

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

Current report according to the provisions of Law 24/2017, Regulation 5/2018 of ASF and the BVB Code

Date of the report: **January 29, 2020**

Name of Issuer Company: **CNTEE TRANSELECTRICA SA, managed under two-tier system**

Headquarters: Boulevard 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 2019, according to the provisions of art. 82, Law no. 24/2017. The limited insurance independent report of BDO Audit SRL, attached to this release, is also available online on Transelectrica's website, [www.transelectrica.ro](http://www.transelectrica.ro), Investor Relations - Current Reports section, respectively <https://www.transelectrica.ro/en/web/tel/raportari-curente>.

**Cătălin NIȚU**

**Executive Director General  
Directorate Chairman**

**Ionuț-Bogdan GRECIA**

**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.

**INDEPENDENT REPORT OF LIMITED ASSURANCE  
ON THE INFORMATION INCLUDED IN THE CURRENT REPORTS ISSUED BY THE COMPANY IN ACCORDANCE  
WITH THE PROVISIONS OF LAW NO. 24/2017 (ARTICLE 82) AND REGULATION NO. 5/2018 ISSUED BY  
THE FINANCIAL SUPERVISORY AUTHORITY**

To the Directors,  
C.N.T.E.E. Transelectrica S.A.

*Purpose of the independent auditor's report*

We have been appointed by C.N.T.E.E. Transelectrica S.A. („the Company”) to report on the information included in the Current Report dated 17 July 2019 (“Report” or “Current Report”), issued by the Company in accordance with the provisions of the Issuers of financial instruments and market operations law no. 24/2017 (“Law no. 24/2017”) and of the Regulation no. 5/2018 on issuers of financial instruments and market operations issued by the Financial Supervisory Authority („ASF”).

The Current Report has been prepared by the Company’s management for the purpose to report to ASF in accordance with the provisions of art. 82 from Law no. 24/2017 and Regulation no. 5/2018.

*Management’s Responsibility*

Management is responsible for the preparation and fair presentation of the Current Report and for the transactions reported included in the Current Report, in accordance with art. 82 from Law no. 24/2017 and Regulation no. 5/2018, and for the information presented in the Report.

This responsibility includes designing, implementing and maintaining an internal control relevant to the preparation and presentation of the Current Report that is free of material misstatement, due to fraud or error. Also, this responsibility includes keeping adequate supporting documents regarding the Current Report. Management is responsible for preventing and detecting fraud and ensuring compliance with the legislation and regulations in force.

*Auditor’s responsibility*

Our responsibility is to analyze the reported transaction included by the Company in the Current Report and to report in the form of an independent conclusion of limited assurance, based on the evidence obtained. We conducted the engagement in accordance with International Standard on Assurance Engagements („ISAE”) 3000 as adopted by the Chamber of Financial Auditors of Romania regarding the assurance engagements, other than Audits or Reviews of Historical Financial Information. This standard requires that we comply with ethical requirements, including independence requirements, and plan and perform our procedures in order to obtain a limited assurance level of whether the transaction included in the Current Report is in accordance, in all material respects, with art. 82 of Law no. 24/2017 and of Regulation no. 5/2018.

The procedures selected by us depend on our understanding of the Current Report and of other circumstances of the engagement, as well as our considerations on areas where material misstatements may occur. In developing our understanding on the Current Report and on the transactions reported in the Current Report we took into consideration the Company’s internal control relevant to the preparation and presentation of the Current Report in accordance with the provisions of art. 82 of Law no. 24/2017 and Regulation no. 5/2018 in order to establish the procedures that are appropriate in these circumstances, but not for the purpose of expressing a conclusion on the effectiveness of internal control for the preparation and fair presentation of the Company’s Current Report and transaction presented in the Current Report.



Limited assurance is narrower than absolute or reasonable assurance. The procedures for obtaining evidence for a limited assurance engagement are more restricted than in a reasonable assurance engagement, and therefore the level of assurance obtained is lower than in a reasonable assurance engagement.

As part of this engagement, we have not performed audit or review procedures on the Current Report and on the transactions included in the Current Report in accordance with International Standards on Auditing or International Standards on Review Engagements adopted by the Chamber of Financial Auditors of Romania, nor on the sources from which the Current Report and transaction included in the Current Report were extracted.

Our procedures were only performed in connection with the Current Report. We have not performed other additional procedures to verify whether the Company reported all contracts with managers, employees, shareholders, as well as their affiliated entities to be reported according to Art. 82 of Law no. 24/2017 with subsequent amendments for the period July 1 - December 31, 2019.

#### *Criteria*

The criteria used in this engagement were as follows:

We obtained and examined the addendum no. 5/ 27 June 2019 to the contract C256/01 July 2014 concluded by the Company with Teletrans S.A., the contract C256/01 July 2014, all subsequent addendums, the memo no. 22123/24 June 2019 regarding the need to conclude the addendum, the transfer pricing file for 2018 and the fiscal inspection report issued by ANAF on 19 December 2019 regarding the period 2012-2016.

Our conclusion was formed on the basis and in connection with the aspects presented in this report. We believe that the evidence we have obtained is sufficient and appropriate to form the basis of our conclusion of limited assurance.

#### *Conclusion*

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the transaction reported in the Current Report from 17 July 2019 is not in accordance, in all material aspects, with art. 82 of Law no. 24/2017 and Regulation no. 5/2018.

#### *Other matters*

Our report is solely issued for the purpose stated in the first paragraph hereof and for the Company's Directorate information and for the information of Bucharest Stock Exchange (BVB) and ASF, and is not to be used for any other purpose. Our report should not be regarded as suitable for use by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company that obtains access to our report or a copy of the report and chooses to rely on our report (or part thereof), should do so at their own risk. Our engagement was performed in order to report to the Directorate of the Company on those aspects that need to be reported in an independent report of limited assurance, and for no other purpose. Our report relates only to the Current Report mentioned above and does not extend to any other reports of the Company.

For and behalf of BDO Audit SRL

Registered in the Public Electronic Registry of financial auditors and audit firms with no. FA18

Partner's name: Vasile Bulata

Registered in the Public Electronic Registry of financial auditors and audit firms with no. AF1480  
Bucharest, Romania

29 January 2020