

Nr. 2497 / 20.03.2020

NOTIFICATION**PROPOSAL OF THE BOARD OF ADMINISTRATION
regarding the allocation of the net profit achieved
in the financial exercise of the year 2019**

In the financial statements prepared for the year 2019, subject to the approval of The Ordinary General Shareholders Meeting of S.I.F. Oltenia S.A. called on 28.04.2020 - first call, 29.04.2020 respectively, in case the necessary quorum is not met at first call, the following indicators are presented:

- lei -

| | |
|----------------|-------------|
| TOTAL INCOMES | 156,629,440 |
| TOTAL EXPENSES | 23,017,156 |
| GROSS PROFIT | 133,612,284 |
| INCOME TAX | 9,480,010 |
| NET PROFIT | 124,132,274 |

The net profit of the financial exercise amounted to **124,132,274 lei, 12.26%** higher than the one budgeted in the Expense and Income Budget for the year 2019.

The Board of Administration of S.I.F. Oltenia S.A. proposes to the Ordinary General Shareholders Meeting that the net profit achieved to be allocated to the following destinations:

| DESTINATION | AMOUNT (lei) | WEIGHT IN NET PROFIT (%) |
|--|-----------------------|-----------------------------|
| Dividends | 52,214,914.30 | 42.0639 |
| Other reserves (own financing sources) | 71,917,359.37 | 57.9361 |
| TOTAL NET PROFIT ALLOCATED | 124,132,273.67 | 100.0000 |

The gross dividend proposed to be allotted for one share held as of the **registration date** is **0.10 lei/share**, which represents a distribution rate of **42.0639%** of the total net profit achieved in the fiscal year 2019.

The gross dividend proposed provides a yield of **4.70%** of the average trading price of the shares in 2019 and **3.91%** of market closing price/share on the last trading day of 2019.

The shareholders entitled to receive the dividend distributed from the net profit achieved in the financial exercise of the year 2019 are those that will be recorded in the consolidated register of shareholders as of **registration date**, to be approved by the Ordinary General Shareholders Meeting, according to the provisions of art. 86 paragraph (1) of the Law no. 24/2017.

The Board of Administration proposed and will submit to approval of the Ordinary General Shareholders Meeting that the **registration date** to be **12.06.2020 (ex-date 11.06.2020)**.

The Board of Administration
Assoc. Prof.PhD. Tudor CIUREZU

Chairman / General Manager

ec. Viorica Bălan

Compliance Officer