

CURRENT REPORT
(according to the Regulation of CNVM no.1/2006)

Report date:	March 20, 2017
Name of the issuing unit:	ALBALACT S.A.
Registered office:	Oiejdea, DN 1, Km 392+600, Galda de Jos village, Alba county
Telephone/Fax number:	Tel./fax. 0258/816738; 846980
Name and date for registration within The Trade Registry Office:	J 01/70/1991
Fiscal Code :	RO 1755369
Subscribed and paid capital:	65.270.886,70 lei
Regulated market on which are traded the issued securities :	BVB Standard Category
Symbol:	ALBZ

IMPORTANT EVENTS TO BE REPORTED:

- A) The Meeting of the Board of Directors regarding the convening of the Ordinary and Extraordinary General Assembly of Shareholders.
- B) The convening of **ORDINARY GENERAL ASSEMBLY OF SHAREHOLDERS ("AGOA")** on **April 24, 2017, at 11:00 a.m.**, at the headquarters of the company in Oiejdea locality, Galda de Jos village, DN 1 KM 392+600, Alba county, Romania, for all shareholder's registered within the Central Depository at the end of April 14, 2017, set up as **reference date** for carrying the AGOA.

Agenda

1. Presentation, discussion and approval of the report of the Board of Directors for the year 2016.
 2. Presentation, discussion and approval of the financial statements and the annexes thereto drawn up for the corresponding financial year 2016 on the basis of reports presented by the managers of the company and the statutory auditors.
 3. Presentation, discussion and approval of the report of the statutory auditors for the financial year which relates to 2016.
 4. Discussing and approving that the net profit achieved in the financial year 2016 to remain undistributed and therefore not to distribute dividends for the financial year.
 5. Discussing and approving the budget of revenue and expenditure and the work program related to the financial year 2017.
 6. Discussion and approval of the proposal to extend the mandate of the auditor of ALBALACT SA to Audit Company PricewaterhouseCoopers LTD for auditing annual financial statements for the financial year 2017. Financial audit contract duration will be 1 year.
 7. Approval of the discharge of the Board of Directors of the company for work carried out in respect of the financial year 2016.
 8. Discussion and approval that the members Board of directors should not be paid for the year 2017.
 9. Empowerment for the President of the Board of Directors of the Company, to sign on behalf and on account of the shareholders, the AGOA decisions and to fulfill any and all formalities required by law for the registration, enforcement and ensuring the effective opposability against third parties on the decisions taken by AGOA. To the President of the Board of Directors is conferred the right to delegate his mandate to other persons regarding the formalities mentioned above.
- C) The convening of **EXTRAORDINARY GENERAL ASSEMBLY OF SHAREHOLDERS ("AGEA")** on **April 24, 2017, at 11:30 a.m.**, at the headquarters of the company in Oiejdea locality, Galda de Jos village, DN 1 KM 392+600, Alba county, Romania, for all shareholder's registered within the Central Depository at the end of April 14, 2017, set up as **reference date** for carrying the AGEA.

Agenda

1. Discussion and approval the appointment, as a representative of ALBALACT SA, as the Sole Associate of the ALBALACT LOGISTIC SRL, of Mr. Giampaolo Manzonetto, italian citizen, born on 11.11.1971 in Castelfranco Veneto, Italia, domiciled in Bucuresti, Calea Mosilor street, no 199, sector 2, identified by Paspport, YA no 3868866, issued by Italian authorities in Bucharest on 04.01.2013 valid until 03.01.2023.
2. Discussion and approval of the modification of the all Articles of Association and its rewriting as follows:

UPDATED ARTICLES OF ASSOCIATION

Of the
„ALBALACT“SA

CHAPTER I

NAME, LEGAL FORM, HEADQUARTERS, DURATION

Art.1 – Name of the company, legal form of the company

The name of the company is „ALBALACT“ SA.

In all documents, invoices, advertisements, publications and other documents emerging from the company, the name of the company shall be followed by the following words „joint stock company“ or the initials „S.A.“, by the headquarters, share capital and number of registration.

The trading company "ALBALACT" SA is a Romanian legal person having the legal form of joint stock company. It operates in accordance with Romanian laws and in compliance with the present Articles of Incorporation.

Art.2 – Headquarters, identification data

The headquarters of the company is in Romania, localitatea Oiejdea, comuna Galda de Jos, DN 1 KM 392+600, cod poștal 517293, județul Alba. Proof of headquarters: Land Book Excerpt no. 1343, topographical number 1430/1/1/1 and 1430/1/1/2, Telephone/fax 0258/815418, 816738. Articles of Incorporation: Government Decision no.1353 of 27.12.1990. Trade Registry Number J-01/70/1991 attached on 06.03.1991. Fiscal registration code RO 1755369 attached on 30.11.1992, VAT registered on 01.01.1993.

Certificate of Incorporation B1152033 issued on 11.03.2008.

The company's headquarters may be changed to another location in Romania, by the Decision of the General Meeting of Shareholders, according to the law.

The company shall have subsidiaries, branches, offices, agencies located in other localities in the country and abroad.

Art.3 – Duration of the company

Duration of the company is unlimited starting with the registration date within the „Chamber of Commerce and Industry“.

CHAPTER II

PURPOSE AND OBJECT OF ACTIVITY OF THE COMPANY

Art.4 – The object of the company is the industrialization and marketing of milk and milk products.

Art.5 – The object of the company is to secure raw materials, industrialization, storage, preservation and marketing of milk, milk products and complementary, provision of services to third parties, import-export of operations in own activity.

Main activity according to the classification: 1051 – Operation of dairies and cheese making.

Description of activity: Growth of breeding stock (milk cow); capitalization of produced milk.

Secondary activities according to the classification:

4729 - Other retail sale of food in specialised stores.

6499 - Other financial service activities, except insurance and pension funding n.e.c.

9609 - Other personal service activities n.e.c.

4724 – Retail sale of bread, cakes, flour confectionery and sugar confectionery in specialised stores

4754 – Retail sale of electrical household appliances in specialised stores

4675 – Wholesale of chemical products

4775 – Retail sale of cosmetic and toilet articles in specialised stores

4532 – Retail trade of motor vehicle parts and accessories

4781 - Retail sale via stalls and markets of food, beverages and tobacco products.

4621 – Wholesale of grain, unmanufactured tobacco, seeds and animal feeds

5610 – Restaurants and mobile food service activities

4939 – Other passenger land transport n.e.c.

4941 – Freight transport by road

0141 – raising of dairy cattle

4633 – Wholesale of dairy products, eggs and edible oils and fats

4690 – Non-specialised wholesale trade

4520 – Maintenance and repair of motor vehicles
 0162 – support activities for animal production
 1052 – Manufacture of ice cream
 1091 – Manufacture of prepared feeds for farm animals
 1086 – Manufacture of homogenised food preparations and dietetic food
 1089 – Manufacture of other food products n.e.c..
 2211 – Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres
 3530 – Steam and air conditioning supply
 3600 – Water collection, treatment and supply
 4511 – Sale of cars and light motor vehicles (with a weight not exceeding 3,5 to)
 4611 – Agents involved in the sale of agricultural raw materials, live animals, textile raw materials and semi-finished goods
 4613 – Agents involved in the sale of timber and building materials
 4617 – Agents involved in the sale of food, beverages and tobacco
 4619 – Agents involved in the sale of a variety of goods
 4623 – Wholesale of live animals
 4636 – Wholesale of sugar and chocolate and sugar confectionery
 4644 – Wholesale of china and glassware and cleaning materials
 4646 – Wholesale of pharmaceutical goods
 4649 – Wholesale of other household goods
 4672 – Wholesale of metals and metal ores
 4673 – Wholesale of wood, construction materials and sanitary equipment
 4676 – Wholesale of other intermediate products
 4711 – Retail sale in non-specialised stores with food, beverages or tobacco predominating
 4799 – Other retail sale not in stores, stalls or markets
 5510 – Hotels and similar accommodation
 5210 – Warehousing and storage
 5221 – Service activities incidental to land transportation
 6810 – Buying and selling of own real estate
 6820 – Renting and operating of own or leased real estate
 7739 – Renting and leasing of other machinery, equipment and tangible goods n.e.c.
 7320 – Market research and public opinion polling
 7022 – Business and other management consultancy activities
 0111 – Growing of cereals (except rice), leguminous crops and oil seeds
 0161 – Support activities for crop production
 4671 – Wholesale of solid, liquid and gaseous fuels and related products
 4612 – Agents involved in the sale of fuels, ores, metals and industrial chemicals
 4730 – Retail sale of automotive fuel in specialised stores.
 4721 – Retail sale of fruit and vegetables in specialised stores
 4531 – Wholesale trade of motor vehicle parts and accessories
 0142 – Raising of other cattle and buffaloes
 0143 – Raising of horses and other equines
 4519 – Sale of other motor vehicles
 0129 – Growing of other perennial crops
 0150 – Mixed farming
 0164 – Seed processing for propagation.

CHAPTER III **SHARE CAPITAL, SHARES**

Art.6 – Share capital

Subscribed share capital : 65.270.886,70 lei, fully paid - up.

Contribution in kind : 129417,0712 lei.

Number of shares : 652.708.867 registered.

Value of share : 0,10 RON.

Participation in losses and benefits shall be pro-rata with shareholders' contributions to the share capital.

Art.7 – Shares

The shares issued by the company are nominative, in dematerialized form registered in the shareholders' registry kept by the company.

Art.8 – Reduction or increase of the share capital

The share capital may be reduced or increased based on the decision of the Extraordinary General Meeting of Shareholders under the conditions and procedure provided by law.

Art.9 – Rights and obligations arising from shares

Each share subscribed and paid up by the shareholders grants them the right to one vote at the General Meetings of Shareholders, the right to elect and to be elected in the governing bodies, the right to participate in the distribution of benefits according to the present Articles of Incorporation and legal provisions, namely other rights set out in the Articles of Incorporation.

Owning shares involves the legal adherence to the Articles of Incorporation.

The rights and obligations in relation with the shares in case of their transfer into the property of other persons.

The company's obligations are secured with its share capital and the shareholders respond in the amount of shares they hold.

Art.10 – Assignment of shares

The shares are indivisible with respect to the company, which only recognizes only one owner per share.

Partial or total transfer of shares between shareholders or third parties and shall be subject to the procedure prescribed by law.

CHAPTER IV **GENERAL ASSEMBLY OF SHAREHOLDERS**

Art.11 – Powers

Ordinary and Extraordinary General Assembly meets and has the powers provided by the Law 31/1990 amended and republished.

General meetings are ordinary and extraordinary.

The powers of the Ordinary and Extraordinary General Meetings of Shareholders differ according to the law.

1. The Ordinary General Meeting shall meet at least once a year, within at least 5 months from the end of the fiscal year.

Besides the debate of other issues on the agenda, the General Meeting is required:

- a) to discuss, approve or modify the annual financial statements, based on the reports submitted by the board of directors, the financial auditor, and to determine the dividends;
- b) to elect and dismiss the Board members and the auditor;
- c) to appoint and fix the minimum term of the financial audit contract and to revoke the financial auditor;
- d) to fix the remuneration due for the current year to the board members;
- e) to decide on the management of the Board of Directors;
- f) to determine the income and expenses budget and, where appropriate, the work program, for the following financial year;
- g) to decide the pledge, lease or close of one or more units of the company.

2. The Extraordinary General Assembly meets whenever shall be necessary to take a decision for:

- a) changing the legal form of the company;
- b) relocating the company's headquarters;
- c) changing the company's object of activity;
- d) establishing or closing some secondary units: branches, agencies, offices or other such units without legal personality,
- e) extending of the company's duration;
- f) share capital increase;
- g) reduction of share capital or its reunification by issuing new shares;
- h) merger with another companies or division of the company;
- i) anticipating the dissolution of the company;
- j) converting of registered shares into bearer shares or bearer shares into registered shares;
- k) converting the shares from one class to another;
- l) converting one category of bonds into another category or into shares;
- m) debenture;
- n) deciding on legal actions against board members, general director and financial auditor for the damage caused to the company;
- o) reviewing the board reports on the state and prospects of the company with regard to profit and dividends on domestic and international market position, technical level, quality, labor, environment, relationships with customers;
- p) any other amendment to the Articles of Incorporation or any other decision requiring the approval of the Extraordinary General Meeting.

Art.12 - The exercise of the powers referred to in art. 12 pt. 2 letter b), c) and f) shall be delegated to the Board of Directors.

Art.13 – Convocation of the General Assembly of Shareholders

General Assembly is convened by the Board of Directors, wherever it shall be necessary.

The General Assembly shall be convened by registered mail, by letter sent electronically, having incorporated or attached extended electronic signature, sent with at least 30 days before the date of the meeting, at the shareholder's address recorded in the shareholder register. It is not necessary to publish the convening in the "Official Gazette" or in newspapers. Shareholders representing the entire share capital may, if none of them opposes, hold a general meeting and make any decision within its competence, without the formalities required for its convening.

The convocation shall contain the place and date of the meeting and the agenda, expressly mentioning all matters that shall be subject to debate in the assembly.

General Meeting of Shareholders meets at Company's headquarters or in any other place in the country or abroad indicated in the convocation.

Shareholders may be represented in the General Meeting by another person under a special inauthentic power of attorney. The power of attorney shall be submitted to the secretariat of the General Assembly of Shareholders. Shareholders, legal persons shall be represented by their legal representatives or by any other person, including third parties based on a special inauthentic power of attorney. The powers of attorney shall be retained by the company and shall be attached to the minutes of the meeting.

General Assemblies can be hold by correspondence, or through circulation of a written decision among the shareholders.

Art.14 – Organization of the General Assembly of Shareholders

The Ordinary General Assembly is validly constituted and may take decisions if in the first call the attending shareholders or those that are represented hold at least 1/4 of the total voting rights related to all shares issued by the Company. If there is no quorum required for the first convocation, the Ordinary General Meeting of the company shall be validly constituted, at the second call, regardless of the quorum.

The Extraordinary General Meeting is validly constituted and may take decisions if in the first call the attending shareholders or those that are represented hold at least 1/4 of the total voting rights related to all shares issued by the Company. If there is no quorum required for the first convocation the Extraordinary General Meeting of the company shall be validly constituted, being able to make decisions at the second call, if is met a quorum of least 1/5 of all voting rights related to all shares issued by the company.

The decisions within the General Meetings of Shareholders shall be taken by majority of votes held by attending shareholders or by those represented within that Assembly.

The decision to change the main object of activity of the company, to reduce or increase the share capital, change the legal form, merger, division or dissolution of the company shall be taken by a majority of at least 2/3 of the voting rights held by the shareholders that are present or represented at the meeting.

The General Meeting of Shareholders is chaired by the Chairman of the Board, and in his absence by the one who keeps the place.

Chairman of the Board appoints from the members of the General Assembly, one secretary to check the attendance list of shareholders and to draw up the minutes of the meeting.

. The Minutes shall be signed by the person that chaired the meeting and by the secretary that prepared it.

Art.15 – Exercising the voting right in the General Assembly of Shareholders

Assemblies' decisions are taken by open vote.

The secret vote is compulsory for electing the board members and the financial auditor for revocation and for taking decisions regarding the liability of administrators.

General Assembly decisions are mandatory for all shareholders, including those who were absent or voted against..

CHAPTER V **BOARD OF DIRECTORS**

Art.16 – Organization

The Joint Stock Company is managed by one or more temporary and revocable administrators. When there are more administrators they constitute a Board of Directors.

The mandate of the Board members is of 4 (four) years, renewable.

Candidates for the positions of administrators can be nominated by the current members of the Board of Directors or by the shareholders. Board member are appointed by the general meeting of shareholders.

Are incompatible and may not be appointed as member of the Board, financial auditor and manager, the persons who according to the law are incapacitated to act or were convicted for crimes against property by disregarding trust, corruption offences, embezzlement , forgery in private deeds, tax evasion, criminal offences as seth forth by Law 656/2002 on prevention and sanctioning of money laundering activities, as well as for establishing measures to prevent and fight terrorism financing, as republished and other criminal offenses regulated by the Company law.

The board members can be revoked by the general meeting of shareholders.

The Board elects from its members a Chairman of the Board. The Chairman of the Board can also be appointed by the Ordinary General Meeting, which appoints the board.

The President is appointed for a term that cannot exceed the duration of its mandate of administrator.

The President may be revoked at any time by the Board. If the President was appointed by the General Assembly he shall revoked only by it.

The President coordinated the activity of the Board and reports on the General Meeting of Shareholders. He watches the proper operation of the bodies of the company.

If the President is temporarily unable to exercise his duties during the respective state of impossibility, the Board of Directors may assign another administrator with the fulfillment of the President position.

The Board of Directors shall take place on every three months or whenever it is necessary. It is chaired by the President and in his absence, by one of the members appointed at the beginning of the meeting.

The President convenes the Board, sets the agenda, ensures adequate information on the board members on the items on the agenda and chairs the meeting.

The Board is also called upon reasoned request of at least two of its members or the general director. In this case, the agenda is set by the authors of the request. The President is obliged to act on such a request.

The summons for the meeting of the Board shall be sent to the administrators with sufficient time in advance before the meeting date. The summons shall contain the date, the place where the meeting shall be held and the agenda.

The Board of Directors meets at the Company's headquarters or in any other place in the country or abroad indicated in the Convocation.

In every meeting shall be prepared a report that shall include the names of participants, deliberations, taken decisions, the number of received votes and the separate opinions. The minutes of the meeting signed by the Chairman and by at least one other administrator.

For valid decision is required the presence of at least 1/2 of the board members and decisions are taken by an absolute majority of the present members.

The decisions regarding the appointment or revocation of the presidents of these bodies shall be taken by a majority vote of the Board.

Members of the Board may be represented at meetings of that body, only by its other members. One present member can represent one absent member.

The members of the Board of Directors may validly deliberate without fulfilling the calling formalities if they are all present.

The Board of Directors may also meet by telephone or video conference. The members of the Board of Directors shall empower one of them to sign the decision thus adopted and to record it in the company's minutes registry

In exceptional situations, justified by the urgency of the situation and the by interest of the company, the decisions of the Board may be taken by unanimous vote of the members expressed in writing, without the need for a meeting of that body.

It cannot be uses the procedure laid down in previous paragraph for Board decisions relating to the annual financial statements or to authorized capital.

The Board members shall be able to exercise any act that is related to the management of the company in its interests, within the limit of the rights that are granted.

The President of the Board is obliged to provide the shareholders and the financial auditor, at their request, all company's documents.

The President, , members of the Board, General Director and his deputies, respond individually or jointly, as appropriate, to the company, to the damages resulting from offenses or violations of laws, of these Articles of Association or for mistakes in the management of the company. In such situations, they can be revoked by the decision of the General Meeting of Shareholders.

In the relationship with third parties, the company is represented by the General Director of the company, which signs the documents that employs the company with third parties. The Board retains the duty of representation of the company in the relationships with the director.

Art.17 – Duties of the Board of Directors

The Board of Directors mainly has the following duties:

- a) employs and dismisses the staff and establishes the rights and obligations;
- b) establishes the duties and responsibilities of company's personnel on departments;
- c) approves receipts and payments operations according to the granted competences;
- d) approves the purchase and sale of assets operations in accordance with the granted powers;
- e) approves the conclusion of lease agreements (taking or giving rent);
- f) establishes the marketing tactics and strategy;
- g) approves the conclusion or termination of contracts awarded according to their competencies;
- h) annually submits to the general meeting of shareholders, within 60 days from the end of the economic financial year, the report on the company's business, the balance sheet, the profits and losses account on the previous year and the draft of the work program and draft of the company's budget for the current year;
- i) to relocate of company's headquarters
- j) to change the company's object of activity
- k) capital increase
- l) solves any other issues determined by the General Meeting of Shareholders:
 - signs contracts for the purchase of machinery and equipment in leasing for further development of the company;
 - the ability to decide the transfer of credits from one bank to another in advantageous terms for the company
 - closes existing working units in the country and opens new ones.
- m) suspends the individual labor agreements of the company's directors;
- n) determines the form, content and duration of mandate contracts concluded with the company's directors;

- o) Authorizes bank loans or trade credits, including foreign ones, and establishes the powers and the level of contracting of current bank loans
- p) Authorizes the issuance of guarantees
- q) Authorizes any financial loan granted by the company, except in case of intra-group loan
- r) deciding on any other matters concerning the company, which is not a matter reserved to the shareholders by law
- s) any other positions provided by the law.

The Board of Directors is responsible for the accomplishment of all the necessary documents and useful for the attainment of the objects of the company, except for those reserved by law to the general meeting of shareholders.

The Board of Directors has the following competencies, which cannot be delegated to the directors:

- a) setting the main directions of activity and development of society;
- b) setting accounting policies and system of financial control and financial planning approval;
- c) the appointment and revocation of Managers and determining their remuneration;
- d) supervision of the activity of the Managers;
- e) preparation of the annual report, the Organization of the general meeting of shareholders and the implementation of its decisions;
- f) the introduction of the request for opening of the insolvency of the company, according to law No. 85/2014 regarding insolvency proceedings;
- g) Take or consent new loans and take or consent grants and securities. Without prejudice of the the previous provisions, amendment of existing loans are the competence of the General Manager, without any need of decision of the board of directors.
- h) sell or acquire participations into other companies
- i) to sell or acquire the property in accordance with the law

CHAPTER VI **GENERAL MANAGER**

Art.18 – Organization

The General Manager is appointed and revoked by the board of Directors in accordance with the legal provisions.

He can be delegated by the board of directors one or several powers except those which are the exclusive competence of the board of directors or of the general meeting by provision of the law or of these Article of Association.

CHAPTER VII **ACTIVITY OF THE COMPANY**

Art.19 – Financial audit

The management of the company is controlled by shareholders and by the financial auditor elected by the General Meeting of Shareholders.

The financial auditor has the following main responsibilities:

- a) during the financial year, checks the management of fixed assets and working capital, the collection of securities, cash account and the accounting records and informs the Board of Directors regarding the found deficiencies;
- b) at the end of the fiscal year controls the accuracy of the inventory, documents and information submitted by the Board of Directors on the accounts of the company, balance sheet, profits and loss account, presenting a written report to the general meeting of shareholders
- c) at the liquidation of the company controls the operations of liquidation;
- d) submit its views to the General Assembly on proposals to reduce the share capital or amending the Articles of Association and the object of the company.

The powers and operation mode of the financial auditor and also his rights and obligations complement the legal provisions in this field.

Are incompatible with the position of financial auditor, the persons covered by art. 18 and also those who are relatives or in-laws up to the fourth degree or spouses administrators, those receiving under any form, for other positions than that of auditor, a salary or remuneration from the administrator or from the company.

Art.20 – Economic financial year

The economic and fiscal year begins on January 1 and ends on December 31 of each year. The first year begins with the incorporation of the company.

Art.21 – Staff of the company

The staff is employed by the board of directors or by the general manager of the company.

The level of salaries for company's personnel, by categories of positions, is determined and can be modified by the Board of Directors.

The salary shall be done according to the law.

The payment of wages, taxes and share of social security shall be done according to the law.

The rights and obligations of the company's staff are determined by the Board of Directors or by the General Manager of the company.

Art.22 – Accounting and Financial Statements

The company shall conduct its accountancy in compliance with the provisions of the applicable Romanian accountancy regulations.

The yearly financial statements of the company shall be audited by a financial auditor.

The company shall organize its internal audit according to the regulations issued by the Chamber of Financial Auditors of Romania.

The yearly financial statements, together with the management report of the Board of Directors shall be submitted to the approval of the Ordinary General Shareholders Meeting within the legal term.

The Board of Directors must file for registration with the relevant authorities the approved yearly financial statements, the management report and the financial auditor report, as well as any other required documents, in compliance with the legal provisions.

Art.23 – Calculation and Repartition of Profits

The company shall conduct and keep its accountancy in lei and shall annually prepare the balance sheet and the profits and losses account, in compliance with the applicable regulations.

At least 5 % of the company's profits shall be deducted in order to finance a mandatory reserve fund called the "legal reserve".

The above deduction is no longer mandatory provided that the legal reserve reaches at least one fifth of the share capital and shall resume if, for any reason whatsoever, the legal reserve falls below the above-mentioned threshold.

The shareholders may decide to constitute other special reserve funds.

The net profit, comprising the company's profit less the taxes and other imposts levied in accordance with the law, the legal reserve, the losses incurred in respect of the previous financial years, as well as any other reserve funds, if any, is entirely at the discretion of shareholders, that may decide to distribute it as dividends according to their respective participation in the share capital of the company or to allocate it for various other purposes

CHAPTER VIII

CHANGE OF LEGAL FORM, DISSOLUTION, MERGER, LIQUIDATION

Art.24 – Change of legal form

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

The new company shall complete the legal formalities required by law for registration and publicity that are requested at the establishment of the companies.

Art.25 – Dissolution of the company

The company shall be dissolved in the cases provided by the law

The company's dissolution must be registered with the Trade Registry and published in the Official Gazette.

Art.26 – Liquidation of the company

Further to the dissolution, the company enters into winding-up proceedings. The company preserves its legal capacity until the last act of such proceedings. Throughout the winding-up proceedings, all documents issued by the company shall mention the wording "under winding-up".

One or more liquidators appointed by the General Shareholders Meeting shall carry out the winding-up proceedings, according to the legal provisions.

CHAPTER IX

FINAL PROVISIONS

Art.27 –The provisions of these Articles of Association shall be supplemented with the provisions of the company law and the other applicable laws.

Chairman of the Board of Directors
Aurelio ANTUNA RODRIGUEZ

3. Empowerment for the President of the Board of Directors of the Company, to sign on behalf and on account of the shareholders, the AGEA decisions and to fulfill any and all formalities required by law for the registration, enforcement and ensuring the effective opposability against third parties on the decisions taken by AGEA. To the President of the Board of Directors is conferred the right to delegate his mandate to other persons regarding the formalities mentioned above.

If the quorum is not held at the first call, a second call will be held on April 25, 2017, in the same place, same time and with the same agenda.

Under AGOA/AGEA convened for April 24, 2017 or, if the quorum is not held, on April 25, 2017 may participate and vote only those who are shareholders of the Company registered in the shareholders' register kept by the Central Depository – Depozitarul Central S.A on the reference date, April 14, 2017 ("**Reference Date**").

Each shareholder of the Company registered at the reference date (respectively April 14, 2017) has the right to appoint any other natural or legal person, with the exception of administrators, directors or officials of the company, as a proxy to attend and vote on his behalf under AGOA/AGEA, based on a special empowerment, with form and content of a power of attorney form laid off by the Company for AGOA/AGEA. Represented shareholder has the obligation to specify, in the form of the form of power of attorney, expressly requesting the voting instructions for each item on the agenda of AGOA/AGEA. The power of attorney is valid only for AGOA/AGEA for which it was requested and the representative shall vote in accordance with the instructions formulated by the appointing shareholder. The powers of attorney shall be prepared against the content of the form of power of attorney laid down by the Company and shall not be valid, the representative losing his right to represent the shareholder on the basis of procuration.

The forms of special empowerment for representation within AGOA/AGEA shall be made available on the website of the Company (for example, www.albalact.ro), and also on paper at the Company's headquarters starting with the date of publishing the convocation. The special empowerments shall be prepared based on the form for special empowerment dismissed by the Company, fulfilled, signed and stamped, if applicable, properly in 3 originals (one copy for the shareholder, one copy for the representative and one for the Company). The original copy for the Company of the special empowerment for AGOA/AGEA, together with a copy of the identity document of the shareholder (for the natural persons, bulletin /identity cards, respectively for the legal persons, bulletin/identity card of the legal representative) shall be deposited at the Company's headquarters, in a sealed envelope clearly written with capital letters: "**FOR THE ORDINARY/EXTRAORDINARY GENERAL ASSEMBLY OF SHAREHOLDERS FROM 24/25 APRIL 2017**" with 48 hours before the AGOA/AGEA respectively until 22 of April 2017 at 09.00 a.m., under the penalty to lose the right to vote in within AGOA/AGEA.

The full text of documents, information materials and draft decisions, voting by correspondence forms and special empowerments and other information regarding to the items on the agenda of the AGOA/AGEA will be available beginning with the publication date of the convocation, on the website of the Company (i.e. www.albalact.ro) and at the Company's registered office.

Upon convocation date, the share capital of Albalact consists of 652,708,867 Albalact registered shares, each share giving right to one vote, except for a number of 16,342,639 shares, which are Albalact's own shares acquired as a result of the repurchase of shares; therefore, the total number of voting rights on the convocation date is of **636,366,228** voting rights.

ALBALACT S.A
President of the Board of Directors
Aurelio Antuna RODRIGUEZ