

General Directorate for Privatization and Management of the State Participations in Energy
(Ro. DGPAPSE)

To the attention of Mr. Anton ANTON, Minister of Energy

NOTE

**on the carry out of the Ordinary General Meeting of Shareholders on April 26th, 2018 at
the Company CONPET S.A.**

On May 14th, 2015 it was received from the company CONPET S.A. the Protocol of the Ordinary General Meeting of Shareholders held on 26.04.2018, registered under no. 18093/14.05.2018 (no. 261023 DGAPSE/14.05.2018).

Upon reading it was acknowledged the existence of certain disagreements between the President of the meeting – Mrs. Olteanu – Stan Manuela Petronela and some minority shareholders (former members of the Board of Administration) on the item 2 of the Agenda, respectively “*Approval of the financial statements for year ended at 31.12.2017*”.

In fact, a dispute was triggered on the manner of interpretation related to the achievement of one of the performance indicators of the administrators who have exercised their capacity in 2017, namely “decrease of the total number of technical breakdowns”, the subject requiring some clarifications that raised suspicion that this indicator has not been achieved.

According to the materials which set the basis for issuing the mandate and the special empowerment for the representative of the Ministry of Energy in the OGMS, published on the company's website, it follows that this indicator has been achieved 100% (29 breakdowns), whereas, based on the discussions has resulted a number of 44 breakdowns.

Considering that, given that this indicator would not have been achieved, the administrators had not been entitled to the variable component of the allowances provided by the management contracts.

At the same time, one of the former administrators invoked also the failure to establish a risk provision for the situation in which the former administrators would win in court a litigation arising from the failure to pay the due rights for the achievement of the performance indicators.

We mention that, based on the materials analyzed by the experts of the ministry and on the independent auditor's Report, the financial statements for the year 2017 were approved by the shareholder the Ministry of Energy.

Whereas the issues raised can distort the degree of fulfillment of the performance indicators of administrators and hence can influence the granting of fixed and variable component specified in the management agreement for the financial year 2017, we kindly ask to conduct control at the company CONPET, having as subject the matters presented above and also the contents of the Protocol we hereby attach.

DIRECTOR GENERAL

Mihai Liviu MIHALACHE