

SOCIETATEA

“MECANICA CEAHLAU” S.A.

- PIATRA NEAMT –

Attention to:

**AUTHORITY FOR FINANCIAL MONITORING BUCHAREST [ASF]
BUCHAREST STOCK EXCHANGE
CURRENT REPORT**

in compliance with the provisions under Law 24/2017 and of the Regulation № 5/2018 of ASF

Report date: 18/03/2020

Issuing entity: S.C. “Mecanica Ceahlău” SA

Registered Office: Municipality of Piatra Neamt, Str. Dumbravei, № 6

Phone/Fax: 0233/211104; 0233/216069

Unique Code of Registration with the Office of the Register of Commerce: 2045262

Register of Commerce Incorporation №: J.27/8/1991

Social capital, subscribed and paid: Lei 23,990,846.00

Regulated Market on which movables issued are traded: [Bursa de Valori] Bucharest Stock Exchange

Important events to be reported: The Ordinary General Meeting of the Shareholder is hereby convened for the 22/23 April 2020

The Board of Directors of Mecanica Ceahlău S.A. with its registered office in Piatra Neamă, 6 Dumbravei Street, Neamă County, registered with the Trade Register under no. J27/8/1991, Unique registration code 2045262, met on **17.03.2020**, in accordance with the provisions of Law no. 31/1990, republished and supplemented, **convenes the Ordinary General Meeting of Shareholders on 22.04.2020, at 13:00, which will take place at company's registered office**, in Piatra Neamă, 6 Dumbravei Street, Neamă County, for all shareholders registered with the Trade Register at the end of **10.04.2020**.

The convening notice is attached hereto.

The supporting materials for the items on the Ordinary General Meetings of Shareholders' agenda will be available to the shareholders starting with 20 March 2020.

Considering the Romanian public authorities' latest recommendations in relation to prevention / limitation of the spread of COVID-19, as well as the Presidential Decree on the emergency situation published in the Romanian Official Gazette on 16.03.2020, MECANICA CEAHLAU SA strongly recommends to its shareholders, to the extent possible:

- **to access the supporting materials for OGMS in electronic format, available on the company's website, rather than in hardcopy at the Correspondence Entry;**
- **to vote by correspondence by using the Voting Bulletin;**
- **to use, as communication means, the e-mail having attached an extended electronic signature, rather than the mail or courier at the Correspondence Entry, when submitting (i) proposals with respect to adding new items on the OGMS agenda, (ii) draft resolutions, (iii) written**

questions before OGMS, (iv) the powers of attorney for representation in the OGMS or (v) the Voting Bulletins for voting by correspondence.

The Ordinary General Meeting of Shareholders' convening notice is to be published in the Romanian Official Gazette - Part IV and in one widely-spread newspapers in Romania.

Appendix:

Convening notice of Ordinary General Meeting of Shareholders on 22/23 April 2020.

Chairman of the Board of Directors

Trifa Aurelian-Mirea-Radu

CONVOCATION

The Board of Directors of Mecanica Ceahlău S.A. with its registered office in Piatra Neamă, 6 Dumbravei Street, Neamă County, registered with the Trade Register under no. J27/8/1991, Unique registration code 2045262, met on **17.03.2020**, in accordance with the provisions of Law no. 31/1990, republished and supplemented, **convenes the Ordinary General Meeting of Shareholders on 22.04.2020 (first convocation), at 13:00, which will take place at company's registered office**, in Piatra Neamă, 6 Dumbravei Street, Neamă County, for all shareholders registered with the Trade Register at the end of **10.04.2020**, with the following agenda:

FOR THE ORDINARY GENERAL MEETING:

- 1.** Election of the secretariat of the company Shareholders' Ordinary General Meeting, in compliance with the provisions of Law 31/1990, article 129, paragraph (2);
- 2.** Presentation, discussions, and approval of the Report on the activity of the Board of Directors for 2019;
- 3.** Presentation, discussions, and approval of the individual financial Statements for 2019, with the independent financial auditor's opinion;
- 4.** Approval of the distribution of the 2019 net profit, by destination.
- 5.** Approval of the distribution of the deferred result representing non-distributed profit for the year 2018 and surplus realized from revaluation reserves
- 6.** Approval of the distribution of the gross dividend/share in the amount of 0,04585 lei. The total amount of dividends is 10.999.803 lei.

Date of payment of dividends: 13.07.2020, but not later than 6 months from the date of the general meeting of the shareholders for dividend settlement

- 7.** Approval of the administrators' discharge for 2019
- 8.** Presentation, discussions, and approval of the main directions of operation and the Budget of Revenue and Expenses for 2020;
- 9.** Approval of participation to profit of the administrators.
- 10.** Approval of the general limits for the remuneration of the company managers and directors, in compliance with Art.153¹⁸ of Law 31/1990, republished as updated.
- 11.** Approval of the prescription of dividends for the financial year 2012, 2014 and 2015 established by the OGMS [AGOA] from 29.04.2013, 17.04.2015, respectively 25.04.2016, not collected until 17.08.2019 and their registration according to the applicable regulations.
- 12.** Approval of empowerment of the General Manager to prepare all the necessary documents for the registration of the OGMS [AGOA] decision with the Trade Register Office and to take the steps to ensure the publicity of the decisions adopted. The General Manager may empower other persons to perform the previously mentioned registrations.

13. Approval of the date of 26.06.2020 (ex-date 25.06.2020) as the date for the identification of the shareholders who are to benefit from rights and who are to suffer from the effects of the OGSM [AGOA] resolutions.

The shareholders' access to the Ordinary General Meetings shall be done by a simple proof of their identity, made in the case of the individual shareholders with the identity document, and in the case of the legal entity shareholders and the represented individual shareholders, with special power of attorney given to the individual representing them.

The Special Power of Attorney shall be drafted, in Romanian or in English, in three original copies (one for the company, one for the principal and one for the agent).

The special powers of attorney in copy, including the mention of conformity with the original under the signature of the representative, accompanied by a photocopy of the identity card or the registration certificate of the represented shareholder and a photocopy of the identity document or the representative's registration certificate, shall be filed at the head office of the company or by e-mail at asistent.manager@mecanicaceahlau.ro by 21.04.2020 at 16:00.

The shareholder may grant a general power of attorney valid for a period not exceeding 3 years, allowing his/her representative to vote on all items on the agenda of the General Meetings of Shareholders of the company identified in the power of attorney, including acts of disposition, provided that the power of attorney is granted by the shareholder, as a client, to an intermediary defined according to art. 2 paragraph (1) point 14 of Law 297/2004 on the capital market, or to a lawyer.

The special power of attorney in copy, including the mention of conformity with the original under the signature of the representative, accompanied by a photocopy of the identity card or the registration certificate of the represented shareholder and a photocopy of the identity document or the representative's registration certificate, shall be filed at the head office of the company by 21.04.2020 at 16:00.

Shareholders registered on the reference date (10.04.2020) in the Shareholders' Register have the possibility to vote by mail, before the General Meeting of Shareholders, by using the vote by mail form.

The vote by mail form in original, written in Romanian or in English, together with the copy of the identity card or the shareholder's registration certificate, will be sent to the registered office of the company by 21.04.2020 at 16:00.

The special powers of attorney / forms of vote by correspondence accompanied by the shareholder's identity cards can be also sent by email with incorporated extended electronic signature, so that they can be registered with the company until the latest 21.04.2020 at 16:00 to the address ceahlau@mecanicaceahlau.ro mentioning in the subject field "FOR THE GENERAL ORDINARY MEETING OF SHAREHOLDERS OF MECANICA CEAHLAU SA from 22/23.04.2020"

The information, materials and documents relating to the items on the agenda and the draft decisions, will be made available to the shareholders at the registered office of the company and on its website www.mecanicaceahlau.ro as of 20.03.2020, in both Romanian and English.

The forms of the special powers of attorney as well as the vote by mail form will be made available to the shareholders at the registered office of the company and on its website www.mecanicaceahlau.ro as of 07.04.2020, in both Romanian and English.

Voting will start on 07.04.2020.

One or more shareholders that own, individually or together, at least 5% of the share capital, have the right to insert new items on the agenda of the Ordinary General Meeting of Shareholders, provided that each

item is accompanied by a justification or a draft resolution proposed for adoption by the general meeting. The proposals shall be sent in writing to the company by 06.04.2020, at 16:00. Also, one or several shareholders that own, individually or together, at least 5% of the share capital, are entitled to submit draft resolutions for the items included or proposed to be included on the agenda of the general meeting. The draft resolutions shall be sent in writing by 06.04.2020 at 16:00.

Shareholders may submit, in writing, questions on items on the agenda of the General Meeting from 20.03.2020 and until 21.04.2020, at 16:00.

If, at the first convocation, the legal and statutory quorum necessary to carry out the Ordinary General Meeting of Shareholders is not fulfilled, the following meeting of the ordinary general meetings of shareholders will take place on **23.04.2020**, with the same agenda, at the same place and at the same time. Additional information can be obtained from company's headquarters and by telephone at 0233-211104, extension 117, or by e-mail: ceahlau@mecanicaceahlau.ro

Chairman of the Board of Directors

Trifa Aurelian-Mirea-Radu