

To: **BUCHAREST STOCK EXCHANGE**
FINANCIAL SUPERVISORY AUTHORITY

CURRENT REPORT

Report date: **24.03.2022**

Name of the entity: ELECTROMAGNETICA S.A.

Address: CALEA RAHOVEI NR. 266-268, SECTOR 5, BUCHAREST

Phone: 021 404.21.31; 021 404.21.02; FAX: 021 404.21.95; 021 404.21.94

Serial number in the Trade Register: J 40/19/1991

Unique Registration Code: 414118

The subscribed and paid-in share capital: 67,603,870.4 lei

Regulated market on which the issued securities are traded: Premium Category, BVB

Events to report:

The proposal of the Board of Directors regarding the distribution of the net profit related to 2021

Considering that on December 31, 2021 the Company registered an accounting loss of 16,113,467 lei, and article 18 paragraph of Law no. 82/1991 stipulates that "the accounting loss is covered by the profit of the financial year and the carried forward one, from reserves and share capital, according to the general meeting of shareholders", the Board of Directors of ELECTROMAGNETICA SA proposes the approval of the OGMS:

1. non-distribution of dividends

2. the full coverage of the accounting loss registered on December 31, 2021 in the amount of 16,113,467 lei by using the reserves as follows:

Account 1061.001 Inflation adjustments - legal reserves (IAS29)	8,649,877
Account 1068.9 Adjustments to other reserves from tax facilities (IAS 29)	194,879
Account 1068.3 Other reserves - own sources of financing	7,268,711

Total 16,113,467

Chairman of the Board of Directors / General Manager
Eugen Scheusan