

ANNOUNCEMENT
PROPOSAL OF THE BOARD OF DIRECTORS of
S.I.F. Oltenia S.A.
on the distribution of the net profit achieved
during the 2021 financial exercise

2021 was the second consecutive year marked by the effects of the COVID-19 pandemic at both global and national level. During 2021, the state of alert in Romania was maintained, combined with quarantine periods, so that economic activity in some sectors of activity took place with certain limits due to the measures imposed by the spread of SARS CoV2 virus.

Financial market developments reflected at the end of 2021 the impact of the new monetary policy interest rate increase and the extension of the interest rate corridor. Thus, the main quotations of the interbank money market have continued to grow relatively fast, reaching the peaks of the last almost two years. The annual inflation rate of the CPI accelerated significantly in the fourth quarter of 2021 to 8.19% in December 2021, the highest figure in the past 10 years.

In this local and global economic context, the financial statements drawn up for 2021, subject to the approval of the Ordinary General Shareholder Meeting of S.I.F. Oltenia S.A. convened for 28.04.2022 - the first meeting, and for 29.04.2022 if the quorum is not met for the meeting to carry out its work at the first call - include the following indicators:

TOTAL REVENUES	69,888,412
TOTAL EXPENSES	(28,049,882)
PROFIT BEFORE TAXES	41,838,530
INCOME TAX	(4,287,792)
NET PROFIT	37,550,738

S.I.F. Oltenia S.A. recorded a net profit to be distributed in the amount of 37,550,738 RON 31% higher than the budgeted value for 2021.

The evolution in 2022 is uncertain, as possible news, circumstances, geopolitical decisions can have a significant influence on the stock market and lead to an unpredictable situation.

The management of S.I.F. Oltenia S.A. wishes to inform shareholders that it will closely monitor macroeconomic developments and the recommendations/measures of the authorities so that it may take concrete and appropriate measures, to the benefit of the company and its shareholders.

For these reasons, the Board of Directors of S.I.F. Oltenia S.A. submitted for the approval of the General Shareholder Meeting two variants of distribution of the profit registered by the company at 31.12.2021, amounting to 37,550,738 RON, in order to decide on one of the two proposed options:

Option I: allocating the entire net profit of the financial year 2021, of 37,550,738 RON, to “other reserves”, in order to support future investments;

OR

Option II: allocating the net profit of the 2021 financial exercise, of 37,550,738 lei RON, to the following destinations:

- Dividends 15,000,000 RON, representing 0.03 RON (gross) per share.

The shareholders entitled to receive dividends distributed from the net profit realized in the 2021 financial year are those to be recorded in the consolidated shareholder register on the date of registration to be approved by the Ordinary General Shareholder Meeting, in accordance with the provisions of Article 87(1) of Law No 24/2017 (R).

The Board of Directors has proposed and will submit for approval to the Ordinary General Shareholder Meeting that the date of registration should be 14.07.2022 (ex-date 13.07.2022) and the payment date should be 02.08.2022.

- Other reserves 22,550,738 RON.

This proposal was approved by the Board of Directors in the meeting of 17 March 2022 and signed on its behalf by:

Sorin-Iulian Cioacă
President/General Manager

Mihai Trifu
Vice-president/Deputy General Manager

Viorica Bălan
Compliance officer