



TURBOMECHANICA

Bd. Iuliu Maniu Nr. 244 Sector 6 Cod Poștal 061126 București – Romania

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Cod Registrul Comerțului J40/533/1991

Cod Fiscal RO3156315 Cod Unic de Înregistrare 3156315

Capital Social subscris integral vărsat 36.944.247,50 RON

www.turbomecanica.ro; e-mail: office@turbomecanica.ro

CURRENT REPORT

No. 31 of 06.10. 2017

The current report in conformity with art 113 para. A letter a) of NSC Regulation no. 1/2006

Date of the report: 06.10.2017

Name of issuer entity: TURBOMECHANICA S.A.

Registered Office: Bucharest Bd iuliu Maniu no. 244 District 6

Tel.: (+4) 021 434 32 06; (+4) 021 434 07 41 Fax: (+4) 021 434 07 94

Trade Register Office Unique Registration Code RO 3156315

Trade Register Number J40/533/1991

Social Capital subscribed and paid 36,944.247,50 lei

Regulated market where the issued receivables are traded: Bucharest Stock Exchange Capital Titles , Shares

I. Important events to be reported

A. The Board of Directors of the Company TURBOMECHANICA SA has adopted the decision no. 114/05.10.2017 whereby it was approved.

1. Approval of convening the Ordinary General Meeting of Shareholders in order to approve the appointment of the statutory financial auditor of the Company, DELOITTE AUDIT” S.R.L. with registered office in Bucharest, str. Nicolae Titulescu nr. 4-8, et. 2-zona Deloitte si et. 3, District 1, incorporated under no J40/6775/1995; C.U.I. 7756924 represented by Mrs. Lobda Adriana-Simona, domiciled in Bucharest, str. Maria Cuntan nr. 1, bl. S4D, sc. 3, et. 5, ap. 92, District 5 on 14.11.2017 hours 11 at the Company’s registered offices in Bucharest Bd Iuliu Maniu no 244 District. Also, the Board of Directors hereto approves all the draft documents which are to be provided to the shareholders and/or communicated to the regulatory bodies, as follows: current report on the OGMS calling, draft power of attorney in Romanian and English language, draft OGMS decisions.

B. The reason of such appointment is the implementation in Romania as of 17 June 2017 a of the EU Regulation no 537/2014 of the European Parliament and Council of 16 April 2014 and the provisions of the law no 162/2017 on Statutory audit of the annual financial

situations and of the consolidated annual financial situations and complying with the provisions of the EU Regulation no 537/2014 of the European Parliament and Council of 16 April 2014 on the specific requirements for the statutory audit of entities of public interest.

- C. **Approval of convening the Extraordinary General Meeting of Shareholders** in order to ratify certain decisions of the Board of Directors on aspects related to the credits granted to the Company by financial institutions on 14.11.2017 hours 11.30 at the Company's registered offices in Bucharest Bd Iuliu Maniu no 244 District. Also, the Board of Directors hereto approves all the draft documents which are to be provided to the shareholders and/or communicated to the regulatory bodies, as follows: current report on the EGMS calling, draft power of attorney in Romanian and English language, draft EGMS decisions.

The Board of Directors of the Company **TURBOMECANICA S.A.**, with headquarters in Bucharest Bd Iuliu Maniu nr 244 sector 6 incorporated under no J40/533/1991, CUI 3156315, in accordance with the provisions of the Law no 31/1990 as republished with subsequent modification and amendments and of the law no. 24/2017, gathered on 05.10.2017 has decided to call on 14.11.2017 hour 11 respectively 11.30 in the Protocol Hall of Turbomecanica SA located in Bucharest Bd Iuliu Maniu no.244 sector 6 **THE ORDINARY AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS** registered in the shareholders' registry at the end of the day of 03.11.2017.

The ordinary general meeting will have the following agenda:

- I. Approving the appointment of the external financial auditor and establishing the minimum duration of the financial audit contract, according to Law no. 162/2017 on the statutory audit of the annual financial statements and of the consolidated annual financial statements, as well as for observing the provisions of the (EU) Regulation no. 537/2014 on the specific requirements regarding the statutory audit of the public interest entities;
- II. Approving the registration date which serves for identifying the shareholders affected by the decision of the ordinary general meeting of shareholders, thus proposing the date of 05.12.2017, respectively the ex date 04.12.2017;
- III. Empowering the President of the Board of Directors to sign the minutes and the decision of the ordinary general meeting of shareholders and the company's legal counsellor to fulfill the formalities necessary for registering the mentions with the Trade Registry Office and for publishing the decision of the ordinary general meeting of shareholders in the Official Gazette, Part IV.

The extraordinary general meeting will have the following agenda:

- I. Ratifying the decision of the Board of Directors regarding the extension of the credit line granted by Banca Transilvania S.A. Cluj Napoca–Militari Bucuresti Branch, as well as updating the securities, according to Addendums no. 15/186/22.06.2017 and no. 16/186/24.07.2017 to the Credit Agreement no. 186/24.06.2009 and its subsequent addendums, as well as to Addendum no. 1/24.07.2017 to the Credit Agreement no. 40/IPO/01/20.12.2012 and Addendum no. 2/24.07.2017 to the Credit Agreement no. 186/IPO/01/24.06.2009;

II. Ratifying the decision of the Board of Directors regarding the restructuring and reconversion of the credit granted by BRD-GSG- Militari Branch, as well as updating the mortgages and pledges according to Addendums no. 56/30.08.2017 and no. 57/31.08.2017 to the Credit Agreement no. 103 Bis/28.04.2006, modified by the subsequent addendums, as well as by Addendum no. 1 to the Mortgage Agreement authenticated under no. 161/10.02.2015 and Addendum no. 1 to the Mortgage Agreement authenticated under no. 535/26.05.2006; Addendum no. 3/30.08.2017 to the Pledge Agreement without dispossession of the credit balance of the bank accounts no. G26/11.05.2009; Addendum no. 1/30.08.2017 to the Mortgage Agreement on Movables no. 24/8130/03.02.2015; Addendum no. 1/30.08.2017 to the Mortgage Agreement on Movables no. G114/31.07.2012; Addendum no. 1/30.08.2017 to the Mortgage Agreement on the universality of receivables no. G109/31.12.2013;

III. Ratifying the decision of the Board of Directors regarding the approval to renew the factoring limit by 31.08.2018, according to Addendum no. 3 to the Special conditions no. 3 to the Factoring Agreement no. 539/04.05.2006 concluded with B.R.D.-G.S.G- Militari Branch;

IV. Approving the empowerment of the President of the Board of Directors to sign for the company and on its behalf, all the documents regarding the restructuring / extension of the credits granted by BRD-GSG-Militari Branch, respectively Banca Transilvania S.A. Cluj Napoca–Militari Bucuresti Branch, as well as with regard to updating the securities afferent to them;

V. Ratifying the decision of the Board of Directors regarding the association Turbomecanica S.A. as the founding member of the Romanian Association of Helicopters' Industry (Asociatia Romane a Industriei Elicopterelor), as well as approving the basic elements of the association, namely the denomination, headquarters, scope, participation to making decisions and empowering Mr. Radu Viehmann, the President of the Board of Directors and General Manager of the company, to sign the Constitutive Act/Decision regarding the establishment and the Statute of the association;

VI. Approving the registration date which serves for identifying the shareholders affected by the decision of the extraordinary general meeting of shareholders, thus proposing the date of 05.12.2017, respectively the ex date 04.12.2017;

VII. Empowering the President of the Board of Directors to sign the minutes and the decision of the ordinary general meeting of shareholders and the company's legal counsellor to fulfill the formalities necessary for registering the mentions with the Trade Registry Office and for publishing the decision of the ordinary general meeting of shareholders in the Official Gazette, Part IV.

In case at the first call the legal conditions for the quorum are not being fulfilled, the ordinary general meeting of shareholders and the extraordinary general meeting of shareholders shall be again convened for 15.11.2017 hours 11 respectively 11.30 in the same place with the same agenda.

The shareholders registered at the reference date may participate to the general meeting directly or may be represented at the meeting either by their legal representatives or by other

representatives who were granted a special or general power-of-attorney, under the conditions of art. 92 para 19 of Law no. 24/2017 on capital market. The minimum content of the power-of-attorney is as per art. 15 of Regulation no. 6/2009 issued by CNVM. The preprinted form of the special power-of-attorney, in Romanian and English language, may be obtained upon request from the company's headquarters or it can be downloaded from the web site www.alumil.com/ro, starting with the date of 14.10.2017.

The shareholders may grant a general power-of-attorney valid for a period which will not exceed 3 years, allowing its representative to vote in all aspects under debate in the general meetings of shareholders of one or several companies identified in the power-of-attorney, including with regard to dispositive documents, given that the power-of-attorney is granted by the shareholder, as a client, to an agent defined as per the provisions of the Law no 24/2017 on the capital market, or to a lawyer.

The shareholders may not be represented in the general meetings of shareholders based on a general power-of-attorney by a person found in a situation of conflict of interests that may occur especially in one of the following cases:

- a)** he/she is a majority shareholder of the company or another entity controlled by the respective shareholder;
- b)** he/she is a member of a body of administration, management or surveillance of the company, of a majority shareholder or an entity controlled as per those provided at letter a);
- c)** he/she is an employee or auditor of the company or of a majority shareholder or an entity controlled as per those provided at letter a);
- d)** he/she is the husband, relative or affinitive up to the fourth degree including of one of the natural persons provided at letters a)-c).

The proxy may not be substituted by another person. If the proxy is a legal entity, it may exercise its mandate by means of any person who is a part of the administration or management body or of its employees.

The deadline for submitting the powers-of-attorney is 12.11.2017, 11 a.m. hours. One signed copy of the power-of-attorney, containing the mention of conformity with the original, signed by the representative (in Romanian or English language) together with a copy of the identity card or the registration certificate of the represented shareholder will be submitted at the company's headquarters in Bucharest, Bd Iuliu Maniu no 244, District 6, or may be sent via e-mail with the extended electronic signature at the email address office@turbomecanica.ro. Certified copies of the powers of attorney are withheld by the Company this being mentioned in the minutes of the shareholders' meeting.

The shareholders may empower a credit institution which provides custodian services on the basis of a special power of attorney drafted under CNVM Rules no. 6/2009 and signed by the respective shareholder which shall be delivered together with a statement given on its own responsibility of the custodian institution which was so empowered where it shall be mentioned that:

- i) the credit institutions provides custodian services for the respective shareholder;
- ii) the instructions from the special power of attorney are identical with the instructions received through the SWIFT message received by the credit institutions in order to vote in the name of that shareholder;
- iii) the special power of attorney is signed by the respective shareholder.

The Special Power of attorney and the statement mentioned above shall be submitted at the Company's headquarters from Bucharest, Bd Iuliu Maniu no 244, District 6,, in original, signed and if applicable, stamped, or they can be sent by email with extended electronic signature attached at office@turbomecanica.ro.

The shareholders registered on the reference date in the shareholders registry have the possibility to vote by correspondence, before the General Meeting of Shareholders, by using the preprinted form of correspondence vote, in Romanian or English language. The preprinted form of correspondence vote signed, in original, or bearing the extended electronic signature, together with a copy of the identity card or the registration certificate of the shareholder, will be sent in original to its headquarters until 12.11.2017, up to 11 a.m. hours. Under the provisions of art 92 para 20 of the Law no 24/2017 in case a shareholder which has expressed its vote by correspondence participates personally or by proxy in the general meeting, the correspondence vote expressed for that general meeting will be annulled, being considered only the personal or by proxy expressed vote.

Legal entities shareholders shall evidence the legal representative quality by a certificate issued by the trade registry presented in original or certified copy or any other document in original or certified copy issued by the competent authority in the state where the shareholder is duly registered which mentions the quality as legal representative. The documents in this respect shall be issued with maximum 3 months before 14.10.2017.

The documents which attest the quality of legal representative drafted in a foreign language other than English Language shall be accompanied by a translation, by an authorized translator, in Romanian or English language, without other additional formalities.

The documents, materials regarding the agenda, draft decision and, the correspondence vote form, available in both English and Romanian languages shall be at the shareholders' disposal starting with 14.10.2017, 10 a.m. hours, at Company's headquarters in Bucharest, Bd Iuliu Maniu no 244, District 6, at Company's secretariat during business days and on the website of the Company, **Error! Hyperlink reference not valid.**

The shareholders holding individually or jointly at least 5% of the social capital has/have the right:

- (i) 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 decision proposed to be adopted by the general meeting; and
- (ii) to submit draft decision for the items included or proposed to be included on the agenda of the general meeting.

These rights may be exercised in writing until 30.10.2017.

The company's shareholders may raise questions, in writing, concerning the items on the agenda, and they must be submitted at the company's headquarters together with copies of the documents allowing the identification of the shareholder until 10.11.2017, 15 hours.

RADU VIEHMANN

President pf the board of Directors