



TMK-ARTROM S.A.

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EUID: ROONRC.J28/9/1991; J28/9/31.01.1991  
VAT No. RO 1510210/1992  
Subscribed and Paid Share Capital: 291.587.538,34 lei

No 102/75 from 05/04/2019

**Current Report**  
**in accordance with Law no. 24/2017 on issuers of financial instruments and market operation and with Regulation no. 5/2018 on issuers of financial instruments and market operations**

Date of the Report: 5 April 2019  
Name of the issuing entity: TMK-ARTROM S.A.  
Registered office: 30 Draganesti, Slatina, Olt, Romania  
Telephone/fax number: +40249436862/ +40249434330  
Registered in the Trade Register under no: J28/9/1991  
Tax Identification Number: RO1510210  
Unique Identifier at European Level (EUID): ROONRC.J28/9/1991  
Code LEI: 315700M25SMOU44FAN52  
Subscribed and paid up share capital: 291,587,538.34 RON  
Regulated market where the issued securities are transacted: Bucharest Stock Exchange - STANDARD Category (market symbol ART)

Important events to be reported:

Decision of the Extraordinary General Meeting of the Shareholders of TMK-Artrom S.A. of 5 April 2019

**DECISION NO. 1 OF 5 APRIL 2019**  
**OF THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF**  
**TMK-ARTROM S.A.**

Today, 5 April 2019, at 13:30 was held the Extraordinary General Meeting of the Shareholders of TMK - ARTROM S.A., at the company's headquarters located at 30 Draganesti Street, Slatina, Olt County, Romania, registered with the Trade Registry under no. J28/9/1991, sole registration code 1510210 (the "Company" or "TMK-Artrom"),

According to the provisions of Law no. 31/1990, as further amended and republished (the "Companies Law"), the provisions of Law no. 24/2017 on issuers of financial instruments and market operations ("Capital Market Law"), the provisions of FSA Regulation no. 5/2018 regarding issuers of financial instruments and market operations and the provisions of the Company's Articles of Incorporation,

The shareholders owning a number of 107,722,706 shares representing 92.72824% of the Company's share capital attended the Extraordinary General Meeting of the Shareholders. Consequently, the legal requirements for the Company's Extraordinary General Meeting of the Shareholders to be held are fulfilled.

After discussing and voting each item on the agenda, the Extraordinary General Meeting of the Company's Shareholders:

**TMK EUROPEAN DIVISION Cod: FCU-01, Ed. 3 Rev. 3/2019**



API:  
5CT-0440  
5L-0352

LR:  
ISO 9001  
ISO 14001  
ISO 45001

TUV:  
PED/AD-2000 W0/W4  
TRD 100/102  
Vd TUV

TUV CPR:  
EN 10210-1,2  
EN 10255

LR  
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## DECIDES

1. To confirm the execution of Addendum No. 11 to the Special Credit Conditions of Facility Agreement No. GRIM/38736/2013 dated 15.10.2013 (the “**UniCredit Facility Agreement**”) by Mr. Adrian Popescu on 15 February 2019 through which the maturity of the relevant facilities has been extended as per the documents made available to the shareholders on the Company’s website.
  
2. To approve the credit ceiling for year 2019 which includes both current credits (whether ongoing or whose maturity is to be or was extended in 2019) and new credits under negotiation which will be entered into during 2019 and new sources of financing necessary for the financing of the working capital in 2019 as per the documents made available to the shareholders on the Company’s website and hereto attached as Annex 1.
  
3. To approve the increase of the share capital of the Company as follows:
  - 3.1 the increase of the share capital with maximum RON 188,250,000, through cash contribution, from the current value of RON 291,587,538.34 to the maximum amount of RON 479,837,538.34, by issuance of maximum 75,000,000 new shares with the nominal value of RON 2.51 each, for the purpose of raising cash in order to reduce the debts of the Company.
  
  - 3.2 as requested by the Capital Market Law and by ASF Regulation 5/2018:
    - 7 May 2019 shall be the record date for the share capital increase, set in accordance with Article 86(1) of the Capital Market Law (the “**Record Date**”) and
    - 6 May 2019 shall be the ex-date for the share capital increase, set in accordance with ASF Regulation 5/2018 (the “**Ex-date**”); and
    - 8 May 2019 shall be the payment date for the share capital increase, set in accordance with Article 178(4) of ASF Regulation 5/2018 (the “**Payment Date**”).
  
  - 3.3 the mechanism of determining the issuance price of the new shares shall take into account the prevailing market conditions, the actual price will be determined by the Board of Directors. The Board of Directors will take into account, when determining the issuance price of the new shares, the sale price per share to be determined by the selling shareholder in the secondary public offer envisaged by the majority shareholder of the Company, if such offer will be carried out.
  
  - 3.4 the share capital increase operation shall be made with the observance of the pre-emption rights of the Company’s shareholders registered with Depozitarul Central S.A. on the Record Date (date which determines who are the shareholders entitled to participate in the share capital increase operation pro rata with their holding in the Company’s share capital on such Record Date). In accordance with the legal provisions, pre-emption rights entitle the Company’s shareholders to subscribe, during the share capital increase, a proportionate number of shares (in whole or in part) to their holdings. Pre-emption rights may not be exercised by the Company’s shareholders prior to the approval of the FSA and the publication of the proportional prospectus to be prepared by the Board of Directors in accordance with the legal provisions. Thus, there will be a time frame



between the Registration Date and the moment when the shareholders will be able to exercise their pre-emption rights.

- 3.5 the pre-emption rights period will be of one month. The exact dates of the pre-emption rights period will be determined by the Board of Directors according to the legal provisions and will be inserted in the share capital increase prospectus. The pre-emption rights are not tradeable.
- 3.6 the new shares not subscribed by the Company's shareholders registered with Depozitarul Central S.A. on the Record Date within the pre-emption rights period shall be cancelled by decision of the Board of Directors.
- 3.7 empowering the Board of Directors to take all actions and measures and to perform any and all formalities necessary, recommended or advisable in order to implement the resolution regarding the share capital increase and to complete the share capital increase as detailed above, including but without limitation to the following operations:
  - 3.7.1 setting the details of the share capital increase operation such as the final number of the new shares to be issued, the issuance price of the new shares subscribed in the process of exercising the pre-emption right, the issuance premium, representing the difference between the issuance price and the nominal value of the subscribed shares, if the case, the number of pre-emption rights required for the subscription of 1 new share and the adjustment mechanism, when necessary, etc.;
  - 3.7.2 establishing the subscription mechanism and approving the details regarding the subscription procedure, including without limitation the content of the subscription form, the documents that need to accompany the subscription, payment methods etc.;
  - 3.7.3 preparing and approving the offering prospectus regarding the share capital increase operation with the observance of the national and European applicable legislation, respectively the provisions of Law 24/2017, of the FSA Regulation no. 5/2018 and Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, a proportionate prospectus offer. The prospectus will be submitted for approval to the Financial Supervisory Authority (FSA) and will be published in accordance with the above mentioned provisions.
  - 3.7.4 fulfilling all necessary actions and formalities in relation to the implementation and registration of the share capital increase, including the negotiation, drafting and signing of any documents, submitting and retrieving any document and information, the issuance of any statements and decisions, representing the Company in relation to any authorities, regulators and registers in order to implement the share capital increase, including without limitation to: the competent Trade Registry, the Financial Supervisory Authority, Depozitarul Central S.A., the Bucharest Stock Exchange S.A.



- 3.7.5 ascertaining and validating the subscription results of the newly issued shares, cancelling the unsubscribed shares, if the case, establishing the amount by which the share capital is effectively increased. If the Company's shareholders will not subscribe all the new shares that will be issued, the capital increase will be reduced from the proposed value, respectively RON 188,250,000, to the value resulting from the subscription of the shares by the shareholders entitled to subscribe.
- 3.7.6 amending and updating the Company's Articles of Incorporation to reflect the share capital increase.
4. To approve the dividends distribution policy in the form proposed by the Company's shareholder TMK Europe GmbH and made available to the shareholders on the Company's website.
5. To approve the rules of the general meetings of shareholders in the form made available to the shareholders on the Company's website.
6. To empower Mr. Adrian Popescu, as director and general manager of the Company, to perform all the necessary formalities in relation to the publication and registration of the resolution, being entitled to delegate such powers to another person at its discretion.

#### Annex 1 CREDIT CEILING FOR FINANCIAL PERIOD 2019

The credit ceiling received by the company for financial year 2019, according to 2019 budget:

- BCR facilities, out of which:
  - Committed multi-product multi-currency facility (overdraft and the issuance of L/C and bank guarantees) with the maximum limit 20,000,000 EUR, subject to annual review, and the termination date 03.10.2020;
  - Investment loan with 7 years' term in amount of 25,000,000 EUR, with quarterly payment starting with 1 January 2019, final maturity 07.11.2023;
  - Promissory notes discounting line with the maximum limit 2,000,000 RON and termination date 31.10.2019, for which 1-year prolongation will be requested;
  - Treasury line for derivative transactions with the maximum limit of 850,000 EUR, opened transactions with the maximum maturity 25.09.2019, subject to annual review, for which 1-year prolongation will be requested;
  - Reverse factoring agreement in amount of 70,000,000 RON and termination date 30.09.2019, for which 1-year prolongation will be requested.
- Uncommitted credit line in amount of 15,000,000 EUR granted by UNICREDIT BANK subject to annual review, which can be utilized as follows:
  - In maximum amount of 15,000,000 EUR for the Financing general needs/Issuing Bank Letters of Guarantee/ Opening of Letters of Credit (revolving facility) with maturity in 17.08.2019 for General needs and 17.01.2020 for Issuing Bank Letters of Guarantee/ Opening of Letters of Credit;

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- In maximum amount of 10,000,000 EUR for the General expenses –current account, with maturity 17.08.2019;
- In maximum amount of 100,000 EUR for business general expenses with maturity 17.08.2019 which shall be accessible only by corporate credit cards;

For the Unicredit loan the prolongation up to 2 years may be requested or it may be refinanced with another bank;

- Uncommitted loan facility granted by BANCA TRANSILVANIA in maximum amount of 20,000,000 EUR with termination date 7.11.2019, for financing of working capital needs, which enables access to following facilities: 1. Credit Line, 2. L/G issue, 3. L/C issue. For this loan the prolongation up to 2 years may be requested or it may be refinanced with another bank;
- TMK EUROPE GmbH loan in initial amount of 22,837,540.03 USD and 38,425.07 RON, with outstanding balance 18,037,540.03 USD on 01.01.2019, with the reimbursement of 1 million USD in 2019 and with the final maturity date 25.07.2023;
- A new credit facility agreement entered into with VTB BANK (EUROPE) SE, as the lender, will make available to TMK Artrom a revolving credit facility (committed for the first 12 months) in aggregate amount of EUR 20,000,000 with maturity up to 36 months for:
  - general corporate purposes of TMK Artrom;
  - financing of working capital needs of TMK Artrom;
  - refinancing of the existing indebtedness of TMK Artrom;
  - trade finance operations of TMK Artrom;
- Leasing agreements in maximum amount of 1,600,000 EUR.

**GENERAL MANAGER  
ADRIAN POPESCU**

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