



Transelectrica®

Societate Administrată în Sistem Dualist

The National Power Grid Company Transelectrica

2-4 Olteni Street Bucharest, District 3, 030786, Romania

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

To the: Bucharest Stock Exchange – Department of Operations Issuers Regulated Markets

Financial Supervision Authority - General Directorate Supervision - Issuers Division

Date of current report: **July 14, 2021**

Name of Issuer Company: **CNTEE TRANSELECTRICA SA, managed under two-tier system**

Headquarters: Bucharest 1, Blvd. Gheorghe Magheru 33

Working location: Bucharest 3, Str. Olteni 2-4

Phone/fax numbers: 021 30 35 611/021 30 35 610

Single registration code: 13328043

LEI code: **2549000LXCOUQC90M036**

Number in the Trade Register: J40/8060/2000

Share capital subscribed and paid: 733,031,420 LEI

Regulated market where the issued securities are transacted: Bucharest Stock Exchange

COMMUNIQUÉ REGARDING THE PAYMENT METHOD OF DIVIDENDS distributed according to SOGA Decision no. 3/2021

Pursuant to Decision no. 3 of the Shareholders' Ordinary General Assembly of June 22, 2021, NPG Co. Transelectrica SA (TEL) hereby submits the payment procedure of distributed dividends

- from the profit registered on 31.12.2020; a gross dividend of 0.59 lei/share and
- from the retained earnings on balance as of 31.12.2020; a gross dividend of 0.28 lei/share.

Therefore, the payment of dividends in the amount of 0.87 lei gross/share will be made, starting with **August 9, 2021** (payment date), to the shareholders registered on **July 20, 2021** in TEL's Shareholders' Register (**July 19, 2021 ex-date** date), **through the Central Depository SA (CD) and the paying agent BRD - Group Société Générale (BRD).**

The value of the **gross dividend** for the financial year 2020 is **0.87 lei/share (total dividend).**

The tax shall be collected, declared and paid to the state budget by TEL in accordance with the legal provisions in force, and the shareholders will collect the dividends at net worth.

! NOTE: The obligation to pay the net dividends due to TEL shareholders from the profit registered on 31.12.2020 and from the retained earnings on balance as of 31.12.2020 **is subject to the general provisions on limitation period, to be time-barred starting with August 10, 2024 (invalidation date), namely within three years from the payment date (August 9, 2021).**

The payment of dividends will be made through the Central Depository (CD), as follows:

LANGUAGE DISCLAIMER: This document represents the English version of the original official Romanian document filed with the Financial Supervisory Authority ASF. The English version has been created for English readers' convenience. Reasonable efforts have been made to provide an accurate translation, however, discrepancies may occur. The Romanian version of this document is the original official document. Any discrepancies or differences created in the translation are not binding. If any questions arise related to the accuracy of the information contained in the English version, please refer to the Romanian version of the document which is the official version.

- ✚ for shareholders whose interests are represented by the Participants (Banks, Custodians or Brokers) in the Clearing-settlement and registration system of the Central Depository - **directly in the accounts opened with the Participants;**
- ✚ for shareholders acting on their own behalf - **through BRD, a paying agent** appointed by TEL, which has concluded a contract with TEL and the CD;
- ✚ for the shareholders listed in the Central Depository's records, Register section I, namely natural/legal persons/other entities not represented by the Participant, holders of current accounts opened with BRD, **who did not opt before the payment date for the payment of dividends in another account the Central Depository/TEL had been notified about, dividends will be automatically paid on the payment date by bank transfer to current accounts opened with BRD, if the identification data are updated and match within both entities, BRD and CD.**

! NOTE: In accordance with the legislation on the capital market, **shareholders not represented by the Participants may collect through the Central Depository any amount of money due by bank transfer to a single bank account, regardless of the issuer distributing the amounts of money, the specified account may remain valid for subsequent distributions, until otherwise notified.** In order to benefit from this payment method, shareholders are invited to address directly to the Central Depository at the telephone number 021.408.58.56 or 021.408.59.23 and/or the e-mail address: dividende@depozitarulcentral.ro. For this payment option, additional information can be found on www.depozitarulcentral.ro, section Holders/Services for Holders.

The dividend payment procedure as well as the forms (Payment application) can be found on the website www.transelectrica.ro, section **Investor Relations/Shares/Dividend** section.

Payment procedure:

A. Payment by bank transfer to the Participants' accounts

For shareholders: natural/legal persons or other entities, which at the registration date hold shares in TEL's Shareholders' Register in accounts opened with Participants, dividends will be automatically paid on the payment starting date (August 9, 2021) to the Participants' accounts.

As regards non-resident shareholders, natural or legal persons/other entities, **for the application of a favourable tax rate**, the Participants will submit to TEL:

- ✓ **tax residence certificate** issued by the fiscal authority of the state in question for the year in which the payment of dividends is made, **original or certified copy;**
- ✓ **certified translation into Romanian of the original** tax residence certificate;
- ✓ contact details in case clarification is needed as regards the submitted documents.

For non-resident shareholders having an account opened with the Participants, the maximum date until which they can submit the tax residence documentation in order to apply a more favourable tax rate is **30.07.2021**. If the documentation is submitted after **30.07.2021**, TEL will pay the difference resulting from the application of the provisions of the Agreements avoiding double taxation after the payment date.

In the case of non-resident pension funds, it is necessary to provide the following documents:

- ✓ **tax residence certificate, original or certified copy;**
- ✓ **certified translation** into Romanian;
- ✓ **self-declaration** of the fund management company's legal representative certifying that the authorisation of the pension fund management company is valid on the payment date, as well as certifying whether they represent pension funds as defined in the EU Member States' legislation or in the legislation of one of the EFTA States, and to provide, if available, information on the official website of the regulatory authority of the country of origin where the status of pension fund/legal documents can be verified, from which their quality should emerge;
- ✓ copy of the identity document pertaining to the legal representative of the fund management company, within the validity period, certified by the holder "as original".

Documents in a foreign language will be accompanied by the notarized translation into Romanian and if they are issued by a foreign authority they shall bear an apostille or be superlegalized, as the case may be.

As regards resident pension funds, the Participants (Bank, Custodian or Broker) having pension funds as portfolio clients will send TEL a list of them, accompanied by legal documents certifying their status of pension funds, in order to benefit from tax exemption in accordance with Law 227/2015 on the Fiscal Code with later amendments and additions, namely:

- ✓ self-declaration signed by the legal representative/person authorized to represent the fund, including the fund's identification data (single identification/registration code), as provided in TEL's Shareholders' Register kept by the Central Depository, featuring the pension fund's full name;
- ✓ copy, "as original", of the legal representative's identity document of the fund management company, within the validity period;
- ✓ copy, "as original", of the decision issued by the Financial Supervisory Authority certifying the authorisation of the pension fund management company;
- ✓ copy of registration certificate/other equivalent document for the fund management company;

In the case of investment funds without legal personality in order to benefit from the applicable legal provisions, TEL requests the Participants/Investment Management Companies/FDI to submit by **30.07.2021**

- ✓ self-declaration signed by the legal representative/person authorized to represent the investment fund without legal personality including the following information:
 - the type of closed-end/open-end investment fund;
 - absence of legal personality;
 - the fund's identification data (single identification/registration code), as provided in TEL's Shareholders' Register kept by the Central Depository, featuring the investment fund's full name;
 - the registration number in the Register of Financial Instruments and Investments;
- ✓ the authorization decision;
- ✓ the number and date of the FSA notification and its validity, as well as any other documents and information it deems necessary;

- ✓ copy, “as original”, of a relevant document confirming the status of the person who signs the declaration of legal representative/authorized person to represent the fund, within the validity period;
- ✓ copy, “as original”, of the identity document of the legal representative of the investment fund management company, within the validity period, namely identity card with personal identity code for residents/passport with identification number for non-residents;
- ✓ copy, “as original”, of the certificate issued by the Financial Supervisory Authority/Regulatory Authority.

! Note: According to *Law 207/2015 on the Fiscal Procedure Code* as well as to the *National Agency for Fiscal Administration President Order 3725 of 19.12.2017 for the approval of tax registration forms of taxpayers and the types of tax obligations forming the tax vector*, **TEL shareholders who fall into the category of non-resident natural persons and non-resident legal persons, in order to obtain the tax identification code, have the obligation to be registered for tax purposes in Romania.**

Non-resident shareholders who did not send the fiscal identification code to the Participants/CD, in order to update the data in TEL’s Shareholders’ Register on July 20, 2021, ex-date July 19, 2021, will send to TEL, at the address: 2-4 Olteni Street, Bucharest 3, to the attention of the Shareholders’ Liaising Office, until December 31, 2021 at the latest, documents showing the fiscal identification code obtained from the competent fiscal bodies in Romania. Non-resident shareholders are required to register with Central Depository SC with the complete and correct address of the declared country of residence.

B. Payment by bank transfer

Natural or legal person shareholders that have no accounts opened with the Participants will transmit to TEL the following documentation, as the case may be:

1. Natural person with fiscal residence in Romania

- ✓ Standard demand form available on the site www.transelectrica.ro / Investor Relations / Shares / Dividend;
- ✓ Copy of the ID document with legible PIC (ID);
- ✓ Document certifying the bank account, with IBAN code and holder specified;
- ✓ In case the **shareholder’s name has changed** (by marriage, divorce, administrative change), the copy of the document showing the name change will be also submitted, “as original”.

2. Legal person with fiscal residence in Romania

- ✓ Standard demand form available on the site www.transelectrica.ro / Investor Relations / Shares / Dividend;
- ✓ Copy of the documents issued by the Trade Register:
 - Registration certificate indicating the single fiscal registration code;
 - Ascertaining certificate valid on submission date, indicating the mandated persons;
- ✓ Copy of the legal representative’s ID document with legible PIC (ID, passport);
- ✓ Document certifying the bank account, with IBAN code and holder specified.

3. Natural / legal person with fiscal residence in other state than Romania

In order to apply more favourable taxation provisions according to the Agreements avoiding double taxation concluded between Romania and the residential country of the revenue beneficiary, such shareholders will additionally transmit the following documents:

- ✓ **Fiscal residence certificate** issued by the fiscal authority of the respective state in the year when dividends are paid, in the **original** or **legalised copy**, which will include the items provided in the Fiscal Code in force on the date of this communiqué;
- ✓ **Certified translation into Romanian** of the fiscal residence certificate, in the **original**;
- ✓ **Contact details** for possible explanations on the fiscal residence certificate.

To be taken into consideration, the fiscal residence documents will not be transmitted later than **30.07.2021**. In case the documentation is transmitted after 30.07.2021, TEL will pay the difference resulting from the application of provisions regarding the Agreements avoiding double taxation after the payment beginning date.

! NOTE: Documents will be transmitted to CNTEE Transelectrica SA selecting one of the following three modes:

- By post to: 2-4 Olteni Street, Bucharest 3, code 030786, specifying "Kind attention of the Shareholders' Liaising Office from the Corporative Governance Division".
- By e-mail: relatii.investitori@transelectrica.ro
- By fax: 021 3035610, specifying "Kind attention of the Shareholders' Liaising Office from the Corporative Governance Division".

C. Payment by bank transfer or cash at the pay desks of **BRD**

Natural or legal person shareholders will submit to the payment agent's booths the following documents, as the case may be:

Natural person with fiscal residence in Romania:

1. **In person**: bringing the ID document in the original (ID, passport), providing the personal identity code (PIC)
2. **By proxy** providing:
 - Special power of attorney authenticated by the notary, which includes the mandate to collect the distributed amounts, issued no more than 3 previous years before the date when the payment is made, except when the mandate has got validity term greater than 3 years and is valid on the payment date + 1 photocopy certified to be compliant with the original (the photocopy will be kept by the Payment agent);
 - ID document of the proxy with the PIC inscribed (original + photocopy).
3. **Person under 14 by his/her guardian/parent** will submit:
 - Birth certificate of the shareholder in the original (with the PIC), original + copy;
 - The juridical deed instituting the guardianship in case of the guardian who is not one of the parents, original + photocopy;
 - ID document of the guardian/parent in the original (ID, passport);
4. **In case of natural persons with trusteeship instituted** they will submit:
 - The shareholder's ID document with PIC inscribed (original + photocopy);

- Legal document instituting the trusteeship (original + photocopy);
- Trustee's ID document (original + photocopy).

Legal person with fiscal residence in other state than Romania will submit:

- Shareholder's identification document specifying the data which should correspond with those from the Payment agent's books, received from the Central Depository.

Legal person with fiscal residence in Romania will submit:

- Registration certificate of the legal person / entity into the Commercial Register / other equivalent document which should certify the registration of the legal person / entity with the competent authority + 1 photocopy that will be kept by the Payment agent;
- ID document of the legal representative or of the mandated person, as the case may be;
- Ascertaining certificate from the Trade Register / similar document issued by the competent authority, not older than 3 months and specifying the company's legal representative + 1 photocopy to be kept by the Payment Agent;
- Notary power of attorney in the original or legalised copy (the power of attorney will be retained by the Payment agent), if need be.

Legal person shareholders will be paid only by means of bank transfer.

In case of bank transfer payment to other banks than BRD the fore-mentioned documents are also attached a statement of account certified by the bank where dividend transfer is requested or by another certifying document issued by such bank, specifying the bank account's holder. The account holder can be the shareholder alone or, as the case may be, his/her mandated person.

All BRD units distribute Transelectrica (TEL) dividends. The distribution network can be found at: www.brd.ro/agentii-si-atm-uri.

! NOTE:

1. No net dividends will be paid at the pay desk in the following instances:
 - The shareholders whose PIC does not correspond with that written in the Central Depository's books. They will be referred to the Central Depository.
 - Shareholders' heirs based on inheritance certificates; they will be referred to the Central Depository.
2. In case of deceased shareholders dividends will be paid only when the Central Depository has registered the share transfer to the heirs (upon their demand based on justifying documents), and the Payment Agent receives the Central Depository's notification to update their data in accordance with the share transfer from the dead shareholder to his/her successors.
3. Documents submitted in foreign languages should be accompanied by the certified Romanian translation in the original.
4. Shareholders with fiscal residence in other states than Romania that want a more favourable taxation rate according to the provisions of the Agreements avoiding double

taxation in conjunction with the applicable fiscal legislation will submit the fore-mentioned documentation to the TEL. Payment will be made by bank transfer when the taxation rate has been established.

5. The fees charged for the payment of net dividends by the BRD and the Central Depository are borne by TEL.
6. TEL shareholders are kindly asked to make the necessary diligence with the Central Depository in view of updating their personal ID data in the Shareholders' Register, since in case payment is requested using ID documents not corresponding with the data existent with the CD, such payment cannot be processed. **Shareholders must be registered with the Central Depository with an identity card issued in Romania, containing a Personal Identity Code, namely with a document certifying the Fiscal Registration Code, assigned by the Romanian tax authority.**
7. TEL is not responsible for the failure to get the more favourable fiscal treatment specified in this document, in case the required documentation and / or explanations have not been submitted by the set dates.
8. In case of joint owners payments will be processed provided all co-owners show at the desk, in person or by legal and/or conventional representative.
9. **TEL shall retain the right to require documents in addition to those mentioned in the dividend payment procedure, in order to identify shareholders.**
10. As regards the processing of personal data and the free movement of such data, TEL processes personal data of natural persons in a responsible manner, in compliance with the provisions of *Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)*

For further information:

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