

**TO: BUCHAREST STOCK EXCHANGE
THE FINANCIAL REGULATOR,**

Current report in accordance with: the Law 24/2017 on the issuers of financial instruments and market operations and the ASF Regulation no. 5/2018 on the issuers of financial instruments and market operations.

Report date: 16.08.2023

Issuer's name: Electroarges SA

Trade Register Registration Code: RO156027

Trade Register Registration Number: J40/8487/2022

Share capital: 6,976,465 RON

**Important events to report:
EGMS Decisions – 16.08.2023**

Electroarges SA informs the capital market supervisory bodies, shareholders and potential investors, that on 16.08.2023 the Electroarges SA EGMS took place, at the first summoning, during which it was decided:

**DECISION NO. 121 of 16.08.2023
OF THE ELECTROARGES SA EXTRAORDINARY GENERAL MEETING OF
SHAREHOLDERS**

J40/8487/2022, RO 156027

Legally summoned on **16.08.2023**, at **08.00** am, at the office in Curtea de Arges, str. Albesti, nr.12, jud. Arges, the Electroarges SA Extraordinary General Meeting of Shareholders (the Meeting) carried out its works, at the first summoning, in accordance with the provisions of art. 112 of Law 31/1990R, Law 24/2017 and the Company's Articles of Incorporation.

The meeting was attended by 13 shareholders (4 present and 9 by correspondence), represented or by correspondence, holding a number of 34,241,748 shares, representing **49.08% of the share capital.**

The shareholders registered on the Attendance List were entitled to participate and to vote in the Meeting according to the voting rights established by the Company's Register of Shareholders on the reference date **02.08.2023**.

Following the debates that took place in accordance with the provisions of Law 31/1990R and of the Company's Articles of Incorporation, the Extraordinary General Meeting of Shareholders,

DECIDES:

Art. 1. Unanimously approves by 34,241,748 votes (voting rights) "FOR", representing 100% of the total votes cast (corresponding to shares with voting rights) in the Meeting, 0 votes against and 0 abstentions:

Based on art. 113 paragraph 1 letter k of the Law no. 31/1990, of the conversion into shares of a number of 2,006,000 bonds issued by Electroarges SA, bonds that were subscribed and paid pursuant to the EGMS Decision no. 118/17.10.2022, having the nominal value of 2.5 RON and the total value of 5,015,000 RON, by increasing the company's share capital and converting the bonds in two stages, from the current value of 6,976,465 RON up to the maximum value of 11,991,465 RON, with the issue of 50,150,000 new shares, registered, ordinary and in dematerialized form, each with a nominal value of 0.1 RON/share, as follows:

1.1 Stage 1: The right of preference is granted to the existing shareholders, proportional to the participation rates in the Company's share capital, held by them on the Registration Date (as this date is established by this summoning notice and the EGMS Decision to be adopted) according to art. 216 index 1 of the Law no. 31/1990. During the subscription period, shareholders can subscribe at a price equal to the nominal value of the shares (0.1 leu/share). To subscribe to a newly issued share, a number of 1.391119 pre-emptive rights are required. In this sense, every 1.391119 shares held determines the possibility to subscribe a new share. The shares will be subscribed without issue premium. The rights of preference will not be tradable. During the exercise of the right of preference, the ban provided by art. 69 paragraph 1 and paragraph 2 of the ASF Regulation no. 5/2018 according to which *"The ban on acquisition of shares of the same issuer, through other operations, provided for in art. 37 paragraph (2) of the Law no. 24/2017 refers to any purchase operation, including the ban on the purchase of some shares within the exercise of the right of preference."*

1.2 Stage 2: The shares that are not subscribed or paid in full by the shareholders until the expiration of the term for exercising the right of preference in Stage 1, will be subscribed

by converting the bonds (in the total amount of 5,015,000 RON) into shares.

1.3 In the event that at the end of Stage 1, a number of 50,150,000 shares remain unsubscribed or unpaid, the full conversion of the bonds issued by the company into shares will be carried out.

1.4 In the event that at the end of Stage 1, less than 50,150,000 shares will remain unsubscribed or unpaid in full, a partial conversion of the bonds into shares will be carried out, the conversion of the bonds into shares will be carried out at the company's option to convert the bonds for newly issued shares for which the right of preference is not exercised, proportional to the holdings of existing bonds.

1.5 The period in which the can be exercised within Stage 1 will be 31 calendar days, as will be indicated in the offer prospectus regarding the share capital increase, and will run after the date of approval of the prospectus by the Financial Authority. The term of subscription/conversion of bonds into shares within Stage 2 will be 5 calendar days. The rights of preference are not tradable.

1.6 The payment of the newly issued shares will be made in full in Stage 1 at the time of subscription, to the company's bank account indicated in the subscription procedure.

1.7 The subscription operation from Stage 1 will be carried out based on a prospectus approved by the Financial Authority. The subscription operation from Stage 2 will be carried out in compliance with the provisions of art. 1 paragraph 4 letter b of the EU Regulation no. 1129/2017, without the preparation of a prospectus, as it is addressed to a number of less than 150 natural or legal persons, other than qualified investors, per member state, the obligations in question being subscribed by a number of 2 (two) obligees.

1.8 The price of subscription/conversion of shares into bonds in Stage 2 is 0.1 RON/share.

1.9 In case of conversion of the bonds into shares, the company will pay the bondholders the pro rata interest related to the bond holding period. In case of exercising the right of preference, a partial conversion of bonds will be carried out, the rest of the bonds that have not been converted will continue to confer all legal rights to the holders.

- The total number of valid votes cast: 34,241,748, representing 49,08% of the share capital;

- A number of 34,241,748 **FOR** votes were cast, representing **100% of the attending shares with voting rights**, which represent 49,08% of the share capital;
- The shareholders representing 0 % of the total attending shares with voting rights, which represent 0 % of the share capital, voted **AGAINST**;
- The shareholders representing 0% of the attending shares with voting rights, which represent 0% of the share capital, **ABSTAINED**.

Art. 2. Unanimously approves by 34,241,748 votes (voting rights) "FOR", representing 100% of the total votes cast (corresponding to shares with voting rights) in the Meeting, 0 votes against and 0 abstentions:

Authorizing and empowering the Board of Directors to adopt all the necessary, useful or advisable and/or required by law steps and proceedings in connection with the implementation of the operation of converting bonds into shares from section 1 above, including, but not limited to, the contracting of financial intermediation services in order to draw up the prospectus and the related documentation necessary for the increase of the social capital in Stage 1, if necessary, the approval of the prospectus for offering the shares to the existing shareholders based on the right of preference, establishing the date from which it starts to run the subscription period that will follow the exercise of the rights of preference, the details regarding the distribution of new shares as a result of the conversion of bonds into shares, the establishment of the place where the subscription operations will take place, the establishment of the method of compensation of the fractions of shares resulting from applying the algorithm and rounding the results, according to the provisions of art. 176 of the ASF Regulation no. 5/2018, price that cannot be lower than the highest value between the market value and the nominal value of the respective financial instrument, ascertaining the amount by which the share capital is effectively increased following the subscriptions, as well as for approving any elements/ documents and taking any steps considered necessary for the successful completion of the operation of increasing the social capital approved in section 1 above.

- The total number of valid votes cast: 34,241,748, representing 49,08% of the share capital;
- A number of 34,241,748 **FOR** votes were cast, representing **100% of the attending shares with voting rights**, which represent 49,08% of the share capital;
- The shareholders representing 0 % of the total attending shares with voting rights, which represent 0 % of the share capital, voted **AGAINST**;

- The shareholders representing 0% of the attending shares with voting rights, which represent 0% of the share capital, ABSTAINED.

Art. 3. Unanimously approves by 34,241,748 votes (voting rights) "FOR", representing 100% of the total votes cast (corresponding to shares with voting rights) in the Meeting, 0 votes against and 0 abstentions:

The amendment of art. 7 paragraph 1 of the Company's Articles of Incorporation, and mandating Chairman of the Board of Directors to sign the updated version of the Articles of Incorporation, upon completion of the operation of conversion of bonds into shares considered in section 1 of the agenda, based on the decision to ascertain the results of the operation adopted by The Board of Directors, as follows:

Paragraph 1 will have the following content: *"The total share capital - subscribed and paid - is worth [to be completed based on the results of the share capital increase] lei, out of which 1,260,792.5 RON represents contribution in kind, being made up of [to be completed based on the results of the operation] indivisible registered shares, with a nominal value of 0.10 RON each"*.

- The total number of valid votes cast: 34,241,748, representing 49,08% of the share capital;
- A number of 34,241,748 **FOR** votes were cast, representing **100% of the attending shares with voting rights**, which represent 49,08% of the share capital;
- The shareholders representing 0 % of the total attending shares with voting rights, which represent 0 % of the share capital, voted **AGAINST**;
- The shareholders representing 0% of the attending shares with voting rights, which represent 0% of the share capital, **ABSTAINED**.

Art. 4. Unanimously approves by 34,241,748 votes (voting rights) "FOR", representing 100% of the total votes cast (corresponding to shares with voting rights) in the Meeting, 0 votes against and 0 abstentions:

The date of 01.09.2023 as Registration Date, according to art. 87, paragraph 1 of the Law 24/2017 and the date of 31.08.2023 as "ex date" in accordance with the provisions of art. 2 paragraph 2 letter 1 of the ASF Regulation 5/2018, as well as the date of 18.09.2023 as the date of payment according to Article 178 paragraph 1 of the ASF Regulation No. 5/2018.

- The total number of valid votes cast: 34,241,748, representing 49,08% of the share capital;

- A number of 34,241,748 **FOR** votes were cast, representing **100% of the attending shares with voting rights**, which represent 49,08% of the share capital;
- The shareholders representing 0 % of the total attending shares with voting rights, which represent 0 % of the share capital, voted **AGAINST**;
- The shareholders representing 0% of the attending shares with voting rights, which represent 0% of the share capital, **ABSTAINED**.

Art. 5. Unanimously approves by 34,241,748 votes (voting rights) "FOR", representing 100% of the total votes cast (corresponding to shares with voting rights) in the Meeting, 0 votes against and 0 abstentions:

The empowering of the Chairman and / or the Vice-Chairman of the Board of Directors, with the right to empower the person or persons who will carry out the necessary steps with the Trade Register Office and wherever necessary, for the registration of the decision and other documents approved by the Extraordinary General Meeting of Shareholders.

- The total number of valid votes cast: 34,241,748, representing 49,08% of the share capital;
- A number of 34,241,748 **FOR** votes were cast, representing **100% of the attending shares with voting rights**, which represent 49,08% of the share capital;
- The shareholders representing 0 % of the total attending shares with voting rights, which represent 0 % of the share capital, voted **AGAINST**;
- The shareholders representing 0% of the attending shares with voting rights, which represent 0% of the share capital, **ABSTAINED**.

Vice-Chairman of the Board of Directors,

Roxana Scarlat