Transelectrica®
Societate Administrată în Sistem Dualist

The National Power Grid Company Transelectrica
2-4 Olteni Street Bucharest, District 3, 030786, Romania
Trade Register Number J40/8060/2000, Single Registration Code 13328043
Phone +4021 303 56 11, Fax +4021 303 56 10
Share capital subscribed and paid: 733.031.420 Lei
www.transelectrica.ro

**To the: Bucharest Stock Exchange – Department of Operations Issuers Regulated Markets**
**Financial Supervision Authority - General Directorate Supervision - Issuers Division**

Date of current report: **January 31, 2022**
Name of Issuer Company: **CNTEE TRANSELECTRICA SA, managed under two-tier system**
Headquarters: Blvd. Gheorghe Magheru 33, Bucharest 1
Working location: Str. Olteni 2-4, Bucharest 3
Phone / fax numbers: 021 30 35 611/021 30 35 610
Single registration code: 13328043
LEI Code: 254900OLXCOUQC90M036
Number in the Trade Register: J40/8060/2000
Share capital subscribed and paid: 733.031.420 RON
Regulated market where the issued securities are transacted: Bucharest Stock Exchange

**Communiqué – External auditor report, in accordance with art. 144 lit. B par. (4) of the ASF Regulation no. 5/2018**

The National Power Grid Company ”Transelectrica” SA informs the interested public about the fact that the Company's external auditor issued the Limited Independent Insurance Report on the transactions reported by the Company during the second half of 2021, according to the provisions of art. 108, Law no. 24/2017. The limited insurance independent report of PKF Finconta SRL, attached to this release, is also available online on Transelectrica's website, www.transelectrica.ro, Investor Relations - Current Reports section, respectively https://www.transelectrica.ro/en/web/tel/raportari-curente.

**Gabriel ANDRONACHE**

**Executive Director General**
**Directorate Chairman**

**Florin Cristian TATARU**

**Directorate Member**

*LANGUAGE DISCLAIMER: This document represents the English version of the original official Romanian document filed with the Financial Supervisory Authority ASF. The English version has been created for English readers' convenience. Reasonable efforts have been made to provide an accurate translation, however, discrepancies may occur. The Romanian version of this document is the original official document. Any discrepancies or differences created in the translation are not binding. If any questions arise related to the accuracy of the information contained in the English version, please refer to the Romanian version of the document which is the official version.*

4420/28.01.2022

PKF | FINCONTA

Accountants & business advisers

**Independent limited assurance report on the information included in the current reports prepared by the Company in accordance with the provisions of law no. 24/2017 and of Regulation no. 5/2018 issued by the Financial Supervisory Authority**

*(free translation from romanian version[1])*

**To C.N.T.E.E. Transelectrica S.A.**

We were engaged by C.N.T.E.E. Transelectrica S.A. ("The Company") to report based on the requirements of Law no. 24/2017 on issuers of financial instruments and market operations, with subsequent amendments and completions ("Law 24/2017") on the information included in the attached current reports dated August 23, 2021 and September 1, 2021 ("Current Reports"), prepared by the Company according to the provisions of Law no. 24/2017 and of the FSA Regulation no. 5/2018 to report to the Financial Supervisory Authority ("ASF") and the Stock Exchange ("BVB") for the period July 1, 2021 - December 31, 2021, in the form of a limited assurance conclusion.

**Specific purpose**

Our report is for the sole purpose of the first paragraph of this report, and is prepared for the information of the Company, BVB and ASF and will not be used for any other purpose. Our report should not be construed as being intended for use by any party wishing to acquire rights with us other than the Company for any purpose or in any context.

Any party other than the Company who obtains access to or a copy of our report and chooses to rely on our report (or part thereof) will do so at its own risk. Our commitment has been made to be able to report those issues that we need to report in an independent limited liability report, and not for other purposes. This report refers only to the elements specified in this report and does not extend to the financial statements or other reports issued by the Company, taken into account individually or as a whole.

**Responsibilities of the Company's management**

The Company's management is responsible for the preparation and accurate presentation of the current reports and of the reported transactions, in accordance with Law no. 24/2017 and Regulation no. 5/2018, and for the information included. The Company's management is also responsible for the design, implementation and maintenance of internal controls that management deems necessary to enable the preparation and presentation of these current reports so that they do not contain material misstatement, whether due to fraud or error. The Company's management is responsible for ensuring that the supporting documents underlying the preparation of the Current Reports, as well as the evidence provided to the auditor, are complete, correct and justified.

**Auditor's responsibilities**

Our limited assurance mission was conducted in accordance with International Standards on Assurance Commitments, namely ISAE 3000 (revised) "*International Standard on Assurance Assignments Other than Auditing or Reviewing Historical Financial Information*". These regulations require us to comply with the Code of Ethics and Standards on Independence, to plan and carry out the assurance mission, so as to obtain a limited assurance regarding the current Reports.

We apply the International Quality Control Standard 1 ("ISQC 1") and, as a result, maintain a sound quality control system, including policies and procedures that document compliance with relevant ethical and professional standards and requirements in applicable laws or regulations.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including the International Standards on Independence) issued by the International Accounting Standards Board ("IESBA Code"), which sets out the fundamental principles of integrity, objectivity, professional competence and due attention, confidentiality and professional behavior.

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[1] *Translator's explanatory note: The above translation of the auditor's report is provided as a free translation from Romanian which is the official and binding version.*

The procedures selected depend on the auditor's professional reasoning and our understanding of the reported transactions included in the Current Reports and other circumstances of the engagement, as well as our considerations regarding areas where material misstatement may occur. In obtaining an understanding of the reported transaction included in the Current Reports, we have considered the process used by the Company to conclude on transactions and to prepare and present the current report, in accordance with the requirements of Law 24/2017 and ASF Regulation no. 5/2018 to establish the relevant assurance procedures in the given circumstances, but not in order to express a conclusion on the effectiveness of the process or internal control of the Company for concluding the reported transaction, included in the Current Reports and for preparing and submitting the attached Current Reports.

The procedures include, in particular, interviews with the staff responsible for financial reporting and risk management, as well as additional procedures, which aim to obtain evidence regarding the information included in the current Reports.

The procedures for obtaining evidence under a limited assurance commitment differ in nature and timing, and are more limited in scope than in a reasonable assurance commitment. Consequently, the level of assurance that is obtained in a limited assurance commitment is considerably lower than that which would have been obtained if a reasonable assurance commitment had been made.

Regarding the current Reports of the Company, in order to evaluate the correct and justified character of the reported transactions, we performed the following procedures:

1.We have obtained from the Company the attached current Reports, related to the verified period and the details of the transactions included in these Reports.

2. We have verified that the persons approving these Current Reports are the authorized representatives of the Company and we have requested the list of authorized signatures.

3. For the analyzed transactions presented in the current Reports, we determined whether their details correspond in all significant aspects with the information included in the signed contracts/contractual documentation, made available to us and if they were signed by the Company's representatives, according to the signature list. Where applicable, we compared whether the details included in the Current Reports correspond to the documentation related to the respective contracts: the parties who signed the supporting documents; the date on which the documentation was signed and its nature; description of the type of goods/services indicated in the documentation; the total realized or estimated value of the contracts and, where applicable, the guarantees constituted and the stipulated penalties, the terms and the method of payment, as well as the related contractual conditions.

4. For the analyzed transactions, we compared whether the details presented in the attached Current Reports correspond to the information we obtained from the interviews with the Company's management, as well as to other documents attached to the contracts, as the case may be.

5. For the analyzed transactions, insofar as there is a market price for the goods or services provided between the Company and the affiliated parties, we discussed with the Company's management how these prices were established and whether, on a case-by-case basis, the agreed prices correspond to those used in the contractual relations with other parties (third parties), for similar services or goods and respectively if the related contracts are approved by the Board of Directors or supervision of the Company.

In case there are no market prices available, we have analyzed whether the respective transactions are performed based on Company's internal procedures regarding the estimated price and, respectively, the related contracts are approved by the Supervision Board of the Company, according to its internal procedures.

Our procedures have been performed exclusively on the transactions included in the attached Current Reports, which refer to the period July 1, 2021 - December 31, 2021. We have not performed any procedure to verify whether the Current Reports include all transactions that the Company must report according to the Law. no. 24/2017 for this period.

**Conclusion**

Our conclusion is formulated on the basis and taking into account the aspects presented in this independent limited assurance report. Based on the procedures described above and the evidence obtained, we have not become aware of any aspect that would lead us to consider that:

a) The information included in the attached Current Reports is not consistent in all material respects with the supporting documents made available to us by the Company;

b) The information included in the attached Current Reports does not comply in all significant aspects with the requirements of Law 24/2017 and ASF Regulation no. 5/2018, regarding the parties who signed the supporting documents; the date on which the documentation was signed and its nature; description of the type of goods / services indicated in the documentation; the total realized or estimated value of the contracts and, where applicable, the guarantees constituted and the stipulated penalties, the terms and the method of payment; as well as the related contractual conditions.

c) The contracts related to the reported and analyzed transactions have not been duly authorized by the Company's representatives and have not been approved by the Company's Board of Supervisors.

d) The prices agreed between the parties were not accepted by mutual agreement based on the type of products/services and other terms and conditions stipulated, as the case may be, in the agreements between the parties and, respectively, were not determined according to the criteria mentioned in paragraph 5) from the list of procedures above.

On behalf of: PKF Finconta SRL

38 Jean Louis Calderon street, District 2, Bucharest

Registered with the Public Authority for Public Supervision of the Statutory Audit Activity with number FA32

Financial audit partner name: Florentina Susnea

Registered with the Public Authority for Public Supervision of the Statutory Audit Activity with no. AF433

Bucharest, Romania

January 28th, 2022