

No. 13119/04.03.2020

Submitted for analysis and approval in the OGMS 27.04.2020

REPORT

on the approval of the prescription of the dividends for the financial year 2016 established by OGMS Resolution. 1/27.04.2017, not claimed until 18.07.2020 and the recording of their value in the revenue account of the Company

SUMMARY

- Gross dividends due to the shareholders for financial y2016 – **545.482.192,52 lei**;
- Net dividends due to the shareholders for financial year 2016 – **538.600.009,59 lei**;
- Net dividends for financial year 2016 **paid** to the shareholders between 18.07.2017 – 31.01.2020 – **537.875.503,78 lei**;
- The prescription of the dividends not claimed for financial year 2016 (prescribed on 18.07.2020) according to Art. 2517 of Law 287/2009 on the Civil Code, republished, according to which `the prescription term is of 3 years`.

PROPOSAL

Based on Art.15 (3) (g) of the updated Articles of Incorporation of SNTGN Transgaz SA Mediaș, **we submit for the approval of the Ordinary General Meeting of the Shareholders the following:**

- **the prescription of the dividends for financial year 2016 not claimed by the prescription date (18.07.2020);**
- **the recording of the value representing dividends for financial year 2016 not claimed until the prescription date 18.07.2020 in the revenue account of the Company.**

According to Resolution 1/27.04.2017 of the Ordinary General Meeting of the Shareholders, SNTGN Transgaz SA Mediaș distributed dividends for financial year 2016 to all shareholders registered in the Shareholders Register at the registration date of de 27 June 2017.

The value of the gross dividends due to the shareholders for financial year 2016 amounted to **545.482.192,52 lei**, of which net dividends – **538.600.009,59 lei**.

Between 18.07.2017 - 31.01.2020, 8.001 shareholders, meaning **93,08%** of the total number of 8.596 shareholders registered at the registration date of 27 June 2017 claimed dividends for financial year 2016.

The amount paid to the shareholders as dividends for financial year 2016 until 31.01.2020 was of **537.875.503,78 lei**, which is **99,86%** of the total amount of the net dividends for 2016.

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 for financial year 2016 not claimed over the last 3 years, is **18 July 2020**.

The prescription term of the shareholders' right to claim dividends for financial year 2016 2015 starts 60 days after the deadline foreseen by the law for the submission of the Yearly Financial Statements, according to Art 1 (3) of GO 64/2001, updated, meaning from 18 July 2017, the date established by the OGMS as date for the initiation of the payment of the dividends for financial year 2016.

For compliance with the principle of prudence and transparency, the Company will notify through a press release published on Transgaz's website on 18.07.2020 of the shareholders' right to their dividends for financial year 2016 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', according to Art.15 (3) (g) of the updated Articles of Incorporation of SNTGN Transgaz SA Mediaș, **we submit for your approval the prescription of the dividends for financial year 2016 not claimed by 18.07.2020, and the registration of their value in the revenue account of the Company.**

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