

*Translation from Romanian*

**FOR THE ATTENTION OF  
THE FINANCIAL REGULATOR -  
THE FINANCIAL INSTRUMENTS AND INVESTMENT SECTOR  
Issuers, Transaction Monitoring and Market Abuse Department**

**Fax: 021 6596051/6596436**

Current report in accordance with: Law 24/2017 on the issuers of financial instruments and market operations and ASF Regulation no. 5/2018 on the issuers of financial instruments and market operations.

Report date: 24.04.2020

Issuer's name: ELECTROARGES SA, BSE code: elgs

Registered office: Curtea de Arges, str. Albești , nr. 12, jud. Argeș

Telephone/fax number: 0248724000/0248724004

Trade Register Registration Code: RO156027

Trade Register Registration Number: I03/758/1991

Share capital subscribed and paid: 6,976,465.00 lei

Regulated Market trading the issued securities:

BSE – main market, standard category

**Important events to report:** In accordance with the Law 24/2017 on the issuers of financial instruments and market operations and ASF Regulation no. 5/2018 on the issuers of financial instruments and market operations:

**Electroargeș S.A. Board of Directors** informs the shareholders that by the Board of Directors' Extraordinary Decision no. 238/24.04.2020, it was approved the postponement of Electroargeș S.A.'s Ordinary General Meeting of Shareholders and Electroarges SA's Extraordinary General Meeting of Shareholders summoned for 27.04.2020 (first summons) and 28.04.2020 (second summons) for a date that will be announced later.

The Board of Directors' decision is motivated by the following aspects:

- The decision pronounced in the Case no. 120/1259/2020 on 24.04.2020 by the Arges Specialized Tribunal by which was ordered the suspension of the voting right by way of a presidential ordinance for a number of 16,000,000 Electroarges S.A. shares held by the shareholder Investments Constantin SRL, this decision being enforceable from the pronouncement;
- The fact that, compared to the content of the injunction, as it appears on the court portal, it was ordered the suspension of the voting right *“in the Electroarges SA’s Ordinary General Meeting of Shareholders of 27.04.2020, 10.00, and in the Electroarges SA’s Extraordinary General Meeting of the Shareholders of 28.04.2020, 11.00 ”*, although both the EGMS and the OGMS were summoned for the same date - 27.04.2020 and had been summoned for the date of 28.04.2020 only if in this meeting there would have been no quorum, thus not being clear whether the effects of the court decision are reflected only on the voting rights in the OGMS or also on those in the EGMS, insofar as the quorum will exist at the first summons, so that the situation of the number of voting rights is uncertain;
- The fact that the company is obliged to take into account the reference date in order to calculate the voting rights, a situation that again becomes uncertain compared to the decision in Case no. 120/1259/2020, given that it was pronounced today, 24.04.2020, and it is not possible to motivate and communicate in due time the court decision, in order to exactly review its considerations, effects and how it could be enforced;
- The fact that according to the EGMS summons, decisions will be taken regarding the extension of credit lines and the mortgage of some buildings, decisions that cannot be adopted only insofar as there is no clear situation for the voting rights, and currently there is an absolute uncertainty created by the court decision from the Case no. 120/1259/2020, the situation could further determine the possibility that the contractual partners to refuse in the future the granting of the absolutely necessary facilities for the development of Electroarges due to various objections and/or illegalities;
- The fact that there is a risk of annulment of possible OGMS and EGMS decisions, if the meetings were to take place, precisely given the uncertain situation described above and that, insofar as there will be appeals against the decisions, Electroarges S.A. is to be kept in situations of uncertainty for a long period of time, situations that obviously have to be prevented;
- To act prudently and with maximum diligence and prevent a possible irreparable damage to the rights of the company's shareholders, as well as to the company, if this will be the case (and if the shareholders will go against it insofar as they will not be allowed to vote), until the situation of the existing voting rights is properly clarified, in order to not take definitive measures that would be interpreted as affecting the decision pronounced in

the Case no. 120/1259/2020, it is necessary to postpone the OGMS and the EGMS for a later date, precisely so that there is no doubt about their legality and to protect absolutely all the rights that could be invoked in the case;

- The circumstance that the above mentioned aspects require a special urgency, a court decision being pronounced on 24.04.2020 (Friday) in connection with the OGMS and the EGMS, given that the EGMS and the OGMS are summoned for the date of 27/28.04.2020 (Monday, respectively, Tuesday), being impossible to establish what are the voting rights at this moment, taking into account, on the one hand, the provisions of Law 31/1990 (on companies) and Law 24/2017 (on the capital market) and, on the other hand, the temporary solution within the Decision pronounced in the Case no. 120/1259/2020.

**CHAIRMAN  
BOARD OF DIRECTORS,  
CONSTANTIN ȘTEFAN**