

To the attention of,

- **The Financial Supervisory Authority**
- **Bucharest Stock Exchange**

## **CURRENT REPORT**

**According to the NSC (National Securities Commission) Regulation no. 1/2006 regarding issuers and securities operations, to Law no. 297/2004 on the capital market, to the Law no. 24/2017 on issuers of financial instruments and market operations**

**Report date:** 23.06.2017

**Designation of the issuing authority:** CEMACON S.A.

**Registered office:** Cluj-Napoca, Calea Dorobantilor, nr. 48, etaj 1, Cluj county

**Phone/fax:** 0260/602.408

**Tax registration number with the Trade Register Office:** RO 677858

**Registration number with the Trade Register:** J12/2466/2012

**Subscribed and paid share capital:** RON 11,399,021.8

**Regulated market where the issued securities are traded:** Bucharest Stock Exchange - Standard Category

**Important events to report:** On June 20<sup>th</sup>, 2017, at the meeting of the Board of Directors of CEMACON S.A., the Extraordinary General Meeting of Shareholders was called for July 24<sup>th</sup>, 2017, at 13.00, at the company office of Cluj-Napoca, str. Dorobanților, nr. 48, Cluj county for all company shareholders registered in the Shareholder Registry, held by Depozitarul Central SA, at the end of July 13<sup>th</sup>, 2017, set as the reference date. In case of non-fulfilment of the statutory conditions or any other conditions of validity, the Ordinary General Meeting of Shareholders shall be held on July 25<sup>th</sup>, 2017, at 13.00, in the same location, with the same agenda for all shareholders registered in the Shareholder Registry, with the same reference date.

**The Extraordinary General Meeting of Shareholders shall have the following agenda:**

1. The approval to increase the share capital with the amount of RON 2,465,038 by cancelling the rights of first refusal for existing shareholders on the registration date, issuing 2,932,413 shares ('New Shares'), having a nominal value of RON 0.1/share, with an issuance price of RON 0.8406 per share. The new issued shares will be subscribed by offsetting receivables totalling RON 2,465,038 held by Mr. Liviu Stoleru, General Manager of the Company, Daniel Sologon, Financial Manager of the Company, respectively, according to the Decision of the Board of Directors as of May 29<sup>th</sup>, 2017, in compliance with provisions of art. 16 paragraph 3 letter a) item 3 and of the art. 16 paragraph 3 letter b) item 5 of the Law no. 24/2017. Taking into account the incidental legal provisions, the provisions of art. 87 of the Law no. 24/2017, respectively, RON 2,932,413 shares shall be assigned to Company

Managers, resulting from the division of the receivables of the Company Manager to the value of shares set forth based on the accounting net assets.

2. The approval for the Company Cemacon S.A. to acquire its own shares, by takeover bid, done via an agent authorised to render investment services and activities, based on a bid document, approved by the Financial Supervisory Authority, for a maximum number of 2,913,718 shares to be acquired, after the bid document is approved by the Financial Supervisory Authority, but not later than within 18 months after the decision is published in the Official Journal of Romania, for a value set forth pursuant to the provisions of art. 57 of the CNVM Regulation no. 1/2006 on issuers of and operations with securities, which cannot be less than RON 0.3498 per share or more than RON 0.5400 per share. The value of own shares acquired by the Company in this way cannot exceed RON 1,573,408. The transaction may only concern fully paid shares; The operation to acquire own shares has as scope assigning all own shares acquired to the Company Managers. The shares acquired during the takeover bid shall be paid from the sources stipulated by law. The validity of the takeover bid shall not be less than 15 business days and not more than 50 business days. In addition to the main characteristics, the operation to acquire own shares shall include other legal requirements which are not stipulated above.
3. In case of approval for items 1 and 2, granting power of attorney to the Board of Directors of Cemacon S.A. for purposes of fulfilling all due formalities to increase the share capital by cancelling the right of first refusal and by conducting the programme on acquisition of own shares via takeover bid.
4. The approval of the following amendments and completions to the Articles of Incorporation of CEMACON S.A.:

- i. **Chapter I shall be amended and completed and it shall have the following content:**  
*‘Designation, Registered Office, Legal status, Company validity, Company Logo’.*

**Art. 1.1. shall be amended and shall have the following content:** *‘The Company designation is CEMACON S.A.*

*In all documents, letters or publications and in other documents issued by the Company, the Company designation will be followed by the words: ‘joint-stock company’ or the initials ‘S.A.’, registered office, share capital, registration number with the Trade Register and the tax number.’*

**Art. 1.2. shall be amended and it shall have the following content :** *‘The registered office is located in Cluj-Napoca municipality, at Calea Dorobanților, nr. 48, Clădirea Business Silver Center, etajul I, Cluj county, Romania.’*

*The registered office of the Company may be relocated according to Company requirements, in compliance with the terms of the relevant legislation and with the provisions of the Articles of Incorporation.*

*The Company may set-up or dissolve subsidiaries with legal personality, secondary offices-branches, agencies, representative offices or other similar units without legal personality, subject to the conditions of the relevant legislation and to the Articles of Incorporation.’*

Upon setting-up such subunits, the Articles of Incorporation will stipulate as follows: assets to be entrusted to the subunits for the proper conduct of the activity and for achieving the purpose for which they are set-up, the subunit management, the competencies and the limits of the mandate of the person who will legally represent the subunit, as well as the object of activity.

**Art. 3 shall be renumbered, becoming art. 1.3., it shall be amended and it shall have the following content :** *‘The Company has the legal status of joint-stock company and carries out its activity according to the Articles of Incorporation herein, to the provisions of Law no. 31/1990 on companies, republished, as further amended and supplemented, to the Law no. 297/2004 on the capital market and of the secondary legislation applicable to the capital market, as well as to the other provisions applicable under the Romanian legislation in force. This joint-stock company is a public joint-stock company.*

*The social obligations of the Company are guaranteed by the Company’s corporate assets. Each Company shareholder shall be held liable solely until the subscribed share capital is covered.*

*The Company is admitted for trading on the regulated market managed by Bucharest Stock Exchange.’*

**Art. 1.3 of the Articles of Incorporation shall be renumbered, becoming art. 1.4.; it shall be amended and it shall have the following content :** *‘The company validity is unlimited.’*

**The art. 1.5 shall be inserted and it shall have the following content :** *‘The inscription of the logo is simple, calculated and exact. The main colours of CEMACON are yellow, orange and black.*

*The three combined symbols (keystone, house, heat) build the concept of CEMACON brand.’*



**Art. 2.1. shall be amended and shall have the following content :** *‘The Company’s object of activity classified according to NACE Rev. 2 Nomenclature – 2017 (Order no. 337/2007) is the following :*

■ **Main object of activity:**

233 Manufacturing of clay building materials

■ **Main activity:**

2332 Manufacture of bricks, tiles and construction products, in baked clay

■ **Secondary activities**

*Secondary activities: according to the classification (Order no. 337/2007) Nace Rev. 2017 (2)*

*0111 - Growing of cereals (except rice), leguminous crops and oil seeds*

*0113 - Growing of vegetables and melons, roots and tubers*

*0119 Growing of other non-perennial crops*

*0125 - Growing of other tree and bush fruits and nuts*

*0128 - Growing of spices, aromatic, drug and pharmaceutical crops*

*0130 - Plant propagation*

*0164 - Seed processing for propagation*

*0210 - Silviculture and other forestry activities*

0230 - *Gathering of wild growing non-wood products*  
0811 - *Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate*  
0812 - *Operation of gravel and sand pits; mining of clays and kaolin*  
0899 - *Other mining and quarrying n.e.c.*  
0990 - *Support activities for other mining and quarrying*  
0812 - *Operation of gravel and sand pits; mining of clays and kaolin*  
0899 - *Other mining and quarrying n.e.c.*  
1071 - *Manufacture of bread; manufacture of fresh pastry goods and cakes*  
1085 - *Manufacture of prepared meals and dishes*  
1089 - *Manufacture of other food products n.e.c.*  
1091 - *Manufacture of prepared feeds for farm animals*  
2012 - *Manufacture of dyes and pigments*  
2223 - *Manufacture of builders' ware of plastic*  
2320 - *Manufacture of refractory products*  
2331 - *Manufacture of ceramic tiles and flags*  
2341 - *Manufacture of ceramic household and ornamental articles*  
2342 - *Manufacture of ceramic sanitary fixtures*  
2343 - *Manufacture of ceramic insulators and insulating fittings*  
2344 - *Manufacture of other technical ceramic products*  
2349 - *Manufacture of other ceramic products*  
2361 - *Manufacture of concrete products for construction purposes*  
2363 - *Manufacture of ready-mixed concrete*  
2369 - *Manufacture of other articles of concrete, plaster and cement*  
2370 - *Cutting, shaping and finishing of stone*  
2399 - *Manufacture of other non-metallic mineral products n.e.c.*  
2433 - *Cold forming or folding*  
2511 - *Manufacture of metal structures and parts of structures*  
2512 - *Manufacture of doors and windows of metal*  
2529 - *Manufacture of other tanks, reservoirs and containers of metal*  
2571 - *Manufacture of cutlery*  
2573 - *Manufacture of tools*  
2599 - *Manufacture of other fabricated metal products n.e.c.*  
2732 - *Manufacture of other electronic and electric wires and cables*  
2751 - *Manufacture of electric domestic appliances*  
2821 - *Manufacture of ovens, furnaces and furnace burners*  
2829 - *Manufacture of other general-purpose machinery n.e.c.*  
2894 - *Manufacture of machinery for textile, apparel and leather production*  
2896 - *Manufacture of plastics and rubber machinery*  
2899 - *Manufacture of other special-purpose machinery n.e.c.*  
3250 - *Manufacture of medical and dental instruments and supplies*  
3299 - *Other manufacturing n.e.c.*  
3311 - *Repair of fabricated metal products*  
3312 - *Repair of machinery*  
3313 - *Repair of electronic and optical equipment*  
3319 - *Repair of other equipment*  
3320 - *Installation of industrial machinery and equipment*  
3821 - *Treatment and disposal of non-hazardous waste*  
4120 - *Construction of residential and non-residential buildings*  
4212 - *Construction of railways and underground railways*  
4213 - *Construction of bridges and tunnels*  
4221 - *Construction of utility projects for fluids*  
4222 - *Construction of utility projects for electricity and telecommunications*

- 4299 - *Construction of other civil engineering projects n.e.c.*
- 4321 - *Electrical installation*
- 4329 - *Other construction installation*
- 4332 - *Joinery installation*
- 4333 - *Floor and wall covering*
- 4399 - *Other specialised construction activities n.e.c.*
- 4511 - *Sale of cars and light motor vehicles (under 3.5 tons)*
- 4519 - *Sale of other motor vehicles*
- 4612 - *Agents involved in the sale of fuels, ores, metals and industrial chemicals*
- 4613 - *Agents involved in the sale of timber and building materials*
- 4614 - *Agents involved in the sale of machinery, industrial equipment, ships and aircraft*
- 4615 - *Agents involved in the sale of furniture, household goods, hardware and ironmongery*
- 4616 - *Agents involved in the sale of textiles, clothing, footwear and leather goods*
- 4617 - *Agents involved in the sale of food, beverages and tobacco*
- 4618 - *Agents specialised in the sale of other particular products*
- 4619 - *Agents involved in the sale of a variety of goods*
- 4621 - *Wholesale of grain, unmanufactured tobacco, seeds and animal feeds*
- 4643 - *Wholesale of electrical household appliances*
- 4644 - *Wholesale of china and glassware and cleaning materials*
- 4645 - *Wholesale of perfume and cosmetics*
- 4646 - *Wholesale of pharmaceutical goods*
- 4647 - *Wholesale of furniture, carpets and lighting equipment*
- 4648 - *Wholesale of watches and jewellery*
- 4649 - *Wholesale of other household goods*
- 4671 - *Wholesale of solid, liquid and gaseous fuels and related products*
- 4673 - *Wholesale of wood, construction materials and sanitary equipment*
- 4674 - *Wholesale of hardware, plumbing and heating equipment and supplies*
- 4676 - *Wholesale of other intermediate products*
- 4711 - *Retail sale in non-specialised stores with food, beverages or tobacco predominating*
- 4719 - *Other retail sale in non-specialised stores, predominantly non-food*
- 4721 - *Retail sale of fruit and vegetables in specialised stores*
- 4722 - *Retail sale of meat and meat products in specialised stores*
- 4723 - *Retail sale of fish, crustaceans and molluscs in specialised stores*
- 4725 - *Retail sale of beverages in specialised stores*
- 4726 - *Retail sale of tobacco products in specialised stores*
- 4729 - *Other retail sale of food in specialised stores*
- 4730 - *Retail sale of automotive fuel in specialised stores*
- 4741 - *Retail sale of computers, peripheral units and software in specialised stores*
- 4742 - *Retail sale of telecommunications equipment in specialised stores*
- 4743 - *Retail sale of audio and video equipment in specialised stores*
- 4752 - *Retail sale of hardware, paints and glass in specialised stores*
- 4753 - *Retail sale of carpets, rugs, wall and floor coverings in specialised stores*
- 4754 - *Retail sale of electrical household appliances in specialised stores*
- 4759 - *Retail sale of furniture, lighting equipment and other household articles in specialised stores*
- 4763 - *Retail sale of music and video recordings in specialised stores*
- 4764 - *Retail sale of sporting equipment in specialised stores*
- 4765 - *Retail sale of games and toys in specialised stores*
- 4776 - *Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores*



4777 - Retail sale of watches and jewellery in specialised stores  
4778 - Other retail sale of new goods in specialised stores  
4779 - Retail sale of second-hand goods in stores  
4791 - Retail sale via mail order houses or via Internet  
4799 - Other retail sale not in stores, stalls or markets  
4941 - Freight transport by road  
4942 - Removal services  
5210 - Warehousing and storage  
5224 - Cargo handling  
5610 - Restaurants and mobile food service activities  
5630 - Beverage serving activities  
6420 - Activities of holding companies  
6430 - Trusts, funds and similar financial entities  
6491 - Financial leasing  
6492 - Other credit granting  
6499 - Other financial service activities, except insurance and pension funding n.e.c.  
6612 - Security and commodity contracts brokerage  
6619 - Other activities auxiliary to financial services, except insurance and pension funding  
6810 - Buying and selling of own real estate  
6820 - Renting and operating of own or leased real estate  
6832 - Management of real estate on a fee or contract basis  
7111 - Architectural activities  
7112 - Engineering activities and related technical consultancy  
7120 - Technical testing and analysis  
7211 - Research and experimental development on biotechnology  
7219 - Other research and experimental development on natural sciences and engineering  
7220 - Research and experimental development on social sciences and humanities  
7430 - Translation and interpretation activities  
7490 - Other professional, scientific and technical activities n.e.c.  
7711 - Renting and leasing of cars and light motor vehicles  
7712 - Renting and leasing of trucks  
7732 - Renting and leasing of construction and civil engineering machinery and equipment  
8110 - Combined facilities support activities  
8211 - Combined office administrative service activities  
8219 - Photocopying, document preparation and other specialised office support activities  
8299 - Other business support service activities n.e.c.  
8532 - Technical and vocational secondary education  
8551 - Sports and recreation education  
8552 - Cultural education (foreign languages, music, theatre, dancing, plastic arts, etc.)  
8559 - Other education n.e.c.

*The Company can also carry out import-export activities, advertising, advertising of its own products, obtaining financing to carry out the aforementioned activities, etc.*

*All categories of activities will be carried out based on the authorizations, permits, approvals provided by law, in compliance with quality standards, compliance with hygiene and sanitary standards, labour protection, fire protection, environmental protection, intellectual property, etc.*

*The object of activity may be reduced or completed.'*

**Art. 3.2 of the Articles of Incorporation shall be eliminated.**

**Chapter 4 of the Articles of Incorporation, entitled ‘Management and administration of the company’ shall be renamed, modified and shall have a new content, respectively :**

**‘CHAPTER 4. SHARES**

**Art. 4.1.** *The Company shares are admitted for trading on the regulated market managed by Bucharest Stock Exchange SA.*

*All shares issued by the Company are nominative and indivisible, issued in dematerialized form by their registration in the Company’s Shareholder Registry held by Depozitarul Central SA,. according to the legal provisions.*

*The record of CEMACON S.A. shares shall be kept pursuant to F.S.A. regulations. The changes to the Shareholder Registry can only be made pursuant to legal provisions in force.*

*The shares have equal value and give equal rights to holders.*

**Art. 4.2.’***Each share gives the holders the right to a vote in the General Meeting of Shareholders, the right to vote and to be elected in the management bodies, the right to participate in the distribution of benefits, as well as of other rights conferred by the applicable legal provisions, as well as by the Articles of Incorporation herein.*

*Holding shares implies legal compliance with the provisions of the Company’s Articles of Incorporation.*

*The shareholders are not liable for the debts of the Company, being only obliged to pay the subscribed share capital.*

*The rights and obligations related to shares shall be corresponding to the shares, in the event of their transfer to another person.’*

**Art. 4.3.** *‘The shares are indivisible with respect to the Company, which recognizes only a single holder for one share.*

*Ownership of shares shall be assigned according to the provisions of the capital market legislation in force.’*

**Chapter 4 of the Articles of Incorporation, entitled ‘Management and administration of the company’ shall be renumbered, modified and shall become Chapter 5, with the following content:**

**‘Chapter 5. GENERAL MEETING OF SHAREHOLDERS**

**Art. 5.1.’***The decisions of the shareholders are taken at the General Meeting, which carries out its activity according to the provisions of the law and of the Articles of Incorporation.’*

**Art. 5.2.** *'General Meetings and Ordinary and Extraordinary.*

*The General Meeting of Shareholders shall be held at the office of CEMACON SA or in any other location indicated in the notice to attend.'*

**Art. 5.3.** *'The Ordinary Meeting shall be held at least once a year, no later than within 5 months after the end of the financial year.*

*Apart from debating other issues included in the agenda, the main duties of the General Meeting are:*

- a) discussing, approving or amending annual financial statements, after reviewing the reports submitted by the board of directors, namely by the General Manager or, as applicable, by the financial auditor, and distributing the dividend;*
- b) appointing directors and removing them from office;*
- b<sup>1</sup>) appointing or dismissing the financial auditor and setting the minimum validity of the financial audit agreement;*
- c) setting the remuneration due for the current financial year for the members of the Board of Directors, unless it has been set forth in the Articles of Incorporation;*
- d) deciding on the management of the Board of Directors and of the General Manager, respectively;*
- e) approving the revenue and expenditure budget and, as the case may be, the business agenda for the following financial year;*
- f) deciding on pledging, leasing or dissolving one or more units of the Company;*
- g) approving the distribution of profit under the law.*
- h) meeting any other duties stipulated by law in its charge.'*

**Art. 5.4.** For the validity of deliberations of the Ordinary General Meeting, the presence of shareholders holding at least one fourth of the total number of voting rights is necessary. The decisions of the Ordinary General Meeting shall be taken by the majority of the votes casted.

If the Ordinary General Meeting cannot work as a result of failure to meet the conditions set out in the preceding paragraph, the meeting called on second occasion may deliberate on the items on the agenda of the first meeting, regardless of the quorum, taking decisions by the majority of the votes casted.

**Art. 5.5. :** *'The Extraordinary General Meeting of Shareholders shall be held whenever necessary to make a decision for:*

- a) changing the legal status of the Company;*
- b) relocating the company office;*
- c) changing the object of activity of the company;*
- d) setting-up or dissolving secondary offices, subsidiaries, agencies, representative offices or other similar units without legal personality, unless otherwise provided by the Articles of Incorporation;*
- e) extending the company validity;*
- f) increasing the share capital;*
- g) decreasing the share capital or its reintegration by issuing new shares;*
- h) merging the Company with other companies or Company dissolution;*
- i) deciding on early dissolution of the Company;*
- i<sup>1</sup>) converting nominative shares into bearer shares or bearer shares into nominative shares;*
- j) converting shares from one category into another;*
- k) converting bonds from one category into another or into shares;*
- l) issuing bonds;*
- m) deciding on any other amendment of the Articles of Incorporation or on any other decision that requires the approval of the Extraordinary General Meeting of Shareholders.'*



**Art. 5.6 :** *'By these Articles of Incorporation, the Board of Directors is appointed to exercise the duties of the Extraordinary General Meeting of Shareholders regarding the relocation of the Company's registered office and the completion of the Company's object of activity.'*

**Art. 5.7.** *'For the validity of deliberations of the Extraordinary General Meeting, the presence of the shareholders holding at least one fourth of the total voting rights at the first call shall be required and, at the following call, the presence of the shareholders representing at least one fifth of the total number of voting rights.'*

*The decisions of the Extraordinary General Meeting of Shareholders are taken with the majority of the votes held by the shareholders present or represented. The decision to change the Company's main object of activity, to reduce or increase the share capital, to change the legal status, to merge, to divide or to dissolve the company shall be taken by a majority of at least two thirds of the voting rights held by shareholders present or represented.'*

*'In the event of legal provisions that imperatively regulate another quorum or another majority of votes than the one provided by the present Articles of Incorporation, for the validity of a decision of the General Meeting of Shareholders, said legal provisions shall apply accordingly.'*

**Art. 5.8.** *'The General Meeting will take place in compliance with the provisions of Law no. 31/1990 on companies, republished, as further amended and supplemented.'*

*On the day and time shown in the notice to attend, the General Meeting of Shareholders shall be opened by the Chairman of the Board of Directors or by the General Manager, respectively, or by the substitute.*

*The General Meeting will choose 1 to 3 secretaries, from among the present shareholders, who will check the attendance list of the shareholders, indicating the share capital held by each of them, the minutes drawn up by the technical secretary to determine the number of shares filed and the fulfilment of all formalities required by law and by the Articles of Incorporation for holding the General Meeting.*

*The General Meeting may decide that the operations provided in the preceding paragraph be supervised or performed by a notary public at the expense of the Company.*

*One of the secretaries shall prepare the minutes of the General Meeting of Shareholders.*

*The Chairman may designate one or several technical secretaries from among the Company employees to take part in the operations referred to in the preceding paragraphs.*

*After fulfilment of legal requirements and of the provisions of the Articles of Incorporation is acknowledged, for purposes of the General Meeting, the meeting will proceed with the agenda.*

*The minutes, signed by the Chairman and the Secretary, will observe the fulfilment of convening formalities, the date and place of the General Meeting, the shareholders present, the number of shares, the summarised debates, the decisions made and, at the request of the shareholders, the statements made by them during the Meeting. The documents regarding the call, as well as the shareholder's attendance lists shall be enclosed to the minutes. The minutes shall be registered in the Register of the General Meeting.*

*In order to be opposable to third parties, the decisions of the General Meeting will be filed within 15 days at the Trade Register Office, to be mentioned in the register and published in the Official Journal of Romania, Part IV.*

*Upon request, each shareholder will be informed on the voting results for the decisions taken at the General Meeting. If the Company owns a website, the results will also be published on this page, no later than 15 days after the date of the General Meeting.'*

**Art. 5.9.** *'The decisions taken by the General Meeting within the limits of the law or the Articles of Incorporation are mandatory even for the shareholders who did not take part in the meeting or voted against.*

*The decisions of the General Meeting which are against the law or the Articles of Incorporation may be challenged in court, within 15 days from the date of publication in the Official Journal of Romania, Part IV, by any of the shareholders who did not take part in the General Meeting or have voted against and asked to insert this into the minutes of the Meeting.*

*The members of the Board of Directors may not appeal against the decision of the General Meeting until their dismissal.*

*The application will be settled against the company, represented by the Board of Directors and by the Management, respectively.*

*If the decision is appealed by all members of the Board of Directors, the Company will be represented in court by the person appointed by the Court Chairman from among its shareholders, who will carry out the mandate until the General Meeting called for such purpose appoints a representative.*

*Shareholders who have not voted in favour of a decision of the General Meeting have the right to withdraw from the Company and to request acquisition of their shares by the Company only if such decision of the General Meeting has as its object:*

- a) changing the main object of activity;*
- b) relocating the company office abroad;*
- c) changing the type of company;*
- d) merging or dividing the Company.*

*The right of withdrawal may be exercised under the conditions provided by Law no. 31/1990 on companies.'*

**Art.5.10** *"The shareholders must exercise their rights in good faith, by complying with the rights and legitimate interests of the company and the other shareholders.*

*No resolutions can be adopted as regards some subjects on the agenda which have not been published in accordance with the provisions of the Companies Law no. 31/1990, except when all shareholders have been present or represented and none of them opposed or contested this resolution."*

**Art. 5.11.** *"After it has been determined that the legal requirements and articles of incorporation on the General Assembly have been fulfilled they will start the debate and voting of each subject on the agenda.*

*The shareholders can take part and vote in the General Assembly in person, by representation, based on an authorization granted for that General Assembly and by correspondence.*

*The authorizations will be submitted in original 48 hours before the assembly or can be sent electronically, having incorporated, attached or logically associated the electronic signature, under the penalty of losing the right to vote in that assembly. The authorizations will be considered by the company, mentioning them in the minutes.*

*The company's directors and officers cannot represent the shareholders under the penalty of nullity of the resolution if, without their vote, the required majority would not have been obtained.*

*The shareholders who are members of the Board of Directors and the company's manager cannot vote based on the shares which they hold, neither in person nor by mandate, the discharge from administration or a problem in which they or their management would be at issue. But these persons may vote the annual financial statement if it is not possible to form the majority provided by the law or the articles of incorporation."*

**Art. 5.12.** *"The resolutions of the general assembly are made by open vote unless the law provides otherwise. The voting right cannot be assigned.*

*The vote by ballot is mandatory for appointing or dismissing members of the Board of Directors, for appointing, dismissing or discharging the financial auditors, and passing resolutions on the liability of the members of the administration, management and control bodies of the company.*

*If resolutions requiring a vote by ballot are included in the agenda, the vote by correspondence will be expressed by means which allow its disclosure only to the members of the secretariat responsible for counting the expressed votes by ballot and only when the other votes which are also expressed secretly are known by the present shareholders or the representatives of the shareholders taking part in the assembly."*

**Chapter 6 called "Company's management and administration" will be included in the articles of incorporation, having the following content:**

**"Art. 6.1.** *The management of CEMACON SA is a one-tier model and is entrusted to a single Board of Directors, appointed by the Ordinary General Assembly of Shareholders, under the law and these articles of incorporation.*

*The Board of Directors consists of 5 (five) members appointed for a mandate which cannot exceed 4 years. The members of the Board of Directors are re-electable. The members of the Board of Directors may be shareholders.*

*The Board of Directors may be dismissed at any time by the Ordinary General Assembly of Shareholders of the Company. If the dismissal occurs without due cause, the director is entitled to damages.*

*In the event of vacancy of one or more of the positions of director, the Board of Directors will appoint temporary directors until the Ordinary General Assembly of Shareholders.*

*On the date of these articles of incorporation, the Board of Directors has the following structure:*

- 1. **LIVIU-IONEL STOLERU**, residing in Bacău, 10 Mioriței St., entrance D, ap. 4, holder of the ID series ZC no. 142900, having the personal identification number 1711020040049 - General Manager and President of the Board of Directors of CEMACON SA;*
- 2. **ANA-BARBARA BOBIRCĂ**, residing in Bucharest, 2<sup>nd</sup> district, 3 Mihai Bravu Road, building 3, 5<sup>th</sup> entrance, 2<sup>nd</sup> floor, ap. 165, holder of the ID series RR no. 687453, having the personal identification number 275051542301 – director;*
- 3. **DANA-RODICA BEJU**, residing in Bacău, 13 Colonel Nicolae Draghici St., Bacău County, ID series ZC no. 230450, personal identification number 2620412040089 - director;*
- 4. **ANCA MĂNIȚIU**, residing in Sibiu, 134 Cal. Dumbravii, 1<sup>st</sup>-2<sup>nd</sup> floor, ap. 4, Sibiu County, ID series SB no. 784435, personal identification number 2731210323940 - director;*
- 5. **RUDOLF PAUL VIZENTAL**, residing in Bucharest, 1<sup>st</sup> district, 14 Jandarmeriei St., building 6, entrance C, ap. 4, holder of the ID series RX no. 899260, having the personal identification number 1730506020019 - director.*

**Art. 6.2.** *The Board of Directors will choose among its members a president of the board. By the articles of incorporation, it may be stipulated that the president of the board is appointed by the ordinary general assembly appointing the board.*

*The president is appointed for a period which cannot exceed the duration of his/her mandate of director, being able to be dismissed at any time by the Board of Directors.*

*The President may be dismissed at any time by the Board of Directors. If the President has been appointed by the general assembly, he/she may be dismissed only by it.*

*The President will coordinate the activity of the board and report it to the general assembly of shareholders. He/She is responsible for the proper operation of the company's bodies.*

*The President of the Board of Directors can also be appointed as General Manager.*

*If the President is temporarily incapable of exercising his/her duties, during that incapability, the Board of Directors may appoint another director by fulfilling the position of president.*

**Art. 6.3** *The directors cannot receive, without the authorization of the General Assembly, the mandate of directors in other concurrent companies or having the same activity, nor do the same kind of business or other concurrent business, on its own or on behalf of another individual or legal entity, under the penalty of dismissal and liability for damages.*

**Art. 6.4.** *The Board of Directors will meet at least every three months.*

*The President will convene the Board of Directors, establish the agenda, deal with the proper information of the board members regarding the subjects on the agenda and preside the meeting.*

*The Board of Directors is also convened, at the reasoned request of at least 2 of its members or the general manager. In this case, the agenda is established by the issuers of the request. The President is obliged to execute such request.*

*The convocation for the meeting of the Board of Directors will be sent to the directors in good time before the date of the meeting, the term being set by the resolution of the Board of Directors. The convocation will include the date, place of the meeting and agenda. Resolutions on the subjects which are not included in the agenda can be adopted only in emergency cases. The articles of incorporation may require stricter conditions regarding the issues regulated in this paragraph.*

*The convocation of the meeting of the Board of Directors will be sent to each director in writing, by fax or by electronic mail or by other allowable legal means of communication to the address and fax number of that director.*

*Resolutions on the subjects which are not included in the agenda can be adopted only in emergency cases. The President will decide on the emergency of issues.*

*In each meeting, minutes, including the name of participants, order of deliberations, adopted resolutions, number of votes and separate opinions will be prepared. The minutes are signed by the President of the meeting and at least another director.*

*The managers and internal auditors may be convened in any meeting of the Board of Directors, meetings in which they are obliged to take part. They have no voting right, except for the managers who are also directors.*

*The participation in the meetings of the Board of Directors may also take place by means of remote communication, respectively by e-mail, teleconference, etc.*

*The President of the Board of Directors will have the decisive vote in the event of parity of votes. The President of the Board of Directors who is also the manager of the company cannot have a decisive vote.*

*In exceptional cases, justified by the urgency of the situation and by the interest of the company, the resolutions of the Board of Directors may be adopted by the written unanimous vote of the members, without the need for a meeting of the Board.*

*They cannot use the procedure provided for in paragraph 1 for the resolutions of the board of directors on the annual financial statements or authorized capital.*

**Art. 6.5.** *To validate the resolutions of Board of Directors, the presence of at least half of the members will be required.*



*The resolutions within the Board of Directors will be made by the vote of the majority members present. The resolutions on the appointment or dismissal of the President of the Board of Directors will be made by the vote of the majority members.*

*The President of the Board of Directors will have the decisive vote in the event of parity of votes. The President of the Board of Directors who is also the manager of the company cannot have a decisive vote.*

*The members of the Board of Directors may be represented in the board meetings only by other members. A member may represent a single absent member.*

**Art. 6.6.** *The Board of Directors is responsible for the fulfilment of all documents required and useful to carry out the company's activity, except for those reserved by the law for the General Assembly of Shareholders*

*The basic duties of the Board of Directors which may not be delegated to the managers are:*

- a. establishment of the directions of activity and development of the company;*
- b. establishment of the accounting policies and the financial control system and the approval of financial planning;*
- c. appointment and dismissal of managers and establishment of their payment;*
- d. supervision of the managers' activity;*
- e. preparation of the annual report, organization of the General Assembly of Shareholders and implementation of its resolutions;*
- f. introduction of the request for initiating the company's insolvency proceedings, according to Law no. 85/2014 on insolvency prevention and insolvency proceedings, as further amended and supplemented.*

*The Board of Directors will appoint and dismiss the general manager of the company and establish his/her duties and payment.*

*The Board of Directors is responsible for the supervision of the General Manager's activity. Any director may request the General Manager information on the company's operational management. The General Manager will inform the Board of Directors of the undertaken and envisaged operations.*

*The Board of Directors will represent the company in relation to the General Manager and in relation to the third parties and in court. The Board of Directors will also register with the Trade Register the name of the authorized persons to represent the company, mentioning if they act together or separately. These persons will submit a specimen signature to the Trade Register.*

*The members of the Board of Directors will exercise their mandate with the prudence and diligence of a good director, with loyalty, in the interest of the company. The members of the Board of Directors cannot disclose the confidential information and trade secrets of the*

*company to which they have access as directors. This obligation also rests with them after the termination of the director's mandate.*

**Art. 6.7.** *The obligations and liability of directors are governed by the provisions on the mandate and those specifically provided for in the Companies Law no. 31/1990, republished, as further amended and supplemented.*

*The members of the Board of Directors are solely responsible to the company for:*

- a) The reality of payments made by the shareholders;*
- b) The real existence of paid dividends;*
- c) The existence of registers under the law and their correct preparation;*
- d) The exact fulfilment of the General Assembly resolutions;*
- e) The strict fulfilment of the duties which the law and articles of incorporation require.*

*The directors will be liable to the company for the damage caused by the actions of the managers and employed personnel when the damage would not have occurred if they had exercised the supervision required by the duties of their position.*

*The managers will inform the Board of Directors of all irregularities found during the fulfilment of their duties.*

*The directors are jointly and severally liable with their immediate predecessors if, knowing the irregularities committed by them, they do not communicate them to their internal auditors and the financial auditor.*

*In the companies with several directors, the liability for the committed acts or omissions does not extend to the directors who have determined the registration of their resistance in the Register of resolutions of the Board of Directors and have informed it in writing to the internal auditors and financial auditor.*

*The action against the directors also belongs to the lenders of the company, who will be able to exercise it only in the event of initiating the procedure regulated by Law no. 85/2014 on insolvency and insolvency prevention proceedings.*

**Art. 6.8.** *In the Board of Directors of CEMACON SA, three advisory committees operate as follows:*

- Audit Committee;*
- Payment Committee;*
- Nomination Committee.*

*The advisory committees are made up of at least 2 board members and are responsible for conducting investigations and preparing recommendations for the board, in fields such as audit, payment of directors, managers and personnel or nomination of candidates for various management positions. The committees will submit the board reports on their activity on a regular basis.*

*At least a member of each created committee must be a non-executive independent director. The Audit and Payment Committee are made up only of non-executive directors. At least one member*

*of the Audit Committee must have experience in applying the accounting principles or in financial audit.*

*The advisory committees carry out their activity based on the Internal Regulations on the organization and operation of the committees established within the Board of Directors.*

**Art. 6.9.** *The director who directly or indirectly has interests contrary to the company's interests in a certain operation must inform about it the other directors and the internal auditors and not take part in any discussion on this operation.*

*The director has the same obligation if he/she knows that her husband or his wife, relatives or in-laws up to the 4<sup>th</sup> degree, inclusively, is/are interested in a certain operation.*

*If the provisions of these articles of incorporation do not provide otherwise, the interdictions established in paragraph (1) and (2) regarding the participation, deliberation and vote of directors are not applicable if the voting subject is:*

- a) submitting for underwriting to a director or to the persons referred to in paragraph (2) shares or bonds of the company;*
- b) granting by the director or the persons mentioned in paragraph (2), a loan or establishing guarantees in favour of the company.*

*The director who has not complied with the provisions of paragraph (1) and (2) is liable for damages incurred to the company.*

**Chapter 7 called "Company's executive management" will be included in the articles of incorporation, having the following content:**

**Art. 7.1.** *The company's executive management is delegated to the General Manager.*

*In the meaning of Companies Law no. 31/1990, the manager of the joint-stock company is only the person to whom the management powers of the company have been delegated. Any other person, regardless of the technical name of the position within the company, is excluded from the application of the regulations of this law regarding the managers of the joint-stock company.*

*The General Manager can be appointed among the directors or outside the Board of Directors.*

**Art. 7.2.** *The General Manager is responsible for taking all measures related to the company's management, within the limits of the company's activity and by complying with the exclusive powers reserved by the law or the articles of incorporation of the Board of Directors and General Assembly of Shareholders.*

*The General Manager may be dismissed at any time by the Board of Directors. If the dismissal occurs without any due cause, the manager in question is entitled to damages.*

**Art. 7.3.** *On the date of these articles of incorporation, the General Manager is:*

- Mr. LIVIU-IONEL STOLERU, residing in Bacău, 10 Mioriței St., entrance D, ap. 4, county of Bacău, Stoleru Liviu-Ionel, identified with ID series ZC no. 142900, issued on the 29<sup>th</sup> of*

*September, 2015 by Bacău Local Public Community Service of Personal Records, having the personal identification number 1711020040049.*

**Art. 7.4.** *The General Manager will mainly have the following duties:*

- a. represents the company in court, and in the relations with third parties (public authorities, legal entities, individuals).*
- b. has decision-making powers as regards the company's current operations;*
- c. proposes the strategy, commercial and development policy of the company to the Board of Directors;*
- d. proposes the company's organizational structure, number of positions and regulations for establishing the functional and production departments to the Board of Directors;*
- d. negotiates and signs the Collective Labour Agreement with the company based on the specific mandate granted by the Board of Directors;*
- f. employs and dismisses the company's personnel under the law, establishes the duties, responsibilities, obligations and rights specific to each position within the company and signs on behalf of the company the individual labour agreements and the collaboration contracts;*
- g. concludes legal documents, in the name and on behalf of CEMACON SA, within the limits established by the resolutions of the Board of Directors;*
- h. approves the good sale and purchase operations and services and works intended for the fulfilment of the company's activity within the limits of the powers granted by the Board of Directors;*
- i. fulfils, where applicable, with the approval of the Board of Directors, all operations and actions of conservation, management and disposition necessary for the fulfilment of the company's activity;*
- j. signs all documents including data and information on the company, declarations, official statements, certificates, requests, notices, waivers and other similar documents prepared in the name of the company;*
- k. fulfils any other duty entrusted by the company's Board of Directors.*

**Chapter 5 of the Articles of Incorporation will be renumbered and becomes Chapter 8, having the following content:**

#### ***COMPANY'S PERSONNEL AND MANAGEMENT CONTROL***

**Art. 8.1.** *The company's personnel will be employed by the directors, who are entitled to delegate these powers to the General Manager of the Company.*

*The salary will be established by negotiation, being confidential, complying with the maximum pay limit if law provides it.*

*The personnel employment will be made according to the legal regulations in this matter.*

**Art. 8.2.** *The economic and financial records of the company will be held and registered under the law.*

*The company's annual financial statements will be prepared according to the established legal regulations, approved by the General Assembly, executed by the competent financial bodies and submitted to the Trade Register to be mentioned in the register. The company can open accounts in lei and foreign currency in the bank agent which it appoints in the country and abroad.*

**Art. 8.3.** *The reserve fund is established under the law.*

**Art. 8.4.** *The company's management will be controlled by means of the internal financial audit, under the regulations prepared by the Chamber of Financial Auditors of Romania.*

*The company's financial statements will be audited by the financial auditors - individuals or legal entities - under the law.*

*The General Assembly may approve the annual financial statements only if they are accompanied by the financial auditors' report.*

*The auditors will inform the directors of the irregularities in the management and breaches of the legal provisions and the articles of incorporation which they find and the most important cases will be brought to the attention of the General Assembly.*

**Chapter 6 of the Articles of Incorporation will be renumbered and becomes Chapter 9, being amended and having the following content:**

**"AMENDMENT OF THE ARTICLES OF INCORPORATION  
'OF THE COMPANY**

**Art. 9.1.** *The company's articles of incorporation may be amended by the shareholders, complying with the Companies Law and the formal and advertising issues provided for their drawing up.*

**Art. 9.2.** *The decrease and increase of the share capital will be made by complying with the provisions of the Companies Law no. 31/1990, republished, as further amended and supplemented."*

**Chapter 7 of the Articles of Incorporation will be renumbered and becomes Chapter 10, being amended and having the following content:**

**"COMPANY'S DISSOLUTION AND LIQUIDATION**

**Art. 10.1.** *The Company will be dissolved by:*

- *the resolution of the General Assembly of Shareholders;*
- *the failure to fulfil the company's activity or its fulfilment;*
- *declaring the invalidity of the company;*
- *losing half of the share capital, after the reserve fund has been used, if the General Assembly of Shareholders does not decide to complete the capital or reduce it up to the remaining amount;*
- *the company's bankruptcy;*
- *if the number of shareholders is below 2, more than 9 months;*
- *in any other case, based on the resolution of the General Assembly of Shareholders;*
- *other cases under the law;*

*When, due to the death of a shareholder, the minimum number of shareholders will be under the one provided by law, the company will continue its activity with the heirs of the deceased.*



*The company's dissolution and liquidation will be done by complying with the conditions under the law and referring to the substantive, formal and advertising issues.*

**Art. 10.2.** *The company's dissolution is registered with the Trade Register and published in the Official Gazette, Part 4 according to the legal provisions in force.*

**Art. 10.3.** *Having dissolved the company, the directors must start the liquidation proceedings and at this time they can no longer perform new operations, otherwise they are personally and jointly liable for the violation of this legal prohibition.*

*The company's liquidation will be done according to the Companies Law no. 31/1990, republished and amended, by the competent persons under the law to carry out the reorganization and liquidation activities.*

*All documents issued by the company during the period required to fulfil the liquidation formalities must have the mention that the company is in liquidation.*

*The liquidator is obliged to prepare only the documents required for the liquidation proceedings, under the authority of personal responsibility, without the document being opposable to the company, which is not being liable in any way.*

**Art. 10.4.** *The dissolution of the company before the expiration of the term for which it has been established has an effect on third parties only after a period of 30 days has elapsed since its publication in the Official Gazette.*

**Art. 10.5.** *The merger and dissolution of the company will be made by complying with the provisions of the Companies Law no. 31/1990, republished, as further amended and supplemented."*

**Chapter 8 of the Articles of Incorporation will be renumbered and becomes Chapter 11, being amended and having the following content:**

#### ***"FINAL PROVISIONS***

**Art. 11.1.** *Any dispute arising from or regarding these articles of incorporation or the breach of these articles of incorporation will be settled by the competent courts.*

**Art. 11.2.** *The documents or actions for which no advertising has been made under the law are not opposable to third parties, unless the company provides evidence that they knew them.*

*In the event of inconsistency, third parties may object to the company any of the texts, unless the company proves that they knew the text submitted to the Trade Registry Office.*

**Art. 11.3.** *The provisions of these articles of incorporation will be completed by the legal provisions on companies and regulations in force applicable to the capital market.*

*These articles of incorporation have been updated on \_\_\_\_\_, based on the provisions of the Resolution of the Extraordinary General Assembly of Shareholders no. \_\_\_\_ as of \_\_\_\_\_*

*These articles of incorporation have been drawn up and signed in 2 (two) original copies, in Cluj-Napoca, today \_\_\_\_\_.*

5. Approval of the date of 11<sup>th</sup> of August, 2017 as registration date to identify the shareholders who are affected by the resolutions of the Extraordinary General Assembly of the Shareholders, according to article 2 of the National Securities Commission Regulation no. 6/2009

6. Approval of the date of 10<sup>th</sup> of August, 2017 as exdate.

7. Authorization of the President of the Board of Directors, Mr. Stoleru Liviu-Ionel, identified with ID series ZC no. 142900, issued on the 29<sup>th</sup> of September 2015 by Bacău Local Public Community Service of Personal Records, having the personal identification number 1711020040049, domiciled in Bacău, 10 Mioriței St., entrance D, ap. 4, county of Bacău, to sign on behalf of the shareholders all the resolutions to be adopted by the Extraordinary General Assembly of Shareholders and the updated articles of incorporation and to fulfil all the legal formalities for the execution and registration of the adopted resolutions and decisions, with the possibility of sub-empowerment towards third parties. Within the granted mandate, Mr. Stoleru Liviu-Ionel and any of its sub-mandatory may, without limitation, fulfil all the needed formalities for signing in the name and on behalf of the shareholders the Resolutions of the Extraordinary General Assembly of Shareholders, and to carry out any steps and formalities necessary for the implementation and registration of the resolutions adopted by the shareholders before the Financial Supervisory Authority, Central Depository, Bucharest Stock Exchange, Trade Register Office and any other authorities and any individuals or legal entities involved.

8. Mandate of Mr. Pușcaș Bogdan, legal adviser of the Company, residing in Cluj-Napoca, 4 Fabricii Street, apartment 91, identified with the ID series CJ no. 178807 issued by Cluj Napoca Local Public Community Service of Personal Records on the 6<sup>th</sup> of January 2016, for the fulfilment of all the formalities for entry and registration with the Trade Register Office of the mentions corresponding to the resolutions adopted by the Extraordinary General Assembly of the Company.

**There are no other events to be reported.**

**President of the Board of Directors**

**Mr. Stoleru Liviu-Ionel**