

**To: Bucharest Stock Exchange - Regulated Markets Issuers Operations Department  
Financial Supervisory Authority - Directorate General for Supervision - Issuers Department**

**Statement in accordance with Law 24/2017, ASF Regulation no. 5/2018 and the BVB Code**

Report date: **August 14, 2025**

Name of the issuing entity: **NPG TRANSELECTRICA SA, a Dual-Tier Company**

Head office: Bucharest, Str. Olteni nr. 2-4, district 3

Phone/fax number: 021 30 35 611/021 30 35 610

Sole reg. no.: 13328043

Trade register number: J2000008060404

Subscribed and paid-up share capital: 733,031,420 RON

LEI code: 254900OLXCOUQC90M036

The regulated market on which the issued securities are traded: Bucharest Stock Exchange

**Material event to report:**

**Summary of financial results for the first half year 2025**

**Reporting includes:**

- Unaudited Interim Simplified Separate Financial Statements as at June 30, 2025
- Unaudited Consolidated Interim Simplified Financial Statements as at June 30, 2025 in accordance with OMFP 2844/2016
- Unaudited Consolidated Interim Simplified Financial Statements as at June 30, 2025 in accordance with IFRS-EU
- Report on the activity of CNTEE "Transelectrica" S.A. in the period January-June 2025
- Consolidated half-yearly report for H1 2025

**The segment of activities with profit allowed** recorded a result in the amount of RON 218 million in H1 2025, down by RON 99 million compared to the result in the amount of RON 317 million realised in H1 2024, as operating revenues decreased by RON 54 million and operating expenses (including depreciation and amortisation) increased by RON 45 million.

The decrease in operating revenues (RON 1,151 million at 30 June 2025 compared to RON 1,205 million at 30 June 2024) was mainly influenced by the decrease of RON 44 million in revenues from OTC transactions, the decrease in conjunctural revenues from breakdown aid (- RON 60 million) and OTC capitalisation (- RON 23 million).

Transmission and other energy market revenues recorded an increase of RON 73 million, respectively from RON 1,046 million in H1 2024 to RON 1,119 million in H1 2025, mainly influenced by the increase in the quantity of electricity and the tariff approved by ANRE, which led to an appreciation of regulated tariff revenues by RON 124 million (+16%) compared to the same period of the previous year.

The revenues from the allocation of interconnection capacity (RON +49 million) also increased, reaching RON 151 million in the period from January to June 2025 (from RON 102 million in the same period in 2024), an increase influenced by the price formation model based on supply and demand in Hungary and Bulgaria. The implicit allocations, where capacity and energy are provided simultaneously, are strongly influenced by changes in the price of electricity on European exchanges.

The 5% increase in operating expenses, including depreciation (RON 933 million in H1 2025 compared to RON 888 million in H1 2024) was mainly influenced by the increase in RET maintenance and repair expenses, personnel expenses, depreciation and amortisation and expenses related to system operation.

The changes introduced by GEO 32/2024 have led to a gradual exit from the support scheme and a return to competitive market mechanisms. As a result, from 01.01.2025, the energy needed to cover the OTC has been procured in a proportion of around 50% through bilateral contracts, at a higher average price than during the same period in 2024.

The removal of the price-regulated MACEE mechanism, increased consumption and low temperatures in February, and lower hydropower generation have led to increased imports and higher energy prices in short-term markets compared to the same period in 2024.

Thus, the average price of energy purchased from short-term markets between January and June 2025 was higher than the price in H1 2024.

The **zero-profit segment** recorded a positive result at 30 June 2025 in the amount of RON 46 million, compared to H1 2024 (RON -50 million), as revenues/expenses on the balancing market were approximately 2 times lower in H1 2025 compared to H1 2024.

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

Indicators	M.U.	H1 2025	H1 2024	Δ
<b>Financial</b>				
Charged energy volume	[TWh]	25.87	25.40	▲ 1.8%
<b>PROFIT-ALLOWED ACTIVITIES</b>				
Average transmission tariff (achieved)	[RON/MWh]	35.77	31.53	▲ 13%
<b>Total revenue, of which:</b>	<b>[mil RON]</b>	<b>1151</b>	<b>1205</b>	▼ 4%
<i>Regulated transmission tariff income</i>	[mil RON]	925	801	▲ 16%
<i>Interconnection revenues</i>	[mil RON]	151	102	▲ 48%
<i>Income from capitalisation of OTC</i>	[mil RON]	1	24	▼ 96%
<b>Total expenses, of which:</b>	<b>[mil RON]</b>	<b>(741)</b>	<b>(716)</b>	▼ 3%
OTC expenditure	[mil RON]	(288)	(296)	▲ 3%
EBITDA	[mil RON]	410	489	▼ 16%
Depreciation	[mil RON]	(192)	(172)	▼ 12%
<b>EBIT</b>	<b>[mil RON]</b>	<b>218</b>	<b>317</b>	▼ 31%
<b>ZERO PROFIT ACTIVITIES</b>				
<b>EBIT</b>	<b>[mil RON]</b>	<b>46</b>	<b>(50)</b>	▲ n/a
<b>ALL ACTIVITIES</b> (with Profit Allowed and Zero Profit)				
EBIT	[mil RON]	264	267	▼ 1%
<b>Net profit</b>	<b>[mil RON]</b>	<b>256</b>	<b>264</b>	▼ 3%
<b>Operational</b>				
Net internal consumption	[TWh]	26.1	26.3	▼ 1%
Net internal production	[TWh]	23.6	26.2	▼ 10%
Net Export(-)/Import(+)	[TWh]	2.4	0.01	▲ n/a

\*+Income, positive impact (▲), +Expenditure, negative impact (▼)

In the first half of 2025, there is a 1 per cent fall in net internal consumption and a 10 per cent fall in net energy production. As for the decreases in consumption in January (-1.76%), March (-3.71%), May (-2.53%) and June (-9.52%), they show a decreasing trend from one month to the next, as the daily solar radiation interval increases, in other words, with the increase in energy production at the prosumer level, there is a decrease in consumption measured at national level.

For the first half of 2025 as a whole, OTC in the RET decreased by 6% compared to the same period in 2024, mainly as a result of more favourable physical flows on interconnection lines, particularly those on the borders with Ukraine and Hungary, and more favourable weather conditions in January, February, April and June, characterised by lower amounts of precipitation, which led to a reduction in corona losses.

The Report on the Company's activity from January to June 2025, the Interim Separate Financial Statements, the Interim Consolidated Financial Statements prepared in accordance with OMFP 2844/2016 and with IFRS-EU as at 30 June 2025, the Consolidated Half-Year Report for H1 2025, are available as of August 14, 2025 as follows:

- online, on the website [www.transelectrica.ro](https://www.transelectrica.ro/rapoarte-2025), in the Investor Relations section Periodic Reporting/Reports, respectively <https://www.transelectrica.ro/rapoarte-2025>;
- at the Company headquarters: str. Olteni 2-4, district 3, Bucharest.

<b>Ştefanie MUNTEANU</b> Chairman Managing Board	<b>Victor MORARU</b> Member Managing Board	<b>Cătălin-Constantin NADOLU</b> Member Managing Board	<b>Cosmin-Vasile NICULA</b> Member Managing Board	<b>Florin-Cristian TĂTARU</b> Member Managing Board
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**NPG CO. TRANSELECTRICA SA**

**Half-yearly Report**  
**January - June 2025**



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**REPORT ON THE ECONOMIC - FINANCIAL ACTIVITY  
OF NPG CO. "TRANSELECTRICA" SA**

**in accordance with the provisions of art. 67 of Law no. 24/ 2017 amended by Law no. 11/2025 on  
the capital market and Regulation no. 5/ 2018 issued by the Financial Supervisory Authority (ASF)**

**for the period ending June 30, 2025**

Report date:	August 14, 2025
Company name:	NPG CO. TRANSELECTRICA SA, a company managed under a two-tier system
Headquarters:	Bucharest, 2 – 4 Olteni Str., Sector 3, Postal Code 030786
Telephone/fax: number	021 303 5611/ 021 303 5610
Code with the NOTR:	13328043
Order number with the TR:	J2000008060404
LEI code (Legal Entity Identifier)	254900OLXOUQCC90M036
Date of establishment of the Company:	31.07.2000/ GEO 627
Share Capital:	RON 733,031,420, subscribed and paid up
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange, Premium category
Main characteristics of the securities issued:	73,303,142 shares with a par value of 10 RON/share, dematerialised, registered, ordinary, indivisible, freely tradable shares since 29.08.2006 under the symbol TEL
Market value:	RON 4,178,279,094.00 (57.00 RON/share at 30.06.2025)
Accounting standard applied:	International Financial Reporting Standards
Auditing:	The half-yearly financial statements as at 30.06.2025 are unaudited. The amounts corresponding to December 31, 2024 are audited by the external financial auditor.

## RESPONSIBLE PERSONS' STATEMENT

To the best of our knowledge, the standalone simplified interim financial statements as at and for the six-month period ended June 30, 2025 have been prepared in accordance with International Accounting Standard 34 - "Interim Financial Reporting", and they provide a true and fair view of the financial position and profit and loss account of NPG CO. Transelectrica SA.

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

**Bucharest, August 05, 2025**

Ştefăniţă  
MUNTEANU  
Directorate Chairman

Victor  
MORARU

Directorate  
Member

Cătălin-Constantin  
NADOLU

Directorate  
Member

Cosmin-Vasile  
NICULA

Directorate  
Member

Florin-Cristian  
TĂTARU

Directorate  
Member



## Key figures H1 2025 vs H1 2024

### KEY FIGURES

FINANCIAL HIGHLIGHTS					OPERATIONAL				
RON 2.922 mn	▼ -38%	Revenues		y/y	2.14% *	▼ -0.13	pp	OTC	
RON 456 mn	▲ 4%	EBITDA		y/y	20.73	▼ -0.4%		Transported energy***	
RON 256 mn	▼ -3%	Net profit		y/y			TWh		
TWh 25.87	▲ 2%	Charged energy volume**		y/y					
INVESTMENTS									
RON 197 mn	▼ -23%	Acquisition of tangible and intangible assets		y/y					
RON 319 mn	▼ -11%	Fixed assets recorded in the accounts (commissioning)		y/y					

OTC - Own Technological Consumption

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

\*\* Charged quantity is defined as the quantity of electricity withdrawn from the electricity grids of public interest (transmission and distribution grids), less electricity exports

\*\*\* Quantity transported is defined by the quantity of energy physically transported on the transmission grid

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



## Financial data

The summary of financial results as of June 30, 2025 is presented below. The semestrial financial results as of June 30, 2025 are unaudited and the expanded version of the quarterly financial results for the same period is presented in the Appendices to this Report.

Standalone profit and loss account				
[million RON]	H1 2025	H1 2024	Δ	Δ (%)
	1	2	3=1-2	4=1/2
Charged energy volume [TWh]	25.87	25.40	0.5	1.8%
<b>ALLOWED PROFIT ACTIVITIES</b>				
<b>Operating revenues</b>	<b>1,151</b>	<b>1,205</b>	<b>(54)</b>	<b>(4%)</b>
Transmission and other revenues on the electricity market, of which:	1,119	1,046	73	7%
Regulated tariff	925	801	124	16%
Other revenues on the electricity market*	42	143	(101)	(70%)
Interconnection	151	102	49	48%
Other revenues	32	159	(127)	(80%)
<b>Operating expenses</b>	<b>(741)</b>	<b>(716)</b>	<b>(24)</b>	<b>(3%)</b>
System operating expenses	(358)	(355)	(3)	(1%)
Repairs and maintenance expenses	(60)	(52)	(8)	(15%)
Personnel expenses	(202)	(187)	(14)	(8%)
Other expenses	(121)	(121)	1	0%
<b>EBITDA</b>	<b>410</b>	<b>489</b>	<b>(79)</b>	<b>(16%)</b>
Depreciation	(192)	(172)	(20)	(12%)
<b>EBIT</b>	<b>218</b>	<b>317</b>	<b>(99)</b>	<b>(31%)</b>
<b>ZERO PROFIT ACTIVITIES</b>				
<b>Operating revenue</b>	<b>1,772</b>	<b>3,480</b>	<b>(1,709)</b>	<b>(49%)</b>
System services revenues	281	251	30	12%
Balancing market revenues	1,491	3,229	(1,739)	(54%)
<b>Operational costs</b>	<b>(1,726)</b>	<b>(3,530)</b>	<b>1,805</b>	<b>51%</b>
System services expenses	(235)	(301)	66	22%
Balancing market expenses	(1,491)	(3,229)	1,738	54%
<b>EBIT</b>	<b>46</b>	<b>(50)</b>	<b>96</b>	<b>193%</b>
<b>ALL ACTIVITIES (PROFIT ALLOWED AND ZERO PROFIT)</b>				
Operating revenues	2,922	4,685	(1,763)	(38%)
Operating expenses	(2,466)	(4,246)	1,780	42%
<b>EBITDA</b>	<b>456</b>	<b>439</b>	<b>18</b>	<b>4%</b>
Depreciation	(192)	(172)	(20)	(12%)
<b>EBIT</b>	<b>264</b>	<b>267</b>	<b>(3)</b>	<b>(1%)</b>
Financial result	25	16	9	56%
<b>EBT- Profit before income tax</b>	<b>290</b>	<b>283</b>	<b>6</b>	<b>2%</b>
Income tax	(33)	(20)	(13)	(68%)
<b>Net profit</b>	<b>256</b>	<b>264</b>	<b>(7)</b>	<b>(3%)</b>

\* (+)Revenues positive impact, (+)Expenses negative impact

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

Standalone statement of financial position					
[million RON]	H1 2025	2024	Δ	Δ (%)	
	1	2	3=1-2	4=1/2	
<b>Non-current assets</b>					
Tangible assets	5,805	5,775	30	0,5%	
Assets representing rights of use under a lease - buildings	6	6	0	7%	
Intangible assets	296	312	(17)	(5%)	
Financial assets	90	86	4	5%	
<b>Total</b>	<b>6,197</b>	<b>6,179</b>	<b>18</b>	<b>0,3%</b>	
<b>Current assets</b>					
Inventories	49	47	2	4%	
Trade and other receivables	2,672	3,779	(1,107)	(29%)	
Cash and cash equivalents	971	672	299	45%	
<b>Total</b>	<b>3,691</b>	<b>4,497</b>	<b>(806)</b>	<b>(18%)</b>	
<b>Total assets</b>	<b>9,888</b>	<b>10,676</b>	<b>(788)</b>	<b>(7%)</b>	
<b>Shareholders' Equity</b>	<b>5,794</b>	<b>5,815</b>	<b>(21)</b>	<b>(0%)</b>	
<b>Non-current liabilities</b>					
Long term deferred revenues	671	537	133	25%	
Long term borrowings	2	8	(6)	(75%)	
Other non-current liabilities	329	338	(9)	(3%)	
<b>Total</b>	<b>1,001</b>	<b>883</b>	<b>118</b>	<b>13%</b>	
<b>Current liabilities</b>					
Trade and other liabilities	2,988	3,862	(873)	(23%)	
Short-term borrowings	19	24	(6)	(24%)	
Other loans and assimilated debts - Current building lease liabilities	7	7	-	4%	
Other current liabilities	75	73	2	2%	
Capital gains tax payable	4	13	(9)	(71%)	
<b>Total</b>	<b>3,092</b>	<b>3,978</b>	<b>(886)</b>	<b>(22%)</b>	
<b>Total liabilities</b>	<b>4,094</b>	<b>4,861</b>	<b>(768)</b>	<b>(16%)</b>	
<b>Total shareholder's equity and liabilities</b>	<b>9,888</b>	<b>10,676</b>	<b>(788)</b>	<b>(7%)</b>	

Standalone cash flow statement					
[million RON]	H1 2025	H1 2024	Δ	Δ (%)	
Net cash from operating activities	480	281	199	71%	
Net cash used in investment activity	(162)	(235)	73	31%	
Net cash used in financing activities	(18)	(38)	19	52%	
<b>Net increase/decrease in cash and cash equivalents</b>	<b>299</b>	<b>8</b>	<b>291</b>	<b>n/a</b>	
<b>Cash and cash equivalents as of January 1<sup>st</sup></b>	<b>672</b>	<b>519</b>	<b>152</b>	<b>29%</b>	
<b>Cash and cash equivalents at the end of the period</b>	<b>971</b>	<b>527</b>	<b>444</b>	<b>84%</b>	

## OPERATIONAL RESULTS

### I. Volume of charged energy

In H1 2025, the total amount of electricity charged for electricity market services (25.87 TWh) showed a slight increase of 1.8% compared to the same period in 2024 (the difference between the two periods was 0.5 TWh).

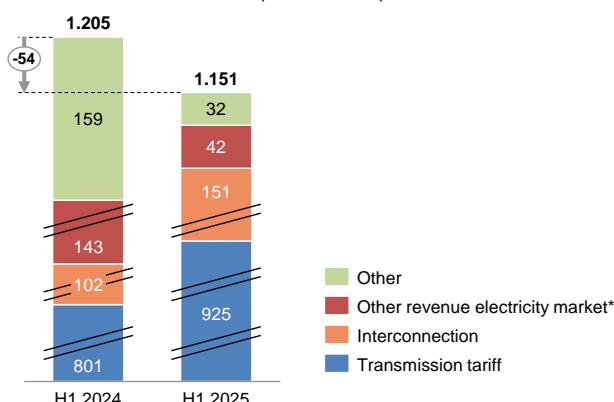
#### Allowed profit segment

##### Operating revenues



The **allowed profit activities** segment recorded a 4% decrease in revenues (RON 1,151 million in H1 2025 compared to RON 1,205 million in H1 2024) mainly due to a RON 44 million decrease in revenues from OTC transactions, a RON 44 million decrease in conjunctural revenues from emergency aid (RON 60 million) and OTC capitalization (- RON 23 million).

Operating revenues from activities with profit allowed  
(RON million)



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

The increase in revenues from transmission and other energy market revenues (RON 1,119 million in H1 2025 compared to RON 1,046 million in H1 2024) was mainly influenced by the increase in the quantity of electricity, as well as by the tariff approved by ANRE, which led to an appreciation of **revenues from regulated tariff** by RON 124 million (+16%) compared to the same period of the previous year.

Between January-June 2025, **revenues from the allocation of interconnection capacity** increased from RON 102 million in H1 2024 to RON 151 million in H1 2025 (+48%).

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

Thus, the growth over the analyzed period has been influenced by the supply and demand price formation model. The implicit allocations, where capacity and energy are provided simultaneously, are strongly

influenced by changes in the price of electricity on the European exchanges.

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

On June 8, 2022, the Core FB MC (Core Flow-Based Market Coupling) was put into operation, thus initiating the day-ahead flow-based market coupling in the Core capacity calculation region. The Flow-Based Market Coupling mechanism optimizes the European electricity market for 13 countries (Austria, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, Netherlands, Poland, Romania, Slovakia, and Slovenia).

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

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

Extending market coupling has the effect of making energy prices uniform across Europe, which is also one of the main objectives of Regulation (EU) 2015/1222

"establishing guidelines on capacity allocation and congestion management".

**Revenues from Inter TSO Compensation (ITC)** amounted to 14.4 million RON in H1 2025, higher (+2.7 million RON) compared to the same period in 2024 when they amounted to 11.6 million RON, and mostly originate from scheduled electricity exchanges with countries considered perimeter countries of the mechanism, namely Ukraine and Republic of Moldova.

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

Revenues recorded under the ITC mechanism showed an increase in H1 2025 with the following mentions:

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

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

In H1 2025, the Company recorded lower revenues from energy trading for OTC (RON 26.1 million) compared to the same period of 2024 (RON 70.1 million), i.e. - RON -44 million.

Revenues from trading on the Intraday Market were about 16% higher than the revenues realized in the similar period of the previous year, as a result of the increase in energy sold on the intraday market following forecast corrections as close as possible to the time of delivery, as well as slightly higher prices on this market. Revenues from transactions on the Balancing Market were 3 times lower, given that the OTC recorded in H1 2025 was lower than in the same period of the previous year. Given the increase in the share of solar and wind power generation, there is an increase in the supply of energy in the peak intervals and an increase in the

share of very low and even negative price intervals for short-term market prices.

#### **Revenues from emergency aid**

In the January-June 2025 period, there were revenues from emergency aid in the amount of RON 0.3 million compared to RON 60 million revenues recorded in January-June 2024. In H1 2025, emergency aid was granted to Serbia (month of March) due to the accidental shutdown of groups in this country.

#### **Revenues from capitalization of own technological consumption (OTC)**

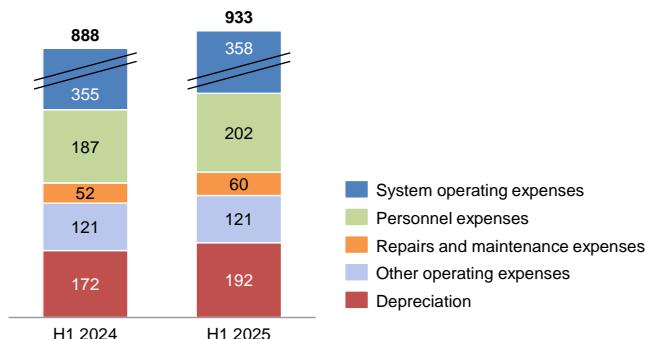
Starting from September 30, 2022, the Company applies the provisions of GEO no. 119/2022, whereby the additional costs of electricity purchase incurred in the period from January 1, 2022 to March 31, 2025 to cover own technological consumption, compared to the costs recognized in regulated tariffs, are capitalized on a quarterly basis and the assets resulting from capitalization are depreciated over a period of 5 years from the date of capitalization.

Thus, the Company recorded in H1 2025 income from OTC capitalization in the amount of RON 0.9 million (compared to RON 23.9 million income recorded in H1 2024), representing additional OTC calculated as the difference between the net cost of OTC acquisition and the cost of OTC included in the regulated tariff, for the period from January 01 to March 31, 2025.

#### **Operating expenses**

In the segment of **activities with profit allowed**, expenses (including depreciation and amortization) increased by 5% (RON 933 million in H1 2025 compared to RON 888 million in H1 2024), mainly influenced by the increase in ETG maintenance and repair expenses, personnel expenses, depreciation and amortization and system operation expenses. Of the **system operating expenses** category, the largest impact was ITC expenses.

**Operating costs of activities with profit allowed**  
(million RON)



**OTC:** In the period January-June 2025, the costs of energy purchase to cover own technological

consumption amounted to RON 288 million, lower by 3% (- RON 8 million) compared to the amount of RON 296 million recorded in H1 2024, considering a number of aspects, mainly:

- due to its characteristics, OTC in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, on the structure of electricity production and consumption at the national level, on the distribution of electricity flows in the internal transmission grid and on the interconnection lines with neighboring power systems, its value being very little to not controllable at all in the conditions of an interconnected and coupled regional power market;
- as a result of weather conditions and flows on interconnection lines, the OTC value recorded in the first semester of 2025 was 6% lower than that recorded in the previous year;
- compared to 2025, in the first three months of 2024, following the provisions of GEO no. 153/2022 amending and supplementing GEO no. 27/2022, NPG CO. Transelectrica SA purchased electricity to cover 75% of the quantity related to the OTC forecast validated by the Centralized Electricity Purchase Mechanism (MACEE), at the regulated price of 450 RON/MWh;
- Starting April 1, 2024, the centralized electricity purchase mechanism (MACEE) was amended by GEO no. 32/2024, in the sense of:
  - ✓ *reducing the regulated purchase price to 400 RON/MWh*
  - ✓ *removing the obligation for generators to participate in the mechanism*
  - ✓ *changing the period of application of the mechanism from 31.03.2025 to 31.12.2024*
  - ✓ *allowing other producers with production capacities below 10MW to participate in the mechanism.*

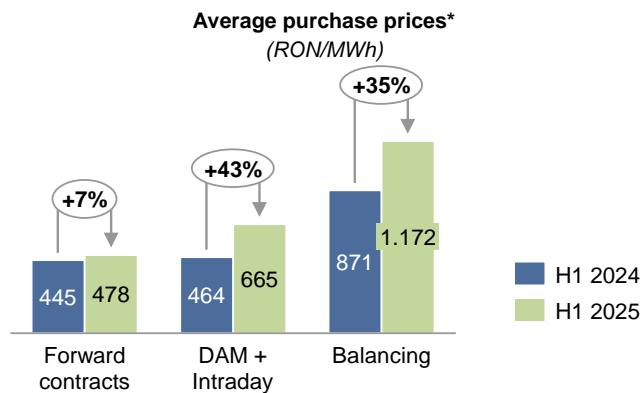
The changes introduced by GEO 32/2024 led to a gradual exit from the support scheme and a return to competitive market mechanisms. As a result, as of 01.01.2025, the energy needed to cover the OTC was purchased in a proportion of about 50% through bilateral contracts, at an average price for the first semester of 2025 of 478 RON/MWh.

- The removal of the price-regulated MACEE mechanism, increased consumption and low temperatures in February, as well as lower hydropower generation have led to increased imports and higher energy prices in the short-term markets compared to the same period in 2024.
- The price of DAM is highly dependent on weather conditions (droughts, precipitation, extreme events) and European market prices. The Day-ahead market

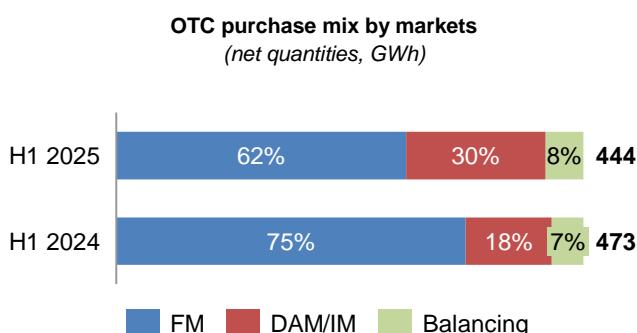
is an unpredictable market with a high degree of volatility, with prices increasing by as much as 30-40% within a week.

- From July 01, 2024, a number of changes to the Regulation on Terms and Conditions for Balancing Parties, in line with the requirements of the European Codes, came into force, which have led to very high prices in the Balancing Market. These prices show a high degree of volatility and uncertainty, but are still below the 2024 peaks. The technological own consumption recorded in the analyzed period was about 6% lower than in the same period of 2024, leading to lower costs resulting from the coverage of energy imbalances in this market compared to the same period of 2024.

*The average net price of energy purchased on all markets in H1 2025 was 589 RON/MWh, higher than the price in the same period of 2024, i.e. 478 RON/MWh.*



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



### Inter TSO Compensation (ITC) expenses

In the period January-June 2025 these expenses were higher by 11 million RON compared to the same period of the previous year. They are established in the framework of mechanism of compensation/dispensation of the effects of the use of the transmission electricity network (ETG) for electricity transits between the TSOs that have joined this mechanism within the ENTSO-E.

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

#### Energy consumption expenses - consumption of internal services of ETG stations

In order to carry out the activity of electricity transmission in stations and to operate the National Energy System safely, the Company has to purchase electricity to cover the consumption of internal services consumption in high voltage stations under the Company's management.

These expenses decreased by the amount of RON 4.9 million in H1 2025 (RON 20.6 million) compared to H1 2024 (RON 25.6 million).

#### OTC expenses transit RED (acc. to ANRE decision)

In June 2025, OTC expenses related to additional transits of electricity from the networks of concessionary distribution operators at the voltage level of 110 kV (for the quota assigned to the OTS) were recorded in the amount of RON 17.4 million.

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

**The expenses for repairs and maintenance of ETG** amounted to RON 58 million, higher by RON 11 million compared to H1 2024.

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

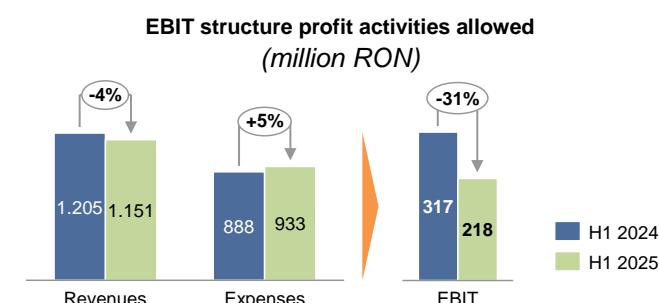
**Depreciation and amortization expenses** show an increase of RON 20 million mainly influenced by the recording of depreciation and amortization expenses (RON +10 million), calculated at the revalued value of tangible assets as at December 31, 2024, correlated with the commissioning of investment works and the receipt of assets.

At the same time in H1 2025 the expenses with amortization of intangible assets-OTC additional intangible assets amounted to RON 45.5 million and showed an increase compared to H1 2024 (RON +10 million). The additional costs with the purchase of electricity realized in the period from January 1, 2022 to

March 31, 2025, in order to cover own technological consumption, compared to the costs included in the regulated tariffs, were capitalized on a quarterly basis, and the assets resulting from the capitalization are amortized over a period of 5 years from the date of capitalization.

#### Allowed profit operating result

The **allowed profit activities** recorded a positive result in the amount of RON 218 million in H1 2025, down by RON 99 million compared to the result in the amount of RON 317 million achieved in H1 2024, in the context of a decrease in operating revenues by RON 54 million and an increase in operating expenses (including depreciation and amortization) by RON 45 million.



#### Zero profit segment

The segment of **zero-profit activities** recorded a decrease in **revenues** (RON -1,709 million) from RON 3,480 million in H1 2024 to RON 1,772 million in H1 2025, mainly due to the decrease in revenues on the balancing market (RON -1,739 million) due to the prices recorded on the balancing market, concomitant with the appreciation in revenues from system services (RON +30 million), at the tariff approved by ANRE, compared to the same period of the previous year, in the context of a 1.8% increase in the quantity.

The segment of **zero-profit activities** also recorded a significant decrease in **costs** (RON -1,805 million) driven by the lower amount of expenses on the balancing market.

**Balancing market revenues/expenses** were more than 2 times lower in H1 2025 compared to H1 2024.

The balancing market was mainly influenced by the following:

- The evolution of contractual imbalances recorded at the level of electricity suppliers on the balancing market;
- the evolution of hydraulicity;
- developments in electricity generation and consumption;
- there has been a continuation of accelerated growth in installed power at prosumers;

- an improvement in control/monitoring at the supplier level for the output of prosumers they have in their portfolio and increased concern at the supplier level for estimating/adjusting prosumers' output forecasts in relation to their contractual position;

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

- *The regional and European context of the evolution of the electricity market,*
- *ANRE's regulatory framework for adjusting the functioning of the balancing market,*
- *consumption trends and the impact of prosumers on the electricity market,*
- *precipitation and temperature forecasts,*
- *solar and wind production trends,*
- *hydro developments,*
- *national electricity generation and consumption trends,*
- *behavior of market participants,*
- *the evolution of contracting in pre-balancing markets.*

**Revenues from system services** increased by 30% compared to the same period last year (RON 281 million in H1 2025 compared to RON 251 million in H1 2024), driven by the increase in the amount of electricity delivered to consumers (+1.8%) at the tariffs approved by ANRE for these services.

**The purchase of system services/balancing capacity** is carried out by the Company based on the needs established by the National Energy Dispatching (NED), an organizational unit within the Company, which is responsible for ensuring the stability and safety of the NES operation, in conformatite with the provisions of ANRE Order no. 127/08.12.2021 for the approval of the Regulation on terms and conditions for balancing service providers and frequency stabilization reserve providers and the Regulation on terms and conditions for parties responsible for balancing and for the amendment and repeal of some orders of the President of ANRE, with subsequent amendments and additions.

In H1 2025, the Company has contracted reactive power from the Hydroelectric Power Generation Company "Hidroelectrica" SA., according to:

- ANRE Decision No. 2281/2024, on granting the exemption for the transmission and system operator to purchase reactive electricity for voltage regulation in the network on the basis of the market,
- Transelectrica's Decisions approving the maximum prices for the purchase of reactive energy system service for voltage regulation in the transmission grid;

- the achievements confirmed by the National Energy Dispatch.

The amount of **expenses on system services/balancing capacity** in H1 2025, showed a decrease (22%) compared to the same period in 2024.

On the balancing capacity market, in line with the trend on the balancing market in H1 2025, there has been a downward trend in the purchase price for RRFa in the upward and downward trend in the upward trend for RRFa in the upward and downward trend in the downward trend for RRfm in the downward trend since May 2025:

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

For the following period of 2025, we estimate that a significant impact on the evolution of the costs for the purchase of system services/balancing capacity through daily and directional auctions at Transelectrica level will have:

- The market behavior of registered participants in the balancing capacity market,
- ANRE's regulatory framework for the electricity market, price evolution on the balancing market,
- as well as the regional and European context of the evolution of the electricity market.

#### **Operating result - zero profit**

**EBIT** generated by the **zero-profit activities** recorded a positive result in H1 2025 in the amount of RON 46 million, compared to H1 2024 (RON -50 million).

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

The surplus/deficit of income compared to the costs resulting from the carrying out of this activity is calculated by tariff programming periods.

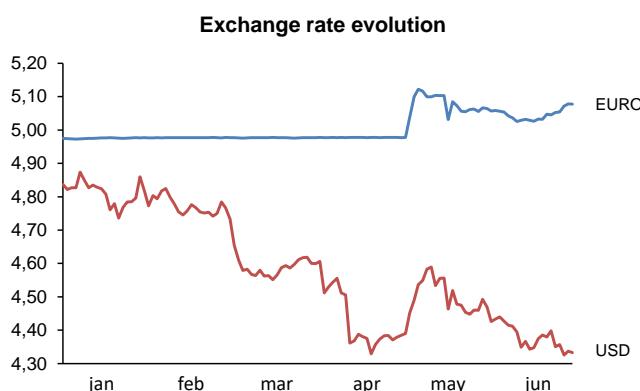
#### **II. Financial Result**

The net financial result recorded in H1 2025 in the net amount of RON 25 million, compared to the result of

RON 16 million in the same period last year, was mainly influenced by the dividends received from the subsidiary OPCOM SA in the amount of RON 22 million, as well as by the increase in interest income received during the period under review.

In the two periods analyzed, the level of income and expenses from exchange rate differences was mainly influenced by the volume of transactions related to the market coupling business segment in conjunction with the evolution of the exchange rates of the national currency against the euro.

The evolution of the RON/EUR and RON/USD exchange rates in H1 2025 is shown in the following graph:



### III. Company gross profit (EBT)

#### Total operating revenue

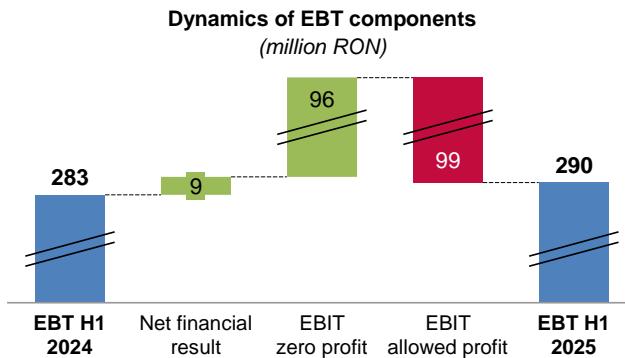
The total operating revenues realized in H1 2025 recorded a 38% decrease compared to the same period of the previous year (RON 2,922 million in H1 2025 compared to RON 4,685 million in H1 2024), in the context of the significant impact of the reduction in revenues from zero-profit activities as well as of the conjunctural revenues (emergency aid, other conjunctural revenues).

#### Total operating expenses

Total operating expenses (including depreciation and amortization) incurred in H1 2025 decreased by 40% compared to the same period of the previous year RON 2,658 million in H1 2025 compared to RON 4,418 million in H1 2024 in the context of the significant impact of the reduction in expenses from zero-profit activities.

**The gross result** recorded a higher amount during the period under review, from RON 283 million in H1 2024 to RON 290 million in H1 2025, mainly due to a 1.8% increase in the quantity of electricity delivered to consumers, higher regulated tariff revenues, interconnection revenues and revenues from system services.

The dynamics between the result recorded in H1 2025 compared to H1 2024, broken down by the constituent components of the result, is shown in the following chart:



#### IV. Net result

The gross result influenced by the corporate income tax amounting to 33 million RON in H1 2025 compared to 20 million RON in H1 2024 leading to a **net result** at the end of H1 2025 amounting to 256 million RON, down from 264 million RON in H1 2024.

## FINANCIAL POSITION

### I. Non-current assets

Non-current assets recorded in the first semester of 2025 compared to December 2024, a slight increase in the amount of RON 18 million, determined by the increase in the net value of tangible assets (RON +30 million) concomitant with the decrease in the net value of intangible fixed assets (RON -17 million).

#### Assets related to rights of use of leased assets - buildings

Assets related to the rights of use of leased assets - buildings represent the right of use of the premises leased by the Company in the Platinum office building, in accordance with IFRS 16 - Leases. As of October 01, 2020 the lease agreement valid for a period of 5 years entered into force.

As of June 30, 2025, the net accounting value of the right to use the premises leased by the Company in the Platinum office building amounts to RON 7 million.

#### Intangible assets

Intangible assets in progress at June 30, 2025 show a balance of RON 28 million represented by projects in progress, the most significant of which are:

- Modernization of the electronic messaging system within CN Transelectrica SA - RON 12.9 million;
- Development of dedicated software necessary to determine the quantities of reserves using the probabilistic method - RON 5.9 million;
- Power Quality Monitoring System (PQMS) - 3 million RON;
- Development of MARI platform - RON 2.5 million;
- Program for the off-line calculation of short-circuit currents, verification of protection settings, determination of system equivalents and simulation of fault scenarios in power grids - RON 2.6 million.

In the first semester of 2025, there were transfers from intangible assets in progress to intangible assets in the amount of RON 13.2 million, of which the most important are:

- Replacement of hardware components, updating and development of the specific applications of the Balancing Market Platform - II DAMAS, component of purchase of migration and upgrade services, specific applications of the Balancing Market - RON 11.5 million;
- Off-line program for the realization of individual network models, steady-state calculation, cross-border capacity calculation, conversion module format

CGMES (according to ENTSO-E requirements), in order to program and operate the NES on various time horizons - 1.1 million RON.

*As of September 30, 2022, the Company applies the provisions of GEO no. 119/2022, whereby the additional costs with the purchase of electricity realized in the period from January 1, 2022 to March 31, 2025, in order to cover its own technological consumption and technological consumption, respectively, compared to the costs included in the regulated tariffs, are capitalized on a quarterly basis.*

*Thus, the capitalized costs are amortized over a period of 5 years from the date of capitalization and are remunerated at 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable during the amortization period of such costs and are recognized as a separate component.*

At June 30, 2025, for the first half of 2025, additional OTC capitalization income in the amount of RON 0.9 million (non-monetary in nature) was recorded, representing additional costs of electricity purchase to cover own technological consumption compared to the cost recognized in the tariff.

The net accounting value of intangible assets resulting from the capitalization of additional OTC amounted to RON 253 million.

### II. Current assets

Current assets as of June 30, 2025 (RON 3,691 million) decreased by 18% compared to December 31, 2024 (RON 4,497 million), due to the decrease in receivables.

**Trade receivables** decreased by 19% compared to December 31, 2024 (RON 2,702 million at December 31, 2024 compared to RON 2,179 million at June 30, 2025). The most significant developments were:

- *operational activity customers* which, due to the decrease in the volume of transactions resulting from the coupling of energy markets (Q2 2025 compared to Q4 2024), generated a lower balance of receivables from operational activity (RON 1,413 million as at June 30, 2025 compared to RON 1,899 million as at December 31, 2024).
- *Customers - balancing market* which, due to the decrease in the volume of transactions in the balancing market in the second quarter of 2025 compared to the fourth quarter of 2024, also led to a decrease in the balance of customers' receivables from contracts concluded for this type of activity (RON 641 million as of June 30, 2025 compared to

RON 668 million as of December 31, 2024).

The main customers in balance on the electricity market are represented by: Bursa Română de Mărfuri, IBEX, MAVIR, Ciga Energy SA, Electrica Furnizare SA, Hidroelectrica, OPCOM, RAAN, PPC ENERGIE SA, JAO. Their share is 62.8% of total trade receivables.

- *Customers - support scheme*, which recorded a decrease in the first semester of 2025 (RON -12 million) mainly determined by the decrease in the invoiced amount for the collection of the monthly contribution.

The Company carries out the activities related to the bonus support scheme for the promotion of high-efficiency cogeneration, as administrator of the support scheme, in accordance with the provisions of HGR no. 1215/2009, "the main tasks being the monthly collection of the cogeneration contribution and the monthly payment of bonuses".

As of June 30, 2025, the Company has receivables receivable in the amount of RON 121 million, represented by invoices issued related to the bonus support scheme for the promotion of high efficiency cogeneration, of which mainly:

- overcompensation for the period 2011-2013 in the amount of RON 76.70 million, respectively from RAAN - RON 63.46 million and CET Govora SA - RON 13.23 million;
- undue bonus for 2014 in the amount of RON 3.91 million, respectively from RAAN - RON 1.98 million and CET Govora - RON 1.93 million;
- undue bonus for 2015 in the amount of RON 0.56 million, respectively from CET Govora - RON 0.53 million, Interagro - RON 0.03 million;
- undue bonus for 2020 in the amount of RON 0.52 million from Donau Chem;
- uncollected contribution for cogeneration from suppliers of electricity consumers in the amount of RON 20.5 million, respectively from: Transenergo Com - RON 5.9 million, Petprod - RON 4.4 million, Romenergy Industry - RON 2.7 million, RAAN - RON 2.4 million, UGM Energy - RON 1.5 million, CET Govora - RON 0.9 million, KDF Energy - RON 0.5 million, etc.

Up to the date of this report, the Company has collected all the receivables related to overcompensation of the activity related to the support scheme for 2024 (amount of RON 8.6 million) from Contourglobal Solutions, as well as the amount of RON 8.4 million from the undue bonus established by ANRE Decisions for 2024, from the following producers: Bepco SRL, Electro Energy Sud, Electrocentrale București, Electrocentrale Craiova, Electroutilaj SA,

Municipiul Iași, Soceram SA, Termoficare Oradea, Thermoenergy Group and Vest Energo.

**Other receivables** as of June 30, 2025, amounting to RON 221 million decreased by 5% (RON -10 million) compared to the amount recorded as of December 31, 2024 and mainly include:

- *sundry debtors* (RON 117 million), of which:
  - late payment penalties assessed on defaulting customers in the amount of RON 81 million (of which RON 25.85 million are penalties related to the support scheme).

The highest late payment penalties were recorded by customers: Romelectro (RON 24.5 million), RAAN (RON 16.9 million), Electromontaj (RON 11.5 million), CET Govora (RON 9.6 million), OPCOM (RON 4.3 million), Total Electric Oltenia (RON 3.3 million), Multiservice G&G SRL (RON 2.2 million), Petprod (RON 1.9 million), ISPE Proiectare și Consultanță (RON 1.1 million), GE Digital Services Europe (RON 0.8 million). Impairment adjustments were recorded for penalties calculated for late payment of receivables from operating activities

- compensation due from suppliers for non-delivery of electricity: Areco Power (RON 0.99 million), Enol Grup (RON 2.54 million) and Next Energy Partners (RON 8.39 million).
- The receivable to be recovered from OPCOM representing VAT related to the contribution in kind to the subsidiary's share capital in the amount of RON 4.52 million.
- amounts received as a subsidy in the amount of 38.1 million RON related to the ETG connection contracts;
- expenses recorded in advance in the amount of RON 22.4 million mainly represented by the pole tax (RON 10.9 million), domestic and international contributions (RON 4 million), taxes and duties related to 2025 (RON 2.1 million), OTC (RON 1.9 million), ANRE annual contribution related to 2025 (RON 1.3 million), insurance policies (RON 1.1 million), rent and maintenance of office building (RON 0.8 million) and others;
- other social receivables in the amount of RON 4.6 million representing sick leave paid by the employer to employees, amounts to be recovered from the National Health Insurance House, in accordance with the legislation in force.

**Advances to suppliers** paid at June 30, 2025 represented by debtor suppliers for services rendered in the amount of RON 287 million decreased significantly (RON -483 million) compared to December 2024 when they amounted to RON 770 million.

The balance mainly represents amounts from the transactions related to the price coupling mechanism ICP - Interim Coupling Project, SIDC - Single Intraday Coupling, SDAC - Single Day-ahead Coupling and IDA - "IntraDay Auction" (MAVIR - RON 201 million, IBEX - RON 70.2 million and JAO - RON 15.5 million).

*The kick-off of the successful SDAC Single Day-ahead Coupling SDAC Single Day-ahead Coupling took place on October 28, 2021 and is the result of the cooperation between the Designated Electricity Market Operators (DSOs) and the Transmission and System Operators (TSOs) from Bulgaria and Romania, respectively IBEX EAD, OPCOM SA, ESO EAD and Transelectrica. The aim of the SDAC is to create a single pan-European cross-border day-ahead energy market.*

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

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

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

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

**VAT recoverable** in the amount of RON 184 million is related to the settlements for the period March - June 2025, of which up to the date of this report, the amount of RON 58 million has been collected, representing the value added tax claimed for refund for March 2025.

**Impairment adjustments** existing in the balance at June 30, 2025, calculated for trade receivables and related penalties, amount to RON 198 million. The highest are recorded for JAO (RON 30.6 million), CET Govora (RON 24.6 million), Romelectro (RON 24.5 million), Areco Power (RON 14.5 million), Total Electric

Oltenia SA (RON 14.9 million), Romenergy Industry (RON 13.5 million), Elsaco Energy (RON 9.3 million), OPCOM (RON 9.1 million), RAAN (RON 8.5 million), Next Energy Partners (RON 8.4 million).

## Liabilities

**Non-current liabilities** in the amount of RON 1,001 million as of June 30, 2025 increased by 13% compared to the amount recorded as of December 31, 2024, which was RON 883 million.

## Interest-bearing liabilities

As of June 30, 2025, the amount of non-current borrowings decreased compared to December 31, 2024 (-6 million RON), mainly due to repayments under existing loan agreements, while the amount of current borrowings also decreased by 24%.

Between January and June 2025, **current liabilities** decreased by 22% from RON 3,978 million at December 31, 2024 to RON 3,092 million at June 30, 2025, mainly due to a decrease in trade and other payables.

Impact in the evolution of trade payables had:

- **suppliers on the energy market** which decreased by RON 663 million and recorded a balance amounting to RON 1,590 million as at June 30, 2025 compared to RON 2,253 million as at December 2024.

This evolution was mainly influenced by:

- *The decrease in the balance of liabilities related to operating activities* by RON 544 million, influenced by the supply and demand pricing model for electricity market coupling. The implicit allocations, in which capacity and energy are simultaneously provided for, were strongly influenced by changes in the price of electricity on the European power exchanges.

Suppliers on the electricity market are mainly represented by: MAVIR, IBEX, Hidroelectrica SA, OPCOM, S Complexul Energia Oltenia SA, CIGA Energy SA, Bursa Română de Mărfuri, Joint Allocation Office, Nova Power&Gas, OMV Petrom SA.

At June 30, 2025, their share in total energy suppliers is 69%.

- *The decrease in the balance "Balancing market liabilities"* by RON 85 million was mainly determined by the decrease in the volume of transactions recorded on the balancing market in the second quarter of 2025 compared to the fourth quarter of 2024.

- *The decrease in liabilities related to the support scheme to suppliers (producers)* by RON 34 million was determined by the decrease in the amount of the

monthly bonus for high efficiency cogeneration in June 2025 compared to December 2024.

- **suppliers of fixed assets** decreased by 10% (RON -15 million) due to the payments that fell due,
- **suppliers other activities** also decreased by 13% (RON -10 million), mainly represented by the category of debts related to services rendered by third parties not due.
- "**other liabilities**" decreased by 14% (RON -191 million), from the balance of RON 1,372 million at December 31, 2024 to RON 1,181 million at June 30, 2025.

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

- *sundry creditors* in the amount of RON 285 million (decreased by RON 100 million compared to December 31, 2024) and are mainly represented by the net position of the support scheme on high efficiency cogeneration, debt position (RON 265.7 million), contracts for solution studies for connection to ETG (RON 16.4 million), royalty Q2 2025 (RON 1.8 million), guarantees and other (RON 1 million),
- *Trade receivables* as of June 30, 2025 amounting to RON 389 million (decreased by RON 445 million compared to December 31, 2024) and mainly represent amounts received in advance under transactions related to price coupling mechanisms amounting to RON 386.44 million *ICP (Interim Coupling Project), SIDC (Single Intraday Coupling), SDAC (Single Day-ahead Coupling), FBMC (Flow Based Market Coupling) and IDA (Intra Day Auction)*, from: BRM (RON 293.8 million), IBEX (RON 46.1 million), MAVIR (RON 21.3 million), JAO (RON 1.2 million) and OPCOM (RON 24.1 million),

- *the dividends due to the Company's shareholders* as of June 30, 2025 in the amount of RON 279.4 million, increased significantly (RON 0.1 million as of December 31, 2024).
- *the liability for fixed assets related to the rights of use of leased assets - buildings*, in accordance with IFRS 16 - Leases, amounted to RON 7 million,
- *other current liabilities* in the amount of RON 219.9 million are mainly represented by guarantees of good payment of electricity market contracts concluded by Transelectrica in the amount of RON 197 million, VAT not chargeable in the reporting period in the amount of RON 17 million and the estimated global minimum tax for the Group, as a result of the application of the provisions of *Law no. 431/2023 on ensuring a global minimum level of taxation of multinational enterprise groups and large national groups* in the amount of RON 5.6 million.

### III. Shareholders' equity

Shareholders' equity decreased slightly, mainly due to the recording of the distribution of net profit for 2024 as dividends to be distributed to shareholders in 2025 in the amount of RON 279 million.

Thus equity at the end of the first half of 2025 amounted to RON 5,794 million compared to RON 5,815 million at December 31, 2024.

## SHARE EVOLUTION

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

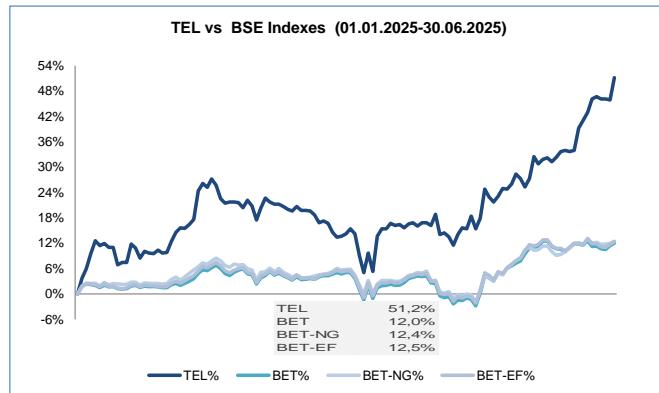
The first half of 2025 started with a trading price of 37.70 RON/share, opening the path towards the maximum price of the period of 57.00 RON/share recorded at the end of the period on June 30, 2025 which generated a maximum return to shareholders of about 51%.

The final price of the period gave TEL shares a market capitalization of RON 4,178 million.

The variation in the return on TEL shares compared to the BET, BET-NG and BET-EF oscillated during the period under analysis and recorded on June 30, 2025, a positive evolution with an increase of 39 p.p. compared to the BET, BET-NG and BET-EF.

The trading of TEL shares during the first semester of 2025 on the Romanian stock market recorded 17,500 transactions with an average number of 146 transactions/day and 2,464,296 shares traded, with a total value of RON 115,944 thousand.

TEL share evolution



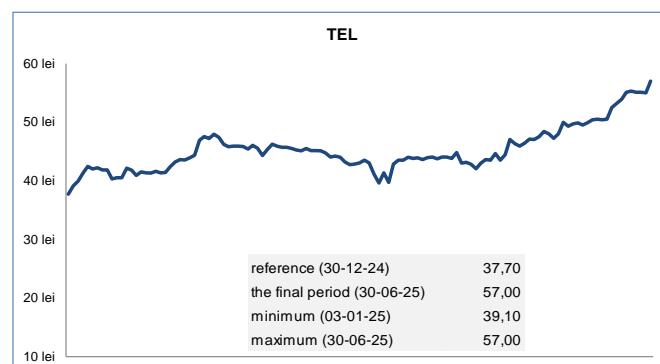
Transelectrica shares are part of the structure of the following stock market indices: BET | BET-TR | BET-TRN | BET-XT | BET-XT-TR | BET-XT-TRN | BETPlus | BET-NG | BET-EF | BET-BK. The most representative for the Company are:

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

According to the latest periodic adjustment date recorded on June 13, 2025, TEL shares have a weight of 2.00% in the BET index, 3.46% in the BET-NG index and 2.57% in the BET-EF index.

Internationally, TEL shares are included in the MSCI Frontier and MSCI Romania indices.

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



## MAIN RISKS AND UNCERTAINTIES

Analyzing decision-making issues under conditions of risk involves an assessment of decision alternatives and their consequences, taking into account the uncertainty of the effects of decisions.

Risk management at Company level involves the identification, evaluation and implementation of control measures to optimize results, in accordance with legal provisions and accepted volatility limits.

The identified risks are periodically and systematically analyzed, recorded in the Risk Register and monitored through specific sheets and plans for the implementation of control measures.

From a financial risk management perspective, the Company's financial results in the first half of 2025 were exposed to a number of risks generated both by the financial instruments used and by the specific operating framework of a regulated monopoly.

These risks include: investment risk, foreign currency risk, liquidity risk, counterparty risk, risk relating to provisions in financing agreements, credit rating deterioration risk (a significant event during the period), interest rate risk, regulatory risk, risk of non-compliance with legal requirements and tax risk.

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

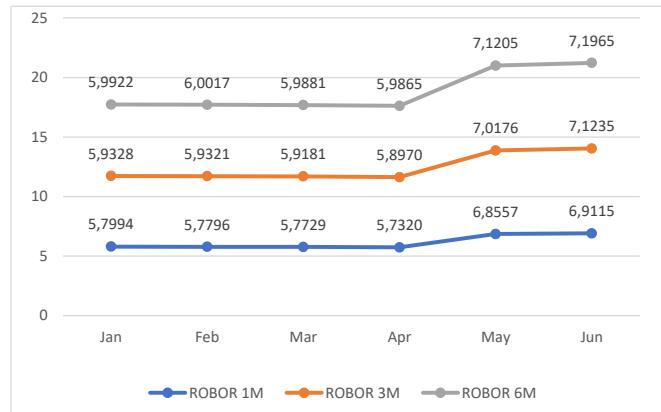
### ➤ Interest rate fluctuation

In order to limit the impact of interest rate fluctuations on the Company's liquidity, non-current borrowings with fixed interest rates were contracted and the most favorable interest rates were negotiated for current borrowings.

In the first six months of 2025, interest rates on the domestic money market showed relative stability, with ROBOR 1M fluctuating between 5.8% and 6.91%, with an average value of 6.14%.

The Company is exposed to interest rate risk primarily through its short-term floating rate revolving line of credit, which was undrawn as of June 30, 2025. The non-current euro-denominated borrowings are fixed rate.

The Company continuously monitors macroeconomic indicators and this risk did not materialize during the period under review.



### ➤ exchange rate movements

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

One way to avoid such effects is to include a currency clause or price revision clause in the contract. The application of various extra-contractual measures may relieve the Company from the presence of negative effects.

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

Overall, currency risk in the first 6 months of 2025 was determined by a combination of internal and external factors, including fiscal policies, the domestic political situation and global financial market trends.

Although the NBR ensured that the exchange rate remained stable, economic and political uncertainties, in particular the presidential elections in May, contributed to increased volatility.

In the first half of 2025, the Company managed currency exposure mainly stemming from payments for equipment imports and potential revenues from interconnection contracts.

Fluctuations in the leu/currency exchange rate during this period had a significant impact, with the average Euro exchange rate for the first half of 2025 being RON 5.0042.



#### ➤ provisions in the financing agreements

Under the financing agreements, there are clauses on compliance with certain financial indicators (covenants), the breach of which may entail, subject to prior notice and a reasonable time, early payment of the financing facilities.

Some financing facilities also contain penalty clauses in the event of early repayment.

In the first half of 2025, the Company has complied with the covenants (covenants) stipulated in the existing financing agreements, maintaining a very low leverage ratio.

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

#### ➤ price risk

Transelectrica is not directly exposed to fluctuations in energy market prices, as its revenues are largely derived from regulated tariffs for electricity transmission services. However, market volatility may indirectly affect the Company by influencing energy demand.

If energy prices increase significantly on the free market, consumers may try to reduce their consumption or migrate to cheaper contracts, which may alter the volume of energy transported by Transelectrica.

National and European energy policies, governmental decisions and ANRE (National Energy Regulatory Authority) regulations can influence prices, such as energy transition policy or changes in taxes and duties.

Increases or decreases in renewable generation capacity (wind, solar) can lead to significant fluctuations in energy prices, especially during periods of extreme weather (wind or solar).

One measure to manage this risk is to work with ANRE to periodically adjust electricity transmission tariffs to reflect operating costs and necessary investments,

taking into account fluctuations in the energy market. Investments in technology and advanced energy management can make the Company more flexible in the face of energy market fluctuations.

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

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

#### ➤ counterparty risk

This is the risk that, in a financial transaction, the counterparty does not fulfill its contractual obligations.

Assessing the creditworthiness of the counterparty (credit ratings, financial analysis) and requesting guarantees are measures that the Company uses to monitor, manage and deal with this type of risk.

In the short term, Transelectrica has contracted a line of credit to finance the bonus support scheme for high efficiency cogeneration, with a variable interest rate calculated according to the ROBOR 1M reference.

In the contractual relationships carried out in the first half of 2025, the Company carefully monitored counterparty risk.

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

#### ➤ macroeconomic risk - budget deficit

According to the most recent forecasts from the European Commission and economic observers, Romania's budget deficit for 2025 is estimated at around 8.6% of GDP.

This projection takes into account the fiscal consolidation package implemented at the end of 2024, but signals that a significant correction from the government's original target of 7% of GDP is needed. Addressing this imbalance will require either austerity measures or tax increases.

In order to finance the budget deficit, Romania has increased the level of public debt to 54.6% of GDP in January 2025, according to Finance Ministry data, with clear prospects of an increase to 60%+ this year.

This increase in debt has raised questions about long-term fiscal sustainability and contributed to financial market volatility.

The lack of deficit reduction measures could lead to the suspension of EU funds, financing interest rate hikes and credit rating downgrades, affecting Transelectrica directly and indirectly through various economic, fiscal and regulatory channels.

Transelectrica, being involved in grid modernization and European interconnection projects, may be affected by delays in strategic projects.

A large deficit usually leads to higher interest rates on the domestic market.

In the case of investment loans from Transelectrica (e.g. network modernization projects, digitalization, etc.), the Company may face higher interest rates, thus increasing the cost of capital.

Budget deficits are often associated with a depreciation of the leu, which affects companies with cost components in foreign currency.

Although the impact of a budget deficit is significant, Transelectrica has several advantages:

- The activity of electricity transmission is an activity of general interest in the field of electricity, authorized and monitored by a public authority, with the character of a natural monopoly;
- It has ANRE regulations that provide a certain stability of revenues;
- It is listed on the BVB, so has relatively good access to capital.

These risks may influence the Company's ability to invest, maintain its profit margins and deliver returns to shareholders.

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

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

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

The risk of Transelectrica not complying with legal requirements refers to the possibility of not complying with certain obligations under national or European legislation, which may have significant consequences for its business.

The liquidity of the Company could be affected by penalties caused by non-compliances signaled during

the periodic control activities of the authorized bodies (ANAF, CCR, MFP, etc).

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

The Company pays particular attention to effective cash management by effectively managing cash flows and optimizing surplus liquidity to meet financial obligations as they fall due, as well as the availability, if necessary, to draw on appropriate credit facility financing.

For situations requiring working capital financing, the Company utilizes current borrowings in the form of revolving lines of credit.

During the first half of 2025, the Company maintained an adequate level of liquidity. Operating cash flows were positive, ensuring the Company's ability to honor its short-term obligations.

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

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

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

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

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

By monitoring the elements analyzed by the rating agency, such as liquidity, revenues, debt structure, covenants, working capital, the Company is not in financial distress but the change in outlook as a result of the sovereign rating may influence financing costs and a decrease in investor interest.

## ➤ **investment risk**

In the first half of 2025, Transelectrica continued the implementation of its investment plan (CAPEX) for the modernization and expansion of the transmission network, constantly monitoring the execution status of major projects and the evolution of costs.

Efforts were focused on meeting deadlines and early identification of any potential risks of budget overruns or delays. The Company also carried out regular reviews of the profitability prospects of these investments, thereby ensuring prudent capital allocation and seeking to maximize long-term economic benefits.

During the period under review (H1 2025), Transelectrica has actively monitored the performance of subsidiaries providing essential services, assessing their ability to support the operations of the parent company.

Efforts were focused on ensuring the continuity and quality of the services provided, early identification of potential operational or financial risks at the level of the subsidiaries and implementation of the necessary preventive measures to minimize the impact on Transelectrica's business.

Thanks to the proactive management of risks associated with the investment in assets and the subsidiaries' performance, the potential negative impact was effectively mitigated during the first half of 2025.

## ➤ **technical and operational risks**

The materialization of risks of a technical nature or resulting from non-compliance with existing procedures or systems, generated by employee behavior or external events, could negatively impact the Company's business.

During the period under review, the risk exposure remained at a similar level as in the previous year. No major technical or operational events with significant financial impact were identified in the first half of 2025.

## ➤ **legislative risk**

Refers to the possibility that changes in government legislation, regulations or policies could adversely affect the Company.

In 2025, the Government implemented several changes affecting income taxes, VAT and corporate taxes. These changes were often implemented in a short timeframe and required companies to adapt quickly, increasing the risks of non-compliance due to the difficulty in understanding and implementing the new regulations.

According to Emergency Ordinance No. 156/2024, published in Official Gazette No. 1,334 of December 31, 2024, the tax rate on dividend income was increased from 8% to 10%, starting with dividends distributed after January 1, 2025.

This change applies to all dividends distributed, regardless of the year in which the profit was realized. However, for dividends distributed on the basis of interim financial statements prepared during 2024, the tax rate remains at 8%, with no subsequent recalculation after regularization based on the annual financial statements.

The Company continuously monitors and adapts to new tax and regulatory changes to ensure compliance with new legislative requirements.

No significant instances of non-compliance were identified in the first half of 2025 as all tax returns were filed on time.

The introduction of new taxes, such as the "pole tax" (construction tax), may create uncertainty and risks regarding the financial impact borne by the Company, which owns extensive infrastructure (stations, transformer stations, power lines, etc.).

The Ministry of Finance has set a reduction to 0.5% - tax for private companies, and 0.25% for state-owned companies.

This tax measure may discourage investment and affect long-term economic development.

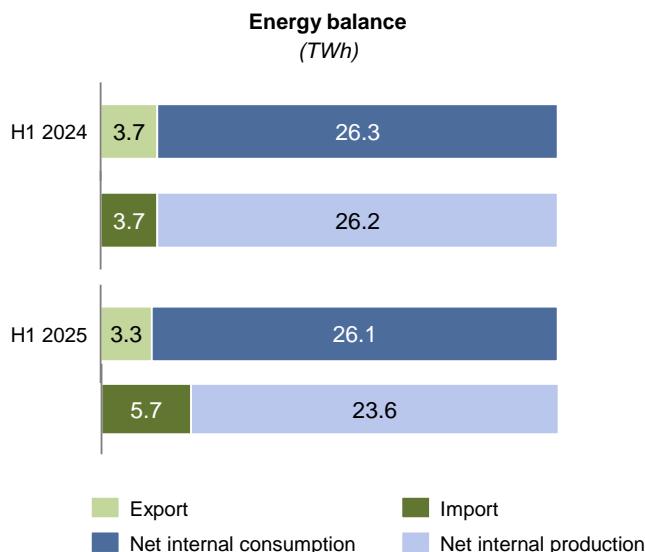


## Operational data

### NES ENERGY BALANCE

Analyzing the changes in the components of the energy balance in January - June 2025 compared to the same period in 2024, there is a slight decrease by 0.6% in net domestic consumption<sup>1</sup> and a decrease by 10% in net energy production.

Physical cross-border trade in physical exports was down 11% in H1 2025 compared to the same period in 2024, while imports increased by 54%.



In terms of electricity consumption at the NES level, January (-1.76%) and March (-3.71%), May (-2.53%) and June (-9.52%), recorded decreases in consumption, except for February (+6.12%) and April (+1.12%) which recorded increases in consumption.

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

As for the consumption decreases in the mentioned months, they have a decreasing trend from one month to the next, as the daily solar radiation range increases in length with another words, along with the increase in prosumer energy production (the amount that is not

measured), there is a decrease in the measured consumption at the national level.

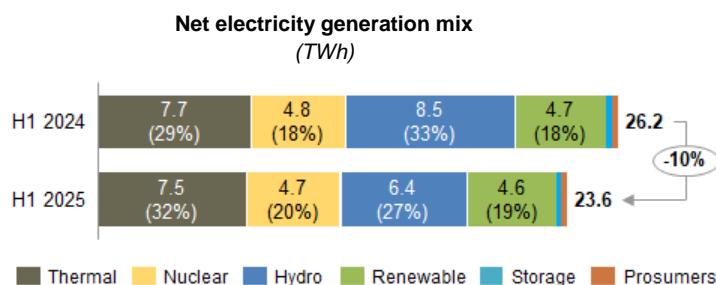
*The months January through April 2025 include the energy injected into the grid by prosumers, but without their internal consumption. As for the net energy produced for May and June, this does not include the quantities of energy fed into the grid by prosumers. Also, for June 2025 the values for renewables and hydro are provisional and do not include the quantities of energy fed into the grid by storage batteries.*

### PRODUCTION MIX

Regarding the generation mix, in the period January to June 2025 compared to the same period of 2024, there was a decrease on all components respectively, from Thermo sources 3%, Nuclear 1%, Hydro 25%, Renewables 2%.

At the end of the first semester of 2025, the production from batteries totaled 68.95 GWh, while the value recorded for prosumers was 434 GWh.

Analyzing the weights of the components of the net generation mix for the period January to June 2025, it can be observed that the largest share of 32% is accounted for by the Thermo component followed by Hydro component 27%, while Renewables and Nuclear have a share of 19% and 20% respectively.



### NATIONAL PRODUCTION PARK

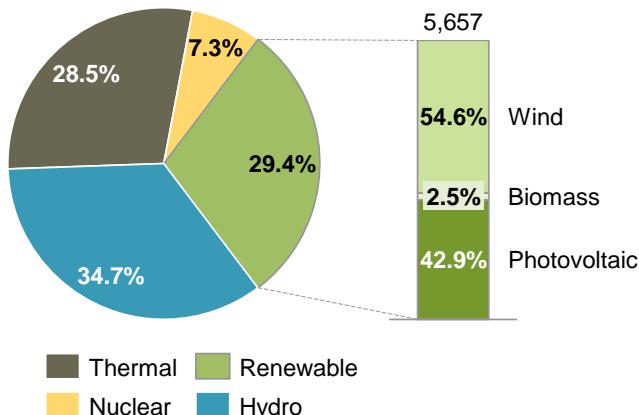
In the period January to June 2025, the installed capacity of thermal power plants, compared to the same period in 2024, showed a slight increase of about 0.2%, from 5,477 MW installed on June 30, 2024 to 5,490 MW installed on June 30, 2025.

As of May 14, 2025, installed capacity at storage facilities totaled 240.7 MW, and as of June 1, 2025, installed capacity at prosumers totaled 2,726 MW

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

On July 01, 2025, the gross installed capacity in the NES totaled 19,246 MW, with the following structure by primary energy sources: coal - 2,762 MW (2,162 MW net), hydrocarbons - 2,727 MW (2,198 MW net), nuclear - 1.413 MW (1.300 MW net), hydro - 6.686 MW (6.363 MW net), wind - 3.091 MW (3.034 MW net),

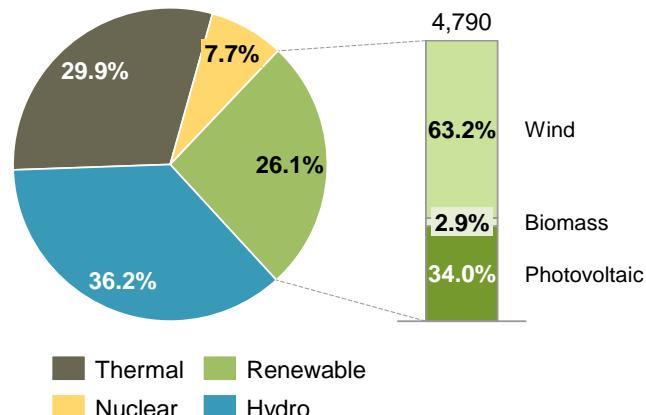
Installed capacity H1 2025 (19,246 MW. gross value)



photovoltaic - 2.427 MW (2.326 MW net), biomass - 139 MW (127 MW net).

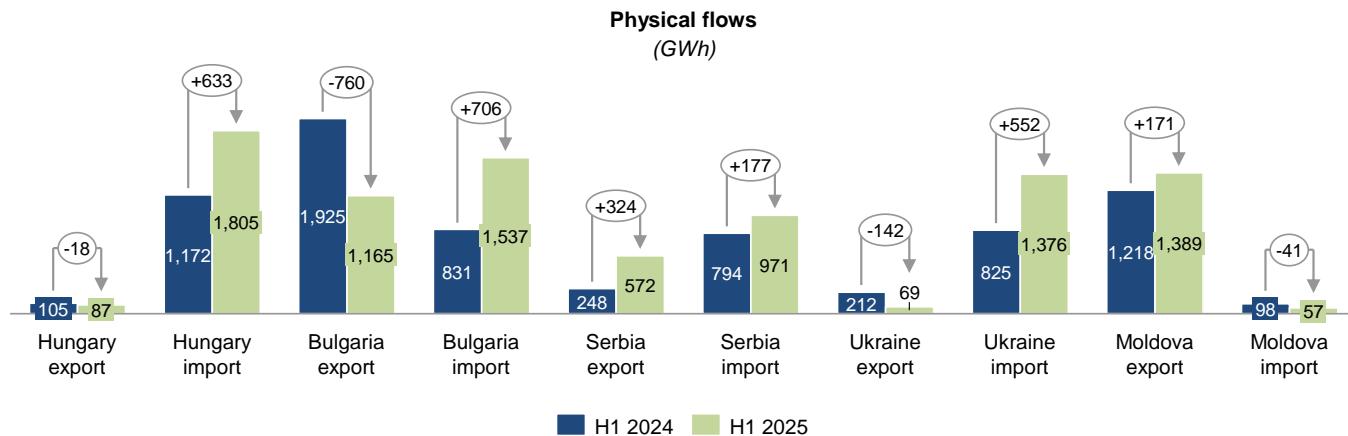
The installed capacity for the period January-June 2025 compared to January-June 2024 is shown in the following graphs:

Installed capacity H1 2024 (18,319 MW. gross value)



## CROSS-BORDER FLOWS

The physical flows of both imports and exports on each border are shown below:



The distribution of **import (H1 2025: 5.7 TWh, H1 2024: 3.7 TWh) / export (H1 2025: 3.3 TWh, H1 2024: 3.7 TWh)** physical flows on the interconnection lines in the period January - June 2025 compared to January - June 2024 is as follows:

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

Specifically, compared to January-June 2024, physical export flows decreased on the border with Bulgaria (-39% -760GWh), Hungary (-17% -18GWh) and Ukraine (-67% -142GWh) and increased on the border with Serbia (+131% +324GWh) and Moldova (14% +171 GWh).

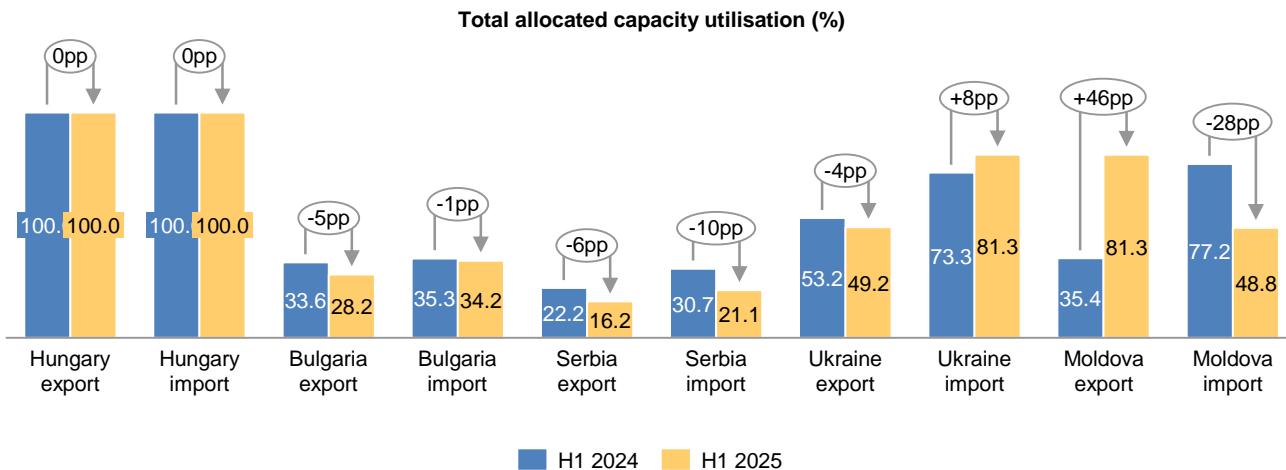
Compared to H1 2024, there was a 56% increase in import trade and a 34% decrease in energy transited, against the backdrop of much lower hydro compared to last year at this time of year and generally lower domestic electricity consumption compared to the same period in 2024, except in February and April when consumption increased at the NES level.

The trade includes the amount of electricity imported and exported as a result of Transelectrica S.A.'s participation as an operational member in the European Imbalance Netting (IGCC) platform, starting December 17, 2021. On July 01, 2024, at 00:00, the RFP-TEL frequency - exchange power regulator block belonging to Transelectrica S.A., was updated in terms of the activation of RRFa type reserves, their activation being carried out in the order of merit of the prices offered by

the participants, with the optimization cycle at 4 seconds.

With this update, Transelectrica, the Romanian Transmission and System Operator, complies with the legal obligations established by the European Commission Regulation (EU) 2017/2195 of August 2, 2017 establishing a guideline for the operation of the electricity transmission system (Article 21), being technically ready to join the European balancing platform for the automatically activated frequency restoration reserve, PICASSO.

On the Hungarian border, the utilization is 100%, both import and export, as the short-term auctions are implicit (capacity and energy are allocated simultaneously), and since January 2023, the long-term auctions have completely switched from the Physical Capacity Rights allocation mechanism to the Financial Capacity Rights allocation mechanism (the capacity allocated in the annual and monthly auctions is no longer a physical right that can be used by the participant, but only a financial right of the participant).



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

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

## OWN TECHNOLOGICAL CONSUMPTION

Due to its characteristics, the Own Technological Consumption (OTC) in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, on the structure of electricity production and consumption at national level, on the distribution of electricity flows in the internal transmission grid and on the interconnection lines with neighboring power systems, its value being very little to not controllable in the conditions of an interconnected and coupled regional energy market.

Factors that significantly influenced the OTC in the January - June 2025 period, such as precipitation and the distribution of cross-border physical flows, are not under Transelectrica's control.

## OTC EVOLUTION FACTORS

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

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

Energy entering the contour decreased by 0.8% in January 2025 (31.4 GWh) compared to the same period in 2024, as a result of a 17.6% (583.5 GWh) increase in energy received from ETG-connected generators and a 29.4% (69 GWh) increase in energy received from DERs, as energy received from imports increased by 119.2% (621.1 GWh).

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

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

The energy entering the contour increased by 1.2% (44.5 GWh) in February 2025 compared to the same period in 2024, as a result of an increase also of 133.7% (592.7 GWh) in energy received from imports, while energy received from ETG-connected generators decreased by 13.8% (402.7 GWh) and energy received from DERs decreased by 51.7% (145.4 GWh).

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

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

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

**In April 2025** the OTC increased compared to April 2024 by 0.8%, as a result of a 3.7% increase in energy entering the ETG contour, as physical import/export flows were more advantageous on interconnection lines on all borders except the one with the Republic of Moldova, leading to a reduction in the transmission of energy away from the sources, and weather conditions were characterized by lower precipitation amounts, which led to a decrease in the corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.44% in 2024 to 2.37% in 2025. Energy entered into the contour increased by 0.76% in April 2025 (116.7 GWh) compared to the same period in 2024, as a result of a 38% (256.2 GWh)

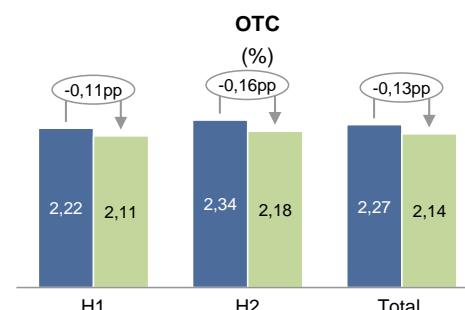
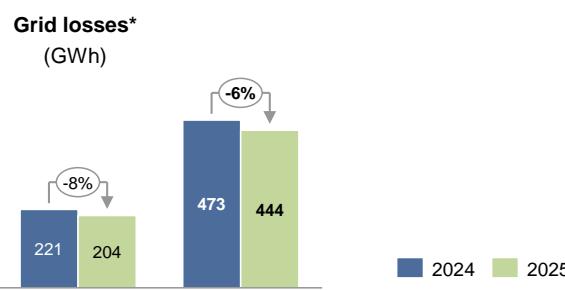
increase in energy received from imports, as energy received from DERs decreased by 9.9% (29.3 GWh) and energy received from ETG-connected generators decreased by 5.1% (110.2 GWh).

**In May 2025** the OTC increased compared to May 2024 by 1.1%, as a result of a 5.4% increase in energy entering the ETG contour, as well as weather conditions characterized by higher precipitation amounts, which led to higher corona losses, as physical import/export flows were more advantageous on interconnection lines on all borders, leading to a reduction in the transmission of energy away from sources.

The percentage of losses relative to energy entering the ETG decreased from 2.36% in 2024 to 2.27% in 2025. The energy entered into the meter increased by 5.39% in May 2025 (160.8 GWh) compared to the same period in 2024, as a result of a 2.18% (42.6 GWh) increase in energy received from generators connected to the ETG, a 14.88% (38.0 GWh) increase in energy received from the DER, and a 10.33% (80.2 GWh) increase in energy received from imports.

**In June 2025** the OTC decreased compared to June 2024 by 24.7%, as a result of the decrease in the energy entering the ETG contour, more advantageous physical import/export flows on the interconnection lines on the borders with Ukraine, Hungary and Serbia, which led to a reduction in the transmission of energy distant from the sources, and weather conditions characterized by lower precipitation amounts, which led to a decrease in the corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.21% in 2024 to 1.88% in 2025. The energy entered into the meter decreased by 11.26% in June 2025 (375.8 GWh) compared to the same period in 2024, as a result of a 20.54% (481.9 GWh) decrease in energy received from generators connected to the ETG, while energy received from imports increased by 7.68% (59.5 GWh) and energy received from DERs increased by 21.41% (46.6 GWh).



## **Conclusions**

**For the first half of 2025 as a whole**, the OTC in the ETG decreased by 6% compared to the same period of 2024, as a result of the decrease in the energy entering the ETG in June, but mainly due to more advantageous physical flows on the interconnection lines, particularly those on the borders with Ukraine and Hungary, and more favorable weather conditions in January, February, April and June, characterized by lower amounts of precipitation, which led to a reduction in the corona losses.

Relative to the energy entering the ETG contour, losses decreased from 2.27% to 2.14%, as the energy entering the ETG in the first half of 2025 was only 0.4% below the previous year.



## ETG Development

### FIXED ASSETS RECORDED IN THE ACCOUNTS

The total net value of tangible assets showed an appreciation at June 30, 2025 compared to December 31, 2024 being driven by the increase in the value of tangible assets in progress concurrent with the recording of depreciation of tangible assets.

The value of fixed assets recorded in the accounts in January-June 2025 amounted to RON 319.5 million (RON 358.7 million in the same period of 2024), a decrease of RON 39 million.

The largest transfers from tangible assets in progress to tangible assets are mainly represented by the commissioning of investment objectives, the most significant of which are listed below:

- Transition to 400 kV voltage of the axis Portile de Fier - Reșița - Timișoara - Săcălaz - Arad - Stage I - 400kV s.c. OHL Portile de Fier - (Anina) - Reșița - RON 176.8 million;
- Increasing the operational reliability of the Argeș-Vâlcea network area, realization of the 400 kV Arefu Station and installation of a 400 MVA, 400/220 kV 400/220 kV HV - RON 83.4 million;

- 400 kV d.c. Gutinaș - Smârdan OHL (Phase I of financing) - RON 30.7 million;
- Increasing the transmission capacity of the 220 kV Stejaru - Gheorgheni - Fântânele - 14.8 million RON;
- Optimization of the operation of the existing 400kV OHL in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line systems (SMART GRID type) - RON 4.8 million;
- Replacement of the interior heating and air conditioning installation of the administrative building of Bucharest's U.T.T headquarters ( S.F+P.T+C.S ) - RON 2.7million;
- Site clearance and realization of coexistence conditions between DN 69 connection road with A1 and 220 kV Arad - Calea Aradului OHL - RON 1.9 million;
- The purchase of the 49.6% share-part held by Smart SA in the Păltiniș Training Center - RON 1.7 million;
- Refurbishment of the 400 kV Isaccea Station - Phase I - Replacement of compensation coils, related cells and 400 kV Stupina cell - RON 1 million.

### TANGIBLE AND INTANGIBLE ASSETS

Purchases of tangible and intangible fixed assets in H1 2025 amounted to RON 196.6 million, down compared to the same period of 2024 when purchases amounted to RON 256.2 million.

The balance of tangible fixed assets under construction according to the financial position as at June 30, 2025, amounting to RON 834 million, is represented by projects in progress, the most significant of which are listed below:

- 400 kV d.c. Gutinaș - Smârdan OHL – RON 281.7 million;
- Retrofitting of the 400/110 kV Pelicanu transformer station - RON 66.2 million;
- Installation of two modern means of reactive power compensation in the 400/220/110/20kV stations Sibiu Sud and Bradu - RON 58.8 million;
- Increasing the degree of security of supply to consumers in the southern area of Bucharest, connected to the 400/220/110 KV South Bucharest station - RON 58.6 million;

- 220 kV double circuit Ostrovu Mare – ETG OHL (H.CA no. 17/2007) - RON 50 million;
- Connection to the ETG of CEE 300 MW Ivesti, CEE 88 MW Fălcium 1 and CEE 18 MW Fălcium 2 through the new (400)/220/110 kV Banca Station - RON 46.9 million;
- Upgrading of Isaccea 400 kV Station - Phase II - RON 43.5 million;
- Upgrade of the 400/110/20 kV Smârdan Station - RON 39.8 million;
- 400 kV Station Stâlpu - RON 38.3 million;
- 110 kV Medgidia Sud - RON 26.7 million;
- Upgrading of the 110 kV Timișoara 110 kV station and upgrading to 400 kV of the Portile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, phase II: 400 kV Timișoara station - RON 9.4 million;
- Power Quality Monitoring System (PQMS) - RON 8.6 million.

## ANNUAL INVESTMENT PROGRAM

The breakdown of investment expenditure as of June 30, 2025 by main chapters of the annual investment program is as follows:

No.	Categories of expenses	Scheduled*	Realized (million RON)	
		(million RON)	H1 2025	H1 2024
	<b>Grand total (A+B)</b>	<b>726.3</b>	<b>212.95</b>	<b>236.98</b>
<b>A</b>	<b>Company's own expenses</b>	613.00	201.56	220.70
<b>B</b>	<b>Investments financed from connection tariff</b>	113.30	11.38	16.28

(\*) PAI 2025 rev. A2

Thus, the degree of realization of the annual investment program as of June 30, 2025 is 29.3% compared to the Program and 49.0% compared to the budgeted Quarter I + II under the Grand Total and 32.9% compared to the Program and 51.0% compared to the budgeted Quarter I + II under the category of Company's own expenses.

The realized value of the investments in the continued is RON 171.03 million and represents 84.9% of the Company's own investment expenses realized in 2025.

The realized value of the investments financed from the connection tariff is RON 11.38 million, corresponding to the requests for execution of some works for network relocation or connection to the network of some producers.

The investment program for 2025 was revised twice until 30.06.2025.

The Company's development plan for the next 10 years includes a complex investment program, which aims at strengthening energy security, digitalization and implementation of the SMART GRID concept, which will generate, on the one hand, increased capacity for integration of renewable energy into the system and on the other hand, increased interconnection capacity.

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

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

## CONTRACTUAL ASPECTS

The most important investment contracts signed in H1 2025 are:

- Transition to 400 kV of the Portile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis. 400 kV Timișoara – Arad OHL, (stage III) – RON 185.21 million,
- Upgrading to 400 kV of the Teleajen station and modernization of the 110 kV Teleajen station - RON 161.95 million,
- 400 kV Suceava - Balti OHL for the portion of the project on the territory of Romania - RON 133.43 million.

## EUROPEAN FUNDS

### *Cooperation between Transelectrica and the Politehnica University of Bucharest*

Investment in training young people is a basic objective for the Company.

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

The project will run for a period of 3 years (maximum implementation deadline: until June 30, 2026). Starting from November 2023 and until now, NPG CO.

Transelectrica S.A. is organizing internships for a number of 5 students enrolled in dual education at the Technical College of Post and Telecommunications "Gheorghe Airinei".

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

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

In May 2025, the dual master's degree program "Renewable Energy Systems" at the National University of Science and Technology Politehnica Bucharest was approved by government decision. The first admission session for this master's program was also held in May, and the admission committee included a representative of the Company.



#### **Modernization Fund**

Currently 11 Financing Contracts are in progress:

1. Construction of a new 400 kV (d.c.) Medgidia Sud-Constanța Nord overhead power line, equipped with a single circuit;
2. Construction of a new 400 kV (1c) overhead power line Gădălin - Suceava, including interconnection to NES;
3. Stage II "Axul Banat", Construction of a new 400 kV overhead power line Reșița - Timișoara/Săcălaz, Upgrading of 110 /220 kV Timișoara station and conversion to 400 kV;
4. Stage III "Axul Banat", Construction of a new 400 kV overhead power line Timișoara/Săcălaz - Arad, Upgrading of Arad 110kV station to 400kV and construction of a new 400 kV Săcălaz station;
5. Upgrade to 400 kV the Brazi Vest-Teleajen-Stâlpu axis;
6. Pilot project - Upgrading of the 220/110/20 kV Alba Iulia station to a digital station concept;
7. Installation of two modern means of reactive power compensation in 400/220/110/20 kV Sibiu Sud and 400/220/110/20 kV Bradu stations;
8. Optimization of the operation of the existing 400 kV OHL in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line monitoring systems (SMART GRID type);
9. Digitalization of the ETG through the installation of 2 online systems for Metering and management of

electricity metering data on the wholesale market, and for Power Quality Monitoring;

10. DigiTEL Green pilot project - Retrofitting of the 220/110/20 kV Mostiștea station into a digital and low environmental impact station concept;

11. DigiTEL Power Lines of the Future Pilot Project - Transition of the 400 kV Isaccea-Tulcea West OHL from single circuit to double circuit.

**In January-June 2025, for projects 1-11, in accordance with the provisions of the Financing Contracts, semi-annual progress reports for the second semester of 2024 and annual reports for 2024, as well as other categories of information requested by the Ministry (reports related to public procurement procedures, etc.) were prepared and submitted to the Ministry of Energy.**

Also, the Financing Contracts Officers participate, on a regular basis, in online technical meetings with the representatives of the Ministry of Energy in order to monitor the contracts financed from the Modernization Fund.

In the period January-June 2025, Pre-financing Requests / Reimbursement Requests have been submitted for a total amount of 46.725.028,50 RON.

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

As regards the Project " 400 kV d.c. Gutinaș Smârdan OHL ", financed by the Operational Program Large Infrastructure 2014-2020, Priority Axis 8 - *Intelligent and sustainable electricity and natural gas transmission systems, Specific Objective 8.1 - Increase the capacity of the National Energy System for the takeover of energy produced from renewable resources, in the period June-September 2024, 2 (two) reimbursement requests with a total reimbursed amount of 27.590.123,87 RON were submitted to the Managing Authority - POIM.*

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

The public launch of the second phase was marked by the publication of the announcement in the national

press on March 6, 2025, followed by the organization, on March 26, 2025, of the official meeting to start the execution of the Grant Contract No. 146/2024.

In June 2025, the amount of RON 7,211,894.87, representing the non-reimbursable expenditure related to Reimbursement Request No. 1, financed by the PDD program 2021-2027, was received.

The implementation of the Government Decision no. 174/2025 of February 27, 2025 was initiated, which approves the definitive removal of 0.1941 ha from the national forest fund and the temporary occupation of 32.6358 ha for the realization of the 400 kV d.c. Gutinaș-Smârdan OHL. The land concerned, located in the counties of Bacău, Vrancea and Galați, is to be handed over to NPG CO. "Transelectrica" S.A. within a maximum of 180 days of the entry into force of the decision, in compliance with the obligations regarding forest regeneration and compensation.

### REPowerEU Plan

The REPowerEU Plan sets out a series of measures aimed at rapidly reducing Russia's dependence on fossil fuels and accelerating the green transition, while increasing the resilience of the EU energy system.

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

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

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

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

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

Also, for Subinvestment 5a. - Installation of photovoltaic power plants (PPPs) and electricity storage facilities for the supply of internal services installed in Transelectrica stations during the reference period, transfer requests amounting to RON 597,595.04 were prepared and submitted.



### Horizon Program

*The Company's representatives participate in the Consortia formed for the development of the **TwinEU** and **SmarTWin** projects funded by the European Union's Horizon Research - Innovation Program.*

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

- The company is part of the consortium formed for the development of this project, - which brings together 71 partners from Europe, including transport and system operators, technology companies, universities and research institutes, European associations, solution developers.*
- The objective of the project is to increase the efficiency and penetration of smart technologies in electricity grids leading to a truly smart grid. The project results are expected to contribute to the development of new smart grid architectures and their integration into the European digital infrastructure.*

- The benefits for the Company consist in training and familiarizing the staff with the technical solutions for developing the transmission grid using Smart technologies and the benefits they can bring to the system, given the need to find solutions for integrating renewable energy at the quotas set in the National Integrated Energy and Climate Change Plan (PNIESC) for 2030 and to meet the obligations imposed by ANRE
- In the first quarter of 2024, the Company received the pre-financing in the amount of EUR 65,625, representing 75% of the estimated budget amount on reimbursement, with the project activity during 2024 continuing according to schedule.

During the period January-June 2025, project activity continued on schedule with the Company's representatives actively contributing to the ongoing actions.



## Projects of Common Interest

### Project of Common Interest CARMEN (Carpathian Modernized Energy Network)

During 2024, the Company resumed the process of obtaining financing through the European Interconnection Facility (CEF). The process of preparation of the joint financing application of the partners involved in the project (Delgaz Grid S.A., NPG CO. "Transelectrica" S.A. and Elektroenergien Sisteme Operator EAD) was started within the call for projects opened on 30.04.2024. Within the CARMEN Project, NPG CO. "Transelectrica" - S.A. included the following Investment Objectives:

- "Optimization of voltage regulation and power quality parameters through the installation of FACTS type equipment in Gutinaș and Roșiori stations;
- "Modernization and increase of the transmission capacity of the 220 kV OHL: Fântânele - Ungheni,"

- "National Synchrophasor Platform connected to the International Platform for Synchrophasor Data Exchange (IPDE);
- "Installations for the regulation of active power flows in order to limit congestion in the ETG".

Following the analysis of the application preparation process and the opportunity to access funding, it was decided to postpone its submission to 2024, concluding that the chances of success will be higher in the next call, scheduled for 2025.

Thus, for the CARMEN (Carpathian Modernized Energy Network) project, the process of preparing the application for financing through the Connecting Europe Facility (CEF) was carried out from January to June 2025.

## Events

In relation to the **elements, events or factors of uncertainty that have influenced the activity during the first semester of 2025**, the following can be mentioned:

- Volatility in the construction and energy materials market, as well as the current geopolitical context, caused a dramatic increase in prices, impacting the value of the company's contribution to project financing.
- Long delays in the approval by the authorized institutions of the draft normative acts regulating the transfer of the right of administration, on behalf of the Romanian State, of some land located in the corridor of the overhead power lines being built by NPG CO. Transelectrica S.A., This has caused delays in the company's ability to provide contractors with access to these plots of land, resulting in long delays in the implementation of projects and in compliance with the deadlines for commissioning overhead power line investment projects, which in turn has caused some delays in compliance with the schedule for reimbursement of eligible amounts for projects with non-reimbursable financing. As a consequence of this,

Transelectrica had to take into account the risk of not being able to fully benefit from the European non-reimbursable funds allocated to it, with a negative effect also on Romania's absorption rate of European funds.

## Outlook 2025

The company is considering the following:

- The approach to non-reimbursable funding opportunities covers two levels:

- *The monitoring process of non-reimbursable funding opportunities launched by funding authorities at national and European level, which is ongoing,*
- *the identification of funding opportunities which is carried out in relation to the development priorities of the Company, as well as to the needs identified in terms of support for their implementation.*

➤ Continuing a good inter-institutional collaboration, with the Ministry of Investment and European

Projects, the Ministry of Energy, the Ministry of Economy, the General Secretariat of the Government and other governmental entities, in order to ensure the necessary legal framework for the implementation of projects of common interest and national importance that the Company implements.

## FINANCIAL INVESTMENTS OF THE COMPANY

At the European level, the energy sector is undergoing a process of transformation, emphasizing the transition from a predominantly national model of evolution and development of the energy sector, to a model of integrated and coordinated development at the European level that ensures unified development at the continental level but also allows adaptation to national specifications while pursuing the legitimate interests of the European states.

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

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

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

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

Resolution No. 9 of the AGEA of June 05, 2018 approved the affiliation of the Company to the CORE Region Security Coordination Center TSCNET through participation in the share capital with a contribution of 470,500 EUR (1 share - 2,500 EUR).

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

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

Transelectrica was invited by the JAO to become part of its shareholder.

Resolution No. 10 of the AGEA of August 20, 2018 approved the Company's affiliation to the Joint Allocation Office (JAO) shareholder with a cash subscription in the amount of EUR 259,325, and 50 shares were allocated to it.

### **GECO POWER COMPANY**

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

The Company, together with Azerenerji Open Joint Stock Company, JSC Georgian State Electrosystem and MVM Energy Private Limited Liability Company, established a limited liability company with registered office in Romania, organized and operating under the Romanian law, with a total share capital of RON 15 million divided into 1,500,000 shares of RON 10 each, in which the Company's contribution is RON 3.75 million, corresponding to 375,000 shares of RON 10 each and representing a participation in the share capital as well as in the profit/loss of 25%.



## Significant events

### JANUARY - JUNE 2025

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

The Ordinary General Meeting of Shareholders of the Company held on January 15, 2025:

- Approved the key performance indicators resulting from the Management Plan,
- did not approve the fixed remuneration of the members of the Company's Supervisory Board as RON 42,350 gross/month,
- did not approve the setting of the general limits of remuneration and other benefits to be granted by NPG CO. Transelectrica S.A. to the members of the Directorate, including the fixed remuneration, as well as other benefits granted to them,
- approved the setting of February 06, 2025 as the record date of the shareholders on which the effects of the Ordinary General Meeting of Shareholders' Resolution will be reflected.
- **Planning investments of over RON 9.4 billion for the development of the electric transmission grid**

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

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

- ✓ ETG,
- ✓ security of supply,
- ✓ integration of renewable and new generation in Dobrogea and Moldova and
- ✓ increasing interconnection capacity.

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

- Investment works aimed at upgrading the existing electric transmission networks (ETG) - 30% of the total amount of investments planned in the period is allocated;
- Investment works aiming at integrating generation from renewable sources and other new plants - 28% of the total amount of investments planned in the period is allocated;
- Planned investments aimed at increasing interconnection capacity - 26% of the total value of planned investments in the period is allocated;
- Investments to increase the security of electricity supply - 13% of the total amount of investments planned in the period is allocated.

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

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

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

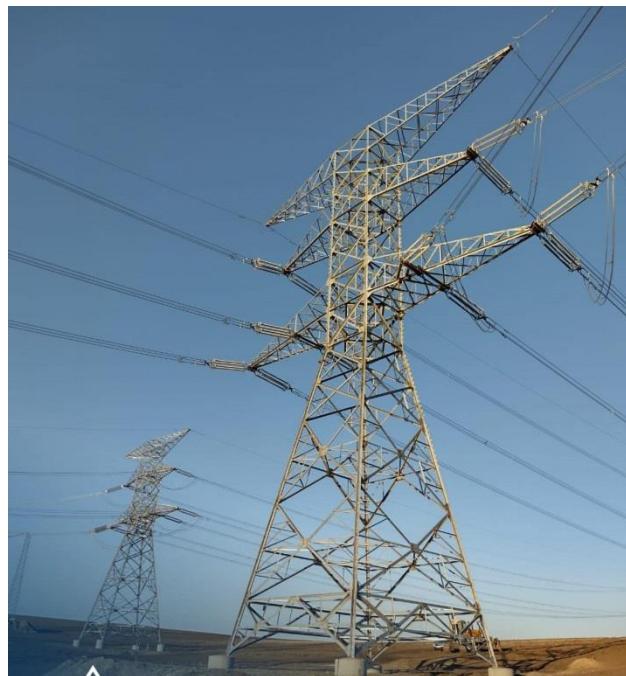
The Company has informed its shareholders and stakeholders that on 20.01.2025 it has been notified that Moody's Investors Service International Rating Agency has published the confirmation of the long-term rating "Baa3", while maintaining the stable outlook.

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

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

Last November last year, circuit 2 of the 400 kV Reșița - Pancevo OHL was commercially operationalized, following the partial commissioning of the new 400 kV Reșița station.

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



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

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

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

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

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

Following the signing of the contract for the execution and finalization of the works, which took place in January, Transelectrica's management and the members of the team responsible for the implementation of the investment had the first meeting with the representatives of the contractor, namely Electromontaj SA.

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

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

The execution works, worth about 95 million RON, are scheduled for completion in January 2027.

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

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

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

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

- approved the performance by "Transelectrica" of financial operations and services with cash on hand in RON or foreign currency, the decision for each treasury operation of this type (including foreign exchange and constitution of bank deposits) being within the competence of the Directorate, up to a maximum limit of up to RON 500,000,000 (or equivalent in euro) per transaction;
- approved the purchase by the Company of the services of legal assistance and representation before the courts in order to defend the Company's interests in the case subject of file no. 28414/3/2024, up to a limit of RON 50,000, including all expenses incurred in representing the Company in court until a final judgment is rendered;

- approved the appointment of PKF FINCONTANTA SRL as the financial auditor of NPG CO. Transelectrica S.A., for a period of 12 months, but not later than 31.12.2025;
- approved the content of the addendum to the mandate contract concluded between the members of the Supervisory Board and the Company by including the indicators approved by the Resolution of the General Shareholders' Meeting No. 1/15.01.2025 and the authorization of the representative of the General Secretariat of the Government in the General Shareholders' Meeting to sign on behalf of the Company the addendums to the mandate contracts with the persons appointed as members of the Supervisory Board.

- **Moody's revised the outlook from "stable" to "negative"**

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

The long-term credit rating of "Transelectrica" S.A. was maintained at Baa3, and the Basic Credit Assessment (BCA) was confirmed at Ba1.

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

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

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

The Ordinary General Shareholders' Meeting of the Company's shareholders convened on April 1, 2025:

- approved the establishment of the Investment Program for the financial year 2025 and the estimates for the years 2026 and 2027;
- approved the Company's Income and Expenditure Budget for the year 2025 and the estimates for the years 2026 and 2027;

- approved the reconfirmation, in accordance with art. 38 and art. 39 of GEO no. 109/2011, as amended and supplemented, of point 10 of the OGMS Resolution no. 3 of April 29, 2024, namely: the establishment, the general limits of the remuneration and other benefits to be granted by NPG CO. TRANSELECTRICA S.A. to the members of the Directorate, including fixed remuneration, variable remuneration and other benefits granted to them.

- **Majority shareholder request**

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

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

- **NES restoration exercise successfully carried out at the Portile de Fier I hydropower plant**

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

Owners of large storage facilities were also invited to this restoration exercise, since in the context of the integration of increasing volumes of renewable energy into the system, the role of storage is becoming increasingly important for system security.

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

Throughout the exercise, the energy installations behaved according to the designed and expected parameters and the action was successful.

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

In addition, another objective of exercises of this type is to train and prepare the operational and technical personnel of the entities of the National Energy System, a task under the responsibility of Transelectrica.

Defense and restoration are essential activities, which allow emergency situations to be managed and the system to be returned to normal operation.



- **Successfully overcoming the challenges posed by historically low consumption**

The National Energy System (NES) has successfully overcome the unprecedented technical challenges during the first two days of the Easter holidays, when electricity consumption reached historic lows amid the overlapping of Easter celebrations for Orthodox and Catholic Christians.

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

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

This balancing of the system under exceptional conditions was possible thanks to the extraordinary collaboration and constant involvement of the NES entities, authorities, producers and grid operators, but

above all thanks to the professionalism, vigilance and dedication of the colleagues who were present on duty.

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

The ordinary general meeting of the Company's shareholders held on April 29, 2025:

- did not approve the separate financial statements of NPG CO. "Transelectrica"-S.A. for the financial year 2024;
- did not approve the consolidated financial statements of NPG CO. "Transelectrica"-S.A in accordance with the International Financial Reporting Standards as adopted by the European Union as at and for the financial year ended December 31, 2024;
- did not approve the consolidated financial statements prepared in accordance with OMFP no. 2844/2016 for the approval of the accounting regulations in compliance with the International Financial Reporting Standards as at and for the financial year ended December 31, 2024;
- did not approve the distribution of the accounting profit remaining after deduction of corporate income tax as at December 31, 2024 in the amount of RON 585,924,311;
- did not approve the gross dividend per share out of the accounting profit as of December 31, 2024 in the amount of RON 2.12;
- did not approve the discharge of the members of the Directorate and the members of the Supervisory Board for the financial year 2024;
- approved the Remuneration Report for the financial year 2024;
- approved the "Remuneration policy for the members of the executive and non-executive management of NPG CO. "Transelectrica"- S.A. revised to March 2025;
- did not approve the Annual Report on the individual financial statements of the Company for the financial year ended December 31, 2024;
- did not approve the Annual Report on the consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union of the Company for the financial year ended December 31, 2024;
- did not approve the Annual Report on the consolidated financial statements of the Company prepared in accordance with OMFP no. 2844/2016

for the approval of the accounting regulations in conformity with International Financial Reporting Standards as adopted by the European Union for the financial year ended December 31, 2024;

- did not approve the Consolidated Sustainability Report of NPG CO. "Transelectrica"-S.A. for the year 2024;
- did not approve the setting of June 05, 2025 as the "ex date", the calendar date from which the Company's shares subject of the Resolution of the Ordinary General Shareholders' Meeting shall be traded without the rights deriving from the said Resolution;
- approved the setting of June 06, 2025 as the record date of the shareholders on which the effects of the Resolution of the Ordinary General Meeting of Shareholders will be reflected;
- did not approve the setting of June 26, 2025 as the "date of payment" of the gross dividend per share out of the profit recorded as at December 31, 2024.

#### **Clarifications, right to reply, article published by the Association of Energy Prosumers and Consumers**

In view of the press release entitled "*Transelectrica: EUR 18 million wrongly received in 2024*", published by the Association of Energy Consumers and Consumers and containing tendentious statements with the potential to mislead the public opinion and unduly affect the image of the National Electricity Transmission Company Transelectrica SA, the Company deemed it necessary to provide some essential clarifications, in the spirit of transparency and fair information.

Thus, by means of the press release published on the Company's website, it was reiterated that the revenues of the National Electricity Transmission Company Transelectrica SA are regulated and controlled by the National Energy Regulatory Authority (ANRE), which approves the tariffs charged by Transelectrica for the transmission of electricity and for the purchase of system services.

Also, with regard to the tariff for the transmission of electricity, the tariff sizing criterion is the coverage of the costs necessary for the development, maintenance and operation of the electricity transmission network with which the public electricity transmission service is provided and with regard to the tariff for the purchase of system services, the dimensioning criterion of the tariff is the coverage of the costs for the purchase from authorized third party suppliers (electricity generators, electricity storage facilities, controllable electricity consumers) of the system services necessary for the

smooth and safe operation of the National Energy System.

The full press release can be consulted on the Company's website at

[https://web.transelectrica.ro/houtati/lista\\_noutati.html](https://web.transelectrica.ro/houtati/lista_noutati.html)

#### **Resolution No. 5 of the Ordinary General Meeting of Shareholders of June 11, 2025**

The Ordinary General Meeting of Shareholders of the Company held on June 11, 2025:

- approved the separate financial statements of NPG CO. "Transelectrica"-S.A. for the financial year 2024;
- approved the Consolidated Financial Statements of NPG CO. "Transelectrica"-S.A. prepared in accordance with the International Financial Reporting Standards adopted by the European Union as at and for the financial year ended December 31, 2024;
- approved the Consolidated Financial Statements prepared in accordance with the OMFP no. 2844/2016 for the approval of the accounting regulations in compliance with the International Financial Reporting Standards as at and for the financial year ended December 31, 2024;
- Approved the distribution of the accounting profit remaining after deduction of corporate income tax as at December 31, 2024 (90% as per the majority shareholder Memorandum) in the amount of RON 585,924,311;
- approved the gross dividend per share out of the profit recorded as at 31.12.2024 in the amount of RON 3.81;
- discharged the members of the Directorate and the members of the Supervisory Board for the financial year 2024;
- approved the Annual Report on the Company's individual financial statements for the financial year ended December 31, 2024;
- The annual report on the consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union of the Company for the financial year ended December 31, 2024;
- Annual Report on the consolidated financial statements of the Company prepared in accordance with OMFP No. 2844/2016 for the approval of the accounting regulations in conformity with International Financial Reporting Standards as

adopted by the European Union for the financial year ended December 31, 2024;

- Consolidated Sustainability Report of NPG CO. "Transelectrica"- S.A. for the year 2024;
- Approved the setting of July 31, 2025 as the "payment date" of the gross dividend per share from the profit recorded as of December 31, 2024.

### **70 years of uninterrupted operation of the National Energy Dispatcher, a benchmark for Romania's energy safety and security**

The National Electricity Transmission Company Transelectrica S.A. has marked 70 years since the first shift, on June 13, 1955, within the National Energy Dispatching System (DEN) - the key structure that ensures, in real time, the safety of the national power system and its coordination in the European interconnected grid.

The anniversary was celebrated with an event that brought together government officials, officials from the energy regulator, representatives of the Parliament, leaders of the other energy system operators, as well as current and former employees of the National Energy Dispatch.

The National Energy Dispatch has had an impressive evolution over the years. On February 1, 1955, the National Energy Dispatcher was established, originally as the National Energy Dispatcher Service.

On the initiative of the technical leaders and dispatchers who contributed to the establishment of the National Energy Dispatcher, on June 13, 1955, the first shift was provided, which was also the official date of birth of the DEN.

This moment formed the basis for the subsequent development and transformation of the management of the National Energy System.

Thus, June 13, 1955 is the date that marks the starting point for the subsequent transformations and development of the management of the National Energy System (NES).

The establishment of the National Energy Dispatcher on June 13, 1955, was imposed by the interconnection of the zonal energy systems of Transylvania and Moldavia in 1954.

### **Clarifications on the compliance audit mission carried out by the Court of Auditors at the National Electricity Transmission Company Transelectrica SA**

Following the appearance in the public space of some information regarding the conclusions of a compliance audit report drawn up by the Court of Auditors, the National Electricity Transmission Company

Transelectrica SA has brought to the attention of its shareholders and investors, by means of a press release, some clarifications which can be found in full on the Company's website by accessing the following link <https://www.transelectrica.ro/web/tel/rapoarte-curente>.

Last but not least, Transelectrica SA reaffirms its firm commitment to the principles of transparency, accountability and correct information of investors and shareholders, ensuring that any information of interest will be communicated to the public to the extent that it is complete, certain and relevant, avoiding the creation of distorted, tense or speculative perceptions, which do not reflect reality and may unduly affect the legitimate interests of the Company and its shareholders.

### **Complex exercise for the restoration of the National Energy System, carried out by Transelectrica in partnership with Hidroelectrica and in collaboration with the Bulgarian Transmission and System Operator**

On June 21, 2025, the National Electricity Transmission Company Transelectrica SA, in collaboration with SPEEH Hidroelectrica SA and the Bulgarian Transmission and System Operator - ESO - EAD, carried out the most complex exercise for the restoration of the National Electro-energetic System (NES), which involved the de-energization of the hydroelectric power plants CHE Lotru and CHE Vidraru.

The activities were carried out in Vidraru Hydroelectric Power Plant, Lotru Hydroelectric Power Plant and in the adjacent network area, in the 400/220/110/20 kV Arefu Electric Transformer Station, in the 400/220/110/20 kV Sibiu Sud Electric Transformer Station, in the 400/220/110/20 kV Bradu Electric Transformer Station, in the 220/110/20 kV Târgoviște Electric Transformer Station and in the 110/20 kV Șotânga Electric Transformer Station.

The purpose of the exercise was to test and validate the ability to restore the National Power System in the scenario of a major power failure, using the bottom-up method, i.e. restarting the system from the local level, using autonomous energy sources and gradually extending to the whole network.

Two independent power islands were created and synchronized in the 400/220/110/20 kV Arefu 400/220/110/20 kV Electrical Transformer Station, and then synchronized with the Bulgarian power system on a specially configured technical route.

The exercise is part of a series of tests initiated by Transelectrica, in partnership with Hidroelectrica, aimed at ensuring the technical and operational preparedness of the system for emergency situations.

The action continues similar actions previously carried out at CHE Vidraru, CHE Lotru and CHE Poile de Fier I.

The NES restoration actions are carried out in compliance with the legal obligations that Transelectrica has as Transmission and System Operator, member of the European Interconnector Network, based on the European Regulation No. 2196/2017 on the Grid Code for Emergency and Restoration.

In a regional context in which energy security is becoming increasingly important, these types of exercises contribute to strengthening rapid response capacity, improving cross-border cooperation in South-Eastern Europe, as well as increasing the resilience of the national energy system.

#### **Procedure for payment of dividends distributed under OGMSD No. 5/2025**

Pursuant to Decision no. 5 of the Ordinary General Shareholders' Meeting of June 11, 2025, NPG CO. "Transelectrica" S.A. (TEL) has sent, by means of a press release, the procedure for the payment of dividends from the profit recorded as of December 31, 2024.

The amount of the gross dividend for the financial year 2024 is RON 3.81 gross/share and the dividends will be paid, starting July 31, 2025 (payment date), to the shareholders registered on July 11, 2025 in the TEL Shareholders Register (ex-date June 10, 2025), through the Central Depository SA (DC) and the paying agent BRD - Group Société Générale (BRD).

#### **SUBSEQUENT EVENTS**

##### **Resolution No. 6 of the Ordinary General Meeting of Shareholders of July 8, 2025**

The Ordinary General Meeting of Shareholders of the Company, pursuant to the provisions of the Companies Act no. 31/1990, republished, as subsequently amended and supplemented, of the Law no. 24/2017 on issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, and of the A.S.F. Regulation no. 5/2018 on issuers of financial instruments and market operations, as subsequently amended and supplemented, convened on July 08, 2025:

- approved the valuation report, in accordance with Art. 30 para. (7) and Art. (71) of GEO no. 109/2011, as subsequently amended and supplemented, drawn up by Păun Costin Mihai, member of the Supervisory Board, registered under no. 23093/30.05.2025,

- approved the evaluation report, in accordance with the provisions of Art. 30 para. (7) and Art. (71) of GEO no. 109/2011, as amended and supplemented, prepared by Atanasiu Teodor, member of the Supervisory Board, registered under no. 23088/30.05.2025,
- approved the evaluation report, in accordance with the provisions of Art. 30 para. (7) and art. (71) of GEO no. 109/2011, as amended and supplemented, prepared by Vasilescu Alexandru-Cristian, member of the Supervisory Board, registered under no. 23089/30.05.2025,
- approved the evaluation report, in accordance with the provisions of Art. 30 para. (7) and art. (71) of GEO no. 109/2011, as amended and supplemented, prepared by Zezeanu Luminita, member of the Supervisory Board, registered under no. 23092/30.05.2025,
- approved the evaluation report, in accordance with the provisions of Art. 30 para. (7) and art. (71) of GEO no. 109/2011, as amended and supplemented, prepared by Dascăl Cătălin-Andrei, member of the Supervisory Board, registered under no. 23090/30.05.2025,
- approved the evaluation report, in accordance with the provisions of Art. 30 para. (7) and Art. (71) of GEO no. 109/2011, as amended and supplemented, prepared by Orlandea Virgil-Dumitru, member of the Supervisory Board, registered under no. 23091/30.05.2025,
- approved the evaluation report, in accordance with the provisions of Art. 30 para. (7) and Art. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Rusu Rareş Stelian Rareş, member of the Supervisory Board, registered under no. 23094/30.05.2025

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

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

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

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

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

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

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

#### **Mobilization for the replacement of the damaged pole on the 400 kV Overhead Power Line Gădălin - Roșiori**

On July 16, 2025, the intervention to replace the high-voltage pole of the 400 kV Gădălin - Roșiori Overhead Power Line, damaged following the violent storm in the area of Jibou, Sălaj County, was successfully completed and the line was put back into operation.

The intervention, carried out by the technical teams of SMART SA, Transelectrica's subsidiary, and of the Cluj - Napoca Territorial Transmission Branch, was highly complex and took place in difficult terrain conditions, in an area difficult to access for machinery and equipment.

The intervention teams were mobilized quickly and worked non-stop, in a real race against the clock, to restore the overhead power line as quickly as possible.

This involved a series of complex logistical tasks, such as adapting access roads, transporting a pole more than 30 meters high and weighing some 7.5 tons by truck over several hundred kilometers, and bringing a heavy-duty crawler crane to the site.

Thanks to a coordinated and intensive effort, the line was re-energized and the safe operation of the network in the north-west of the country was fully restored.

Transelectrica continuously invests in modernization, maintenance and network expansion.

In the last three years, Transelectrica has built 60% of the new lines constructed in the last 20 years, i.e. 305 kilometers of 400 kV and 220 kV lines, out of a total of 496 kilometers completed since the early 2000s.

By 2030, Transelectrica has more than 740 kilometers of new overhead power lines in various stages of preparation or under construction.

#### **Convening of the Extraordinary General Meeting of Shareholders**

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

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



## Other aspects

### SHAREHOLDING STRUCTURE

The Company's shareholder structure as at June 30, 2025 is as follows:

Name of shareholder	No. of shares	Weight in total
Romanian State through SGG	43.020.309	58,7%
PAVĀL Holding	4.753.567	6,5%
NN Private Managed Pension Fund	4.007.688	5,5%
Other shareholders - legal entities	16.584.688	22,6%
Other shareholders - individuals	4.936.890	6,7%
<b>Total</b>	<b>73.303.142</b>	<b>100%</b>

### COMPOSITION OF THE DIRECTORATE

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

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

### TARIFFS

In accordance with the provisions of the *Methodology for establishing tariffs for the electricity transmission service*, approved by Order of the President of ANRE

#### I) Transmission tariff applied in the second quarter of 2025

99/2024, the tariffs for the introduction of electricity into the transmission grid (T\_G) and for the extraction of electricity from the grid (T\_L), practiced by NPG CO.

no.68/2024, the transmission tariff applied in 2025 as of January 1st was established.

Transelectrica S.A., valid from January 01, 2025, were approved, as shown in the table below:

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

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

The tariff components that make up the tariffs for the introduction of electricity into the transmission grid (TG) and for the extraction of electricity from the grid (T\_L),

practiced by NPG CO. Transelectrica S.A., valid from January 01, 2025, are presented in the tables below:

#### Tariff components - Tariff for feeding electricity into the transmission grid (TG)

	Tariff from January 01, 2025 (RON/MWh), according to ANRE Order no. 99/20.12.2024, of which:	The tariff component corresponding to the OTC regulated revenue to be recovered from producers (C_OTC_P) (RON/MWh).	Tariff component corresponding to the capitalized additional OTC regulated income to be recovered from producers (C_OTC_S_P) (RON/MWh)
Tariff for feeding electricity into the transmission grid (T_G)	3.29	2.84	0.45

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

	<b>Tariff from January 01, 2025 (RON/MWh), according to Ordin ANRE nr. 99/20.12.2024, of which:</b>	Tariff component corresponding to nonOTC regulated revenue (CT_nonOTC) (RON/MWh)	The tariff component corresponding to the OTC regulated revenue to be recovered from end customers (C_OTC_C) (RON/MWh)	Tariff component corresponding to the capitalized additional OTC regulated revenue recovered from final customers (C_OTC_S_C) (RON/MWh)
Tariff for extracting electricity from the networks (T_L)	<b>33.03</b>	24.01	7.73	1.29

The values of the annual investment plans of NPG CO. "Transelectrica" S.A., approved by ANRE, corresponding to the fifth regulatory period (2025 - 2029), broken down by financing sources, as well as the minimum mandatory value for the total investments made from own sources for the fifth regulatory period and the minimum mandatory values for the investments made in the electricity transmission grid from own sources corresponding to the of the fifth

regulatory period, remained unchanged compared to those presented in the "Report for the first quarter of 2025".

Likewise, the values of the other key elements of the linearized revenues approved by ANRE for the fifth regulatory period (2025-2029) remained unchanged compared to those presented in the "Report for the first quarter of 2025".

**Events subsequent to the reported period regarding the tariff for the purchase of system services:**

**II) Tariff for purchase of system services applied in Q2 2025**

Based on the provisions of the *Methodology for establishing the tariff for the purchase of system services*, approved by ANRE Order no.116/2022, NPG CO. Transelectrica SA submitted to ANRE, the proposal and the rationale for the tariff for the purchase of system services as of June 1, 2025.

Taking into account the above mentioned and following the analysis of the elements on which the tariff is based, ANRE informed NPG CO. Transelectrica SA that the tariff for the acquisition of system services from June 1, 2025, is 7.04 RON/MWh, approved by ANRE Order no.21/2025.

System service	m.u.	Tariff in force (applicable from June 01 2025) acc. to ANRE Order no.21/2025	Tariff applied from September 01, 2024 to May 31, 2025 acc. to ANRE Order no.15/2024	Difference (%)
(1)	(2)	(3)	(4)	(5)=(3)/(4)
Tariff	RON/MWh	7.04	11.51	-38,81%

The negative adjustment of the tariff as of June 1, 2025, was made based on the fulfillment of the provisions of Art.22 and Art.23 of the Methodology for establishing the tariff for the purchase of system services, approved by ANRE Order no.116/2022. The aforementioned articles provide as follows:

- Art.22 *In order to avoid the subsequent recording of a significant level of corrections due to changes in the purchase prices and/or the quantities of system services purchased referred to in Article 2, the TSO shall be obliged to calculate, for the first quarter, respectively for the first half of a tariff period t-1, the difference between the revenues and costs realized and those forecast, plus the amount of the unperformed corrections related to the previous*

*period(s) , and to submit the calculation to ANRE on May 1, respectively August 1 of the year t-1;*

- Art.23 *In the event that the TSO finds that the value determined in accordance with the provisions of Article 22 shows a variation of more than "5% of the forecast revenues for the same period, it shall also be obliged to submit to ANRE the request for revision of the tariff for the purchase of system services, which shall include the value determined in accordance with the provisions of Article 22, valid until the end of the tariff periods.*

Thus, following the interim verification at the end of the first quarter of 2025 of the situation of costs and revenues related to the system services activity, ANRE adjusted accordingly the amount of the tariff starting from June 1, 2025.

## DISPUTES

The most important litigations impacting the Company are presented below:

*Note: For ease of reading and understanding, all amounts in this chapter are expressed in RON/eur*

### • RAAN

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

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

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

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

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

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

Next procedural hearing for claim recovery, asset liquidation and other liquidation operations: **17.09.2025**.

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

*Case file no. **28460/3/2017** – Subject: ordering the undersigned to pay the total amount of RON 12,346,063.*

*Ruling of the Bucharest Court of Appeal on September 27, 2021: Suspended appeal proceedings until final resolution of case files no. 28458/3/2017 and no. 26024/3/2015. Ruling of May 23, 2022: Dismissed as unfounded the request for reopening the case. Maintained the suspension of the appeal proceedings.*

*At the hearing on May 20, 2024, the appeal was admitted; the appealed judgment was changed, in the sense that: the claim was admitted. The defendant was ordered to pay the claimant the amount of RON 12,346,063.10, representing principal and penalties, with right to recourse. Ruling no. 806/20.05.2024.*

*NPG CO. Transelectrica SA filed a recourse; no hearing date has been set.*

*Case file no. **3694/3/2016** – Claims: 15,698,721.88 lei.*

*Hearing on November 8, 2021: the case was suspended until the final resolution of case files no. 26024/3/2015 and no. 28458/3/2017.*

*Ruling of June 3, 2024: appeal was admitted, and the appealed judgment was fully changed as follows: the claim was admitted. The defendant was ordered to pay the claimant the amount of RON 12,727,101.99, representing the value of bonuses and regularization of the overcompensation for which invoices with series SRTF were issued, and the amount of RON 2,917,619.81, representing delay penalties related to the principal debt, for which invoices with series SRTF were issued. With right to recourse.*

*Ruling no. 898/03.06.2024.*

*NPG CO. Transelectrica SA filed a recourse with hearing date for **16.10.2025**.*

### • REȘIȚA MUNICIPALITY

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

Subject: Through the claim, the plaintiff Municipality of Reșița requests that the defendant NPG CO. Transelectrica SA be ordered to pay the following

amounts: RON 2,129,765.86, representing rent for the land temporarily occupied from the forest fund for 2015; RON 2,129,765.86, land rent for 2016; RON 2,129,765.86, land rent for 2018; and statutory penalty interest from the due date until full payment.

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

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

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

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

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

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

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

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

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

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

Appealable within 30 days from the date of communication.

At the hearing of 29.05.2025, the request to supplement the operative part of civil judgment no. 150/27.02.2025, rendered by the Caraș-Severin Court in case no. 2494/115/2018\*\*, filed by the defendant Transelectrica, was admitted. It was ordered to supplement the operative part with the following provision: the plaintiff was ordered to pay to the defendant the amount of RON 2500 costs consisting of expert's fees. With right of appeal within 30 days of communication.

The municipality of Reșița has lodged an appeal. No trial date set.

#### • ANAF

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

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

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

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

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

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

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

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

The Company requested the annulment of Enforcement Title No. 13540/22.08.2017 before the Court of Appeal – Case No. **7141/2/2017**. Summary ruling: Upholds the exception of lack of material competence of the Bucharest Court of Appeal – SCAF. Declines material jurisdiction to the First District Court of Bucharest for resolution of the case. Final. Delivered in public session on 08.02.2018. Document: Decision No. 478/2018 dated 08.02.2018.

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

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

The trial was resumed, and at the hearing on 10.10.2024, for communication of the documents filed in the case by the claimant to the respondent, the case was postponed to 21.11.2024, and subsequently to 06.03.2025. On 06.03.2025, the court adjourned the case to 17.04.2025. At the hearing of 17.04.2025 the court adjourned the case to 19.06.2025 for lack of expert's report. At the hearing of 19.06.2025 the court adjourns the case for **02.10.2025**.

#### • CONAID COMPANY SRL

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

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

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

#### • OPCOM

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

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

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

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

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

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

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

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

New case file no. **22567/3/2019\*** – the case was remanded for retrial. At the hearing on 18.02.2025, the appeal was dismissed as unfounded. The appellant-claimant was ordered to pay the respondent-defendant the amount of RON 28,777.79 as court expenses. With the right to file an appeal within 30 days from notification. Judgment 235/18.02.2025.

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

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

The statement of claim was dismissed as unfounded.

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

Case file no. **44380/3/2024** concerns: claims and conclusion of adendum for the amount of 2.914.065,21, equivalent to the value of services for calculation of rights to be collected and payment obligations of the transactions realized by PRE and PPE+ legal interest. Hearing date **30.09.2025**.

#### • COURT OF AUDITORS

Following an audit carried out in 2017, the Romanian Court of Auditors imposed certain measures to be implemented by the Company as a result of deficiencies identified during this audit. The Company filed several challenges against the measures ordered by the Romanian Court of Auditors (CCR) by Decision no. 8/27.06.2017, requesting their annulment, as well as the annulment of Conclusion no. 77/03.08.2017, registered with the Company under no. 29117/08.08.2017, and of the Audit Report no. 19211/26.05.2017. The challenges were pending before the Bucharest Court of Appeal, including case file no. 6581/2/2017 regarding the annulment of the findings in point 6 and of the measure set out under point II.9. At the hearing on 31.03.2023, according to the minutes dated 29.03.2023, case file no.

6581/2/2017 was assigned under the 12th Panel of the 8th Administrative and Fiscal Litigation Division as case no. 6581/2/2017\*. Ruling summary: In order to allow the parties to submit written conclusions and for deliberation, the ruling was postponed to the following dates: 31.03.2023, 13.04.2023, 28.04.2023, 12.05.2023.

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

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

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

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

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

#### • OTHER

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

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

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



## Annexes

**ANNEX 1: Standalone statement of financial position**

[million RON]	H1 2025	2024	Δ	Δ (%)
	1	2	3=1-2	4=1/2
<b>ASSETS</b>				
<b>Non-current assets</b>				
Tangible assets	5,805	5,775	30.2	0.5%
Assets of the usage rights for leased assets - buildings	6	6	-	7%
Intangible assets	296	312	(16.7)	(5%)
Financial assets	90	86	4	5%
<b>Total non-current assets</b>	<b>6,197</b>	<b>6,179</b>	<b>18</b>	<b>0.3%</b>
<b>Current assets</b>				
Inventories	49	47	2	4%
Receivables	2,672	3,779	(1,107)	(29%)
Cash and cash equivalents	971	672	299	45%
<b>Total current assets</b>	<b>3,691</b>	<b>4,497</b>	<b>(806)</b>	<b>(18%)</b>
<b>Total assets</b>	<b>9,888</b>	<b>10,676</b>	<b>(788)</b>	<b>(7%)</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
<b>Shareholders' Equity</b>				
Share capital, of which	733	733	-	-
<i>Subscribed share capital</i>	733	733	-	-
Share premium	50	50	-	-
Legal reserves	147	147	-	-
Revaluation reserves	1,460	1,514	(54)	(4%)
Other reserves	259	257	2	1%
Retained earnings	3,146	3,115	32	1%
<b>Total shareholders' equity</b>	<b>5,794</b>	<b>5,815</b>	<b>(21)</b>	<b>(0%)</b>
<b>Non-current liabilities</b>				
Long term deferred revenues	671	537	133	25%
Long term borrowings	2	8	(6)	(75%)
Deferred tax liabilities	240	244	(4)	(1%)
Employee benefit obligations	88	88	-	0%
Other non-current liabilities	-	6	(6)	(100%)
<b>Total long-term liabilities</b>	<b>1,001</b>	<b>883</b>	<b>118</b>	<b>13%</b>
<b>Current liabilities</b>				
Trade and other payables	2,988	3,862	(873)	(23%)
Other loans and assimilated liabilities - Building leasing	7	7	0.2	4%
Other taxes and social security contributions	15	18	(3)	(16%)
Current borrowings	19	24	(6)	(24%)
Provisions	32	33	(0)	(1%)
Short-term deferred revenues	27	22	5	22%
Income tax payable	4	13	(9)	(71%)
<b>Total current liabilities</b>	<b>3,092</b>	<b>3,978</b>	<b>(886)</b>	<b>(22%)</b>
<b>Total liabilities</b>	<b>4,094</b>	<b>4,861</b>	<b>(768)</b>	<b>(16%)</b>
<b>Total shareholders' equity and liabilities</b>	<b>9,888</b>	<b>10,676</b>	<b>(788)</b>	<b>(7%)</b>

ANNEX 2: Standalone profit and loss account

[million RON]										
Indicator	2023	H1 2024	2024	H1 2025	Budgeted H1 2025	Realized H1 2025 vs H1 2024 (%)	Achieved H1 2025 vs H1 2024 (%)	Realized vs Budgeted H1 2025	Realized vs Budgeted H1 2025 (%)	
0	1	2	3	4	5	6=4-2	7=4/2	8=4-5	9=4/5	
Operating revenues										
Transmission revenues	1,956	985	2,024	1,119	1,093	133	14%	26	2%	
System services revenues	391	312	633	282	297	(30)	(10%)	(15)	(5%)	
Balancing market revenues	2,269	3,229	4,966	1,491	2,711	(1,739)	(54%)	(1,220)	(45%)	
Other revenues	102	159	256	32	40	(127)	(80%)	(8)	(20%)	
<b>Total operating revenues</b>	<b>4,718</b>	<b>4,685</b>	<b>7,879</b>	<b>2,922</b>	<b>4,140</b>	<b>(1,763)</b>	<b>(38%)</b>	<b>(1,218)</b>	<b>(29%)</b>	
Operating expenses										
System operating expenses	(640)	(355)	(716)	(358)	(412)	(3)	(1%)	54	13%	
Balancing market expenses	(2,269)	(3,229)	(4,966)	(1,491)	(2,711)	1,738	54%	1,220	45%	
System services expenses	(499)	(301)	(524)	(235)	(291)	66	22%	57	20%	
Depreciation and Amortization	(334)	(172)	(356)	(192)	(193)	(20)	(12%)	1	1%	
Personnel expenses	(348)	(187)	(373)	(202)	(201)	(14)	(8%)	(1)	(0%)	
Repairs and maintenance expenses	(115)	(52)	(129)	(60)	(79)	(8)	(16%)	19	24%	
Materials and consumables	(8)	(3)	(9)	(3)	(6)	-	13%	3	52%	
Other operating expenses	(270)	(118)	(229)	(118)	(161)	-	0%	43	26%	
<b>Total operating expenses</b>	<b>(4,484)</b>	<b>(4,418)</b>	<b>(7,301)</b>	<b>(2,658)</b>	<b>(4,053)</b>	<b>1,760</b>	<b>(40%)</b>	<b>1,395</b>	<b>34%</b>	
<b>Operating profit</b>	<b>234</b>	<b>267</b>	<b>579</b>	<b>264</b>	<b>87</b>	<b>(3)</b>	<b>(1%)</b>	<b>177</b>	<b>202%</b>	
Financial revenues	36	20	27	55	19	35	178%	36	186%	
Financial expenses	(36)	(4)	(14)	(30)	(2)	(26)	n/a	(27)	n/a	
<b>Net financial result</b>	<b>0</b>	<b>16</b>	<b>13.5</b>	<b>25</b>	<b>17</b>	<b>9</b>	<b>56%</b>	<b>8</b>	<b>50%</b>	
<b>Profit before income tax</b>	<b>234</b>	<b>283</b>	<b>592</b>	<b>290</b>	<b>104</b>	<b>6</b>	<b>2%</b>	<b>185</b>	<b>n/a</b>	
Income tax	(21)	(20)	(6)	(33)	(14)	(13)	(68%)	(19)	n/a	
<b>Profit for the year</b>	<b>214</b>	<b>264</b>	<b>586</b>	<b>256</b>	<b>90</b>	<b>(7)</b>	<b>(3%)</b>	<b>166</b>	<b>n/a</b>	

**ANNEX 3: Standalone cash flow statement**

[million RON]	H1 2025	H1 2024	Δ
<b>Cash flows from operational activities</b>			
Profit of the period	256,44	263,66	(7,2)
Income tax expense	33,15	19,73	13,4
Depreciation and Amortisation (including additional grid losses)	192,05	171,64	20,4
Income from the production of intangible assets (including additional grid losses)	(0,92)	(23,87)	22,9
Expenses with adjustments for trade receivables impairment	2,13	0,02	2,1
Revenues from reversal of adjustments for trade receivables impairment	-	(2,06)	2,1
Losses from various debtors	1,67	2,92	(1,25)
Net expenses/income with adjustments for various debtors impairment	0,12	1,61	(1,5)
Net expenditures with adjustments for inventories impairment	(0,15)	0,78	(0,9)
Net profit/ loss on sale of tangible assets	(1,07)	4,38	(5,5)
Net Expenses/Income regarding provisions for risks and expenses	(0,26)	(4,26)	4,0
Interest expense, interest revenue and unrealised exchange rate gains	(27,55)	(16,71)	(10,8)
<b>Cash flows before changes to working capital</b>	<b>455,62</b>	<b>417,85</b>	<b>37,8</b>
<b>Changes in:</b>			
Clients and assimilated accounts - energy and other activities	1.065,28	(473,83)	1.539,1
Clients – balancing	26,55	(786,61)	813,2
Clients – cogeneration	11,66	(16,32)	28,0
Inventories	(1,61)	(4,01)	2,4
Trade and other liabilities - energy and other activities	(1.048,33)	249,10	(1.297,4)
Liabilities - balancing	(84,92)	979,60	(1.064,5)
Liabilities - cogeneration	(34,11)	(111,54)	77,4
Other taxes and social insurance liabilities	(3,01)	(2,24)	(0,8)
Deferred revenues	132,59	51,09	81,5
<b>Cash flows from operational activities</b>	<b>519,72</b>	<b>303,09</b>	<b>216,6</b>
Interests paid	(0,74)	(1,23)	0,5
Income tax paid	(39,14)	(20,97)	(18,2)
<b>Net cash generated from operational activities</b>	<b>479,84</b>	<b>280,89</b>	<b>199,0</b>
<b>Cash flows from the investment activity</b>			
Acquisition of tangible and intangible assets	(196,61)	(256,21)	59,6
Participation titles held in Geco Power Company Corridor Power Company SRL	(3,75)	-	(3,8)
Proceeds from EC non-reimbursable financing	8,12	2,71	5,4
Proceeds from sale of tangible assets	1,38	-	1,4
Received Interests	6,24	3,43	2,8
Dividends cashed	22,12	14,65	7,5
<b>Net cash used in the investment activity</b>	<b>(162,50)</b>	<b>(235,42)</b>	<b>72,9</b>
<b>Cash flows used in financing activities</b>			
Repayments of non-current borrowings	(12,00)	(11,98)	(0,02)
Building lease payments	(6,24)	(5,33)	(0,9)
Dividends paid	(0,01)	(20,41)	20,4
<b>Net cash used in financing activities</b>	<b>(18,24)</b>	<b>(37,72)</b>	<b>19,5</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>299,10</b>	<b>7,75</b>	<b>291,4</b>
<b>Cash and cash equivalents as at January 1<sup>st</sup></b>	<b>671,56</b>	<b>519,36</b>	<b>152,2</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>970,66</b>	<b>527,10</b>	<b>443,6</b>

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

Indicators	Calculation formula	H1 2025	2024
<b>Current liquidity indicator (x)</b>	<u>Current assets</u> Current liabilities	1.20	1.13
<b>Debt ratio indicators* (x):</b>			
(1) Leverage ratio indicator	<u>Borrowed equity</u> x 100 Equity	0.47%	0.67%
(2) Leverage ratio indicator	<u>Borrowed equity</u> x 100 Employed equity	0.47%	0.66%
<b>Customer turnover rate (days)</b>	<u>Average customer balance** x no.of</u> <u>days</u> Turnover	68.37	51.58
<b>Rotation speed of fixed assets (x)</b>	<u>Turnover</u> Non-current assets	0.47	1.24

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

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

#### ANNEX 5: Constitutive acts modified between January-June 2025

At the time of writing there are no amended constitutive acts in H1 2025.

#### ANNEX 6: Acts of appointment/revocation issued in January-June 2025

##### Supervisory Board

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

##### Directorate

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

**ANNEX 7 REPORT (according to HAGEA no. 4/29.04.2015) on the contracts signed in Q2 2025 for the purchase of goods, services and works, the value of which exceeds 500,000 Euro/purchase (for the purchase of goods and works) and 100,000 Euro/purchase (for services) respectively**

No.	Contract Number	Subject of Contract	Duration (months)	Value		Contract type	Legal Basis	Procurement Procedure
				Thousand RON	Thousand EUR			
0	1	2	3	4	5	6	7	8
1	C 1845/2025	Transition to 400 kV of the Portile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis. 400 kV Timișoara – Arad OHL, (Stage III)	36	185.21	0.00	Works	Law 99/2016+ HG 394/2016	Open tender
2	C 1592/2025	220 kV station Ostrovu Mare	24	76.94	0.00	Works	Law 99/2016+ HG 394/2016	Open tender
3	BC 12/2025	Modernization of the 220 kV 110 kV command - control - protection - metering system in the 220/110/20 kV station and upgrading of the medium voltage and internal a.c. d.c. d.c. services in the 220/110/20 kV Ghizdaru station	24	39.86	0.00	Works	Law 99/2016+ HG 394/2016	Open tender
4	C 1723/2025	Purchase and installation of compensation coil in 400kV Portile de Fier station	24	28.94	0.00	Works	Law 99/2016+ HG 394/2016	Open tender
5	C 1827/2025	Specialized consulting service for works/services in OHL 110 - 750 kV	48	11.12	0.00	Services	Law 99/2016+ HG 394/2016	Open tender
6	SB 16/2025	Maintenance services of the crossing corridors of the 220-400 kV OHL in areas with tree vegetation (STT Sibiu)	36	4.17	0.00	Services	Law 99/2016+ HG 394/2016	Open tender
7	BA 16/2025	Increasing the transmission capacity of the 220 kV Gutinaș-Dumbrava transmission line (design)	12	3.57	0.00	Services	Law 99/2016+ HG 394/2016	Open tender
8	C 1708/2025	Aerial multispectral inspection of overhead power lines (OHL) 110-220-400-750 kV	36	2.89	0.00	Services	Law 99/2016+ HG 394/2016	Open tender
9	BA 17/2025	Increasing the transmission capacity of the 220 kV Dumbrava-Stejaru OHL (design)	12	2.15	0.00	Services	Law 99/2016+ HG 394/2016	Open tender
10	TM 15/2025	Maintenance services of the OHL crossing lane in areas with arboreal vegetation	24	1.75	0.00	Services	Law 99/2016+ HG 394/2016	Open tender
11	SB 12/2025	Increasing the transmission capacity of the 220 kV Fântânele - Ungheni (design)	9	1.45	0.00	Services	Law 99/2016+ HG 394/2016	Open Tender
12	C 1682/2025	Adequacy study of the NES for the horizon 2030. in the new European legislative context on the transition to renewable energy	8	1.00	0.00	Services	Law 99/2016+ HG 394/2016	Simplified procedure
13	TM 36/2025	Realization of the 400 kV Nădab-Bekescsaba OHL circuit 2 and related works in the 400 kV Nădab station (design)	9	0.98	0.00	Services	Law 99/2016+ HG 394/2016	Open tender
14	BC 16/2025	Modernization of the command, control, protection and automation system in 400/220/110/10kV Bucharest Sud station (design)	10	0.72	0.00	Services	Law 99/2016+ HG 394/2016	Open tender

No.	Contract Number	Subject of Contract	Duration (months)	Value		Contract type	Legal Basis	Procurement Procedure
				Thousand RON	Thousands EUR			
0	1	2	3	4	5	6	7	8
15	C 1846/2025	Subscription of autocad licenses	36	0.65	0.00	Services	Law 99/2016+ HG 394/2016	Open tender
16	PT 6/3779/2025	Repair and maintenance services for fire detection and signaling subsystems and automatic fire localization and extinguishing subsystems, in the objectives belonging to the state of pitești: Arefu station, Stupărei station, Răureni station, Slatina/CE Slatina station	36	0.60	0.00	Services	Law 99/2016+ HG 394/2016	Open Tender
17	CR 1753/2025	Modernization of SCCPA 220/110 kV station Ișalnița (design)	8	0.59	0.00	Services	Law 99/2016+ HG 394/2016	Open tender

## Annex 6 - Glossary of terms

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



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



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

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

**NPG CO. Transelectrica SA**

Simplified standalone statement of financial position as at June 30, 2025

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

	<b>Note</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets		5,804,979,731	5,774,758,870
Assets related to the usage rights of assets under leasing - buildings		6,376,255	5,964,180
Intangible assets		295,739,920	312,464,795
Financial assets		89,726,139	85,767,355
<b>Total non-current assets</b>	<b>4</b>	<b>6,196,822,045</b>	<b>6,178,955,200</b>
<b>Current assets</b>			
Inventories		48,934,767	47,175,766
Trade and other receivables	5	2,671,802,337	3,778,692,640
Receivable income tax		-	-
Other financial assets		-	-
Cash and cash equivalents	6	970,656,118	671,557,851
<b>Total current assets</b>		<b>3,691,393,222</b>	<b>4,497,426,257</b>
<b>Total assets</b>		<b>9,888,215,267</b>	<b>10,676,381,457</b>
<b>Shareholders' equities and liabilities</b>			
<b>Shareholders' equities</b>			
Share capital, of which:		733,031,420	733,031,420
- <i>Subscribed share capital</i>		733,031,420	733,031,420
Share premium		49,842,552	49,842,552
Legal reserves		146,606,284	146,606,284
Revaluation reserves		1,459,694,749	1,514,138,168
Other reserves		258,997,161	256,706,249
Retained earnings		3,146,247,964	3,114,650,000
<b>Total shareholders' equities</b>	<b>7</b>	<b>5,794,420,130</b>	<b>5,814,974,673</b>
<b>Non-current liabilities</b>			
Non-current deferred revenues	8	670,832,477	537,371,101
Borrowings	9	1,952,961	7,918,172
Other borrowings and similar liabilities - Building leasing - long term	10	-	-
Deferred tax liabilities		240,259,488	243,910,434
Employee benefit obligations		88,335,459	88,335,459
Other non-current liabilities	10	-	5,612,979
<b>Total non-current liabilities</b>		<b>1,001,380,385</b>	<b>883,148,145</b>
<b>Current liabilities</b>			
Trade and other liabilities	10	2,988,443,236	3,861,508,368
Other borrowings and similar liabilities - Building leasing - short term	10	6,840,123	6,607,203
Other taxes and social security liabilities	11	15,421,645	18,431,750
Borrowings	9	18,557,348	24,287,300
Provisions	10	32,342,465	32,595,447
Current deferred revenues	8	27,170,121	22,211,901
Payable income tax		3,639,814	12,616,670
<b>Total current liabilities</b>		<b>3,092,414,752</b>	<b>3,978,258,639</b>
<b>Total liabilities</b>		<b>4,093,795,137</b>	<b>4,861,406,784</b>
<b>Total shareholders' equities and liabilities</b>		<b>9,888,215,267</b>	<b>10,676,381,457</b>

**NPG CO. Transelectrica SA**

Standalone profit and loss account for the six-month period ending on June 30, 2025

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

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

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

**NPG CO. Transelectrica SA**

Standalone profit and loss account for the six-month period ending on June 30, 2025

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

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

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

**DIRECTORATE,**

<b>Chairman</b> Ştefăniță MUNTEANU	<b>Member</b> Victor MORARU	<b>Member</b> Cătălin-Constantin NADOLU	<b>Member</b> Cosmin-Vasile NICULA	<b>Member</b> Florin-Cristian TĂTARU
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**Director of the Economic and Financial Directorate**

Ana-Iuliana DINU

**Accounting Department Manager**

Georgiana-Beatrice ȘTEFAN

**NPG CO. Transelectrica SA**

Standalone statement of changes in equity as at June 30, 2025

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

	Share Capital	Share premium	Legal reserves	Revaluation reserve	Other reserves	Retained earnings	Total
<b>Balance at 1 January 2024</b>	<b>733,031,420</b>	<b>49,842,552</b>	<b>146,606,284</b>	<b>1,634,711,533</b>	<b>195,710,506</b>	<b>2,430,243,814</b>	<b>5,190,146,109</b>
<b>Comprehensive result of the period</b>							
Profit of the time interval	-	-	-	-	-	585,924,311	<b>585,924,311</b>
<b>Other comprehensive result items, of which :</b>							
Recognition of actuarial gains of the defined benefit plan	-	-	-	-	-	(1,535,364)	<b>(1,535,364)</b>
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-
Deferred tax liability ass. to revaluation reserve	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained earnings	-	-	-	(120,542,130)	-	120,542,130	-
<b>Total other comprehensive revenue for the period</b>	-	-	-	<b>(120,542,130)</b>	-	<b>119,006,766</b>	<b>(1,535,364)</b>
<b>Total comprehensive result for the period</b>	-	-	-	<b>(120,542,130)</b>	-	<b>704,931,077</b>	<b>584,388,947</b>
<b>Other items</b>							
Increase of the legal reserve	-	-	-	-	-	-	-
Other items	-	-	-	-	-	(11)	(11)
<b>Total other items</b>	-	-	-	-	-	<b>(11)</b>	<b>(11)</b>
<b>Contributions from and distributions to shareholders</b>							
Derecognition of assets such as public domain	-	-	-	(31,235)	-	-	(31,235)
Subsidies related to assets from the state public domain	-	-	-	-	60,995,743	-	<b>60,995,743</b>
Dividend distribution	-	-	-	-	-	(20,524,880)	<b>(20,524,880)</b>
<b>Total contributions from and distributions to shareholders</b>	-	-	-	<b>(31,235)</b>	<b>60,995,743</b>	<b>(20,524,880)</b>	<b>40,439,628</b>
<b>Balance at December 31, 2024</b>	<b>733,031,420</b>	<b>49,842,552</b>	<b>146,606,284</b>	<b>1,514,138,168</b>	<b>256,706,249</b>	<b>3,114,650,000</b>	<b>5,814,974,673</b>
<b>Balance at 1 January 2025</b>	<b>733,031,420</b>	<b>49,842,552</b>	<b>146,606,284</b>	<b>1,514,138,168</b>	<b>256,706,249</b>	<b>3,114,650,000</b>	<b>5,814,974,673</b>
<b>Comprehensive result of the period</b>							
Profit of the time interval	-	-	-	-	-	256,439,516	<b>256,439,516</b>
<b>Other comprehensive revenue, of which:</b>							
Recognition of actuarial profit / loss of the defined benefit plan	-	-	-	-	-	-	-
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-
Deferred tax liability ass. to revaluation reserve	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained earnings	-	-	-	(54,443,419)	-	54,443,419	-
<b>Total other comprehensive revenue</b>	-	-	-	<b>(54,443,419)</b>	-	<b>54,443,419</b>	-
<b>Total comprehensive result of the interval</b>	-	-	-	<b>(54,443,419)</b>	-	<b>310,882,935</b>	<b>256,439,516</b>
<b>Other items</b>							
Increase of the legal reserve	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-
<b>Total other items</b>	-	-	-	-	-	-	-
<b>Contributions from and distributions to shareholders</b>							
Derecognition of assets such as public domain	-	-	-	-	-	-	-
Subsidies related to assets from the state public domain	-	-	-	-	2,290,912	-	<b>2,290,912</b>
Dividends distribution	-	-	-	-	-	(279,284,971)	<b>(279,284,971)</b>
<b>Total contributions from and distributions to shareholders</b>	-	-	-	-	<b>2,290,912</b>	<b>(279,284,971)</b>	<b>(276,994,059)</b>
<b>Balance at June 30, 2025</b>	<b>733,031,420</b>	<b>49,842,552</b>	<b>146,606,284</b>	<b>1,459,694,749</b>	<b>258,997,161</b>	<b>3,146,247,964</b>	<b>5,794,420,130</b>

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

**NPG CO. Transelectrica SA**

Standalone cash flow statement as at June 30, 2025

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

	<b>6-month period Ending on June 30, 2025</b>	<b>6-month period ending on June 30, 2024</b>
<b>Cash flows from operating activities</b>		
Profit for the time interval	256,439,516	263,661,144
<b>Allowances for:</b>		
Income tax expense	33,154,210	19,731,722
Depreciation expenses (including additional OTC)	192,049,859	171,642,879
Revenue from the production of intangible assets (including additional OTC)	(924,241)	(23,866,156)
Expenses related to adjustments for impairment of trade receivables	2,130,164	15,079
Reversal of adjustments for impairment of trade receivables	-	(2,056,083)
Losses on sundry receivables and debtors	1,668,980	2,917,956
Net revenues/expenses with impairment adjustments on sundry debtors	119,393	1,610,114
Net revenues/expense on inventory impairment adjustments	(145,266)	779,843
Net profit/loss on sale of tangible assets	(1,068,717)	4,382,543
Net expenses on value adjustments in respect of tangible assets	-	-
Net revenues on provisions for risks and charges	(258,647)	(4,256,249)
Interest expense, interest revenues and unrealised revenues	(27,548,498)	(16,714,205)
exchange rate differences		
<b>Cash flows before working capital changes</b>	<b>455,616,753</b>	<b>417,848,587</b>
<b>Changes in:</b>		
Trade and similar accounts - energy and other activities	1,065,284,551	(473,832,813)
Customers - balancing	26,551,547	(786,614,532)
Customers - cogeneration	11,655,746	(16,319,431)
Inventories	(1,613,735)	(4,010,452)
Trade and other accounts payable - energy and other activities	(1,048,331,144)	249,097,914
Balancing liabilities	(84,917,716)	979,603,309
Liabilities - cogeneration	(34,108,731)	(111,539,978)
Other taxes and social security contributions	(3,010,105)	(2,235,254)
Deferred revenues	132,589,377	51,088,442
<b>Cash flows from operating activities</b>	<b>519,716,543</b>	<b>303,085,792</b>
Interest paid	(735,423)	(1,227,454)
Income tax paid	(39,139,246)	(20,970,475)
<b>Net cash generated from operating activities</b>	<b>479,841,874</b>	<b>280,887,863</b>
<b>Cash flows from investing activities</b>		
Purchases of tangible and intangible assets	(196,608,797)	(256,214,304)
Shares held in GECO POWER COMPANY GREEN ENERGY CORRIDOR POWER COMPANY SRL	(3,750,000)	-
Proceeds from EC grant funding	8,121,131	2,711,521
Interest received	6,235,090	3,431,751
Dividends received	22,123,754	14,649,757
Proceeds from sale of tangible assets	1,379,514	-
<b>Net cash used in investment activity</b>	<b>(162,499,308)</b>	<b>(235,421,275)</b>
<b>Cash flows used in financing activities</b>		
Repayments of non-current borrowings	(11,998,910)	(11,980,707)
Utilisation of working capital credit line	-	-
Current borrowing repayments	(6,237,897)	(5,327,832)
Building lease payments	(7,492)	(20,412,502)
<b>Net cash used in financing activities</b>	<b>(18,244,299)</b>	<b>(37,721,041)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>299,098,267</b>	<b>7,745,546</b>
<b>Cash and cash equivalents at January 1st</b>	<b>671,557,851</b>	<b>519,358,908</b>
<b>Cash and cash equivalents at end of the period</b>	<b>970,656,118</b>	<b>527,104,454</b>

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

## **1. General information**

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

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

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

## **2. Basis of preparation**

### **a) Declaration of conformity**

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

### **b) Professional reasoning and estimates**

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

## **3. Significant accounting policies**

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

## **4. Tangible, intangible and financial assets**

### **a) Tangible assets**

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

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

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

## NPG CO. Transelectrica SA

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

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

- Relocation/protection of high voltage 400 kV network - 400 kV s.c Urechești-Domnești OHL and 400 kV s.c Brazi Vest-Domnești OHL at the intersection with Bucharest Ring Motorway-KM 0+000, KM 100+900, Lot 3, Sector 1, KM 85+300, KM 100+765 - South Ring, Sector 2, KM:0+00 - 3,087,838;
- Replacement of hardware components, update and development of specific applications of the Balancing Market Platform - II DAMAS, procurement component for migration and upgrade services, specific applications for the Balancing Market - 2,723,653;
- Upgrade to 400 kV of the 220 kV Brazi Vest - Teleajen - Stâlpu OHL, including procurement of a 400 MVA 400/220/20 kV autotransformer, extension works for the associated 400 kV and 220 kV substations, in the 400/220/110 kV Brazi Vest Substation - 2,240,020.

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

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

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

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

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

**NPG CO. Transelectrica SA**

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

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

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

## NPG CO. Transelectrica SA

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

### b) Intangible assets

#### Intangible assets in progress

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

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

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

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

#### Intangible assets - additional OTC

As of September 30, 2022, the Company applies the provisions of GEO no. 119/2022 for amending and supplementing GEO no. 27/2022 and approved by Law no. 357/13.12.2022, whereby the additional costs of electricity purchase incurred in the period from January 1, 2022 to March 31, 2025, in order to cover its own technological consumption and technological consumption, respectively, compared to the costs included in the regulated tariffs, are capitalized on a quarterly basis. Thus, the capitalized costs are amortized over a period of 5 years from the date of capitalization and are remunerated at 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable during the amortization period of such costs and are recognized as a separate component.

The Company has recorded revenues representing additional OTC calculated as the difference between the net OTC acquisition cost and the OTC cost recognized in the regulatory tariff through June 30, 2025 in the amount of 455,206,194, as follows:

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

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

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

### c) Financial assets

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

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

## NPG CO. Transelectrica SA

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

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

The founding partners of the project company are NPG CO. Transelectrica SA, JSC Georgian State Electrosystem, "AZERENERJI" OPEN JOINT STOCK COMPANY and MVM Energy Private Limited Liability Company. The company ensures the implementation of the Green Energy Corridor project, a 1.200 km long high-voltage direct current submarine cable, which will cross the Black Sea and connect Romania and Georgia, the connection will be extended to Hungary and Azerbaijan, in accordance with the agreement between the Governments of Azerbaijan, Georgia, Romania and Hungary.

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

The assets related to the rights of use of leased assets - buildings represent the right of use of the premises leased by the Company in the office building Platinum, 2-4 Olteni Str., sector 3, Bucharest, in accordance with IFRS 16 - Leases.

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

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

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

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

## 5. Trade and other receivables

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

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Trade receivables	2,178,877,883	2,701,899,740
Other receivables	220,604,532	231,066,730
Advances to suppliers	286,739,239	769,813,328
VAT recoverable	183,819,663	271,906,743
Impairment adjustments for doubtful trade receivables	(125,219,094)	(123,088,931)
Impairment adjustments for other doubtful receivables	(73,019,886)	(72,904,970)
<b>Total trade and other receivables</b>	<b>2,671,802,337</b>	<b>3,778,692,640</b>

The structure of **trade receivables** is as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Customers on the electricity market, of which:		
- <i>customers - operational activity</i>	2,174,610,193	2,698,954,123
- <i>customers - balancing market</i>	1,412,605,434	1,898,742,070
- <i>customers - bonus support scheme to promote high efficiency cogeneration</i>	641,309,978	667,861,526
Customers from other activities	120,694,781	132,350,527
<b>Total trade receivables</b>	<b>4,267,690</b>	<b>2,945,617</b>
<b>Total trade receivables</b>	<b>2,178,877,883</b>	<b>2,701,899,740</b>

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

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

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

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

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

The main customers in the total trade receivables are represented by Bursa Romana de Mărfuri, IBEX, MAVIR, Ciga Energy SA, Electrica Furnizare SA, Hidroelectrica, OPCOM, RAAN, PPC ENERGIE SA, JAO. Their share is 62.81% of total trade receivables.

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

As of June 30, 2025, the Company has receivables receivable from the bonus support scheme for the promotion of high efficiency cogeneration of approximately 6% (5% as of December 31, 2024) of total trade receivables.

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

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

- overcompensation for 2011-2013 in the amount of 76,702,140, respectively from RAAN - 63,467,054 and CET Govora SA - 13,235,086;
- undue bonus for 2014 in the amount of 3,914,960, respectively from RAAN - 1,981,235, CET Govora - 1,933,725;
- undue bonus for 2015 in the amount of 563,899, respectively from CET Govora - 534,377, Interagro - 29,523;
- undue bonus for 2020 in the amount of 522,181 from Donau Chem;
- uncollected contribution for cogeneration from suppliers of electricity consumers, in the amount of 20,510,497, respectively from: Transenergo Com - 5,882,073, Petprod - 4,391,193, Romenergy Industry - 2,680,620, RAAN - 2,385,922, UGM Energy - 1,504,046, CET Govora - 900,864, KDF Energy - 473,940 and others.

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

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

- On the docket of the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, case file no. 9089/101/2013/a140 was registered, having as subject "claims amount of RON 86,513,431", in which the Company acts as Plaintiff, the Defendant being the Autonomous Authority for Nuclear Activities – RAAN.

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

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

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until the settlement of case file no. 3014/2/2014 on the docket of the High Court of Cassation and Justice. With appeal throughout the suspension period. Delivered today, 19 May 2016, in public session." Hearing set for 06.06.2019. We note that case file no. 3014/2/2014 on the docket of the High Court of Cassation and Justice concerns an appeal – annulment of ANRE Decision no. 743/28.03.2014, with the parties being RAAN (Plaintiff) and ANRE (Defendant). We also note that, by the ruling of 18.09.2013, delivered by the Mehedinți Tribunal, in case file no. 9089/101/2013, the opening of the general insolvency procedure against the debtor Autonomous Authority for Nuclear Activities – RAAN was ordered.

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

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

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

Upon the filing of the statement of claim in the RAAN bankruptcy proceedings, NPG CO. Transelectrica SA may invoke the provisions of Art. 52 of Law no. 85/2006, applicable to the RAAN bankruptcy proceedings, provisions taken over by Art. 90 of Law no. 85/2014, regarding the creditor's right to invoke the set-off of its claim with the debtor's claim against it, when the legal conditions for statutory set-off are met at the date of opening the proceedings. Transelectrica was registered in the debtor RAAN's schedule of debts with the amount of RON 11,264,777, under the category of claims resulting from the continuation of the debtor's activity. Of the amount claimed by the Company, RON 89,360,986, the amount of RON 78,096,208.76 was not included in the preliminary schedule of debts on the grounds that "this amount does not appear as owed in RAAN's accounting records". Moreover, the judicial liquidator considered that the request to include the amount of RON 78,096,209 in the schedule was filed late, being related to the period 2011–2013, for which reason the statement of claim should have been filed at the time of opening the insolvency proceedings, namely on 18.09.2013.

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

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

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

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

At the hearing on 03.02.2021, the HCCJ upheld the plea of late filing of the revision request and did not rule on its inadmissibility.

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

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

- NPG CO. Transelectrica SA concluded with CET Govora SA a settlement and payment rescheduling agreement for the amounts representing receivables from the value of overcompensation for the period 2011–2013 and undue bonus for the year 2014 (Agreement no. C 135/30.06.2015 and Addendum no. 1/04.08.2015). The duration of the Agreement was 1 year (July 2015 –

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

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

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

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

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

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

At the hearing on 18.07.2018, the Vâlcea Tribunal delivered the following ruling:

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

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

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

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

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

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

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

### **Other receivables**

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

- Sundry debtors (**116,567,055**), of which:
  - late payment penalties assessed on defaulting customers, amounting to 80,286,257 (of which 25,853,770 are penalties related to the support scheme). The highest late payment penalties were recorded by the following customers: Romelectro (24,464,321), RAAN (16,901,449), Electromontaj (11,471,298), CET Govora (9,606,504), OPCOM (4,300,629), Total Electric Oltenia (3,288,967), Multiservice G&G SRL (2,162,468), Petprod (1,894,232), ISPE Proiectare și Consultanță

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(1,068,302), GE Digital Services Europe (835,443). Impairment adjustments have been recognized for penalties calculated for late payment of receivables from operating activities;

- compensation due from suppliers for non-delivery of electricity: Areco Power (987,555), Enol Grup (2,541,312) and Next Energy Partners (8,395,132); for compensation due from suppliers from operating activities, impairment adjustments have been recognized;
- the receivable to be recovered from OPCOM representing VAT relating to the contribution in kind to the capital of the subsidiary amounting to 4,517,460.

- amounts received in the nature of a subsidy **(38,113,878)**, relating to ETG connection contracts;

- expenses recorded in advance in the amount of **22,360,047** mainly represented by: pole tax (10,909,684) domestic and international contributions (4,041,050), taxes and duties relating to 2025 (2,117,647), OTC (1,932,428), ANRE annual contribution relating to 2025 (1,336,464), insurance policies (1,106,635), rent and maintenance of office building (754,755) and others;

- other social security receivables amounting to **4,591,830** representing sick leave paid by the employer to employees and to be recovered from the National Health Insurance House, in accordance with the legislation in force.

### *Advances to suppliers*

As of June 30, 2025, advances paid to suppliers are represented by debtor suppliers for services rendered in the amount of **286,739,239** and mainly represent amounts from transactions related to the price coupling mechanism (ICP - *Interim Coupling Project*, SIDC - *Single Intraday Coupling*, SDAC - *Single Day-ahead Coupling* and IDA - "*IntraDay Auction*") (MAVIR - 201,011,240, IBEX - 70,195,008 and JAO - 15,509,868).

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

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

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

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

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

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

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

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

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

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

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

### **VAT recoverable**

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

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

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

The highest impairment adjustments at June 30, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30,626,840), CET Govora (24,645,019), Romelectro (24,468,153), Areco Power (14,513,236), Total Electric Oltenia SA (14,185,577), Romenergy Industry (13,512,997), Elsaco Energy (9,276,118), OPCOM (9,142,913), RAAN (8,516,707), Next Energy Partners (8,395,132).

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

## **6. Cash and cash equivalents**

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

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

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

## **7. Equity**

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

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

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

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

On November 14, 2019, the Central Depository S.A. recorded the transfer of 43,020,309 shares (representing 58.69% of the share capital) issued by NPG CO. Transelectrica SA, from the account of the Romanian State through the Ministry of Economy to the account of the Romanian State represented by the Government through the General Secretariat to the Government, as a result of the implementation of the provisions of Government Emergency Ordinance no. 68/06.11.2019 on establishing some measures at the level of central public administration and amending and supplementing some normative acts.

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

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

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

Shareholder	June 30, 2025		December 31, 2024	
	Number of shares	% of capital share	Number of shares	% of capital share
Romanian State through SGG	43,020,309	58.69%	43,020,309	58.69%
Other legal entities shareholders	16,584,688	22.62%	16,442,683	22.43%
PAVAL HOLDING	4,753,567	6.49%	4,753,567	6.49%
Privately managed pension fund NN	4,007,688	5.47%	4,007,688	5.47%
Other individual shareholders	4,936,890	6.73%	5,078,895	6.92%
<b>Total</b>	<b>73,303,142</b>	<b>100.00%</b>	<b>73,303,142</b>	<b>100.00%</b>

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

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

### 8. Deferred revenues

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

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

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

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

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

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

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

## 9. Borrowings

### • Non-current borrowings

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

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

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

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

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

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

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

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

• *Current borrowings*

Current borrowings are itemized as follows:

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

• *Borrowings contracted for current activity*

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

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

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

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

The credit line is secured by:

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

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

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On 10.03.2022 Transelectrica entered into credit agreement no. **C588 with Banca Transilvania** for a period of 12 months to finance the Company's working capital in the amount of 200,000,000 with an interest rate calculated based on the reference rate ROBOR 1M, plus a margin of 0.05%.

The loan agreement in the amount of RON 200 million has the following structure:

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

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

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

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

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

The credit line is secured by:

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

On June 30, 2025 the credit line is closed.

### 10. Trade and other payables

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

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

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

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

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

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

The decrease in the "Balancing market liabilities" balance was driven by a decrease in the volume of transactions recorded in the balancing market in Q2 2025 compared to Q4 2024.

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

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As of June 30, 2025, there are liabilities payable to suppliers (producers) in the amount of 3,539,953 to CET Govora SA (monthly bonus for cogeneration and ante overcompensation for 2015). The amounts representing the Company's liabilities related to the support scheme to CET Govora were withheld for payment based on art. 17 para. 5 of ANRE President's Order no. 116/2013, since the supplier (producer) has payment obligations towards the Company on the bonus support scheme.

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

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

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

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

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

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

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

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

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

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

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

- "Sundry creditors", amounting to **285,691,378** as of June 30, 2025, mainly represent:
- High Efficiency Cogeneration Support Scheme net position, liabilities position, amounting to 265,664,008. The net position of the support scheme represents the difference between:
  - ✓ the amount of the contribution to be collected from the suppliers of electricity consumers, the amount of overcompensation for the activity of electricity and thermal energy production in high efficiency cogeneration, the undue bonus to be collected from producers, according to ANRE decisions, on the one hand, and
  - ✓ the amount of the cogeneration bonus, the overcompensation and the ungranted bonus to be paid to the high efficiency cogeneration producers, beneficiaries of the support scheme, on the other hand;
- 16,359,462 solution study contracts for connection to the ETG;
- 1,779,081 royalty Q2 2025;
- 1,041,298 guarantees and others.

- "Creditor customers", as of June 30, 2025, amount to **389,365,286**, of which 386,444,581 represent amounts received in advance under transactions related to price coupling mechanisms, ICP (Interim Coupling Project), SIDC (Single Intraday Coupling), SDAC (Single Day-ahead Coupling), FBMC (Flow Based Market Coupling) and IDA (Intra Day Auction), from: BRM (293,763,822), IBEX (46,105,096), MAVIR (21,347,103), JAO (1,173,436) and OPCOM (24,055,123).
- As of June 30, 2025, dividends due to the Company's shareholders and unpaid amount to **279,411,091**. These amounts are available to shareholders through the paying agent.
- At June 30, 2025, the **liability for fixed assets related to rights to use leased assets - buildings**, in accordance with IFRS 16 - Leases, amounts to 6,840,123, of which:
  - current liabilities: 6,840,123
  - non-current liabilities: -
- "Other current liabilities", in the amount of **219,884,161**, are mainly represented by guarantees of good payment of contracts entered into by NPG CO. Transelectrica SA in the amount of 196,540,105, VAT not chargeable in the reporting period in the amount of 17,422,910 and the estimated global minimum tax related to the Group, as a result of the application of the provisions of *Law no. 431/2023 on the provision of a global minimum level of taxation for multinational groups of companies and large national groups* in the amount of 5,612,979.

## b) Provisions

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

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

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

- *Case file No. 36755/3/2018 - plaintiff Conaid Company SRL (17,216,093)* - further details on this case are disclosed in Note 19 - Litigation and Contingencies.
- *Case file no. 15561/3/2022 - claimant SMART SA (4,467,108)* - further details on this case are set out in Note 19 - Litigation and Contingencies.
- *Case file No. 3083/3/2020 - Claimant NUCLEARELECTRICA SA (1,472,785)*

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

After several trial dates during which the case was postponed (26.06.2020, 16.10.2020, 11.12.2020) for various reasons, at the trial date of 22.12.2020, the Court ordered the Company to pay the claimant the amount of RON 1,290,533.156 as compensatory damages, to update this amount with the inflation rate from 27.09.2018 until the actual payment date, to pay the amount of RON 182,251.94 representing penal legal interest calculated from 27.09.2018 to 31.01.2020, as well as to continue paying the penal

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legal interest calculated from 01.02.2020 until the actual payment date. It also ordered the defendant to pay the claimant the amount of RON 23,441.66 as legal costs, consisting of court stamp duty. It rejected the defendant's request regarding the reimbursement of legal costs as unfounded. With right of appeal within 30 days from communication. (Judgment No. 2698/2020 dated 22.12.2020).

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

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

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

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

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

**"Other provisions"** amounting to 33,933 represent untaken vacation leave.

## 11. Other taxes and social security obligations

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

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

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

## 12. Income tax

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

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

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

**13. Operating revenue**

**Q2 2025 compared to Q2 2024**

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

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

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

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

The change in the value of the tariff for the system service as of June 01, 2025 by ANRE Order no. 21/27.05.2025 was determined by the application of the mechanism for correcting significant deviations from the forecast that was the basis for the approval of the tariff that came into force on September 01, 2024 (ANRE Order no. 57/28.08.2024), in accordance with the provisions of the regulatory framework issued by ANRE.

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

	Quarter II 2025	Quarter II 2024
Quantity of electricity delivered to consumers (MWh)	12,302,660	12,175,471

The operating revenues realized in Q2 2025 and Q2 2024 are as follows:

	Quarter II 2025	Quarter II 2024
Transport service revenue	438,729,912	376,469,572
Revenues from the allocation of interconnection capacity	82,191,778	56,855,140
Revenue from reactive energy	598,288	351,592
Revenue from Inter TSO Compensation (ITC)	6,040,263	7,469,808
OTC transaction revenues	14,961,104	41,531,801
<b>Transport revenue - total</b>	<b>542,521,345</b>	<b>482,677,913</b>
Revenue from system services	123,662,069	127,629,718
Revenue from emergency aid	-	57,266,226
<b>Revenue from system services - total</b>	<b>123,662,069</b>	<b>184,895,944</b>
<b>Balancing market revenues</b>	<b>823,923,796</b>	<b>1,896,721,756</b>

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

*Revenues from transportation service*

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

*Revenues from interconnection capacity allocation*

Revenues from the allocation of interconnection capacity recorded an increase in Q2 2025 compared to Q2 2024, amounting to 25,336,638, corresponding to the level of utilization of available interconnection capacity by the traders in the electricity market. The market for the allocation of interconnection capacity is fluctuating, with prices fluctuating according to demand and the need of electricity market participants to purchase interconnection capacity. Thus, the growth over the analyzed period has been influenced by the supply and demand price formation model. The implicit allocations, where capacity and energy are provided simultaneously, are strongly influenced by changes in the price of electricity on the European exchanges.

*Inter TSO Compensation (ITC) revenues*

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

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

*Revenue from OTC transactions*

OTC energy trading revenues were mainly derived from the sale of surplus energy at a positive price and the purchase of deficit energy at a negative price, resulting from the difference between the long and medium term forecast and the short term forecast (per settlement interval) on the Intra-day Market administered by OPCOM and the difference between the forecast OTC and the actual realized OTC (per settlement interval) on the Balancing Market, respectively. These revenues were lower in Q2 2025 compared to Q2 2024 by 26,570,697.

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

Revenues from transactions on the Balancing Market were significantly lower, as the OTC recorded in Q2 2025 was lower than in the same period of the previous year. Given the increase in the share of solar and wind generation, there has been an increase in the supply of energy in the peak intervals and an increase in the share of very low and even negative price intervals for short-term market prices.

*Revenues from system services*

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

*Revenues on the balancing market*

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

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

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

**S1 2025 compared to S1 2024**

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

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

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

The modification of the tariff value for the system service as of June 01, 2025 by ANRE Order no. 21/27.05.2025 was determined by the application of the mechanism for correcting significant deviations from the forecast that was the basis for the approval of the tariff in force as of September 01, 2024 (ANRE Order no. 57/28.08.2024), in accordance with the provisions of the regulatory framework issued by ANRE.

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

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

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

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

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

*Revenues from transportation service*

Revenues from transmission service increased in S1 2025 compared to S1 2024 by 124,461,235, due both to the increase in the tariff for the transmission service approved by ANRE (see the table on tariffs approved by ANRE for the period under review, presented above) and to the increase in the quantity of electricity delivered to consumers by 1.85%, i.e. by 468,784 MWh.

*Revenues from the allocation of interconnection capacity*

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

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

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

On June 8, 2022, the Core FB MC (Core Flow-Based Market Coupling) was put into operation, thus initiating the day-ahead flow-based market coupling in the Core capacity calculation region. The Flow-Based Market Coupling mechanism optimizes the European electricity market for 13 countries (Austria, Belgium, Bulgaria, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, the Czech Republic, the Netherlands, Austria, Belgium, Croatia, France, Germany, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia).

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

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

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

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

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

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

*Inter TSO Compensation (ITC) revenues*

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

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

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

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

*OTC trading revenues*

OTC energy trading revenues were mainly derived from the sale of surplus energy at a positive price and the purchase of deficit energy at a negative price, resulting from the difference between the long and medium-term forecast and the short-term forecast (per settlement interval) on the Intra-day Market managed by OPCOM and, respectively, from the difference between the forecast OTC and the actual realized OTC (per settlement interval) on the Balancing Market. These revenues were lower in S1 2025 compared to S1 2024 by 44,017,058.

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

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

*Revenues from system services*

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

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

*Revenues from emergency aid*

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

*Balancing market revenues*

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

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

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

### *Revenues from capitalization of own technological consumption (OTC)*

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

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

## 14. System operation and balancing market expenses

### **Q2 2025 compared to Q2 2024**

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

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

#### *Own Technological Consumption expenses*

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

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

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

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- The amendments introduced by GEO 32/2024 led to a gradual exit from the support scheme and a return to competitive market mechanisms. As a result, as of 01.01.2025, the energy needed to cover the OTC has been purchased in a proportion of about 50% through bilateral contracts;
- Elimination of the price-regulated MACEE mechanism, increased consumption as well as decrease in hydropower generation led to increased imports and an increase in energy prices on the short-term markets compared to the similar period of 2024;
- the price of DAM is highly dependent on weather conditions (droughts, precipitation, extreme events) and European market prices. The Day-Ahead market is an unpredictable market with a high degree of volatility, with prices increasing by as much as 30-40% within a week;
- As of July 01, 2024, a number of amendments to the Regulation on Terms and Conditions for Balancing Parties, in line with the requirements of the European Codes, came into force, which led to very high prices in the Balancing Market. These prices have a high degree of volatility and uncertainty and can vary widely, but are still below the 2024 peaks. The Own Technological Consumption recorded in the analyzed period was lower compared to the same period of 2024, leading to lower costs resulting from the coverage of energy imbalances in this market compared to the same period of 2024.

### *Electricity consumption expenses at ETG stations*

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

### *OTC expenses transit RED (acc. to ANRE decision)*

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

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

### *Inter TSO Compensation (ITC)*

The ITC expenses represent the monthly payment obligations/collection rights for each transmission system operator (TSO). They are established within the framework of the mechanism of compensation/remission of the effects of the use of the transmission electricity network (ETG) for electricity transits between TSOs of the countries that have joined this mechanism within the ENTSO-E. In Q2 2025, these expenses were higher by 4,802,417 compared to the same period of the previous year.

### *Expenditure on system services (balancing capacity)*

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

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

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

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

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

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*(All amounts are expressed in RON, unless otherwise provided)***Balancing market expenditure**

The balancing market expenses realized in Q2 2025, amounting to 824,219,058, were lower by 1,072,719,581, respectively, than those realized in Q2 2024. These expenses result from the notifications/realizations of the participants on this market and are significantly influenced by the evolution of electricity production and consumption at national level, the European context of the evolution of the electricity market and the way of realization of contracting on the markets prior to the balancing market.

**S1 2025 compared to S1 2024**

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

	<b>Semester I 2025</b>	<b>Semester I 2024</b>
Own Technological Consumption expenses	288,040,965	296,081,042
Congestion expenses	-	107,222
Expenses on electricity consumption in ETG stations	20,630,150	25,567,731
Expenses OTC transit RED (cf. ANRE decision)	17,442,815	12,840,055
Expenses with Inter TSO Compensation (ITC)	31,959,382	20,604,759
<b>Total operating expenses</b>	<b>358,073,312</b>	<b>355,200,809</b>
System services expenses	234,589,681	300,957,046
Balancing market expenses	1,490,940,346	3,229,285,561
<b>Total</b>	<b>2,083,603,339</b>	<b>3,885,443,416</b>

*Own Technological Consumption expenses*

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

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

- due to its characteristics, the Own Technological Consumption (OTC) in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, on the structure of electricity production and consumption, at national level, on the distribution of electricity flows in the internal transmission grid and on the interconnection lines with neighboring electro-energy systems, its value being very little to not controllable at all in the conditions of an interconnected and coupled regional energy market;
- as a result of weather conditions and flows on interconnection lines, the OTC value recorded in the first semester of 2025 was lower than that recorded in the previous year;
- compared to 2025, in the first three months of 2024, following the provisions of GEO no. 153/2022 amending and supplementing GEO no. 27/2022, NPG CO. Transelectrica SA purchased electricity to cover 75% of the quantity corresponding to the OTC forecast validated by the Centralized Electricity Purchase Mechanism (MACEE), at the regulated price of 450 RON/MWh;
- as of 01.04.2024, the centralized electricity purchase mechanism (MACEE) was amended by GEO no. 32/2024, in the sense of:
  - reduction of the regulated purchase price to 400 RON/MWh;
  - removing the obligation for generators to participate in the mechanism;
  - changing the period of application of the mechanism from 31.03.2025 to 31.12.2024;
  - to allow other producers with production capacities below 10 MW to participate in the mechanism.
    - The amendments introduced by GEO 32/2024 led to a gradual exit from the support scheme and a return to competitive market mechanisms. As a result, as of 01.01.2025, the energy needed to cover the OTC was purchased in a proportion of about 50% through bilateral contracts, at an average price for the first semester of 2025 of 477.25 RON/MWh;
    - the elimination of the MACEE mechanism with regulated price, increased consumption and low temperatures in February, as well as lower hydropower generation led to increased imports and higher energy prices in the short-term markets compared to the same period of 2024;
    - the price of DAM is highly dependent on weather conditions (droughts, precipitation, extreme events) and prices on the European market. The Day-Ahead market is an unpredictable market with a high degree of volatility, with prices increasing by as much as 30-40% within a week;

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- As of July 01, 2024, a number of changes to the Regulation on Terms and Conditions for Balancing Parties, in line with the requirements of the European Codes, came into force, which led to very high prices in the Balancing Market. These prices have a high degree of volatility and uncertainty and can vary widely, but are still below the 2024 peaks. The Own Technological Consumption recorded in the analyzed period was lower compared to the same period of 2024, leading to lower costs resulting from the coverage of energy imbalances in this market compared to the same period of 2024.

### *Electricity consumption expenses at ETG stations*

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

### *OTC expenses transit RED (acc. to ANRE decision)*

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

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

### *Inter TSO Compensation (ITC)*

The ITC expenses represent the monthly payment obligations/collection rights for each transmission system operator (TSO). They are established within the framework of the mechanism of compensation/remission of the effects of the use of the transmission electricity network (ETG) for electricity transits between TSOs of the countries that have joined this mechanism within the ENTSO-E. In S1 2025, these expenses were higher by 11,354,623 compared to the same period of the previous year.

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

### *System service costs (balancing capacity)*

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

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

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

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

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

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

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

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

*Balancing market expenses*

The balancing market expenses realized in S1 2025, amounting to 1,490,940,346, were lower by 1,738,345,215 in comparison with S1 2024, i.e. by 1,738,345,215. These expenses result from the notifications/realizations of the participants on this market and are significantly influenced by the evolution of electricity production and consumption at national level, the European context of the evolution of the electricity market and the way of realization of contracting on the markets prior to the balancing market.

**15. Depreciation**

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

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

*Expenses for amortization of intangible assets - additional OTC* in the amount of 45,474,407 were recorded in accordance with the provisions of OMF no. 3900/2022 on the approval of accounting clarifications in application of the provisions of Article III of GEO no. 119/2022 for the amendment and completion of *GEO no. 27/2022 on the measures applicable to end customers in the electricity and natural gas market in the period from April 1, 2022 to March 31, 2023, and for the amendment and completion of some normative acts in the energy sector*.

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

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

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

**16. Personnel costs**

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

Total personnel expenses realized in the second quarter of 2025 and the first semester of 2025 show an increase compared to the same period of the previous year, mainly due to the increase in some expense items, such as: staff salary expenses, social expenses, expenses related to the mandate contracts, expenses related to insurance and social protection in accordance with the applicable legal provisions, as well as the reversal to income of a part of the provisions set aside for the dismissed executive and non-executive directors, representing the variable component related to the packages of FVOVs allocated and not valorized during the terms of office executed in the period 2013-2017 and compensation provided for in the mandate contracts concluded in 2020 for the period 2020-2024, concurrently with the payments made on the basis of enforceable court judgments received by the Company.

**17. Other operating expenses**

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

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

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

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

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

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

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

## 18. Net financial result

	<b>Quarter II 2025</b>	<b>Quarter II 2024</b>
Interest revenue	4,518,304	2,295,405
Exchange rate revenues	25,177,462	605,843
Other financial revenues	22,125,662	14,651,527
<b>Total financial revenues</b>	<b>51,821,428</b>	<b>17,552,775</b>
Interest expenses	(377,595)	(534,506)
Expenses from exchange rate differences	(27,190,527)	(742,517)
<b>Total financial expenses</b>	<b>(27,568,122)</b>	<b>(1,277,023)</b>
<b>Net financial result</b>	<b>24,253,306</b>	<b>16,275,752</b>

	<b>Semester I 2025</b>	<b>Semester I 2024</b>
Interest income	6,755,167	3,438,349
Exchange rate revenues	25,928,176	1,603,660
Other financial revenues	22,170,970	14,692,473
<b>Total financial revenues</b>	<b>54,854,313</b>	<b>19,734,482</b>
Interest expenses	(909,217)	(1,364,737)
Exchange rate expenses	(28,658,932)	(2,175,263)
Other financial expenses	-	-
<b>Total financial expenses</b>	<b>(29,568,149)</b>	<b>(3,540,000)</b>
<b>Net financial result</b>	<b>25,286,164</b>	<b>16,194,482</b>

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

## NPG CO. Transelectrica SA

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Compared to the first half of 2024, the level of income and expenses from exchange rate differences realized in the first half of 2025 was mainly influenced by the volume of transactions related to the market coupling business segment in conjunction with the evolution of the exchange rates of the national currency against the euro.

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

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

Currency	30.06.2025	30.06.2024
RON / EUR	5.0777	4.9771

### 19. Disputes and contingencies

#### i) Pending disputes

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

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

#### • AUTONOMOUS AUTHORITY FOR NUCLEAR ACTIVITIES – RAAN

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

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

On 14.06.2016, the bankruptcy procedure was opened against RAAN.

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

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

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

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

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

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

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

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

## NPG CO. Transelectrica SA

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

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

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

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

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

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

Ruling of the Bucharest Court of Appeal: Admits the appeal. Fully changes the challenged judgment as follows: Admits the statement of claim. Orders the Defendant to pay the Plaintiff the amount of RON 12,727,101.99, representing the value of the bonus and regularisation of overcompensation, for which the following invoices were issued: series SRTF no. 1500031 of 24.04.2015, series SRTF no. 1500033 of 22.05.2015, series SRTF no. 1500036 of 22.06.2015, series SRTF no. 1521311 of 23.07.2015, series SRTF no. 1500041 of 17.08.2015, series SRTF no. 1500045 of 23.09.2015, series SRTF no. 1521339 of 26.10.2015 and series SRTF no. 1521282 of 08.04.2015, as well as the amount of RON 2,917,619.81, representing delay penalties related to the principal debt, for which the following invoices were issued: series SRTF no. 1500059 of 31.12.2015 and series SRTF no. 1500060 of 31.12.2015. With right of recourse within 30 days from communication. The recourse is to be filed with the Bucharest Court of Appeal – Sixth Civil Division. Pronounced today, 03.06.2024, and made available to the parties through the court registry. Document: Judgment no. 898/03.06.2024.

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

### • COURT OF AUDITORS OF ROMANIA

As a result of an audit carried out in 2017, the Romanian Court of Accounts ordered certain measures to be implemented by the Company as a result of deficiencies identified during this audit. The Company filed several objections against the measures ordered by the Romanian Court of Accounts (CCR) by Decision no. 8/27.06.2017, requesting their annulment, as well as the annulment of Ruling no. 77/03.08.2017, registered at the Company's registry under no. 29117/08.08.2017, and of the Audit Report no. 19211/26.05.2017. The objections were on the docket of the Bucharest Court of Appeal, among which case file no. 6581/2/2017 concerning the annulment of the findings at point 6 and the measure ordered at point II.9, at the hearing on 31.03.2023: according to the minutes of 29.03.2023, case file no. **6581/2/2017** was versioned within Panel 12 – Merits of the Eighth Administrative and Fiscal Litigation Division under no. **6581/2/2017\***. Brief ruling: In order to allow the parties to submit written conclusions and for deliberation, the pronouncement was postponed to the following hearing dates: 31.03.2023, 13.04.2023, 28.04.2023, 12.05.2023.

At the hearing on 26.05.2023, the statement of claim was admitted. Ruling no. 77/03.08.2017 was partially annulled with respect to the rejection of point 6 of Objection no. 26140/17.07.2017, Decision no. 8/27.06.2017 was annulled with respect to the findings at point 6 and the measure ordered at point II.9, as well as Audit Report no. 19211/26.05.2017 with respect to the findings at point 3.2. The Defendant was ordered to pay the Plaintiff legal costs in the total amount of RON 10,450, representing the judicial stamp tax and the fee of the court-appointed expert. With recourse within 15 days from communication. Ruling 920/2023 – 26.05.2023.

Hearing date set for 23.01.2025. At the hearing on **23.01.2025**, the HCCJ dismissed the recourse filed by the Defendant-Appellant Romanian Court of Accounts against Civil Judgment no. 920 of 26 May 2023 of the Bucharest Court of Appeal – Eighth Administrative and Fiscal Litigation Division, as unfounded. Final.

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

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

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

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

On 02.04.2021, the Company filed a claim for the annulment of the administrative act, the case being registered at the Bucharest Court of Appeal under no. **2153/2/2021**.

At the hearing on 10.12.2021, the Bucharest Court of Appeal dismissed the statement of claim filed by the Plaintiff NATIONAL POWER GRID COMPANY "Transelectrica" SA against the Defendant ROMANIAN COURT OF ACCOUNTS, as unfounded. Dismisses the suspension request, as unfounded. With right of recourse within 15 days from communication, and with right of recourse within 5 days from communication with respect to the head of claim concerning suspension; the recourse to be filed with the Bucharest Court of Appeal.

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

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

### • OPCOM

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

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

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

At the hearing on 03.12.2021, the Bucharest Tribunal delivered the following brief ruling: *"Admits the plea of limitation of the substantive right of action. Dismisses the claim as time-barred. With right of appeal within 30 days from communication, to be filed with the Bucharest Tribunal, Sixth Civil Division. Pronounced by making the decision available to the parties through the court registry today, 03.12.2021. Document: Judgment no. 3021/2021 – 03.12.2021."*

The Company filed an appeal.

At the hearing on 12.10.2022, the Bucharest Court of Appeal delivered the following brief ruling: *Dismisses the appeal as unfounded. Orders the Appellant to pay the Respondent the amount of RON 11,325.21 as legal costs. With right of recourse within 30 days from communication. Pronounced today, 12 October 2022, by making the decision available to the parties through the court registry. Document: Judgment no. 1532/12.10.2022.*

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

Considering the HCCJ decision to quash and remand for retrial, the case was referred to the Bucharest Court of Appeal with the hearing for appeal/retrial set for 26.11.2024.

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

At the hearing on 18.02.2025, the Bucharest Court of Appeal dismissed the appeal as unfounded. Orders the Appellant-Plaintiff (NPG CO. Transelectrica SA) to pay the Respondent-Defendant (OPCOM) the amount of RON 28,777.79 as legal costs. With right of recourse within 30 days from communication, to be filed with the Bucharest Court of Appeal – Fifth Civil Division.

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

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

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

At the hearing on 07.11.2023, the court’s ruling was: *Classifies the plea of inadmissibility as a defence on the merits. Dismisses the statement of claim as unfounded. With right of appeal within 30 days from communication, to be filed with the Bucharest Tribunal – Sixth Civil Division. Pronounced today, 07.11.2023, pursuant to Art. 396 para. 2 Civil Procedure Code, by making the decision available to the parties through the court registry.*

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

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

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

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

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

This case concerns:

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

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

## • CONAID COMPANY SRL

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### • REŞIȚA MUNICIPALITY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## NPG CO. Transelectrica SA

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

### • SMART SA

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

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

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

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

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

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

### • ANAF

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

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

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

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

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

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

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

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

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

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

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

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

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

## NPG CO. Transelectrica SA

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

### • OTHER

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

The Company has recognized impairment adjustments for customers and other receivables in dispute and for customers in bankruptcy.

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

#### *ii) Contingencies*

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

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

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

Hearing date: 25.08.2022 – submission of expert report.

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

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

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

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

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

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

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

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

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

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

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

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

-the expert shall specify whether Romelectro meets the condition set out in Art. 66 of GEO 114/2018, namely whether 80% of Romelectro's turnover is from construction works, both in the year prior to the reference period (2018) and in the reference period (2019);

-the expert shall calculate the cost difference generated by the increase in the wages of the human resources actually used by Romelectro in carrying out the works under Contract no. C145/2018, during the reference period and in the first two months prior thereto, namely:

a) To specify for each employee (human resource actually used) whether they had a gross salary below or above RON 3,000/month in November and December 2018;

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- b) When the increase of the salary to RON 3,000/month occurred;
- c) The difference between the previous salary and the salary imposed by GEO 114/2018;
- d) Whether, between 01.11.2018 and 31.12.2018, Romelectro reduced the salaries of the human resources used;
- e) The real, cumulative cost difference related to the salaries of the human resources used by Romelectro in the actual execution of the works under Contract no. C145/2018, for the reference period;

- the expert shall determine, based on analytical estimates, the percentage and amount by which Transelectrica must adjust the price of Contract no. C145/2018 for the labour related to the works remaining to be executed as at 01.01.2019, as a result of the legislative changes introduced by GEO 114/2018 regarding the increase of the minimum wage in the construction sector to RON 3,000/month;

- the expert shall determine the days/months of delay in the execution of the works under Works Contract no. C145/2018 due to financing issues encountered by Romelectro SA as a result of Transelectrica's refusal to pay the price at the adjusted value, and the impact on the execution schedule caused by Transelectrica's failure to adjust the contract price as a result of the legislative changes introduced by GEO 114/2018 regarding the increase of the minimum wage in the construction sector to RON 3,000/month."

Hearing set for 29 April 2022, 09:00, with the parties summoned.

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

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

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

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

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

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

At the hearing on 10.06.2022, the case was postponed to 14.10.2022.

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

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

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

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

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

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

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

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

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

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

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

At the hearing on 08.11.2022, the trial was suspended.

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

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

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

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

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

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

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

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

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

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

1.Ordering Transelectrica to conclude an addendum to Works Contract no. C5 of 19 May 2021, for extending the contractual duration by the delay days incurred in executing the contract not attributable to the Contractor, provisionally estimated at 616 days;  
2.Ordering Transelectrica to reimburse the amounts paid as penalties under invoices no. 114 of 29 March 2024 (paid by Payment Order no. 13065/25.06.2024) and no. 296 of 25 June 2024 (paid by Payment Order no. 15424/23.07.2024) issued by the Defendant, in the total amount of RON 2,164,304.25 as undue payment, plus legal interest from their payment date until reimbursement, (i) primarily, as a result of ordering the Defendant to conclude an addendum to Works Contract no. C5 of 19 May 2021, for extending the contractual duration by the delay days incurred in executing the contract not attributable to the Contractor, and (ii) subsidiarily, as a result of finding that the delay days charged by Transelectrica are not attributable to the Contractor;  
3.Ordering Transelectrica to pay damages, representing the loss suffered by the Plaintiff due to the delays, provisionally estimated at RON 595,550.

At the hearing on 14.02.2025, the court postponed the case to 14.03.2025. The court postponed the case to 23.05.2025 for the Defendant to file a procedural position/response. At the hearing on 23.05.2025, the court postponed the case to 20.06.2025 for the appointed expert to reply to the court's request regarding their competence to perform the expertise. At the hearing on 20.06.2025, the court postponed the case to **21.11.2025** for performance of the expertise.

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

- *Control by the Court of Auditors of Romania*

Starting on 04 September 2023, the Romanian Court of Accounts, through Department IV, carried out a compliance audit mission at NPG CO. Transelectrica SA. The scope of the audit was:

- a) contracting and procurement;
- b) remuneration and other rights granted to Company personnel.

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

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

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

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**20. Related parties***i) Transactions with subsidiaries owned by the Company*

Entity	Country of Origin	June 30, 2025 % of shares	December 31, 2024 % of shares
SMART SA	Romania	100	100
TELETRANS SA	Romania	100	100
ICEMENERG SA *)	Romania	-	-
OPCOM SA	Romania	97.84	97.84
FORMENERG SA	Romania	100	100
ICEMENERG SERVICE SA **)	Romania	-	-

The net value of the shares held by the Company in its subsidiaries is 78,038,750 as of June 30, 2025 and December 31, 2024.

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

**SMART SA**

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

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

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

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

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

**TELETRANS SA**

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

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

**ICEMENERG SA**

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

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

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

## **NPG CO. Transelectrica SA**

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

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

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

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

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

## **OPCOM SA**

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

On 13.02.2018, the Extraordinary General Meeting of the subsidiary OPCOM SA approved the share capital increase of the Electricity and Natural Gas Market Operator “OPCOM” SA (“OPCOM SA”) by the amount of RON 678,790 through contribution in kind represented by the value of the land for which the company obtained the Certificate of attestation of ownership right over land series M03 no. 12899/27.02.2014, issued by the Ministry of Economy. The contribution in kind was evaluated by an appraiser appointed by the ONRC. In exchange for the in-kind contribution to the share capital, the company issued to the new shareholder, the Romanian State through the Ministry of Economy, which as of the EGM resolution date exercised the duties of an involved person, 67,879 new registered shares with a nominal value of RON 10 each.

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

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

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

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

## **FORMENERG SA**

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

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

## **ICEMENERG SERVICE SA**

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

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

**NPC CO. Transelectrica SA**

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

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

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

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

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

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

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

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

*\*) Trade receivables are shown gross.*

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

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

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

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

**NPC CO. Transelectrica SA**

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

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

**21. Credit risk**

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

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

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

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

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

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

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

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

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

**NPG CO. Transelectrica SA**

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

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

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

The highest impairment adjustments at June 30, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30,626,840), CET Govora (24,645,019), Romelectro (24,468,153), Areco Power (14,513,236), Total Electric Oltenia SA (14,185,577), Romenergy Industry (13,512,997), Elsaco Energy (9,276,118), OPCOM (9,142,913), RAAN (8,516,707), Next Energy Partners (8,395,132).

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

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

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

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

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

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

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

## 22. Subsequent events

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

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

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

## NPG CO. Transelectrica SA

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

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

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

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

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

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

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

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

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

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

### • Convocation of the Extraordinary General Meeting of Shareholders

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

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

**NPG CO. TRANSELECTRICA**

**CONSOLIDATED  
HALF YEAR  
REPORT**

**H1 2025**



## RESPONSIBLE PERSONS' STATEMENT

To the best of our knowledge, the Consolidated Interim Financial Statements, prepared for the 6-month period ended June 30, 2025 in accordance with the International Accounting Standard IAS 34 – Interim Financial Reporting adopted by the European Union and the Consolidated Quarterly Report for the 1st quarter of 2025, prepared in accordance with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, supplemented by Law no. 11/2015, respectively with the provisions of ASF Regulation no. 5/2018, provide a true and fair view of the Group's financial position and profit and loss account.

The Consolidated Quarterly Report of the Management Board includes correct and fair information regarding the Group's development and performance, available at the date of this report.

Bucharest, May 11, 2025

Directorate,

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

## CUPRINS

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## GROUP STRUCTURE

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

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

### SMART



The subsidiary Societatea Comercială pentru Servicii de Mantenție de Retele Electrice de Transport "SMART" SA was established in 2001, by HG no.710/19.07.2001 by reorganizing some activities within Transelectrica.

The main activity of the subsidiary is to carry out overhaul and repair of primary switchgear and equipment in electrical networks (so that ETG installations operate safely at the performance level required by the license), troubleshooting of incidents in electrical installations, energy services, energy services for the energy system and microproduction of electrical equipment. The company has 8 unincorporated branches.

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

The subsidiary is a company with national coverage, strategic in terms of maintenance, repairs, expertise and consultancy provided for:

- Low, medium, high and extra high voltage switchgear and equipment - up to 750kV inclusive,
- Equipment and circuits for protection, automation, measurement, command - control,
- Transformers and autotransformers of all powers and all voltages,
- Overhead and wired power lines of all voltage levels.

The subscribed and paid-in share capital as at June 30, 2025 is RON 38,529 thousand, Transelectrica being the sole shareholder. The SMART subsidiary's results are consolidated with the Company's financial results.

SMART shares are 100% owned by Transelectrica.

### TELETRANS



Subsidiary TELETRANS SA was established by Transelectrica's AGM Decision no. 13/04.12.2002, on the basis of Law no. 31/1990 and Ministry of Industry and Trade Orders no. 3098 and no. 3101 dated 23.10.2002 and is the provider of specific telecommunications and information technology services for Transelectrica's operational and management management, having as its main object of activity the provision of specific telecommunications services. At the same time, the Subsidiary has the possibility to commercialize specific services on the liberalized communications market in Romania

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

On the basis of the Statute and the applicable normative acts, Teletrans holds the ANCOM certificate as a provider of electronic communication networks or services since 2002 (O.U.G. no. 679/2002), which gives it the right to provide the following electronic communication services:

- Public electronic communication networks (since 11.11.2004);
- Electronic communications services for the public: (i) Leased line services and (ii) Electronic communications services other than telephony and leased lines (from 01.07.2003);

- Private electronic communications networks and services (since 15.01.2003).
- TELETRANS personnel also benefits from relevant certifications in the operation and management of IT&C systems dedicated to critical infrastructures.

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

The services provided by Teletrans were mainly IT/Tc services to Transelectrica, maintenance services of the local metering system at the Company's substations and telecommunication services through the commercialization of the existing excess capacity in the fiber optic communication infrastructure.

The subscribed and paid-up share capital as at June 30, 2025 is RON 6,874 thousand, Transelectrica being the sole shareholder. The results of the subsidiary Teletrans are consolidated with the Company's financial results.

TELETRANS shares are 100% owned by Transelectrica.

### **GECO POWER COMPANY**

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

The company was established in accordance with:

- Agreement of December 17, 2022 between the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary on the Strategic Partnership in the field of development and transportation of green energy, taking into account the joint initiative of Georgia and Romania for the development and implementation of the Black Sea submarine cable project and the ongoing feasibility study for this project that began on April 11, 2022, initiated by Georgia and joined by Romania and the Republic of Azerbaijan,
- Memorandum of Understanding on the establishment of a Joint Venture company between the relevant entities of the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary signed on 25.07.2023 in Bucharest, by which Transelectrica is designated as the relevant party for Romania,
- Memorandum of Understanding between the relevant ministries of Romania, the Republic of Azerbaijan, Georgia, Romania and Hungary on cooperation in the field of green energy, signed on 21.11.2023 in Budapest (Hungary)
- Minutes of the seventh ministerial meeting on the understanding on the strategic partnership in the field of development and transportation of green energy between the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary on May 15, 2024 in Tbilisi,
- Memorandum of Understanding by which the Parties agree to make the necessary efforts to undertake the steps regarding the establishment of a Joint Venture company, headquartered in Romania, between Transelectrica, AzerEnerji JSC, Georgian State Electrosystem and MVM Zrt., signed on May 27, 2024 in Bucharest,
- Decision no. 4 of the Extraordinary General Meeting of Shareholders dated August 12, 2024 by which the Extraordinary General Meeting of Shareholders of the Company approved the Company's participation in the share capital of a new company, along with the other relevant parties designated at the level of the Republic of Azerbaijan, Georgia, and Hungary, with the exception of the main object of activity which will be "Activities of holding companies" activity coded CAEN 642, respectively 6420

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

Upon incorporaton, the share capital of the company shall be 15 mil lei, of witch 15 mil lei, cash contribution, being divided into a number of 1.500.000 shares, with a nominal value of 10 lei/share.

The share capital is held by the shareholders as follows:

- „AZERENERJI” Open Joint Stock Company contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- JSC Georgian State Electrosystem, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- MVM Energy Private Limited Liability Company, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- Compania Națională de Transport al Energiei Electice Transelectrica SA, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%

Transelectrica together with Georgian State Electrosystems, AzerEnerji and MVM Electrical Works, based on the Shareholders' Agreement, will implement the Green Corridor project, namely a high-voltage direct current submarine cable, which will connect, through the Black Sea, Romania and Georgia, with the connection being extended to Hungary and Azerbaijan. It contributes essentially to strengthening national and regional energy security, increasing connectivity in the Black Sea basin, diversifying supply sources, capitalizing on the potential for renewable energy production and increasing the share of renewable energy in the national energy mix.

Company	Registration Cod	Office	% participation on 30 june 2025
SMART	14232728	Bucharest	100%
TELETRANS	15061510	Bucharest	100%
GECO	51190139	Bucharest	25%

## IDENTIFICATION INFORMATION

### SMART

Registered office	Bucharest, BUCHAREST, Bd. Gen. Gh. Magheru nr. 33, sector 1
Place of business	Bucuresti, Bd. Gheorghe Sincai nr. 3, "Formenerg" Building, 1st floor, sector 4
Order number in the Trade Register	J40/8613/2001
Tax Registration Number	14232728
Share capital	38.529 thousand lei, divided into 3.852.860 registered shares with a nominal value of 10 lei each
Sole shareholder	Transelectrica
Deed of Incorporation	GD no. 710/2001 on the establishment of the subsidiary "SMART" SA, the Commercial Company for Maintenance Services of the Transmission Electricity Network, by reorganization of some activities within Transelectrica

### TELETRANS

Registered office	Bucharest, BUCHAREST, Bd. Hristo Botev nr. 16-18, sector 3
Place of business	Bucharest, Str. Stelea Spătarul nr. 12, sector 3
Order number in the Trade Register	J40/12511/2002
Tax Registration Number	15061510
Share capital	6.874 thousand lei, divided into 687.443 registered shares with a nominal value of 10 lei each
Sole shareholder	Transelectrica
Deed of Incorporation	AGA Decision of NPG CO. Transelectrica no.13 of 20.03.2002 and the orders of the Minister of Industry and Resources no.3098,3101/23.10.2002

### GECO „Green Energy Corridor Power Company”

Registered office	Bucharest, Sector 3, 2-4 Olteni Street, 3rd floor, room 306
Order number in the Trade Register	J2025005094001
Tax Registration Number	51190139
Share capital	15.000 thousand lei, divided into 1.500.000 registered shares with a nominal value of 10 lei each
Shareholders	CNTEE Transelectrica – 25% „AZERENERJI” Open Joint Stock Company – 25% JSC Georgian State Electrosystem – 25% MVM Energy Private Limited Liability Company – 25%
Deed of Incorporation	AGA Decision of NPG CO. Transelectrica no. 226 of 17.12.2024 and GECO Constitutive Act of 21.01.2025

## GOVERNANCE STRUCTURES

The executive management of the Subsidiaries at the date of this report is ensured by the following persons:

### SMART:

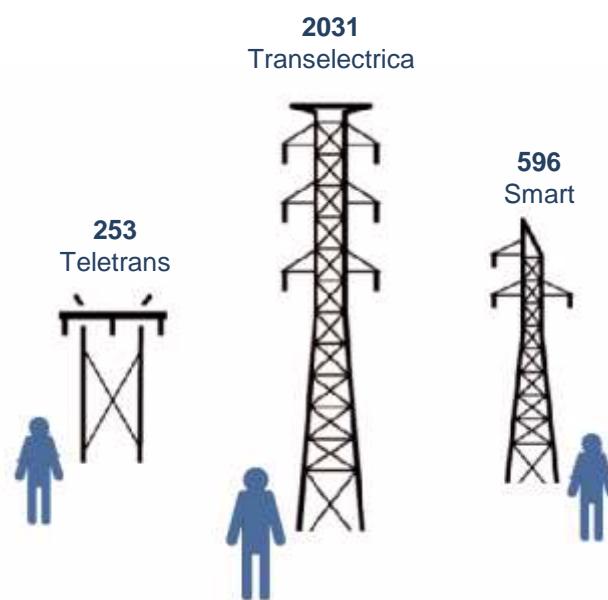
Gheorghe BOLINTINEANU      General Manager  
 Virgil ȘTEFAN      Economic Manager

### TELETRANS:

Decebal BĂESCU      General Manager  
 Florin Nicolae MÂRZA      Economic Manager

### GECO:

Farhad MAMMADOV      General Manager  
 Florin STANCIU      Deputy General Manager



## ACTIVITIES OF SUBSIDIARIES

In H1 2025, the two Subsidiaries included in the consolidation carried out activities in accordance with their main areas of activity as follows:

### • TELETRANS



The Company for Telecommunications and Information Technology Services in Electric Transmission Networks "TELETRANS" is the provider of telecommunications, information technology and process computing/SCADA solutions and services for the Company and a large portfolio of public and private customers.

#### 1. Process Informatics / SCADA

- EMS/SCADA system integration services for renewable generators and new control-command systems in retrofitted substations.
- Preventive or corrective maintenance services for the main critical information systems that provide system operator, transmission and balancing market functions.
- Services for process information systems management - database administration and updating, schema and archive backups, back-up.

#### 2. IT & C

*Fiber optic data transport services:*

- Provision of STM1/STM4 and Ethernet over SDH/DWDM capabilities;
- Data transport services at STM16/STM64, 1Gb, 10Gb, Lambda level;
- n x Mb, n x 1Gb, 10 Gb services on IP/MPLS equipment;
- Specialized technical assistance.

*IP communication services:*

- Internet provided in over 100 points of the national fiber optic network;
- Secure VPN over IP/MPLS networks;
- Metropolitan/national customer interconnection through exchange centers;
- IT outsourcing;
- Managerial Informatics.

#### 3. Colocation

- Colocation centers in Bucharest (RoNIX node) and Timisoara
- Territorial presence points in 35 county presidencies
- 400 kV and 220 kV substations of Transelectrica.

#### Infrastructure

- backbone of approximately 5000 km, with national coverage, in a 9-ring redundant topology, providing DWDM/SDH/ PDH and Ethernet telecommunication services;
- DWDM&IP/MPLS backbone of approximately 4,000 km with national coverage in a redundant 4-ring topology.

The fiber-optic network on which the two backbones are built is built on reliable OPGW technology and provides access points in 110 localities as well as cross-border links to Hungary, Bulgaria and Serbia (in the future also to Ukraine, Moldova and Turkey).



Teletrans holds the certifications of Quality Management System according to ISO 9001, Environmental Management System according to ISO 14001, Occupational Health and Safety Management System according to ISO 45001 and Information Security Management System at Executive level according to ISO/IEC 27001:2013.

### Affiliations

The Subsidiary is a member of several professional organizations in the IT&C and energy sectors

- at national level:
  - Romanian National Committee of the World Energy Council
  - National Association of Internet Service Providers in Romania
  - Romanian Society of Energy Engineers
  - National Association for Information Systems Security
- internationally:
  - International Council on Large Electric Systems
  - European Utilities Telecom Council
  - European Internet Protocol Networks.

### • SMART



The main activity carried out by the company is carrying out overhaul and repair of primary equipment in electrical networks, repair of incidents at electrical installations, provision of services in the energy field, microproduction of electrical equipment.

Smart S.A. was set up with the purpose of performing maintenance and repair services NPG CO. Transelectrica S.A.'s installations and must provide the necessary resources for the maintenance activity of the ETG, according to the mission established at its establishment.

In addition, the company may also carry out other related activities in support of its main object of activity, in accordance with the legislation in force and with its own bylaws, under the conditions of safe operation of the National Electricity System.

The maintenance activity involves planned technical overhaul and control works in substations, OHL power lines and accidental intervention works. The line inspections involve movements and interventions on the entire 8,931.6 km route of the ETG in all relief and weather conditions. More than 70% of the work carried out by SMART S.A. consists of work at height, which is done using specialized equipment (PRB, crane, climbing equipment, special accessories, etc.).

"Smart" S.A. has designed, documented and implemented an Integrated Quality, Environmental, Occupational Health and Safety Management System in accordance with the requirements of the following reference standards:

- ISO 9001:2015 "Quality management systems. Requirements." - for quality;
- ISO 14001:2015 "Environmental Management Systems. Specification and user guidance" - for the environment;
- ISO 45001:2018 "Occupational safety and health management systems"- for occupational safety .

The Integrated Quality-Environment-Occupational Health and Safety Management System is certified by SRAC and IQNet with certificates no. 1111/11.01.2021 for ISO 9001:2015, no. 112/11.01.2021 for ISO 14001:2015 and no. 139/11.01.2021 for ISO 45001:2018, valid until 23.12.2024, with annual surveillance. Through the integrated management system the company guarantees to customers that the services provided are at least in compliance with the specified requirements. Smart S.A. has also obtained authorization, from CNCAN, for the quality management system in the nuclear field, namely: Authorization No.LI824 for the provision of services for nuclear installations, valid until 16.04.2026 according to CNCAN Chairman's Orders No. 65,66,71, 72/2003.

Smart S.A. is certified by the National Energy Regulatory Authority for the following types of works:

- **A3** - testing of electrical equipment and installations in order to certify the technical compliance of power plants with the applicable technical standards: Certificate no. 15264/4.11.2019 valid indefinitely with the required endorsements.
- **D1** - design of overhead and underground power lines with any standardized nominal voltages: Certificate no. 15265/4.11.2019 valid indefinitely with the required endorsements.
- **D2** - execution of overhead and underground power lines with any standardized nominal voltages: Certificate no. 15266/4.11.2019 valid indefinitely with the required endorsements.
- **E1** - design of transformer substations, electrical substations and installations belonging to the electrical part of power plants with any standardized nominal voltages: certificate no. 15267/4.11.2019 valid indefinitely with the required endorsements.
- **E2** - execution of transformer substations, electrical substations and works on the electrical part of power plants with any standardized nominal voltages: Certificate no. 15268/4.11.2019 valid indefinitely with the required endorsements.

The Subsidiary has a multi-site Testing Laboratory (one laboratory in each Subsidiary) which is accredited by RENAR with accreditation certificate no. LI 824/17.04.2018, valid until 16.04.2026, with annual surveillance. A number of 78 electrical tests and physico-chemical analysis of electro-insulating materials are accredited.

Smart also holds authorizations issued by MAI-IGSU for the following activities:

- Installation and maintenance of fire containment and fire extinguishing systems and installations, except those containing certain fluorinated greenhouse gases, authorization no.5501/08.02.2016 granted for an indefinite period.
- Installation and maintenance of signaling, alarm and fire alarm systems and installations, authorization no.5502/08.02.2016 with indefinite validity.
- Design of fire signaling, alarm and alert systems and installations in case of fire, authorization no.6599/10.01.2017 with indefinite validity.
- Design of fire containment and fire extinguishing systems and installations, authorization no.7087/08.06.2017 granted for an indefinite period.

Smart S.A. is certified for logging activity by the Ministry of Environment, Water and Forests with certificate no. 1220/25.07.2024 valid until 31.07.2026.

The company carries out activities

- as a maintenance service provider:
  - Reviews and inspections
  - Repair of electrical equipment and installations
  - Responding to accidental events
  - Technical expertise, diagnostics and analysis
  - Configuration, adjustment and parameterization of command-control systems
- as a provider of retrofitting and modernization services:
  - Power stations
  - Overhead power lines
- as a provider of specialized technology services:
  - Working under voltage - LST
  - Transformer insulation rehabilitation Design
- as a design and consultancy provider
  - Design
  - Consulting and assistance.

Smart's national and international affiliations are as follows

- ✓ A - LST - R (Association for Stress Stress Working in Romania - Founding Member)
- ✓ CIGRE (International Council of Large High Voltage Electricity Networks)
- ✓ CNR - CIGRE (Association of the Romanian National Committee CIGRE)
- ✓ CNR - WEC (Romanian National Committee of the World Energy Council)
- ✓ SIER (Romanian Society of Energy Engineers)
- ✓ ASRO (Romanian Standardization Association).



## REPowerEU Plan

In order to finance three essential investment projects for the efficiency and modernization of the electricity transmission network, the Company obtained 56.2 million euro through the REPowerEU component of the PNRR, approved by the Council of the European Union, two of them being intended for the subsidiaries SMART SA and Teletrans SA.

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

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

As regards the **Re PowerEU Plan**, *Investment I6 - digitization, streamlining and modernization of the national electricity transmission grid (allocation 56.237.200 euro)* was approved, as follows:

- *Investment 6.a - Installation of photovoltaic power plants (PPP) and electricity storage facilities for supplying internal services installed in NPG CO. Transelectrica S.A. substations (allocation 29.557.000 euro);*
- *Investment 6.b - SMART SA - subsidiary NPG CO. Transelectrica S.A. (allocation EUR 18,240,000);*
- *Investment 6.c - Optimization of the communication network and creation of a data center - Teletrans SA, subsidiary NPG CO. Transelectrica S.A. (allocation 8.440.200 euro).*

## TELETRANS

Investments in the re-engineering and modernization of energy networks through the introduction of digitization and smart grids are essential measures to support the process of sector integration and energy transition. Digitization will significantly contribute to the secure operation of the energy system by increasing efforts and response capacity in the event of system failures. Transelectrica's IT&C infrastructure represents an infrastructure of national strategic importance, especially in the current geopolitical context, cyber security being a central component of stability and safety in the operation of the ETG/SEN by ensuring data protection, with impact on the safety of operational decision-making in the process of NES management by Transelectrica.

The optimization of the communication network and the creation of a data center involves the implementation of three components:

- Data center - purchase of equipment and software necessary for the endowment of a data center in the Sibiu-Brasov area, at Transelectrica headquarters; Estimated value: 23.362.855 lei

The Data Center will be a secure physical location protected against intrusion and natural and technological hazards in which 9 IT infrastructure containers and 3 Power containers will be installed in which IT equipment (e.g. Servers, Switch, UPS, etc) will be installed. The Data Center will ensure the security of the physical elements through which Transelectrica's telecommunication system is coordinated, which will provide all security elements according to standards. The center will manage Transelectrica's equipment, ensuring continuous and uninterrupted operation of IT equipment and a constant backup of transmitted and stored data. The data center will also ensure increased connectivity and mobility between the critical services required by Romanian electricity producers, transporters and distributors, which will lead to the provision of electricity to consumers.

- Network traffic analyzers - purchase of L2-7 traffic analyzer, 4 SFP ports; SFP multimode and SFP singlemode - to be used in the diagnosis and testing of ethernet circuits within Transelectrica's IP communications network; Estimated value: 3.590.000 lei

The telecommunication network of NPG CO. Transelectrica S.A. requires modernization and updating according to the latest technologies in order to align with European quality standards. Network capacity certification guarantees the functioning of intermediate equipment and physical and logical links for the secure provision of data transmission and internet access services. As today's systems are diversified and especially decentralized, there is a need for tools capable of obtaining fast network results, such as traffic analyzers. The proposed investment aims to purchase 8 pieces of L2-7 Traffic Analyzer Set with 4

SFP ports (multimode and singlemode), with the role of accurately diagnosing possible network malfunctions.

- IT&C network security - purchase of equipment: storage system, firewall, switch internal links, switch infrastructure, switch PoE; Server, distribution router; Estimated value: 15.248.145 lei

As far as the security of the IT&C network is concerned, at present, even though there is a series of equipment that ensures the security of Transelectrica's IT&C network, it is necessary to equip it with additional equipment to increase the degree of protection and filtering of malicious information. In order to ensure a higher level of security of Transelectrica's IT&C network, it is necessary to purchase a series of IT equipment to filter data traffic at the network level, with the aim of eliminating information that presents a security risk, store information to ensure a permanent backup of the company's information and ensure a constant data transfer flow. This equipment is mainly needed in the context of increasingly frequent cyber-attacks as well as for backup purposes.

The whole investment will contribute to increasing the resilience of the NES/ETG by addressing bottlenecks that may occur in the electricity transmission network by tackling the causes related to cyber security through:

- to reduce the risks of cyber-attacks on Transelectrica's IT&C infrastructures by improving the level of logistical preparedness (equipping) with modern, up-to-date equipment and applications, much more powerful in terms of information performance (this aspect is crucial in the current conditions of hybrid warfare, on all levels, including technological, information, etc., and it is mandatory to increase the resilience of IT and communication systems) and
- Ensuring business continuity and disaster recovery functions - fundamental in a time of border warfare and increased risk of attack;
- achieving communication and interoperability with the entities of the Romanian energy system and with the transmission and system operators within ENTSO-E;
- ensuring the resilience of the Transelectrica communication system;
- ensuring business continuity and disaster recovery functions;
- cyber-security to prevent cyber-attacks, which have been on the rise in Europe lately amid Russia's war on Ukraine.

Also, the implementation of the sub-investments described above will result in increasing the level of technical availability of the critical fiber optic infrastructure from 98% to 99.5%, with impact on the safety of operational decision-making in the process of NES management by Transelectrica, directly contributing to ensuring stability and safety in the operation of the ETG/NES.

The investments will be implemented until the second quarter of 2026, and the total estimated value will be 42.201.000 lei excluding VAT.

## SMART

The investment aims to reduce the number and duration of accidental events, as well as their consequences for ensuring the operation of the NES/ETG, to adapt maintenance actions to the specifics and manufacturing technologies of the new equipment installed in the ETG and to reduce the number and duration of preventive maintenance actions - planned, which involves the decommissioning of equipment and facilities of Transelectrica and renewable energy production plants connected to the ETG.

The equipment that will be purchased will contribute to reducing the number and duration of interventions in case of accidental events in the network, as well as their consequences for ensuring the functioning of the Transmission Grid and the National Energy System; reducing the number and duration of preventive maintenance actions - planned in Transelectrica substations and increasing the response capacity (by reducing the intervention periods for restoring the power supply).

These positive effects will strengthen the security and stability of the NES/ETG, which contributes to ensuring the security of electricity supply by Transelectrica as the national transmission and system operator.

Strong and quality maintenance services are one of the main prerequisites to ensure the ETG Performance Standard and to ensure a constant supply of electricity throughout the country.

Equipping SMART SA with appropriate modern machinery and equipment will have positive effects on the quality of maintenance services provided to ETG. This will have a positive impact on bottlenecks that may occur at ETG.

The proposed investment aims to reduce the impact of these bottlenecks, aiming to reduce the intervention periods (by means of intervention means - machinery, ensuring rapid access and with all necessary equipment) and their number by purchasing machinery, machinery for working at height, working under voltage (this type of intervention eliminates the decommissioning of the equipment in question, which eliminates interruptions in the power supply), etc.

The investment aims to equip SMART S.A. with state-of-the-art equipment and machinery and with the cleanest technology in the field, in order to provide maintenance services at the highest standards, suitable for a transmission and system operator, as well as to digitalize the maintenance services offered to the national energy infrastructure, through the implementation and development of software solutions. The procured products will be new and in line with DNSH principles.

The investment consists of:

- equipping SMART S.A. with technological equipment (equipment for the control and monitoring of overhead power lines and substations, instruments for working under voltage, equipment for measurements and laboratory determinations, equipment for the design center of SMART SA, equipment for working at height, technological equipment for interventions) adequate for ensuring the maintenance services of the ETG at the highest quality standards,
- digitization of maintenance services provided by SMART SA for ETG in Romania, through the implementation and development of software solutions, which will ensure real-time information transfer (management, databases, activity / scheduling of overhauls and works, etc.) between SMART SA branches.

The new equipment will allow SMART S.A. to use the LST (Live Live Working) technology, a modern technology which means that interventions at the OHL and substations will be made without removing (disconnecting) them from under voltage, which ensures continuity in the supply of electricity to consumers.

## I. Economic and financial situation according to financial figures OMFP 2844/2016

### Consolidation results

The Group's financial results were as follows:

Thousands RON	30 june 2025	30 june 2024	25/24
Operating revenues	2,931,301	4,695,331	▼ (38%)
Operating expenses*	(2,468,669)	(4,246,032)	▼ (42%)
<b>EBITDA</b>	<b>462,632</b>	<b>449,299</b>	▲ 3%
Depreciation and amortization	(196,971)	(179,106)	▲ 10%
<b>EBIT</b>	<b>265,661</b>	<b>270,193</b>	▼ (2%)
Net finance result	24,235	15,874	▲ 53%
<b>EBT</b>	<b>289,896</b>	<b>286,067</b>	▲ 1%
Income tax	(32,331)	(19,504)	▲ 66%
<b>NET RESULT</b>	<b>257,565</b>	<b>266,562</b>	▼ (3%)

\*Operating expenses without depreciation and amortization

Thousands RON	30 june 2025	31 december 2024	25/24
<b>Non-current assets</b>	<b>6,346,201</b>	<b>6,277,384</b>	▲ 1%
<b>Current assets</b>	<b>3,791,662</b>	<b>4,548,158</b>	▼ (17%)
<b>TOTAL ASSETS</b>	<b>10,137,863</b>	<b>10,825,542</b>	▼ (6%)
<b>Shareholders' equity</b>	<b>5,885,750</b>	<b>5,907,116</b>	▼ (0%)
<b>Non-controlling interests</b>	-	-	-
<b>Non-current liabilities</b>	<b>1,092,691</b>	<b>926,478</b>	▲ 18%
<b>Current liabilities</b>	<b>3,159,422</b>	<b>3,991,948</b>	▼ (21%)
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>10,137,863</b>	<b>10,825,542</b>	▼ (6%)

Thousands RON	30 june 2025	30 june 2024	25/24
Cash flows from operational activities	488,970	318,722	▲ 53%
Net cash used in the investment activity	(163,998)	(238,508)	▼ (31%)
Net cash used in financing activities	(7,702)	(40,121)	▼ (81%)
<b>Net increase/decrease in cash and cash equivalents</b>	<b>317,270</b>	<b>14,515</b>	▲ n/a
Cash and cash equivalents as at January 1 <sup>st</sup>	707,174	526,900	▲ 34%
<b>Cash and cash equivalents at the end of the period</b>	<b>1,024,444</b>	<b>1,248,589</b>	▼ (18%)

In H1 2025, the Group's results registered a slight decrease compared to the same period last year, due to a decrease in operating income by 38%, while operating expenses (including depreciation) decreased by 43%. Compared to the previous period, the financial result registered a profit of 8,361 thousand lei.

**Statement of the financial position OMFP 2844/2016**

The consolidated statement of financial position is presented as follows:

<b>Thousands RON</b>	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Non-current assets</b>		
Tangible assets	5,996,434	5,915,254
Assets representing rights of use under a lease	8,274	8,150
Intangible assets	296,607	313,147
Investments accounted for using the equity method	3,605	-
Financial assets	41,281	40,833
<b>Total non-current assets</b>	<b>6,346,201</b>	<b>6,277,384</b>
<b>Current assets</b>		
Inventories	61,004	58,144
Trade and other receivables	2,706,214	3,782,840
Profit tax recoverable	-	-
Cash and cash equivalents	1,024,444	707,174
<b>Total current assets</b>	<b>3,791,662</b>	<b>4,548,158</b>
<b>Total assets</b>	<b>10,137,863</b>	<b>10,825,542</b>
<b>Shareholders' equity</b>		
Share capital	733,031	733,031
Share premium	49,843	49,843
Legal reserve	146,606	146,606
Revaluation reserve	1,539,096	1,596,896
Other reserves	259,038	256,747
Retained earnings	3,158,136	3,123,993
<b>Total shareholders' equities attributable to Group owners</b>	<b>5,885,750</b>	<b>5,907,116</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>5,885,750</b>	<b>5,907,116</b>
<b>Non-current liabilities</b>		
Long term deferred revenues	719,914	538,015
Long term Borrowings	1,953	7,918
Other loans and assimilated debts - Non-current lease liabilities	1,564	1,604
Deferred tax liabilities	253,101	257,169
Employee benefits obligations	116,159	116,159
Other long term liabilities	-	5,613
<b>Total non-current liabilities</b>	<b>1,092,691</b>	<b>926,478</b>
<b>Current liabilities</b>		
Trade and other liabilities	3,025,658	3,855,244
Other loans and assimilated debts - Current lease liabilities	7,428	7,328
Other tax and social security liabilities	19,725	25,537
Current Borrowings	37,871	32,641
Provisions	35,917	35,953
Short term deferred revenues	30,300	22,232
Income tax payable	2,523	13,013
<b>Total current liabilities</b>	<b>3,159,422</b>	<b>3,991,948</b>
<b>Total shareholders' equity and liabilities</b>	<b>10,137,863</b>	<b>10,825,542</b>

**Profit and loss account OMFP 2844/2016**

The profit and loss account at Group level is presented as follows:

<i>Thousands RON</i>	30 june 2025	30 june 2024
<b>Operating revenues</b>		
Transmission revenues	1,118,580	985,278
System service revenues	281,622	311,695
Balancing market revenues	1,490,519	3,229,089
Other revenues	40,580	169,269
<b>Total operating revenues</b>	<b>2,931,301</b>	<b>4,695,331</b>
<b>Operating expenses</b>		
System Operating Expenses	(358,073)	(355,201)
Balancing market expenses	(1,490,940)	(3,229,286)
System services expenses	(234,590)	(300,957)
Depreciation and amortization	(196,971)	(179,106)
Personnel expenses	(263,416)	(238,154)
Repairs and maintenance expenses	(25,331)	(25,486)
Materials and consumables	(11,185)	(9,190)
Other operational expenses	(85,134)	(87,759)
<b>Total operating expenses</b>	<b>(2,665,640)</b>	<b>(4,425,139)</b>
<b>Operating result</b>	<b>265,661</b>	<b>270,192</b>
Financial revenues	55,131	20,072
Financial expenses	(30,751)	(4,198)
Share of profit/(loss) of equity investments	(145)	-
<b>Net finance result</b>	<b>24,235</b>	<b>15,874</b>
<b>Profit before income tax</b>	<b>289,896</b>	<b>286,066</b>
Income tax	(32,331)	(19,504)
<b>Result for the period from continuing operations</b>	<b>257,565</b>	<b>266,562</b>
<b>Profit of the period</b>		
Attributable to:		
Owners of the Group	257,565	266,562
Non-controlling interests	-	-
<b>Basic and diluted earnings per share (lei/share)</b>	<b>3.51</b>	<b>3.64</b>

**Cash flows OMFP 2844/2016**

The cash flow situation at Group level is as follows:

<i>Thousands RON</i>	30 june 2025	30 june 2024
<b>Cash flows from operational activities</b>		
<b>Result of the period</b>	<b>257,565</b>	<b>266,562</b>
<b>Cash flows before changes to working capital</b>	<b>458,775</b>	<b>427,132</b>
<b>Changes in:</b>		
Inventories	(2,319)	(4,390)
Clients and assimilated accounts	1,072,943	(1,285,890)
Trade payables and other liabilities	(1,177,919)	1,134,726
Investments accounted for using the equity method	145	-
Other taxes and social insurance liabilities	(5,811)	(3,942)
Deferred revenues	184,137	51,086
<b>Cash flows from operational activities</b>	<b>529,951</b>	<b>318,722</b>
Paid interests	(1,587)	(1,604)
Paid income tax	(39,394)	(23,974)
<b>Net cash generated from operational activities</b>	<b>488,970</b>	<b>293,144</b>
<b>Cash flows from the investment activity</b>		
Acquisition of tangible and intangible assets	(199,910)	(259,497)
Participation titles held in GECO Power Company	(3,750)	-
Proceeds from EC non-reimbursable financing	8,121	2,712
Received Interests	6,311	3,627
Proceeds from sale of tangible assets	3,106	-
Dividends received/paid	22,124	14,650
Other financial assets	-	-
<b>Net cash used in the investment activity</b>	<b>(163,998)</b>	<b>(238,508)</b>
<b>Cash flows used in financing activities</b>		
Repayments of non-current borrowings	(11,999)	(11,981)
Use of working capital credit line	6,686	-
Use of credit line Subsidiary	4,274	(2,013)
Repayments of current borrowings	-	-
Building lease payments	(6,656)	(5,715)
Dividends paid	(7)	(20,412)
<b>Net cash used in financing activities</b>	<b>(7,702)</b>	<b>(40,121)</b>
<b>Cash and cash equivalents as at January 1st</b>	<b>707,174</b>	<b>526,900</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>317,270</b>	<b>14,515</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,024,444</b>	<b>541,415</b>

## Indicators OMFP 2844/2016

Consolidated indicators OMFP 2844/2016	H1 2025
Total assets	10,137,863 thousand RON
Turnover	2,890,721 thousand RON

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

Indicators	Formula	H1 2025
<b>Current liquidity ratio (x)</b>	<u>Current assets</u> Current liabilities	1.20
<b>Indebtness indicators* (x):</b>		
(1) Indebtness degree indicator	<u>Debt capital</u> x 100 Shareholder's equity	0.83%
(2) Indebtness degree indicator	<u>Debt capital</u> x 100 Committed capital	0.82%
<b>Customer turnover speed (days)</b>	<u>Average client balance**</u> x no.days Turnover	71.74
<b>Non-current assets turnover (x)</b>	<u>Turnover</u> Non-current assets	0.46

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

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

## II. Economic and financial situation according to financial figures IFRS-UE

### Consolidation results

The Group's financial results were as follows:

Thousands RON	30 june 2025	30 june 2024	25/24
Operating revenues	2,930,377	4,671,465	▼ (37%)
Operational expenses*	(2,468,669)	(4,246,032)	▼ (42%)
<b>EBITDA</b>	<b>461,708</b>	<b>425,433</b>	▲ 9%
Depreciation	(151,497)	(143,512)	▲ 6%
<b>EBIT</b>	<b>310,211</b>	<b>281,921</b>	▲ 10%
Financial result	24,235	15,874	▲ 53%
<b>EBT</b>	<b>334,446</b>	<b>297,795</b>	▲ 12%
Income tax	(39,459)	(21,381)	▲ 85%
<b>NET RESULT</b>	<b>294,987</b>	<b>276,414</b>	▲ 7%

\*Operating expenses excluding depreciation

Thousands RON	30 june 2025	31 december 2024	25/24
<b>Non-current assets</b>	<b>6,092,975</b>	<b>5,979,608</b>	▲ 2%
<b>Current assets</b>	<b>3,791,662</b>	<b>4,548,158</b>	▼ (17%)
<b>TOTAL ASSETS</b>	<b>9,884,637</b>	<b>10,527,766</b>	▼ (6%)
<b>Shareholders' equity</b>	<b>5,673,040</b>	<b>5,656,984</b>	▲ 0%
<b>Non-controlling interests</b>	-	-	-
<b>Non-current liabilities</b>	<b>1,052,175</b>	<b>878,834</b>	▲ 20%
<b>Current liabilities</b>	<b>3,159,422</b>	<b>3,991,948</b>	▼ (21%)
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>9,884,637</b>	<b>10,527,766</b>	▼ (6%)

Thousands RON	30 june 2025	30 june 2024	25/24
Net cash from operating activities	488,970	293,144	▲ 67%
Cash used in investment activity	(163,998)	(238,508)	▼ (31%)
Cash used in financing activity	(7,702)	(40,121)	▼ (81%)
<b>Net decrease in cash and cash equivalents</b>	<b>317,270</b>	<b>14,515</b>	▲ n/a
Cash and cash equivalents as at January 1	707,174	526,900	▲ 34%
<b>Cash and cash equivalents at the end of the period</b>	<b>1,024,444</b>	<b>541,415</b>	▲ 89%

In H1 2025, the Group's results improved compared to the same period last year, due to a 40% decrease in operating expenses (including depreciation), while operating income decreased by 37%. Compared to the previous period, the financial result recorded a profit of 8,361 thousand lei.

## Statement of the financial position IFRS-UE

The consolidated statement of financial position is presented as follows:

<b>Thousands RON</b>	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Non-current assets</b>		
Tangible assets	5,996,434	5,915,254
Assets representing rights of use under a lease - buildings	8,274	8,150
Intangible assets	43,381	15,371
Investments accounted for using the equity method	3,605	-
Financial assets	41,281	40,833
<b>Total non-current assets</b>	<b>6,092,975</b>	<b>5,979,608</b>
<b>Current assets</b>		
Inventories	61,004	58,144
Trade and other receivables	2,706,214	3,782,840
Profit tax recoverable	-	-
Cash and cash equivalents	1,024,444	707,174
<b>Total current assets</b>	<b>3,791,662</b>	<b>4,548,158</b>
<b>Total assets</b>	<b>9,884,637</b>	<b>10,527,766</b>
<b>Shareholders' equity</b>		
Share capital	733,031	733,031
Share premium	49,843	49,843
Legal reserve	146,606	146,606
Revaluation reserve	1,539,096	1,596,896
Other reserves	259,038	256,747
Retained earnings	2,945,426	2,873,861
<b>Total shareholders' equities attributable to Group owners</b>	<b>5,673,040</b>	<b>5,656,984</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>5,673,040</b>	<b>5,656,984</b>
<b>Non-current liabilities</b>		
Long term deferred revenues	719,914	538,015
Long term Borrowings	1,953	7,918
Other loans and assimilated debts - Non-current building lease liabilities	1,564	1,604
Deferred tax liabilities	212,585	209,525
Employee benefits obligations	116,159	116,159
Other non-current liabilities	-	5,613
<b>Total non-current liabilities</b>	<b>1,052,175</b>	<b>878,834</b>
<b>Current liabilities</b>		
Trade and other liabilities	3,025,658	3,855,244
Other loans and assimilated debts - Current building lease liabilities	7,428	7,328
Other tax and social security liabilities	19,725	25,537
Current Borrowings	37,871	32,641
Provisions	35,917	35,953
Short term deferred revenues	30,300	22,232
Income tax payable	2,523	13,013
<b>Total current liabilities</b>	<b>3,159,422</b>	<b>3,991,948</b>
<b>Total shareholders' equity and liabilities</b>	<b>9,884,637</b>	<b>10,527,766</b>

**Profit and loss account IFRS-UE**

The profit and loss account at Group level is presented as follows:

<i>Thousands RON</i>	30 june 2025	30 june 2024
<b>Operating revenues</b>		
Transmission revenues	1,118,580	985,278
System service revenues	281,622	311,695
Balancing market revenues	1,490,519	3,229,089
Other revenues	39,656	145,403
<b>Total operating revenues</b>	<b>2,930,377</b>	<b>4,671,465</b>
<b>Operating expenses</b>		
System Operating Expenses	(358,073)	(355,201)
Balancing market expenses	(1,490,940)	(3,229,286)
System services expenses	(234,590)	(300,957)
Depreciation and amortization	(151,497)	(143,512)
Personnel expenses	(263,416)	(238,154)
Repairs and maintenance expenses	(25,331)	(25,486)
Materials and consumables	(11,185)	(9,190)
Other operational expenses	(85,134)	(87,759)
<b>Total operating expenses</b>	<b>(2,620,166)</b>	<b>(4,389,544)</b>
<b>Operating result</b>	<b>310,211</b>	<b>281,921</b>
Financial revenues	55,131	20,072
Financial expenses	(30,751)	(4,198)
Share of profit/loss of investments	(145)	-
<b>Net finance result</b>	<b>24,235</b>	<b>15,874</b>
<b>Profit before income tax</b>	<b>334,446</b>	<b>297,795</b>
Income tax	(39,459)	(21,381)
<b>Result for the period from continuing operations</b>	<b>294,987</b>	<b>276,414</b>
<b>Profit of the period</b>		
Attributable to:		
Owners of the Group	294,987	276,414
Non-controlling interests	-	-
<b>Basic and diluted earnings per share (lei/share)</b>	<b>4.02</b>	<b>3.77</b>

**Cash flows IFRS-UE**

The cash flow situation at Group level is as follows:

<b>Thousands RON</b>	<b>30 june 2025</b>	<b>30 june 2024</b>
<b>Cash flows from operational activities</b>		
<b>Result of the period</b>	<b>294,987</b>	<b>276,414</b>
<b>Cash flows before changes to working capital</b>	<b>458,775</b>	<b>427,132</b>
<b>Changes in:</b>		
Inventories	(2,319)	(4,390)
Clients and assimilated accounts	1,072,943	(1,285,890)
Trade payables and other liabilities	(1,177,919)	1,134,726
Investments accounted for using the equity method	145	-
Other taxes and social insurance liabilities	(5,811)	(3,942)
Deferred revenues	184,137	51,085
<b>Cash flows from operational activities</b>	<b>529,951</b>	<b>318,722</b>
Paid interests	(1,587)	(1,604)
Paid income tax	(39,394)	(23,974)
<b>Net cash generated from operational activities</b>	<b>488,970</b>	<b>293,144</b>
<b>Cash flows from the investment activity</b>		
Acquisition of tangible and intangible assets	(199,910)	(259,497)
Participation titles held in GECO Power Company	(3,750)	-
Proceeds from EC non-reimbursable financing	8,121	2,712
Received Interests	6,311	3,628
Proceeds from sale of tangible assets	3,106	-
Dividends received/paid	22,124	14,650
Other financial assets	-	-
<b>Net cash used in the investment activity</b>	<b>(163,998)</b>	<b>(238,508)</b>
<b>Cash flows used in financing activities</b>		
Repayments of non-current borrowings	(11,999)	(11,981)
Use of working capital credit line	6,686	-
Use of credit line Smart	4,274	(2,013)
Repayments of current borrowings	-	-
Building lease payments	(6,656)	(5,715)
Dividends paid	(7)	(20,413)
<b>Net cash used in financing activities</b>	<b>(7,702)</b>	<b>(40,121)</b>
<b>Cash and cash equivalents as at January 1st</b>	<b>707,174</b>	<b>526,900</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>317,270</b>	<b>14,515</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,024,444</b>	<b>541,415</b>

**Indicators IFRS-UE**

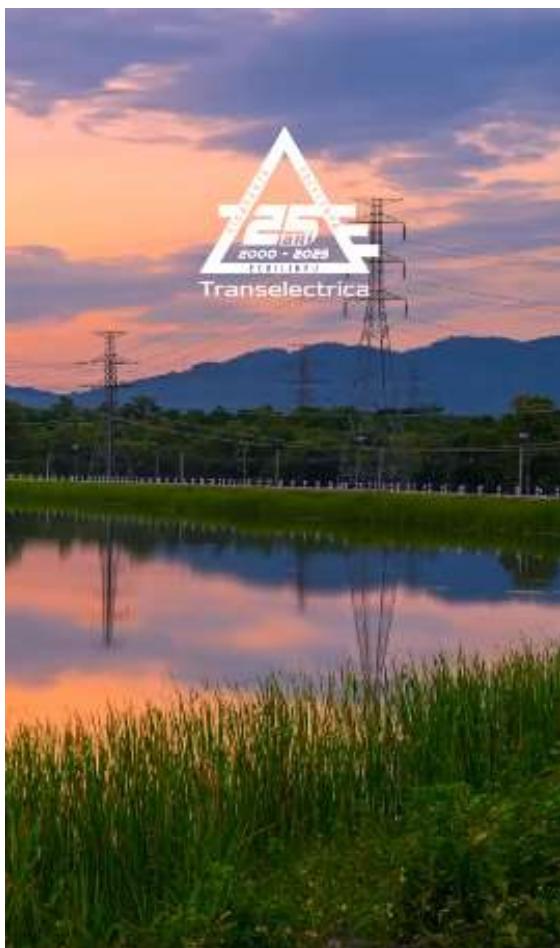
Consolidated indicators IFRS-UE	<b>H1 2025</b>
Total assets	9.884.637 <i>thousands RON</i>
Turnover	2.890.721 <i>thousands RON</i>

**Economic-financial indicators according to ASF Regulation 5/2018**

Indicators	Calculation formula	H1 2025
<b>Current liquidity ratio (x)</b>	<u>Current assets</u> Current liabilities	1,20
<b>Indebtness indicators* (x):</b>		
(1) Indebtness degree indicator	<u>Debt capital</u> x 100 Shareholder's equity	0,86%
(2) Indebtness degree indicator	<u>Debt capital</u> x 100 Committed capital	0,85%
<b>Customer turnover speed (days)</b>	<u>Average client balance**</u> x no.days Turnover	71,74
<b>Non-current assets turnover (x)</b>	<u>Turnover</u> Non-current assets	0,47

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

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



## IMPORTANT EVENTS

- **Merger by absorption TELETRANS**

By Decision no. 3 of February 13, 2025, the Extraordinary General Meeting of Shareholders of Teletrans, decided, pursuant to art. 12 paragraph (2) letter f) of the Articles of Association of the company, the merger by absorption of Formenerg (as the absorbed company) with the company Teletrans (as the absorbing company). It was approved to establish the date of 31.12.2024 as the reference date of the Merger and the date of 30.04.2025, as the effective date of the Merger.

- **Signing a credit agreement TELETRANS**

The general meeting of shareholders ratified the signing of the overdraft credit agreement no. 20250116002, concluded between Teletrans and Banca Comercială Română, registered with Teletrans under no. C2613/2025.

- **Appointment of administrators SMART**

The Ordinary General Meeting of Shareholders of SMART, held pursuant to the provisions of art. 121 of the Companies Law no. 31/1990, republished with subsequent amendments and completions on January 22, 2025, decided (by reference to the Decision of the General Meeting of Shareholders no. 18/2024) the following administrators of the company appointed for a term of 4 (four) years, starting with 23.12.2024, respectively until 22.12.2028: Raluca Cristina ISPIR, also holding the position of President of the Board of Directors; Gheorghe BOLINTINEANU and Decebal BÄESCU.

- **Resolution No 3 of the Ordinary General Meeting of Shareholders NPG TRANSELECTRICA**

Ordinary General Meeting of the Company's shareholders convened on April 1, 2025:

- approved the establishment of the Investment Programme for the financial year 2025 and the estimates for the years 2026 and 2027;
- approved the Company's revenue and expenses budget for 2025, as well as estimates for 2026 and 2027;
- approved the reconfirmation, in accordance with art. 38 and art. 39 of GEO no. 109/2011, as amended and supplemented, of point 10 of the OGMS Resolution no. 3 of April 29, 2024, namely: the establishment of the general limits of the remuneration and other benefits to be granted by NPG CO. TRANSELECTRICA S.A. to the members of the Directorate, including fixed and variable remuneration, as well as other benefits granted to them.

## DISPUTES

The most important litigations impacting the Company are presented below:

- **RAAN**

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

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

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

NPG CO. Transelectrica SA filed a challenge to the supplementary creditors' list, subject of case file no. 9089/101/2013/a152 against the debtor RAAN, since the judicial liquidator failed to register a claim in the

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

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

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

Next procedural hearing for claim recovery, asset liquidation and other liquidation operations: **17.09.2025**.

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

Case file no. **28460/3/2017** – Subject: ordering the undersigned to pay the total amount of RON 12,346,063.

Ruling of the Bucharest Court of Appeal on September 27, 2021: Suspended appeal proceedings until final resolution of case files no. 28458/3/2017 and no. 26024/3/2015. Ruling of May 23, 2022: Dismissed as unfounded the request for reopening the case. Maintained the suspension of the appeal proceedings.

At the hearing on May 20, 2024, the appeal was admitted; the appealed judgment was changed, in the sense that: the claim was admitted. The defendant was ordered to pay the claimant the amount of RON 12,346,063.10, representing principal and penalties, with right to recourse. Ruling no. 806/20.05.2024.

NPG CO. Transelectrica SA filed a recourse; no hearing date has been set.

Case file no. **3694/3/2016** – Claims: 15,698,721.88 lei.

Hearing on November 8, 2021: the case was suspended until the final resolution of case files no. 26024/3/2015 and no. 28458/3/2017.

Ruling of June 3, 2024: appeal was admitted, and the appealed judgment was fully changed as follows: the claim was admitted. The defendant was ordered to pay the claimant the amount of RON 12,727,101.99, representing the value of bonuses and regularization of the overcompensation for which invoices with series SRTF were issued, and the amount of RON 2,917,619.81, representing delay penalties related to the principal debt, for which invoices with series SRTF were issued. With right to recourse. Ruling no. 898/03.06.2024.

NPG CO. Transelectrica SA filed a recourse with hearing date for **16.10.2025**.

- **REȘIȚA MUNICIPALITY**

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

Subject: Through the claim, the plaintiff Municipality of Reșița requests that the defendant NPG CO. Transelectrica SA be ordered to pay the following amounts: RON 2,129,765.86, representing rent for the land temporarily occupied from the forest fund for 2015; RON 2,129,765.86, land rent for 2016; RON 2,129,765.86, land rent for 2018; and statutory penalty interest from the due date until full payment.

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

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

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

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

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

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

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

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

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

The claim filed by the plaintiff Municipality of Reșița against the defendant NPG CO. Transelectrica SA was dismissed. Appealable within 30 days from the date of communication.

At the hearing of 29.05.2025, the request to supplement the operative part of civil judgment no. 150/27.02.2025, rendered by the Caras-Severin Court in case no. 2494/115/2018\*\*, filed by the defendant Transelectrica, was admitted. It was ordered to supplement the operative part with the following provision: the plaintiff was ordered to pay to the defendant the amount of RON 2500 costs consisting of expert's fees. With right of appeal within 30 days of communication.

The municipality of Reșița has lodged an appeal. No trial date set.

- **ANAF**

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

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

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

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

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

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

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

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

The Company requested the annulment of Enforcement Title No. 13540/22.08.2017 before the Court of Appeal – Case No. **7141/2/2017**. Summary ruling: Upholds the exception of lack of material competence of the Bucharest Court of Appeal – SCAF. Declines material jurisdiction to the First District Court of Bucharest for resolution of the case. Final. Delivered in public session on 08.02.2018. Document: Decision No. 478/2018 dated 08.02.2018.

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

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

The trial was resumed, and at the hearing on 10.10.2024, for communication of the documents filed in the case by the claimant to the respondent, the case was postponed to 21.11.2024, and subsequently to 06.03.2025. On 06.03.2025, the court adjourned the case to 17.04.2025. At the hearing of 17.04.2025 the court adjourned the case to 19.06.2025 for lack of expert's report. At the hearing of 19.06.2025 the court adjourns the case for **02.10.2025**.

- **CONAID COMPANY SRL**

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

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

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

- **OPCOM**

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

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

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

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

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

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

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

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

New case file no. **22567/3/2019\*** – the case was remanded for retrial. At the hearing on 18.02.2025, the appeal was dismissed as unfounded. The appellant-claimant was ordered to pay the respondent-defendant the amount of RON 28,777.79 as court expenses. With the right to file an appeal within 30 days from notification. Judgment 235/18.02.2025.

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

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

The statement of claim was dismissed as unfounded.

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

Case file no. **44380/3/2024** concerns: claims and conclusion of adendum for the amount of 2.914.065,21, equivalent to the value of services for calculation of rights to be collected and payment obligations of the transactions realized by PRE and PPE+ legal interest. Hearing date **30.09.2025**.

- **COURT OF AUDITORS**

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

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

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

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

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

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

- **OTHER**

The Company is involved in significant litigation, particularly regarding the recovery of receivables (e.g., Total Electric Oltenia SA, Regia Autonomă de Activități Nucleare, Energy Holding SRL, UGM Energy

Trading SRL, CET Bacău, CET Govora, Nuclearelectrica, CET Brașov, Elsaco Energy SRL, Areco Power SRL, Opcom, Menarom PEC SA Galați, Romelectro SA, Transenergo Com SA, ENNET GRUP SRL, PET Communication, ISPE, EXPLOCOM GK SRL, Grand Voltage and others).

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

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

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

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

**Subject matter:**

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

**Status of the case:**

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

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

At the term of 11.09.2024, SMART's appeal was dismissed as unfounded. SMART appealed.

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

**Subject matter:**

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

**Status of the case:**

At 20.03.2025, the court admits the request for summons. It obliges the defendant to pay the plaintiff the amount of 4,467,108.18 lei as well as the payment of the legal penalty interest on the amount of 3,193,869 from 21.12.2021 until the date of actual payment. It obliges the defendant to pay the plaintiff legal costs consisting of the amount of 51,378.78 lei as stamp duty and the amount of 3,000 lei as expert fees. With the right to appeal within 30 days from notification.

➤ **SUBSIDIARY CONTROL**

**TELETRANS**

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

**SMART**

ANAF carried out an inspection within the SMART Branch to verify the commercial relationship with the company Express Oil Pick-up SRL, completed with the issuance of report no. 60335/24.04.2025 registered at the Branch headquarters under no. 2793/25.04.2025.

**SUBSEQUENT EVENTS**

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

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

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

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

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

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

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

#### **Mobilization for the replacement of the damaged pole on the 400 kV Overhead Power Line Gădălin - Roșiori**

On July 16, 2025, the intervention to replace the high-voltage pole of the 400 kV Gădălin - Roșiori Overhead Power Line, damaged following the violent storm in the area of Jibou, Sălaj County, was successfully completed and the line was put back into operation.

The intervention, carried out by the technical teams of SMART SA, Transelectrica's subsidiary, and of the Cluj - Napoca Territorial Transmission Branch, was highly complex and took place in difficult terrain conditions, in an area difficult to access for machinery and equipment.

The intervention teams were mobilized quickly and worked non-stop, in a real race against the clock, to restore the overhead power line as quickly as possible.

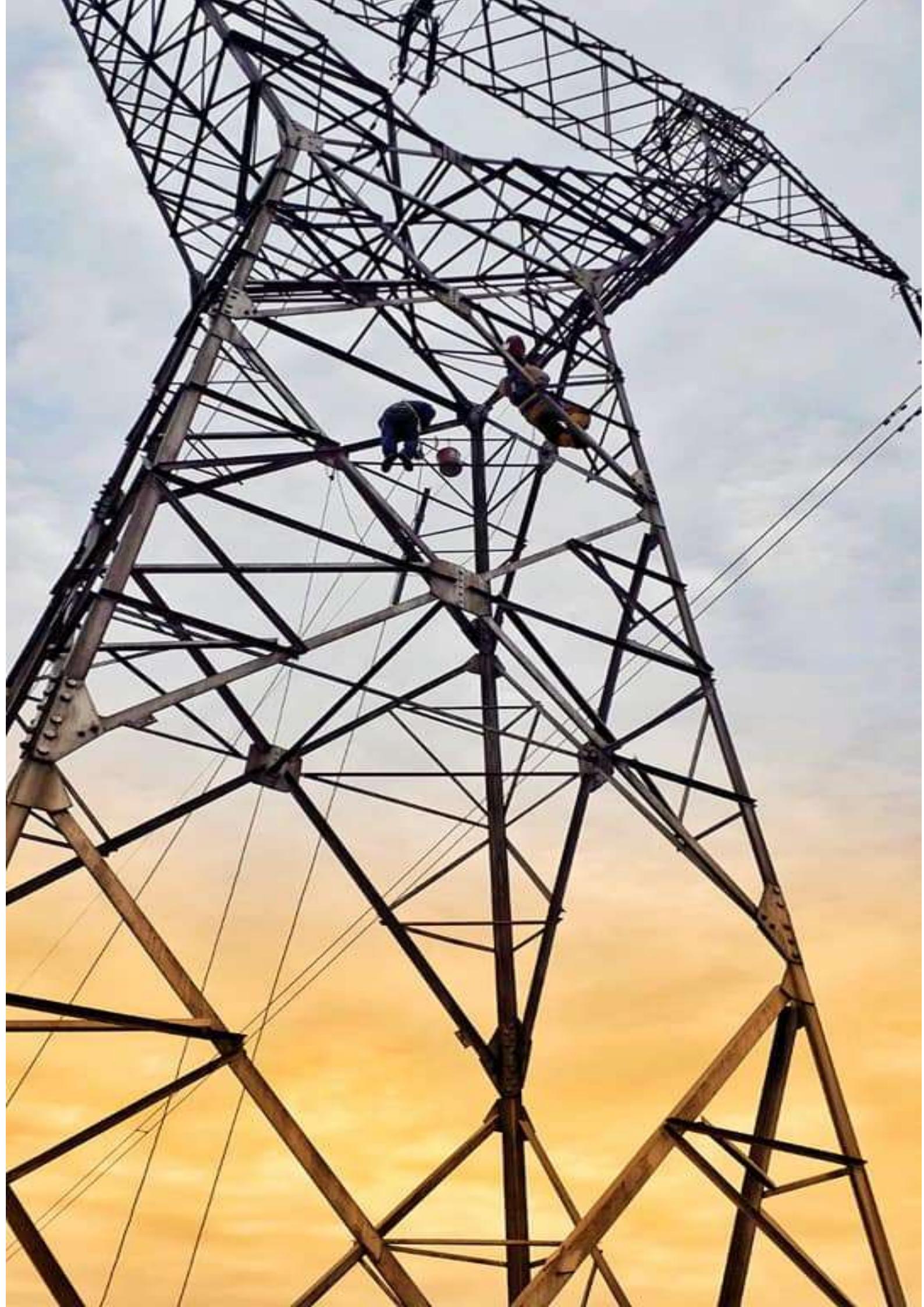
This involved a series of complex logistical tasks, such as adapting access roads, transporting a pole more than 30 meters high and weighing some 7.5 tons by truck over several hundred kilometers, and bringing a heavy-duty crawler crane to the site.

Thanks to a coordinated and intensive effort, the line was re-energized and the safe operation of the network in the north-west of the country was fully restored.

Transelectrica continuously invests in modernization, maintenance and network expansion.

In the last three years, Transelectrica has built 60% of the new lines constructed in the last 20 years, i.e. 305 kilometers of 400 kV and 220 kV lines, out of a total of 496 kilometers completed since the early 2000s.

By 2030, Transelectrica has more than 740 kilometers of new overhead power lines in various stages of preparation or under construction.



**NPG TRANSELECTRICA SA**

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

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

**in accordance with the Order of the Minister of Public Finance no. 2844/2016  
for the approval of the Accounting Regulations in accordance with the International  
Financial Reporting Standards, as amended,**

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

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED FINANCIAL POSITION AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	Note	30 june 2025	31 december 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets		5,996,434	5,915,254
Assets representing rights of use under a lease		8,274	8,150
Intangible assets		296,607	313,147
Investments accounted for using the equity method		3,605	-
Financial assets		41,281	40,833
<b>Total non-current assets</b>	<b>4</b>	<b>6,346,201</b>	<b>6,277,384</b>
<b>Current assets</b>			
Inventories		61,004	58,144
Trade and other receivables	5	2,706,214	3,782,840
Profit tax recoverable		-	-
Other financial assets		-	-
Cash and cash equivalents	6	1,024,444	707,174
<b>Total current assets</b>		<b>3,791,662</b>	<b>4,548,158</b>
<b>Total assets</b>		<b>10,137,863</b>	<b>10,825,542</b>
<b>Shareholder's equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital		733,031	733,031
Share premium		49,843	49,843
Legal reserve		146,606	146,606
Revaluation reserve		1,539,096	1,596,896
Other reserves		259,038	256,747
Retained earnings		3,158,136	3,123,993
<b>Total shareholders' equities attributable to Group owners</b>	<b>7</b>	<b>5,885,750</b>	<b>5,907,116</b>
Non-controlling interests		-	-
<b>Total equity</b>		<b>5,885,750</b>	<b>5,907,116</b>
<b>Non-current liabilities</b>			
Long term deferred revenues	8	719,914	538,015
Long term Borrowings	9	1,953	7,918
Other loans and assimilated debts - Non-current lease liabilities	10	1,564	1,604
Deferred tax liabilities		253,101	257,169
Employee benefits obligations		116,159	116,159
Other long term liabilities		-	5,613
<b>Total non-current liabilities</b>		<b>1,092,691</b>	<b>926,478</b>

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED FINANCIAL POSITION AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	<b>Note</b>	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Current liabilities</b>			
Trade and other liabilities	<b>10</b>	3,025,658	3,855,244
Other loans and assimilated debts - Current lease liabilities	<b>10</b>	7,428	7,328
Other tax and social security liabilities	<b>12</b>	19,725	25,537
Current Borrowings	<b>9</b>	37,871	32,641
Provisions	<b>11</b>	35,917	35,953
Short term deferred revenues	<b>8</b>	30,300	22,232
Income tax payable		2,523	13,013
<b>Total current liabilities</b>		<b>3,159,422</b>	<b>3,991,948</b>
<b>Total liabilities</b>		<b>4,252,113</b>	<b>4,918,426</b>
<b>Total shareholders' equity and liabilities</b>		<b>10,137,863</b>	<b>10,825,542</b>

	Note	30 june 2025	30 june 2024
<b>Operating revenues</b>			
Transmission revenues		1,118,580	985,278
System service revenues		281,622	311,695
Balancing market revenues		1,490,519	3,229,089
Other revenues		40,580	169,269
<b>Total operating revenues</b>	<b>14</b>	<b>2,931,301</b>	<b>4,695,331</b>
<b>Operating expenses</b>			
System Operating Expenses	15	(358,073)	(355,201)
Balancing market expenses	15	(1,490,940)	(3,229,286)
System services expenses	15	(234,590)	(300,957)
Depreciation and amortization	16	(196,971)	(179,106)
Personnel expenses	17	(263,416)	(238,154)
Repairs and maintenance expenses		(25,331)	(25,486)
Materials and consumables		(11,185)	(9,190)
Other operational expenses	18	(85,134)	(87,759)
<b>Total operating expenses</b>		<b>(2,665,640)</b>	<b>(4,425,139)</b>
<b>Operating result</b>		<b>265,661</b>	<b>270,192</b>
Financial revenues		55,131	20,072
Financial expenses		(30,751)	(4,198)
Share of profit/(loss) of equity investments		(145)	
<b>Net finance result</b>	<b>19</b>	<b>24,235</b>	<b>15,874</b>
<b>Profit before income tax</b>		<b>289,896</b>	<b>286,066</b>
Income tax	13	(32,331)	(19,504)
<b>Result for the year from continuing operations</b>		<b>257,565</b>	<b>266,562</b>
<b>Profit of the period</b>			
Attributable to:			
Owners of the Group		257,565	266,562
Non-controlling interests		-	-
<b>Basic and diluted earnings per share (lei/share)</b>		<b>3.51</b>	<b>3.64</b>

	30 june 2025	30 june 2024
<b>Result of the financial year</b>	<b>257,565</b>	<b>266,562</b>
<b>Other comprehensive income</b>		
Elements which will not be reclassified in the profit and loss account, out of which:		
- Effect of taxation on revaluation reserve	(42)	(3,758)
- Surplus from the revaluation of tangible assets	-	-
- Actuarial losses on defined benefit plans	-	-
<b>Other comprehensive income (OCI)</b>	<b>(42)</b>	<b>(3,758)</b>
<b>Total comprehensive income for the year</b>	<b>257,523</b>	<b>262,804</b>

The attached consolidated financial statements were signed by the Company's management on 11 august 2025:

Directorate,

**Ştefăniţă  
MUNTEANU**

Directorate  
President

**Victor  
MORARU**

Directorate  
Member

**Cătălin-Constantin  
NADOLU**

Directorate  
Member

**Cosmin-Vasile  
NICULA**

Directorate  
Member

**Florin-Cristian  
TĂTARU**

Directorate  
Member

**Ana-Iuliana Dinu**

Economic and Financial Director

**Cristiana Zîrnovan**

Budget and Management Reporting Department Manager

	Share capital	Share premium	Legal reserve	Revaluation reserves	Other reserve	Retained result	Attributable to the group	Minority interests	Total
<b>Balance on 1 january 2025</b>	733,031	49,843	146,606	1,596,896	256,747	3,123,993	5,907,116	-	5,907,116
<b>Comprehensive result of the period</b>	-	-	-	-	-	-	-	-	-
Result of the period	-	-	-	-	-	257,565	257,565	-	257,565
<b>Other comprehensive revenue items</b>	-	-	-	-	-	-	-	-	-
Recognising the actuarial loss/profit of the benefit plan	-	-	-	-	-	-	-	-	-
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-	-	-
Liability regarding deferred tax associated to the revaluation reserve	-	-	-	(42)	-	-	(42)	-	(42)
<b>Total other comprehensive revenue items</b>	-	-	-	(42)	-	-	(42)	-	(42)
<b>Total comprehensive result of the period</b>	-	-	-	(42)	-	257,565	257,523	-	257,523
Legal reserve indexation	-	-	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained result	-	-	-	(57,758)	-	57,758	-	-	-
Minority interests from participation	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	(1,895)	(1,895)	-	(1,895)
<b>Total other items</b>	-	-	-	(57,758)	-	55,863	(1,895)	-	(1,895)
Derecognition of assets like public domain	-	-	-	-	-	-	-	-	-
Subsidies associated to public domain assets	-	-	-	-	2,291	-	2,291	-	2,291
Other reserves	-	-	-	-	-	-	-	-	-
Dividends distribution	-	-	-	-	-	(279,285)	(279,285)	-	(279,285)
<b>Total transactions with owners</b>	-	-	-	-	2,291	(279,285)	(276,994)	-	(276,994)
<b>Balance on 30 june 2025</b>	733,031	49,843	146,606	1,539,096	259,038	3,158,136	5,885,750	-	5,885,750

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

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CASH FLOWS AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	<b>30 june 2025</b>	<b>30 june 2024</b>
<b>Cash flows from operational activities</b>		
<b>Result of the period</b>	<b>257,565</b>	<b>266,562</b>
<b>Adjustments for:</b>		
Income tax expense	32,331	19,504
Amortisation expense	196,971	179,106
Grid losses anticipatory tariff income	(924)	(23,866)
Expenses with adjustments for trade receivables impairment	2,132	19
Revenues from reversal of adjustments for trade receivables impairment	(218)	(2,057)
Losses from various debtors	1,724	2,918
Expenses/Revenues with adjustments for various debtors impairment	64	1,610
Net expenditures with adjustments for inventories impairment	(606)	796
Net profit/ loss on sale of tangible assets	(1,490)	4,383
Net expenditures on adjustments of value regarding tangible assets	-	-
Expenses/Revenues regarding provisions for risks and expenses, net	(2,093)	(5,788)
Net financial expenses regarding adjustments for the loss of value of fixed assets	(178)	201
Interest expense, interest revenue and unrealised exchange rate gains	(26,503)	(16,256)
<b>Cash flows before changes to working capital</b>	<b>458,775</b>	<b>427,132</b>
<b>Changes in:</b>		
Inventories	(2,319)	(4,390)
Clients and assimilated accounts	1,072,943	(1,285,890)
Trade payables and other liabilities	(1,177,919)	1,134,726
Investments accounted for using the equity method	145	-
Other taxes and social insurance liabilities	(5,811)	(3,942)
Deferred revenues	184,137	51,086
<b>Cash flows from operational activities</b>	<b>529,951</b>	<b>318,722</b>
Paid interests	(1,587)	(1,604)
Paid income tax	(39,394)	(23,974)
<b>Net cash generated from operational activities</b>	<b>488,970</b>	<b>293,144</b>
<b>Cash flows from the investment activity</b>		
Acquisition of tangible and intangible assets	(199,910)	(259,497)
Participation titles held in GECO Power Company	(3,750)	-
Proceeds from EC non-reimbursable financing	8,121	2,712
Received Interests	6,311	3,627
Proceeds from sale of tangible assets	3,106	-
Dividends received/paid	22,124	14,650
<b>Net cash used in the investment activity</b>	<b>(163,998)</b>	<b>(238,508)</b>

**NPG TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CASH FLOWS AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	<b>30 june 2025</b>	<b>30 june 2024</b>
<b>Cash flows used in financing activities</b>		
Repayments of non-current borrowings	(11,999)	(11,981)
Use of working capital credit line	6,686	-
Use of credit line Subsidiary	4,274	(2,013)
Repayments of current borrowings	-	-
Building lease payments	(6,656)	(5,715)
Dividends paid	(7)	(20,412)
<b>Net cash used in financing activities</b>	<b>(7,702)</b>	<b>(40,121)</b>
 Cash and cash equivalents as at January 1 <sup>st</sup>	 707,174	 526,900
<b>Net increase/decrease in cash and cash equivalents</b>	<b>317,270</b>	<b>14,515</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,024,444</b>	<b>541,415</b>

## 1. DESCRIPTION OF ACTIVITIES AND GENERAL INFORMATION

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

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

The consolidated financial statements as at 30 June 2025 of the Group prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, as amended, based on International Accounting Standard 34 – "Interim Financial", are available at the Company's registered office located at 2-4 Olteni Street, Sector 3, Bucharest.

The Group's consolidated financial statements drawn up on June 30, 2025 are not audited.

These Consolidated Financial Statements elaborated as of and for the financial year ended on June 30, 2025, include the financial informations of the parent Company and of its subsidiaries Smart SA and Teletrans SA, as well as of the jointly controlled company GECO Power Company.

### GROUP STRUCTURE

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

Entity	Country Of origin	30 June 2025		31 December 2024	
		% participation		% participation	
SMART SA	Romania	100%		100%	
TELETRANS SA	Romania	100%		100%	
GECO POWER COMPANY	Romania	25%		0%	

### SMART SA

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

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

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

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

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

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

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

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

The subscribed and paid-up share capital as at 30.06.2025 is 38,529, Transelectrica being the sole shareholder. The results of the SMART subsidiary are consolidated with the financial results of the Company. SMART shares are 100% owned by Transelectrica.

#### **TELETRANS SA**

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

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

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

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

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

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

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

The subscribed and paid-up share capital as at 30.06.2025 is 6,874, Transelectrica being the sole shareholder. The results of the subsidiary Teletrans are consolidated with the financial results of the Company. TELETRANS shares are 100% owned by Transelectrica.

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

#### **GECO POWER COMPANY**

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

The company was established in accordance with:

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

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

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

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

Upon incorporation, the share capital of the company shall be 15 mil lei, of which 15 mil lei, cash contribution, being divided into a number of 1.500.000 shares, with a nominal value of 10 lei/share.

The share capital is held by the shareholders as follows

- „AZERENERJI” Open Joint Stock Company contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- JSC Georgian State Electrosystem, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- MVM Energy Private Limited Liability Company, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- Compania Națională de Transport al Energiei Electrice Transelectrica SA, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%.

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

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

### **2. BASES OF ELABORATION**

#### **Statement of conformity**

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

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

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

### Utilisation of estimations and reasonings

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

### 3. ACCOUNTING POLICIES

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

#### Bases of consolidation

##### (i) Subsidiaries

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

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

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

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

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

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

FORMENERG SA was established as a result of the Decision number 33/19.11.2001 of the General Meeting of Shareholders - "Transelectrica" S.A., by outsourcing the activity of the Branch for Training and Development of Energy Sector Personnel. The share capital on 30.06.2025 is 1,948 thousand lei, fully paid up, represented by 194,842 shares with a nominal value of 10 lei each. FORMENERG shares are 100% owned by Transelectrica.

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

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

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

In the case no.18051/3/2017, according to the Insolvency Proceedings Bulletin no.9152/26.05.2022, the Bucharest Court - Civil Division VII by civil sentence no.2429 approved the final report of the judicial liquidator, and on the basis of art.175 paragraph 2 of Law no.85/2014 on insolvency prevention and insolvency proceedings, closed the insolvency proceedings against the debtor Company Filiala "Icemenerg-Service" SA by deleting it from the Bucharest Trade Register. The company was not notified of the judgment until 30.06.2025.

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

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

The subscribed and paid-up share capital of OPCOM as at 30.06.2025 is 31,366 thousand lei, Transelectrica being the majority shareholder at that date. The shareholder structure is as follows:

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

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

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

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

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

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

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

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

#### **(iii) Loss of control**

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

**(iv) Transactions eliminated on consolidation**

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

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

##### a) Tangible assets

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

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

- Increase of supply reliability for consumers in the southern area of Bucharest municipality, connected to the 400/220/110 kV Bucharest Sud Substation - 43,410;
- Installation of two modern reactive power compensation devices in the 400/220/110/20 kV Sibiu Sud and 400/220/110/20 kV Bradu Substations - 26,430;
- Refurbishment of the 400/110 kV Pelicanu transformer substation - 26,405;
- 220 kV double circuit Ostrov Mare - ETG OHL (H.CA no. 17/2007) - 15,009;
- Refurbishment of the 400 kV Isaccea Substation - Stage II - 8,905;
- Upgrade to 400 kV voltage of the Portile de Fier - Reșița - Timișoara - Săcălaz - Arad axis - Stage I - 400 kV s.c. Portile de Fier - (Anina) - Reșița OHL - 8,322;
- Power Quality Monitoring System (PQMS) - 7,866;
- 400 kV d.c. Gutinaș - Smârdan OHL - 7,535;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 5,274;
- Relocation/protection of high voltage 400 kV network - 400 kV s.c Urechești-Domnești OHL and 400 kV s.c Brazi Vest-Domnești OHL at the intersection with Bucharest Ring Motorway-KM 0+000, KM 100+900, Lot 3, Sector 1, KM 85+300, KM 100+765 - South Ring, Sector 2, KM:0+00 - 3,088;
- Replacement of hardware components, update and development of specific applications of the Balancing Market Platform - II DAMAS, procurement component for migration and upgrade services, specific applications for the Balancing Market - 2,724;
- Upgrade to 400 kV of the 220 kV Brazi Vest - Teleajen - Stâlp OHL, including procurement of a 400 MVA 400/220/20 kV autotransformer, extension works for the associated 400 kV and 220 kV substations, in the 400/220/110 kV Brazi Vest Substation - 2,240.

In the first semester of 2025, the largest **transfers from tangible assets in progress to tangible assets**, in the amount of RON **319,517**, are mainly represented by the commissioning of investment objectives, of which we list the most significant:

- Upgrade to 400 kV voltage of the Portile de Fier - Reșița - Timișoara - Săcălaz - Arad axis - Stage I - 400kV s.c. Portile de Fier - (Anina) - Reșița OHL - 176,795;
- Increase of operational security for the Argeș-Vâlcea network area, construction of the 400 kV Arefu Substation and installation of a 400 MVA, 400/220 kV autotransformer - 83,360;
- 400 kV d.c. Gutinaș - Smârdan OHL (Stage I financing) - 30,738;
- Increase of transmission capacity of the 220 kV Stejaru - Gheorgheni - Fântânele OHL - 14,832;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 4,765;
- Replacement of indoor heating and air conditioning installation in the administrative building of the U.T.T Bucharest headquarters (S.F+P.T+C.S) - 2,719;
- Site clearance and establishment of coexistence conditions between DN 69 access road with A1 and 220 kV Arad - Calea Aradului OHL - 1,927;
- Purchase of the 49.6% share held by Smart SA in the "Păltiniș Training Centre" building - 1,703;
- Refurbishment of the 400 kV Isaccea Substation - Stage I - Replacement of compensation coils, associated bays and the 400 kV Stupina bay - 955;

- Connection to the ETG of the Cristești Photovoltaic Power Plant, Cristești commune, Mureș county - 488;
- Replacement of battery banks no. 1 and no. 2 - 220 V DC and 220 kV in the 400/220/110 kV Slatina Substation - 773;
- Extension of Wi-Fi system for own network and internet access - 374;
- Regulation of coexistence between 400 kV Bradu-Brașov OHL in the span between towers no. 314 - no. 315 and the national road DN73F km 0+000-8+450 - 358;
- Mobile diesel generator 110 KVA at STT Sibiu - 81;
- Photovoltaic Park 1.955 MW, NC39234, Ciprian Porumbescu locality, Suceava county - Reinforcement works in ETG installations of NPG CO. Transelectrica SA - 80;
- Establishment of coexistence conditions for the project "Connection of OHL 110 kV Gutinaș - Focșani Nord to the 110 kV Mărășești Substation and site organisation with OHL 400kV Gutinaș - Smârdan" - 70.

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

The balance of **tangible assets under construction** at June 30, 2025, amounting to **RON 836,630**, is represented by projects in progress, the most significant of which are listed below:

- 400 kV d.c. Gutinaș - Smârdan OHL - 281,732;
- Refurbishment of the 400/110 kV Pelicanu transformer substation - 66,226;
- Installation of two modern reactive power compensation devices in the 400/220/110/20 kV Sibiu Sud and Bradu Substations - 58,786;
- Increase of supply reliability for consumers in the southern area of Bucharest municipality, connected to the 400/220/110 kV Bucharest Sud Substation - 58,616;
- 220 kV double circuit Ostrovu Mare - ETG OHL (H.CA no. 17/2007) - 50,083;
- Connection to the ETG of the 300 MW Ivezăti wind farm, 88 MW Fălcău 1 wind farm and 18 MW Fălcău 2 wind farm through the new (400)/220/110 kV Banca Substation - 46,885;
- Refurbishment of the 400 kV Isaccea Substation - Stage II - 43,468;
- Refurbishment of the 400/110/20 kV Smârdan Substation - 39,809;
- 400 kV Stâlpu Substation - 38,333;
- Refurbishment of the 110 kV Medgidia Sud Substation - 26,706;
- Refurbishment of the 110 kV Timișoara Substation and upgrade to 400 kV voltage of the Portile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, Stage II: 400 kV Timișoara Substation - 9,399;
- Power Quality Monitoring System (PQMS) - 8,563;
- 400 kV Gădălin - Suceava OHL, including interconnection to the NES (H.CA no. 7/08.07.2010) - 8,524;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 7,149;
- Relocation of high-voltage networks - OHL 400 kV (220 kV) Gutinaș - Focșani Vest common circuit with 400 (220) kV Focșani Vest-Barboși and Buzău - Focșani Motorway OHL - Design & Execution - 5,329;
- Upgrade to 400 kV of the 220 kV Brazi Vest - Teleajen - Stâlpu OHL, including procurement of a 400 MVA 400/220/20 kV autotransformer, extension works for the associated 400 kV and 220 kV substations, in the 400/220/110 kV Brazi Vest Substation - 5,290;
- Relocation of 220 kV networks for the Bucharest Ring Motorway, KM 0+000 - KM 52+770, LOT 4 KM 47+600 - KM 52+070 - 4,530;
- Modernisation of 110 kV and 400 (220 kV) installations in the Focșani Vest Substation - 4,513;
- 400 kV Suceava - Bălți OHL, for the section of the project on Romanian territory - 4,475;
- Integrated security system for electrical substations, Stage IV - 4,278;

- Implementation of new functions and software modifications in the EMS-SCADA IT system to comply with European and national legislative requirements - 4,251;
- Research and development centre for live working technologies (LST) and rapid intervention in the NES - Stage II - 4,178;
- Upgrade to 400 kV voltage of the Portile de Fier - Reșița - Timișoara - Săcălaz - Arad axis, Stage II, 400 kV d.c. Reșița - Timișoara - Săcălaz OHL - 3,853;
- Extension with new functionalities of the control and computerised access monitoring system for NPG CO. Transelectrica SA facilities - 3,201;
- Relocation/protection of high voltage 400 kV network - 400 kV s.c Urechești-Domnești OHL and 400 kV s.c Brazi Vest-Domnești OHL at the intersection with Bucharest Ring Motorway-KM 0+000, KM 100+900, Lot 3, Sector 1, KM 85+300, KM 100+765 - South Ring, Sector 2, KM:0+00 - 3,088;
- Mobile bays of 110 kV, 220 kV and 400 kV - 3,016;
- Integrated security system for electrical substations, Stage III (H.CA no. 2/2008) - 2,798;
- Modernisation of the 220/110 kV Calafat Substation - 2,777;
- Pilot Project - Refurbishment of the 220/110/20 kV Alba Iulia Substation in digital substation concept - 2,625;
- Deviation of 110 kV Cetate 1 and 2 OHL near the 110/20/6 kV Ostrovul Mare Substation - 2,578;
- Connection to the ETG of the 99 MW Dumești wind farm and 30 MW Românești wind farm, Iași county, by construction of a 110 kV line bay in the 220/110 kV Fai Substation - 2,546;
- Connection to the public electricity network of the 7.5 MW Anasun Energy SRL photovoltaic plant located in Ulmi - Dâmbovița county - 2,202.

### b) Intangible assets

#### Intangible assets in progress

The balance of **intangible assets in progress** at June 30, 2025, amounting to **RON 27,801**, is represented by projects in progress, the most significant of which are listed below:

- Modernization of the electronic messaging system within NPG CO. Transelectrica SA - 12,854;
- Development of dedicated software necessary for the determination of reserve quantities using the probabilistic method - 5,940;
- Power Quality Monitoring System (PQMS) - 3,013;
- MARI platform development - 2,532;
- Program for the off-line calculation of short-circuit currents, verification of protection settings, determination of system equivalents and simulation of fault scenarios in power grids - 2,570.

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

- Replacement of hardware components, upgrade and development of specific applications of the Balancing Market Platform - II DAMAS, component purchase of migration and upgrade services, specific applications of the Balancing Market - 11,539;
- Off-line program for the realization of individual grid models, steady state calculation, cross-border capacity calculation, CGMES format conversion module (cf. ENTSO-E requirements), in order to program and operate the NES on various time horizons - 1,117.

#### Intangible assets - additional OTC

As of September 30, 2022, the Company applies the provisions of GEO no. 119/2022 for amending and supplementing GEO no. 27/2022 and approved by Law no. 357/13.12.2022, whereby the additional costs of electricity purchase incurred in the period from January 1, 2022 to March 31, 2025, in order to cover its own technological consumption and technological consumption, respectively, compared to the costs included in the regulated tariffs, are capitalized on a quarterly basis. Thus, the capitalized costs are amortized over a period of 5 years from the date of capitalization and are remunerated at 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable during the amortization period of such costs and are recognized as a separate component.

The Company has recorded revenues representing additional OTC calculated as the difference between the net OTC acquisition cost and the OTC cost recognized in the regulatory tariff through June 30, 2025 in the amount of 455,206, as follows:

- 338,527 - for the year 2022;
- 13,735 - for the year 2023;
- 102,020 - for the year 2024;
- 924 - for the first quarter of 2025.

At June 30, 2025, depreciation in the amount of 201,980 is calculated on these capitalizations. Thus, the carrying amount of the intangible asset resulting from the capitalization of the additional OTC is in the amount of 253,226.

It should be noted that this income is non-monetary in nature, its collection will be realized by the Company in installments through the transport tariff over the next five years from the date of capitalization (2024-2029) in accordance with the relevant legislative provisions.

#### **c) Financial assets**

The balance of financial fixed assets as at June 30, 2025 amounting to 41,281, mainly consists of:

- shares held by the Company, the net value of which is 37,677;
- guarantees for the temporary occupation of land, calculated and withheld in accordance with art. 39 para. (1), para. (2) and para. (5) of Law No 46/2008 on the Forestry Code, in order to realize the investment objectives, as follows:
  - 400 kV Reșița - Pancevo (Serbia) OHL in the amount of 4,200;
  - 220 kV d.c. 220 kV Ostrovu Mare ETG OHL in the amount of 209.

In March 2025, the Company participates with a contribution of 25% in the share capital of GECO POWER COMPANY GREEN ENERGY CORRIDOR POWER COMPANY - LIMITED LIABILITY COMPANY, according to the resolution of the Directorate no. 7516/ 05.03.2025, in the amount of 3,750.

The founding partners of the project company are NPG CO. Transelectrica SA, JSC Georgian State Electrosystem, "AZERENERJI" OPEN JOINT STOCK COMPANY and MVM Energy Private Limited Liability Company. The company ensures the implementation of the Green Energy Corridor project, a 1.200 km long high-voltage direct current submarine cable, which will cross the Black Sea and connect Romania and Georgia, the connection will be extended to Hungary and Azerbaijan, in accordance with the agreement between the Governments of Azerbaijan, Georgia, Romania and Hungary.

#### **d) Assets related to rights of use of leased assets - buildings**

The assets related to the rights of use of leased assets - buildings represent the right of use of the premises leased by the Company in the office building Platinum, 2-4 Olteni Str., sector 3, Bucharest, in accordance with IFRS 16 - Leases.

Contract no. C232 entered into with effect from 01.10.2020, valid for a period of 5 years, has a value of 9,000,000 euro (excluding VAT).

On 05.05.2025, Addendum no. 2 to contract C232/2020 was signed, extending the duration by 6 months until 01.04.2026, under the same conditions, for an amount of 900,000 euro (excluding VAT), thus bringing the total value of the contract, for an area of 9,000 sq.m, 35 parking spaces and a duration of 66 months, to 9,900,000 euro (excluding VAT).

At June 30, 2025, the book value of the right to use the premises leased by the Company in the Platinum office building amounts to RON 6,376,255.

For this contract, the Company pays a monthly amount of 16.67 euro/sq.m. (excluding VAT) for the lease of the office premises, resulting in an annual value of approx. 1.8 mil. euro.

Smart SA has taken a lease agreement consisting of renting an office building, with an area of 449.75 sq m, the Formenerg building at 3 Gheorghe Șincai Blvd., with a value of 53,970 euros/year in the amount of 10 euros/sq m representing 4,497.5 euros/month, with an addendum extending until the end of the year 2025.

The accompanying notes are an integral part of these consolidated financial statements.

Teletrans SA has taken a lease agreement consisting of renting a building, related land and building yard, with an estimated rentable area of 1080 sq m and a yard for exclusive use of 196 sq m located at 12 Stelea Spătaru Street, with an addendum signed during the year for extension until July 2028. The addendum implies an increase in the rent from 8,600 euros/month to 9,460 euros/month, and from the 3rd year of the contract the rent value will be indexed annually with the HICP index.

As of June 30, 2025, the net value of the right to use the spaces leased by the subsidiaries in the respective office buildings is **1,898**.

## 5. TRADE AND OTHER RECEIVABLES

As at June 30, 2025 and December 31, 2024, trade and other receivables are as follows:

	<u>30 june 2025</u>	<u>31 december 2024</u>
Trade receivables	2,185,244	2,708,161
Other receivables	250,410	233,647
Down payments to suppliers	286,934	769,896
VAT to recover	184,593	272,236
Adjustments for impairment of uncertain trade receivables	(127,875)	(128,066)
Adjustments for impairment of other uncertain receivables	(73,092)	(73,033)
<b>Total</b>	<b>2,706,214</b>	<b>3,782,840</b>

The structure of **trade receivables** is as follows:

	<u>30 june 2025</u>	<u>31 december 2024</u>
Clients on the electricity market, of which:		
- Clients - operational activities	2,174,610	2,698,954
- Clients - balancing market	1,412,605	1,898,742
- Clients - bonus type support scheme to promote high efficiency cogeneration	641,310	667,862
Clients from other activities	120,695	132,351
<b>Total trade receivables</b>	<b>10,634</b>	<b>9,206</b>
<b>Total trade receivables</b>	<b>2,185,244</b>	<b>2,708,161</b>

- NPG CO. Transelectrica SA carries out its operational activity on the basis of Operating License no. 161/2000 issued by ANRE, updated by ANRE President Decision no. 1413/10.07.2024, for the provision of electricity transmission service, for the provision of system service and for the management of the balancing market.

As of June 30, 2025, the outstanding customers from operating activities show a decrease compared to December 31, 2024 mainly due to the decrease in the volume of transactions resulting from the coupling of energy markets in the second quarter of 2025 compared to the fourth quarter of 2024.

The decrease in the volume of balancing market transactions in the second quarter of 2025 compared to the fourth quarter of 2024 also resulted in a decrease in the balance of customers in contracts entered into for this type of activity.

The main customers in the total trade receivables are represented by Bursa Romana de Mărfuri, IBEX, MAVIR, Ciga Energy SA, Electrica Furnizare SA, Hidroelectrica, OPCOM, RAAN, PPC ENERGIE SA, JAO. Their share is 62.81% of total trade receivables.

- NPG CO. Transelectrica SA carries out the activities related to the bonus support scheme for the promotion of high efficiency cogeneration, as administrator of the support scheme, in accordance with the provisions of HGR no. 1215/2009 with subsequent additions and amendments, "the main tasks being the monthly collection of the contribution for cogeneration and the monthly payment of bonuses".

As of June 30, 2025, the Company has receivables receivable from the bonus support scheme for the promotion of high efficiency cogeneration of approximately 6% (5% as of December 31, 2024) of total trade receivables.

The customers of the bonus support scheme for the promotion of high-efficiency cogeneration are

The accompanying notes are an integral part of these consolidated financial statements.

recording a decrease in receivables at June 30, 2025 mainly due to the decrease in the invoiced amount for the collection of the monthly contribution.

As of June 30, 2025, the Company records receivables receivable amounting to 120,695, represented by invoices issued related to the bonus support scheme for the promotion of high efficiency cogeneration, of which:

- overcompensation for 2011-2013 in the amount of 76,702, respectively from RAAN - 63,467 and CET Govora SA - 13,235;
- undue bonus for 2014 in the amount of 3,915, respectively from RAAN - 1,981, CET Govora - 1,934;
- undue bonus for 2015 in the amount of 563,899, respectively from CET Govora - 534, Interagro - 30;
- undue bonus for 2020 in the amount of 522 from Donau Chem;
- uncollected contribution for cogeneration from suppliers of electricity consumers, in the amount of 20,510, respectively from: Transenergo Com – 5.882, Petprod - 4.391, Romenergy Industry – 2.681, RAAN - 2.386, UGM Energy – 1.504, CET Govora – 901, KDF Energy – 474 and others.

Up to the date of this financial report, the Company has collected all receivables related to the overcompensation of the activity related to the support scheme for the year 2024, the amount of 8,601, from Contourglobal Solutions, as well as the amount of 8,401 of the undue bonus established by ANRE Decisions for the year 2024, from the following producers: Bepco SRL, Electro Energy Sud, Electrocentrale Bucureşti, Electrocentrale Craiova, Electroutilaj SA, Municipiul Iaşi, Soceram SA, Termoficare Oradea, Thermoenergy Group and Vest Energo.

For the settlement of receivables generated by overcompensation and undue bonus from previous years, the Company requested qualified producers under the support scheme to carry out mutual compensations. For the producers (Autonomous Authority for Nuclear Activities – RAAN, CET Govora) that did not agree with this method of settling reciprocal receivables and payables, the Company applied and continues to apply the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 approving the Regulation on establishing the method of collecting the contribution for high-efficiency cogeneration and paying the bonus for electricity produced in high-efficiency cogeneration: *“in the event that the producer has not fully paid to the support scheme administrator the payment obligations resulting in accordance with the provisions of this regulation, the support scheme administrator shall pay the producer the difference between the value of the invoices issued by the producer and the payment obligations of the producer related to the support scheme, with the explicit mention, on the payment document, of the respective amounts”* and withheld from payment the amounts due under the support scheme.

- On the docket of the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, case file no. 9089/101/2013/a140 was registered, having as subject “claims amount of RON 86,513”, in which the Company acts as Plaintiff, the Defendant being the **Autonomous Authority for Nuclear Activities – RAAN**.

By the statement of claim filed by NPG CO. Transelectrica SA, it requested that the Defendant RAAN be ordered to pay the amount of RON 86,513.

On 19.05.2016, the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, issued a hearing ruling, by which it ordered the following: “Pursuant to Art. 413 point 1 Civil Procedure Code, orders the suspension of the case until the settlement of case file no. 3014/2/2014 on the docket of the High Court of Cassation and Justice. With appeal throughout the suspension period. Delivered today, 19 May 2016, in public session.” Hearing set for 06.06.2019. We note that case file no. 3014/2/2014 on the docket of the High Court of Cassation and Justice concerns an appeal – annulment of ANRE Decision no. 743/28.03.2014, with the parties being RAAN (Plaintiff) and ANRE (Defendant). We also note that, by the ruling of 18.09.2013, delivered by the Mehedinți Tribunal, in case file no. 9089/101/2013, the opening of the general insolvency procedure against the debtor Autonomous Authority for Nuclear Activities – RAAN was ordered.

By judgment no. 387/20.03.2014, the Mehedinți Tribunal confirmed the reorganisation plan of the debtor Autonomous Authority for Nuclear Activities – RAAN, proposed by the judicial administrator

The accompanying notes are an integral part of these consolidated financial statements.

Tudor&Asociații SPRL and approved by the General Meeting of Creditors as per the minutes of 28.02.2014.

By the intermediate ruling no. 10/28.01.2016, delivered by the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, the syndic judge ordered the commencement of the bankruptcy procedure of the debtor, pursuant to Art. 107 para. 1 letter C of Law no. 85/2006, as well as the dissolution of the debtor and the removal of the debtor's right of administration. By Decision no. 563/14.06.2016, the Craiova Court of Appeal – Second Civil Division rejected the appeals filed against the intermediate ruling no. 10/28.01.2016, delivered by the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section.

Upon the filing of the statement of claim in the RAAN bankruptcy proceedings, NPG CO. Transelectrica SA may invoke the provisions of Art. 52 of Law no. 85/2006, applicable to the RAAN bankruptcy proceedings, provisions taken over by Art. 90 of Law no. 85/2014, regarding the creditor's right to invoke the set-off of its claim with the debtor's claim against it, when the legal conditions for statutory set-off are met at the date of opening the proceedings. Transelectrica was registered in the debtor RAAN's schedule of debts with the amount of RON 11,265, under the category of claims resulting from the continuation of the debtor's activity. Of the amount claimed by the Company, RON 89,361, the amount of RON 78,096 was not included in the preliminary schedule of debts on the grounds that "this amount does not appear as owed in RAAN's accounting records". Moreover, the judicial liquidator considered that the request to include the amount of RON 78,096 in the schedule was filed late, being related to the period 2011–2013, for which reason the statement of claim should have been filed at the time of opening the insolvency proceedings, namely on 18.09.2013.

As a result of the partial registration of the total amount claimed by Transelectrica in the amount of RON 89,361 and of letter no. 4162/03.10.2016, by which the judicial liquidator informed us that only the amount of RON 11,265 was registered in the supplementary schedule under the category of claims resulting from the continuation of the debtor's activity, while the amount of RON 78,096 was rejected, an objection to the Supplementary Schedule of Debts was filed within the legal term.

At the hearing on 14.02.2019, the Mehedinți Tribunal ordered the consolidation of case file no. 9089/101/2013/a152 with case file no. 9089/101/2013/a140 (having as subject claims – payment request). The trial of the case was postponed, as the court considered that the presentation of Civil Decision no. 2969/26.09.2018, delivered by the High Court of Cassation and Justice in case file no. 3014/2/2014, regarding the annulment of ANRE President's Decision no. 743/2014, was useful for the settlement of the case.

Ruling of the Mehedinți Tribunal: "Admits the plea of forfeiture. Admits in part the main action as well as the connected objection. Orders the Defendant RAAN to pay the Plaintiff Transelectrica the amount of RON 16,950 – claim arisen during the proceedings, ordering its registration in the creditors' schedule drawn up against the debtor RAAN with this amount. Dismisses the rest of the connected claims. Pursuant to Art. 453 para. 2 Civil Procedure Code, orders the Defendant to pay the Plaintiff RON 1,000 in legal costs. With appeal. Delivered today, 20.06.2019, in public session." Document: Ruling 163/2019 – 20.06.2019.

Transelectrica filed an appeal within the legal term. The Craiova Court of Appeal set the first hearing for 30.10.2019. The appeal was dismissed as unfounded. Transelectrica filed a revision request for contradiction of judgments, registered under case file no. 1711/54/2019, with hearing date of 26.03.2020 at the Craiova Court of Appeal, which was to refer the case to the High Court of Cassation and Justice for competent settlement.

On 26.03.2020, the hearing date was rescheduled, the next being on 21.05.2020.

On 21.05.2020, the case was removed from the docket with the following ruling: the plea of lack of subject-matter jurisdiction of the Craiova Court of Appeal was upheld and the case was referred to the HCCJ – Administrative and Fiscal Litigation Section. Ruling 140/21.05.2020. Hearing date 03.02.2021.

At the hearing on 03.02.2021, the HCCJ upheld the plea of late filing of the revision request and did not rule on its inadmissibility.

In the RAAN bankruptcy case file registered under no. **9089/101/2013**, NPG CO. Transelectrica SA was registered in the schedule of debts with the following claims: 2.162 + 16.951.

Hearing for continuation of proceedings for claim collection, asset liquidation and fulfilment of other liquidation operations: **17.09.2025**.

- NPG CO. Transelectrica SA concluded with CET Govora SA a settlement and payment rescheduling agreement for the amounts representing receivables from the value of overcompensation for the period 2011–2013 and undue bonus for the year 2014 (Agreement no. C 135/30.06.2015 and Addendum no. 1/04.08.2015). The duration of the Agreement was 1 year (July 2015–August 2016) and it provided the Company with the right to calculate and collect penalties during the payment rescheduling period.

Under the Agreement, the Company's receivables from CET Govora SA were offset against the Company's payables to CET Govora SA, represented by the cogeneration bonus for the period May 2014 – October 2015, withheld by applying the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 and the provisions of the Agreement, in the amount of RON 40,508.

Following the suspension in court, by Civil Judgment no. 3185/27.11.2015, of ANRE Decision no. 738/28.03.2014, which had established the value of the overcompensation for the period 2011–2013, CET Govora SA no longer complied with the obligations assumed under the Agreement.

As of 09.05.2016, the general insolvency procedure was opened for CET Govora. In order to recover the receivables arising before the opening of the insolvency procedure, the Company followed the specific procedures provided by Law no. 85/2014 – Insolvency Law and requested the court to admit the receivables, according to the law. Considering the above, as of 09.05.2016, the Company ceased applying the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 approving the Regulation on establishing the method of collecting the contribution for high-efficiency cogeneration and paying the bonus for electricity produced in high-efficiency cogeneration and made monthly payments to CET Govora of the cogeneration bonus.

By Civil Decision no. 2430/05.10.2016, the High Court of Cassation and Justice admitted the appeal filed by ANRE against Civil Judgment no. 3185/27.11.2015, partially quashed the challenged judgment and dismissed the suspension request filed by CET Govora, the decision being final. Thus, as of 05.10.2016, the effects of ANRE Decision no. 738/28.03.2014 were no longer suspended and became fully effective.

Under these circumstances, the Company applies the provisions of Art. 17 para. 5 of ANRE Order no. 116/2013 for reciprocal debts and receivables arising after the insolvency procedure, by withholding the bonus due to CET Govora SA up to the amount of the unpaid amounts under the support scheme owed to the Company. Transelectrica was registered in the preliminary and final schedules of debts with a total claim value of RON 28,200, of which RON 25,557 pertains to the support scheme. We note that this receivable, in the amount of RON 21,962, representing principal debt and penalties related to invoice no. 8116/08.04.2016, is registered subject to the suspensive condition of a final court judgment in favour of ANRE in case file no. 2428/2/2014 on the docket of the Bucharest Court of Appeal, concerning the annulment of ANRE Decision no. 738/28.03.2014.

At the hearing on 18.07.2018, the Vâlcea Tribunal delivered the following ruling:

- Confirms the reorganisation plan of the debtor CET Govora SA, proposed by the judicial administrator EURO INSOL SPRL, filed in the case on 25 May 2018 and published in the Insolvency Proceedings Bulletin no. 11924 of 13 June 2018.
- Dismisses the objections filed by the creditors Complexul Energetic Oltenia SA, SNTFM CFR Marfă SA, Solek Project Delta SRL, Solek Project Omega SRL, Clean Energy Alternativ SRL, and Solar Electric Curtișoara SRL.
- Sets the hearing for continuation of proceedings for 08.10.2018.

*With right of appeal within 7 days from communication, carried out through the Insolvency Proceedings Bulletin. Delivered in public session today, 18 July 2018. Document: Judgment 1196/18.07.2018.*

By Decision no. 766/03.12.2018, the Pitești Court of Appeal annulled the amount of RON 28,014–representing an obligation registered by the Company in the Creditors' Table (Case file no. 1396/90/2016).

Under these circumstances, the Company recorded the amount of RON 22,188 pertaining to the support scheme under the account “various debtors”, separate analytical – ANRE, with an impact on the net position of the support scheme.

The amount of 22,188 represents the receivable to be collected from CET Govora under the support scheme (in the amount of RON 25,557), corrected by the bonus withheld by the Company pursuant to Art. 17 para. 5 of Order of the ANRE President no. 116/2013, in the amount of RON 3,369.

On 25.03.2022, by Government Decision no. 409/2022, the amendment and completion of Government Decision no. 1215/2009 on establishing the criteria and conditions necessary for implementing the support scheme for promoting high-efficiency cogeneration based on demand for useful thermal energy was adopted. Thus, the period of application of the support scheme is extended until 2033, exclusively for producers who meet the conditions for accessing the extension of the support scheme.

At the same time, the financial closure of the support scheme is also extended and will be carried out in the first semester of 2034.

#### **Other receivables**

As of June 30, 2025, other receivables amounting to **250,410** include mainly:

- Sundry debtors (116,938), of which:
  - late payment penalties assessed on defaulting customers, amounting to 80,286 (of which 25,854 are penalties related to the support scheme). The highest late payment penalties were recorded by the following customers: Romelectro (24,464), RAAN (16,901), Electromontaj (11,471), CET Govora (9,607), OPCOM (4,301), Total Electric Oltenia (3,289), Multiservice G&G SRL (2,162), Petprod (1,894), ISPE Proiectare și Consultanță (1,068), GE Digital Services Europe (835). Impairment adjustments have been recognized for penalties calculated for late payment of receivables from operating activities;
  - compensation due from suppliers for non-delivery of electricity: Areloco Power (988), Enol Grup (2,541) and Next Energy Partners (8,395); for compensation due from suppliers from operating activities, impairment adjustments have been recognized;
  - the receivable to be recovered from OPCOM representing VAT relating to the contribution in kind to the capital of the subsidiary amounting to 4,517.
- amounts received in the nature of a subsidy (62,089), from which 38,114 relating to ETG connection contracts;
  - expenses recorded in advance in the amount of 24,689 mainly represented by: pole tax (10,910) domestic and international contributions (4,041), taxes and duties relating to 2025 (2,118), OTC (1,932), ANRE annual contribution relating to 2025 (1,336), insurance policies (1,106), rent and maintenance of office building (754) and others;
  - other social security receivables amounting to 5,673 representing sick leave paid by the employer to employees and to be recovered from the National Health Insurance House, in accordance with the legislation in force.

#### **Advances to suppliers**

As of June 30, 2025, advances paid to suppliers are represented by debtor suppliers for services rendered in the amount of **286,934** and mainly represent amounts from transactions related to the price coupling mechanism (ICP – *Interim Coupling Project*, SIDC - *Single Intraday Coupling*, SDAC - *Single Day-ahead Coupling* și IDA - "*IntraDay Auction*") (MAVIR – 201.011, IBEX – 70.195 și JAO – 15.510).

The application of the price coupling mechanism started on November 19, 2014, when the "4 Market Market Coupling (4MMC)" Project, which envisages the joining of the DAM (Day-Ahead Market) electricity markets in Romania, Hungary, Czech Republic and Slovakia, entered the operational phase. On June 17, 2021, the Interim Coupling Project was launched, which is the coupling of the day-ahead markets of the 4MMC countries with those of Poland, Austria and Germany.

Under the mechanism of price coupling of day-ahead markets, power exchanges, on the basis of auctions, link day-ahead electricity transactions taking into account the interconnection capacity made available by the TSOs through which its implicit allocation is realized. NPG CO. Transelectrica SA, as an OTS, transfers electricity, both physically and commercially, to neighbors (MAVIR-Hungary) and manages congestion revenues on the respective interconnection (art. 139 of ANRE Order no. 82/2014), and in relation to OPCOM SA and Bursa Română de Mărfuri SA - BRM SA (as of November 2024) it has the quality of an Implicit Participant in the Day-Ahead Market.

As Transfer Agent and Implicit Participant, NPG CO. Transelectrica SA has the commercial task of settling the energy traded between OPCOM SA, BRM SA and MAVIR.

On November 19, 2019, the 2nd wave of the European Single Intraday Market Coupling (SIDC - Single Intraday Coupling) solution was launched, with the first deliveries on November 20. Seven countries -

Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Slovenia, Croatia, Hungary, Poland, Romania and Slovenia joined the fourteen countries - Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Latvia, Lithuania, the Netherlands, Norway, Portugal, Spain and Sweden, which have already been operating in the coupled mode since June 2018.

The single intra-domestic market coupling mechanism ensures that bids and offers from market participants in a bidding area are continuously matched with bids and offers from within their own bidding area and from any other bidding area where cross-border capacity is available.

As Transfer Agent, NPG CO. Transelectrica SA has the commercial task of settling the energy traded between OPCOM SA, BRM SA, MAVIR and IBEX.

October 28, 2021 marked the start of the successful new SDAC Single Day-ahead Coupling, the result of the cooperation between the Designated Electricity Market Operators (DSOs) and the Transmission System Operators (TSOs) of Bulgaria and Romania, namely IBEX EAD, OPCOM SA, ESO EAD and NPG CO. Transelectrica SA. The aim of the SDAC is to create a single cross-border pan-European day-ahead energy market. An integrated day-ahead market increases overall trading efficiency by promoting effective competition, increasing liquidity and enabling more efficient use of generation resources across Europe.

As the transfer agent for Romania's bidding zone, NPG CO. Transelectrica SA has the role of settling the energy traded between OPCOM SA, BRM SA and IBEX.

The launch of the Flow Based Market Coupling in the Core region on 08 June 2022 represented the transition from the ICP- Interim Coupling Project coupling mechanism to FBMC - Flow Based Market Coupling, optimizing the European electricity market for 13 countries: Austria, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, the Czech Republic, the Netherlands, Belgium, Croatia, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia.

In the FBMC project, Transelectrica acts as both Shipper (Transfer Agent) and CCP - Central Counterparty. As CCP, the Company has the task of transferring the financial flows generated by the electricity flows as a result of the coupling process.

Since March 18, 2025, a new coupled electricity market, IDA - "IntraDay Auction", has been put into operation, which involves cross-border electricity transactions between OPCOM and the electricity markets of the neighboring EU countries Hungary and Bulgaria. Also in this activity, the Company retains its role as Shipper (Transfer Agent).

#### **VAT recoverable**

VAT to be recovered (**184,593**) - amount related to the settlements for the period from March to June 2025. As of the date of this report, the Company has collected 58,403 from the State, representing value added tax claimed for refund for the month of March 2025.

#### **Adjustments for impairment of trade receivables, doubtful trade receivables and other doubtful receivables**

It is Group's policy to record impairment adjustments for loss of value in the amount of 100% for customers in litigation, insolvency and bankruptcy and 100% of trade and other receivables not collected within a period of more than 180 days, except for outstanding receivables generated by the support scheme. The Group also performs an individual analysis of trade and other uncollected receivables.

The highest impairment adjustments at June 30, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30.627), CET Govora (24.645), Romelectro (24.468), Areloco Power (14.513), Total Electric Oltenia SA (14.186), Romenergy Industry (13.513), Elsaco Energy (9.276), OPCOM (9.143), RAAN (8.517), Next Energy Partners (8.395).

In order to recover the claims adjusted for impairment, the Company has taken the following measures: legal action, enrollment in the creditor's estate, etc.

## **6. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include balances of cash on hand, demand deposits and deposits with original maturities of up to 90 days from the date of origination that have insignificant exposure to the risk of changes in fair value and are used by the Company for the management of current liabilities.

As of June 30, 2025 and December 31, 2024, cash and cash equivalents are as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Current bank accounts and deposits of which:</b>		
a) current accounts at banks and deposits current activity	414,737	200,420
b) current accounts at banks and restricted deposits, of which	609,495	506,610
- cash and deposits from high efficiency cogeneration	181,944	300,321
- cash of revenues from the allocation of interconnection capacities used for network investments	7,243	3,903
- cash from the connection fee	222,704	88,099
- European funds	3,470	54
- other restricted accounts (energy market guarantees and dividends)	194,134	109,417
-modernization funds	-	4,817
<b>Cash desk</b>	<b>175</b>	<b>144</b>
<b>Other cash equivalents</b>	<b>37</b>	<b>0</b>
<b>Total</b>	<b>1,024,444</b>	<b>707,174</b>

## 7. EQUITY

In accordance with the provisions of GEO no. 86/2014 on the establishment of some reorganization measures at the level of central public administration and for the amendment and completion of some normative acts, on February 20, 2015 the transfer of 43,020,309 shares from the account of the Romanian State in the administration of the General Secretariat of the Government to the account of the Romanian State in the administration of the Ministry of Economy, Trade and Tourism was registered in the Company's Shareholders' Register on February 20, 2015.

Based on the provisions of Article 2 of GEO no. 55/19 November 2015 on establishing some reorganization measures at the level of central public administration and amending some normative acts, the Ministry of Economy, Trade and Business Environment Relations (MECRMA) was established, by reorganizing and taking over the activities of the Ministry of Economy, Trade and Tourism, which was abolished, and by taking over the activities and structures in the field of small and medium enterprises and business environment from the Ministry of Energy, Small and Medium Enterprises and Business Environment.

According to the provisions of GD no. 27/12 January 2017 on the organization and functioning of the Ministry of Economy, the Company operated under the authority of the Ministry of Economy until November 5, 2019.

Pursuant to the Government Emergency Ordinance (GEO) no. 68/2019 for the establishment of some measures at the level of central public administration and for the amendment and completion of some normative acts, published in the Official Gazette no. 898/06.11.2019, as of November 6, 2019, the exercise of rights and fulfillment of obligations arising from the State's shareholding in the National Electricity Transmission Company "Transelectrica" - S.A. is carried out by the General Secretariat of the Government.

On November 14, 2019, the Central Depository S.A. recorded the transfer of 43,020,309 shares (representing 58.69% of the share capital) issued by NPG CO. Transelectrica SA, from the account of the Romanian State through the Ministry of Economy to the account of the Romanian State represented by the Government through the General Secretariat to the Government, as a result of the implementation of the provisions of Government Emergency Ordinance no. 68/06.11.2019 on establishing some measures at the level of central public administration and amending and supplementing some normative acts.

At June 30, 2025, the shareholders of NPG CO. Transelectrica SA are: the Romanian State represented by the General Secretariat of the Government holding a number of 43,020,309 shares (58.69%), the privately managed pension fund NN with a number of 4,007,688 shares (5.47%), PAVAL HOLDING with

a number of 4,753,567 shares (6.49%), other shareholders Legal Persons with a number of 16,584,688 shares (22.62%) and other shareholders Individuals with a number of 4,936,890 shares (6.73%).

At the end of each reporting period, the Company's fully subscribed and paid-up share capital in the amount of 733,031,420 is divided into 73,303,142 ordinary shares with a par value of RON 10/share and corresponds to that registered with the Trade Register Office.

The shareholder structure at June 30, 2025 and December 31, 2024 is as follows:

Shareholder	30 june 2025		31 december 2024	
	Number of shares	% of the share capital	Number of shares	% of the share capital
Romanian State by MECRMA	43,020,309	58,69%	43,020,309	58.69%
Other legal person shareholders	16,584,688	22,62%	16,442,683	22.43%
PAVAL HOLDING	4,753,567	6,49%	4,753,567	6.49%
NN Group NV	4,007,688	5,47%	4,007,688	5.47%
Other natural person shareholders	4,936,890	6,73%	5,078,895	6.92%
<b>Total</b>	<b>73,303,142</b>	<b>100,00%</b>	<b>73,303,142</b>	<b>100.00%</b>

The decrease in shareholders' equity as of June 30, 2025 compared to December 31, 2024 was primarily due to changes in the following items:

- The recording in retained earnings of the net profit, in the amount of 257,564, realizat la data de 30 iunie 2025;
- recording the distribution of the profit for 2024 as dividends to be distributed to shareholders in 2025 in the amount of 279,285.

## 8. DEFERRED REVENUES

Deferred revenues are mainly represented by: the connection fee, other investment subsidies, non-refundable European funds received from the Ministry of European Funds, the Ministry of Energy, and revenues from the use of interconnection capacity.

As of June 30, 2025, the statement of **deferred revenues** is as follows:

	30 june 2025	Of which: current part at 30 june 2025	31 december 2024	Of which: current part at 31 december 2024
Deferred revenues – allocation of the interconnection capacity	11,279	11,279	6,728	6,728
Deferred revenues – European funds	2,632	2,632	3,335	3,335
Connection fee funds	432,889	7,265	296,793	7,155
European funds	283,178	9,102	232,180	2,299
Other subsidies	20,237	22	21,211	2,716
<b>Total</b>	<b>750,214</b>	<b>30,300</b>	<b>560,247</b>	<b>22,232</b>

The evolution of **current deferred revenue** from January to June 2025 is as follows:

	30 june 2025	31 december 2024
<b>Opening balance 1 january</b>	<b>22,232</b>	<b>16,138</b>
Cash in advance related to interconnection capacity	67,262	93,714
Proceeds from European funds	-	2,585
Transfer of long-term deferred revenues	1,110	(2,095)
Revenues from the use of interconnection capacities	(62,710)	(88,040)
Revenues from European funds	2,408	(70)
<b>Balance on the end of period</b>	<b>30,300</b>	<b>22,232</b>

The accompanying notes are an integral part of these consolidated financial statements.

The development of **non-current deferred revenue** from January through June 2025 is presented as follows:

	<u>30 june 2025</u>	<u>31 december 2024</u>
<b>Opening balance 1 january</b>	<b>538,015</b>	<b>519,115</b>
Connection subsidies	142,086	47,520
Non-reimbursable funds	50,455	43,189
Non-refundable funds to be repaid	-	-
Transfer from short term deferred revenues	(13,668)	(85,944)
Subsidies which resumed into revenues	3,026	14,134
<b>Balance on the end of period</b>	<b>719,914</b>	<b>538,015</b>

## 9. BORROWINGS

- **Long term Borrowings**

At June 30, 2025, the amount of non-current borrowings decreased from December 31, 2024 primarily due to repayments under existing loan agreements.

Movements in borrowings during the six months ended June 30, 2025 are as follows:

	Currency	Interest rate	Accounting	Due	valuedate
<b>Balance at 1 January 2025</b>			<b>31,903</b>		
<b>New drawings</b>			-		
<b>Reimbursements, of which:</b>			<b>(11,999)</b>		
BEI 25709	EUR	3,596%	(5,990)	10-Sep-2025	
BEI 25710	EUR	3,856%+2,847%	(6,009)	11-Apr-2028	
<b>Exchange rate differences at the date of reimbursement</b>			<b>421</b>		
<b>Balance at June 30, 2025</b>			<b>20,325</b>		

As of June 30, 2025 and December 31, 2024, the balances of non-current borrowings from credit institutions are as follows:

Description	30 june 2025	31 december 2024
BEI 25709	6,112	11,975
BEI 25710	14,213	19,928
<b>Total non-current loans from credit institutions, of which:</b>	<b>20,325</b>	<b>31,903</b>
<b>Less: Current portion of non-current borrowings</b>	<b>(18,372)</b>	<b>(23,985)</b>
<b>Total non-current loans net of current instalments</b>	<b>1,953</b>	<b>7,918</b>

The non-current portion of borrowings will be repaid as follows:

	<u>30 june 2025</u>	<u>31 december 2024</u>
From 1 to 2 years	976	6,483
From 2 to 5 years	976	1,435
More than 5 years	-	-
<b>Total</b>	<b>1,953</b>	<b>7,918</b>

The Group has not hedged its foreign currency obligations or exposure to interest rate risk.

All non-current borrowings outstanding at 30.06.2025 bear fixed interest rates.

- **Short-term Borrowings**

Current borrowings are itemized as follows:

The accompanying notes are an integral part of these consolidated financial statements.

	30 june 2025	31 december 2024
Current portion of non-current borrowings	18,372	23,985
Short-term bank loans	-	-
Subsidiary credit lines	19,314	8,354
Interest related to the non-current and current loans	185	303
<b>Total current borrowings</b>	<b>37,871</b>	<b>32,641</b>

- *Borrowing for current activity*

On 30.03.2022 Transelectrica entered into loan agreement no. **C624 with Banca Comercială Română** for a period of 12 months for the financing of the bonus support scheme for high efficiency cogeneration, in the form of overdraft, in the amount of 175 millions lei, with interest calculated based on the reference rate ROBOR 1M, plus a margin of 0% and a commission of 0,088%.

On 04.01.2023 Transelectrica entered into Addendum no. 1 to the credit agreement no. C624 entered into with Banca Comercială Română, with the purpose of extending the purpose of the credit line and to cover temporary working capital needs and extending the validity of the agreement by 12 months (from 30.03.2023 to 30.03.2024).

On 27.03.2024 Transelectrica concluded the Addendum no. 2 to the credit agreement no. C624 concluded with Banca Comercială Română, with the purpose of extending the validity of the agreement by 12 months (from 30.03.2024 to 30.03.2025).

On 27.03.2025 Transelectrica concluded the Addendum no. 3 to the credit agreement no. C624 concluded with Banca Comercială Română, with the purpose of extending the validity of the agreement by 12 months (from 30.03.2025 to 30.03.2026).

The credit line is secured by:

- chattel mortgage on the bank account opened with the bank;
- chattel mortgage on the receivables resulting from the contracts on the contribution for high efficiency cogeneration concluded with Electrica Furnizare SA, Enel Energie SA, Enel Energie Muntenia SA, EON Energie Romania SA.

On June 30, 2025 the credit line is not used.

On 10.03.2022 Transelectrica entered into credit agreement no. **C588 with Banca Transilvania** for a period of 12 months to finance the Company's working capital in the amount of 200 millions lei with an interest rate calculated based on the reference rate ROBOR 1M, plus a margin of 0.05%.

The loan agreement in the amount of RON 200 million has the following structure:

- RON 175 million - revolving line of credit used to cover temporary working capital needs for the timely payment of the Company's maturing obligations, with a utilization period of 12 months, until 09.03.2023;
- RON 25 million in the form of a ceiling for issuance of letters of bank guarantee, with a period of issuance of letters of 12 months, until 09.03.2023 and a validity of letters of 24 months.

On 09.05.2022 Transelectrica entered into Addendum no. 1 to the credit agreement no. C588 entered into with Banca Transilvania, with the purpose of extending the validity of the use of the credit line to 24 months (use of the credit line until 08.03.2024).

On 16.06.2022 Transelectrica entered into Addendum no. 2 to loan agreement no. C588 concluded with Banca Transilvania, with the purpose of increasing the ceiling for issuing letters of guarantee from RON 25 million to RON 40 million (use of the ceiling until 09.03.2023).

On 19.04.2023 Transelectrica concluded Addendum no. 3 to the credit agreement no. C588 concluded with Banca Transilvania, with the purpose of amending the guarantee contracts.

On 07.03.2024 Transelectrica concluded Addendum no. 4 to credit agreement no. C588 concluded with Banca Transilvania, with the purpose of extending the validity of the credit line to 12 months (use of the credit line until 09.03.2025).

The credit line is secured by:

The accompanying notes are an integral part of these consolidated financial statements.

- chattel mortgage on the bank account opened with the Bank;
- chattel mortgage on the receivables resulting from the contract on the provision of electricity transmission and system service concluded with Electrica Furnizare SA.

On June 30, 2025 the credit line is closed.

- *Loans contracted by Subsidiaries*

In August 2024, SMART SA contracted two multi-product credit facilities in RON from Banca Comercială Română with the following structure:

- RON 46million for the purpose of financing working capital over a period of 48 months at a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 1.65 p.p.), of which: RON 15 million overdraft revolving overdraft facility (the first utilizations being for refinancing the facility granted by Exim - Banca Românească), RON 10 million for financing VAT related to investments (PNRR project), revolving, and revolving guarantee facility up to the amount of RON 46 million.
- RON 37 million to finance working capital for a period of 36 months at a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 1.95 p.p.), of which: RON 10 million for financing the working capital in connection with the works related to the Works Contracts (up to RON 4.5 million for uses in connection with the Sunlight Ventures Project and up to the amount of RON 10 million for uses in connection with the Black Sea Renewables Project, the sublimits may be used in any combination) and revolving guarantee facility up to the amount of RON 37 million.

As of June 30, 2025, **12,627** was drawn on the line of credit.

On February 3, 2025, the Teletrans Subsidiar contracted an overdraft loan from Banca Comercială Română with a ceiling of 10 million lei, granted for a period of 12 months with a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 0.75 p.p.) for the purpose of financing current activity.

As of June 30, 2025, **6,686** was drawn on the line of credit.

## 10. a. TRADE AND OTHER LIABILITIES

As of June 30, 2025 and December 31, 2024, trade and other payables are as follows:

	30 june 2025	31 december 2024
Providers - electricity market	1,590,047	2,253,148
Asset providers	199,387	158,614
Providers of other activities	23,831	45,938
Amounts due to employees	17,255	16,143
Other liabilities	1,195,139	1,381,401
<b>Total</b>	<b>3,025,658</b>	<b>3,855,244</b>

As of June 30, 2025 and December 31, 2024, the outstanding energy market liabilities in the amount of 1,590,047 and 2,253,148, respectively, have the following structure:

	30 june 2025	31 december 2024
Providers - electricity market, of which:		
-providers - operational activity	952,151	1,496,225
-providers - balancing market	627,059	711,977
-providers- bonus type support scheme to promote high efficiency cogeneration	10,837	44,946
<b>Total</b>	<b>1,590,047</b>	<b>2,253,148</b>

Suppliers on the electricity market are mainly represented by: MAVIR, IBEX, Hidroelectrica SA, OPCOM, S Complexul energetic Oltenia SA, CIGA Energy SA, Bursa Română de Mărfuri, Joint Allocation Office, Nova Power&Gas, OMV Petrom SA.

The accompanying notes are an integral part of these consolidated financial statements.

The decrease in the balance of "liabilities related to operating activity" in the analyzed period was influenced by the supply and demand price formation model for electricity market coupling. The implicit allocations, in which capacity and energy are provided simultaneously, were influenced by changes in the price of electricity on the European power exchanges.

The decrease in the "Balancing market liabilities" balance was driven by a decrease in the volume of transactions recorded in the balancing market in Q2 2025 compared to Q4 2024.

The decrease in "support scheme liabilities" to suppliers (generators) was driven by the decrease in the value of the monthly bonus for high efficiency cogeneration in June 2025 compared to December 2024.

As of June 30, 2025, there are liabilities payable to suppliers (producers) in the amount of 3,540 to CET Govora SA (monthly bonus for cogeneration and ante overcompensation for 2015). The amounts representing the Company's liabilities related to the support scheme to CET Govora were withheld for payment based on art. 17 para. 5 of ANRE President's Order no. 116/2013, since the supplier (producer) has payment obligations towards the Company on the bonus support scheme.

The Company requested from the supplier (producer) that did not pay the overcompensation invoices, the agreement to carry out the mutual liabilities compensation at their minimum level through the Institute of Management and Informatics (IMI) that manages all the information received from the taxpayers in a unitary manner, based on the provisions of HG no. 773/2019.

CET Govora did not agree with this way of extinguishing mutual claims and liabilities, which is why the Company has applied and continues to apply the provisions of Art. 17 para. 5 of ANRE President's Order no. 116/2013 for the approval of the Regulation on establishing the manner of collecting the contribution for high-efficiency cogeneration and payment of the bonus for electricity produced in high-efficiency cogeneration: *'if the producer has not fully paid to the support scheme administrator the payment obligations resulting in accordance with the provisions of this Regulation, the support scheme administrator shall pay to the producer the difference between the value of the invoices issued by the producer and the producer's payment obligations related to the support scheme, with explicit mention on the payment document of the respective amounts'* and withheld from payment the amounts related to the support scheme due.

NPG CO. Transelectrica SA entered into an agreement with CET Govora SA for the set-off and installment payment of the amounts representing receivables from the overcompensation for 2011-2013 and the undue bonus for 2014 (Agreement No. C 135/30.06.2015 and Additional Act No. 1/04.08.2015). The duration of the Agreement was 1 year (period July 2015-August 2016) and provided for the Company's right to calculate and charge penalties during the period of payment installment.

Based on the Agreement, the Company's receivables to be collected from CET Govora SA were offset against the liabilities to CET Govora SA, represented by the cogeneration bonus for the period May 2014 - October 2015 withheld by applying the provisions of Article 17 paragraph 5 of the Order of the President of ANRE no. 116/2013 and the provisions of the Agreement, in the amount of 40,508.

Following the suspension in court, by Civil Judgment no. 3185/27.11.2015, of ANRE Decision no. 738/28.03.2014, which established the amount of overcompensation for the period 2011-2013, CET Govora SA has no longer complied with the obligations assumed by the Agreement. As of May 9, 2016, general insolvency proceedings were opened for CET Govora. In view of the provisions of Law no. 85/2014 - the Insolvency Law, the Company suspended, as of May 9, 2016, the application of the provisions of Article 17.5 of ANRE President's Order no. 116/2013 for the approval of the Regulation on the establishment of the manner of collection of the contribution for high efficiency cogeneration and payment of the bonus for electricity produced in high efficiency cogeneration and pays the cogeneration bonus due to CET Govora on a monthly basis to CET Govora. By Civil Decision no. 2430/05.10.2016, the High Court of Cassation and Justice admitted the appeal lodged by ANRE against Civil Judgment no. 3185/27.11.2015, partially quashed the appealed judgment and rejected the request for suspension filed by CET Govora. Thus, as of 05.10.2016, the effects of ANRE Decision no. 738/28.03.2014 are no longer suspended, taking full effect.

In these circumstances, the Company applies the provisions of Article 17 paragraph 5 of ANRE Order no. 116/2013 for mutual liabilities and claims arising after the insolvency proceedings, in the sense of withholding the bonus due to CET Govora SA up to the amount of the amounts related to the support scheme not paid to the Company.

The increase in the balance of "**suppliers of fixed assets**" at June 30, 2025 compared to December 31, 2024 is mainly represented by past-due debts.

Payables due to "**suppliers other activities**" are mainly represented by payables for services rendered by third parties not yet due, which decreased from December 31, 2024.

As of June 30, 2025, the Company has no outstanding payables to suppliers (state budget, local budget or other public institutions).

The structure of liabilities recorded in "**other liabilities**" is as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
Various creditors	285,877	385,573
Client-creditors	405,048	850,989
Dividends to pay	279,411	134
Other liabilities	224,802	144,705
<b>Total</b>	<b>1,195,139</b>	<b>1,381,401</b>

- „Various creditors”, amounting to **285.877** as of June 30, 2025, mainly represent:

- High Efficiency Cogeneration Support Scheme net position, liabilities position, amounting to 265,664.

The net position of the support scheme represents the difference between:

- ✓ the amount of the contribution to be collected from the suppliers of electricity consumers, the amount of overcompensation for the activity of electricity and thermal energy production in high efficiency cogeneration, the undue bonus to be collected from producers, according to ANRE decisions, on the one hand, and
- ✓ the amount of the cogeneration bonus, the overcompensation and the ungranted bonus to be paid to the high efficiency cogeneration producers, beneficiaries of the support scheme, on the other hand;

- 16,359 solution study contracts for connection to the ETG;
- 1,779 royalty Q2 2025;
- 1,041 guarantees and others.

- “Client-creditors”, as of June 30, 2025, amount to **405.048**, of which 386.445 represent amounts received in advance under transactions related to price coupling mechanisms, ICP (Interim Coupling Project), SIDC (Single Intraday Coupling), SDAC (Single Day-ahead Coupling), FBMC (Flow Based Market Coupling) and IDA (Intra Day Auction), from: BRM (293.764), IBEX (46.105), MAVIR (21.347), JAO (1.173) and OPCOM (24.055).
- As of June 30, 2025, dividends due to the Company's shareholders and unpaid amount to 279.411. These amounts are available to shareholders through the paying agent.
- “Other current liabilities”, in the amount of **224.802**, are mainly represented by guarantees of good payment of contracts entered into by NPG CO. Transelectrica SA in the amount of 196.540, VAT not chargeable in the reporting period in the amount of 17,826 and the estimated global minimum tax related to the Group, as a result of the application of the provisions of *Law no. 431/2023 on the provision of a global minimum level of taxation for multinational groups of companies and large national groups* in the amount of 5.613.

#### 10.b LIABILITIES - LEASING

As of June 30, 2025 and December 31, 2024, the liability for assets related to the right-of-use of leased assets, according to the provisions of IFRS 16 – Leases, is as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
Liabilities - leasing, short term	7,428	7,328
Liabilities - leasing, long term	1,564	1,604
<b>Total</b>	<b>8,992</b>	<b>8,932</b>

## 11. PROVISIONS

As at June 30, 2025 and December 31, 2024, the statement of provisions is as follows:

	30 june 2025	31 december 2024
Provisions for litigations	24,089	25,885
Provisions for mandate contracts	8,448	8,600
Other provisions	3,379	1,468
<b>Total</b>	<b>35,916</b>	<b>35,953</b>

The provisions for litigation outstanding at 06/30/2025, in the amount of **24.089**, are mainly represented by the provisions set aside for the following litigation:

- *Case file No. 36755/3/2018 - plaintiff Conaid Company SRL (17.216)* – further details on this case are disclosed in Note 20 - Litigation and Contingencies.
- *Case file no. 15561/3/2022 - claimant SMART SA (4.467)* further details on this case are disclosed in Note 20 - Litigation and Contingencies.
- *Case file No. 3083/3/2020 - Claimant NUCLEARELECTRICA SA (1.473)*

On 26.06.2020, Nuclearelectrica filed a lawsuit against the Company seeking payment of the amount of 1,291 representing a negative imbalance and RON 182 as legal interest.

After several trial dates during which the case was postponed (26.06.2020, 16.10.2020, 11.12.2020) for various reasons, at the trial date of 22.12.2020, the Court ordered the Company to pay the claimant the amount of 1,291 as compensatory damages, to update this amount with the inflation rate from 27.09.2018 until the actual payment date, to pay the amount of RON 182 representing penal legal interest calculated from 27.09.2018 to 31.01.2020, as well as to continue paying the penal legal interest calculated from 01.02.2020 until the actual payment date. It also ordered the defendant to pay the claimant the amount of 23 as legal costs, consisting of court stamp duty. It rejected the defendant's request regarding the reimbursement of legal costs as unfounded. With right of appeal within 30 days from communication. (Judgment No. 2698/2020 dated 22.12.2020).

NPG CO. Transelectrica SA filed an appeal. In the hearing held on 25.11.2021, the Bucharest Court of Appeal admitted the appeal. It partially changed the appealed civil judgment, in the sense that: it rejected the statement of claim as unfounded. It upheld the first-instance court's decision to reject as unfounded the defendant's request for legal costs. It ordered the respondent-claimant to pay the appellant-defendant the amount of 21 as legal costs on appeal. With right of second appeal within 30 days from communication; the second appeal is to be submitted to the Bucharest Court of Appeal – 6th Civil Division. Pronounced by making the decision available to the parties through the court registry today, 25.11.2021. Document: Judgment No. 1927/2021 dated 25.11.2021.

Nuclearelectrica filed a second appeal, which was suspended until the resolution of the action for annulment of the order. Trial date: 12.10.2022.

Pursuant to Article 413 para. (1) point 1 of the Civil Procedure Code, it suspends the proceedings of the second appeal filed by the appellant-claimant NATIONAL COMPANY NUCLEARELECTRICA S.A. against Civil Decision No. 1927/A/25.11.2021, rendered by the Bucharest Court of Appeal – 6th Civil Division, until the final settlement of Case No. 2659/2/2020, which is on the docket of the High Court of Cassation and Justice – Administrative and Fiscal Litigation Division. Final.

**"Provisions for agency agreements"**, in the amount of 8.448 as of June 30, 2025, represent:

- the variable component relating to the OAVT packages allocated and not valorized during the terms of office executed between 2013 and 2017, for executive and non-executive directors, claimed by them in court;
- the remuneration representing the variable component, the non-competition compensation and that relating to the gross monthly fixed gross indemnities remaining until the end of the term of office for the dismissed members of the Supervisory Board/Directorate, i.e. for the 2020-2024 terms of office.

**"Other provisions"** amounting to 3.345 represent untaken vacation leave.

## 12. OTHER TAX AND SOCIAL SECURITY LIABILITIES

The accompanying notes are an integral part of these consolidated financial statements.

At June 30, 2025 and December 31, 2024, other taxes and social security liabilities include:

	<u>30 june 2025</u>	<u>31 december 2024</u>
Contribution to the social security funds	15,624	18,859
Payable VAT	(236)	1,706
Salary tax	2,819	3,681
Other tax payable	1,518	1,291
<b>Total</b>	<b>19,725</b>	<b>25,537</b>

As of June 30, 2025, the Group has accrued liabilities for social security contributions, payroll tax and other taxes, which were due and payable in July 2025.

### 13. INCOME TAX

The Group's current and deferred income taxes are determined at a statutory rate of 16%.

Income tax expense for the second quarter of 2025 and the second quarter of 2024 and income tax expense as of June 30, 2025 and June 30, 2024 are presented, as follows:

	<u>30 june 2025</u>	<u>30 june 2024</u>
Expenses with current income tax	36,441	18,432
Deferred tax expense/ (income)	(4,110)	1,073
<b>Total</b>	<b>32,331</b>	<b>19,504</b>

### 14. OPERATING REVENUES

Operating revenues comprise revenues realized from the provision by the Company, on the electricity market, of transmission and system services, interconnection capacity allocation, balancing market operation services and other revenues.

The tariffs approved by ANRE for the services provided on the electricity market for the first semester of 2025 and the first semester of 2024 are presented as follows:

	Tariff for the transmission service for the introduction of electricity into the transmission grid (TG)	Tariff for the transmission service for extracting electricity from the networks (TL)	Average transmission service tariff	Tariff for system service
Order No 21/27.05.2025 for the period June 01 - June 30, 2025	-	-	-	7.04
Order No 99/20.12.2024 for the period January 01 - June 30, 2025	3.29	33.03	-	-
Order No 57/28.08.2024 for the period 01 January - May 31, 2025	-	-	-	11.51
Order No 15/29.05.2024 for the period June 01 - June 30, 2024	-	-	-	12.84
Order No 116/20.12.2023 for the period January 01 - May 31, 2024	-	-	-	9.17
Order No 109/20.12.2023 for the period January 01 - June 30, 2024	-	-	31.67	-

Starting with January 01, 2025, ANRE approves the tariff for transmission service only for the two components: the tariff for introducing electricity into the transmission network (TG) and the tariff for extracting electricity from the networks (TL), according to ANRE Order no. 99/20.12.2024.

The modification of the tariff value for the system service as of June 01, 2025 by ANRE Order no. 21/27.05.2025 was determined by the application of the mechanism for correcting significant deviations

from the forecast that was the basis for the approval of the tariff in force as of September 01, 2024 (ANRE Order no. 57/28.08.2024), in accordance with the provisions of the regulatory framework issued by ANRE.

The quantity of electricity delivered to consumers in the first semester of 2025 and the first semester of 2024, respectively, is presented as follows:

	<b>30 june 2025</b>	<b>30 june 2024</b>
Quantity of electricity delivered to consumers (MWh)	25,871,125	25,402,341

The operating revenues realized in the first half of 2025 and the first half of 2024 are as follows:

	<b>30 june 2025</b>	<b>30 june 2024</b>
Transmission revenues	925,350	800,889
Revenues from the allocation of interconnection capacities	151,279	101,900
Revenues from reactive energy	1,454	758
Inter TSO Compensation (ITC) revenues	14,415	11,632
Revenues from transactions with own technological consumption	26,083	70,100
<b>Total revenues from electricity transmission</b>	<b>1,118,580</b>	<b>985,278</b>
Revenues from system services	281,353	251,393
Emergency energy assistance to neighboring	269	60,302
<b>Total revenues from system services</b>	<b>281,622</b>	<b>311,695</b>
<b>Revenues on the balancing market</b>	<b>1,490,519</b>	<b>3,229,089</b>
Income from other benefits and other operating income	39,656	145,403
Grid losses anticipatory tariff income	924	23,866
<b>Other revenues</b>	<b>40,580</b>	<b>169,269</b>
<b>Total revenues</b>	<b>2,931,301</b>	<b>4,695,331</b>

#### *Transmission revenues*

Revenues from transmission service increased in H1 2025 compared to H1 2024 by 124,461, due both to the increase in the tariff for the transmission service approved by ANRE (see the table on tariffs approved by ANRE for the period under review, presented above) and to the increase in the quantity of electricity delivered to consumers by 1.85%, i.e. by 468.784 MWh.

#### *Revenues from the allocation of interconnection capacities*

Revenues from the allocation of interconnection capacity showed an increase in H1 2025 compared to H1 2024, amounting to 49,378, corresponding to the level of utilization of available interconnection capacity by traders on the electricity market.

The market for the allocation of interconnection capacity is fluctuating, with prices evolving according to demand and the need of electricity market participants to purchase interconnection capacity. Thus, the growth over the analyzed period has been influenced by the supply and demand price formation model. The implicit allocations, where capacity and energy are provided simultaneously, are strongly influenced by changes in the price of electricity on the European power exchanges.

The interconnection capacity allocation mechanism consists in organizing annual, monthly, daily and intra-day auctions. Auctions on the Romania-Serbia border, long-term auctions on the borders with Hungary and Bulgaria and short-term auctions on the borders with Moldova and Ukraine are explicit - only transmission capacity is auctioned, while daily (borders with Hungary and Bulgaria) and intra-day (borders with Hungary and Bulgaria) auctions are implicit - they are allocated simultaneously with energy and capacity, through the coupling mechanism.

On June 8, 2022, the Core FB MC (Core Flow-Based Market Coupling) was put into operation, thus initiating the day-ahead flow-based market coupling in the Core capacity calculation region. The Flow-Based Market Coupling mechanism optimizes the European electricity market for 13 countries (Austria, Belgium, Bulgaria, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, the Czech Republic, the Netherlands, Austria, Belgium, Croatia, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia).

As of October 27, 2021, the Romania - Bulgaria border has been integrated into the Single Day-Ahead Market Coupling (SDAC), with cross-border capacity between Romania and Bulgaria being allocated by default.

As of November 2019, the 2nd wave of the European Single Intraday Market Coupling (SIDC - Single Intraday Coupling) was launched. The single intraday market coupling mechanism ensures the seamless matching of bids and offers from market participants in a bidding area with bids and offers from within their own bidding area and from any other bidding area where cross-border capacity is available. Thus, explicit intra-domestic auctions are only on the borders with Serbia and Moldova, and implicit intra-domestic auctions are implicit (within the SIDC) on the borders with Bulgaria and Hungary.

On March 18, 2025 the Intraday Auctions (IDA) project was launched for Romania's bidding borders (Romania-Bulgaria and Romania-Hungary). According to Article 55 of Commission Regulation (EU) 2015/1222 of July 24, 2015 establishing guidelines on capacity allocation and congestion management it is necessary to set intraday capacity prices. Thus, on the basis of ACER Decision No 01/2019 on the Methodology for intrazonal intrazonal capacity pricing, an auction mechanism has been introduced to fulfill this objective. This is the so called Intra-Trading Auction - "IDA" which means the implicit auction of intra-Trading Transactions for the simultaneous matching of orders from different bidding zones and allocation of available intra-Trading Transzonal capacity at the bidding zone borders by applying a market coupling mechanism.

The use of the net revenues from the allocation of interconnection capacity is carried out in accordance with the provisions of ANRE Order No. 171/2019 and Regulation (EU) 2019/943 of 5 June 2019 on the internal electricity market, as a source of financing investments for the modernization and development of interconnection capacity with neighboring systems.

Starting from 2025, by ANRE Decision no. 2624/10.12.2024 for the approval of the method for covering the expenses forecast for 2025 from the revenues obtained from the allocation of cross-border interconnection capacity, it was approved to incur ETG maintenance expenses for certain major maintenance and minor maintenance projects from the revenues obtained from the allocation of cross-border interconnection capacity.

The extension of market coupling has the effect of making energy prices uniform across Europe, which is also one of the main objectives of Regulation (EU) 2015/1222 "establishing guidelines on capacity allocation and congestion management".

#### *Inter TSO Compensation (ITC) revenues*

The revenues recorded as a result of the application of the ITC mechanism come mostly from scheduled exchanges of electricity with the countries considered perimeter countries of the mechanism, namely Ukraine and the Republic of Moldova. In general, Romania is a paying country under the mechanism, but exceptionally, revenues may also be recorded from monthly settlements.

As from July 01, 2024, Ukraine joined the ITC mechanism and was no longer considered as a perimeter country. Therefore, only trade with the Republic of Moldova was taken into account.

Thus, in the first semester of 2025, the revenues recorded following the application of the ITC mechanism recorded an increase of 2,784 compared to the first semester of 2024, with the following mentions:

- although the energy exchanges with the perimeter countries taken into consideration were only those with the Republic of Moldova, they increased by about 2 times;
- the tariff value for exchanges with perimeter countries was 2.5 EUR/MWh up to May 14, 2025 and 1.5 EUR/MWh from May 15, 2025 onwards, compared to 3 EUR/MWh in 2024.

#### *Revenues from transactions with own technological consumption*

OTC energy trading revenues were mainly derived from the sale of surplus energy at a positive price and the purchase of deficit energy at a negative price, resulting from the difference between the long and medium-term forecast and the short-term forecast (per settlement interval) on the Intra-day Market

managed by OPCOM and, respectively, from the difference between the forecast OTC and the actual realized OTC (per settlement interval) on the Balancing Market. These revenues were lower in S1 2025 compared to S1 2024 by 44,018.

Revenues from transactions on the Intra-Dil market were higher than those realized in the previous year due to an increase in energy sold on the Intra-Dil market as a result of forecast corrections as close to the time of delivery as possible, as well as slightly higher prices on this market.

Revenues from transactions on the Balancing Market were significantly lower, given that the OTC recorded in S1 2025 was lower than in the same period of the previous year. Given the increase in the share of solar and wind generation, there has been an increase in the supply of energy in the peak intervals and an increase in the share of very low and even negative price intervals for prices in the short-term markets.

#### *Revenues from system services*

Revenues from system services recorded an increase in S1 2025 compared to S1 2024 by the amount of 29,960, determined by the increase in the quantity of electricity delivered to consumers by 1.85%, i.e. by 468,784 MWh, in the context of the decrease in the tariff approved by ANRE for these services as of June 01, 2025 (see the table on tariffs approved by ANRE for the period under review, presented above).

For the system services activity, the specific regulatory framework contains regularization mechanisms that ensure the compensation of the excess or deficit of revenues in relation to the level of expenses necessary to carry out the activity. Thus, according to ANRE's regulations, the surplus/deficit of income in relation to the recognized costs resulting from the performance of this activity shall be compensated by ex-post tariff correction (negative/positive correction) applied by ANRE in the tariff in the years following the year in which the respective surplus/deficit was recorded. The surplus/deficit of income compared to the costs resulting from the carrying out of this activity is calculated by tariff programming periods.

#### *Emergency energy assistance to neighboring*

In the first half of 2025, 269 in emergency aid was granted to Serbia (March), due to the accidental shutdown of generating units in this country.

#### *Revenues on the balancing market*

Revenues realized on the balancing market recorded a decrease in H1 2025 compared to H1 2024, amounting to 1,738,570, mainly due to the following:

- The evolution of contractual imbalances recorded at the level of electricity suppliers on the balancing market;
- the evolution of hydraulicity;
- developments in electricity generation and consumption;
- the evolution of the output of power plants on probation;
- continued accelerated growth of installed power at prosumers;
- an improvement in the control/monitoring at the level of suppliers for the production of prosumers they have in their portfolio and an increased concern at their level to estimate/adjust the prosumers' production forecasts in relation to their contractual position.

#### *Grid losses anticipatory tariff income*

According to art. III of GEO no. 119/2022 for amending and supplementing GEO no. 27/2022 on measures applicable to end customers in the electricity and natural gas market in the period April 1, 2022 - March 31, 2023, and for amending and supplementing some normative acts in the energy sector, and approved by Law no. 357/13.12.2022, as subsequently amended and supplemented, for licensed economic operators, providers of electricity transmission services, the additional costs with the purchase of electricity realized in the period from January 1, 2022 to March 31, 2025, in order to cover their own technological consumption, compared to the costs included in the regulated tariffs, shall be capitalized on a quarterly basis, and the assets resulting from the capitalization shall be depreciated over a period of 5 years from the date of capitalization.

Thus, as of June 30, 2025, the Company has recorded income from the capitalization of OTC in the amount of 924, representing additional OTC calculated as the difference between the net cost of OTC acquisition and the cost of OTC included in the regulated tariff, for the period January 1 to March 31, 2025.

## 15. SYSTEM OPERATING EXPENSES AND BALANCING MARKET EXPENSES

The expenses realized in S1 2025 compared to S1 2024 are presented as follows:

	30 june 2025	30 june 2024
Expenses on own technological consumption	288,041	296,081
Congestion expenses	-	107
Expenses for the electricity consumption in RET substations	20,630	25,568
RED transit CPT expenses (ANRE decision)	17,443	12,840
ITC expenses (Inter TSO Compensation)	31,959	20,605
<b>Total system operating expenses</b>	<b>358,073</b>	<b>355,201</b>
Expenses regarding system services	234,590	300,957
Balancing market expenses	1,490,940	3,229,286
<b>Total</b>	<b>2,083,603</b>	<b>3,885,443</b>

### *Expenses on own technological consumption*

These represent expenses for the purchase of electricity on the free electricity market, i.e. the Centralized Bilateral Contracts Market (PCCB), the Day-ahead Market (DAM), the Balancing Market (PE) and the Intra-day Market (IM) to cover own technological consumption (OTC) in the transmission electricity network (ETG).

The expenditure on own technology consumption was lower by an amount of 8,040 in S1 2025 as compared to S1 2024, considering a number of aspects as follows:

- due to its characteristics, the Own Technological Consumption (OTC) in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, on the structure of electricity production and consumption, at national level, on the distribution of electricity flows in the internal transmission grid and on the interconnection lines with neighboring electro-energy systems, its value being very little to not controllable at all in the conditions of an interconnected and coupled regional energy market;
- as a result of weather conditions and flows on interconnection lines, the OTC value recorded in the first semester of 2025 was lower than that recorded in the previous year;
- compared to 2025, in the first three months of 2024, following the provisions of GEO no. 153/2022 amending and supplementing GEO no. 27/2022, NPG CO. Transelectrica SA purchased electricity to cover 75% of the quantity corresponding to the OTC forecast validated by the Centralized Electricity Purchase Mechanism (MACEE), at the regulated price of 450 RON/MWh;
- as of 01.04.2024, the centralized electricity purchase mechanism (MACEE) was amended by GEO no. 32/2024, in the sense of:
  - reduction of the regulated purchase price to 400 RON/MWh;
  - removing the obligation for generators to participate in the mechanism;
  - changing the period of application of the mechanism from 31.03.2025 to 31.12.2024;
  - to allow other producers with production capacities below 10 MW to participate in the mechanism.
- The amendments introduced by GEO 32/2024 led to a gradual exit from the support scheme and a return to competitive market mechanisms. As a result, as of 01.01.2025, the energy needed to cover the OTC was purchased in a proportion of about 50% through bilateral contracts, at an average price for the first semester of 2025 of 477.25 RON/MWh;
- the elimination of the MACEE mechanism with regulated price, increased consumption and low temperatures in February, as well as lower hydropower generation led to increased imports and higher energy prices in the short-term markets compared to the same period of 2024;
- the price of DAM is highly dependent on weather conditions (droughts, precipitation, extreme events) and prices on the European market. The Day-Ahead market is an unpredictable market with a high degree of volatility, with prices increasing by as much as 30-40% within a week;
- As of July 01, 2024, a number of changes to the Regulation on Terms and Conditions for Balancing Parties, in line with the requirements of the European Codes, came into force, which led to very high prices in the Balancing Market. These prices have a high degree of volatility and uncertainty and can vary widely, but are still below the 2024 peaks. The Own Technological Consumption recorded in the

analyzed period was lower compared to the same period of 2024, leading to lower costs resulting from the coverage of energy imbalances in this market compared to the same period of 2024..

*Expenses for the electricity consumption in RET substations*

In order to carry out the activity of electricity transmission in electricity substations and to operate the National Electricity Power System in safe conditions, NPG CO. Transelectrica SA has to purchase electricity to cover the consumption related to internal services in the high voltage substations under the Company's management.

These expenses decreased by the amount of 4,938 in S1 2025 compared to S1 2024.

*RED transit CPT expenses (ANRE decision)*

In June 2025, OTC expenses related to additional transit of electricity from the networks of concessionary distribution operators at the voltage level of 110 kV (for the quota assigned to the OTS) were recorded in the amount of 17,443.

By ANRE Decisions no. 2780/20.12.2024 and no. 2781/20.12.2024, the forecast OTC quantities and the corresponding costs related to the additional electricity transits from the 110 kV electricity grids for 2025 were approved for the companies Rețele Electrice România S.A. and Distribuție Energie Oltenia S.A.

*Inter TSO Compensation (ITC) expenses*

The ITC expenses represent the monthly payment obligations/collection rights for each transmission system operator (TSO). They are established within the framework of the mechanism of compensation/remission of the effects of the use of the transmission electricity network (ETG) for electricity transits between TSOs of the countries that have joined this mechanism within the ENTSO-E. In S1 2025, these expenses were higher by 11,355 compared to the same period of the previous year.

The factors influencing the values of costs/revenues with the ITC mechanism are the electricity exchanges - import, export, transit on the NES interconnection lines, correlated with the electricity flows transited at the level of all countries participating in the mechanism.

*Expenses regarding system services / balancing capacity*

Expenditure on system services (balancing capacity) showed a decrease in S1 2025 compared to S1 2024, amounting to 66,367.

The balancing capacity is purchased based on the needs established by the National Energy Dispatching (organizational unit within the Company) responsible for ensuring the stability and safety of NES operation, in accordance with the provisions of ANRE Order no. 127/08.12.12.2021 for the approval of the Regulation on the Terms and Conditions for Balancing Service Providers and Frequency Stabilization Reserve Providers and the Regulation on the Terms and Conditions for Balancing Parties and for the amendment and repeal of some Orders of the President of the National Energy Regulatory Authority, as subsequently amended and supplemented.

In the first semester of 2025, NPG CO. Transelectrica SA contracted Reactive Energy from Hydroelectric Power Plant Generation Company "Hidroelectrica" SA, according to:

- ANRE decision no. 2281/29.10.2024 regarding the granting of derogation for the transmission and system operator to purchase on market basis the reactive electricity service for voltage regulation in the network;
- NPG CO. Transelectrica SA decision no. 218/12.12.2024 approving the maximum prices for the purchase of reactive energy system service for voltage regulation in the transmission grid;
- the achievements confirmed by the National Energy Dispatch.

We point out that in line with the trend observed in the balancing market, there has been an increase in the purchase price of the Fast Tertiary Reserve - power curtailment since May 2025. If in the first five months of the year the average prices fluctuated between 15 and 23 RON/hMW, in June 2025 there was an explosion of values, with an overall average of more than 108 RON/hMW. This increase is justified neither by significant changes in demand or supply, nor by objective technical factors, but represents a sudden and unilateral change in the bidding behavior of a small group of participants. The bids submitted by some producers in June 2025 reached values between 100 and 999 RON/hMW, with repeated prices of 500, 700 and even 999 RON/hMW. Producers such as CE Oltenia, Electrocentrale Craiova, BEPCO, INGKA Investments Renewable Energy Romania and True Energy Management had a completely

divergent behavior compared to the other months, when the same bidders in the market had prices around 15 RON/hMW.

In the balancing capacity market, in line with the trend in the balancing market in the first semester of 2025, there has been a downward trend in the purchase price for RRFa in the upward and downward trend in the upward trend for RRFm in the downward trend since May 2025:

- average purchase price in the first semester of 2025, for RRFa at growth - 60.51 RON/hMW;
- average purchase price in the first semester of 2025, for RRFa at reduction - 62.75 RON/hMW;
- average purchase price in the first semester of 2025, for RRFm at increase - 36.57 RON/hMW;
- average purchase price in the first semester of 2025, for RRFm at reduction - 38.09 RON/hMW.

For the subsequent period of 2025, it is estimated that a significant impact on the evolution of the costs for the purchase of system services (balancing capacity) through daily and directional auctions, at the level of NPG CO. Transelectrica SA, will be the market behavior of the participants registered on the balancing capacity market, the regulatory framework of ANRE on the electricity market, the evolution of prices on the balancing market, as well as the regional and European context of the evolution of the electricity market

#### *Balancing market expenses*

The balancing market expenses realized in S1 2025, amounting to 1,490,940, were lower by 1,738,345 in comparison with S1 2024, i.e. by 1,738,345. These expenses result from the notifications/realizations of the participants on this market and are significantly influenced by the evolution of electricity production and consumption at national level, the European context of the evolution of the electricity market and the way of realization of contracting on the markets prior to the balancing market.

#### **16. DEPRECIATION AND AMORTIZATION**

	<b>30 june 2025</b>	<b>30 june 2024</b>
Expenses with the depreciation of the tangible and intangible fixed assets	147,019	139,179
Expenses with the depreciation of the intangible fixed assets – additional Grid Losses	45,474	35,595
Expenses with the depreciation of the assets related to the rights of use of the leased assets	4,478	4,333
<b>Total</b>	<b>196,971</b>	<b>179,106</b>

*Depreciation of tangible and intangible assets* in the amount of **147.019** represents the depreciation recorded in the first half of 2025, calculated at the fair value of the assets at December 31, 2024, correlated with the commissioning of the investment works and the acceptance of the assets.

*Expenses for amortization of intangible assets - additional OTC* in the amount of **45.474** were recorded in accordance with the provisions of OMF no. 3900/2022 on the approval of accounting clarifications in application of the provisions of Article III of GEO no. 119/2022 for the amendment and completion of GEO no. 27/2022 on the measures applicable to end customers in the electricity and natural gas market in the period from April 1, 2022 to March 31, 2023, and for the amendment and completion of some normative acts in the energy sector.

According to art. III of GEO no. 119/2022 and approved by Law no. 357/13.12.2022 with subsequent amendments and additions, for licensed economic operators, providers of electricity transmission services, the additional costs of electricity purchase incurred in the period from 1 January 2022 to 31 March 2025, in order to cover their own technological consumption, compared to the costs included in the regulated tariffs, are capitalized on a quarterly basis, and the assets resulting from the capitalization are depreciated over a period of 5 years from the date of capitalization.

*Intangible asset amortization expense recognized under IFRS 16* in the amount of 4, **4.478** (The Group partially operates in leased office premises). In accordance with *IFRS 16 - Leases*, the right to use the premises leased by the Company in the Platinium office building at 2-4 Olteni Street, Platinium, is recognized as an asset measured at the level of the rent payable by the end of the lease contract. The asset recognized in accordance with IFRS 16 is depreciated at the level of the monthly rent and is recorded under the indicator "depreciation of tangible and intangible fixed assets".

**17. PERSONNEL EXPENSES**

	<u>30 june 2025</u>	<u>30 june 2024</u>
Personnel expenses	<b>263,416</b>	<b>238,154</b>
- of which expenses for employees' salaries	<b>224,311</b>	<b>209,134</b>

Total personnel expenses realized in the first semester of 2025 show an increase compared to the same period of the previous year, mainly due to the increase in some expense items, such as: staff salary expenses, social expenses, expenses related to the mandate contracts, expenses related to insurance and social protection in accordance with the applicable legal provisions, as well as the reversal to income of a part of the provisions set aside for the dismissed executive and non-executive directors, representing compensation provided for in the mandate contracts concluded in 2020 for the period 2020-2024, concurrently with the payments made on the basis of enforceable court judgments received by the Company.

*ii) Number of employees*

As of June 30, 2025 și June 30, 2024, the number of employees with individual employment contracts for an indefinite period is as follows:

<b>Number of employees</b>	<u>30 june 2025</u>	<u>30 june 2024</u>
Transelectrica SA	2,031	2,027
Smart SA	596	593
Teletrans SA	253	234

**18. OTHER OPERATING EXPENSES**

	<u>30 june 2025</u>	<u>30 june 2024</u>
Other expenses with services provided by third parties	78,222	67,766
Postal and telecommunication expenses	602	620
Expenses on rents	4,055	3,511
(Revenues)/ Expense net for impairment adjustments for current assets	1,578	365
Other expenses	678	15,496
<b>Total</b>	<b>85,134</b>	<b>87,759</b>

In the first semester of 2025, these expenses recorded a decrease in the amount of 2,625 compared to the first semester of 2024, mainly due to the variation of some expense items, as follows:

- Decrease in certain expense items such as: commodity expense, administrative energy consumption expense, travel expense, staff training expense, etc.;
- decrease in expenses relating to the FVOVs paid on the basis of enforceable court judgments issued (performance bonus related to the FVOV Certificates granted to former executive and non-executive members and not valorized, remuneration under the mandate contracts concluded between 2013 and 2017) and expenses paid on the basis of enforceable court judgments issued to former executive and non-executive members who were dismissed, representing compensation provided for in the mandate contracts concluded in 2020, for the period 2020-2024;
- in the context of the increase in expenditure on taxes, duties and similar payments, through the introduction in 2025 of the construction tax, in accordance with the provisions of GEO no. 156/2024 on some fiscal-budgetary measures in the field of public expenditure for the consolidated budget for the year 2025, for amending and supplementing some normative acts, as well as for the extension of some deadlines, as well as the increase in other expenditure items, such as: expenditure on civil protection and security, expenditure on Teletrans maintenance, expenditure on the implementation of pan-European codes, expenditure on royalties, expenditure on insurance premiums, etc.;

The accompanying notes are an integral part of these consolidated financial statements.

- recognizing the investment project "Connection to the ETG of CEE 136MW Platonești by building a 110kV Gura Ialomiței 110kV cell" on the Company's operating costs, under other tax-deductible operating expenses, concomitant with the recording of an operating income related to the subsidy, respectively the recording in the accounting records of the Bucharest Branch, as an entry of the 110kV cell as stocks, under other operating income;
- the recording of some operating expenses with losses on receivables (REGIA AUTONOMĂ PENTRU ACTIVITĂȚI NUCLEARE SA), of some adjustments for impairment of receivables (RESTART ENERGY TRADING SRL, JOINT ALLOCATION OFFICE SA, OPCOM SA etc.) and of adjustments for inventory depreciation, as well as the reversal to income of some adjustments for impairment of current assets (MENAROM PEC SA, BALKANS POWER CORE SRL), respectively of adjustments for inventory depreciation, etc.

## 19. NET FINANCIAL RESULT

	30 june 2025	30 june 2024
Interest revenues	6,928	3,634
Revenues from exchange rate differences	26,030	1,744
Other financial revenues	22,173	14,693
<b>Total financial revenues</b>	<b>55,131</b>	<b>20,072</b>
Interest expenses	(1,831)	(1,744)
Expenses from exchange rate differences	(29,092)	(2,248)
Other financial expenses	173	(206)
<b>Total financial expenses</b>	<b>(30,751)</b>	<b>(4,198)</b>
<b>Share of profit/(loss) of equity investments</b>	<b>(145)</b>	-
<b>Net financial result</b>	<b>24,235</b>	<b>15,874</b>

As of June 30, 2025, the Group recorded a net financial result (profit) in the amount of 24,235, mainly influenced by the dividends received from the subsidiary OPCOM SA in the amount of 22,108, as well as by the increase in interest income received during the period under review.

Compared to the first half of 2024, the level of income and expenses from exchange rate differences realized in the first half of 2025 was mainly influenced by the volume of transactions related to the market coupling business segment in conjunction with the evolution of the exchange rates of the national currency against the euro.

As at June 30, 2025, in the total amount of 1.831 (interest expense), the amount of 362 represents the interest calculated on fixed assets related to the rights of use of leased assets - buildings, in accordance with IFRS 16 - Leases.

**Share of profit/(loss) from investments** represents the share of the result related to the jointly controlled entity GECO Power Company. As of June 30, GECO recorded a loss, the Company's share of this loss thus representing an expense of 145.

The exchange rate of the national currency recorded at June 30, 2025 compared to that recorded at June 30, 2024, is as follows:

Currency	30 june 2025	30 june 2024
Lei / Euro	5.0777	4.9771

## 20. COMMITMENTS AND CONTINGENCIES

### ➤ *Ongoing litigation*

Management periodically reviews the situation of ongoing litigation and, in consultation with its legal representatives, decides on the need to create/cancel provisions for the amounts involved or to disclose them in the financial statements.

The accompanying notes are an integral part of these consolidated financial statements.

Based on existing information, the Group's management believes that it believes that there are no significant pending litigations in which the Company is a defendant, except for the following:

- **AUTONOMOUS REGIE FOR NUCLEAR ACTIVITIES (RAAN)**

In case no. **9089/101/2013**, on 19.09.2013, the Mehedinți Court ordered the opening of general insolvency proceedings against RAAN.

On 09.03.2015, the Mehedinți Court confirmed the reorganisation plan of the debtor Regia Autonomă Pentru Activități Nucleare proposed by the insolvency administrator Tudor&Asociatii SPRL and voted by the General Meeting of Creditors according to the minutes of 28.02.2014.

On 14.06.2016, bankruptcy proceedings were ordered against RAAN.

NPG CO. Transelectrica SA filed an objection to the supplementary table of claims, which was the subject of file no. 9089/101/2013/a152 against the debtor RAAN, as the judicial liquidator did not enter a claim in the amount of 78,096,209 RON on the grounds that "it does not appear as being due in RAAN's accounting records." Moreover, the judicial liquidator considered that the request to enter the amount of 78,096,209 RON in the table was submitted late, as it related to the period 2011 - 2013, which is why the statement of claim should have been submitted at the time of the opening of the insolvency proceedings, namely on 18 September 2013. Within the legal time limit, an appeal to the Supplementary Table of Claims was filed, the Mehedinți Tribunal accepting the evidence of the accountant's expert's report. By Judgment 163/20.06.2019, the solution of the Mehedinți Tribunal is: The plea of forfeiture is allowed. The main action and the related appeal are allowed in part. Orders the defendant to pay to the claimant the amount of 16,950,117.14 RON, a claim arising in the course of the proceedings, ordering its entry in the table of creditors established against the debtor RAAN with this amount. Dismisses the remainder of the related claims. Under Article 453 para. 2 C. pr. civ. orders the defendant to pay the applicant 1,000 RON costs. Subject to appeal. Delivered in open court. Document Decision 163/20.06.2019. Transelectrica appealed within the legal deadline. At the trial date of 06.11.2019, the Craiova Court of Appeal dismissed Transelectrica's appeal as unfounded. Final decision. Decision 846/06.11.2019.

In the bankruptcy case of RAAN registered under No 9089/101/2013, CNTEE Transelectrica SA was entered in the creditor's estate with the following claims: 2,162,138.86 RON + 16,951,117.14 RON.

Date to continue the procedure for the collection of claims, the realisation of assets and the performance of other liquidation operations: 03.10.2024.

At 03.10.2024, the court grants a deadline of 23.01.2025, and at this deadline of 23.01.2025 a new deadline of 26.03.2025 is granted for the continuation of the procedure, respectively for the collection of claims, the realization of assets, as well as for the performance of other liquidation operations. At the deadline of 26.03.2025, it postpones the case to 11.06.2025, for the continuation of the bankruptcy procedure, respectively for the collection of claims, the realization of assets, as well as for the performance of other liquidation operations. At 11.06.2025, it postpones the case to **17.09.2025**, for the continuation of the bankruptcy procedure, respectively for the collection of claims, the realization of assets, as well as for the performance of other liquidation operations.

RAAN and Transelectrica are also involved in 2 other cases at various stages of judgement, as follows:

File no. **28460/3/2017** - Subject of the file: obliging the underwriter to pay the total amount of 12,346,063 lei. CAB decision 09/27/2021: Suspends the judgment of the appeal until the final settlement of files no. 28458/3/2017, no. 26024/3/2015. The decision of 23.05.2022: Rejects as unfounded the request to reinstate the pending case. Keeps the judgment of the appeal suspended. At the deadline of 20.05.2024, the appeal was admitted, the appealed sentence was changed in the sense that: the summons request was admitted. It obliges the defendant to pay the plaintiff the sum of 12,346,063.10 lei, representing the principal debt and penalties, with the right of appeal. Decision 806/20.05.2024. Transelectrica filed an appeal, without time limit.

File no. **3694/3/2016** - Claims 15,698,721.88 lei. Court term on 08.11.2021: the case has been suspended until the final settlement of Files no. 26024/3/2015 and no. 28458/3/2017. Decision 06/03/2024: the appeal was accepted, the appealed sentence was changed in its entirety, in the sense that: the summons request was accepted. The defendant was obliged to pay the plaintiff the sum of 12,727,101.99 lei, representing the bonus value and regularization of the ante-overcompensation for which SRTF series invoices were issued, as well as the sum of 2,917,619.81 lei, representing the related delay penalties the main debit, for which SRTF series invoices were issued, with the right of appeal. Decision 898/03.06.2024. Transelectrica has filed an appeal which is in the filter procedure phase, trial date: **16.10.2025**.

- **COURT OF AUDITORS**

Following an audit carried out in 2017, the Court of Auditors ordered certain measures to be implemented by the Company as a result of certain deficiencies found during this audit. The Company lodged several appeals against the measures ordered by the Court of Auditors of Romania (CoA) by Decision no. 8/27.06.2017, requesting their cancellation, as well as against the Decision no. 77/03.08.2017, registered at the Company's registry under no. 29117/08.08.2017, respectively the Audit Report no. 19211/26.05.2017. The appeals were filed before the Bucharest Court of Appeal, among which case no. 6581/2/2017 concerning the annulment of the findings in paragraph 6 and the measure ordered in paragraph II.9, at the trial term of 31.03.2023: According to the minutes of 29.03.2023, case no. 6581/2/2017 was filed in the 12th Panel of first instance of the Eighth Administrative and Tax Litigation Department under no. 6581/2/2017\*. The solution in brief: In order to give the parties the opportunity to submit written submissions and to deliberate, the Court adjourns the hearing to the following deadlines 31.03.2023, 13.04.2023, 28.04.2023, 12.05.2023.

At the hearing on 26 May 2023, the application was granted. Partial annulment of Decision No 77/03.08.2017, as regards the rejection of point 6 of Appeal No 26140/17.07.2017, Decision No 8/27.06.2017 as regards the findings in point 6 and the measure ordered in point 11.9, and Control Report No 19211/26.05.2017 as regards the findings in point 3.2. Orders the defendant to pay to the applicant the costs totalling 10,450 RON, representing the court stamp duty and the fees of the court expert. With appeal within 15 days of notification. Decision 920/26.05.2023.

Transelectrica's appeal dismissed as unfounded on January 23, 2025. Final decision no.288/2025.

- The subject of the case file **2153/2/2021** is the annulment of the administrative act issued as a result of the control carried out by the CCR between January and July 2020, which ordered 10 measures to be implemented by the Company contained in Decision No 15/2020.

At the hearing on 10.12.2021 the CAB dismisses the Company's application to intervene. Transelectrica's appeal was dismissed as unfounded on 07.03.2024. Final judgement no.1319/2024.

- **OPCOM**

Case no. **22567/3/2019** - Subject of the case: common law claims.

To order the defendant OPCOM SA to pay the amount of 4,517,460 RON, related to the invoice series TEL 16 AAA no. 19533/29.07.2016, representing the VAT amount, related to the contribution brought by NPG Transelectrica SA to the share capital of OPCOM SA, issued under the Loan Agreement no. 7181RO/2003, commitment for the financing of the investment project "Electricity Market Project".

Ordering the defendant OPCOM SA to pay the amount of 1,293,778.27 RON related to the invoices TEL 19 T00 nr.17/28.01.2019 and TEL 19 T00 nr. 131/10.07.2019, representing the legal penalty interest, calculated for the non-payment on time of the invoice TEL 16 AAA series no. 19533/29.07.2016.

Suspends the hearing of the case until the final resolution of case 31001/3/2017, regarding the action for annulment of the Opcm AGM decision (in which Transelectrica is not a party and in which on 01.02.2021 the appeals were dismissed, the decision being final).

The TMB's solution Admits the challenge of limitation. Dismisses the action as time-barred. Subject to appeal within 30 days from the date of communication, to be lodged with the Bucharest Tribunal, 6th Civil Department. Delivered by delivery of the judgment to the parties through the court registry. Document: Decision 3021/03.12.2021. So far the judgement in this case has not been drafted. After the drafting and communication of the Civil Judgement no. 3021/ 03.12.2021, the Company may appeal against this judgement. Transelectrica has appealed.

CAB solution according to Decision No 1532/12.10.2022: Dismisses the appeal as unfounded. Orders the appellant to pay the respondent the sum of 11,325.21 RON by way of costs. With appeal within 30 days of notification. Transelectrica filed an appeal against the civil decision no.1532/12.10.2022 issued by the CAB. . On 19.09.2023 at the ICCJ the appeal was admitted, the decision 1532/12.10.2022 was quashed and the case was sent for retrial to the same court. Definitive. Decision 1640/19.09.2023.

Case no. 24242/3/2021 - Bucharest Tribunal - Civil Department VI - Subject matter: The plaintiff OPCOM seeks a declaration of nullity of the act - contribution in kind.

On 07.11.2023 The TMB's solution in brief: the plea of inadmissibility was qualified as a substantive defence. The application was dismissed as unfounded. With right to appeal, within 30 days of communication to the parties, Decision 2600/07.11.2023.

New case **22567/3/2019\*** the case was remitted for retrial. At the term of February 18, 2025, the appeal was dismissed as unfounded. The appellant-plaintiff was ordered to pay the respondent-defendant the sum of 28,777.79 lei by way of costs. With the right to appeal within 30 days of communication. Decision 235/18.02.2025.

Case file no. **24242/3/2021** - Bucharest Tribunal - Civil Section VI - Object of the case: the plaintiff OPCOM requests the nullity of the act - contribution in kind.

On 07.11.2023 The TMB's solution in brief: the plea of inadmissibility was qualified as a substantive defense. The claim was dismissed as unfounded. With the right to appeal within 30 days of communication to the parties, Decision 2600/07.11.2023.

OPCOM appealed. At the hearing on March 13, 2025, the appeal was dismissed as unfounded and the plaintiff was ordered to pay to the State the amount of 179,550.57 lei representing the court stamp duty. With appeal within 30 days of communication. Decision 423/13.03.2025.

File no. **44380/3/2024** - Bucharest Tribunal - Object of the case: claims and conclusion of an additional act for the amount of 2,914, value of services for calculating collection rights and payment obligations of transactions carried out by PRE and PPE plus legal interest. Deadline: **30.09.2025**

• **CONAID COMPANY SRL**

In 2013 Conaid Company SRL sued CNTEE for its unjustified refusal to sign an addendum to the connection contract or a new connection contract and requested compensations for the expenses incurred up to that date amounting to 17,419,508 Lei and for unrealised profits in 2013-2033 amounting to 722,76 mil EUR. To date the Company has not concluded an addendum to the connection contract because the suspensive terms included in the contract were not complied with by Conaid Company SRL. A new connection contract should have been concluded by 11 March 2014, expiry date of the technical connection endorsement. File 5302/2/2013 was found on the docket of the High Court of Cassation and Justice, Section of Administrative and Fiscal Disputes, and pertained to an obligation to issue an administrative deed; law court stage – appeal and hearing term on 09.12.2015. On this term the High Court of Cassation and Justice admitted in principle the appeals and set a hearing term of such appeals, for the main issue, on 08 April 2016. Panel 4 was entrusted to summon the parties.

Case judgement was deferred to 17.06.2016, when the court postponed pronouncement to 29.06.2016, when it pronounced Ruling 2148/2016 whereby it decided as follows: "It denies the exceptions invoked by the recurrent-Plaintiff SC Conaid Company SRL by means of the judiciary administrator RVA Insolvency Specialists SPRL and by the recurrent-defendant the National Power Grid Company Transelectrica SA. It admits the appeal filed by the defendant National Power Grid Company Transelectrica SA against the hearing conclusion of 18 February 2014 and civil ruling 1866 of 11 June 2014 pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes. It cancels the contested conclusion and partly the ruling and refers the case to Bucharest Tribunal, Section VI Civil to settle the Plaintiff's case in contradiction with the National Power Grid Company Transelectrica SA. It maintains the other ruling provisions as regards the Plaintiff's suit against the National Regulatory Authority in the Energy domain. It denies the appeals filed by Plaintiff SC Conaid Company SRL by means of the judiciary administrator RVA Insolvency Specialists SPRL and by the intervenient SC Duro Felguera SA against civil ruling 1866 of 11 June 2014, pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes. It denies the appeal filed by the defendant National Power Grid Company Transelectrica SA against the hearing conclusion of 25 March 2014, pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes; final". It was pronounced at public hearing on 29 June 2016.

The file was registered under no. 12107/3/2017 on the docket of Bucharest Tribunal. The Tribunal's civil sentence 4364/23.11.2017 admitted the exception of inadmissibility and denied the request as inadmissible. It also denied the intervention request on the Plaintiff's behalf. Appeal right granted within 30 days from notification. The appeal was filed to the Appeal Court Bucharest, Section VI Civil and the court clerk office notified it on 23.11.2017.

On 02.11.2018 on the docket of Bucharest Tribunal, Section VI Civil new summons were filed by Conaid Company SRL under file 36755/3/2018, by which the Plaintiff requested the court to compel Transelectrica SA to "repair the prejudice caused to the Plaintiff as a result of the defendant's culpable non-execution of obligations in quantum of 17,216,093.43 Lei, consisting of actual damage incurred and unrealised benefit, provisionally estimated at 100 thousand Euro. Taking into account the unjustified refusal of Transelectrica SA to conclude and sign an addendum to Contract C154/27.04.2012, and in case the instance deem in formal terms the Plaintiff's obligation of suspensive terms cannot be

The accompanying notes are an integral part of these consolidated financial statements.

considered as fulfilled, such non-execution is owed to the exclusive guilt of Transelectrica SA, as the defendant prevented the compliance with the terms".

On the 15.10.2019 term it denied as groundless the exceptions of absence of active processual capacity and absence of interest. It joined the exception of prescription to the main issue; appeal right on the same date with the main issue. It was pronounced by placing the settlement to the parties' disposal by means of the court clerk.

It established the term on 26.11.2019 to continue investigating the case and summon the parties; appeal right on the same date with the main issue. It was pronounced by placing the settlement to the parties' disposal by means of the court clerk.

It was deferred in order to bring the expertise evidence and a new term was established on 21.01.2020.

On 21.01.2020 the case was deferred provide the expertise and the next term was established on 31.03.2020.

On the 31.03.2020 term the settlement in brief was: Lawfully suspended according to article 42 para 6 from the Decree 195/2020 of Romania's president instituting the emergency state on Romanian territory, during the entire emergency period.

After several deferrals, at the hearing of 03.01.2024 the TMB admits the exception of the limitation of the material right to action, invoked by the statement of defence. Dismisses the claim as time-barred. With appeal within 30 days from the communication. Decision 4/03.01.2024.

Conaid Company SRL filed an appeal set for 27.03.2025. At the date of 27.03.2025, the court admits the appeal. It annuls the appealed civil sentence and sends the case to the first instance, for resolution of the merits. With appeal within 30 days from notification.

#### • REȘIȚA MUNICIPALITY

File no. 2494/115/2018\* - file no. 2494/115/2018\*\*, registered with the Caras Severin Court of Caras Severin, has as its object the application for summons, by which the plaintiff Municipality of Resita requests that the defendant Transelectrica SA be ordered to pay the amount of 17,038,126.88 RON representing land rents for the years 2015, 2016, 2018, 2019, 2020, 2021, 2022 and 2023, plus legal penalty interest from the due date until actual payment.

Settlement in brief: It admitted the exception of territorial incompetence for Caras Severin Tribunal. It declined the settlement competence of the request filed by Plaintiff Resita City through the mayor in contradiction with defendant CNTEE Transelectrica SA in favour of Bucharest Tribunal. No appeal according to article 132 para 3 Civil Procedural Code. It was pronounced at public hearing on 11 March 2019.

On the hearing term of 25.10.2019 the exception is admitted of territorial incompetence of Bucharest Tribunal. It declined the settlement competence of this case in favour of Caras-Severin Tribunal. It ascertains the occurrence of a negative competence conflict between Bucharest Tribunal and Caras Severin Tribunal. It suspended the case and referred the file to the High Court of Cassation and Justice, in order to settle the negative competence conflict. No appeal was granted. Ruling 2376/25.10.2019.

On the 16.07.2020 term the High Court of Cassation and Justice issued ruling 1578 and established the case settlement competence in favour of Caras Severin Tribunal, Section I civil.

File 2494/115/2018\*\*. Hearing: 22.03.2021 at the Court of Caras Severin. Settlement: Suspends the judgment of the summons filed by Plaintiff Resita City through the Mayor in contradiction with the defendant National Power Grid Company Transelectrica SA pertaining to claims, according to article 413 para (1) pt. 1 Civil Procedural Code. Appeal granted during the entire judgment suspension, to the higher instance.

The case was suspended until the final decision in case no. 3154/115/2018\* of the Court of Caras Severin.

At the hearing on 19.01.2023, the summary judgment is as follows: Dismiss the plea of stamp duty exception of the request as the defendant does not have the necessary standing to rely on the method of determining the stamp duty. Dismiss the plea of untimeliness of the request to amend the summons. Adjourns the discussion of the plea of res judicata until the date on which the decision of the High Court of Cassation and Justice in Case No 3154/115/2018\*\* is delivered in full. Postpones the ruling on the requests for evidence consisting of the defendant's cross-examination and the expert's report. Adjourns

the case and sets term on 02.03.2023.

At the hearing on 02.03.2023, the short answer is as follows: suspends the proceedings on the claim for damages brought by the plaintiff Municipality of Reșița against the defendant National Power Transmission Company "Transelectrica" SA, concerning claims. With right of appeal for the duration of the stay of proceedings.

At the hearing of 22.02.2024, the court adjourns the case, in order to return the file no. 2494/115/2018\*\*, submitted for appeal to the Timisoara Court of Appeal, for when the parties have a term notice under art. 229 of the Civil Procedure Code, in the presence of their representatives.

At the term of 06.06.2024, the court rejects the request for postponement made by the plaintiff Municipiul Reșița, to adjourn the judgement of the case, due to the absence of the expert's report to 27.06.2024 for when the parties have a term in knowledge on the basis of art. 229 of the Civil Procedure Code, through authorised representatives.

At the term of 27.06.2024, the court orders the communication to the expert of a copy of the notes of the hearing, on pages 172-174, submitted by the defendant Compania Națională de Transport al Energiei Electrice "Transelectrica" SA. Orders the communication to the expert of a copy of the clarifications submitted by the plaintiff Municipiul Reșița following the request made by the expert. Adjourn the hearing of the case, due to the absence of the expert's report, to 19.09.2024, for when the parties have a term of hearing on the basis of art. 229 of the Code of Civil Procedure.

On 19.09.2024, the plaintiff's request for adjournment of the case was granted and a copy of the expert's report was ordered to be served on him. The discussion on the final fee for the expert's report was postponed until both parties had studied it. The hearing of the case was adjourned, due to the absence of the expert's report, to 10.10.2024, when the parties will have a term to be informed pursuant to art. 229 of the Code of Civil Procedure, through their representatives.

On 10.10.2024, the plaintiff and the defendant were ordered to pay the expert's fees of 1000 lei each, and an additional expert's report was ordered.

At the term of 12.12.2024, a new term of judgment was granted in order to study the supplementary expert's report and to formulate any objections by the parties' representatives.

At the term of 27.02.2025, the court rejects the plea of prescription of the right to bring the action regarding the claims consisting in the rent for 2015 and the plea of lateness of the filing of the amendments to the action, pleaded by the defendant Transelectrica S.A. It qualifies the plea of res judicata as a substantive defense relating to the positive effect of res judicata. Dismisses the claim brought by the defendant Municipality of Reșița against the defendant Transelectrica S.A. With a right of appeal within 30 days of communication. The Municipality of Reșița filed an appeal, without a set deadline.

• **ANAF**

In 2017 a general fiscal audit was completed that had started in Transelectrica SA on 14.12.2011, control targeting the interval December 2005 – December 2010.

The general fiscal audit began on 14.12.2011 and ended on 26.06.2017, date of the final discussion with Transelectrica SA.

When the audit has ended ANAF – DGAMC established additional fiscal obligations payable by the Company, namely income tax and VAT, as well as accessory fiscal liabilities (interest/delay indexations and penalties) with respect to technological system services (STS) invoiced by energy suppliers, considered non-deductible after the fiscal audit.

In accordance with the taxation decision F-MC 439/30.06.2017 in total sum of 99,013, ANAF – DGAMC established additional fiscal liabilities payable by the Company, amounting to 35,105, as well as accessory fiscal ones (interest/delay indexations and penalties), amounting to 63,908.

ANAF's Tax inspection report mainly records the following additional payment liabilities: corporate tax amounting to 13,727 plus accessories, owed for a number of 123 unused invoices identified as missing (they were destroyed in the fire that broke out the night of 26-27 June 2009, at the business office in the Millennium Business Centre from 2-4, Armand Calinescu Street, Bucharest 2, where the company carried out its activity), documents under special regime.

These invoices were subject to a dispute with ANAF, the latter sending a tax inspection report on 20

September 2011 which estimated the amount of collected VAT for a number of 123 unused invoices identified as missing.

The Company filed contestation against Taxation Decision F-MC 439/30.06.2017 within the legal term according to OG 92/2003 on the Civil Procedural Code.

ANAF issued the enforcement title 13540/22.08.2017 based on which the additional payment liabilities were executed as established under the Taxation Decision F-MC 439/30.06.2017.

The Company requested cancellation of the enforcement title 13540/22.08.2017 from the Appeal Court, under file 7141/2/2017. Settlement in brief: it admitted the exception of material incompetence of the Appeal Court Bucharest, SCAF. It declined the material competence of case settlement in favour of Law Court of Bucharest 1; no appeal granted. It was pronounced at public hearing on 08.02.2018. Document: Ruling 478/2018 of 08.02.2018.

After such declination of competence file 8993/299/2018 was registered on the docket of Law Court of Bucharest 1 whereby the Company contested the enforcement performed according to the enforcement title 13540/22.08.2017, based on the Taxation Decision F-MC 439/30.06.2017.

After the Company's contestation of the fiscal administrative deed Decision F-MC 439/30.06.2017 ANAF notified the Company Decision 122/13.03.2018 whereby it rejected as groundless the contestation filed by CNTEE Transelectrica SA, such decision being received on 16.03.2018, after submitting the summons under file 1802/2/2018.

Settlement in brief: It admitted the judgment suspension request filed by the contest. In accordance with article 413 para (1) pt. 1 of the Civil Procedural Code it suspended judgment until final settlement of file 1802/2/2018, on the docket of the Appeal Court Bucharest, Section VIII Administrative and Fiscal Disputes. Appeal right was granted during the entire suspension; appeal to be submitted to the Law Court Bucharest 1. Document: Conclusion - Suspension 17.04.2018.

The hearing of the case was resumed and on the term of 10.10.2024, for the communication of the documents submitted on file by the appellant to the respondent, the hearing of the case was adjourned to the terms of 21.11.2024 and after at 06.03.2025. On 06.03.2025, the court postponed the ruling of the case to 17.04.2025. At the deadline of 17.04.2025, the court postponed the case to 19.06.2025 due to the lack of an expert report. At 19.06.2025, the court adjourned the case to **02.10.2025**.

*The Company is involved in litigation against SMART Subsidiary as follows:*

- **Case no.51633/299/2021 - Bucharest Tribunal**

**Subject matter:**

SMART SA requested that Transelectrica be ordered to pay the amount of 118 + VAT, representing "expenses for assistance services incurred on the Company's account as well as the payment of unrealized benefits (legal interest).

**Status of the case:**

Judgment of the District Court Sector 3 Bucharest: Dismisses the application as unfounded. With the right to appeal within 30 days of communication. Document: Decision 6134/21.06.2022.

On 02.11.2022 SMART SA filed an appeal against the civil judgment no.6134/21.06.2022 pronounced by the Sector 3 Bucharest District Court. The case was registered with the Bucharest Tribunal.

At the term of 11.09.2024, SMART's appeal was dismissed as unfounded. SMART appealed.

- **Case no.15561/3/2022 - Bucharest Tribunal**

**Subject matter:**

SMART SA has requested to order Transelectrica to pay the amount of 4.467.108 lei related to the execution of an administrative contract.

**Status of the case:**

At 20.03.2025, the court admits the request for summons. It obliges the defendant to pay the plaintiff the amount of 4,467,108.18 lei as well as the payment of the legal penalty interest on the amount of 3,193,869 from 21.12.2021 until the date of actual payment. It obliges the defendant to pay the plaintiff legal costs consisting of the amount of 51,378.78 lei as stamp duty and the amount of 3,000 lei as expert fees. With the right to appeal within 30 days from notification.

➤ **OTHERS**

The Group is involved in significant litigation, in particular for debt recovery (e.g.: Total Electric Oltenia SA, Autonomous Nuclear Activities Authority, Energy Holding SRL, UGM Energy Trading SRL, CET Bacău, CET Govora, Nuclearelectrica, CET Brașov, Elsaco Energy SRL, Arelco Power SRL, Opcom, Menarom PEC SA Galați, Romelectro SA, Transenergo Com SA, ENNET GRUP SRL, PET Communication, ISPE, Grand Voltage SRL, EXPLOCOM GK SRL, Romelectro SA, Next Energy Partners, SC ENOL GRUP SA, Aderro GP Energy and others).

The Group recognized impairment adjustments for customer and other receivables in dispute and for customers in bankruptcy.

The Company is also involved in litigation with former members of the Directorate and the Supervisory Board in respect of the contracts of mandate entered into between the Company and them. The Company has made a provision for these disputes.

➤ **Contingencies**

At March 31, 2025, **contingent liabilities** totaled 55.524. These relate to disputes involving claims for additional costs incurred as a result of the increase in the minimum construction wage for investment contracts, of which we list the most significant:

- Case no. 25896/3/2020 - plaintiff Electromontaj Bucharest (37.034)

The case concerns claims for additional costs related to the increase of the minimum wage in the construction sector for the investment contract C229/2015 - Transition to 400 kV voltage of the axis Portile de Fier - Reșița - Timisoara - Sacalaz - Arad /Overhead Power Line 400 kV Portile de Fier (Anina) - Reșița.

Judgement date: 25.08.2022 - Expert report submission.

At the hearing on 25.08.2022, judgement was adjourned until 13.09.2022. On 13.09.2022, the TMB rejects the objections to the expert's report in the accounting speciality formulated by the defendant as unfounded. Admits the objections to the expert's report specialising in accountancy submitted by the applicant. The expert Cojocaru Mihaela Cojocaru will be addressed to respond to the objections and to submit her reply to the file. With appeal on the merits.

In the absence of the expert's report, the case is adjourned for the submission of the expert's report.

At the hearing on 16.05.2023, the court adjourned the case to 12.09.2023 to file a response to the expert's objections.

At the hearing on 12.09.2023, the court adjourned the case to 26.09.2023 and set a date for hearing on 07.11.2023. After several adjournments, at the date of 18.01.2024, the TMB dismissed the action as unfounded. Subject to appeal within 10 days of notification.

Electromontaj SA lodged an appeal and set a term for 13.09.2024.

At the term of September 13, 2024, 2024, grants the appellant-claimant a term of November 8, 2024, to pay the difference in the court stamp duty assessed against the appellant-claimant. Forwards the case file to the panel competent according to law to deal with the appellant-claimant's request for recusal of the 11th Appellate Panel, pursuant to Article 50(1) of the Code of Civil Procedure.

On 06.12.2024, the Court of Appeals dismisses the appeal as unfounded, dismisses the Appellant-Claimant's motion for costs on appeal as unfounded, final.

The ICCJ ordered the transfer of the case to the CA Craiova and the annulment of the CAB decision.

- Case No 30801/3/2021 - Complainant Romelectro (2.271)

The file concerns claims for additional costs related to the increase of the minimum wage in the construction sector for the investment contract C145/2018 - Refurbishment of the 110 kV Medgidia Sud substation.

At the meeting of 20.04.2022, the TMB solution is: "Consent to the evidence of expert accountancy with the following objectives:

- the expert to determine whether Romelectro fulfils the condition laid down in Article 66 of GEO 114/2018, i.e. whether 80% of Romelectro's turnover is realised from construction works, both in the year

preceding the reference period (2018) and in the reference period (2019);

- the expert to calculate the cost difference generated by the increase in the salaries of the human resources actually employed by Romelectro in the realisation of the works related to Contract No C145/2018, during the reference period and the first two months prior to the reference period, respectively:

- a) Specify for each employee (human resource actually employed) whether his/her gross salary was below 3 RON/month or higher in November and December 2018;
- b) When the HR salary was increased to 3 RON/month;
- c) What is the difference between the previous salary and the salary imposed by GEO no. 114/2018;
- d) Whether between 01.11.2018 - 31.12.2018, Romelectro reduced the salaries of the human resources employed;
- e) Specify the actual cumulative cost difference in the actual aggregate cost difference in the salary of the human resources utilised by Romelectro in the actual performance of the works covered by Contract No C145/2018, for the reference period.

- the expert to determine, on the basis of the analytical estimates, the percentage, i.e. the amount by which Transelectrica has to adjust the price of Contract no. C145/2018 for the labour related to the works remaining to be executed on 01.01.2019, as a result of the legislative amendments introduced by GEO no. 114/2018 in the sense of increasing the minimum wage in the construction sector to the amount of 3000 RON/month;

- the expert to determine the days/months of delay in the execution of the works related to Works Contract No C145/2018 as a result of the financing problems encountered by Romelectro S.A. due to Transelectrica's refusal to pay the price at the adjusted value, respectively how the execution schedule was influenced by Transelectrica's failure to adjust the Contract price following the legislative changes introduced by GEO 114/2018 in the sense of increasing the minimum wage in the construction sector to the amount of 3 RON/month.

Sets a date of 29 April 2022, at 9:00 a.m., for hearing the parties. At the term of 29 April 2022, the case is adjourned for the taking of evidence and adjourned to 14.10.2022.

After several adjournments of the trial of the case, at the term of 12.01.2024, the summary solution is: grants a term on 08.03.2024 to take cognisance of the content of the expert's report.

After several adjournments, at the deadline of 27.05.2024, the solution in brief: Dismisses the request of the defendant Transelectrica for the expert's report to be supplemented as unfounded. Admit the request for a new expert's report submitted by the plaintiff ROMELECTRO S.A. Instructs the expert to redo the expert's report. Instructs the expert to take into account all the documents provided by the parties, including the subcontracting agreements, when drawing up the new expert report. Sets the deadline for the submission of the expert's report on 18 October 2024, for when the parties will be summoned. Instructs the expert to submit the expert's report at least 10 days before the deadline of October 18, 2024.

At the term of October 18, 2024, the case is adjourned to 10.01.2025 for lack of expert's report. At the term of 10.01.2025, the court sets a term for the communication of the expert's report on 04.04.2025.

At the deadline of 04.04.2025, the court adjourned the case to **16.05.2025** to take note of the objections raised to the expert report. After several postponements, on the date of 11.07.2025 the court postpones the ruling in the case to 25.07.2025.

On the date of 25.07.2025, TMB rejects the request for clarification and completion, as unfounded. Sets a trial date, for when the parties will be summoned, on 17.10.2025. Appeal together with the merits.

- Case no. 8193/3/2022 - complainant Tempos Sev (2.437)

The file concerns claims representing claims - GEO 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hăşdat station.

The case is adjourned until 10 June 2022, and adjourned until 14.10.2022.

At the hearing on 14.10.2022, the judgement was adjourned to 21.10.2022. Solution: "Pursuant to Article 258 and Article 255 of the Civil Procedure Code, it authorises for both parties the production of documentary evidence and for the defendant it also authorises the production of evidence of the

applicant's cross-examination and of the accountant's expert's report. The Court orders that the accountant's expert's report shall have the objectives indicated by the defendant in its statement of defence, to which shall be added the additional objectives indicated by the defendant in the Note of Evidence filed at the hearing on 14 October 2022, as well as the objectives indicated by the plaintiff in the Notes of the hearing filed at the same hearing. Orders the applicant to file the documents requested by the defendant in the Note of 14 October 2022. The applicant is requested to file the reply to the interrogatory which was communicated with the statement of defence, under the signature of the legal representative, under penalty of application of the provisions of Article 358 of the Civil Procedure Code. Delivered today, 21.10.2022, by delivery of the judgment to the parties by the court registry." Judgment date 05.05.2023.

At the hearing on 05.05.2023, the case is adjourned and a date is set for 15.09.2023 for the taking of expert evidence.

After several adjournments, at the deadline of 14.06.2024, the solution in brief: In the absence of the expert's report, the case is adjourned to 18.10.2024.

At the term of October 18, 2024, adjourned the case to 13.12.2024 for lack of expert's report. At the term of 13.12.2024, the court adjourned the case to 21.03.2025 for the drawing up of the expert's report on the basis of the documents before it. At the deadline of 21.03.2025, the case is postponed and a deadline of **13.06.2025** is granted for the preparation of the expert report. At 13.06.2025, the case is postponed and a deadline of 03.10.2025 is granted to formulate a response to the objections.

- *Case No 8442/3/2022 - Complainant Tempos Sev (1.429)*

The file concerns claims representing claims - GEO no. 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hășdat station.

At the term of 16.09.2022, the plea of joinder is allowed. Refers the case back to the panel first responsible for dealing with case no. 8193/3/2022, namely the 12th Merits panel, with a view to joining case no. 8442/3/2022 to case no. 8193/3/2022. Appealed together with the merits. Pronounced today, 16.09.2022, by the court registry, which made the judgment available to the parties. Document: Final judgment (divestiture) 16.09.2022.

Following the joinder of case no. 8442/3/2022 to case no. 8193/3/2022, presented above, the issues at issue will be examined in the first case (8193/3/2022).

- *Case nr. 8440/3/2022 - complainant Tempos Sev (2.437)*

The file concerns claims representing claims - OUG 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hășdat station.

At the hearing of 13.09.2022, the case was adjourned to 08.11.2022, in order to administer the evidence.

At the hearing on 08.11.2022, the case is adjourned

The case was put back on the docket and a term of 12.09.2023 was granted.

At the term of 12.09.2023, the brief solution : In order to give the defendant the opportunity to take cognizance of the pleadings filed, the case is adjourned to 07.11.2023.

After several adjournments, at the term of 11.06.2024, the short solution: For the taking of the evidence of the expert construction, adjourn the case to 10.12.2024

Due to the absence of the expert's report, the court adjourns the case to **02.09.2025**.

- *Case 4478/118/2024 - complainant Pet Communication (3.093)*

The case concerns the non-existence of the right of the defendant NPG CO. Transelectrica SA to invoice penalties for exceeding the execution time for the main stages 2 and 3 of the contract no. C45/23.02.02.2021.

At the term of 08.08.2024, in order to administer the proposed evidence, adjourned the case to 07.11.2024.

After several adjournments, due to the absence of the expert's report, the trial is set for 03.04.2025.

Due to the lack of an expert report, the court postpones the trial of the case to 05.06.2025. Due to the lack of an expert report, the court postpones the trial of the case to **04.09.2025**.

- Case no. 6580/117/2024 - plaintiff *Electrogrup SA from Cluj* (2.760)

The case concerns the execution of a procurement contract, namely:

1. To oblige Transelectrica to conclude an addendum to the Works Contract no. C5 of May 19, 2021, having as object the extension of the contractual duration with the days of delay resulting from the execution of the contract that are not the Executor's fault, provisionally estimated at 616 days;
2. Order Transelectrica to reimburse the amounts paid by way of penalties on the basis of Invoices No. 114 of March 29, 2024 (paid by Payment Order No. 13065/25.06.2024) and No. 296 of June 25, 2024 (paid by Payment Order No. 15424/23.07.2024) issued by the defendant, in the total amount of 2.164 as undue payment, plus the legal interest due from the date of their payment until the date of restitution, (i) primarily, as a result of the defendant being obliged to conclude an additional act to the Works Contract no. C5 of May 19, 2021, having as its object the extension of the contractual duration by the days of delay resulting from the execution of the contract which are not the fault of the Performer and (ii) in the alternative, as a result of the finding that the days of delay imputed by Transelectrica are not the fault of the Performer;
3. Obliging Transelectrica to pay damages, representing the damage suffered by the plaintiff due to the delays, provisionally estimated at 596.

At the term of 14.02.2025, the court adjourned the case until 14.03.2025. The court adjourns the case to 23.05.2025, in order for the defendant to file a procedural position/response.

At 23.05.2025, the court adjourns the case to 20.06.2025, so that the appointed expert can respond to the court's address regarding his competence in conducting the expertise. At 20.06.2025, the court adjourns the case to **21.11.2025**, for conducting the expertise.

All amounts in cases involving claims for additional costs claimed by the claimants and covered by works contracts will be reflected in the value of the investments, if they are settled in court and invoiced by the respective partners, except for court costs and penalties set by the court.

- *Audit by the Court of Auditors of Romania*

As of September 04, 2023, the Court of Auditors of Romania, through Department IV carried out a compliance audit at NPG CO. Transelectrica SA. The scope of the audit was:

a) contracting and procurement;

b) salaries and other rights granted to the Company's personnel.

The subject of the compliance audit is "the situation, evolution and management of public and private state assets, as well as the legality of the realization of revenues and expenditure for the period 2020-2022" at NPG CO. Transelectrica SA.

Following the completion of the audit mission, Department IV of the Court of Auditors of Romania issued the Compliance Audit Report of NPG CO. Transelectrica SA no. 6000/23.01.2025 and the Letter to the management no. 60001/23.01.2025, which established a number of 17 findings with a deadline for implementation April 30, 2025.

The Company's management has ordered the analysis and expansion of the verifications of those found by Management Letter no. 60001/23.01.2025 and their implementation. To date, out of the 17 recommendations, 6 have been implemented and 11 are in the process of implementation/realization

- *Teletrans - Audit by the Court of Auditors of Romania*

Starting with March 24, 2025, the Romanian Court of Accounts carried out an audit within the Teletrans to verify the implementation of the measures ordered by Decision 7/22.06.2020 according to Law no. 94/1992. The control is ongoing.

## **SMART**

ANAF carried out an inspection within the SMART Branch to verify the commercial relationship with the company Express Oil Pick-up SRL, completed with the issuance of report no. 60335/24.04.2025 registered at the Branch headquarters under no. 2793/25.04.2025.

## **21. AFFILIATED PARTIES**

### *i) Părți Related parties – transactions with Subsidiaries owned by the Company*

The accompanying notes are an integral part of these consolidated financial statements.

As of June 30, 2025 and December 31, 2024, the balances with the subsidiaries owned by the Company are detailed as follows:

Affiliated entity	Trade receivables		Trade liabilities	
	30 june 2025	31 december 2024	30 june 2025	31 december 2024
FORMENERG SA	-	-	-	-
OPCOM SA	88,540	634,691	98,760	644,297
<b>TOTAL</b>	<b>88,540</b>	<b>634,691</b>	<b>98,760</b>	<b>644,297</b>

The transactions carried out in H1 2025 and H1 2024 with its subsidiaries are detailed as follows:

Affiliated entity	Sales		Procurements	
	30 june 2025	30 june 2024	30 june 2025	30 june 2024
FORMENERG SA	-	-	-	-
OPCOM SA	1,009,433	734,626	1,056,866	1,090,556
<b>TOTAL</b>	<b>1,009,433</b>	<b>734,626</b>	<b>1,056,866</b>	<b>1,090,556</b>

#### **ii) Related parties – transactions with other state-owned companies**

The Company is an entity with majority state capital, and the Company's activities are regulated by ANRE. In accordance with the Concession Agreement, an annual royalty is paid, calculated as 4/1000 of the value of gross revenues generated from electricity transport and transit operations, through the national transmission systems, which are in the public ownership of the state (starting with November 12, 2020).

#### **iv) Affiliated parties – companies where Company holds participations**

Given that the energy sector is undergoing a process of transformation at the European level, focusing on the transition from a predominantly national model of evolution and development of the energy sector, to a model of integrated and coordinated development at the European level, ensuring a unified development at the continental level but also allowing for adaptation to national specifications while pursuing the legitimate interests of the European states.

In this context, the Company is affiliated to the following entities:

- **TSCNET**
- **JAO**

#### **TSCNET (TSCNET Services GmbH)**

It has been set up to serve Transmission System Operators (OTs) in the Central-East-West European region (CORE region) for the coordinated implementation of the European network codes.

Membership is achieved by participation in the shareholding of TSCNET through a share purchase transaction in the company. By Resolution No. 9 of the EGMS of 05 June 2018, the Company's affiliation to the CORE Region Security Coordination Centre, TSCNET, was approved by participating in the share capital with a contribution of EUR 470,500 (1 share - EUR 2,500).

#### **JAO (Joint Allocation Office)**

As of 2019, auctions for long-term capacity allocation are coordinated by the JAO, which has been designated as the Single Allocation Platform (SAP) Operator.

Transelectrica has been invited by JAO to become part of its shareholding.

By Resolution no.10 of the EGMS of 20 August 2018, the Company was approved to join the Joint Allocation Office (JAO) shareholding with a cash subscription in the amount of EUR 259,325 and 50 shares were allocated to it..

## **22. FINANCIAL INSTRUMENTS**

#### *Credit risk*

Credit risk is the risk that the Group incurs a financial loss as a result of the non-performance of contractual obligations by a customer or counterparty to a financial instrument. This risk arises mainly

The accompanying notes are an integral part of these consolidated financial statements.

from trade receivables and cash and cash equivalents.

The treatment of counterparty risk is based on the Group's internal and external success factors. The external success factors - which have an effect on reducing the risk systematically - are: the decentralisation of the energy sector in which production, transmission, distribution and supply are distinct activities and the interface for the customer is the supplier, the trading of electricity on the Romanian market in two market segments: the regulated market and the competitive market. Internal success factors in the treatment of counterparty risk include: diversification of the customer portfolio and diversification of the number of services offered on the electricity market.

Financial assets that may subject the Group to collection risk are mainly trade receivables and cash and cash equivalents. The Group has put in place a number of policies to ensure that the sale of services is realised to customers with adequate collection by including in the commercial contracts the obligation to provide financial guarantees. The amount of receivables, net of allowances for impairment, represents the maximum amount exposed to collection risk.

Maximum exposure to collection risk at the reporting date:

	Net value		Net value 31 december 2024
	30 june 2025		
<b>Financial assets</b>			
Net trade receivables		2,057,369	2,580,095
Net other receivables and down payments to suppliers		464,251	930,509
VAT to recover		184,593	272,236
Cash and cash equivalents		1,024,444	707,174
Other financial assets		-	-
<b>Total</b>	<b>3,730,658</b>		<b>4,490,014</b>

The due date of the receivables (net trade receivables) at the date of the statement of financial position is shown below:

	Gross value 30 june 2025	Adjustment of depreciation 30 june 2025	Gross value 31 december 2024	Adjustment of depreciation 31 december 2024
Not reached to maturity	1,970,798	598	2,491,830	27
Due date exceeded 1 – 30 days	(1,188)	-	2,219	-
Due date exceeded 31 – 90 days	949	-	492	-
Due date exceeded 90 – 180 days	153	-	78	-
Due date exceeded 180 – 270 days	2,003	-	(31)	-
Due date exceeded 270 – 365 days	(3,726)	-	(8)	-
More than a year	216,255	127,277	213,581	128,038
<b>Total</b>	<b>2,185,244</b>	<b>127,875</b>	<b>2,708,160</b>	<b>128,066</b>

The due date of other receivables (net other receivables, down payments to suppliers, VAT to recover) at the date of the statement of financial position is shown below:

	Gross value 30 june 2025	Adjustment of depreciation 30 june 2025	Gross value 31 december 2024	Adjustment of depreciation 31 december 2024
Not reached to maturity	585,082	326	1,180,385	331
Due date exceeded 1 – 30 days	18,029	-	1,197	-
Due date exceeded 31 – 90 days	14,662	-	4,784	-
Due date exceeded 90 – 180 days	12,492	-	424	342
Due date exceeded 180 – 270 days	100	30	1,154	911
Due date exceeded 270 – 365 days	1,425	348	849	413
More than a year	90,147	72,389	86,985	71,036
<b>Total</b>	<b>721,937</b>	<b>73,092</b>	<b>1,275,778</b>	<b>73,033</b>

The accompanying notes are an integral part of these consolidated financial statements.

The Group's policy is to recognise impairment adjustments for loss of value of 100% for customers in litigation, insolvency and bankruptcy and 100% of trade and other receivables not collected in a period of more than 180 days, excluding arrears generated by the support scheme. The Group also carries out an individual analysis of trade and other uncollected receivables.

The highest impairment adjustments at June 30, 2025, calculated for trade receivables and related penalties, were recorded for: JAO (30.627), CET Govora (24.645), Romelectro (24.468), Arelec Power (14.513), Total Electric Oltenia SA (14.186), Romenergy Industry (13.513), Elsaco Energy (9.276), OPCOM (9.143), RAAN (8.517), Next Energy Partners (8.395).

The Group has taken the following measures to recover the impairment-adjusted receivables: legal action, registration in the creditor's estate, etc.

The evolution of the **doubtful receivables impairment adjustments** is analysed as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Opening balance 1 january</b>	<b>128,066</b>	<b>130,158</b>
Recognition of adjustments for impairment	2,132	288
Reversal of adjustments for impairment	2,323	2,381
<b>Balance on the end of period</b>	<b>127,875</b>	<b>128,066</b>

Movements in **impairment adjustments for other doubtful receivables** are as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Opening balance 1 january</b>	<b>73,033</b>	<b>84,933</b>
Recognition of adjustments for impairment	366	7,431
Reversal of adjustments for impairment	306	19,331
<b>Balance on the end of period</b>	<b>73,092</b>	<b>73,033</b>

Financial assets that may subject the Group to collection risk are mainly trade receivables and cash and cash equivalents. The Group has put in place a number of policies to ensure that the sale of services is realised to customers with adequate collection by including in the commercial contracts the obligation to provide financial guarantees. The amount of receivables, net of allowances for impairment, represents the maximum amount exposed to collection risk. The collection risk related to these receivables is limited as these amounts are mainly due from state-owned companies.

The cash is placed in financial institutions, which are considered to have minimal risk.

## 23. SUBSEQUENT EVENTS

- **Resolution No 6 of the Ordinary General Meeting of Shareholders of July 8, 2025**

The Ordinary General Meeting of the Company's shareholders, pursuant to the provisions of Companies Law no. 31/1990, republished, as subsequently amended and supplemented, Law no. 24/2017 on issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, and ASF Regulation no. 5/2018 on issuers of financial instruments and market operations, as subsequently amended and supplemented, held in session on July 8, 2025:

- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Păun Costin Mihai, member of the Supervisory Board, registered under no. 23093/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Atanasiu Teodor, member of the Supervisory Board, registered under no. 23088/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Vasilescu Alexandru-Cristian, member of the Supervisory Board, registered under no. 23089/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Zezeanu Luminita, member of the Supervisory Board, registered under no. 23092/May 30, 2025;

- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Dascăl Cătălin-Andrei, member of the Supervisory Board, registered under no. 23090/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Orlandea Virgil-Dumitru, member of the Supervisory Board, registered under no. 23091/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Rusu Rareș-Stelian, member of the Supervisory Board, registered under no. 23094/May 30, 2025.

- **Incident in the transmission grid in the western part of the country**

On July 9, 2024, the Company announced that, following the extreme weather phenomena recorded on the afternoon of July 8, 2025 in the western part of the country, manifested by violent storms and wind gusts with speeds between 90 and 120 km/h (code red), a portion of the 220 kV Resita-Timisoara double-circuit overhead power line (OHL) was significantly affected, with several poles damaged, in the Timiș county.

At the same time, the recent severe weather conditions of gales and strong winds (code red) in the west and north-west of the country also affected the 400 kV Rosiori - Gădălin overhead power line, where a pole on the OHL route was damaged.

The incident that affected the 220 kV Resita - Timișoara 220 kV OHL did not cause interruptions in the power supply to consumers, but temporarily affected the full availability of the transmission grid (ETG) in the western part of the country.

The intervention teams were mobilized immediately after the occurrence of the event were in the field to assess the damage and establish the technical measures necessary to remedy the situation, involving all technical entities with responsibilities within Transelectrica and the subsidiary SMART SA.

A permanent cooperation with the competent authorities and the local distribution operator was established to manage the situation.

The National Electricity System (NES) operates in safe conditions and is constantly monitored by the National Energy Dispatcher.

- **Convocation of the Extraordinary General Meeting of Shareholders**

The Company's Directorate has convened in accordance with the provisions of the Companies Law no. 31/1990, republished, as subsequently amended and supplemented, the Law no. 24/2017 on issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, the A.S.F. Regulation no. 5/2018 on issuers of financial instruments and market operations, as subsequently amended and supplemented, and the Company's Articles of Incorporation in force, the Extraordinary General Shareholders' Meeting on August 18/19, 2025, with the following agenda:

- Approval of the acquisition by Transelectrica of the services of consultancy and respectively legal assistance and representation before the Courts in order to defend the Company's interests in connection with the fulfillment and, respectively, the challenge of the Romanian Court of Auditors' Plenum Decision no. 47/23.01.2025 and in subsidiary the Compliance Audit Report no. 6000/23.01.2025 and the Management Letter no. 6001/23.01.2025, prepared by the Court of Auditors,
- information on the procurement of products, services and works, commitments involving significant obligations of the Company with a value of more than EUR 5,000,000, as well as loans and guarantees for loans with a value of less than EUR 50,000,000.

**NPG TRANSELECTRICA SA**

**Company managed under a two-tier system**

**Condensed Consolidated Interim Financial Statements  
on the date and for the six-month period ending on  
June 30,2025**

**in accordance with International Financial Reporting Standards adopted by the  
European Union**

**based on International Accounting Standard 34 – “Interim Financial Reporting”**

**NPG TRANSELECTRICA SA - IFRS UE**  
**CONSOLIDATED FINANCIAL POSITION AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	Note	30 june 2025 IFRS	31 december 2024 IFRS
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets		5,996,434	5,915,254
Assets representing rights of use under a lease		8,274	8,150
Intangible assets		43,381	15,371
Investments accounted for using the equity method		3,605	-
Financial assets		41,281	40,833
<b>Total non-current assets</b>	<b>4</b>	<b>6,092,975</b>	<b>5,979,608</b>
<b>Current assets</b>			
Inventories		61,004	58,144
Trade and other receivables	5	2,706,214	3,782,840
Profit tax recoverable		-	-
Other financial assets		-	-
Cash and cash equivalents	6	1,024,444	707,174
<b>Total current assets</b>		<b>3,791,662</b>	<b>4,548,158</b>
<b>Total assets</b>		<b>9,884,637</b>	<b>10,527,766</b>
<b>Shareholder's equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital		733,031	733,031
Share premium		49,843	49,843
Legal reserve		146,606	146,606
Revaluation reserve		1,539,096	1,596,896
Other reserves		259,038	256,747
Retained earnings		2,945,426	2,873,861
<b>Total shareholders' equities attributable to Group owners</b>	<b>7</b>	<b>5,673,040</b>	<b>5,656,984</b>
Non-controlling interests		-	-
<b>Total equity</b>		<b>5,673,040</b>	<b>5,656,984</b>
<b>Non-current liabilities</b>			
Long term deferred revenues	8	719,914	538,015
Long term Borrowings	9	1,953	7,918
Other loans and assimilated debts - Non-current lease liabilities	10	1,564	1,604
Deferred tax liabilities		212,585	209,525
Employee benefits obligations		116,159	116,159
Other long term liabilities		-	5,613
<b>Total non-current liabilities</b>		<b>1,052,175</b>	<b>878,834</b>

**NPG TRANSELECTRICA SA - IFRS UE**  
**CONSOLIDATED FINANCIAL POSITION AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	Note	30 june 2025 IFRS	31 december 2024 IFRS
<b>Current liabilities</b>			
Trade and other liabilities	10	3,025,658	3,855,244
Other loans and assimilated debts - Current lease liabilities	10	7,428	7,328
Other tax and social security liabilities	12	19,725	25,537
Current Borrowings	9	37,871	32,641
Provisions	11	35,917	35,953
Short term deferred revenues	8	30,300	22,232
Income tax payable		2,523	13,013
<b>Total current liabilities</b>		<b>3,159,422</b>	<b>3,991,948</b>
<b>Total liabilities</b>		<b>4,211,597</b>	<b>4,870,782</b>
<b>Total shareholders' equity and liabilities</b>		<b>9,884,637</b>	<b>10,527,766</b>

**NPG TRANSELECTRICA SA - IFRS UE**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT STATEMENT AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	Note	30 june 2025 IFRS	30 june 2024 IFRS
<b>Operating revenues</b>			
Transmission revenues		1,118,580	985,278
System service revenues		281,622	311,695
Balancing market revenues		1,490,519	3,229,089
Other revenues		39,656	145,403
<b>Total operating revenues</b>	<b>14</b>	<b>2,930,377</b>	<b>4,671,465</b>
<b>Operating expenses</b>			
System Operating Expenses	15	(358,073)	(355,201)
Balancing market expenses	15	(1,490,940)	(3,229,286)
System services expenses	15	(234,590)	(300,957)
Depreciation and amortization	16	(151,497)	(143,512)
Personnel expenses	17	(263,416)	(238,154)
Repairs and maintenance expenses		(25,331)	(25,486)
Materials and consumables		(11,185)	(9,190)
Other operational expenses	18	(85,134)	(87,759)
<b>Total operating expenses</b>		<b>(2,620,166)</b>	<b>(4,389,544)</b>
<b>Operating result</b>		<b>310,211</b>	<b>281,921</b>
Financial revenues		55,131	20,072
Financial expenses		(30,751)	(4,198)
Share of profit/(loss) of equity investments		(145)	-
<b>Net finance result</b>	<b>19</b>	<b>24,235</b>	<b>15,874</b>
<b>Profit before income tax</b>		<b>334,446</b>	<b>297,795</b>
Income tax	13	(39,459)	(21,381)
<b>Result for the year from continuing operations</b>		<b>294.987</b>	<b>276,414</b>
<b>Profit of the period</b>			
Attributable to:			
Owners of the Group		294,987	276,414
Non-controlling interests		-	-
<b>Basic and diluted earnings per share (lei/share)</b>		<b>4.02</b>	<b>3.77</b>

**NPG TRANSELECTRICA SA - IFRS UE**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT STATEMENT AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	<b>30 june 2025</b> <b>IFRS</b>	<b>30 june 2024</b> <b>IFRS</b>
<b>Result of the financial year</b>	<b>294.987</b>	<b>276.414</b>
<b>Other comprehensive income</b>		
Elements which will not be reclassified in the profit and loss account, out of which:		
- Effect of taxation on revaluation reserve	(42)	(3.758)
- Surplus from the revaluation of tangible assets	-	-
- Actuarial losses on defined benefit plans	-	-
<b>Other comprehensive income (OCI)</b>	<b>(42)</b>	<b>(3.758)</b>
<b>Total comprehensive income for the year</b>	<b>294.945</b>	<b>272.656</b>

The attached consolidated financial statements were signed by the Company's management on 11 august 2025:

Ştefăniţă MUNTEANU	Victor MORARU	Cătălin-Constantin NADOLU	Cosmin-Vasile NICULA	Florin-Cristian TĂTARU
Directorate President	Directorate Member	Directorate Member	Directorate Member	Directorate Member

**Ana-Iuliana Dinu**  
Economic and Financial Director

**Cristiana Zîrnovan**  
Budget and Management Reporting Department Manager

	Share capital	Share premium	Legal reserve	Revaluation reserves	Other reserve	Retained result	Attributable to the group	Minority interests	Total
<b>Balance on 1 january 2025</b>	733,031	49,843	146,606	1,596,896	256,747	2,873,861	5,656,984	-	5,656,984
<b>Comprehensive result of the period</b>	-	-	-	-	-	-	-	-	-
Result of the period	-	-	-	-	-	294,987	294,987	-	294,987
<b>Other comprehensive revenue items</b>	-	-	-	-	-	-	-	-	-
Recognising the actuarial loss/profit of the benefit plan	-	-	-	-	-	-	-	-	-
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-	-	-
Liability regarding deferred tax associated to the revaluation reserve	-	-	-	(42)	-	-	(42)	-	(42)
<b>Total other comprehensive revenue items</b>	-	-	-	(42)	-	-	(42)	-	(42)
<b>Total comprehensive result of the period</b>	-	-	-	(42)	-	294,987	294,945	-	294,945
Legal reserve indexation	-	-	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained result	-	-	-	(57,758)	-	57,758	-	-	-
Minority interests from participation	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	(1,895)	(1,895)	-	(1,895)
<b>Total other items</b>	-	-	-	(57,758)	-	55,863	(1,895)	-	(1,895)
Derecognition of assets like public domain	-	-	-	-	-	-	-	-	-
Subsidies associated to public domain assets	-	-	-	-	2,291	-	2,291	-	2,291
Other reserves	-	-	-	-	-	-	-	-	-
Dividends distribution	-	-	-	-	-	(279,285)	(279,285)	-	(279,285)
<b>Total transactions with owners</b>	-	-	-	-	2,291	(279,285)	(276,994)	-	(276,994)
<b>Balance on 30 june 2025</b>	733,031	49,843	146,606	1,539,096	259,038	2,945,426	5,673,040	-	5,673,040

**NPG TRANSELECTRICA SA - IFRS UE**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

IFRS	Share capital	Share premium	Legal reserve	Revaluation reserves	Other reserve	Retained result	Attributable to the group	Minority interests	Total
<b>Balance on 1 January 2024</b>	<b>733.031</b>	<b>49.843</b>	<b>146.606</b>	<b>1.738.703</b>	<b>195.751</b>	<b>2.204.203</b>	<b>5.068.137</b>	<b>-</b>	<b>5.068.137</b>
<b>Comprehensive result of the period</b>	-	-	-	-	-	556.973	<b>556.973</b>	-	556.973
Result of the period	-	-	-	-	-	556.973	<b>556.973</b>	-	556.973
<b>Other comprehensive revenue items</b>	-	-	-	-	-	-	-	-	-
Recognising the actuarial loss/profit of the benefit plan	-	-	-	-	-	(414)	<b>(414)</b>	-	(414)
Surplus from revaluation of tangible assets	-	-	-	-	-	-	-	-	-
Liability regarding deferred tax associated to the revaluation reserve	-	-	-	(6.014)	-	-	<b>(6.014)</b>	-	(6.014)
<b>Total other comprehensive revenue items</b>	-	-	-	<b>(6.014)</b>	-	<b>(414)</b>	<b>(6.428)</b>	-	<b>(6.428)</b>
<b>Total comprehensive result of the period</b>	-	-	-	<b>(6.014)</b>	-	<b>556.559</b>	<b>550.545</b>	-	<b>550.545</b>
Legal reserve indexation	-	-	-	-	-	-	-	-	-
Transfer of revaluation reserves into retained result	-	-	-	(135.761)	-	135.761	-	-	-
Minority interests from participation	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	(2.137)	(2.137)	-	(2.137)
<b>Total other items</b>	-	-	-	<b>(135.761)</b>	-	<b>133.624</b>	<b>(2.137)</b>	-	<b>(2.137)</b>
Derecognition of assets like public domain	-	-	-	(31)	-	-	(31)	-	(31)
Subsidies associated to public domain assets	-	-	-	-	60.996	-	60.996	-	60.996
Other reserves	-	-	-	-	-	-	-	-	-
Dividends distribution	-	-	-	-	-	(20.525)	(20.525)	-	(20.525)
<b>Total transactions with owners</b>	-	-	-	<b>(31)</b>	<b>60.996</b>	<b>(20.525)</b>	<b>40.440</b>	-	<b>40.440</b>
<b>Balance on 31 december 2024</b>	<b>733.031</b>	<b>49.843</b>	<b>146.606</b>	<b>1.596.896</b>	<b>256.747</b>	<b>2.873.861</b>	<b>5.656.984</b>	-	<b>5.656.984</b>

**NPG TRANSELECTRICA SA - IFRS UE**  
**CONSOLIDATED STATEMENT OF CASH FLOWS AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	<b>30 june 2025 IFRS</b>	<b>30 june 2024 IFRS</b>
<b>Cash flows from operational activities</b>		
<b>Result of the period</b>	<b>294,987</b>	<b>276,414</b>
<b>Adjustments for:</b>		
Income tax expense	39,459	21,381
Amortisation expense	151,497	143,512
Expenses with adjustments for trade receivables impairment	2,132	19
Revenues from reversal of adjustments for trade receivables impairment	(218)	(2,057)
Losses from various debtors	1,724	2,918
Expenses/Revenues with adjustments for various debtors impairment	64	1,610
Net expenditures with adjustments for inventories impairment	(606)	796
Net profit/ loss on sale of tangible assets	(1,490)	4,383
Net expenditures on adjustments of value regarding tangible assets	-	-
Expenses/Revenues regarding provisions for risks and expenses, net	(2,093)	(5,788)
Net financial expenses regarding adjustments for the loss of value of fixed assets	(178)	201
Interest expense, interest revenue and unrealised exchange rate gains	(26,503)	(16,256)
<b>Cash flows before changes to working capital</b>	<b>458,775</b>	<b>427,132</b>
<b>Changes in:</b>		
Inventories	(2,319)	(4,390)
Clients and assimilated accounts	1,072,943	(1,285,890)
Trade payables and other liabilities	(1,177,919)	1,134,726
Investments accounted for using the equity method	145	-
Other taxes and social insurance liabilities	(5,811)	(3,942)
Deferred revenues	184,137	51,086
<b>Cash flows from operational activities</b>	<b>529,951</b>	<b>318,722</b>
Paid interests	(1,587)	(1,604)
Paid income tax	(39,394)	(23,974)
<b>Net cash generated from operational activities</b>	<b>488,970</b>	<b>293,144</b>
<b>Cash flows from the investment activity</b>		
Acquisition of tangible and intangible assets	(199,910)	(259,497)
Participation titles held in GECO Power Company	(3,750)	-
Proceeds from EC non-reimbursable financing	8,121	2,712
Received Interests	6,311	3,627
Proceeds from sale of tangible assets	3,106	-
Dividends received/paid	22,124	14,650
<b>Net cash used in the investment activity</b>	<b>(163,998)</b>	<b>(238,508)</b>

**NPG TRANSELECTRICA SA - IFRS UE**  
**CONSOLIDATED STATEMENT OF CASH FLOWS AS OF JUNE 30, 2025**  
*(All amounts are presented in thousand RON, unless otherwise indicated)*

	<b>30 iunie 2025</b> <b>IFRS</b>	<b>30 iunie 2024</b> <b>IFRS</b>
<b>Cash flows used in financing activities</b>		
Repayments of non-current borrowings	(11,999)	(11,981)
Use of working capital credit line	6,686	-
Use of credit line Subsidiary	4,274	(2,013)
Repayments of current borrowings	-	-
Building lease payments	(6,656)	(5,715)
Dividends paid	(7)	(20,412)
<b>Net cash used in financing activities</b>	<b>(7,702)</b>	<b>(40,121)</b>
 Cash and cash equivalents as at January 1 <sup>st</sup>	 707,174	 526,900
<b>Net increase/decrease in cash and cash equivalents</b>	<b>317,270</b>	<b>14,515</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,024,444</b>	<b>541,415</b>

## 1. DESCRIPTION OF ACTIVITIES AND GENERAL INFORMATION

The main activity of the National Power Grid Company Transelectrica SA ("the Company") and its subsidiaries (together with the Company, the "Group") is: provision of electricity transmission service and system service, balancing market operator, bonus support scheme administrator, other related activities. These activities are carried out in accordance with the provisions of the operating license no. 161/2000 issued by ANRE, updated by ANRE Decision no. 1413/10.07.2024, the General Conditions associated with the license approved by ANRE Order no. 104/2014, as amended and supplemented, and the final certification of the Company as a transmission and system operator of the National Electricity System according to the ownership unbundling model by ANRE Order no. 164/07.12.2015.

The address of the registered office is: Strada Olteni nr. 2 - 4 sector 3, Bucharest, Romania. Currently, the Company's executive activity is carried out at the head office in Strada Olteni nr. 2-4 sector 3, Bucharest.

The consolidated financial statements as at 30 June 2025 of the Group prepared in accordance with the International Financial Reporting Standards as adopted by the European Union as amended (IFRS-UE) based on International Accounting Standard 34 – "Interim Financial", are available at the Company's registered office located at 2-4 Olteni Street, Sector 3, Bucharest.

The Group's consolidated financial statements drawn up on June 30, 2025 are not audited.

These Consolidated Financial Statements elaborated as of and for the financial year ended on June 30, 2025, include the financial informations of the parent Company and of its subsidiaries Smart SA and Teletrans SA, as well as of the jointly controlled company GECO Power Company.

### GROUP STRUCTURE

The main Group subsidiaries included in the consolidation and the percentage of shares held by the Company are provided below:

Entity	Country Of origin	30 June 2025	31 December 2024
		% participation	% participation
SMART SA	Romania	100%	100%
TELETRANS SA	Romania	100%	100%
GECO POWER COMPANY	Romania	25%	0%

### SMART SA

The subsidiary Societatea Comercială pentru Servicii de Mantență a Rețelei Electrice de Transport "SMART" SA was established in 2001, by GD no.710/19.07.2001 through the reorganization of some activities within Transelectrica

The SMART SA company has registered office in B-dul Magheru, nr. 33, sector 1, Bucharest and with its headquarters at the work point in B-dul Gheorghe Șincai, nr. 3, Cladirea "Formenerg", et. 1, sector 4, Bucharest.

The main activities of the subsidiary are overhaul and repair of primary electrical network equipment and appliances (so that RET installations operate safely at the performance level required by the licence), troubleshooting of electrical installation incidents, provision of energy services, energy services for the energy system and micro-production of electrical equipment. The company has 8 branches without legal personality.

The mission for which SMART SA was established was and still is to ensure preventive maintenance, special works and corrective maintenance of the Transmission Grid (RET), based on Transelectrica's primary objective: to ensure the safe and stable transmission of electricity in the national transmission grid.

The branch offers professional services at a high level of performance, i.e. maintenance, repairs, expertise, consultancy for:

- Low, medium, high and extra high voltage switchgear and equipment - up to and including 750kV,
- Equipment and circuits for protection, automation, measurement, command - control,

- Transformers and autotransformers of all powers and voltages,
- Overhead and cable power lines of all voltage levels.

The subscribed and paid-up share capital as at 30.06.2025 is 38,529, Transelectrica being the sole shareholder. The results of the SMART subsidiary are consolidated with the financial results of the Company. SMART shares are 100% owned by Transelectrica.

#### **TELETRANS SA**

The subsidiary TELETRANS SA was established by the AGA Resolution no. 13/04.12.2002 of Transelectrica, based on the Law no. 31/1990 and on the Ministry of Industry and Trade Orders no. 3098 and no. 3101 dated 23.10.2002 and is the provider of specific telecommunications and information technology services for the operational and management of Transelectrica, having as its main activity the provision of specific telecommunications services. At the same time, the Subsidiary has the possibility to market specific services on the liberalised communications market in Romania.

The company TELETRANS SA has registered office in B-dul Hristo-Botev, nr. 16 – 18, sector 3, Bucharest and with headquarters at the work point in Str. Stelea Spătarul nr. 12, sector 3, Bucharest.

The subsidiary has a high level of expertise in areas of profound uniqueness in systems and process management in the energy industry.

On the basis of the Articles of Association and the applicable regulations, Teletrans holds the ANCOM certificate of provider of electronic communications networks or services since 2002 (O.U.G. no. 679/2002), which entitles it to provide the following electronic communications services:

- Public electronic communications networks (from 11.11.2004);
- Electronic communications services to the public: (i) Leased line services and (ii) Electronic communications services other than telephony and leased lines (from 01.07.2003);
- Private electronic communications networks and services (from 15.01.2003).
- TELETRANS personnel also have certifications relevant to the operation and administration of IT&C systems dedicated to critical infrastructures.

TELETRANS uses a fibre optic network built in reliable OPGW technology with access points in 110 localities as well as cross-border links with Hungary, Bulgaria and Serbia and provides EMS/SCADA system integration services for renewable energy producers and new control systems in upgraded stations.

The services provided by Teletrans were mainly IT/Tc services to Transelectrica, maintenance services of the local metering system at the level of the Company's electricity stations, maintenance services of the telecontribution system related to the wholesale electricity market and telecommunication services through the marketing of the surplus capacity existing in the fibre optic communication infrastructure.

The subscribed and paid-up share capital as at 30.06.2025 is 6,874, Transelectrica being the sole shareholder. The results of the subsidiary Teletrans are consolidated with the financial results of the Company. TELETRANS shares are 100% owned by Transelectrica.

In accordance with Decision no. 3/13 February 2025, pursuant to art. 12 paragraph (2) letter f) of the Articles of Association of Teletrans SA, the General Meeting of Shareholders of the Company decided on the merger by absorption of Teletrans SA (as the absorbing company) with Formenerg SA (as the absorbed company).

#### **GECO POWER COMPANY**

The Company was established on January 21, 2025 according to the Articles of Assotiation, is a Romanian legal entity established in the form of a limited liability company.

The company was established in accordance with:

- Agreement of December 17, 2022 between the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary on the Strategic Partnership in the field of development and transportation of green energy, taking into account the joint initiative of Georgia and Romania for the development and implementation of the Black Sea submarine cable project and the ongoing feasibility study for this project that began on April 11, 2022, initiated by Georgia and joined by Romania and the Republic of Azerbaijan,

The accompanying notes are an integral part of these consolidated financial statements.

- Memorandum of Understanding on the establishment of a Joint Venture company between the relevant entities of the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary signed on 25.07.2023 in Bucharest, by which Transelectrica is designated as the relevant party for Romania,
- Memorandum of Understanding between the relevant ministries of Romania, the Republic of Azerbaijan, Georgia, Romania and Hungary on cooperation in the field of green energy, signed on 21.11.2023 in Budapest (Hungary)
- Minutes of the seventh ministerial meeting on the understanding on the strategic partnership in the field of development and transportation of green energy between the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary on May 15, 2024 in Tbilisi,
- Memorandum of Understanding by which the Parties agree to make the necessary efforts to undertake the steps regarding the establishment of a Joint Venture company, headquartered in Romania, between Transelectrica, AzerEnerji JSC, Georgian State Electrosystem and MVM Zrt., signed on May 27, 2024 in Bucharest,
- Decision no. 4 of the Extraordinary General Meeting of Shareholders dated August 12, 2024 by which the Extraordinary General Meeting of Shareholders of the Company approved the Company's participation in the share capital of a new company, along with the other relevant parties designated at the level of the Republic of Azerbaijan, Georgia, and Hungary, with the exception of the main object of activity which will be "Activities of holding companies" activity coded CAEN 642, respectively 6420

The company's headquarters are in Romania, Bucharest, Sector 3, 2-4 Olteni Street, office no.306, the object of activity of the company is Activities of holding companies.

Upon incorporation, the share capital of the company shall be 15 mil lei, of which 15 mil lei, cash contribution, being divided into a number of 1.500.000 shares, with a nominal value of 10 lei/share.

The share capital is held by the shareholders as follows

- „AZERENERJI” Open Joint Stock Company contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- JSC Georgian State Electrosystem, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- MVM Energy Private Limited Liability Company, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%
- Compania Națională de Transport al Energiei Electrice Transelectrica SA, contribution to the subscribed share capital 20% representing a number of 375.000 shares, with a nominal value of 10 lei/share and in the total amount of 3.750.000 lei, profit sharing 25% and loss sharing 25%.

### **The Group's mission**

Misiunea Grupului este asigurarea siguranței și securității în funcționare a Sistemului Energetic Național (SEN), cu respectarea normelor și performanțelor prevăzute de reglementările tehnice în vigoare și prestarea unui serviciu public pentru toți utilizatorii rețelelor electrice de transport, în condiții de transparentă, nediscriminare și echidistantă pentru toți participanții la piață.

### **2. BASES OF ELABORATION**

#### **Statement of conformity**

The Consolidated Interim Financial Statements are presented in accordance with the requirements of IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of financial statements in accordance with International Financial Reporting Standards (“IFRS”) and should be read together with the *Consolidated Financial Statements as of and for the year ended 31 December 2024, prepared in accordance with the International Financial Reporting Standards („IFRS”) as adopted by the European union („IFRS-UE”)*. However, certain explanatory notes are included for to explain the events and transactions that are significant for the understanding of changes in the financial position and

The accompanying notes are an integral part of these consolidated financial statements.

performance of the Group since the last consolidated annual financial statements as of and for the financial year ended 31 December 2024.

### **Utilisation of estimations and reasonings**

Raționamentele semnificative utilizate de către conducere pentru aplicarea politicilor contabile ale Grupului și principalele surse de incertitudine referitoare la estimări au fost aceleași cu cele aplicate situațiilor financiare consolidate la data de și pentru exercițiul finanțier încheiat la 31 decembrie 2024.

### **3. ACCOUNTING POLICIES**

The accounting policies applied in these consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as of and for the financial ended on 31 december 2024.

#### **Derecognition of capitalization of own technological consumption**

Up to December 31, 2021, the consolidated financial statements prepared in accordance with OMFP no. 2844/2016 were equivalent to IFRS-EU. 3900/2022 a new clause has been included related to the coverage of own technological consumption, as opposed to the costs included in the regulated tariffs, which are capitalized quarterly and recognized as tangible assets, and the assets resulting from capitalization are depreciated over a period of 5 years from the date of capitalization (see primary set of financial statements in accordance with OMFP no. 2844/2016). As of September 30, 2022, the Company applies the provisions of GEO no. 119/2022 for amending and supplementing GEO no. 27/2022 and approved by Law no. 357/13.12.2022, whereby the additional costs of electricity purchase incurred in the period from January 1, 2022 to March 31, 2025, in order to cover its own technological consumption and technological consumption, respectively, compared to the costs included in the regulated tariffs, are capitalized on a quarterly basis. Thus, the capitalized costs are depreciated over a period of 5 years from the date of capitalization and are remunerated at 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable during the depreciation period of such costs and are recognized as a separate component.

Group has undertaken the measures required in order to comply with the requirements for the preparation and publication of consolidated financial statements for the financial year 2024 and in accordance with IFRS-EU with the restatement of opening balances, in compliance with the International Financial Reporting Standard IAS 38 Intangible Assets.

The elaboration of a set of consolidated financial statements in compliance with IFRS-EU was carried out to meet the requirements of the Financial Supervisory Authority, namely for compliance with the provisions of Article 65 paragraph (3) of Law no.24/2017 on issuers of financial instruments and market operations, republished, as amended and supplemented.

In preparing the statement of financial position the Group has adjusted the amounts previously reported in the consolidated financial statements prepared in accordance with the provisions of OMFP 2844/2016, respectively the items that have been derecognized are as follows:

- *The derecognition of net intangible assets represented by additional OTC of 253.226.*

In preparing the income statement the Group has adjusted the amounts previously reported in the consolidated financial statements prepared in accordance with the provisions of OMFP 2844/2016, respectively the items that have been derecognized are as follows:

- *Derecognition OTC capitalization income of 924.*
- *Derecognize Derecognition of depreciation expense related to additional OTC of 45.474.*
- *The tax effect of deferred taxes related to the above adjustments of (7.128).*

#### **Bases of consolidation**

##### **(i) Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group has control of an entity when it is exposed to, or entitled to, variable earnings arising from its involvement with the entity and has the ability to affect those earnings through power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the time control commences until it ceases.

At the date of this report Transelectrica has six subsidiaries, Romanian legal entities, organized as joint-

stock companies, of which it is the sole shareholder in the following: Formenerg, Teletrans, Smart, Icemenerg Service (subsidiary which at the date of this report is deregistered with the ONRC), Icemenerg SA (Institutul de Cercetări e Modernizări Energetice ICEMENERG SA - subsidiary which at the date of this report is deregistered with the ONRC).

**Among the Company's subsidiaries, Smart and Teletrans are included in the Group's financial consolidation scope. When preparing consolidated financial statements, the financial statements of the parent company and the subsidiaries to be consolidated are combined line by line aggregating similar items of assets, liabilities, equity, income and expenses. The financial statements should present financial information about the Group as a single economic entity, thus eliminating intragroup balances and transactions.**

They have not been taken into account in the preparation of the consolidated financial statements:

- the Formenerg subsidiary as according to the applicable accounting legislation, the impact of its activity is considered immaterial for consolidation purposes,
- the OPCOM subsidiary as the management is carried out according to the regulations set by ANRE and Transelectrica does not exercise effective direct control over its decision-making mechanisms.

**The FORMENERG subsidiary** is a company whose main activity is the initial and continuous professional training, in all fields of activity, of personnel working in the energy sector in all sectors of the national economy and other beneficiaries, as well as hotel services, rental services and event organisation services.

FORMENERG SA was established as a result of the Decision number 33/19.11.2001 of the General Meeting of Shareholders - "Transelectrica" S.A., by outsourcing the activity of the Branch for Training and Development of Energy Sector Personnel. The share capital on 30.06.2025 is 1,948 thousand lei, fully paid up, represented by 194,842 shares with a nominal value of 10 lei each. FORMENERG shares are 100% owned by Transelectrica.

**The ICEMENERG SERVICE - SA subsidiary** was focused on the design, production and distribution of measuring, control and management devices for the energy system, having ISO 9001 and IQ NET certification by SRAC ROMANIA, ANRE certified. On 09.06.2017, the Bucharest Court, Civil Section VII, ordered the entry into bankruptcy by simplified procedure of the debtor ICEMENERG SERVICE - SA, appointing Solvendi SPRL as provisional liquidator.

On 27.04.2021 the Special Administrator of ICEMENERG Service SA informs that on 23.04.2021, following the auction, the assets of ICEMENERG Service SA, both movable and immovable, were sold en bloc, the buyer being Portland Trust Developments Five SRL.

In the case no.18051/3/2017, according to the Insolvency Proceedings Bulletin no.9152/26.05.2022, the Bucharest Court - Civil Division VII by civil sentence no.2429 approved the final report of the judicial liquidator, and on the basis of art.175 paragraph 2 of Law no.85/2014 on insolvency prevention and insolvency proceedings, closed the insolvency proceedings against the debtor Company Filiala "Icemenerg-Service" SA by deleting it from the Bucharest Trade Register. The company was not notified of the judgment until 30.06.2025.

**The OPCOM SA subsidiary** was set up on the basis of GD no. 627/2000 on the reorganisation of the National Electricity Company SA, as a subsidiary whose sole shareholder was Transelectrica.

In accordance with the provisions of the primary and secondary legislation in force, the Operator of the Electricity and Natural Gas Market "OPCOM" S.A. performs the role of administrator of the electricity market, providing an organized, viable and efficient framework for the conduct of commercial transactions in the wholesale electricity market and carries out the administration of centralized markets in the natural gas sector, in conditions of consistency, fairness, objectivity, independence, impartiality, transparency and non-discrimination.

The subscribed and paid-up share capital of OPCOM as at 30.06.2025 is 31,366 thousand lei, Transelectrica being the majority shareholder at that date. The shareholder structure is as follows:

- National Power Grid Company Transelectrica SA - 97.84% - NPG CO
- The Romanian State through the General Secretariat of the Government - 2.16%.

Transelectrica does not exercise effective direct control over the decision-making mechanisms of

The accompanying notes are an integral part of these consolidated financial statements.

OPCOM, whose management is conducted in accordance with the regulations established by ANRE. We specify below the elements provided for by IFRS 10, which must be taken into account in determining the exercise of control. Thus according to IFRS 10 - an investor controls an entity if and only if the investor holds all of the following:

- a. power over the entity in which it has the investment
- b. exposure or rights to variable returns from its involvement with the invested entity
- c. the ability to use its power over the invested entity to affect the value of the investor's return.

**(ii) Investments in associates and joint ventures**

If Transelectrica holds, directly or indirectly (for example, through subsidiaries), 20% or more of the voting rights of the entity in which it has invested, it is presumed to exercise significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the results of associated entities based on the equity method.

Investments in joint arrangements, in which the Group exercises joint control with other entities, are initially recognized at cost and subsequently measured using the equity method. Profits or losses attributable to the Group are recognized in the consolidated financial statements when joint control commences and until such control ceases.

The equity method is an accounting method whereby the investment is initially recognised at cost and subsequently adjusted for post-acquisition changes in the investor's share of the net assets of the investee. The investor's profit or loss includes its share of the investee's profit or loss, and other comprehensive income includes the investor's share of the investee's other comprehensive income.

**The newly established company GECO is included in the consolidation scope as a jointly controlled company, a Joint Venture. Thus, the consolidated financial statements include the Group's share of the results of GECO based on the equity method. Since the shares of GECO were acquired at the time of its establishment, no goodwill was recorded.**

**(iii) Loss of control**

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity attributable to the subsidiary. Any surplus or deficit resulting from loss of control is recognised in the income statement. If the Group retains any interest in the former subsidiary, then that interest is measured at fair value at the date when control is lost. Subsequently this interest is accounted for using the equity method or as an available-for-sale financial asset depending on the degree of influence retained.

**(iv) Transactions eliminated on consolidation**

Balances and transactions within the Group and any unrealised revenues or expenses arising from transactions within the Group are eliminated in the preparation of the consolidated financial statements. Unrealised profits on transactions with associates accounted for using the equity method are eliminated against the investment in the associate to the extent of the Group's interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no indication of impairment.

#### 4. TANGIBLE, INTANGIBLE AND FINANCIAL FIXED ASSETS

##### a) Tangible assets

The increase in the total value of tangible assets at June 30, 2025 compared to December 31, 2024 was due to the increase in the value of tangible assets in progress concurrent with the recording of depreciation of tangible assets.

Thus, the increase in the **value of tangible assets** in the first half of 2025 was mainly due to the realization of investment works in high-voltage substations and power lines, as follows:

- Increase of supply reliability for consumers in the southern area of Bucharest municipality, connected to the 400/220/110 kV Bucharest Sud Substation - 43,410;
- Installation of two modern reactive power compensation devices in the 400/220/110/20 kV Sibiu Sud and 400/220/110/20 kV Bradu Substations - 26,430;
- Refurbishment of the 400/110 kV Pelicanu transformer substation - 26,405;
- 220 kV double circuit Ostrov Mare - ETG OHL (H.CA no. 17/2007) - 15,009;
- Refurbishment of the 400 kV Isaccea Substation - Stage II - 8,905;
- Upgrade to 400 kV voltage of the Portile de Fier - Reșița - Timișoara - Săcălaz - Arad axis - Stage I - 400 kV s.c. Portile de Fier - (Anina) - Reșița OHL - 8,322;
- Power Quality Monitoring System (PQMS) - 7,866;
- 400 kV d.c. Gutinaș - Smârdan OHL - 7,535;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 5,274;
- Relocation/protection of high voltage 400 kV network - 400 kV s.c Urechești-Domnești OHL and 400 kV s.c Brazi Vest-Domnești OHL at the intersection with Bucharest Ring Motorway-KM 0+000, KM 100+900, Lot 3, Sector 1, KM 85+300, KM 100+765 - South Ring, Sector 2, KM:0+00 - 3,088;
- Replacement of hardware components, update and development of specific applications of the Balancing Market Platform - II DAMAS, procurement component for migration and upgrade services, specific applications for the Balancing Market - 2,724;
- Upgrade to 400 kV of the 220 kV Brazi Vest - Teleajen - Stâlp OHL, including procurement of a 400 MVA 400/220/20 kV autotransformer, extension works for the associated 400 kV and 220 kV substations, in the 400/220/110 kV Brazi Vest Substation - 2,240.

In the first semester of 2025, the largest **transfers from tangible assets in progress to tangible assets**, in the amount of RON **319,517**, are mainly represented by the commissioning of investment objectives, of which we list the most significant:

- Upgrade to 400 kV voltage of the Portile de Fier - Reșița - Timișoara - Săcălaz - Arad axis - Stage I - 400kV s.c. Portile de Fier - (Anina) - Reșița OHL - 176,795;
- Increase of operational security for the Argeș-Vâlcea network area, construction of the 400 kV Arefu Substation and installation of a 400 MVA, 400/220 kV autotransformer - 83,360;
- 400 kV d.c. Gutinaș - Smârdan OHL (Stage I financing) - 30,738;
- Increase of transmission capacity of the 220 kV Stejaru - Gheorgheni - Fântânele OHL - 14,832;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 4,765;
- Replacement of indoor heating and air conditioning installation in the administrative building of the U.T.T Bucharest headquarters (S.F+P.T+C.S) - 2,719;
- Site clearance and establishment of coexistence conditions between DN 69 access road with A1 and 220 kV Arad - Calea Aradului OHL - 1,927;
- Purchase of the 49.6% share held by Smart SA in the "Păltiniș Training Centre" building - 1,703;
- Refurbishment of the 400 kV Isaccea Substation - Stage I - Replacement of compensation coils, associated bays and the 400 kV Stupina bay - 955;

- Connection to the ETG of the Cristești Photovoltaic Power Plant, Cristești commune, Mureș county - 488;
- Replacement of battery banks no. 1 and no. 2 - 220 V DC and 220 kV in the 400/220/110 kV Slatina Substation - 773;
- Extension of Wi-Fi system for own network and internet access - 374;
- Regulation of coexistence between 400 kV Bradu-Brașov OHL in the span between towers no. 314 - no. 315 and the national road DN73F km 0+000-8+450 - 358;
- Mobile diesel generator 110 KVA at STT Sibiu - 81;
- Photovoltaic Park 1.955 MW, NC39234, Ciprian Porumbescu locality, Suceava county - Reinforcement works in ETG installations of NPG CO. Transelectrica SA - 80;
- Establishment of coexistence conditions for the project "Connection of OHL 110 kV Gutinaș - Focșani Nord to the 110 kV Mărășești Substation and site organisation with OHL 400kV Gutinaș - Smârdan" - 70.

In the first half of 2025 there was an outflow from tangible assets in progress through the recognition on the Company's operating costs of the project "Connection to the ETG of CEE 136 MW Platonești, Ialomița County, through the realization of a 110 kV cell in the 400/110 kV Gura Ialomiței 400/110 kV substation", concomitant with an entry of inventories, in the amount of RON 2,889.

The balance of **tangible assets under construction** at June 30, 2025, amounting to **RON 836,630**, is represented by projects in progress, the most significant of which are listed below:

- 400 kV d.c. Gutinaș - Smârdan OHL - 281,732;
- Refurbishment of the 400/110 kV Pelicanu transformer substation - 66,226;
- Installation of two modern reactive power compensation devices in the 400/220/110/20 kV Sibiu Sud and Bradu Substations - 58,786;
- Increase of supply reliability for consumers in the southern area of Bucharest municipality, connected to the 400/220/110 kV Bucharest Sud Substation - 58,616;
- 220 kV double circuit Ostrovu Mare - ETG OHL (H.CA no. 17/2007) - 50,083;
- Connection to the ETG of the 300 MW Ivezăti wind farm, 88 MW Fălcău 1 wind farm and 18 MW Fălcău 2 wind farm through the new (400)/220/110 kV Banca Substation - 46,885;
- Refurbishment of the 400 kV Isaccea Substation - Stage II - 43,468;
- Refurbishment of the 400/110/20 kV Smârdan Substation - 39,809;
- 400 kV Stâlpu Substation - 38,333;
- Refurbishment of the 110 kV Medgidia Sud Substation - 26,706;
- Refurbishment of the 110 kV Timișoara Substation and upgrade to 400 kV voltage of the Portile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, Stage II: 400 kV Timișoara Substation - 9,399;
- Power Quality Monitoring System (PQMS) - 8,563;
- 400 kV Gădălin - Suceava OHL, including interconnection to the NES (H.CA no. 7/08.07.2010) - 8,524;
- Optimisation of the operation of existing 400 kV OHL in the NES, used for interconnection and power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing online systems (SMART GRID type) - 7,149;
- Relocation of high-voltage networks - OHL 400 kV (220 kV) Gutinaș - Focșani Vest common circuit with 400 (220) kV Focșani Vest-Barboși and Buzău - Focșani Motorway OHL - Design & Execution - 5,329;
- Upgrade to 400 kV of the 220 kV Brazi Vest - Teleajen - Stâlpu OHL, including procurement of a 400 MVA 400/220/20 kV autotransformer, extension works for the associated 400 kV and 220 kV substations, in the 400/220/110 kV Brazi Vest Substation - 5,290;
- Relocation of 220 kV networks for the Bucharest Ring Motorway, KM 0+000 - KM 52+770, LOT 4 KM 47+600 - KM 52+070 - 4,530;
- Modernisation of 110 kV and 400 (220 kV) installations in the Focșani Vest Substation - 4,513;
- 400 kV Suceava - Bălți OHL, for the section of the project on Romanian territory - 4,475;
- Integrated security system for electrical substations, Stage IV - 4,278;

- Implementation of new functions and software modifications in the EMS-SCADA IT system to comply with European and national legislative requirements - 4,251;
- Research and development centre for live working technologies (LST) and rapid intervention in the NES - Stage II - 4,178;
- Upgrade to 400 kV voltage of the Portile de Fier - Reșița - Timișoara - Săcălaz - Arad axis, Stage II, 400 kV d.c. Reșița - Timișoara - Săcălaz OHL - 3,853;
- Extension with new functionalities of the control and computerised access monitoring system for NPG CO. Transelectrica SA facilities - 3,201;
- Relocation/protection of high voltage 400 kV network - 400 kV s.c Urechești-Domnești OHL and 400 kV s.c Brazi Vest-Domnești OHL at the intersection with Bucharest Ring Motorway-KM 0+000, KM 100+900, Lot 3, Sector 1, KM 85+300, KM 100+765 - South Ring, Sector 2, KM:0+00 - 3,088;
- Mobile bays of 110 kV, 220 kV and 400 kV - 3,016;
- Integrated security system for electrical substations, Stage III (H.CA no. 2/2008) - 2,798;
- Modernisation of the 220/110 kV Calafat Substation - 2,777;
- Pilot Project - Refurbishment of the 220/110/20 kV Alba Iulia Substation in digital substation concept - 2,625;
- Deviation of 110 kV Cetate 1 and 2 OHL near the 110/20/6 kV Ostrovul Mare Substation - 2,578;
- Connection to the ETG of the 99 MW Dumești wind farm and 30 MW Românești wind farm, Iași county, by construction of a 110 kV line bay in the 220/110 kV Fai Substation - 2,546;
- Connection to the public electricity network of the 7.5 MW Anasun Energy SRL photovoltaic plant located in Ulmi - Dâmbovița county - 2,202.

### b) Intangible assets

#### Intangible assets in progress

The balance of **intangible assets in progress** at June 30, 2025, amounting to **RON 27,801**, is represented by projects in progress, the most significant of which are listed below:

- Modernization of the electronic messaging system within NPG CO. Transelectrica SA - 12,854;
- Development of dedicated software necessary for the determination of reserve quantities using the probabilistic method - 5,940;
- Power Quality Monitoring System (PQMS) - 3,013;
- MARI platform development - 2,532;
- Program for the off-line calculation of short-circuit currents, verification of protection settings, determination of system equivalents and simulation of fault scenarios in power grids - 2,570.

In the first semester of 2025, there were transfers from intangible assets in progress to intangible assets in the amount of RON 13,207, of which the most important are:

- Replacement of hardware components, upgrade and development of specific applications of the Balancing Market Platform - II DAMAS, component purchase of migration and upgrade services, specific applications of the Balancing Market - 11,539;
- Off-line program for the realization of individual grid models, steady state calculation, cross-border capacity calculation, CGMES format conversion module (cf. ENTSO-E requirements), in order to program and operate the NES on various time horizons - 1,117.

### c) Financial assets

The balance of financial fixed assets as at June 30, 2025 amounting to 41,281, mainly consists of:

- shares held by the Company, the net value of which is 37,677;
- guarantees for the temporary occupation of land, calculated and withheld in accordance with art. 39 para. (1), para. (2) and para. (5) of Law No 46/2008 on the Forestry Code, in order to realize the investment objectives, as follows:
  - 400 kV Reșița - Pancevo (Serbia) OHL in the amount of 4,200;
  - 220 kV d.c. 220 kV Ostrovu Mare ETG OHL in the amount of 209.

The accompanying notes are an integral part of these consolidated financial statements.

In March 2025, the Company participates with a contribution of 25% in the share capital of GECO POWER COMPANY GREEN ENERGY CORRIDOR POWER COMPANY - LIMITED LIABILITY COMPANY, according to the resolution of the Directorate no. 7516/ 05.03.2025, in the amount of 3,750.

The founding partners of the project company are NPG CO. Transelectrica SA, JSC Georgian State Electrosystem, "AZERENERJI" OPEN JOINT STOCK COMPANY and MVM Energy Private Limited Liability Company. The company ensures the implementation of the Green Energy Corridor project, a 1.200 km long high-voltage direct current submarine cable, which will cross the Black Sea and connect Romania and Georgia, the connection will be extended to Hungary and Azerbaijan, in accordance with the agreement between the Governments of Azerbaijan, Georgia, Romania and Hungary.

#### **d) Assets related to rights of use of leased assets - buildings**

The assets related to the rights of use of leased assets - buildings represent the right of use of the premises leased by the Company in the office building Platinum, 2-4 Olteni Str., sector 3, Bucharest, in accordance with IFRS 16 - Leases.

Contract no. C232 entered into with effect from 01.10.2020, valid for a period of 5 years, has a value of 9,000,000 euro (excluding VAT).

On 05.05.2025, Addendum no. 2 to contract C232/2020 was signed, extending the duration by 6 months until 01.04.2026, under the same conditions, for an amount of 900,000 euro (excluding VAT), thus bringing the total value of the contract, for an area of 9,000 sq.m, 35 parking spaces and a duration of 66 months, to 9,900,000 euro (excluding VAT).

At June 30, 2025, the book value of the right to use the premises leased by the Company in the Platinum office building amounts to RON 6,376,255.

For this contract, the Company pays a monthly amount of 16.67 euro/sq.m. (excluding VAT) for the lease of the office premises, resulting in an annual value of approx. 1.8 mil. euro.

Smart SA has taken a lease agreement consisting of renting an office building, with an area of 449.75 sq m, the Formenerg building at 3 Gheorghe Șincai Blvd., with a value of 53,970 euros/year in the amount of 10 euros/sq m representing 4,497.5 euros/month, with an addendum extending until the end of the year 2025.

Teletrans SA has taken a lease agreement consisting of renting a building, related land and building yard, with an estimated rentable area of 1080 sq m and a yard for exclusive use of 196 sq m located at 12 Stelea Spătaru Street, with an addendum signed during the year for extension until July 2028. The addendum implies an increase in the rent from 8,600 euros/month to 9,460 euros/month, and from the 3rd year of the contract the rent value will be indexed annually with the HICP index.

As of June 30, 2025, the net value of the right to use the spaces leased by the subsidiaries in the respective office buildings is **1,898**.

#### **5. TRADE AND OTHER RECEIVABLES**

As at June 30, 2025 and December 31, 2024, trade and other receivables are as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
Trade receivables	2,185,244	2,708,161
Other receivables	250,410	233,647
Down payments to suppliers	286,934	769,896
VAT to recover	184,593	272,236
Adjustments for impairment of uncertain trade receivables	(127,875)	(128,066)
Adjustments for impairment of other uncertain receivables	(73,092)	(73,033)
<b>Total</b>	<b>2,706,214</b>	<b>3,782,840</b>

The structure of **trade receivables** is as follows:

The accompanying notes are an integral part of these consolidated financial statements.

	30 june 2025	31 december 2024
Clients on the electricity market, of which:		
- Clients - operational activities	2,174,610	2,698,954
- Clients - balancing market	1,412,605	1,898,742
- Clients - bonus type support scheme to promote high efficiency cogeneration	641,310	667,862
Clients from other activities	120,695	132,351
<b>Total trade receivables</b>	<b>10,634</b>	<b>9,206</b>
	<b>2,185,244</b>	<b>2,708,161</b>

- NPG CO. Transelectrica SA carries out its operational activity on the basis of Operating License no. 161/2000 issued by ANRE, updated by ANRE President Decision no. 1413/10.07.2024, for the provision of electricity transmission service, for the provision of system service and for the management of the balancing market.

As of June 30, 2025, the outstanding customers from operating activities show a decrease compared to December 31, 2024 mainly due to the decrease in the volume of transactions resulting from the coupling of energy markets in the second quarter of 2025 compared to the fourth quarter of 2024.

The decrease in the volume of balancing market transactions in the second quarter of 2025 compared to the fourth quarter of 2024 also resulted in a decrease in the balance of customers in contracts entered into for this type of activity.

The main customers in the total trade receivables are represented by Bursa Romana de Mărfuri, IBEX, MAVIR, Ciga Energy SA, Electrica Furnizare SA, Hidroelectrica, OPCOM, RAAN, PPC ENERGIE SA, JAO. Their share is 62.81% of total trade receivables.

- NPG CO. Transelectrica SA carries out the activities related to the bonus support scheme for the promotion of high efficiency cogeneration, as administrator of the support scheme, in accordance with the provisions of HGR no. 1215/2009 with subsequent additions and amendments, "the main tasks being the monthly collection of the contribution for cogeneration and the monthly payment of bonuses".

As of June 30, 2025, the Company has receivables receivable from the bonus support scheme for the promotion of high efficiency cogeneration of approximately 6% (5% as of December 31, 2024) of total trade receivables.

The customers of the bonus support scheme for the promotion of high-efficiency cogeneration are recording a decrease in receivables at June 30, 2025 mainly due to the decrease in the invoiced amount for the collection of the monthly contribution.

As of June 30, 2025, the Company records receivables receivable amounting to 120,695, represented by invoices issued related to the bonus support scheme for the promotion of high efficiency cogeneration, of which:

- overcompensation for 2011-2013 in the amount of 76,702, respectively from RAAN - 63,467 and CET Govora SA - 13,235;
- undue bonus for 2014 in the amount of 3,915, respectively from RAAN - 1,981, CET Govora - 1,934;
- undue bonus for 2015 in the amount of 563,899, respectively from CET Govora - 534, Interagro - 30;
- undue bonus for 2020 in the amount of 522 from Donau Chem;
- uncollected contribution for cogeneration from suppliers of electricity consumers, in the amount of 20,510, respectively from: Transenergo Com – 5.882, Petprod - 4.391, Romenergy Industry – 2.681, RAAN - 2.386, UGM Energy – 1.504, CET Govora – 901, KDF Energy – 474 and others.

Up to the date of this financial report, the Company has collected all receivables related to the overcompensation of the activity related to the support scheme for the year 2024, the amount of 8,601, from Contourglobal Solutions, as well as the amount of 8,401 of the undue bonus established by ANRE Decisions for the year 2024, from the following producers: Bepco SRL, Electro Energy Sud, Electrocentrale Bucureşti, Electrocentrale Craiova, Electroutilaj SA, Municipiul Iaşi, Soceram SA, Termoficare Oradea, Thermoenergy Group and Vest Energo.

For the settlement of receivables generated by overcompensation and undue bonus from previous years, the Company requested qualified producers under the support scheme to carry out mutual compensations. For the producers (Autonomous Authority for Nuclear Activities – RAAN, CET Govora) that did not agree with this method of settling reciprocal receivables and payables, the Company applied and continues to apply the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 approving the Regulation on establishing the method of collecting the contribution for high-efficiency cogeneration and paying the bonus for electricity produced in high-efficiency cogeneration: *"in the event that the producer has not fully paid to the support scheme administrator the payment obligations resulting in accordance with the provisions of this regulation, the support scheme administrator shall pay the producer the difference between the value of the invoices issued by the producer and the payment obligations of the producer related to the support scheme, with the explicit mention, on the payment document, of the respective amounts"* and withheld from payment the amounts due under the support scheme.

- On the docket of the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, case file no. 9089/101/2013/a140 was registered, having as subject "claims amount of RON 86,513", in which the Company acts as Plaintiff, the Defendant being the **Autonomous Authority for Nuclear Activities – RAAN**.

By the statement of claim filed by NPG CO. Transelectrica SA, it requested that the Defendant RAAN be ordered to pay the amount of RON 86,513.

On 19.05.2016, the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, issued a hearing ruling, by which it ordered the following: "Pursuant to Art. 413 point 1 Civil Procedure Code, orders the suspension of the case until the settlement of case file no. 3014/2/2014 on the docket of the High Court of Cassation and Justice. With appeal throughout the suspension period. Delivered today, 19 May 2016, in public session." Hearing set for 06.06.2019. We note that case file no. 3014/2/2014 on the docket of the High Court of Cassation and Justice concerns an appeal – annulment of ANRE Decision no. 743/28.03.2014, with the parties being RAAN (Plaintiff) and ANRE (Defendant). We also note that, by the ruling of 18.09.2013, delivered by the Mehedinți Tribunal, in case file no. 9089/101/2013, the opening of the general insolvency procedure against the debtor Autonomous Authority for Nuclear Activities – RAAN was ordered.

By judgment no. 387/20.03.2014, the Mehedinți Tribunal confirmed the reorganisation plan of the debtor Autonomous Authority for Nuclear Activities – RAAN, proposed by the judicial administrator Tudor&Asociații SPRL and approved by the General Meeting of Creditors as per the minutes of 28.02.2014.

By the intermediate ruling no. 10/28.01.2016, delivered by the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section, the syndic judge ordered the commencement of the bankruptcy procedure of the debtor, pursuant to Art. 107 para. 1 letter C of Law no. 85/2006, as well as the dissolution of the debtor and the removal of the debtor's right of administration. By Decision no. 563/14.06.2016, the Craiova Court of Appeal – Second Civil Division rejected the appeals filed against the intermediate ruling no. 10/28.01.2016, delivered by the Mehedinți Tribunal – Second Civil Division, Administrative and Fiscal Litigation Section.

Upon the filing of the statement of claim in the RAAN bankruptcy proceedings, NPG CO. Transelectrica SA may invoke the provisions of Art. 52 of Law no. 85/2006, applicable to the RAAN bankruptcy proceedings, provisions taken over by Art. 90 of Law no. 85/2014, regarding the creditor's right to invoke the set-off of its claim with the debtor's claim against it, when the legal conditions for statutory set-off are met at the date of opening the proceedings. Transelectrica was registered in the debtor RAAN's schedule of debts with the amount of RON 11,265, under the category of claims resulting from the continuation of the debtor's activity. Of the amount claimed by the Company, RON 89,361, the amount of RON 78,096 was not included in the preliminary schedule of debts on the grounds that "this amount does not appear as owed in RAAN's accounting records". Moreover, the judicial liquidator considered that the request to include the amount of RON 78,096 in the schedule was filed late, being related to the period 2011–2013, for which reason the statement of claim should have been filed at the time of opening the insolvency proceedings, namely on 18.09.2013.

As a result of the partial registration of the total amount claimed by Transelectrica in the amount of RON 89,361 and of letter no. 4162/03.10.2016, by which the judicial liquidator informed us that only the amount of RON 11,265 was registered in the supplementary schedule under the category of claims resulting from

the continuation of the debtor's activity, while the amount of RON 78,096 was rejected, an objection to the Supplementary Schedule of Debts was filed within the legal term.

At the hearing on 14.02.2019, the Mehedinți Tribunal ordered the consolidation of case file no. 9089/101/2013/a152 with case file no. 9089/101/2013/a140 (having as subject claims – payment request). The trial of the case was postponed, as the court considered that the presentation of Civil Decision no. 2969/26.09.2018, delivered by the High Court of Cassation and Justice in case file no. 3014/2/2014, regarding the annulment of ANRE President's Decision no. 743/2014, was useful for the settlement of the case.

Ruling of the Mehedinți Tribunal: "Admits the plea of forfeiture. Admits in part the main action as well as the connected objection. Orders the Defendant RAAN to pay the Plaintiff Transelectrica the amount of RON 16,950 – claim arisen during the proceedings, ordering its registration in the creditors' schedule drawn up against the debtor RAAN with this amount. Dismisses the rest of the connected claims. Pursuant to Art. 453 para. 2 Civil Procedure Code, orders the Defendant to pay the Plaintiff RON 1,000 in legal costs. With appeal. Delivered today, 20.06.2019, in public session." Document: Ruling 163/2019 – 20.06.2019.

Transelectrica filed an appeal within the legal term. The Craiova Court of Appeal set the first hearing for 30.10.2019. The appeal was dismissed as unfounded. Transelectrica filed a revision request for contradiction of judgments, registered under case file no. 1711/54/2019, with hearing date of 26.03.2020 at the Craiova Court of Appeal, which was to refer the case to the High Court of Cassation and Justice for competent settlement.

On 26.03.2020, the hearing date was rescheduled, the next being on 21.05.2020.

On 21.05.2020, the case was removed from the docket with the following ruling: the plea of lack of subject-matter jurisdiction of the Craiova Court of Appeal was upheld and the case was referred to the HCCJ – Administrative and Fiscal Litigation Section. Ruling 140/21.05.2020. Hearing date 03.02.2021.

At the hearing on 03.02.2021, the HCCJ upheld the plea of late filing of the revision request and did not rule on its inadmissibility.

In the RAAN bankruptcy case file registered under no. **9089/101/2013**, NPG CO. Transelectrica SA was registered in the schedule of debts with the following claims: 2.162 + 16.951.

Hearing for continuation of proceedings for claim collection, asset liquidation and fulfilment of other liquidation operations: **17.09.2025**.

- NPG CO. Transelectrica SA concluded with CET Govora SA a settlement and payment rescheduling agreement for the amounts representing receivables from the value of overcompensation for the period 2011–2013 and undue bonus for the year 2014 (Agreement no. C 135/30.06.2015 and Addendum no. 1/04.08.2015). The duration of the Agreement was 1 year (July 2015–August 2016) and it provided the Company with the right to calculate and collect penalties during the payment rescheduling period.

Under the Agreement, the Company's receivables from CET Govora SA were offset against the Company's payables to CET Govora SA, represented by the cogeneration bonus for the period May 2014 – October 2015, withheld by applying the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 and the provisions of the Agreement, in the amount of RON 40,508.

Following the suspension in court, by Civil Judgment no. 3185/27.11.2015, of ANRE Decision no. 738/28.03.2014, which had established the value of the overcompensation for the period 2011–2013, CET Govora SA no longer complied with the obligations assumed under the Agreement.

As of 09.05.2016, the general insolvency procedure was opened for CET Govora. In order to recover the receivables arising before the opening of the insolvency procedure, the Company followed the specific procedures provided by Law no. 85/2014 – Insolvency Law and requested the court to admit the receivables, according to the law. Considering the above, as of 09.05.2016, the Company ceased applying the provisions of Art. 17 para. 5 of Order of the ANRE President no. 116/2013 approving the Regulation on establishing the method of collecting the contribution for high-efficiency cogeneration and paying the bonus for electricity produced in high-efficiency cogeneration and made monthly payments to CET Govora of the cogeneration bonus.

By Civil Decision no. 2430/05.10.2016, the High Court of Cassation and Justice admitted the appeal filed by ANRE against Civil Judgment no. 3185/27.11.2015, partially quashed the challenged judgment and

dismissed the suspension request filed by CET Govora, the decision being final. Thus, as of 05.10.2016, the effects of ANRE Decision no. 738/28.03.2014 were no longer suspended and became fully effective.

Under these circumstances, the Company applies the provisions of Art. 17 para. 5 of ANRE Order no. 116/2013 for reciprocal debts and receivables arising after the insolvency procedure, by withholding the bonus due to CET Govora SA up to the amount of the unpaid amounts under the support scheme owed to the Company. Transelectrica was registered in the preliminary and final schedules of debts with a total claim value of RON 28,200, of which RON 25,557 pertains to the support scheme. We note that this receivable, in the amount of RON 21,962, representing principal debt and penalties related to invoice no. 8116/08.04.2016, is registered subject to the suspensive condition of a final court judgment in favour of ANRE in case file no. 2428/2/2014 on the docket of the Bucharest Court of Appeal, concerning the annulment of ANRE Decision no. 738/28.03.2014.

At the hearing on 18.07.2018, the Vâlcea Tribunal delivered the following ruling:

- Confirms the reorganisation plan of the debtor CET Govora SA, proposed by the judicial administrator EURO INSOL SPRL, filed in the case on 25 May 2018 and published in the Insolvency Proceedings Bulletin no. 11924 of 13 June 2018.
- Dismisses the objections filed by the creditors Complexul Energetic Oltenia SA, SNTFM CFR Marfă SA, Solek Project Delta SRL, Solek Project Omega SRL, Clean Energy Alternativ SRL, and Solar Electric Curtișoara SRL.
- Sets the hearing for continuation of proceedings for 08.10.2018.

*With right of appeal within 7 days from communication, carried out through the Insolvency Proceedings Bulletin. Delivered in public session today, 18 July 2018. Document: Judgment 1196/18.07.2018.*

By Decision no. 766/03.12.2018, the Pitești Court of Appeal annulled the amount of RON 28,014 – representing an obligation registered by the Company in the Creditors' Table (Case file no. 1396/90/2016).

Under these circumstances, the Company recorded the amount of RON 22,188 pertaining to the support scheme under the account “various debtors”, separate analytical – ANRE, with an impact on the net position of the support scheme.

The amount of 22,188 represents the receivable to be collected from CET Govora under the support scheme (in the amount of RON 25,557), corrected by the bonus withheld by the Company pursuant to Art. 17 para. 5 of Order of the ANRE President no. 116/2013, in the amount of RON 3,369.

On 25.03.2022, by Government Decision no. 409/2022, the amendment and completion of Government Decision no. 1215/2009 on establishing the criteria and conditions necessary for implementing the support scheme for promoting high-efficiency cogeneration based on demand for useful thermal energy was adopted. Thus, the period of application of the support scheme is extended until 2033, exclusively for producers who meet the conditions for accessing the extension of the support scheme.

At the same time, the financial closure of the support scheme is also extended and will be carried out in the first semester of 2034.

#### **Other receivables**

As of June 30, 2025, other receivables amounting to **250,410** include mainly:

- Sundry debtors (116,938), of which:
  - late payment penalties assessed on defaulting customers, amounting to 80,286 (of which 25,854 are penalties related to the support scheme). The highest late payment penalties were recorded by the following customers: Romelectro (24,464), RAAN (16,901), Electromontaj (11,471), CET Govora (9,607), OPCOM (4,301), Total Electric Oltenia (3,289), Multiservice G&G SRL (2,162), Petprod (1,894), ISPE Proiectare și Consultanță (1,068), GE Digital Services Europe (835). Impairment adjustments have been recognized for penalties calculated for late payment of receivables from operating activities;
  - compensation due from suppliers for non-delivery of electricity: Areco Power (988), Enol Grup (2,541) and Next Energy Partners (8,395); for compensation due from suppliers from operating activities, impairment adjustments have been recognized;

- the receivable to be recovered from OPCOM representing VAT relating to the contribution in kind to the capital of the subsidiary amounting to 4,517.
- amounts received in the nature of a subsidy (62,089), from which 38,114 relating to ETG connection contracts;
- expenses recorded in advance in the amount of 24,689 mainly represented by: pole tax (10,910) domestic and international contributions (4,041), taxes and duties relating to 2025 (2,118), OTC (1,932), ANRE annual contribution relating to 2025 (1,336), insurance policies (1,106), rent and maintenance of office building (754) and others;
- other social security receivables amounting to 5,673 representing sick leave paid by the employer to employees and to be recovered from the National Health Insurance House, in accordance with the legislation in force.

#### **Advances to suppliers**

As of June 30, 2025, advances paid to suppliers are represented by debtor suppliers for services rendered in the amount of **286,934** and mainly represent amounts from transactions related to the price coupling mechanism (ICP – *Interim Coupling Project*, SIDC - *Single Intraday Coupling*, SDAC - *Single Day-ahead Coupling* și IDA - "*IntraDay Auction*") (MAVIR – 201.011, IBEX – 70.195 și JAO – 15.510).

The application of the price coupling mechanism started on November 19, 2014, when the "4 Market Market Coupling (4MMC)" Project, which envisages the joining of the DAM (Day-Ahead Market) electricity markets in Romania, Hungary, Czech Republic and Slovakia, entered the operational phase. On June 17, 2021, the Interim Coupling Project was launched, which is the coupling of the day-ahead markets of the 4MMC countries with those of Poland, Austria and Germany.

Under the mechanism of price coupling of day-ahead markets, power exchanges, on the basis of auctions, link day-ahead electricity transactions taking into account the interconnection capacity made available by the TSOs through which its implicit allocation is realized. NPG CO. Transelectrica SA, as an OTS, transfers electricity, both physically and commercially, to neighbors (MAVIR-Hungary) and manages congestion revenues on the respective interconnection (art. 139 of ANRE Order no. 82/2014), and in relation to OPCOM SA and Bursa Română de Mărfuri SA - BRM SA (as of November 2024) it has the quality of an Implicit Participant in the Day-Ahead Market.

As Transfer Agent and Implicit Participant, NPG CO. Transelectrica SA has the commercial task of settling the energy traded between OPCOM SA, BRM SA and MAVIR.

On November 19, 2019, the 2nd wave of the European Single Intraday Market Coupling (SIDC - Single Intraday Coupling) solution was launched, with the first deliveries on November 20. Seven countries - Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Slovenia, Croatia, Hungary, Poland, Romania and Slovenia joined the fourteen countries - Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Latvia, Lithuania, the Netherlands, Norway, Portugal, Spain and Sweden, which have already been operating in the coupled mode since June 2018.

The single intra-domestic market coupling mechanism ensures that bids and offers from market participants in a bidding area are continuously matched with bids and offers from within their own bidding area and from any other bidding area where cross-border capacity is available.

As Transfer Agent, NPG CO. Transelectrica SA has the commercial task of settling the energy traded between OPCOM SA, BRM SA, MAVIR and IBEX.

October 28, 2021 marked the start of the successful new SDAC Single Day-ahead Coupling, the result of the cooperation between the Designated Electricity Market Operators (DSOs) and the Transmission System Operators (TSOs) of Bulgaria and Romania, namely IBEX EAD, OPCOM SA, ESO EAD and NPG CO. Transelectrica SA. The aim of the SDAC is to create a single cross-border pan-European day-ahead energy market. An integrated day-ahead market increases overall trading efficiency by promoting effective competition, increasing liquidity and enabling more efficient use of generation resources across Europe.

As the transfer agent for Romania's bidding zone, NPG CO. Transelectrica SA has the role of settling the energy traded between OPCOM SA, BRM SA and IBEX.

The launch of the Flow Based Market Coupling in the Core region on 08 June 2022 represented the transition from the ICP- Interim Coupling Project coupling mechanism to FBMC - Flow Based Market Coupling, optimizing the European electricity market for 13 countries: Austria, Belgium, Croatia, Czech

Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, the Czech Republic, the Netherlands, Belgium, Croatia, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia.

In the FBMC project, Transelectrica acts as both Shipper (Transfer Agent) and CCP - Central Counterparty. As CCP, the Company has the task of transferring the financial flows generated by the electricity flows as a result of the coupling process.

Since March 18, 2025, a new coupled electricity market, IDA - "IntraDay Auction", has been put into operation, which involves cross-border electricity transactions between OPCOM and the electricity markets of the neighboring EU countries Hungary and Bulgaria. Also in this activity, the Company retains its role as Shipper (Transfer Agent).

#### **VAT recoverable**

VAT to be recovered **(184,593)** - amount related to the settlements for the period from March to June 2025. As of the date of this report, the Company has collected 58,403 from the State, representing value added tax claimed for refund for the month of March 2025.

#### **Adjustments for impairment of trade receivables, doubtful trade receivables and other doubtful receivables**

It is Group's policy to record impairment adjustments for loss of value in the amount of 100% for customers in litigation, insolvency and bankruptcy and 100% of trade and other receivables not collected within a period of more than 180 days, except for outstanding receivables generated by the support scheme. The Group also performs an individual analysis of trade and other uncollected receivables.

The highest impairment adjustments at June 30, 2025, calculated for trade receivables and related penalties, were recorded for JAO (30.627), CET Govora (24.645), Romelectro (24.468), Arelec Power (14.513), Total Electric Oltenia SA (14.186), Romenergy Industry (13.513), Elsaco Energy (9.276), OPCOM (9.143), RAAN (8.517), Next Energy Partners (8.395).

In order to recover the claims adjusted for impairment, the Company has taken the following measures: legal action, enrollment in the creditor's estate, etc..

## **6. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include balances of cash on hand, demand deposits and deposits with original maturities of up to 90 days from the date of origination that have insignificant exposure to the risk of changes in fair value and are used by the Company for the management of current liabilities.

As of June 30, 2025 and December 31, 2024, cash and cash equivalents are as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Current bank accounts and deposits of which:</b>		
a) current accounts at banks and deposits current activity	414,737	200,420
b) current accounts at banks and restricted deposits, of which	609,495	506,610
- cash and deposits from high efficiency cogeneration	181,944	300,321
- cash of revenues from the allocation of interconnection capacities used for network investments	7,243	3,903
- cash from the connection fee	222,704	88,099
- European funds	3,470	54
- other restricted accounts (energy market guarantees and dividends)	194,134	109,417
-modernization funds	-	4,817
<b>Cash desk</b>	<b>175</b>	<b>144</b>
<b>Other cash equivalents</b>	<b>37</b>	<b>0</b>
<b>Total</b>	<b>1,024,444</b>	<b>707,174</b>

The accompanying notes are an integral part of these consolidated financial statements.

## 7. EQUITY

In accordance with the provisions of GEO no. 86/2014 on the establishment of some reorganization measures at the level of central public administration and for the amendment and completion of some normative acts, on February 20, 2015 the transfer of 43,020,309 shares from the account of the Romanian State in the administration of the General Secretariat of the Government to the account of the Romanian State in the administration of the Ministry of Economy, Trade and Tourism was registered in the Company's Shareholders' Register on February 20, 2015.

Based on the provisions of Article 2 of GEO no. 55/19 November 2015 on establishing some reorganization measures at the level of central public administration and amending some normative acts, the Ministry of Economy, Trade and Business Environment Relations (MECRMA) was established, by reorganizing and taking over the activities of the Ministry of Economy, Trade and Tourism, which was abolished, and by taking over the activities and structures in the field of small and medium enterprises and business environment from the Ministry of Energy, Small and Medium Enterprises and Business Environment.

According to the provisions of GD no. 27/12 January 2017 on the organization and functioning of the Ministry of Economy, the Company operated under the authority of the Ministry of Economy until November 5, 2019.

Pursuant to the Government Emergency Ordinance (GEO) no. 68/2019 for the establishment of some measures at the level of central public administration and for the amendment and completion of some normative acts, published in the Official Gazette no. 898/06.11.2019, as of November 6, 2019, the exercise of rights and fulfillment of obligations arising from the State's shareholding in the National Electricity Transmission Company "Transelectrica" - S.A. is carried out by the General Secretariat of the Government.

On November 14, 2019, the Central Depository S.A. recorded the transfer of 43,020,309 shares (representing 58.69% of the share capital) issued by NPG CO. Transelectrica SA, from the account of the Romanian State through the Ministry of Economy to the account of the Romanian State represented by the Government through the General Secretariat to the Government, as a result of the implementation of the provisions of Government Emergency Ordinance no. 68/06.11.2019 on establishing some measures at the level of central public administration and amending and supplementing some normative acts.

At June 30, 2025, the shareholders of NPG CO. Transelectrica SA are: the Romanian State represented by the General Secretariat of the Government holding a number of 43,020,309 shares (58.69%), the privately managed pension fund NN with a number of 4,007,688 shares (5.47%), PAVAL HOLDING with a number of 4,753,567 shares (6.49%), other shareholders Legal Persons with a number of 16,584,688 shares (22.62%) and other shareholders Individuals with a number of 4,936,890 shares (6.73%).

At the end of each reporting period, the Company's fully subscribed and paid-up share capital in the amount of 733,031,420 is divided into 73,303,142 ordinary shares with a par value of RON 10/share and corresponds to that registered with the Trade Register Office.

The shareholder structure at June 30, 2025 and December 31, 2024 is as follows:

Shareholder	30 june 2025		31 december 2024	
	Number of shares	% of the share capital	Number of shares	% of the share capital
Romanian State by MECRMA	43,020,309	58,69%	43,020,309	58.69%
Other legal person shareholders	16,584,688	22,62%	16,442,683	22.43%
PAVAL HOLDING	4,753,567	6,49%	4,753,567	6.49%
NN Group NV	4,007,688	5,47%	4,007,688	5.47%
Other natural person shareholders	4,936,890	6,73%	5,078,895	6.92%
<b>Total</b>	<b>73,303,142</b>	<b>100,00%</b>	<b>73,303,142</b>	<b>100.00%</b>

The decrease in shareholders' equity as of June 30, 2025 compared to December 31, 2024 was primarily due to changes in the following items:

- The recording in retained earnings of the net profit, in the amount of 297,987, realizat la data de 30 iunie 2025;

- recording the distribution of the profit for 2024 as dividends to be distributed to shareholders in 2025 in the amount of 279,285.

## 8. DEFERRED REVENUES

Deferred revenues are mainly represented by: the connection fee, other investment subsidies, non-refundable European funds received from the Ministry of European Funds, the Ministry of Energy, and revenues from the use of interconnection capacity.

As of June 30, 2025, the statement of **deferred revenues** is as follows:

	30 june 2025	Of which: current part at 30 june 2025	31 december 2024	Of which: current part at 31 december 2024
Deferred revenues – allocation of the interconnection capacity	11,279	11,279	6,728	6,728
Deferred revenues – European funds	2,632	2,632	3,335	3,335
Connection fee funds	432,889	7,265	296,793	7,155
European funds	283,178	9,102	232,180	2,299
Other subsidies	20,237	22	21,211	2,716
<b>Total</b>	<b>750,214</b>	<b>30,300</b>	<b>560,247</b>	<b>22,232</b>

The evolution of **current deferred revenue** from January to June 2025 is as follows:

	30 june 2025	31 december 2024
<b>Opening balance 1 january</b>	<b>22,232</b>	<b>16,138</b>
Cash in advance related to interconnection capacity	67,262	93,714
Proceeds from European funds	-	2,585
Transfer of long-term deferred revenues	1,110	(2,095)
Revenues from the use of interconnection capacities	(62,710)	(88,040)
Revenues from European funds	2,408	(70)
<b>Balance on the end of period</b>	<b>30,300</b>	<b>22,232</b>

The evolution of **current deferred revenue** from January to June 2025 is as follows:

	30 june 2025	31 december 2024
<b>Opening balance 1 january</b>	<b>538,015</b>	<b>519,115</b>
Connection subsidies	142,086	47,520
Non-reimbursable funds	50,455	43,189
Non-refundable funds to be repaid	-	-
Transfer from short term deferred revenues	(13,668)	(85,944)
Subsidies which resumed into revenues	3,026	14,134
<b>Balance on the end of period</b>	<b>719,914</b>	<b>538,015</b>

## 9. BORROWINGS

- **Long term Borrowings**

At June 30, 2025, the amount of non-current borrowings decreased from December 31, 2024 primarily due to repayments under existing loan agreements.

Movements in borrowings during the six months ended June 30, 2025 are as follows:

The accompanying notes are an integral part of these consolidated financial statements.

	Currency	Interest rate	Accounting valuedate	Due
<b>Balance at 1 January 2025</b>			31,903	
<b>New drawings</b>			-	
<b>Reimbursements, of which:</b>			(11,999)	
BEI 25709	EUR	3,596%	(5,990)	10-Sep-2025
BEI 25710	EUR	3,856%+2,847%	(6,009)	11-Apr-2028
<b>Exchange rate differences at the date of reimbursement</b>			421	
<b>Balance at June 30, 2025</b>			20,325	

As of June 30, 2025 and December 31, 2024, the balances of non-current borrowings from credit institutions are as follows:

Description	30 june 2025	31 december 2024
BEI 25709	6,112	11,975
BEI 25710	14,213	19,928
<b>Total non-current loans from credit institutions, of which:</b>	<b>20,325</b>	<b>31,903</b>
<b>Less: Current portion of non-current borrowings</b>	<b>(18,372)</b>	<b>(23,985)</b>
<b>Total non-current loans net of current instalments</b>	<b>1,953</b>	<b>7,918</b>

The non-current portion of borrowings will be repaid as follows:

	30 june 2025	31 december 2024
From 1 to 2 years	976	6,483
From 2 to 5 years	976	1,435
More than 5 years	-	-
<b>Total</b>	<b>1,953</b>	<b>7,918</b>

Grupul nu a efectuat activități de acoperire împotriva riscurilor aferent obligațiilor sale în monedă străină  
The Group has not hedged its foreign currency obligations or exposure to interest rate risk.

All non-current borrowings outstanding at 30.06.2025 bear fixed interest rates.

- **Short-term Borrowings**

Current borrowings are itemized as follows:

	30 june 2025	31 december 2024
Current portion of non-current borrowings	18,372	23,985
Short-term bank loans	-	-
Subsidiary credit lines	19,314	8,354
Interest related to the non-current and current loans	185	303
<b>Total current borrowings</b>	<b>37,871</b>	<b>32,641</b>

- **Borrowing for current activity**

On 30.03.2022 Transelectrica entered into loan agreement no. **C624 with Banca Comercială Română** for a period of 12 months for the financing of the bonus support scheme for high efficiency cogeneration, in the form of overdraft, in the amount of 175 millions lei, with interest calculated based on the reference rate ROBOR 1M, plus a margin of 0% and a commission of 0,088%.

On 04.01.2023 Transelectrica entered into Addendum no. 1 to the credit agreement no. C624 entered into with Banca Comercială Română, with the purpose of extending the purpose of the credit line and to

The accompanying notes are an integral part of these consolidated financial statements.

cover temporary working capital needs and extending the validity of the agreement by 12 months (from 30.03.2023 to 30.03.2024).

On 27.03.2024 Transelectrica concluded the Addendum no. 2 to the credit agreement no. C624 concluded with Banca Comercială Română, with the purpose of extending the validity of the agreement by 12 months (from 30.03.2024 to 30.03.2025).

On 27.03.2025 Transelectrica concluded the Addendum no. 3 to the credit agreement no. C624 concluded with Banca Comercială Română, with the purpose of extending the validity of the agreement by 12 months (from 30.03.2025 to 30.03.2026).

The credit line is secured by:

- chattel mortgage on the bank account opened with the bank;
- chattel mortgage on the receivables resulting from the contracts on the contribution for high efficiency cogeneration concluded with Electrica Furnizare SA, Enel Energie SA, Enel Energie Muntenia SA, EON Energie Romania SA.

On June 30, 2025 the credit line is not used.

On 10.03.2022 Transelectrica entered into credit agreement no. **C588 with Banca Transilvania** for a period of 12 months to finance the Company's working capital in the amount of 200 millions lei with an interest rate calculated based on the reference rate ROBOR 1M, plus a margin of 0.05%.

The loan agreement in the amount of RON 200 million has the following structure:

- RON 175 million - revolving line of credit used to cover temporary working capital needs for the timely payment of the Company's maturing obligations, with a utilization period of 12 months, until 09.03.2023;
- RON 25 million in the form of a ceiling for issuance of letters of bank guarantee, with a period of issuance of letters of 12 months, until 09.03.2023 and a validity of letters of 24 months.

On 09.05.2022 Transelectrica entered into Addendum no. 1 to the credit agreement no. C588 entered into with Banca Transilvania, with the purpose of extending the validity of the use of the credit line to 24 months (use of the credit line until 08.03.2024).

On 16.06.2022 Transelectrica entered into Addendum no. 2 to loan agreement no. C588 concluded with Banca Transilvania, with the purpose of increasing the ceiling for issuing letters of guarantee from RON 25 million to RON 40 million (use of the ceiling until 09.03.2023).

On 19.04.2023 Transelectrica concluded Addendum no. 3 to the credit agreement no. C588 concluded with Banca Transilvania, with the purpose of amending the guarantee contracts.

On 07.03.2024 Transelectrica concluded Addendum no. 4 to credit agreement no. C588 concluded with Banca Transilvania, with the purpose of extending the validity of the credit line to 12 months (use of the credit line until 09.03.2025).

The credit line is secured by:

- chattel mortgage on the bank account opened with the Bank;
- chattel mortgage on the receivables resulting from the contract on the provision of electricity transmission and system service concluded with Electrica Furnizare SA.

On June 30, 2025 the credit line is closed.

- *Loans contracted by Subsidiaries*

In August 2024, SMART SA contracted two multi-product credit facilities in RON from Banca Comercială Română with the following structure:

- RON 46million for the purpose of financing working capital over a period of 48 months at a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 1.65 p.p.), of which: RON 15 million overdraft revolving overdraft facility (the first utilizations being for refinancing the facility granted by Exim - Banca Românească), RON 10 million for financing VAT related to investments (PNRR project), revolving, and revolving guarantee facility up to the amount of RON 46 million.

- RON 37 million to finance working capital for a period of 36 months at a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 1.95 p.p.), of which: RON 10 million for financing the working capital in connection with the works related to the Works Contracts (up to RON 4.5 million for uses in connection with the Sunlight Ventures Project and up to the amount of RON 10 million for uses in connection with the Black Sea Renewables Project, the sublimits may be used in any combination) and revolving guarantee facility up to the amount of RON 37 million.

As of June 30, 2025, **12,627** was drawn on the line of credit.

On February 3, 2025, the Teletrans Subsidiar contracted an overdraft loan from Banca Comercială Română with a ceiling of 10 million lei, granted for a period of 12 months with a variable interest rate based on ROBOR 3M plus the bank's margin (ROBOR 3M + 0.75 p.p.) for the purpose of financing current activity.

As of June 30, 2025, **6,686** was drawn on the line of credit.

#### 10. a. TRADE AND OTHER LIABILITIES

As of June 30, 2025 and December 31, 2024, trade and other payables are as follows:

	30 june 2025	31 december 2024
Providers - electricity market	1,590,047	2,253,148
Asset providers	199,387	158,614
Providers of other activities	23,831	45,938
Amounts due to employees	17,255	16,143
Other liabilities	1,195,139	1,381,401
<b>Total</b>	<b>3,025,658</b>	<b>3,855,244</b>

As of June 30, 2025 and December 31, 2024, the outstanding energy market liabilities in the amount of 1,590,047 and 2,253,148, respectively, have the following structure:

	30 june 2025	31 december 2024
Providers - electricity market, of which:		
-providers - operational activity	952,151	1,496,225
-providers - balancing market	627,059	711,977
-providers- bonus type support scheme to promote high efficiency cogeneration	10,837	44,946
<b>Total</b>	<b>1,590,047</b>	<b>2,253,148</b>

Suppliers on the electricity market are mainly represented by: MAVIR, IBEX, Hidroelectrica SA, OPCOM, S Complexul energetic Oltenia SA, CIGA Energy SA, Bursa Română de Mărfuri, Joint Allocation Office, Nova Power&Gas, OMV Petrom SA.

The decrease in the balance of "liabilities related to operating activity" in the analyzed period was influenced by the supply and demand price formation model for electricity market coupling. The implicit allocations, in which capacity and energy are provided simultaneously, were influenced by changes in the price of electricity on the European power exchanges.

The decrease in the "Balancing market liabilities" balance was driven by a decrease in the volume of transactions recorded in the balancing market in Q2 2025 compared to Q4 2024.

The decrease in "support scheme liabilities" to suppliers (generators) was driven by the decrease in the value of the monthly bonus for high efficiency cogeneration in June 2025 compared to December 2024.

As of June 30, 2025, there are liabilities payable to suppliers (producers) in the amount of 3,540 to CET Govora SA (monthly bonus for cogeneration and ante overcompensation for 2015). The amounts representing the Company's liabilities related to the support scheme to CET Govora were withheld for payment based on art. 17 para. 5 of ANRE President's Order no. 116/2013, since the supplier (producer) has payment obligations towards the Company on the bonus support scheme.

The Company requested from the supplier (producer) that did not pay the overcompensation invoices, the agreement to carry out the mutual liabilities compensation at their minimum level through the Institute of Management and Informatics (IMI) that manages all the information received from the taxpayers in a unitary manner, based on the provisions of HG no. 773/2019.

CET Govora did not agree with this way of extinguishing mutual claims and liabilities, which is why the Company has applied and continues to apply the provisions of Art. 17 para. 5 of ANRE President's Order no. 116/2013 for the approval of the Regulation on establishing the manner of collecting the contribution for high-efficiency cogeneration and payment of the bonus for electricity produced in high-efficiency cogeneration: *'if the producer has not fully paid to the support scheme administrator the payment obligations resulting in accordance with the provisions of this Regulation, the support scheme administrator shall pay to the producer the difference between the value of the invoices issued by the producer and the producer's payment obligations related to the support scheme, with explicit mention on the payment document of the respective amounts'* and withheld from payment the amounts related to the support scheme due.

NPG CO. Transelectrica SA entered into an agreement with CET Govora SA for the set-off and installment payment of the amounts representing receivables from the overcompensation for 2011-2013 and the undue bonus for 2014 (Agreement No. C 135/30.06.2015 and Additional Act No. 1/04.08.2015). The duration of the Agreement was 1 year (period July 2015-August 2016) and provided for the Company's right to calculate and charge penalties during the period of payment installment.

Based on the Agreement, the Company's receivables to be collected from CET Govora SA were offset against the liabilities to CET Govora SA, represented by the cogeneration bonus for the period May 2014 - October 2015 withheld by applying the provisions of Article 17 paragraph 5 of the Order of the President of ANRE no. 116/2013 and the provisions of the Agreement, in the amount of 40,508.

Following the suspension in court, by Civil Judgment no. 3185/27.11.2015, of ANRE Decision no. 738/28.03.2014, which established the amount of overcompensation for the period 2011-2013, CET Govora SA has no longer complied with the obligations assumed by the Agreement. As of May 9, 2016, general insolvency proceedings were opened for CET Govora. In view of the provisions of Law no. 85/2014 - the Insolvency Law, the Company suspended, as of May 9, 2016, the application of the provisions of Article 17.5 of ANRE President's Order no. 116/2013 for the approval of the Regulation on the establishment of the manner of collection of the contribution for high efficiency cogeneration and payment of the bonus for electricity produced in high efficiency cogeneration and pays the cogeneration bonus due to CET Govora on a monthly basis to CET Govora. By Civil Decision no. 2430/05.10.2016, the High Court of Cassation and Justice admitted the appeal lodged by ANRE against Civil Judgment no. 3185/27.11.2015, partially quashed the appealed judgment and rejected the request for suspension filed by CET Govora. Thus, as of 05.10.2016, the effects of ANRE Decision no. 738/28.03.2014 are no longer suspended, taking full effect.

In these circumstances, the Company applies the provisions of Article 17 paragraph 5 of ANRE Order no. 116/2013 for mutual liabilities and claims arising after the insolvency proceedings, in the sense of withholding the bonus due to CET Govora SA up to the amount of the amounts related to the support scheme not paid to the Company.

The increase in the balance of "**suppliers of fixed assets**" at June 30, 2025 compared to December 31, 2024 is mainly represented by past-due debts.

Payables due to "**suppliers other activities**" are mainly represented by payables for services rendered by third parties not yet due, which decreased from December 31, 2024.

As of June 30, 2025, the Company has no outstanding payables to suppliers (state budget, local budget or other public institutions).

The structure of liabilities recorded in "**other liabilities**" is as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
Various creditors	285,877	385,573
Client-creditors	405,048	850,989
Dividends to pay	279,411	134
Other liabilities	224,802	144,705
<b>Total</b>	<b>1,195,139</b>	<b>1,381,401</b>

The accompanying notes are an integral part of these consolidated financial statements.

- „„Various creditors”, amounting to **285.877** as of June 30, 2025, mainly represent:
  - High Efficiency Cogeneration Support Scheme net position, liabilities position, amounting to 265,664.
 The net position of the support scheme represents the difference between:
  - ✓ the amount of the contribution to be collected from the suppliers of electricity consumers, the amount of overcompensation for the activity of electricity and thermal energy production in high efficiency cogeneration, the undue bonus to be collected from producers, according to ANRE decisions, on the one hand, and
  - ✓ the amount of the cogeneration bonus, the overcompensation and the ungranted bonus to be paid to the high efficiency cogeneration producers, beneficiaries of the support scheme, on the other hand;
  - 16,359 solution study contracts for connection to the ETG;
  - 1,779 royalty Q2 2025;
  - 1,041 guarantees and others.
- “Client-creditors”, as of June 30, 2025, amount to **405.048**, of which 386.445 represent amounts received in advance under transactions related to price coupling mechanisms, ICP (Interim Coupling Project), SIDC (Single Intraday Coupling), SDAC (Single Day-ahead Coupling), FBMC (Flow Based Market Coupling) and IDA (Intra Day Auction), from: BRM (293.764), IBEX (46.105), MAVIR (21.347), JAO (1.173) and OPCOM (24.055).
- As of June 30, 2025, dividends due to the Company's shareholders and unpaid amount to 279.411. These amounts are available to shareholders through the paying agent.
- “Other current liabilities”, in the amount of **224.802**, are mainly represented by guarantees of good payment of contracts entered into by NPG CO. Transelectrica SA in the amount of 196.540, VAT not chargeable in the reporting period in the amount of 17,826 and the estimated global minimum tax related to the Group, as a result of the application of the provisions of *Law no. 431/2023 on the provision of a global minimum level of taxation for multinational groups of companies and large national groups* in the amount of 5.613.

## 10.b LIABILITIES - LEASING

As of June 30, 2025 and December 31, 2024, the liability for assets related to the right-of-use of leased assets, according to the provisions of IFRS 16 – Leases, is as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
Liabilities - leasing, short term	7,428	7,328
Liabilities - leasing, long term	1,564	1,604
<b>Total</b>	<b>8,992</b>	<b>8,932</b>

## 11. PROVISIONS

As at June 30, 2025 and December 31, 2024, the statement of provisions is as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
Provisions for litigations	24,089	25,885
Provisions for mandate contracts	8,448	8,600
Other provisions	3,379	1,468
<b>Total</b>	<b>35,916</b>	<b>35,953</b>

The provisions for litigation outstanding at 06/30/2025, in the amount of **24.089**, are mainly represented by the provisions set aside for the following litigation:

- *Case file No. 36755/3/2018 - plaintiff Conaid Company SRL (17.216)* – further details on this case are disclosed in Note 20 - Litigation and Contingencies.
- *Case file no. 15561/3/2022 - claimant SMART SA (4.467)* further details on this case are disclosed in Note 20 - Litigation and Contingencies.
- *Case file No. 3083/3/202020 - Claimant NUCLEARELECTRICA SA (1.473)*

On 26.06.2020, Nuclearelectrica filed a lawsuit against the Company seeking payment of the amount of

The accompanying notes are an integral part of these consolidated financial statements.

1,291 representing a negative imbalance and RON 182 as legal interest.

After several trial dates during which the case was postponed (26.06.2020, 16.10.2020, 11.12.2020) for various reasons, at the trial date of 22.12.2020, the Court ordered the Company to pay the claimant the amount of 1,291 as compensatory damages, to update this amount with the inflation rate from 27.09.2018 until the actual payment date, to pay the amount of RON 182 representing penal legal interest calculated from 27.09.2018 to 31.01.2020, as well as to continue paying the penal legal interest calculated from 01.02.2020 until the actual payment date. It also ordered the defendant to pay the claimant the amount of 23 as legal costs, consisting of court stamp duty. It rejected the defendant's request regarding the reimbursement of legal costs as unfounded. With right of appeal within 30 days from communication. (Judgment No. 2698/2020 dated 22.12.2020).

NPG CO. Transelectrica SA filed an appeal. In the hearing held on 25.11.2021, the Bucharest Court of Appeal admitted the appeal. It partially changed the appealed civil judgment, in the sense that: it rejected the statement of claim as unfounded. It upheld the first-instance court's decision to reject as unfounded the defendant's request for legal costs. It ordered the respondent-claimant to pay the appellant-defendant the amount of 21 as legal costs on appeal. With right of second appeal within 30 days from communication; the second appeal is to be submitted to the Bucharest Court of Appeal – 6th Civil Division. Pronounced by making the decision available to the parties through the court registry today, 25.11.2021. Document: Judgment No. 1927/2021 dated 25.11.2021.

Nuclearelectrica filed a second appeal, which was suspended until the resolution of the action for annulment of the order. Trial date: 12.10.2022.

Pursuant to Article 413 para. (1) point 1 of the Civil Procedure Code, it suspends the proceedings of the second appeal filed by the appellant-claimant NATIONAL COMPANY NUCLEARELECTRICA S.A. against Civil Decision No. 1927/A/25.11.2021, rendered by the Bucharest Court of Appeal – 6th Civil Division, until the final settlement of Case No. 2659/2/2020, which is on the docket of the High Court of Cassation and Justice – Administrative and Fiscal Litigation Division. Final.

**"Provisions for agency agreements"**, in the amount of 8.448 as of June 30, 2025, represent:

- the variable component relating to the OAVT packages allocated and not valorized during the terms of office executed between 2013 and 2017, for executive and non-executive directors, claimed by them in court;
- the remuneration representing the variable component, the non-competition compensation and that relating to the gross monthly fixed gross indemnities remaining until the end of the term of office for the dismissed members of the Supervisory Board/Directorate, i.e. for the 2020-2024 terms of office.

**"Other provisions"** amounting to 3.345 represent untaken vacation leave.

## 12. OTHER TAX AND SOCIAL SECURITY LIABILITIES

At June 30, 2025 and December 31, 2024, other taxes and social security liabilities include:

	<b>30 june 2025</b>	<b>31 december 2024</b>
Contribution to the social security funds	15,624	18,859
Payable VAT	(236)	1,706
Salary tax	2,819	3,681
Other tax payable	1,518	1,291
<b>Total</b>	<b>19,725</b>	<b>25,537</b>

As of June 30, 2025, the Group has accrued liabilities for social security contributions, payroll tax and other taxes, which were due and payable in July 2025.

## 13. INCOME TAX

The Group's current and deferred income taxes are determined at a statutory rate of 16%.

Income tax expense for the second quarter of 2025 and the second quarter of 2024 and income tax expense as of June 30, 2025 and June 30, 2024 are presented, as follows:

	30 june 2025	30 june 2024
Expenses with current income tax	36,441	18,432
Deferred tax expense/ (income)	3,018	2,949
<b>TOTAL</b>	<b>39,459</b>	<b>21,381</b>

#### 14. OPERATING REVENUES

Operating revenues comprise revenues realized from the provision by the Company, on the electricity market, of transmission and system services, interconnection capacity allocation, balancing market operation services and other revenues.

The tariffs approved by ANRE for the services provided on the electricity market for the first semester of 2025 and the first semester of 2024 are presented as follows:

	Tariff for the transmission service for the introduction of electricity into the transmission grid (TG)	Tariff for the transmission service for extracting electricity from the networks (TL)	Average transmission service tariff	Tariff for system service
Order No 21/27.05.2025 for the period June 01 - June 30, 2025	-	-	-	7.04
Order No 99/20.12.2024 for the period January 01 - June 30, 2025	3.29	33.03	-	-
Order No 57/28.08.2024 for the period 01 January - May 31, 2025	-	-	-	11.51
Order No 15/29.05.2024 for the period June 01 - June 30, 2024	-	-	-	12.84
Order No 116/20.12.2023 for the period January 01 - May 31, 2024	-	-	-	9.17
Order No 109/20.12.2023 for the period January 01 - June 30, 2024	-	-	31.67	-

Starting with January 01, 2025, ANRE approves the tariff for transmission service only for the two components: the tariff for introducing electricity into the transmission network (TG) and the tariff for extracting electricity from the networks (TL), according to ANRE Order no. 99/20.12.2024.

The modification of the tariff value for the system service as of June 01, 2025 by ANRE Order no. 21/27.05.2025 was determined by the application of the mechanism for correcting significant deviations from the forecast that was the basis for the approval of the tariff in force as of September 01, 2024 (ANRE Order no. 57/28.08.2024), in accordance with the provisions of the regulatory framework issued by ANRE.

The quantity of electricity delivered to consumers in the first semester of 2025 and the first semester of 2024, respectively, is presented as follows:

	30 june 2025	30 june 2024
Quantity of electricity delivered to consumers (MWh)	25,871,125	25,402,341

The operating revenues realized in the first half of 2025 and the first half of 2024 are as follows:

	30 june 2025	30 june 2024
Transmission revenues	925.350	800.889
Revenues from the allocation of interconnection capacities	151.279	101.900
Revenues from reactive energy	1.454	758
Inter TSO Compensation (ITC) revenues	14.415	11.632
Revenues from transactions with own technological	26.083	70.100
<b>Total revenues from electricity transmission</b>	<b>1.118.580</b>	<b>985.278</b>

	30 june 2025	30 june 2024
Revenues from system services	281.353	251.393
Emergency energy assistance to neighboring	269	60.302
<b>Total revenues from system services</b>	<b>281.622</b>	<b>311.695</b>
 <b>Revenues on the balancing market</b>	 <b>1.490.519</b>	 <b>3.229.089</b>
Income from other benefits and other operating income	39.656	145.403
<b>Other revenues</b>	<b>39.656</b>	<b>145.403</b>
 <b>Total revenues</b>	 <b>2.930.377</b>	 <b>4.671.465</b>

#### *Transmission revenues*

Revenues from transmission service increased in H1 2025 compared to H1 2024 by 124,461, due both to the increase in the tariff for the transmission service approved by ANRE (see the table on tariffs approved by ANRE for the period under review, presented above) and to the increase in the quantity of electricity delivered to consumers by 1.85%, i.e. by 468.784 MWh.

#### *Revenues from the allocation of interconnection capacities*

Revenues from the allocation of interconnection capacity showed an increase in H1 2025 compared to H1 2024, amounting to 49,378, corresponding to the level of utilization of available interconnection capacity by traders on the electricity market.

The market for the allocation of interconnection capacity is fluctuating, with prices evolving according to demand and the need of electricity market participants to purchase interconnection capacity. Thus, the growth over the analyzed period has been influenced by the supply and demand price formation model. The implicit allocations, where capacity and energy are provided simultaneously, are strongly influenced by changes in the price of electricity on the European power exchanges.

The interconnection capacity allocation mechanism consists in organizing annual, monthly, daily and intra-day auctions. Auctions on the Romania-Serbia border, long-term auctions on the borders with Hungary and Bulgaria and short-term auctions on the borders with Moldova and Ukraine are explicit - only transmission capacity is auctioned, while daily (borders with Hungary and Bulgaria) and intra-day (borders with Hungary and Bulgaria) auctions are implicit - they are allocated simultaneously with energy and capacity, through the coupling mechanism.

On June 8, 2022, the Core FB MC (Core Flow-Based Market Coupling) was put into operation, thus initiating the day-ahead flow-based market coupling in the Core capacity calculation region. The Flow-Based Market Coupling mechanism optimizes the European electricity market for 13 countries (Austria, Belgium, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, the Czech Republic, the Netherlands, Austria, Belgium, Croatia, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia).

As of October 27, 2021, the Romania - Bulgaria border has been integrated into the Single Day-Ahead Market Coupling (SDAC), with cross-border capacity between Romania and Bulgaria being allocated by default.

As of November 2019, the 2nd wave of the European Single Intraday Market Coupling (SIDC - Single Intraday Coupling) was launched. The single intraday market coupling mechanism ensures the seamless matching of bids and offers from market participants in a bidding area with bids and offers from within their own bidding area and from any other bidding area where cross-border capacity is available. Thus, explicit intra-domestic auctions are only on the borders with Serbia and Moldova, and implicit intra-domestic auctions are implicit (within the SIDC) on the borders with Bulgaria and Hungary.

On March 18, 2025 the Intraday Auctions (IDA) project was launched for Romania's bidding borders (Romania-Bulgaria and Romania-Hungary). According to Article 55 of Commission Regulation (EU) 2015/1222 of July 24, 2015 establishing guidelines on capacity allocation and congestion management it is necessary to set intraday capacity prices. Thus, on the basis of ACER Decision No 01/2019 on the Methodology for intrazonal intrazonal capacity pricing, an auction mechanism has been introduced to fulfill this objective. This is the so called Intra-Trading Auction - "IDA" which means the implicit auction of

intra-Trading Transactions for the simultaneous matching of orders from different bidding zones and allocation of available intra-Trading Transzonal capacity at the bidding zone borders by applying a market coupling mechanism.

The use of the net revenues from the allocation of interconnection capacity is carried out in accordance with the provisions of ANRE Order No. 171/2019 and Regulation (EU) 2019/943 of 5 June 2019 on the internal electricity market, as a source of financing investments for the modernization and development of interconnection capacity with neighboring systems.

Starting from 2025, by ANRE Decision no. 2624/10.12.2024 *for the approval of the method for covering the expenses forecast for 2025 from the revenues obtained from the allocation of cross-border interconnection capacity*, it was approved to incur ETG maintenance expenses for certain major maintenance and minor maintenance projects from the revenues obtained from the allocation of cross-border interconnection capacity.

The extension of market coupling has the effect of making energy prices uniform across Europe, which is also one of the main objectives of Regulation (EU) 2015/1222 "establishing guidelines on capacity allocation and congestion management".

#### *Inter TSO Compensation (ITC) revenues*

The revenues recorded as a result of the application of the ITC mechanism come mostly from scheduled exchanges of electricity with the countries considered perimeter countries of the mechanism, namely Ukraine and the Republic of Moldova. In general, Romania is a paying country under the mechanism, but exceptionally, revenues may also be recorded from monthly settlements.

As from July 01, 2024, Ukraine joined the ITC mechanism and was no longer considered as a perimeter country. Therefore, only trade with the Republic of Moldova was taken into account.

Thus, in the first semester of 2025, the revenues recorded following the application of the ITC mechanism recorded an increase of 2,784 compared to the first semester of 2024, with the following mentions:

- although the energy exchanges with the perimeter countries taken into consideration were only those with the Republic of Moldova, they increased by about 2 times;
- the tariff value for exchanges with perimeter countries was 2.5 EUR/MWh up to May 14, 2025 and 1.5 EUR/MWh from May 15, 2025 onwards, compared to 3 EUR/MWh in 2024.

#### *Revenues from transactions with own technological consumption*

OTC energy trading revenues were mainly derived from the sale of surplus energy at a positive price and the purchase of deficit energy at a negative price, resulting from the difference between the long and medium-term forecast and the short-term forecast (per settlement interval) on the Intra-day Market managed by OPCOM and, respectively, from the difference between the forecast OTC and the actual realized OTC (per settlement interval) on the Balancing Market. These revenues were lower in S1 2025 compared to S1 2024 by 44,018.

Revenues from transactions on the Intra-Dil market were higher than those realized in the previous year due to an increase in energy sold on the Intra-Dil market as a result of forecast corrections as close to the time of delivery as possible, as well as slightly higher prices on this market.

Revenues from transactions on the Balancing Market were significantly lower, given that the OTC recorded in S1 2025 was lower than in the same period of the previous year. Given the increase in the share of solar and wind generation, there has been an increase in the supply of energy in the peak intervals and an increase in the share of very low and even negative price intervals for prices in the short-term markets.

#### *Revenues from system services*

Revenues from system services recorded an increase in S1 2025 compared to S1 2024 by the amount of 29,960, determined by the increase in the quantity of electricity delivered to consumers by 1.85%, i.e. by 468,784 MWh, in the context of the decrease in the tariff approved by ANRE for these services as of June 01, 2025 (see the table on tariffs approved by ANRE for the period under review, presented above).

For the system services activity, the specific regulatory framework contains regularization mechanisms that ensure the compensation of the excess or deficit of revenues in relation to the level of expenses necessary to carry out the activity. Thus, according to ANRE's regulations, the surplus/deficit of income in relation to the recognized costs resulting from the performance of this activity shall be compensated by

ex-post tariff correction (negative/positive correction) applied by ANRE in the tariff in the years following the year in which the respective surplus/deficit was recorded. The surplus/deficit of income compared to the costs resulting from the carrying out of this activity is calculated by tariff programming periods.

#### *Emergency energy assistance to neighboring*

In the first half of 2025, 269 in emergency aid was granted to Serbia (March), due to the accidental shutdown of generating units in this country.

#### *Revenues on the balancing market*

Revenues realized on the balancing market recorded a decrease in H1 2025 compared to H1 2024, amounting to 1,738,570, mainly due to the following:

- The evolution of contractual imbalances recorded at the level of electricity suppliers on the balancing market;
- the evolution of hydraulicity;
- developments in electricity generation and consumption;
- the evolution of the output of power plants on probation;
- continued accelerated growth of installed power at prosumers;
- an improvement in the control/monitoring at the level of suppliers for the production of prosumers they have in their portfolio and an increased concern at their level to estimate/adjust the prosumers' production forecasts in relation to their contractual position.

## **15. SYSTEM OPERATING EXPENSES AND BALANCING MARKET EXPENSES**

The expenses realized in S1 2025 compared to S1 2024 are presented as follows:

	<b>30 june 2025</b>	<b>30 june 2024</b>
Expenses on own technological consumption	288.041	296.081
Congestion expenses	-	107
Expenses for the electricity consumption in RET substations	20.630	25.568
RED transit CPT expenses (ANRE decision)	17.443	12.840
ITC expenses (Inter TSO Compensation)	31.959	20.605
<b>Total system operating expenses</b>	<b>358.073</b>	<b>355.201</b>
Expenses regarding system services	234.590	300.957
Balancing market expenses	1.490.940	3.229.286
<b>Total</b>	<b>2.083.603</b>	<b>3.885.443</b>

#### *Expenses on own technological consumption*

These represent expenses for the purchase of electricity on the free electricity market, i.e. the Centralized Bilateral Contracts Market (PCCB), the Day-ahead Market (DAM), the Balancing Market (PE) and the Intra-day Market (IM) to cover own technological consumption (OTC) in the transmission electricity network (ETG).

The expenditure on own technology consumption was lower by an amount of 8,040 in S1 2025 as compared to S1 2024, considering a number of aspects as follows:

- due to its characteristics, the Own Technological Consumption (OTC) in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, on the structure of electricity production and consumption, at national level, on the distribution of electricity flows in the internal transmission grid and on the interconnection lines with neighboring electro-energy systems, its value being very little to not controllable at all in the conditions of an interconnected and coupled regional energy market;
- as a result of weather conditions and flows on interconnection lines, the OTC value recorded in the first semester of 2025 was lower than that recorded in the previous year;
- compared to 2025, in the first three months of 2024, following the provisions of GEO no. 153/2022 amending and supplementing GEO no. 27/2022, NPG CO. Transelectrica SA purchased electricity to cover 75% of the quantity corresponding to the OTC forecast validated by the Centralized Electricity Purchase Mechanism (MACEE), at the regulated price of 450 RON/MWh;

The accompanying notes are an integral part of these consolidated financial statements.

- as of 01.04.2024, the centralized electricity purchase mechanism (MACEE) was amended by GEO no. 32/2024, in the sense of:
  - reduction of the regulated purchase price to 400 RON/MWh;
  - removing the obligation for generators to participate in the mechanism;
  - changing the period of application of the mechanism from 31.03.2025 to 31.12.2024;
  - to allow other producers with production capacities below 10 MW to participate in the mechanism.
- The amendments introduced by GEO 32/2024 led to a gradual exit from the support scheme and a return to competitive market mechanisms. As a result, as of 01.01.2025, the energy needed to cover the OTC was purchased in a proportion of about 50% through bilateral contracts, at an average price for the first semester of 2025 of 477.25 RON/MWh;
- the elimination of the MACEE mechanism with regulated price, increased consumption and low temperatures in February, as well as lower hydropower generation led to increased imports and higher energy prices in the short-term markets compared to the same period of 2024;
- the price of DAM is highly dependent on weather conditions (droughts, precipitation, extreme events) and prices on the European market. The Day-Ahead market is an unpredictable market with a high degree of volatility, with prices increasing by as much as 30-40% within a week;
- As of July 01, 2024, a number of changes to the Regulation on Terms and Conditions for Balancing Parties, in line with the requirements of the European Codes, came into force, which led to very high prices in the Balancing Market. These prices have a high degree of volatility and uncertainty and can vary widely, but are still below the 2024 peaks. The Own Technological Consumption recorded in the analyzed period was lower compared to the same period of 2024, leading to lower costs resulting from the coverage of energy imbalances in this market compared to the same period of 2024. .

#### *Expenses for the electricity consumption in RET substations*

In order to carry out the activity of electricity transmission in electricity substations and to operate the National Electricity Power System in safe conditions, NPG CO. Transelectrica SA has to purchase electricity to cover the consumption related to internal services in the high voltage substations under the Company's management.

These expenses decreased by the amount of 4,938 in S1 2025 compared to S1 2024.

#### *RED transit CPT expenses (ANRE decision)*

In June 2025, OTC expenses related to additional transit of electricity from the networks of concessionary distribution operators at the voltage level of 110 kV (for the quota assigned to the OTS) were recorded in the amount of 17,443.

By ANRE Decisions no. 2780/20.12.2024 and no. 2781/20.12.2024, the forecast OTC quantities and the corresponding costs related to the additional electricity transits from the 110 kV electricity grids for 2025 were approved for the companies Rețele Electrice România S.A. and Distribuție Energie Oltenia S.A.

#### *Inter TSO Compensation (ITC) expenses*

The ITC expenses represent the monthly payment obligations/collection rights for each transmission system operator (TSO). They are established within the framework of the mechanism of compensation/remission of the effects of the use of the transmission electricity network (ETG) for electricity transits between TSOs of the countries that have joined this mechanism within the ENTSO-E. In S1 2025, these expenses were higher by 11,355 compared to the same period of the previous year.

The factors influencing the values of costs/revenues with the ITC mechanism are the electricity exchanges - import, export, transit on the NES interconnection lines, correlated with the electricity flows transited at the level of all countries participating in the mechanism.

#### *Expenses regarding system services / balancing capacity*

Expenditure on system services (balancing capacity) showed a decrease in S1 2025 compared to S1 2024, amounting to 66,367.

The balancing capacity is purchased based on the needs established by the National Energy Dispatching (organizational unit within the Company) responsible for ensuring the stability and safety of NES operation, in accordance with the provisions of ANRE Order no. 127/08.12.12.2021 for the approval of the Regulation on the Terms and Conditions for Balancing Service Providers and Frequency Stabilization Reserve Providers and the Regulation on the Terms and Conditions for Balancing Parties and for the

amendment and repeal of some Orders of the President of the National Energy Regulatory Authority, as subsequently amended and supplemented.

In the first semester of 2025, NPG CO. Transelectrica SA contracted Reactive Energy from Hydroelectric Power Plant Generation Company "Hidroelectrica" SA, according to:

- ANRE decision no. 2281/29.10.2024 regarding the granting of derogation for the transmission and system operator to purchase on market basis the reactive electricity service for voltage regulation in the network;
- NPG CO. Transelectrica SA decision no. 218/12.12.2024 approving the maximum prices for the purchase of reactive energy system service for voltage regulation in the transmission grid;
- the achievements confirmed by the National Energy Dispatch.

We point out that in line with the trend observed in the balancing market, there has been an increase in the purchase price of the Fast Tertiary Reserve - power curtailment since May 2025. If in the first five months of the year the average prices fluctuated between 15 and 23 RON/hMW, in June 2025 there was an explosion of values, with an overall average of more than 108 RON/hMW. This increase is justified neither by significant changes in demand or supply, nor by objective technical factors, but represents a sudden and unilateral change in the bidding behavior of a small group of participants. The bids submitted by some producers in June 2025 reached values between 100 and 999 RON/hMW, with repeated prices of 500, 700 and even 999 RON/hMW. Producers such as CE Oltenia, Electrocentrale Craiova, BEPCO, INGKA Investments Renewable Energy Romania and True Energy Management had a completely divergent behavior compared to the other months, when the same bidders in the market had prices around 15 RON/hMW.

In the balancing capacity market, in line with the trend in the balancing market in the first semester of 2025, there has been a downward trend in the purchase price for RRFa in the upward and downward trend in the upward trend for RRFm in the downward trend since May 2025:

- average purchase price in the first semester of 2025, for RRFa at growth - 60.51 RON/hMW;
- average purchase price in the first semester of 2025, for RRFa at reduction - 62.75 RON/hMW;
- average purchase price in the first semester of 2025, for RRFm at increase - 36.57 RON/hMW;
- average purchase price in the first semester of 2025, for RRFm at reduction - 38.09 RON/hMW.

For the subsequent period of 2025, it is estimated that a significant impact on the evolution of the costs for the purchase of system services (balancing capacity) through daily and directional auctions, at the level of NPG CO. Transelectrica SA, will be the market behavior of the participants registered on the balancing capacity market, the regulatory framework of ANRE on the electricity market, the evolution of prices on the balancing market, as well as the regional and European context of the evolution of the electricity market

#### Balancing market expenses

The balancing market expenses realized in S1 2025, amounting to 1,490,940, were lower by 1,738,345 in comparison with S1 2024, i.e. by 1,738,345. These expenses result from the notifications/realizations of the participants on this market and are significantly influenced by the evolution of electricity production and consumption at national level, the European context of the evolution of the electricity market and the way of realization of contracting on the markets prior to the balancing market.

#### 16. DEPRECIATION AND AMORTIZATION

	30 june 2025	30 june 2024
Expenses with the depreciation of the tangible and intangible fixed assets	147,019	139,179
Expenses with the depreciation of the assets related to the rights of use of the leased assets	4,478	4,333
<b>Total</b>	<b>151,497</b>	<b>143,512</b>

*Depreciation of tangible and intangible assets* in the amount of **147.019** represents the depreciation recorded in the first half of 2025, calculated at the fair value of the assets at December 31, 2024, correlated with the commissioning of the investment works and the acceptance of the assets.

*Intangible asset amortization expense* recognized under IFRS 16 in the amount of 4, **4.478** (The Group partially operates in leased office premises). In accordance with IFRS 16 - Leases, the right to use the

premises leased by the Company in the Platinum office building at 2-4 Olteni Street, Platinum, is recognized as an asset measured at the level of the rent payable by the end of the lease contract. The asset recognized in accordance with IFRS 16 is depreciated at the level of the monthly rent and is recorded under the indicator "depreciation of tangible and intangible fixed assets".

## 17. PERSONNEL EXPENSES

	30 june 2025	30 june 2024
Personnel expenses	263,416	238,154
- of which expenses for employees' salaries	224,311	209,134

Total personnel expenses realized in the first semester of 2025 show an increase compared to the same period of the previous year, mainly due to the increase in some expense items, such as: staff salary expenses, social expenses, expenses related to the mandate contracts, expenses related to insurance and social protection in accordance with the applicable legal provisions, as well as the reversal to income of a part of the provisions set aside for the dismissed executive and non-executive directors, representing compensation provided for in the mandate contracts concluded in 2020 for the period 2020-2024, concurrently with the payments made on the basis of enforceable court judgments received by the Company.

### *ii) Number of employees*

As of June 30, 2025 și June 30, 2024, the number of employees with individual employment contracts for an indefinite period is as follows:

Number of employees	30 june 2025	30 june 2024
Transelectrica SA	2,031	2,027
Smart SA	596	593
Teletrans SA	253	234

## 18. OTHER OPERATING EXPENSES

	30 june 2025	30 june 2024
Other expenses with services provided by third parties	78,222	67,766
Postal and telecommunication expenses	602	620
Expenses on rents	4,055	3,511
(Revenues)/ Expense net for impairment adjustments for current assets	1,578	365
Other expenses	678	15,496
<b>Total</b>	<b>85,134</b>	<b>87,759</b>

In the first semester of 2025, these expenses recorded a decrease in the amount of 2,625 compared to the first semester of 2024, mainly due to the variation of some expense items, as follows:

- Decrease in certain expense items such as: commodity expense, administrative energy consumption expense, travel expense, staff training expense, etc.;
- decrease in expenses relating to the FVOVs paid on the basis of enforceable court judgments issued (performance bonus related to the FVOV Certificates granted to former executive and non-executive members and not valorized, remuneration under the mandate contracts concluded between 2013 and 2017) and expenses paid on the basis of enforceable court judgments issued to former executive and non-executive members who were dismissed, representing compensation provided for in the mandate contracts concluded in 2020, for the period 2020-2024;
- in the context of the increase in expenditure on taxes, duties and similar payments, through the introduction in 2025 of the construction tax, in accordance with the provisions of GEO no. 156/2024 on some fiscal-budgetary measures in the field of public expenditure for the consolidated budget for the year 2025, for amending and supplementing some normative acts, as

The accompanying notes are an integral part of these consolidated financial statements.

well as for the extension of some deadlines, as well as the increase in other expenditure items, such as: expenditure on civil protection and security, expenditure on Teletrans maintenance, expenditure on the implementation of pan-European codes, expenditure on royalties, expenditure on insurance premiums, etc.;

- recognizing the investment project "Connection to the ETG of CEE 136MW Platonești by building a 110kV Gura Ialomiței 110kV cell" on the Company's operating costs, under other tax-deductible operating expenses, concomitant with the recording of an operating income related to the subsidy, respectively the recording in the accounting records of the Bucharest Branch, as an entry of the 110kV cell as stocks, under other operating income;
- the recording of some operating expenses with losses on receivables (REGIA AUTONOMĂ PENTRU ACTIVITĂȚI NUCLEARE SA), of some adjustments for impairment of receivables (RESTART ENERGY TRADING SRL, JOINT ALLOCATION OFFICE SA, OPCOM SA etc.) and of adjustments for inventory depreciation, as well as the reversal to income of some adjustments for impairment of current assets (MENAROM PEC SA, BALKANS POWER CORE SRL), respectively of adjustments for inventory depreciation, etc.

## 19. NET FINANCIAL RESULT

	<u>30 june 2025</u>	<u>30 june 2024</u>
Interest revenues	6,928	3,634
Revenues from exchange rate differences	26,030	1,744
Other financial revenues	22,173	14,693
<b>Total financial revenues</b>	<b>55,131</b>	<b>20,072</b>
Interest expenses	(1,831)	(1,744)
Expenses from exchange rate differences	(29,092)	(2,248)
Other financial expenses	173	(206)
<b>Total financial expenses</b>	<b>(30,751)</b>	<b>(4,198)</b>
<b>Share of profit/(loss) of equity investments</b>	<b>(145)</b>	-
<b>Net financial result</b>	<b>24,235</b>	<b>15,874</b>

As of June 30, 2025, the Group recorded a net financial result (profit) in the amount of 24,235, mainly influenced by the dividends received from the subsidiary OPCOM SA in the amount of 22,108, as well as by the increase in interest income received during the period under review.

Compared to the first half of 2024, the level of income and expenses from exchange rate differences realized in the first half of 2025 was mainly influenced by the volume of transactions related to the market coupling business segment in conjunction with the evolution of the exchange rates of the national currency against the euro.

As at June 30, 2025, in the total amount of 1.831 (interest expense), the amount of 362 represents the interest calculated on fixed assets related to the rights of use of leased assets - buildings, in accordance with IFRS 16 - Leases.

**Share of profit/(loss) from investments** represents the share of the result related to the jointly controlled entity GECO Power Company. As of June 30, GECO recorded a loss, the Company's share of this loss thus representing an expense of 145.

The exchange rate of the national currency recorded at June 30, 2025 compared to that recorded at June 30, 2024, is as follows:

<u>Currency</u>	<u>30 june 2025</u>	<u>30 june 2024</u>
Lei / Euro	5,0777	4,9771

## 20. COMMITMENTS AND CONTINGENCIES

### ➤ *Ongoing litigation*

Management periodically reviews the situation of ongoing litigation and, in consultation with its legal representatives, decides on the need to create/cancel provisions for the amounts involved or to disclose them in the financial statements.

Based on existing information, the Group's management believes that it believes that there are no significant pending litigations in which the Company is a defendant, except for the following:

#### • AUTONOMOUS REGIE FOR NUCLEAR ACTIVITIES (RAAN)

In case no. **9089/101/2013**, on 19.09.2013, the Mehedinți Court ordered the opening of general insolvency proceedings against RAAN.

On 09.03.2015, the Mehedinți Court confirmed the reorganisation plan of the debtor Regia Autonomă Pentru Activități Nucleare proposed by the insolvency administrator Tudor&Asociatii SPRL and voted by the General Meeting of Creditors according to the minutes of 28.02.2014.

On 14.06.2016, bankruptcy proceedings were ordered against RAAN.

NPG CO. Transelectrica SA filed an objection to the supplementary table of claims, which was the subject of file no. 9089/101/2013/a152 against the debtor RAAN, as the judicial liquidator did not enter a claim in the amount of 78,096,209 RON on the grounds that "it does not appear as being due in RAAN's accounting records." Moreover, the judicial liquidator considered that the request to enter the amount of 78,096,209 RON in the table was submitted late, as it related to the period 2011 - 2013, which is why the statement of claim should have been submitted at the time of the opening of the insolvency proceedings, namely on 18 September 2013. Within the legal time limit, an appeal to the Supplementary Table of Claims was filed, the Mehedinți Tribunal accepting the evidence of the accountant's expert's report. By Judgment 163/20.06.2019, the solution of the Mehedinți Tribunal is: The plea of forfeiture is allowed. The main action and the related appeal are allowed in part. Orders the defendant to pay to the claimant the amount of 16,950,117.14 RON, a claim arising in the course of the proceedings, ordering its entry in the table of creditors established against the debtor RAAN with this amount. Dismisses the remainder of the related claims. Under Article 453 para. 2 C. pr. civ. orders the defendant to pay the applicant 1,000 RON costs. Subject to appeal. Delivered in open court. Document Decision 163/20.06.2019. Transelectrica appealed within the legal deadline. At the trial date of 06.11.2019, the Craiova Court of Appeal dismissed Transelectrica's appeal as unfounded. Final decision. Decision 846/06.11.2019.

In the bankruptcy case of RAAN registered under No 9089/101/2013, CNTEE Transelectrica SA was entered in the creditor's estate with the following claims: 2,162,138.86 RON + 16,951,117.14 RON.

Date to continue the procedure for the collection of claims, the realisation of assets and the performance of other liquidation operations: 03.10.2024.

At 03.10.2024, the court grants a deadline of 23.01.2025, and at this deadline of 23.01.2025 a new deadline of 26.03.2025 is granted for the continuation of the procedure, respectively for the collection of claims, the realization of assets, as well as for the performance of other liquidation operations. At the deadline of 26.03.2025, it postpones the case to 11.06.2025, for the continuation of the bankruptcy procedure, respectively for the collection of claims, the realization of assets, as well as for the performance of other liquidation operations. At 11.06.2025, it postpones the case to **17.09.2025**, for the continuation of the bankruptcy procedure, respectively for the collection of claims, the realization of assets, as well as for the performance of other liquidation operations.

RAAN and Transelectrica are also involved in 2 other cases at various stages of judgement, as follows:

File no. **28460/3/2017** - Subject of the file: obliging the underwriter to pay the total amount of 12,346,063 lei. CAB decision 09/27/2021: Suspends the judgment of the appeal until the final settlement of files no. 28458/3/2017, no. 26024/3/2015. The decision of 23.05.2022: Rejects as unfounded the request to reinstate the pending case. Keeps the judgment of the appeal suspended. At the deadline of 20.05.2024, the appeal was admitted, the appealed sentence was changed in the sense that: the summons request was admitted. It obliges the defendant to pay the plaintiff the sum of 12,346,063.10 lei, representing the principal debt and penalties, with the right of appeal. Decision 806/20.05.2024. Transelectrica filed an appeal, without time limit.

File no. **3694/3/2016** - Claims 15,698,721.88 lei. Court term on 08.11.2021: the case has been suspended until the final settlement of Files no. 26024/3/2015 and no. 28458/3/2017. Decision 06/03/2024: the appeal

was accepted, the appealed sentence was changed in its entirety, in the sense that: the summons request was accepted. The defendant was obliged to pay the plaintiff the sum of 12,727,101.99 lei, representing the bonus value and regularization of the ante-overcompensation for which SRTF series invoices were issued, as well as the sum of 2,917,619.81 lei, representing the related delay penalties the main debit, for which SRTF series invoices were issued, with the right of appeal. Decision 898/03.06.2024. Transelectrica has filed an appeal which is in the filter procedure phase, trial date: **16.10.2025**.

- **COURT OF AUDITORS**

Following an audit carried out in 2017, the Court of Auditors ordered certain measures to be implemented by the Company as a result of certain deficiencies found during this audit. The Company lodged several appeals against the measures ordered by the Court of Auditors of Romania (CoA) by Decision no. 8/27.06.2017, requesting their cancellation, as well as against the Decision no. 77/03.08.2017, registered at the Company's registry under no. 29117/08.08.2017, respectively the Audit Report no. 19211/26.05.2017. The appeals were filed before the Bucharest Court of Appeal, among which case no. 6581/2/2017 concerning the annulment of the findings in paragraph 6 and the measure ordered in paragraph II.9, at the trial term of 31.03.2023: According to the minutes of 29.03.2023, case no. 6581/2/2017 was filed in the 12th Panel of first instance of the Eighth Administrative and Tax Litigation Department under no. 6581/2/2017\*. The solution in brief: In order to give the parties the opportunity to submit written submissions and to deliberate, the Court adjourns the hearing to the following deadlines 31.03.2023, 13.04.2023, 28.04.2023, 12.05.2023.

At the hearing on 26 May 2023, the application was granted. Partial annulment of Decision No 77/03.08.2017, as regards the rejection of point 6 of Appeal No 26140/17.07.2017, Decision No 8/27.06.2017 as regards the findings in point 6 and the measure ordered in point 11.9, and Control Report No 19211/26.05.2017 as regards the findings in point 3.2. Orders the defendant to pay to the applicant the costs totalling 10,450 RON, representing the court stamp duty and the fees of the court expert. With appeal within 15 days of notification. Decision 920/26.05.2023.

Transelectrica's appeal dismissed as unfounded on January 23, 2025. Final decision no.288/2025.

- The subject of the case file **2153/2/2021** is the annulment of the administrative act issued as a result of the control carried out by the CCR between January and July 2020, which ordered 10 measures to be implemented by the Company contained in Decision No 15/2020.

At the hearing on 10.12.2021 the CAB dismisses the Company's application to intervene. Transelectrica's appeal was dismissed as unfounded on 07.03.2024. Final judgement no.1319/2024.

- **OPCOM**

Case no. **22567/3/2019** - Subject of the case: common law claims.

To order the defendant OPCOM SA to pay the amount of 4,517,460 RON, related to the invoice series TEL 16 AAA no. 19533/29.07.2016, representing the VAT amount, related to the contribution brought by NPG Transelectrica SA to the share capital of OPCOM SA, issued under the Loan Agreement no. 7181RO/2003, commitment for the financing of the investment project "Electricity Market Project".

Ordering the defendant OPCOM SA to pay the amount of 1,293,778.27 RON related to the invoices TEL 19 T00 nr.17/28.01.2019 and TEL 19 T00 nr. 131/10.07.2019, representing the legal penalty interest, calculated for the non-payment on time of the invoice TEL 16 AAA series no. 19533/29.07.2016.

Suspends the hearing of the case until the final resolution of case 31001/3/2017, regarding the action for annulment of the Opcom AGM decision (in which Transelectrica is not a party and in which on 01.02.2021 the appeals were dismissed, the decision being final).

The TMB's solution Admits the challenge of limitation. Dismisses the action as time-barred. Subject to appeal within 30 days from the date of communication, to be lodged with the Bucharest Tribunal, 6th Civil Department. Delivered by delivery of the judgment to the parties through the court registry. Document: Decision 3021/03.12.2021. So far the judgement in this case has not been drafted. After the drafting and communication of the Civil Judgement no. 3021/ 03.12.2021, the Company may appeal against this judgement. Transelectrica has appealed.

CAB solution according to Decision No 1532/12.10.2022: Dismisses the appeal as unfounded. Orders the appellant to pay the respondent the sum of 11,325.21 RON by way of costs. With appeal within 30 days of notification. Transelectrica filed an appeal against the civil decision no.1532/12.10.2022 issued by the CAB. . On 19.09.2023 at the ICCJ the appeal was admitted, the decision 1532/12.10.2022 was quashed

and the case was sent for retrial to the same court. Definitive. Decision 1640/19.09.2023.

Case no. 24242/3/2021 - Bucharest Tribunal - Civil Department VI - Subject matter: The plaintiff OPCOM seeks a declaration of nullity of the act - contribution in kind.

On 07.11.2023 The TMB's solution in brief: the plea of inadmissibility was qualified as a substantive defence. The application was dismissed as unfounded. With right to appeal, within 30 days of communication to the parties, Decision 2600/07.11.2023.

New case **22567/3/2019\*** the case was remitted for retrial. At the term of February 18, 2025, the appeal was dismissed as unfounded. The appellant-plaintiff was ordered to pay the respondent-defendant the sum of 28,777.79 lei by way of costs. With the right to appeal within 30 days of communication. Decision 235/18.02.2025.

Case file no. **24242/3/2021** - Bucharest Tribunal - Civil Section VI - Object of the case: the plaintiff OPCOM requests the nullity of the act - contribution in kind.

On 07.11.2023 The TMB's solution in brief: the plea of inadmissibility was qualified as a substantive defense. The claim was dismissed as unfounded. With the right to appeal within 30 days of communication to the parties, Decision 2600/07.11.2023.

OPCOM appealed. At the hearing on March 13, 2025, the appeal was dismissed as unfounded and the plaintiff was ordered to pay to the State the amount of 179,550.57 lei representing the court stamp duty. With appeal within 30 days of communication. Decision 423/13.03.2025.

File no. **44380/3/2024** - Bucharest Tribunal - Object of the case: claims and conclusion of an additional act for the amount of 2,914, value of services for calculating collection rights and payment obligations of transactions carried out by PRE and PPE plus legal interest. Deadline: **30.09.2025**

- **CONAID COMPANY SRL**

In 2013 Conaid Company SRL sued CNTEE for its unjustified refusal to sign an addendum to the connection contract or a new connection contract and requested compensations for the expenses incurred up to that date amounting to 17,419,508 Lei and for unrealised profits in 2013-2033 amounting to 722,76 mil EUR. To date the Company has not concluded an addendum to the connection contract because the suspensive terms included in the contract were not complied with by Conaid Company SRL. A new connection contract should have been concluded by 11 March 2014, expiry date of the technical connection endorsement. File 5302/2/2013 was found on the docket of the High Court of Cassation and Justice, Section of Administrative and Fiscal Disputes, and pertained to an obligation to issue an administrative deed; law court stage – appeal and hearing term on 09.12.2015. On this term the High Court of Cassation and Justice admitted in principle the appeals and set a hearing term of such appeals, for the main issue, on 08 April 2016. Panel 4 was entrusted to summon the parties.

Case judgement was deferred to 17.06.2016, when the court postponed pronouncement to 29.06.2016, when it pronounced Ruling 2148/2016 whereby it decided as follows: "It denies the exceptions invoked by the recurrent-Plaintiff SC Conaid Company SRL by means of the judiciary administrator RVA Insolvency Specialists SPRL and by the recurrent-defendant the National Power Grid Company Transelectrica SA. It admits the appeal filed by the defendant National Power Grid Company Transelectrica SA against the hearing conclusion of 18 February 2014 and civil ruling 1866 of 11 June 2014 pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes. It cancels the contested conclusion and partly the ruling and refers the case to Bucharest Tribunal, Section VI Civil to settle the Plaintiff's case in contradiction with the National Power Grid Company Transelectrica SA. It maintains the other ruling provisions as regards the Plaintiff's suit against the National Regulatory Authority in the Energy domain. It denies the appeals filed by Plaintiff SC Conaid Company SRL by means of the judiciary administrator RVA Insolvency Specialists SPRL and by the intervenient SC Duro Felguera SA against civil ruling 1866 of 11 June 2014, pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes. It denies the appeal filed by the defendant National Power Grid Company Transelectrica SA against the hearing conclusion of 25 March 2014, pronounced by the Appeal Court Bucharest, Section VIII of Administrative and Fiscal Disputes; final". It was pronounced at public hearing on 29 June 2016.

The file was registered under no. 12107/3/2017 on the docket of Bucharest Tribunal. The Tribunal's civil sentence 4364/23.11.2017 admitted the exception of inadmissibility and denied the request as inadmissible. It also denied the intervention request on the Plaintiff's behalf. Appeal right granted within 30 days from notification. The appeal was filed to the Appeal Court Bucharest, Section VI Civil and the court clerk office notified it on 23.11.2017.

On 02.11.2018 on the docket of Bucharest Tribunal, Section VI Civil new summons were filed by Conaid Company SRL under file 36755/3/2018, by which the Plaintiff requested the court to compel Transelectrica SA to "repair the prejudice caused to the Plaintiff as a result of the defendant's culpable non-execution of obligations in quantum of 17,216,093.43 Lei, consisting of actual damage incurred and unrealised benefit, provisionally estimated at 100 thousand Euro. Taking into account the unjustified refusal of Transelectrica SA to conclude and sign an addendum to Contract C154/27.04.2012, and in case the instance deem in formal terms the Plaintiff's obligation of suspensive terms cannot be considered as fulfilled, such non-execution is owed to the exclusive guilt of Transelectrica SA, as the defendant prevented the compliance with the terms".

On the 15.10.2019 term it denied as groundless the exceptions of absence of active processual capacity and absence of interest. It joined the exception of prescription to the main issue; appeal right on the same date with the main issue. It was pronounced by placing the settlement to the parties' disposal by means of the court clerk.

It established the term on 26.11.2019 to continue investigating the case and summon the parties; appeal right on the same date with the main issue. It was pronounced by placing the settlement to the parties' disposal by means of the court clerk.

It was deferred in order to bring the expertise evidence and a new term was established on 21.01.2020.

On 21.01.2020 the case was deferred provide the expertise and the next term was established on 31.03.2020.

On the 31.03.2020 term the settlement in brief was: Lawfully suspended according to article 42 para 6 from the Decree 195/2020 of Romania's president instituting the emergency state on Romanian territory, during the entire emergency period.

After several deferrals, at the hearing of 03.01.2024 the TMB admits the exception of the limitation of the material right to action, invoked by the statement of defence. Dismisses the claim as time-barred. With appeal within 30 days from the communication. Decision 4/03.01.2024.

Conaid Company SRL filed an appeal set for 27.03.2025. At the date of 27.03.2025, the court admits the appeal. It annuls the appealed civil sentence and sends the case to the first instance, for resolution of the merits. With appeal within 30 days from notification.

• **RESITA MUNICIPALITY**

File no. 2494/115/2018\* - file no. 2494/115/2018\*\*, registered with the Caras Severin Court of Caras Severin, has as its object the application for summons, by which the plaintiff Municipality of Resita requests that the defendant Transelectrica SA be ordered to pay the amount of 17,038,126.88 RON representing land rents for the years 2015, 2016, 2018, 2019, 2020, 2021, 2022 and 2023, plus legal penalty interest from the due date until actual payment.

Settlement in brief: It admitted the exception of territorial incompetence for Caras Severin Tribunal. It declined the settlement competence of the request filed by Plaintiff Resita City through the mayor in contradiction with defendant CNTEE Transelectrica SA in favour of Bucharest Tribunal. No appeal according to article 132 para 3 Civil Procedural Code. It was pronounced at public hearing on 11 March 2019.

On the hearing term of 25.10.2019 the exception is admitted of territorial incompetence of Bucharest Tribunal. It declined the settlement competence of this case in favour of Caras-Severin Tribunal. It ascertains the occurrence of a negative competence conflict between Bucharest Tribunal and Caras Severin Tribunal. It suspended the case and referred the file to the High Court of Cassation and Justice, in order to settle the negative competence conflict. No appeal was granted. Ruling 2376/25.10.2019.

On the 16.07.2020 term the High Court of Cassation and Justice issued ruling 1578 and established the case settlement competence in favour of Caras Severin Tribunal, Section I civil.

File 2494/115/2018\*\*. Hearing: 22.03.2021 at the Court of Caras Severin. Settlement: Suspends the judgment of the summons filed by Plaintiff Resita City through the Mayor in contradiction with the defendant National Power Grid Company Transelectrica SA pertaining to claims, according to article 413 para (1) pt. 1 Civil Procedural Code. Appeal granted during the entire judgment suspension, to the higher instance.

The case was suspended until the final decision in case no. 3154/115/2018\* of the Court of Caras Severin.

At the hearing on 19.01.2023, the summary judgment is as follows: Dismiss the plea of stamp duty exception of the request as the defendant does not have the necessary standing to rely on the method of determining the stamp duty. Dismiss the plea of untimeliness of the request to amend the summons. Adjourns the discussion of the plea of res judicata until the date on which the decision of the High Court of Cassation and Justice in Case No 3154/115/2018\*\* is delivered in full. Postpones the ruling on the requests for evidence consisting of the defendant's cross-examination and the expert's report. Adjourns the case and sets term on 02.03.2023.

At the hearing on 02.03.2023, the short answer is as follows: suspends the proceedings on the claim for damages brought by the plaintiff Municipality of Reșița against the defendant National Power Transmission Company "Transelectrica" SA, concerning claims. With right of appeal for the duration of the stay of proceedings.

At the hearing of 22.02.2024, the court adjourns the case, in order to return the file no. 2494/115/2018\*\*, submitted for appeal to the Timisoara Court of Appeal, for when the parties have a term notice under art. 229 of the Civil Procedure Code, in the presence of their representatives.

At the term of 06.06.2024, the court rejects the request for postponement made by the plaintiff Municipiul Reșița, to adjourn the judgement of the case, due to the absence of the expert's report to 27.06.2024 for when the parties have a term in knowledge on the basis of art. 229 of the Civil Procedure Code, through authorised representatives.

At the term of 27.06.2024, the court orders the communication to the expert of a copy of the notes of the hearing, on pages 172-174, submitted by the defendant Compania Națională de Transport al Energiei Electrice "Transelectrica" SA. Orders the communication to the expert of a copy of the clarifications submitted by the plaintiff Municipiul Reșița following the request made by the expert. Adjourn the hearing of the case, due to the absence of the expert's report, to 19.09.2024, for when the parties have a term of hearing on the basis of art. 229 of the Code of Civil Procedure.

On 19.09.2024, the plaintiff's request for adjournment of the case was granted and a copy of the expert's report was ordered to be served on him. The discussion on the final fee for the expert's report was postponed until both parties had studied it. The hearing of the case was adjourned, due to the absence of the expert's report, to 10.10.2024, when the parties will have a term to be informed pursuant to art. 229 of the Code of Civil Procedure, through their representatives.

On 10.10.2024, the plaintiff and the defendant were ordered to pay the expert's fees of 1000 lei each, and an additional expert's report was ordered.

At the term of 12.12.2024, a new term of judgment was granted in order to study the supplementary expert's report and to formulate any objections by the parties' representatives.

At the term of 27.02.2025, the court rejects the plea of prescription of the right to bring the action regarding the claims consisting in the rent for 2015 and the plea of lateness of the filing of the amendments to the action, pleaded by the defendant Transelectrica S.A. It qualifies the plea of res judicata as a substantive defense relating to the positive effect of res judicata. Dismisses the claim brought by the defendant Municipality of Reșița against the defendant Transelectrica S.A. With a right of appeal within 30 days of communication. The Municipality of Reșița filed an appeal, without a set deadline.

• **ANAF**

In 2017 a general fiscal audit was completed that had started in Transelectrica SA on 14.12.2011, control targeting the interval December 2005 – December 2010.

The general fiscal audit began on 14.12.2011 and ended on 26.06.2017, date of the final discussion with Transelectrica SA.

When the audit has ended ANAF – DGAMC established additional fiscal obligations payable by the Company, namely income tax and VAT, as well as accessory fiscal liabilities (interest/delay indexations and penalties) with respect to technological system services (STS) invoiced by energy suppliers, considered non-deductible after the fiscal audit.

In accordance with the taxation decision F-MC 439/30.06.2017 in total sum of 99,013, ANAF – DGAMC established additional fiscal liabilities payable by the Company, amounting to 35,105, as well as accessory fiscal ones (interest/delay indexations and penalties), amounting to 63,908.

ANAF's Tax inspection report mainly records the following additional payment liabilities: corporate tax amounting to 13,727 plus accessories, owed for a number of 123 unused invoices identified as missing

(they were destroyed in the fire that broke out the night of 26-27 June 2009, at the business office in the Millennium Business Centre from 2-4, Armand Calinescu Street, Bucharest 2, where the company carried out its activity), documents under special regime.

These invoices were subject to a dispute with ANAF, the latter sending a tax inspection report on 20

September 2011 which estimated the amount of collected VAT for a number of 123 unused invoices identified as missing.

The Company filed contestation against Taxation Decision F-MC 439/30.06.2017 within the legal term according to OG 92/2003 on the Civil Procedural Code.

ANAF issued the enforcement title 13540/22.08.2017 based on which the additional payment liabilities were executed as established under the Taxation Decision F-MC 439/30.06.2017.

The Company requested cancellation of the enforcement title 13540/22.08.2017 from the Appeal Court, under file 7141/2/2017. Settlement in brief: it admitted the exception of material incompetence of the Appeal Court Bucharest, SCAF. It declined the material competence of case settlement in favour of Law Court of Bucharest 1; no appeal granted. It was pronounced at public hearing on 08.02.2018. Document: Ruling 478/2018 of 08.02.2018.

After such declination of competence file 8993/299/2018 was registered on the docket of Law Court of Bucharest 1 whereby the Company contested the enforcement performed according to the enforcement title 13540/22.08.2017, based on the Taxation Decision F-MC 439/30.06.2017.

After the Company's contestation of the fiscal administrative deed Decision F-MC 439/30.06.2017 ANAF notified the Company Decision 122/13.03.2018 whereby it rejected as groundless the contestation filed by CNTEE Transelectrica SA, such decision being received on 16.03.2018, after submitting the summons under file 1802/2/2018.

Settlement in brief: It admitted the judgment suspension request filed by the contest. In accordance with article 413 para (1) pt. 1 of the Civil Procedural Code it suspended judgment until final settlement of file 1802/2/2018, on the docket of the Appeal Court Bucharest, Section VIII Administrative and Fiscal Disputes. Appeal right was granted during the entire suspension; appeal to be submitted to the Law Court Bucharest 1. Document: Conclusion - Suspension 17.04.2018.

The hearing of the case was resumed and on the term of 10.10.2024, for the communication of the documents submitted on file by the appellant to the respondent, the hearing of the case was adjourned to the terms of 21.11.2024 and after at 06.03.2025. On 06.03.2025, the court postponed the ruling of the case to 17.04.2025. At the deadline of 17.04.2025, the court postponed the case to 19.06.2025 due to the lack of an expert report. At 19.06.2025, the court adjourned the case to **02.10.2025**.

*The Company is involved in litigation against SMART Subsidiary as follows:*

- **Case no.51633/299/2021 - Bucharest Tribunal**

**Subject matter:**

SMART SA requested that Transelectrica be ordered to pay the amount of 118 + VAT, representing "expenses for assistance services incurred on the Company's account as well as the payment of unrealized benefits (legal interest).

**Status of the case:**

Judgment of the District Court Sector 3 Bucharest: Dismisses the application as unfounded. With the right to appeal within 30 days of communication. Document: Decision 6134/21.06.2022.

On 02.11.2022 SMART SA filed an appeal against the civil judgment no.6134/21.06.2022 pronounced by the Sector 3 Bucharest District Court. The case was registered with the Bucharest Tribunal.

At the term of 11.09.2024, SMART's appeal was dismissed as unfounded. SMART appealed.

- **Case no.15561/3/2022 - Bucharest Tribunal**

**Subject matter:**

SMART SA has requested to order Transelectrica to pay the amount of 4.467.108 lei related to the execution of an administrative contract.

**Status of the case:**

The accompanying notes are an integral part of these consolidated financial statements.

At 20.03.2025, the court admits the request for summons. It obliges the defendant to pay the plaintiff the amount of 4,467,108.18 lei as well as the payment of the legal penalty interest on the amount of 3,193,869 from 21.12.2021 until the date of actual payment. It obliges the defendant to pay the plaintiff legal costs consisting of the amount of 51,378.78 lei as stamp duty and the amount of 3,000 lei as expert fees. With the right to appeal within 30 days from notification.

➤ **OTHERS**

The Group is involved in significant litigation, in particular for debt recovery (e.g.: Total Electric Oltenia SA, Autonomous Nuclear Activities Authority, Energy Holding SRL, UGM Energy Trading SRL, CET Bacău, CET Govora, Nuclearelectrica, CET Brașov, Elsaco Energy SRL, Arelco Power SRL, Opcom, Menarom PEC SA Galați, Romelectro SA, Transenergo Com SA, ENNET GRUP SRL, PET Communication, ISPE, Grand Voltage SRL, EXPLOCOM GK SRL, Romelectro SA, Next Energy Partners, SC ENOL GRUP SA, Aderro GP Energy and others).

The Group recognized impairment adjustments for customer and other receivables in dispute and for customers in bankruptcy.

The Company is also involved in litigation with former members of the Directorate and the Supervisory Board in respect of the contracts of mandate entered into between the Company and them. The Company has made a provision for these disputes.

➤ **Contingencies**

At March 31, 2025, **contingent liabilities** totaled 55.524. These relate to disputes involving claims for additional costs incurred as a result of the increase in the minimum construction wage for investment contracts, of which we list the most significant:

- *Case no. 25896/3/2020 - plaintiff Electromontaj Bucharest (37.034)*

The case concerns claims for additional costs related to the increase of the minimum wage in the construction sector for the investment contract C229/2015 - Transition to 400 kV voltage of the axis Portile de Fier - Reșița - Timisoara - Sacalaz - Arad /Overhead Power Line 400 kV Portile de Fier (Anina) - Reșița.

Judgement date: 25.08.2022 - Expert report submission.

At the hearing on 25.08.2022, judgement was adjourned until 13.09.2022. On 13.09.2022, the TMB rejects the objections to the expert's report in the accounting speciality formulated by the defendant as unfounded. Admits the objections to the expert's report specialising in accountancy submitted by the applicant. The expert Cojocaru Mihaela Cojocaru will be addressed to respond to the objections and to submit her reply to the file. With appeal on the merits.

In the absence of the expert's report, the case is adjourned for the submission of the expert's report.

At the hearing on 16.05.2023, the court adjourned the case to 12.09.2023 to file a response to the expert's objections.

At the hearing on 12.09.2023, the court adjourned the case to 26.09.2023 and set a date for hearing on 07.11.2023. After several adjournments, at the date of 18.01.2024, the TMB dismissed the action as unfounded. Subject to appeal within 10 days of notification.

Electromontaj SA lodged an appeal and set a term for 13.09.2024.

At the term of September 13, 2024, 2024, grants the appellant-claimant a term of November 8, 2024, to pay the difference in the court stamp duty assessed against the appellant-claimant. Forwards the case file to the panel competent according to law to deal with the appellant-claimant's request for recusal of the 11th Appellate Panel, pursuant to Article 50(1) of the Code of Civil Procedure.

On 06.12.2024, the Court of Appeals dismisses the appeal as unfounded, dismisses the Appellant-Claimant's motion for costs on appeal as unfounded, final.

The ICCJ ordered the transfer of the case to the CA Craiova and the annulment of the CAB decision.

- *Case No 30801/3/2021 - Complainant Romelectro (2.271)*

The file concerns claims for additional costs related to the increase of the minimum wage in the construction sector for the investment contract C145/2018 - Refurbishment of the 110 kV Medgidia Sud substation.

The accompanying notes are an integral part of these consolidated financial statements.

At the meeting of 20.04.2022, the TMB solution is: "Consent to the evidence of expert accountancy with the following objectives:

- the expert to determine whether Romelectro fulfils the condition laid down in Article 66 of GEO 114/2018, i.e. whether 80% of Romelectro's turnover is realised from construction works, both in the year preceding the reference period (2018) and in the reference period (2019);
- the expert to calculate the cost difference generated by the increase in the salaries of the human resources actually employed by Romelectro in the realisation of the works related to Contract No C145/2018, during the reference period and the first two months prior to the reference period, respectively:
  - a) Specify for each employee (human resource actually employed) whether his/her gross salary was below 3 RON/month or higher in November and December 2018;
  - b) When the HR salary was increased to 3 RON/month;
  - c) What is the difference between the previous salary and the salary imposed by GEO no. 114/2018;
  - d) Whether between 01.11.2018 - 31.12.2018, Romelectro reduced the salaries of the human resources employed;
  - e) Specify the actual cumulative cost difference in the actual aggregate cost difference in the salary of the human resources utilised by Romelectro in the actual performance of the works covered by Contract No C145/2018, for the reference period.
- the expert to determine, on the basis of the analytical estimates, the percentage, i.e. the amount by which Transelectrica has to adjust the price of Contract no. C145/2018 for the labour related to the works remaining to be executed on 01.01.2019, as a result of the legislative amendments introduced by GEO no. 114/2018 in the sense of increasing the minimum wage in the construction sector to the amount of 3000 RON/month;
- the expert to determine the days/months of delay in the execution of the works related to Works Contract No C145/2018 as a result of the financing problems encountered by Romelectro S.A. due to Transelectrica's refusal to pay the price at the adjusted value, respectively how the execution schedule was influenced by Transelectrica's failure to adjust the Contract price following the legislative changes introduced by GEO 114/2018 in the sense of increasing the minimum wage in the construction sector to the amount of 3 RON/month.

Sets a date of 29 April 2022, at 9:00 a.m., for hearing the parties. At the term of 29 April 2022, the case is adjourned for the taking of evidence and adjourned to 14.10.2022.

After several adjournments of the trial of the case, at the term of 12.01.2024, the summary solution is: grants a term on 08.03.2024 to take cognisance of the content of the expert's report.

After several adjournments, at the deadline of 27.05.2024, the solution in brief: Dismisses the request of the defendant Transelectrica for the expert's report to be supplemented as unfounded. Admit the request for a new expert's report submitted by the plaintiff ROMLECTRO S.A. Instructs the expert to redo the expert's report. Instructs the expert to take into account all the documents provided by the parties, including the subcontracting agreements, when drawing up the new expert report. Sets the deadline for the submission of the expert's report on 18 October 2024, for when the parties will be summoned. Instructs the expert to submit the expert's report at least 10 days before the deadline of October 18, 2024.

At the term of October 18, 2024, the case is adjourned to 10.01.2025 for lack of expert's report. At the term of 10.01.2025, the court sets a term for the communication of the expert's report on 04.04.2025.

At the deadline of 04.04.2025, the court adjourned the case to **16.05.2025** to take note of the objections raised to the expert report. After several postponements, on the date of 11.07.2025 the court postpones the ruling in the case to 25.07.2025.

On the date of 25.07.2025, TMB rejects the request for clarification and completion, as unfounded. Sets a trial date, for when the parties will be summoned, on 17.10.2025. Appeal together with the merits.

- Case no. 8193/3/2022 - complainant Tempos Sev (2.437)

The file concerns claims representing claims - GEO 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hăşdat station.

The case is adjourned until 10 June 2022, and adjourned until 14.10.2022.

The accompanying notes are an integral part of these consolidated financial statements.

At the hearing on 14.10.2022, the judgement was adjourned to 21.10.2022. Solution: "Pursuant to Article 258 and Article 255 of the Civil Procedure Code, it authorises for both parties the production of documentary evidence and for the defendant it also authorises the production of evidence of the applicant's cross-examination and of the accountant's expert's report. The Court orders that the accountant's expert's report shall have the objectives indicated by the defendant in its statement of defence, to which shall be added the additional objectives indicated by the defendant in the Note of Evidence filed at the hearing on 14 October 2022, as well as the objectives indicated by the plaintiff in the Notes of the hearing filed at the same hearing. Orders the applicant to file the documents requested by the defendant in the Note of 14 October 2022. The applicant is requested to file the reply to the interrogatory which was communicated with the statement of defence, under the signature of the legal representative, under penalty of application of the provisions of Article 358 of the Civil Procedure Code. Delivered today, 21.10.2022, by delivery of the judgment to the parties by the court registry." Judgment date 05.05.2023.

At the hearing on 05.05.2023, the case is adjourned and a date is set for 15.09.2023 for the taking of expert evidence.

After several adjournments, at the deadline of 14.06.2024, the solution in brief: In the absence of the expert's report, the case is adjourned to 18.10.2024.

At the term of October 18, 2024, adjourned the case to 13.12.2024 for lack of expert's report. At the term of 13.12.2024, the court adjourned the case to 21.03.2025 for the drawing up of the expert's report on the basis of the documents before it. At the deadline of 21.03.2025, the case is postponed and a deadline of **13.06.2025** is granted for the preparation of the expert report. At 13.06.2025, the case is postponed and a deadline of 03.10.2025 is granted to formulate a response to the objections.

- *Case No 8442/3/2022 - Complainant Tempos Sev (1.429)*

The file concerns claims representing claims - GEO no. 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hășdat station.

At the term of 16.09.2022, the plea of joinder is allowed. Refers the case back to the panel first responsible for dealing with case no. 8193/3/2022, namely the 12th Merits panel, with a view to joining case no. 8442/3/2022 to case no. 8193/3/2022. Appealed together with the merits. Pronounced today, 16.09.2022, by the court registry, which made the judgment available to the parties. Document: Final judgment (divestiture) 16.09.2022.

Following the joinder of case no. 8442/3/2022 to case no. 8193/3/2022, presented above, the issues at issue will be examined in the first case (8193/3/2022).

- *Case nr. 8440/3/2022 - complainant Tempos Sev (2.437)*

The file concerns claims representing claims - OUG 114/2018 for contract C80/2018 - Refurbishment of 220/110kV Hășdat station.

At the hearing of 13.09.2022, the case was adjourned to 08.11.2022, in order to administer the evidence.

At the hearing on 08.11.2022, the case is adjourned

The case was put back on the docket and a term of 12.09.2023 was granted.

At the term of 12.09.2023, the brief solution : In order to give the defendant the opportunity to take cognizance of the pleadings filed, the case is adjourned to 07.11.2023.

After several adjournments, at the term of 11.06.2024, the short solution: For the taking of the evidence of the expert construction, adjourn the case to 10.12.2024

Due to the absence of the expert's report, the court adjourns the case to **02.09.2025**.

- *Case 4478/118/2024 - complainant Pet Communication (3.093)*

The case concerns the non-existence of the right of the defendant NPG CO. Transelectrica SA to invoice penalties for exceeding the execution time for the main stages 2 and 3 of the contract no. C45/23.02.02.2021.

At the term of 08.08.2024, in order to administer the proposed evidence, adjourned the case to 07.11.2024.

After several adjournments, due to the absence of the expert's report, the trial is set for 03.04.2025.

The accompanying notes are an integral part of these consolidated financial statements.

Due to the lack of an expert report, the court postpones the trial of the case to 05.06.2025. Due to the lack of an expert report, the court postpones the trial of the case to **04.09.2025**.

- *Case no. 6580/117/2024 - plaintiff Electrogrup SA from Cluj (2.760)*

The case concerns the execution of a procurement contract, namely:

1. To oblige Transelectrica to conclude an addendum to the Works Contract no. C5 of May 19, 2021, having as object the extension of the contractual duration with the days of delay resulting from the execution of the contract that are not the Executor's fault, provisionally estimated at 616 days;
2. Order Transelectrica to reimburse the amounts paid by way of penalties on the basis of Invoices No. 114 of March 29, 2024 (paid by Payment Order No. 13065/25.06.2024) and No. 296 of June 25, 2024 (paid by Payment Order No. 15424/23.07.2024) issued by the defendant, in the total amount of 2.164 as undue payment, plus the legal interest due from the date of their payment until the date of restitution, (i) primarily, as a result of the defendant being obliged to conclude an additional act to the Works Contract no. C5 of May 19, 2021, having as its object the extension of the contractual duration by the days of delay resulting from the execution of the contract which are not the fault of the Performer and (ii) in the alternative, as a result of the finding that the days of delay imputed by Transelectrica are not the fault of the Performer;
3. Obliging Transelectrica to pay damages, representing the damage suffered by the plaintiff due to the delays, provisionally estimated at 596.

At the term of 14.02.2025, the court adjourned the case until 14.03.2025. The court adjourns the case to 23.05.2025, in order for the defendant to file a procedural position/response.

At 23.05.2025, the court adjourns the case to 20.06.2025, so that the appointed expert can respond to the court's address regarding his competence in conducting the expertise. At 20.06.2025, the court adjourns the case to **21.11.2025**, for conducting the expertise.

All amounts in cases involving claims for additional costs claimed by the claimants and covered by works contracts will be reflected in the value of the investments, if they are settled in court and invoiced by the respective partners, except for court costs and penalties set by the court.

- *Audit by the Court of Auditors of Romania*

As of September 04, 2023, the Court of Auditors of Romania, through Department IV carried out a compliance audit at NPG CO. Transelectrica SA. The scope of the audit was:

a) contracting and procurement;

b) salaries and other rights granted to the Company's personnel.

The subject of the compliance audit is "the situation, evolution and management of public and private state assets, as well as the legality of the realization of revenues and expenditure for the period 2020-2022" at NPG CO. Transelectrica SA.

Following the completion of the audit mission, Department IV of the Court of Auditors of Romania issued the Compliance Audit Report of NPG CO. Transelectrica SA no. 6000/23.01.2025 and the Letter to the management no. 60001/23.01.2025, which established a number of 17 findings with a deadline for implementation April 30, 2025.

The Company's management has ordered the analysis and expansion of the verifications of those found by Management Letter no. 60001/23.01.2025 and their implementation. To date, out of the 17 recommendations, 6 have been implemented and 11 are in the process of implementation/realization

- *Teletrans - Audit by the Court of Auditors of Romania*

Starting with March 24, 2025, the Romanian Court of Accounts carried out an audit within the Teletrans to verify the implementation of the measures ordered by Decision 7/22.06.2020 according to Law no. 94/1992. The control is ongoing.

## **SMART**

ANAF carried out an inspection within the SMART Branch to verify the commercial relationship with the company Express Oil Pick-up SRL, completed with the issuance of report no. 60335/24.04.2025 registered at the Branch headquarters under no. 2793/25.04.2025.

## 21. AFFILIATED PARTIES

### i) *Părți Related parties – transactions with Subsidiaries owned by the Company*

As of June 30, 2025 and December 31, 2024, the balances with the subsidiaries owned by the Company are detailed as follows:

Affiliated entity	Trade receivables		Trade liabilities	
	30 june 2025	31 december 2024	30 june 2025	31 december 2024
FORMENERG SA	-	-	-	-
OPCOM SA	88,540	634,691	98,760	644,297
<b>TOTAL</b>	<b>88,540</b>	<b>634,691</b>	<b>98,760</b>	<b>644,297</b>

The transactions carried out in H1 2025 and H1 2024 with its subsidiaries are detailed as follows:

Affiliated entity	Sales		Procurements	
	30 june 2025	30 june 2024	30 june 2025	30 june 2024
FORMENERG SA	-	-	-	-
OPCOM SA	1,009,433	734,626	1,056,866	1,090,556
<b>TOTAL</b>	<b>1,009,433</b>	<b>734,626</b>	<b>1,056,866</b>	<b>1,090,556</b>

### ii) *Related parties – transactions with other state-owned companies*

The Company is an entity with majority state capital, and the Company's activities are regulated by ANRE. In accordance with the Concession Agreement, an annual royalty is paid, calculated as 4/1000 of the value of gross revenues generated from electricity transport and transit operations, through the national transmission systems, which are in the public ownership of the state (starting with November 12, 2020).

### iv) *Affiliated parties – companies where Company holds participations*

Given that the energy sector is undergoing a process of transformation at the European level, focusing on the transition from a predominantly national model of evolution and development of the energy sector, to a model of integrated and coordinated development at the European level, ensuring a unified development at the continental level but also allowing for adaptation to national specifications while pursuing the legitimate interests of the European states.

In this context, the Company is affiliated to the following entities:

- **TSCNET**
- **JAO**

#### **TSCNET (TSCNET Services GmbH)**

It has been set up to serve Transmission System Operators (TSOs) in the Central-East-West European region (CORE region) for the coordinated implementation of the European network codes.

Membership is achieved by participation in the shareholding of TSCNET through a share purchase transaction in the company. By Resolution No. 9 of the EGMS of 05 June 2018, the Company's affiliation to the CORE Region Security Coordination Centre, TSCNET, was approved by participating in the share capital with a contribution of EUR 470,500 (1 share - EUR 2,500).

#### **JAO (Joint Allocation Office)**

As of 2019, auctions for long-term capacity allocation are coordinated by the JAO, which has been designated as the Single Allocation Platform (SAP) Operator.

Transelectrica has been invited by JAO to become part of its shareholding.

By Resolution no.10 of the EGMS of 20 August 2018, the Company was approved to join the Joint Allocation Office (JAO) shareholding with a cash subscription in the amount of EUR 259,325 and 50 shares were allocated to it..

## 22. FINANCIAL INSTRUMENTS

### *Credit risk*

The accompanying notes are an integral part of these consolidated financial statements.

Credit risk is the risk that the Group incurs a financial loss as a result of the non-performance of contractual obligations by a customer or counterparty to a financial instrument. This risk arises mainly from trade receivables and cash and cash equivalents.

The treatment of counterparty risk is based on the Group's internal and external success factors. The external success factors - which have an effect on reducing the risk systematically - are: the decentralisation of the energy sector in which production, transmission, distribution and supply are distinct activities and the interface for the customer is the supplier, the trading of electricity on the Romanian market in two market segments: the regulated market and the competitive market. Internal success factors in the treatment of counterparty risk include: diversification of the customer portfolio and diversification of the number of services offered on the electricity market.

Financial assets that may subject the Group to collection risk are mainly trade receivables and cash and cash equivalents. The Group has put in place a number of policies to ensure that the sale of services is realised to customers with adequate collection by including in the commercial contracts the obligation to provide financial guarantees. The amount of receivables, net of allowances for impairment, represents the maximum amount exposed to collection risk.

Maximum exposure to collection risk at the reporting date:

	Net value	Net value
	30 june 2025	31 december 2024
<b>Financial assets</b>		
Net trade receivables	2,057,369	2,580,095
Net other receivables and down payments to suppliers	464,251	930,509
VAT to recover	184,593	272,236
Cash and cash equivalents	1,024,444	707,174
Other financial assets	-	-
<b>Total</b>	<b>3,730,658</b>	<b>4,490,014</b>

The due date of the receivables (net trade receivables) at the date of the statement of financial position is shown below:

	Gross value 30 june 2025	Adjustment of depreciation 30 june 2025	Gross value 31 december 2024	Adjustment of depreciation 31 december 2024
Not reached to maturity	1,970,798	598	2,491,830	27
Due date exceeded 1 – 30 days	(1,188)	-	2,219	-
Due date exceeded 31 – 90 days	949	-	492	-
Due date exceeded 90 – 180 days	153	-	78	-
Due date exceeded 180 – 270 days	2,003	-	(31)	-
Due date exceeded 270 – 365 days	(3,726)	-	(8)	-
More than a year	216,255	127,277	213,581	128,038
<b>Total</b>	<b>2,185,244</b>	<b>127,875</b>	<b>2,708,160</b>	<b>128,066</b>

The due date of other receivables (net other receivables, down payments to suppliers, VAT to recover) at the date of the statement of financial position is shown below:

	Gross value 30 june 2025	Adjustment of depreciation 30 june 2025	Gross value 31 december 2024	Adjustment of depreciation 31 december 2024
Not reached to maturity	585,082	326	1,180,385	331
Due date exceeded 1 – 30 days	18,029	-	1,197	-
Due date exceeded 31 – 90 days	14,662	-	4,784	-
Due date exceeded 90 – 180 days	12,492	-	424	342
Due date exceeded 180 – 270 days	100	30	1,154	911
Due date exceeded 270 – 365 days	1,425	348	849	413
More than a year	90,147	72,389	86,985	71,036
<b>Total</b>	<b>721,937</b>	<b>73,092</b>	<b>1,275,778</b>	<b>73,033</b>

The Group's policy is to recognise impairment adjustments for loss of value of 100% for customers in

The accompanying notes are an integral part of these consolidated financial statements.

litigation, insolvency and bankruptcy and 100% of trade and other receivables not collected in a period of more than 180 days, excluding arrears generated by the support scheme. The Group also carries out an individual analysis of trade and other uncollected receivables

The highest impairment adjustments at June 30, 2025, calculated for trade receivables and related penalties, were recorded for: JAO (30.627), CET Govora (24.645), Romelectro (24.468), Arelec Power (14.513), Total Electric Oltenia SA (14.186), Romenergy Industry (13.513), Elsaco Energy (9.276), OPCOM (9.143), RAAN (8.517), Next Energy Partners (8.395).

The Group has taken the following measures to recover the impairment-adjusted receivables: legal action, registration in the creditor's estate, etc.

The evolution of the **doubtful receivables impairment adjustments** is analysed as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Opening balance 1 january</b>	<b>128,066</b>	<b>130,158</b>
Recognition of adjustments for impairment	2,132	288
Reversal of adjustments for impairment	2,323	2,381
<b>Balance on the end of period</b>	<b>127,875</b>	<b>128,066</b>

Movements in **impairment adjustments for other doubtful receivables** are as follows:

	<b>30 june 2025</b>	<b>31 december 2024</b>
<b>Opening balance 1 january</b>	<b>73,033</b>	<b>84,933</b>
Recognition of adjustments for impairment	366	7,431
Reversal of adjustments for impairment	306	19,331
<b>Balance on the end of period</b>	<b>73,092</b>	<b>73,033</b>

Financial assets that may subject the Group to collection risk are mainly trade receivables and cash and cash equivalents. The Group has put in place a number of policies to ensure that the sale of services is realised to customers with adequate collection by including in the commercial contracts the obligation to provide financial guarantees. The amount of receivables, net of allowances for impairment, represents the maximum amount exposed to collection risk. The collection risk related to these receivables is limited as these amounts are mainly due from state-owned companies.

The cash is placed in financial institutions, which are considered to have minimal risk.

## 23. SUBSEQUENT EVENTS

- **Resolution No 6 of the Ordinary General Meeting of Shareholders of July 8, 2025**

The Ordinary General Meeting of the Company's shareholders, pursuant to the provisions of Companies Law no. 31/1990, republished, as subsequently amended and supplemented, Law no. 24/2017 on issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, and ASF Regulation no. 5/2018 on issuers of financial instruments and market operations, as subsequently amended and supplemented, held in session on July 8, 2025:

- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Păun Costin Mihai, member of the Supervisory Board, registered under no. 23093/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Atanasiu Teodor, member of the Supervisory Board, registered under no. 23088/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Vasilescu Alexandru-Cristian, member of the Supervisory Board, registered under no. 23089/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Zezeanu Luminița, member of the Supervisory Board, registered under no. 23092/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Dascăl Cătălin-Andrei, member of the Supervisory Board, registered under no. 23090/May 30, 2025;

The accompanying notes are an integral part of these consolidated financial statements.

- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Orlandea Virgil-Dumitru, member of the Supervisory Board, registered under no. 23091/May 30, 2025;
- approved the evaluation report, pursuant to the provisions of Art. 30 para. (7) and Art. 30 para. (71) of GEO no. 109/2011, as subsequently amended and supplemented, prepared by Rusu Rareş-Stelian, member of the Supervisory Board, registered under no. 23094/May 30, 2025.

- **Incident in the transmission grid in the western part of the country**

On July 9, 2024, the Company announced that, following the extreme weather phenomena recorded on the afternoon of July 8, 2025 in the western part of the country, manifested by violent storms and wind gusts with speeds between 90 and 120 km/h (code red), a portion of the 220 kV Reşiţa-Timişoara double-circuit overhead power line (OHL) was significantly affected, with several poles damaged, in the Timiş county.

At the same time, the recent severe weather conditions of gales and strong winds (code red) in the west and north-west of the country also affected the 400 kV Rosiori - Gădălin overhead power line, where a pole on the OHL route was damaged.

The incident that affected the 220 kV Reşiţa - Timişoara 220 kV OHL did not cause interruptions in the power supply to consumers, but temporarily affected the full availability of the transmission grid (ETG) in the western part of the country.

The intervention teams were mobilized immediately after the occurrence of the event were in the field to assess the damage and establish the technical measures necessary to remedy the situation, involving all technical entities with responsibilities within Transelectrica and the subsidiary SMART SA.

A permanent cooperation with the competent authorities and the local distribution operator was established to manage the situation.

The National Electricity System (NES) operates in safe conditions and is constantly monitored by the National Energy Dispatcher.

- **Convocation of the Extraordinary General Meeting of Shareholders**

The Company's Directorate has convened in accordance with the provisions of the Companies Law no. 31/1990, republished, as subsequently amended and supplemented, the Law no. 24/2017 on issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, the A.S.F. Regulation no. 5/2018 on issuers of financial instruments and market operations, as subsequently amended and supplemented, and the Company's Articles of Incorporation in force, the Extraordinary General Shareholders' Meeting on August 18/19, 2025, with the following agenda:

- Approval of the acquisition by Transelectrica of the services of consultancy and respectively legal assistance and representation before the Courts in order to defend the Company's interests in connection with the fulfillment and, respectively, the challenge of the Romanian Court of Auditors' Plenum Decision no. 47/23.01.2025 and in subsidiary the Compliance Audit Report no. 6000/23.01.2025 and the Management Letter no. 6001/23.01.2025, prepared by the Court of Auditors,
- information on the procurement of products, services and works, commitments involving significant obligations of the Company with a value of more than EUR 5,000,000, as well as loans and guarantees for loans with a value of less than EUR 50,000,000.