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**To: Bucharest Stock Exchange
ASF (Financial Supervisory Authority)
Financial Instruments and Investments Sector**

CURRENT REPORT

Report date: 27.04.2017

In compliance with:

- CNVM Regulation no. 1/2006 on issuers and operations with securities
- Law no. 297/2004 on the capital market

Entity name: S.C. ELECTROMAGNETICA S.A.

Address: 266-268 CALEA RAHOVEI Street, District 5, BUCHAREST

Telephone: 404.21.02; 404.21.08 FAX: 404.21.95; 404.21.94

Trade Register registration no.: J 40/19/1991

Unique code of registration: 414118

Share capital subscribed and paid up: 67 603 870.4 Lei

The regulated market where the issued securities are traded: Cat I, BVB

Important events to be reported:

Ordinary General Meeting of Shareholders and of the Extraordinary General Meeting of Electromagnetica Shareholders on April 26, 2017.

Please find attached the Resolution of OGMS convened on April 26, 2017 1:00 p.m. and the Resolution of EGMS convened on April 26, 2017 2:00 p.m.

Sincerely,

Eugen Scheusan
General Manager

RESOLUTION OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS OF 26.04.2017

The Ordinary General Meeting of Shareholders of **ELECTROMAGNETICA S.A.**, having the registered office at 266-268 Calea Rahovei, District 5, Bucharest, registered with the Trade Register Office attached to the Bucharest Court under No. J40/19/1991, Sole Registration Code 414118, called on to the company's headquarters on 26/27.04.2017, at 1:00 p.m., as to the reference date 20.04.2017, pursuant to the publication in the Official Gazette of Romania Part IV, No. 968/23.03.2017 and in the journal "Romania Libera" of 23.03.2017, in the session as of 26 April 2017, legally convened, in which a number of shareholders participated that represented 63,8844% of the Company's share capital, corresponding to 431.883.017 shares at a par value of Lei 0.10 /share, of which 34,7028% (corresponding to 234.604.563 shares) represented votes by correspondence, by virtue of the rights granted under the law and the Company's Memorandum of Association, hereby

RESOLVES AS FOLLOWS:

1. *Approval of the individual annual financial statements for the financial year ended on 31.12.2016, according to the Accounting Regulations compliant with the international financial reporting standards, accompanied by the report of the Board of Directors and the Financial audit report including:*

- *statement of financial position;*
- *statement of comprehensive income;*
- *statement of changes in equity*
- *statement of cash flows*
- *notes to financial individual statements.*

This item was unanimously approved.

2. *Approval of the consolidated annual financial statements for the financial year ended on 31.12.2016 according to the Accounting Regulations compliant with the international financial reporting standards, accompanied by the report of the Board of Directors and the Financial audit report including:*

- *consolidated statement of financial position;*
- *consolidated statement of comprehensive income;*
- *consolidated statement of changes in equity;*
- *consolidated statement of treasury flows;*
- *notes to consolidated financial statements")*

This item was unanimously approved.

3. *Approval of the distribution of the net profit for 2016 of RON 4,327,847 as follows:*

- **Legal reserves** – the amount of RON 268,198, according to the provisions of the Companies Act (law 31/1990) and of the Tax Code (law 227/2015)
- **Own financing resources** – the amount of RON 4,059,649, considering the investment objectives to be achieved in 2017, mentioned in the report related to the investment programme, and for continuing the supplier credit sale policy .

This item was unanimously approved.

4. Financial discharge of the directors for the financial year 2016

4.1. Discharge of the directors for the period 1 January 2016 – 15 March 2016

This item of the agenda was passed by 429.911.447 votes For (99,54%) and 1.971.570 abstentions (0,46%).

4.2. Discharge of the directors for the period 15 March 2016 - 31 December 2016

This item of the agenda was passed by 429.911.419 votes For (99,54%) and 1.971.598 abstentions (0,46%).

5. Approval of the income and expenditure budget for 2017 and the Work Program for the financial year 2017, mandating the Board of Directors to readjust the items of income and expense upon occurrence of any unforeseeable random events.

This item was unanimously approved.

6. Approval of remuneration pay of the members of the Board of Directors for the financial year 2017.

This item of the agenda was passed by 431.571.017 votes For (99,93%) and 312.000 abstentions (0,07%).

7. Ratification of the decision adopted by the Board of Directors on 31.05.2016 whereby the accounting loss in amount of LEI 22,716,628 recorded as of 31.12.2015 would be fully covered using the statutory reserve resulted from inflation adjustment, account 1061001 Adjustment for inflation – statutory reserves (IAS 29), based on the mandate given by the Ordinary general Meeting of the Shareholders of 21.04.2016.

This item was unanimously approved

8. Approval of the accounting for the financial year 2017, the dividends not claimed for more than three years after their exigibility date, for which the statutes of limitation can be invoked, would be recorded as „revenues”, respectively the dividends for the financial years 2003, 2010, 2011, 2012 and 2013, existing in the balance sheet as unpaid as of 21.07.2017.

This item was unanimously approved

9. Approval of the date of 15.05.2017 as registration date for the identification of the shareholders who are subject to the effects of OGMS resolutions and 12.05.2017 as ex-date (when shares are traded without the rights deriving from OGMS resolutions), calculated as previous to the registration date.

This item was unanimously approved

10. Mandate Mr. Eugen Scheusan – President of the Board of Directors, who can be substituted by another person, to: i) conclude and/or sign, on behalf of the Company and/or of the Company's shareholders the resolutions of this OGMS, any and all the resolutions, documents, applications, forms and requests adopted/drawn up for the purpose of or for the execution of the resolutions of this OGMS in relation with any individual or legal entity, whether private or public, ii) to fulfill all

legal formalities for the registration, enforceability, execution and publication of the resolutions adopted.”)

This item was unanimously approved.

Secretary OGMS
Daniela Adi Cucu
Cosmin Raduta Petrescu

**PRESIDENT,
Eugen Scheusan**

RESOLUTION OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF 26.04.2017

The Extraordinary General Meeting of Shareholders of **ELECTROMAGNETICA S.A.**, having the registered office at 266-268 Calea Rahovei, District 5, Bucharest, registered with the Trade Register Office attached to the Bucharest Court under No. J40/19/1991, Sole Registration Code 414118, called on to the company's headquarters on 26/27.04.2017, at 2:00 p.m., as to the reference date 20.04.2017, pursuant to the publication in the Official Gazette of Romania Part IV, No.968/23.03.2017 and in the journal "Romania Libera" of 23.03.2017, in the session as of 26 April 2017, legally convened, in which a number of shareholders participated that represented 63,8844% of the Company's share capital, corresponding to 431.883.017 shares at a par value of Lei 0.10 /share, of which 34,7028% (corresponding to 234.604.563 shares) represented votes by correspondence, by virtue of the rights granted under the law and the Company's Memorandum of Association, hereby

RESOLVES AS FOLLOWS:

1. *Approval of the sale of the 1913 sqm land located in Bucharest, 23-37 Petre Ispirescu Street, district 5, registered in the former Land Book under no. 51106 and having the former cadastral number 3272/1, for a price equal or bigger than Euro 275/sq m.*

This item was unanimously approved.

2. *Approval of the following:*

- a) that the Lot no. 28 (Land Book no. 55505), located at 266-268 Calea Rahovei Street, district 5, would be subdivided into two lots, of which one of 158 sqm;*
- b) that the land located at 266-268 Calea Rahovei Street, district 5 (Land Book no. 203629) belonging to ELECTROMAGNETICA GOLDSTAR SRL would be subdivided into two lots, of which one of 182 sqm, and that ELECTROMAGNETICA SA would purchase the 182 sqm lot;*
- c) that the following lots would be joined: Lot no. 10 (Land Book no. 55847), where the wing C64A is built, located at 266-268 Calea Rahovei Street, district 5; Lot no. 11 (Land Book no. 55488) located at 266-268 Calea Rahovei Street, district 5; Lot no. 12 (Land Book no. 55489) located at 266-268 Calea Rahovei Street, district 5; the 158 sqm lot derived from the subdivision of Lot no. 28; the 182 sqm lot derived from the subdivision of the lot owned by Electromagnetica Goldstar SRL;*
- d) that the Company would obtain a building permit for the extension of the building wing C64A;*
- e) that the Company would have the construction and related facilities executed;*
- f) that the Company would purchase 182sqm land from Electromagnetica Goldstar SRL and to extend the wing C64A with a new building with an area of 570 sqm;*
- g) if other projects requiring land subdivision/joining, to mandate the Board of Directors to analyze and approve such subdivision/joining of lands*

This item was unanimously approved.

3. *Closing the work point "Centrala hidroelectrică de mica putere Milisauti" (Low power plant of Milisauti) – built on Suceava River, at Milisauti, Suceava County, carrying out NACE Code 3511activity – Electricity production.*

This item was unanimously approved.

4. Amendment of point 3.3. of Article 3 of the Articles of Incorporation, so as to reflect the closing of the work point "Centrala hidroelectrică de mica putere Milisauti" (Low power plant of Milisauti) – built on Suceava River, at Milisauti, Suceava County, carrying out the activity NACE Code 3511 – Electricity production; point 3.3. of Article 3 shall have the following wording:

"ELECTROMAGNETICA SA owns the following organizational units without legal personality:

- a) the special prototype production section located at 101 Chirca Street, Varteju Commune, Magurele Town, Ilfov County – carrying out the activity NACE Code 2651 – Manufacture of instrument and appliances for measuring, testing and navigation.
- b) the "CASATEL" outlet store located at 266-268 Calea Rahovei Street, district 5, Bucharest, carrying out the activity NACE Code 4754 – Retail sale of electrical household appliances in specialized stores.
- c) the sports facility located at 19 Veseliei Street, district 5, Bucharest, carrying out the activity NACE Code 9311 – Operation of sports facilities.
- d) the low-power plant of Galanesti – Bilca 1 – located on Suceava River, in Bilca Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production.
- e) the low-power plant of Galanesti – Bilca 2 – located on Suceava River, in Bilca Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production.
- f) the low-power plant of Galanesti – Bilca 3 – located on Suceava River, in Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production and office activities.
- g) the low-power plant of Tibeni – located on Suceava River, in Satu Mare Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production.
- h) the low-power plant of Brodina 1 – located on Brodina River, in Brodina Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production.
- i) the low-power plant of Brodina 2 – located on Brodina River, in Brodina Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production.
- j) the low-power plant of Sadau - located on Sadau River, in Sadau village, Brodina Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production.
- k) the low-power plant of Ehreste – located on Brodina River, in Brodina Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production.
- l) the low-power plant of Putna – located on Putnisoara River, in Putna Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production.
- m) the low-power plant of Brodina de Jos – located on Brodina River, in Brodina Commune, Suceava County, carrying out the activity NACE Code 3511 – Electricity production."

This item was unanimously approved.

5. Amendment of point 16.13 of Article 16 in the Articles of Incorporation, whose wording shall be as follows:

"16.13. For decisions to be valid, the presence of at least half of the total number of members of the Board of Directors shall be required. The decisions of the Board shall be adopted with the simple majority vote of the members attending and voting personally, voting through representative or by mail (e-mail or fax).

This item was unanimously approved.

6. The conclusion of an addendum to the Company's Articles of Incorporation, whereby the issues approved at points 3, 4 and 5 above shall be reflected.

This item was unanimously approved.

7. Early dissolution of ELECTROMAGNETICA GOLDSTAR SRL (J40/12829/1991, Tax ID 400570) where

ELECTROMAGNETICA is the sole shareholder.

This item was unanimously approved.

8. *Early dissolution of PROCETEL SA (J40/10437/1991, Tax ID 406212) where Electromagnetica holds 96.54% of the share capital of the company.*

This item was unanimously approved.

9. *Approval of the date of 15.05.2017 as registration date for the identification of the shareholders who are subject to the effects of EGMS resolutions and 12.05.2017 as ex-date (when shares are traded without the rights deriving from EGMS resolutions), calculated as previous to the registration date.*

This item was unanimously approved.

10. *Mandate Mr. Eugen Scheusan – President of the Board of Directors, who can be substituted by another person, to: i) sign before a notary public the sale deed relating to the land described at point 1, ii) to call the general meeting of ELECTROMAGNETICA GOLDSTAR SRL, including on its agenda the subdivision of the land located at 266-268 Calea Rahovei Street, district 5 (Land Book no. 203629), the sale of 182 sqm towards Electromagnetica SA, the early dissolution, iii) the subdivision of the lots described above at point 2, the joining of the above mentioned lots, to sign all the documents required for such subdivision of land and all the documents required for such joining of land and those documents relating to cadastral registration, in the name and on behalf of both Electromagnetica SA and Electromagnetica Goldstar SRL, before the notary public and the Trade Register Office, iv) to sign the Addendum and the updated Articles of Incorporation, v) to call the general meeting of PROCETEL SA, including on its agenda the early dissolution of the company, vi) to conclude and/or sign, on behalf of the Company and/or of the Company's shareholders the resolutions of this EGMS, any and all the resolutions, documents, applications, forms and requests adopted/drawn up for the purpose of or for the execution of the resolutions of this EGMS in relation with any individual or legal entity, whether private or public, and vii) to fulfill all legal formalities for the registration, enforceability, execution and publication of the resolutions adopted.”*

This item was unanimously approved.

Secretary EGMS
Daniela Adi Cucu
Cosmin Raduta Petrescu

**PRESIDENT,
Eugen Scheusan**