

® S.C. ELECTROARGEȘ S.A.

No: 7310 124.08.2016

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

Tel. 0248724000 , fax 0248724004

Share Capital 6,976,465.00 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: 021 6596051/6596414; 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: 24.08.2016 – CORRECTION to Report no.7266/23.08.2016

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: 6,976,465.00 lei

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

**1) Important events to report.**

**a) Changes in the control of the Trading company.**

**Not the case:**

**b) Other events:** This Report corrects the current Report no.7266/23.08.2016 – namely the AGOA Agenda is changed at section 1 and section 4 as follows:

**1. Election of a new Board of Directors formed of 3 administrators, for a 4-year mandate, in accordance with the provisions of art. 14.3 of ELECTROARGEȘ SA's Articles and Memorandum of Association.**

**1.1. Election by cumulative voting of a new Board of Directors formed of 5 administrators, for a 4-year mandate, in accordance with the provisions of art. 14.3 and art. 36 of ELECTROARGEȘ SA's Articles and Memorandum of Association, as well as complying with the provisions of art. 235 of Law no. 297/2004 and art. 124, art. 125, art. 126, art. 127, art. 128 and art. 129 of the Regulation no. 1/2006 on issuers and transactions with real estates.**





#### **4. Approval of the indemnity amount for the members of the Board of Directors.**

**4.1. Approval of the indemnity amount for the members of the Board of Directors at the net value of 3,000 lei.**

#### **AGENDA ADDITION to the AGOA SUMMONS of 07/08.09.2016**

SC ELECTROARGES SA's Board of Directors, a company having its registered office in Curtea de Argeş, 12 Albesti street, registered in the ARGES TRADE REGISTER with no. J03/758/1991, Tax Code: 156027, informs the fact that 5 requests of additions (changes) have been registered within the legal period to the AGOA Agenda of 07/08.09.2016, published in the Official Gazette part IV no. 2759/28.07.2016 and in the ARGESXPRES newspaper no. 4228 of 27.07.2016, as follows:

1. Request registered with no. 6957/09.08.2016 submitted by the significant shareholder TUDOR DUMITRU – natural person, holding a number of 8,942,193 shares of SC ELECTROARGES SA's share capital, representing 12.8177% of SC ELECTROARGES SA's share capital, under the provisions of art.117<sup>1</sup> of Law no. 31/1990R, Law no. 297/2004, the CNVM Regulations and the provisions of the Articles and Memorandum of Association, completes Section 1 of the AGOA Agenda of 07/08.09.2016 as follows:

"Election by cumulative voting of a new Board of Directors formed of 5 administrators, for a 4-year mandate, in accordance with the provisions of art. 14.3 and art. 36 of ELECTROARGES SA's Articles and Memorandum of Association, as well as complying with the provisions of art.235 of Law no. 297/2004 and art.124, art.125, art.126, art.127, art.128 and art.129 of the Regulation no.1/2006 on issuers and transactions with real estates."

and

2. Request no.6959/11.08.2016, submitted by SC CONSTANTIN RELATIVE INVESTMENTS SRL, SC ELECTROARGES SA's significant shareholder, having the Trade Register Registration No. J40/8349/2015, Tax Code: 34748902, holding a 36.8375% share stake of SC ELECTROARGES SA's share capital, under the provisions of art.117<sup>1</sup> of Law no.31/1990R, Law no. 297/2004, the CNVM Regulations and the provisions of the Articles and Memorandum of Association, completes Section 1 of the AGOA Agenda of 07/08.09.2016 as follows:

"Election of a new Board of Directors by cumulative voting, formed of 5 administrators, for a 4-year mandate, in accordance with the provisions of art. 14.3 of ELECTROARGES SA's Articles and Memorandum of Association, provisions of art.235 of Law no. 297/2004 and art.125 of the Regulation no.1/2006."

Following these requests, a new paragraph is introduced at Section 1 as follows:

**1.1. "Election by cumulative voting of a new Board of Directors formed of 5 administrators, for a 4-year mandate, in accordance with the provisions of art. 14.3 and art. 36 of ELECTROARGES SA's Articles and Memorandum of Association, as well as complying with the provisions of art.235 of Law no. 297/2004 and art.124, art.125, art.126, art.127, art.128 and art.129 of the Regulation no.1/2006 on issuers and transactions with real estates."**

3. Request registered with no. 6956/09.08.2016, submitted by shareholder VIDRARU SA – legally represented by Mr. Tudor Dumitru – holding a number of 4,085,761 shares of SC ELECTROARGES SA's share capital, together representing 5.8565% of SC ELECTROARGES SA's share capital, under the provisions of art.117<sup>1</sup> of Law no.31/1990R, Law no. 297/2004, the CNVM Regulations and the provisions of the Articles and Memorandum of Association, completes the AGOA Agenda of 07/08.09.2016 as follows:

#### **Section 7:**

"The observation that, following the Civil Sentence no. 79/CC/19.05.2016, pronounced by the Argeş Specialized Court of Law on Case no. 543/1259/2013, which established the absolute nullity of AGOA Decision no. 87/27.04.2013, and the Civil Sentence no. 30/CC/25.02.2016 as well, pronounced by Argeş Specialized Court of Law on Case no. 227/1259/2015, which established the absolute nullity of AGOA Decision no. 93/24.04.2015, the approvals offered by AGOA for extending the financial audit services contract with the company MUNTICONT SRL – Galaţi, for the period 2013-2015 and for the period 27.04.2015-27.04.2017 have been cancelled, the additional documents signed for the extension of the initial Contract becoming null and void."







### **Section 8:**

"Election of the financial auditor for a 2-year period and setting the monthly value of the financial audit services contract.

The offers of financial audit services contracts shall be submitted at the company's registered office within 10 days of publishing the completed Summons in the Official Gazette.

The list of auditor candidates, containing the identification details and the requested monthly value of the contract, will be available on [www.electroarges.ro](http://www.electroarges.ro), under the heading "elgs bulletins" and they will be entered on the ballots and Special Powers of Attorney in order for AGOA to elect ELECTROARGES SA's financial auditor."

4. Request registered with no. 7136/18.08.2016 submitted by the significant shareholder TUDOR DUMITRU – natural person, holding a number of 8,942,193 shares of SC ELECTROARGES SA's share capital, representing 12.8177% of SC ELECTROARGES SA's share capital, under the provisions of art.117<sup>1</sup> of Law no.31/1990R, Law no. 297/2004, the CNVM Regulations and the provisions of the Articles and Memorandum of Association, completes the AGOA Agenda of 07/08.09.2016 as follows:

### **Section 9:**

"Presentation, by the Board of Directors, of a report on the activity carried on the capital market between 2011-31.08.2016. The report shall contain information on:

9.1. The amounts invested every year, the market value of the portfolio at the end of every year and mentioning for every year any amounts received as dividends or received following the capitalization of the shares held.

9.2. The investment decisions, respectively the amounts for purchasing shares and the issuers whose shares were to be purchased, were taken by the Board of Directors or by other persons.

9.3. In case that investment decisions were taken by the Board of Directors, then the Decision no. and date should be provided.

9.4. The number of mandatory public offer conducted as a result of exceeding a 33% holding.

9.5. The list of persons who represent ELECTROARGES SA's interests before the issuers which held more than 20%.

9.6. How to explain the fact that all investments on the capital market were made only with issuers that the group C.C.Chelu had interests in.

9.7. What is the reason for which, at the General Meetings of Shareholders, no information was presented on the status of investments on the capital market."

### **Section 10:**

"Presentation, by administrator GHEORGHE CHIRILĂ, of a report in which he shall explain the following:

10.1. If GHEORGHE CHIRILĂ is administrator for both ELECTROARGES SA and MECANICA ROTES S.A. – Târgoviște (in both cases appointed and supported by C.C. Chelu), and MECANICA ROTES S.A. purchased ELGS shares many times, why didn't he notify that MECANICA ROTES S.A. is an initiated person, having the obligation to report every transaction, in accordance with art.150 of the CNVM Regulation 1/2006?

10.2. If GHEORGHE CHIRILĂ was a member of ARGUS S.A.'s management, and that issuer had financial losses and the management imposed by C.C. Chelu was challenged by CNVM and in court, what were the reasons for which he directed important amounts for purchasing ARGUS shares and what were the losses incurred by ELECTROARGES S.A. as a result of investing in ARGUS?"

### **Section 11:**

"Presentation by the Board of Directors of a notification on:

11.1. Notices and fines received (including the total amount) by ELECTROARGES SA's management and administrator between 2011-August 2016 from CNVM/ASF for breaking the law.

11.2. Notices and fines received (including the total amount) by the members of the C.C. Chelu group between 2011-August 2016 from CNVM/ASF for breaking the capital market laws by non-executing the mandatory public offer of taking over the shares held by ELECTROARGES S.A.'s minority shareholders, sanctions which were communicated to the issuer ELECTROARGES S.A."



5. Request registered with no. 7066/17.08.2016 submitted by the significant shareholder Gavrilă Ion – natural person, holding a number of 6,001,510 shares of SC ELECTROARGES SA's share capital, representing 8.6% of SC ELECTROARGES SA's share capital, under the provisions of art.117<sup>1</sup> of Law no.31/1990R, Law no. 297/2004, the CNVM Regulations and the provisions of the Articles and Memorandum of Association, completes Section 4 of the AGOA Agenda of 07/08.09.2016 as follows:

"Approval of the indemnity amount for the members of the Board of Directors at the net value of 3,000 lei."

Following these requests, a new paragraph is introduced at Section 4 as follows:

4.1. "Approval of the indemnity amount for the members of the Board of Directors at the net value of 3,000 lei."

**Following this additions, the (complete) AGOA Agenda of 07,08.09.2016, approved by the Board of Directors with Decision no.199/22.08.2016, shall be as follows:**

1. Election of a new Board of Directors formed of 3 administrators, for a 4-year mandate, in accordance with the provisions of art.14.3 of ELECTROARGES SA's Articles and Memorandum of Association.

**1.1. Election by cumulative voting of a new Board of Directors formed of 5 administrators, for a 4-year mandate, in accordance with the provisions of art.14.3 and art. 36 of ELECTROARGES SA's Articles and Memorandum of Association, as well as complying with the provisions of art.235 of Law no. 297/2004 and art.124, art.125, art.126, art.127, art.128 and art.129 of the Regulation no.1/2006 on issuers and transactions with real estates.**

2. Approval to discharge of administration the Board of Directors' Chairman and the members of the Board of Directors, for the mandate period up to the date of this AGOA.

3. Election of the Board of Directors' Chairman from among the members of the Board of Directors, in accordance with art.14.3 of ELECTROARGES SA's Articles and Memorandum of Association and adapting art.21 of ELECTROARGES SA's Articles and Memorandum of Association on the nominal structure of the new Board of Directors.

4. Approval of the indemnity amount for the members of the Board of Directors.

**4.1. Approval of the indemnity amount for the members of the Board of Directors at the net value of 3,000 lei.**

5. 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 28.09.2016 and ex-date 27.09.2016.

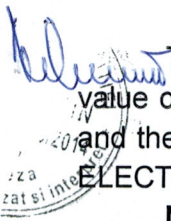
6. The appointment of the Board of Directors' secretary as the authorized person to take the necessary steps with Argeş Trade Register Office and Notary Public's Office for registering the decision and other documents approved by the Ordinary General Meeting of Shareholders on 07,08.09.2016.

7. The observation that, following the Civil Sentence no. 79/CC/19.05.2016, pronounced by the Argeş Specialized Court of Law on Case no. 543/1259/2013, which established the absolute nullity of AGOA Decision no. 87/27.04.2013, and the Civil Sentence no. 30/CC/25.02.2016 as well, pronounced by Argeş Specialized Court of Law on Case no. 227/1259/2015, which established the absolute nullity of AGOA Decision no. 93/24.04.2015, the approvals offered by AGOA for extending the financial audit services contract with the company MUNTICONT SRL – Galaţi, for the period 2013-2015 and for the period 27.04.2015-27.04.2017 have been cancelled, the additional documents signed for the extension of the initial Contract becoming null and void.

8. Election of the financial auditor for a 2-year period and setting the monthly value of the financial audit services contract.

The offers of financial audit services contracts shall be submitted at the company's registered office within 10 days of publishing the completed Summon in the Official Gazette.



The list of auditor candidates, containing the identification details and the requested monthly value of the contract, will be available on [www.electroarges.ro](http://www.electroarges.ro), under the heading "elgs bulletins" and they will be entered on the ballots and Special Powers of Attorney in order for AGOA to elect ELECTROARGEŞ SA's financial auditor.

**Note:** Section 9-11 is separate, for information, for SC ELECTROARGEŞ SA's shareholders:

9. Presentation, by the Board of Directors, of a report on the activity carried on the capital market between 2011-31.08.2016. The report shall contain information on:

9.1. The amounts invested every year, the market value of the portfolio at the end of every year and mentioning for every year of any amounts received as dividends or received following the capitalization of the shares held.

9.2. The investment decisions, respectively the amounts for purchasing shares and the issuers whose shares were to be purchased, were taken by the Board of Directors or by other persons.

9.3. In case that investment decisions were taken by the Board of Directors, then the Decision no. and date should be provided.

9.4. The number of mandatory public offer conducted as a result of exceeding a 33% holding.

9.5. The list of persons who represent ELECTROARGEŞ SA's interests before the issuers which held more than 20%.

9.6. How to explain the fact that all investments on the capital market were made only at issuers that the group C.C.Chelu had interests in.

9.7. What is the reason for which, at the General Meetings of Shareholders, no information was presented on the status of investments on the capital market.

10. Presentation, by administrator GHEORGHE CHIRILĂ, of a report in which he shall explain the following:

10.1. If GHEORGHE CHIRILĂ is administrator for both ELECTROARGEŞ SA and MECANICA ROTES S.A. – Târgovişte (in both cases appointed and supported by C.C. Chelu), and MECANICA ROTES S.A. purchased ELGS shares many times, why didn't he notify that MECANICA ROTES S.A. is an initiated person, having the obligation to report every transaction, in accordance with art.150 of the CNVM Regulation 1/2006?

10.2. If GHEORGHE CHIRILĂ was a member of ARGUS S.A.'s management, and that issuer had financial losses and the management imposed by C.C. Chelu was challenged by CNVM and in court, what were the reasons for which he directed important amounts for purchasing ARGUS shares and what were the losses incurred by ELECTROARGEŞ S.A. as a result of investing in ARGUS?

11. Presentation by the Board of Directors of a notification on:

11.1. Notices and fines received (including the total amount) by ELECTROARGEŞ SA's management and administrator between 2011-August 2016 from CNVM/ASF for breaking the law.

11.2. Notices and fines received (including the total amount) by the members of the C.C. Chelu group between 2011-August 2016 from CNVM/ASF for breaking the capital market laws by non-executing the mandatory public offer of taking over the shares held by ELECTROARGEŞ S.A.'s minority shareholders, sanctions which were communicated to the issuer ELECTROARGEŞ S.A.

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

## II. Signatures:

Eng. Ion Gavrilă,  
CHAIRMAN  
BOARD OF DIRECTORS

