

Ministry of Economy

the Department for Privatisation and Administration of State Participations

To,

National Power Grid Company Transelectrica SA

Marius Dănuț Carașol – Directorate Chairman

Dear sir,

Considering the convening notice of Transelectrica's Shareholders' General Extraordinary Assembly, published on the operator's website, convened for 06/08.05.2019, with the following topic on the agenda:

"Approving Transelectrica's participation in the share capital increase of the Trading Company for Maintenance Services to the Electricity Transmission Grid SMART SA, company subsidiary, with a cash contribution amounting to a maximum of 24 million lei."

Considering the provisions of SMART SA's Shareholders' General Assembly Decision, for the meeting that took place on 28.03.2019, namely the approval of SMART SA's Economic and Financial Restructuring Programme, this operator's major shareholder (70.005%) being Transelectrica SA.

Taking into account the information in SMART SA's Economic and Financial Restructuring Programme, namely: "the capital injection has been agreed by the executive management of the two companies as the optimal measure in the present situation and the only one accepted, this measure being also proposed in the discussions with the lending bank";

We request the communication, in due time (prior to the expiry date provided by the law for completing the agenda, in order for the Transelectrica shareholders to cast their vote based on all the necessary analyses and information) of the analysis carried out by Transelectrica on SMART SA's Economic and Financial Restructuring Programme, as well as a decision, assumed by Transelectrica's management, both being communicated to its shareholders. The requested analysis must contain, at least, the following:

1. Assessment of the company's projects, their success rate and, therewith, their risks;
2. Investment rate of return and the company's financial prospect in this context;
3. Amounts used for the share capital increase will be recovered from the operator's profit within 5 years, a period for which the financial indicators have been presented;

4. Analysis of this operator's all recovery alternatives, the options the two operators have given up (according to the information within the programme) and the factors which determined taking a single path: cash injection by increasing the share capital;
5. Conclusion which must show the clear and unequivocal reason why Transelectrica's participation by cash contribution to the share capital increase of SMART SA is unique and the most efficient solution for the economic and financial recovery of this operator;

Respectfully yours,

f. Chairman,