

# **CNTEE TRANSELECTRICA SA**

**Company managed in a dualistic system**

**Consolidated Financial Statements  
on the date and for the financial year ended on  
December 31, 2025**

**Prepared in accordance with  
Order of the Minister of Public Finance no. 2844/2016**

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2025**

**TABLE OF CONTENTS**

Consolidated financial position .....	3
Consolidated statement of the profit and loss account .....	5
Consolidated statement of changes in equity.....	7
Consolidated cash flow position .....	9
Explanatory notes to the consolidated financial statements .....	11
1. Description of the activity and general information.....	11
2. Basics of preparation .....	25
3. Accounting policies .....	27
4. Determination of fair value.....	41
5. Tangible fixed assets .....	42
6. Fixed assets related to rights of use of leased assets .....	46
7. Intangible assets .....	48
8. Financial fixed assets .....	49
9. Inventories .....	51
10. Trade receivables and other receivables .....	52
11. Cash and cash equivalents .....	56
12. Other financial assets .....	57
13. Equity .....	57
14. Advance revenue.....	59
15. Loans .....	60
16. Obligations regarding employee benefits .....	63
17. Trade and other liabilities .....	67
18. Provisions .....	69
19. Corporate income tax .....	70
20. Earnings per share .....	73
21. Other taxes and obligations for social security.....	73
22. Operating income .....	73
23. Expenses for system operation and balancing market .....	77
24. Amortization.....	79
25. Personnel expenses .....	80
26. Other operating expenses .....	81
27. Other gains or losses.....	82
28. Net financial result .....	82
29. Fiscal legislative framework.....	83
30. Commitments and quotas.....	83
31. Related Parties .....	91
32. Management Pay .....	92
33. Minority interests .....	93
34. Financial instruments.....	93
35. Fees charged by each statutory auditor or audit firm .....	99
36. Environmental objectives.....	99
37. Subsequent events.....	100

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025**  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Note	December 31, 2025	December 31, 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets	5	6,414,639	5,915,254
Assets representing rights of use under a lease	6	6,958	8,150
Intangible assets	7	259,223	313,147
Investments accounted for using the equity method	8	3,372	-
Financial assets	8	40,309	40,833
<b>Total non-current assets</b>		<b>6,724,502</b>	<b>6,277,384</b>
<b>Current assets</b>			
Inventories	9	60,662	58,144
Trade receivables and other receivables	10	3,371,004	3,782,840
Corporate tax to be recovered		12,181	-
Cash and cash equivalents	11	761,192	707,174
<b>Total current assets</b>		<b>4,205,038</b>	<b>4,548,158</b>
<b>Total assets</b>		<b>10,929,540</b>	<b>10,825,542</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital		733,031	733,031
Share premium		50,222	49,843
Legal reservations		146,606	146,606
Revaluation reserves		1,496,393	1,596,896
Other reserves		299,170	256,747
Retained earnings		3,346,732	3,123,993
<b>Total equity attributable to Group owners</b>	13	<b>6,072,155</b>	<b>5,907,116</b>
Non-controlling interests	33	-	-
<b>Total equity</b>		<b>6,072,155</b>	<b>5,907,116</b>
<b>Non-current liabilities</b>			
Long term deferred revenues	14	831,220	538,015
Long term Borrowings	15	1,471	7,918
Other loans and similar debts - Long-term leasing	17	3,181	1,604
Deferred tax liabilities	19	225,152	257,169
Employee benefits obligations	16	83,979	116,159
Other long-term liabilities		-	5,613
<b>Total non-current liabilities</b>		<b>1,145,002</b>	<b>926,478</b>

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025**  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Note	December 31, 2025	December 31, 2024
<b>Current liabilities</b>			
Trade and other liabilities	17	3,424,075	3,855,244
Other loans and similar debts - short term	17	3,629	7,328
Other taxes and social security obligations	21	22,585	25,537
Current Borrowings	15	184,354	32,641
Provisions	18	38,399	35,953
Short term deferred revenues	14	24,041	22,232
Income tax payable		-	13,013
Employee benefits obligations	16	15,299	-
<b>Total current liabilities</b>		<b>3,712,383</b>	<b>3,991,948</b>
<b>Total liabilities</b>		<b>4,857,385</b>	<b>4,918,426</b>
<b>Total equity and liabilities</b>		<b>10,929,540</b>	<b>10,825,542</b>

The attached consolidated financial statements were signed by the management on March 18, 2026:

Directore,

**Ștefăniță  
MUNTEANU**  
President

**Cătălin-Constantin  
NADOLU**

Member  
Directorate

**Cosmin Vasile  
NICULA**

Member  
Directorate

**Florin-Cristian  
TATARU**

Member  
Directorate

**Ana-Iuliana DINU**  
Director of the Economic and Financial  
Directorate

**Cristiana Zîrnovan**  
Manager of the Budget and Management Reporting  
Department

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS STATEMENT AS OF DECEMBER 31, 2025**  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Note	December 31, 2025	December 31, 2024
<b>Operating income</b>	<b>22</b>		
Transmission revenues		2,263,255	2,024,457
System service revenues		573,786	633,277
Balancing market revenues		2,676,211	4,965,724
Other revenues		102,172	280,518
<b>Operating expenses</b>			
System Operating Expenses	<b>23</b>	(640,831)	(715,613)
Balancing market expenses	<b>23</b>	(2,676,254)	(4,965,535)
System services expenses	<b>23</b>	(705,985)	(523,611)
Depreciation and amortization	<b>24</b>	(402,522)	(371,792)
Personnel expenses	<b>25</b>	(541,951)	(489,463)
Repairs and maintenance expenses		(81,894)	(66,410)
Materials and consumables		(39,692)	(23,014)
Other operational expenses	<b>26</b>	(195,466)	(173,302)
Net adjustments for impairment of receivables	<b>10</b>	(6,452)	-
Other gains or losses	<b>27</b>	3,848	-
<b>Operating result</b>		<b>328,225</b>	<b>575,235</b>
Financial revenues		35,091	26,879
Financial expenses		(10,872)	(17,204)
Share of profit/(loss) of equity investments		(378)	-
<b>Net financial result</b>	<b>28</b>	<b>23,841</b>	<b>9,675</b>
<b>Profit before income tax</b>		<b>352,066</b>	<b>584,910</b>
Income tax	<b>19</b>	12,433	(4,802)
<b>Result of the year from continuing operations</b>		<b>364,499</b>	<b>580,108</b>
<b>RESULT OF THE EXERCISE</b>			
Attributable:			
Company Shareholders		364,499	580,108
Non-controlling interests		-	-
<b>Basic and diluted earnings per share (lei/share)</b>	<b>20</b>	<b>4.97</b>	<b>7.91</b>

*\*Diluted earnings are equal to basic earnings as the Group does not hold instruments that could be converted into ordinary shares.*

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED COMPREHENSIVE INCOME STATEMENT AS AT 31 DECEMBER 2025**  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Note	December 31, 2025	December 31, 2024
<b>Result of the exercise</b>		<b>364,499</b>	<b>580,108</b>
<b>Other elements of the comprehensive income</b>			
Items that will not be reclassified in the profit and loss account, of which:			
- Effects of revaluation reserve taxation	5	(787)	(6,014)
- Surplus from the revaluation of tangible assets	13	18,050	-
- Actuarial loss related to the defined benefit plan	16	21,911	(414)
<b>Total other comprehensive income (OCI)</b>		<b>39,174</b>	<b>(6,428)</b>
<b>Total consolidated comprehensive income</b>		<b>403,672</b>	<b>573,680</b>
Attributable:			
Company Shareholders		403,672	573,680
Non-controlling interests		-	-

The attached consolidated financial statements were signed by the management on March 18, 2026:

Director,

**Ștefăniță  
MUNTEANU**  
President

**Cătălin-Constantin  
NADOLU**

Member  
Directorate

**Cosmin Vasile  
NICULA**

Member  
Directorate

**Florin-Cristian  
TATARU**

Member  
Directorate

**Ana-Iuliana DINU**  
Director of the Economic and Financial  
Directorate

**Cristiana Zîrnovan**  
Manager of the Budget and Management Reporting  
Department

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Share capital	Share premium	Legal reserve	Revaluation reserves	Other reserve	Retained result	Attributable to the group	Non-controlling interests	Total
<b>Balance on January 1, 2025</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>
<b>Comprehensive result of the period</b>									
Result of the period	-	-	-	-	-	364,499	364,499	-	364,499
<b>Other comprehensive revenue items</b>									
Recognising the actuarial loss/profit of the benefit plan	-	-	-	-	-	21,911	<b>21,911</b>	-	21,911
Surplus from revaluation of tangible assets	-	-	-	18,050	-	-	<b>18,050</b>	-	18,050
Liability regarding deferred tax associated to the revaluation reserve	-	-	-	(787)	-	-	<b>(787)</b>	-	(787)
<b>Total other comprehensive revenue items</b>	-	-	-	<b>17,263</b>	-	<b>21,911</b>	<b>39,174</b>	-	<b>39,174</b>
<b>Total comprehensive result of the period</b>	-	-	-	<b>17,263</b>	-	<b>386,410</b>	<b>403,672</b>	-	<b>403,672</b>
Increase of the legal reserve	-	-	-	-	-	-	-	-	-
Transfer of revaluation reserves to retained earnings	-	-	-	(117,767)	-	117,767	-	-	-
Minority interests	-	-	-	-	-	-	-	-	-
Other elements	-	379	-	-	-	(2,152)	(1,772)	-	(1,772)
<b>Total other items</b>	-	<b>379</b>	-	<b>(117,767)</b>	-	<b>115,615</b>	<b>(1,772)</b>	-	<b>(1,772)</b>
Subsidies related to fixed assets of a public heritage nature	-	-	-	-	42,423	-	42,423	-	42,423
Other reserves	-	-	-	-	-	-	-	-	-
Dividend Distribution (Note 13)	-	-	-	-	-	(279,285)	(279,285)	-	(279,285)
Total transactions with owners	-	-	-	-	<b>42,423</b>	<b>(279,285)</b>	<b>(236,862)</b>	-	<b>(236,862)</b>
<b>Balance on December 31, 2025</b>	<b>733,031</b>	<b>50,222</b>	<b>146,606</b>	<b>1,496,393</b>	<b>299,170</b>	<b>3,346,732</b>	<b>6,072,155</b>	-	<b>6,072,155</b>

The attached consolidated financial statements were signed by the management on March 18, 2026:

Director,

<b>Ștefăniță MUNTEANU</b> President Directorate	<b>Cătălin-Constantin NADOLU</b> Member Directorate	<b>Cosmin Vasile NICULA</b> Member Directorate	<b>Florin-Cristian TATARU</b> Member Directorate
---	---	--	--

**Ana-Iuliana DINU**  
 Director of the Economic and Financial Directorate

**Cristiana Zîrnovan**  
 Manager of the Budget and Management Reporting Department

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Share capital	Share premium	Legal reserve	Revaluation reserves	Other reserve	Retained result	Attributable to the group	Non-controlling interests	Total
<b>Balance on January 1, 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>-</b>	<b>-</b>	<b>-</b>	<b>(6,014)</b>	<b>-</b>	<b>(414)</b>	<b>(6,428)</b>	<b>-</b>	<b>(6,428)</b>
<b>Comprehensive result of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,014)</b>	<b>-</b>	<b>579,694</b>	<b>573,680</b>	<b>-</b>	<b>573,680</b>
Increase of the legal reserve	-	-	-	-	-	-	-	-	-
Transfer of revaluation reserves to retained earnings	-	-	-	(135,761)	-	135,761	-	-	-
Minority interests	-	-	-	-	-	-	-	-	-
Other elements	-	-	-	-	-	(2,137)	(2,137)	-	(2,137)
<b>Total other items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(135,761)</b>	<b>-</b>	<b>133,624</b>	<b>(2,137)</b>	<b>-</b>	<b>(2,137)</b>
The derecognition of fixed assets of the nature of public patrimony through the registration of GD no. 615, 682 and 683 of 2019 amending the inventory of public domain goods	-	-	-	(31)	-	-	(31)	-	(31)
Subsidies related to fixed assets of a public heritage nature	-	-	-	-	60,996	-	60,996	-	60,996
Other reserves	-	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	(20,525)	(20,525)	-	(20,525)
Total transactions with owners	-	-	-	(31)	60,996	(20,525)	40,440	-	40,440
<b>Balance as of December 31, 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>-</b>	<b>5,907,116</b>

The attached consolidated financial statements were signed by the management on March 18, 2026:

Director,

**Ștefăniță  
MUNTEANU**  
President  
Directorate

**Cătălin-Constantin  
NADOLU**  
Member  
Directorate

**Cosmin Vasile  
NICULA**  
Member  
Directorate

**Florin-Cristian  
TATARU**  
Member  
Directorate

**Ana-Iuliana DINU**  
Director of the Economic and Financial Directorate

**Cristiana Zîrnovan**  
Manager of the Budget and Management Reporting Department

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2025**  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Note	December 31, 2025	December 31, 2024
<b>Cash flows from operating activity</b>			
<b>Profit/Net Loss</b>		<b>364.499</b>	<b>580.108</b>
<b>Adjustments for:</b>			
Profit tax expense		(12.433)	4.802
Depreciation expenses (including additional CPT)		402.522	371.792
Grid losses anticipatory tariff income		(924)	(102.020)
Expenses with adjustments for impairment of trade receivables		2.598	34
Income from the reversal of provisions for the impairment of trade receivables		(1.579)	(6.968)
Losses from various debtors		4.607	9.308
Net income with adjustments for impairment of miscellaneous debtors		934	(13.428)
Net expenses with inventory impairment adjustments		3.337	(1.480)
Profit/Loss on sale of property, plant and equipment, net		2.575	2.080
Net impairment expenses related to property, plant and equipment		(7.227)	9
Expenses/Income on provisions for risks and expenses, net		822	(20.612)
Net financial expenses related to impairment adjustments for fixed assets		1.775	389
Interest expenses, interest income and unrealized income from exchange rate difference		(24.300)	(11.362)
<b>Cash flows before changes in working capital</b>		<b>737.206</b>	<b>812.652</b>
<b>Changes in:</b>			
Inventories		(5.815)	6.923
Clients and similar accounts		410.379	(1.655.313)
Trade and other liabilities		(521.898)	1.683.048
Investments accounted for using the equity method	8	378	-
Other taxes and social insurance liabilities		(2.951)	(510)
Deferred revenues		308.333	43.495
<b>Cash flows from operational activities</b>		<b>925.632</b>	<b>890.295</b>
Interest paid		(2.545)	(2.759)
Paid income tax		(44.488)	(32.150)
<b>Net cash generated from operational activities</b>		<b>878.599</b>	<b>855.386</b>
<b>Cash flows used in investment activity</b>			
Acquisition of tangible and intangible assets		(746.494)	(687.111)
Participation titles held in GECCO Power Company		(3.750)	-
Proceeds from EC non-reimbursable financing		29.104	42.494
Received Interests		6.604	7.008
Proceeds from the sale of property, plant and equipment		5.733	3.374
Dividends received		23.118	15.761
<b>Net cash used in investment activity</b>		<b>(685.685)</b>	<b>(618.474)</b>

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**  
**CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2025**  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Note	December 31, 2025	December 31, 2024
<b>Cash flows used in financing activity</b>			
Repayments of non-current borrowings	15	(24.239)	(23.978)
Use of credit line Smart and Teletrans	15	-	1.281
Lease payments	6	(12.379)	(12.247)
Dividends paid	13	(279.699)	(21.694)
<b>Net cash used in financing activities</b>		<b>(316.317)</b>	<b>(56.638)</b>
Cash and cash equivalents as at January 1 <sup>st</sup>		707.174	526.900
<b>Net decrease/increase in cash and cash equivalents</b>		<b>(123.403)</b>	<b>180.274</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>583.771</b>	<b>707.174</b>

The attached consolidated financial statements were signed by the management on March 18, 2026:

Directore,

**Ștefănița  
MUNTEANU**  
President

**Cătălin-Constantin  
NADOLU**

Member  
Directorate

**Cosmin Vasile  
NICULA**

Member  
Directorate

**Florin-Cristian  
TATARU**

Member  
Directorate

**Ana-Iuliana DINU**  
Director of the Economic and Financial  
Directorate

**Cristiana Zîrnovan**  
Manager of the Budget and Management Reporting  
Department

## 1. Description of the activity and general information

The main activity of CNTEE Transelectrica SA (the "Company") and of the companies that fall within the scope of consolidation (together with the Company, the "Group") consists: the provision of the electricity transmission service and the 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. 1793/26.08.2025 (until 22.12.2025), and starting with 23.12.2025, based on license no. 2706/2025 issued by ANRE, with subsequent amendments and completions and the final certification of the Company as 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: Olteni Street no. 2 – 4 sector 3, Bucharest, Romania. Currently, the activity of the Company's executive is carried out within the registered office in Olteni Street no. 2-4 sector 3, Bucharest.

The Group's consolidated financial statements as of December 31, 2025, prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, are available at the Company's registered office located at 2-4 Olteni Street, sector 3, Bucharest.

Since 2006, the Company's shares have been traded on the Bucharest Stock Exchange under the symbol TEL.

In accordance with the Resolution of the Extraordinary General Meeting of Shareholders dated July 18, 2012, the Company switched from the unitary management system to the dualistic management system in order to achieve the clear separation of the management activity from the control activity. Thus, the Company is managed by a Directorate, under the supervision of a Supervisory Board.

### *Company Establishment*

In accordance with the Government Decision ("GD") no. 627 on the reorganization of the National Electricity Company - SA ("Predecessor Entity"), issued on July 31, 2000 by the Romanian Government, it was divided into four newly created entities ("Successor Entities"). The sole shareholder of the successor Entities was the Romanian State, through the Ministry of Economy ("ME"). Following this reorganization, CNTEE Transelectrica SA was established as a joint stock company and with the main object of activity transport, dispatching of electricity, organization and administration of the electricity market.

Pursuant to the Government Emergency Ordinance (GEO) no. 68/2019 for the establishment of measures at the level of the central public administration and for the modification and completion of some normative acts, published in the Official Gazette no. 898/06.11.2019, starting with November 6, 2019, the exercise of the rights and the fulfillment of the obligations arising from the state's status as a shareholder in the National Electric Energy Transmission Company Transelectrica SA is carried out by the General Secretariat of the Government.

On 14.11.2019, Depozitarul Central S.A. recorded the transfer of 43,020,309 shares (representing 58.69% of the share capital) issued by CNTEE 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 the Government Emergency Ordinance no. 68/06.11.2019 on the establishment of measures at the level of the central public administration and for the modification and completion of some normative acts.

As presented in Note 13, the shareholders of CNTEE Transelectrica SA as of December 31, 2025 are: the Romanian State represented by the General Secretariat of the Government which holds 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 Entities with a number of 16,839,437 shares (22.97%) and other shareholders Individuals with a number of 4,682,141 shares (6.38%).

These Consolidated Financial Statements prepared as of the date and for the financial year ended December 30, 2025, include the financial information of the parent company and of the consolidated companies Smart SA and Teletrans SA, but also of the jointly controlled company GECO Power Company.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025  
(All amounts are expressed in thousands of LEI, unless otherwise indicated)

### GROUP STRUCTURE

The companies that enter the scope of consolidation as well as the percentage of the participations held by the Company are presented below:

Entity	Country	December 31 2025	December 31, 2024	Metod de consolidare
	from origin	% participation	% participation	
SMART SA	Romania	100%	100%	Global integration
TELETRANS SA	Romania	100%	100%	Global integration
GECO POWER COMPANY	Romania	25%	0%	Equivalence

#### SMART SA

The Commercial Company for Maintenance Services of the Electricity Transmission Network "SMART" SA was established in 2001, by GD no. 710/19.07.2001 through the reorganization of some activities within Transelectrica.

The address of the registered office is in Magheru Blvd. no. 33 sector 1 Bucharest and the headquarters is at the Gheorghe Șincai Blvd. no. 3, "Formenerg" Building, 1st floor, sector 4 Bucharest.

The company's main activity is to carry out overhauls and repairs to primary equipment and equipment in the electrical networks (so that the RET installations operate in safe conditions at the level of performance required by the license), remediation of incidents at electrical installations, provision of services in the energy field, 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 remains, that of ensuring preventive maintenance, special works and corrective maintenance of the Electricity Transmission Network (RET) starting from Transelectrica's primary objective: to ensure the transmission of electricity in the national transmission network in safe and stable conditions.

The company offers professional services at a high level of performance, respectively, maintenance, repairs, expertise, consultancy for:

- Low, medium, high and very 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 of 31.12.2025 is 38,529, Transelectrica being the sole shareholder. SMART's results are consolidated with the Company's financial results. SMART shares are 100% owned by Transelectrica.

#### TELETRANS SA

TELETRANS SA was established by the Decision of the General Shareholders' Meeting no. 13/04.12.2002 of Transelectrica, based on Law no. 31/1990 and the Orders of the Ministry of Industry and Trade no. 3098 and no. 3101 of 23.10.2002 and is the provider of specific telecommunications and information technology services for the operational and management management of Transelectrica, having as its main object of activity the provision of specific telecommunications services. At the same time, the company has the possibility to market profile services on the liberalized communications market in Romania.

The address of the registered office is in 16 – 18 Hristo-Botev Blvd., sector 3, Bucharest and the head office is at the work point at 12 Str. Stelea Spătarul Street, sector 3, Bucharest.

The company has a high level of competence in profoundly unique areas of systems and process management in the energy industry.

Based on the Statute and the applicable normative acts, Teletrans holds the ANCOM certificate of provider of electronic communications networks or services since 2002 (O.U.G. no. 679/2002), through

The accompanying notes form an integral part of these consolidated financial statements.

## **CNTEE TRANSELECTRICA SA OMFP 2844/2016**

Explanatory notes to the financial statements for the financial year ended December 31, 2025  
(All amounts are expressed in thousands of LEI, unless otherwise indicated)

---

which it benefits from the right to provide the following electronic communications services:

- Public electronic communications networks (as of 11.11.2004);
- Electronic communications services intended for the public: (i) Leased line services and (ii) Electronic communications services, other than telephony and leased lines (as of 01.07.2003);
- Private electronic communications networks and services (starting with 15.01.2003).
- Also, TELETRANS staff benefits from relevant certifications in the operation and administration of IT&C systems dedicated to critical infrastructures.

TELETRANS uses a fiber optic network built in a reliable OPGW technology, with access points in 110 localities, as well as cross-border connections with Hungary, Bulgaria and Serbia and provides EMS/SCADA system integration services for renewable energy producers and new command-control systems in refurbished 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 electrical stations, maintenance services of the telemetering system related to the wholesale electricity market and telecommunications services by selling the surplus of existing capacities in the fiber optic communication infrastructure.

On September 23, 2025, the merger procedure was completed by absorption between the Company for Telecommunications Services and Information Technology in Electrical Transmission Networks – TELETRANS S.A., as the absorbing company, and the company "Formenerg" S.A., as the absorbed company. According to the applicable legislation, as of September 23, 2025, Teletrans has taken over all the rights and obligations assumed prior to the merger by Formenerg. The company Formenerg 100% owned by Transelectrica as of 31.12.2024 has not been consolidated as mentioned in Note 3 a (i).

The subscribed and paid-up share capital as of 31.12.2025 is 6,978, Transelectrica being the sole shareholder. Teletrans's results are consolidated with the Company's financial results. TELETRANS shares are 100% owned by Transelectrica.

### **GECO POWER COMPANY**

The company established on January 31, 2025 according to the Registration Certificate issued by the ONRC, is a Romanian legal entity, constituted in the form of a limited liability company.

The company was established in accordance with:

- Decision no.4 of the Extraordinary General Meeting of Shareholders of 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, together with the other relevant parties designated at the level of the Republic of Azerbaijan, Georgia, and Hungary, except for the main object of activity which will be "Activities of holding companies" activity coded NACE 642, respectively 6420,
- The Memorandum of Understanding by which the Parties agree to make the necessary efforts to take the necessary steps to establish a Joint Venture company, based in Romania, between Transelectrica, AzerEnerji JSC, Georgian State Electrosystem and MVM Zrt., signed on May 27, 2024 in Bucharest,
- 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),
- The 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 a relevant party for Romania,
- Agreement of 17 December 2022 between the Governments of the Republic of Azerbaijan, Georgia, Romania and Hungary on the Strategic Partnership in the Development and Transmission 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 which started on 11 April 2022, initiated by Georgia, which was joined by Romania and the Republic of Azerbaijan,

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

The address of the registered office is in Romania, Bucharest, Sector 3, 2-4 Olteni Street, 3rd floor, room 306, the object of activity being Activities of holding companies.

The subscribed and paid-up share capital of the company is RON 15 million, being divided into a number of 1,500,000 shares with a nominal value of RON 10/share.

The share capital is held by the shareholders as follows:

- "AZERENERJI" Open Joint Stock Company, contribution to the subscribed capital 25% representing a number of 375,000 shares with a nominal value of 10 lei/share and in a total amount of 3.75 million lei, profit sharing 25% and loss sharing 25%,
- JSC Georgian State Electrosystem, contribution to the subscribed capital 25% representing a number of 375,000 shares with a nominal value of RON 10/share and in a total amount of RON 3.75 million, profit sharing 25% and loss loss 25%,
- MVM Energy Private Limited Liability Company contribution to the subscribed capital 25% representing a number of 375,000 shares with a nominal value of RON 10/share and in a total amount of RON 3.75 million, profit sharing 25% and loss loss 25%,
- The National Electric Energy Transmission Company Transelectrica SA, contribution to the subscribed capital 25% representing a number of 375,000 shares with a nominal value of RON 10/share and in a total amount of RON 3.75 million, profit sharing 25% and loss loss 25%.

### Group Mission

The Group's mission is to ensure the functioning of the National Energy System (SEN) in conditions of maximum safety and stability, meeting quality standards, thus creating the infrastructure of the national electricity market and guaranteeing, at the same time, regulated access to the electricity transmission network, in conditions of transparency, non-discrimination and equidistance for all market participants.

### Other information related to the Group's activity

The participation of European Transmission System Operators (TSOs) in ENTSO-E is regulated by the European legislation in force (Regulation 943/2019 on the internal market for electricity (recast of Regulation 714/2009 on the conditions of access to the network for cross-border exchanges of electricity): *'All transmission system operators shall cooperate at Community level through the ENTSO-E for Electricity, in order to promote the completion and functioning of the internal market in electricity and cross-zonal trade, and to ensure optimal management, coordinated operation and sound technical development of the European electricity transmission network.'*

The Company's membership in ENTSO-E is an essential condition for access to the decision-making process regarding the European strategy and legislation in the field and for defending and supporting the Company's interests within the activities/projects carried out at the level of the association and the European Commission.

ENTSO-E was created in 2009, as a non-profit association based in Brussels, by unifying the associations of European TSOs organized according to synchronously interconnected regions (UCTE, ETSO, BALTSO, NORDEL, UKTSOA, ATSOI). Since October 2004, Transelectrica has become a partner of electricity transmission companies throughout Europe, as a member of the UCTE, ETSO associations and since 2009 it has been a member of ENTSO-E, the Romanian electricity system being part of the Continental Europe Regional Group.

Transelectrica SA is an affiliated member of the following international bodies:

- ENTSO – E - European Network of Transmission System Operators for Electricity;
- CIGRE - International Council of Large High Voltage Power Grids;
- IWA - International Association of Work Under Tension;
- WEC - World Energy Council.

CNTEE Transelectrica SA has the obligation to ensure the long-term capacity of the system to meet reasonable electricity transmission demands, to operate, maintain and develop in economic conditions a safe, reliable and efficient transmission system that respects the environment, in close cooperation with neighbouring transmission and system operators and distribution operators, fulfilling the provisions of EU Directive 2019/944, art. 40.

The year began with the reconfirmation by Moody's, on January 17, 2025, of the Baa3 rating with a stable outlook, the basic credit rating (BCA) being maintained at the ba1 level. This analysis highlighted the low

The accompanying notes form an integral part of these consolidated financial statements.

risk profile, supported by the Company's natural monopoly position and the maintenance of balanced financial indicators.

Subsequently, on March 18, 2025, the agency aligned the perspective of Transelectrica's rating with that of Romania's sovereign rating, which became "negative", while the issuer rating **(Baa3) and BCA (ba1)** remained unchanged.

As of December 31, 2025, the credit profile of CNTEE Transelectrica SA maintains its solidity, being confirmed in the investment-grade **category (Baa3)** for the fourth consecutive year. The evolution of this financial year reflects the correlation between the Company's operational stability and the dynamics of the current macroeconomic context.

The upward trend of Transelectrica's shares, supported by a prudent level of indebtedness, underlines the solidity of the investment profile, with investors prioritising internal creditworthiness indicators over fluctuations in the external macroeconomic context.

### **Legislative environment**

The activity in the energy sector is regulated by the National Energy Regulatory Authority ("ANRE"), an autonomous public institution, which has as its object of activity: developing, approving and monitoring the application of the set of mandatory regulations at national level necessary for the functioning of the electricity, thermal and natural gas sector and market in conditions of efficiency, competition, transparency and consumer protection.

ANRE has as its main attributions and competences in the electricity and thermal energy sector produced in cogeneration, the following: grants, suspends or withdraws authorizations and licenses, develops and approves methodologies for calculating regulated tariffs and prices, approves regulated tariffs and prices, establishes framework contracts, approves technical and commercial regulations, etc.

ANRE sets the tariffs for the electricity transmission service and for the system services. Therefore, the decisions taken by ANRE can have significant effects on the Company's activity.

The Company's operational activity is carried out as follows:

- until 22.12.2025, based on the license no. 161/2000 for the transmission of electricity and the provision of the system service issued by ANRE, updated by ANRE Decision no. 1793/26.08.2025,
- starting with 23.12.2025, based on the license no. 2706/2025 for the provision of the electricity transmission service, as well as the system balancing services, and the General Conditions associated with the license approved by ANRE Order no. 104/2014, as subsequently amended and supplemented.

Considering the fact that the Company's activity and revenues are regulated by ANRE, the most important risks related to this aspect are the following:

- the regulatory framework is constantly subject to change, which may affect the Company's performance;
- ANRE's decisions regarding the adoption of future tariffs may affect the Company's activities.

### *Final certification of Transelectrica as a TSO of the SEN, according to the ownership separation model*

In accordance with the provisions of the Law on Electricity and Natural Gas no. 123/2012, as subsequently amended and supplemented, the National Energy Regulatory Authority (ANRE) approved by Order no. 164/07.12.2015 the certification of the Company as a transmission and system operator of the National Electricity System according to the *ownership unbundling model*.

The model of separation of ownership rights became available to the Company pursuant to Law no. 123/2012 on electricity and natural gas transposing Directive 2009/72/EC.

ANRE Order no. 164/07.12.2015 accompanied by the Opinion of the European Commission with the number C(2015) 7053 final/12.10.2015, as an integral part of the Order, was published in the Official Gazette no. 908/08.12.2015 and together with its approval report shall be communicated by ANRE to the European Commission.

This order implements the provisions of the European Union and national legislation regarding the certification of the transmission system operator.

The notification regarding the certification was sent to the European Union, which published it in the EU

Journal on 08.01.2016, in accordance with Art.10 para. (2) of Directive 2009/72/EC.

*Tariff for electricity transmission service and system service*

The electricity transmission activity is an activity of public interest, with the character of a natural monopoly, authorized and monitored by the National Energy Regulatory Authority (ANRE).

The tariffs related to the transmission and system services are established and approved by ANRE based on the specific methodologies, which constitute the framework for calculating the tariffs. (see Note 28(f)).

The methodology for setting tariffs for the electricity transmission service is based on the "revenue cap" principle, under which **the total allowed revenue** is determined based on the regulated costs recognized by ANRE. The cost base includes:

- **operational costs** (controllable and uncontrollable OPEX),
- **capital costs** (investments, regulated depreciation, return on invested capital).

The model aims to ensure the efficient operation of the transmission network, maintain the financial viability of the operator and adequately remunerate the capital invested. It includes mechanisms to boost operational efficiency, as well as a profitability framework based on **the Regulated Asset Base (BAR)** and the **Regulated Rate of Return (RRR)**, determined according to the weighted average cost of capital (WACC).

The pricing of electricity transmission services is carried out during regulatory periods. Regulatory periods are multiannual tariff regulatory cycles (5 years), during which a tariff calculation methodology is applied and for which a complete set of parameters is predetermined over the horizon of those periods for the actual calculation of tariffs. The establishment of pricing parameters over multi-year horizons provides a high level of predictability and visibility of Transelectrica's investments, operational costs and revenues.

At the beginning of each regulatory period, ANRE establishes **the initial annual target revenue**, determined by summing the recognized regulated costs and the regulated profitability related to the regulated asset base. Both operational and capital costs are included in the structure of regulated costs, but certain categories of expenditure are subject to efficiency requirements that limit the level recoverable by the regulated tariff (e.g. controllable operating and maintenance costs and own technological consumption costs).

The series of annual target revenues for a regulatory period is subsequently reprofiled through a linearisation procedure in order to avoid significant variations in regulated revenues from one tariff year to another. Linearisation contributes to the stability of tariffs and the predictability of cash flows by evenly distributing the revenues allowed throughout the regulatory period. The reprofiled income is adjusted annually with the consumer price index to reflect the evolution of economic costs.

Within a regulatory period, tariffs are reviewed annually and remain valid for periods of 12 months. The differences between the forecast and the actual values of the parameters used in the calculation of the tariff are regularised by **explicit corrections**, applied in the following tariff years or at the beginning of the next regulatory period.

For certain categories of costs, which are subject to caps, exceeding the forecast level of those costs is not compensated. Also, in the case of certain cost components, the savings achieved are partially retained by Transelectrica.

The set of calculation parameters is approved by ANRE and includes:

- **Operational costs:** controllable OPEX (subject to efficiency factors), uncontrollable costs, own technological consumption (CPT), internal congestion, costs and revenues related to the ENTSOE mechanism (ITC);
- **Capital costs:** planned investments in the network, Regulated Asset Base (BAR), regulated depreciation, return on invested capital (RRR × BAR);
- The amount of electricity that can be charged, the price of reactive energy.

Transmission tariffs are invoiced on the basis of the quantities of active energy introduced or extracted from public electricity grids, excluding imports and exports. Transelectrica charges:

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

- **TG** – tariff for the introduction of energy into the grid,
- **TL** – the tariff for extracting energy from the grid.

TG does not apply to energy produced by plants with an installed capacity  $\leq 5$  MW or to imported energy. The TL does not apply to exported energy.

The year 2025 is the first year in the series of five consecutive years that form the fifth period of multiannual tariff regulation for the electricity transmission activity (January 1, 2025 – December 31, 2029).

The main coordinates of the fifth regulatory period are established by ANRE based on the specific regulatory framework, respectively the methodology for setting the tariff for the electricity transmission activity, approved by *ANRE Order no. 68/2024* with subsequent amendments and completions.

Compared to the fourth regulatory period (January 1, 2020 – December 31, 2024), the framework applicable to the fifth period (2025–2029), established by *ANRE Order no. 68/2024*, maintains the fundamental regulatory principles of the "ceiling income" type, the structure of regulated income and its formation, the recovery of operating costs, the recovery and remuneration of the capital invested in regulated assets, the nature of the incentive elements, the method of collecting regulated income and the efficiency mechanisms.

### **The main novelty elements introduced by ANRE Order no. 68/2024**

- **Specific investment incentives:**
  - ✓ +1 pp to RRR for investments made from own sources exceeding the annual minimum mandatory amount.
  - ✓ +0.5 pp to RRR for fixed assets related to projects co-financed by non-reimbursable European funds, put into operation in the period 2025–2029.
- **Performance mechanism (KPI):**
  - ✓ adjustment of the RRR by  $\pm 0,5$  pp depending on the annual performance of the TSO on smart grid development, energy efficiency and integration of renewable sources;
  - ✓ the base levels of RRR are 6.94% for network assets and 4.94% for non-network assets.
- **Differential treatment for certain assets:**
  - ✓ for administrative buildings and facilities put into operation after January 1, 2025, RRR is reduced by 2 pp.

These changes aim to increase investment discipline and to tighten the correlation between costs, performance and tariff levels.

Starting with April 1, 2025, the legislative framework on the capping of electricity prices ceases to be applicable, which leads to the elimination of exceptional mechanisms of intervention on prices on wholesale markets and, implicitly, on the costs of technological own consumption recognized in tariffs. In the new context, the energy costs for covering the own technological consumption in the transmission network will be recognized and recovered within the standard regulatory mechanism for the fifth regulatory period, in accordance with the methodology approved by *ANRE Order no. 68/2024*, maintaining the principles of prudence, efficiency and financial sustainability for the transmission system operator.

**System services (SS)** represent the set of technical services necessary to maintain the operational safety of the National Electricity System (SEN), the permanent balance between production and consumption and the maintenance of electricity quality parameters. These services are purchased by the transmission system operator (TSO) from electricity producers and are provided to SEN users.

The SS tariff is established and approved by ANRE based on the Methodology approved by *ANRE Order no. 116/2022*. The methodology is based on a mechanism that fully covers the justified costs of the TSO with the acquisition and management of system technology services, without generating additional profit for the operator.

Tariful SS include:

- the projected costs of the acquisition of system services (reserves for active power frequency

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025  
(All amounts are expressed in thousands of LEI, unless otherwise indicated)

---

- regulation, reactive voltage-power regulation, defense and restoration services),
- exposed corrections for differences between forecasted and actual costs,
- adjustments for the variation in the volume of tariffable electricity.

The SS tariff applies to all quantities of electricity extracted from public electricity networks and is invoiced to suppliers and final consumers. The revenues related to this tariff are intended exclusively to cover the costs of the acquisition and supply of SS, and any differences from the recognised costs are regularised in the following years.

### Regulated Asset Base ('BAR')

The determination of the transport tariff is based, inter alia, on the basis of regulated assets. The regulated assets base includes the net value of tangible and intangible assets corresponding to the Company's private patrimony and the net value of assets belonging to the public domain of the state financed entirely from its own sources, recognized by ANRE and used in the provision of the electricity transmission service.

In 2025, the regulated rate of return on assets for the electricity transmission activity, expressed in real terms before tax, had the following values:

- 6.94% value established in ANRE regulations and applied between January 1, 2025 and December 31, 2025.

Compared to the RRR base value of 6.94% established for the fifth regulatory period, we specify that the ANRE regulations in force provide for specific variations depending on the nature of the assets and the source of financing: an incentive of 0.5 percentage points above the base rate (total 7.44%) applicable to the co-financing rate for investments made through non-reimbursable funds, respectively a decrease of 2 percentage points (total 4.94%) for endowment-type assets, according to the methodology for calculating the Regulated Assets Base.

At the beginning of 2025, the BAR value related to the electricity transmission activity, established by ANRE based on the investments made by CNTEE Transelectrica SA in the fourth regulation - is approx. 3,397 million lei, this value comprising the revaluation of fixed assets as of December 31, 2023, accepted by ANRE in the amount of approximately 850 million lei. By investments made we mean completed investments, respectively objectives put into operation and recorded as fixed assets in the Company's accounting records.

The total volume of investments approved for the fifth regulatory period is approx. 2,973 million lei. Of this total volume, it was forecast that a part in the amount of approx. 1,454 million lei representing approx. 49% of the total approved investment volume will be financed from non-reimbursable European funds and from the revenues obtained by Transelectrica from the allocation of cross-border interconnection capacity. Thus, in the programming of the Regulated Assets Base for the fifth regulatory period, a volume of RON 1,519 million was included, representing approx. 51% of the total approved investment volume, respectively the part of the total approved investment volume that is estimated not to be financed from the non-reimbursable sources mentioned above.

### Transelectrica's inclusion in local and international stock market indices

The shares issued by Transelectrica have been traded since 29.08.2006 on the regulated market, administered by BVB, at category I, under the symbol TEL. Starting with 05.01.2015, the Company is classified in the Premium category of the regulated market administered by BVB.

Transelectrica shares are part of the BET index, an index that reflects the evolution of the 20 most traded companies on the BVB Regulated Market, excluding financial investment companies (SIFs).

Transelectrica is also included in the local stock market indices BET | BET-TR | BET-TRN | BET-XT | BET-XT-TR | BET-XT-TRN | BETPlus | BET-EF | BET-NG | BET-BK.

On July 29, 2024, the Bucharest Stock Exchange launched a new index, Bucharest Exchange Trading Energy, Utilities and Financials (BET-EF), dedicated to the best-represented sectors of activity in the capital market, energy, utilities and finance (except investment funds) of which Transelectrica is a member.

Internationally, according to MSCI's announcement in August 2023, TEL shares were promoted within the MSCI Frontier and MSCI Romania indices.

### Group Revenues

The accompanying notes form an integral part of these consolidated financial statements.

The main revenue-generating activities for the Group are represented by the provision of the following services:

- Electricity transmission service;
- System Services
- Balancing Market Operator.

### **Electricity transmission service**

The transmission service consists of ensuring the efficient and safe transmission of electricity between two or more points of the electricity transmission network ("RET"), in compliance with the performance standards in force.

The company ensures non-discriminatory and regulated access to all participants in the electricity market. The transport activity is carried out through eight territorial transport branches based in: Bucharest, Bacau, Cluj, Craiova, Constanta, Pitesti, Sibiu and Timisoara.

The electricity transmission activity carried out by the Company consists in ensuring the technical conditions and maintaining the RET parameters at the time of introducing/taking over the energy in/from the RET.

### **System Services**

The company has the task of permanently maintaining the operation of the national energy system in safe conditions and in compliance with the quality standards provided in the technical code of the electricity transmission network. For this purpose, the Company purchases system services from electricity producers .

*The system services* are purchased based on a competitive procedure regulated by ANRE, from the producers, at the request of the Company, in order to maintain the level of safety in operation of the SEN as well as the quality of the transported energy at the parameters required by the legislation in force. The company re-invoices the entire value of the system services purchased from the producers (except for the active energy component to cover losses in the RET) to the electricity suppliers licensed by ANRE who ultimately benefit from these services.

### **Balancing market operator**

The mode of operation of the balancing market is stipulated in:

- Regulation (EU) 2195/2017 establishing a guideline on the balancing of the electricity system, hereinafter referred to as 'Regulation (EU) 2195/2017'.
- Regulation (EU) no. 1485/2017 establishing a guideline on the operation of the electricity transmission system;
- Order of the President of ANRE no. 127/08.12.2021 for the approval of the Regulation on the terms and conditions for balancing service providers and for frequency stabilization reserve providers and the Regulation on the terms and conditions for the parties responsible for balancing and for the modification and repeal of some orders of the President of the National Energy Regulatory Authority published in the Official Gazette no. 1196 of 17 December 2021, as subsequently amended and supplemented.
- The Law on Electricity and Natural Gas no. 123/2012, as subsequently amended and supplemented.

The Balancing Market allows the balance of production and consumption in real time, using resources offered in a competitive system. The balancing market also guarantees the full fulfilment of the contractual obligations assumed by the participants in the energy market.

The aim of the balancing market is to balance the production and consumption of electricity and to improve the accuracy of forecasts for this purpose of market participation. This is ensured by trading energy contracted in excess or not contracted, but consumed by market participants. Transelectrica, based on the procedures and regulations approved by ANRE, must approve all participants in the balancing market, collect, verify, process all bids and carry out settlement procedures.

The most important contribution to the functioning of the balancing market is the National Energy Dispatcher. The National Energy Dispatcher is responsible for supervising the proper and safe operation of

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

the SEN, ensuring at all times the balance of production and consumption.

The balancing market is used by Transelectrica to ensure real-time balancing of consumption with production, to guarantee the safe and stable operation of the SEN and for the administration of any restriction within the SEN.

The contracts concluded by Transelectrica with all participants in the balancing market are based on two agreements: the framework agreement for the assumption of balancing responsibility (concluded with the market participants as the parties responsible for balancing) and the framework agreement for participation in the balancing market (usually concluded with balancing service providers holding UFR/GFR).

In accordance with the provisions of the Order of the President of ANRE no. 127/08.12.2021, CNTEE Transelectrica SA as TSO (transmission and system operator) and ODDPRE (operator for settling imbalances of the parties responsible for balancing) is responsible for establishing the closing quantities and prices on the balancing market.

Transelectrica is also involved in the balancing activity, as follows:

- The National Energy Dispatcher contracts the electricity needs for balancing the production-consumption balance on the balancing market;
- The OMEPA Measurement Directorate is responsible for measuring the actual quantities.

At the same time, starting with October 2023, Transelectrica has the status of ODPE.

According to the provisions of the Order of the President of ANRE no. 127/08.12.2021, with subsequent amendments and completions, in order to ensure the functioning of the Electricity Market, TSO – respectively Transelectrica collects: the amounts due by the PRE (Parties Responsible for Balancing) for:

- the amount of the payment obligations of the PRE for the negative imbalances produced in the contract month, determined for that month according to the Information Note for the monthly settlement of the PRE imbalances or the Monthly Regularization Note, issued by ODDPRE (the operator for the settlement of the imbalances of the parties responsible for balancing);
- the amount of the payment obligations of the PRE for the provision of services corresponding to the value in the module for the positive imbalances produced in the contract month presented with the negative sign, in the Information Note for the monthly settlement of the PRE imbalances or in the Monthly Adjustment Note, issued by the TSO as ODPRE;
- additional costs arising from balancing the system.

amounts due by the ESF (balancing service providers) for:

- the payment obligations of the ESF for the values of the quantities of balancing energy actually delivered at power reduction, within the framework of the definitive transactions for the delivery of balancing energy, established according to the Information Note for the monthly settlement on the EP or the Monthly Regularisation Note, issued by the TSO;
- the payment obligations of the ESF for the provision of services, corresponding to the value in the module for the amount of balancing energy actually delivered at the power increase, presented with a negative sign in the Information Note for the monthly settlement on the EP or in the Monthly Regularisation Note, issued by the TSO;

and pay

PRE for:

- the value of the collection rights for the positive imbalances produced in the contract month, determined for that month according to the Information Note for the monthly settlement of PRE imbalances or the Monthly Adjustment Note, issued by ODDPRE;
- the value of the collection rights for the provision of services corresponding to the value in the module for the negative imbalances produced in the contract month, presented with a negative sign, in the Information Note for the monthly settlement of PRE imbalances or in the Monthly Regularization Note, issued by the TSO as ODPRE.
- additional revenues from system balancing

ESF (Balancing Service Providers) for:

The accompanying notes form an integral part of these consolidated financial statements.

- the collection rights of the ESF for the values of the quantities of balancing energy actually delivered at the increase in power, within the definitive transactions for the delivery of balancing energy, established according to the Information Note for the monthly settlement on the EP or the Monthly Regularization Note, issued by the TSO;
- the collection rights of the PPE for the values of the provision of services, corresponding to the value in the module for the quantity of balancing energy actually delivered at power reduction, presented with a negative sign, in the Information Note for the monthly settlement on the EP or in the Monthly Regularization Note, issued by the TSO.

***Intentional energy exchanges and common settlement rules for unintentional energy exchanges (FSKAR calculation methodology)***

Following the application of Regulation (EU) No 1485/2017 establishing a guideline on the operation of the transmission system for electricity and Regulation (EU) No 2195/2017 establishing a guideline on the balancing of the electricity system, common settlement rules for intentional exchanges of energy have been developed and approved by the Transmission System Operators at ENTSO-E level and common settlement rules for unintentional energy exchanges. We specify that the new set of common rules for the settlement of intentional energy exchanges and unintentional energy exchanges provides for a financial settlement between the Transmission System Operators, thus eliminating the compensations in kind determined according to the ENTSO-E methodology by the Settlement Centers in Brauweiler (Germany) and Laufenburg (Switzerland), which CNTEE Transelectrica SA traded on the Day-Ahead Market and registered separately in the Revenue and Expenditure Budget with the Party Responsible for Balancing Unplanned Exchanges as a result of trading energy on the Day-Ahead Market.

The FSKAR calculation methodology, called *Accounting and Financial Settlement of  $k\Delta f$ , ACE and Ramping period*, entered into force on 1 June 2021. The Settlement Centers in Brauweiler (Germany) and Laufenburg (Switzerland) transmit the results to each Transmission System Operator in the form of daily files containing intentional exchanges and unintentional exchanges (quantities – prices) calculated for the respective Transmission System Operator, for each settlement interval. The price set is the weighted average of the prices from trading on the Day-Ahead Markets in all ENTSO-E Member States, the prices being expressed in Euro/MWh.

The costs and revenues highlighted in the invoice received from the JAO regarding the settlement of energy related to unintentional exchanges will be included in the settlement calculation of the Balancing Market, in accordance with the provisions of ANRE Order no. 33/2021, on the amendment and completion of the Regulation on the calculation and settlement of imbalances of the parties responsible for balancing – single imbalance price approved by the Order of the President of the National Energy Regulatory Authority no. 213/2020.

***Process of compensating imbalances between all transmission system operators - IN Platform (Imbalance Netting)***

As of 01.01.2021, the European platform, the International Grid Control Cooperation (IGCC) or the IN (Imbalance Netting) Platform for the process of compensating imbalances between all TSOs, which carries out the automatic frequency restoration process pursuant to Part IV of Regulation (EU) 2017/1485, implements, has come into operation.

We specify that the International Grid Control Cooperation (IGCC) is the project that was chosen in 2016 by ENTSO-E, to become the future European platform for the imbalance compensation process, as defined in Regulation (EU) no. Commission Regulation (EC) No 2017/1485 of 2 August 2017 establishing a guideline on the operation of the electricity transmission system (Art. 22). The IGCC initiative was started in 2010 by operators in Germany and subsequently extended to the level of the European central systems, representing a way of optimizing the secondary regulation of frequency – exchange power, by reducing the contrary actions of the regulators of the member operators, thus resulting in an optimized use of the system reserve "Frequency Restoration Reserve with automatic activation" of the RRF, at the overall level.

**High-efficiency cogeneration**

Starting with April 1, 2011, the Company is the administrator of the support scheme for the promotion of high-efficiency cogeneration. The objective of this support scheme is to promote high-efficiency cogeneration electricity production systems, with the advantage of producing energy with low polluting emissions. The aim is to facilitate the market access of high-efficiency cogeneration generation systems by granting a cogeneration bonus, given that the costs of electricity and heat production in cogeneration

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

plants are higher than the market prices of the two forms of energy. The scheme is intended for electricity and heat producers that own or commercially operate high-efficiency cogeneration plants, in order to stimulate new investments in cogeneration systems, as well as the refurbishment of existing plants. The effective implementation of the support scheme in Romania took place on 1 April 2011, after the adoption by the National Energy Authority (ANRE) of the regulatory framework necessary for the implementation of this scheme.

The support scheme for the promotion of high-efficiency cogeneration is one of the mechanisms developed at European Union (EU) level for each member state to achieve greenhouse gas (GHG) emission reduction targets (by reducing the amount of primary energy needed to generate the same amounts of processed energy – electricity and heat – compared to separate production).

The bonus support scheme was established in Romania by GD no. 219/2007 on the promotion of cogeneration based on useful thermal energy (transposition of EC Directive no. 8/2004) and implemented by GD no. 1215/2009 on establishing the criteria and conditions necessary for the implementation of the support scheme for the promotion of high-efficiency cogeneration based on the demand for useful thermal energy, for producers with an installed electricity capacity of more than 1 MW.

The support mechanism was authorised by the European Commission Decision C(2009)7085, amended by Decision C(2016)7522 final. According to these decisions, the state aid is operational, to cover the difference between the costs and revenues of the production of electricity and heat in high-efficiency cogeneration, ensuring a profitability of maximum 9%.

The bonus support scheme is thus intended to support and promote high-efficiency cogeneration electricity and heat production systems, thus encouraging new investments in cogeneration technology, as well as carrying out replacement/rehabilitation works of existing installations.

The scheme applies to producers of electricity and heat in cogeneration who have requested ANRE to grant the bonus for electricity produced in high-efficiency cogeneration, delivered in the SEN, for the cogeneration capacities included in the list of producers of electricity and heat in high-efficiency cogeneration until December 31, 2016. Producers benefit from the support scheme for a maximum period of 11 consecutive years, without exceeding 2023, the year at the end of which the scheme ends. The bonus, granted upon request, represents the amount (in lei) received by producers for each MWh produced in high-efficiency cogeneration and delivered to the SEN networks, is established annually by ANRE and is calculated as the difference between the total production costs of an equivalent cogeneration plant, with high-efficiency electricity production, and the revenues that can be obtained by it using the market price of electricity, respectively the unit cost of thermal energy resulting for an equivalent thermal power plant, the difference in relation to the electricity delivered in the SEN by the cogeneration plant.

Government Decision no. 1215/2009 establishes the legal framework, in accordance with the European Union regulations, necessary for the implementation of the bonus support scheme for the promotion of high-efficiency cogeneration, based on the demand for useful thermal energy, in order to cover the difference between the cost of producing high-efficiency cogeneration energy and its sale price. ANRE approved the values of the reference bonuses per MWh of electricity produced and delivered to the grid from high-efficiency cogeneration plants. The beneficiaries of the scheme are producers who meet certain criteria established by ANRE.

In accordance with the provisions of art. 14 of the Government Decision no. 1215/2009, CNTEE Transelectrica SA is designated as responsible for the administration of the support scheme. The main duties incumbent on the Company as administrator of the support scheme are represented by the collection of the contribution from the suppliers of electricity consumers in a bank account distinct from the core activity and the payment of the bonus to the producers of electricity and heat in high-efficiency cogeneration; concluding contracts with suppliers for the collection of the contribution and with the producers who will be the beneficiaries of the scheme; verification of the amount of the contribution collected; issuing invoices to suppliers; the return of the contribution for high-efficiency cogeneration to suppliers who introduce electricity produced in high-efficiency cogeneration in Romania in other Member States of the European Union; monitoring and reporting to ANRE on the administration of the support scheme.

The company acts as an agent of the state in the monthly collection of the contribution for cogeneration and the monthly payment of the bonus and under these conditions, the operations related to the support scheme do not influence the income and expenditure accounts, except for its own administration expenses recognized by ANRE for the implementation of the support scheme and which are self-invoiced.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

On 08.12.2016, by Government Decision no. 925, the amendment and completion of GD no. 1215/2009 on establishing the criteria and conditions necessary for the implementation of the support scheme for the promotion of high-efficiency cogeneration based on the demand for useful thermal energy were adopted. The main changes refer to the following aspects:

- ✓ In order to receive the bonus, producers are obliged not to register debts to the administrator of the support scheme or to have concluded agreements for the compensation of debts and receivables;
- ✓ the overcompensation is recovered according to national and European Union legislation in the field of state aid;
- ✓ the overcompensation/undue bonus left unpaid by the producers, for which all legal steps have been taken, will be recovered by including the amount in the contribution for cogeneration, according to the methodology issued by ANRE;
- ✓ ANRE decisions regarding the amount of overcompensation and/or undue bonus are binding on producers and are implemented for recovery by issuing a decision by the scheme administrator in accordance with the legislation in the field of state aid;
- ✓ The financial closure of the support scheme is made in the first half of 2024, according to the regulatory framework developed by ANRE.

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 the implementation of the support scheme for the promotion of high-efficiency cogeneration based on the demand for useful thermal energy. Thus, the period of application of the support scheme is extended until 2033, exclusively for producers who meet the conditions to access the extension of the support scheme.

Following the issuance of GD no. 409/2022, ANRE updated the applicable regulatory framework by issuing:

- ✓ ANRE President's Order no. 34/2022 on the amendment of the Methodology for establishing and adjusting prices for electricity and heat produced and delivered from cogeneration plants benefiting from the support scheme, respectively of the bonus for high-efficiency cogeneration, approved by the Order of the President of the National Energy Regulatory Authority no. 15/2015;
- ✓ ANRE President's Order no. 35/2022 on the modification and completion of the Procedure for the approval of new projects or refurbishment of cogeneration plants, approved by the Order of the President of the National Energy Regulatory Authority no. 115/2013.

Producers who until March 31, 2022 have benefited from the 11-year support scheme and who meet the conditions for accessing the extension of the support scheme presented above, may benefit, based on a decision approved by the president of ANRE, from the extension of the state aid starting with April 1, 2022.

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

### **Price coupling mechanism of electricity markets**

The application of the price coupling mechanism started on November 19, 2014, the date on which the "4 Market Coupling (4MMC)" project, which provides for the union of the PZU (Next Day Market) electricity markets in Romania, Hungary, the Czech Republic and Slovakia, entered the operation phase.

On June 17, 2021, the Interim Coupling (ICP) project was launched, which represents the coupling of the day-ahead markets in 4MMC countries with those in Poland, Austria and Germany.

On October 27, 2021, the integration of the Bulgaria-Romania border into the Single Day-Ahead Coupling (SDAC) was also carried out.

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

On June 8, 2022, the Core FB MC (Core Flow-Based Market Coupling) project was put into operation, thus initiating the market coupling for the next day based on flows in the Core capacity calculation region.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

The flow-based market coupling mechanism optimises the European electricity market for 13 countries (Austria, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia).

The Single Intraday Market Coupling Mechanism shall ensure the continuous harmonisation of bids to bid market participants in a bidding zone with bid bids within its own bidding zone and in any other bidding zone where cross-border capacity is available.

From the point of view of the internal regulatory framework, the roles and responsibilities of the operators involved in the Company and SC OPCOM SA, as well as the operations that are carried out within the coupling of the markets are provided in the Regulation on the organization and functioning of the market for the next day of electricity in compliance with the mechanism of coupling by price of the markets and the amendment of some normative acts regulating the market for the next day of electricity, approved by ANRE Order no. 82/2014 (Regulation).

The target model for the day-ahead market, based on the principle of Price Coupling of Regions (PCR), uses a unique bid matching and pricing algorithm.

In the event that coupling is not possible, the TSOs of those countries apply the fallback procedures, through which cross-border capacity is allocated.

Art. 138 of the Regulation provides that in the post-coupling process, the Transmission and System Operators (TSOs) have the role of transfer agents of the electricity resulting from the coupling algorithm as being transferred between two adjacent bidding zones.

Under the price coupling mechanism of the day-ahead markets, the electricity exchanges correlate, on the basis of auctions, the day-ahead electricity transactions, depending on the interconnection capacity made available by the TSO through which its implicit allocation is achieved.

The company, as a TSO, transfers electricity, both physically and commercially, to the neighboring TSOs (MAVIR – Hungary and IBEX – Bulgaria) and manages the revenues from congestion on the respective interconnection related to the PZU (art. 139 of ANRE Order no. 82/2014), and in relation to OPCOM SA it has the quality of Implicit Participant in the Day-Ahead Market and the Intraday Market (IP).

As a Transfer Agent and Implicit Participant, CNTEE Transelectrica SA has the commercial task of settling the energy traded between OPCOM SA, MAVIR and IBEX.

Thus, within the mechanism of coupling by price of the regional markets, CNTEE Transelectrica SA:

- fulfills the role of implicit participant on the PZU and IP and has the quality of transfer agent;
- provides the interconnection capacity for the physical delivery of electricity traded on the PZU and PI, respectively the transition of energy from one bidding zone to another through interconnection lines, being limited by their available transfer capacity.

The revenues recorded from congestion are divided monthly between the transmission and system operators, and the exchange rate differences are retained or ensured, as the case may be, by the TSOs.

At the level of the Company, it was approved that the transactions related to the price coupling mechanism of the regional markets will not influence the income and expense accounts, except for the revenues from the management of congestion on the interconnection lines, the revenues/expenses with exchange rate differences and the expenses with bank commissions resulting from the settlement of the transactions carried out by the Company as a transfer agent.

### **Energy delivered to support balancing neighbouring TSOs in emergency situations ("damage aid")**

Taking into account the European directives and regulations, the national legislation and the ENTSO-E rules, one of the obligations of the Transmission System Operator (TSO) is to coordinate actions and help each other between neighboring TSOs in order to ensure electricity for the restoration of the normal functioning of the electricity systems in case of emergency situations.

Within the framework of the interconnected functioning of the European energy system, an operational means of mutual support of the TSO is constituted by the delivery of balancing energy to the interconnection systems (neighbours) in emergency situations defined by the lack of sufficient reserves and/or sources to cover consumption, according to the corresponding general provisions of the *Regulation (EU) 2017/1485 laying down a guideline on the operation of the electricity transmission system and Regulation (EU) 2017/2195 laying down guidelines on the balancing of the electricity system.*

The accompanying notes form an integral part of these consolidated financial statements.

## **CNTEE TRANSELECTRICA SA OMFP 2844/2016**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

The implementation of this possibility is based on the Synchronous Area Framework Agreement for Regional Group Continental Europe (SAFA), which details the provisions of the regulations, respectively paragraphs e), f) and g) and Art. B-12 of this operational agreement. Thus, the Company signed bilateral agreements for the purpose of providing emergency electricity with neighboring TSOs from Hungary, Bulgaria and Serbia during 2017 – 2019 and with neighboring TSOs from Ukraine and the Republic of Moldova, during 2022 (bilateral contracts with TSOs from Ukraine and the Republic of Moldova were signed as a matter of urgency, against the background of the conflict situation in Ukraine and the synchronization of the two systems at the Energy System of Continental Europe – 16.03.2022).

On the basis of bilateral contracts with neighbouring TSOs, electricity can be supplied to each other in the event of major damage to the production structure or to the transmission network (energy referred to in the contract as "Emergency Energy"), on commercial principles. Also, Emergency Energy from the Romanian energy system to the Ukrainian/Moldovan energy system can be granted to ensure (respect) the scheduled energy exchanges from the Ukraine – Republic of Moldova Control Block to the Continental Europe Synchronous Zone, in case of activation of the measures provided by the decision of the Continental Europe Regional Group (RG EC) within ENTSO-E aimed at reducing the physical flow of electricity or the cessation of the synchronous operation of the Ukraine – Republic of Moldova Control Bloc with the Synchronous Zone of Continental Europe.

## **2. Basics of preparation**

### **Declaration of conformity**

These consolidated financial statements ("financial statements") have been prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016.

This set of consolidated financial statements is not in accordance with IFRS-EU.

Starting with 2022, this set of annual financial statements of the Group includes the additional costs with the purchase of electricity made between January 1, 2022 and March 31, 2025, in order to cover the own technological consumption (CPT) for economic operators of energy transmission and distribution services, which are capitalized quarterly, the first asset (intangible assets) being recorded on September 30, 2022. Order of the Ministry of Public Finance (OMFP) no. 3900/2022 was issued and brings additional accounting specifications to the accounting regulations in force at OMFP no. 2844/2016, which provided for the financial-accounting treatment applied to the additional costs not recovered by tariff related to the distribution operators' own technological consumption (SO). The Group has consistently applied accounting policies for all periods presented in these consolidated financial statements.

The accounting records of the consolidated companies (Smart and Teletrans) are maintained in lei, in accordance with OMFP 1802. These accounts have been restated to reflect the differences between the accounts according to the Romanian accounting regulations (RCR) and those according to IFRS. Accordingly, the accounts have been adjusted, where necessary, to align these financial statements, in all material respects, with the IFRS adopted by the European Union.

The financial statements are available at the registered office of CNTEE Transelectrica SA located in Olteni Street no. 2-4 sector 3, Bucharest and on the Company's website.

The consolidated financial statements prepared as of and for the financial year ended December 31, 2025 were audited by the Company's financial auditor – Deloitte Audit SRL.

The financial year corresponds to the calendar year.

### **Business continuity**

The present financial statements have been prepared on the basis of the principle of business continuity. In making this judgment, the management takes into account the current performance and access to financial resources given the strategic importance and position of natural monopoly of national interest held by the Company within the national energy system.

### **Basis of assessment**

The consolidated financial statements are prepared at historical cost, with the exception of tangible assets, other than property, plant and equipment, which are measured at revalued value, while liabilities related to cash-settled share-based payment arrangements are measured at fair value.

### **Functional and presentation currency**

The consolidated financial statements are presented in Romanian LEI ("LEI" or "RON") according to the

The accompanying notes form an integral part of these consolidated financial statements.

applicable accounting regulations, which is also the functional currency of the Group.

### Using Estimates and Judgments

The preparation of consolidated financial statements in accordance with IFRS EU requires management to use professional reasoning, estimates and assumptions affecting the application of accounting policies, as well as the recognised value of assets, liabilities, income and expenses, fair value assumptions (see Note 4), commitments and contingent quotas (see Note 29), recognition of receivables (see Note 4), 14 - Advance income), adjustments for impairment of receivables (see Note 10) and obligations related to defined benefit plans (Note 16).

Actual results may differ from the estimated values. Estimates and assumptions are reviewed periodically. Revisions to accounting estimates are recognized during the period in which the estimates are revised as well as in future affected periods.

Information on assumptions and estimates involving material uncertainties is included in the following notes:

- Note 13 - the estimate of the Group's management that there is a reasonable assurance that the conditions attached to the non-reimbursable funds will be met and that the funds will be received;
- Note 16 - assessment of the obligations related to the defined benefit plans;
- Note 29 - recognition and evaluation of provisions, commitments and quotas; key assumptions regarding the probability and magnitude of an outflow of resources;

Information on the accounting policy rationale for service concession agreements is set out in the following paragraphs.

The Company (concessionaire) concluded in 2004 a concession contract for a period of 49 years, with the Ministry of Economy (grantor) according to which the Company has the right to use public assets that include the electricity transmission network and the land on which it is located, in exchange for the provision of the electricity transmission service (See Note 3 (b)).

Given that most of the Company's shares are owned by the State, the Company's management considers that it is a public company and therefore does not fall under the provisions of IFRIC 12 "Service Concession Agreements". Given that there is no other specific international financial reporting standard for service concession agreements, the Company considered whether it would still apply IFRIC 12, based on the hierarchy mentioned in SIC 8 "Accounting Policies, Changes in Accounting Estimates and Errors", which provides that the provisions of other IFRS dealing with similar issues should first be considered.

In the analysis of the application of IFRIC 12, the Group considered whether the following characteristics of public-private service concession agreements are applicable to the concession contract concluded with ME, on the date on which IFRIC 12 is to be adopted:

- the grantor controls or regulates the type of services that the concessionaire must provide within the infrastructure, to whom it must provide them and at what price;
- the grantor controls - by ownership, right of benefit or otherwise - any significant residual interest in the infrastructure at the end of the term of the agreement: 49 years;
- The contractual provisions would include the same provisions, if the agreement had been concluded with a private company.

From the analysis of the characteristics of the public-private service concession agreements, the following can be found:

- the services provided by the Group are regulated by ANRE, therefore the Grantor – the Ministry of Economy – does not control or regulate the type of services that the Group must provide;
- at the end of the contractual period, the residual interest in the infrastructure is approximately zero, most of the assets belonging to the public domain of the state being fully depreciated;
- there are currently no similar contracts, the Group having a monopoly position for the transmission of electricity.

The Company concluded that an accounting of the concession contract according to the provisions of IFRIC 12 will not reflect the economic substance of the transaction, because the Company pays an annual fee in the form of a royalty for the use of the assets mentioned in the concession contract in the amount of 4/1000 of the value of the gross revenues from electricity transmission and transit operations, through the national transport systems, which are publicly owned by the state, a tax that is significantly

lower than the depreciation that the Company would have recorded for those assets if the concession contract had not been signed.

As a result, IFRIC 12 is not applicable and the Company has applied the accounting policies as described in Note 3, points a) and b).

### **3. Accounting policies**

The accounting policies detailed below have been applied consistently for all periods presented in these consolidated financial statements and have been consistently applied by the Group entities.

#### **(a) Basics of consolidation**

##### **(i) Financial investments**

The group has control over an entity when it is exposed to, or is entitled to, variable gains resulting from its involvement in the entity and has the ability to affect those gains through its power over the entity. The financial statements of the companies included in the scope of consolidation are included in the consolidated financial statements from the moment the exercise of control begins until the moment it ceases.

As of the date of this report, Transelectrica is composed according to the articles of incorporation of six subsidiaries (of which three are deregistered with the Trade Register) Romanian legal entities, organized as joint stock companies. In two of the companies, Transelectrica (Teletrans and Smart) is the sole shareholder and majority shareholder in the case of OPCOM.

We specify that Transelectrica also held the status of sole shareholder in the companies ICEMENERG SA, ICEMENERG SERVICE and FORMENERG SA (the companies that are deregistered with the ONRC at the present date).

Among the Company's investments, Smart and Teletrans are included in the Group's financial consolidation perimeter through the global integration method.

The following were not taken into account when preparing the consolidated financial statements:

- investment in Formenerg because, according to the accounting legislation applicable in 2024, the impact of its activity was considered insignificant for the purpose of consolidation and during 2025 it merged with Teletrans,
- the investment in OPCOM because the administration is carried out according to the regulations established by ANRE, and Transelectrica does not exercise direct effective control over its decision-making mechanisms.

**FORMENERG** was a company whose main object of activity was the initial and continuous professional training, in all fields of activity, of the personnel with attributions in the energy field from all sectors of the national economy and other beneficiaries, as well as hotel services, rental services and event organization 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 Training and Improvement Branch of Personnel in the Energy Sector. FORMENERG shares were 100% owned by Transelectrica.

On September 23, 2025, the merger procedure was completed by absorption between the Company for Telecommunications Services and Information Technology in Electrical Transmission Networks – TELETRANS S.A., as the absorbing company, and the company "Formenerg" S.A., as the absorbed company. According to the applicable legislation, as of September 23, 2025, Teletrans has taken over all the rights and obligations assumed prior to the merger by Formenerg.

**ICEMENERG SERVICE – SA** was focused on the design, production and distribution of measuring, driving and control devices for the energy system, having ISO 9001 and IQ NET certification by SRAC ROMANIA, ANRE certified. On 09.06.2017, the Bucharest Tribunal, Civil Section VII, ordered the bankruptcy by simplified procedure of the debtor ICEMENERG SERVICE – SA, appointing Solvendi SPRL as provisional judicial 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 mobile and immovable, were capitalized en bloc, the buyer being Portland Trust Developements Five SRL.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

In the file no. 18051/3/2017, according to the Bulletin of insolvency proceedings no. 9152/26.05.2022, the Bucharest Tribunal – Civil Section VII, by civil sentence no. 2429, approved the final report of the judicial liquidator, and based on Article 175 paragraph 2 of Law no. 85/2014 on insolvency prevention and insolvency procedures, closed the insolvency procedure against the debtor "Icemenerg-Service" SA by deleting it from the Bucharest Trade Register. The company was not notified of the sentence until 31.12.2024.

**OPCOM SA** was established on the basis of GD no. 627/2000 on the reorganization of the National Electricity Company SA, as a company whose sole shareholder was Transelectrica.

According to the provisions of the primary and secondary legislation in force, the Electricity and Natural Gas Market Operator "OPCOM" S.A. fulfills the role of administrator of the electricity market, providing an organized, viable and efficient framework for carrying out commercial transactions within the wholesale electricity market and carries out activities of administration of centralized markets in the natural gas sector, in conditions of consistency, fairness, objectivity, independence, equidistance, transparency and non-discrimination.

The subscribed and paid-up share capital of OPCOM on 31.12.2025 is 31,366 thousand lei, Transelectrica participating at that date in the share capital as the majority shareholder. The shareholding structure is as follows:

- CNTEE Transelectrica SA – 97.84%
- The Romanian State through the General Secretariat of the Government – 2.16%.

OPCOM obeys ANRE rules and has an independent position on the electricity market. Transelectrica does not exercise direct effective control over the decision-making mechanisms of OPCOM, whose administration is conducted according to the regulations established by ANRE.

We specify below, the elements provided by the International Standard IFRS 10, necessary to be taken into account in establishing the exercise of control. Thus, according to IFRS 10 - an investor controls an entity if and only if the investor owns all of the following:

- A. Power over the entity in which it invests
- b. exposure or rights to variable returns from its involvement with the investee
- c. the ability to use its power over the invested entity to affect the amount of the investor's return.

The decision not to consolidate is based on the fact that the control criteria provided by IFRS 10 for the consolidation of an entity are not cumulatively met, namely:

- Existence of decision-making power over the respective entity: OPCOM carries out its activity within a framework strictly regulated by the relevant authorities, independent of Transelectrica's commercial policies. The operational and strategic decisions relevant to OPCOM are dictated by regulations specific to the energy sector and cannot be influenced at the discretion of the majority shareholder
- Exposure or entitlement to variable returns resulting from involvement in OPCOM: Transelectrica does not have the possibility to decide on the pricing policy or to directly influence the level of OPCOM's revenues and financial results
- Ability to use control to influence returns: Even though Transelectrica owns the majority of the shares, it does not have the actual ability to use this position to influence OPCOM's economic results, as these are mainly determined by the legislative framework and regulations imposed by the authorities.

At the same time, Transelectrica does not exercise significant influence over the activities of OPCOM, and the decision not to consolidate is supported by reasoning and assumptions that start from the purpose of establishing OPCOM, namely to ensure an organized framework for carrying out regulated electricity transactions, in the context of applying its specific legislation on independent activity, applying its specific legislation on electricity subject to ANRE rules and EU regulations.

### **(ii) Investments in associates and joint ventures**

If Transelectrica holds, directly or indirectly, 20% or more of the voting rights of the entity in which it invested, it is assumed to exercise significant influence, but not control over financial and operational policies. The consolidated financial statements include the Group's share of the results of the associates

The accompanying notes form an integral part of these consolidated financial statements.

based on the equity method.

Investments in joint agreements, in which the Group exercises joint control with other entities, are initially recognised at cost and subsequently measured using the equity method. Profits or losses attributable to the Group are recognised in the consolidated financial statements when joint control begins and until such control ends.

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 entity in which it invested. The investor's profit or loss includes his share of the profit or loss of the entity in which he invested, and other elements of the comprehensive income include the investor's share of the other items of the comprehensive income of the entity in which he invested.

In March 2025, the Company participated with a 25% contribution to the share capital of Geco Power Company Green Energy Corridor Power Company - Limited Liability Company, according to the resolution of the Executive Board no. 7516/ 05.03.2025, in value is 3,750.

The total share capital of Geco is 15,000, divided into 1.5 million shares, distributed equally between the 4 entities participating in the capital. The shares, according to the articles of association, confer equal rights. Participation in profits and losses will be made proportionally to the shares.

The founding partners of the project company are CNTEE 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 high-voltage submarine direct current cable, which will cross the Black Sea and connect Romania and Georgia, the connection being extended in Hungary and Azerbaijan, in accordance with the agreement between the Governments of the states of Azerbaijan, Georgia, Romania and Hungary.

**The newly established company GECO enters the consolidation perimeter, being a jointly controlled company, of the Join Venture type. Thus, the consolidated financial statements include the Group's share of GECO's results based on the equity method. Since GECO's shares are acquired at the time of its establishment, no goodwill was recorded.**

**iii) Loss of control**

**Upon loss of control**, the Group recognises the assets and liabilities of consolidated companies, non-controlling interests and relevant components of equity. Any resulting gain or loss is recognised in the profit and loss account. **Retained interest**, if any, shall be measured at fair value at the date of loss of control and shall subsequently be accounted for either by the equity method or as a financial asset in accordance with IFRS 9.'

**iv) Transactions eliminated on consolidation**

Balances and transactions within the Group, as well as any unrealized income or expense resulting from transactions within the Group, are eliminated at the time of preparation of the consolidated financial statements. Unrealized profits related to transactions with associates accounted for by the equity method are eliminated in exchange for the investment in the associate, to the extent of the Group's interest in associates. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there are no indications of depreciation in value.

**(b) Tangible fixed assets**

*Own assets*

Tangible assets, with the exception of tangible assets in progress, are presented at revalued value, less cumulative depreciation and amortization losses. Tangible assets in progress are presented at cost. The cost of self-built assets includes the cost of materials, direct salaries, the initial estimate, where applicable, of the costs of dismantling and moving elements and site restoration, and a share of indirect expenses.

*Recognition*

Tangible assets are initially valued at cost.

The cost includes expenses directly attributable to the acquisition of the asset. The cost of assets built by the entity includes:

- the cost of materials and direct personnel expenses;

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025  
(All amounts are expressed in thousands of LEI, unless otherwise indicated)

---

- other costs directly attributable to bringing the assets to the required place and condition/stage of intended use; and
- capitalised borrowing costs.

For unused or used tangible assets, depreciation adjustments are recorded.

Government subsidies obtained for investments related to the public domain are recognized through the accounting account 1026 - Public patrimony, equity account, at the same time as the promotion of the Government Decision updating the public domain.

The fixed assets resulting from investments related to the public domain obtained from government subsidies are not depreciated, given their handover to the public patrimony. They do not meet the conditions for recognition of depreciation according to the provisions of the Concession Contract no. 1/2004, does not represent investments or expenses incurred by the Company.

In this regard, the Company annually submits to the Ministry of Economy, as grantor and holder of the right to manage the assets subject to the concession contract, the proposals for the transfer of the fixed assets to the public patrimony. According to the law, the necessity and opportunity of promoting the draft Government decision belong to the holder of the right of administration

### *Subsequent expenditure*

The Group recognises in the carrying amount of a tangible asset the cost of replacing part of a fixed asset if at the time the cost occurs it is likely that future economic benefits related to the item will be generated to the Company and the cost of the item can be credibly assessed.

All other costs are recognised in the profit and loss account when they occur.

### *Depreciation*

Tangible fixed assets are depreciated using the linear method, over their lifetimes, as follows:

	<b>Normal service life (years)</b>
Special buildings and installations	40 – 60
Machinery and equipment	15 – 40
Measuring and control devices	7 – 12
Vehicle	5 – 8
Other tangible assets	3 – 5

The land is not amortized. When the items of a property, plant and equipment have different lifetimes, they are recorded as separate items (major components) of an asset. Asset depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted where appropriate.

### *Revaluation*

The Company has chosen the revaluation model as its accounting policy and applies this policy to every entire class of tangible assets, except for advances and tangible assets in progress that are measured at historical cost.

The revaluation of tangible assets is carried out periodically at fair value (the term periodic refers to any reporting period at which Transelectrica's management identifies indications that the value of the assets is significantly different from the market value). In this regard, Transelectrica's management uses the services of authorized appraisers for such activity.

At the revaluation of a tangible asset, the accumulated depreciation at the revaluation date is removed from the gross carrying amount of the asset, the net value being recalculated at the revaluation value of the asset.

At the same time, when a tangible asset is revalued, the entire class to which that item belongs will be revalued.

When the carrying amount of an asset is increased as a result of a revaluation, the increase will be recognised in other comprehensive income and accumulated in equity under the revaluation surplus. However, the increase will be recognised in the profit or loss account to the extent that it offsets a decrease in revaluation of the same asset previously recognised in the profit or loss account.

The accompanying notes form an integral part of these consolidated financial statements.

If the carrying amount of an asset decreases as a result of a revaluation, the decrease will be recognised in the profit or loss account. However, the decrease will be recognised in other comprehensive income to the extent of any existing credit balance in the revaluation surplus of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity from the revaluation surplus.

Transelectrica's policy is that the revaluation reserve included in the equity related to an item of tangible fixed assets is transferred directly to the retained profit as the revalued tangible asset is depreciated and when the asset is derecognized. In this case, the amount of the surplus transferred would be the difference between the depreciation calculated on the basis of the revalued carrying amount of the asset and the depreciation amount calculated on the basis of the initial cost of the asset. Transfers from the revaluation surplus to retained earnings are not made by profit or loss. The effects in the calculation of corporate income tax, if any, resulting from the revaluation of tangible assets are recognised and presented in accordance with IAS 12 – Corporate Income Tax.

### **(c) Public heritage**

In accordance with the provisions of Law no. 123/2012, as subsequently amended and supplemented, the electricity transmission network existing on the territory of Romania is the public property of the state for the assets leased to the National Electricity Transmission Company "Transelectrica" - S.A., as well as for the return goods according to the concession contract and the legal provisions.

Government Decision no. 627/2000 establishes in Annex no. 8 the inventory of the immovable property that makes up the public domain of the state, taken over by the Company starting with August 1, 2000 and which is inventoried and updated whenever necessary, by legislative act (GD).

In accordance with the provisions of Law no. 213/1998 and Law no. 219/1998, the Ministry of Economy and Trade (currently the Ministry of Economy, Digitalization, Entrepreneurship and Tourism) granted on behalf of the State to the Company, the transmission network (high voltage lines and power stations) and the land on which it is located. Thus, on June 29, 2004, the concession contract no. 1 between the Ministry of Economy and Trade and the Company for all tangible assets from the public patrimony in balance on December 31, 2003 for a period of 49 years.

Following the signing of the concession contract with the Ministry of Economy and Trade on behalf of the Romanian State, on June 29, 2004, the nature of the relationship between it and the Company changed and therefore, the Company proceeded to de-recognize the assets of the public patrimony, including the reserve of the public patrimony within the equity. Concession contract payments (royalty) are recognised as expenses in the profit and loss account by the Company during the year. Their accounting is carried out in accordance with IFRS 16, leases, which states that, in the situation where lease payments are variable and represent a percentage of the proceeds from sales, the lease liability and rights to use the assets for leases are zero.

The concession contract no. 1/2004 was published in the Official Gazette of Romania no. 298 bis of 30 April 2015. During the years 2005-2013, seven addenda to the concession contract were concluded.

Taking into account the provisions of the Government Decision no. 1009/2012 and Government Decision no. 984/2012 approving the amendment of Annex no. 7 to the Government Decision no. 1705/2006 for the approval of the centralized inventory of the assets in the public domain of the state concessioned to the Company, as a result of the inventory of the assets belonging to the public domain of the state in 2012 and the revaluation / evaluation of these assets, on 14.02.2013 the addendum no. 7 to the Concession Contract no. 1/29.06.2004.

By Government Decision no. 1032 of 11 December 2013, published in the Official Gazette no. 22 of 13 January 2014, the amendment and completion of Annex no. 7 to the Government Decision no. 1705/2006 for the approval of the centralized inventory of the goods in the public domain of the state, following the inventory of the goods belonging to the public domain of the state in 2012.

By Government Decision no. 615 of 05 September 2019, published in the Official Gazette no. 730 bis 2019, the amendment and completion of Annex no. 7 to the Government Decision no. 1705/2006 for the approval of the centralized inventory of the assets in the public domain of the state, as a result of the inventory of the assets belonging to the public domain of the state in 2017 for the period 2013-2017, but so far the act no. 8 to the Concession Contract no. 1/2004.

The main terms of the concession contract are as follows:

- The object of the concession contract is the operation of the electricity transmission network – RET

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

and the land on which it is located;

- The Group has the right to use these assets for a period of 49 years, from 1 June 2004 to 31 May 2053;
- The annual fee paid by the Group in the form of a royalty for the use of these assets is established by the Ministry of Economy and represents 1/1000 of the revenues earned from the electricity transmission activity, for the quantity actually transported;
- The assets will come into the possession of the ME at the termination or expiry of the contract; the contract can be unilaterally terminated by any of the parties;
- The Group has the obligation to use the assets in accordance with the provisions of the concession contract and the operating license.

Starting with November 12, 2020, the Electricity Law no. 123/2012 was amended and supplemented, which in art. 19, para. (1<sup>^</sup>1) provides: *"The annual fee related to the concession in the field of electricity transmission is 0.4% of the value of the gross revenues earned from electricity transmission and transit operations and is paid by the transmission system operator as concessionaire"*.

The tax paid by the Company according to the concession contract and the Electricity Law no. 123/2012, as subsequently amended and supplemented, for the period 1 January – 31 December 2027 is significantly lower than the depreciation that the Group would have recorded for those assets if this contract had not existed. However, the Group did not record in the financial statements any amount relating to this possible benefit because it cannot estimate the amount paid for the use of these assets by a third party in an objectively priced transaction.

The investments made by the Company from its own sources of financing in the assets covered by the concession contract are capitalized and amortized over the remaining life of the assets. After the recovery of the amortization of the investment, they will be included in the inventory of assets in the public domain of the state, according to the legal provisions in force, based on a normative act adopted in this regard.

### **(d) Intangible assets**

The intangible assets acquired by the Group are presented at cost less the cumulative depreciation and amortization losses of the intangible assets. Depreciation is recognised in the profit and loss statement on a straight-line basis over the estimated life of intangible assets. The majority of intangible assets recorded by the Group are represented by intangible assets in progress and dedicated software. They are amortized linearly over a period of 3 years.

Asset depreciation methods and useful lives are reviewed at each reporting date and adjusted where appropriate.

#### *Subsequent expenditure*

Subsequent expenses are capitalized only if it is likely to generate future economic benefits to the Group related to subsequent expenses.

### **(e) Foreign currency transactions**

Transactions in foreign currency are expressed in LEI by applying the exchange rate from the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the end of the year are denominated in LEI at the exchange rate on that date. Gains and losses on exchange rate differences, realized or unrealized, are recorded in the profit and loss account for the respective financial year. The exchange rates on 31 December 2025 and 31 December 2024 are as follows:

<b>Currency</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
1 EUR	<b>5.0985</b>	<b>4.9741</b>
1 USD	<b>4.3417</b>	<b>4.7768</b>

Non-monetary assets and liabilities denominated in a foreign currency are measured at fair value at the exchange rate on the date on which the transaction was made.

### **(f) Receivables**

Trade receivables are initially recognised at the invoiced value and subsequently measured at amortised cost based on the effective interest method, less impairment adjustments.

Trade receivables impairment adjustments include adjustments for disputed receivables and adjustments

The accompanying notes form an integral part of these consolidated financial statements.

made by applying the simplified analysis model provided for in IFRS 9 Financial Instruments. The Company applies the simplified approach of IFRS 9 for measuring expected credit losses, which aims at a reduction of lifetime expected credit losses (ECL) for all trade receivables. To measure expected credit losses, trade receivables are grouped based on common credit risk characteristics and days past due.

The expected loss rates are based on the payment profiles of sales for a period of 36 months prior to December 31, 2025, and January 1, 2025, respectively, and on the corresponding historical credit losses recorded during this period. The historical loss rates are adjusted to reflect current and future information on macroeconomic factors affecting the ability of customers to settle receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, a debtor not committing to a repayment plan and not making contractual payments for a period of more than 180 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited to the same line item.

Adjustments for impairment of receivables – For trade receivables, a simplified approach is adopted in which impairment losses are recognized based on lifetime expected credit losses at each reporting date. If there is credit insurance or guarantees for outstanding balances, the calculation of expected credit losses is based on the insurer's probability of default for the insured portion of the outstanding balance and the amount remaining uncovered will have the counterparty's probability of default. For trade receivables, the simplified model regulated by IFRS 9, presented in Note 10, is used.

### **(g) Stocks**

The stocks consist of:

- raw materials, materials, spare parts that do not meet the definition of tangible assets and other consumable materials to be used in the performance of the Group's core business;
- safety and intervention stocks intended to quickly remedy the malfunctions that occurred at the RET installations in order to ensure the safe operation of the SEN. These materials are recorded as stocks at the time of purchase and are recorded on expenses at the time of consumption or are capitalized, as the case may be.

Inventories are valued at the lesser of cost and net realizable value. The cost of consumed inventory is determined based on the FIFO method and includes purchase expenses. Net realisable value is the estimated sale price in the normal course of business minus the estimated costs of completion, if any, and the expenses incurred by the sale.

The Group's policy is to record a 100% impairment loss for stocks older than 365 days and which will not be used in the future, except for security and intervention stocks.

### **(h) Cash and cash equivalents**

Cash and cash equivalents include cash, current accounts and bank deposits with an initial maturity of up to 3 months that are subject to a negligible risk of fair value change.

### **(i) Revaluation reserves**

After recognition as an asset, a tangible asset whose fair value can be reliably measured is accounted for at a revalued value, which is its fair value at the date of the revaluation less any depreciation accrued thereafter and any accumulated impairment losses. Revaluations shall be made on a sufficiently regular basis to ensure that the carrying amount does not differ materially from what would have been determined by using fair value at the balance sheet date.

If the carrying amount of an asset is increased as a result of a revaluation, this increase is recorded directly in equity in the revaluation reserves. However, the increase is recognised in the profit or loss account to the extent that it offsets a decrease in the revaluation of the same asset previously recognised in the profit or loss account.

If the carrying amount of a property, plant and equipment is reduced as a result of a revaluation, this decrease is recognised in the profit or loss account. However, the reduction is made by reducing the revaluation reserves, to the extent that there is a credit balance in the revaluation surplus for that tangible asset.

The revaluation reserve included in equity related to a tangible fixed asset is transferred directly to the retained profit as the revalued tangible asset is depreciated and when the asset is derecognized.

## **CNTEE TRANSELECTRICA SA OMFP 2844/2016**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

Starting with 1 May 2009, the reserves from the revaluation of tangible assets, including land, carried out after 1 January 2004, which are deducted from the calculation of the taxable profit by means of tax depreciation or expenses relating to assets disposed of and/or scrapped, are taxed at the same time as the deduction of tax depreciation, respectively at the time of the decommissioning of these fixed assets, as the case may be.

The Group recorded deferred tax on reserve debt from the revaluation of fixed assets, including land, made after 1 January 2004.

The reserves from the revaluation of tangible assets, including land, carried out until December 31, 2003, as well as the portion of the revaluation made after January 1, 2004 and related to the period up to April 30, 2009, will not be taxed at the time of transfer to the retained earnings.

The Group did not record deferred tax on the reserve debt from the revaluation of fixed assets, including land, made until 31 December 2003.

The reserves from the revaluation of tangible assets are taxable in the future, in the event of a change in the destination of the reserves in any form, in the event of liquidation, merger of the Group, including its use to cover accounting losses, except for the transfer, after May 1, 2009, of reserves related to the valuations made after January 1, 2004 in the retained earnings, which are taxed at the same time as the deduction of tax depreciation.

### **(j) Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax receivables, are reviewed at each reporting date to determine whether there is evidence of impairment. An impairment loss is recognised if the carrying amount of a cash-generating asset or unit exceeds the estimated recoverable amount.

The recoverable value of a cash-generating asset or unit is the maximum of the use value and fair value minus costs of selling. When determining value of use, expected future cash flows are discounted to determine present value, using a pre-tax discount rate that reflects current market valuations of the value over time and asset-specific risks.

For impairment testing, assets that cannot be tested individually are grouped at the level of the smallest group of assets that generate cash inputs from continuous use and that are largely independent of the cash inputs generated by other assets or groups of assets ('cash-generating unit').

Impairment losses are recognised in the profit or loss account. Impairment losses recognised in relation to cash-generating units are allocated with priority to reduce the carrying amount of goodwill allocated to cash-generating units (group of cash-generating units), if applicable, and then pro rata to reduce the carrying amount of other assets within the cash-generating unit (group of cash-generating units).

A loss on impairment of goodwill is not resumed. For the other assets, the impairment loss is carried over only to the extent that the carrying amount of the asset does not exceed the carrying amount that could have been determined, net of depreciation, if no impairment had been recognized.

### **(k) Share capital**

Ordinary shares are classified as part of equity. Additional costs directly attributable to the issuance of ordinary shares and stock options are recognised as a reduction in equity to net of tax effects.

### **(l) Dividend**

Dividends are recognized as a debt when the shareholder's right to receive payment is established.

### **(m) Trade and other liabilities**

Debts to suppliers and other debts are recorded at amortized cost and include the value of invoices issued by suppliers of products, works performed and services rendered.

### **(n) Interest-bearing loans**

Loans are initially recognised at fair value, net of transaction costs. After the initial recognition, the loans are recorded at the amortized cost, any difference between the cost and the repayment amount being recognized in the profit and loss account during the period of the loan based on an effective interest rate.

### **(o) Financial instruments**

The accompanying notes form an integral part of these consolidated financial statements.

IFRS Standard 9 "Financial Instruments" is based on the theory that financial assets must be classified and measured at fair value, with changes in fair value recognised in the statement of profit and loss at the time they occur ("FVPL"), unless restrictive criteria are met for the classification and measurement of the asset at amortised cost or fair value through other components of comprehensive income ("FVOCI").

i) Recognition

The Group recognises a financial asset on the balance sheet when and only when it becomes part of the contractual provisions of the instrument. Financial assets and liabilities are measured at the time of initial recognition at fair value.

ii) Classification of financial assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value by other comprehensive income or fair value by profit or loss on the basis of the following criteria:

- Transelectrica's business model for the management of financial assets and
- characteristics of the contractual cash flow of the financial asset.

From the point of view of the measurement of a **financial asset** after initial recognition, IFRS 9 "Financial Instruments: Recognition and Measurement", classifies financial assets into the following categories:

- **Amortised cost**

A financial asset is valued at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets for the purpose of collecting contractual cash flows, and
- The contractual terms of the financial asset give rise, on certain dates, to cash flows that are exclusively payments of principal and interest on the amount of principal due.

As of December 31, the Group holds financial assets valued at amortised cost.

- **Fair value through other comprehensive income**

A financial asset is measured at fair value by other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to achieve the collection of contractual cash flows and the sale of financial assets, and
- The contractual terms of the financial asset give rise, on certain dates, to cash flows that are exclusively payments of principal and interest on the amount of principal due.

- **Fair value through profit and loss account**

A financial asset is measured at fair value through profit or loss, unless it is measured at amortised cost or fair value through other comprehensive income.

iii) Rating

When a financial asset is initially recognised, the Group must measure it at its fair value plus, in the case of a financial asset that is not at fair value through the profit or loss account, the costs of the transaction that can be directly attributed to the acquisition or issuance of the financial asset.

iv) Identification and valuation of impairment for financial assets

The Group applies the simplified method of measuring expected credit losses, provided by IFRS 9, for the measurement of trade receivables. IFRS 9 allows entities to apply a "simplified approach" to trade receivables, contractual assets and leasing receivables. The simplified approach allows entities to recognise the expected losses over the life of all these assets without having to identify significant increases in credit risk.

v) Derecognition

A financial asset is derecognised when:

- the contractual rights to the cash flows arising from the financial assets have expired;
- the group retains contractual rights to receive cash flows from the financial asset, but assumes a contractual obligation to pay them to a third party without significant delay, under an intermediation arrangement; or

The accompanying notes form an integral part of these consolidated financial statements.

- The group has transferred its rights to receive cash flows, and either a) has substantially transferred all the risks and rewards associated with the financial asset, or b) has not substantially transferred all the risks and rewards associated with the financial asset, but has transferred control over the financial asset.

The Group shall recognise a financial liability (or part of a financial liability) in the statement of financial position when the obligation specified in the contract is extinguished, cancelled or expires.

vi) Compensation

The Group offsets a financial asset and a financial liability, and the net amount is presented in the statement of financial position when:

- it currently has the legal right to offset the recognised values; and
- intends either to settle them on a net basis or to capitalise on the asset and settle the debt simultaneously.

The clearing of a recognised financial asset and a recognised financial liability, as well as the presentation of net worth, differs from the derecognition of a financial asset or financial liability.

**(p) Corporate income tax**

The corporate income tax expense includes the current tax, the deferred tax and the global minimum tax – Pillar Two. Current tax, deferred tax and global minimum tax are recognised in the profit or loss account unless they relate to business combinations or items recognised directly in equity or other comprehensive income.

(i) Current tax

Current tax is the tax that is expected to be paid or received on the tax profit or loss realized in the current year, using tax rates adopted or largely adopted at the reporting date, as well as any adjustment to corporate income tax obligations related to previous years.

(ii) Deferred tax

The deferred tax is recognized for the temporary differences that occur between the carrying amount of assets and liabilities used for financial reporting purposes and the tax base used for the calculation of the tax.

A deferred tax liability must be recognised for all taxable temporary differences, unless the deferred debt arises from:

- initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction that:
  - it is not a combination of undertakings;
  - at the time of the transaction, it does not affect either the accounting profit or the taxable profit (tax loss);
  - at the time of the transaction, does not give rise to equal temporary taxable and deductible differences.

An entity shall recognise a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, branches and associates, as well as interests in common arrangements, unless both of the following conditions are met:

- the parent company, investor, joint venture or joint venture is able to control the timing of the reversal of the temporary difference; and
- It is likely that the temporary difference will not reverse in the foreseeable future.

A deferred tax claim must be recognised for all deductible temporary differences to the extent that there is likely to be a taxable profit available for which the deductible temporary difference can be used, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- it is not a combination of undertakings;
- at the time of the transaction, it does not affect either the accounting profit or the taxable profit (tax loss); and
- at the time of the transaction, does not give rise to equal temporary taxable and deductible differences.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE TRANSELECTRICA SA OMFP 2844/2016

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

An entity shall recognise a deferred tax claim for all deductible temporary differences arising from investments in subsidiaries, branches and associates, as well as from interests in joint arrangements, to the extent and only to the extent that it is likely that:

- the temporary difference to reverse in the foreseeable future; and
- The taxable profit will be available for which the temporary difference can be used.

The assessment of deferred tax reflects the tax consequence that would arise from the way in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The deferred tax is calculated on the basis of the tax rates that are expected to be applicable to the temporary differences at their resumption, based on the legislation adopted or largely adopted at the reporting date.

**Deferred tax liabilities** are represented by corporate income tax amounts payable in future accounting periods in respect of taxable temporary differences.

**The deferred tax receivables** are represented by the corporate income tax amounts, recoverable in future periods, in respect of:

- deductible temporary differences;
- carry-forward of unused tax losses; and
- carry-over of unused tax credits.

They are reviewed on each reporting date and are diminished to the extent that it is no longer likely that the related tax benefit will be achieved.

Deferred tax receivables and liabilities are offset only if there is a legal right to offset the current tax liabilities and receivables and if they relate to taxes levied by the same tax authority for the same taxable entity or for different tax entities, but which intend to settle current tax receivables and liabilities on a net basis or whose tax assets and liabilities will be realized simultaneously.

The Group determines deferred tax assets and liabilities using the statement of financial position liability method in accordance with IAS 12 for all temporary differences between the accounting and tax bases of assets and liabilities recognised in Transelectrica's IFRS financial statements and tax statements. In addition, the tax advantage from existing carry-forward losses that are likely to be realised is also included in the calculation.

### *(iii) Global minimum tax – Pillar Two*

The global minimum tax is an additional tax calculated at Group level within a jurisdiction for which an effective tax rate below 15% is obtained (the "minimum tax rate") applied to the qualified net profit. It is calculated in accordance with the provisions of Law 431/2023, *on ensuring a global minimum level of taxation of multinational enterprise groups and large national groups*, for which additional guidance provided by the Organization for Economic Co-operation and Development (OECD) was taken into account, as a source of illustration or interpretation, in order to ensure the consistent application of the legislation in force.

### *(iv) Exposure to corporate income tax*

The Group considers the impact of the tax position to be uncertain and whether additional taxes and interest may be due when determining the amount of current and deferred tax. This assessment is based on estimates and assumptions and may involve a series of professional reasoning regarding future events. New information may become available which may cause the Group to change its business reasoning with regard to the adequacy of existing tax liabilities; such changes in tax liabilities may have an impact on corporate income tax expenditure during the period in which such determination occurs.

## **(q) Employee benefits**

### **Other long-term employee benefits**

The Group's net obligation in terms of long-term benefits granted to employees, other than pension plans, is the value of future benefits that employees have earned in exchange for services rendered in the current and previous periods. This benefit is discounted to determine its fair value, and the fair value of any related assets is deducted. These benefits are estimated using the projected credit factor method. Any actuarial gains or losses are recognised in other comprehensive income during the period in which

The accompanying notes form an integral part of these consolidated financial statements.

they occur, with the exception of jubilee bonuses which are recognised in the profit and loss account.

**Short-term employee benefits**

Short-term benefit obligations are valued on an outdated basis and are recognised as expenses as services are provided. A provision is recognised at the estimated amount to be paid for short-term benefits in the form of bonuses or employee profit sharing, only if the Group has a present, legal or implied obligation to pay this amount for past services rendered by employees, and this obligation can be estimated. The benefits of short-term employees are mainly represented by salaries.

In the normal course of business, the Group makes payments on behalf of its employees to the pension fund. All the Group's employees are members of the pension plan of the Romanian State. These payments are passed on at expense as the services are provided by the employees.

**(r) Revenue**

Income is recognised when the Group fulfils a performance obligation by transferring a good or service provided to a customer. An asset is transferred when (or as) the customer gains control of that asset.

Transelectrica accounts for a contract with a customer only if the following conditions are met:

- the parties have approved the contract and agree to honour their obligations,
- Transelectrica can identify the rights of each party with respect to the goods and services transferred,
- Transelectrica can identify the payment terms for the transferred goods and services,
- the contract has commercial substance (i.e. it changes the risk, the time of occurrence and the sum of the entity's future cash flows
- the entity is likely to collect the consideration to which it is entitled in exchange for the goods and services transferred to the customer. This involves assessing the client's ability and intention to pay the consideration when it is due.

Revenues consist mainly of revenues from the transmission service, the system service and the balancing market calculated according to the volume of energy delivered to consumers. The tariffs for transport and system services are regulated by ANRE. Revenues also include the value of transactions carried out on the balancing market, as described in Note 1.

The Romanian state, through ANRE, regulates the tariffs charged by the Group for the electricity transmission service and for the system operator service. The Romanian state fulfills several roles besides that of majority shareholder and, as a result, could have more comprehensive objectives and goals than an investor whose main interest is the return on investment.

As mentioned in Note 1, the Company is also the administrator of the bonus support scheme for the promotion of high-efficiency cogeneration. The company acts as an agent as it is involved in the collection and distribution of money.

Also, the Company and OPCOM SA are involved in the price coupling mechanism of the regional markets based on ANRE Order no. 82/2014 (see Note 1).

Thus, within the mechanism of coupling by price of the regional markets, CNTEE Transelectrica SA:

- fulfills the role of implicit participant on the PZU and IP and has the quality of transfer agent;
- provides the interconnection capacity for the physical delivery of electricity traded on the PZU and PI, respectively the transition of energy from one bidding zone to another through interconnection lines, being limited by their available transfer capacity.

**Connection tariffs**

IFRS 15 "Revenue from customer contracts" applies to customer contracts in which the Company collects cash (connection tariff) from a customer for the execution of new works (connection to a place of production or consumption) or to modify existing connection installations.

The Law on Electricity and Natural Gas no. 123/2012, as subsequently amended and supplemented, provides in art. 25 para. (1) the following: *"...The connection to the electricity networks of public interest and access to the electricity networks of public interest are mandatory services, under regulated conditions, which must be performed by the transmission and system operator, as well as by the distribution operator, including the energy communities of the citizens who manage the distribution networks."*

## **CNTEE TRANSELECTRICA SA OMFP 2844/2016**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

Given that the connection of a customer to the electricity transmission network is not a separate component of the connection contract, the connection tariffs are recognised in the profit or loss account systematically over the useful life of the asset.

The Company recognizes the cash available received from the connection tariff in the credit of the "Advance income" account within the statement of the financial position and subsequently recognizes the income in the category "Other income" within the profit and loss account, systematically over the useful life of the asset.

### **(s) Net costs of financing**

Net financing costs include interest on loans calculated using the effective interest rate method, less borrowing costs capitalized as part of long-cycle asset costs, dividend income, favorable and unfavorable exchange rate differences, risk fees and commissions.

Interest income is recognised in the profit and loss account for the year in which it occurs, using the effective interest rate method. Dividend income is recognised in the profit and loss account on the date on which the Group's right to receive dividends is recognised.

### **(t) Subsidies**

Asset subsidies are initially recognised as 'forward income' at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the subsidies, and then the subsidies are recognised in the statement of income and loss as other operating income over the useful life of the asset to which they relate. Non-reimbursable funds are recognized as assets when there is reasonable assurance that they will be received by meeting the related conditions.

### **(u) Supplies**

A provision is recognised then, and only when the following conditions are met:

- The group has a current obligation (legal or implied) as a result of a past event;
- it is likely (i.e. more likely than unlikely) that an outflow of resources representing economic benefits will be necessary for the settlement of the obligation;
- when a correct estimate can be made regarding the amount of the obligation.

Where the effect of the value of money over time is significant, the value of a provision is the present value of the expenses that are expected to be necessary for the settlement of the obligation.

### **(v) Earnings per share**

In accordance with SIC 33 "Earnings per share", earnings per share are calculated by dividing the profit or loss attributed to the Group's shareholders by the weighted average of ordinary shares for the period.

The weighted average of shares outstanding during the year represents the number of shares at the beginning of the period, adjusted by the number of shares issued, multiplied by the number of months in which the shares were outstanding during the year.

Dilution is a reduction in earnings per share or an increase in losses per share resulting on the assumption that convertible instruments are converted, or as ordinary shares are issued after certain specified conditions are met. The purpose of diluted earnings per share is similar to that of basic earnings per share, i.e., to assess the interest of each ordinary share in an entity's performance.

### **(w) Contingent**

Contingent liabilities are not recognised in the attached financial statements. They are presented where the outflow of resources incorporating economic benefits is possible and not likely.

A contingent asset is not recognised in the annexed financial statements, but is presented when an inflow of economic benefits is likely.

### **(x) Operational segments**

An operational segment is a component of an entity:

- who engages in activities from which it can derive income and from which it can incur expenses (including income and expenses related to transactions with other components of the same entity);
- whose results are periodically reviewed by the entity's main decision-maker in order to make decisions on the allocation of resources per segment and to evaluate its performance; and
- for which distinct financial information is available.

The accompanying notes form an integral part of these consolidated financial statements.

The group operates in several locations in Romania, which are engaged in both transport and dispatch activities. The Group's management considers the operations in their entirety as a "single segment".

The operating segments are presented in a manner consistent with the internal reporting provided by the entity's main operational decision-maker in order to make decisions on the allocation of resources by segments and to evaluate its performance.

**(y) Warranties**

Guarantees are recognised as financial fixed assets following maturity/repayment at a date after one year.

**(z) Leasing**

The group, as lessee, recognises a right-of-use asset and a corresponding lease liability for leasing contracts, with the permitted exemptions. A leasing contract is the acquisition of a right to use an underlying asset, with the purchase price paid in installments. The lessee acknowledges the right-of-use asset and the initial lease debt on the commencement date.

Exceptions to the application of IFRS 16 may be:

- leasing contracts with a lease term of 12 months or less and which do not contain purchase options, and
- leasing contracts where the underlying asset has a low value.

At the commencement date, the lease liability shall be measured at an amount equal to the present value of the lease payments over the term of the lease that are not paid on that date.

The discount rate that the lessee uses is the default interest rate in the lease agreement, if this rate can be easily determined. The lessee uses the marginal loan rate if the default interest rate in the lease cannot be easily determined.

The right to use the asset is subsequently measured at cost, less accumulated depreciation and any accumulated impairment losses.

The Group applies the exemption from the recognition of short-term leases to its short-term and low-value leasing contracts. The related lease payments are recognised as expenses on a straight-line basis over the term of the lease. Thus, contracts that do not meet the conditions for recognition in accordance with IFRS 16 are recorded directly in the profit and loss account as royalty expenses, management locations and rents.

**(aa) Financial assets**

The Company's investments in joint ventures and associated entities are presented in the balance sheet at their initial cost, less accumulated impairment losses. The remaining financial investments in entities not included in the consolidation scope, other than those mentioned above, are presented at fair value.

**(bb) Implications of the new International Financial Reporting Standards (IFRS EU)**

- The following new standards and amendments to existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are in force for the current reporting period:

This year, the Group has applied amendments to IAS 21 "Lack of convertibility" issued by the International Accounting Standards Board (IASB) that are mandatory for reporting periods on or after January 1, 2025. The adoption of these amendments did not have a significant impact on the information to be provided or on the amounts reported in these financial statements

- The following new standards and amendments to existing standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) that have not yet entered into force for the annual financial reporting period ended December 31, 2025 and have not had an impact or been applied in the preparation of these financial statements:

At the date of approval of these financial statements, the Group has not applied the following amended IFRS accounting standards that have been issued by the IASB and adopted by the EU, but have not yet entered into force.

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

Accounting Standard	Title	Effective date set by the IASB
Amendments to IFRS 9 and IFRS 7	Amendments to the classification and valuation of financial instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts that refer to electricity dependent on natural conditions	January 1, 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

- At the time of approval of these financial statements, the following existing standards have been issued by the IASB but have not yet been adopted by the EU:

Currently, IFRS as adopted by the EU does not differ significantly from the IFRS accounting standards adopted by the International Accounting Standards Board (IASB), except for the following new standards and amendments to existing standards, which were not adopted by the EU at the date of authorisation of these financial statements:

Accounting Standard	Title	Status of EU adoption
IFRS 18	Disclosures and Disclosures in Financial Statements (IASB Effective Date: January 1, 2027)	Not yet adopted by the EU
IFRS 19 as amended	Non-public liability subsidiaries: information to be provided (effective date set by the IASB: January 1, 2027)	Not yet adopted by the EU
Amendments to IAS 21	Transition to a hyperinflationary presentation currency (effective date set by the IASB: January 1, 2027)	Not yet adopted by the EU
IFRS 14	Deferral accounts for regulated activities (effective date set by the IASB: 1 January 2016)	The European Commission has decided not to start the approval process of this interim standard and to wait for the final standard.
Amendments to IFRS 10 and IAS 28	Sale of or contribution of assets between an investor and its associates or joint ventures and subsequent amendments (effective date has been deferred indefinitely by the IASB, but early application permitted)	The approval process was postponed indefinitely until the completion of the research project on the equivalence method.

**4. Determination of fair value**

Certain Group accounting policies and reporting requirements require the determination of fair value for both financial and non-financial assets and liabilities. In determining the fair values of assets and liabilities, the Group uses observable market values as far as possible. Fair values are classified into several levels in the hierarchy of fair values based on the input data used in the valuation techniques, as follows:

- Tier 1: quoted (unadjusted) prices on active markets for identical assets and liabilities;
- Tier 2: inputs, other than quoted prices included in tier 1, that are observable for assets or liabilities, either directly (e.g. prices) or indirectly (e.g. price derivatives);
- Level 3: Input data for assets and liabilities that are not based on observable market data.

Fair values have been determined for the purpose of evaluating and/or presenting information using the methods described below:

**(i) Tangible fixed assets**

The fair value of tangible assets is mainly based on the revaluation model taking into account the specificities of the property, plant and equipment held by the Group, with the exception of assets in progress, which are accounted for in accordance with the cost-based model.

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

**5. Tangible fixed assets**

Between January 1, 2024 and December 31, 2025, tangible assets evolved as follows:

	Land and land planning	Buildings and special installations	Plant and equipment	Metering and control devices	Vehicles	Other tangible fixed assets	Tangible assets in progress	Total
<b>COST</b>								
<b>Balance as of January 1, 2024</b>	<b>171,005</b>	<b>1,945,054</b>	<b>2,267,849</b>	<b>144,137</b>	<b>25,065</b>	<b>280,939</b>	<b>1,001,422</b>	<b>5,835,471</b>
Inputs	-	3,092	3,732	8,878	5,938	222	638,578	660,440
Transfers from tangible assets in progress	524	428,577	125,269	101,543	2,177	554	(658,644)	-
Reclassifications between fixed assets accounts	-	-	-	-	-	-	2,802	2,802
Outputs	(32)	(462)	(5,383)	(28)	(145)	(7,569)	(154)	(13,774)
<b>Balance as of December 31, 2024</b>	<b>171,497</b>	<b>2,376,261</b>	<b>2,391,467</b>	<b>254,531</b>	<b>33,034</b>	<b>274,146</b>	<b>984,003</b>	<b>6,484,939</b>
<b>Balance on January 1, 2025</b>	<b>171,497</b>	<b>2,376,261</b>	<b>2,391,467</b>	<b>254,531</b>	<b>33,034</b>	<b>274,146</b>	<b>984,003</b>	<b>6,484,939</b>
Inputs	10,329	8,273	4,242	55,555	34,828	88	701,076	814,391
Transfers from tangible assets in progress	7	193,105	251,667	72,923	343	1,233	(519,278)	-
Reclassifications between fixed assets accounts	-	200	(200)	-	(3,501)	-	-	(3,501)
Outputs	-	(9,239)	(3,233)	(7,575)	(354)	(2,320)	(11,648)	(34,370)
<b>Balance as of December 31, 2025</b>	<b>181,833</b>	<b>2,568,600</b>	<b>2,643,942</b>	<b>375,433</b>	<b>64,351</b>	<b>273,147</b>	<b>1,154,154</b>	<b>7,261,460</b>
<b>Balance as of January 1, 2024</b>	<b>138</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>265,591</b>	<b>-</b>	<b>265,729</b>
Depreciation expense	-	95,140	154,769	41,374	4,281	4,861	-	300,425
Cumulative depreciation of outputs	-	(387)	(31)	(18)	(73)	(7,569)	-	(8,078)
<b>Balance as of December 31, 2024</b>	<b>138</b>	<b>94,753</b>	<b>154,738</b>	<b>41,356</b>	<b>4,208</b>	<b>262,884</b>	<b>-</b>	<b>558,077</b>
<b>Balance on January 1, 2025</b>	<b>138</b>	<b>94,753</b>	<b>154,738</b>	<b>41,356</b>	<b>4,208</b>	<b>262,884</b>	<b>-</b>	<b>558,077</b>
Depreciation expense	-	87,782	156,393	45,558	5,543	3,500	-	298,776
Cumulative depreciation of outputs	-	(3,425)	(1,131)	(7,476)	(60)	(2,320)	-	(14,414)
<b>Balance as of December 31, 2025</b>	<b>138</b>	<b>179,109</b>	<b>309,999</b>	<b>79,438</b>	<b>9,691</b>	<b>264,064</b>	<b>-</b>	<b>842,439</b>

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE TRANSELECTRICA SA OMFP 2844/2016**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Land and land planning	Buildings and special installations	Plant and equipment	Metering and control devices	Vehicles	Other tangible fixed assets	Tangible assets in progress	Total
<b>Balance on January 1, 2024</b>								
Expense with impairment adjustments	-	-	-	-	-	-	11,599	11,598
<b>Balance as of December 31, 2024</b>	-	-	-	-	-	-	9	9
	-	-	-	-	-	-	11,608	11,608
<b>Balance as of January 1, 2025</b>	-	-	-	-	-	-	11,608	11,608
Reversal of depreciation adjustments	-	-	-	-	-	-	(7,227)	(7,227)
<b>Balance as of December 31, 2025</b>	-	-	-	-	-	-	4,381	4,381
<b>Net book value</b>								
<b>Balance as of December 31, 2024</b>	171,359	2,281,508	2,236,729	213,174	28,826	11,262	972,395	5,915,254
<b>Balance as of December 31, 2025</b>	181,695	2,389,491	2,333,943	295,996	54,660	9,083	1,149,772	6,414,639

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

The total net value of tangible assets increased as of December 31, 2025 compared to December 31, 2024 amid the increase in the amounts of tangible assets in progress represented, mainly, by the implementation of investment works in high-voltage power stations and lines, modernizations of electricity transformer stations, line relocations, connections to the electricity grid as follows:

- Installation of two modern means of reactive power compensation in the 400/220/110/20kV Sibiu Sud and 400/220/110/20 kV Bradu – 134,247 substations;
- Refurbishment of the 400/110 kV Pelicanu transformer substation – 57,608;
- Increasing the degree of safety in the supply of consumers in the southern area of Bucharest, connected to the 400/220/110 kV Bucharest South Substation – 55,208;
- 400 kV D.C. OLA Gutinaș – Smârdan – 44,448;
- Refurbishment of the 400 kV Isaccea Substation - Stage II - 34,302;
- Transformer replacement no. 4 - 250 MVA, 400/110 kV in the 400/110 kV Drăgănești-Olt Substation - 22,900;
- Optimization of the operation of the existing 400 kV OHL in the SEN, used in interconnection and for power evacuation from the Cernavoda Nuclear Power Plant and the renewable energy plants in Dobrogea, through the installation of on-line systems (SMART GRID type) – 18,078;

In 2025, the largest **transfers from tangible assets in progress to tangible assets**, in the amount of **519,278**, are mainly represented by the commissioning of investment objectives, modernizations of electricity transformer stations, line relocations, connections to the electricity grid, thus the most significant of which we list the most significant:

- Switching to 400 kV voltage of the Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad - Stage I - 400 kV s.c. OHL axis. Iron Gates - (Anina) - Resita - 176,795;
- Increasing the operational safety of the Argeș-Vâlcea network area, the construction of the 400 kV Arefu Substation and the installation of a 400 MVA, 400/220 kV AT – 82,814;
- Increasing the degree of safety in the supply of consumers in the southern area of Bucharest, connected to the 400/220/110 kV Bucharest South Substation – 70,395;
- OHL 220 kV double circuit Ostrovu Mare - RET Stage I + Stage II (H.CA no. 17/2007) – 50,083;
- 400 kV d.c. Gutinaș - Smârdan OHL (Phase I and II of financing) - 26,642;
- Optimization of the operation of the existing 400 kV OHL in the SEN, used in interconnection and for power evacuation from the Cernavoda nuclear power plant and the renewable energy plants in Dobrogea, by installing on-line systems (SMART GRID type) – 20,576;
- Relocation/protection of the 400 kV-400 kV high-voltage network s.c Urechești-Domnești and 400 kV s.c Brazi Vest-Domnești OHL at the intersection with the Bucharest Ring Highway - km 0+000, km 100+900, Lot 3, Sector 1, km 85+300, km 100+765-South Belt, Sector 2, km:0+00 – 15,326.

In 2025, there were exits from tangible assets in execution through the recognition of the Company's operating costs in the amount of 9,949, as follows:

- Connection to the RET of CEE 136 MW Platonești, Bucharest county. Ialomita, by building a 110 kV cell in the 400/110 kV Gura Ialomitei substation, in the amount of 2,889 lei;
- Integrated security system at power stations, stage III (H.CA no. 2/2008), in the amount of 2,782 lei;
- Integrated security system at power stations, stage IV, in the amount of 4,278 lei.

The balance of **tangible assets under execution** as of December 31, 2025, in the amount of **1,064,066**, is represented by ongoing projects, the most significant being listed below:

- 400 kV D.C. OLA Gutinaș – Smârdan – 318,644;
- Installation of two modern means of reactive power compensation in the 400/220/110/20kV Sibiu Sud and Bradu – 166,604 substations;
- Refurbishment of the 400/110 kV Pelicanu transformer substation – 97,429;
- Refurbishment of the 400 kV Isaccea substation - Stage II - 68,865;
- Refurbishment of the 400/110/20 kV Smârdan Substation – 49,537;
- Connection to the RET of CEE 300 MW Ivești, CEE 88 MW Fălciu 1 and CEE 18 MW Fălciu 2 through

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

- the new Substation (400)/220/110 kV Banca – 46,885;
- 400 kV Stâlpu substation – 44,306;
- Refurbishment of the 110 kV Medgidia Sud Substation – 28,408;
- Transformer replacement no. 4 - 250 MVA, 400/110 kV in the 400/110 kV Drăgănești-Olt Substation - 22,922;
- Modernization of the 220/110 kV Calafat Substation – 16,844;
- Switching to the 400 kV voltage of the Iron Gates - Resita - Timișoara - Săcălaz - Arad axis, stage II, 400 kV d.c. Resita - Timișoara - Săcălaz - 16,246;
- Switching to 400 kV of the 220 kV OHL Brazi West - Teleajen - Stâlpu, including acquisition of HV 400 MVA 400/220/20 kV, extension works of the related 400 kV and 220 kV substations, in the 400/220/110 kV Brazi West Station – 15,701;
- Refurbishment of the 110 kV Timișoara Substation and the transition to 400 kV voltage of the Porțile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, stage II: 400 kV Timișoara Substation – 15,329;
- Power Quality Monitoring System (PQMS) – 13,093.

The last revaluation of the assets was carried out on December 31, 2023, thus the Company recorded in the accounting records the result of the revaluation report carried out by Appraisal&Valuation, the valuation and consulting division of NAI Romania, an independent appraiser authorized by the National Union of Authorized Appraisers of Romania (ANEVAR).

The assets belonging to the public domain of the state and leased to the Company representing completed tangible assets, made from its own sources of financing, will be included in the inventory of assets in the public domain of the state after the recovery of its own sources of financing, at the time of approval, by Government Decision, of the inventory of assets belonging to the public domain of the state.

As of December 31, 2025 and December 31, 2024, the Company has no pledged or mortgaged assets.

### Fair value of tangible assets

The Company's tangible assets, other than outstanding tangible assets, are presented in the financial statements at revalued value, representing fair value at the valuation date, less accumulated depreciation and amortization adjustments.

The fair value of the Company's land was determined using the direct comparison method.

This method is recommended for properties, when there is sufficient and reliable data on transactions or offers for sale with similar properties in the area. The analysis of the prices at which the transactions were carried out or the prices asked or offered for comparable properties is followed by corrections of their prices, in order to quantify the differences between the prices paid, asked or offered, caused by the differences between the specific characteristics of each individual property, called elements of comparison.

The fair value of buildings, equipment and measuring instruments was determined using the cost approach.

This method assumes that the maximum value of an asset to an informed buyer is the amount that is needed to buy or build a new asset with equivalent utility. When the asset is not new, all forms of impairment attributable to it must be deducted from the gross current cost until the valuation date.

Information on the fair value hierarchy as of December 31, 2025 and December 31, 2024:

	Level 1	Level 2	Level 3	Fair value as of December 31, 2025
Land and land planning	-	-	181,695	181,695
Buildings and special installations	-	-	2,389,491	2,389,491
Plant and equipment	-	-	2,333,943	2,333,943
Metering and control devices	-	-	295,996	295,996
Vehicles	-	-	54,660	54,660
Other tangible fixed assets	-	-	9,083	9,083
<b>Total</b>	-	-	<b>5,264,867</b>	<b>5,264,867</b>

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Level 1	Level 2	Level 3	Fair value as of December 31, 2024
Land and land planning	-	-	171,359	171,359
Buildings and special installations	-	-	2,281,508	2,281,508
Plant and equipment	-	-	2,236,729	2,236,729
Metering and control devices	-	-	213,174	213,174
Vehicles	-	-	28,826	28,826
Other tangible fixed assets	-	-	11,262	11,262
<b>Total</b>	-	-	<b>4,942,859</b>	<b>4,942,859</b>

The cost value of tangible fixed assets is represented by their fair value from which the value of the revaluation reserve as at December 31, 2025 and December 31, 2024 was deducted, as follows:

	Cost value 31 December 2025	Cost value December 31, 2024
Land and land planning	119,536	109,692
Buildings and special installations	1,948,997	2,129,716
Plant and equipment	1,718,234	1,459,397
Metering and control devices	278,742	252,472
Vehicles	50,297	21,631
Other tangible fixed assets	9,083	7,056
<b>TOTAL</b>	<b>4,124,889</b>	<b>3,979,964</b>

**6. Fixed assets related to rights of use of leased assets**

As of December 31, 2025 and December 31, 2024, the fixed assets related to the rights of use of leased assets are presented as follows:

	Fixed assets related to rights of use of leased assets
<b>Cost</b>	
<b>Balance on January 1, 2024</b>	<b>43,224</b>
Inputs	2,609
Outputs	(2,362)
<b>Balance as of December 31, 2024</b>	<b>43,470</b>
<b>Balance as of January 1, 2025</b>	<b>43,470</b>
Inputs	8,365
Outputs	-
<b>Balance as of December 31, 2025</b>	<b>51,835</b>
<b>Cumulative depreciation</b>	
<b>Balance as of January 1, 2024</b>	<b>28,176</b>
Depreciation expense	8,719
Cumulative depreciation of outputs	(1,575)
<b>Balance as of December 31, 2024</b>	<b>35,320</b>
<b>Balance on January 1, 2025</b>	<b>35,320</b>
Depreciation expense	9,557
Cumulative depreciation of outputs	-
<b>Balance as of December 31, 2025</b>	<b>44,877</b>
<b>Depreciation adjustments</b>	
Balance as of January 1, 2024	-
Expense with impairment adjustments	-
<b>Balance as of December 31, 2024</b>	<b>-</b>
<b>Depreciation adjustments</b>	
Balance on January 1, 2025	-

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	<b>Fixed assets related to rights of use of leased assets</b>
Expense with impairment adjustments	-
<b>Balance as of December 31, 2025</b>	-
<b>NET BOOK VALUE</b>	
<b>Balance as of December 31, 2024</b>	<b>8,150</b>
<b>Balance as of December 31, 2025</b>	<b>6,958</b>

The fixed assets related to the rights to use the leased assets - buildings represent the right to use the spaces leased by the Company in the Platinum office building, according to the provisions of IFRS 16 – Leasing Contracts.

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

On 05.05.2025, the Addendum no. 2 to contract C232/2020, extending the duration by 6 months, under the same conditions until 01.04.2026, with the amount of 900,000 euros (excluding VAT). Thus, the total value of the contract, for the area of 9,000 sqm, 35 parking spaces and a duration of 66 months, is 9,900,000 euros (excluding VAT).

As of December 31, 2025, the book value of the right to use the spaces leased by the Company in the Platinum office building is in the amount of RON 2,149.

For this contract, the Company pays a monthly amount of 16.67 euro/sqm (excluding VAT) for the rental of office spaces, resulting in an annual value of approx. 1.8 thousand. euro.

Smart SA had concluded a lease agreement consisting of the lease of an office building, with an area of 449.75 sqm, the Formenerg building on 3 Gheorghe Șincai Blvd., with a value of 53,970 euros/year in the amount of 10 euros/sqm representing 4,497.5 euros/month, with an addendum of extension until the end of 2025.

On January 8, 2026, a new lease agreement was concluded between Smart and RAPPS, which consists of the lease of the building D1, 8th floor located in Free Press Square, no. 1 with an area of 394.60 sq.m., the monthly rent being 3,005.14 euros (7.62 euros/sq.m.) for a period of 1 year with the possibility of extension through additional documents.

At the same time, Smart has concluded a contract for assets with the right of use for vehicles, and the right of use is amortized over the life of the vehicles, being large machines used for interventions for maintenance and network repairs. The value of the monthly installment is 12,844.76 euros, the leasing contract is concluded for 60 months, starting with January 2025.

Teletrans SA has concluded a lease agreement that consists of the lease of the building, related land and courtyard building, with an estimated leasable area of 1080 sqm and a courtyard for exclusive use of 196 sqm located in 12 Stelea Spătaru Street, with an addendum signed during the year for extension until July 2028. The addendum implies an increase in rent from 8,600 euros/month to 9,460 euros/month, and from year 3 of the contract the value of the rent will be indexed annually with the HICP index.

As of December 31, 2025, the net value of the right to use the spaces leased by the consolidated companies in the respective office buildings is **1,663**.

Amounts recognised in the Statement of Cash Flows

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Total cash payments related to leasing contracts	<b>(12,379)</b>	<b>(12,247)</b>

Rents that are not subject to right-of-use assets, being short-term or low-value contracts, are found in the rental expense position in Note 26 Other operating expenses.

Payments related to the concession contract (royalty) are recognized as expenses in the profit and loss account by the Company during the year and are presented in Note 26.

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)***7. Intangible assets****i) Intangible assets**

On 31 December 2025 and 31 December 2024, the balance of intangible assets (including the capitalisation of the additional CPT) is as follows:

	Licenses & Software	Additional CPT	Intangible assets in progress	Total
<b>Cost</b>				
<b>Balance on January 1, 2024</b>	<b>64,383</b>	<b>352,262</b>	<b>10,076</b>	<b>426,721</b>
Procurement	656	102,020	7,336	110,012
Transfers from intangible assets in progress	2,347	-	(2,347)	-
Transfers from property, plant and equipment in progress	28	-	-	28
Outputs	(28)	-	(2,802)	(2,830)
<b>Balance as of December 31, 2024</b>	<b>67,386</b>	<b>454,282</b>	<b>12,262</b>	<b>533,931</b>
<b>Balance as of January 1, 2025</b>	<b>67,386</b>	<b>454,282</b>	<b>12,262</b>	<b>533,931</b>
Procurement	649	924	39,009	40,582
Transfers from intangible assets in progress	36,805	-	(36,805)	-
Transfers from property, plant and equipment in progress	-	-	-	-
Outputs	(936)	-	-	(936)
<b>Balance as of December 31, 2025</b>	<b>103,904</b>	<b>455,206</b>	<b>14,466</b>	<b>573,576</b>
<b>Cumulative depreciation</b>				
<b>Balance as of January 1, 2024</b>	<b>62,331</b>	<b>82,027</b>	<b>(16)</b>	<b>144,343</b>
Depreciation expense	1,989	74,479	2	76,469
Cumulative depreciation of outputs	(28)	-	-	(28)
<b>Balance as of December 31, 2024</b>	<b>64,292</b>	<b>156,506</b>	<b>(14)</b>	<b>220,784</b>
<b>Balance on January 1, 2025</b>	<b>64,292</b>	<b>156,506</b>	<b>(14)</b>	<b>220,784</b>
Depreciation expense	3,197	90,995	2	94,194
Cumulative depreciation of outputs	(625)	-	-	(625)
<b>Balance as of December 31, 2025</b>	<b>66,863</b>	<b>247,501</b>	<b>(11)</b>	<b>314,353</b>
<b>Depreciation adjustments</b>				
<b>Balance as of January 1, 2024</b>	<b>2</b>	<b>-</b>	<b>(2)</b>	<b>-</b>
Expense with impairment adjustments	-	-	-	-
<b>Balance as of December 31, 2024</b>	<b>2</b>	<b>-</b>	<b>(2)</b>	<b>-</b>
<b>Depreciation adjustments</b>				
<b>Balance on January 1, 2025</b>	<b>2</b>	<b>-</b>	<b>(2)</b>	<b>-</b>
Expense with impairment adjustments	-	-	-	-
<b>Balance as of December 31, 2025</b>	<b>2</b>	<b>-</b>	<b>(2)</b>	<b>-</b>
<b>NET BOOK VALUE</b>				
<b>Balance as of December 31, 2024</b>	<b>3,093</b>	<b>297,776</b>	<b>12,278</b>	<b>313,147</b>
<b>Balance as of December 31, 2025</b>	<b>37,038</b>	<b>207,706</b>	<b>14,479</b>	<b>259,223</b>

**a) Intangible assets in progress**

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

The balance of **intangible assets under execution** as of December 31, 2025, in the amount of **14,479**, is represented by ongoing projects, the most significant being listed below:

- Implementation of new functions and software changes in the EMS - SCADA information system for the implementation of European and national legislative requirements – 6,321;
- Power Quality Monitoring System (PQMS) – 3,661;
- Development of the MARI platform – 3,132;
- Development of the PICASSO platform – 550;
- Development of the CMM (Capacity Management Module) platform – 434.

In 2025, there were transfers from intangible assets in progress to intangible assets in the amount of **36,805**, of which the most important are:

- Modernization of the Transelectrica messaging system – 12,937;
- Replacement of hardware components, updating and development of specific applications of the Balancing Market Platform - DAMAS II, migration and upgrade services acquisition component, specific applications for the Balancing Market - 11,539;
- Dedicated software development, necessary for determining the quantities of reserves using the probabilistic method – 5,943.

### **b) Intangible assets - additional CPT**

Starting with 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 with the purchase of electricity incurred between January 1, 2022 and March 31, 2025, in order to cover the own technological consumption and respectively, the technological consumption, compared to the costs included in the regulated tariffs, are capitalized quarterly. Thus, the capitalized costs are amortized over a period of 5 years from the date of capitalization and are remunerated with 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable during the amortization period of those costs and are recognized as a distinct component.

The Company recorded revenues representing additional CPT calculated as the difference between the net cost of the acquisition of CPT and the CPT cost recognized in the regulatory tariff until December 31, 2025 in the amount of 455,206 as follows:

- 338,527 - for 2022;
- 13,735 - for 2023;
- 102,020 - for 2024;
- 924 - for Trim. I year 2025.

As of December 31, 2025, a cumulative depreciation of 247,501 (156,506 as of December 31, 2024) is calculated for these capitalizations. Thus, the book value of the intangible assets resulting from the capitalization of the additional CPT is in the amount of 207,706 (297,776 as of December 31, 2024).

We specify that this income is of a non-monetary nature, its collection being made by the Company in a staggered manner through the transport tariff in the next five years from the date of capitalization, respectively until 31.03.2030, in accordance with the relevant legislative provisions.

## **8. Financial fixed assets**

The balance of financial assets as of December 31, 2025 and December 31, 2024, amounting to **40,309**, is mainly represented:

- a) guarantees for the temporary occupation of the land, calculated and retained in accordance with art. 39 para. (1), para. (2) and para. (5) of Law no. 46/2008 on the Forestry Code, in order to achieve the investment objectives, as follows:
  - 400 kV OHL Resita – Pancevo (Serbia) in the amount of 4,200;

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025  
*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

- 220 kV Ostrovu Mare RET OHL in the amount of 209.

b) of shares held by the Company, their net value is 34,154, as follows:

Company Investments	Shareholding %	December 31, 2025	Shareholding %	December 31, 2024
Shares held in Formenerg	-	-	100	1,948
Shares held in OPCOM	97.84	30,687	97.84	30,687
Shares held in BRM	0.35	28	0.32	26
Shares held in TSC NET	6.25	2,207	6.25	2,207
Shares held in Joint Allocation Office SA	3.85	1,232	4.00	1,232
<b>Total shares</b>		<b>34,154</b>		<b>36,101</b>

On September 23, 2025, the merger procedure was completed by absorption between the Company for Telecommunications Services and Information Technology in Electrical Transmission Networks – TELETRANS S.A., as the absorbing company, and the company "Formenerg" S.A., as the absorbed company (both companies being financial investments of the Company).

According to the applicable legislation, as of September 23, 2025, Teletrans has taken over all the rights and obligations assumed prior to the merger by Formenerg.

Following the merger of the 2 companies, Transelectrica's shares in TELETRANS increased by 104, at the same time as the decrease in Transelectrica's shares held in FORMENERG.

**BRM (Romanian Commodity Exchange S.A.)**

A closed-ended joint-stock company, which by its object of activity, organization and operation is a commodity exchange, as regulated by Law no. 375/2005 on commodity exchanges and a financial investment services company according to Law no. 126/2018 on financial instruments markets.

Among BRM's shareholders is the Company, which owns 28 shares worth a total of 28,000 lei, with a participation share of 0.35%.

At European level, the energy sector is undergoing a transformation process, 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 European level that ensures unitary development at continental level but also allows adaptation to national specifications while pursuing the legitimate interests of European states.

In this context, the Company is affiliated with the following entities:

- **TSCNET**
- **JAO**

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

It was established to serve the Transmission System Operators (TSOs) of the East-Central-Western region of Europe (CORE region) in order to coordinate the implementation of the European Network Codes. The affiliation is made with the participation in the TSCNET shareholding by carrying out a share purchase transaction within the company.

By Decision no. 9 of the EGMS of June 5, 2018, the Company's affiliation to the Security Coordination Center in the CORE region, 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)***

Starting with 2019, the tenders for the allocation of long-term capacities are carried out coordinated by JAO which has been designated as the Single Allocation Platform (SAP) Operator.

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

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

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)***Financial investment in Geco Power Company**

In March 2025, the Company participated with a 25% contribution to the share capital of Geco Power Company Green Energy Corridor Power Company.

The newly established company GECO enters the consolidation perimeter, being a jointly controlled company, of the Join Venture type. Thus, the consolidated financial statements include the Group's share of GECO's results based on the equity method.

	<u>December 31, 2025</u>
Participation rate (%)	25%
Share of the share capital	3,750
Share of retained earnings	-
Share of adjusted profit or loss: loss	(378)
<b>Balance at the end of the reporting period</b>	<b><u>3,372</u></b>

**9. Inventories**

On 31 December 2025 and 31 December 2024, the stocks (at net value) are presented as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Spare parts	33,296	31,680
Consumables and other materials	17,131	20,642
Auxiliary materials	4,007	3,893
Other inventories	6,228	1,930
<b>Total</b>	<b><u>60,662</u></b>	<b><u>58,144</u></b>

Stocks worth 60,662 (as of December 2024:58,144) are expected to be recovered/capitalized as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Stocks to be recovered in the next 12 months	23,807	18,404
Stocks to be recovered over a period of more than 12 months	36,855	39,740
<b>Total</b>	<b><u>60,662</u></b>	<b><u>58,144</u></b>

As of December 31, 2025 and December 31, 2024, the inventory impairment adjustments are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Adjustments for impairment of consumables	10,053	6,879
Adjustments for impairment of other materials	5,483	5,329
Adjustments for impairment of packaging	122	122
<b>Total</b>	<b><u>15,658</u></b>	<b><u>12,330</u></b>

At 31 December 2025 and 31 December 2024, the evolution of the adjustments for the depreciation of inventories is presented as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Opening balance 1 january</b>	<b>12,330</b>	<b>13,857</b>
Inventories impairment adjustments	5,474	1,842
Reversal of inventories impairment adjustments	(2,146)	(3,368)
<b>Balance on the end of period</b>	<b><u>15,658</u></b>	<b><u>12,330</u></b>

During 2025 and 2024, the expenses incurred with the consumption of materials and spare parts are presented as follows:

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Expenditures on spare parts	25,201	12,369
Expenditures on consumables	6,391	5,359
Expenditures on other materials	1,553	2,025
Expenditures on auxiliary materials	107	95
Expenditures on fuel	3,096	3,166
(Gains) / Inventory Depreciation Losses	3,344	-
<b>Total</b>	<b>39,692</b>	<b>23,014</b>

The presentation of the above breakdown of expenses with materials and consumables is modified compared to the previous period, so in accordance with the current presentation we mention that in December 2024 (Gains) / Inventory depreciation losses were in the amount of **(1,480)** and were found in Note 26 Other operating expenses.

**10. Trade receivables and other receivables**

On 31 December 2025 and 31 December 2024, trade receivables and other receivables are presented as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Trade receivables	2,549,214	2,708,161
Other receivables	248,977	233,647
Down payments to suppliers	374,940	769,896
VAT to recover	396,616	272,236
Adjustments for impairment of uncertain trade receivables	(126,980)	(128,066)
Adjustments for impairment of other uncertain receivables	(71,764)	(73,033)
<b>Total</b>	<b>3,371,004</b>	<b>3,782,840</b>

The structure of trade receivables is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Clients on the electricity market, of which:	2,531,401	2,698,954
- Clients - operational activities	1,884,104	1,898,742
- Clients - balancing market	501,989	667,862
- Clients - bonus type support scheme to promote high efficiency cogeneration	145,308	132,351
Clients from other activities	17,814	9,206
<b>Total trade receivables</b>	<b>2,549,214</b>	<b>2,708,161</b>

For 2025, the line "Net adjustments for the impairment of receivables" in the profit and loss account, in the amount of 6,452, includes the following items:

- Adjustments (net) impairment of current assets in the amount of 1,845,
- (Net) losses from receivables and miscellaneous debtors in the amount of 4,607.

Risk exposure for trade receivables, other receivables and advances to suppliers:

	<u>Gross value 31 December 2025</u>	<u>Expected loss rate</u>	<u>Expected lifetime loss</u>
Not reached to maturity	2,831,976	0.01%	340
Due date exceeded 1 – 30 days	(632)	0%	-
Due date exceeded 31 – 90 days	2,293	0%	-
Due date exceeded 90 – 180 days	27,749	1.75%	484
Due date exceeded 180 – 270 days	7,511	0.54%	41
Due date exceeded 270 – 365 days	702	47.10%	331
More than a year	303,533	65.08%	197,548
<b>Total</b>	<b>3,173,132</b>		<b>198,744</b>

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

- CNTEE Transelectrica SA carries out its operational activity based on the Operating License no. 161/2000 issued by ANRE, updated by the Decision of the President of ANRE no. 1793/26.08.2025, for the provision of the electricity transmission service, for the provision of the system service and for the administration of the balancing market.

As of December 31, 2025, the outstanding customers of the operational activity recorded a decrease compared to December 31, 2024 mainly determined by the decrease in the volume of transactions resulting from the coupling of the energy markets, in the fourth quarter of 2025 compared to the fourth quarter of 2024.

The decrease in the volume of transactions in the balancing market in the fourth quarter of 2025, compared to the fourth quarter of 2024, also led to a decrease in the balance of customers in the contracts concluded for this type of activity.

The main clients in the total trade receivables are represented by: Romanian Commodity Exchange, IBEX, MAVIR, Ciga Energy SA, Hidroelectrica, Electrica Furnizare SA, OPCOM, PPC ENERGIE SA, RAAN, JAO.

- CNTEE 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 duties being the monthly collection of the contribution for cogeneration and the monthly payment of bonuses"*.

As of December 31, 2025, the Company has receivables receivable from the bonus support scheme for the promotion of high-efficiency cogeneration in a proportion of approximately 6% of total trade receivables (up from 5% on December 31, 2024).

Customers in the bonus support scheme for the promotion of high-efficiency cogeneration register on December 31, 2025 an increase in receivables mainly determined by the increase in the invoiced value for the collection of the monthly contribution.

As of December 31, 2025, the Company has receivables in the amount of 145,308 (132,351 as of December 31, 2024), represented by the invoices issued related to the bonus support scheme for the promotion of high-efficiency cogeneration, of which:

- overcompensation for the period 2011-2013 in the amount of 76,702, 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 564, respectively from CET Govora - 534, Interagro - 30;
- undue bonus for 2020, in the amount of 522 from Donau Chem;
- contribution for cogeneration not collected from electricity consumers' suppliers, in the amount of 20,430, 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.

The situation of claims related to the bonus support scheme for the promotion of high-efficiency cogeneration is presented as follows:

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Overcompensation 2011 - 2013	76,702	76,702
Undue bonus for 2014	3,915	3,915
Undue bonus for 2015	564	564
Undue bonus for 2020	522	522
Uncollected cogeneration contribution	20,430	20,781
Invoices issued after the reporting date, related to the financial year ended	43,175	29,866
<b>Total</b>	<b>145,308</b>	<b>132,351</b>

As of the date of this financial reporting, the Company has collected all receivables related to the overcompensation of the activity regarding the support scheme for 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 2024, from the following producers: Bepco SRL, Electro Energy Sud, Electrocentrale București, Electrocentrale Craiova, Electrouilaj SA, Iasi Municipality, Soceram SA, Termoficare Oradea, Thermoenergy Group and Vest Energo.

In order to extinguish the receivables generated by overcompensation and undue bonus, from previous

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

years, the Company requested the producers qualified in the support scheme to make mutual compensations. For the producers (RAAN, CET Govora) who did not agree with this method of extinguishing mutual receivables and debts, the Company has applied and continues to apply the provisions of art. 17 para. 5 of the Order of the President of ANRE no. 116/2013 for the approval of 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: *"if the producer has not paid in full to the administrator of the support scheme the resulting payment obligations in accordance with the provisions of this Regulation, the administrator of the support scheme 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 related to the support scheme due.

- On the docket of the Mehedinti Tribunal – Second Civil, Administrative and Fiscal Litigation Section, the file no. 9089/101/2013/a140 was registered, having as object "claims for the amount of 86,513", a file in which the Company has the status of plaintiff, the defendant being **the Autonomous Authority for Nuclear Activities – RAAN**.

By the request for summons filed by Transelectrica SA, it requested that the defendant RAAN be ordered to pay the amount of 86,513. More details regarding this file are presented in Note 30.

- CNTEE Transelectrica SA has concluded with CET Govora SA an agreement for the compensation and rescheduling of the amounts representing receivables from the value of the overcompensation for the period 2011-2013 and the undue bonus for 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 provided for the Company's right to calculate and collect penalties during the payment rescheduling period.

Based on the Agreement, the Company's receivables to be collected from CET Govora SA were offset against the debts to CET Govora SA, represented by the cogeneration bonus for the period May 2014 – October 2015 retained by applying the provisions of Article 17 paragraph 5 of the ANRE President's Order no. 116/2013 and the provisions of the Agreement, in the amount of **40,508**.

As a result of the suspension in court, by Civil Sentence no. 3185/27.11.2015, of ANRE Decision no. 738/28.03.2014 by which the value of the overcompensation for the period 2011-2013 was established, CET Govora SA no longer complied with the obligations assumed by the Convention.

Starting with May 9, 2016, the general insolvency procedure was opened for CET Govora. In order to recover the debts arising before the opening of the insolvency proceedings, the Company followed the specific procedures provided for by Law no. 85/2014 - Insolvency Law and requested the court to admit the claims, according to the law. In view of the above, starting with May 9, 2016, the Company ceased the application of the provisions of art. 17.5 of the Order of the President of ANRE no. 116/2013 for the approval of the Regulation on establishing the method of collecting the contribution for high-efficiency cogeneration and payment of the bonus for electricity produced in high-efficiency cogeneration and paid monthly to CET Govora 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 the Civil Sentence no. 3185/27.11.2015, partially quashed the appealed sentence and rejected the request for suspension formulated by CET Govora, the decision being final. Thus, starting with 05.10.2016, the effects of ANRE Decision no. 738/28.03.2014 are no longer suspended, producing full effects.

Under these conditions, the Company applies the provisions of art. 17 paragraph 5 of ANRE Order no. 116/2013 for the debts and mutual receivables arising after the insolvency procedure, in the sense of withholding the bonus due to CET Govora SA up to the amount of the amounts related to the unpaid support scheme to the Company. Transelectrica was entered in the preliminary and final table with a total claim of 28,200, of which the amount of 25,557 is related to the support scheme. Under these conditions, the Company included the amount of 22,188 related to the support scheme in the account of various debtors, analytically distinct - ANRE, with an impact on the net position of the support scheme.

The amount of 22,188 represents the receivable from CET Govora related to the support scheme (in the amount of 25,557), corrected by the bonus withheld by the Company according to art. 17 para. 5 of the Order of the President of ANRE no. 116/2013, in the amount of 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 the implementation of the support scheme for the promotion of high-efficiency cogeneration based on the demand for useful thermal

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

energy. Thus, the period of application of the support scheme is extended until 2033, exclusively for producers who meet the conditions to access the extension of the support scheme.

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

### **Other receivables**

As of December 31, 2025, other claims amounting to **248,977 (233,647 as of December 31, 2024)** mainly include:

- miscellaneous debtors **104,098 (135,507 as of December 31, 2024)**, of which:
  - late payment penalties calculated for non-paying customers, in the amount of 75,041 (of which 25,854 represent penalties related to the support scheme) (80,489 as of December 2024, of which 25,853 penalties for the support scheme). The highest late payment penalties were recorded by the partners: Romelectro (24,464), RAAN (16,901), CET Govora (9,607), Electromontaj SA (5,865), OPCOM (4,625), Total Electric Oltenia (3,289), Multiservice G&G SRL (2,162), Petprod (1,894), GE Digital Service Europe (1,137), ISPE Design and Consultancy (1,079). For the penalties calculated for the late payment of receivables from the operational activity, impairment adjustments were recorded;
  - compensations owed by suppliers for non-delivery of electricity in the amount of 11,924: Arelco Power (988), Enol Grup (2,541) and Next Energy Partners (8,395). For the compensations due by the suppliers in the operational activity, impairment adjustments were recorded;
  - the receivable from OPCOM representing the VAT related to the contribution in kind to the share capital of the respective company in the amount of 4,517.
- amounts received as a subsidy (**31,924**) (9,866 as of December 2024), mainly related to the contracts for connection to the RET;
- expenses recorded in advance in the amount of **10,291 (15,627 as of December 31, 2024)** represented mainly by: CPT (5,747), insurance policies (1,730), rent and maintenance of office buildings (763), miscellaneous services (279) and others;
- other social claims in the amount of **4,513 (3,658 as of December 31, 2024)** mainly representing sick leaves paid by the employer to employees and to be recovered from the National Health Insurance House, according to the legislation in force.

### **Advances to suppliers**

As of December 31, 2025, the advances paid to suppliers are represented by debtor suppliers for services in the amount of **374,940** (769,896 as of December 31, 2024) and represent, mainly, 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 – 303,225, IBEX – 56,214 and JAO – 12,857).

### **VAT to be recovered**

VAT to be recovered **396,616 (272,236 as of December 31, 2024)** – amount related to returns for the period September 2025 – December 2025. Until the date of preparation of this report, the Company has collected from the state the amount of 267,046, representing the value added tax requested for reimbursement related to the statements for the period September – November 2025.

### **Impairment adjustments for trade receivables, uncertain trade receivables and other uncertain receivables**

The largest impairment adjustments as of December 31, 2025, calculated for trade receivables and related penalties, were recorded for: JAO (30,752), CET Govora (24,645), Romelectro (24,471), Arelco 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 debts adjusted for impairment, the Company has taken the following measures: legal action, registration in the insolvency estate, etc.

For both 2024 and 2025, there were no material impairments for specifically identified receivables. Details of the movements related to the adjustments for the impairment of receivables can be found in Note 34.

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)***11. Cash and cash equivalents**

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

On 31 December 2025 and 31 December 2024, cash and cash equivalents are presented as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Current accounts with banks and deposits, of which:</b>	<b>761,057</b>	<b>707,030</b>
<i>a) current accounts with banks and deposits current activity</i>	89,564	200,420
<i>b) current accounts with banks and deposits with specific destinations, from which</i>	671,493	506,610
- Cash and high-efficiency cogeneration deposits	-	300,321
- cash from revenues related to the allocation of interconnection capacities used for investments in the network	1,886	3,903
- cash from the connection fee	297,638	88,099
- European funds	7	54
- other restricted accounts (guarantees, energy markets and dividends)	371,290	109,417
- modernization funds	672	4,817
<b>Cash desk</b>	<b>135</b>	<b>144</b>
<b>Other cash equivalents</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b><u>761,192</u></b>	<b><u>707,174</u></b>

The following information is relevant in the context of the consolidated statement of cash flows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current accounts with banks, deposits and other cash equivalents	761,192	707,174
Overdrafts used for liquidity management purposes	(177,421)	-
<b>Total cash and cash equivalents in consolidated statement of cash flows</b>	<b><u>583,771</u></b>	<b><u>707,174</u></b>

Cash is placed in financial institutions, which are considered to be associated with minimal performance risk.

<b>Rating/Outlook</b>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
BBB+ / Stable	-	523,730
BBB+ / Negative	116,971	
AA- / Stable	11,747	10,531
A- / Stable	-	1,534
BBB- / Positive	-	2,226
BBB- / Stable	1,041	19,795
BBB / Stable	58	63
BBB-/Negative	18,508	-
BBB / Negative	-	-
BB / Stable	152	153
BB+ / Stable	-	26
A+ / Stable	612,579	148,972
<b>Total</b>	<b><u>761,057</u></b>	<b><u>707,030</u></b>

All financial institutions are rated by Fitch or equivalent.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025  
(All amounts are expressed in thousands of LEI, unless otherwise indicated)

### 12. Other financial assets

Other financial assets include bank deposits with an initial maturity of more than 90 days.  
As of December 31, 2025, there are no bank deposits with an initial maturity of more than 90 days.

### 13. Equity

#### Share capital

In accordance with the provisions of GEO no. 86/2014 regarding the establishment of some reorganization measures at the level of the central public administration and for the modification and completion of some normative acts, on February 20, 2015, the transfer of the 43,020,309 shares from the account of the Romanian State from 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 Register of Shareholders of the Company.

Based on the provisions of Article 2 of GEO no. 55/19 November 2015 on the establishment of reorganization measures at the level of the central public administration and for the amendment of some normative acts, the Ministry of Economy, Trade and Relations with the Business Environment (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 activity and structures in the field of enterprises small and medium-sized enterprises and the business environment from the Ministry of Energy, Small and Medium Enterprises and the 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 measures at the level of the central public administration and for the modification and completion of some normative acts, published in the Official Gazette no. 898/06.11.2019, starting with November 6, 2019, the exercise of the rights and the fulfillment of the obligations arising from the status of state shareholder in the National Electricity Transmission Company "Transelectrica" - S.A. is carried out by the General Secretariat of the Government.

On 14.11.2019, Depozitarul Central S.A. recorded the transfer of 43,020,309 shares (representing 58.69% of the share capital) issued by CNTEE 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 the Government Emergency Ordinance no. 68/06.11.2019 on the establishment of measures at the level of the central public administration and for the modification and completion of some normative acts.

As of December 31, 2025, the shareholders of CNTEE Transelectrica SA are: the Romanian State represented by the General Secretariat of the Government which holds 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 Entities with a number of 16,839,437 shares (22.97%) and other shareholders Individuals with a number of 4,682,141 shares (6.38%).

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 nominal value of RON 10/share and corresponds to that registered with the Trade Register Office.

The shareholding structure as of December 31, 2025 and December 31, 2024 is as follows:

Shareholder	December 31, 2025		December 31, 2024	
	Number of shares	% of share capital	Number of shares	% of share capital
The Romanian State through SGG	43.020.309	58,69%	43.020.309	58,69%
Other legal person shareholders	16.839.437	22,97%	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%

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	December 31, 2025		December 31, 2024	
	Number of shares	% of share capital	Number of shares	% of share capital
Shareholder				
Other natural person shareholders	4.682.141	6,38%	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 company recognizes the changes in the share capital under the conditions provided by the legislation in force and only after their approval in the Extraordinary General Meeting of Shareholders and their registration with the Trade Register Office.

On December 31, 2025 and December 31, 2024, the share capital is presented as follows:

	December 31, 2025	December 31, 2024
Share capital (nominal value)	733.031	733.031
<b>Share capital balance</b>	<b>733.031</b>	<b>733.031</b>

Shareholders are entitled to dividends and each share confers a voting right at the Company's meetings.

**Issue premium**

All the shares issued under the share capital increase that took place through the initial primary public offering in 2006 were subscribed and paid in full at the issue price. The issue premium in the amount of 50,222 (**49,843** as of December 31, 2024), respectively the difference between the issue price of the shares and their nominal value, was recorded in the Company's reserve account.

**Legal reservations**

The legal reserves in the amount of 146,606 as of December 31, 2025 and December 31, 2024, represent legal reserves constituted according to the applicable legislation in force and cannot be distributed.

**Revaluation reserves**

The revaluation reserves are in the amount of **1,496,393** as of December 31, 2025 and in the amount of **1,596,896** as of December 31, 2024.

In 2025, the revaluation reserves in the amount of 18,050 taken over by Teletrans based on the merger with Formenerg, which in 2024 was not part of the consolidation perimeter, were also included in the revaluation reserves.

The last revaluation of tangible assets classified in group 1 – *Constructions* and in Group 2 – *Technical installations, means of transport* registered in the Company's private assets was carried out on December 31, 2023 by Appraisal & Valuation, the valuation and consultancy division of NAI Romania, an independent appraiser authorized by the National Association of Licensed Appraisers in Romania.

Transelectrica's policy is that the revaluation reserve included in the equity related to an item of tangible fixed assets is transferred directly to the retained profit as the revalued tangible asset is depreciated and when the asset is derecognized. In this case, the amount of the surplus transferred would be the difference between the depreciation calculated on the basis of the revalued carrying amount of the asset and the depreciation amount calculated on the basis of the initial cost of the asset. Transfers from the revaluation surplus to retained earnings are not made by profit or loss. The effects in the calculation of corporate income tax, if any, resulting from the revaluation of tangible assets are recognised and presented in accordance with IAS 12 – Corporate Income Tax.

The revaluation reserves cannot be distributed directly to the shareholders, but only after their transfer in the retained earnings.

**Other reserves**

As of December 31, 2025, other reserves are in the amount of **299,170** compared to **256,747** as of December 31, 2024. The increase in the balance of other reserves as of December 31, 2025 compared to

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

December 31, 2024 in the amount of 42,423 is mainly due to subsidies related to fixed assets belonging to the public domain received for the following investment objectives:

- Relocation/prot. 400 kV high voltage network - 400 kV Urechești-Domnești OHL and 400 kV Brazi Vest-Domnești OHL at the intersection with the Bucharest Ring Highway - Km 0+000, Km 100+900, Lot 3, Sector 1, Km 85+300, Km 100+765 - South Belt, Sector 2, Km:0+00 – 15,326;
- Execution of works for the relocation of high-voltage electrical networks - 400 kV (220 kV) Gutinaș - Focșani West OHL common circuit with 400 (220) kV OHL Focșani West-Barboși and Buzău - Focșani Highway - Design and Execution - 5,053;
- Relocation of the 220 kV networks for the Bucharest Ring Highway, Km 0+000 - Km 52+770, LOT 4 Km 47+600 - Km 52+070 - 4,765;
- Relocation of the 220 kV networks for the Bucharest Ring Highway, km 0+000-km 100+900, North Ring Road Sector, km 0+000-km 52+770, LOT 3 km 39+000-km 47+600 – 4,296;

### Retained earnings

The result carried forward to December 31, 2025 is in the amount of **3,346,732** (December 31, 2024: **3,123,993**).

As of December 31, 2025, the Company recorded a positive retained result mainly due to the change in the following items:

- recording the transfer of revaluation reserves to the extent of the amortization of fixed assets in the retained profit in the amount of **117,767 (135,761 as of December 31, 2024)**;
- recording in the retained profit of the net profit, in the amount of **364,499** realized on 31.12.2025 (**580,108** as of December 31, 2024);
- recording the actuarial loss in the retained profit in the amount of 21,911 (December 31, 2024, loss: 414). This amount resulted from the application of IAS 19 – Employee Benefits (Note 16).
- recording the distribution of the profit for 2024 as dividends that were allocated to shareholders in 2025 in the amount of 279,285 (20,525 as of December 31, 2024).

### Dividend

Romanian companies may distribute dividends from statutory profits, according to the statutory individual financial statements prepared in accordance with the Romanian accounting regulations.

On June 11, 2025, the Company's General Meeting of Shareholders approved the total amount of dividends distributed to shareholders from the 2024 profit in the amount of 279,285 (2024: 20,525). The amount of dividends per share distributed was RON 3.81 per share (2024: RON 0.28/share).

Of the dividends distributed by the Company in the amount of 279,285 (2024: 20,525), dividends in the amount of 278,796 (2024: RON 20,584 thousand) were paid, the difference representing dividends not raised by shareholders.

## 14. Advance revenue

The advance revenues are mainly represented by: the connection tariff, other investment subsidies, non-reimbursable European funds collected from the Ministry of European Funds, the Ministry of Energy, the General Secretariat of the Government, as well as revenues from the use of the interconnection capacity.

The statement of advance revenues as of December 31, 2025 and December 31, 2024 is presented as follows:

	<b>December 31, 2025</b>	<b>Of which the short- term portion as of December 31, 2025</b>	<b>December 31, 2024</b>	<b>Of which the short- term portion as of December 31, 2024</b>
Deferred revenues – allocation of the interconnection capacity	3,955	3,955	6,728	6,728
Deferred revenues – European funds	2,632	2,632	3,335	3,335
Deferred revenues – Other	1,221	1,221	-	-
Connection fee funds	506,334	7,789	296,793	7,155
European Funds	320,157	8,095	232,180	2,299

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	December 31, 2025	Of which the short- term portion as of December 31, 2025	December 31, 2024	Of which the short- term portion as of December 31, 2024
Other subsidies	20,963	349	21,211	2,716
<b>Total</b>	<b>855,261</b>	<b>24,041</b>	<b>560,247</b>	<b>22,232</b>

The evolution of **short-term advance revenues** between January and December 2025 is presented as follows:

	December 31, 2025	December 31, 2024
<b>Opening balance 1 january</b>	<b>22,232</b>	<b>16,138</b>
Cash in advance related to interconnection capacity	128,019	93,714
Proceeds from European funds	-	2,585
Proceeds from other funds	1,527	-
Transfer of long-term deferred revenues	3,778	(2,095)
Revenues from the use of interconnection capacities	(130,792)	(88,040)
Revenues from European funds	(723)	(70)
<b>Balance on the end of period</b>	<b>24,041</b>	<b>22,232</b>

The evolution of **long-term advance revenues** between January and December 2025 is presented as follows:

	December 31, 2025	December 31, 2024
<b>Balance on January 1</b>	<b>538,015</b>	<b>519,115</b>
Connection subsidies	259,419	47,520
Non-reimbursable funds	29,754	43,189
PNRR	123,761	-
Transfer from short term deferred revenues	(74,197)	(85,944)
Resumption of subsidies to revenues	(45,532)	14,134
<b>Balance at the end of the period</b>	<b>831,220</b>	<b>538,015</b>

**15. Loans**

For 2025, the movements related to loans are presented as follows:

	Currency	Interest rate	Book value
<b>Balance as of January 1, 2025</b>			<b>40,559</b>
<b>Drawdowns – current activity – BCR</b>	RON	ROBOR +commission	169,053
<b>Refunds, of which:</b>			(24,239)
EIB 25709	EUR	3,60%	(12,096)
EIB 25710	EUR	3,856%+2,847%	(12,143)
<b>Exchange rate differences on the date of redemption</b>			452
<b>Balance as of December 31, 2025</b>			<b>185,825</b>

**Long-term loans**

As of December 31, 2025, the value of long-term loans decreased compared to December 31, 2024 mainly due to repayments made under existing loan agreements.

On 31 December 2025 and 31 December 2024, the balance of long-term loans contracted from credit institutions shall be as follows:

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

Description	December 31, 2025	December 31, 2024
EIB 25709(i)	-	11,975
EIB 25710(i)	8,116	19,928
<b>Total long-term loans from credit institutions, of which:</b>	<b>8,116</b>	<b>31,903</b>
<b>Less: Current portion of long-term loans</b>	<b>(6,645)</b>	<b>(23,985)</b>
<b>Total long-term loans, net of current rates</b>	<b>1,471</b>	<b>7,918</b>

Situation of long-term loans as of 31.12.2025:

Nr.crt	Loan name	Date of award	Initial Value (Currency)	Balance as of 31.12.2025 (currency)	Balance as of 31.12.2025 RON	Interest rate	Maturity according to the loan
1EIB 25709		05.08.2010	32,500,000,00 EUR	-	-	3.596%	10.09.2025
2EIB 25710		05.08.2010	32,500,000,00 EUR	1.591.880,29 EUR	8,116,202	3.856% and 2.847%	11.04.2028
<b>Total</b>					<b>8,116,202</b>		

Long-term loans are detailed as follows:

*a) and b) Loan granted by the European Investment Bank (EIB)*

Loans no. EIB 25709 and EIB 25710 were granted by the EIB on 5 August 2010 to finance the modernisation and rehabilitation of the Electricity Transmission Network in Romania. The value of each loan is EUR 32,500,000. 25709 is not guaranteed, while the loan no. 25710 is guaranteed by BNP Paribas SA Bucharest Branch. The repayment period is 15 years, with a grace period of 2 years. Repayment shall be made from 2012 to 2025 for EIB loan 25709 (on 10 March and 10 September each year) and from 2013 to 2028 for EIB loan 25710 (on 11 April and 11 October each year). The interest rate is 3.596% for the EIB loan 25709, and for the EIB loan 25710 it is 3.856% and 2.847%.

The amount due on 31 December 2025 for EIB loan 25709 is EUR 0 and for EIB loan 25710 is EUR 1,591,880.29.

EIB Loan Agreement 25709 contains certain financial clauses: (i) the ratio of EBITDA to interest on long-term loans paid during the year must be at least 4.2; (ii) the ratio of long-term obligations to equity must not exceed 0.95; (iii) the ratio between total net debt and EBITDA is a maximum of 3.5.

The EIB loan 25710 is guaranteed by BNP Paribas SA Bucharest Branch. The guarantee contract was concluded on 20.12.2019 for a period of 3 years, guarantee fee of 0.40% per year calculated at 115% of the value of the loan remaining to be repaid. On 31.10.2022, amendment no. 2, amendment ensuring the guarantee of EIB credit 25710 until 11.11.2028. For this period, the guarantee fee is 0.6% per year, calculated at 115% of the value of the loan remaining to be repaid.

As of December 31, 2025, EIB loan 25709 is repaid in full, as a result, it no longer required the calculation of the financial indicators provided for in the loan agreement.

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

	December 31, 2025	December 31, 2024
Between 1 and 2 years	980	6,483
Between 2 and 5 years	490	1,435
Over 5 years	-	-
<b>Total</b>	<b>1,471</b>	<b>7,918</b>

The Company has not carried out hedging activities against the risks related to its foreign currency obligations or exposure to the risks associated with the interest rate.

All long-term loans outstanding on 31.12.2025 are subject to fixed interest rates.

**Current borrowings**

Short-term loans are detailed as follows:

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current portion of non-current borrowings	6,645	23,985
Short-term bank loans	172,419	-
Credit lines of Smart and Teletrans	5,002	8,354
Interest related to the non-current and current loans	288	303
<b>Total current borrowings</b>	<b><u>184,354</u></b>	<b><u>32,641</u></b>

- *Loans contracted for current activity*

On 30.03.2022, Transelectrica concluded the loan agreement no. C624 with Banca Comercială Romanian for a period of 12 months to finance the bonus support scheme for high-efficiency cogeneration, in the form of an overdraft, in the amount of 175,000, with an interest calculated according to the **ROBOR 1M reference rate, to which is added a margin of 0% and a commission of 0.088%**.

On 04.01.2023, Transelectrica concluded the Addendum no. 1 to the credit agreement no. C624 concluded with Banca Comercială Romanian, having as object the extension of the purpose of the credit line also to cover temporary working capital needs and to extend the validity of the contract by 12 months (from 30.03.2023 to 30.03.2024).

On 27.03.2024, Transelectrica concluded the Addendum no. 2 to the loan agreement no. C624 concluded with Banca Comercială Romanian, having as object the extension of the validity of the contract 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 Romanian, having as object the extension of the validity of the contract by 12 months (from 30.03.2025 to **30.03.2026**).

The credit line is secured by:

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

As of December 31, 2025, the credit line is 99% utilized.

- *Loans contracted by Smart and Teletrans*

In August 2024, SMART SA contracted two multi-product credit facilities in lei (RON) from Banca Comercială Romanian with the following structure:

- a) RON 46 million for the purpose of financing working capital for a **period of 48 months** with a variable interest rate depending on the 3M ROBOR to which is added the bank's margin (**ROBOR 3M + 1.65 p.p.**), of which: RON 15 million overdraft loan, with a revolving character (the first uses being for the refinancing of the facility granted by Exim – Banca Românească), 10 million lei for the financing of VAT related to investments (PNRR project), with a revolving character and guarantee facility, with a revolving character up to the amount of 46 million lei.
- b) RON 37 million for the purpose of financing the working capital **for a period of 36 months** with a variable interest rate depending on the 3M ROBOR plus the bank's margin (**ROBOR 3M + 1.95 p.p.**), of which: RON 10 million for the financing of working capital in connection with the execution of 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 uses in connection with the Black Sea Renewables Project, the sub-limits can be used in any combination) and guarantee facility, of a revolving nature up to the amount of 37 million lei.

On 02.07.2025, through Addenda no.1, the period of use of the ceilings of the two multi-product credit facilities was extended until **06.08.2026**.

As of December 31, 2025, the balance drawdowns from the ceilings of the multi-product credit facilities in the amount of 5,002.

(c)On **February 3, 2025**, Teletrans contracted from the Romanian Commercial Bank an overdraft loan with a ceiling of 10 mln. Lei, granted for a period of **12 months** with a variable interest rate depending on the 3M

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

ROBOR to which the bank's margin is added (**3M ROBOR + 0.75 p.p.**) for the purpose of financing the current activity.

On 27.01.2026, through the Addendum no.1, the period of use of the overdraft credit facility ceiling was extended until **02.02.2027**.

As of December 31, 2025, Teletrans does not present a balance related to the drawdowns from the credit line.

**16. Obligations regarding employee benefits**

According to the collective bargaining agreement, applicable in 2025, the Group provides long-term benefits to employees, depending on their length of service and seniority within the Company. The benefits granted to employees with management positions are presented in Note 32 - Remuneration of the Company's management.

The actuarial calculations regarding the post-employment benefits and other long-term benefits were determined by a licensed actuary, based on the service contract concluded with Proficariere SRL.

The obligations regarding employee benefits are presented as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Jubilee premiums	66,893	63,108
Benefits granted for total incapacity for work (invalidity)	235	236
Retirement bonuses	19,737	42,926
Benefits granted for death from other causes	1,570	1,792
Benefits granted for death from a work accident	408	411
Free electricity for current post-retirement employees and retired employees	10,435	7,687
<b>Total</b>	<b>99,278</b>	<b>116,159</b>

The obligations regarding employee benefits are in the total amount of 99,278 as of December 31, 2025, of which the amount of 15,299 represents the short-term portion.

	<u>Short-term obligations</u>	<u>Long-term obligations</u>
Jubilee premiums	12,854	54,040
Benefits granted for total incapacity for work (invalidity)	-	235
Retirement bonuses	1,631	18,106
Benefits granted for death from other causes	-	1,570
Benefits granted for death from a work accident	-	408
Free electricity for current post-retirement employees and retired employees	814	9,621
<b>Total</b>	<b>15,299</b>	<b>83,979</b>

**Significant actuarial assumptions** used to determine the present value of the defined benefit obligation

Discount rate

- Due to the lack of structural data and the volatility of yields, the interest rates on risk-free investments published by the E.I.O.P.A. at the end of December 2025 were considered.

Inflation

- At the time of the assessment, according to the National Institute of Statistics, the annual inflation rate in December 2025 compared to December 2024 was 9.7%. To make the projection, starting in 2026, we modeled wage growth as close to the discount rate. Thus, in the following years, in order to have a compatible and unbiased data set, the salary increase was considered to have a weighted average 1% higher than the discount rate values.

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)***Legal retirement age**

- In accordance with Law no. 360 of 29.11.2023, the legal retirement age is 65 years for men and women, with the exceptions provided in Annex no. 5 to this law. Thus, the legal provisions were used to model the retirement date, taking into account the demographic specificity of the group of employees.

**Mortality**

- The mortality table of the Romanian population, men / women, 2022, urban environment was used (Source: National Institute of Statistics).

**Labour migration**

- To model departures from the company, values of labor migration with a weighted average of 2.1% per year were used, consistent with the real values of each of the groups of employees in the companies. The percentages used for departures from the company tend to zero with increasing age - for people who are older it can be considered a percentage of labor migration that decreases to zero.

**Fees and Taxes**

- All taxes valid on 31.12.2025 were included in the calculation of retirement obligations.

**Analysis of the maturities of the present obligations**

Estimated provisions, depending on their duration to maturity	Jubilee Prime Obligations	Pension obligations	Electricity aid obligations for pensioners - former employees	TOTAL
Duration <= 1 year	12,854	1,631	814	15,299
Duration >1 year and <=3 years	10,142	557	1,574	12,273
Duration >3 years and <=5 years	11,211	3,991	1,533	16,735
Duration >5 years and <=10 years	15,442	6,364	3,576	25,381
Duration >10 years	17,245	7,194	2,939	27,377
TOTAL	66,893	19,737	10,435	97,065

The weighted average duration of retirement obligations for the companies in the group was 9.08 years.

**Sensitivity Analysis**

	Jubilee Prime Obligations	Obligations for retirement	Obligations for disability	Obligations for death from other causes	Obligations for death from a work accident	Electricity quota aid obligations for pensioners - former employees	Total obligations
<b>Obligation amounts at the reporting date</b>	66,893	19,737	235	1,570	408	10,435	99,278
Refresh rate +1%	62,587	18,163	233	1,548	404	9,596	92,530
Discount rate -1%	71,824	21,546	237	1,587	411	11,398	107,003
Wage growth rate +1%	72,410	21,520	248	1,587	430	11,379	107,574
Wage growth rate -1%	61,991	18,154	223	1,547	387	9,596	91,898
Departure rate +1%	66,780	19,119	234	1,636	405	10,399	98,573
Departure rate from the company -1%	67,024	20,426	236	1,501	410	10,471	100,067
Increase in life expectancy at birth by 1 year	66,923	19,936	235	1,441	408	10,912	99,855

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Tranelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Jubilee Prime Obligations	Obligations for retirement	Obligations for disability	Obligations for death from other causes	Obligations for death from a work accident	Electricity quota aid obligations for pensioners - former employees	Total obligations
Decrease in life expectancy at birth by 1 year	66,859	19,506	235	1,721	407	9,937	98,665

For the valuation of the obligations related to employee benefits, the actuary who prepared the actuarial report used the projected unit credit method. This method involves the following steps: data collection and analysis, determination of assumptions, calculation of the benefit to be paid if the respective event occurs - using the projection of financial values, then evaluation of the present value of the obligations, taking into account the discount rates and probabilities of the person's exit from the benefit scheme.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)***OBLIGATIONS REGARDING EMPLOYEE BENEFITS**

	December 31, 2024	Interest cost	Current Service Cost	Payments from the provision	(Gain)/Actuarial Loss for the Period	December 31, 2025
Jubilee benefits to be granted to current employees	<b>63,108</b>	4,088	10,570	(7,734)	(3,138)	<b>66,893</b>
Benefits granted for total incapacity for work (invalidity)	<b>236</b>	14	10	-	(25)	<b>235</b>
Benefits related to retirement bonuses for current employees	<b>42,926</b>	1,038	1,542	(1,060)	(24,709)	<b>19,737</b>
Benefits granted for death from other causes	<b>1,792</b>	110	(82)	(172)	(78)	<b>1,570</b>
Benefits granted for death from a work accident	<b>411</b>	25	33	-	(61)	<b>408</b>
Benefits related to the value of electricity that will be paid to current employees after retirement	<b>2,849</b>	174	-	-	(3,023)	-
Benefits related to the payment of the equivalent value of electricity to be paid to current pensioners	<b>4,838</b>	296	130	(814)	5,985	<b>10,435</b>
<b>Total</b>	<b>116,159</b>	<b>5,745</b>	<b>12,203</b>	<b>(9,779)</b>	<b>(25,049)</b>	<b>99,278</b>
	December 31, 2023	Interest cost	Current Service Cost	Payments from the provision	(Gain)/Actuarial Loss for the Period	December 31, 2024
Jubilee benefits to be granted to current employees	<b>55,221</b>	4,224	10,708	(6,195)	(850)	<b>63,108</b>
Benefits granted for total incapacity for work (invalidity)	-	-	-	-	236	<b>236</b>
Benefits related to retirement bonuses for current employees	<b>31,159</b>	1,970	7,328	(2,020)	4,488	<b>42,926</b>
Benefits granted for death from other causes	-	-	568	(62)	1,287	<b>1,792</b>
Benefits granted for death from a work accident	-	-	46	-	365	<b>411</b>
Benefits related to the value of electricity that will be paid to current employees after retirement	<b>5,804</b>	388	1,167	(295)	(4,216)	<b>2,849</b>
Benefits related to the payment of the equivalent value of electricity to be paid to current pensioners	<b>5,705</b>	382	-	(352)	(896)	<b>4,838</b>
<b>Total</b>	<b>97,888</b>	<b>6,964</b>	<b>19,817</b>	<b>(8,924)</b>	<b>414</b>	<b>116,159</b>

The accompanying notes form an integral part of these consolidated financial statements.

## 17. Trade and other liabilities

a) On 31 December 2025 and 31 December 2024, trade and other liabilities shall be presented as follows:

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Providers - electricity market	1,676,250	2,253,148
Asset providers	366,779	158,614
Providers of other activities	32,956	45,938
Amounts due to employees	18,392	16,143
Other liabilities	1,329,697	1,381,401
<b>Total</b>	<b>3,424,075</b>	<b>3,855,244</b>

As of December 31, 2025 and December 31, 2024, the outstanding debts on the energy market in the amount of 1,676,250 and 2,253,148, respectively, have the following structure:

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Providers - electricity market, of wich:		
-providers - operational activity	1,078,790	1,496,225
-providers - balancing market	517,983	711,977
-providers- bonus type support scheme to promote high efficiency cogeneration	79,477	44,946
<b>Total</b>	<b>1,676,250</b>	<b>2,253,148</b>

The suppliers on the electricity market are mainly represented by: MAVIR, IBEX, Hidroelectrica SA, Electrica Furnizare SA, Romanian Commodity Exchange, Oltenia Energy Complex SA, Electrocentrale București, OPCOM, CIGA Energy SA, Joint Allocation Office. As of December 31, 2025, their share of total energy suppliers is 81.53% (86.30% as of December 31, 2024).

The decrease in the balance of "debts related to operational activity" in the analyzed period was influenced by the model of price formation based on supply and demand for the coupling of the electricity market. The default allocations, in which capacity and energy are provided for simultaneously, have been influenced by changes in the price of electricity on European stock exchanges.

The decrease in the balance of "balancing market debts" was driven by the decrease in the volume of transactions recorded on the balancing market in the fourth quarter of 2025, compared to the fourth quarter of 2024.

The increase in the "debts related to the support scheme" to suppliers (producers) was determined by the increase in the value of the monthly bonus for high-efficiency cogeneration in December 2025, compared to December 2024.

As of December 31, 2025, there are payment obligations to suppliers (producers) in the amount of 3,369 to CET Govora SA (monthly cogeneration bonus and pre-overcompensation for 2015). The amounts representing the Company's debts related to the support scheme to CET Govora were withheld for payment based on art. 17 para. 5 of the Order of the President of ANRE no. 116/2013, as the supplier (the producer) has payment obligations towards the Company on the bonus support scheme.

The company asked the supplier (producer) who did not pay the overcompensation invoices, the agreement to compensate the mutual debts at their minimum level through the Institute of Management and Informatics (IMI) which managed unitarily all the information received from taxpayers, based on the provisions of GD no. 773/2019.

CET Govora did not agree with this method of extinguishing mutual receivables and debts, which is why the Company has applied and continues to apply the provisions of art. 17 para. 5 of the Order of the President of ANRE no. 116/2013 for the approval of the Regulation on establishing the method 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 paid in full to the administrator of the support scheme the resulting payment obligations in accordance with the provisions of this Regulation, the administrator of the support scheme 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

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

scheme, with the explicit mention, on the payment document, of the respective amounts" and withheld from payment the amounts related to the support scheme due.

CNTEE Transelectrica SA has concluded with CET Govora SA an agreement for the compensation and rescheduling of the amounts representing receivables from the value of the overcompensation for 2011-2013 and the undue bonus for 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 provided for the Company's right to calculate and collect penalties during the payment rescheduling period.

Based on the Agreement, the Company's receivables to be collected from CET Govora SA were offset against the debts to CET Govora SA, represented by the cogeneration bonus for the period May 2014 – October 2015 retained by applying the provisions of art. 17 paragraph 5 of the Order of the President of ANRE no. 116/2013 and the provisions of the Convention, in the amount of 40,507,669.

Following the suspension in court, by Civil Sentence no. 3185/27.11.2015, of ANRE Decision no. 738/28.03.2014 by which the value of the overcompensation for the period 2011-2013 was established, CET Govora SA no longer complied with the obligations assumed by the Convention. Starting with May 9, 2016, the general insolvency procedure was opened for CET Govora. Considering the provisions of Law no. 85/2014 - Insolvency Law, the Company has stopped, starting with May 9, 2016, the application of the provisions of art. 17.5 of the Order of the President of ANRE no. 116/2013 for the approval of the Regulation on establishing the method of collecting the contribution for high-efficiency cogeneration and payment of the bonus for electricity produced in high-efficiency cogeneration and pays monthly to CET Govora the cogeneration bonus due by it. By Civil Decision no. 2430/05.10.2016, the High Court of Cassation and Justice admitted the appeal filed by ANRE against the Civil Sentence no. 3185/27.11.2015, partially quashed the appealed sentence and rejected the request for suspension made by CET Govora. Thus, starting with 05.10.2016, the effects of ANRE Decision no. 738/28.03.2014 are no longer suspended, producing full effects.

Under these conditions, the Company applies the provisions of art. 17 paragraph 5 of ANRE Order no. 116/2013 for the debts and mutual receivables arising after the insolvency procedure, in the sense of withholding the bonus due to CET Govora SA up to the amount of the amounts related to the unpaid support scheme to the Company.

The increase in the balance of "fixed asset suppliers" as of December 31, 2025 compared to December 31, 2024 was due to the purchases of fixed assets that were received towards the end of the year, but for which the payment term is in 2026.

Debts to "other activity providers" are mainly represented by debts related to services provided by third parties, which have not reached maturity, debts that have decreased compared to December 31, 2024.

As of December 31, 2025, the Company has no outstanding debts to suppliers (state budget, local budget or other public institutions).

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Various creditors	235,434	385,573
Client-creditors	683,811	850,989
Dividends to pay	622	134
Other liabilities	409,830	144,705
<b>Total</b>	<u><b>1,329,697</b></u>	<u><b>1,381,401</b></u>

➤ "Miscellaneous creditors", amounting to **235,434** as of December 31, 2025 (**385,573** as of December 31, 2024), mainly represent:

- the net position of the support scheme for high-efficiency cogeneration, debt position, in the amount of 204,964.

The net position of the support scheme is the difference between:

- ✓ the amount of the contribution to be collected from the suppliers of electricity consumers, the value of the overcompensation of the activity of producing electricity and heat in high-efficiency cogeneration, the undue bonus to be collected from the producers, according to ANRE decisions, on the one hand, and

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

- ✓ the amount of the cogeneration bonus, the pre-overcompensation and the bonus not granted to be paid to the producers of high-efficiency cogeneration energy, beneficiaries of the support scheme, on the other hand;
  - 26,240 contracts for solution studies for the connection to the RET;
  - 1,938 royalty in the fourth quarter of 2025;
  - 1,219 guarantees for participation in auctions, performance guarantees and others.
- The "creditor customers", as of December 31, 2025, are in the amount of **683,811 (850,989** as of December 31, 2024), of which 667,488 represent amounts received in advance in 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 (411,669), IBEX (151,579), MAVIR (67,667), OPCOM (35,506) and JAO (1,066).
- As of December 31, 2025, the dividends due to the Company's shareholders and unpaid are in the amount of **622 (134** as of December 31, 2024). These amounts are available to shareholders through the paying agent.
- "Other debts", in the amount of **409,830 (144,705** as of December 31, 2024), are mainly represented by the guarantees of good payment of contracts on the electricity market concluded by CNTEE Transelectrica SA in the amount of 372,524, VAT not payable during the reporting period in the amount of 34,996 and others.

### b) LEASING OBLIGATIONS

As of December 31, 2025 and December 31, 2024, **the liability for fixed assets related to the rights to use leased assets**, according to the provisions of IFRS 16 – Leasing contracts, has the following maturities:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Within 1 year	3,629	7,328
Between 1 and 5 years	3,181	1,604
Over 5 years	-	-
<b>Total</b>	<b>6,810</b>	<b>8,932</b>

### 18. Provisions

On 31 December 2025 and 31 December 2024, the situation of provisions is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Provisions for litigation	24,199	25,885
Provisions for mandate contracts	8,405	8,600
Provisions for guarantees granted to customers	3,341	-
Other provisions	2,454	1,468
<b>Total</b>	<b>38,399</b>	<b>35,953</b>

As of December 31, 2025 and December 31, 2024, the evolution of provisions is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Balance on January 1</b>	<b>35,953</b>	<b>67,191</b>
Provision recognition	7,778	10,806
Reversal of provisions	(5,331)	(42,045)
<b>Total</b>	<b>38,399</b>	<b>35,953</b>

The provisions for disputes outstanding on 31.12.2025, in the amount of **24,199**, are mainly represented by the provisions constituted for the following disputes:

- *The file no. 36755/3/2018 – plaintiff Conaid Company SRL (17.216) – more details on this file are*

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

*presented in Note 30 – Commitments and quotas.*

- *The file no. 15561/3/2022 – applicant SMART SA (4.467) – more details on this file are presented in Note 30 – Commitments and quotas.*
- *File no. 3083/3/2020 - plaintiff NUCLEARELECTRICA SA (1.473)*

On 26.06.2020, Nuclearelectrica sued the Company for the payment of the amount of 1,291 representing a negative imbalance and 182, legal interest.

After several deadlines in which the case was postponed (26.06.2020, 16.10.2020, 11.12.2020), for various reasons, at the deadline of 22.12.2020, the Court ordered the Company to pay the applicant the amount of 1,291 lei, as compensatory damages, to pay the update of this amount with the inflation rate from 27.09.2018 and until the date of actual payment, to the payment of the amount of 182 lei representing the legal penalty interest calculated from 27.09.2018 to 31.01.2020, as well as to the further payment of the legal penalty interest, calculated from 01.02.2020 and until the date of actual payment. It also ordered the defendant to pay the plaintiff the sum of 23 lei, as court costs, consisting of judicial stamp duty. It rejected the defendant's request for the payment of costs, as unfounded.

CNTEE Transelectrica SA filed an appeal. At the hearing of 25.11.2021, the Bucharest Court of Appeal admitted the appeal. Partially changes the appealed civil sentence, in the sense that: Rejects as unfounded the request for summons. Maintains the order of the first instance rejecting as unfounded the defendant's claim for the payment of costs. Orders the respondent-applicant to pay the appellant-defendant the sum of 21 as costs on appeal.

Nuclearelectrica filed an appeal, an appeal that was suspended until the resolution of the action for annulment of the order. Deadline 12.10.2022.

Pursuant to art. 413 para. (1) item 1 of the Civil Procedure Code, suspends the judgment of the appeal filed by the appellant-applicant Societatea Națională Nuclearelectrica S.A. against the civil decision no. 1927/A/25.11.2021, pronounced by the Court of Appeal of Bucharest – Civil Section VI, until the final resolution of the file no. 2659/2/2020, pending before the High Court of Cassation and Justice – Administrative and Tax Litigation Section. Definitive.

**"Provisions for mandate contracts"**, in the amount of 8,405 as of December 31, 2025 (8,600 as of December 31, 2024), represent:

- the remuneration representing the variable component, the non-compete compensation and that related to the gross monthly fixed allowances remaining until the end of the mandate for the revoked members of the Supervisory Board/Executive Board, respectively for the 2020-2024 mandates.

### 19. Corporate income tax

The corporate income tax for the years 2025 and 2024 is presented as follows:

	<b>December 31, 2025</b>	<b>31 December 2024</b>
Expenses with current income tax	25,985	44,377
Deferred tax expense/ (income)	(32,805)	(45,188)
Global Minimum Tax Expense Group	(5,613)	5,613
Total	<b>(12,433)</b>	<b>4,802</b>

The Company's current and deferred corporate income tax for the years 2025 and 2024 is determined at a statutory rate of 16%, being in force in 2025 and 2024.

The global minimum tax, applicable starting with 2024 according to Law no. 431/2023 *on ensuring a global minimum level of taxation of multinational enterprise groups and large national groups*, was initially recognized and registered in the financial year 2024 with the amount of 5,613, tax for which the obligation to declare and pay is until 30.06.2026. The global minimum tax was determined on the basis of the legislation applicable at the time of the calculations, taking into account additional guidance provided by the Organisation for Economic Co-operation and Development (OECD), as a source of interpretation, in order to ensure the consistent application of the legislation in force.

Subsequently, in 2025, based on the additional clarifications brought to Law 431/2023, the national supplementary tax according to the ODMTT rules falls under the provisions of Art. 53, so that large

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

national or multinational groups in the initial phase of international activity benefit from a reduction to zero in the tax in the first 5 years from the moment they enter the scope of the law.

Thus, following the reanalysis of the situation, in the context of the additional clarifications brought to these legal provisions and taking into account the correspondence received from ANAF, it was found that the global minimum tax applicable to the company is reduced to zero. Therefore, the amount recorded in 2024 with the global minimum tax was reversed in 2025, ensuring compliance with the applicable legal framework, accounting compliance and the faithful presentation of the company's financial position and profit and loss account, at the date of preparation of the financial statements.

Based on the amendments to IAS 12 – "Corporate Tax", the Company did not recognize deferred tax in relation to the minimum effective tax related to the group.

Reconciliation of the effective corporate income tax rate:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Corporate income tax at the statutory rate at a rate of 16%</b>	<b>61,328</b>	<b>102,441</b>
Effect of non-deductible expenses	20,731	29,396
The effect of non-taxable income	(17,125)	(40,767)
Taxable revaluation reserve	30,532	45,010
Reinvested profit	(37,662)	(6,169)
Legal reserve	(22)	(53)
Temporary differences	(32,805)	(45,188)
Global Minimum Tax – TEL Group	(5,613)	5,613
Other effects	(31,797)	(85,480)
<b>Net income tax expense</b>	<b>(12,433)</b>	<b>4,802</b>

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*
**DEFERRED CORPORATE INCOME TAX**

The movement table regarding the debt with taxes deferred in 2025 and 2024 is presented as follows:

Elements	Balance as of December 31, 2023	Recognized in profit and loss	Recognized directly in OCI	Balance as of December 31, 2024	Recognized in profit and loss	Recognized directly in OCI	Balance as of December 31, 2025
Tangible assets - lifespans	42.144	864	-	43.008	22.486	-	65.494
Property, plant and equipment – revaluation reserves	290.843	(47.061)	6.014	249.797	(30.820)	787	219.765
Tangible assets financed from subsidiaries	(6.237)	(1.310)	-	(7.547)	(813)	-	(8.360)
Obligations regarding employee benefits	(15.716)	(2.869)	-	(18.585)	2.701	-	(15.884)
Estimated interconnection	(5.760)	4.560	-	(1.200)	400	-	(800)
Provisions for litigation	(4.254)	(543)	-	(4.797)	(693)	-	(5.489)
Inventory adjustments	(2.217)	244	-	(1.973)	(532)	-	(2.505)
Other elements	(11)	(11)	-	(22)	67	-	45
Production supplier estimates	(2.448)	937	-	(1.511)	924	-	(587)
Receivables adjustments	-	-	-	-	(25.755)	-	(25.755)
Assets in progress	-	-	-	-	(475)	-	(475)
Adjustments to shares held	-	-	-	-	(295)	-	(295)
<b>Tax (asset)/liability</b>	<b>296.344</b>	<b>(45.189)</b>	<b>6.014</b>	<b>257.169</b>	<b>(32.805)</b>	<b>787</b>	<b>225.152</b>

Elements	Active		Debt		Net	
	December 31 2025	December 31 2024	December 31 2025	December 31 2024	December 31 2025	December 31 2024
Tangible assets - lifespans	(4.392)	(50.101)	69.886	93.109	65.494	43.007
Property, plant and equipment – revaluation reserves	(30.820)	(47.061)	250.584	296.858	219.765	249.797
Tangible assets financed from subsidiaries	(1.183)	(9.179)	(7.177)	1.632	(8.360)	(7.547)
Obligations regarding employee benefits	(15.884)	(18.585)	-	-	(15.884)	(18.585)
Estimated interconnection	(800)	(1.200)	-	-	(800)	(1.200)
Provisions for litigation	(5.489)	(4.797)	-	-	(5.489)	(4.797)
Inventory adjustments	(2.505)	(1.973)	-	-	(2.505)	(1.973)
Other elements	45	(22)	-	-	45	(22)
Production supplier estimates	(587)	(1.511)	-	-	(587)	(1.511)
Receivables adjustments	(25.755)	-	-	-	(25.755)	-
Assets in progress	(475)	-	-	-	(475)	-
Adjustments to shares held	(295)	-	-	-	(295)	-
<b>Net tax (asset)/liability</b>	<b>(88.141)</b>	<b>(134.430)</b>	<b>313.293</b>	<b>391.598</b>	<b>225.152</b>	<b>257.169</b>

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

### 20. Earnings per share

As of December 31, 2025 and December 31, 2024, the earnings per share are:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Result of the exercise from continuous operations</b>	<b>364,499</b>	<b>580,108</b>
Number of ordinary shares at the beginning and end of the period	73,303,142	73,303,142
<b>Basic and diluted earnings per share (lei/share)</b>	<b>4.97</b>	<b>7.91</b>

### 21. Other taxes and obligations for social security

On 31 December 2025 and 31 December 2024, other taxes and obligations for social security include:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Contribution to social security funds	15,967	18,859
VAT payable	2,485	1,706
Payroll tax	2,882	3,681
Other taxes payable	1,252	1,291
<b>Total</b>	<b>22,585</b>	<b>25,537</b>

As of December 31, 2025, the Company has payment obligations for contributions to social security funds, payroll tax and other taxes, obligations that were paid in January 2026 (minus the amount of RON 17,326 representing the work insurance contribution related to unused leave).

### 22. Operating income

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

As regards the moment of revenue recognition, the services related to the energy market provided by the Company are transferred to the customer in time, and the payment terms are in accordance with the contractual provisions, there is no significant financial component, taking into account that the due date is less than one year. Also, contracts with customers according to IFRS 15 do not contain variable items.

The tariffs approved by ANRE for the services provided on the electricity market are presented as follows:

	<u>Tariff for the transmission service for the introduction of electricity into the electricity transmission network (TG)</u>	<u>Tariff for the transmission service for the extraction of electricity from the networks (TL)</u>	<u>Average Freight Rate</u>	<u>Tariff for System Service</u>
Order no. 60/26.08.2025 for the period 01 September – 31 December 2025	-	-	-	12.79
Order no. 21/27.05.2025 for the period 01 June – 31 August 2025	-	-	-	7.04
Order no. 99/20.12.2024 for the period 01 January – 31 December 2025	3.29	33.03	-	-
Order no. 57/28.08.2024 for the period 01 September 2024 – 31 May 2025	-	-	-	11.51
Order no. 15/29.05.2024 for the period 01 June – 31 August 2024	-	-	-	12.84
Order no. 116/20.12.2023 for the period 01 January – 31 May 2024	-	-	-	9.17
Order no. 109/20.12.2023 for the period 01 January – 31 December 2024	-	-	31.67	-

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

Starting with January 1, 2025, ANRE approves the tariff for the transmission service only on the two components: the tariff for the introduction of electricity into the transmission network (TG) and the tariff for the extraction of electricity from the networks (TL), according to ANRE Order no. 99/20.12.2024.

Modification of the tariff value for the system service from 01 September 2025 by ANRE Order no. 60/26.08.2025 was determined by the application of the mechanism for correcting significant deviations from the forecast that was the basis for the approval of the tariff that entered into force on June 1, 2025 (ANRE Order no. 21/27.05.2025), in accordance with the provisions of the regulatory framework issued by ANRE.

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Amount of electricity delivered to consumers (MWh)	51,730,518	51,824,802

The operating revenues achieved in 2025 and 2024 are presented as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Transmission revenues	1,854,503	1,619,446
Revenues from the allocation of interconnection capacities	337,165	282,080
Revenues from reactive energy	1,868	1,660
Inter TSO Compensation (ITC) revenues	23,884	25,790
Revenues from transactions with own technological consumption	45,834	95,481
<b>Total revenues from electricity transmission</b>	<b>2,263,255</b>	<b>2,024,457</b>
Revenues from system services	564,253	571,078
Emergency energy assistance to neighboring	9,533	62,199
<b>Total revenues from system services</b>	<b>573,786</b>	<b>633,277</b>
<b>Revenues on the balancing market</b>	<b>2,676,211</b>	<b>4,965,724</b>
Income from other services and other operating income	101,248	178,498
Grid losses anticipatory tariff income	924	102,020
<b>Other revenues</b>	<b>102,172</b>	<b>280,518</b>
<b>Total revenue</b>	<b>5,615,424</b>	<b>7,903,976</b>

We present the situation of customers with over 10% of the Group's total revenues recorded in 2025 and 2024, respectively:

	<u>December 31, 2025</u>		<u>December 31, 2024</u>	
CIGA ENERGY SA	1,010,478	18%	1,580,194	20%
ELECTRICA FURNIZARE SA	641,396	11%	1,129,433	16%
HIDROELECTRICA SA	634,306	11%	956,674	14%
CINTA ENERGY SA	471,727	8%	1,246,053	12%
<i>Revenue from the transport service</i>				

Revenues from the transmission service increased in 2025 compared to 2024 by **235,056**, determined by the increase in the tariff for the transmission service approved by ANRE (cf. the table on tariffs approved by ANRE for the analyzed period, presented above), given the decrease in the amount of electricity delivered to consumers by 0.18%, respectively by 94,284 MWh.

The accompanying notes form an integral part of these consolidated financial statements.

## **CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

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

Revenues from the allocation of interconnection capacity increased in 2025 compared to 2024 by 55,085, corresponding to the level of use of interconnection capacity availabilities by traders on the electricity market.

The market for the allocation of interconnection capacities is fluctuating, with prices evolving according to the demand and need of electricity market participants to purchase interconnection capacity. Thus, the growth in the analyzed period was influenced by the model of price formation according to supply and demand. Default allocations, in which capacity and energy are provided simultaneously, are strongly influenced by changes in the price of electricity on European stock exchanges.

The mechanism for allocating the interconnection capacity consists of organising annual, monthly, daily and intra-day tenders. The tenders on the Romania-Serbia border, the long-term tenders on the borders with Hungary and Bulgaria and the short-term tenders on the borders with Moldova and Ukraine are explicit - only transport capacity is tendered, and the daily (borders with Hungary and Bulgaria) and intraday (borders with Hungary and Bulgaria) are implicit - are allocated simultaneously with energy and capacity, through the coupling mechanism.

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

Starting with October 27, 2021, the Romania-Bulgaria border was integrated into the single day-ahead coupling (SDAC), with the cross-border capacity between Romania and Bulgaria being allocated implicitly.

Starting with November 2019, the 2nd wave of the Single Intraday Coupling (SIDC) solution took place. The Single Intraday Market Coupling Mechanism ensures the continuous harmonisation of the bids of market participants in a bidding zone with bids to bid within its own bidding zone and from any other bidding zone where cross-border capacity is available. Thus, explicit intraday auctions are only on the borders with Serbia and Moldova, and on the borders with Bulgaria and Hungary they are implicit (within the SIDC).

On March 18, 2025, the IDA (Intraday Auctions) project for Romania's bidding borders (Romania-Bulgaria and Romania-Hungary) was launched. In accordance with Article 55 of Commission Regulation (EU) 2015/1222 of 24 July 2015 laying down guidelines on capacity allocation and congestion management, intraday capacity pricing is required. Thus, based on ACER Decision no. 01/2019 on the Methodology for pricing intraday cross-zonal capacity, a tender mechanism was introduced to meet this objective. This is the so-called intraday auction – 'IDA' which stands for the default intraday trading auction for the simultaneous matching of orders from different bidding zones and the allocation of available intraday straddling capacity at the borders of the bidding zone by applying a market coupling mechanism. In August 2025, the second NEMOE in Romania – the Romanian Commodity Exchange – was successfully integrated.

The use of the net revenues from the allocation of the interconnection capacity shall be made in accordance with the provisions of ANRE Order no. 68/2024 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 with 2025, by ANRE Decision no. 2624/10.12.2024 *for approving the way to cover the expenses forecast for 2025 from the revenues obtained from the allocation of cross-border interconnection capacity*, it was approved to carry out RET 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 standardising energy prices in Europe, which is also one of the main objectives of Regulation (EU) 2015/1222 'laying down guidelines on capacity allocation and congestion management'.

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

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

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Tranelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

As of July 1, 2024, Ukraine joined the BTI mechanism and was no longer considered a perimeter country. Therefore, the exchanges taken into account were only those with the Republic of Moldova.

Thus, in 2025, the revenues recorded following the application of the ITC mechanism registered a decrease of 1,906 compared to 2024, 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 2.4 times (from 1,040,652 MWh in 2024 to 2,512,948 MWh in 2025);
- ✓ the value of the tariff for exchanges with perimeter countries was 2,5 EUR/MWh until 14 May 2025, respectively 1,5 EUR/MWh from 15 May 2025, compared to 3 EUR/MWh in 2024;
- ✓ exceptionally, in 2024, revenues were also recorded from the monthly settlements of March and May

### *Revenue from CPT transactions*

The revenues from energy trading for CPT are obtained from the sale of surplus energy at a positive price and from 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 (on each settlement interval) on the Intraday Market administered by OPCOM and, respectively, from the difference between the forecasted CPT and the actual CPT achieved (on each settlement interval) on the Balancing Market.

These revenues were lower in 2025 compared to 2024 with the amount of 49,646.

The revenues obtained from transactions on the Intraday Market were higher than those achieved in the previous year, as a result of the increase in energy sold on the intraday market following the forecast corrections as close as possible to the moment of delivery, as well as the increased prices on this market compared to 2024.

The revenues obtained from transactions on the Balancing Market were significantly lower, given that the CPT recorded in 2025 was lower than in the previous year. Given the increase in the share of solar and wind energy production, there is an increase in energy supply in peak ranges and in the share of very low and even negative price ranges for prices in short-term markets.

### *System Services Revenue*

Revenues from system services decreased in 2025 compared to 2024 by 6,824, determined both by the decrease in the tariff approved by ANRE for these services (cf. the table on tariffs approved by ANRE for the analyzed period, presented above), and by the decrease in the amount of electricity delivered to consumers by 0.18%, respectively by 94,284 MWh.

In accordance with the provisions of the regulatory framework issued by ANRE, the approved tariff for system services was modified during 2025 due to the application of the mechanism for correcting significant deviations from the forecast that was the basis for the approval of the tariff that entered into force on September 1, 2024.

For the system services activity, the regulatory framework specific to it contains regularization mechanisms that ensure the compensation of the excess or deficit of revenues related to the level of expenses necessary to carry out the respective activity. Thus, according to ANRE regulations, the surplus/deficit of income compared to 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/shortfall of income over the costs resulting from carrying out this activity is calculated on tariff programming periods.

### *Income from emergency aid*

At the request of the neighboring TSOs, during 2025, emergency aid in the total amount of 9,533 was granted to Ukraine (October, December), the Republic of Moldova (October, November, December) and Serbia (March), to provide the energy necessary to cover domestic consumption in these countries, against the background of armed conflicts on the territory of Ukraine, respectively accidental stops of groups from neighboring countries, etc. These revenues were lower in 2025 compared to 2024 with the amount of 52,666.

### *Income on the balancing market*

The revenues achieved on the balancing market registered a significant decrease in 2025 compared to 2024, with the amount of 2,285,514, mainly determined by the following aspects:

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Tranelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

- the evolution of contractual imbalances recorded at the level of electricity suppliers on the balancing market;
- the evolution of hydraulics;
- the evolution of electricity production and consumption;
- the evolution of the production of the plants in the trial period;
- accelerated increase in installed power at prosumers;
- improving the control/monitoring at the level of suppliers for the production of prosumers they have in their portfolio and increasing their concern for estimating/adjusting the prosumers' production forecasts in relation to the contractual position.

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

According to 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 between April 1, 2022 and March 31, 2023, as well as for the amendment and completion of certain normative acts in the field of energy, 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 incurred between January 1, 2022 and March 31, 2025, in order to cover their own technological consumption, compared to the costs included in the regulated tariffs, are capitalized quarterly, and the assets resulting from the capitalization are amortized over a period of 5 years from the date of capitalization.

Thus, as of December 31, 2025, the Company recorded revenues from the capitalization of CPT in the amount of 924, representing additional CPT calculated as the difference between the net cost of the acquisition of CPT and the cost of CPT included in the regulatory tariff, for the period January 1 – March 31, 2025.

## 23. Expenses for system operation and balancing market

The expenses for the operation of the system and in the balancing market made in 2025 and 2024 are presented as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Expenses on own technological consumption	541,398	609,330
Congestion expenses	-	107
Expenses for the electricity consumption in RET substations	38,508	45,850
RED transit CPT expenses (ANRE decision)	17,443	12,840
ITC expenses (Inter TSO Compensation)	43,474	47,486
<b>Total system operating expenses</b>	<b>640,831</b>	<b>715,613</b>
Expenses regarding system services	705,985	523,611
Balancing market expenses	2,676,254	4,965,535
<b>Total</b>	<b>4,023,069</b>	<b>6,204,759</b>

### *Expenditure on own technological consumption*

These represent expenses with the purchase of electricity from the free electricity market, namely the Centralized Market of Bilateral Contracts (PCCB), the Day-Ahead Market (PZU), the Balancing Market (PE) and the Intraday Market (IP) for covering the own technological consumption (CPT) in the electricity transmission network (RET).

Expenditures on own technological consumption were lower by 67,925 in 2025 compared to 2024, taking into account a number of aspects, as follows:

- ✓ due to its characteristics, the Own Technological Consumption (CPT) in the Electricity Transmission Network (RET) 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 network and on the interconnection lines with neighboring electricity systems, its value being very little to no controllable in the conditions of a regional energy market interconnected and coupled;

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

- ✓ as a result of weather conditions and flows on interconnection lines, the CPT value recorded in 2025 was lower than that recorded in the previous year;
- ✓ the elimination of the centralized electricity purchase mechanism (MACEE) with regulated price from April 1, 2024, as well as the elimination of the electricity and gas price cap schemes starting with July 1, 2025 led to price increases on the markets in the short term;
- ✓ The increase in prices on the European energy market, the reduction of domestic capacities based on conventional fuels and the dependence on volatile production from renewables increase the dependence on imports during periods of high demand and thus the price on the spot market. Thus, the average price of energy purchased from the PZU in 2025 was higher than the price of the previous year;
- ✓ The price of the PZU depends very much on the weather conditions (drought, precipitation, extreme phenomena) and on the prices on the European market. The Day-Ahead Market is an unpredictable market, with a high degree of volatility, prices can increase by 30-40% within a week;
- ✓ Starting with July 1, 2024, a series of amendments to the Regulation on terms and conditions for parties responsible for balancing entered into force, in accordance with the requirements of the European codes, which led to very high prices on the Balancing Market. These prices present a high degree of volatility and uncertainty, which can vary greatly, but are still below the maximum values of 2024. The own technological consumption recorded in the analyzed period was lower than in the previous year, leading to lower costs resulting from covering energy imbalances in this market compared to 2024.

### *Expenditure on electricity consumption at RET and RED stations*

In order to carry out the activity of transmitting electricity in the power stations and operating the National Electricity System in safe conditions, CNTEE Transelectrica SA must purchase electricity to cover the consumption related to the internal services in the high voltage power stations under the Company's administration. These expenses decreased by 7,341 in 2025 compared to 2024.

### *CPT RED transit expenses (cf. ANRE decision)*

In 2025, CPT expenses related to additional electricity transits from the networks of the concessionaire distribution operators at the voltage level of 110 kV (for the quota assigned to the TSO) were recorded in the amount of 17,443, higher by 4,603 compared to 2024. By ANRE decisions no. 2780/20.12.2024 and no. 2781/20.12.2024, the quantities forecasted by CPT and the corresponding costs related to the additional electricity transits from the 110 kV electricity networks for 2025 were approved, for the companies Rețele Electrice România S.A. and Distribuție Energie Oltenia S.A.

### *Expenses with Inter TSO Compensation (ITC)*

The ITC expenses represent the monthly payment obligations/collection rights for each transmission system operator (TSO). These shall be established within the mechanism for compensation/settlement of the effects of the use of the electricity transmission network (RET) for electricity transits between TSO operators from the countries that have acceded to this mechanism within ENTSO-E. In 2025, these expenses were lower by 4,011 compared to 2024.

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

### *Expenditure on system services (balancing capacity)*

Expenditure on system services registered a significant increase in 2025 compared to 2024 in the amount of 182,373.

The acquisition of the balancing capacity is carried out based on the needs established by the National Energy Dispatch which is responsible for ensuring the stability and safety of the operation of the SEN, in accordance 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 for frequency stabilization reserve providers and the Regulation on the terms and conditions for the parties responsible for balancing and for the modification and repeal of some orders of the President of the National Energy Regulatory Authority, with subsequent amendments and completions.

In 2025, CNTEE Transelectrica SA contracted Reactive Energy from the Company for the Production of Electricity in Hydropower Plants "Hidroelectrica" SA., in accordance with:

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

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

We specify that in accordance with the trend observed on the balancing market, there has been a sharp increase in the purchase price of the Fast Tertiary Reserve - power reduction starting with May 2025. If in the first five months of the year the average prices oscillated between 15 and 23 lei/hMW, in June 2025 there was an explosion of values, with a general average of over 108 lei/hMW. This increase is not justified either by significant changes in supply or demand or by objective technical factors, but represents a sudden and unilateral change in the bidding behaviour of a small group of participants. The offers submitted by certain producers in June 2025 reached values between 100 and 999 lei/hMW, with repeated prices of 500, 700 and even 999 lei/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, in which the same existing bidders on the market had prices around 15 lei/hMW.

Also, from September 2025 to December 2025, there was a steep reduction in the purchase price of the Rapid Tertiary Reserve - power reduction from 213.11 lei/hMW to 4.69 lei/hMW. This reduction is justified by the resizing of reserves at the DEN level and by the bidding behavior of market participants.

On the balancing capacities market, in line with the trend of evolution on the balancing market in 2025, there was a downward trend in the purchase price for RRFa in growth and power reduction and an upward trend in the purchase price for RRFm in terms of power reduction between May 2025 and August 2025, respectively a trend of steep reduction of the purchase price for RRFm to power reduction between September 2025 and December 2025:

- the average purchase price in the first half of 2025, for the increasing RRFa – RON 60.54/hMW, and in the second half of 2025 – RON 33.34/hMW;
- the average purchase price in the first half of 2025, for the RRFa at a discount – 62.76 lei/hMW, and in the second half of 2025 – 23.05 lei/hMW;
- the average purchase price in the first half of 2025, for RRFm increasing – 36.57 lei/hMW, and in the second half of 2025 – 37.54 lei/hMW;
- the average purchase price in the first half of 2025, for RRFm at a discount – 32.57 lei/hMW, and in the second half of 2025 – 137.11 lei/hMW.

### *Balancing market expenditure*

The expenses on the balancing market made in 2025, in the amount of 2,676,254, were significantly lower, respectively by the amount of 2,289,282, compared to those achieved in 2024. These expenses result from the notifications/achievements 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 evolution of the electricity market and the way of contracting on the markets prior to the balancing market.

## 24. Amortization

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Expenses with the depreciation of the tangible and intangible fixed assets	301.970	288.595
Expenses with the depreciation of the intangible fixed assets – additional Grid Losses	90.995	74.479
Expenses with the depreciation of the assets related to the rights of use of the leased assets	9.557	8.719
<b>Total</b>	<b>402.522</b>	<b>371.792</b>

*Expenses with the depreciation of tangible and intangible assets* in the amount of **301,970** (288,595 as of December 31, 2024) represent the depreciation recorded in 2025, calculated at the fair value of assets as at December 31, 2024, correlated with the commissioning of investment works and the receipt of assets.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

*Expenses with the depreciation of intangible assets – additional CPT in the amount of 90,995 (74,479 as of December 31, 2024), were recorded in accordance with the provisions of OMF no. 3900/2022 on the approval of accounting specifications in application of the provisions of art. 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 between April 1, 2022 and March 31, 2023, as well as for the amendment and completion of certain normative acts in the field of energy.*

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

*Depreciation expenses of intangible assets recognised in accordance with IFRS 16 amounted to 9,557 (8,719 as of December 31, 2024). The group partially operates in rented office spaces. According to IFRS 16 – Leasing Contracts, the right to use the spaces leased by the Company in the Platinum office building in 2-4 Olteni Street is recognized as an asset valued at the level of the rent to be paid until the end of the lease. The asset recognised in accordance with IFRS 16 is depreciated at the level of the monthly rent and is recorded under the indicator "depreciation expenses of tangible and intangible assets". At the same time, starting with 2025, the right of use related to vehicles entered through a leasing contract is recognized.*

### 25. Personnel expenses

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Personnel expenses, of which:	<b>541,951</b>	<b>489,463</b>
<i>Expenses with employees' salaries</i>	<i>457,326</i>	<i>432,040</i>
<i>Social expenditure</i>	<i>15,734</i>	<i>16,007</i>
<i>Expenses with vouchers granted to employees</i>	<i>23,743</i>	<i>24,145</i>
<i>Expenses related to the mandate contract and other committees, commissions</i>	<i>6,680</i>	<i>6,214</i>
<i>Expenditure on insurance and social protection</i>	<i>40,784</i>	<i>32,826</i>
<i>Provisions constituted/(reversals) for salary and similar expenses</i>	<i>(2,270)</i>	<i>(21,761)</i>
<i>Other expenses</i>	<i>(46)</i>	<i>(8)</i>

The total personnel expenses incurred in 2025 register an increase of 52,488 compared to 2024, mainly determined by:

- the increase of some items of expenses, such as: expenses with staff salaries, expenses related to mandate contracts, expenses related to insurance and social protection according to the applicable legal provisions;
- updating the provisions constituted for the revoked executive and non-executive directors, representing compensations based on the mandate contracts concluded in 2020 for the period 2020-2024 (according to the actuarial calculation);
- the resumption to income of a part of the provisions constituted for the revoked executive and non-executive directors, representing the variable component related to the packages of OAVTs allocated and not capitalized during the mandates executed in the period 2013-2017 and compensations provided for in the mandate contracts concluded in 2020 for the period 2020-2024, simultaneously with the payments made based on the enforceable court sentences, received by the Company;
- updating the provision for employee benefit obligations (as actuarially calculated).
  - ii) *Number of employees*

As of December 31, 2025 and December 31, 2024, the actual number of employees with an individual employment contract of indefinite duration is as follows:

<b>Number of employees</b>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Transelectrica SA	2,018	2,026
Smart SA	599	599
Teletrans SA	235	234

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)***26. Other operating expenses**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Other expenses with services provided by third parties	160,092	142,963
Postal and telecommunication expenses	1,229	1,255
Expenses with royalties and rents	8,140	7,115
(Revenues)/ Expense net for impairment adjustments for current assets	-	(12,722)
Other expenses	26,005	34,692
<b>Total</b>	<b><u>195,466</u></b>	<b><u>173,302</u></b>

In 2025, these expenses registered an increase in amount compared to 2024, mainly determined by the variation of some expense items, such as:

- increasing expenditure on taxes, fees and similar payments, by introducing the construction tax in 2025, in accordance with the provisions of GEO no. 156/2024 on some fiscal-budgetary measures in the field of public expenditures for substantiating the consolidated budget for 2025, for amending and supplementing some normative acts, as well as for the extension of certain deadlines;
- increasing other expenditure elements, such as: expenditure on civil protection and security, expenditure on the implementation of pan-European codes, expenditure on Teletrans maintenance, expenditure on insurance premiums, expenditure on international contributions, etc.;
- the increase in royalty and rent expenses, of which in 2025 there were 7,513 royalty expenses, 933 higher compared to 2024;
- the recognition on the Company's operating costs of three exits from tangible assets in progress, as presented in Note no. 5 "Tangible assets";
- reduction of some elements of expenses, such as: expenses related to goods (recovery of waste resulting from carrying out maintenance/refurbishment/modernization works of stations), expenses related to administrative energy consumption, travel expenses, expenses with staff training, etc.;
- the reduction of the expenses related to the OAVTs paid on the basis of the enforceable court decisions issued by the court (the performance bonus related to the OAVT Certificates granted to the former executive and non-executive members and not redeemed, remuneration according to the mandate contracts concluded between 2013 and 2017) and of the expenses paid on the basis of the enforceable court decisions issued by the court granted to the revoked former executive and non-executive members, representing compensations provided for in the mandate contracts concluded in 2020, for the period 2020-2024.

Rental expenses represent amounts related to rents that do not meet the recognition criteria related to IFRS 16 (concession contract, land rental expenses, various spaces) and are recognized in the profit and loss account. Of the total rent expenses, the value of the royalty is 7,513.

A 10% increase in gross revenues from electricity transmission and transit operations would have represented an increase in royalty expenses of 751 for 2025 and 658 for 2024.

The concession contract is for 49 years, the royalty is paid quarterly and the royalty expense is recorded monthly. In 2024, there was a royalty expense in the amount of 6,581 lei.

In 2025, the item (Revenues)/Net operating expenses regarding adjustments for the impairment of current assets in the amount of 10,252 is presented differently, respectively in Note 10 Net adjustments for impairment of receivables in the amount of 6,452 and in Note 9 (Gains) / Inventory impairment losses in the amount of 3,343.

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)***27. Other gains or losses**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
(Gains) / Losses on the sale of property, plant and equipment	2,812	-
(Gains) / Impairment losses on tangible assets	(7,227)	-
(Gains) / Losses on exchange rate differences operating activities	828	-
(Gains) / Losses on provisions for other operating expenses	(261)	-
<b>Total</b>	<b><u>(3,848)</u></b>	<b><u>-</u></b>

In 2025, a new explanatory note was drawn up for the separate reflection of other operating gains or losses. For compliance and comparability with the current presentation, the amounts for 2024 were also reflected in a total amount of 3,294, as follows:

- (Gains) / Losses from the sale of tangible assets in the amount of 2,136
- (Gains) / Impairment losses on tangible assets in the amount of 9
- (Gains) / Losses on provisions for other operating expenses in the amount of 1,149.

In 2025, these expenses registered a decrease compared to 2024, mainly determined by the recording of operating expenses with losses on receivables (AUTONOMOUS AUTHORITY FOR NUCLEAR ACTIVITIES SA), by the resumption to revenues of the adjustments for the depreciation of fixed assets related to the downgraded investment, of the adjustment for the depreciation of the investment objective "LEA 400 kV Suceava - Balti, for the project portion on the territory of Romania", as well as for the registration of exchange rate differences related to the operational activity, etc.

**28. Net financial result**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Interest revenues	11,898	7,217
Revenues from exchange rate differences	1,009	4,965
Other financial revenues	22,185	14,697
<b>Total financial income</b>	<b><u>35,091</u></b>	<b><u>26,879</u></b>
Interest expenses	(8,391)	(10,009)
Expenses from exchange rate differences	(2,470)	(6,797)
Other financial expenses	(12)	(399)
<b>Total financial expenditure</b>	<b><u>(10,872)</u></b>	<b><u>(17,204)</u></b>
Share of profit/(loss) of equity investments	(378)	-
<b>Net financial result</b>	<b><u>23,841</u></b>	<b><u>9,675</u></b>

In 2025, the Group considered the presentation of some items presented in 2024 in the Net financial result category, by mapping the exchange rate differences related to the operating activity to the newly introduced category called Other gains or losses in the amount of 828, compared to 2024 when the exchange rate differences related to the operating activity were in the amount of (96).

As of December 31, 2025, the Company recorded a net financial result (profit) of **23,841**, higher by 14,167 compared to the previous year (9,675 as of December 31, 2024), mainly influenced by the increase in dividend income received from OPCOM SA in the total amount of 22,124, as well as by the increase in interest income received in the analyzed period.

As of December 31, 2025, in the total amount of 8,391 (interest expenses) (10,009 as of December 31, 2024), the amount of 527 represents the interest calculated on fixed assets related to the rights of use of leased assets, according to the provisions of IFRS 16 – Leasing Contracts (524 as of December 31, 2024).

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

**The share of the profit/(loss) of the investments represents the** part of the result related to the jointly controlled entity GECO Power Company. On December 31, GECO recorded a loss, the Company's share of this loss thus representing an expense of **378**.

The exchange rate of the national currency recorded on December 31, 2025 compared to that recorded on December 31, 2024, is presented as follows:

<b>Currency</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Lei / Euro	5.0985	4.9741

## 29. Fiscal legislative framework

The legislative-fiscal framework in Romania and its implementation in practice changes frequently and is subject to different interpretations by various control bodies. Corporate income tax returns are subject to revision and corrections by the tax authorities, generally for a period of five years after the date of their completion. Management considers that it has adequately recorded tax liabilities in the financial statements. However, there is still a risk that tax authorities will adopt different positions on the interpretation of these aspects. Their impact could not be determined on this date.

- *Control ANAF*

Starting with December 22, 2025, the Company is subject to a tax inspection (ANAF – Regional Directorate of Public Finances Iași – Neamt County Administration of Public Finances) having as its object:

- verifying the legality and compliance of tax returns and/or transactions in connection with the establishment of tax bases and main tax liabilities regarding:
  - a) value added tax in the period 01.01.2019 – 31.12.2023;
  - b) corporate income tax in the period 01.01.2019 – 31.12.2023.
- verifying compliance with tax and accounting provisions;
- verification of other relevant aspects for taxation.

On the date of preparation of the present financial statements, the tax inspection is in progress and no tax inspection report and no tax decision has been issued.

The Company's management considers that the tax liabilities have been calculated and declared in accordance with the provisions of the tax legislation in force. Based on the information available at the date of preparation of the financial statements, no adjustments were identified that would lead to the recording of a provision for risks and expenses.

- *SMART – D.G.*

*On 12.01.2026, the D.G. carried out a control to verify the aspects notified by the petition, in terms of the legislation and the reality of the economic and financial operations reported during the period 01.01.2021 – 31.12.2025.*

In the event that, following the completion of the inspections, the tax authorities establish additional payment differences, they will be recognised in the financial statements of the year in which they will become certain and quantified.

## 30. Commitments and quotas

### ➤ **Commitments**

As of December 31, 2025, the Group had commitments amounting to RON 2,484,362 (RON 1,391,498 as of December 31, 2024) representing ongoing contracts for investment works related to the modernization and refurbishment of the transmission network.

### ➤ **Land used by the Group**

According to the Group's policy, the financial statements include only the value of the land for which certificates of ownership have been obtained at the date of the financial statements.

According to Law no. 99/1999, if the Company obtains the certificate attesting the ownership right for a land after the moment of privatization, the land will be considered a contribution in kind of the Romanian State.

The Extraordinary General Meeting of Shareholders approved by Decision no. 7/28.05.2020 the increase

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

in principle of the share capital of CNTEE Transelectrica SA with the contribution in kind represented by the value of a number of 17 plots of land for which the Company has obtained the certificates attesting the ownership right and the submission to the Trade Register Office attached to the Bucharest Tribunal and the proposal to appoint JPA Audit and Consultancy SRL as ANEVAR authorized appraiser for the evaluation under the law of the contribution in kind that makes object of the share capital increase.

Following the validation by ORCTB of the proposal of the General Meeting of Shareholders regarding the expert, JPA Audit and Consultancy SRL as authorized evaluator ANEVAR prepared and communicated to the Company the Valuation Report no. 21278/10.05.2019, updated by the Evaluation Report no. 1158/10.01.2022 establishing the fair value of the land on 30.09.2021.

Until 31.12.2025, there were different opinions on the application/interpretation of the relevant legislation, respectively of the privatization legislation and the capital market legislation, and CNTEE Transelectrica SA is objectively unable to increase the share capital by the value of the 17 plots of land for which the Company obtained the certificates of attestation of the right of ownership and for which the expert JPA Audit and Consultancy SRL established a fair value.

### ➤ **Ongoing litigation**

The management periodically analyzes the situation of ongoing disputes, and after consultation with its legal representatives, decides the need to create/cancel provisions for the amounts involved or to present them in the financial statements.

Taking into account the existing information, the Group's management considers that at the date of the conclusion of the present situations there are no significant ongoing disputes, except for the following:

#### • **AUTONOMOUS AUTHORITY FOR NUCLEAR ACTIVITIES (RAAN)**

##### **File: 9089/101/2013**

File subject: bankruptcy

Value at issue: 19,113

File status: After several postponements for the continuation of the bankruptcy procedure, respectively for the collection of receivables, the capitalization of the assets, as well as the fulfillment of the other liquidation operations, the next trial term was set for **25.03.2026**.

For RAAN, the Company recorded an adjustment for the impairment of receivables in the amount of 8,517.

##### **File: 28460/3/2017**

Subject: By the summons, the plaintiff R.A.A.N. requests that the undersigned be ordered to pay the amount of 12,346, representing the bonus value for the period November 2015-April 2016 and bonus adjustment in the amount of 11,024, as well as the amount of 1,322, representing late payment penalties related to the principal debt.

Value at issue: 12,346

File status: At the deadline of 13.11.2025, the appeal filed by the appellant Transelectrica S.A. against the decision no. 806 of May 20, 2024, issued by the Bucharest Court of Appeal – Civil Section VI, was admitted. At the deadline of 19.02.2026, the HCCJ rejects the appeal filed by the defendant Compania Națională de Transport al Energiei Electrice "Transelectrica" S.A. against the decision no. 806A of May 20, 2024, pronounced by the Bucharest Court of Appeal – Civil Section VI, as unfounded. **Definitive**.

The amount of 12,346 was paid by the Company in May 2024. **File: 3694/3/2016**

Object of the file:

By the writ of summons, the plaintiff R.A.A.N. requests that the undersigned be ordered to pay the amount of RON 12,727,102, representing bonus value and regularization of the pre-overcompensation for which the invoices series SRTF no. 1500031 of 24.04.2015, SRTF series no. 1500033 of 22.05.2015, SRTF series no. 1500036 of 22.06.2015, SRTF series no. 1521311 of 23.07.2015, SRTF series no. 1500041 of 17.08.2015, SRTF series no. 1500045 of 23.09.2015, SRTF series no. 1521339 of 26.10.2015 and SRTF series no. 1521282 of 8.04.2015, as well as the amount of 2,918, representing late payment penalties related to the principal debt, for which the invoices of the SRTF series no. 1500059 of 31.12.2015 and SRTF series no. 1500060 of 31.12.2015.

Value at issue: 15,699

File status: On 03.06.2024, the appeal was admitted, the entire appealed sentence was changed, in the sense that: the summons request was admitted. The defendant was ordered to pay the plaintiff the amount of 12,727, representing the bonus value and regularization of the pre-overcompensation for which SRTF series invoices were issued, as well as the amount of 2,918, representing late payment penalties related to

The accompanying notes form an integral part of these consolidated financial statements.

## **CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

the principal debt, for which SRTF series invoices were issued, with the right of appeal.

Transelectrica filed an appeal. On the deadline of 16.10.2025, the HCCJ rejects the appeal filed by the appellant-defendant Compania Națională de Transport al Energiei Electrice Transelectrica S.A. against the civil decision no. 898 A of June 3, 2024, pronounced by the Court of Appeal of Bucharest – Civil Section VI, as unfounded. **Definitive.**

The amount of 15,699 was paid by the Company in June 2024.

### • **COURT OF ACCOUNTS OF ROMANIA**

Between September 2023 and January 2025, the Court of Accounts of Romania, through Department IV, carried out a compliance audit mission at the level of CNTEE Transelectrica SA. The theme of the compliance audit was "the situation, evolution and management of the state's public and private assets, as well as the legality of income and expenditure for the period 2020-2022" at CNTEE Transelectrica SA.

Following the completion of the audit mission, Department IV of the Court of Accounts of Romania issued the Compliance Audit Report of CNTEE Transelectrica SA no. 6000/23.01.2025 and the Letter to management no. 60001/23.01.2025, approved by the Plenary Decision no. 47/23.01.2025, which established a number of 17 recommendations with an implementation deadline of April 30, 2025.

On 11.03.2025, the Company filed a preliminary complaint against the above-mentioned compliance audit report.

On 11.06.2025, Transelectrica received the response formulated by the CCR to the preliminary complaint, by which they rejected the preliminary complaint as inadmissible for the audit report, and unfounded in terms of the plenary decision.

Following the response received from the CCR, on 07.08.2025 the Company submitted to the Bucharest Court of Appeal a request for summons (file no. 5244/2/2025) requesting the following:

- a) the annulment of the Plenum Decision no. 47/23.01.2025 regarding the approval of the Compliance Audit Report of CNTEE Transelectrica SA no. 6000/23.01.2025 and the Letter to management no. 60001/23.01.2025;
- b) the partial annulment of the Compliance Audit Report of CNTEE Transelectrica SA no. 6000/23.01.2025 and the Letter to Management no. 60001/23.01.2025 on the recommendations provided for in points 5.1, 5.6, 5.12 partially, 5.13 partially, 5.14 partially, 5.15 and 5.16.
- c) the suspension of the effects of the Plenum Decision no. 47/23.01.2025 until the final resolution of the present case;
- d) court costs.

#### **File: 5244/2/2025**

Subject of the file: disputes of the Court of Accounts (Law no. 94/1992) decision no. 47/23.01.2025

File status:

On 08.09.2025, Transelectrica asked the court to order a trial term for the resolution of the request to suspend the effects of the Plenary Decision no. 47/23.01.2025 until the case is resolved on the merits. The court set the trial deadline of 14.10.2025, for the resolution of the request for suspension. CAB solution: Rejects the request for suspension, as unfounded.

At the trial deadline of 03.02.2026, a deadline of 06.02.2026 was granted in order to resolve the declaration of abstention formulated by Judge Silvia Pavelescu and at the deadline of 06.02.2026, the court rejects as unfounded the request for abstention from judging the case no. 5244/2/2025, formulated by Judge Pavelescu Silvia. Trial term: **31.03.2026**

### • **OPCOM**

#### **File: 22567/3/2019**

Subject: By the request for summons, the plaintiff CNTEE Transelectrica SA requested the court to order:

- order the defendant OPCOM SA to pay the amount of 4,517, related to the invoice series TEL 16 AAA no. 19533/29.07.2016, representing the equivalent value of the VAT related to the contribution made by CNTEE Transelectrica SA to the share capital of OPCOM SA, issued on the basis of the Loan Agreement no. 7181RO/2003, commitment for financing the investment project "Electricity Market Project";
- order the defendant OPCOM SA to pay the amount of 1,294 related to the invoices TEL 19 T00 no. 17/28.01.2019 and TEL 19 T00 no. 131/10.07.2019, representing the legal penalty interest, calculated for the non-payment on time of the invoice series TEL 16 AAA no. 19533/29.07.2016.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

- order the defendant OPCOM SA to pay the costs.

Value at issue: 5,811

File status:

TMB's solution Admits the exception of prescription. Dismisses the action as time-barred. Transelectrica has filed an appeal.

CAB solution according to decision no. 1532/12.10.2022: Rejects the appeal as unfounded. Orders the appellant to pay the respondent the sum of 11 as costs. Transelectrica filed an appeal against the Civil Decision no. 1532/12.10.2022 issued by the CAB. . On 19.09.2023 at the HCCJ, the appeal was admitted, decision 1532/12.10.2022 was quashed and the case was sent to the same court for a new trial. **Definitive.** Decision 1640/19.09.2023.

**New file 22567/3/2019\*** the case was sent for retrial. On the deadline of 18.02.2025, **the appeal** was rejected as unfounded. The appellant-applicant was ordered to pay the respondent-defendant the sum of 29 as court costs. With the right to appeal within 30 days from the communication. Decision 235/18.02.2025. Transelectrica **filed an appeal.**

At the deadline of 24.02.2026, the HCCJ rejects as unfounded the main appeal filed by the appellant-plaintiff Compania Națională de Transport al Energiei Electrice "TRANSELECTRICA" S.A. against the civil decision no. 235 of February 18, 2025, issued by the Bucharest Court of Appeal – Civil Section V. Rejects as unfounded the cross-appeal filed by the appellant-defendant Electricity and Natural Gas Market Operator - OPCOM S.A. against the civil decision no. 235 of 18 February 2025, pronounced by the Court of Appeal of Bucharest – Civil Section V. Dismisses the parties' requests for costs in the appeal. **Definitive.**

For the amounts presented above, the Company records adjustments for the impairment of receivables (principal debit and related penalties).

### **File: 24242/3/2021**

Subject: OPCOM requests a declaration of nullity of the act – contribution in kind

Amount in dispute: Decrease of share capital contribution from 22,587 to the amount of 2,316. Reduction of the number of shares held by Transelectrica in OPCOM.

File status: On 07.11.2023 TMB's solution in brief: the exception of inadmissibility was qualified as a substantive defense. The request for summons was rejected as unfounded.

OPCOM filed an appeal. At the hearing deadline of 13.03.2025, the appeal was rejected as unfounded and the applicant was ordered to pay the state the amount of 180 representing the judicial stamp fee.

OPCOM filed an appeal. At the deadline of 17.02.2026, the HCCJ rejects as unfounded the appeal filed by the plaintiff SOCIETATEA OPERATORUL PIETEI DE ENERGIE ET DE GAZ NATURALE - OPCOM S.A. against the civil decision no. 423 of March 13, 2025 issued by the Bucharest Court of Appeal - Civil Section V. **Definitive.**

### **File: 44380/3/2024**

Object of the file: claims and conclusion of the addendum, cval. services for calculating receivables and payment obligations of transactions carried out by PRE and PPE plus statutory interest

Disputed value: 2,914 representing the value of the services provided by OPCOM in favor of Transelectrica under Contract no. C 707/2022, for the calculation of the entitlements to be collected and the payment obligations of transactions carried out by the participants in the balancing market and of the imbalances of the parties responsible for balancing in the period 01.01.2023 - 29.02.2023.

File status: At the deadline of 13.01.2026, in order to administer the proposed evidence, postpones the trial of the case to **10.03.2026**. At this deadline, the court postpones the trial of the case to **05.05.2026**.

As of December 31, 2025, the Company has no provision on record for this litigation.

## • **CONAID COMPANY SRL**

### **File: 36755/3/2018**

Subject: claims and finding of unjustified refusal to conclude the addendum to the contract connection RET C154/2012

Value in dispute: 17,216 damage suffered and 100,000 euros estimated unrealized profit

File status:

TMB's solution: Admits the exception of the prescription of the substantive right to action, invoked by the defence. Dismisses the claim as time-barred. Conaid has appealed.

CAB solution: Admit the appeal. Annuls the appealed civil judgment and sends the case to the first instance for the resolution of the merits.

The accompanying notes form an integral part of these consolidated financial statements.

## **CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

Transelectrica filed an appeal. At the trial deadline of 26.02.2026, the HCCJ rejects as unfounded the appeal filed by the appellant-defendant CNTEE "Transelectrica" S.A. against the civil decision no. 529A/2025 of 27 March 2025, pronounced by the Court of Appeal of Bucharest – Civil Section VI, in contradiction with the respondent-applicant CONAID COMPANY S.R.L., through the judicial administrator C.I.I. Matache Alice Mirela. **Definitive.**

For the amount of 17,216 lei, CNTEE Transelectrica constituted a provision in 2019.

### • **MUNICIPIUL REȘIȚA**

#### **File: 2494/115/2018\* / 2494/115/2018\*\***

Subject of the file: claims for the amount representing land rents for the years 2015, 2016, 2018, 2019, 2020, 2021, 2022 and 2023, to which is added the legal penalty interest from the maturity until the actual payment

Value at issue: 17,038

File status: At the deadline of 27.02.2025, the court rejects the exception of the prescription of the right to action regarding the claims consisting of the rent for the year 2015 and the exception of the lateness of the formulation of the amendments to the action, exceptions invoked by the defendant Transelectrica S.A. It qualifies the exception of *res judicata* as a substantive defense regarding the positive effect of *res judicata*. Rejects the request for summons filed by the defendant Municipality of Resita in contradiction with the defendant Transelectrica S.A.

The Municipality of Resita declared an appeal. Deadline set for **21.04.2026**.

*The Company is involved in adversarial litigation with SMART as follows:*

#### **File: 15561/3/2022**

Subject: SMART SA requested that Transelectrica be ordered to pay the amount of 4,467 representing the amount of tax liabilities related to the increased revenues as a result of the increase in the tax base resulting from the adjustment of revenues for the years 2014, 2015 and 2016 + legal costs.

Value at issue: 4,467

File status: At the deadline of 20.03.2025, the court admits the request for summons. Orders the defendant to pay the plaintiff the amount of 4,467 as well as the payment of the legal penalty interest related to the amount of 3,194 from 21.12.2021 until the date of actual payment. Orders the defendant to pay the plaintiff court costs consisting of the amount of 51 lei as stamp duty and the amount of 3,000 lei as expert's fee. Transelectrica **has filed an appeal.**

At the deadline of 20.02.2026, the court postpones the trial of the case with the agreement of the parties and grants a trial deadline of **08.05.2026**, so that the respondent can take note of the meeting notes submitted by the appellant.

For the amount of 4,467, CNTEE Transelectrica constituted a provision in 2022.

### ➤ **OTHER**

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

The Company has recorded impairment adjustments for customers and other disputed claims and for customers in bankruptcy.

At the same time, the Company is also involved in disputes with former members of the Executive Board and the Supervisory Board, regarding the mandate contracts concluded between the Company and them. For these disputes, the Company has made provisions.

### ➤ **Warranties**

On 31 December 2025 and 31 December 2024, the guarantees are presented as follows:

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Guarantees granted, of which:	<b>316,014</b>	<b>537,109</b>
- letters of guarantee issued – production	124,602	157,286
- letters of guarantee issued – investments	16,412	29,823
- other guarantees granted	175,000	350,000
Guarantees received, of which:	<b>1,130,453</b>	<b>821,959</b>
- letters of guarantee received – production	302,538	327,366
- letters of guarantee received – investments	780,058	446,737
- other guarantees received	47,857	47,856

Provisions for the expected cost of the guarantee obligations relating to the sale of goods shall be recognised at the date of sale of the relevant products, at the best estimate of the directors of the expenses necessary to settle the group's obligation.

Sales guarantees cannot be purchased separately and serve as assurance that the products sold comply with the agreed specifications. Accordingly, the group accounts for collateral in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

**Guarantees granted**

The company is obliged according to the Operating License no. 161/2000 for the provision of the electricity transmission service, as well as the system balancing services, granted by the Decision of the President of ANRE no. 865/22.12.2000, as subsequently amended and supplemented, to establish and maintain a financial guarantee of 1% of the turnover associated with the activities authorized by the license, related to the last year ended, to ensure the continuous performance of the activities subject to the license, taking into account the major risks that may affect these activities and to cover any damages requested according to the contractual provisions concluded. In order to comply with this obligation, the Company concluded on 01.02.2022 a loan agreement with Banca Comercială Romanian with the object of granting a ceiling for the issuance of bank guarantee letters in the amount of 23,268 valid between 01.01.2022 and 31.12.2022.

On 24.12.2024, addendum no. 3 to the credit agreement concluded with Banca Comercială Romanian was concluded, having as object the granting of a ceiling for the issuance of bank guarantee letters, by which the value of the ceiling was reduced to the amount of 46,314 and the validity was extended until 31.12.2025.

On 24.12.2025, the addendum no. 4 to the credit agreement concluded with Banca Comercială Romanian having as object the granting of a ceiling for the issuance of bank guarantee letters by which the value of the ceiling was increased to the amount of 76,391 and the validity was extended until 31.12.2026.

The other guarantees granted are mainly represented by letters of bank guarantee issued for the purchase of electricity to cover the Own Technological Consumption (CPT) on the centralized markets administered by OPCOM – the Centralized Market of Bilateral Electricity Contracts, the method of trading by extended auction and the use of products that ensure trading flexibility (PCCB-LE-flex), the method of trading by negotiation continuous (PCCB-NC), the Centralized Market with continuous double negotiation of bilateral electricity contracts (PC-OTC), the Day-Ahead Market (PZU) and the Intra-day Market (IP), as well as commitments/guarantees granted related to ongoing loan agreements for investment activity.

Other guarantees granted are the contracts assigned to guarantee the credit lines contracted for the support scheme for cogeneration and working capital.

**Guarantees received**

The guarantees received are mainly represented by the letters of bank guarantee of good payment related to the contracts concluded on the electricity market, balancing, high efficiency cogeneration, letters of guarantee of good performance, good performance related to investment contracts and other guarantees received under the contracts financed from the connection tariff.

➤ **Revaluation reserves as at 31 December 2025**

As of December 31, 2025, the revaluation reserves (net of tax) are 1,496,393 (as of December 31, 2024 in the amount of 1,596,896).

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

Starting with May 1, 2009, the reserves from the revaluation of fixed assets, including land, carried out after January 1, 2004, which are deducted from the calculation of the taxable profit by means of tax depreciation or expenses related to assets sold and/or scrapped, are taxed at the same time as the deduction of tax depreciation, respectively at the time of the decommissioning of these fixed assets, as the case may be.

The realized reserves are taxable in the future, in the event of a change in the destination of the reserves in any form, in the event of liquidation, merger of the company including its use to cover accounting losses, except for the transfer, after May 1, 2009, of the reserves mentioned in the previous paragraph.

### ➤ **Tariff for electricity transmission service and system service**

The model of regulation of transport tariffs currently applied in Romania is revenue cap.

The model involves the regulation of the total revenue allowed to the transmission system operator and includes as objectives to ensure the necessary premises for the efficient operation of the transmission service and to maintain the financial viability of the operator for the adequate remuneration of the financiers and the maintenance of access to financing.

The model contains mechanisms to boost operational efficiency and a financial return framework based on the control of the investments made by the operator (regulated asset base) and a regulated rate of return established on the basis of the estimate of the operator's average cost of financing.

The pricing of electricity transmission services is carried out during regulatory periods. Regulatory periods are multiannual tariff regulatory cycles (currently 5 years), during which a tariff calculation methodology is applied<sup>1</sup> and for which a complete set of parameters is pre-established over the horizon of those periods for the actual calculation of tariffs. The establishment of pricing parameters over multi-year horizons provides a high level of predictability and visibility of Transelectrica's investments, operational costs and revenues.

Within a regulatory period, tariffs are reviewed annually and remain valid for periods of 12 months from the date of approval (tariff years).

Differences between the forecast and actual values of the tariff calculation parameters for a given tariff year are compensated by means of ex-post corrections implemented in the tariff in subsequent tariff years or at the beginning of the next regulatory period.

In the case of certain specific components of the regulated cost base that are subject to caps, exceeding the forecast level of those costs is not compensated. Also, in the case of certain cost components, the savings achieved are partially retained by Transelectrica.

The set of calculation parameters is approved by ANRE and includes:

- costs of the current operation of the service: controllable and uncontrollable operating and maintenance costs, own technological consumption, internal network congestion, costs and revenues related to the mechanism for financial compensation of electricity transits under ENTSO-E;
- the costs of developing the service: the planned investments in the transmission network, the regulated assets used by Transelectrica in carrying out the activity, the depreciation program based on regulated operating times, the return on invested capital established on the basis of a regulated rate of return applied to the regulated asset base;
- the amount of electricity that can be charged, the price of reactive energy.

The transmission tariffs are invoiced based on the quantities of active electricity introduced/extracted from the public electricity networks on the territory of Romania, except for imports/exports.

Transelectrica charges a transmission tariff for injection into public electricity networks (tariff component TG) and for extraction from public electricity networks (tariff component TL).

TG does not apply to electricity produced by power plants with a small installed capacity of up to 5 MW. The TG also does not apply to imported electricity. The TL does not apply to exported electricity.

### **l) Transport tariffs applied in 2025**

---

<sup>1</sup> The methodology currently applied is the one approved by ANRE Order no. 68/2024 with subsequent amendments and completions.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

By the Order of the President of ANRE no. 99/2024, the tariffs for the introduction of electricity into the transmission network (T\_G) and the extraction of electricity from the network (T\_L), practiced by CNTEE Transelectrica S.A., valid from January 1, 2025, were approved, according to the table below:

Electricity transmission*	U.M.	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 (Network Injection Component)	Lei/MWh	3.82	3.29	-13.87%
T_L (network extraction component)	Lei/MWh	27.72	33.03	19.16%

\*Note: Starting with January 1, 2025, the notion of "average transport 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 T\_G network (tariff paid by producers) and extraction tariffs from the T\_L network (tariff paid by consumers). In the course of the transport contracts, only the T\_G and T\_L tariffs are applied. The average transport tariff had only an indicative value and represented an indicator of the evolution over time of the transport tariff as a whole, regardless of the way in which the costs were allocated to the two tariffs TG and TL.

The tariff components that make up the tariffs for the introduction of electricity into the transmission network (TG) and the extraction of electricity from the network (T\_L), practiced by CNTEE Transelectrica S.A., valid from January 1, 2025, are presented in the tables below: *Tariff components –*

*Tariff for the introduction of electricity into the transmission network (TG)*

	Tariff from January 1, 2025 (lei/MWh), according to ANRE Order no. 99/20.12.2024, of which:	The tariff component corresponding to the CPT regulated revenue that is recovered from producers (C_CPT_P) (lei/MWh)	Tariff component corresponding to the additional capitalized CPT regulated revenue recovered from producers (C_CPT_S_P) (lei/MWh)
Tariff for the introduction of electricity into the transmission network (T_G)	3.29	2.84	0.45

*Tariff components - Tariff for the extraction of electricity from the transmission network (TL)*

	Tariff from January 1, 2025 (lei/MWh), according to ANRE Order no. 99/20.12.2024, of which:	Tariff component corresponding to non-CPT regulated income (CPT CT_non) (lei/MWh)	Tariff component corresponding to CPT regulated revenue recovered from final customers (C_CPT_C) (lei/MWh)	Tariff component corresponding to the additional capitalized CPT regulated revenue that is recovered from final customers (C_CPT_S_C) (lei/MWh)
Tariff for extracting electricity from the networks (T_L)	33.03	24.01	7.73	1.29

## II) Tariff for the acquisition of system services applied in 2025

By ANRE Orders no. 57/2024, no. 21/2025 and no. 60/2025, the tariffs for the acquisition of system services practiced by CNTEE Transelectrica SA valid in 2025 were approved, according to the table below:

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

System Service	U.M.	Tariff in force	Difference (%)
Order no. 57/2024 (1 January - 31 May)	Lei/MWh	<b>11.51</b>	-
Order no. 21/2025 (June 1 – August 31)	Lei/MWh	<b>7.04</b>	-38.81%
Order no. 60/2025 (1 September – 31 December)	Lei/MWh	<b>12.79</b>	+81.69%

The negative and positive adjustments of the tariff starting with June 1, 2025 and September 1, 2025, respectively, were made based on the fulfillment of the provisions of Art.22 and Art.23 of the Methodology for setting the tariff for the acquisition of system services, approved by ANRE Order no. 116/2022.

*Contingent*

As of December 31, 2025, **contingent liabilities** are 49,219. These are related to disputes concerning claims representing additional costs following the increase of the minimum wage in the construction sector for investment contracts

**31. Related Parties****i) Related parties – transactions**

The transactions carried out in 2025 and 2024 with the related parties are detailed as follows:

Affiliated Entity	Sales		Procurement	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
FORMENERG SA	-	-	<b>3</b>	<b>7</b>
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>7</b>

During the year Formenerg merged with Teletrans, as mentioned earlier.

**ii) Related parties – transactions with other state-owned companies**

The company is an entity with majority state capital.

The value of the Company's transactions with entities controlled by the State or over which the State exercises a significant influence represents a significant part of the sales and purchases recorded in the year ended December 31, 2025.

Significant purchases/sales and balances are mainly with electricity producers/suppliers where the state is the majority shareholder, as follows:

Supplier	Purchase		Trade Debts	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Hidroelectrica	749,234	1,946,094	109,789	226,959
Complexul Energetic Oltenia	468,882	586,388	59,677	66,628
Electrocentrale Bucuresti	281,524	261,776	56,720	23,470
Societate Electrocentrale Craiova	84,576	76,866	7,850	5,192
Thermoenergy Group SA	25,944	29,108	3,808	2,027
SNGN Romgaz SA	9,518	21,916	2,734	2,109
SCE Valea Jiului SA	8,522	11,751	1,865	1,131
Nuclearelectrica	257	24,367	30	7,321
OPCOM SA	2,763,526	1,833,386	90,190	644,297
<b>TOTAL</b>	<b>4,391,618</b>	<b>4,791,653</b>	<b>332,212</b>	<b>979,134</b>

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

Client	Sales		Trade receivables*)	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Hydroelectrica	715,382	1,037,447	160,879	50,584
Complexul Energetic Oltenia	126,397	189,784	24,797	20,551
Nuclearelectrica	33,339	44,396	3,649	-
SNGN Romgaz SA.	16,380	32,581	3,292	990
Electrificare CFR SA	29,060	31,974	6,217	2,425
Electrocentrale Bucuresti	20,558	17,715	4,150	-
SCE Valea Jiului SA	13,288	16,559	2,800	572
Societate Electrocentrale Craiova	6,665	8,460	473	394
OPCOM SA	1,449,258	3,637,185	101,497	634,691
<b>TOTAL</b>	<b>2,371,215</b>	<b>5,016,102</b>	<b>309,137</b>	<b>710,206</b>

\*) Commercial receivables are presented at gross value.

During 2025, the Company received dividends from OPCOM in the amount of 22,108.

The types of transactions carried out in 2025 with Opcom represent electricity sale-purchase transactions.

As presented in Note 1 ("Legislative Environment"). the Company's activities are regulated by ANRE. At the same time. as set out in Note 3 (b). in accordance with the Concession Agreement, an annual fee is paid. calculated as 4/1000 of the value of the gross revenues earned from electricity transmission and transit operations, through the national transmission systems, publicly owned by the state.

**32. Management Pay**

The salaries paid to employees with an Individual Employment Contract (CIM) in management positions for the services provided are mainly composed of the basic salary. management allowance. benefits at the end of the employment contract and post-employment. as well as the fixed and variable components for the members of the Executive Board and the Supervisory Board.

These are detailed. as follows:

	December 31, 2025	December 31, 2024
<u>Employees with CIM in management positions</u>		
Short-term benefits	67,105	28,500
Other long-term benefits	1,111	316
<u>Members of the Executive Board and the Supervisory Board</u>		
Short-term benefits Fixed component	6,635	5,029
Benefits (rent, transportation)	327	-
<b>Total</b>	<b>75,177</b>	<b>33,845</b>

In the December 2025 note, the salary of the branch management was also presented, and for a compliant presentation in December 2024, the total amount was 69,807.

By Decision no. 1 of the Ordinary General Meeting of Shareholders of the National Electricity Transmission Company "Transelectrica" – S.A of 28.02.2024. the appointment of the members of the Supervisory Board with a term of office of 4 years was approved. starting with 01.03.2024 and until 29.02.2028. as well as the determination of remuneration.

By Supervisory Board Decision no. 39 of 30.09.2024. in accordance with the provisions of art. 35 paragraphs (4)-(8) and (11) of GEO no. 109/2011 on the corporate governance of public enterprises. following the completion of the selection procedure for candidates to occupy the positions of members of the CNTEE Transelectrica SA Executive Board. pursuant to Article 23 of the Articles of Incorporation. the appointment of the members of the Company's Executive Board was approved starting with 03.10.2024 until 29.02.2028 for a maximum period of four years. as well as the determination of remuneration.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

### 33. Minority interests

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Balance on January 1</b>	-	-
Share of loss in the year	-	-
Additional minority interests	-	-
<b>Balance at the end of the period</b>	-	-

### 34. Financial instruments

#### *Financial Risk Management*

The Group is exposed to the following risks arising from financial instruments: market risk (interest rate risk and currency risk), credit risk and liquidity risk. The Group's global management focuses on the unpredictability of the financial market and seeks to minimize the potential adverse effects of the Group's financial performance. Market risk is the risk that produces changes in market prices, such as foreign exchange and interest rates that will affect the Group's revenues or the value of holdings of financial instruments.

The group has no formal commitments to combat financial risks. However, financial risks are monitored at the management level, focusing on the Group's needs to effectively compensate for opportunities and threats.

This note provides information on the Group's exposure to the above-mentioned risks, to the objectives, policies and processes related to risk measurement and management, and the Company's capital management.

#### **Interest rate risk**

The Group's operating cash flows are affected by changes in the interest rate, mainly as a result of long-term loans in foreign currency contracted from external financing banks. The group has long-term fixed-rate loans, that cannot expose it to a cash flow risk.

At the balance sheet date, the ratio between the Group's fixed interest rate and floating rate financial instruments is presented below:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Fixed interest rate financial instruments</b>		
Financial liabilities	8,182	32,205
<b>Floating interest rate financial instruments</b>		
Financial liabilities	177,643	8,354

#### *Interest rate sensitivity analysis*

A -1.00% depreciation of the interest rate for loans with variable interest rates at the date of preparation of the statement of financial position would have increased the gross profit for the financial year by the amounts indicated below. This analysis assumes that all other variables, mainly the exchange rate, remain constant.

	<u>Profit December 31, 2025</u>	<u>Profit December 31, 2024</u>
<i>Floating-rate instruments (-1%)</i>	1,776	84
<b>Total</b>	1,776	84

An appreciation of +1.00% in the interest rate for loans with variable interest rates at the date of preparation of the statement of financial position would have decreased the gross profit for the financial year by the amounts indicated below. This analysis assumes that all other variables, mainly exchange rates, remain constant.

	<u>Loss December 31, 2025</u>	<u>Loss December 31, 2024</u>
<i>Floating rate instruments (+1%)</i>	(1,776)	(84)
<b>Total</b>	(1,776)	(84)

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)***Currency risk**

The group may be exposed to fluctuations in the exchange rate of cash and cash equivalents, long-term loans or trade debts denominated in foreign currency.

The Group's functional currency is the Romanian leu. The group is exposed to the exchange rate risk of cash and cash equivalents, purchases and loans made in a currency other than functional. The currencies that expose the Group to this risk are, mainly, EUR and USD. Loans in foreign currency and debts in foreign currency are subsequently expressed in lei, at the exchange rate at the balance sheet date, released by the National Bank of Romania. The resulting differences are included in the profit and loss account, but it does not affect cash flow until the debt is liquidated.

Exposure of the Company to currency risk, expressed in RON. It was:

<b>December 31, 2025</b>	<b>Value</b>	<b>RON</b>	<b>EUR</b>	<b>USD</b>
<b>Monetary assets</b>				
Cash and cash equivalents	761.192	749.185	12.001	6
Trade and other receivables	3.371.004	2.227.700	1.143.304	-
<b>Gross exposure assets</b>	<b>4.132.195</b>	<b>2.976.884</b>	<b>1.155.305</b>	<b>6</b>

**Financial liabilities**

Trade and other liabilities	3.453.470	2.324.872	1.125.437	3.161
Borrowings	185.825	177.643	8.182	-
<b>Gross debt exposure</b>	<b>3.639.295</b>	<b>2.502.515</b>	<b>1.133.618</b>	<b>3.161</b>
<b>Net exposure at reporting date</b>	<b>492.900</b>	<b>474.369</b>	<b>21.686</b>	<b>(3.155)</b>

**31 December 2024**

	<b>Value</b>	<b>RON</b>	<b>EUR</b>	<b>USD</b>
<b>Monetary assets</b>				
Cash and cash equivalents	707.174	679.442	27.711	22
Trade and other receivables	3.782.840	2.279.595	1.503.223	22
<b>Gross exposure assets</b>	<b>4.490.014</b>	<b>2.959.037</b>	<b>1.530.933</b>	<b>44</b>

**Financial liabilities**

Trade and other liabilities	3.889.713	2.316.112	1.573.601	-
Borrowings	40.559	8.354	32.205	-
<b>Gross debt exposure</b>	<b>3.930.272</b>	<b>2.324.466</b>	<b>1.605.806</b>	<b>-</b>
<b>Net exposure at reporting date</b>	<b>559.742</b>	<b>634.571</b>	<b>(74.873)</b>	<b>44</b>

Commercial and other receivables, as well as suppliers and other obligations except suppliers of fixed assets are expressed only in RON.

The following exchange rates have been applied:

	<b>Average Course</b>		<b>Exchange rate at date</b>	
	<b>December 31, 2025</b>	<b>December 31, 2024</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
RON/ EURO	5.0415	4.9748	5.0985	4.9741
RON/ USD	4.4705	4.6048	4.3417	4.7768

**Currency Risk Sensitivity Analysis**

A 10% appreciation of the Romanian leu against the following foreign currencies on December 31, 2025 and December 31, 2024 would have increased the gross profit by the amounts indicated below. This analysis assumes that all other variables remain constant.

	<b>Profit December 31, 2025</b>	<b>Profit December 31, 2024</b>
EUR	(2,169)	7,487
USD	(315)	4
<b>Total</b>	<b>(2,484)</b>	<b>7,492</b>

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

A 10% depreciation of the Romanian leu against the following foreign currencies on December 31, 2025 and December 31, 2024 would have had a similar but opposite effect on the above amounts, assuming that all other variables remained constant.

	<u>Loss December 31, 2025</u>	<u>Loss December 31, 2024</u>
EUR	2,169	(7,487)
USD	315	(4)
<b>Total</b>	<b><u>2,484</u></b>	<b><u>(7,492)</u></b>

*Credit risk*

Credit risk is the risk in which the Group incurs a financial loss as a result of a breach of contractual obligations by a client or a 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 internal and external success factors of the Group. The external factors of success – which have an effect on the reduction of risk in a systematic way are: the decentralization of the energy sector in which production, transport, Distribution and supply are distinct activities, and the interface for the customer is represented by the supplier, electricity trading on the Romanian market on 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.

The 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 series of policies to ensure that the sale of services is carried out to customers with an appropriate revenue, by including in commercial contracts their obligation to provide financial guarantees. Value of receivables, net of impairment adjustments, represents the maximum amount at risk of collection.

The collection risk related to these claims is limited, whereas these amounts are, mainly, owed by state-owned companies.

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

	<u>Net Worth</u> <u>December 31, 2025</u>	<u>Net Worth</u> <u>December 31, 2024</u>
<b>Financial assets</b>		
Net trade receivables	2,422,234	2,580,095
Net other receivables and down payments to suppliers	552,154	930,509
VAT to be recovered	396,616	272,236
Cash and cash equivalents	761,192	707,174
<b>Total</b>	<b><u>4,132,195</u></b>	<b><u>4,490,014</u></b>

The statement of the seniority **of the receivables** at the date of preparation of the financial position was:

	<u>Gross value 31</u> <u>December 2025</u>	<u>Depreciation</u> <u>adjustment</u> <u>December 31,</u> <u>2025</u>	<u>Gross value</u> <u>31 December</u> <u>2024</u>	<u>Depreciation</u> <u>adjustment</u> <u>December</u> <u>31, 2024</u>
Not reached to maturity	2,322,978	10	2,491,830	27
Due date exceeded 1 – 30 days	(703)	-	2,219	-
Due date exceeded 31 – 90 days	1,666	-	492	-
Due date exceeded 90 – 180 days	9,826	160	78	-
Due date exceeded 180 – 270 days	642	-	(31)	-
Due date exceeded 270 – 365 days	22	-	(8)	-
More than a year	214,784	126,811	213,581	128,038
<b>Total</b>	<b><u>2,549,214</u></b>	<b><u>126,980</u></b>	<b><u>2,708,160</u></b>	<b><u>128,066</u></b>

The statement of the seniority **of other receivables** at the date of preparation of the financial position was:

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

	Gross value 31 December 2025	Depreciation adjustment December 31, 2025	Gross value 31 December 2024	Depreciation adjustment December 31, 2024
Not reached to maturity	905,613	330	1,180,385	331
Due date exceeded 1 – 30 days	71	-	1,197	-
Due date exceeded 31 – 90 days	627	-	4,784	-
Due date exceeded 90 – 180 days	17,923	325	424	342
Due date exceeded 180 – 270 days	6,869	41	1,154	911
Due date exceeded 270 – 365 days	680	331	849	413
More than a year	88,750	70,737	86,985	71,036
<b>Total</b>	<b>1,020,533</b>	<b>71,764</b>	<b>1,275,778</b>	<b>73,033</b>

The evolution of **customer impairment adjustments** is as follows:

	December 31, 2025	December 31, 2024
<b>Opening balance 1 january</b>	<b>128,066</b>	<b>130,158</b>
Recognition of adjustments for impairment	2,598	288
Reversal of adjustments for impairment	3,683	2,381
<b>Balance on the end of period</b>	<b>126,981</b>	<b>128,066</b>

The evolution of **the adjustments for the impairment of other receivables** is presented as follows:

	December 31, 2025	December 31, 2024
<b>Opening balance 1 january</b>	<b>73,033</b>	<b>84,933</b>
Recognition of adjustments for impairment	1,725	7,431
Reversal of adjustments for impairment	2,994	19,331
<b>Balance on the end of period</b>	<b>71,764</b>	<b>73,033</b>

*Liquidity risk*

Liquidity risk is the risk that the Group will experience difficulties in meeting its obligations associated with financial liabilities that are settled in cash or through the transfer of another financial asset.

A prudent liquidity risk management policy involves maintaining sufficient cash and cash equivalents, the availability of financing through appropriate credit facilities.

	December 31, 2025	December 31, 2024
<b>Assets</b>		
Monetary assets in RON	2,976,884	2,959,037
Monetary assets in foreign currency	1,155,311	1,530,977
	<b>4,132,195</b>	<b>4,490,014</b>
<b>Total assets</b>		
<b>Liabilities</b>		
Monetary liabilities in RON	(2,502,515)	(2,324,466)
Monetary liabilities in foreign currency	(1,136,779)	(1,605,806)
<b>Total liabilities</b>	<b>(3,639,295)</b>	<b>(3,930,272)</b>
<b>Net monetary position in RON</b>	<b>474,369</b>	<b>634,571</b>
<b>Net monetary position in foreign currency</b>	<b>18,531</b>	<b>(74,829)</b>

The following table shows the contractual maturity of financial debts, including interest payments:

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

(All amounts are expressed in thousands of LEI, unless otherwise indicated)

<b>December 31, 2025</b>	<b>Net Worth</b>	<b>Contract value</b>	<b>&lt;12 months</b>	<b>1–2 years</b>	<b>2–5 years</b>	<b>&gt;5 years old</b>
<b>Financial liabilities</b>						
Trade and other liabilities	3,430,884	3,430,884	3,413,011	14,714	3,159	-
Other tax and social security liabilities	22,585	22,585	22,585	-	-	-
Borrowings	185,825	195,823	184,354	980	490	-
<b>Total</b>	<b>3,639,295</b>	<b>3,649,293</b>	<b>3,619,951</b>	<b>15,694</b>	<b>3,650</b>	<b>-</b>
<b>December 31, 2024</b>	<b>Net Worth</b>	<b>Contract value</b>	<b>&lt;12 months</b>	<b>1–2 years</b>	<b>2–5 years</b>	<b>&gt;5 years old</b>
<b>Financial liabilities</b>						
Trade and other liabilities	3,864,176	3,838,172	3,858,507	1,604	4,065	-
Other tax and social security liabilities	25,537	25,613	25,537	-	-	-
Borrowings	40,559	47,205	32,641	6,483	1,435	-
<b>Total</b>	<b>3,930,272</b>	<b>3,910,990</b>	<b>3,916,685</b>	<b>8,087</b>	<b>5,500</b>	<b>-</b>

The following table shows the contractual maturity of financial assets, including interest payments:

<b>December 31, 2025</b>	<b>Net Worth</b>	<b>Contract value</b>	<b>&lt;12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>&gt;5 years old</b>
<b>Financial assets</b>						
Net trade receivables	2,422,234	2,422,234	2,422,234	-	-	-
Net other receivables and down payments to suppliers	552,154	552,154	552,154	-	-	-
VAT to be recovered	396,616	396,616	396,616	-	-	-
Cash and cash equivalents	761,192	761,192	761,192	-	-	-
<b>Total</b>	<b>4,132,195</b>	<b>4,132,195</b>	<b>4,132,195</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>December 31, 2024</b>	<b>Net Worth</b>	<b>Contract value</b>	<b>&lt;12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>&gt;5 years old</b>
<b>Financial assets</b>						
Net trade receivables	2,580,095	2,580,095	2,580,095	-	-	-
Net other receivables and down payments to suppliers	930,509	930,509	930,509	-	-	-
VAT to be recovered	272,236	272,236	272,236	-	-	-
Cash and cash equivalents	707,174	707,174	707,174	-	-	-
<b>Total</b>	<b>4,490,014</b>	<b>4,490,014</b>	<b>4,490,014</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Fair value of financial instruments**

Fair value is the value at which the financial instrument can change in ordinary transactions carried out under objective and informed conditions between interested parties, other than those determined by liquidation or forced sale. Fair values are derived from quoted market prices or cash flow models, as applicable. As at 31 December 2024 and 31 December 2023, management considers the fair values of cash and cash equivalents, trade and other receivables, trade liabilities, loans and other short-term liabilities approximate their carrying amount. The book value of the loans is the amortized cost.

<b>December 31, 2025</b>	<b>Book value</b>	<b>Fair Value</b>
<b>Financial assets</b>		
Net trade receivables	2,422,234	2,422,234
Cash and cash equivalents	761,192	761,192
Net other receivables and down payments to suppliers	552,154	552,154
VAT to be recovered	396,616	396,616
<b>Total</b>	<b>4,132,195</b>	<b>4,132,195</b>

The accompanying notes form an integral part of these consolidated financial statements.

**CNTEE Transelectrica SA- OMFP 2844**

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

<b>December 31, 2025</b>	<b>Book value</b>	<b>Fair Value</b>
<b>Non-current financial liabilities</b>		
Borrowings	1,471	1,471
<b>Total</b>	<b>1,471</b>	<b>1,471</b>
<b>Current financial liabilities</b>		
Providers, including asset providers	3,414,967	3,414,967
Borrowings	184,354	184,354
Amounts due to employees and other liabilities	38,503	38,503
<b>Total</b>	<b>3,637,824</b>	<b>3,637,824</b>
<b>December 31, 2024</b>		
<b>Financial assets</b>		
Net trade receivables	2,580,095	2,580,095
Cash and cash equivalents	707,174	707,174
Net other receivables and down payments to suppliers	930,509	930,509
VAT to be recovered	272,236	272,236
<b>Total</b>	<b>4,490,014</b>	<b>4,490,014</b>
<b>Non-current financial liabilities</b>		
Borrowings	7,918	7,918
<b>Total</b>	<b>7,918</b>	<b>7,918</b>
<b>Current financial liabilities</b>		
Providers, including asset providers	3,848,033	3,848,033
Borrowings	32,641	32,641
Amounts due to employees and other liabilities	41,680	41,680
<b>Total</b>	<b>3,922,354</b>	<b>3,922,354</b>

*Categories of financial instruments*

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
<b>Financial Assets</b>		
Cash and cash equivalents	761,192	707,174
Trade and other receivables	3,371,004	3,782,840
<b>Financial liabilities</b>		
Depreciated cost	3,639,295	3,930,272

**Personnel risk and the payroll system**

On December 31, 2025, the average age of the Group's staff is high. There is a possibility that in the future, the group faces a shortage of staff due to employee departures due to natural causes.

Another risk related to personnel is the possibility of highly qualified employees leaving for private companies, which could offer salary packages and compensations above the current level offered by the Company.

**Capital Risk Management**

The Company's policy is to maintain a strong capital base in order to maintain a solid financial structure that allows the conduct of operational activities in continuity and the financing of investment programs in the electricity transmission network infrastructure.

The company monitors the capital structure by analyzing the ratio of equity to financial liabilities, as well as debt indicators. Management regularly analyses this indicator to ensure that a balanced financial structure is maintained and to facilitate access to sources of financing under appropriate conditions. The Company's activity is subject to the regulatory framework established by ANRE, which defines mechanisms for

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

establishing regulated revenues and remuneration of invested capital based on regulated assets.

*Leverage indicator*

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current and long-term borrowings	185,825	40,559
Cash and cash equivalents	(761,192)	(707,174)
<b>Net debt</b>	<b>(575,367)</b>	<b>(666,615)</b>
Total liabilities	4,857,385	4,918,426
Total equity	6,072,155	5,907,117
<b>Indebtedness</b> <i>(Total liabilities/equity)</i>	<b>0.80</b>	<b>0.83</b>

### 35. Fees charged by each statutory auditor or audit firm

The fee charged for financial audit services for the financial year 2024 and paid in 2025 is in the amount of RON 1,020 (excluding VAT). services provided by PKF FINCONTA SRL.

For the financial year 2025, the fees (excluding VAT) charged by the statutory auditor, according to the contract C2303/2025 concluded with DELOITTE AUDIT SRL, are:

- for audit services in the amount of 866;
- for non-audit services in the amount of 477.

They will be paid during 2026.

### 36. Environmental objectives

CNTEE Transelectrica SA has implemented an integrated quality management system, environment, health and safety at work. through which it efficiently manages the environmental aspects related to the electricity transmission activity, as well as maintenance and modernization of the RET, to prevent pollution and increase environmental performance.

The Company's concern for environmental protection is also reflected in the Policy Statement of the Integrated Management System in the areas of quality, environment, health and safety at work.

The development strategy has as its fundamental objective the fulfillment of the needs and expectations of its customers and other stakeholders, in a quality Integrated Management System, environment, safety and health at work, implemented, certificate, maintained and continuously improved in accordance with the requirements of the SR EN ISO 9001:2015 standards. SR EN ISO 14001:2015 and SR ISO 45001:2023.

To achieve this strategy and achieve lasting success, the Company's management is committed to ensuring:

- the operation of the electricity system under the conditions established by the European and national regulations in the primary and secondary legislation, to meet the needs and expectations of customers and other stakeholders;
- the organizational framework necessary for the establishment, analyzing and implementing the objectives of the Integrated Quality Management System. environment. occupational safety and health;
- sustainable development and reduction of the negative impact of RET on the environment by:
  - ✓ identification of environmental aspects/associated risks and opportunities.
  - ✓ monitoring of environmental factors. prevention/combating of pollution by using the best available technologies.
  - ✓ decontamination. rehabilitation or ecological reconstruction of land areas and water surfaces affected by the Company's activities.
  - ✓ prevention and reduction of fluorinated greenhouse gas (GHG) emissions: SF6. ozone. Freon, etc.
  - ✓ prevention and reduction of air pollution by within the permissible limits of the concentration of pollutants emitted into the atmosphere (emissions from thermal power plants and cars).
  - ✓ prevention and reduction of water pollution by within the permissible limits of the concentration of pollutants in water.
  - ✓ proper waste management.

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

- ✓ reducing the risk of collision and electric shock to birds.
- ✓ prevention of forest fires by maintaining the safety lane.
- ✓ avoiding the alteration of natural habitats, especially protected natural areas.

At the level of CNTEE Transelectrica SA, it is developed annually. Report on the Analysis of the Integrated Management System and a program of measures for the continuous improvement of the SMI (including the SMM) is approved.

### 37. Subsequent events

#### • **Tariff for the purchase of system services**

Based on the provisions of the *Methodology for setting the tariff for the acquisition of system services*, approved by ANRE Order no. 116/2022. CNTEE Transelectrica SA submitted to ANRE. Proposal and substantiation of the tariff for the acquisition of system services starting with January 1, 2026. Taking into account the above, and following the analysis of the substantiation elements of the tariff. ANRE issued Order no. 73/2025. approving **the tariff for the acquisition of system services applicable from 1 January 2026. in the amount of 14.70 lei/MWh.**

#### • **Tariffs for electricity transmission service**

Based on the provisions of the *Methodology for setting tariffs for the electricity transmission service* approved by ANRE President's Order no. 68/2024. ANRE approved by Order no. 74/2025 the values of the tariffs for the electricity transmission service valid from January 1, 2026. according to the tables below:  
*Tariff for the introduction of electricity from the networks (TG)*

	<b>Tariff from 01 January 2026 (lei/MWh). According to ANRE Order no. 74/16.12.2025. of which:</b>	The tariff component corresponding to the CPT regulated revenue that is recovered from producers (C_CPT_P) (lei/MWh)	Tariff component corresponding to the additional capitalized CPT regulated revenue that is recovered from producers (C_CPT_S_P) (lei/MWh)
Tariff for the introduction of electricity into the transmission network (TG)	<b>3.63</b>	3.18	0.45

*Tariff for extracting electricity from networks (TL)*

	<b>Tariff from 01 January 2026 (lei/MWh). According to ANRE Order no. 74/16.12.2025. of which:</b>	Tariff component corresponding to non-CPT regulated income (CT_nonCPT) (lei/MWh)	Tariff component corresponding to CPT regulated revenue recovered from final customers (C_CPT_C) (lei/MWh)	Tariff component corresponding to the additional capitalized CPT regulated revenue that is recovered from final customers (C_CPT_S_C) (lei/MWh)
Tariff for extracting electricity from networks (TL)	<b>36.45</b>	25.60	9.14	1.71

#### • **Decision no. 1 of the Ordinary General Meeting of Shareholders of 08 January 2026**

The Ordinary General Meeting of the Company's Shareholders, pursuant to the provisions of the Companies Law no. 31/1990, republished, with subsequent amendments and completions, of Law no. 24/2017 on issuers of financial instruments and market operations, republished, with subsequent amendments and completions, and of the A.S.F. Regulation no. 5/2018 on issuers of financial instruments and market operations, with subsequent amendments and completions, meeting on January 8, 2026:

- approved the performance of the necessary legal steps, by the shareholders, to attract the patrimonial liability of the shareholder's representative, in order to recover the amounts paid by C.N.T.E.E. Transelectrica S.A., following the vote expressed by it in the meeting of the General Meeting of

The accompanying notes form an integral part of these consolidated financial statements.

## CNTEE Transelectrica SA- OMFP 2844

Explanatory notes to the financial statements for the financial year ended December 31, 2025

*(All amounts are expressed in thousands of LEI, unless otherwise indicated)*

---

Shareholders on November 6, 2013;

- approved the performance of the necessary legal steps, by the shareholders, to attract the patrimonial liability of the shareholder's representative, in order to recover the amounts paid by Transelectrica S.A., following the vote expressed by the latter in the meeting of the General Meeting of Shareholders on September 28, 2020;

- approved the mandate of the legal representatives of Transelectrica S.A. in order to carry out the necessary legal steps, in order to attract the patrimonial liability of the shareholder's representative, in order to recover the amounts paid by C.N.T.E.E. Transelectrica S.A., following the vote expressed by it in the meeting of the General Meeting of Shareholders on November 6, 2013;

- approved the mandate of the Company's legal representatives in order to carry out the necessary legal steps to attract the patrimonial liability of the shareholder's representative, in order to recover the amounts paid by Transelectrica S.A., following the vote expressed by him in the meeting of the General Meeting of Shareholders on September 28, 2020.

- **Military conflict in the Middle East**

Subsequent to December 31, 2025, there were escalations of geopolitical tensions in the Middle East, which generated volatility in international energy markets.

Management assessed these developments and the information that, at the date of approval of the financial statements, they do not indicate the existence of conditions at December 31, 2025 that would require adjustment to the financial statements.

Given the dynamic nature of these events, management continues to monitor the potential impact on the company's business, including on the financial position, performance and cash flows, as well as on the assumption of continuity of activity.

These events are treated as subsequent events that do not require adjustment, in accordance with IAS 10.

- **Moody's reconfirms the Baa3 rating**

The Company informed shareholders and stakeholders that, on March 16, 2026, Moody's Ratings published the Annual Update of the Credit Opinion for C.N.T.E.E. Transelectrica A. Through this report, S.A. reconfirms the long-term credit rating at Baa3, while maintaining the negative outlook and the individual credit profile (BCA) at ba1.

The attached consolidated financial statements were signed by the management on March 18, 2026:

Directorate,

**Stefanita  
MUNTEANU  
President**

**Cătălin-Constantin  
NADOLU**

Member  
Directorate

**Cosmin-Vasile  
NICULA**

Member  
Directorate

**Florin-Cristian  
TATARU**

Member  
Directorate

**Ana-Iuliana DINU**  
Director of the Economic and Financial  
Directorate

**Cristiana Zîrnovan**  
Manager of the Budget and Management Reporting  
Department

The accompanying notes form an integral part of these consolidated financial statements.