

**To: Bucharest Stock Exchange (BSE)
London Stock Exchange (LSE)
Romanian Financial Supervisory Authority (FSA)**

Current report in compliance with the Law 24/2017 on issuers of financial instruments and market operations, the Romanian Capital Market Law no. 297/2004, FSA Regulation no. 5/2018, and the Bucharest Stock Exchange Code

Report date: **23 November 2023**

Company name: **Societatea Energetica Electrica S.A. (Electrica)**

Headquarters: **9 Grigore Alexandrescu Street, 1st District, Bucharest, Romania**

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

Fiscal Code: **RO 13267221**

Trade Register registration number: **J40/7425/2000**

Subscribed and paid in share capital: **RON 3,464,435,970**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BSE) and London Stock Exchange (LSE)**

Significant events to be reported: Resolution of the annulment appeal against the decision pronounced by the High Court of Cassation and Justice on February 25, 2022 in file 3889/2/2018.

Electrica informs the shareholders about the fact that the annulment appeal filed by Societatea Energetică Electrica S.A. (ELSA) against civil decision no. 5599 of November 22, 2022, by which the High Court of Cassation and Justice rejected the appeal declared by ELSA against Sentence no. 707/2019, pronounced by the Bucharest Court of Appeal in file no. 3889/2/2018, has been resolved.

The file no. 3889/2/2018 has as object the annulment of the Competition Council Decision no. 77/20.12.2017, and in the alternative, the reduction of the fine established for ELSA up to the minimum legal level of 0.5% of ELSA's turnover, by re-individualizing the alleged anti-competitive act, with the retention and full capitalization of all mitigating circumstances applicable to ELSA.

By the Decision of the Competition Council no. 77/20.12.2017 was found the breaching of the provisions of art. 5 par. (1) of the Competition Law no. 21/1996 and art. 101 par. (1) TFEU by several companies which have sold meters and related measuring equipment for electricity in Romania, in the procedures for the award of supply contracts in the period from 27 November 2008 to 30 September 2015 and by Electrica, as a facilitator, in the period from 24 November 2010 to 30 September 2015.

The sanction applied to Electrica consists in a fine amounting to 10,800,984.04 lei (paid by ELSA), representing 2.98% of the total turnover achieved in the financial year 2016. In determining the amount of the fine, it was taken into account that (i) Electrica cooperated fully and effectively with the Competition Council during the investigation procedure, outside the scope of the leniency policy and beyond the legal duty to cooperate, and (ii) it is for the very first time when the authority retains the role of facilitator for a company organizing public procurement procedures.

On the merits of the case that was the subject of file 3889/2/2018, by Sentence no. 707/25.02.2019, the Bucharest Court of Appeal rejected the annulment action as unfounded, and the High Court of Cassation and Justice rejected the appeal declared by ELSA against the above sentence.

On November 22, 2023, the High Court of Cassation and Justice rejected, as inadmissible, the annulment appeal filed by ELSA against civil decision no. 5599 of November 22, 2022, by which the appeal declared by ELSA against Sentence no. 707/2019. This decision, pronounced in file no. 1100/1/2023, is final.

At this moment there is no financial impact of this court decision, the fine established by the Competition Council for ELSA being paid on 11 October 2018.

Previous Announcements on the subject:

BSE:IRIS Code	LSE:RNS Code	Date
CE353	2571H	22 November 2022
D22FE	4128L	05 September 2019
51049	1123O	15 May 2018
EAC12	1267B	05 January 2018
E5CE8	667W	13 April 2023

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**Legal Squad Director
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