



- ☑ SOLUTII DE ILUMINAT CU LED
- ☑ STATII INCARCARE VEHICULE ELECTRICE
- ☑ ECHIPAMENTE ELECTRICE SI ELECTRONICE
- ☑ INJECTIE MASE PLASTICE
- ☑ PROIECTARE
- ☑ PRODUCTIE ENERGIE ELECTRICA DIN SURSE REGENERABILE SI FURNIZARE ENERGIE ELECTRICA
- ☑ SUBCONTRACTARE PRODUSE SI SUBANSAMBLE ELECTRONICE, MASE PLASTICE, METALICE



## ARTICLES OF ASSOCIATION OF "ELECTROMAGNETICA" S.A.

- updated on April 28, 2025 -

### CHAPTER I

#### NAME. LEGAL FORM. REGISTERED OFFICE. DURATION

##### Art. 1 - Name of the company

- 1.1. The name of the company is the commercial company "**ELECTROMAGNETICA**" SA.
- 1.2. in all documents, invoices, orders, offers, price lists, prospectuses, announcements, publications and other documents issued by the Company, the name of the company shall be preceded or followed by the words "joint stock company" or the initials "S.A.", the subscribed and paid-up share capital, the company's registered office, the registration number with the Trade Register and the unique registration code.
- 1.3. The company's emblem will be the one of the trademark registered with the State Office for Inventions and Trademarks by certificate no. 32832/28.07.1997, having the following description: The emblem is represented by the name of the company, written in large letters, white embroidered with blue, the letter "O" is represented by a white circle embroidered with blue, inside which there is the globe with meridians and parallels and a part of the continents.

##### Art. 2 - The legal form of the company.

- 2.1. The commercial company "**ELECTROMAGNETICA SA**", hereinafter referred to as the commercial company, is a Romanian legal entity, having the legal form of a joint stock company and is an public commercial company.
- 2.2. It carries out its activity in accordance with the Romanian laws and with this Articles of Association.

##### Art. 3 - Registered office of the company

- 3.1. The company's registered office is in Romania, Bucharest, Calea Rahovei nr. 266-268, sector 5. The company's registered office can be changed to another locality in Romania, based on the decision of the general meeting of shareholders, according to the law.
- 3.2. The company may establish or abolish branches, representations, agencies, work points and other secondary offices without legal personality on the territory of Romania or abroad, based on the decision of the Board of Directors, in compliance with the regulations and legal provisions.

##### Art. 4 - Duration of the company

- 4.1. The duration of the company is unlimited, starting from the date of its registration in the Trade Register.

### CHAPTER II

#### PURPOSE AND OBJECT OF ACTIVITY OF THE COMPANY

- Art. 5** - The purpose of the commercial company is to carry out its activities efficiently that are the object of its activity.

**Art. 6 Field and object of activity of the company.**

6.1. **The main field of activity is** NACE code 682 - rental and subletting of own or leased real estate and **the main activity is NACE code 6820** - rental and subletting of own or leased real estate, according to the Classification of Activities in the National Economy, approved by the Order of the President of the National Institute of Statistics no. 377/17.04.2024 (NACE Rev.3).

6.2. Object of activity of the company (NACE Rev.3).

NACE code 1624 - Manufacture of wooden packaging;

NACE code 1628 - Manufacture of other wood products; manufacture of articles of cork, straw and other woven vegetable materials;

NACE code 2226 - Manufacture of other plastic products;

NACE code 2453 - Casting of light non-ferrous metals;

NACE code 2511 - Manufacture of metallic constructions and component parts of metallic structures;

NACE code 2512 - Manufacture of metal doors and windows;

NACE code 2522 - Production of metal tanks, tanks and containers;

NACE code 2552 - Heat treatments of metals;

NACE code 2553 - General mechanical operations;

NACE code 2563 - Manufacture of tools;

NACE Code 2594 - Manufacture of screws, bolts and other threaded articles; manufacture of rivets and washers;

NACE code 2599 - Manufacture of other articles of metal n.e.c.

NACE code 2630 - Manufacture of communication equipment;

NACE code 2651 - Manufacture of instruments and devices for measurement, verification, control, navigation;

NACE code 2670 - Manufacture of optical instruments, magnetic and optical supports; manufacture of photographic equipment;

NACE code 2711 - Manufacture of electric motors, generators and transformers;

NACE code 2712 - Manufacture of electricity distribution and control devices;

NACE code 2740 - Manufacture of electrical lighting equipment;

NACE code 2790 - Manufacture of other electrical equipment;

NACE code 2824 - Manufacture of machines - electrically operated portable tools;

NACE code 2825 - Manufacture of ventilation and refrigeration equipment, except for household equipment;

NACE code 2841 - Manufacture of machinery and machine-tools for metalworking;

NACE code 2842 - Manufacture of other machine tools n.e.c.;

NACE code 2896 - Manufacture of machinery for processing plastics and rubber;

NACE code 2931 - Manufacture of electrical and electronic equipment for motor vehicles and for motor vehicle engines;

NACE code 2932 - Manufacture of other parts and accessories for motor vehicles and for motor vehicle engines;

NACE code 3250 - Manufacture of dental medical devices, appliances and instruments;

NACE code 3313 - Repair and maintenance of electronic and optical equipment;

NACE code 3320 - Installation of industrial machinery and equipment;

NACE code 3514 - Electricity distribution;

NACE code 3515 - Electricity trading;

NACE code 3540 - Activities of agents and brokers in the field of electricity and natural gas;

NACE code 3600 - Water Collection, Treatment and Distribution;

NACE code 3700 - Wastewater collection and treatment;

NACE code 3821 - Recovery of recyclable materials;

NACE code 4222 - Construction works of utility projects for electricity and telecommunications;

NACE code 4299 - Construction works of other engineering projects n.e.c.;

NACE code 4311 - Demolition works of constructions;

NACE code 4321 - Electrical installation works;

NACE code 4322 - Plumbing, heating and air conditioning works;

NACE code 4323 - Insulation works;

NACE code 4324 - Other works of installations for constructions;

NACE code 4331 - Plastering works;

NACE code 4332 - Carpentry and carpentry works;  
NACE code 4333 - Flooring and wall cladding works;  
NACE code 4334 - Painting, painting and window installation works;  
NACE code 4335 - Other finishing works;  
NACE code 4341 - Roofing, roofing and terrace works for constructions;  
NACE code 4342 - Other special construction works for buildings;  
NACE code 4350 - Special construction works for civil engineering projects;  
NACE code 4391 - Masonry activities;  
NACE code 4399 - Other special construction works n.e.c.;  
NACE code 4618 - Intermediation in the trade specialized in the sale of specific products n.e.c.;  
NACE code 4619 - Intermediation in the trade of various products;  
NACE code 4649 - Wholesale of other household goods;  
NACE code 4671 - Wholesale of motor vehicles;  
NACE code 4672 - Wholesale of parts and accessories for motor vehicles;  
NACE code 4683 - Wholesale of wood and materials construction and sanitary equipment;  
NACE code 4684 - Wholesale of blacksmithing equipment and supplies for sanitary and heating installations;  
NACE code 4685 - Wholesale of chemical products;  
NACE code 4686 - Wholesale of other intermediate products;  
NACE code 4687 - Wholesale of waste and scrap;  
NACE code 4690 - Non-specialized wholesale;  
NACE code 4712 - Non-specialized retail trade, with predominant sale of non-food products;  
NACE code 4740 - Retail trade of computer and telecommunications equipment;  
NACE code 4752 - Retail trade of blacksmiths, building materials, glass and painting articles;.   
NACE code 4755 - Retail trade of furniture, lighting and other household articles n.e.c.;  
NACE code 4782 - Retail trade of parts and accessories for motor vehicles;  
NACE code 5819 - Other editing activities;  
NACE code 5829 - Editing activities of other software products;  
NACE code 6039 - Distribution activities of other contents;  
NACE code 6110 - Telecommunications activities through cable, wireless and satellite networks;  
NACE code 6190 - Other telecommunications activities;  
NACE code 6210 - Custom software development activities (customer-oriented software);  
NACE code 6220 - Information technology and management consultancy activities (management and exploitation of computing resources);  
NACE code 6310 - Data processing, administration of web pages and related activities;  
NACE code 6422 - Activities of the financing channels;  
NACE code 6499 - Other financial intermediation n.e.c., excluding insurance and pension fund activities;  
NACE code 6612 - Financial transaction intermediation activities;  
NACE code 6811 - Purchase and sale of own real estate;  
NACE code 6812 - Real estate development (promotion);  
NACE code 7020 - Business and Management Consultancy Activity;  
NACE code 7112 - Engineering activities and technical consultancy related to them;  
NACE code 7120 - Technical testing and analysis activities;  
NACE code 7210 - Research - development in natural sciences and engineering;  
NACE code 7320 - Market study and public opinion polling activities;  
NACE code 7711 - Rental and leasing activities with cars and light road vehicles;  
NACE code 7739 - Rental and leasing activities with other machinery, equipment and tangible goods n.e.c.;  
NACE code 8220 - Activities of telephone intermediation centers (call centers);  
NACE code 8240 - Intermediation activities for services - support for enterprises n.e.c.;  
NACE code 8425 - Fire fighting and fire prevention activities;  
NACE code 9311 - Activities of sports facilities.

## **CHAPTER III**

### **SHARE CAPITAL. SHARES**

#### **Art. 7 - Share capital**

7.1. The share capital of S.C. Electromagnetica S.A. is RON 67,603,870.4, fully subscribed and paid-up, of which RON 66,282,631.26 in cash and RON 1,321,239.14 contribution in kind, divided into 676,038,704 registered shares in the amount of RON 0.10 per share.

#### **Art. 8 Shares**

8.1. The company's shares are registered and dematerialized, comprising all the elements provided by law.

8.2. The record of the shares and shareholders is kept according to the legal provisions by Depozitarul Central S.A. (Central Depository).

#### **Art. 9 - Rights and obligations arising from shares.**

9.1. Each share subscribed and paid by the shareholders, according to the law, gives them:

9.1.1. the right to a vote in the general meeting of shareholders;

9.1.2. the right to elect and to be elected to the governing bodies;

9.1.3. the right to participate in the distribution of profits, according to the decision of the General Shareholders' Meeting.

9.2. Holding a share constitutes acceptance of these Articles of Association.

9.3. The rights and obligations related to the shares follow the shares in case they pass into the property of other persons.

9.4. The obligations of the company are guaranteed by the Company's assets, and the shareholders are liable within the limit of the value of the shares they hold.

9.5. The assets of the company may not be encumbered by debts or other personal obligations of the shareholders. A creditor of a shareholder may make claims on the part of the profit of the company to be distributed to him by the general meeting of shareholders or on the share due to him in the liquidation of the company, carried out under the conditions of this Articles of Association.

9.6. Shareholders must exercise their rights in good faith, with respect for the rights and legitimate interests of the company and other shareholders.

#### **Art. 10 – Transfer of shares**

10.1. The shares are indivisible, the company recognizes only one owner for each share.

10.2. The partial or total assignment of shares between shareholders or third parties is made under the conditions and with the procedure provided by law.

10.3. The shares are negotiable and freely transferable. The trading of the shares is done on a regulated market in Romania, namely the Bucharest Stock Exchange.

#### **Art. 11 - Loss of shareholder certificates**

11.1. In case of loss of the deed attesting the ownership of some shares, in order to obtain the duplicate, the shareholder must follow the procedure provided by law.

**CHAPTER IV**  
**GENERAL MEETING OF SHAREHOLDERS**

**Art. 12 - Attribution**

12.1. The general meeting of shareholders is the management body of the company in its entirety, which decides on its activity and on its economic and commercial policy.

12.2. The general meetings of shareholders are ordinary and extraordinary and will be held at the company's registered office and in the premises indicated in the notice of meeting.

12.3. The ordinary general meeting meets within the term set by the capital market and has the following obligations:

12.3.1. to discuss, approve or amend the annual financial statements, based on the reports submitted by the Board of Directors and the Financial Auditor and to fix the dividend;

12.3.2. to elect and dismiss the members of the board of directors, to fix the remuneration due for the current exercise of the directors, as well as of other rights

12.3.3. to appoint or dismiss the financial auditor and set the minimum duration of the financial audit contract;

12.3.4. to pronounce on the management of the board of directors;

12.3.5. to establish the revenue budget for the next financial year;

12.3.6. to establish the profit and loss participation of the company's administrators and staff;

12.3.7. to decide the action for liability against the financial administrators and auditors, with the majority provided by law, also designating the person in charge of exercising it;

12.3.8. to debate any other issue included in the agenda, within the competence of the General Meeting of Shareholders;

12.4. The Extraordinary General Meeting of Shareholders meets whenever it is necessary to take a decision for:

12.4.1. changing the legal form of the company;

12.4.2. relocation of the company's registered office;

12.4.3. changing the company's object of activity;

12.4.4. extension of the duration of the company;

12.4.5. increase of the share capital;

12.4.6. reduction of the share capital or its replenishment through the issuance of new shares;

12.4.7. merger with other companies or division of the company, including cross-border merger and cross-border division;

12.4.8. early dissolution of the company;

12.4.9. conversion of shares from one category to another;

12.4.10. conversion of a class of bonds into another class or shares;

12.4.11. bond issuance;

12.4.12. any other amendment to the articles of association or any other decision for which the approval of the extraordinary general meeting is required.

### **Art. 13 - Convening of the General Meeting of Shareholders**

13.1. The General Meeting of Shareholders shall be convened by the Board of Directors, whenever necessary, the Chairman of the Board of Directors being mandated to carry out the formalities regarding the notice of meeting.

13.2. Ordinary general meetings shall be held at least once a year, within the time limit laid down by the capital law.

13.3. The general meetings shall be convened by the board of directors at the request of the shareholders representing individually or jointly, at least 5% of the share capital, as well as in other situations provided by law, within no more than 30 days and shall meet within no more than 60 days from the date of receipt of the request.

13.4. The general meeting will be convened by the administrators as many times as necessary, in accordance with the provisions of the articles of incorporation, at least 30 days before the established date.

13.5. The notice of meeting will be made in compliance with the procedure provided by the law, respectively the term of the meeting cannot be less than 30 days from the publication of the notice of meeting in the Official Gazette of Romania, part IV a. The notice shall also be published in one of the newspapers of wide circulation in the locality where the company's registered office is located or in the nearest locality, as well as on the company's website and the capital market.

13.6. The notice of meeting shall include the place and date of the meeting, as well as the agenda, with explicit mention of all the issues that will be the subject of the debates of the meeting. If the appointment of the directors appears on the agenda, the notice shall mention that the list containing information on the name, place of residence and professional qualification of the persons proposed for the position of director shall be available to the shareholders, and may be consulted and completed by them.

13.7. When proposals for amending the articles of association appear on the agenda, the notice of meeting will have to include the full text of the proposal, in compliance with the legislation on the capital market.

13.8. One or more shareholders representing, individually or jointly, at least 5% of the share capital, have the right to request the introduction of new items on the agenda. Applications shall be submitted to the Board of Directors, within 15 days from the publication of the notice, in order to publish and inform the shareholders.

13.9. The agenda, supplemented with the items proposed by the shareholders, after the notice of meeting, must be published in compliance with the requirements provided by law for convening the general meeting, at least 10 days before the general meeting, on the date mentioned in the initial convening notice.

13.10 The annual financial statements, the annual report of the board of directors, as well as the proposal regarding the distribution of dividends shall be made available to the shareholders of the company, from the date of the convening of the general meeting. Upon request, shareholders will be issued copies of these documents.

13.11. If the company has its own website, the notice of meeting and any other item added to the agenda at the request of the shareholders shall also be published on the website, for the free access of the shareholders.

13.12. Each shareholder may ask the board of directors written questions regarding the company's activity before the date of the general meeting, and will be answered at the meeting or by publishing it on the company's website, in the "frequently asked questions" section.

13.13. In the notice for the first General Meeting of Shareholders, the day and time for the second assembly will be fixed, when the first could not be held.

13.14. The Board of Directors will set a reference date for the shareholders entitled to vote at the general meeting, a date that will remain valid even if the general meeting is convened again due to the lack of a quorum, in compliance with the capital market legislation.

13.15 The conditions for the validity of the deliberations and decisions taken are those provided by law.

#### **Art. 14 - Organization of the general meeting of shareholders**

14.1. The representation of shareholders in the general meeting of shareholders may also be made by persons other than shareholders, based on a special or general power of attorney, in accordance with the legal regulations. Special powers of attorney will be available at the company's registered office and on the company's website.

14.2. Shareholders who do not have the capacity to exercise, as well as legal persons may be represented by their legal representatives who, in turn, may give other persons power of attorney for the respective general meeting.

14.3. The proxies shall be submitted in original 48 hours before the meeting, under penalty of losing the exercise of the right to vote in that meeting. The powers of attorney will be retained by the company, mentioning it in the minutes.

14.4. The ordinary and extraordinary general assemblies, respectively, are legally constituted and may take decisions under the conditions in which the specific legal provisions in force and other provisions of the articles of incorporation are observed.

14.5. The General Meeting of Shareholders is chaired by the Chairman of the Board of Directors, and, in his absence, by the person who takes his place, based on the power of attorney given by the Chairman.

14.6. The general meeting will choose from among the shareholders present, one to 3 secretaries, who will check the list

of the shareholders, indicating the share capital that each one presents, the minutes drawn up by the technical secretary for ascertaining the number of shares present and the fulfillment of all the formalities required by law and by the articles of incorporation for holding the general meeting.

14.7. The minutes of the meeting shall be written in a register of general meetings. The minutes will be signed by the person who presided over the meeting and by the secretary who prepared it. The minutes shall be attached to the documents relating to the notice of meeting and the attendance lists of the shareholders.

#### **Art. 15 - Exercise of the right to vote in the general meeting of shareholders.**

15.1. The decisions of the general assemblies are taken by open vote.

15.2. Only shareholders registered in the register of shareholders of the company on the reference date set by the board of directors at the time of convening the general meeting of shareholders will be entitled to participate in the meeting and to vote after proving their identity.

15.3. The secret ballot is mandatory for the appointment or dismissal of the members of the board of directors, for the appointment or dismissal of the financial auditor and for taking decisions on the the responsibility of the company's administrative, management and control bodies. The resolutions of the general meeting, within the limits of the law and of this Articles of Association, are binding even for the shareholders who did not take part in the general meeting or who voted against.

15.4. In order to be enforceable against third parties, the decisions of the general meeting of shareholders will be submitted within 15 days to the Trade Register Office to be mentioned in the register and published in the Official Gazette of Romania (part IV).

15.5. The members of the board of directors may not appeal the decision of the general meeting regarding the revocation of from their position.

15.6. Shareholders who have not voted in favor of a resolution of the general meeting have the right to withdraw from the company and request the purchase of their shares by the company, only if the resolution of the general meeting has as its object:

- a) change of the main object of activity;
- b) cross-border conversion of the Company;
- c) changing the form of the Company;
- d) merger or division of the Company, including cross-border;

The right of withdrawal can be exercised:

- a) within 30 days from the date of publication of the decision of the general meeting in the Official Gazette of Romania, Part IV, in the cases provided for in letters a) - c);
- b) from the date of adoption of the decision of the general meeting, in the case provided for in letter d).

The shareholders shall submit at the company's registered office, together with the written declaration of withdrawal, the shares they own, or, as the case may be, the shareholder certificate.

The price paid by the company to the shareholder who exercises his right of withdrawal will be established by an independent appraiser registered with A.S.F. in accordance with the valuation standards in force, according to the law. The expert is appointed by the delegated judge, at the request of the board of directors.

15.7. The company must establish for each decision at least the number of shares for which valid votes have been cast, the proportion of the share capital represented by those votes cast

"for" and "against">> each decision and, if applicable, the number of abstentions. Position of

"abstention">> adopted by a shareholder on the items on the agenda of a general meeting of the company's shareholders shall constitute a vote cast. The convening notice of the general meeting of shareholders shall include mentions regarding the qualification of the abstention position as a vote cast.

**CHAPTER V**  
**BOARD OF DIRECTORS**

**Art. 16 - Organization**

161. The company is managed in a unitary system, by a Board of Directors composed of 5 directors, elected by the general meeting of shareholders, for a period of 4 years, with the possibility of be re-elected. The majority of the members of the Board of Directors are non-executive directors (who have not been appointed as directors).

162 The directors are appointed by the ordinary general meeting of shareholders, and may be re-elected. During the fulfillment of the mandates, the individual employment contracts of the administrators who have been appointed from among the company's employees will be suspended.

163 The members of the board of directors will conclude a professional liability insurance.

164 Candidates for the positions of directors are nominated by the current members of the board of directors or by the shareholders.

165 When a vacant seat is created on the Board of Directors, it shall be done in accordance with the legal provisions in force, the duration for which the new administrator is elected to fill the vacant seat shall be equal to the period remaining until the expiry of the mandate of his predecessor.

166 Persons who, according to the law, cannot perform this function, are incompatible with the quality of member of the Board of Directors.

167 The Board of Directors shall be headed by a President, elected by the members of the Board of Directors, who may also be Chief Executive Officer. The President shall be appointed for a term that may not exceed the term of office of his or her administrator. The President may be revoked at any time by the Board of Directors.

168 At the first meeting, the board of directors elects a president from among its members.

169 If the Chairman is temporarily unable to exercise his duties, during the respective state of impossibility, the Board of Directors shall appoint another Chairman to perform the function of Chairman.

16.10 The Board of Directors shall meet at the registered office of the company or in another place established by notice of meeting, the meeting being convened and conducted in compliance with the applicable legal provisions, as well as in accordance with the Internal Regulations of the Board of Directors. Participation in the meetings of the Board of Directors can also take place through remote means of communication: teleconference, videoconference, internet conference or intranet, etc.

The members of the Board of Directors may be represented at the meetings of the Board by other members on the basis of a power of attorney. A member of the Board of Directors may represent only one other member at a meeting. The power of attorney will be sent to the Secretariat before the start of the meeting. In emergency conditions or in the impossibility of the administrators' participation in the meeting, the Chairman of the Board may decide to hold the meeting and to transmit the vote by electronic means, according to the procedure established by the Internal Regulations of the Board of Directors.

The Board of Directors meets whenever necessary:

a) when summoned by the President,

b) at the reasoned request of at least 2 of the members of the board of

directors; The meeting of the Board of Directors is chaired by the President.

The President shall appoint by decision a secretary either from among the members of the Board of Directors or from outside it.

16.11. If the notice of meeting was made by the Chairman of the Board of Directors, he establishes the agenda, informs the members of the Board of Directors about the items on the agenda and chairs the meeting. If the notice of meeting was made according to art. 16.10. letter b), the agenda is established by the members of the Board of Directors who requested the meeting.

16.12 The decisions of the Board of Directors are valid if more than half of the the number of its members, and the decisions are taken with the vote of the majority of the members present who participate personally, by representation or by exercising the vote by correspondence. The Chairman of the Board of Directors will not have the decisive vote in case of parity of votes.

16.13 In exceptional cases, justified by the urgency of the situation and by the interest of the Company, the decisions of the Board of Directors may be taken by the unanimous vote expressed in writing of the members, without the need for a meeting of the Board of Directors.

16.14 The debates of the Board of Directors take place, according to the agenda established on the basis of the draft communicated by the President. These shall be recorded in the minutes of the meeting by the secretary of the Board of Directors. The minutes shall be signed by the administrators present at the meeting.

16.15 Directors and internal auditors may be summoned to any meeting of the board of directors, meetings in which they must attend. They do not have the right to vote, except for the directors who are also administrators.

16.16 The Board of Directors is responsible for carrying out all the necessary and useful acts for the achievement of the company's object of activity, except for those legally reserved for the general meeting of

shareholders.

1617. The Board of Directors delegates the management of the company to a number of directors established by the decision of the Board of Directors.

1618. The Board of Directors may revoke the directors at any time.

1619. The Board of Directors registers in the Trade Register the names of the persons empowered to represent the company, mentioning whether they act together or separately. They submit signature specimens to the Trade Register.

1620. The Board of Directors may delegate to one or more of its members some powers on limited issues and may have recourse to experts to study certain issues.

1621. The general manager represents the company in relation to third parties. The CEO may delegate the power of representation only to the staff with a management position, respectively directors.

1622. The Chairman of the Board of Directors shall make available to the shareholders and the financial auditor, at their request, extracts from the registers.

1623. Each member of the board of directors and directors must be insured from the point of view of professional liability, the insurance costs being borne by the company. The level and the amounts insured will be established by the annual budget.

1624. For the activity performed, the directors receive a fixed monthly remuneration approved by the General Shareholders' Meeting, as well as other rights established by the general meeting of shareholders. In case of unjust dismissal from the position of administrator, the revoked administrator is entitled to the payment of damages equal to two fixed monthly remunerations.

1625. The directors are jointly and severally liable to the company for:

16.25.1. the reality of the payments made by the associates;

16.25.2. the actual existence of the dividends paid;

16.25.3. the existence of the registers required by law and their correct keeping;

16.25.4. the exact fulfillment of the decisions of the general assemblies;

16.25.5. strict fulfillment of the duties that the law, the articles of incorporation impose.

#### **Article 17 – Duties of the Board of Directors**

17.1. The Board of Directors has the following main obligations:

17.1.1. appoints and dismisses the directors to whom the company's management duties have been delegated at the proposal of the general manager, establishing their rights, obligations and remuneration;

17.1.2. approves the organisational structure of the company.

17.1.3. approves the contracting of medium and long-term bank loans and other guarantees for them, pledges and mortgages for bank letters of guarantee, other similar operations within the limit established by the capital market legislation

17.1.4. is responsible for the execution of the revenue and expenditure budget by proposing its updating to the General Meeting of Shareholders

17.1.5. approves the incurrence of irrecoverable debts, justified increases, unforeseeable circumstances, force majeure, etc.;

17.1.6. approves sponsorship contracts;

17.1.7. approves restructuring, reorganization, modernization, development programs, etc.;

17.1.8. approves the scrapping of fixed assets of finished products, raw materials and materials available for justified reasons, as well as other goods, except those within the competence of the General Meeting of Shareholders;

17.1.9. approves the depreciation method;

17.1.10 approves the acts of acquisition, alienation, exchange or collateral of assets in the category of fixed assets of the company, including securities or other financial instruments, whose value exceeds, individually or cumulatively, when they are linked to each other, during a financial year, the amount of RON 2 million, but not more than 20% of the total fixed assets, except for receivables.

17.1.11 approves the negotiating mandate of the collective labour agreement;

17.1.12 analyzes and approves the lease contracts except those under the competence of the General Shareholders' Meeting;

17.1.13 periodically analyzes the state of implementation of the quality, environment, health and safety system and their effectiveness, approves, through its president, the plans for their improvement

17.1.14. submit annually to the general meeting of shareholders, within 4 months from the end of the financial year

financial statements, report on the company's activity, financial statements for the previous year, distribution of the net profit, as well as the draft activity program and the draft income and expenditure budget of the company for the current year

17.1.15 approves the guarantees and the manner of incorporation for the persons who have the quality of managers;

17.1.16 convenes the general meeting of shareholders whenever necessary;

17.1.17 solves any other problems established by the General Meeting of Shareholders provided by the legislation in force.

17.1.18 decides, within the limits established by the general meeting, whether the general manager, the directors and employees of the company can benefit from incentives.

17.1.19 approves the change of the company's object of activity, except for the main field and activity.

17.1.20 the establishment/dissolution of branches and other secondary offices, without legal personality, or the change of their registered office;

17.1.21 decides the establishment/dissolution of other companies or legal entities, including participation in the share capital of other companies, under the conditions provided by the legal regulations.

17.2. The attributions of the Board of Directors that cannot be delegated to the directors are:

- a) establishing the main directions of activity and development of the company;
- b) establishing the accounting and financial control system and approving the financial planning;
- c) appointment and dismissal of directors and determination of their remuneration;
- d) supervising the activity of the directors;
- e) preparing the annual report, organizing the general meeting of shareholders and implementing its decisions;
- f) The submission of the application for the opening of the company's insolvency procedure, according to Law no. 85/2006 on the insolvency procedure;
- g) any other duties received from the general meeting of shareholders,

17.3. The members of the board of directors are obliged to participate in the general meetings of shareholders

17.4. The Board of Directors must submit to the internal auditors and financial auditors, at least 30 days before the day set for the general meeting, the annual financial statement for the previous financial year, accompanied by their report and supporting documents.

## **CHAPTER VI** **DIRECTORS**

18.1 The management of the unit is ensured by the directors, their number being established by the board of directors

18.2. The Board of Directors delegates the management of the company to one or more directors, based on mandate contracts, fixing their tasks and remunerations, appointing one of them as general manager. If the directors are appointed from among the company's employees, their individual employment contracts with the company are suspended for the duration of the mandate.

18.3. The Board of Directors may at any time revoke the persons appointed to the position of director. If the revocation occurs without just cause, the revoked director is entitled to the payment of damages equal to the amount of no more than two monthly remunerations.

18.4. The directors are liable to the company for the acts performed by the directors or by the staff employed, when the damage would not have occurred, if they had exercised the supervision imposed by the duties of their position;

18.5. Directors will have to notify the Board of Directors of all deviations found in the execution of their supervisory obligation;

18.6. The directors are responsible to the company and to third parties for the fulfillment of their duties, in accordance with the legal provisions;

18.7. Directors may delegate their mandate only with the approval of the Director-General;

18.8. The directors are responsible for taking all measures related to the management of the company, within the limits of the company's object of activity and for respecting the exclusive powers reserved by law or to the board of directors and the general meeting of shareholders.

18.9. The directors are responsible for taking all measures related to the management of the company, within the limits of the company's object of activity and for respecting the exclusive powers reserved by law or by the

articles of incorporation to the board of directors and the general meeting of shareholders.

18.10. The activity of the directors shall be determined by the Board of Directors on the basis of a decision.

18.11. The directors shall inform the Board of Directors on a regular and comprehensive basis of the operations undertaken and those envisaged, as well as of all irregularities found in the course of the performance of their obligations.

18.12. The remuneration of the members of the board of directors is established by decision of the general meeting of shareholders. The remuneration of the directors is set by the board of directors.

18.13. The Board of Directors may delegate to the directors the powers provided for in art. 17.1.4.

18.14. The company's staff is hired or dismissed by the general manager or his representative.

## **CHAPTER VII**

### **THE COMPANY'S ACTIVITY**

#### **Art. 19 - Economic and financial year**

19.1. The financial year begins on January 1 and ends on December 31 of each year. The first financial year begins on the date of incorporation of the company.

#### **Art. 20 - Accounting records and balance sheet**

20.1. The company will keep the accounting records in Romanian and in the national currency, according to the legislation in the field, will prepare the financial statements, taking into account the legislation in force.

20.2. The financial statements prepared according to the law shall be approved by the general meeting of shareholders and shall be published in the Official Gazette of Romania, in accordance with the law.

20.3. The distribution of the profit is approved by the general meeting of shareholders.

#### **Art. 21 - Calculation and distribution of profit**

21.1. The directors will be remunerated for the activity carried out, the monthly remuneration and other rights due to the directors will be established by decisions of the Ordinary General Meeting of Shareholders of the company. The remuneration of the directors consists of a fixed monthly allowance and a variable component. The general limits of the variable remuneration are established by resolutions of the ordinary general meeting of shareholders of the company. Variable remuneration can be granted both in cash and/or through the allocation of financial instruments and/or derivatives (shares, options granted under Stock Option Plan, etc.). The variable remuneration may be granted to the members of the Board of Directors, directors and employees of the company, according to the general limits approved by the General Meeting of Shareholders, subject to the achievement of the net profit indicator and the approval of the annual financial statements by the General Meeting of Shareholders. The fund for granting the variable remuneration for the achievement of the net profit performance indicator will be determined and recorded in the form of a provision, so that the achievement of the net profit established by the Income and Expenditure Budget is not jeopardized. The payment of the variable remuneration will be made after the approval of the annual financial statements. Within the instruments granted under Stock Option Plan programs for administrators and directors, the allocation criteria are established in accordance with the specific legislation, as well as with the provisions of the Articles of Association and of the management and mandate contracts, and for employees, the Board of Directors establishes the eligibility criteria of the SOP beneficiaries, the number of instruments to be granted to each category of beneficiaries, in accordance with the provisions of the specific incident legislation, as well as the mechanisms for implementing the SOP.

21.2. At least 5% of the company's profit will be taken every year for the formation of the reserve fund, until it reaches at least one fifth of the share capital. If the reserve fund, after its establishment, has decreased for any reason, it will be replenished, in compliance with the previous paragraph.

Also, the reserve fund, even if it has reached the amount provided for in the first paragraph, includes the surplus obtained by selling the shares at a rate higher than their nominal value, if this surplus is not used to pay the issuance expenses or intended for depreciation. In all cases, the conditions of participation will be established by the General Meeting of Shareholders, for each financial year.

#### **Art. 22 - Company Registers**

22.1. The company keeps the registers provided by law.

#### **Art. 23 - Internal audit and financial audit**

23.1. The company is audited by a financial auditor, the natural or legal person, under the conditions provided by the law.

23.2. The company will organize the internal audit according to the norms developed by the Chamber of Financial Auditors of Romania, the Board of Directors establishing the organization and functioning of the internal audit activity.

23.3. The financial auditors are elected by the ordinary general meeting of shareholders for a period of At least 1 year.

23.4. The financial auditor will bring to the attention of the members of the board of directors irregularities in the administration and violations of the legal provisions and provisions of the articles of association that he finds.

23.5. The financial auditor's report shall be submitted to the company's registered office within 15 days prior to the general meeting, in order to be consulted by the shareholders.

## **CHAPTER VIII** **ASSOCIATION**

Art. 24 - Companies from the same sector of activity or from other sectors, from the country or abroad, may be associated with the commercial company, based on association contracts, concluded under the conditions provided by the law and by this Articles of Association.

Art. 25 - The association contracts shall be approved by the board of directors of the company, subject to confirmation by the extraordinary general meeting of shareholders.

Art. 26 - The conditions of partnership during the period of association, as well as those of withdrawal shall be expressly stipulated in the contracts, under the conditions of the law.

## **CHAPTER IX** **MODIFICATION OF THE LEGAL FORM. DISSOLUTION. LIQUIDATION.** **LITIGATION**

### **Art. 27 - Modification of the legal form**

27.1. The company may be transformed into another form of company by the decision of the general meeting of shareholders.

27.2. The Company will comply with the legal formalities of registration and publicity required by the legislation in force.

### **Art. 28 - Dissolution of the company**

28.1. The following situations lead to the dissolution of the company:

28.1.1. impossibility of achieving the company's object of activity;

28.1.2. the decision of the general meeting;

28.1.3. bankruptcy;

28.1.4. loss of half of the share capital, after the reserve fund has been consumed, if the General Shareholders' Meeting does not decide to supplement the capital or reduce it to the remaining amount;

28.1.5. The number of shareholders is reduced below 2 for a period exceeding 9 months

28.1.6. in any other situations, based on the decision of the General Meeting of Shareholders, taken unanimously.

28.2. The dissolution of the company must be registered in the Trade Register and published in the Official Gazette.

### **Art. 29 - Liquidation of the commercial company**

29.1. In case of dissolution, the company will be liquidated.

29.2. The liquidation of the commercial company and the distribution of the patrimony is made under the conditions and in compliance with the procedure provided by the law.

### **Art. 30 - Disputes**

30.1. The disputes of the commercial company with Romanian or foreign natural or legal persons are within the competence of the common law courts of Romania.

**Empowered**  
**Daniela Cucu**