



**Transelectrica®**  
Societate Administrată în Sistem Dualist

**The National Power Grid Company Transelectrica**  
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Trade Register Number J40/8060/2000, Single Registration Code 13328043  
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Share capital subscribed and paid: 733.031.420 Lei [www.transelectrica.ro](http://www.transelectrica.ro)

**No. 15367/27.03.2024**

**To: Shareholders' General Assembly**

**NOTE regarding approval by the Shareholders' General Assembly  
of the distribution of dividends from the carried forward result existing in the balance on  
31.12.2023**

**I. General information:**

According to the legal and statutory provisions, the Directorate of NPG Co. "Transelectrica" - S.A. has the obligation to propose the gross dividend/share on the date of convening the General Shareholders' Meeting for the approval of the annual financial statements.

Starting with March 30, 2017, **GEO no. 29/2017** for the amendment of art. 1 paragraph (1) letter g) from Government Ordinance no. 64/2001 regarding the distribution of profit to national companies and trading companies with full or majority state capital, as well as to autonomous governments and for the amendment of art. 1 paragraph (2) and (3) of the Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises which contains, among others, the following provisions:

- a) ***the amounts distributed in previous years to other reserves, existing at the date of entry into force of the ordinance, can be redistributed in the form of dividends, [...].***
- b) starting with the approval of the financial statements of 2016, ***the carried forward result existing in the balance on December 31 of each year can be distributed in the form of dividends, [...].***

**II. Justification:**

**II.1. Financial analysis of the cash available in the Company's accounts on 31.12.2023**

In consideration of the above, a financial analysis was carried out on cash and cash equivalents on 31.12.2023, which is presented as follows:

	<b>December 31, 2023</b>
1. Current accounts at banks and deposits with initial maturities of up to 90 days, of which:	<b>519,277,552</b>
a) current accounts at banks and deposits with initial maturities of up to 90 days from the current activity	<u>82,610,379</u>
b) bank current accounts and deposits with initial maturities of up to 90 restricted days, of which:	<u>436,667,173</u>
- cash and deposits from high efficiency cogeneration	295,063,039
- cash and deposits from revenues related to the allocation of interconnection capacities used for grid investments	47,392,976
- cash from the connection fee	57,387,012
- European funds	87,065

- other restricted accounts (energy market guarantees and dividends)	36,737,081
2. Cash Register	81,356
3. Other cash equivalents	-
<b>Total</b>	<b>519,358,908</b>

**From the cash available in the amount of 82,691,735 RON**, the Company has current payment obligations to ensure the working capital regarding the operational activity (the provision of the electricity transmission service, the provision of the system service, the administration of the balancing market, current expenses representing salaries, utilities, rents, maintenance and payment of ongoing investments).

**The restricted cash in the amount of 436,667,173 RON represents amounts in transit in the Transelectrica accounts** - the Company carries out the activities related to the bonus support scheme for the promotion of high-efficiency cogeneration, as the administrator of the support scheme<sup>1</sup> or as a result of some activities and obligations arising from secondary legislation, as the case may be. As a consequence, the Company cannot change the destination of these funds, but has the obligation to manage them (inputs - outputs), amounts from the support scheme for high-efficiency cogeneration activity, amounts related to the activity of allocating interconnection capacities used for investments in capacity increase, connection tariff, European funds, guarantees established for energy markets, etc. Moreover, if the Company's profit is higher than the regulated level (mandatory conditions described in the regulatory framework), it is recovered by ANRE through subsequent tariff reductions.

## **II. 2. Compliance with the condition of inclusion from an accounting point of view in the balance of the "Retained earnings" and "Other reserves" accounts**

In accordance with the provisions of the legislation in force, only the shareholders of NPG Co. "Transelectrica" S.A. have the prerogative to adopt an AGM decision with the object of distributing an amount of money in the form of dividends, provided that it falls within the accounting balance of the "Other reserves" and "Retained earnings" accounts.

At the level of the Company, an analysis was carried out with the aim of establishing the amounts representing the reserves constituted by the distribution, from previous years, of the net profit to "other reserves" according to art. 1, para. (1), letter g) from GO no. 64/2001, as well as the amounts representing "retained earnings" that can be distributed as dividends. Therefore, the following resulted:

On December 31, 2023, the Company records **a positive carried forward result from the surplus made from revaluation reserves in the amount of 830,821,238 RON**, of which:

<b>Accounting account</b>	<b>Accounting account name</b>	<b>Value</b>
1175.01	Surplus obtained from taxable revaluation reserves upon change of destination	685,243,319
<b>1175.02 <sup>1)</sup></b>	Surplus obtained from non-taxable revaluation reserves upon change of destination	<b>145,577,919</b>

<sup>1)</sup> From the amount of 145,577,919 RON, representing the surplus made from non-taxable revaluation reserves upon change of destination, the value of 124,558,966 RON is proposed to the AGM to change its destination by establishing reserves related to

<sup>1</sup> According to the provisions of HGR No. 1215/2009, with subsequent amendments and additions

*the revenues made from the allocation of transmission capacity on interconnection lines , since the net accounting profit for the year 2023 did not allow the full distribution to the "Other reserves" destination of the revenues obtained from the allocation of the transmission capacity on the interconnection lines. Therefore, the balance of account 1175.02 will be 21,018,953 RON.*

### **II.3. Total value of dividends to be distributed**

Thus, from the financial analysis carried out, in accordance with the legislation in force applicable to national companies with majority state capital, **the total value of dividends related to the year 2023 distributable from the carried forward result related to the surplus made from revaluation reserves existing in the balance on 31.12.2023** which will be allocated to the shareholders of NPG Co. "Transelectrica" S.A., legal and natural persons, residents and non-residents is in the amount of **20,524,879.76 RON.**

### **II.4. Determining the value of the gross dividend per share**

Dividends are distributed to shareholders in proportion to the share of the Company's share capital.

- ✓ At the date of this proposal, the number of shares related to the subscribed and paid-up capital is of **73,303,142**;
- ✓ **The value of the gross dividend per share for 2023 is of 0.28 RON.**

We mention that, in accordance with the provisions of the Fiscal Code in force, upon the actual payment of dividends, the dividend tax is to be calculated, withheld at source, declared and transferred to the state budget by Transelectrica.

### **II.5. The maximum term for the payment of dividends**

- ✓ According to the legal provisions, the payment term is "no later than 6 months from the date of approval of the annual financial statement relating to the completed financial year" (according to Law no. 31/1990 on companies, republished with subsequent amendments and additions) and "no more than 6 months from the date of the general meeting of shareholders to establish dividends" (according to Law no. 24/2017 on issuers of financial instruments and market operations, with subsequent amendments and additions).
- ✓ According to art. 1, para. (3) from GO no. 64/2001 regarding the distribution of profits to national companies and trading companies with full or majority state capital, as well as to autonomous administrations, the updated form, the Company has the obligation *"to transfer the dividends due to the shareholders within 60 days from the deadline provided by law for the submission of annual financial statements"*.
- ✓ According to art. 178 para. (1) of the Regulation of the Financial Supervisory Authority 5/2018 regarding issuers of financial instruments and market operations *"the date of payment is established so that this date is on a working day later than 15 working days after the registration date"*.

Therefore, the payment of dividends related to the year 2023 will be made starting from **27.06.2024, a date established** in accordance with the legal framework applicable to the Company.

### **II.6. Payment methods**

- According to art. 87. para. (5) of Law no. 24/2017 regarding issuers of financial instruments and market operations, in conjunction with art. 177 para. (1) of Regulation 5/2018 regarding issuers of financial instruments and market operations, the Company will pay dividends through the Central Depository, *according to the rules issued in this regard by it, as well as the participants in their system. The distribution of dividends and other sums due to the holders of financial instruments, through the central depository, as well as to the participants, is carried out in accordance with the provisions of the*

*contracts concluded in this regard between the central depository and the issuers, between the central depository and its participants, as well as between central depository and paying agents;*

- **The details of the payment procedure will be brought to the attention of the shareholders, after approval by the SOGA dated 29/30.04.2024, through a press release disseminated through capital market institutions<sup>2</sup>, published in a nationally circulated newspaper and on the website at [www.transelectrica.ro](http://www.transelectrica.ro), Investor Relations/Shares/Dividends section.**

**II.7.** The shareholders who will receive dividends related to the year 2023 are those registered in the records of the Transelectrica Shareholder Register delivered by Depozitarul Central S.A. corresponding to the proposed registration date of **06/07/2024, ex-date 06/06/2024** (the registration date is later than the date of the AGM – 29/30/04/2024 - by at least 10 working days).

### **III. Proposals:**

Based on those presented, in accordance with the provisions of art. 14 letter b) of the Articles of Association of NPG Co. "Transelectrica"-S.A., we submit the following to the approval of the Shareholders' Ordinary General Assembly convened in ordinary session for 29.(30) 04.2024:

- ✚ **distribution of dividends in the amount of 20,524,879.76 RON from the balance of account 1175.02 "Reserves representing the surplus made from non-taxable revaluation reserves upon change of destination";**
- ✚ approval of the gross dividend per share from the retained earnings existing in the balance on 31.12.2023, at the value of **0.28 RON;**
- ✚ approval of registration date: **07.06.2024, ex-date 06.06.2024;**
- ✚ establishing the payment term starting on **27.06.2024.**

**Ștefăniță  
MUNTEANU**

**Cătălin Constantin  
NADOLU**

**Florin - Cristian  
TĂTARU**

**Bogdan  
TONCESCU**

**CEO**

**Directorate President**

**Directorate Member**

**Directorate Member**

**Directorate Member**

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<sup>2</sup> In accordance with art. 145, para. (1) and (2) of R 5/2018 on issuers of financial instruments and market operations