

**To: Bucharest Stock Exchange (BSE)
London Stock Exchange (LSE)
Romanian Financial Supervisory Authority (FSA)**

Current report in compliance with the Law 24/2017 on issuers of financial instruments and market operations, the Romanian Capital Market Law no. 297/2004, FSA Regulation no. 5/2018, and the Bucharest Stock Exchange Code

Report date: **3 June 2020**

Company name: **Societatea Energetica Electrica S.A. (Electrica)**

Headquarters: **9 Grigore Alexandrescu Street, 1st District, Bucharest, Romania**

Phone no.: **004-021-2085999**

Fiscal Code: **RO 13267221**

Trade Register registration number: **J40/7425/2000**

Subscribed and paid in share capital: **RON 3,464,435,970**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BSE) and London Stock Exchange (LSE)**

Significant events to be reported:

Settlement of Case no. 38532/3/2019 – litigation between Dana Alexandra Dragan and Societatea Energetica Electrica SA (Electrica)

Electrica informs the shareholders and investors about the fact that the Bucharest Tribunal admitted the exception of the general lack of jurisdiction of the courts invoked by Electrica and rejected, as not being within the competence of the courts, the action filed by Dana Alexandra Dragan having as object the claims of the plaintiff Dana Alexandra Dragan (according to the Current report published on 4 February 2020 on BSE – IRIS code 11612 and on LSE – RNS number 9193B). The solution can be appealed, within 30 days from the communication.

We mention that, according to the provisions of the mandate agreement concluded between Electrica and Dana Alexandra Dragan, the jurisdiction to settle the dispute belongs to the International Arbitration Center of the Austrian Federal Economic Chamber in Vienna.

We remind you that Mrs. Dana Alexandra Dragan was Chief Human Resources Officer for a limited period of 1 year and she is still in contractual relations with the Company, respectively she has the quality of employee of the company, the obligation of non-competition subsisting in the charge of Mrs. Dragan in her quality of employee.

We reiterate that, by the action in court, the plaintiff requested:

1. obligation of Electrica to pay to the plaintiff the non-competition fee provided by art. 5.2.3 of the Mandate Agreement no. 15 / 25.09.2017, in a total gross value of 102,576 euros, as well as updating these amounts with the inflation rate, respectively granting penalty interests calculated from the due date until the date of the actual payment of the amounts by Electrica;

2. re-qualification of the activity carried out in Electrica, between 05.10.2016-30.08.2017, as being specific to a commercial mandate agreement and the obligation of Electrica to pay the difference between the remuneration provided by the mandate agreement and the salaries paid under the employment agreement during the period 05.10.2016-30.08.2017, in estimated total gross value of 189,501 lei, as well as updating these amounts with the inflation rate, respectively granting penalty interests calculated from the due date until the actual payment of the amounts by Electrica;
3. obligation of Electrica to recalculate and pay the gross annual variable remuneration due for 2017, according to the Mandate Agreement, by reference to the recognition of the activity carried out during the period 05.10.2016-30.08.2017 as being specific to a commercial mandate agreement, as well as to the recalculated value of the remuneration due for this period, in a total gross value of 6,865.71 euros, including updating these amounts with the inflation rate, respectively granting penalty interests calculated from the due date until the actual payment of the amounts by Electrica.

Chief Executive Officer
Georgeta Corina POPESCU