

Translation from Romanian

ELECTROARGEŞ S.A.

CURTEA DE ARGEŞ, str. Albeşti, nr. 12, Judeţ Argeş, ROMANIA

Tel. 0248724000, fax 0248724004

Share capital 6,976,465.00 lei, subscribed and fully paid; nominal value per share 0.10 lei.

Registered in Argeş Trade Register with No. J03/758/1991

Tax Code: 156027

FOR THE ATTENTION OF

I. THE FINANCIAL REGULATOR -

THE FINANCIAL INSTRUMENTS AND INVESTMENT SECTOR

Fax: 021 6596051/6596436; and

II. B.V.B. S.A. BUCURESTI – AeRO Premium Market,

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: 20.08.2020

Issuer's name: ELECTROARGES SA, BSE code: ELGS

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

Telephone/fax number: 0248724000/0248724004

Trade Register Registration Code: RO156027

Trade Register Registration Number: J03/758/1991

Share capital subscribed and paid: 6,976,465.00 lei

Regulated Market trading the issued securities: BSE – main market, standard category

The Board of Directors of Electroargeş SA, notify the shareholders and potential investors that, on 19.08.2020, the meeting of the Board of Directors of Electroargeş SA took place.

During the meeting of the Board of Directors, they analyzed the requests of the minority shareholder Tudor Dumitru, of completion/summoning of AGOA (The Ordinary General Meeting of Shareholders), and made the following mentions:

- a part of the issues requested, regarding the liability procedure, should comply with a previous procedure;

- another part of the issues requested were already decided by the previous AGA (The General Meeting of Shareholders);
- another part of the issues requested were already decided by the previous AGA from 04th.08.2020;
- another part of the issues requested does not represent the object of AGOA, but of AGEA (The Extraordinary General Meeting of Shareholders);
- another part of the issues requested cannot be subjected to the approval of AGA because they are AGA decisions worked out or worked out decisions of the Board of Directors, which have the approval of AGA;
- the shareholder Tudor Dumitru has already filed on the dockets of the Specialized Court Argeş (Tribunalul Specializat Argeş) a request to authorize the summoning of AGOA, and the court is to decide in this matter, and by the approval of summoning the AGOA, Electroargeş SA would be in impossibility to make a defense;

Below, there is the decision of the Board of Directors on such issues:

Issue 1.

As, during the meeting, Mr. Tudor Dumitru showed that he waived the request of completion of the agenda of AGOA summoned for 27,28.04.2020, because the meeting did not take place any more, they did not have to vote the approval of the summoning of the Ordinary General Meeting of Shareholders (AGOA) of Electroargeş SA, with the issues proposed by the shareholder Tudor Dumitru being on the agenda, by the request registered with the Company on 07th.04.2020, pursuant to art. 1 of the Decision of ASF no. 958/05th.08.2020.

Issue 2.

"The summoning of the Ordinary General Meeting of Shareholders of Electroargeş SA shall not be approved, with the issues proposed by the shareholder Tudor Dumitru being on the agenda, by the request registered with the Company on 19.06.2020."

Issue 3.

"The summoning of the Ordinary General Meeting of Shareholders of Electroargeş SA shall not be approved, with the issues proposed by the shareholder Tudor Dumitru being on the agenda, by the request registered with the Company on 15.07.2020."

Chairman of the Board of Directors,

Constantin Ştefan