

No. 44664/10.08.2020

Submitted for analysis and approval in the GMS dated 5/6 October 2020

REPORT

on the approval of the prescription of the dividends distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts approved by OGMS Resolution No. 7/23.10.2017 and not claimed until 28.11.2020 as well as the recording of their value in the revenue account of the Company

SUMMARY

- Gross dividends due to the shareholders distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts – **lei 170,956,214.88;**
- Net dividends due to the shareholders distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts – **lei 168.719.675.84;**
- Net dividends for the shareholders distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts, **paid** to shareholders in the period 28.11.2017–30.06.2020 – **lei 168,516,393.72;**
- The prescription of the dividends not claimed, distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts approved by OGMS Resolution No. 7/23.10.2017 (prescribed on 28.11.2020) according to Art. 2517 of Law 287/2009 on the Civil Code, republished, according to which `the prescription term is of 3 years`.

PROPOSAL

We submit to the Ordinary General Meeting of the Shareholders for analysis and approval, based on Art.15, paragraph (3), letter g of the Articles of Incorporation of SNTGN Transgaz SA Mediaș, updated, **the following:**

- **the prescription of the dividends distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts and not claimed until the prescription date (28.11.2020);**
- **the recording in the revenue account of the Company of the value representing dividends distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts, not claimed until the prescription date of 28.11.2020.**

DETAILED CONTENT OF THE REPORT

According to Resolution no. 7 of the Ordinary General Meeting of the Shareholders of 23.10.2017, SNTGN Transgaz SA Mediaș distributed dividends **according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts** to all shareholders registered in the Shareholders Register at the registration date of 08 November 2017.

The value of the gross dividends due to the shareholders distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts amounted to **lei 170,956,214.88** of which net dividends of **lei 168,719,675.84**.

Between 28.11.2017–30.06.2020, 8,062 shareholders, namely **93.13%** of the total number of 8,657 shareholders registered at the registration date of 08 November 2017 claimed dividends distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts.

The amount paid to the shareholders as dividends distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts until 30.06.2020 was of **lei 168,516,393.72** representing **99.87%** of the total amount of the net dividends distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts.

Based on Art. 2517 of Law 287/2009 on the Civil Code, republished, according to which `the prescription term is of 3 years`, the prescription term for the dividends distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts, not claimed over the last 3 years, is **28 November 2020**.

For compliance with the principle of prudence and transparency, the Company will inform by a written notification to each shareholder separately about the prescription as of 28.11.2020 of the shareholders` right to their dividends distributed according to GEO no 29/2017 from the

existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts not claimed by this date.

Considering the above, based on Art. 2517 of Law 287/2009 on the Civil Code, republished, according to which `the prescription term is of 3 years`, **we submit to the General Ordinary Meeting of the Shareholders for analysis and approval** under Art.15, paragraph (3), letter g of the Articles of Incorporation of SNTGN Transgaz SA Mediaş, updated, **the prescription of the dividends distributed according to GEO no 29/2017 from the existing amounts in the balance as at 31.12.2016 of the "Other reserves" and "Reported result" accounts not claimed until 28.11.2020 and the registration of their value in the revenue account of the Company.**

**Chairman of the Board of Administration
Lapusan Remus Gabriel**