in network capacity for the integration of consumption and production.
- Investments in endowments - clarifications regarding the classification of endowments (those used in grid have RRR 6.94%, the rest have RRR 4.94%);
- Failure to include in the RAB interest, bank commissions and exchange rate differences related to loans for financing **tangible and** intangible assets put into operation.

Draft ANRE Order on the Methodological Norms regarding the exemption from the payment of the regulated tariffs applied by the RO for stored electricity, extracted from the network, according to GEO 134/2024 – public consultation

ANRE Draft Order for amending, supplementing and repealing some ANRE orders on the electricity market ANRE – public consultation:

Provides for the completion of ANRE regulations on forward electricity markets by introducing the obligation to pay a 30% advance for certain contracts and specifying that the transaction price includes the Tg component without being subsequently adjusted. ANRE Order No. 7/2017 on the publication of contracts is also repealed.

The main provisions:

The obligation to pay in advance of 30% of the total value of the contract for forward transactions that:

- have a delivery start date of more than one month;
- have a delivery duration of at least 3 months;
- applies to both standard contracts and those concluded on flexible product markets (e.g. CMBC-LE-flex) and through Romanian Commodity Exchange;
- is found in all three amended regulations: Order no. 134/2022, Order no. 12/2023 and Order no. 20/2023.

Clarification of the Tg regime (network introduction tariff):

- the price of a transaction will include the Tg component, but will not subsequently change depending on the tariff updates of this component;
- the change is intended to avoid subsequent adjustments to the contract price, to ensure predictability and comparability between markets;

Draft Order amending and supplementing the regulatory framework (ANRE Order no. 59/2013, ANRE Order no. 74/2014, ANRE Order no. 105/2022 and ANRE Order no. 51/2019) regarding the connection of users to the electricity grid of public interest - public consultation

The main provisions:

- Exclusion of automation equipment for operational limitation from the category of reinforcement works, and application of the rules on connection installations to them, including in terms of costs, ownership and maintenance.
- Clarification of the input data used by the RO in the solution studies, in order to ensure a unitary approach at national level.
- Introduction of a maximum term of 2 months for the submission of the proof of the constitution of the guarantee, necessary for the issuance of the ATR, under penalty of closing the connection request.
- Establishment of a term of 10 days for the transmission of the ATR, calculated from the date of communication of the financial guarantee by the user.- Extension from 30 to 45 days of the deadline by which the user must request the conclusion of the CR before the expiry of the ATR,
- Standardization of the deadline for submitting the draft CR to 10 days from the submission of the complete documentation; For contracts with additional clauses, the deadline is 5 days. The parties must finalize the contract by the expiration of the ATR.
- The possibility of including in the CR some documents that can be modified/updated without addenda, except for the essential clauses, which require formal amendments.
- Extension of the CR duration, at the request of the user, with successive periods of 12 months, conditioned by the constitution of a GF of 5% of the TR, which increases by 5% at each extension.

2025

- Rules regarding the connection of the production sites at 110 kV and above, including with regard to the delimitation points, the sharing of costs between users and the right to compensation.
- Extension of the temporary technical conformity certificate (CDCT) for boilers in categories C and D, with successive periods of 3 months each, within the limit of the duration of the trial period provided for in the applicable legislation.

Source: Electrica

A.9.2.2 Supply segment

In 2025, with an impact on the electricity and natural gas supply activity, the following normative acts were adopted:

2025

a) Primary legislation:

- **OUG no. 6/2025** - Emergency Ordinance on the measures applicable to end customers in the electricity market in the period April 1, 2025 - June 30, 2025, respectively the measures applicable to end customers in the natural gas market in the period April 1, 2025 - March 31, 2026, and for amending and supplementing some normative acts in the energy sector:
 - the period of application of the support scheme (of the capping type) is 3 months for electricity respectively April 1, 2025 - June 30, 2025 and one year for natural gas, respectively April 1, 2025 - March 31, 2026.
 - for electricity the final price invoiced is:
 - a) maximum 0,68 lei/kWh VAT included, (for consumption by the following categories of customers: 1.household customers whose monthly consumption is between 0 and 100 kWh inclusive; 2.household customers where people who use medical devices, appliances or equipment powered from the electricity grid, necessary for medical treatment, based on confirmation from the specialist and a request submitted to the supplier; 3. household customers who have at least 3 children up to the age of 18 in their care, on the basis of an application and an affidavit; the age limit is extended up to 26 years if the eldest child is in education; 4. single-parent household customers, who have at least one dependent child up to 18 years of age, on the basis of an application and a declaration on their own responsibility; the age limit is extended up to 26 years in case the major child is in education)
 - b) maximum 0,80 lei/kWh, VAT included, for the consumption realized by household customers whose monthly consumption at the place of consumption is between 100,01 and 255 kWh (electricity consumption between 255 and 300 kWh/month is invoiced at the price of maximum 1,3 lei/kWh, VAT included, and in case the consumption exceeds 300 kWh/month the entire consumption is invoiced at the price of maximum 1,3 lei/kWh);
 - c) maximum 1 leu/kWh, VAT included, for 85% of the monthly consumption realized at the place of consumption for certain categories of consumers (the difference of monthly electricity consumption will be invoiced at the price of maximum 1,3 lei/kWh VAT included, based on the declaration of the legal representative);
 - d) a maximum of 1 leu/kWh, VAT included, for the full consumption of public and private hospitals, public and private educational establishments, as well as nurseries, public and private social service providers;
 - e) a maximum of 1 leu/kWh, VAT included, for 85% of the monthly consumption, realized at the place of consumption, for public institutions, other than those mentioned in lit. d), as well as for those belonging to cults officially recognized in Romania (the difference of monthly electricity consumption is invoiced at the price of maximum 1.3 lei/kWh, VAT included);
 - f) maximum 1.3 lei/kWh, VAT included, for household and non-household consumers who are not covered by lit. a)-e);
 - for natural gas, the final invoiced price is: a) maximum 0,31 lei/kWh, VAT included, in the case of household customers; b) maximum 0,37 lei/kWh, VAT included, in the case of non-household customers whose annual consumption of natural gas realized in the previous year at the place of consumption is no more than 50. 000 MWh, as well as in the case of thermal energy producers and non-household customers within the industrial parks regulated by Law no. 186/2013 on the establishment and operation of industrial parks, as amended and supplemented, as well as those within the closed distribution systems defined according to Law no. 123/2012, as amended and supplemented.
 - the price of the standard offers elaborated and published by the electricity/natural gas suppliers, cannot exceed the value of the final invoiced price capped; the standard offers for the period July 1, 2025 - June 30, 2026 can be elaborated and published only if there is a 50% of the purchase realized for the offered period, with the obligation to mention the supply component separately;
 - final customers' declarations on the capped final price submitted to suppliers under the provisions of GEO 27/2022 remain in force;
 - CfD has been included in the final price cap;
 - the application of the minimum between the contractual price, the capped price and the price resulting from the application of the GEO remains in force;
 - regarding the purchase of electricity: the percentage of recognition for imbalances increases from 5% to 10% value/cost and without limitation for FUI; the limit of the recognized purchase price is maintained, i.e. 700 lei/MWh; directly negotiated bilateral contracts are reported to ANRE within 2 working days from the date of conclusion;
 - settlement requests are submitted prior to uploading the data on the ANRE portal related to the price cap; 40% of the amount related to the settlement requests is settled within 10 days from the transfer of the amounts by the MF to the ME and ANPIS accounts (this is not a payment term controllable by the supplier)
 - the supplier will notify the customers in its own portfolio of the changes resulting from the application of the provisions of the GEO with the first invoice sent after its entry into force;
 - failure by operators to comply with the prescribed deadlines, i.e. the deadline for rectifying the data uploaded to the IT platform and for resubmission of settlement requests and/or self-declarations, constitutes a contravention and is punishable by a fine of between 25,000 lei and 50,000 lei;- amend GEO no. 27 (in force) as follows: for the period April-August 2022, the final

deadline for entering the data required for the settlement of the amounts from the state budget or, as the case may be, for the regularization of the amounts settled from the state budget is April 30, 2025; for the period September 2022-August 2023, the final deadline for entering the data required for the settlement of the amounts from the state budget or, as the case may be, for the regularization of the amounts settled from the state budget is April 30, 2025;

- the Law on Electricity and Natural Gas Law No. 123/2012 is amended: generators are obliged to trade at least 50% of their annual electricity production through contracts on electricity markets other than PZU, PI and PE. Exempted from this provision are generators that have in their portfolio only generation capacity from wind, photovoltaic, micro-hydropower plants that benefit from the support scheme through green certificates, as well as cogeneration capacity. OPCOM is obliged to publish daily reference prices, closing prices and traded volumes.
- for natural gas: stock of at least 90% of the underground storage capacity plus the obligation of natural gas producers to deliver at 120 lei/MWh for suppliers/PET/direct customers, with priority order: storage, consumption by domestic customers, PET consumption only for the population.

GEO no. 19/2025 - Emergency Ordinance on amending and supplementing some normative acts

- OUG no. 6/2025 is supplemented by broadening the scope of application and including university education (maximum 1 leu/kWh, VAT included, for the full consumption of state, private and private denominational higher education institutions provided for by art. 7 of the Law on Higher Education no. 199/2023, with subsequent amendments and additions).

GEO no. 20/2025 - Urgency Ordinance on the establishment of a state aid scheme regarding the exemption of certain categories of final consumers from the application of Law no. 220/2008 for the establishment of the system for the promotion of energy production from renewable energy sources

-is approved the establishment of a state aid scheme, with the objective of exempting from the obligation to purchase green certificates (GC), according to the provisions of Law no. 220/2008 for establishing the system for the promotion of energy production from renewable energy sources, a percentage of the amount of electricity delivered to energy intensive industrial consumers, in compliance with the European Union legislation in the field;

-the authority responsible for administering the state aid scheme is the Ministry of Energy; the state aid scheme applies until December 31, 2031; the total budget of the scheme is the equivalent in lei of EUR 578.4 million, and the annual amount of state aid granted will not exceed EUR 150 million each year;

-beneficiaries of state aid shall notify the annual exemption agreement issued by the Ministry of Energy to ANRE and to the electricity suppliers with which they have concluded electricity sale-purchase contracts, within 5 working days from the date of its receipt. Based on the annual exemption agreement received from its customer, the supplier is exempted from the obligation to purchase a number of green certificates corresponding to the quantity of electricity delivered to its customer, starting with the month immediately following the month in which the notification was sent;

Order of the Minister of Energy no. 319/2025 - for the amendment of art. 1, para. (7), lit. b) of the Annex to the Order of the Minister of Energy no. 1.120/2024 on the approval of the State Aid Scheme in the form of contracts for the difference for the production of electricity from renewable sources of onshore wind and solar photovoltaic energy

- Change the capacities for the 2nd CfD auction from 3.500 MW installed capacity (of which 1.500MW offshore wind and 2.000MW solar) to 3.472MW (of which 2.000MW offshore wind and 1.472MW solar).

ANPC President's Order no. 273/2025 - Order of the President of the National Authority for Consumer Protection for the approval of the Procedure for establishing and applying the turnover penalty resulting from the control activity, in accordance with the provisions of Government Emergency Ordinance no. 6/2025 on the measures applicable to end customers in the electricity market in the period April 1, 2025 - June 30, 2025, respectively the measures applicable to end customers in the natural gas market in the period April 1, 2025 - March 31, 2026, as well as for amending and supplementing some normative acts in the energy sector

- The Procedure for the establishment and application of the turnover penalty resulting from the control activity, in accordance with the provisions of Government Emergency Ordinance no. 6/2025 on the measures applicable to final customers in the electricity market in the period April 1, 2025 - June 30, 2025, respectively the measures applicable to final customers in the natural gas market in the period April 1, 2025 - March 31, 2026, as well as for the amendment and completion of some normative acts in the energy sector, as set out in the Annex which is an integral part of this Order, is hereby approved.

Order of the Minister of Energy no. 348/2025 - Order of the Minister of Energy for the amendment of the Applicant's Guide - Specific conditions for accessing financing from the Modernization Fund - Supporting investments in new capacities for producing electricity from renewable energy sources for self-consumption for public entities, approved by Order of the Minister of Energy no. 1.431/2023.

Order of the Minister of Energy no. 371/2025 - Order of the Minister of Energy for the amendment of the State Aid Scheme for supporting investments in new capacities for the production of electricity from renewable energy sources for self-consumption, related to the Modernization Fund, approved by Order of the Minister of Energy no. 355/2024.

b) secondary legislation

- **ANRE Order no. 1/2025** - Order amending and supplementing the Framework Conditions for the realization of the implementation schedule of smart metering systems for electricity at national level, approved by Order of the President of the National Energy Regulatory Authority no. 177/2018.
 - DOs and electricity suppliers have the obligation to inform the user about the integration of the place of consumption in the SMI and about the new conditions determined by the integration of the place of consumption, related to the electricity supply and distribution services; the information is realized by sending the Annex no. 7 "Specific conditions of the place of consumption/production and consumption integrated in the smart metering system", by the supplier with which the user of the place of consumption/production and consumption has an electricity supply contract in force; the transmission of the annex is made together with the first invoice for the electricity consumption issued after the supplier receives the situation of the place of consumption/production and consumption.
- **ANRE Order no. 2/2025** - Order regarding the establishment of the mandatory quota for the purchase of green certificates, for the year 2024.
 - The mandatory quota for the purchase of green certificates by the economic operators that have the obligation to purchase green certificates for the year 2024 is set at 0.496 green certificates/MWh (compared to 0.4944765 CV/MWh estimated quota for 2024 and 0.4946974 CV/MWh mandatory quota for 2023);
 - enters into force on March 1, 2025.
- **ANRE Order no. 5/2025 - Order amending the Order of the President of the National Energy Regulatory Authority no. 52/2024 on the approval of the Framework Contract between the CfD counterparty and the CfD contribution payer for the collection of the CfD contribution and the Framework Contract between the CfD scheme operator and the CfD counterparty**
 - the CfD counterparty issues the invoice for the payment of the CfD contribution to the CfD contribution payer and forwards it to the CfD contribution payer, by the 22nd of each month for the previous calendar month (modified from the 20th);
- **ANRE Order no. 4/2025 - Order on the amendment and completion of the Methodology for determining and collecting the contribution related to contracts for difference, approved by Order of the President of the National Energy Regulatory Authority no. 51/2024**
 - CfD contribution payers shall transmit to the CfD Counterparty the total amount of electricity invoiced to all consumers served and the total amount of electricity consumed at their own consumption sites, within 10 working days from the beginning of each month (modified from the 10th of each month);
 - CfD contribution payers shall pay the invoices transmitted by the CfD Counterparty, within a maximum of 6 days of their receipt, but not later than the last day of the month following the month of consumption (modified from a maximum of 7 days).
- **ANRE Order no. 6/2025 - Order on the approval of the Regulation for granting licenses and authorizations in the electricity sector**
 - The Regulation for granting licenses and authorizations in the electricity sector is approved (applications for granting/modification/suspension/withdrawal of licenses and authorizations submitted to ANRE and not finalized before the entry into force of this Order shall be considered in accordance with the provisions of the new Regulation).
- **ANRE Order no. 9/2025 - Order for the amendment of the Regulation on the terms and conditions for parties responsible for balancing, approved by Order of the President of the National Energy Regulatory Authority no. 127/2021**

- the Regulation on the terms and conditions for the parties responsible for balancing is amended, respectively the formulas for the determination of imbalances, the deadlines for the transmission of information between economic operators, the methodology for the final calculation of the settlement of the electricity market are amended.
- **ANRE Order no. 10/2025 - Order on the approval of the contribution for contracts for difference (CfD)**
 - the contribution for Contracts for Difference (CfD) totaling 0.000206 lei/kWh, excluding VAT;
 - the Order shall enter into force on April 1, 2025.
- **ANRE Order no. 11/2025 - Order amending and supplementing the Order of the President of the National Energy Regulatory Authority no. 91/2022 for the approval of the Regulation on the last resort supply of electricity**
 - the FUI Regulation is amended (the Regulation establishes the procedure for the designation by ANRE of the suppliers of last resort of electricity, the conditions for the performance and termination of the activity of electricity supply of last resort, the manner of establishing the price applied by the suppliers of last resort to the customers taken over, as well as the procedure for taking over the consumption sites of final customers who have not ensured the supply of electricity from any other source);
 - amend the definitions for: Nomination list of FUI - List containing the nominated FUI for each month within the Rotation Period, Rotation Period - Period consisting of a number of consecutive calendar months equal to the number of nominated FUIs, in which each FUI is nominated for one month only;
 - for each rotation period, the ANRE publishes the FUI Nomination List whereby each FUI is allocated a calendar month in which it is obliged to take over the consumption sites; the FUI Nomination List is published by the ANRE on its own website at least 5 days before the beginning of a rotation period; in the event that, during a rotation period, the ANRE nominates a new FUI, it will be included on the last position in the Nomination List;
 - the provisions regarding the invoicing of electricity consumption by the FUI are amended (within a maximum of 10 working days from the communication of the imbalances determined on the basis of the measured and approved values related to a calendar month, the FUI issues an invoice for the electricity consumption realized in the respective month);
 - the provisions of the framework contract are amended (the clauses in the electricity supply contracts concluded under the framework contract for the supply of electricity to end customers taken over by the supplier of last resort that are contrary to the provisions of the Framework contract for the supply of electricity to end customers taken over by the supplier of last resort, approved by ANRE Order no. 91/2022 for the approval of the FUI Regulation with the amendments and additions made by this Order, shall be amended by law from the date of entry into force of this Order, except for the provisions relating to the duration of the contract);
 - for non-household final customers with a power of more than 1 MVA/consumption site, the obligation of the FUI to ensure the supply of electricity under the UI regime is 3 months from the date of takeover (reduced from 6 months);
 - at any time during the period in which the FUI ensures the supply of electricity under the UI regime, it may submit to the taken over customers offers for the supply of electricity under the competitive regime;
 - the provisions on the financial guarantee are amended (the final customer may waive the obligation to provide a financial guarantee by making a monthly advance payment);
 - in all situations of taking over of consumption sites, FA, FUI, OD and OTS have the obligation to transmit through POSF the specific messages corresponding to each action; the deadlines that apply in the process of changing the supplier will be those provided in ANRE Order no. 3/2022 for the approval of the Regulation - POSF;
 - the order enters into force on April 1, 2025.
- **ANRE Order no. 12/2025 - Order on the takeover by electricity suppliers of the electricity produced and delivered into the electricity grid by prosumers who own renewable energy power plants with installed electrical capacity of not more than 200 kW per consumption site and who benefit from the quantitative compensation mechanism provided for in art. (3) of the Law on Electricity and Natural Gas No 123/2012, in the period from April 1 to June 30, 2025.**
- **ANRE Order no. 13/2025 - Order amending and supplementing the Regulation on last resort supply of natural gas, approved by Order of the President of the National Energy Regulatory Authority no. 173/2020.**

Source: Electrica

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Glossary

ANRE	Romanian Energy Regulatory Authority
BoD	Board of Directors
BPM	Balancing Market
BRP	Balance Responsible Party
BSE	Bucharest Stock Exchange
CAPEX	Capital Expenditure
CfD	Contract for Difference
CGC	Corporate Governance Code
CMBC (EA/CN)	Centralized Market for Bilateral Contracts (Extended Auction/Continuous Negotiation)
CMC	Competitive Market Component
CMNG-AN	Centralized Market for Bilateral Natural Gas Contracts – Auction and Negotiation
CMNG-PA	Centralized Market for Bilateral Natural Gas Contracts – Public Auction
CMNG – OTC	Centralized Market for Bilateral Natural Gas Contracts – OTC
CMUS	Centralized Market for Universal Service
CNTEE	The National Transmission System Operator
DAM	Day Ahead Market
DAM-NG	Day Ahead Market – Natural Gas
DEER	Distributie Energie Electrica Romania
DSO	Distribution System Operator
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortization
EDN	Electrical Distribution Network
ELSA	Electrica S.A.
EGMS	Extraordinary General Meeting of Shareholders
ETN	Electrical Transport Network
EU	European Union
EUR	EURO, the monetary unit of several member states of the European Union
FPM-LT	Medium and Long Term Flexible Products Market
GC	Green Certificates
GDP	Gross Domestic Product

GDR	Global Depositary Receipts
GEO	Government Emergency Ordinance
GMS	General Meeting of Shareholders
HV	High Voltage
IAS	International Accounting Standard
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standard
IM-NG	Intraday Market for Natural Gas
IPO	Initial Public Offering
IR	Investor Relations
ISIN	International Securities Identification Number
KPI	Key Performance Indicators
kV	KiloVolt
LR	Last Resort
LV	Low Voltage
MACEE	Centralized Electricity Acquisition Mechanism (CEAM)
MV	Medium Voltage
MVA	Mega Volt Ampere
MWh	MegaWatt hour
MKP	Management Key Position
NAFA	National Agency for Fiscal Administration
NES	National Energy System
NL	Network Losses
NO	Network Operator
NRC	Nomination and Remuneration Committee
OMPF	Order of Ministry of Public Finances
OGMS	Ordinary General Meeting of Shareholders
OHL	Overhead Line
OHS	Occupational Health and Safety
OPCOM	Romanian Gas and Electricity market operator
PP	Percentage points
RAB	Regulated Asset Base

REMIT	Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency
RM	Retail Market
RON	Romanian monetary unit
RRR	Regulated Rate of Return
SAD	Distribution Automation System
SCADA	Supervisory Control And Data Acquisition
SDMN	Societatea de Distributie a Energiei Electrice Muntenia Nord
SDTN	Societatea de Distributie a Energiei Electrice Transilvania Nord
SDTS	Societatea de Distributie a Energiei Electrice Transilvania Sud
SEM	Servicii Energetice Muntenia SA
SEO	Servicii Energetice Oltenia SA
SoLR	Supplier of last resort
TAC	Technical Approval for Connection
TWh	TeraWatt hour
TSO	Transmission and system operator
UGC	Underground cables
UM	Unit of Measurement
US	Universal Service
VAT	Value Added Tax