



MINISTERUL ECONOMIEI

To,

CNTEE TRANSELECTRICA SA

To the Directorate's attention

Taking into account the:

- Provisions of article 92 from *Law 24/2017 regarding issuers of financial instruments and market operations*, corroborated with the provisions of article 117¹ of the *Company Law 31/1990*, republished, with later amendments and additions,
- Items included in the agenda of the Shareholders' General Extraordinary Assembly of 11/14.10.2019, published according to applicable legal provisions,

Please find hereby the draft decision for items 1 and 2, as follows:

1. "As regards item 1 in the agenda, approving with the "for" vote of shareholders representing _____% of the total number of validly cast votes, the increase by contribution in kind of the Romanian State through the Ministry of Economy of the share capital of the National Power Grid Company Transelectrica SA, (subsequent to AGEA Decision 16/21.12.2018), by issuing new shares without share premium and observing the preference right of shareholders existent on the registration date, by maximum 20,248,262 Lei for the 17 lands presented in the Annex - lands to this order, whereby the Company has obtained ownership certificates for and by cash contribution of the other shareholders under their exercise of the preference right according to the assessment report elaborated for such lands under the following terms:

- New shares will be offered for subscription at their nominal value, namely 10 Lei / share, without share premium.
- The subscription period for shares under the preference right exercise will be of one month from the prospectus date and will begin on a date after the registration day associated to the share capital increase and after the publication date of the decision made by the shareholders' general extraordinary assembly.
- The subscription rate is determined by the ratio between the maximum number of new shares issued for the preference right exercise and the total number of shares held by shareholders from the existing capital.
- Each shareholder recorded on the registration date can subscribed newly issued shares at each share held under the terms set in the previous item.
- The owed number of newly issued shares that can be subscribed according to the preference rights held is calculated by multiplying the Subscription rate with the number of shares held on the registration date, and if the result is not a whole number it will be rounded downwardly, up to the closest whole number":

Example with respect to the maximum value:

Example for other shareholders	New shares
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1 share	0.027623
10 shares	0.276226
100 shares	2.762264
1000 shares	27.622639

2. "As regards item 2 in the agenda, approving with the "for" vote of shareholders representing _____% of the total number of validly cast votes, the delegation to the Company's Directorate of the competence to increase the share capital of CNTEE Transelectrica SA, for 3 years, while observing the incident legal provisions and the terms approved by the Shareholders' general extraordinary assembly including but without limitation the following:

- Selecting and contracting the services of an ASF-certified agent in order to issue the prospectus while observing the provisions of Law 98/2016 on public procurements; approving the intermediation contract and any other document necessary for transaction admission of shares and of deposit certificates as well as their registration in any necessary register, and any other documents required with a view to finalise the share capital increase, even if they are not provided in this decision;
- Coordinating the submission of documents for the share capital increase;
- Drawing up the proportionate offer prospectus and submitting it for approval of the Financial Supervision Authority;
- Initiating and conducting the public offer addressed to existing shareholders on the registration date;
- Approving the terms and conditions for the preference right exercise of existing shareholders, in proportion to the number of shares held on the registration date, in view of maintaining each shareholder's share held before the share capital increase;
- Approving the subscription procedure for new shares issued under the share capital increase;
- Establishing the accurate value of the share capital increase; issuing the new shares;
- Validating the results of new share subscription upon the end of the period when preference rights were exercised; cancelling the shares issued but unsubscribed by means of the share capital increase procedure and actual increase of the share capital;
- Amending the Company's Articles of Association according to the share capital increase, namely article 7 Share capital, and approving its updated form;
- Signing by its representative any other documents and taking any necessary measure in order to apply this decision (including without limitation the approval and signing of the Company's updated articles of association, which should mirror its amendment according to the approval) and registering the share capital increase with the Trade Register Office from Bucharest Tribunal and with other relevant authorities".

In the context of the above we are kindly asking you to take the necessary measures to place at the shareholders' disposal the materials needed for decision-making according to the notified amendments, while performing the publication procedure as per the applicable regulations on the capital market.

With best regards,

MINISTER
Niculae BADALAU

**State Secretary
Constantin IVAN**

**DAPGCI
Director - Claudia Maria BAICU**

**Elaborated by
Counsellor Oana Petrescu**