

Current Report

No. 65/19.12.2019

To: Financial Supervisory Authority
Bucharest Stock Exchange

Current report in compliance with the stipulations of article no. 122 from the Law no. 24/2017 regarding Issuers of financial instruments and market operations and with the stipulations of the art. 234 from the Regulation no. 5/2018 issued by the Financial Supervisory Authority regarding Issuers of financial instruments and market operations

Date of report: **December 19, 2019**

Name of issuer: **Alro S.A.**

Headquarters: **Slatina, 116 Pitesti Street, Olt County**

Telephone/ fax number: **+40 249 431 901 / +40 249 437 500**

Sole registration number at the Trade Register Office: **RO 1515374**

Trade Register Number: **J28/8/1991**

The European Unique Identifier (EUID): **ROONRCJ28/8/1991**

Legal Entity Identifier (LEI): **5493008G6W6SORM2JG98**

Subscribed and paid-in share capital: **356,889,567.5 RON**

Regulated market on which the issued shares are traded: **Bucharest Stock Exchange – Premium Category** (market symbol: **ALR**)

We hereby inform all persons who may be interested in the summoning of the Ordinary and Extraordinary General Shareholders' Meetings of Alro S.A., as follows:

- I. Further to its Resolution no. 1512 dated December 19, 2019, the Board of Directors of Alro S.A. (hereinafter referred to as the "Company"), with registered office in Slatina, 116 Pitesti Street, Olt County, Romania, registered with the Trade Registry under no. J28/8/1991, Sole Registration Code RO1515374, on the basis of art. 117 of Law no. 31/1990 pertaining to companies, republished, with subsequent changes, hereby convenes the Ordinary and Extraordinary General Meetings of Shareholders registered in the Shareholders' Registry at the end of the day of **January 13, 2020**, considered reference date, for the date of **January 21, 2020, starting at 10:00 AM and respectively at 10:30 AM** at the registered office of the Company in Slatina, 116 Pitesti Street, Olt County, Romania.

Should, on the above-mentioned date, the attendance quorum provided by the Articles of Incorporation of the Company be not met, according to art. 118 of Law no. 31/1990 pertaining to companies, republished, with subsequent changes, the second Ordinary and the second Extraordinary General Meetings of the Shareholders are convened and set for the date of **January 22, 2020, starting at 10:00 AM and respectively at 10:30** at the Company's registered office in Slatina, 116 Pitesti Street, Olt County, Romania.

- II. The agenda of the Ordinary General Meeting of the Shareholders is the following:
 1. Approval of the clarification of the remuneration due to the Company's directors for 2019, in the way that the net amount of 3,100 Euro/month approved by the decision no. 634 dated April 25, 2019 made by the Ordinary General Shareholders Meeting represents the gross amount of 5,300 Euro/month.
 2. Approval to empower Mr. Ion Constantinescu to comply with all the formalities for the registration of the Ordinary General Meeting of Shareholders' resolutions.

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Slatina, Romania

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3. Approval of the date of **February 13, 2020** as registration date, for the opposability of all the decisions made by the Ordinary General Meeting of the Shareholder, in accordance with the provisions of art. 86 in Law no. 24/2017 regarding the issuers of the financial instruments and market operations.
4. Approval of the date of **February 12, 2020** as *ex date* in accordance with the provisions of art. 187 point 11 of Regulation no. 5/2018 regarding the issuers of the financial instruments and market operations issued by the Financial Supervisory Authority.

III. The agenda of the Extraordinary General Meeting of the Shareholders is the following:

1. Approval of the entering by the Company into a new credit facility agreement ("Credit Facility Agreement") with a value up to USD 40,000,000 from Black Sea Trade and Development Bank for the purpose of financing, respectively refinancing of the expenses with investments afferent to the Company's investments' program for 2018-2019, as well as the approval of the conclusion by the Company of any other documents, agreements, addendums related to the transaction or necessary for the transaction to be finalized.
2. Approval of the conclusion of the following guarantee agreements related to the Credit Facility Agreements: (a) an immovable mortgage agreement on the key immovable assets of the Company (which are also mortgaged under (a) the immovable mortgage agreements concluded with a syndicate of banks that includes, among others, Raiffeisen Bank International AG, OTP Bank Romania S.A., Banca Transilvania S.A., Unicredit Bank S.A., Garanti Bank S.A., Banca Comerciala Intesa SanPaolo Romania S.A., Banca de Export Import a Romaniei (Eximbank) S.A. ("Syndicate of banks") dated 14 December 2015, 16 November 2017 and 11 January 2019 and (b) the immovable mortgage agreement concluded with Black Sea Trade and Development Bank dated 14 December 2015 as subsequent changed) formed of plots of land, buildings, structures, constructions representing improvements of the plots of land, any other immovable properties and all the annexes, utilities, devices, assets and equipments that are immovable by destination and movable assets accessory to immovable property, as shall be agreed with the creditors and the granting of the mortgages thereunder, ("Immovable Mortgage Agreement") and (b) a movable mortgage agreement on some movable assets held by the Company (which are also mortgaged under the movable mortgage agreements concluded with the Syndicate of banks dated 14 December 2015, 16 November 2017 and 11 January 2019 as well as the movable mortgage agreement concluded with Black Sea Trade and Development Bank dated 14 December 2015 as subsequent changed) such as (i) current and future bank accounts opened by the Company, as well as all the amounts of money in their credit or by which such bank accounts are credited at a certain moment, that shall be agreed with the creditors, except for the accounts opened with Banca de Export Import a Romaniei (Eximbank) S.A. and other certain accounts; (ii) all current and future movable assets of the Company, with an individual value higher than USD 10,000; (iii) the Company's current and future stocks of raw materials and products; (iv) all current and future receivable rights of the Company, except for the receivables which are subject to factoring agreements and on the rights and receivables from the insurance policies concluded in relation with the Company's goods that are object of the guarantees created and the granting of the mortgages thereunder, ("Movable Mortgage Agreement") (the Immovable Mortgage Agreement and the Movable Mortgage Agreement shall be jointly referred to herein as the "Mortgage Agreements").

The Mortgage Agreements shall secure the fulfillment by the Company of the all current and future obligations resulting from or in relation to the Facility Credit Agreement.

3. Approval of the authorization of the Company's Board of Directors:
 - (a) to approve the final forms of, and to conclude the Credit Facility Agreement and the Mortgage Agreements as well as all and any other documents, agreements, addendums related to the transactions or necessary for the transaction to be finalized;
 - (b) to empower the General Manager and the Financial Manager to sign together such documents in the name and on behalf of the Company.
 4. Approval of the new Terms of references of the Audit Committee, according to the proposal made by the Board of Directors, following to the revision of the Terms made by the Audit Committee.
 5. Approval to empower Mr. Ion Constantinescu to comply with all the formalities for the registration of the Extraordinary General Meeting of Shareholders' resolutions.
 6. Approval of the date of **February 13, 2020** as registration date, for the opposability of all the decisions made by the Extraordinary General Meeting of the Shareholder, in accordance with the provisions of art. 86 in Law no. 24/2017 regarding the issuers of the financial instruments and market operations.
 7. Approval of the date of **February 12, 2020** as ex date in accordance with the provisions of art. 187 point 11 of Regulation no. 5/2018 regarding the issuers of the financial instruments and market operations issued by the Financial Supervisory Authority.
- IV. One or more shareholders, holding, individually or together, at least 5% from the share capital of the Company, has/have the right:
- (a) to include new items on the agenda of the General Meetings of the Shareholders (each new item shall be submitted together with an explanation or a draft resolution in order to be adopted in the General Meetings) and
 - (b) to submit draft resolutions for items included or to be included on the agenda of the two General Meetings of the Shareholders, not later than 15 days from the date this summons has been published, i.e. not later than **January 6, 2020**.
- The shareholders rights mentioned at points (a) and (b) shall be exercised only in writing.
- V. The shareholders are entitled to ask questions related to items on the agenda of the above mentioned general meetings; the answers to be published on the Company's Internet website page www.alro.ro.
- The questions shall be submitted or sent at the registered office of the Company in such way to be registered at the Registration Office of the Company from Slatina, 116 Pitesti Street, Olt County, Romania, not later than **January 13, 2020, hours 3:00 PM**, in a sealed envelope bearing the clearly written statement in capital letters: **"FOR THE ORDINARY AND EXTRAORDINARY GENERAL MEETINGS OF SHAREHOLDERS FROM JANUARY 21/22, 2020"**.
- VI. The registered shareholders at the reference date shall exercise the right to participate and vote in the Ordinary and Extraordinary General Meetings of the Shareholders personally, via correspondence or through a representative with special/general proxy. The general proxy will be awarded by the shareholder, acting as client, only to an agent as it is defined in art. 2 paragraph 1, point 20 of Law no. 24/2017 regarding the issuers of the financial instruments and market operations, or to an attorney-at-law.

- VII.** In case the shareholders appoint representatives for participation and voting in the Ordinary and Extraordinary General Meetings of the Shareholders, the notification of their appointment shall be submitted to the Company only in writing.
- VIII.** The bulletin forms for vote via correspondence and the special proxy forms for representation of the shareholders in the Ordinary and Extraordinary General Meetings of the Shareholders are made available at the registered office of the Company, as well as on the website of the Company www.alro.ro.
- IX.** Correspondence vote forms filled in by the shareholders either in Romanian or English shall be submitted or sent in original, through certified mail, to the Registration Office of the Company, together with the copy of the identity document for shareholders - natural person or with the copy of the identity document of the legal representative of the shareholder - legal person, signatory of the Correspondence vote form or with electronic signature, in such way to be registered at the Registration Office of the Company as follows:
- not later than **January 19, 2020, hours 8:00 AM**, in a sealed envelope bearing the clearly written statement in capital letters: **"VOTE BY CORRESPONDENCE FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FROM JANUARY 21/22, 2020"**;
 - not later than **January 19, 2020, hours 8:30 AM**, in a sealed envelope bearing the clearly written statement in capital letters: **"VOTE BY CORRESPONDENCE FOR THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS FROM JANUARY 21/22, 2020"**.
- X.** The correspondence vote forms which shall not have been received in the form and within the term provided for under art. IX of this Summons shall not be taken into account when the presence and the voting quorum are established and when the votes are counted in Ordinary and Extraordinary General Meetings of the Shareholders.
- XI.** The proxies for shareholders' representation in the General Meetings, filled in by the shareholders either in Romanian or in a widely used language in the international financial area, together with the copy of the identity document of the appointed representative, shall be submitted or sent in copy, containing the remark of true copy of the original under the representative's signature, through certified mail, to the Registration Office of the Company in such way to be registered at the registry of the Company as follows:
- not later than **January 19, 2020, hours 8:00 AM**, in a sealed envelope bearing the clearly written statement in capital letters: **"FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FROM JANUARY 21/22, 2020"**;
 - not later than **January 19, 2020, hours 8:30 AM**, in a sealed envelope bearing the clearly written statement in capital letters: **"FOR THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS FROM JANUARY 21/22, 2020"**.
- The proxies can also be sent by e-mail to the address cstoian@alro.ro.
- XII.** Only the registered shareholders at the reference date shall be entitled to participate and to vote in the Ordinary and Extraordinary General Meetings of the Shareholders convened for **January 21/22, 2020** personally, via correspondence or through a representative with proxy.

XIII. The documents and information related to the items of the agenda of the Ordinary and Extraordinary General Meetings of the Shareholders, as well as the draft decisions related to the items on the agenda of the two General Meetings, the Correspondence vote forms and the proxy forms for representation of the shareholders in the Ordinary and Extraordinary General Meetings of the Shareholders, as well as the Regulation for exercising the voting right in the General Meetings by Alro's shareholders are made available for the shareholders at the registered office of the Company from Slatina, 116 Pitesti Street, Olt County, Romania, and are posted on the website of the Company www.alro.ro starting from the date of **December 20, 2019**.

Any additional information may be obtained at phone no. 0249-434.302.

Marian-Daniel Năstase
Chairman of the Board of Directors



Gheorghe Dobra, Ph.D.
General Manager

