

TO: BUCHAREST STOCK EXCHANGE

THE FINANCIAL REGULATOR

Current report in accordance with: Law 24/2017 on the issuers of financial instruments and market operations and ASF Regulation no. 5/2018 on the issuers of financial instruments and market operations.

Report date: 08.03.2022

Issuer's name: Electroarges SA

Registered office: Curtea de Arges, str. Albesti, nr. 12, jud. Arges

Trade Register Registration Code: RO156027

Trade Register Registration Number: J03/758/1991

Share capital: 6,976,465.00 lei

Important events to report:

Electroarges SA Position - the Financial Regulator Decision no. 238/04.03.2022

Electroarges SA informs the shareholders and potential investors that it has received **the Financial Regulator Decision no. 238/04.03.2022**, published on the BSE website, ELGS page, by which the Financial Regulator proceeded to apply a fine of 16,400 lei to the company's Chairman of the Board of Directors, for alleged irregularities in connection with the preparation and presentation of the financial statements.

We mention, for the appropriate and complete information of all the interested persons (shareholders, potential investors), that the Financial Regulator communicated, in the procedure prior to the issuance of this Decision, **the Permanent Control Report no. 16652/26.11.2021** (available on the company's website electroarges.ro section "Communicate"), and Electroarges **formulated Objections to this Report on 03.12.2021 (Annex 1)**, by which we appreciate that we have expressly clarified all aspects invoked by the Financial Regulator, for which it was subsequently decided to apply sanctions by **the Financial Regulator Decision no. 238/04.03.2022**.

We mention that Electroarges maintains its position expressed in the **Objections to the Permanent Control Report no. 16652/26.11.2021 dated 03.12.2021 (Annex 1)**, by which we showed in detail that all the provisions of the IFRS standards that regulate the preparation and presentation of the financial statements have been observed.

We appreciate that in the **Financial Regulator Decision no. 238/04.03.2022** included a wrong position of the Financial Regulator, strictly subjective, following that Electroarges will carry out all the legal steps in connection with contesting its issuance.

We attach:

- Objections to the Permanent Control Report no. 16652/26.11.2021 dated 03.12.2021 (Annex 1)

**Vice-Chairman of the Board of Directors,
Roxana Scarlat**