

Translation from Romanian

**TO: BUCHAREST STOCK EXCHANGE
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: 13.08.2021

Issuer's name: Electroarges SA

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

Trade Register Registration Code: RO156027

Trade Register Registration Number: J03/758/1991

Share capital: 6,976,465.00 lei

Important events to report:

OGMS and EGMS Summoning Notice – 20.09.2021

Electroarges SA informs the shareholders and potential investors that in the Board of Directors' meeting of 13.08.2021 it was decided to summon, at the company's registered office in Curtea de Arges, str. Albesti, nr. 12, jud. Arges, a:

- I. Extraordinary General Meeting of Shareholders for 20.09.2021, 09.00 o'clock;
and
- II. Ordinary General Meeting of Shareholders for 20.09.2021, at 10.00 o'clock.

All shareholders registered in the Register of Shareholders at the end of 08.09.2021, which is the reference date, have the right to attend and vote in the extraordinary and ordinary general meetings.

If at the first summoning the legal quorum conditions will not be met, the Extraordinary General Meeting is reconvened for 21.09.2021, at 09.00, and the Ordinary General Assembly is reconvened for 21.09.2021, at 10.00, at the company's registered office in Curtea de Arges, Str. Albesti nr. 12, jud. Arges.

The Extraordinary General Meeting of Shareholders will have the following agenda:

1. Approval of amending the Electroarges SA Articles of Incorporation according to the Board of Directors' motions in this respect.

1.1. A motion to eliminate all abbreviations "SC" (Trade Company) in accordance with the provisions of Law no. 31/1990 is submitted.

1.2. A motion to modify in the following form the provisions of art. 8 paragraph (1) is submitted:

CURRENT FORM	AMENDED FORM
<p>The reduction of the share capital can be made based on the General Meeting of Shareholders' decision and in accordance with the law. The proposal to reduce the share capital will be communicated by the Board of Directors of the financial auditor's company, at least 30 days before the date of the General Meeting of Shareholders. The financial auditor will make references on the causes and conditions of the reduction, as well as on the procedure that will be used to perform it.</p>	<p>The reduction of the share capital can be made based on the Extraordinary General Meeting of Shareholders' decision, in accordance with the law. The proposal to reduce the share capital will be communicated by the Board of Directors of the financial auditor's company, at least 30 days before the date of the Extraordinary General Meeting of Shareholders. The financial auditor will make references on the causes and conditions of the reduction, as well as on the procedure that will be used to perform it.</p>

1.3. A motion to modify in the following form the provisions of art. 9 (c) is submitted:

CURRENT FORM	AMENDED FORM
<p>c) The Extraordinary General Meeting of Shareholders may decide to trade the preferential rights under the conditions of the law and the CNVM and BSE regulations.</p>	<p>c) The Extraordinary General Meeting of Shareholders may decide to trade the preferential rights under the conditions of the law and the ASF and BSE regulations.</p>

1.4. A motion to repeal paragraph (2) and paragraph (5) points 14.1, 14.5, 14.7, 14.8 and 14.9 of art.14 and the amendment of paragraph (4) in art. 14 is submitted:

CURRENT FORM	AMENDED FORM
<p>(2) Only the company's, the members of the Board of Directors, as well as the financial auditor may attend the General Meeting of Shareholders. By the approval of the General Meeting, when considering the issues, individuals considered to be specialists in certain fields can be invited for consultation, whose participation is strictly only during the consultation period.</p> <p>(4) The Ordinary General Meeting is held at least once a year, at the place, date and time established before the date of submission of the balance sheet and the profit and loss account, in maximum 5 (five) months from the end of the financial year, at the Board of Directors' summoning.</p>	<p>Paragraph (2) in art. 14 is repealed</p> <p>(4) The Ordinary General Meeting is held at least once a year, at the place, date and time established before the date of submission of the balance sheet and the profit and loss account, in maximum 4 (four) months from the end of the financial year, at the Board of Directors' summoning.</p>

<p>14.1. – examines, approves and amends the balance sheet and the profit and loss account after reviewing the Board of Directors’ and the financial auditor’s reports, approves the distribution of the profit or the bearing of the losses.</p>	<p>Paragraph (5) point 14.1 is repealed.</p>
<p>14.5. - reviews the Board of Directors’ reports regarding the company’s state and perspectives concerning the profit and dividends, the position on the internal and external market, the technical level of the equipment, the production quality, the labor force, the environmental protection, the relations with the clients.</p>	<p>Paragraph (5) point 14.5 is repealed.</p>
<p>14.7. - decides the pledge, lease or dissolution of one or more of the company’s organizational subunits.</p>	<p>Paragraph (5) point 14.7 is repealed.</p>
<p>14.8. - approves the transfer of a part of the financial means of the reserve fund and of the funds with special destination in government securities and other values.</p>	<p>Paragraph (5) point 14.8 is repealed.</p>
<p>14.9 - adopts any other decision regarding the company’s long-term strategy over the period for which the Board of Directors was elected.</p>	<p>Paragraph (5) point 14.9 is repealed.</p>

1.5. A motion to repeal paragraph (3) in art. 19 is submitted:

CURRENT FORM	AMENDED FORM
<p>The Minutes of the meeting will be kept in a stamped, sealed and numbered register. The Minutes will be signed by the chairman of the meeting and by the secretaries who drafted it and will be entered in the Register of the General Meeting. The Minutes will be done according to Law no. 31/1990 as amended and republished.</p>	<p>Paragraph (3) in art. 19 is repealed</p>

1.6. A motion to repeal paragraph (4) – (8) in art. 20 is submitted:

CURRENT FORM	AMENDED FORM
<p>(4) The directors may not vote based on the shares they hold, neither personally nor through a proxy, the discharge of their management or an issue in which their person or administration would be in discussion.</p>	<p>Paragraph (4) in art. 20 is repealed.</p>

<p>(5) The shareholders may be represented in the General Meetings by another natural person shareholder or by another natural person by special power of attorney, in compliance with the restrictions provided by Law no. 31/1990 – as republished and by Law no. 297/2004.</p>	<p>Paragraph (5) in art. 20 is repealed.</p>
<p>(6) The powers of attorney will be submitted in original 48 hours before the date of the General Meeting and will be held by the company, making the mention in the Minutes of the meeting and in the Minutes of the financial auditor.</p>	<p>Paragraph (6) in art. 20 is repealed.</p>
<p>(7) The validity of the mandate is given for a single meeting.</p>	<p>Paragraph (7) in art. 20 is repealed</p>
<p>(8) The General Meeting's decisions are also binding for the absent shareholders or those who voted against.</p>	<p>Paragraph (8) in art. 20 is repealed</p>

1.7. A motion to repeal paragraphs (2), (3), (4), (5), (6), (10) in art. 21 and the amendment in the following form of paragraphs (7), (8), (12) and (14) in art. 20 is proposed:

CURRENT FORM	AMENDED FORM
<p>(2) The administrators are elected by the General Meeting by secret vote. The directors are essential bodies for the functioning of the company, they represent the company towards third parties, they lead the company's interests, they watch over the application of the law, its Articles of Incorporation and the Regulation of organization and functioning, execute the General Meeting's decisions. and in this context they work with full powers subject to accountability to the General Meeting.</p>	<p>Paragraph (2) in art. 21 is repealed</p>
<p>(3) When a vacancy is created in the Board of Directors, the members of the Board of Directors may temporarily co-opt a new member, following to be submitted to the OGMS for approval, in the first meeting.</p>	<p>Paragraph (3) in art. 21 is repealed</p>
<p>(4) Each director is obliged to submit a guarantee for his administration, amounting to the RON equivalent of €</p>	<p>Paragraph (4) in art. 21 is repealed</p>

350 cash or its share equivalent.

(5) The directors' signatures will be submitted to the Trade Register together with the presentation of the certificate issued by the financial auditor, from which the deposit of the guarantee results.

(6) The directors are jointly and severally liable to the company for the reality of the payments made by the shareholders, for the real existence of the dividends paid, for the existence of the registers required by law and their correct holding, for the strict fulfillment of the General Meeting's Decisions.

(7) The Board of Directors is lead by a chairman elected from among the members of the Board of Directors, who may also be the company's general manager.

(8) In exceptional cases, when the chairman cannot exercise his attributions, the vice-president will take over his attributions.

(10) The Board of Directors meets at least once every three months. It is lead by the chairman, and in his absence, by the vice president. The chairman appoints a secretary, either from among the members of the board or from outside it. The Board of Directors' meetings can be carried out by remote communication, without the presence of the directors at the Company's registered office, using modern means of communication - video conferencing on telephone and internet networks, transmission of documents by fax or e-mail, with holographic or electronic signature.

(12) The Board of Directors' debates take place according to the agenda established by the chairman. These are recorded in the Minutes of the meeting which is entered in a register sealed and stamped by the chairman of the Board of Directors.

Paragraph (5) in art. 21 is repealed

Paragraph (6) in art. 21 is repealed

(7) The Board of Directors is lead by a chairman elected from among the members of the Board of Directors.

(8) The Chairman may delegate his attributions to the Vice-President of the Board of Directors.

Paragraph (10) in art. 21 is repealed

(12) The Board of Directors' debates take place according to the agenda established by the chairman. These are recorded in the Minutes of the meeting.

(14) In the relations with third parties, the company is represented by the Chairman of the Board of Directors and in his absence by the vice-president or by the general manager.	(14) In the relations with third parties, the company is represented by the Chairman of the Board of Directors and in his absence by the vice-president or by the general manager or by any designated person.
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1.8. A motion to repeal points 22.9, 22.13 and 22.14 in art. 22 is submitted:

CURRENT FORM	AMENDED FORM
22.9. - establishes the marketing tactics and strategy. 22.13. The Board of Directors is liable for the damages caused to the company by any act of or against its interests through the abusive or negligent use of the company's funds; 22.14. The Board of Directors has the right to request mediation or other protection measures from the General Meeting of Shareholders in resolving conflict situations with the union and other organizations.	Point 22.9. in art. 22 is repealed Point 22.13. in art. 22 is repealed Point 22.14 in art. 22 is repealed

1.9. A motion to repeal art. 23 and renumbering of articles is submitted.

1.10. A motion to repeal paragraph (2) in art. 27 is submitted:

CURRENT FORM	AMENDED FORM
The General Meeting of Shareholders approves the depreciation scheme to be practiced by the company, as well as the decommissioning of the fixed assets, aiming to cover as much as possible the unamortized value from the amounts resulting from their capitalization, according to legal procedures.	Paragraph (2) in art. 27 is repealed

1.11. A motion to amend in the following form the provisions of paragraph (2) in art. 29 is submitted:

CURRENT FORM	AMENDED FORM
In case of losses, the General Meeting of Shareholders reviews the causes and decides according to the legal provisions to cover the losses registered from the net accounting profit realized in the current year, by diminishing the reserves constituted, from other funds constituted according to the law and from favorable	In case of losses, the General Meeting of Shareholders reviews the causes and decides their coverage from the net accounting profit realized in the current year, by diminishing the reserves constituted from other funds according to the law and from favorable revaluation differences, registered according to the legal provisions.

revaluation differences, registered according to the legal provisions.	
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1.12. A motion to repeal the provisions of paragraph (5) in art. 30 is submitted:

CURRENT FORM	AMENDED FORM
If there is a decrease in share capital, it will have to be replenished or reduced, before the allocation or distribution of profit in the form of dividends can be made.	Paragraph (5) in art. 30 is repealed.

2. Approval of contracting a financing line in the amount of EUR 5,000,000, for the acquisition of equipment necessary in the production process.

3. Approval of the guarantee of the pecuniary obligations assumed by the Company through the financing contract / contracts that will / will be signed, as they will be requested by the Financier.

4. Empowering the Chairman and / or the Vice-President of the Board of Directors is empowered to decide on the entry value of the objects to be purchased, as well as to negotiate and sign all the necessary documents in order to carry out this decision, including but not limited to: financing contract, documents related to the financing contract, additional documents to the financing contract, sale-purchase contract, additional documents to the sale-purchase contract, clearing report (if applicable), warranty contracts (if applicable), etc.

5. Approval of the capitalization at the best price of the share portfolio held by Electroarges SA and empowering the Chairman and / or the Vice-President of the Board of Directors to negotiate and sign all the documents related to the transactions.

6. Empowering the Chairman and / or the Vice-President of the Board of Directors, with the right to mandate any other person, to carry out all the necessary steps at the ORC and wherever necessary, to register the decision and other documents approved by the Extraordinary General Meeting of Shareholders of 20, 21.09.2021”

The Ordinary General Meeting of Shareholders will have the following agenda

1. Approval of the List of depreciated fixed assets and their capitalization by sale in 2021 and empowering the Board of Directors to proceed with the capitalization of fixed assets.

2. Approval of the update of the annual general limits of all additional remunerations of the members of the Board of Directors, including the Advisory Committees, at the value of 1.15% of the annual turnover.

3. Empowering the Chairman and / or the Vice-President of the Board of Directors, with the right to mandate any other person, to carry out the necessary steps at ORC and

wherever necessary, for the registration of the decision and other documents approved by the Ordinary General Meeting of Shareholders of 20, 21.09.2021.

The shareholders' right to attend the general meetings

Shareholders nominally registered in the Register of Shareholders on the date of reference may personally attend the general meeting, by legal representatives (in the case of legal persons) or by a representative based on a Special or General Power of Attorney, or may vote by Absentee Ballot (by written form or by electronic means). The shareholders may be assisted by attorneys/legal advisers in the general meeting of shareholders.

The access of the shareholders entitled to attend the general meeting of shareholders is allowed by the mere proof of their identity, made in the case of the natural person shareholders with the identity card or, in the case of legal persons and the represented legal person shareholders, with the Power of Attorney offered to the natural person representing them, in compliance with the applicable legal provisions and the provisions contained in this Summoning Notice.

In the case of legal person shareholders or entities without legal personality, the capacity of legal representative is established based on the list of shareholders from the Register of Shareholders at the date of reference, and the legal representative's identity card. If, at the date of reference, the Register of Shareholders does not contain data on the legal representative's capacity, this capacity shall be proved by a certificate issued by the Trade Register, submitted in original, or a certified true copy, issued no more than 30 days prior to the publication of the Summoning Notice of the general meeting of shareholders.

Shareholders, who are not able to exercise their rights, as well as the legal persons, may be represented by their legal representatives, who in turn may authorize other persons.

Shareholders may be represented in the general meeting by other persons, on the basis of a Special or General Power of Attorney.

Natural or legal person shareholders registered at the date of reference may be represented in the general meeting by persons other than the shareholders based on a Special Power of Attorney.

For this type of voting, the Special Power of Attorney forms must be used, which will be provided by the company's Board of Directors, or a General Power of Attorney, prepared in accordance with the Law 24/2017 and of the ASF Regulation no. 5/2018.

Legal person shareholders or entities without legal personality who participate in the general meeting by a person other than the legal representative, must use a Special or General Power of Attorney under the abovementioned conditions.

Special Power of Attorney forms will be available from 16.08.2021 at the company's registered office, and on the company's website, electroarges.ro.

The shareholders will fill in and sign the Special Power of Attorney in three original copies: one for the shareholder, one for the representative and one for the company. The copy for the company, filled in and signed, shall be submitted personally or send:

- by any type of courier, in original, together with the accompanying documents at the company's registered office so that it could be registered with the company at least 48 hours before the general meeting of shareholders, until 18.09.2021, 09.00 o'clock, under the sanction of losing the voting right.
- by e-mail - with extended electronic signature incorporated according to the Law no. 455/2001 on the electronic signature at electroarges@electroarges.ro and office@1electroarges.ro at least 48 hours before the general meeting of the shareholders, until 18.09.2021, 9.00 o'clock, under the sanction of losing the voting right.

The company will accept a General Power of Attorney for attending and voting in the general meeting of shareholders, issued for a period of maximum three years, offered by a shareholder, as a client, to an intermediary defined according to art. 2 paragraph (1) section 20 of the Law no. 24/2017, or to an attorney, without requiring additional documents regarding the respective shareholder, if the General Power of Attorney complies with the provisions of art. 92 paragraph (13) of the Law 24/2017, is signed by the respective shareholder and is accompanied by a declaration on his/her own responsibility given by the intermediary's legal representative or by the attorney who received the authorization by General Power of Attorney, from which results that:

- (i) authorization is given by that shareholder as a client, to the intermediary or, as the case may be, to the attorney;
- (ii) the General Power of Attorney is signed by the shareholder, including by attaching extended electronic signature, if applicable.

The statement made by the intermediary's legal representative or the attorney who received the authorization by General Power of Attorney must be submitted in original at the company's registered office, signed and, as the case may be, stamped, at the same time with the General Power of Attorney, no later than 48 hours prior to the general meeting of shareholders on 18.09.2021, 09.00 o'clock, in case of first use.

Shareholders could not be represented in the general meeting of shareholders, based on a General Power of Attorney, by a person who is in a situation of conflict of interest in accordance with the provisions of art. 92 paragraph (15) of Law no. 24/2017.

General Power of Attorney forms are submitted to the company 48 hours before the general meeting (18.09.2021, 09.00 o'clock) as a certified copy or including the mention of certified true copy, under the representative's signature.

Vote by correspondence

Shareholders have the opportunity to vote by correspondence before the general meeting of shareholders using the Absentee Ballot forms provided by the company.

The Absentee Ballot forms will be available beginning with 16.08.2021 at the company's registered office or on the company's website at electroarges.ro.

Under the sanction of losing the voting right, the Absentee Ballot forms filled in and signed by the shareholders, together with all the accompanying documents, are submitted to the company's registered office to be registered until 18.09.2021, 9.00 o'clock, as follows:

- (i) by any type of courier – the Absentee Ballot form submitted in original, on paper;
- (ii) by e-mail - with extended electronic signature incorporated according to Law no. 455/2001 on the electronic signature, at electroarges@electroarges.ro and office@1electroarges.ro.

The Absentee Ballot forms are submitted together with the following documents:

(i) In the case of natural person shareholders, the forms must be accompanied by a copy of the identity card and the account statement which shows the quality of shareholder and the number of shares held, issued by the Register of Shareholders;

(ii) In the case of legal person shareholders, it must be accompanied by an account statement issued by the Register of Shareholders showing the quality of shareholder and the number of shares held together with documents certifying the registration of information on the legal representative in the Register of Shareholders, as well as copy of the legal representative's identity card.

If the Register of Shareholders does not contain data regarding the quality of legal representative, this quality is proved by a certificate issued by the Trade Register, presented in original or certified true copy, issued with a maximum of 30 days before the date the publication of the Summoning Notice of the general meeting, which certifies the quality of legal representative.

In case the shareholder, who voted by correspondence, attends personally or by a representative the general meeting, the vote by correspondence will be canceled. In this case, only the vote cast in person or by the representative will be considered.

If the person who represents the shareholder by personal attendance in the general meeting is different from the one who voted by correspondence, then, for the validation of the vote, he/she will either present in the meeting a written revocation of the vote by correspondence signed by the shareholder or by the representative who voted by

correspondence. This is not necessary if the shareholder or his legal representative is attending the general meeting.

ATTENTION!

Considering the epidemiological situation determined by the spread of COVID-19 on the Romanian territory and the measures taken by the authorities:

- we recommend the shareholders to use the means of voting by correspondence, as mentioned in this Summoning Notice.

- we ask all shareholders who wish to attend the general meeting by the physical presence at the address mentioned in the Summoning Notice for holding the general meeting to notify the Board of Directors of this intention at least 5 (five) days before the date of the meeting, at the e-mail addresses electroarges@electroarges.ro and office@1electroarges.ro, in order to carry out all the necessary preparations to protect the health of the participants, as well as to ensure strict compliance with the measures taken by the authorities.

Shareholders' right to add new items on the agenda of the general meeting and make proposals for decisions on items existing or proposed to be included on the agenda.

According to the provisions of art.117[^]1 paragraph (1) of Law no. 31/1990 and art.92 paragraph (3) of the Law 24/2017, one or more shareholders representing, individually or together, at least 5% of the Company's share capital, may ask the company's Board of Directors to add additional items on the agenda of the general meeting and/or present draft decisions for the items included or proposed to be included on the agenda of the general meeting, subject to the following conditions:

(i) In the case of natural person shareholders, the requests must be accompanied by a copy of the identity card and the account statement which shows the quality of shareholder and the number of shares held, issued by the Register of Shareholders;

(ii) In the case of legal person shareholders, the requests must be accompanied by an account statement issued by the Register of Shareholders showing the quality of shareholder and the number of shares held together with documents certifying the registration of information on the legal representative in the Register of Shareholders, as well as copy of the legal representative's identity card.

If the Register of Shareholders does not contain data regarding the quality of legal representative, this quality is proved by a certificate issued by the Trade Register, presented in original or certified true copy, issued with a maximum of 30 days before the date the publication of the Summoning Notice of the general meeting, which certifies the quality of legal representative.

(iii) They are accompanied by a justification and / or draft decision to be adopted;

(iv) They are submitted and registered at the company's registered office by any

type of courier, with acknowledgment of receipt, within 15 days from the publication of the Summoning Notice, in original, signed and, as the case may be, stamped by the shareholders or their legal representatives.

Shareholders' right to make enquiries on the agenda

Shareholders may ask the company questions through a written document to be submitted and registered at the company's registered office by any type of courier, with acknowledgement of receipt, within five days of the publication of the Summoning Notice in the Official Gazette, in original, signed and, if necessary, stamped by the shareholders or their legal representatives.

The document containing the enquiries must be accompanied by:

(i) In the case of natural person shareholders, the requests must be accompanied by a copy of the identity card and the account statement which shows the quality of shareholder and the number of shares held, issued by the Register of Shareholders;

(ii) In the case of legal person shareholders, the request must be accompanied by an account statement issued by the Register of Shareholders showing the quality of shareholder and the number of shares held together with documents certifying the registration of information on the legal representative in the Register of Shareholders, as well as copy of the legal representative's identity card.

If the Register of Shareholders does not contain data regarding the quality of legal representative, this quality is proved by a certificate issued by the Trade Register, presented in original or certified true copy, issued with a maximum of 30 days before the date the publication of the Summoning Notice of the general meeting, which certifies the quality of legal representative.

The company may answer by posting the answer on its website or in the general meeting.

The Special Power of Attorney forms, the Absentee Ballot forms, as well as the draft decisions of the General Meeting, regarding the issues included on the agenda, will be available and can be consulted by shareholders at the company's registered office starting with 16.08.2021, on business days, between 09.00 –15.00 or on the company's website www.electroarges.ro.

**Vice-President of the Board of Directors,
Roxana Scarlat**