

*Translation from Romanian***ELECTROARGES S.A.****ARGIS CURTEA DE ARGEŞ, str. Albeşti, nr. 12, Judeţ Argeş, ROMANIA**  
**Tel. 0248724000 , Fax 0248724004****Share Capital 6,976,465.00 lei, subscribed and fully paid; nominal value per share 0.10 lei.**  
**Registered in Argeş Trade Register with No. J03/758/1991;**  
**Tax Code: 156027.**

**FOR THE ATTENTION OF  
THE FINANCIAL REGULATOR - BUCHAREST  
Fax: 021 6596051/6596414  
BUCHAREST STOCK EXCHANGE**

**CURRENT REPORT****in accordance with the provisions of Law no. 297/2004 and CNVM Regulation no. 1/2006**

Report date: 23.05.2018

Issuer's name: ELECTROARGES SA, BVB code: elgs

Registered office: Curtea de Arges, str. Albeşti , nr. 12, jud. Argeş

Telephone/fax number: 0248724000/0248724004

Trade Register Registration Code : RO156027

Trade Register Registration Number: J03/758/1991

Share Capital subscribed and paid: 6,976,465.00 lei

Regulated Market trading the issued securities: Bucharest Stock Exchange

**Important events to report –Announcement on the Distribution of Dividends**

The Board of Directors of ELECTROARGES SA - Curtea de Argeş, in accordance with the provisions of the Decision no.105/27.04.2018 of the Ordinary General Meeting of Shareholders informs the shareholders on the distribution of dividends for the year 2017, as follows:

- The gross dividend per share is 0.12 lei/share, out of which the dividend tax will be deducted at source, in the amounts provided by the legislation in force at the date of payment;
- Payment of dividends will begin on 31.05.2018 (payment date);
- Date of registration 16.05.2018 (ex-date 15.05.2018), as the identification date of the shareholders to be entitled to rights and on which the effects of the OGM decisions take effect;
- The dividend payment costs will be borne by the shareholders;
- In the case of deceased shareholders, the dividends are to be paid at the request of the successors only after the Depozitarul Central Bucureşti has made the transfer of shares on behalf of the heirs.

The distribution of dividends shall be made from 31.05.2018 for payments by bank transfer, respectively from 31.05.2018, for cash payments to shareholders registered in the Shareholders' Register of ELECTROARGEŞ SA - Curtea de Argeş, on the registration date 16.05.2018 (ex-date 15.05.2018), until 31.05.2019.

**The methods and terms of payment of dividends are as follows:**

**I. Payments to Participants' accounts**

Shareholders, who at the date of registration established by the General Meeting of Shareholders hold shares issued by the Beneficiary in accounts opened with Participants in the Depozitarul Central system, will receive dividends in respect of those holdings, in those Participants' account without the submission of additional documents.

**II. Cash payments to natural persons shareholders:**

**For natural persons shareholders**, the payment of dividends will be made in cash, by providing ELECTROARGEŞ SA - Curtea de Argeş the due amounts, at the banking units of CEC Bank SA, located in urban and rural areas, throughout the country, through DEPOZITARUL CENTRAL SA, starting with 31.05.2018.

The natural person shareholders will be able to go to the CEC Bank S.A. banking units, the dividend payment timetable being included in the working hours of the CEC Bank S.A. banking units.

**Payment of dividends at the CEC Bank S.A. banking units is made only to natural person shareholders, as follows:**

1. In the case of resident natural person shareholders who personally go to the bank office, dividends are paid on the basis of the identity card bearing the Personal number (C.N.P.). If the identity document does not have the required CNP, it is mandatory to show the account statement issued by DEPOZITARUL CENTRAL S.A. having registered the CNP.

2. In the case of non-resident natural person shareholders who personally go to the bank office, dividends are paid on the basis of the passport whose series and number must correspond to those in the file submitted by the beneficiary.

3. In the case of natural person shareholders under the age of 14, the payment of dividends is made through the tutor/parent of the minor on the basis of the following documents: birth certificate of the shareholder who must show the CNP, the legal act establishing guardianship for the tutor who is not one of the parents + 1 photocopy (photocopy is kept) and the tutor/parent's identity document + 1 photocopy (photocopy is kept).

4. In the case of natural person shareholders having a trusteeship, the payment of dividends is made through the curator of the respective person, on the basis of the following documents: the identity document of the shareholder which must show the CNP, the legal act establishing the trusteeship + 1 photocopy (photocopy is kept) and the curator's identity document + 1 photocopy (photocopy is kept).

5. In the case of natural person shareholders who do not personally go to the bank office but mandate another person, the payment of the dividends is made to the person's representative, on the basis of the following documents: a special power of attorney certified by the notary public which includes the power to withdraw the dividends issued in the year in which the payment is made + 1 photocopy signed by the principal for compliance with the original (photocopy is kept) and the identity card of the representative + 1 photocopy (photocopy is kept).

6. Documents submitted in a foreign language will be accompanied by a certified translation into Romanian, and if issued by a foreign authority, they must be apostilled or authenticated, as the case may be.

7. In the case of deceased natural person shareholders, the payment of dividends is made to their heirs only after the heirs have previously requested from the DEPOZITARUL CENTRAL S.A. registration of the transfer of shares as a result of the succession, and the Beneficiary will recalculate the dividends due to them.

The fee for the cash payment of the dividend is borne by the shareholder.

### **III. Bank transfer payments (in accounts opened in lei with a bank in Romania) for natural and legal person shareholders.**

As of 31.05.2018, natural and legal person shareholders, who wish the dividends to be paid by bank transfer, may request and submit to the DEPOZITARUL CENTRAL S.A. the documents required for the payment of dividends as follows:

1. The natural person holders of financial instruments, in person or by legal or conventional representative, shall submit to the DEPOZITARUL CENTRAL S.A. the IBAN code collection form, specifying the bank and account (IBAN code) opened in the name of the Financial Instruments Holder (the form is available on the DEPOZITARUL CENTRAL's website - [www.depozitarulcentral.ro](http://www.depozitarulcentral.ro)), accompanied by:

- Copy of the valid identity document in which the personal number is legible - certified by the holder "according to the original";
- A bank statement or a document issued by the bank (signed and stamped) confirming the existence of the account in the name of the Instrument Holder, specifying the IBAN code, in original;
- Copy of the documents certifying the capacity of the signatory of the application as a legal or conventional representative, if applicable - certified by the holder "according to the original";

2. The legal person holders of financial instruments, by legal or conventional representative, shall submit to the DEPOZITARUL CENTRAL the IBAN code collection form specifying the bank and account (IBAN code) opened in the name of the Financial Instruments Holder (the form is available on the DEPOZITARUL CENTRAL's website - [www.depozitarulcentral.ro](http://www.depozitarulcentral.ro)), accompanied by:

- Copy of the registration certificate - certified by the holder "according to the original";
- Copy of the document certifying the status of legal representative of the company (certificate issued by the Trade Register/equivalent entity - for entities of foreign nationality) - certified by the holder "according to the original";
- Copy of the documents certifying the capacity of the signatory of the application as a legal or conventional representative, if applicable - certified by the holder "according to the original";
- a bank statement or a document issued by the bank (signed and stamped) confirming the existence of the account in the name of the holder - the legal person, specifying the IBAN code, in original;

3. Documents submitted in a foreign language will be accompanied by a certified translation into Romanian, and if issued by a foreign authority, they must be apostilled or authenticated, as the case may be.

**Process development:**

1. Requests for the transfer of dividends to a bank account shall be sent to the address: Depozitarul Central SA - Bucuresti, str. Carol 1 34-36, sector 2 or, as the case may be, by fax: 021.408.58.14.

All of the above requests will also include the email and telephone number to which shareholders or intermediaries/their representatives may be contacted, as appropriate, in the event of clarification.

2. The Provider's operators verify the documentation submitted by the shareholders as mentioned in point I; If the documentation is not complete, it will be required to complete it.

3. Upon receipt of the complete documentation, the Provider will block the payment from the cash payment and transfer the dividends to the account indicated by the shareholders.

The fee is borne by the shareholder.

**IV. Non-resident natural/legal persons:**

According to the Law 227/08.09.2015 and the Methodological Norms for the application of Law no. 227/2015 on the Fiscal Code, for the application of double taxation conventions on income and capital taxes and for the application of the provisions on the common tax regime for resident shareholders of certain EU or EFTA countries, the non-resident person will submit the certificate of tax residence, in original, issued by the relevant authority of his/her country of residence at the registered office of ELECTROARGEŞ SA in Curtea de Arges, str. Albeşti, nr. 12, Jud. Arges.

If the shareholder does not submit the tax residence certificate, the withholding tax will be calculated by applying the share applicable to resident shareholders.

**V. For shareholders whose net dividend has a value of less than 2.8 lei, they may get in possession of the dividends due from 31.05.2018 as follows:**

Payment in cash at the registered office of ELECTROARGEŞ SA of Curtea de Argeş, str. Albeşti, nr. 12, Jud. Argeş, for natural or legal person shareholders (based on an application accompanied by a copy of the identity document or the certificate of incorporation and the certificate of attestation).

**VI. The shareholders, who for different reasons will not have the dividends until 31.05.2019, by the means of payment described above, may request their payment by any of the above payment methods, the documents will be submitted to ELECTROARGEŞ SA – Curtea de Argeş.**

**CHAIRMAN OF THE BOARD OF DIRECTORS,**

**CONSTANTIN ŞTEFAN**