



Summary of the IFRS-EU Interim Consolidated Results for Q1 2026 – 27 May 2026

58.2% increase in net profit and 25.7% in EBITDA at consolidated level in Q1 2026

Evolution of main indicators in Q1 2026 compared to Q1 2025:

- **EBITDA** – RON 577.5 mn., an increase of 25.7% or RON 118.3 mn.;
- **Revenues** – RON 3,094.1 mn., an increase of 22.8% or RON 574.7 mn.;
- **Net profit** – RON 309.6 mn., an increase of 58.2% or RON 114.0 mn.;
- **CAPEX PIF** – RON 58.9 mn., a decrease of 29.9% or RON 25.1 mn. compared to the investments realized in Q1 2025

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

“The first quarter of 2026 marked a fundamental shift in the energy market. The return to competitive market mechanisms, following a prolonged period of volatility and intervention, redefined the conditions under which all players in the sector operate. In such an environment, competitive advantage is built on operational discipline and the ability to allocate capital efficiently. Electrica Group’s results for this quarter confirm the strength of its core business lines.

The supply segment went through one of the most challenging periods in recent years. The transition to a competitive framework structurally changed market dynamics, while this quarter’s performance shows that we managed the transition in a balanced and controlled manner. In distribution, the investment programme and cost control measures are progressively reflected in operational indicators. The commissioning of the Vulturii and Satu Mare 2 photovoltaic projects strengthens the generation segment and expands the Group’s renewable energy portfolio.

Looking ahead, Electrica’s trajectory will increasingly be shaped by the scale of the projects currently under development. Grids, generation and storage capacities represent the strategic directions on which the Group is building its position in a sector undergoing accelerated transformation.”

Analysis of the consolidated financial indicators

The main results presented below are extracted from the consolidated interim not audited and not reviewed financial statements as at and for the period ended 31 March 2026, prepared in accordance with IFRS-EU:

Financial Results – in RON mn.*	Q1 2026	Q1 2025	Δ	Δ%
Operating income	3,160.0	3,176.2	-16.1	-0.5%
Operating expense	(2,732.9)	(2,862.8)	129.8	-4.5%
Operating profit	427.1	313.4	113.7	36.3%
EBITDA	577.5	459.3	118.3	25.7%
Financial result	(55.5)	(79.6)	24.2	-30.4%
Net profit	309.6	195.7	114.0	58.2%

*Amounts are rounded to the nearest whole value

Source: Electrica

In Q1 2026, at the Electrica Group level, **EBITDA** recorded an increase of 25.7%, respectively by RON 118.3 mn., reaching a value of **RON 577.5 mn.**, compared to the value of RON 459.3 mn. achieved in the first quarter of 2025. The EBITDA growth is generated mainly by the variation of the supply and distribution segments, both experiencing an upward trend in the first three months of 2026 compared to the same period in 2025.

Of the two, the variation of the supply segment had the largest weight, recording an EBITDA improvement of +RON 76.0 mn., reaching the value of RON 113.1 mn. from RON 37.1 mn. in the previous period. The increase is due to the improvement of the segment's operational performance, having a revenue growth of RON 557.6 mn., and a decrease in operating expenses of RON 117.1 mn..

The operating profit for Q1 2026 recorded an increase of RON 113.7 mn. up to the value of **RON 427.1 mn.**, compared to the value of RON 313.4 mn. achieved in Q1 2025. This increase is mainly due to the decrease in operating costs by RON 129.8 mn., positive impact offset by the decrease in operating income by RON 16.1 mn. (impact generated by the termination of the support scheme in the supply segment, diminished by the increase in revenues from current activity).

Net profit for Q1 2026 recorded an increase of 58.2% or RON 114.0 mn., reaching the value of **RON 309.6 mn.** This result is mainly driven by the increase in operating profit, supplemented by the positive impact from the improvement of the financial result in the first quarter of 2026, supported by yields obtained from placing excess liquidity.

Segment analysis

In the **supply segment**, revenues recorded a significant increase in Q1 2026 by approximately RON 557.6 mn., or 30.7%, compared to Q1 2025, reaching the value of RON 2,375.7 mn.. The increase in revenues from the supply of electricity and natural gas was mainly determined by setting the electricity sales price through competitive mechanisms, adapted to the company's strategy. This positive effect was partially offset by a 6.9% decrease in the quantity of energy supplied on the retail market.

The termination of the capping scheme allowed the supply subsidiary to build its pricing strategy based on competitive market criteria and profitability, adapting it according to customer categories. The supply segment's contribution to the Group's consolidated revenues is 76.2%, while its contribution to the Group's EBITDA is 19.6%.

Subsidy revenues for Q1 2026 amounted to RON 13.9 mn. compared to RON 622.7 mn. recorded in Q1 2025. As of 31 March 2026, the estimated subsidies to be received from the authorities are in amount of RON 2,532.1 mn. (Ministry of Energy/ANPIS: RON 2,495.9 mn.; AJPIS: RON 36.2 mn.).

In the **distribution segment**, revenues increased by approximately RON 3.9 mn., or 0.3%, to RON 1,302.1 mn. (of which RON 718.8 mn. represent revenues from external customers), compared to Q1 2025, as a result of the 1.5% increase in the volume of distributed electricity compared to Q1 2025. EBITDA in the distribution segment had a positive evolution of RON 38.4 mn., mainly from the optimization of operating expenses.

The contribution of the electricity distribution segment to the Group's consolidated revenues is 23.2%, while its contribution to the Group's EBITDA is 82.0%.

In the **production segment**, revenues increased by approximately RON 1.6 mn., or 65.8%, to RON 4.0 mn. compared to the first quarter of 2025, following the operationalization of the Vulturii and Satu Mare 2 photovoltaic parks.



OTHER IMPORTANT OPERATIONAL INFORMATION

- **Distributed electricity volumes** – 4.7 TWh, slightly up by 1.5% compared to Q1 2025, especially on high voltage (5.5%). Distribuție Energie Electrica România (DEER) serves approximately 4.011 million users in 18 counties, covering an area of approximately 40.8% of Romania's surface area.
- **The Regulated Asset Base (RAB)**, in nominal terms, is estimated at the end of Q1 2026 at **RON 8.8 bn..**
- In Q1 2026, DEER carried out **and commissioned investments amounting to RON 58.9 mn.**, out of which: RON 58.4 mn. represent works from the 2026 investment plan (including additional works), respectively a degree of realization of 7.51% of the value of the annually planned commissioning program, and RON 0.5 mn. represent investment works carried forward from 2025.
- **Volumes of electricity supplied to retail market in detail** – 1.9 TWh, decreasing by 6.9% compared to Q1 2025; Electrica Furnizare serves approx. 3.27 mn. consumption places (the largest portfolio in Romania), out of which 1.77 mn. consumption places on the competitive market, and 1.50 mn. consumption places under universal service and as supplier of last resort;
- **Supply market share** – Electrica Furnizare is the second largest electricity supplier in Romania (based on volumes supplied), with a total market share of 15.13% in January-February 2026 according to the latest available ANRE reports, while on the competitive market it ranks third with 11.74%. The group's supply subsidiary also ended 2025 in 3rd place, with a share of 14.71%, while on the competitive market it occupies the same position (third) with 10.80%.
- **Produced electricity volume** – 7.5 GWh, over 3 times more than in Q1 2025. The growth reflects the start of operations of **Vultur and Satu Mare 2** photovoltaic parks after the second half of 2025.
- In the **production segment**, Electrica Group has a portfolio of renewable energy projects, both photovoltaic and wind, with a **total capacity of 307.5 MW**, either operational or in various stages of development. Of these, 46.5 MW are already operational. Additionally, Electrica has energy storage projects of approximately 1,170 MWh in various stages.

The results presented in this announcement are based on the consolidated interim financial statements not audited and not reviewed as at and for the period ended 31 March 2026, prepared in accordance with IFRS-EU.

The documents related to the Q1 2026 results are available on Electrica's website at the following link: <https://www.electrica.ro/en/investors/results-and-reports/financial-results/financial-statements-for-q1-2026/>, as well as in the pdf file attached below.

We remind you that Electrica's management is organising on **28 May 2026, 16:00** (Romanian time), a web conference for analysts and investors: [Presentation of Electrica Group Q1 2026 Financial Results](https://87399.themediaframe.eu/links/electrica260528.html). The web conference can be accessed online under the following link: <https://87399.themediaframe.eu/links/electrica260528.html>

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

CEO

Alexandru-Aurelian Chirita

CFO

Costin Iordache



2026 FIRST QUARTER CONSOLIDATED DIRECTORS' REPORT (Q1 2026)

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

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

in compliance with art. 69 of the Law no. 24/2017 on issuers of financial instruments and market operations and with annex no. 13 to ASF Regulation no. 5/2018 and the Bucharest Stock Exchange Code

for the three months period ended 31 March 2026

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

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

1. Identification Details Of The Issuer

Report date: 27 May 2026

Company name: Societatea Energetica Electrica S.A.

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

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

Sole Registration Code: 13267221

Trade Registry registration number: J2000007425408

LEI Code (Legal Entity Identifier): 213800P4SUNUM5AUDX61

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

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

The regulated markets on which the issued securities are traded: the company's shares are listed on the Bucharest Stock Exchange (symbol: EL), while the global depositary receipts (symbol: ELSA) are listed on the London Stock Exchange. The company's bonds are listed on the Luxembourg Stock Exchange (ISIN: XS3111004241; EL30) and on the Bucharest Stock Exchange (symbol: EL30).

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

Reporting period: 2026 First quarter (period 1 January – 31 March 2026).

Audit/Review: The condensed consolidated interim financial statements as of and for the three months period ended 31 March 2026 are not audited and not reviewed by an independent financial auditor.

Table 1. Details of Issued Securities

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

Table 2. Issued Bonds

Issued Bonds	
Value	EUR 500,000,000
Coupon Value	4.375%
Issue and Maturity Date	14 July 2025; 14 July 2030
Issue Documents	https://www.electrica.ro/en/investors/bonds/
Rating	BBB-
Trading Market	Luxembourg Stock Exchange/ Bucharest Stock Exchange
ISIN Code/Market Symbol	XS3111004241 ; EL30
First Day of Trading	14 July 2025/30 July 2025

Source: Electrica

2. Highlights

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

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

The electricity and natural gas supply segment runs through Electrica Furnizare S.A. („EFSA”), whose main activity is the supply of electricity to end customers, both under the universal service segment and as a last resort supplier, as well as as a supplier on the competitive market, throughout Romania.

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

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

The Group entered the renewable power generation segment starting in 2020 through the acquisition of a photovoltaic park with an installed capacity of 7.5 MW (operating capacity limited to 6.8 MW), and subsequently acquired five renewable power generation park projects. The total aggregate capacity of the Electrica Group's projects, whether operational or in various stages of development, is 307.5 MW (up to 324.5 MW) in renewable energy generation projects and 169.5 MWh across 4 energy storage projects.

In the consolidated report of the administrators for the three-month period ending on 31 March 2026, the main events that took place during the three months period of the current financial year (detailed below) are included together with their impact on the accounting reporting as well as in the operational results of the Group. Also, the report includes significant events subsequent to the reporting date.

Key figures Q1 2026: Financial

Table 3. Consolidated financial result Q1 2026 vs Q1 2025

(mn. RON)	3M 2026	3M 2025	Var (abs)	Var (%)
Revenue	3,094.1	2,519.3	574.7	22.8%
Other operating income	66.0	656.8	(590.9)	-90.0%
Operational costs	(2,732.9)	(2,862.8)	129.8	-4.5%
EBITDA ¹	577.5	459.3	118.3	25.7%
EBIT	427.1	313.4	113.7	36.3%
Financial result	(55.5)	(79.6)	24.2	-30.4%
Gross profit	371.6	233.8	137.9	59.0%
Net profit	309.6	195.7	114.0	58.2%

Source: Electrica

- For the first three months ended at 31 March 2026, EBITDA increased by RON 118.3 mn. compared to the similar period of 2025, recording a positive value of RON 577.5 mn. compared to the positive result of RON 459.3 mn. of the previous year;
- The operational result in Q1 2026 of RON 427.1 mn. represents an increase of RON 113.7 mn. compared to the same period of the last year, when the Group recorded an operational profit of RON 313.4 mn.;
- The expenses with the acquisition of electrical energy decreased by RON 79.1 mn., or 3.8%, to RON 2,026.4 mn. in the period of three months ended at 31 March 2026, compared to RON 2,105.5 mn. in the comparative period, mainly as a result of the decrease in volumes sold by 6.9% on the supply segment compared to the similar period of 2025;
- In Q1 2026, the revenues from the electrical energy supply segment increased by RON 557.6 mn., or 30.7%, compared to the same period of the last year, to RON 2,375.7 mn. (of which RON 2,356.7 mn. revenues with clients external to the group), mainly as an effect of the retail prices for electrical energy, which were determined through competitive mechanisms, adapted to the company strategy, considering the fact that the state aid scheme for electrical energy ended at 30 June 2025. At the same time, other operating revenues decreased by RON 590.9 mn. compared to the same period of the last year as a result of the ending of the state aid scheme;
- The revenues from the energy distribution segment recorded a slight increase by RON 3.9 mn., or 0.3%, to RON 1,302.1 mn. (of which RON 718.8 mn. revenues with clients external to the group), compared to Q1 2025, mainly due to the increase of the volume of distributed electrical energy by 1.5% compared to the same period of last year;
- The financial result of the Group recorded a significant improvement of RON 24.2 mn. or 30.4% as a result of the increase of the financial revenues from RON 4.3 mn. in Q1 2025 to RON 49.2 mn. in Q1 2026, effect diminished by the increase of the financial expenses by RON 20.7 mn. compared to the same period of the last year.

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

Key figures Q1 2026: Investments – average degree of execution for DEER

For the year 2026, the following values were budgeted for Distribuție Energie Electrica Romania (DEER): the CAPEX plan is RON 995 mn. which represents 52% of the total CAPEX plan of the Group in the total amount of RON 1,914.2 mn. The Commissioning plan sent to ANRE is RON 823.7 mn. (RON 778 mn. plan related to the year 2026 and RON 45.7 mn. carried forward values related to the year 2025) to which an estimated value of RON 150 mn. additional works are added compared to the ANRE plan.

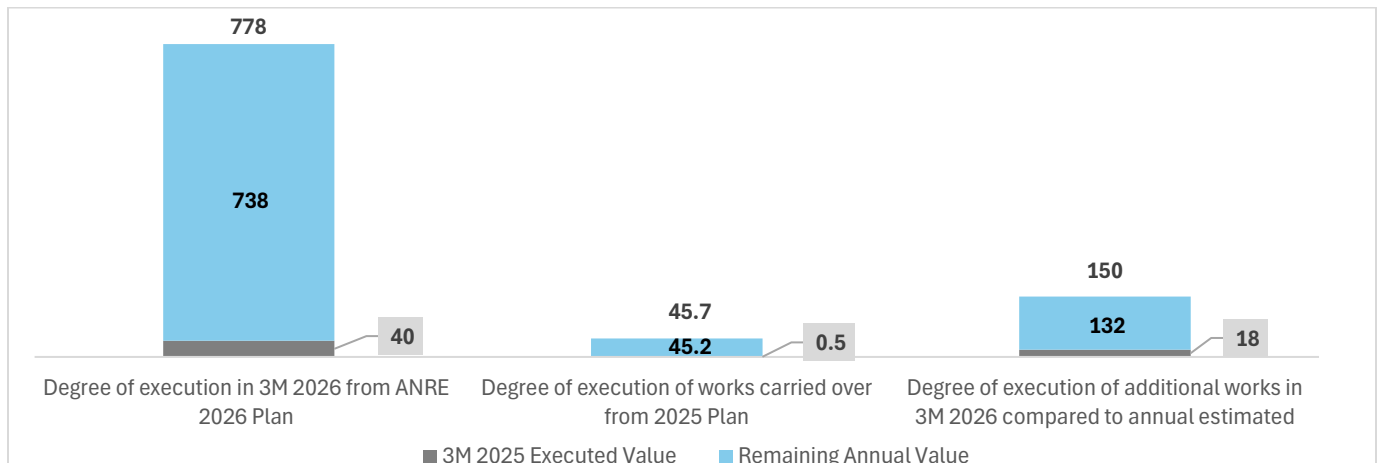
The average degree of execution of CAPEX investment in the first quarter of 2026 is 100% of the planned value for the first 3 months (RON 153 mn. estimated against the planned RON 153 mn.), respectively 15.4% of the planned annual value.

The average degree of execution of Commissioning investment in the first quarter of 2026 is:

- **Compared to the budgeted values:** 100% of the planned value for the first 3 months (RON 58.95 mn. compared to the budgeted RON 58.95 mn.), respectively 6.05% of the annual budgeted value (RON 58.95 mn. from RON 973.7 mn.):
 - level of execution of the 2026 ANRE Plan: 100% of the plan for the first 3 months (RON 40.1 mn. realized from RON 40.1 mn. planned), respectively 5.16% of the annual budgeted value (40.1 mn. RON out of 778 mn. RON);
 - degree of execution of additional works: 100% for the first 3 months (RON 18.3 mn. out of RON 18.3 mn. requests), respectively 12.2% of the annual budgeted value (18.3 mn. RON out of 150 mn. RON);
 - degree of execution of works carried over from 2025 concluded in 2026: 100% of the first 3-month plan (0.53 mn. RON out of 0.53 mn. RON) respectively 1.16% of the annual budgeted value (0.53 mn. RON out of 45.7 mn. RON).
- **Compared to the values approved by ANRE*:**
 - degree of achievement of the 2026 ANRE plan, including additional works, compared to the ANRE 2026 Plan: 145.7% of the first 3-month plan (RON 58.42 mn. from RON 40.1 mn.), respectively 7.51% of the ANRE 2026 annual plan (RON 58.42 mn. from RON 778 mn.);
 - degree of completion of works carried over from the ANRE 2025 plan to 2026: 100% of the first 3-month plan (0.53 mn. RON out of 0.53 mn. RON) respectively 1.16% of the total planned value (0.53 mn. RON out of 45.7 mn. RON).

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

Figure 1: Average degree of PIF execution



2.1. Key Events during the period January – March 2026 (Q1 2026)

General Meeting of Shareholders

During the three months period ended 31 March 2026 no General Meeting of Shareholders took place.

Starting with the 2025 Annual General Meeting of Shareholders (GMS), shareholders are able to exercise their voting rights online, including through the Electrica IR mobile application, available for [Android](#) and [Apple](#) devices (click to download). Electrica has been offering electronic voting through the platform <https://electrica.voting.ro/> since June 2022.

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

During the **26 February 2026** ELSA's Board of Directors decided to revoke Mr. Stefan Alexandru Frangulea from the position of Chief Financial Officer (CFO) without cause, starting with 26 February 2026, this being the last day when the mandate contract takes effect.

On **6 March 2026**, the Board of Directors decided to convene the Ordinary General Meeting of Shareholders (OGMS) and the Extraordinary General Meeting of Shareholders (EGMS) on 29 April 2026, at 10:00, and 12:00, respectively (Romanian time). More details regarding the agenda of both meetings can be found in the chapter *Other relevant Events* as well as Electrica's official website, [here](#).

On **25 March 2026**, the Board of Directors decided to supplement the convening notice for the Annual General Meeting of Shareholders (GMS), regarding the agenda of the Extraordinary General Meeting of Shareholders (EGMS), with the approval of contracting by Societatea Energetica Electrica S.A. of one or more secured / unsecured loans in a total amount of up to EUR 1,000,000,000 (of a "bridge" type compared to the bonds to be issued by the Company), based on a credit agreement/credit agreements concluded with one or more financial institutions having a repayment term of up to maximum 24 months from the disbursement date of each relevant loan, details [here](#).

On **27 March 2026**, ELSA's BoD approved the consolidated value of the Group's Investment Plan (CAPEX) for the year 2026, in the total amount of RON 1,914.2 mn.. Out of this amount, RON 995 mn. represents the value allocated to the distribution segment, while RON 862.7 mn. represents the value of the annual financial plan regarding investments in the electricity production and storage segment, as well as for the parent company, ELSA. More details [here](#).

Additionally, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, decided to grant Mr. Alexandru-Aurelian Chirita a mandate as General Manager (CEO) for a 4-year period, from 1 January 2027 until 1 January 2031 (inclusive), to grant Ms. Ioana-Andreea Lambru a mandate as Business Development Executive Director (CBDO) for a 4-year period, from 17 March 2027 until 16 March 2031 (inclusive), and to appoint Mr. Costin-Ionut Iordache as interim Chief Financial Officer (CFO), until 31 December 2026 (inclusive).

Also during the meeting on **27 March 2026**, the Board of Directors proposed the distribution of the 2025 profit as dividends, in the amount of RON 99,998,360, representing a gross dividend per share of RON 0.2945; this proposal is subject to the approval of the Ordinary General Meeting of Shareholders (OGMS) on 29 April 2026. More details [here](#). See also the current report regarding the correction of a material error in the respective data [here](#).

Other relevant events

On **22 January 2026**, Electrica published its [Financial Calendar for 2026](#).

On **29 January 2026**, Electrica published the preliminary key operational indicators for the fourth quarter of 2025 (Q4 2025) and for the full year 2025.

On **13 February 2026**, Electrica informed investors and shareholders that it received a Notification of Major Holdings from NN Group N.V., according to which, on 11 February 2026, NN Group N.V. fell below the 10% threshold provided by Article 71 of Law no. 24/2017 on issuers of financial instruments and market operations, thus reaching a holding of 9.98% of Electrica's total voting rights, respectively 339,553,004 (a number equal to the total number of shares issued by Electrica).

On **24 February 2026**, Electrica informed investors that it signed a Memorandum of Understanding (MoU) with Liberty Galati S.A. regarding the development of renewable energy production and storage capacities (photovoltaic) of up to 500 MW, on lands owned by Liberty Galati S.A.. More details [here](#).

On **3 March 2026**, Electrica announced to its investors and the capital market that the international rating agency Fitch Ratings reaffirmed the company's Long-Term Rating at 'BBB-' with a 'Stable' outlook. Further details (in English) can be found here: [Societatea Energetica Electrica S.A. Credit Ratings: Fitch Ratings](#).

On **16 March 2026**, Electrica informed investors and the capital market about the submission, on 9 March 2026, of the technical and financial offer within the public tender procedure organized by the Municipality of Craiova, having as its object: 'Delegation by concession of the heat and electricity production activity, based on cogeneration and/or renewable energy sources in the Municipality of Craiova'. More details [here](#).

On **27 March 2026**, Electrica published [the 2025 Annual Report, in XHTML](#) and XBRL formats. This was submitted for shareholder approval during the [Ordinary General Meeting of Shareholders on 29 April 2026](#).

On **31 March 2026**, Electrica announced that its management organized a conference call for analysts and investors regarding the Presentation of Electrica Group's 2025 financial results. The presentation, transcript, and recording of the conference call are available [here](#).

Transactions with related parties

In December 2025, ELSA's Board of Directors approved the updated policy regarding transactions with related parties, which entered into force on 1 January 2026. This policy also regulates the reporting method for these transactions, in accordance with the provisions of Law no. 24/2017, as amended by Law no. 11/2025. This policy is published on the ELSA website, under the *Corporate Governance > Corporate Policies and other documents* section, and can be accessed directly [here](#).

In the first quarter of 2026, there were no reports of significant transactions with related parties, pursuant to Art. 108 of Law no. 24/2017.

Litigations reported to the capital market

ELSA file no. 7591/2/2019

- On 13 February 2026, Electrica informed investors and shareholders that the High Court of Cassation and Justice dismissed the appeal filed by Electrica in case no. 7591/2/2018, having as its object: (i) the petition to annul the ANRE President's Order no. 168/2018; (ii) the motion to compel ANRE to issue an order establishing a Regulated Rate of Return (RRR) value equal to the one set by ANRE Order no. 75/2020; (iii) the motion to compel ANRE to recognize in the regulated revenues of the initial plaintiffs SDEE TS, SDEE TN, SDEE MN (currently Distributie Energie Electrica Romania S.A. – DEER) the difference between the

RRR value approved by the challenged order and the value approved by ANRE via Order no. 75/2020, and the inclusion of these amounts in the tariff calculation for the year following the settlement of the dispute. We specify that, in the first instance, the court partially granted the legal action filed by Electrica and its subsidiary, DEER, and annulled the ANRE President's Order no. 168/2018, while dismissing the remaining claims. Against this ruling, Electrica filed the appeal reported in this current report, requesting the partial reversal of the challenged court decision and, upon retrial, the full admission of the legal action as originally filed and specified. Details [here](#).

ELSA file no. 435/2/2019

- On 26 February 2026, Electrica informed investors and shareholders that, on 25 February 2026, the High Court of Cassation and Justice dismissed the appeal filed by Electrica in case no. 435/2/2019, having as its object: the petition to annul ANRE Order no. 199/2018 on the approval of specific tariffs for the electricity distribution service and the price for reactive electricity for Societatea de Distributie a Energiei Electrice Transilvania Sud - S.A. (currently Distributie Energie Electrica Romania S.A.). Details [here](#).

2.2. Applicable significant regulatory framework

Distribution segment

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

1. The regulatory framework for the 2025-2029 period (PR5) was marked by the adoption of the new Methodology for setting tariffs (ANRE Order no. 67/2024), the main changes being:
 - The Regulated Rate of Return (RRR) was set at 6.94% (ANRE Order no. 55/2024). The 1% incentives for new investments in the Electricity Distribution Network and the Capital Investment Plan were eliminated, maintaining incentives of: 1% for the value that exceeds the mandatory minimum value for investments made in the Electricity Distribution Network; 0.5% for projects co-financed from non-reimbursable EU funds; the increase or decrease by 0.5%, depending on the performance level achieved by the Distribution Operator regarding the development of a smart grid;
 - RAB (Regulated Asset Base) is adjusted with the forecasted inflation rate at the calculation of the RRR and no longer includes investments in IT applications, these being recognized as special expenses (CNC).
 - The regulated non-CPT income is linearized and capped at a 10% increase. The CPT income is not capped and is recovered including from producers with an installed capacity greater than 5 MW.
 - According to ANRE Order no. 77/2025, the DEER tariffs for 2026 reflect a near-zero adjustment compared to the previous year.
2. The regulation mode of energy communities (Renewable Energy Communities and Citizen Energy Communities) on the wholesale market, offering them the right to trade energy and to provide system services through storage capacities.

These entities will have obligations similar to market participants, including holding a license and assuming financial responsibility for the imbalances created. In parallel, a transparent cost-benefit analysis methodology is introduced to determine the real impact of these communities on the distribution networks. Depending on the result of this analysis, ANRE may decide to apply tariff reductions, conditioned however by a constant monitoring of the generated additional costs.

3. The regulation mode of prosumers - draft law for modifying and supplementing the legal framework (GEO 27/2022 and Law 123/2012) regarding:
 - managing multi-site compensation: the Distribution Operator must allow prosumers to compensate the energy surplus between multiple places of consumption, provided that they are connected to the network of the same Distribution Operator.
 - ensuring the infrastructure for storage: the updated definition of the prosumer explicitly includes their right to store energy, which obliges the Distribution Operator to adapt the connection conditions to include storage systems.
 - assuming responsibility for imbalances: although prosumers are exempt from the financial responsibility of imbalances, this task is transferred to the supplier, but the Distribution Operator plays a critical role in the exact measurement and reporting of these data so as not to transfer unjustified costs to final consumers.
 - direct sale to other consumers: the Distribution Operator must allow and technically regulate the situations in which prosumers sell energy directly to consumers connected to the busbars of the power plant, without them transiting the entire public network.
 - digitalization and metering: the implementation of the new definition of quantitative compensation requires the Distribution Operator to provide measuring equipment capable of transmitting detailed data about the quantities consumed, produced and delivered in excess to allow for correct monthly billing.

Supply segment

For the supply segment, significant subsequent changes in Romanian legislation have been detailed in Annex A.9.2.2. Based on these changes, the expected effects refer to the following:

According to the provisions of Government Emergency Ordinance no. 6/2025 regarding the measures applicable to final customers in the natural gas market, the duration of the support scheme through price capping is extended by one year for **natural gas**, covering the period from **1 April 2025 to 31 March 2026**.

According to the provisions of Government Emergency Ordinance no. 12/2026 regarding the measures applicable to household customers in the natural gas market for the period **1 April 2026 – 31 March 2027**, the final price is set as the lower of the contractual price and the price calculated in accordance with the Ordinance. The final invoiced price calculated under the Ordinance consists of the acquisition component, with imbalances capped at 10% of acquisition costs, the supply component, ANRE regulated tariffs, VAT, and excise duties.

On March 26, Emergency Ordinance No. 19/2026 was published, which supplements Emergency Ordinance No. 12/2026 by introducing improvements regarding the average selling price for household customers during the warm season, reducing the financial effort required for the operation of underground gas storage, and stating that during the cold season there will be a slight price improvement for household consumers as a result of the reduced share of stored natural gas in the gas mix allocated to this category.

In the first quarter of 2026, electricity trading on the wholesale market was carried out transparently on the centralized markets administered by OPCOM/BRM and on the basis of bilateral contracts directly negotiated.

Green Certificates

Electricity suppliers have the legal obligation to purchase green certificates from renewable energy producers, based on the annual targets or quotas established by law, which apply to the quantity of electricity purchased

and supplied to final consumers within their portfolio. The cost of green certificates is billed separately to final consumers, distinct from electricity tariffs.

On **25 February, Order no. 3/2026** of ANRE regarding the establishment of the mandatory green certificate quota for the year **2026** was published in the Official Gazette no. 142, entering into force as of 01 March 2026:

- the mandatory quota for the acquisition of green certificates by economic operators required to purchase green certificates for the year 2025 is set at 0.49983 green certificates/MWh, corresponding to a final electricity consumption exempt from the payment of green certificates of 7,823.0757 GWh.

Subsidies receivables

As at March 31, 2026, the estimated amount of subsidies was RON 2,532.2 mn. (December 31, 2025: RON 2,518.3 mn.). In accordance with the applicable legal provisions and regulations, 40% of the amount related to reimbursement claims is settled within 10 days from the transfer of funds by the Ministry of Finance to the accounts of the Ministry of Energy and the National Agency for Payments and Social Inspection (this is not a payment term controllable by the supplier).

For the first three months of 2026, no cash receipts from subsidies were recorded.

Renewable energy production segment

- The electricity market in Romania functions in accordance with European regulations regarding the internal energy market, through which requirements are established related to energy production from renewable sources, environmental policy, the integration of balancing markets, as well as the interconnection of energy systems, specifically Directive 944/2019 of the European Parliament and of the Council on common rules for the internal market for electricity and amending Directive 2012/27/EU and Regulation 943/2019 of the European Parliament and of the Council on the internal market for electricity.
- In the year 2024, in Romania, there were 665 producers of electricity from conventional and non-conventional sources, the production of photovoltaic electricity representing 5.13 %.
- Starting with January 1, 2025, the trial period of power plants that connect to the SEN (National Energy System) was redefined, and the remuneration mode for energy injected into the network was applied with the PZU (Day-Ahead Market) price recorded in the settlement interval in which it was produced but not more than 400 lei / MWh.
- Producers of electricity from renewable energy sources (RES) have the right, according to Law no. 220/2008, to receive a certain number of green certificates, depending on the technology used (for example: hydro, wind, solar, geothermal, biomass, bioliquids, biogas), for every MWh produced and delivered into the network and for a certain period of time, depending on the degree of novelty of the electrical group/plant.
- The Stanesti photovoltaic park has the right to receive, for a period of 15 (fifteen) years, 6 (six) green certificates for every MWh of electricity produced and delivered into the network, of which, for the period July 1, 2013 - December 31, 2020, according to Law 23/2014 and Law 184/2018, 2 (two) green certificates were deferred from trading, to be recovered in equal monthly installments starting with January 1, 2021 until the date of December 31, 2030.
- The green certificates issued by Transelectrica for the production realized by the Stanesti photovoltaic park, in the validity period of the accreditation decision issued by ANRE, can be traded, according to OUG Emergency Ordinance 24/2017, until the date of March 31, 2032, respectively including after the expiration of the validity period of the accreditation decision (January 31, 2028 in the case of the Stanesti photovoltaic

park).

- The valorization of green certificates can be done on the OPCOM markets (spot or on the combined market). The sale price must fall between the minimum and maximum values established by Law no. 220/2008 (art. 11) for establishing the system for promoting the production of electricity from renewable energy sources, republished, with subsequent amendments.
- For the year 2026, OPCOM established the minimum value of a green certificate at 148.2201 RON (29.4 EUR), compared to the year 2025, when its minimum value was 146.2532 RON (29.4 EUR).
- The AIB Council (Association for Issuing Bodies) granted ANRE the status of AIB Observer, and Romania is an Observer within the EEC scheme, for the trading of guarantees of origin for renewable energy. The ANRE decision comes as a result of the issuance of Emergency Ordinance no. 59/2025 for amending and supplementing some normative acts in the energy field. Thus, until the date of June 1, 2026, ANRE establishes a calendar regarding the gradual opening of a market for trading guarantees of origin in a uniform standardized system and until the date of January 1, 2027, ANRE has the obligation to elaborate secondary legislation and designate an operator for the trading of guarantees of origin.

Figure 2: Map of Energy Production for Electrica Group



Source: Electrica

2.3. Subsequent events

Below are presented the relevant events that took place at the Group level in the period between 31 March 2026 and the date of the present report.

General Meetings of Shareholders (GMS)

On 29 April 2026, the OGMS and EGMS took place physically and online, through the platform <https://electrica.voting.ro/>, with a quorum of 92.672800503% of the total voting rights, respectively of the Company's share capital in the case of the OGMS and 92.008536611% of the total voting rights, respectively of the Company's share capital, for the EGMS, which approved, mainly:

- The individual and consolidated financial statements for the year 2025, prepared both in accordance with OMFP 2844/2016 and IFRS-EU, based on the Directors' Report (which includes the Sustainability Report) and the Auditor's Reports;
- The 2025 Annual Report, drafted in accordance with art 65¹ from Law 24/2017;
- The proposal of Electrica's Board of Directors regarding the distribution of the net profit for the 2025 financial year, amounting to RON 93,052,987, the gross dividend per share of RON 0.2945/share, and the approval of the dividend payment date for the 2025 financial year as 25 June 2026. The ex-date is 2 June 2026, and the registration date is 3 June 2026;
- The income and expenditure budget for the year 2026, both at the individual and consolidated levels;
- The Remuneration Report for Directors and Executive Managers of Electrica for the year 2025 (submitted for consultative vote);
- The appointment of KPMG Audit SRL as the financial auditor and as the auditor for Electrica's Sustainability Reporting for the financial years 2026, 2027 and 2028, starting from 30 April 2026 until 31 May 2029;
- The election of Ms. Loredana Norica Chitu as a member of the Company's Board of Directors, with a mandate until 26 January 2028;
- The discharge of liability of the Board of Directors' members for the 2025 financial year;
- The amendment of certain articles of Electrica's Articles of Association, in accordance with the recent legislative changes to Law 24/2017 and Law 31/1990;
- The addition of new secondary objects of activity for Electrica S.A.;
- The approval of the bond issuance under a bond issuance program (the "Program"), within an aggregate ceiling of up to EUR 1,000,000,000 (or equivalent in other currencies) during the 2026-2027 period;
- The approval for contracting one or more secured/unsecured loans for a total amount of up to EUR 1,000,000,000 (bridge loans to the bonds to be issued by the Company), based on one or more credit agreements concluded with one or more financial institutions;

Other relevant events

On the date of 7 May 2026, Electrica finalized the purchase of all the social parts held in a percentage of 100% by EFSA in the company Electrica Furnizare Grup SRL – Chisinau.

On the date of 11 May 2026, Electrica published the preliminary key operational indicators for Q1 2026.

Transactions with related parties

Subsequent to the date of 31 March 2026, there were no reports of significant transactions with affiliated parties, according to art. 108 of law 24/2017.

2.4. Risks and uncertainties

Assessment of risks and uncertainties as of March 31, 2026, and projections for the following period

This chapter summarizes the major risks and uncertainties present as of March 31, 2026, that could influence the Electrica Group's activities, as well as aspects regarding the primary risks and uncertainties that could affect the Group's operations and liquidity in the next quarter of 2026.

The Group's risk profile is influenced by a complex interdependence between macroeconomic factors, an unstable regulatory framework, and the need for accelerated technological transformation. Risk management focuses on ensuring liquidity, legislative compliance, and operational resilience in the face of external challenges.

Group Risk Profile

The Group's risk profile is influenced by a complex interdependence between macroeconomic factors, an unstable regulatory framework, and the need for accelerated technological transformation. Risk management focuses on ensuring liquidity, legislative compliance, and operational resilience in the face of external challenges.

Summary of Strategic and Financial Risks

Financial Stability: The Group is critically dependent on operating cash flows and its ability to attract external financing in variable market conditions.

Rating and Cost of Capital: Maintaining the corporate rating and complying with restrictive covenants in debt agreements are essential to limit financing costs.

Investment Execution: Long-term success is contingent upon the timely completion of strategic projects (production, storage, digitization) and the ability to generate the estimated returns in the context of possible budget overruns.

Summary of Market and Regulatory Risks

Volatility and Competition: Extreme fluctuations in energy prices and market liberalization require advanced hedging strategies and increased commercial agility to protect market share and profit margins.

Regulatory Predictability: Government interventions on prices and changes in ANRE methodologies represent a systemic risk that can directly affect regulated revenues.

Energy Transition: Alignment with EU climate neutrality targets requires significant compliance costs and adaptation of the production portfolio to renewable resources.

Summary of Operational and External Risks

Infrastructure Resilience: Aging networks and dependence on systemic partners require constant investment to prevent outages and ensure service quality.

Security and Technology: Protection against cyberattacks on industrial control systems and automation of billing processes through new IT solutions are critical priorities.

Geopolitical and Climate Context: Regional conflict and extreme weather events represent external risks with a direct impact on asset integrity and supply continuity.

Human Resources and Governance: Attracting technical talent and maintaining constructive social dialogue, alongside fair corporate governance in relation to all shareholders, remain pillars of internal stability.

Table 4. Main risks for Electrica Group

Category	Description of the main risks of the Electrica Group	Treatment measures
I. Financial and Liquidity	The Electrica Group relies primarily on the financial resources generated by its operating activities to meet a substantial portion of its financing requirements, despite the fact that it has already contracted certain long-term financing. The Group's ability to obtain external financing and the associated cost depend on numerous factors, including general economic and market conditions in Romania and worldwide, government regulations, international interest rates, the availability of credit from banks or other lenders, investor confidence in the Group, the success of the Group's businesses, and restrictions in existing debt agreements.	<ul style="list-style-type: none"> * Rigorous monitoring and forecasting of cash flows. * Optimisation of capital structure through credit lines and cash pooling. * Streamlining of debt collection processes and monitoring of financial exposures.
	The Group is exposed to currency risk when there is a discrepancy between the currencies used for sales, purchases, and loans and the functional currency, which is the Romanian leu (RON).	* Use of specific financial instruments (currency hedging) to mitigate exchange rate volatility.
	Any unfavorable revision of the Electrica Group's corporate rating by Fitch from BBB- as it is currently, could affect the Electrica Group's business, prospects, operating results, financial position, and reputation, as well as the price of the Bonds.	<ul style="list-style-type: none"> * Constant monitoring of financial rating indicators * Maintaining transparent and regular dialogue with rating agencies and investors.
	The Group is susceptible to interest rate fluctuations due to its operational activities and financial agreements. Firstly, the Electrica Group provides financing to group companies through loans from the parent company, which are usually linked to variable interest rates.	<ul style="list-style-type: none"> * Optimizing methodologies for calculating prices and allocating costs. * Monitoring the cost of capital and implementing robust financial valuation models.
	Certain debt facilities related to the Group's long-term financial debt contain restrictive covenants (including negative pledge covenants, material change covenants, change of ownership covenants, and covenants requiring the maintenance of specific financial ratios) that the Electrica Group and other Group companies must comply with.	<ul style="list-style-type: none"> * Maintaining strict financial discipline by monitoring solvency and liquidity indicators. * Improving operational performance to meet contractual commitments.
	The risk that third parties may not be able to meet their financial obligations to ELSA due to insolvency, bankruptcy, or other financial difficulties.	* Rigorous selection of partners based on financial capacity.

Category	Description of the main risks of the Electrica Group	Treatment measures
		* Constant monitoring of solvency and compliance with contractual clauses.
	ANRE has the right to modify the RRR each year based on the evolution of the parameters taken into account when determining it.	* Regularly checking the performance indicators of investment projects to make sure they're in line with strategic goals and regulatory requirements.
	The volatility of carbon dioxide (CO2) emission certificate prices could increase operating costs for the manufacturing segment.	* Integrating the cost of emissions into pricing strategies and investing in low-carbon technologies.
II. Market	Significant fluctuations in energy and commodity prices may adversely affect demand, customers, and the financial performance of ELSA and the Group.	* Improving consumption forecasting systems through advanced technological solutions. * Using bilateral contracts for price stability and diversification of the product/customer portfolio.
	A decline in electricity demand could lead to a decrease in revenues, particularly for the Group's supply business, which could have an adverse effect on its business, results of operations, financial condition, and future prospects.	* Use of digital tools for demand forecasting. * Adaptation of commercial strategies by diversifying the offer and expanding presence in multiple market segments.
	Market risk for the Group includes energy price volatility, contract termination, and supply disruptions. In supply, insufficient volume in forward markets can lead to significant financial exposure in volatile market conditions.	* Implementation of hedging strategies (risk coverage). * Continuous monitoring of external factors (weather, hydrology, producer availability). * Use of software solutions for price forecasting.

Category	Description of the main risks of the Electrica Group	Treatment measures
	<p>Price liberalization has led to increased competition, which may result in customers switching their electricity supplier from the Group to other competitors. These competitors and potential market entrants may enjoy certain competitive advantages that the Group may not benefit from, such as greater economies of scale, access to certain new technologies, more comprehensive product offerings, greater human resources, wider brand recognition, and even more experience gained in other markets (i.e., outside Romania), such as competitors that are part of international groups.</p>	<ul style="list-style-type: none"> * Conducting periodic market analyses on competitive positioning. * Aligning marketing and sales strategy with industry dynamics to increase customer retention.
	<p>Changes in wholesale electricity market prices may have an impact on the revenues generated by the Group's electricity production activity.</p>	<ul style="list-style-type: none"> * Implementation of advanced data analysis systems for price forecasting. * Use of long-term sales contracts to ensure revenue predictability.
	<p>In exceptional circumstances and in order to achieve permanent balancing of the electricity system (when internal balancing resources are exhausted), Transelectrica resorts to importing balancing energy by using interconnection capacity.</p>	<ul style="list-style-type: none"> * Use of forecasting technologies to optimize commercial operations. * Adoption of hedging and contracting strategies to manage price and quantity variations.
	<p>Changes in consumer behavior (e.g., energy efficiency, prosumers) could reduce the volume of energy distributed and supplied.</p>	<ul style="list-style-type: none"> * Diversification of the portfolio towards energy management solutions for prosumers and energy efficiency.
III. Strategy	<p>The Group believes that its investment strategy and projects will lead to operational cost savings and additional revenues through the development of energy production and storage capacity, the development and modernization of distribution infrastructure, diversifying customer services, operational optimization, digitalization and cybersecurity, skills development and employee retention, and the implementation of environmental, social, and governance (ESG) practices.</p>	<ul style="list-style-type: none"> * Systematic monitoring of trends in the energy sector at national and international level. * Regular updating of corporate strategy under the supervision of the Board of Directors.

Category	Description of the main risks of the Electrica Group	Treatment measures
	Delays in the implementation of strategic investment projects could affect the Group's growth and efficiency objectives.	* Rigorous project management (PMO) and monitoring of critical milestones to ensure investments are completed on time.
	The Group's current and future projects, including the construction of power plants and new businesses, may be delayed or exceed estimated budgets.	* Implementation of a rigorous project management system and constant monitoring of allocated financial and human resources.
	The Group has faced and may continue to face risks associated with integrating new acquisitions or mergers into the Group's structure.	* Detailed planning of post-acquisition integration processes and alignment of reporting systems.
IV. Regulation	Energy markets are regulated by local and European legislation. The Group may not fully always comply with applicable laws and regulations, and its compliance costs may exceed the amount the Group has budgeted for its future capital and operating expenditures. The Group's costs of complying with current and future regulatory requirements and any loss of its significant operating licenses or authorizations could have an adverse effect on its business, operating results, financial position, and prospects.	* Proactively monitoring legislative changes; ensuring a rigorous compliance framework through effective reporting and collaboration with regulatory authorities.
	Government and regulatory decisions regarding electricity production and supply, and in particular permitted prices for electricity purchases and sales, may adversely affect the Group's revenues.	* Optimizing internal settlement and billing processes. * Improving the accuracy of operational data to respond promptly to regulatory changes. * Maintaining constant dialogue with the relevant authorities.

Category	Description of the main risks of the Electrica Group	Treatment measures
	<p>Energy markets are regulated by local and European legislation. These regulations may be amended or interpreted differently by local authorities and may affect the Group's operating profit margins. This risk is also supported by the legislative history of recent years, which includes a series of laws that have had a significant impact on energy prices, capping elements, etc.</p>	<ul style="list-style-type: none"> * Active involvement in public consultation processes; assessment of the impact of legislative scenarios on business. * Agile adjustment of commercial strategy to mitigate the negative impact of regulations.
	<p>The electricity generation industry in Europe is significantly influenced by the EU policy to increase the share of electricity generated from renewable energy sources. These targets aim to achieve a low-carbon economy and reduce emissions in line with the EU's targets of a 55% reduction by 2030 and climate neutrality (net zero emissions) by 2050. Changes in energy procurement legislation represent a significant political and regulatory risk for the Group, with a direct impact on operating costs and compliance obligations.</p>	<ul style="list-style-type: none"> * Adapting the medium- and long-term strategy to European climate neutrality targets (ESG). * Monitoring green energy regulations and adjusting the business model.
	<p>Electricity distribution tariffs are set by ANRE, based on a methodology and a set of parameters that can be modified periodically.</p>	<ul style="list-style-type: none"> * Continuous monitoring of the regulatory framework; conducting impact simulations for different tariff scenarios.
	<p>The Group has faced and may continue to face risks associated with claims for restitution or compensation arising from its past or present activities.</p>	<ul style="list-style-type: none"> * Rigorous monitoring of disputes and analysis of their causes to prevent similar situations. * Continuous professional training of legal and technical staff.
	<p>Additional energy storage or grid management requirements that may require unforeseen investments.</p>	<ul style="list-style-type: none"> * Monitoring the European legislative framework and planning investments in storage and balancing technologies.

Category	Description of the main risks of the Electrica Group	Treatment measures
V. Operational	The Group is dependent on services provided by third parties, including OTS (Transelectrica), which is the sole operator of the electricity transmission network, and OPCOM, which manages the trading system within the wholesale electricity market.	<ul style="list-style-type: none"> * Improving reporting and settlement processes through continuous monitoring of data flows * Optimizing billing processes and ensuring constant communication with system operators.
	The Group is experiencing and may continue to experience delays in issuing invoices for customer supplies due to operational anomalies and system failures, such as failure to adapt to regulatory changes, implementation of new IT billing software, staff shortages, or significant increases in the number of new customers in a relatively short period of time.	<ul style="list-style-type: none"> * Digitization and automation of IT billing systems (RPA/Software). * Supplementing human resources during periods of high volume; improving the technical performance of management platforms.
	Violations of data protection laws in any of the Group's entities may result in fines for the entire Group (which may be up to 4% of the Group's global annual turnover or €20 mn.), claims for damages, criminal prosecution of employees and managers, damage to reputation and customer withdrawal, with a potentially significant negative effect on the Group's business, prospects, results of operations and financial position.	<ul style="list-style-type: none"> * Implementation of strict data protection policies across the entire group. * Regular staff training programs; conducting security and compliance audits.
	The risk of internal fraud or deviations from the Group's ethics and compliance policies.	<ul style="list-style-type: none"> * Strengthening internal control systems; promoting channels for reporting ethical misconduct (whistleblowing).
	The Group's distribution subsidiary is exposed to the risk that its own technological consumption in the distribution network may exceed the level recognized in tariffs.	<ul style="list-style-type: none"> * Development and implementation of dedicated programs to reduce own technological consumption (CPT). * Conducting network optimization studies.
	The components of the Group's distribution network are negatively affected by aging facilities, which may lead to an increase in the frequency of failures.	<ul style="list-style-type: none"> * Planning and execution of preventive maintenance programs. * Ensuring safety stocks for critical equipment and

Category	Description of the main risks of the Electrica Group	Treatment measures
		concluding framework agreements for services.
	The Group's operations may be adversely affected by a number of natural and man-made disasters or extreme weather conditions.	<ul style="list-style-type: none"> * Developing crisis management procedures. * Facilitating real-time communication and maintaining lists of vulnerable areas for rapid intervention.
	Risks related to occupational health and safety (SSM) that may lead to occupational accidents or diseases.	* Rigorous periodic training; provision of modern protective equipment; strict monitoring and reporting of incidents.
	Disruptions in the supply chain for equipment critical to distribution infrastructure.	* Diversification of the supplier base; maintenance of strategic stocks of essential equipment and spare parts.
VI. Technological	The energy sector is a prime target for cybercriminals seeking to exploit industrial control system environments.	<ul style="list-style-type: none"> * Strengthening cybersecurity through strict access policies (MFA) and advanced firewalls. * Regular security audits (penetration tests) and creation of a Group-level security operations center (SOC).
	The rapid pace of technological change in the energy sector could render the Group's current assets or infrastructure obsolete.	* Constant investment in research and development; adoption of smart grid technologies and digitization of processes.
	The Group's activities are increasingly based on a complex structure of different IT systems and data communication networks.	<ul style="list-style-type: none"> * Administrative segregation of IT systems (cloud and on-premises). * Implementation of cybersecurity principles

Category	Description of the main risks of the Electrica Group	Treatment measures
		through strict control of data connections.
VII. Environment	Climate change, along with companies' responses to emerging threats, is increasingly being examined by governments, regulators, and the public. These risks could affect the Electrica Group, its customer base, and the economy in general through changes in asset prices and disruption of business activities.	* Implementation of rapid response and emergency repair plans. * Auditing and optimisation of planned infrastructure works; ensuring business continuity after a failure.
	Firstly, weather damage poses a significant acute risk to energy infrastructure and may affect the Group's ability to supply energy.	* Implementation of annual maintenance plans adapted to climate risks. * Provision of logistical resources and partnerships with third parties for network restoration.
	Renewable energy projects, such as those that are part of the Group's business, are dependent on climatic conditions that are beyond its control.	* Use insurance policies to protect production assets from climate events. * Implement physical security measures and use advanced weather forecasts in operations.
VIII. External	The introduction of additional sanctions could lead to adverse reactions from Russia, such as interruptions in electricity supplies to the EU and increases in the sale price of electricity. The Russia-Ukraine conflict has disrupted energy markets, leading to price volatility and global energy insecurity. Although the Group has no subsidiaries or affiliates in Ukraine and its energy purchases are predominantly made on the domestic market, the availability, origin, and delivery of resources may be affected by the dynamics of the conflict in the region, and rising energy prices and financing costs could have a negative impact on the Group's profitability and financing requirements.	* Careful monitoring of the geopolitical and energy context; realignment of strategic directions to ensure operational resilience.
	The ability to retain customers and attract new ones depends in part on the recognition of the Electrica Group brand and its reputation for service quality.	* Regular monitoring of brand equity (brand survey); proactive management of

Category	Description of the main risks of the Electrica Group	Treatment measures
		communication and reputation crises.
	Any such disputes, complaints, contractual claims, or adverse publicity could have a negative effect on the Group's reputation.	<ul style="list-style-type: none"> * Proactive management of contractual relationships; monitoring the quality of documentation prepared. * Ensuring transparent corporate communication and specialized legal representation.
	The risk of escalating geopolitical tensions (e.g., the conflict in Iran) could disrupt international energy and commodity markets, influencing gas and oil prices as well as supply chains. This could lead to increased operational costs and heightened energy price volatility, ultimately impacting the financial performance of the Electrica Group.	<ul style="list-style-type: none"> * Careful monitoring of the geopolitical and energy landscape; realigning strategic directions to ensure operational resilience. * Diversifying energy and raw material supply sources to reduce dependency on a single region or route. * Implementing advanced hedging strategies against price fluctuations in the energy markets.
	Limited access to capital markets for new share or bond issues due to macroeconomic conditions.	<ul style="list-style-type: none"> * Maintaining strong investor relations and ensuring high financial transparency for access to financing.
IX. Human Resources	The difficulty in attracting qualified personnel and possible additional pressure from trade unions may affect the Group's activity.	<ul style="list-style-type: none"> * Development of educational partnerships; implementation of performance-based motivation and bonus systems. * Systematic employee training programs.
	A substantial number of the Group's employees are represented by trade unions and covered by collective bargaining agreements that may be renegotiated.	<ul style="list-style-type: none"> * Maintaining transparent social dialogue; strict compliance with legislation on social dialogue.

Category	Description of the main risks of the Electrica Group	Treatment measures
		* Responsible planning of collective bargaining.
X. Governance	The Romanian state, through the Romanian Ministry of Energy, currently holds 49.785% of the shares in the Electrica Group. As a result, the Romanian government will continue to exercise a certain degree of influence over matters requiring shareholder approval, including the election of corporate bodies, the payment of dividends, annual budgets, and significant corporate transactions, and the government's interests may conflict with those of other shareholders.	* Strict application of corporate governance principles and investor communication policies. Ensuring fair treatment of all shareholders, regardless of their shareholding.

Source: Electrica

2.4.1 KYC Activity – Know Your Customer and Business Partners

In accordance with the provisions of Law no. 129/2019 on the prevention and combating of money laundering and terrorist financing, Electrica has implemented "Know Your Business Partner" (KYC) measures (for both customers and suppliers), applicable to both new and existing companies prior to initiating a business relationship or an occasional transaction.

Evaluation and Continuous Monitoring

Electrica utilizes both manual and automated tools (a dedicated software platform for digital KYC process management) for the continuous identification, assessment, and monitoring of business partners. Monitoring is conducted periodically based on the partner's risk profile, in compliance with legal requirements.

Through this compliance framework, Electrica aims to prevent any involvement in money laundering, terrorist financing, or the violation of international sanctions regimes, collaborating exclusively with partners who adhere to legal requirements and KYC/AML standards.

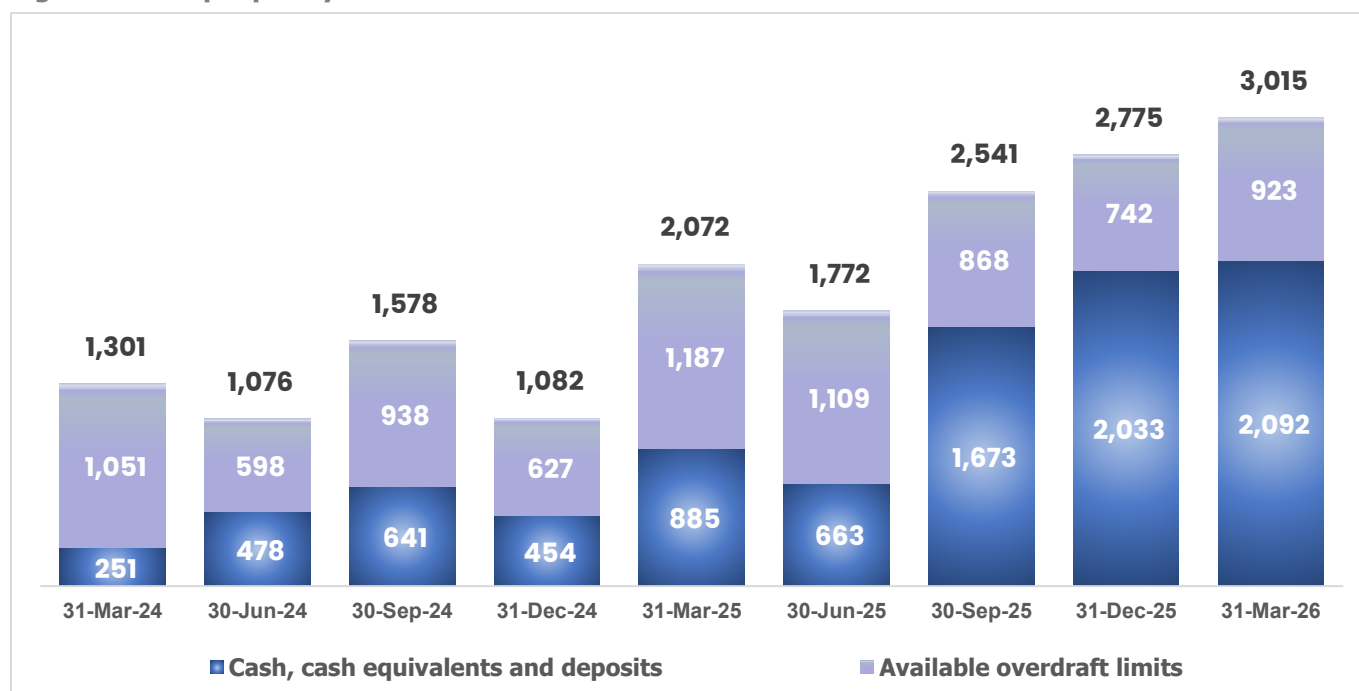
The Company applies measures mandated by national and international legislation, as well as obligations established by the National Office for Prevention and Control of Money Laundering (ONPCSB), for the purpose of:

1. Preparing suspicious transaction reports (STRs) when red flags or indicators of suspicion are identified;
2. Maintaining a high level of operational integrity;
3. Reducing exposure to reputational, legal, and financial risks;
4. Strengthening trust in relationships with business partners.

2.5. Group liquidity

At Group level, the total liquidity available in cash and overdraft limits as of 31 March 2026 was RON 3,015 mn., mainly due to the lower level of use of the overdraft limits on ELSA and supply segment. For distribution segment no utilization was recorded. The level of cash and cash equivalents as of 31 March 2026 was RON 2,092 mn., continuing the increase trend reported in the previous reporting periods, main contributor being the distribution segment.

Figure 3: Group liquidity



Source: Electrica

The Group is taking all the necessary formalities with its partner banks to contract and roll over lines of credit to ensure the liquidity. Moreover, the cash pooling structures allow the Group to optimize the use of liquidity between companies and to quickly cover unforeseen liquidity needs.

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

2.6. Group Investment plan approved for 2026

During the meeting held on 27 March 2026, the Board of Directors of Electrica approved the consolidated value of the Investment Plan (CAPEX) of Electrica Group for 2026, in total amount of RON **1,914.2** mn. (RON **1,580.9** mn. approved in 2025), with the financial part of the individual investment plan as follows:

Table 5. Group investment plan approved for 2026 and comparatives

Company	2026 (RON mn.)	2025 (RON mn.)	Var (%)
Distributie Energie Electrica Romania S.A. (DEER)	995.0	970.8	2.5%
Societatea Energetica Electrica S.A.* - individual plan (ELSA)	244.4	66.6	267.0%
Electrica Furnizare S.A. (EFSA)	46.7	52.8	-11.6%
Electrica Serv S.A (SERV)	9.7	13.5	-28.1%
Sunwind Energy S.R.L. (SWE)	5.0	31.0	-83.9%
New Trend Energy S.R.L. (NTE)	143.4	83.0	72.8%
Foton Power Energy S.R.L. (FPE)	172.2	126.9	35.7%
Crucea Power Park S.R.L. (CPP)	297.7	236.3	26.0%
Total	1,914.2	1,580.9	21.1%

* of the total approved CAPEX for SE Electrica S.A. individually, RON 172.4 mn. represents investments in the merged electricity production segment.

3. Organizational Structure

3.1. Group Structure

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

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

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

- **Distributie Energie Electrica Romania S.A. („DEER”)** resulted from the merger through absorption of the three distribution subsidiaries Societatea de Distributie a Energiei Electrice Muntenia Nord (“SDMN”), Societatea de Distributie a Energiei Electrice Transilvania Sud (“SDTS”) and Societatea de Distributie a Energiei Electrice Transilvania Nord (“SDTN”), the last one being the absorbing company. DEER is the main distribution operator in Transilvania Nord area (Cluj, Maramures, Satu Mare, Salaj, Bihor and Bistrita Nasaud counties), Transilvania Sud area (Brasov, Alba, Sibiu, Mures, Harghita and Covasna counties) and Muntenia Nord area (Prahova, Buzau, Dambovita, Braila, Galati and Vrancea counties), ensuring the service of network users by operating the installations that work at 0.4 kV to 110 kV (power lines, substations and transformation stations). DEER holds exclusive distribution licenses for the aforementioned regions, which have a validity period until 2027, with the possibility of extension for a period of 25 years;
- **Electrica Furnizare S.A. („EFSA”)**, company whose main activity is the supply of electricity to final consumers. EFSA holds an electricity supply license that covers the entire territory of Romania, valid until 2031. In view of the expansion of the economic activities of Electrica Furnizare S.A. (EFSA) in Hungary, the electricity trading license was granted by the Hungarian Energy and Public Utilities Regulatory Authority (MEKH) for Electrica Furnizare, by Decision no. H879/2022. Also, the Group holds a gas supply license valid until 2032;
- **Electrica Serv S.A. („SERV”)** starting on 30 November 2020, the company absorbed Servicii Energetice Muntenia SA (“SEM”), following a merger process. SERV provides repair services and other related services to third parties and various services to the companies in the group (car rental, building rental, etc.);
- **Sunwind Energy S.R.L. („SWE”)** is developing the photovoltaic project "Satu Mare 2" with a designed installed capacity of 27 MW, located near Satu Mare and became a subsidiary on 21 March 2022 as a result of ELSA owning 60% of shares. On 24 March 2023, ELSA bought the remaining shares up to 100%;
- **New Trend Energy S.R.L. („NTE”)** develops the photovoltaic project "Satu Mare 3", with a designed capacity of 59 MW, located near Satu Mare and became a subsidiary on 27 May 2022 as a result of ELSA owning 60% of shares. Subsequently, on July 12, 2024, ELSA acquired the remaining shares up to 100%;
- **Foton Power Energy S.R.L. („FPE”)** develops the photovoltaic project "Bihor 1", with a designed installed capacity of 77.5 MW, located near Oradea city and became subsidiary on 31 July 2023 as a result of ELSA owning 60% of shares. Subsequently, on September 12, 2024, ELSA acquired the remaining shares up to 100%;
- **Crucea Power Park S.R.L. („CPP”)** develops the wind project "Crucea Est", with a designed installed capacity of 121 MW and a projected electricity storage capacity of 60 MWh (15 MW x 4h), located outside the Crucea commune, Constanta county and became subsidiary on 15 October 2024 as a result of ELSA owning 60% of shares. On 07 February 2025, ELSA bought the remaining shares up to 100%.

Table 6. ELSA's subsidiaries

Subsidiary	Activity	Sole registration code	Headquarters	% shareholdings as of 31 March 2026
Distributie Energie Electrica Romania S.A. („DEER”)	Electricity distribution in geographical areas Transilvania Nord, Transilvania Sud and Muntenia Nord	14476722	Cluj-Napoca	99.99999929%
Electrica Furnizare S.A. („EFSA”)	Electricity and natural gas supply	28909028	Bucharest	99.999822655118%
Electrica Serv S.A. („SERV”)	Services in the energy sector (maintenance, repairs, construction)	17329505	Bucharest	99.99998095%
Sunwind Energy S.R.L.	Production of electricity	42910478	Bucharest	100%
New Trend Energy S.R.L. („NTE”)	Production of electricity	42921590	Bucharest	100%
Foton Power Energy S.R.L. („FPE”)	Production of electricity	43652555	Bucharest	100%
Crucea Power Park S.R.L. („CPP”)	Production of electricity	25242042	Bucharest	100%

Source: Electrica

Table 7. ELSA's associates

Associate	Activity	Sole registration code	Head Office	% shareholdings as of 31 March 2026
Electrica Esyasoft Smart Solutions S.A.	Manufacturing of batteries	50993644	Bucharest	25%

Source: Electrica

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

Table 8. Long term investments owned by ELSA

Company	Activity	Sole registration code	Head Office	% shareholding as at 31 March 2026
CCP.RO Bucharest S.A. („CCP.RO”)	Financial brokerage activities, with the exception of insurance activities and pension funds (risk management through derivative products on the energy market)	41850416	Bucharest	5.92%

Source: Electrica

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

5.92% of the share capital remained unchanged following the share capital increase process through the subscription and full payment of the number of shares corresponding to the share held by ELSA, as approved by the CCP.RO EGMS of 13 November 2025.

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

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

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

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

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

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

❖ **Development and modernization of distribution infrastructure**

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

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

❖ **Diversifying the services offered to customers**

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

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

❖ **Operational optimization**

Directions such as:

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

❖ **Digitalization and cybersecurity**

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

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

❖ **Skills development and employee retention**

The focus is on:

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

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

Electrica is stepping up its efforts towards sustainability:

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

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

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

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

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

We are committed to cultivating a culture that embraces diversity, we remain committed to creating the most equitable and inclusive workplaces, advancing the representation of diversity at every level of the organization.

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

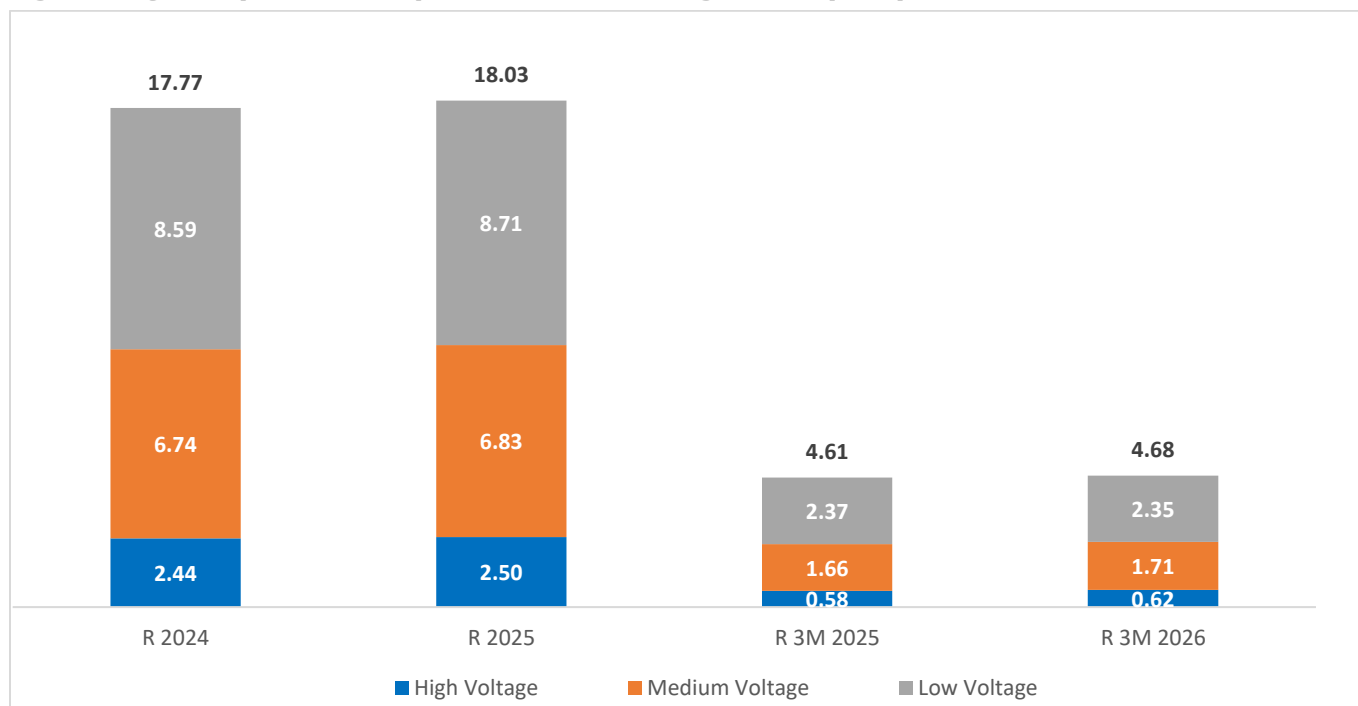
3.3. Key information by segments

Distribution segment

Information for the period ended 31 March 2026:

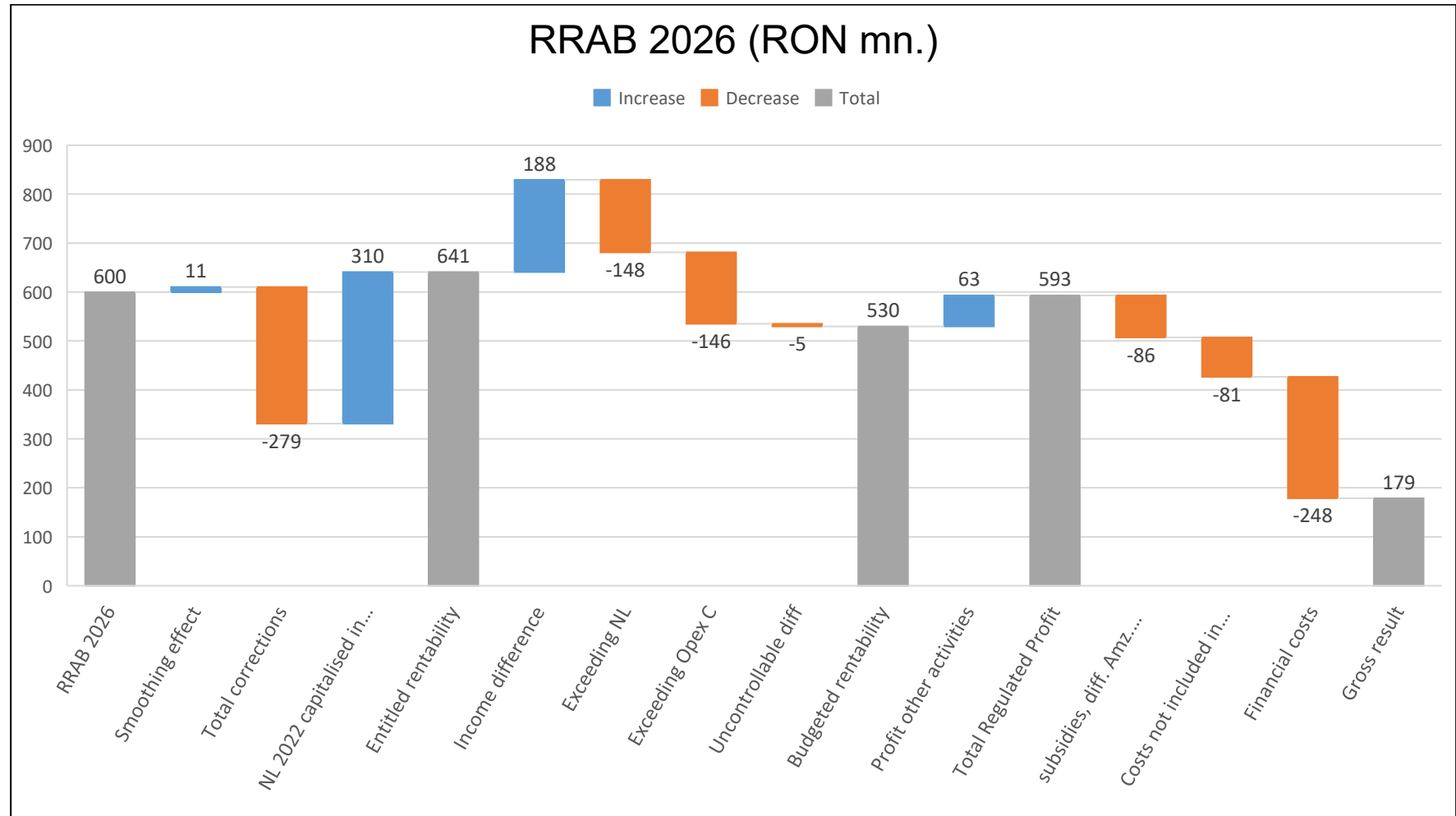
- The Regulated Assets Base (RAB), in nominal terms, estimated at the end of the first quarter of 2026 is 8.8 bln. RON;
- 206,127 km of power lines – 7,610 km for high voltage ("IT"), 47,397 km for medium voltage ("MV") and 151,120 km for low voltage ("LV");
- Total area covered: 97,196 km², 40.8% of Romania's territory;
- 4.01 mn. users served for the distribution activity;
- 4.7 TWh of electricity distributed in the first quarter of 2026, up 1.5% compared to the first 3 months of 2025.

Figure 4: Quantity of electricity distributed on voltage levels (TWh)



Source: Electrica

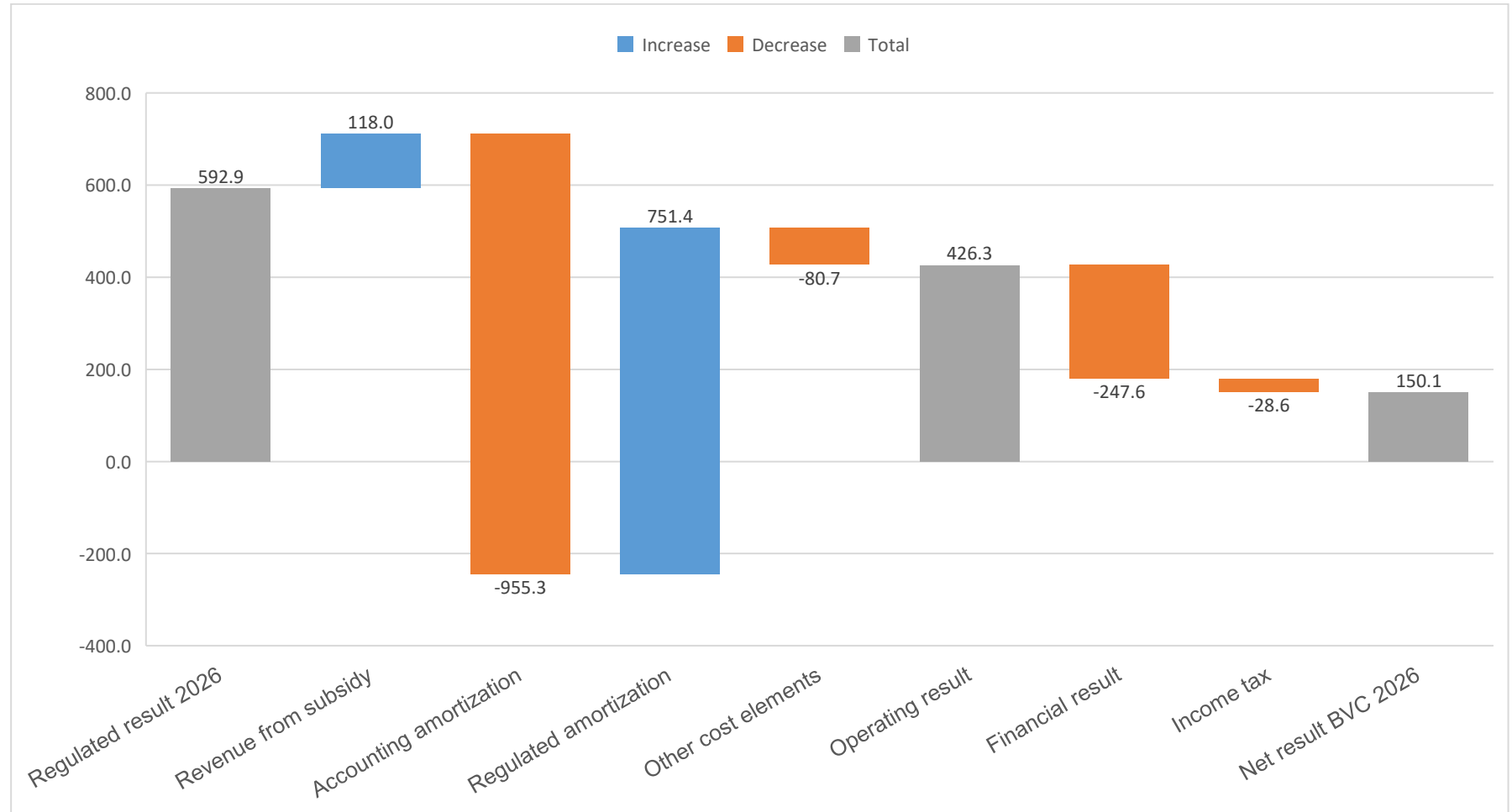
Figure 5: RRAB analysis of the distribution segment gross result for the year 2026 (RON mn.)



Source: Electrica

* The total of the corrections and of the adjustments of income which were reflected in the tariffs of the year 2026 is in value of 166 mil. RON

Figure 6: Analysis of regulated profit – OMFP 1802/2014(EU) budgeted result for the distribution segment for the year 2026 (RON mn.)

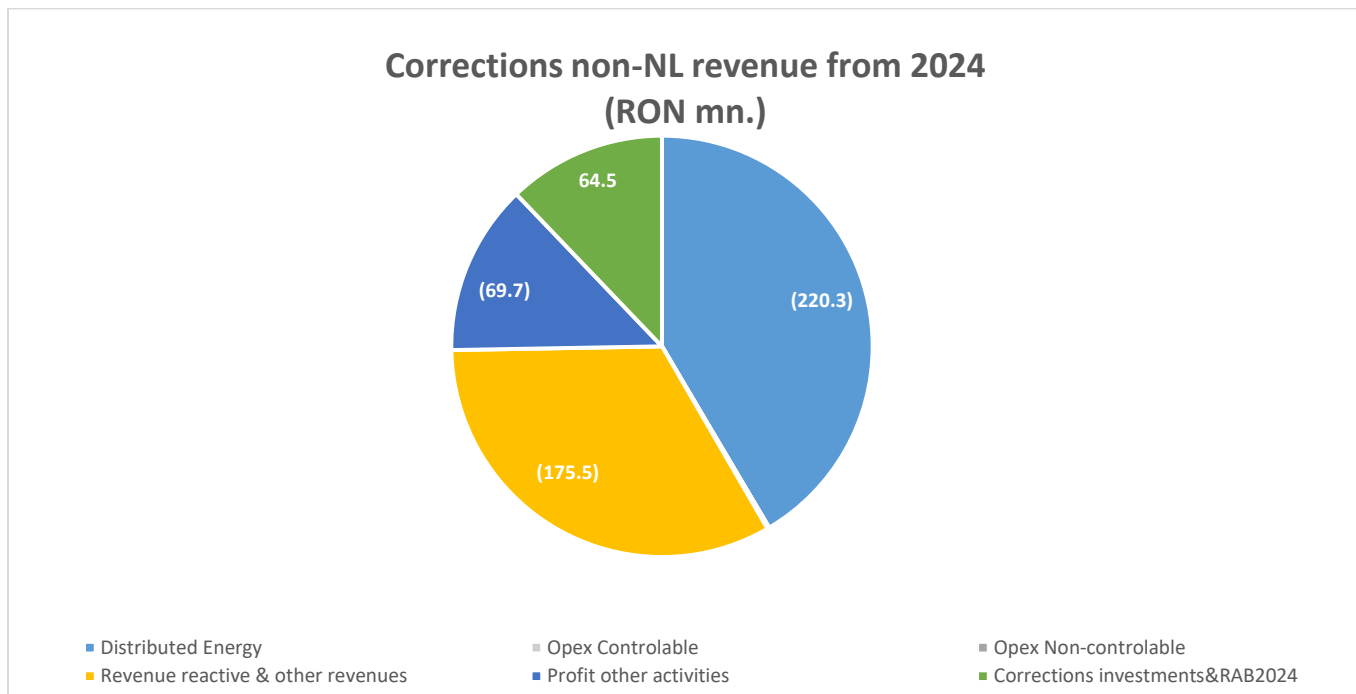


The total of the corrections and of the adjustments of income which is reflected in the tariffs of the year 2026 is positive, in value of 166 mil. RON, and comprises: negative corrections of the non-CPT income in value of 188 mil. RON and positive corrections of the CPT income in value of 44 mil. RON to which is added the positive correction afferent to the supplementary cost of CPT capitalized from the period 2022-2025, in amount of 310 mil. RON which is reflected in the CPT component of the tariffs of the year 2026.

The negative correction of the non-CPT income in value of 188 mil. RON comprises the negative corrections afferent to the year 2024, in value of 402 mil. RON, to which is added the postponed income in value of 94 mil. RON and the positive adjustments of income in value of 120 mil. RON (for reimbursements, readings, tax on special constructions 2025, 2026).

The corrections of the non-CPT income for the year 2024 are reflected on components in the graphic below:

Figure 7: Non-CPT income corrections from 2024 (RON mn.)



Source: Electrica

Supply segment

Key Market data (according to ANRE Report for January 2026):

- The supply market consists of both the competitive segment and the universal service & supplier of last resort (US and SoLR) segment.
- The universal service and supplier of last resort segment includes five designated suppliers at national level.
- The competitive segment includes 96 suppliers (including SoLR suppliers operating on the competitive retail market), of which 89 are relatively small (market share <4%).

Electrica Furnizare holds a total market share of **15.75%**, with a **12.23%** share in the competitive market (ANRE, January 2026 report). By comparison, in 2025 Electrica Furnizare held a total market share of **14.71%** and a competitive market share of **10.8%** (ANRE, December 2025 report).

As of 31 March 2026, the Group supplied to approximately 3,3 mn. consumption points (both under the universal service and last-resort regimes, as well as on the competitive market) 1.86 TWh of electricity, representing a decrease of approximately 7% compared to the same period of the previous year.

Renewable electricity production segment

Projects in development/implementation

Procedures for drafting the documentation and related planning required for the competitive selection process have been initiated for the **Crucea Power Park S.R.L.** project — the Crucea wind farm project with P=121 MWp (up to 138 MW) and 60 MWh of storage, for the following lots:

- ✓ *Supply of wind turbines (and auxiliary equipment) and maintenance services (long-term service agreement);*
- ✓ *Civil construction works: foundations, platforms, and roads; Electrical works / Balance-of-Plant: internal electrical network, 110/33 kV substation, and 110 kV underground power line connection; Based on the connection agreement concluded with Transelectrica: execution of the common connection installation to the Power Transmission Grid (includes the 110/400 kV common connection substation).*

Ongoing investment projects

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

- **New Trend Energy S.R.L.** - Satu Mare 3 PV Plant project with P=62.5 MWp;
- **Foton Energy S.R.L.** - Bihor 1 PV Plant project with P=77.5 MWp;

Investment projects in the execution and/or compliance testing phase

- **Sunwind Energy S.R.L.:** Regarding the Satu Mare 2 PV Plant project (P=27 MWp), where Electrica S.A. holds 100% of the shares and benefits from non-reimbursable co-financing through the NRRP (National Recovery and Resilience Plan) program: as of the date of this report, the project is completed from a construction standpoint, and the Taking-Over Certificate upon Completion of Works (PVRTL) was signed on July 4, 2025 (inside-the-fences PV park completed). Furthermore, the connection works were completed on September 19, 2025, by the distribution operator of the connection installation. The necessary steps have been taken to obtain the approvals for energization and for conducting the compliance tests. Operations during the testing period commenced at the beginning of October. During this period, the generated energy will be delivered to the grid and remunerated based on applicable regulations. Following the completion of the tests, the commercial exploitation license for the production capacity will be obtained, in accordance with the regulations in force.
- **ELSA - Fantanele Storage Power Plant Project:** With an installed capacity of approximately 70 MWh; the EPC contract was concluded on December 18, 2025, and the implementation phase has commenced.

Operational project

- ELSA - Stanesti photovoltaic power plant with a capacity of 7.5 MWp;
- ELSA - Vulturul project with an installed capacity of 12 MWp.

4. Shareholders' Structure

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

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

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

As of 31 March 2026, the ownership structure according to the Central Depository records (Romanian: Depozitarul Central) is presented below:

Table 9. Ownership structure

Shareholder	Number of shares	Percent of the share capital/ voting rights (%)
The Romanian State, through the Ministry Energy, Bucharest, Romania	169,046,299	49.7850%
BNY MELLON DRS, New York, USA	1,199,156	0.3532%
Other legal entities	154,855,179	45.6056%
Individuals	14,452,370	4.2563%
TOTAL	339,553,004	100.0000%

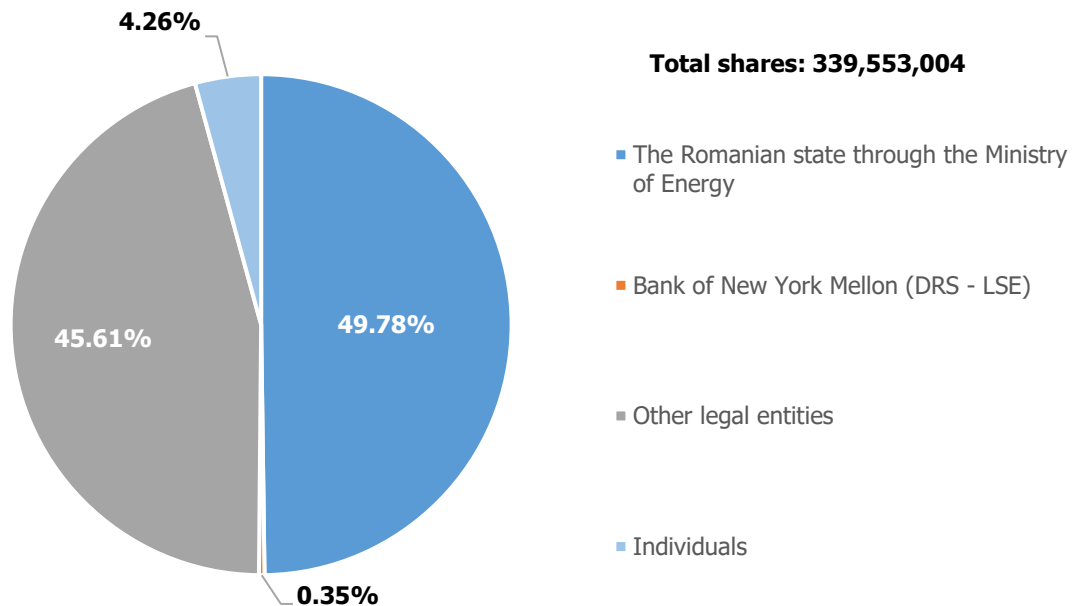
Source: Central Depository, Electrica

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

Note 2: Paval Holding, Allianz SE and NN Group NV hold, directly or indirectly, between 5% and 10% of the total number of shares with voting rights

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

Figure 8: Ownership structure as of 31 March 2026



Source: Central Depository, Electrifica

At the end of March 2026, ELSA's shares were owned by a total of 16,739 shareholders, of which 271 legal entities and 16,468 individuals. 95.73% of the total number of shares (325,063,552 shares) were owned by investors with residence in Romania. Thus, foreign shareholders held 4.27% of the share capital (14,489,452 shares), the largest weight being represented by American and European shareholders. Shareholders in the US, United Kingdom and Ireland held 2.52% of share capital, in this category being included also the GDRs holders.

5. Operational Results IFRS-EU

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

Table 10. Consolidated statement of profit or loss (RON mn.)

Indicator	31 March 2026 (unaudited and unreviewed)	31 March 2025 (reviewed)	Variation (abs.)
Revenues	3,094.1	2,519.3	574.7
Other income	66.0	656.8	(590.9)
Electricity and natural gas purchased	(2,026.4)	(2,105.5)	79.1
Construction costs related to concession agreements	(110.7)	(185.5)	74.9
Employee benefits	(271.5)	(269.9)	(1.6)
Repairs, maintenance and materials	(45.4)	(37.1)	(8.3)
Depreciation and amortization	(150.4)	(145.7)	(4.8)
Impairment loss on trade and other receivables, net	(14.1)	(16.7)	2.6
Other operating expenses	(114.5)	(102.3)	(12.1)
Operating profit	427.1	313.4	113.7
Finance income	49.2	4.3	44.8
Finance costs	(104.6)	(83.9)	(20.7)
Net finance cost	(55.5)	(79.6)	24.2
Share of the result of the associates	-	-	-
Profit before tax	371.6	233.8	137.9
Income tax expense	(62.0)	(38.1)	(23.9)
Net profit	309.6	195.7	114.0

Source: Electrica

Key financial indicators for the period ended 31 March 2026:

- **Revenues and other income: RON 3.2 bn.**, slight decrease of RON 16.1 mn. as compared to Q1 2025;
- **EBITDA: RON 577.5 mn.**, a RON 118.3 mn. increase compared to the same period of last year;
- **EBIT: RON 427.1 mn.**, a RON 113.7 mn. increase compared to Q1 2025;
- **EBT: RON 371.6 mn.**, a RON 137.9 mn. increase compared to Q1 2025;
- **Net result:** profit of **RON 309.6 mn.**, an increase of RON 114.0 mn. or 58.2% compared to Q1 2025.

Revenues and other income

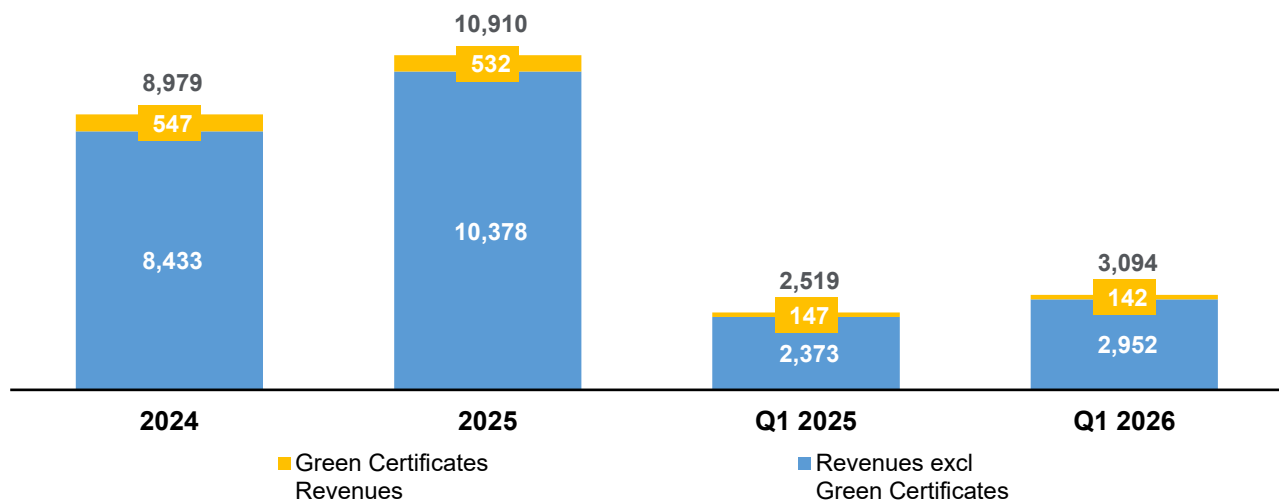
In the period of three months ended at 31 March 2026 and respectively at 31 March 2025, Electrica recorded revenues and other operating revenues in amount of RON 3,160.0 mn. and respectively RON 3,176.2 mn., which represents a slight decrease of approx. RON 16.1 mn., or 0.5%; the variation of revenues records an increase of RON 574.7 mn. due mainly by the supply segment, the retail prices for electrical energy being determined through

competitive mechanisms, adapted to the company strategy while the evolution of other operating revenues represented mainly by subsidies (amounts to be recovered as a result of the application of the price capping for electrical energy) recognized by the supply subsidiary (EFSA) in the previous year, other income recorded a decrease of RON 590.9 mn. in Q1 2026 compared to Q1 2025, as a result of the the support scheme for electricity ending on 30 June 2025. The state aid scheme continues for natural gas, for household customers, until 31 March 2027.

To be specified the fact that energy suppliers find themselves in the impossibility of terminating the existing contracts according to the Law of electrical energy and natural gas no. 123/2012, as per Art. 57.

Revenues

Figure 9: Revenue for Q1 2026 and comparative information (RON mn.)



Source: Electrica

The revenues increased by RON 574.7 mn., or 22.8%, being the net effect of the following main factors:

- increase of RON 557.6 mn. on the supply segment;
- RON 3.9 mn. increase of the distribution segment's revenues;
- increase of RON 1.2 mn. of the services segment's revenues;
- increase of RON 1.6 mn. of the production segment's revenues.

For the supply segment, revenues from electricity and natural gas supply increased by RON 557.6 mn., or 30.7%, to RON 2,375.7 mn. in Q1 2026, from RON 1,818.1 mn. in Q1 2025, due to retail electricity prices being determined through competitive mechanisms, aligned with the company's strategy, given that the state aid scheme for electricity expired on 30 June 2025.

Electricity and gas purchased

In Q1 2026, the expense for electricity and gas purchased slightly decreased by RON 79.1 mn., or 3.8%, to RON 2,026.4 mn., from RON 2,105.5 mn. in the comparative period.

This variation is the net impact of the decrease of electricity costs on the supply segment motivated by the decrease in the volume supplied with 6.9% compared to the same period of last year.

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

Table 11. Structure of the electricity, gas and merchandise purchased (RON mn.)

Three months period ending 31 March	2026	2025	%
Electricity purchased to cover network losses	409.3	420.7	-2.7%
Electricity and natural gas purchased for supply	1,376.0	1,437.2	-4.3%
Transportation and system services related to the supply activity	100.2	95.1	5.3%
Purchased goods	-	6.0	-100%
Green Certificates	141.0	146.5	-3.7%
Total electricity, goods and natural gas purchased	2,026.4	2,105.5	-3.8%

Source: Electrica

Supply segment

In Q1 2026 the expense of electricity and gas purchased (including green certificates and transportation and system services) decreased by RON 61.7 mn., or 3.7%, to RON 1,617.1 mn., from RON 1,678.8 mn. in Q1 2025.

Although, at present, these price-capping mechanisms for electricity no longer apply, the manner in which these schemes were implemented—particularly the mechanism for settling the amounts granted as customer support, reimbursed ex post from the state budget to electricity suppliers—continues to generate constraints from a cash flow perspective, as well as uncertainties regarding the full recovery of the respective amounts by suppliers. In this context, EFSA has adjusted its medium- and long-term strategy in order to manage the impact of these measures on the company's activities in a responsible and sustainable manner, within a regulatory framework that has undergone numerous successive and significant changes in recent years.

The cost of green certificates (GCs) is recognized in the statement of profit or loss based on a quantitative quota established by the regulatory authority and is influenced by the number of GCs that the Group is required to purchase for the current year and by the acquisition price of GCs on the centralized market. The cost of acquiring green certificates represents a recharged cost.

Distribution segment

Regarding the distribution segment, in the three-month period ended March 31, 2026, the cost of electricity purchased to cover network losses (NL) decreased by RON 11.4 mn., or 2.7%, to RON 409.3 mn., from RON 420.7 mn.. This development was driven by an decrease in electricity purchase prices of approximately 8% compared to the same period last year, and also by a decrease of 3.4% in the electricity volumes required to cover network losses (NL) compared to the first three months of 2025.

Construction costs

In Q1 2026, electricity network construction expenses decreased by approx. RON 74.9 mn., or 40.4%, to RON 110.7 mn., from RON 185.5 mn. in the comparative period, due to delays related to works from previous periods, which are expected to be recovered over the course of the current year.

Employee benefits

The expenses for salaries and employee benefits increased by RON 1.6 mn., or 0.6%, to RON 271.5 mn. in Q1 2026, from RON 269.9 mn. in Q1 2025, determined mainly from the increase of benefits negotiated through CCM.

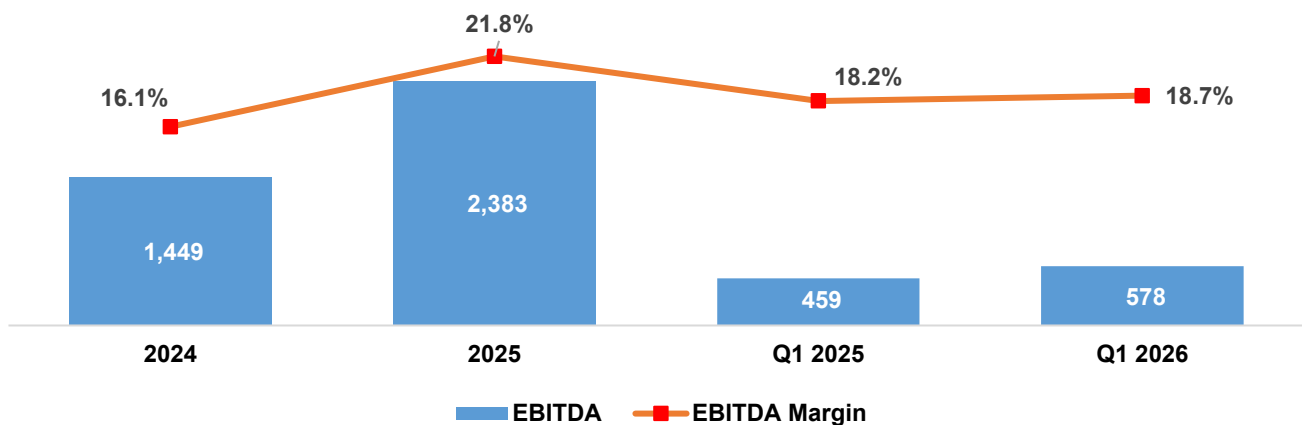
Other operating expenses

In the first three months of 2026, the other operating expenses increased by RON 12.1 mn., or 11.9%, to RON 114.5 mn., from RON 102.3 mn. in the same period of 2025, determined by the increase in expenses with local taxes and rent.

EBITDA and EBITDA margin

Group EBITDA increased by approx. RON 118.3 mn. compared to the same period of the previous year, reaching the value of RON 577.5 mn. in Q1 2026 from RON 459.3 mn. in Q1 2025.

Figure 10: EBITDA and EBITDA margin for Q1 2026 and comparative information (RON mn. and %)

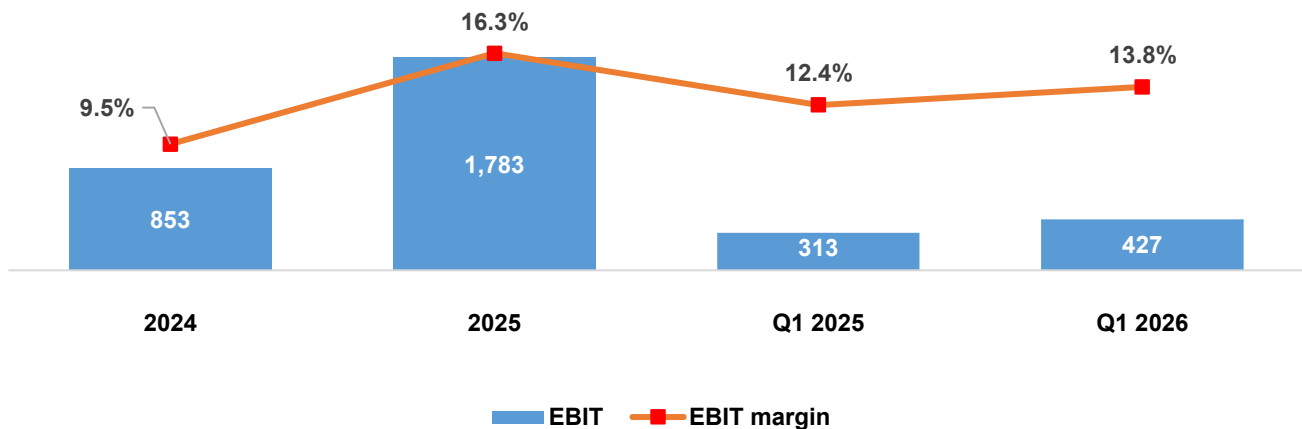


Source: Electrica

Operating result

The Group operating result (EBIT) increased by RON 113.7 mn. y-o-y, from RON 313.4 mn. to RON 427.1 mn. EBIT Margin increased from 12.4% in Q1 2025 to 13.8% in Q1 2026.

Figure 11: EBIT and EBIT margin for Q1 2026 and comparative information (RON mn. and %)



Source: Electrica

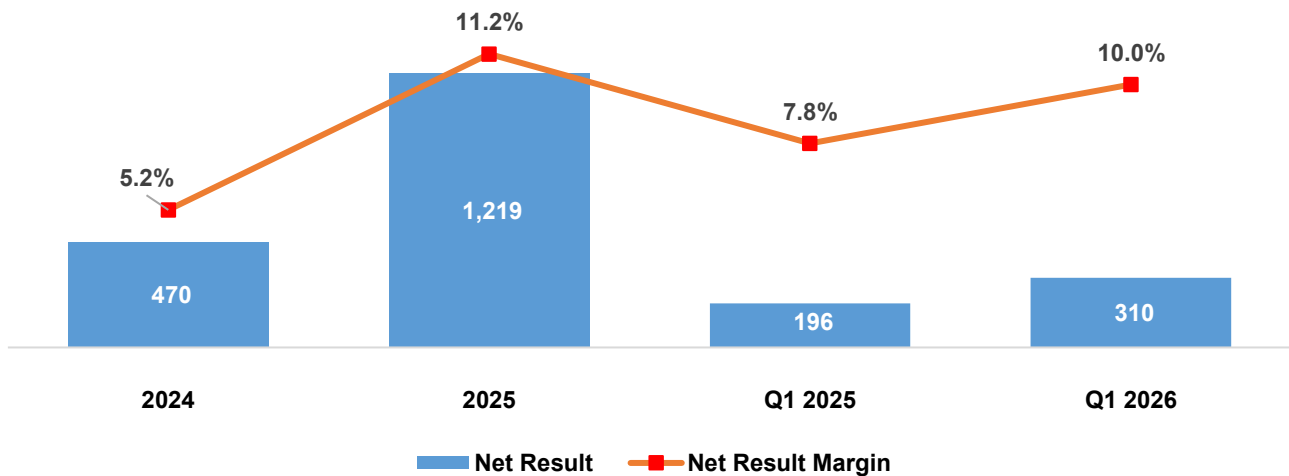
Net finance cost

The net financial result at the Group level improved significantly in the first 3 months of the year, from RON -79.6 mn. in Q1 2025 to RON -55.5 mn. in Q1 2026, due to the positive impact of financial income, which increased from RON 4.3 mn. in Q1 2025 to RON 49.2 mn. in Q1 2026.

Net result for the period

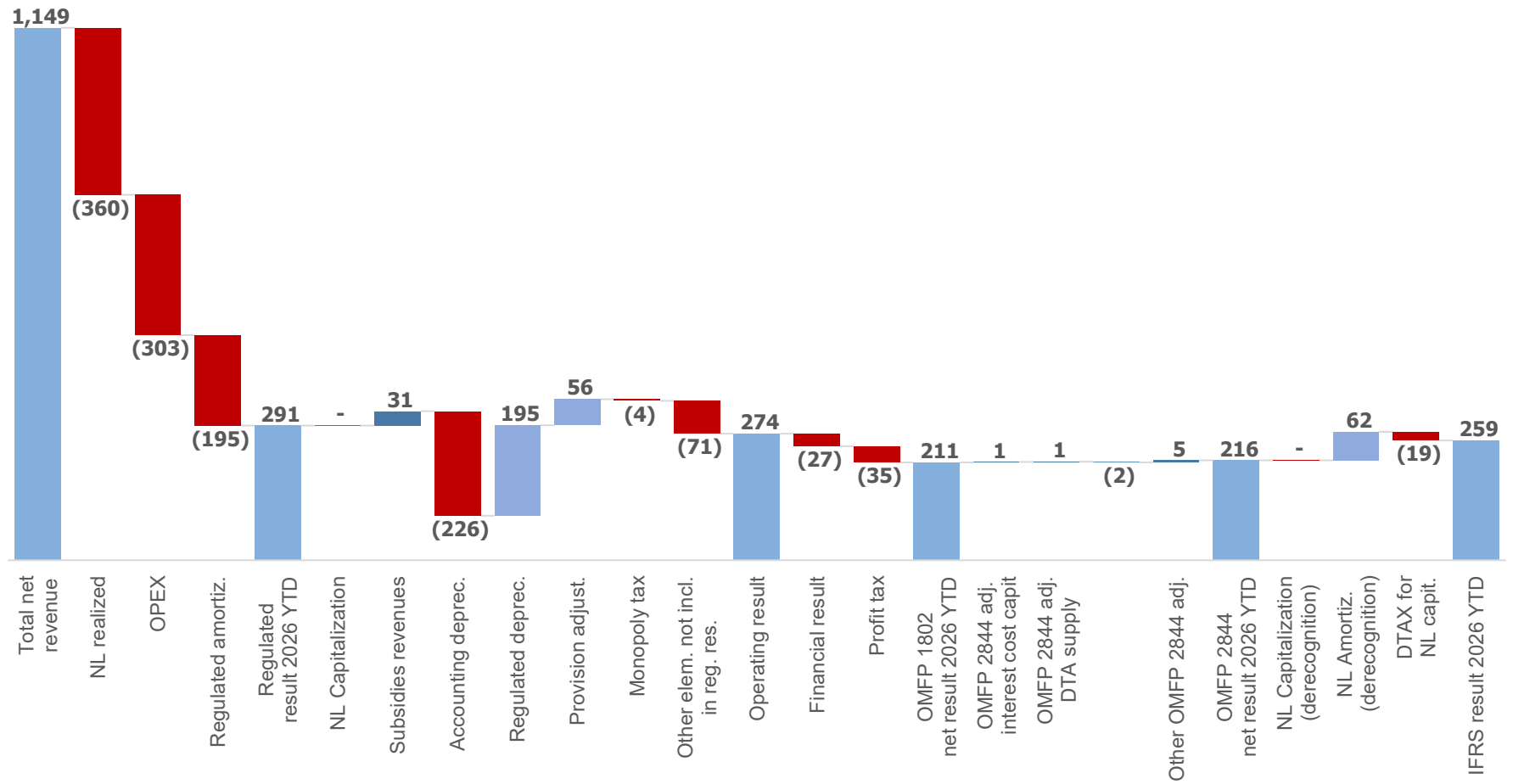
As a result of the above described factors, in the three months period ended 31 March 2026 net profit increased by RON 114.0 mn., reaching RON 309.6 mn., up from RON 195.7 mn. in the comparative period.

Figure 12: Net result and Net result margin for Q1 2026 and comparative information (RON mn. and %)



Source: Electrica

Figure 13: Regulated net result - OMFP 1802/2014 – IFRS(EU) for the distribution segment in Q1 2026 (RON mn.)



Source: Electrica

6. Financial position IFRS- EU

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

Table 12. Financial position (RON mn.)

RON mn.	31 March 2026	31 December 2025 (audited)	Variation (abs.)
ASSETS			
Non-current assets			
Intangible assets related to concession agreements	7,086.2	7,105.5	(19.3)
Goodwill	51.9	49.8	2.2
Other intangible assets	59.3	62.1	(2.7)
Property, plant and equipment	749.1	750.7	(1.6)
Investments in associates	1.6	0.0	1.6
Other investments	8.7	8.7	-
Deferred tax assets	110.3	110.4	(0.1)
Other non-current assets	6.4	6.3	0.1
Deposits, treasury bills and government bonds	1,124.7	1,271.9	(147.2)
Right of use assets	49.5	48.8	0.7
Total non-current assets	9,247.7	9,414.0	(166.3)
Current assets			
Trade receivables	2,922.3	3,152.4	(230.1)
Other receivables	204.8	216.5	(11.7)
Cash and cash equivalents	2,092.4	2,032.9	59.5
Green certificates	69.0	106.5	(37.5)
Deposits, treasury bills and government bonds	1,113.2	892.9	220.3
Subsidies receivables	2,532.2	2,518.3	13.9
Inventories	78.6	91.7	(13.1)
Prepayments	29.7	15.9	13.9
Current income tax receivable	-	4.7	(4.7)
Assets held for sale	0.3	0.3	-
Total current assets	9,042.5	9,032.0	10.4
Total assets	18,290.2	18,446.1	(155.9)
EQUITY AND LIABILITIES			
Equity			
Share capital	3,395.5	3,395.5	-
Share premium	103.0	103.0	-
Treasury shares reserves	-	-	-
Pre-paid capital contributions in kind from shareholders	0,0	0.0	-
Revaluation reserve	142.7	144.5	(1.9)
Legal reserves	528.8	528.8	-
Retained earnings	3,076.7	2,765.2	311.5
Total equity attributable to shareholders of the Company	7,246.8	6,937.1	309.6
Non-controlling interests	-	-	-

RON mn.	31 March 2026	31 December 2025 (audited)	Variation (abs.)
Total equity attributable to shareholders of the Company	7,246.8	6,937.1	309.6
Liabilities			
Non-current liabilities			
Lease liability – long term	41.1	42.0	(1.0)
Deferred tax liabilities	200.5	184.4	16.1
Employee benefits	175.4	175.4	(0.0)
Other liabilities	30.8	31.8	(1.0)
Long-term bank borrowings	2,704.0	2,783.2	(79.2)
Long-term green bonds liabilities	2,527.2	2,525.4	1.8
Total non-current liabilities	5,679.0	5,742.2	(63.2)
Current liabilities			
Lease liability – short term	12.9	11.1	1.8
Overdrafts and short term loans	2,172.8	2,352.5	(179.7)
Trade payables	1,149.6	1,241.1	(91.5)
Other payables	1,317.6	1,418.1	(100.4)
Deferred revenue	0.6	2.5	(2.0)
Employee benefits	126.7	194.5	(67.8)
Provisions	28.6	28.6	(0.1)
Current income tax liability	101.1	58.9	42.2
Current portion of long-term bank borrowings	381.5	413.8	(32.3)
Current portion of long-term green bonds liabilities	73.1	45.6	27.5
Total current liabilities	5,364.4	5,766.7	(402.3)
Total liabilities	11,043.4	11,508.9	(465.5)
Total equity and liabilities	18,290.2	18,446.1	(155.9)

Source: Electrica

The materiality threshold established internally at Group level in the analysis of the main indicators (below) is RON 29 mn., representing 5% of EBITDA.

Non-current assets

Non-current assets decreased by RON 166.3 mn. in 2026, from RON 9,414.0 mn. as of December 31, 2025, to RON 9,247.7 mn. as of March 31, 2026. This variation was mainly driven by a RON 147.2 mn. decrease in investments in government bonds and deposits.

Current assets

In 2026, current assets increased by RON 10.4 mn. compared to December 2025, rising from RON 9,032.0 mn. to RON 9,042.5 mn. This development was primarily due to an increase in the short-term government bonds investment balance by RON 220.3 mn. and an increase in cash and cash equivalents by RON 59.5 mn.. This positive impact was partially offset by a decrease in trade receivables of RON 230.1 mn. and a decrease in the green certificates balance of RON 37.5 mn.

Trade receivables

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

Trade receivables decreased by RON 230.1 mn. in 2026, from RON 3,152.4 mn. to RON 2,922.3 mn. as of March 31, 2026, primarily driven by improvements in the billing process of the supply subsidiary, which led to a decrease in the unbilled receivables balance.

Cash and cash equivalents

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

The value of cash and cash equivalents increased by RON 59.5 mn., from RON 2,032.9 mn. as of December 31, 2025, to RON 2,092.4 mn. as of March 31, 2026, primarily due to collections from the operating activity (end customers) of the supply subsidiary.

Table 13. Cash and cash equivalents

(mn. RON)	31 March 2026	31 December 2025
Current accounts	240.1	270.3
Deposits	1,851.2	1,761.5
Cash	1.1	1.1
Total cash and cash equivalents	2,092.4	2,032.9

Source: Electrica

Non-current liabilities

Non-current liabilities decreased from RON 5,742.2 mn. as of December 31, 2025, to RON 5,679.0 mn. as of March 31, 2026. This development is a net effect of the variation in the main categories of long-term liabilities, the most significant of which is a RON 92.5 mn. decrease in the long-term loan balances of the distribution subsidiary.

Current liabilities

During the first 3 months of 2026, current liabilities decreased by RON 402.3 mn., reaching RON 5,364.4 mn. from RON 5,766.7 mn. at the end of 2025, primarily as a result of the development of the categories listed below.

Overdrafts

Overdrafts recorded a decrease of RON 179.7 mn. in the first 3 months of 2026, from RON 2,352.5 mn. as of December 31, 2025, to RON 2,172.8 mn. as of March 31, 2026, due to the repayment of certain credit lines at the ELSA level.

Trade payables

As of March 31, 2026, trade payables decreased by approximately RON 91.5 mn., from RON 1,241.1 mn. to RON 1,149.6 mn., mainly as a result of a decrease in the supplier balance at the distribution subsidiary level by approximately RON 130.0 mn..

Other Liabilities

As of March 31, 2026, other liabilities decreased by RON 100.4 mn., or 7.1%, from RON 1,418.1 mn. as of December 31, 2025, to RON 1,317.6 mn. This was primarily driven by a decrease in the *Other liabilities* balance of the supply

subsidiary by approx. RON 70.0 mn. (a decrease of RON 58.7 mn. in the deferred VAT liability related to unissued invoices) and of the distribution and services subsidiaries by approximately RON 20.0 mn..

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

Distribution segment

For or the distribution segment, the significant changes in the Romanian legislation were detailed in *Appendix 9.2.1* of this report and *chapter 2.2*. Based on these changes, the expected effects refer to:

The methodology for setting distribution tariffs, approved by ANRE Order no. 67/2024, establishes the regulatory framework for the fifth regulatory period (PR5) and the method for setting the regulated revenues and the return on assets of the distribution subsidiary.

The regulated revenues of the DO consist of: (i) non-NL revenues which are recovered through the tariffs applied to consumers and (ii) CPT revenues which are recovered both from consumers and from electricity producers.

For PR5, the approved RRR value is 6.94%, with the following incentives or penalties and RRR reductions being granted:

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

Supply segment

The supply segment will focus on diversifying its activities through offers and services tailored to customer needs, on operational efficiency through optimized electricity sales and procurement processes, and on customer orientation and maximizing customer satisfaction. The objectives include the growth of the supply segment, the provision of value-added solutions (products and services), and the digitalization of specific operations and processes.

It should be noted that, depending on other factors that are not available as of the date of this report (e.g., regulations and legislation undergoing changes), or that have not been presented above, or that have not been considered by the Group, such factors may arise and may have a significant impact on the implementation and evolution of the Group's strategy.

The regulatory framework has undergone significant changes over the past decade, including the liberalization of electricity and natural gas markets, the unbundling of supply and distribution activities, the implementation of support schemes for renewable energy, the promotion of electricity prosumers, and the capping of prices for final customers.

In the first quarter of 2026, prices were set by suppliers through free market mechanisms, both for universal service offers and for offers on the competitive electricity market, while complying with the price-capping rules applicable to final natural gas customers.

Regarding last resort supply of electricity and natural gas, a monthly rotation system was introduced for the designation of the last resort supplier (LRS), which automatically takes over customers nationwide. For this purpose, the list of LRSs is established based on market share, each LRS on the list being designated in turn, on a monthly basis, to automatically take over customers left without a supplier.

Accordingly, in the first quarter of 2026, EFSA was designated as the last resort supplier for natural gas in March, and for electricity it is designated in April.

Electricity price

The regulatory framework in the electricity segment has undergone significant changes over the past decade, including the full liberalization of the electricity and natural gas markets, the implementation of support schemes for renewable energy, the protection of electricity consumers, the capping of prices for final customers, and the capitalization of additional costs related to technological self-consumption.

For the supply segment, in the first quarter of 2026, retail electricity prices were determined through competitive market mechanisms, with differentiation among customer categories based on market segment, price sensitivity, and the company's strategic orientation.

The effects of the application of Government Emergency Ordinance no. 27/2022, as subsequently amended and supplemented, the manner of implementation of these schemes, and in particular the mechanism for settling the amounts granted as customer support, reimbursed ex post from the state budget to electricity suppliers, have generated cash flow constraints, as well as uncertainties regarding the full recovery of the respective amounts by suppliers.

In this context, EFSA has adapted to these changes in order to manage their impact on the company's activities in a responsible and sustainable manner, within a regulatory framework that has undergone numerous successive updates of major significance.

According to Government Emergency Ordinance no. 27/2022, as supplemented by Government Emergency Ordinance no. 6/2025, price capping continued during the first quarter of 2026 only for natural gas.

Evolution of acquisition costs

The first quarter of 2026 was characterized by low liquidity in the wholesale market, driven by the limited number of sell offers, predominantly concentrated on the SPOT markets (Day-Ahead Market – DAM and Intraday), as well as by market participants' reluctance to enter into long-term contracts, amid uncertainties regarding price developments, high volatility, legislative changes, and costs associated with imbalances.

The geopolitical context continues to have a significant impact, contributing to uncertainty and volatility in trading prices.

The conflict that erupted in the Middle East on 28 February 2026 between the USA–Israel and Iran generated immediate disruptions in global energy and natural gas markets, reflected in sharp increases in oil and gas quotations, heightened volatility in futures and SPOT markets, and the introduction of additional geopolitical risk related to potential disruptions of energy flows from the Persian Gulf region, against the background of disruptions to energy traffic through the Strait of Hormuz.

For electricity, trading prices on the DAM during evening peak hours recorded increased values, with the maximum recorded in January, of RON 2,318.51/MWh. Starting February 2026, negative hourly prices were

recorded on the DAM as a result of the overlap between high production from renewable sources, particularly photovoltaic, and low demand during midday intervals, a phenomenon amplified by the coupling of the Romanian market with European markets.

The average electricity trading price on the DAM in Q1 2026 was RON 603.30/MWh, representing a decrease of approximately 7.8% compared to the average price recorded in Q1 2025, which amounted to RON 668.46/MWh.

Electricity production increased by approximately 10% compared to the same period of the previous year; Romania imported 782.92 GWh less electricity compared to the first quarter of 2025.

For natural gas, the cumulative weighted average price on the DAM and Intraday markets for the first quarter of 2026 amounted to RON 198.37/MWh, compared to RON 253.38/MWh in the corresponding period of 2025. In March 2025, prices decreased by approximately 30% compared to February 2025, whereas in March 2026 prices increased by 34% compared to February 2026, as a consequence of the outbreak of the Middle East conflict.

According to the provisions of Government Emergency Ordinance no. 12/2026, for the period from 1 April 2026 to 31 March 2027, the final invoiced price for household natural gas consumers is the lower of the contractual price and the final price calculated in accordance with the Ordinance, while the regulated price of natural gas supplied by producers for this category of consumers is set at RON 110/MWh, applicable both for current consumption and for the establishment of storage for the winter of 2026–2027.

On the electricity balancing market, the resulting cost is largely generated by imbalances created by prosumers that are not recognized. Factors such as the rapid development of the prosumer segment, the lack of historical data required to build mathematical forecasting models, and the absence of real-time metering data have a significant impact on imbalance estimation.

It is difficult to anticipate the evolution of the wholesale electricity and natural gas markets in the coming period, given the tense geopolitical environment and persistent structural uncertainties. Price volatility is expected to remain high, driven by geopolitical tensions, the increasing share of renewable energy production in the absence of adequate investments in storage and flexibility capacities, as well as relatively moderate final demand. In this context, price dynamics are expected to remain comparable to those observed in recent periods, without clear short-term signals of stabilization.

Impact on customers

Strategic directions impacting the supplier–customer relationship in the dynamic energy market context:

- **Acceleration and optimization of the digitalization process**
Strengthening digital infrastructure in order to simplify processes and enhance the customer experience.
- **Adaptation of internal processes to the new market framework**
Standardization and increased flexibility of operational workflows to efficiently respond to customer requirements in a competitive and dynamic environment.
- **Active positioning in a liberalized and volatile market**
Promotion of non-energy products, photovoltaic power plants, and energy storage solutions, with the aim of protecting customers and encouraging the transition toward sustainable consumption.
- **Diversification of the commercial offering**
Development of products tailored to different consumer segments, including fixed-price contracts, flexible packages, and customized solutions.

- **Strengthening the supplier’s advisory role**

Assuming an active role in educating customers on energy efficiency, consumption optimization, and the selection of the most cost-effective solutions.

- **Increasing customer investments in green and sustainable technologies**

Promoting access to energy from renewable sources and supporting self-consumption initiatives through solutions such as photovoltaic panels and smart storage systems.

Energy services segment

The Group also integrates into its portfolio the segment dedicated to energy services, which includes equipment maintenance works, repairs and auxiliary services associated with the distribution infrastructure.

Electrica Serv intensifies its development efforts on the market of modern and sustainable solutions for electricity generation, with an emphasis on photovoltaic power plants, reactive energy compensation systems and the implementation of storage solutions (BESS). In partnership with Electrica Furnizare, the company aims to offer customers integrated solutions that include: the mounting of solar panels, smart lighting, backup systems for power supply and smart metering.

The main objectives of Electrica Serv for the following period are:

- The increase of commercial activity outside the Electrica Group by attracting new customers and developing sustainable partnerships;
- The reorientation of the organizational structure and the optimization of human resources for a better operational efficiency and the elimination of the losses recorded in the previous years;
- The consolidation of the financial performance and the direction of investments towards innovative fields, with high development potential.

Also, Electrica Serv maintains its market share at approximately 6%, according to current estimates based on consolidated market data. Compared to the level recorded in the previous year, no significant variations were recorded regarding the share in the energy services market.

However, maintaining the share in an increasingly competitive market context – marked by the entry of new private players, the accelerated digitalization of the infrastructure and the energy transition – reflects a stable position and a solid basis for future developments. In the perspective of the following years, the strategy of Electrica Serv aims at consolidating the market share through the diversification of the offered services and the expansion towards industrial and commercial customers interested in customized energy efficiency solutions.

Capitalizing on group opportunities represents a priority direction of the following years, considering the strategic developments of Electrica SA in the medium term.

The objectives of Electrica Serv for the year 2026 include an exponential growth of the financial indicators on the renewable energy segment, aiming to reach the threshold of 23 mn. RON turnover. The strategy is based on capitalizing on the synergies with the current base of photovoltaic projects (CEF customers) and the integration of energy storage solutions (BESS). The objective is the installation of a minimum of 10 MWh of storage batteries by the end of 2026, consolidating the company's position as an integrator of complex energy solutions.

The IT&C perspective

In the first quarter of 2026, the Group consolidated its digital transformation journey defined under the Digitalization Strategy approved in 2022, further accelerating the integration of artificial intelligence (AI) and the expansion of

digitalization initiatives across all business functions. The results obtained during this period confirm the maturity of the adopted approach, with benefits reflected in operational efficiency, the quality of decision-making processes, and organizational agility.

The application of AI-based technologies in operational and support functions continued to generate value through real-time data analysis, the generation of predictive insights, and the automation of workflows. Key areas of integration include customer service automation, intelligent document processing, fraud detection, and supply chain optimization, to which new use cases have been added in the area of internal support and organizational knowledge management.

The Innovation and Emerging Technologies Lab expanded its activity in the first quarter of 2026, moving from the testing phase to pilot implementation for some of the internally developed solutions. Medium-scale AI models, trained on proprietary systems, were validated in specific operational contexts, confirming the feasibility of an approach that keeps data and processing capabilities under the Group's direct control.

A landmark moment of this period is the completion of the AIAE — Artificial Intelligence for Active Energy Management project, the first AI-based virtual energy manager for buildings in Romania, developed in partnership with RENERGIA and the Technical University of Cluj-Napoca. The solution analyzes energy consumption in real time, identifies patterns, and generates recommendations for optimizing energy performance, contributing directly to the detection of consumption anomalies, the optimization of self-consumption, the reduction of energy consumption and carbon emissions, as well as the forecasting of energy consumption and production.

The first operational results were obtained at the Group's headquarters, and the technology is also used at the "Prof. Eng. Dimitrie Leonida" National Technical Museum, the second building in Romania to benefit from this type of intelligent solution for energy management. During the development phase, more than 48 mn. data sets were processed and over 1,000,000 lines of code were developed, with the involvement of 3 PhD candidates and 4 researchers under the age of 30 — an indicator of the Group's commitment to applied research and to the development of specialized competencies in the field of AI applied to the energy sector. AIAE demonstrates the Group's ability to move from concept to implementation and to deliver, through artificial intelligence, concrete results in building operations, with the solution to be extended in the following stages across the entire Electrica Group.

In the context of the increasing complexity of digital ecosystems and the evolution of cyber threats, the Group has treated cybersecurity resilience as a strategic priority, advancing the implementation of the measures provided under NIS2 and of the obligations applicable to critical infrastructure operators. Investments in next-generation security platforms continued, and training and awareness programs were expanded with the aim of strengthening a robust cybersecurity culture across the entire organization. In parallel, the introduction of modern workspace technologies — simpler, more efficient, and more secure — has progressed, accompanied by advanced artificial intelligence solutions that support employees in carrying out business processes, including through the use of customized data sources.

Beyond the improvement of IT&C infrastructure, the Group maintains its commitment to developing customer-centric digital experiences, offering personalized, flexible, and adaptable services. By leveraging digitalization and AI, the organization is better positioned to anticipate market trends, respond to the dynamic expectations of customers, and support sustainable long-term growth in a continuously evolving digital environment.

8. Statements

Based on the best available information, we confirm that the interim condensed consolidated financial statements for the three month period ended 31 March 2026 prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS-EU”), provide a true and fair view of the assets, liabilities, financial position, financial performance, and cash flows of the Electrica Group, as required by the applicable accounting standards, and that this Report, prepared in accordance with Art. 69 of Law no. 24/2017 on issuers of financial instruments and market operations and with Annex no. 13 of the ASF Regulation no. 5/2018 for the three month period ended 31 March 2026, includes a fair analysis of the development and performance of the Electrica Group and the companies included in the consolidation.

Chair of the Board of Directors,

Mihai DIACONU

Chief Executive Officer,

Alexandru-Aurelian CHIRITA

Chief Financial Officer,

Costin-Ionut IORDACHE

9. Appendix

9.1. Appendix 1 - Economic and financial indicators of Electrica Group as of 31 March 2026 according to Annex 13/ASF Regulation no. 5/2018

Indicator	Formula	Value
Current liquidity ratio	Current assets/Current liabilities	1.69
Capital Gearing Ratio	Debt*/Equity x 100	79.0%
	Debt/Employed Capital** x100	44.1%
Trade receivables turnover	Average balance trade receivables/ Turnover x 90 days	88 days
Non-current asset turnover ratio	Turnover/Non-current assets	0.39

Source: Electrica

*Debt = Long-term loans and bonds (including their current portions)

**Employed capital = Debt + Equity

9.2. Appendix 2 - Applicable legal framework - issued in 2026

A.9.2.1 Distribution segment

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

2026

• **Methodology for establishing the distribution tariffs for PR5** ANRE approved the Methodology on September 17, through ANRE Order no. 67/2024, and it entered into force on September 20, 2024.

I. OPEX: controllable (CC) and uncontrollable (CNC) CC and the efficiency factor will be established based on the OPEX study, carried out by ANRE with an external consultant. PEX is not subject to efficiency and will be adjusted annually with the inflation rate (RI) and by 5%, correlated to the real wage earnings growth index according to CNSP. Research and development costs will not be subject to efficiency, and can be requested by the OD [Distribution Operator], the maximum value being 5 mn. RON for the total PR5. Expenses related to contracts with affiliated parties having as object the representation of the OD, consulting services in the regulatory field, and expenses corresponding to the profit attributed to any subcontracted parties are not recognized. The inflation correction between the realized RI and the forecasted one is applied to PEX, only in the case where the RI difference is positive.

II. BAR [Regulated Asset Base] and CAPEX The PR5 BAR will be inflated with the forecasted RI used in calculating the RRR [Regulated Rate of Return]; Investments of the type of updates to IT applications or databases will not be recognized in the BAR, these will be recognized as special expenses within the CNC. Assets of the endowment type [equipment/facilities] will be recognized in the BAR if the OD demonstrates their efficiency.

III. RRR Incentives The following RRR incentives will no longer be granted: 1% new investments in RED [Electricity Distribution Network] and 1% for PIC. For investments in networks made within projects co-financed by non-reimbursable EU funds, a 0.5% incentive will be granted. A 1% incentive is granted only for the value that exceeds the mandatory minimum value for investments made in RED. The RRR will be increased or decreased by 0.5%, depending on the performance level achieved by the OD regarding the development of a smart grid; The RRR is decreased by 2% for investments in endowments (administrative buildings and tangible and intangible assets), which will be PIF [Commissioned / Put Into Function] in PR5. By exception, the RRR is not reduced in the case of endowments effectively used for works in RED and which lead to maintaining and/or improving RED parameters.

IV. CPT [Own Technological Consumption / Network Losses] The CPT targets will decrease linearly during PR5 by 15% for JT [Low Voltage] and by 6% for MT [Medium Voltage]. The CPT price recognized ex-post will not exceed the weighted average of the prices achieved by the OD, plus 5%. In periods of crisis on the energy market, declared through normative acts, the CPT price achieved by the OD will be recognized.

V. Revenues and tariffs The regulated revenue will be composed of: non-CPT revenue and CPT revenue. The non-CPT revenue is linearized and the related tariff component, calculated as a weighted average, will be capped at 10%. The CPT revenue is the basis for establishing CPT tariffs, which will not be capped and will be recovered both from consumers and from producers with an installed capacity greater than 5 MW. The pole rental activity is regulated and will be included in the distribution service revenue.

The regulated rate of return on invested capital for PR5 ANRE approved Order no. 55/6.08.2024 establishing the PR5 RRR, in the amount of 6.94%.

• **ANRE Order no. 77/2025 regarding the approval of the specific tariffs for the electricity distribution service and the price for reactive electrical energy, valid from January 1, 2026 for the Company Distribuție Energie Electrica Romania - S.A. and for the modification and completion of ANRE Order no. 97/2024 regarding the approval of the specific tariffs for the electricity distribution service and the price for reactive electrical energy, valid from January 1, 2025 for the Company Distribuție Energie Electrica Romania - S.A., as well as the values of the investment plans for the V-th regulatory period (PR5).**

2026

Annex 1:

Table no. 1 - Specific tariffs for the electricity distribution service applied by the Company Distributie Energie Electrica Romania - S.A., valid from the date of January 1, 2026, expressed in lei/MWh

OD	Nivel tensiune	1 ianuarie 2026				Ajustari 1 ianuarie 2026 vs 1 ianuarie 2025			
		Total	Tarife non CPT	comp CPT util	comp CPT capitaliz	Total	Tarife non CPT	comp CPT util	comp CPT capitaliz
DEER	IT	31.96	23.04	7.15	1.77	-6%	-12%	2%	124%
	MT	83.36	43.61	31.86	7.89	3%	-6%	3%	127%
	JT	240.02	139.45	80.60	19.97	2%	-5%	0%	120%

Annex 2:

The values of the annual maintenance plans of the Company Distributie Energie Electrica Romania - S.A. corresponding to PR5

	2025	2026	2027	2028	2029
Lei (termeni reali 2024)	473.995.952	490.945.392	508.812.508	527.642.454	547.482.647

Source: Electrica

A.9.2.2 Supply segment

In 2026, with an impact on the electricity and natural gas supply activity, the following normative acts were adopted:

2026

a) Primary legislation:

- **OUG no. 6/2025 (published in the Official Gazette no. 182 of 28.02.2025) - Emergency ordinance regarding the measures applicable to final customers in the electricity market in the period April 1, 2025 - June 30, 2025, respectively the measures applicable to final customers in the natural gas market in the period April 1, 2025 - March 31, 2026, as well as for the modification and completion of some normative acts in the energy field.**

for electricity the final invoiced price is:

- a) maximum 0.68 lei/kWh with VAT included, (for the consumption realized by the following categories of customers: 1. household customers whose monthly consumption is between 0 and 100 kWh inclusive; 2. household customers at whose place of consumption live persons using medical devices, appliances or equipment powered from the electrical network, necessary for performing medical treatments, based on the confirmation from the specialist doctor and a request submitted to the supplier; 3. household customers who have in maintenance at least 3 children aged up to 18 years, based on a request and a declaration on own responsibility; the age limit is extended up to 26 years in case the major child follows a form of education; 4. single-parent family household customers, who have in maintenance at least one child aged up to 18 years, based on a request and a declaration on own responsibility; the age limit is extended up to 26 years in case the major child follows a form of education);
- b) maximum 0.80 lei/kWh, with VAT included, for the consumption realized by household customers whose monthly consumption at the place of consumption is between 100.01 and 255 kWh (electricity consumption between 255 and 300 kWh/month is invoiced at the maximum price of 1.3 lei/kWh, with VAT included, and in case the consumption exceeds 300 kWh/month the entire consumption is invoiced at the maximum price of 1.3 lei/kWh);
- c) maximum 1 leu/kWh, with VAT included, for 85% of the monthly consumption realized at the place of consumption for certain categories of consumers (the difference in monthly electricity consumption to be invoiced at the maximum price of 1.3 lei/kWh with VAT included, based on the declaration on own responsibility of the legal representative);
- d) maximum 1 leu/kWh, with VAT included, for the entire consumption of public and private hospitals, of public and private educational units, as well as of nurseries, of public and private providers of social services;
- e) maximum 1 leu/kWh, with VAT included, for 85% of the monthly consumption, realized at the place of consumption, for public institutions, other than those provided in lit. d), as well as for those belonging to the officially recognized cults in Romania (the difference in monthly electricity consumption is invoiced at the maximum price of 1.3 lei/kWh, with VAT included);
- f) maximum 1.3 lei/kWh, with VAT included, for household and non-household consumers who are not provided in lit. a)-e);

for natural gas the final invoiced price is:

- a) maximum 0.31 lei/kWh, with VAT included, in the case of household customers;
- b) maximum 0.37 lei/kWh, with VAT included, in the case of non-household customers whose annual natural gas consumption realized in the previous year at the place of consumption is at most 50,000 MWh, as well as in the case of thermal energy producers and non-household customers within the industrial parks regulated by Law no. 186/2013 regarding the establishment and functioning of industrial parks, with subsequent modifications and completions, as well as those within the closed distribution systems defined according to Law no. 123/2012, with subsequent modifications and completions.

- the price from the standard offers elaborated and published by electricity/natural gas suppliers, cannot exceed the value of the capped final invoiced price; standard offers for the period July 1, 2025 - June 30, 2026 can be elaborated and published only if there is an acquisition realized in a percentage of 50% for the offered period, with the obligation to distinctly mention the supply component;
- the declarations of the final customers regarding the capped final price submitted to the suppliers based on the provisions of OUG 27/2022 remain in force;
- CfD was included in the capped final price;
- the application of the minimum between the contractual price, the capped price and the price resulting from the application of the OUG remains in force;
- regarding the acquisition of electricity: the recognition percentage for imbalances increases, from 5% to 10% in value/cost and without limitation for FUI [Supplier of Last Resort]; the limit of the recognized acquisition price remains, respectively 700 lei/MWh; directly negotiated bilateral contracts are reported to ANRE within 2 working days from the conclusion date;

- settlement requests are submitted before uploading the data on the ANRE portal corresponding to the price capping; 40% of the amount related to the settlement requests is settled within 10 days from the transfer of the amounts by MF [Ministry of Finance] to the ME [Ministry of Energy] and ANPIS [National Agency for Payments and Social Inspection] accounts (it is not a payment term controllable by the supplier);
 - the supplier will notify the customers in its own portfolio regarding the modifications arising from the application of the OUG provisions together with the first invoice transmitted after the entry into force;
 - the non-compliance by operators with the provided deadlines, respectively the deadline for rectifying the data uploaded on the IT platform and resubmitting the settlement requests and/or the declarations on own responsibility, constitutes a contravention and is sanctioned with a contraventional fine from 25,000 lei to 50,000 lei;
 - OUG no. 27 (in force) is modified as follows: for the period April-August 2022, the final deadline for introducing the data necessary for the settlement of amounts from the state budget or, as the case may be, the regularization of amounts settled from the state budget is April 30, 2025; for the period September 2022-August 2023, the final deadline for introducing the data necessary for the settlement of amounts from the state budget or, as the case may be, the regularization of amounts settled from the state budget is April 30, 2025; for the period September 2023-August 2024, the final deadline for introducing the data or, as the case may be, the regularization of amounts settled from the state budget is July 31, 2025; for the period September 2024-March 2025, the final deadline for introducing the data or, as the case may be, the regularization of amounts settled from the state budget is December 31, 2025.
 - The Electricity and Natural Gas Law no. 123/2012 is modified:
 - producers have the obligation to trade at least 50% of the annual electricity production through contracts on the electricity markets, on markets other than PZU [Day-Ahead Market], PI [Intraday Market] and PE [Balancing Market]. Exempted from this provision are producers who hold in their portfolio only production capacities from wind, photovoltaic sources, micro-hydropower plants that benefit from a support scheme through green certificates, as well as cogeneration electricity production capacities. OPCOM has the obligation to publish daily reference prices, closing prices and traded volumes.
 - for natural gas: stock of minimum 90% of the capacity of underground storages plus the obligation of natural gas producers to deliver at 120 lei/MWh for suppliers/PET [Thermal Energy Producers]/direct customers, with the order of priority: storage, household customers consumption, PET consumption only for the population.
- **OUG no. 12/2026 (published in the Official Gazette no. 178 of 09.03.2026) - Emergency ordinance regarding the measures applicable to household customers in the natural gas market in the period April 1, 2026 - March 31, 2027**
 - establishes the method of determining the final invoiced price, composed of the acquisition component with imbalances limited to 10% of the acquisition costs, the supply component, ANRE regulated tariffs, VAT + excises;
 - final price = the lowest between the contractual price and the price calculated according to the OUG;
 - the wholesale acquisition for household customers and PET is realized at the price of 110 lei/MWh;
 - the supply component is capped at a maximum of 15 lei/ MWh;
 - suppliers must apply the distribution of consumption per living space in the condominium;
 - suppliers/PET direct customer must constitute until October 31, 2026 a minimum stock of 90% of the total national storage capacity;
 - the non-fulfillment of the obligations is sanctionable with 1% - 5% of the annual turnover (for non-compliance with art. 1-6), 100,000 - 1,000,000 for violating the points in the annex;
 - suppliers have the obligation to notify household customers through the first invoice issued after the entry into force of the OUG.
 - the application period is from April 1, 2026 - March 31, 2027.
 - **OUG no. 19/2026 (published in the Official Gazette no. 237 of 26.03.2026) - Emergency ordinance regarding the declaration of a crisis situation on the crude oil and/or petroleum products market, respectively gasoline and diesel, and for the establishment of some measures to protect the economy and the population during the crisis situation, as well as for the modification of the Government Emergency Ordinance no. 12/2026 regarding the measures applicable to household customers in the natural gas market in the period April 1, 2026 - March 31, 2027**
 - brings improvements regarding the average selling price to household customers during the warm season;
 - decreases the financial effort for carrying out underground storage;

in the cold season there will be a slight price improvement for households, as a result of the decrease in the share of stored natural gas in the designated gas basket

b) secondary legislation

- **ANRE Order no. 83/2025 (published in OG no. 15 from 13.01.2026) — Order regarding the approval of the Regulation for the granting of the authorizations of establishment of the licenses in the sector of natural gases and for the completion of some orders of the president of the National Authority of Regulation in the Domain of Energy**
 - is introduced a modernized regulation regarding the procedures of granting, modification, suspension and withdrawal of the authorizations of establishment and of the licenses necessary to the activities from the sector of natural gases;
 - is established a unitary, updated and coherent framework for the emission of the authorizations of establishment for objectives from the sector of natural gases, the emission and the management of the licenses for the activities from the sector
 - are clarified the roles and the responsibilities of the economic operators and of ANRE;
 - The regulation applies to the economic operators who solicit authorizations or licenses provided by the Law no. 123/2012 (are abrogated the ANRE Orders no. 199/202, respectively no. 200/2020).

- **ANRE Order no. 2/2026 (published in OG no. 69 from 29.01.2026) — Order for the establishment of some measures of information of the final customers of natural gases**
 - is pursued the growth of the degree of information of the final customers in the perspective of the cessation, beginning with the date of 1 April 2026, of the support scheme instituted through GEO 6/2025
 - establishes that the suppliers of natural gases have the obligation of to transmit to the final customers, up to the date of 2 March 2026, an information with regard to:
 - § the fact that from 1 April 2026 ceases its applicability the support scheme instituted through GEO 6/2025; § the fact that beginning with 1 April 2026 the final price of the natural gases invoiced by the supplier will be the contractual price, which is, after case, communicated to the final customer at the moment of the conclusion of the contract of supply or the one communicated with the occasion of the actualization of the economic conditions afferent to the contract; § the mode of establishment, beginning with 1 April 2026, of the final invoiced price in the case of the final customers for whom is assured the supply of natural gases in regime of last instance; § the possibility of the change of the supplier of natural gases; § the modalities of conclusion of a contract of supply of natural gases in competitional regime, respectively the modality through which the final customer can effectuate a comparative analysis of the standard-offers of supply of natural gases existent on the market;
 - in the case of the final customers to whom is not modified the contractual price at 1 April 2026, the supplier has the obligation of to inform them, up to the date of 2 March 2026, with regard to the applicable price beginning with 1 April 2026;
 - The informations are communicated by the supplier annexed to the invoice or through the modality of communication convened by the parties through contract or communicated ulteriorly by the final customer, in the case of the modification of this one.

- **ANRE Order no. 3/2026 (published in OG no. 142 from 25.02.2026) — Order regarding the establishment of the obligatory quota of acquisition of green certificates, afferent to the year 2025**
 - is established the obligatory quota of acquisition of green certificates by the economic operators who have the obligation of acquisition of green certificates for the year 2025, at the value of 0.49983 green certificates/MWh, corresponding to a final consumption of electrical energy excepted from the payment of the green certificates of 7,823.0757 GWh

The order enters into force at the date of 01.03.2026

Source: Electrica

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Glossary

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

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

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



SOCIETATEA ENERGETICA ELECTRICA S.A.

Condensed Consolidated Interim Financial Statements

as at and for the three-month period ended

31 March 2026

prepared in accordance with

IFRS Accounting Standards as adopted by the European Union

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE THREE-
MONTH PERIOD ENDED 31 MARCH 2026
PREPARED IN ACCORDANCE WITH IFRS ACCOUNTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

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

AS AT 31 MARCH 2026

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

	Note	31 March 2026 (unaudited and not reviewed)	31 December 2025 (audited)
ASSETS			
Non-current assets			
Intangible assets related to concession agreements		7,086,194	7,105,450
Other intangible assets		59,335	62,080
Goodwill		51,941	49,767
Property, plant and equipment		749,088	750,667
Investments in associates		1,618	23
Other investments		8,651	8,651
Deferred tax assets	10	110,344	110,411
Other non-current assets		6,395	6,264
Deposits, treasury bills and government bonds - non-current	11	1,124,677	1,271,917
Right of use asset		49,473	48,818
Total non-current assets		9,247,716	9,414,048
Current assets			
Trade receivables	12	2,922,323	3,152,434
Subsidies receivable	12	2,532,189	2,518,279
Other receivables	13	204,780	216,455
Green certificates		68,969	106,488
Cash and cash equivalents	14	2,092,400	2,032,872
Deposits, treasury bills and government bonds	11	1,113,227	892,916
Inventories		78,559	91,682
Prepayments		29,732	15,874
Current income tax receivable		-	4,730
Assets held for sale		280	280
Total current assets		9,042,459	9,032,010
Total assets		18,290,175	18,446,058
EQUITY AND LIABILITIES			
Equity			
Share capital		3,395,530	3,395,530
Share premium		103,049	103,049
Treasury share reserve		-	-
Pre-paid capital contribution in kind from shareholders		7	7
Revaluation reserves		142,672	144,539
Legal reserves		528,809	528,809
Retained earnings		3,076,720	2,765,209
Total equity attributable to the owners of the Company		7,246,787	6,937,143
Non-controlling interests		-	-
Total equity		7,246,787	6,937,143

(Continued on page 2)

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

AS AT 31 MARCH 2026

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

Liabilities	Note	31 March 2026 (unaudited and not reviewed)	31 December 2025 (audited)
Non-current liabilities			
Long-term bank borrowings	16	2,704,027	2,783,207
Long-term green bonds liabilities	17	2,527,181	2,525,365
Finance lease liability – long term		41,052	42,044
Deferred tax liabilities	10	200,544	184,403
Employee benefits		175,386	175,388
Other payables	15	30,791	31,782
Total non-current liabilities		5,678,981	5,742,189
Current liabilities			
Current portion of the long-term bank borrowings	16	381,513	413,827
Current portion of long-term green bonds liabilities	17	73,090	45,585
Finance lease liability – short term		12,881	11,068
Overdrafts and short-term loans	18	2,172,797	2,352,456
Trade payables		1,149,597	1,241,126
Other payables	15	1,317,634	1,418,083
Deferred revenue		572	2,547
Employee benefits		126,678	194,493
Provisions	19	28,572	28,639
Current tax liabilities		101,073	58,902
Total current liabilities		5,364,407	5,766,726
Total liabilities		11,043,388	11,508,915
Total equity and liabilities		18,290,175	18,446,058

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

Chief Executive Officer
 Alexandru – Aurelian Chirita

Chief Financial Officer
 Costin-Ionut Iordache

27 May 2026

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in THOUSAND RON, if not otherwise stated)

	Note	Three-month period end	
		31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Revenue	6	3,094,083	2,519,347
Other income	7	65,960	656,822
Electricity, natural gas and merchandise purchased	8	(2,026,409)	(2,105,506)
Construction costs related to concession agreements		(110,671)	(185,547)
Employee benefits		(271,451)	(269,882)
Repairs, maintenance and materials		(45,447)	(37,137)
Depreciation and amortization		(150,415)	(145,664)
Impairment for trade and other receivables, net		(14,081)	(16,702)
Other operating expenses		(114,472)	(102,343)
Operating profit		427,097	313,388
Finance income		49,170	4,328
Finance costs		(104,621)	(83,944)
Net finance cost		(55,451)	(79,616)
Share of results of associates		-	-
Profit before tax		371,646	233,772
Income tax expense	10	(62,002)	(38,104)
Profit for the year		309,644	195,668
Profit for the year attributable to:			
owners of the Company		309,644	195,668
non-controlling interests		-	-
Profit for the year		309,644	195,668
Earnings per share			
Basic and diluted earnings per share (RON)	9	0.91	0.56

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

Chief Executive Officer
Alexandru – Aurelian Chirita

Chief Financial Officer
Costin-Ionut Iordache

27 May 2026

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in THOUSAND RON, if not otherwise stated)

	Note	Three-month period end	
		31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Profit for the year		309,644	195,668
Other comprehensive income		-	-
Total comprehensive profit		309,644	195,668
Total comprehensive profit attributable to:			
owners of the Company		309,644	195,668
non-controlling interests		-	-
Total comprehensive profit		309,644	195,668

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

Chief Executive Officer
 Alexandru – Aurelian Chirita

Chief Financial Officer
 Costin-Ionut Iordache

27 May 2026

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
 (All amounts are in THOUSAND RON, if not otherwise stated)

	Share capital	Share premium	Treasury share reserve	Pre-paid capital contributions in kind from shareholders	Revaluation reserves	Legal reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2026 (audited)	3,395,530	103,049	-	7	144,539	528,809	2,765,209	6,937,143	-	6,937,143
Comprehensive income										
Profit for the year	-	-	-	-	-	-	309,644	309,644	-	309,644
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive profit	-	-	-	-	-	-	309,644	309,644	-	309,644
Other changes in equity										
Transfer of revaluation reserve to retained earnings due to depreciation and disposals of property, plant and equipment	-	-	-	-	(1,867)	-	1,867	-	-	-
Balance at 31 March 2026 (unaudited and not reviewed)	3,395,530	103,049	-	7	142,672	528,809	3,076,720	7,246,787	-	7,246,787

(Continued on page 6)

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
 (All amounts are in THOUSAND RON, if not otherwise stated)

	Share capital	Share premium	Treasury share reserve	Pre-paid capital contributions in kind from shareholders	Revaluation reserves	Legal reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2025 (audited)	3,395,530	103,049	-	7	150,268	490,833	1,641,975	5,781,662	(25)	5,781,637
Comprehensive income										
Profit for the year	-	-	-	-	-	-	195,668	195,668	-	195,668
Total comprehensive profit	-	-	-	-	-	-	195,668	195,668	-	195,668
Transactions with owners of the Company										
Changes in ownership interests										
Acquisition of non-controlling interest without a change in control	-	-	-	-	-	-	(467)	(467)	25	(442)
Total changes in ownership interests	-	-	-	-	-	-	(467)	(467)	25	(442)
Total transactions with owners of the Company	-	-	-	-	-	-	(467)	(467)	25	(442)
Other changes in equity										
Transfer of revaluation reserve to retained earnings due to depreciation and disposals of property, plant and equipment	-	-	-	-	(1,903)	-	1,903	-	-	-
Balance at 31 March 2025 (reviewed)	3,395,530	103,049	-	7	148,365	490,833	1,839,079	5,976,863	-	5,976,863

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

Chief Executive Officer
 Alexandru – Aurelian Chirita

Chief Financial Officer
 Costin-Ionut Iordache

27 May 2026

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in THOUSAND RON, if not otherwise stated)

	Note	Three-month period end	
		31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Cash flows from operating activities			
Profit for the year		309,644	195,668
Adjustments for:			
Depreciation		5,092	4,547
Amortisation		145,323	141,117
Impairment of property, plant and equipment and intangible assets, net		-	210
Loss/(Gain) on disposal of property, plant and equipment and intangible assets		-	(559)
Impairment of trade and other receivables, net	12	14,081	16,702
Change in provisions, net	19	(69)	(523)
Net finance cost		55,451	79,616
Changes due to employee benefits		2	-
Impact of correction of errors		-	(80,684)
Income tax expense	10	62,002	38,104
		591,526	394,198
Changes in:			
Trade receivables		167,547	(609,436)
Subsidies receivable	12	(13,910)	173,531
Other receivables		14,907	(18,891)
Prepayments		(13,858)	(18,970)
Inventories		13,123	35,081
Trade payables		(3,027)	125,454
Other payables		(100,937)	103,187
Deferred revenue		(1,975)	(4,751)
Provisions and employee benefits		(67,817)	(34,912)
Cash generated from operating activities		585,579	144,491
Interest paid		(103,539)	(97,336)
Net cash flow from operating activities		482,040	47,155

(Continued on page 8)

SOCIETATEA ENERGETICA ELECTRICA S.A.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in THOUSAND RON, if not otherwise stated)

	Note	Three-month period end	
		31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Cash flows from investing activities			
Payments for purchases of property, plant and equipment		(3,513)	(17,503)
Payments for network construction related to concession agreements		(117,344)	(167,983)
Payments for purchase of other intangible assets		(2,492)	(4,114)
Proceeds from sale of property, plant and equipment		-	8
Interest received		24,693	3,936
Acquisition of investments in associates		(1,595)	-
Payments for acquisition of subsidiaries, net of cash acquired		(2,174)	-
Payments for non-controlling interest acquired without change in control		-	(442)
Deposit, treasury bills and government bonds (net)		(48,972)	-
Net cash flow used in investing activities		(151,397)	(186,098)
Cash flows from financing activities			
Proceeds from long-term bank borrowings	16	13,311	1,245,614
Proceeds/ (Payments) from overdrafts and short-term loans	18	(179,659)	(590,578)
Repayment of long-term bank loans	16	(100,281)	(81,717)
Payment of lease liabilities		(4,467)	(4,188)
Dividends paid		(18)	-
Net cash generated from financing activities		(271,115)	569,131
Net increase in cash and cash equivalents		59,528	430,189
Cash and cash equivalents at 1 January		2,032,872	454,455
Cash and cash equivalents at 31 March	14	2,092,400	884,644

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

The non-cash transactions are disclosed in Note 14.

Chief Executive Officer
Alexandru – Aurelian Chirita

Chief Financial Officer
Costin-Ionut Iordache

27 May 2026

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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1. Reporting entity and general information

These financial statements are the condensed consolidated interim financial statements of Societatea Energetica Electrica S.A. ("the Company" or "Electrica SA") and its subsidiaries (together "the Group") as at and for the three-month period end 31 March 2026.

The registered office of the Company is no. 9, Grigore Alexandrescu Street, District 1, Bucharest, Romania. The Company has sole registration code 13267221 and Trade Register registration number J2000007425408.

As at 31 March 2026 and 31 December 2025, the major shareholder of Societatea Energetica Electrica S.A. is the Romanian State, represented by the Ministry of Energy with a share of ownership of 49.785% from the share capital.

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

As at 31 March 2026 and 31 December 2025, the Company's subsidiaries are the following:

Subsidiary	Activity	Sole registrati on code	Head Office	% shareholding as at 31 March 2026	% shareholding as at 31 December 2025
Distributie Energie Electrica Romania S.A. ("DEER")	Electricity distribution in geographical areas Transilvania Nord, Transilvania Sud and Muntenia Nord	14476722	Cluj-Napoca	99.99999929%	99.99999929%
Electrica Furnizare S.A. ("EFSA")	Electricity and natural gas supply	28909028	Bucuresti	99,999822655118%	99.9998444099934%
Electrica Serv S.A. ("SERV")	Services in the energy sector (maintenance, repairs, construction)	17329505	Bucuresti	99.99998095%	99.99998095%
Sunwind Energy S.R.L. ("SWE")	Electricity generation	42910478	Bucuresti	100%	100%
New Trend Energy S.R.L. ("NTE")	Electricity generation	42921590	Bucuresti	100%	100%
Foton Power Energy S.R.L. ("FPE")	Electricity generation	43652555	Bucuresti	100%	100%
Crucea Power Park S.R.L. ("CPP")	Electricity generation	25242042	Bucuresti	100%	100%

As at 31 March 2026 and 31 December 2025, the Company's associates are the following:

Associate	Activity	Sole registrati on code	Head Office	% shareholding as at 31 March 2026	% shareholding as at 31 December 2025
Electrica EsyaSoft Smart Solutions S.A ("EsyaSoft")	Manufacture of accumulators and batteries	50993644	Bucuresti	25%	25%

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Changes in Group structure for the three-month period end 31 March 2026

There were no significant changes in the group structure during the first three months of 2026.

Group's main activities

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

Electricity distribution

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

The Company's distribution subsidiary, Distributie Energie Electrica Romania S.A. which resulted from the merger of the three distribution subsidiaries Societatea de Distributie a Energiei Electrice Transilvania Nord S.A., Societatea de Distributie a Energiei Electrice Muntenia Nord S.A. and Societatea de Distributie a Energiei Electrice Transilvania Sud S.A. now operates electric lines in 18 counties, from three geographical areas of the country, representing 40.8% of the Romanian territory, and serves approximately 4 million users. It invoices the electricity distribution service to electricity suppliers (mainly to Electrica Furnizare S.A. subsidiary) which further invoices the electricity consumption to final consumers.

Electricity and natural gas supply

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

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

In 2026, EFSA was designated supplier of last resort („FUI”) for electricity in April and for natural gas it was nominated supplier of last resort in March.

Electricity production

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

Regulations in the energy sector

Regulatory environment

The activity in the energy sector is regulated by the Nation Authority for Energy Regulation.

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

Electricity distribution

The distribution tariffs approved by the Nation Authority for Energy Regulation ("ANRE") are as follows (RON/Mwh,

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presented cumulatively for the medium and low voltage levels)

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

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

ANRE approved Order no. 97/2024:

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

ANRE approved Order no. 77/2025 regarding the approval of the specific tariffs for the electricity distribution service and the price for reactive electricity, valid from 1 January 2026 for DEER, as well as the amendment and completion of ANRE Order no. 97/2024 regarding the approval of the specific tariffs for the electricity distribution service and the price for reactive electricity, valid from 1 January 2025 for DEER, and the values of the investment plans for the fifth regulatory period (PR5).

The distribution tariffs for DEER applicable as of January 1, 2026 show an average adjustment of 0% compared to January 1, 2025 (HV -6%, MV +3%, LV +2%).

Distribution operator	Voltage	Unit	Specific tariff, comprising of:	non CPT component	CPT util component	CPT util_sc component
Societatea Distributie	High	RON/MWh	31.96	23.04	7.15	1.77
Energie Electrica	Medium	RON/MWh	83.36	43.61	31.86	7.89
Romania - S.A.	Low	RON/MWh	240.02	139.45	80.60	19.97

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

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

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

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

- CC and the efficiency factor for PR5 were established based on the OPEX study carried out by ANRE with an

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external consultant;

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

II. Investments and RAB:

- The minimum mandatory value for the investments made from own sources for the regulatory period is equal to the value of the cost with the total forecasted regulated depreciation approved for the regulatory period;
- The minimum mandatory value for the investments made in RED from own sources in year t for the regulatory period is equal to 85% of the cost value with the total forecasted regulated depreciation approved for year t at the beginning of the regulatory period;
- RAB PR5 will be inflated with the predicted IR used in the RRR calculation;
- Investments such as updating IT applications or databases will not be recognized in the RAB, they will be recognized as special expenses within the CNC;
- Endowment-type assets will be recognized in the RAB if the OD demonstrates their efficiency.

III. RRR incentives:

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

IV. CPT

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

V. Revenues and tariffs

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

Tariff adjustments

Annually, ANRE makes revenue corrections due to: change in the quantities of electricity distributed compared to the

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

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

Electricity and natural gas supply

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

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

Primary and secondary legislation impacting the supply activity in the first quarter of 2026

Government Emergency Ordinance No. 6/2025 (published in the Official Gazette No. 182 of 28 February 2025) – Emergency ordinance on the measures applicable to final customers in the electricity market for the period 1 April 2025 – 30 June 2025, respectively the measures applicable to final customers in the natural gas market for the period 1 April 2025 – 31 March 2026, as well as for the amendment and supplementation of certain normative acts in the energy sector:

- I. The period for application of the supporting scheme (cap) is 3 months for electricity, from 1 April 2025 to 30 June 2025 and 1 year for natural gas, from 1 April 2025 to 31 March 2026.
- II. For electricity, the invoiced final price is:
 - maximum 0.68 RON/kWh, VAT included, for the consumption of the following categories of customers:
 - a) households with a monthly consumption between 0 and 100 kWh, inclusively;
 - b) households hosting persons who use medical devices, appliances and equipment connected to the power network, required for medical treatment, based on a specialist doctor confirmation and on a request submitted to the supplier;
 - c) households which have at least 3 dependent children up to 18 years old, based on a request and a statement; the age limit is extended to 26 years in case the adult child attends a form of education;
 - d) households that are mono-parental families, which have at least one child up to 18 years old, based on a request and a statement; the age limit is extended to 26 years in case the adult child attends a form of education;
 - maximum 0.80 RON/kWh, VAT included, for the consumption of households with a monthly consumption of between 100.01 and 255 kWh (the electricity consumption of between 255 and 300 kWh/monthly is invoiced at the maximum price of 1.3 RON/kWh, VAT included, and in case consumption exceeds 300 kWh/month the entire consumption is invoiced at the maximum price of 1.3 RON/kWh);
 - maximum 1 RON/kWh, VAT included, for 85% of the monthly consumption at the consumption place for certain categories of consumers (the difference of monthly electricity consumption is invoiced at the

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maximum price of 1.3 RON/kWh, VAT include, based on the statement of the legal representative);

- maximum 1 RON/kWh, VAT included, for the entire consumption of public and private hospitals, public and private educational units and nurseries, and public and private social services suppliers;
- maximum 1 RON/kWh, VAT included, for 85% of the monthly consumption at the consumption place, for public institutions, other than those described at d) above, and for those of certain religions officially recognised in Romania (the difference of monthly electricity consumption is invoiced at a maximum price of 1.3 RON/kWh, VAT included);
- maximum 1.3 RON/kWh, VAT included, for households and non- households which are not included above;

III. For natural gas, the invoiced final price is:

- maximum 0.31 RON/kWh, VAT included, in case of households;
- maximum 0.37 RON/kWh, VAT included, in case of non-households with an annual consumption of natural gas in the previous year is 50,000 MWh or less, as well as in case of thermal energy producers and non-household customers included in the industrial parks regulated by Law no. 186/2013 on establishment and operation of industrial parks, subsequently modified and complemented, and of those included in the closed distribution systems definite according to Law no. 123/2012, subsequently modified and complemented.

IV. The price from the bids prepared and published by electricity/natural gas suppliers may not exceed the invoiced capped final price; the bids for the period 1 July 2025 – 30 June 2026 may be prepared and published only in case there is a purchase that is 50% completed in the bidding period, with an obligation to distinctly state the supply component;

V. The statements of the end users on final capped price submitted to suppliers based in GEO no. 27/2022 provisions remain in force;

VI. The contribution related to contracts for difference (Cfd) was included in the final capped price;

VII. The application of minimum of contractual price, capped price and the price resulting from the GEO remains in force;

VIII. In relation with electricity acquisition: the quota for unbalancing recognition increased from 5% to 10% in terms of value/cost and without limitation for FUJ; the limit of the recognized price of 700 RON/MWh remains in force; the directly negotiated bilateral contracts are reported to ANRE within 2 working days from the date of conclusion;

IX. The payment requests are submitted before uploading the data on the ANRE portal for price capping; a quota of 40% of the amount of payment requests is paid within 10 days from the transfer of cash by the Ministry of Finance to ME and ANPIS (the payment date is not under the control of the supplier);

X. The supplier shall notify the customers in its own portfolio on changes resulting from the application of the provisions of the GEO with the first invoice issued after enactment;

XI. Non-compliance of the operators with the deadlines provided by the GEO, i.e. the deadline allowed for correcting the uploaded data on the IT platform and re-submitting the payment requests /or the statements, constitutes a violation and is sanctioned with a fine of between 25,000 RON and 50,000 RON;

XII. GEO no. 27 (in force) changes as follows: for the period April-August 2022, the final deadline to input data needed for cash payment from the State budget or settlement of the amounts paid from the State budget, if applicable, is 30 April 2025; for the September 2022-August 2023, the final deadline to input data needed for cash payment from the State budget or settlement of the amounts paid from the State budget, if applicable, is 30 April 2025;

XIII. Law of electricity and natural gas no. 123/2012 changes as follows: the producers have the obligation to trade at least 50% of the annual electricity production via contracts on the electricity markets, other than PZU, PI and PE. There is an exception from this provision for the producers that have a portfolio including only wind, solar, micro-hydropower plants, which are beneficiaries of a green certificates supporting scheme, and also electricity production capacities in co-generation. OPCOM has the obligation to publish reference prices, closing prices and traded volumes

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on a daily basis.

XIV. For natural gas: the requirement to maintain a stock of at least 90% of underground storage capacity, as well as the obligation for natural gas producers to supply at 120 RON/MWh to suppliers/PET/direct customers, with the following priority order: storage injection, household consumption, PET consumption only for the population.

ANRE Order No. 2/2026 (published in the Official Gazette No. 69 of 29 January 2026) — Order establishing certain measures for informing final natural gas customers:

- I. aims to increase the level of information of final customers in view of the termination, starting with 1 April 2026, of the support scheme established by GEO No. 6/2025;
- II. stipulates that natural gas suppliers are required to send final customers, by 2 March 2026, an information notice regarding:
 - the fact that, as of 1 April 2026, the support scheme established by GEO No. 6/2025 ceases to apply;
 - the fact that, starting with 1 April 2026, the final price of natural gas invoiced by the supplier will be the contractual price, which is, as applicable, the price communicated to the final customer at the time of concluding the supply contract or the one communicated upon updating the economic conditions of the contract;
 - the method for determining, starting with 1 April 2026, the final invoiced price in the case of final customers supplied under the supplier of last resort regime;
 - the possibility of changing the natural gas supplier;
 - the ways to conclude a natural gas supply contract under competitive conditions, respectively how the final customer can carry out a comparative analysis of standard supply offers available on the market;
- III. for final customers whose contractual price does not change on 1 April 2026, the supplier is required to inform them, by 2 March 2026, of the price applicable starting with 1 April 2026;
- IV. the information must be communicated by the supplier either attached to the invoice or through the communication method agreed by the parties in the contract or subsequently communicated by the final customer, in case of its modification.

Government Emergency Ordinance No. 12/2026 (published in the Official Gazette No. 178 of 9 March 2026) – Emergency ordinance on the measures applicable to household customers in the natural gas market for the period 1 April 2026 – 31 March 2027:

- I. establishes the method for determining the final invoiced price, composed of the procurement component with imbalances limited to 10% of procurement costs, the supply component, ANRE-regulated tariffs, VAT and excise duties;
- II. the final price is the lower of the contractual price and the price calculated according to the GEO;
- III. wholesale procurement for household customers and PET is carried out at a price of 110 RON/MWh;
- IV. the supply component is capped at a maximum of 15 RON/MWh;
- V. suppliers must apply consumption allocation per residential unit within condominiums;
- VI. suppliers/PET/direct customers must ensure, by 31 October 2026, a minimum stock of 90% of the total national storage capacity;
- VII. failure to comply with obligations is subject to penalties of 1%–5% of annual turnover (for non-compliance with Articles 1–6), and fines ranging from 100,000 to 1,000,000 RON for breaches of the provisions in the annex;
- VIII. suppliers are required to notify household customers through the first invoice issued after the entry into force of the GEO;
- IX. the period of application is from 1 April 2026 to 31 March 2027.

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Government Emergency Ordinance No. 19/2026 (published in the Official Gazette No. 237 of 26 March 2026) – Emergency ordinance on declaring a crisis situation in the crude oil and/or petroleum products market, namely gasoline and diesel, and for establishing measures to protect the economy and the population during the crisis situation, as well as for amending Emergency Government Ordinance No. 12/2026 on the measures applicable to household customers in the natural gas market for the period 1 April 2026 – 31 March 2027:

- I. introduces improvements regarding the average selling price for household customers during the warm season;
- II. reduces the financial effort required for underground storage operations;
- III. during the cold season, there will be a slight price improvement for household customers, as a result of reducing the share of stored natural gas in the gas mix intended for this category.

In the first quarter of 2026, wholesale electricity trading was carried out transparently on centralized markets administered by OPCOM and BRM, based on directly negotiated bilateral contracts.

Electricity generation

Green certificates

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

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

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

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

For 2026, OPCOM set the minimum value of a green certificate to 148.2201 RON (approximately 29.4 euro), while for 2025 the minimum value was 146.2532 RON.

Increase in electricity price impact

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

As a result, for ***the distribution segment***, Romanian Regulatory Authority for Energy – ANRE (<https://www.anre.ro/>) adopted measures through its Order no. 129/12.10.2022, amended by Order No. 104 approving the Methodological Norms regarding the recognition in the tariffs of the additional costs with the acquisition of electricity for own technological consumption compared to the costs included in the regulated tariffs, carried out between 1 January 2022

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– 31 March 2025.

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

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

For ***the supply segment***, in the first quarter of 2026, retail electricity prices were determined through competitive mechanisms, with differentiation across customer categories depending on market level, price sensitivity, and the company's strategic orientation.

According to GEO No. 27/2022, as supplemented by GEO No. 6/2025, price capping continued in the first quarter of 2026 only for natural gas.

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

2. Basis of accounting

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

These condensed consolidated interim financial statements have been prepared for submission to the Bucharest Stock Exchange. These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on 27 May 2026.

Judgements and estimates

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

The significant professional judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended 31 December 2025.

3. Basis of measurement

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

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4. Significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's annual consolidated financial statements as at and for the year ended 31 December 2025.

The new amendments to existing standards that are effective starting with 1 January 2026 do not have a significant impact over the Group's condensed consolidated interim financial statements.

5. Operating segments

(a) Basis for segmentation

The following summary describes the operations of each reportable segment:

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

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

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

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

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(b) Information about reportable segments

Three-month period end 31 March 2026 (unaudited and not reviewed)	Electricity and natural gas supply	Electricity distribution	Electricity production	Electricity network maintenance	Total for reportable segments	Headquarter	Consolidation eliminations and adjustments	Consolidated total
External revenues	2,356,694	718,786	4,025	14,560	3,094,065	18	-	3,094,083
Inter-segment revenue	19,034	583,322	-	9,567	611,923	-	(611,923)	-
Segment revenue	2,375,728	1,302,108	4,025	24,127	3,705,988	18	(611,923)	3,094,083
Other income	28,945	38,721	-	6,845	74,511	57	(8,608)	65,960
Segment profit/(loss) before tax	48,265	309,636	2,301	3,600	363,802	7,844	-	371,646
Net finance (cost)/ income	(57,804)	(26,003)	-	1,100	(82,707)	27,256	-	(55,451)
Depreciation and amortization	(7,031)	(137,785)	(1,046)	(3,315)	(149,177)	(1,238)	-	(150,415)
Impairment of property, plant and equipment and intangible assets, net	-	-	-	-	-	-	-	-
Impairment of trade and other receivables, net	(10,979)	(2,773)	-	(329)	(14,081)	-	-	(14,081)
Adjusted EBITDA*	113,100	473,424	3,347	5,815	595,686	(18,174)	-	577,512
Segment profit/(loss) after tax	37,186	258,830	2,132	4,207	302,355	7,289	-	309,644
Employee benefits	(29,077)	(218,686)	(30)	(12,210)	(260,003)	(11,448)	-	(271,451)
Capital expenditure	2,024	116,198	4,435	1,381	124,038	1,052	-	125,090

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

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At 31 March 2026 (unaudited and not reviewed)	Electricity and natural gas supply	Electricity distribution	Electricity production	Electricity network maintenance	Total for reportable segments	Headquarter	Consolidation eliminations and adjustments	Consolidated total
Segment assets	7,069,317	11,017,692	367,415	547,383	19,001,807	2,845,705	(3,557,337)	18,290,175
Trade and other receivables	3,174,232	1,626,256	26,429	67,461	4,894,378	42,679	(1,809,954)	3,127,103
Cash and cash equivalents	204,643	1,195,314	2,363	4,490	1,406,810	685,590	-	2,092,400
Trade and other payables and short-term employee benefits	2,610,107	1,019,158	17,105	25,990	3,672,360	710,801	(1,758,461)	2,624,700
Overdrafts and short-term loans	1,900,038	-	-	-	1,900,038	272,759	-	2,172,797
Lease liability	4,560	14,938	11,953	5,602	37,053	16,880	-	53,933
Bank borrowings	-	3,067,333	-	-	3,067,333	18,207	-	3,085,540
Deposits, treasury bills and government bonds	-	187,459	-	-	187,459	2,050,445	-	2,237,904
Green bonds	-	-	-	-	-	2,600,271	-	2,600,271
At 31 December 2025 (audited)	Electricity and natural gas supply	Electricity distribution	Electricity production	Electricity network maintenance	Total for reportable segments	Headquarter	Consolidation eliminations and adjustments	Consolidated total
Segment assets	7,256,300	10,972,247	383,148	442,139	19,053,833	2,451,646	(3,059,421)	18,446,058
Trade and other receivables	3,399,287	1,135,930	39,425	79,338	4,653,980	49,557	(1,334,648)	3,368,889
Cash and cash equivalents	120,004	1,878,672	7,943	8,099	2,014,718	18,154	-	2,032,872
Trade and other payables and short-term employee benefits	2,845,864	1,225,779	30,703	52,482	4,154,828	41,217	(1,310,561)	2,885,484
Overdrafts and short-term loans	1,896,616	-	-	-	1,896,616	455,840	-	2,352,456
Lease liability	5,172	16,114	11,835	2,483	35,604	17,508	-	53,112
Bank borrowings	-	3,192,178	-	-	3,192,178	4,856	-	3,197,034
Deposits, treasury bills and government bonds	-	-	-	-	-	2,164,833	-	2,164,833
Green bonds	-	-	-	-	-	2,570,950	-	2,570,950

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

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6. Revenue

	Three-month period ended	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Electricity distribution and supply, net	2,726,675	2,046,446
Green certificates sold	141,851	146,640
Supply of natural gas	69,973	90,450
Construction revenue related to concession agreements	116,757	200,729
Repairs, maintenance and other services rendered	23,926	27,265
Sales of merchandise	-	6,910
Re-connection fees	14,901	907
Total	3,094,083	2,519,347

In respect of timing of revenue recognition, most of the Group's services provided are transferred to the customer over time, only a small part amounting RON 878 thousand (three-month period ended 31 March 2025: RON 746 thousand) being transferred at a point in time (e.g. metering services provided by the distribution companies, providing periodic data analysis to customers for certain taxes collected on their behalf).

7. Other income

	Three-month period ended	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Subsidies	13,910	622,676
Rental income	21,450	22,129
Late payment penalties from customers	8,935	3,057
Other	21,666	8,960
Total	65,961	656,822

Rental income mainly refers to rental of electricity poles by the distribution subsidiary to telecom operators. During the three-month period ended 31 March 2026, Electrica Furnizare S.A. recognized subsidies of RON 13,910 thousand (three-month period ended 31 March 2025: RON 622,676 thousand), following the application of the mechanism for capping and compensating the electricity and natural gas price, approved by GEO no.118/2021, with subsequent amendments and additions and GEO no.27/2022 as modified by GEO no.119/2022.

8. Electricity, natural gas and merchandise purchased

	Three-month period ended	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Electricity purchased	1,819,629	1,864,831
Green certificates purchased	141,013	146,486
Cost of merchandise	-	5,994
Natural gas purchased	65,767	88,195
Total	2,026,409	2,105,506

The cost of electricity and natural gas purchased includes the cost of the green certificates purchased by the supply subsidiary which has a legal obligation to purchase green certificates from producers of electricity from renewable sources, based on annual targets or quotas set by law, which are applied to the quantity of electricity purchased and supplied to final customers. The cost of green certificates is then invoiced to final customers separately from electricity

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tariffs.

9. Earnings per share

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

Profit for the period attributable to the Company's shareholders

	Three-month period ended	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Profit for the period attributable to the owners of the Company	309,644	195,668
Profit for the period attributable to Company's shareholders	309,644	195,668

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

The weighted average number of outstanding ordinary shares (unaudited and not reviewed) as at 31 March 2026 is 339,553,004 (31 March 2025: 339,553,004).

Earnings per share

	Three-month period ended	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Basic and diluted earnings per share (RON)	0.91	0.56

10. Income tax

(i) Amounts recognised in profit or loss

	Three-month period ended	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Current tax expense	45,797	32,193
Deferred tax expense/(benefit)	16,205	5,911
Total income tax expense	62,002	38,104

(ii) Reconciliation of effective tax rate

	31 March 2026 (unaudited and not reviewed)		31 March 2025 (reviewed)	
Profit before tax		371,646		233,772
Tax using Company's domestic tax rate	16%	59,464	16%	37,404
Non-deductible expenses	0%	1,649	1%	2,020
Non-taxable income	-2%	(8,228)	0%	(24)
Other tax effects	2%	9,117	0%	(175)
Current-year losses for which no deferred tax asset is recognised	0%	-	0%	(1,121)
Income tax expense	17%	62,002	16%	38,104

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(iii) Movement in deferred tax balances

31 March 2026 (unaudited and not reviewed)	Balance at 31 March 2026 (unaudited and not reviewed)					
	Net balance at 1 January 2026 (audited)	Recognised in profit or loss	Recognised in other comprehensive income	Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	55,716	(612)	-	55,106	-	55,106
Intangible assets related to concession agreements	264,647	6,160	-	270,809	-	270,809
Employee benefits	(33,001)	63	-	(32,938)	(32,938)	-
Impairment of trade receivables	(39,254)	97	-	(39,157)	(39,157)	-
Tax loss carried forward	(81,449)	(352)	-	(81,801)	(81,801)	-
Capitalised network losses	(87,825)	9,907	-	(77,919)	(77,919)	-
Other items	(4,842)	943	-	(3,899)	(3,899)	-
Tax liabilities/(assets) before set-off	73,992	16,205	-	90,200	(235,714)	325,915
Set off of tax	-	-	-	-	125,371	(125,371)
Net tax liabilities/(assets)	73,992	16,205	-	90,200	(110,343)	200,544

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

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11. Deposits, treasury bills and government bonds

	31 March 2026 (unaudited and not reviewed)		31 December 2025 (audited)	
	Current	Non-current	Current	Non-current
Government bonds	19,451	1,019,760	12,032	1,019,700
Deposits with a maturity of more than 3 months and less than 24 months years held for investment purposes	1,093,776	104,917	880,884	252,217
Total	1,113,227	1,124,677	892,916	1,271,917

In August 2025, Electrica purchased government bonds denominated in EUR, with a maturity of 2 years and an interest rate of 2.95%.

Bank deposits in RON and EUR, with maturities between 4 months and 24 months are held for investment purposes and not for covering short-term payment commitments.

The average interest rate on term deposits was 6.86% per year for deposits in RON and 2.44% per year for deposits in foreign currency (EUR) during 2026 (2025: RON: 7.18%, EUR: 2.45%).

Current bank deposits include deposits with maturities up to 12 months from the reporting date.

12. Trade receivables and subsidies receivable

	31 March 2026 (unaudited and not reviewed)	31 December 2025 (audited)
Trade receivables, gross	3,714,860	3,931,137
-out of which accrued trade receivables	1,921,111	2,208,032
Bad debt allowance	(792,537)	(778,703)
Total trade receivables, net	2,922,323	3,152,434

Receivables from related parties are disclosed in Note 21.

Following the adoption of the GEO no. 118/2021 with subsequent amendments and GEO no. 27/2022, the latter one being amended by GEO no. 119/2022, concerning the capping and compensation mechanism, part of the receivables due to the subsidiary Electrica Furnizare S.A. for the sale of electricity and gas to final consumers will be recovered from the Romanian State through National Agency for Payments and Social Inspection (domestic consumers) and Ministry of Energy (non-household consumers). The receivables are booked under the caption "Subsidies receivable".

Electricity distribution and supply

As at 31 March 2026, the amounts estimated to be received from the Ministry of Energy for non-household consumers are RON 10,139 thousand (31 December 2025: RON 10,138 thousand) and from the National Agency for Payments and Social Inspection for household consumers are RON 0 thousand (31 December 2025: RON 414 thousand).

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Subsidies receivable

As at 31 March 2026, the estimated amount for subsidies to be received from the Ministry of Energy/ National Agency for Payments and Social Inspection is RON 2,495,996 thousand (31 December 2025: RON 2,495,739 thousand) and from County Agency for Payments and Social Inspection is RON 36,193 thousand (31 December 2025: RON 22,540 thousand). From the total amount of subsidies to be received, RON 2,495,996 thousand (31 December 2025: RON 2,442,758 thousand) represent uncollected claims submitted to the state authorities and RON 0 thousand (31 December 2025: RON 52,981 thousand) claims not yet submitted to the state authorities as at 31 March 2026 and 31 December 2025, respectively.

Subsidies from the Ministry of Energy and the National Agency for Payments and Social Inspection are recovered at a rate of 40% within 10 days of submitting the settlement request, with the difference to be received within 10 days of ANRE validating the settlement request. Payments are subject to the availability of financial resources in the Energy Transition Fund.

The reconciliation between the opening balances and the closing balances of the impairment for trade receivables in the form of lifetime expected credit losses is as follows:

Lifetime expected credit losses

	Three-month period ended	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Balance as at 1 January	778,703	737,242
Loss allowance recognized	51,787	59,276
Loss allowance reversed	(37,707)	(42,573)
Amounts written off	(246)	(591)
Balance as at 31 March	792,537	753,354

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

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

The Group has considered all the information available without undue costs (including forward looking information) that may affect the credit risk of its receivables since original recognition, thus recording a bad debt allowance in amount of RON 51,787 thousand (three-month period ended 31 March 2025: RON 59,276 thousand).

13. Other receivables

	31 March 2026 (unaudited and not reviewed)	31 December 2025 (audited)
VAT receivable	25,653	25,770
Guarantees	77,695	67,878
Other receivables	43,442	67,507
Lifetime expected credit losses	(19,818)	(19,819)
Heating aid and supplement	77,808	75,119
Total	204,780	216,455

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14. Cash and cash equivalents

	31 March 2026 (unaudited and not reviewed)	31 December 2025 (audited)
Bank current accounts	240,080	270,304
Call deposits	1,851,183	1,761,463
Cash in hand	1,137	1,105
Total	2,092,400	2,032,872

The following information is relevant in the context of the consolidated statement of cash flows: non-cash activity includes set-off between trade receivables and trade payables of RON 86,002 thousand during January-March 2026 period (for January-March 2025 period: RON 56,049 thousand).

15. Other payables

	31 March 2026 (unaudited and not reviewed)		31 December 2025 (audited)	
	Current	Non-current	Current	Non-current
VAT payable	456,444	-	466,527	-
Liabilities towards the State	8,221	-	17,388	-
Sundry creditors	207,938	-	220,841	-
Energy prosumers	214,937	-	238,829	-
Liabilities related to Green Certificates	136,602	-	145,620	-
Other liabilities	293,492	30,791	328,878	31,782
Total	1,317,634	30,791	1,418,083	31,782

Other liabilities include mainly guarantees, connection fees, habitat tax. Other non-current liabilities refer to guarantees from customers related to electricity supply.

16. Long-term bank borrowings

Drawings and repayments of borrowings during the three-month period ended 31 March 2026 and 31 March 2025 were as follows:

	Amount (RON thousand) 2026	Amount (RON thousand) 2025
Balance at 1 January	3,197,034	2,390,341
Drawings of borrowings during the period , out of which:		
CEC Bank	-	175,537
BEI Instalment 3 (n)	-	995,420
BEI Instalment 4 (k)	-	74,657
Syndicated loan – Facility B (o)	13,311	-
Total drawings	13,311	1,245,614
Accumulated interest (closing balance)	11,270	14,099
Foreign exchange impact	128	-
Accumulated interest (opening balance)	(35,921)	(27,252)
Reimbursements during the period , out of which:		
BRD (c)	(5,200)	(5,200)
BRD (d)	(3,571)	(3,571)
BRD (e)	(2,857)	(2,857)

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Banca Transilvania (a)	(4,464)	(4,464)
UniCredit Bank (b)	(2,400)	(2,400)
BCR (f)	(4,737)	(4,737)
BERD (j)	(17,143)	(17,143)
BERD (g)	(11,479)	(11,479)
BCR (l)	(12,941)	(12,941)
Raiffeisen Bank (m)	(16,988)	(16,925)
Syndicated loan – Facility D1 (o)	(18,500)	-
Total reimbursements	(100,281)	(81,717)
Balance at 31 March	3,085,540	3,541,085

As at 31 March 2026 and 31 December 2025, the long-term bank borrowings are as follows:

Lender	Borrower	Balance at 31 March 2026 (unaudited and not reviewed)	Balance at 31 December 2025 (audited)
BEI Instalment 3 (n)	Distributie Energie Electrica Romania	1,020,266	1,029,317
BEI Instalment 1 (h)	Distributie Energie Electrica Romania	613,950	619,941
BEI Instalment 2 (i)	Distributie Energie Electrica Romania	460,462	464,955
Syndicated loan – Facility D1 (o)	Distributie Energie Electrica Romania	241,224	259,816
BERD (j)	Distributie Energie Electrica Romania	139,116	156,669
BERD (g)	Distributie Energie Electrica Romania	127,920	142,616
Raiffeisen Bank (m)	Distributie Energie Electrica Romania	119,599	136,890
BCR (l)	Distributie Energie Electrica Romania	117,268	130,437
BEI Instalment 4 (k)	Distributie Energie Electrica Romania	76,742	77,443
BCR (f)	Distributie Energie Electrica Romania	47,674	52,454
BRD (d)	Distributie Energie Electrica Romania	32,173	35,744
Banca Transilvania (a)	Distributie Energie Electrica Romania	22,324	26,789
BRD (e)	Distributie Energie Electrica Romania	25,734	28,593
BRD (c)	Distributie Energie Electrica Romania	15,600	20,800
UniCredit Bank (b)	Distributie Energie Electrica Romania	7,281	9,714
Syndicated loan – Facility B (o)	Societatea Energetica Electrica S.A.	18,207	4,856
Total		3,085,540	3,197,034
Less: current portion of the long-term bank borrowings		(370,243)	(377,906)
Less: accumulated interest		(11,270)	(35,921)
Total long-term borrowings, net of current portion		2,704,027	2,783,207

Bank Borrowings description

a) Investment loan granted by Banca Transilvania

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

As at 31 March 2026, the outstanding balance is of RON 22,324 thousand, of which RON 22,321 thousand principal and RON 3 thousand accrued interest. (Outstanding balance as at 31 December 2025: RON 26,789 thousand)

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b) Investment loan granted by Unicredit Bank

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

As at 31 March 2026, the outstanding balance is of RON 7,281 thousand, of which RON 7,200 thousand principal and RON 81 thousand accrued interest. (Outstanding balance as at 31 December 2025: RON 9,714 thousand).

c) Investment loan granted by BRD – Groupe Societe Generale

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

As at 31 March 2026, the outstanding balance is of RON 15,600 thousand, of which 15,600 RON thousand representing principal and RON 0 thousand accrued interest. (Outstanding balance as at 31 December 2025: RON 20,800 thousand).

d) Investment loan granted by BRD – Groupe Societe Generale

On 25 June 2020, Societatea de Distributie a Energiei Electrice Transilvania Nord S.A., currently Distributie Energie Electrica Romania S.A., as a borrower, concluded with BRD – Groupe Societe Generale an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the approved investment plan. Main provisions are: Maximum loan amount: RON 100,000 thousand; Interest rate: fixed, 3.85% per annum; Reimbursements: quarterly instalments until 25.06.2028; Grace period: 12 months.

As at 31 March 2026, the outstanding balance is of RON 32,173 thousand, of which RON 32,143 thousand principal and RON 30 thousand accrued interest. (Outstanding balance as at 31 December 2025: RON 35,744 thousand).

e) Investment loan granted by BRD – Groupe Societe Generale

On 25 June 2020, Societatea de Distributie a Energiei Electrice Transilvania Sud S.A., currently Distributie Energie Electrica Romania S.A. as a borrower, concluded with BRD – Groupe Societe Generale an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the approved investment plan for 2020. Main provisions are: Maximum loan amount: RON 80,000 thousand; Interest rate: fixed, 3.85% per annum; Reimbursements: quarterly instalments until 25.06.2028; Grace period: 12 months.

As at 31 March 2026, the outstanding balance is RON 25,734 thousand, of which RON 25,715 thousand principal and RON 19 thousand accrued interest. (Outstanding balance as at 31 December 2025: RON 28,593 thousand).

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

On 17 September 2020, Societatea de Distributie a Energiei Electrica Muntenia Nord S.A., currently Distributie Energie Electrica Romania S.A., as a borrower and Electrica SA as a guarantor, concluded with Banca Comerciala Romana S.A. an investment credit agreement with the purpose of financing investments in the electricity distribution network, according to the approved investment plan for 2020. Main provisions are: Maximum loan amount: RON 155,000 thousand; Interest rate: ROBOR 3M+1% per annum; Reimbursements: quarterly instalments until 14.09.2028; Grace period: 12 months.

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As at 31 March 2026, the outstanding balance is RON 47,674 thousand, of which RON 47,375 thousand principal and RON 299 thousand accrued interest. (Outstanding balance as at 31 December 2025: RON 52,454 thousand).

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

On 2 July 2021, Societatea de Distribuție Energie Electrica Romania SA, as a borrower, concluded with the European Bank for Reconstruction and Development a credit agreement for investments in order to finance investments in the electricity distribution network according to the 2021-2023 investment plan. The main provisions are: The maximum value of the loan RON 195,136 thousand; Interest rate: ROBOR 6M + spread 0.30% + margin 1.15%; Repayments: 17 semi-annual instalments until 31.07.2031; Grace period: 24 months. The loan agreement is guaranteed by Electrica SA.

As at 31 March 2026, the outstanding balance is RON 127,920 thousand, of which RON 126,266 thousand principal and RON 1,654 thousand accrued interest. (Outstanding balance as at 31 December 2025: RON 142,616 thousand).

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

On 14 July 2021, Societatea de Distribuție Energie Electrica Romania SA, as a borrower, concluded with the European Investment Bank an investment credit contract, representing the first part of the Approved Credit in the amount of EUR 210,000 thousand for the purpose of financing investments in the electricity distribution network according to the 2021-2023 investment plan. The main provisions are: Maximum value of the loan: EUR 120,000 thousand; Interest rate: 3.73%; Repayments: 24 semi-annual instalments until 26.02.2039; Grace period: 36 months. The loan agreement is guaranteed by Electrica SA.

As at 31 March 2026, the outstanding balance is RON 613,950 thousand, of which RON 611,856 thousand principal and RON 2,094 thousand accrued interest (31 December 2025: RON 619,941 thousand).

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

On 7 December 2021, Societatea de Distribuție Energie Electrica Romania SA, as a borrower, concluded with the European Investment Bank an investment credit contract, representing the second part of the Approved Credit in the amount of EUR 210,000 thousand for the purpose of financing investments in the electricity distribution network according to the 2021-2023 investment plan. The main provisions are: Maximum value of the loan: EUR 90,000 thousand; Interest rate: 3.73%; Repayments: 24 semi-annual instalments until 26.02.2039; Grace period: 36 months. The loan agreement is guaranteed by Electrica SA.

As at 31 March 2026, the outstanding balance is RON 460,462 thousand, of which RON 458,892 thousand principal and RON 1,570 thousand accrued interest (31 December 2025: RON 464,955 thousand).

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

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

On 31 March 2026, the balance of the loan is 139,116 thousand RON, of which RON 137,143 thousand principal and RON 1,973 thousand accrued interest. (Outstanding balance as at 31 December 2025: RON 156,669 thousand).

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

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On 8 May 2024, DEER concluded with the European Investment Bank the investment credit contract no. FI N°.98.007, with SE Electrica SA as a guarantor, for an investment credit in the amount of EUR 15,000 thousand, due until 24.02.2040. Interest rate: 3.497%.

As at 31 March 2026, the outstanding balance is RON 76,742 thousand, of which RON 76,482 thousand principal and RON 260 thousand accrued interest (31 December 2025: RON 77,443 thousand).

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

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

As at 31 March 2026, the outstanding balance is RON 117,268 thousand, of which RON 116,470 thousand principal and RON 798 thousand accrued interest. (31 December 2025: RON 130,437 thousand).

- m) Loan for financing the own technological consumption expenses granted by Raiffeisen Bank SA*

On 26 May 2022, DEER signed the credit contract no. 20/2022 with Raiffeisen in the amount of RON 220,000 thousand. On 26 June 2024, the amount of the loan was increased by RON 100,000 thousand to the amount of RON 320,000 thousand, and the overdraft facility of RON 220,000 thousand was transformed into a long-term borrowing to cover the own technological consumption. The availability of the facility was extended to 31.12.2027; interest rate: ROBOR 3M + 1.3%; Repayments: 13 quarterly instalments until 31.12.2027.

As at 31 March 2026, the balance of the loan is RON 119,599 thousand, of which RON 118,396 thousand principal and RON 1,203 thousand accrued interest. (31 December 2025: RON 136,890 thousand).

- n) Investment loan granted by the European Investment Bank ("EIB")*

On 16 December 2024, DEER concluded with the European Investment Bank the investment credit contract no. FI N°.97.868, with SE Electrica SA as a guarantor, for an investment credit in the amount of EUR 200,000 thousand, due until 28.03.2040. Interest rate: 3.6% (fixed).

As at 31 March 2026, the balance of the loan is RON 1,020,266 thousand, of which RON 1,019,760 thousand principal and RON 506 thousand accrued interest. (31 December 2025: RON 1,029,317 thousand).

- o) Syndicated loan for financing working capital, refinancing bilateral loans, CAPEX, and investments in green energy projects*

On 30 April 2025, a syndicated loan agreement was signed for a total amount of RON 3,100,000 thousand, used for financing current operations, refinancing bank loans, and investments. The syndicated loan is composed of: Banca Comerciala Romana, Banca Transilvania, Raiffeisen Bank, ING Bank, CEC Bank, BRD – Groupe Société Générale, and Banca Comerciala Intesa Sanpaolo Romania SA.

The syndicated loan consists of several facilities, namely:

Facility A in amount of RON 130,000 thousand, granted to Societatea Energetica Electrica, revolving facility, with the purpose of refinancing the bilateral loan/financing commissions/financing general corporate purposes and working capital, valid until 30 April 2026 and an interest rate of ROBOR 3M + 1.50%. (facility accessed, refer to Note 18). Up to the date of authorization of these financial statements, Facility A has been extended until April 30, 2027.

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Facility B

In December 2025, Societatea Energetica Electrica partially accessed Facility B in order to finance capital expenditures for the development and implementation of an Eligible Green Project at the ready-to-build stage. The main provisions of Facility B are: Amount: RON 500,000 thousand Interest rate: ROBOR 3M+ 1.55%, repayments: in 28 equal quarterly installments and a final bullet payment representing 30% of the amount used, starting on 19.06.2028, until 30.04.2035. The loan is guaranteed by Electrica SA.

As at 31 March 2026,, the outstanding balance of the loan under Facility B is RON 18,207 thousand, of which RON 18,151 thousand represents principal and RON 56 thousand represents accrued interest. (31 December 2025: RON 4,856 thousand).

Facility C in amount of RON 1,674,000 thousand, granted to Electrica Furnizare, revolving facility, with the purpose of refinancing the bilateral loan/financing commissions/financing general corporate purposes, valid until 30 April 2026 and an interest rate of ROBOR 3M + 1.55%. (facility accessed, refer to Note 18). As of the date of authorization of these financial statements, Facility C has been extended until 30 April 2027.

Facility D1

In July 2025, Distributie Energie Electrica Romania S.A. accessed Facility D1 to finance short-term bilateral loans. The main provisions are: maximum amount: RON 296,000 thousand, interest rate: ROBOR 3M + 1.35%, repayments: 16 quarterly installments until 30 April 2029. The loan is guaranteed by Electrica SA.

As at 31 March 2026, the outstanding balance of the loan under Facility D1 is RON 241,224 thousand, of which RON 240,500 thousand represents principal and RON 724 thousand represents accrued interest. (31 December 2025: RON 259,816 thousand).

Facility D2 in the amount of RON 500,000 thousand granted to Distributie Energie Electrica Romania S.A., a long-term non-revolving facility intended to finance or refinance any capital expenditures (capex) provided for in the capital expenditure plans, valid until 31 December 2032, and an interest rate of ROBOR 3M + 1.35%. Repayments: equal quarterly instalments, starting with the first interest payment date of the calendar year following the year in which the Loan was drawn, over a period of 5 (five) years, provided that the last instalment is paid no later than 31 December 2032. (facility not accessed)

17. Green bonds

In July 2025, the Company issued green bonds denominated in EUR in the amount of EUR 500 million, maturing on July 14, 2030. At maturity, the bonds will be redeemed at their nominal value. The coupon rate is 4.375%, and the coupon is payable annually.

The net proceeds obtained are intended to be used to finance and/or refinance Eligible Green Projects, in whole or in part in accordance with the Electrica's Green Finance Framework. Such financing or refinancing may be of new and/or existing Eligible Green Projects. The fully allocation of the proceeds by Eligible Green Projects will done within 36 months of the issue of the Bonds.

Given the estimated timeline and projections related to Green Eligible Projects, the funds obtained from the green bonds were invested in government bonds and term deposits in order to maximize financial returns and, implicitly, partially covering the interest expenses due on the green bonds. This decision is fully in line with the principles of fund management by the Electrica Treasury and the Green Financing Framework in place.

The green bonds are unsecured, have no associated financial covenants, and may be redeemed early only at the issuer's request in the event of unfavorable changes in legislative regulations, including tax regulations.

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The bonds are listed on the Bucharest Stock Exchange and the Luxembourg Stock Exchange.

	Amount (RON thousand)	Amount (RON thousand)
	2026	2025
Balance as at 1 January	2,570,950	-
Interest expenses	27,491	-
Other financial expenses	1,830	-
Balance as at 31 March	2,600,270	-

18. Overdrafts and short-term loans

Until the authorization for issue of these Consolidated Financial Statements by the Board of Directors, the Group has overdrafts and short-term loans from various banks (ING Bank N.V., Raiffeisen Bank, Banca Comerciala Romana, Banca Transilvania, BNP Paribas, Intesa Sanpaolo Bank, BRD – Groupe Societe Generale S.A., CEC and UniCredit) with a total overdraft limit of up to RON 3,095,773 thousand (total overdraft limit as at 31 December 2025: RON 3,095,739 thousand). As mentioned at note 16 (o) above, the syndicated loan is composed of: Banca Comerciala Romana, Banca Transilvania, Raiffeisen Bank, ING Bank, CEC Bank, BRD – Groupe Société Générale, and Banca Comerciala Intesa Sanpaolo Romania SA.

The overdraft facilities and short-term loans are used for financing activities. The outstanding balance of the overdraft facilities and short-term loans as at 31 March 2026 is of RON 2,172,797 thousand (31 December 2025: RON 2,352,456 thousand).

As at 31 March 2026 and 31 December 2025, the overdrafts and short-term loans are as follows:

Lender	Borrower	31 March 2026 (unaudited and not reviewed)	31 December 2025 (audited)
Syndicated loan - Facility C (a)	Electrica Furnizare S.A.	1,679,143	1,679,399
ING Bank N.V (b)	Societatea Energetica Electrica S.A.	969	182,415
BRD (c)	Societatea Energetica Electrica S.A.	141,393	143,036
ING Bank N.V (d)	Electrica Furnizare S.A.	160,215	137,113
Syndicated loan - Facility A (e)	Societatea Energetica Electrica S.A.	130,397	130,389
UniCredit Bank (f)	Electrica Furnizare S.A.	60,680	79,861
UniCredit Bank (g)	Electrica Furnizare S.A.	-	243
Total		2,172,797	2,352,456

Overdrafts and short-term loans description

a) Syndicated loan – Facility C

As at 31 March 2026, the balance of Facility C under the syndicated loan is RON 1,679,143 thousand, of which RON 1,674,000 thousand is principal and RON 5,143 thousand is accrued interest (31 December 2025: RON 1,679,399 thousand).

b) Working capital loan granted by ING Bank N.V.

In January 2020, Energetica Electrica signed a short-term revolving credit facility agreement – overdraft type, aimed at financing working capital in the context of cash pooling operations within the group. The main provisions are: Maximum facility amount: RON 210,000 thousand; Interest rate: ROBOR 1M +2.25%, which was amended to ROBOR 1M + 1.35% through the signing of Addendum No. 7 dated 16 February 2026; Valid until 27 January 2027, with automatic annual renewal.

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As at 31 March 2026, the balance of the facility is RON 969 thousand, of which RON0 thousand is principal and RON 969 thousand is accrued interest (31 December 2025: RON 182,415 thousand).

c) Credit for financing the payment needs of the Participating Companies and the Borrower under the scheme identified in the Cash Pooling Agreements, granted by BRD

In January 2024, Energetica Electrica signed a credit agreement, a short-term revolving facility – overdraft type, with the purpose of financing the payment needs of the Participating Companies and the Borrower within the scheme identified in the Cash Pooling Agreements. The main provisions are: Maximum facility amount: RON 150,000 thousand; Interest rate: ROBOR 1M +1.35%; Validity: 30 April 2026. As of the date of authorization of these financial statements, this loan has been extended until 30 April 2027.

As at 31 March 2026, the balance of the facility is RON 141,393 thousand, of which RON 141,393 thousand is principal and RON 0 thousand is accrued interest (31 December 2025: RON 143,036 thousand).

d) Working capital loan granted by ING Bank

In February 2022, Electrica Furnizare S.A. signed a credit agreement with ING Bank N.V. to access a credit facility worth RON 170,000 thousand, a short-term revolving facility – overdraft type, with the initial purpose of financing working capital and issuing guarantee instruments. In August 2022, the issuance of guarantee instruments was removed from the purpose of the facility, and in October 2022, the facility was converted into EUR, with a maximum value of EUR 34,300 thousand. Interest rate: EURIBOR 1 M +2.75%, which was amended to EURIBOR 1M + 2% through the signing of Addendum No. 9 dated 11 February 2026; Validity is 15 April 2026. As of the date of authorization of these financial statements, the validity of this loan has been extended until 15 April 2027, and starting with this addendum, the annual extension will be carried out automatically.

As at 31 March 2026, the balance of the facility is RON 160,215 thousand, of which RON 160,061 thousand is principal and RON 154 thousand is accrued interest (31 December 2025: RON 137,113 thousand).

e) Syndicated loan - Facility A

As at 31 March 2026, the balance of Facility A under the syndicated loan is RON 130,397 thousand, of which RON 130,000 thousand is principal and RON 397 thousand is accrued interest (31 December 2025: RON 130,389 thousand).

f) Overdraft facility for working capital financing granted by Unicredit Bank

In May 2025, Electrica Furnizare S.A. signed a credit agreement with Unicredit Bank for access to an overdraft facility for working capital financing, with the possibility of using RON and EUR. The main provisions are: Maximum facility amount EUR 19,000 thousand; Interest rate: EURIBOR 1M+2.1% p.a., respectively ROBOR 1M +2.1%, which was amended through Addendum No. 2 dated 19 March 2026 to the following values: ROBOR 1M + 2% / EURIBOR 1M + 1.8%.; Validity until 30 May 2026. The facility is guaranteed by Societatea Energetica Electrica through a letter of guarantee in the amount of EUR 19,000 thousand, valid until 30 June 2026.

As of 31 March 2026, the balance of the facility is RON 60,680 thousand, of which RON 60,450 thousand is principal and RON 230 thousand is accrued interest (31 December 2025: RON 79,861 thousand).

g) Credit for working capital financing and issuance of guarantee instruments granted by Unicredit Bank

Electrica Furnizare S.A. signed in May 2022 a credit agreement for access to a credit facility in the amount of RON 220,000 thousand, which includes an overdraft facility for working capital financing and issuance of guarantee instruments. Through successive addenda, the facility was converted into EUR, reaching the amount of EUR 60,800 thousand, with the possibility of use in both EUR and RON. Interest rate: EURIBOR 1M +2%, respectively ROBOR 1M +2%, which was amended through Addendum No. 8 dated 30 March 2026 to the following values: ROBOR 1M + 2% / EURIBOR 1M + 1.8%. Validity: 1 July 2026.

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The facility is guaranteed by Societatea Energetica Electrica through a letter of guarantee amounting to EUR 60,800 thousand, valid until 1 August 2026.

As of 31 March 2026, the balance of the cash facility is RON 0 thousand, of which RON 0 thousand was principal and RON 0 thousand was accrued interest, and the balance of the non-cash facility is 0 (31 December 2025: RON 243 thousand).

Financial Covenants

The financial covenants specified in the agreements with BRD – Groupe Societe Generale, Unicredit Bank, Banca Comerciala Romana (BCR), European Bank for Reconstruction and Development, European Investment Bank, ING Bank N.V and the syndicated loan have been fulfilled as at 31 March 2026 and 31 December 2025.

Pledged Assets

As at 31 March 2026 and 31 December 2025, the Group has no pledges (guarantees) for trade receivables.

Bank Guarantees

The maximum limit of the facility for issuing bank guarantees (credit facility for issuing guarantee instruments and multi-product lines) RON 1,860,548 thousand, of which used RON 1,035,541 thousand (31 December 2025: RON 1,172,124 thousand).

19. Provisions

	Amount (RON thousand) 2026	Amount (RON thousand) 2025
Balance as at 1 January	28,639	75,905
Provisions utilised	-	-
Provisions recognised	1,331	2,231
Provisions reversed	(1,401)	(2,753)
Balance as at 31 March	28,572	75,383

As at 31 March 2026 provisions mainly refer to benefits upon the termination of executive directors' mandate contracts in the form of a non-compete clause of RON 1,959 thousand (31 March 2025: 1,568 RON thousand), a dispute with ANCOM in amount of RON 0 thousand (31 March 2025: RON 24,345 thousand), fiscal provision of RON 1,085 thousand (31 March 2025: RON 1,085 thousand) and for various claims and litigations involving the Group companies with a total amount of RON 25,528 thousand (31 March 2025: 48,385 RON thousand).

20. Financial instruments – fair values

(a) Accounting classifications and fair values

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

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

(b) Measurement of fair values

Fair value hierarchy

The fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to

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valuation techniques used. The different levels are defined as follows:

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

21. Related parties

(a) Main shareholders

As at 31 March 2026 and 31 December 2025, the major shareholder of Societatea Energetica Electrica S.A. is the Romanian State, represented by the Ministry of Energy with a share of ownership of 49.785% from the share capital.

(b) Management and directors' compensation

	Three-month period end	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Executive management compensation	8,529	8,485

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

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

	Three-month period end	
	31 March 2026 (unaudited and not reviewed)	31 March 2025 (reviewed)
Members of the Board of Directors	1,194	1,036

(c) Transactions with companies in which the State has control or significant influence

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

Supplier	Purchases (excluding VAT)		Balance (including VAT)	
	Three-month period ended 31 March 2026 (unaudited and not reviewed)	Three-month period ended 31 March 2025 (reviewed)	31 March 2026 (unaudited and not reviewed)	31 December 2025 (audited)
OPCOM	739	195,678	174	325
Transelectrica	227,760	208,153	130,165	123,765
Nuclearelectrica	219,974	257,986	51,309	84,184
Complexul Energetic Oltenia	27,392	17,159	-	15,633
Hidroelectrica	18,246	67,227	8,488	25,813
Electrocentrale Bucuresti	9,874	39,235	-	-

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Supplier	Purchases (excluding VAT)		Balance (including VAT)	
	Three-month period ended 31 March 2026 (unaudited and not reviewed)	Three-month period ended 31 March 2025 (reviewed)	31 March 2026 (unaudited and not reviewed)	31 December 2025 (audited)
ANRE	13,532	12,024	10,181	-
Transgaz	4,058	6,163	977	1,185
SNGN Romgaz SA	50,852	6,745	6,176	16,961
Others	16,433	8,163	6,524	9,171
Total	588,860	818,533	213,994	277,037

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

Client	Sales (excluding VAT)	Balance, gross (including VAT)	Allowance (including VAT)	Balance, net
	Three-month period ended 31 March 2026 (unaudited and not reviewed)	31 March 2026 (unaudited and not reviewed)		
OPCOM	-	15	-	15
Transelectrica	67,402	27,327	-	27,327
Hidroelectrica	144,902	55,839	5	55,834
CN Romarm	4,374	537	-	537
SNGN Romgaz SA	7,864	677	1	676
CFR Electrificare	4,133	1,478	-	1,478
TETAROM SA	2,946	1,218	-	1,218
C.N.C.F. CFR S.A.	726	671	5	666
CN Remin SA	189	71,618	71,306	312
Oltchim	-	115,426	115,426	-
C.N.C.A.F. MINVEST S.A.	-	26,802	26,802	-
County Agency for Payments and Social Inspection	13,653	36,193	-	36,193
Ministry of Energy/ National Agency for Payments and Social Inspection(*)	257	2,506,135	-	2,506,135
PLOIESTI INDUSTRIAL PARC SA	2,411	1,988	-	1,988
Others	38,627	50,558	5,418	45,140
Total	287,484	2,896,482	218,963	2,677,519

(*) During the three-month period end 31 March 2026., Electrica Furnizare S.A. recognized subsidies in amount of RON 257 thousand (three-month period end 31 March 2025: 619,176 thousand), to be received from the Ministry of Energy/ National Agency for Payments and Social Inspection, following the application of the capping price mechanism for the electricity and natural gas according to the legislation in force.

Client	Sales (excluding VAT)	Balance, gross (including VAT)	Allowance (including VAT)	Balance, net
	Three-month period ended 31 March 2025 (reviewed)	31 December 2025 (audited)		
OPCOM	5,598	4	-	4
Transelectrica	51,967	109,527	-	109,527
Hidroelectrica	97,882	44,938	5	44,933
CN Romarm	-	380	-	380
SNGN Romgaz SA	-	664	1	663

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CFR Electrificare	4,069	1,204	-	1,204
TETAROM SA	-	910	-	910
C.N.C.F. CFR S.A.	23,247	2,997	9	2,988
CN Remin SA	554	71,622	71,209	413
Oltchim	-	115,426	115,426	-
C.N.C.A.F. MINVEST S.A.	-	26,802	26,802	-
Ministry of National Defence	-	243	227	16
County Agency for Payments and Social Inspection	3,500	22,954	-	22,954
Ministry of Energy/ National Agency for Payments and Social Inspection(*)	619,176	2,505,877	-	2,505,877
PLOIESTI INDUSTRIAL PARC SA	-	1,642	-	1,642
Others	46,973	33,393	5,440	27,953
Total	852,966	2,938,583	219,119	2,719,464

22. Contingencies

Contingent Liabilities

Fiscal environment

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

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

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

Other litigations and claims

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

As summarised in Note 19, the Group made provisions for the litigations or claims for which the management assessed as probable the outflow of resources embodying economic benefits due to low chances of favourable outcomes of those litigations or disputes. The Group does not disclose information in the financial statements and did not made provisions for litigations and claims for which management assessed a remote possibility of outflow of economic benefits.

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

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23. Subsequent events

Within the Ordinary General Meeting of Shareholders held on April 29, 2026, the following were approved:

- Approval of the amount of RON 99,998,360 to be distributed as dividends (the gross dividend per share is RON 0.2945/share), as well as approval of the dividend payment date for the 2025 financial year as June 25, 2026;
- Approval of the appointment of Electrica's financial auditor, KPMG Audit SRL, for the financial years 2026, 2027, and 2028, starting on April 30, 2026, until May 31, 2029;
- Approval of the appointment of KPMG Audit SRL as Electrica's auditor regarding Sustainability Report for the financial years 2026, 2027, and 2028, starting on April 30, 2026, until May 31, 2029;

Within the Extraordinary General Meeting of Shareholders held on April 29, 2026, the following were approved:

- Approval of the issuance of bonds by Electrica under a bond issuance program, up to an aggregate ceiling of EUR 1,000,000,000 (or the equivalent in other currencies) during 2026–2027. The program may include one or more tranches/series of bonds, which may be green bonds or conventional bonds, or a mix thereof, denominated in RON and/or other currencies, and may be issued on the Romanian or international capital markets based on a flexible structure, with either a fixed or variable interest rate. The bonds will be registered, non-convertible, unsecured, in dematerialized form through book-entry, will belong to the same class of securities, and may be issued with a maximum maturity of up to 10 years;
- Approval of contracting one or more secured/unsecured loans by Electrica, with a total value of up to EUR 1,000,000,000 (of "bridge" type relative to the bonds to be issued by the Company), based on one or more credit agreements concluded with one or more financial institutions, with a repayment term of up to a maximum of 24 months from the date of disbursement of the relevant loan.

On May 11, 2026, Electrica published the preliminary key operational indicators for the first quarter.

Chief Executive Officer

Alexandru – Aurelian Chirita

Chief Financial Officer

Costin-Ionut Iordache

27 May 2026