

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

CURRENT REPORT

Report date: 08.08.2017

In compliance with:

- CNVM Regulation no. 1/2006 on issuers and operations with securities
- Law no. 24/2017 on issuers

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:

Call of the Extraordinary General Meeting of Electromagnetica Shareholders for 14/15 September 2017.

CONVENER

The Board of Directors of **ELECTROMAGNETICA SA**, headquartered in Bucharest, Calea Rahovei nr 266-268, Sector 5, having reunited in the meeting of August 7, 2017, at 03:00 p.m., convenes the General Extraordinary Meeting of Shareholders (GEMS) on September 14 2017, at 10:00 a.m. at the company's headquarters, for all the shareholders registered in the Company's Shareholders Book kept by Depozitarul Central SA, at the end of the day of August 31, 2017, considered as reference date for this meeting.

The Agenda of the General Extraordinary Meeting of Shareholders is the following:

1. Amendment of the first paragraph of the point 16.1 of the art 16 of the company's articles of incorporation,
that will read as follows:

“16.1. The trading company is managed in a unitary system, by a board of directors composed of 7 directors, temporary and revocable, elected by the general meeting of shareholders, majority of the members of the board of directors being non-executive directors (that were not appointed managers), elected for a 4-year period”

2. It is recorded the resignation of Mrs. Bucur Vasilica from the position of the member of the Board of Directors as of September 1st, 2017, it is ascertained the termination of the mandate from the position of director of Mr. Vlad Florea as of July 14, 2017 following his demise, it is noted the termination by law of the mandate from the position of temporary director of Mr. Balmus Dumitru on the date of this meeting
3. It is approved the fulfillment of the formalities of deletion from the records of the Trade Register Office attached to the Bucharest Court of Law, from the positions of directors (of Mrs. Bucur Vasilica and Mr. Vlad Florea), respectively of temporary director (Balmus Dumitru), as a result of resignation, demise, respective termination by law
4. In relation to the adopted decisions, it is noted that the new structure of the Board of Directors is made up of 7 members, who will continue the current mandate until October 18, 2019, respectively: Calitioiu Elena, Hodea Cristina Ioana Rodica, Macovei Octavian, Scheusan Eugen, Stancu Traian, Stancu Ioan, Sichigea Elena.
5. Conclusion of an addendum to the company’s articles of incorporation taking into account the issued approved above, respectively the amendment of the point 16.1 of the art 16 of the company’s articles of incorporation that will read as follows:

„16.1. The trading company is managed in a unitary system, by a board of directors composed of 7 directors, temporary and revocable, elected by the general meeting of shareholders, majority of the members of the board of directors being non-executive directors (that were not appointed managers), elected for a 4-year period.”

The directors of ELECTROMAGNETICA SA, with mandate until October 18, 2019, are:

- **SCHEUSAN EUGEN**, personal identification number [REDACTED], Romanian citizen, residing in Bucharest, str. [REDACTED] no. [REDACTED], sector 5, born on May 14, 1954 in Bucharest Municipality, son of Gheorghe (father) and Mariana (mama), owner of the identity card series RX no. 760432 /05.08.2015 issued by SPCEP Sector 5 - mandate until October 18, 2019, having 431,442,170 “Affirmative” votes (98.8477%);
- **MACOVEI OCTAVIAN**, personal identification number [REDACTED], Romanian citizen, son of Ioan (father) and Domnica (mama), born in Geoagiu Town, Hunedoara County, residing in Bucharest, str [REDACTED] no. [REDACTED], sector 5, owner of the identity card series DP no. 127649/10.01.2008 issued by I.N.E.P – mandate until October 18, 2019, having 429,736,638 “Affirmative” votes (98.4569%);

- **-STANCU TRAIAN**, personal identification number [REDACTED], Romanian citizen, residing in Bucharest, str [REDACTED] no. [REDACTED], sector 2, born on March 23, 1953 in Licuriciu Commune. Teleorman County, son of Ganea (father) and Elena (mama), owner of the identity card series VP no. 000035/20.12.2011 issued by DEPABD- mandate until October 18, 2019, having 430,139,628 “Affirmative” votes (98.5492%);
 - **STANCU IOAN**, personal identification number [REDACTED], Romanian citizen, residing in Popesti – Leordeni Town, str. [REDACTED] nr [REDACTED], Ilfov County, born on November 20, 1950 in Popesti Leordeni, Ilfov County, son of Pavel (father) and Caterina (mama), owner of the identity book series IF no. 150079/07.06.2007 issued by SPCLEP Jilava – mandate until October 18, 2019, having 429,313,265 “Affirmative” votes 98.3599%);
 - **HODEA CRISTINA-IOANA-RODICA**, Romanian citizen, personal identification number [REDACTED], born on November 16, 1963 in Negresti Town, Satu Mare County, daughter of Ioan (father) and Lucia (mama), residing in Bucharest, sos [REDACTED] nr [REDACTED], bl. [REDACTED], sc [REDACTED], et [REDACTED] ap. [REDACTED], sector 2, owner of the identity card series RR no. 849560 / 16.11.2011, issued by SPCLEP Sector 2 – with mandate as of April 21, 2016 and until October 18, 2019, having 461,547,260 “Affirmative” votes”(99.9960%);
 - **SICHIGEA ELENA**, Romanian citizen, personal identification number [REDACTED], born on October 21, 1955 in Draghicieni Commune, Olt County, residing in Craiova Municipality, str [REDACTED] no. [REDACTED], Dolj County, owner of the identity card series DX no. 745070/10.12.2010, issued by SPCJEP Dolj – mandate until October 18, 2019, having 421,925,244 “Affirmative” votes (96.6672%);
 - **CALITOIU ELENA**, Romanian citizen, personal identification number [REDACTED], born on March 30, 1963 in Sinaia Town, Prahova County, residing in Craiova Municipality, str [REDACTED] nr [REDACTED], Dolj County, owner of the identity card series DX no. 899754/08.01.2013, issued by SPCLEP Craiova – mandate until 18.10.2019, having 421.578.585 “Affirmative” votes (96.5878%);”
6. Approval for setting-up as security of some assets from the category of fixed assets of the company, of which value does not exceed, individually or cumulated (during each financial year between 2017 - 2021), 40% of the total fixed assets, less the receivables, by authorizing the Board of Directors to conclude the related legal documents
 7. Approval of the date of October 5, 2017 as the date of registration for the identification of the shareholders over whom will fall the effects of the decisions of GEMS.
 8. Authorization of Mr. Eugen Scheusan – President of the Board of Directors, with possibility of substitution for: i) signing the addendum and updated articles of incorporation ii) concluding and / or signing, on behalf of the company and / or of the company’s shareholders of the decision of this GEMS, of any and all decisions, documents, applications, forms and applications adopted / drawn out for their purpose or for accomplishing the decisions of this GEMS in relation with any individual or legal entity, whether private or public, and for iii) carrying out all the legal formalities for registration, binding nature, fulfillment and publication of the adopted decisions.

Starting from 9 August 2017, the notice of meeting, documents and information materials regarding the agenda, draft resolutions, ballots for correspondence voting, special power-of-attorney forms for the representation of the shareholders in EGMS, the total number of shares and the total number of voting rights are made available to the shareholders and they may be consulted or obtained by them either at the Company's head office, respectively at the Legal Department, every day, from Monday till Friday, between 7:00 and 15:00 hours, or on the Company's website (www.electromagnetica.ro/) in the section Company/Investors/General Meetings/2017, while the rules regarding the conduct of general meetings and the maintenance of the shareholders' rights may be seen in the section Company/Investors/Info/Corporate Governance.

One or more shareholders representing, whether individually or collectively, at least 5% of the capital stock has/have the right to: i) put items on the agenda of the general meeting, provided that each such item is accompanied by a justification or a draft resolution to be adopted in the general meeting and ii) to table draft resolutions for the items includes or proposed to be included on the agenda of the general meeting.

The proposals for the new items on the agenda and draft resolutions, together with the documents attesting the fulfillment of the conditions shall be sent within 15 days from the date of the notice of meeting, i.e. by 24.08.2017, 15:00 hours, as follows:

- in the form of a handwritten document lodged in a closed envelope at the secretarial office or sent by fast courier or by mail with acknowledgement of receipt, bearing the mention "FOR EGMS OF 14 SEPTEMBER 2017" written in capital letters;
- in the form of a document with an attached extended electronic signature, according to Law no. 455/2001, sent to the address juridic@electromagnetica.ro, indicating in the subject box the words "FOR EGMS OF 14 SEPTEMBER 2017", written in capital letters.

Irrespective of the number of shares they hold, the Company' shareholders may address to the Legal Department, in a closed envelope, questions about the items on the agenda of the general meeting, by 12 September 2017, 15:00 hours. The envelopes containing questions and attached documents shall bear the mention "FOR EGMS OF 14 SEPTEMBER 2017" written in capital letters."

In order to identify and prove the shareholder capacity, respectively the capacity of a shareholder's legal representative, the persons who address questions or make proposals to supplement the agenda shall send the following documents, whether in original or certified true copy: a statement of account attesting the shareholder capacity and the number of shares held, issued by Depozitarul Central or, if applicable, by the participants providing custody services for them, as defined in Article 168 (1) (b) of Law no. 297/2004; a copy of the identity document or equivalent in the case of natural person shareholders, while in the case of legal entity shareholders, a copy of the identity document of the legal representative together with a finding certificate issued by the Trade Register or any other document attesting the legal representative capacity, issued by a competent authority from the state where the shareholder is registered, issued not earlier than 3 months before the publication date of the notice of meeting. The documents attesting the legal representative capacity, which are drawn up in a foreign language other than English shall be accompanied by a translation into Romanian or English, done by an authorized translator. Legal entity shareholders or the entities without legal personality which, before the reference date, provided the information on their legal representative to Depozitarul Central, so that they could be included in the shareholders' register at the reference date, shall not need to prove their capacity of shareholder's legal representative by sending the documents mentioned above.

Only the shareholders who at the reference date are found to be registered may attend the general meeting and exercise their voting rights either in person or by representative, based on a special or general power of attorney, or before the meeting, by mail, based on the ballot for correspondence voting.

The access of the shareholders and representatives to the meetings and/or the correspondence voting is allowed by simple proof of identity, as follows:

- Natural person shareholders – in person, based on identity document (identity card or ID bulletin for Romanian citizens, passport/identity paper for EU citizens, passport for non-EU citizens)
- Natural person shareholders – by representative, based on a special or general power of attorney and the representative's identity document;
- Legal entity shareholders – by legal representative, based on his/her identity document and the list of shareholders at the reference date, received from Depozitarul Central, while for the shareholders who failed to inform Depozitarul Central in due time about their relationship with their legal representative, based on a finding certificate issued by the Trade Register or any other official document, whether in original or in certified true copy, attesting the capacity of legal representative, which was issued by a competent authority not earlier than 3 months before the publication date of the notice of meeting.
- Legal entity shareholders – by appointee, based on a special or general power of attorney signed and stamped by the legal representative of the legal entity shareholder, accompanied by the identity document of the person who was appointed representative and the certified true copy of the finding certificate issued by the Trade Register or any other official document, whether in original or in certified true copy, attesting the capacity of legal representative of the principal of the power of attorney, issued by a competent authority, not earlier than 3 months before the publication date of the notice of meeting.

In the case of a special power of attorney for attending the meeting, given by a shareholder to a credit institution which provides custody services, the power of attorney shall be accompanied by a notarial statement of the institution subject to the trust mandate by special power of attorney, confirming the following: i) the credit institution provides custody services for the respective shareholder ii) the instructions mentioned in the special power of attorney are identical with the instructions contained in the SWIFT message received by the credit institution for voting on behalf of the respective shareholder; iii) the special power of attorney is signed by the shareholder. The special power of attorney and the notarial statement shall be lodged by the issuer in original copy, signed and stamped (where applicable).

For the shareholders who benefit from custody services, the ballot for correspondence voting, signed by the shareholder, may be sent without further documents being required, if it is accompanied by a notarial statement given by the legal representative of the credit institution, confirming the following: i) the credit institution provides custody services for the respective shareholder and ii) the ballot for correspondence voting is signed by the shareholder and contains voting options identical with those mentioned by the shareholder in a SWIFT message received by the credit institution from the respective shareholder. The ballot for correspondence voting and the notarial statement of the credit institution shall be lodged at the Company in original copy, signed by the legal representative of the credit institution and stamped (where applicable).

After completion, whether in Romanian or in English, the special or general power of attorney, respectively the ballot for correspondence voting, signed and stamped (where applicable), shall be sent to the Company, in a closed envelope bearing the mention "FOR EGMS OF 14 SEPTEMBER 2017" written clearly in capital letters, by 12.09.2017, 10:00 a.m., otherwise the right to vote by representative or correspondence in the general meeting shall be lost in accordance with the legal provisions. Within the same terms specified above, the special or general powers of attorney and the ballots for correspondence voting may also be sent by e-mail with an attached extended electronic signature according to Law no. 455/2001, to the address juridic@electromagnetica.ro, indicating in the subject box: "FOR EGMS OF 14 SEPTEMBER 2017".

The general powers of attorney shall be lodged only once before their first use, in certified true copy bearing the representative's signature, which will then be valid for any general meeting to be held within the validity term of the powers of attorney. A general power of attorney may be given for a maximum period of 3 years, provided that it is given by the shareholders, in their capacity of customer, to any agent defined in Article 2 (1) point 14 of Law no. 297/2004 on the capital market or to a lawyer and only if the representative is free of any conflict of interest which may particularly occur in one of the cases referred to in Article 92 paragraph 15 of Law no. 24/2017. The general powers of attorney shall be accompanied by a notarial statement given by the legal representative of the agent or by the lawyer who received the representation mandate through the general power of attorney, where to confirm the following:

- (i) The power of attorney is given by the respective shareholder, as customer, to his agent or lawyer (as applicable);
- (ii) The general power of attorney is signed by the shareholder, including by extended electronic signature attached, if applicable.

If the agenda is completed, the Company shall make available to the shareholders the notice of meeting, the special proxy forms and the updated postal ballot forms.

If the legal quorum is not attained in the general meeting convened on 14 September 2017, the second ordinary, respectively extraordinary general meeting shall be convened for 15 September 2017, in the same place, at the same time, having the same reference date and the same agenda.

At the date of this call, the capital stock of Electromagnetica SA is composed of 676.038.704 ordinary shares, each share conferring upon its holder a right to vote at the general meeting.

Any further information may be obtained at the Legal Department by phone – 021 4042129, 021 4042131, 021 4042132 or e-mail juridic@electromagnetica.ro."

Board of Directors Chairman
Eugen SCHEUSAN