Translation from Romanian

® S.C. ELECTROARGEȘ S.A. No: 6814/ 26.07.2016

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 INTRUMENTS AND INVESTMENT SECTOR

Fax: 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: 26.07.2016

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

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 shareholders and potential investors that on 25.07.2016 the A.G.O.A. meeting of 25.07.2016 was held on the first summons, at the Company's registered office in Curtea de Arges, 12 Albesti street, Arges County. Following the meeting, this Decision was adopted:

MINISTERUL JUSTIȚIEI DELCĂ CONSTANTIN Traducator Aut. Nr. 37258/2014

ELECTROARGEȘ S.A. Curtea de Argeș Trading Company
DECISION No. 99 OF 25.07.2016
OF THE ORDINARY GENERAL MEETING
OF SC ELECTROARGEȘ SA's SHAREHOLDERS,
Registered in Argeș Trade Register Office with No. J03/758/1991
Registration Code: RO156027.

Legally summoned on 25.07.2016, 10^{00}, at the Company's registered office in Curtea de Argeș, 12 Albești street, Argeș county, the Ordinary General Meeting of SC ELECTROARGEȘ SA Curtea de Argeș's Shareholders was held, at the first summons, in accordance with the provisions of art.112 of Law 31/1990R, Law 297/2004 and art.20 of the Company's Articles and Memorandum of Association.

A number of 37 shareholders attended the meeting – present and represented – of a total of 3,284 shareholders, holding a number of 46,388,582 voting rights (voting shares) – representing 70,9952% of a total number of 65,340,442 voting rights (voting shares). We mention the fact that a number of 4,424,208 shares are suspended voting shares, following the Board of Directors' Decision 196/21.07.2016 adopted in accordance with the Financial Regulator's Decision no. 3501/25.11.2015, SC DEPOZITARUL CENTRAL SA's Notice no. 25028/22.07.2016, art. 203 of Law 297/2004 and art. 70 of the CNVM (*Romanian National Securities Commission*) Regulation 1/2006 (requesting the suspension in the General Meeting of Shareholders of the voting rights which exceed 33% of the share capital in accordance with art. 203 of Law 297/2004.

This Current Report no. 6632/21.07.2016, was published on the websites www.electroarges.ro and www.bvb.ro, was submitted to the Financial Regulator and shareholders were informed on the number of voting shares and the number of shareholders and the number of suspended voting shares in AGOA of 25.07.2016.

There are represented, in the meeting, by Special Powers of Attorney, a number of 13 shareholders, natural and legal persons, by 5 shareholders who are in attendance and voted on their behalf.

The shareholders entered on the Attendance List were entitled to attend and vote in the Meeting according to the voting rights established by the Company's Shareholders Register on the date of reference 14.07.2016, completed with Notice no. 6603/21.07.2016 on the suspended voting shares, prepared in accordance with art.10 of the CNVM Regulation 1/2006.

Following the debates which were held in accordance with the provisions of Law 31/1990R and the Company's Articles and Memorandum of Association, the Ordinary General Meeting of Shareholders,

DECIDES:

Art. 1. Approves the allocation plan for the net profit obtained in the tax year 2015, in accordance with version 1.3 which had the most "**FOR**" votes.

Note: The three proposals regarding the allocation plan for the net profit obtained in the tax year 2015 were the following:

1.1. **The Board of Directors' proposal** is that from the net profit obtained in the tax year 2015 shall be allocated as follows:

a) 6,626,247.055 lei shall be allocated for 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 the employees for taking part in obtaining the profit; the allocation procedure shall be established by the Board of Directors;

c) the remaining net profit shall be allocated for the company's own development sources.

1.2. **The proposal of SC ELECTROARGES SA's significant shareholder, SC CONSTANTIN RELATIVE INVESTMENTS SRL**, is that the net profit obtained in the tax year 2015 shall be allocated as follows:

- 6,627,641.75 lei shall be allocated for dividends, representing a gross dividend of 0.095 lei per share;

- a sum no greater than 10% of Electroarges SA's net profit for year 2015 to the entire Electroarges SA's staff for participating in obtaining the profit for year 2015, in accordance with the provisions of the Collective Labour Agreement of Electroarges SA's employees, as follows:

a) 10,000* lei to the Chairman of the Board of Directors;
b) 5,000* lei each to the other two members of the Board of Directors;
c) 7,500* lei to the General Manager;
d) 7,500* lei to the Deputy General Manager;
e) 5,000* lei to the Production Manager
f) 5,000* lei to the Economic Manager;
g) 5,000* lei to the Technical Manager;
h) 5,000* lei to the Quality Manager;
i) 1,050* lei each for the other Electroarges SA's employees.
* represents net value

- the remaining net profit shall be allocated for the SC ELECTROARGES SA's own development sources.

1.3. **The proposal of the group of shareholders formed by Tudor Dumitru and Vidraru SA** is that from the net profit obtained in the tax year 2015 shall be allocated as follows:

a) 6,626,247.055 lei shall be allocated for dividends, representing a gross dividend of 0.095 lei per share;

b) 774,000 lei, representing 10% of the profit, shall be allocated to the administrators, the managers with mandate contract and the employees for taking part in obtaining the profit, from which:

- 650,000 lei represents participations, in gross value, for employees, in amounts which shall be decided by the executive board according to each employee's contribution in obtaining the profit;

- 124,000 lei represents participations to the profit, in gross value, for administrators and managers with mandate contract, in amounts decided by the Board of Directors.

c) the remaining net profit shall be allocated for the company's own development sources.

Art. 2. Does not approve, with a majority of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- Discharging the administrators from administrating the tax year 2015.

Art. 3. Approves with unanimity of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- The Income and Expenditures Budget for 2016.

Art. 4. Approves with unanimity of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- The administrators' monthly salary for 2016 shall be of 3,000 lei net.

Art. 5. Approves with a majority of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- SC ELECTROARGES SA's Organizational Chart for 2016 and the authorization of the Board of Directors to approve the changing of this Chart according to the Company's specific economic needs.

Art. 6. Approves with a majority of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

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

Art. 7. Approves with a majority of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- 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.

Art. 8. Approves with a majority of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- The authorization of the Boards of Directors by the AGOA in 2016 to approve the contracting of credits and extend the credit lines for production and investment, the pledging of assets and debt assignments necessary for contracting credits, in accordance with the law in force, within the Board of Directors' powers provided by the laws in force.

Art. 9. Approves with a majority of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- 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.

Art. 10. Approves with unanimity of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- The Tangible and Intangible Assets Amortization Plan in the tax year 2016, in accordance with the legal provisions in force.

Art. 11. Approves with unanimity of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- 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 the laws and regulations on the capital market.

Art. 12. Approves 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 shall be in accordance with version 12.2 which had the most "**FOR**" votes.

Note: The two proposals regarding the date of registration and payment date were the following:

12.1. **The Board of Directors' proposal** is that the date of registration shall be 29.09.2016, ex-date shall be 28.09.2016 and payment date shall be 14.10.2016, in accordance with art.1 of the CNVM Regulation 6/2009 as consolidated.

12.2. **The proposal of the group of shareholders formed by Tudor Dumitru and Vidraru SA** is that the date of registration shall be 02.09.2016, ex-date shall be 01.09.2016 and payment date shall be 20.09.2016.

Art. 13. Approves with unanimity of votes (voting rights) cast (corresponding to the voting shares) in the Meeting:

- The appointment of the Board of Directors' secretary as the authorized person to take the necessary steps with Argeș 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.

Prepared on this date: 25.07.2016

A.G.O.A. MEETING CHAIRMAN
Eng. Ion Gavrilă
(signature)
(stamp: S.A. Electroargeș Trading Company, Curtea de Argeș, Romania)

A.G.O.A. SECRETARY OFFICE,
- Vasile Golescu *(signature)*
- Ion Chiriță *(signature)*
- Dragoș Petre Ionescu *(signature)*

II. Signatures:

Eng. Ion Gavrilă
CHAIRMAN
BOARD OF DIRECTORS
(signature)

SOCIETATEA COMERCIALA S.A. Electroargeș C. De Argeș 1 ROMANIA