

® S.C. ELECTROARGEȘ S.A.

No: 5777 / 23.06.2016

ARGIS CURTEA DE ARGEȘ, 12 Albești street, Argeș county, ROMANIA

Tel. 0248724000 , fax 0248724004

Share Capital 8085027.10 lei, subscribed and fully paid; nominal value per share 0.10 lei.

Registered in Argeș Trade Register with No. J 03/758/1991;

Tax Code: 156027.

**FOR THE ATTENTION OF
THE FINANCIAL REGULATOR -**

THE FINANCIAL INSTRUMENTS AND INVESTMENT SECTOR

Fax A.S.F.: 021 6596051/6596436; and

- B.V.B. SA București - Main Market, Issuers Depart.

Fax: 0213079519

Current report in accordance with: Annex 29 of CNVM Regulation no. 1/2006

Report date: 23.06.2016

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

Registered office: Curtea de Arges, 12 Albesti street, Arges county

Telephone/ fax number: 0248724000/0248724004

Trade Register Registration Code : RO156027

Trade Register Registration Number: J03/758/1991

Share Capital subscribed and fully paid: 8085027.10 lei

Regulated Market trading the issued securities: BVB (Bucharest Stock Exchange) - main market, standard category

I) Important events to report.

a) Changes in the control of the Trading company.

Not the case:

b) Other events:

The Board of Directors informs the capital market regulators, shareholders and potential investors regarding the Summons of the Ordinary General Meeting of Shareholders on 25.07.2016 on the first summons, respectively 26.07.2016 on the second summons. The AGOA meeting will be held at the Company's registered office of Curtea de Argeș, 12 Albești street, Argeș county, starting with 10 o'clock.

We present below the full text of the Summons which shall be published on the website www.electroarges.ro, BVB SA București's website and Reported to BVB SA and ASF-SIIF.



SUMMONS

The SC ELECTROARGES SA's Board of Directors (the company has the registered office in Curtea de Argeş, 12 Albeşti street, Argeş county, is registered in Argeş Trade Register with no. J03/758/1991, Tax Code: 156027), following the Board of Directors' Decision no. 194 of 23.06.2016, in compliance with the provisions of art.117 of Law no. 31/1990R, Law no. 297/2004, ASF Regulations and the provisions of the Constitutive Act, summons the ORDINARY GENERAL MEETING OF SHAREHOLDERS on 25.07.2016, 10.00 o'clock, on the first summons, at the Company's registered office in Curtea de Argeş, 12 Albeşti street, Argeş county.

If the legal and statutory conditions for the Ordinary General Meeting of Shareholders to be held are not met on the first summons, the meeting shall be summoned at the same place and hour, with the same agenda, on 26.07.2016.

A) The following points are on the AGENDA OF THE A.G.O.A. of 25,26.07.2016:

1. Approval of the the net profit allocation plan for tax year 2015 in accordance with the Board of Directors' proposal is that the net profit obtained in the tax year 2015 shall be allocated as follows:

- a) 6,626,247.055 lei shall be allocated for the distribution of dividends, representing a gross dividend of 0.095 lei per share;
- b) 774,000.00 lei representing 10% of the profit shall be allocated to the administrators and employees for participating in obtaining the profit; The allocation plan shall be established by the Board of Directors.
- c) the remaining net profit shall be allocated for the company's own development sources.

• The Board of Directors informs the shareholders that the Board of Directors' detailed proposal and other shareholders' proposals which shall be made in accordance with art.117¹ of Law 31/1990R, shall be published on www.electroarges.ro, under the "comunicate elgs" heading, shall be included in the Special Powers of Attorney and Absentee Ballots and they shall be subject to discussion and vote in A.G.O.A.

2. The discharge of the administrators from administrating the tax year 2015.

3. The reviewing and approval of the Income and Expenditures Budget for 2016.

4. The approval of the administrators' monthly salary for 2016 to be 3,000 lei net.

5. The approval of SC ELECTROARGES SA's Organizational Chart for 2016 and the authorization of the Board of Directors to change the Organizational Chart according to the Company's specific economic needs.

6. The approval of the Investment Program for 2016 and the authorization of the Board of Directors to approve the change of this program according to the Company's specific economic needs.

7. The approval of the Depreciable Fixed Assets and Inventory Items List proposed for scrapping and selling in 2016 and the authorization of the Board of Directors to approve their capitalization in 2016, in accordance with the legal provisions in force, within the Board of Directors' powers provided by the laws in force.

8. The authorization by A.G.O.A. of the Board of Directors, in 2016, to approve the contracting of credits and extend the credit lines for production and investment, the pledging of



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assets and debt assignments necessary for contracting credits, in accordance with the provisions of the laws in force, within the Board of Directors' powers provided by the laws in force.

9. The approval for the commercial price discounts to be practiced by SC ELECTROARGES SA in 2016 shall be 10% at most and applied only where the market conditions require them imperatively.

10. The approval of the Tangible and Intangible Assets Amortization Plan for the tax year 2016, in accordance with the legal proceedings in force.

11. The authorization of the Board of Directors, in case the A.G.O.A. approves the allocation of dividends for 2015, to approve and take all the legal and administrative steps to pay dividends to shareholders within the legal term provided by laws and regulations for the capital market.

12. The approval as date of registration, in accordance with the provisions of art. 238 (1) of Law 297/2004 and art. 5 of the CNVM Regulation 6/2009, to be 29.09.2016, ex-date to be 28.09.2016 and payment date to be **14.10.2016**, in accordance with art.1 of the CNVM Regulation 6/2009 as consolidated.

13. The appointment of the Board of Directors' secretary as the authorized person to take the necessary steps with Argeş Trade Register Office and Notary Public's Office for registering the decision and other documents approved by the Ordinary General Meeting of Shareholders on 25,26.07.2016.

14. AGOA shall be informed about:

14.1 The granting of the difference of dividends for year 2014 to the shareholders Vidraru S.A. and Tudor Dumitru, corresponding to the number of shares held in accordance with the Shareholders' Register as consolidated, resulting from enforcing the Argeş Specialized Court of Law's final and irrevocable Sentences no. 225/CC/20.11.2014 and no. 474/CC/20.12.2012, from the profit of 2014, allocated to own development sources.

14.2 The recovery of the dividends paid for year 2014 corresponding to the number of shares cancelled following the Argeş Specialized Court of Law's final and irrevocable Sentences no. 225/CC/20.11.2014 and no. 474/CC/20.12.2012 and its allocation to own development sources. The implementing and debt recovery procedure shall be established by the Board of Directors in accordance with the legal regulations.

Regarding the Agenda points of AGOA meeting of 25,26.07.2016, the members of the Board of Directors have presented to the General Manager their position on the figures and objectives that have to be included in the Board of Directors' Management Report for 2015, B.V.C. for 2016 and the Investment Programme for 2016 and the Company's Organizational Chart and, subsequently, the members of the Board of Directors shall have a look at and approve the complete documentation which shall be the subject of approval in the A.G.O.A. meeting, before the summons of the AGOA meeting of 25.07.2016, respectively 26.07.2016, documentation which shall be published on the company's website.

B) OTHER NOTIFICATIONS TO SHAREHOLDERS ON THE A.G.O.A.:

- There are entitled to attend or to be represented in A.G.O.A. and vote all the shareholders who are recorded in the SC ELECTROARGES SA's Shareholders Register, listed by Register Company DEPOZITARUL CENTRAL SA Bucureşti, **on the date of reference 14.07.2016**, established in accordance with the CNVM Regulation no. 6/2009 – as consolidated, with the voting rights under this register and the provisions of art. 203 of Law 297/2004 and the A.S.F. decisions on the valid voting rights suspension for the date the A.G.O.A. is held.

- The Summons, the Materials subject to discussion and approval, the A.G.O.A. Decision Draft, the Templates for the Special Powers of Attorney and Absentee Ballots and the

Completing and Voting Regulation in AGOA can be downloaded from SC ELECTROARGES SA's webpage, www.electroarges.ro, under the "comunicate elgs" heading, beginning with 24.06.2016 respectively with the date the complete AGOA Summons (if the case) is published, after expiry of the 15 calendar days from the publication of the initial Summons, provided by art.117¹ of Law 31/1990R – beginning with **13.07.2016**. These are also available at the company's office and copies of them may be obtained on the company's working days, between 10⁰⁰-15⁰⁰ until 21.07.2016 inclusively, at the Technical Secretary Office.

- The entitled shareholders, in accordance with the provisions of art.117¹ of Law 31/1990R, may require the introduction of new points on the AGOA's agenda, which have to be accompanied by decision drafts and the proof of ownership of at least 5% of SC ELECTROARGES SA's share capital, having the date and time of registration with the Technical Secretary Office no later than 08.07.2016, 15⁰⁰.

- Natural person shareholders shall prove the attendance in AGOA with the ID card, by checking if they are registered in the Shareholders Register on the date of reference.

Legal person shareholders shall attend AGOA by legal representative or natural person authorized to represent them in the meeting, in accordance with the provisions of the CNVM Regulation 6/2009 and Steps in Proceedings 26/20.12.2012, and who shall submit to the Technical Secretary Office documented evidence in this regard – the representative's ID card, copy of the Tax Code, Confirmation of Company Details or authorization from the administrative management body for this meeting. It is necessary for the shareholder to be registered in the Shareholders Register on the date of reference.

- The shareholders may be represented in the AGOA of 25,26.07.2016 by General or Special Powers of Attorney. The way of preparation, the date of preparation of the General and Special Powers of Attorney for representation in AGOA, the persons appointed to represent the shareholders and the voting manner have to be in accordance with the provisions of Law 31/1990R, 297/2004R and the CNVM Regulation no. 6/2009 as consolidated and the Steps in Proceedings 26/20.12.2012.

We notify you that: The Special Powers of Attorney signed and stamped in original by the shareholder or the shareholder's legal representative (in the case of legal persons), who mandates to be represented in AGOA of 25,26.07.2016, shall be submitted at the Company's Registered Office, to the Technical Secretary Office for registration, no later than 21.07.2016, 10⁰⁰ o'clock.

Copies of the Special Powers of Attorney and the accompanying documents may be e-mailed at faxsecretariat@gmail.com, no later than 22.07.2016, 10⁰⁰ o'clock.

The Special Powers of Attorney shall be accompanied by the Copy of the natural person shareholder's ID card or Copy of the Confirmation of Company Details issued by the Trade Register Office in accordance with the provisions of the Steps in Proceedings of CNVM 26/20.12.2012 and copy of the legal representative's ID card, in the case of the legal person shareholders. Correct, full and clear completion of the Special Powers of Attorney is a must. Special Powers of Attorney shall be prepared in 3 copies, of which one shall be submitted to the Technical Secretary Office at SC ELECTROARGES SA's registered office, one copy shall be in the representative's possession, and one copy with the shareholder. The mandated representative must have the legal capacity to exercise the voting right on behalf of the shareholder and must prove attendance in AGOA with the ID card and the Special Power of Attorney.

- Shareholders may also vote in AGOA by Absentee Ballot, which have to be submitted in original, authenticated by the Notary Public, by post or other secure and fast mean of transport, on SC ELECTROARGES SA address – Technical Secretary Office and arrive no later than

21.07.2016, 10⁰⁰ o'clock. The way of preparation and the voting manner is similar to that of the Special Powers of Attorney.

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The Absentee Ballot shall be accompanied by the Copy of the natural person shareholder's ID card or Copy of Confirmation of Company Details issued by the Trade Register Office in accordance with the provisions of the Steps in Proceedings of CNVM 26/20.12.2012 and copy of the legal representative's ID card, in the case of the legal person shareholders.

- Templates of the Special Powers of Attorney or Absentee Ballots in Romanian and English can be downloaded at www.electroarges.ro under "comunicate-elgs" heading.

- Shareholders may also send written inquiries about the documents and the points on the agenda no later than 21.07.2016, 16⁰⁰, and the members of the Board of Directors shall provide answers in AGOA.

- For further details from the persons in charge, please call no. 0248724000 or send a fax to 0248724004.

II. Signatures:

Eng. Ion Gavrilă,
CHAIRMAN
BOARD OF DIRECTORS

