

Translation from Romanian

TO:

- I. BUCHAREST STOCK EXCHANGE
- II. THE FINANCIAL REGULATOR

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: 22.06.2021

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

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

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:

Changes in the Structure of the Board of Directors – Appointment of Interim Administrators

Given the:

- The partial suspension by court decision of the Electroarges SA OGMS Decision no. 110 of 26.04.2021, respectively points 3, 12, 13, 14 and 15;
- Termination starting with 18.06.2021 of Mr. Tudor Dumitru's administrator mandate as a result of his resignation;
- Termination starting with 16.06.2021 of Mr. Ion Gavrilă's administrator mandate as a result of his death;
- Resignation of Investments Constantin SRL as Vice President of the Board of Directors

In the meeting of 22.06.2021 the Board of Directors decided the following:

1. It is approved, starting with 22.06.2021 and until the meeting of the Ordinary General Meeting of Shareholders, the appointment of Cardinal Main SRL as interim administrator -

through permanent representative Mrs. Roxana Scarlat, and of Csoarpi Saints SRL - through permanent representative Mr. Alexandru Sarghe.

2. It is approved the appointment of the administrator of Cardinal Main SRL in the capacity of Vice-President of the Board of Directors - through permanent representative Mrs. Roxana Scarlat, for a period equal to the mandate of administrator.

We specify that the appointment of the interim administrators was made based on the provisions of art. 137² paragraph (1) of Law no. 31/1990, given that **in the file no. 131/1259/2021, the Arges Specialized Court understood to partially approve the request for a presidential ordinance submitted by BRAN OIL SA - in bankruptcy, en faillite**, through judicial liquidator Dogaru, Oană and Asociații SPRL, **and to order the partial suspension of the execution of the Electroarges SA OGMS Decision no. 110/26.04.2021, regarding the decisions to revoke the old board of directors, the election of the new board of directors, as well as the revocation and election of the chairman of the Board of Directors.**

Given that **the court's solution is enforceable according to the law from the date of pronouncement, the company Electroarges had to return to the old structure of the Board of Directors (5 administrators), thus also ascertaining the vacancy of the positions of administrators**, and the need to appoint interim administrators until the OGMS.

The solution of partial suspension of the execution of the OGMS decision was ordered by the Arges Specialized Court **even if Electroarges invoked in the case the defense that Bran OIL SA is not an Electroarges shareholder, the situation being confirmed by the position of the Depozitarul Central and ASF, as well as by the Legal Opinion attached to the current Report of 23.04.2021¹, and that thus it has no reason to request the suspension of some GMS decisions.**

It was also invoked the defense as a measure to suspend the decisions of revocation and appointment of Board members, as well as revocation and appointment of the Chairman of the Board will generate immediate irreversible effects, and is thus incompatible with the presidential ordinance procedure, the appointment of interim administrators generated by this solution thus confirming, practically, and fully, the supports and defenses of Electroarges.

Electroarges thus filed an appeal against the solution in file no. 131/1259/2021 of the Arges Specialized Tribunal, which it considers to be unfounded and illegal.

ELECTROARGES SA
Vice-President of the Board of Directors,
Roxana Scarlat

¹<https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/ELGS-Vot-AGA-Electroarges-SA-Registru-Actionarilor-Opinie-Juridica/D4B40>