



PROPOSAL OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD
for the distribution of the 2018 net profit and the gross dividend per share

- **item 4 on the O.G.M.S. agenda of 24/25 April 2019** -

The annual financial statements prepared for the financial year 2018 according to the IFRS standards, as they are submitted to the Ordinary General Meeting of Shareholders for approval, include the following data regarding the profit:

- RON -

Net operating income	92,205,074
Total operating expenses	28,200,219
Profit before tax	64,004,855
Income tax	-
Net profit to be distributed	64,004,855

The Company's Executive Board and Supervisory Board propose and recommend to the Ordinary General Meeting of Shareholders to approve the following distribution of the 2018 net profit:

	Destination	Amount (RON)
1.	Legal reserves	3,200,242.75
2.	Dividends	26,165,569.94 (RON 0.0121/share)
3.	Other reserves – Own financing sources from profit	34,639,042.31
	Total net profit achieved and distributed	64,004,855

The gross dividend to be paid for one share held on the record date is of **RON 0.0121** which represents a yield of 5.58% by reference to the average trading price of SIF3 shares on the BVB-REGS market between 01.01.2018 and 31.12.2018.

The proposed value of the gross dividend for the financial exercise 2018:

- is consistent with SIF Transilvania's policies regarding the shareholders' remuneration and takes into consideration the profit actually achieved by the Company in accordance with the Revenue and Expenditure Budget provisions;
- leads to the achievement by the shareholders of a yield of 5.58% by reference to the average trading price of SIF3 shares on the BVB-REGS market between 01.01.2018 and 31.12.2018.

The payment of the dividends distributed from the profit achieved in the financial year 2018 will be made in compliance with the legal provisions in force. The potential costs related to the payment of dividends will be borne by the shareholders. The payment methods and the related procedures will be

prepared by the Executive Board and brought to the shareholders knowledge through a communique which will be published at least in the national newspaper "Bursa" and on the company's website: www.siftransilvania.ro

The shareholders entitled to receive dividends distributed from the 2018 net profit are the ones registered in the consolidated Shareholders' Register on the record date which will be approved by the Ordinary General Meeting of Shareholders, as provided by article 86 of Law no. 24/2017 on issuers of financial instruments and market operations. The Executive Board and the Supervisory Board have proposed to the general meeting of shareholders to approve 03.10.2019 as the record date and 24.10.2019, as the payment date.

Supervisory Board

President

Ec. Ștefan Szabo

Executive Board,

Executive President / CEO

Ec. Mihai Fercală, Ph.D.