



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**

Current report according to the provisions of Law no 24/2017, ASF Regulation 5/2018 and the BVB Code

Date of current report: **October 10, 2022**

Name of Issuer Company: **NPG Co. TRANSELECTRICA S.A., managed under two-tier system**

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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 LEI

Regulated market where the issued securities are transacted: Bucharest Stock Exchange

Transelectrica has signed non – refundable financing contracts in the amount of 424 million euro from the Modernising Fund for the accomplishment of 9 projects for the development of the national power grid infrastructure.

Transelectrica has submitted a set of 9 applications (related to investment in the energy infrastructure) to the Investment Committee for the Modernization Fund (BEI) in order to gain non – refundable financing from the Modernization Fund according to the Implementing Regulation (UE) 2020/1001 of the Commission from 9th July 2020 that establishes some detailed application norms of Directive 2003/87/EC of the European Parliament and of the Council regarding the functioning of the Modernization Fund that sustain investments for the modernization of energy systems and for the improving of energy efficiency of some member states.

Following the assessment of these applications, the European Commission has approved for full non-refundable financing (100%) the following 9 investment projects of the Company:

1. Building a new overhead power line of 400 Kv (double circuit) Constanța Nord - Medgidia Sud equipped with a single circuit – with a value of almost 23 million euro;
2. Building a new overhead power line of 400 Kv in simple circuit Gădălin – Suceava, including the interconnection of it to the National Power Transmission Grid – with a value of more than 101 million euro;
3. Interior power line between Reșița and Timișoara/Săcălaz (PCI 3.22.3.), consisting of a new 400 kV OHL Reșița-Timișoara/Săcălaz and of the refurbishment at 400 kV of the substation 110/2020 kV Timișoara – with a value of almost 64 million euro;
4. Building the 400 kV OHL Timișoara/Săcălaz/Arad – with a value of over 57 million euro;
5. Switching the OHL Brazi Vest-Teleajen to 400 Kv – with a value of almost 51 million euro;
6. Pilot project – the refurbishment of the 220/110/20 kV Alba Iulia – in a digital station concept – with a value of almost 47 million euro;
7. Installation of two modern reactive power compensation devices in the 400/220/110/20 kV Sibiu Sud and 400/220/110/20 kV Bradu substations - with a value of over 52 million euro;
8. Functioning optimization of the existing 400 kV OHL used for interconnection and for power evacuation from the nuclear power plant Cernavodă and from the power plants from

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renewable sources in Dobrogea, by adding online monitoring systems (Smart Grid type) – with a value of 10 million euro;

9. The digitalization of the Power Transmission Grid in Romania by installing two online systems, to measure and manage the measuring data of the energy on the wholesale market and to monitor the quality of the energy – with a value of over 18 million euro.

The total value of the non-refundable financing for the 9 approved projects is of 424,404,482.98 €. The high level of this non-refundable financing will have a positive effect on the Company's profitability on a long term. Also, financing investing items using non-refundable funds ensures the rise of the Company's liquidity indicators.

The 424 million financing gained by the Company for the 9 projects which are complex and very important for the Romanian Power System represents 30% of the total funds obtained by Romania through the Modernization Fund, respectively 14% from the total financing obtained by the 8 member states from East and Central Europe (Romania, Czech Republic, Slovakia, Croatia, Lithuania, Hungary, Poland, Estonia) with approved projects.

The management of the Company signed today, October 10, 2022, the 9 financing projects at the Romanian Government in an official frame where high rank officials of the Romanian State attended. Accessing these funds strengthens the commitment of Transelectrica's team to meet the objectives and indicators established for Romania at an European level for energy transition.

The financed projects through the Modernization Fund will contribute to the rise of the interconnection capacity with the European power system and to the development of the transmission power grid of Romania, respectively to the security, flexibility and adequacy of the National Power System, offering the premises of putting into operation of new energy production capacities from renewable sources. The major benefits of making these investments will materialize the relevant indicators like: the rise in the transmission capacity of the transmission power grid with almost 1700 MW, building almost 480 km of new OHL, the extension of five 400 kV power stations, the refurbishment in a digital concept – a premiere in Romania – of Alba Iulia Station, the rise in interconnection capacity with 600 MW (cumulative at borders with Hungary and Serbia), the implementation of the monitoring systems for energy quality in 15 stations and the optimization and monitoring of the overhead electric line through digital systems.

Gabriel ANDRONACHE

**Executive Director General
Directorate Chairman**

Florin Cristian TĂTARU

Directorate Member