



**SOCIETATEA ENERGETICA ELECTRICA S.A.**

Consolidated Preliminary Unaudited Results

as at and for the year ended

**31 December 2019**

**SOCIETATEA ENERGETICA ELECTRICA S.A.**  
**CONSOLIDATED PRELIMINARY STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2019

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

	<b>Preliminary 31 December 2019 (unaudited)</b>	<b>31 December 2018 (audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets related to concession arrangements	5,188,155	4,810,340
Other intangible assets	13,410	13,899
Property, plant and equipment	544,098	601,178
Restricted cash	320,000	320,000
Deferred tax assets	19,887	28,895
Other non-current assets	1,845	1,842
Right of use asset	35,034	-
<b>Total non-current assets</b>	<b>6,122,429</b>	<b>5,776,154</b>
<b>Current assets</b>		
Trade receivables	889,979	806,293
Other receivables	28,503	38,461
Cash and cash equivalents	607,506	665,730
Deposits with maturity date more than three months	66,471	136,493
Inventories	74,370	63,585
Prepayments	2,699	2,666
Current income tax receivable	8,288	16,481
Assets held for sale	17,027	23,209
<b>Total current assets</b>	<b>1,694,843</b>	<b>1,752,918</b>
<b>Total assets</b>	<b>7,817,272</b>	<b>7,529,072</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	3,464,436	3,459,399
Share premium	103,049	103,049
Treasury shares reserve	(75,372)	(75,372)
Pre-paid capital contributions in kind from shareholders	7	5,144
Revaluation reserve	87,665	108,704
Legal reserves	371,833	352,038
Retained earnings	1,637,909	1,675,479
<b>Total equity attributable to the owners of the Company</b>	<b>5,589,527</b>	<b>5,628,441</b>
<b>Total equity</b>	<b>5,589,527</b>	<b>5,628,441</b>

*(continued on page 2)*

## SOCIETATEA ENERGETICA ELECTRICA S.A.

	<b>Preliminary 31 December 2019 (unaudited)</b>	<b>31 December 2018 (audited)</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financing for network construction related to concession agreements	-	981
Lease liability – long term	9,607	-
Deferred tax liabilities	168,138	183,381
Employee benefits	126,424	186,857
Other payables	36,775	41,247
Long-term bank borrowings	432,786	320,000
<b>Total non-current liabilities</b>	<b>773,730</b>	<b>732,466</b>
<b>Current liabilities</b>		
Financing for network construction related to concession agreements	1,008	11,851
Lease liability – short term	26,900	-
Bank overdrafts	350,624	118,972
Trade payables	730,455	742,200
Other payables	218,285	181,117
Deferred revenue	6,918	5,037
Employee benefits	87,857	77,988
Provisions	19,558	29,106
Current income tax liability	4,898	1,894
Current portion of long-term bank borrowings	7,512	-
<b>Total current liabilities</b>	<b>1,454,015</b>	<b>1,168,165</b>
<b>Total liabilities</b>	<b>2,227,745</b>	<b>1,900,631</b>
<b>Total equity and liabilities</b>	<b>7,817,272</b>	<b>7,529,072</b>

**Chief Executive Officer**  
Georgeta Corina Popescu

**Chief Financial Officer**  
Mihai Darie

February 27<sup>th</sup>, 2020

**SOCIETATEA ENERGETICA ELECTRICA S.A.**  
**CONSOLIDATED PRELIMINARY STATEMENT OF PROFIT OR LOSS**  
 FOR THE YEAR ENDED 31 DECEMBER 2019  
*(All amounts are in THOUSAND RON, except per share data)*

	<b>Preliminary 2019 (unaudited)</b>	<b>2018 (audited)</b>
Revenues	6,279,834	5,612,784
Other income	160,031	164,873
Electricity purchased	(3,859,617)	(3,096,574)
Construction costs related to concession agreements	(759,205)	(841,478)
Employee benefits	(620,192)	(671,538)
Repairs, maintenance and materials	(100,379)	(86,857)
Depreciation and amortization	(480,273)	(423,296)
Other operating expenses	(385,977)	(396,938)
<b>Operating profit</b>	<b>234,222</b>	<b>260,976</b>
Finance income	14,118	14,019
Finance costs	(22,297)	(12,268)
<b>Net finance (cost)/income</b>	<b>(8,179)</b>	<b>1,751</b>
<b>Profit before tax</b>	<b>226,043</b>	<b>262,727</b>
Income tax expense	(19,366)	(32,332)
<b>Profit for the year</b>	<b>206,677</b>	<b>230,395</b>
<b>Profit for the year attributable to:</b>		
- owners of the Company	206,677	230,395
<b>Profit for the year</b>	<b>206,677</b>	<b>230,395</b>
<b>Earnings per share</b>		
Basic and diluted earnings per share (RON)	<b>0.61</b>	<b>0.68</b>

**Chief Executive Officer**  
Georgeta Corina Popescu

**Chief Financial Officer**  
Mihai Darie

February 27<sup>th</sup>, 2020

### **1 Basis of accounting**

These preliminary unaudited consolidated financial statements are the consolidated financial statements of Societatea Energetica Electrica S.A. ("Company" or "Electrica") and they include only the Consolidated statement of financial position and the Consolidated statement of profit or loss.

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

The Company also issues an original version of the consolidated financial statements prepared in accordance with IFRS-EU in Romanian language, that will be used for submitting to the Bucharest Stock Exchange, which is the original binding version.

The financial statements are prepared and issued prior to the finalization of all usual internal procedures for the preparation of the annual financial reporting, as well as before concluding of the independent auditor report on the annual financial statements and as a result, differences between the preliminary consolidated financial statements and the consolidated audited financial statements might occur.

These financial statements are not audited or reviewed by an independent auditor and they are not a full set of financial statements in accordance with IFRS-UE.

The preliminary unaudited consolidated financial statements were authorized for issuance and signed by the management on February 27<sup>th</sup>, 2020.

**Chief Executive Officer**  
Georgeta Corina Popescu

**Chief Financial Officer**  
Mihai Darie

February 27<sup>th</sup>, 2020