

**To: Bucharest Stock Exchange, Issuers Service  
ASF, Financial Instruments and Investments Sector**

## **CURRENT REPORT**

Report date: **26.04.2022**

Name of the entity: ELECTROMAGNETICA S.A.

Address: CALEA RAHOVEI NR. 266-268, SECTOR 5, BUCHAREST

Phone: 404.21.02; 404.21.31 FAX: 404.21.95; 404.21.94

Serial number in the Trade Register: J 40/19/1991

Unique Registration Code: 414118

The subscribed and paid-in share capital: 67,603,870.4 lei

Regulated market on which the issued securities are traded: Premium Category, BVB

Events to be reported: *Clarifications to the Remuneration Report according to ASF request no SI-DG 6513* Thus, the updated 2022 financial calendar will be as follows:

**Electromagnetica SA** informs interested shareholders and investors that we have formulated "*Specifications to the Remuneration Report*" according to ASF request no. SI-DG 6513, being available at the company's headquarters in Bucharest, Calea Rahovei no. 266-268, sector 5 and online on the website [www.electromagnetica.ro](http://electromagnetica.ro) ([http://electromagnetica.ro/](http://electromagnetica.ro)), in the section Company / Investors / OGMS 28 / 29.04.2022. We attach "*Clarifications to the Remuneration Report*"

**CEO  
Eugen Scheusan**

## Remuneration Report

### Clarifications prepared according to ASF request no. SI-DG 6513

#### **I. Regarding the number of shares and options on shares granted or offered, as well as the main conditions for the exercise of the related rights, including the exercise price and the date, together with any modifications thereof**

According to art 4.1.8. of the Mandate Agreement for the executive directors to whom the powers of the directors have been delegated according to art. 143 of law no. 31/1990, contract approved by the General Meeting of Shareholders of October 18, 2007, as well as the Remuneration Policy approved by the Ordinary General Meeting from April 28, 2021, the trustee still has the right to receive from the company, under the conditions provided by Law no. 31/1990, respectively only after the approval of the General Meeting of Shareholders, a number of shares, established annually by the General Meeting of Shareholders, in case of fulfillment of the performance indicators established by BVC, respectively turnover and gross profit.

It should be noted that since October 18, 2007 and until now, no such request has been included on the agenda of the ordinary and / or extraordinary general meeting of shareholders, respectively the directors and / or executive directors have not benefited from this facility.

#### **II. Regarding remuneration, including all benefits, regardless of form, granted or due during the last financial year, to individual managers, including new recruits and former managers in accordance with the remuneration policy:**

##### **a). The members of the Board of Directors**

According to art 5.1. of the Articles of Incorporation, corroborated with the Remuneration Policy approved by the Ordinary General Meeting of April 28, 2021 The Ordinary General Meeting of Shareholders of April 28, 2021 established:

- monthly remuneration of an administrator: 3,135 lei gross / 1,833 lei net
- additional remuneration of an administrator, member of the Audit Committee: 784 lei gross / 496 lei net.

On the agenda of the Ordinary General Meeting of Shareholders of April 28/29, 2022, it is proposed not to grant the administrative facilities established according to art. 5.3 of the articles of incorporation (" in addition to the remuneration from art. 5.1, the Company grants to the ADMINISTRATOR, a bonus of 6 (six) gross monthly remunerations in accordance with the specified criteria approved by the GMS for the fulfillment by the ADMINISTRATOR of certain tasks and objectives. To the ADMINISTRATOR any other premium allowances and rewards as mentioned in the articles of incorporation ").

a). Executive directors

Regarding the executive directors, since the year 2021 was difficult from an economic point of view, considering art. 4.1.2. of the Mandate Agreement related to the executive directors to whom the powers of the directors were delegated according to art. 143 of Law no. 31/1990, contract approved by the General Meeting of Shareholders of October 18, 2007, and the Remuneration Policy approved by the Ordinary General Meeting of April 28, 2021 ("the trustee has the right to receive, after the approval of the annual financial statements, for fulfilling the obligations assumed by this contract and for fulfilling the objectives and performance criteria, an annual award of up to 12 net monthly remuneration") and the provisions of art 4.2.2. (" for any half-yearly and annual non-achievement of the indicators, respectively the turnover and gross profit provided in BVC, the trustee will be penalized with 0.5% for each percentage of non-achievement of the respective indicators. This penalty cannot exceed 20% of the gross monthly remuneration.salary, and the total annual penalty may not exceed 20% of the gross annual remuneration ")

- on the agenda of the Ordinary General Meeting of Shareholders of April 28/29, 2022, it is proposed not to grant the facilities to the executive directors, ie not to grant variable income;

- regarding the fixed income, respectively the monthly remuneration, this was not granted in full because the penalty of 20% of the gross monthly remuneration due to the directors for the first 6 months of 2021 was applied, based on the application of art 4.2.2. from the mandate contract of the directors, respectively of chapter VIII.2 Remuneration of the directors included in the "Remuneration policy of the directors, executive directors and members of the Audit Committee" approved by the Ordinary General Meeting of Shareholders of 28.04.2021.

The withholding of the amount representing the penalties for the first semester of 2021 was made in stages, in three equal tranches, from the remuneration for august, september and october 2021.

We specify that the financial statements for the first semester of 2021 were approved, approved by the Board of Directors and reported on BVB and obtaining the following indicators:

<b>Indicator</b>	<b>Provisions BVC 2021</b>	<b>Provisions for the first semester of 2021</b>	<b>Achievements for the first semester of 2021 (Lei)</b>	<b>Achievements for the first semester of 2021 (%)</b>
<b>Fiscal Value</b>	289.800.000	144.900.000	210.795.646	45,48
<b>Gross Profit</b>	4.000.000	2.000.000	-17.974.173	-998,71
- licensed	1.000.000	500.000	-21.464.347	-4392,87
- unlicensed	3.000.000	1.500.000	3.490.174	132,68

**III. Regarding the specification that the remuneration report does not contain information / details regarding the fund "personnel expenses" to which the gross / fixed / variable income obtained by the company's managers is reported or where it can be found in a practically, so as to ensure the possibility of an effective calculation "**

In the Remuneration Report we refer to the "*personnel expenses*", related to the period 2017-2021, the amounts related to the "*personnel expenses*" being found in the financial statements published on BVB, the company's website, at the "*Account of profit and loss*", being the object of the Ordinary General Meetings related to the years 2017-2021.

We specify that the "*personnel expenses*", in addition to the salary rights established according to the individual employment contract, also included the obligations of the employer established by negotiating the *Collective Labor Agreement* at unit level with the Employees' Union (expenses for purchasing glasses, expenses for the protection of the health and safety of employees by purchasing the materials necessary to avoid contamination with COVID-19, medical tests, etc.)

This Submission is part of the **REMUNERATION REPORT**

**Chairman of the Board of Directors / General Manager**

**Eugen Scheusan**