

Romania, Hidroelectrica is planning to distribute dividends in the amount of some 560 million euros

Romanian electricity producer Hidroelectrica is planning to distribute dividends in the amount of some 560 million euros from its 2021 profit.

The Romanian state holds the majority stake in the company (80 %), while the remaining 20 % is held by private investment fund Fondul Proprietatea (FP). However, FP is seeking for the distribution of additional dividends in the amount of 200 million euros from the company's retained earnings.

FP wants these special dividends to be paid out by the end of September 2022, since it is planning to sell most of its shares through the initial public offering (IPO) on the Bucharest Stock Exchange in the last quarter of the year.

The company's shareholders will vote on FP's proposal at the next meeting scheduled for 28 April.

In early 2022, Romanian Minister of Energy Virgil Popescu said that FP will list at least 15 % of shares of Hidroelectrica on the Bucharest Stock Exchange as soon as possible, without waiting for the Government to join in. He said that the imposed ban prevents the Government to launch an IPO of its shares in Hidroelectrica, but it supports listing the entire stake of FP or a part of it on the Bucharest Stock Exchange. Prior to the outbreak of coronavirus pandemic, the Government planned to list 10 % of its shares in the company. Hidroelectrica is the largest producer of green energy in Romania and the main provider of balancing services required in the national electricity system. The company operates a total of 209 hydropower plants, with combined installed capacity of 6,482 MW. Recently it acquired Crucea wind farm, with an installed capacity of 108 MW.