



Transelectrica®

Societate Administrată în Sistem Dualist

DIRECTORATE

Compania Națională de Transport al Energiei Electrice
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NOTE

for the approval by the General Meeting of Shareholders of the participation of the National Electricity Transmission Company "Transelectrica" -S.A. in the share capital of a new company

I. General information and context

The National Electricity Transmission Company "Transelectrica" -S.A. (hereinafter "the **Company**") is a joint-stock company managed under a two-tier system listed on the Bucharest Stock Exchange and a *public enterprise* in accordance with Article 2, paragraph 2, letter b) of the Government Ordinance no.109/2011 *on the Corporate Governance of Public Enterprises*.

On 27 May 2024, in Bucharest, in application of the Agreement between the Governments of the Republic of Azerbaijan, Georgia, Romania and Hungary on the Strategic Partnership in the Field of Green Energy Development and Transport - "Green Energy Corridor" Project, the Company and the other relevant parties designated at the level of each state, namely AzerEnerji JSC, Georgian State Electrosystem and MVM Zrt. signed a Memorandum of Understanding whereby they agree to make the necessary efforts towards the establishment of a Joint Venture company based in Romania. The Joint Venture Company, for the establishment of which it was agreed to initiate the proceedings for the establishment of the company, would ensure the implementation of the Green Energy Corridor project, in accordance with the agreement between the Governments of Azerbaijan, Georgia, Romania and Hungary. The Memorandum signed in Bucharest between NPG CO. "Transelectrica" SA, AzerEnerji JSC, Georgian State Electrosystem and MVM Zrt. laid the foundations of the general framework of agreement of the four relevant parties on the initiation of the procedures for the establishment of the Joint Venture company, subject to the prior statutory agreements of each company. In this regard, the Company, subsequent to the establishment of the adequate complete information regarding the new Joint Venture Company, has announced that it will convene the General Meeting of Shareholders to obtain approval of the participation in the share capital of the new Joint Venture Company. The Green Energy Corridor is an ambitious project agreed by the governments of Azerbaijan, Georgia, Romania and Hungary, with the support of the European Commission, which will integrate regional energy capacity and provide competitively priced electricity from renewable sources in line with the EU's current energy transition objectives. The company, designated by the Romanian Government as the relevant party in this project, is to work closely with the other relevant parties in the partner states in order to achieve the objective of this highly complex project, namely to assess the potential for clean energy production and exchanges in the

Caucasus/Europe region and to design the related infrastructure taking into account technical, economic and regulatory aspects.

According to **Art.14 paragraph (3) letter b) of the Articles of Association**, for the "incorporation or **participation in the incorporation of entities with separate legal personality**, with patrimonial or non-patrimonial purpose, as well as participation in the share capital of other companies", the **approval of the General Meeting of Shareholders is required in each individual case.**

II. The conditions under which the Company will participate in the incorporation of the new company

The company that will constitute the corporate platform of the partnership between the companies designated by Azerbaijan, Georgia, Romania and Hungary for the purpose specified in Section I above (hereinafter referred to as the "JV Company") is to be established under the following conditions:

- (i) Form of organisation: limited liability company
- (ii) Registered office: in Bucharest, Romania;
- (iii) Share capital: formed with an equal contribution of each partner, i.e. with a maximum contribution of the Company of EUR 1,000,000 (or RON equivalent, including subsequent capital increases);
- (iv) Administration: the number of administrators is equal to the number of partners, each partner having the right to propose one administrator (with equal powers);
- (v) Object of activity: Production, transmission and distribution of electricity - NACE 351 (the precise main activity will be determined, following negotiation between the parties, within the limits of this NACE code) ;
- (vi) Taking into account the possibility of co-opting other relevant entities designated by other States, provided that there is a unanimous agreement of the founders pursuant to an agreement of the governments that have designated them, subject to the equal contribution of the partners to the share capital and the right of each partner to propose one administrator each.

III. Proposal

Pursuant to **Article 14 (3) (b) of the Articles of Association** in force, we propose:

- **to approve the Company's participation in the establishment of a new company, the JV Company, together with the other relevant parties designated at the level of the Republic of Azerbaijan, Georgia, and Hungary under the conditions specified in this memorandum.**

DIRECTORATE

Chairman
Ștefăniță
MUNTEANU

Member
Cătălin Constantin
NADOLU

Member
Florin Cristian
TĂTARU

Member
Bogdan
TONCESCU