



TMK-RESITA S.A.

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EUID: ROONRC.J11/59/1991; J11/59/1991  
VAT No. RO 1064207  
Subscribed and Paid Share Capital: 327.552.185 lei

## INCORPORATION DEED OF THE COMPANY

### TMK-RESITA S.A.

This updated constitutive document (hereinafter referred to as the "Incorporation Deed") was drafted today, 14 August 2020, in accordance with the Decision No. 1 of the Ordinary General Meeting of the Shareholders of TMK-RESITA S.A. dated 14 August 2020 and the Decision No. 1 of the Extraordinary General Meeting of the Shareholders of TMK-RESITA dated 14 August 2020.

#### SHAREHOLDERS:

1. **TMK-Artrom SA**, a company registered in accordance with the laws of Romania, having headquarters in Str. Draganesti no. 30, Slatina, Olt county, Romania, registered with the Trade Register under no. J28 / 9/1991, CUI 1510210, EUID: ROONRC J28 / 9/1991, holding 131,010,874 shares, each with a nominal value of 2.5 lei and a total value of 327,527,185 LEI (305,008,225 LEI and 8,080,000 USD) representing 99.99237% of the share capital of TMK-Resita SA;
2. **TMK Italia SRL**, a company registered in accordance with the laws of Italy, having headquarters in Lecco (LC) Piazza Degli Affari 12 CAP 23900, registered at the Chamber of Commerce, Industry, Crafts and Agriculture of Lecco - Italian Business Register under number REA LC-303841, fiscal code 01181220995, holding 10,000 shares, each with a nominal value of 2.5 lei and a total value of 25,000 LEI, representing 0.00763% of the share capital of the Company.

In accordance with the provisions of Law 31/1990 with the subsequent amendments and completions ("Company Law"), they have decided to adopt the present Incorporation Deed:

### CHAPTER I NAME, LEGAL FORM, REGISTERED OFFICE, DURATION

#### ARTICLE 1

The company's name is **TMK- RESITA S.A** (hereinafter referred to as the "Company").

In all the documents, invoices, offers, orders, tariffs, prospects and other commercial documents issued by the company, the company's name shall be followed by the initials S.A., the company's registered office, the paid-in share capital, according to the last approved financial statement and the sole registration code.

The company TMK-RESITA S.A. is a Romanian legal entity incorporated in the form of a joint-stock company. It shall carry on its activity in accordance with the Romanian laws and with the provisions of this Incorporation Deed.

The company shall be fully privately owned.

The company's registered office shall be located in Romania, Traian Lalescu Street, no. 36, Resita, Caras-Severin County.

The registered office may be moved to another locality following a resolution of the Board of Administrators.

The Company may set up subsidiaries, branches, agencies, working points and sale outlets, offices and representative offices in Romania or abroad, according to the legal provisions governing their establishment.

The company shall have the following places of business and sale outlets:

1. VALIUG LANDING STAGE (quay), VALIUG locality, Caras-Severin County;
2. THE QUARRY OF DOMAN VALLEY, in Resita, Caras-Severin County.

The company is established for an unlimited duration as of its registration at the Trade Registry.

## **CHAPTER II SCOPE AND OBJECT OF ACTIVITY**

### **ARTICLE 2**

The object of Activity of the Company consists in:

#### **MAIN OBJECT OF ACTIVITY**

**2410 Production of ferrous metals in primary forms and ferro-alloys**

#### **SECONDARY OBJECT OF ACTIVITY:**

**0146** Raising of swine/pigs  
**0240** Support services to forestry  
**0811** Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate  
**0812** Operation of gravel and sand pits; mining of clays and kaolin  
**0990** Support activities for other mining and quarrying  
**1011** Processing and preserving of meat  
**1610** Sawmilling and planning of wood  
**1622** Manufacture of assembled parquet floors  
**1623** Manufacture of other builders' carpentry and joinery  
**1624** Manufacture of wooden containers  
**1910** Manufacture of coke oven products  
**2011** Manufacture of industrial gases  
**2013** Manufacture of other inorganic basic chemicals  
**2320** Manufacture of refractory products  
**2332** Manufacture of bricks, tiles and construction products, in baked clay  
**2343** Manufacture of ceramic insulators and insulating fittings  
**2344** Manufacture of other technical ceramic products

**2352** Manufacture of lime and plasters  
**2433** Cold forming or folding  
**2434** Cold drawing of wire  
**2410** Manufacture of Basic iron and steel and of ferroalloys  
**2451** Iron casting  
**2452** Steel casting  
**2453** Casting of light non-ferrous metals  
**2454** Casting of other non-ferrous metals  
**2511** Manufacture of metal structures and parts of metallic structures  
**2512** Manufacture of doors and windows of metal  
**2521** Manufacture of central heating radiators and boilers  
**2529** Manufacture of tanks, reservoirs and containers of metal  
**2530** Manufacture of steam generators, except central heating hot water boilers  
**2550** Forging, pressing, stamping and roll-forming of metal; powder metallurgy  
**2561** Treatment and coating of metals  
**2562** Machining Operation  
**2591** Manufacture of steel drums and similar containers  
**2611** Manufacture of electronic components  
**2630** Manufacture of communication equipment  
**2651** Manufacture of instruments and appliances for measuring, testing and navigation  
**2670** Manufacture of optical instruments and photographic equipment  
**2711** Manufacture of electric motors, generators and transformers  
**2712** Manufacture of electricity distribution and control apparatus  
**2733** Manufacture of wiring devices  
**2790** Manufacture of other electrical equipment  
**2811** Manufacture of engines and turbines, except aircraft, vehicle and cycle engines  
**2812** Manufacture of fluid power equipment  
**2813** Manufacture of other pumps and compressors  
**2814** Manufacture of other taps and valves  
**2815** Manufacture of bearings, gears, gearing and driving elements  
**2821** Manufacture of ovens, furnaces and furnace burners  
**2822** Manufacture of lifting and handling equipment  
**2823** Manufacture of office machinery and equipment (except computers and peripheral equipment)  
**2824** Manufacture of power-driven (hand)portable tools  
**2825** Manufacture of non-domestic cooling and ventilation equipment  
**2829** Manufacture of other general-purpose machinery n.e.c.  
**2841** Manufacture of metal forming machinery  
**2849** Manufacture of other machine tools n.e.c.  
**2891** Manufacture of machinery for metallurgy  
**2899** Manufacture of other special-purpose machinery n.e.c.  
**3020** Manufacture of railway material (including but not limited to locomotives) and rolling stock  
**3250** Manufacture of medical and dental instruments and supplies  
**3311** Repair of fabricated metal products  
**3312** Repair of machinery  
**3313** Repair of electronic and optical equipment  
**3314** Repair of electrical equipment  
**3317** Repair and maintenance of other transport equipment  
**3319** Repair of other equipment  
**3320** Installation of industrial machinery and equipment

**3511** Production of electricity  
**3512** Transmission of electricity  
**3513** Distribution of electricity  
**3514** Trade of electricity  
**3521** Manufacture of gas  
**3522** Distribution of gaseous fuels through mains  
**3523** Trade of gas through mains  
**3530** Steam and air conditioning supply  
**3600** Water collection, treatment and supply  
**3700** Sewage  
**3811** Collection of non-hazardous waste  
**3812** Collection of hazardous waste  
**3821** Treatment and disposal of non-hazardous waste  
**3822** Treatment and disposal of hazardous waste  
**3831** Dismantling of wrecks  
**3832** Recovery of sorted materials  
**3900** Remediation, decontamination activities and other waste management services

## **CONSTRUCTIONS**

**4120** Construction of residential and non-residential buildings  
**4211** Construction of roads and motorways  
**4212** Construction of railways and underground railways  
**4213** Construction of bridges and tunnels  
**4221** Construction of utility projects for fluids  
**4222** Construction of utility projects for electricity and telecommunications  
**4291** Construction of water projects  
**4299** Construction of other civil engineering projects n.e.c.  
**4311** Demolition  
**4313** Test drilling and boring  
**4321** Electrical installation  
**4322** Plumbing, heat and air-conditioning installation  
**4329** Other construction installation  
**4331** Plastering  
**4332** Joinery installation  
**4333** Floor and wall covering  
**4334** Painting and glazing  
**4339** Other building completion and finishing  
**4391** Roofing activities  
**4399** Other specialized construction activities n.e.c.

## **WHOLESALE AND RETAIL TRADE**

**4520** Maintenance and repair of motor vehicles  
**4612** Agents involved in the sale of fuels, ores, metals and industrial chemicals  
**4613** Agents involved in the sale of timber and building materials  
**4617** Agents involved in the sale of food, beverages and tobacco  
**4619** Agents involved in the sale of a variety of goods  
**4623** Wholesale of live animals  
**4663** Wholesale of mining, construction and civil engineering machinery  
**4671** Wholesale of solid, liquid and gaseous fuels and related products

**4672** Wholesale of metals and metal ores  
**4673** Wholesale of wood, construction materials and sanitary equipment  
**4674** Wholesale of hardware, plumbing and heating equipment and supplies  
**4675** Wholesale of chemical products  
**4676** Wholesale of other intermediate products  
**4677** Wholesale of waste and scrap  
**4690** Non-specialised wholesale trade  
**4711** Retail sale in non-specialized stores with food, beverages or tobacco predominating  
**4741** Retail sale of computers, peripheral units and software in specialized stores  
**4742** Retail sale of telecommunications equipment in specialized stores  
**4753** Retail sale of carpets, rugs, wall and floor coverings in specialized stores  
**4759** Retail sale of furniture, lighting equipment and other household articles in specialized stores  
**4764** Retail sale of sporting equipment in specialized stores  
**4765** Retail sale of games and toys in specialized stores  
**4776** Retail sale of flowers, plants, seeds, fertilizers, pet animals and pet food in specialized stores  
**4777** Retail sale of watches and jewelry in specialized stores  
**4778** Other retail sale of new goods in specialized stores  
**4779** Retail sale of second-hand goods in stores  
**4791** Retail sale via mail order houses or via Internet  
**4799** Other retail sale not in stores, stalls or markets  
**4910** Passenger rail transport, interurban

• **TRANSPORTATION (AND STORAGE)**

**4920** Freight rail transport  
**4939** Other passenger land transport n.e.c.  
**4941** Freight transport by road  
**4942** Removal services  
**4950** Transport via pipeline  
**5210** Warehousing and storage  
**5221** Service activities incidental to land transportation  
**5224** Cargo handling

• **OTHER ACTIVITIES/ SERVICES**

**5510** Hotels and similar accommodation  
**5520** Holiday and other short-stay accommodation  
**5590** Other accommodation  
**5610** Restaurants and mobile food service activities  
**5621** Event catering and other food service activities  
**5629** Other food service activities n.e.c.  
**5630** Beverage serving activities  
**5821** Publishing of computer games  
**5829** Other software publishing  
**5920** Sound recording and music publishing activities  
**6010** Radio broadcasting  
**6020** Television programming and broadcasting activities  
**6110** Wired telecommunications activities  
**6120** Wireless telecommunications activities  
**6130** Satellite telecommunications activities  
**6190** Other telecommunications activities

6201 Computer programming activities  
6202 Computer consultancy activities  
6203 Computer facilities management activities  
6209 Other information technology and computer service activities  
6311 Data processing, hosting and related activities  
6312 Web portals  
6399 Other information service activities n.e.c.  
6810 Buying and selling of own real estate  
6820 Renting and operating of own or leased real estate  
6910 Legal activities  
6920 Accounting, bookkeeping and auditing activities; tax consultancy  
7010 Activities of head offices  
7022 Business and other management consultancy activities  
7111 Architecture activities  
7112 Engineering activities and related technical consultancy  
7211 Research and experimental development on biotechnology  
7219 Other research and experimental development on natural sciences and engineering  
7220 Research and experimental development on social sciences and humanities  
7120 Technical testing and analysis  
7320 Market research and public opinion polling  
7410 Specialized design activities  
7430 Translation and interpretation activities  
7490 Other professional, scientific and technical activities n.e.c.  
7739 Renting and leasing of other machinery, equipment and tangible goods n.e.c.  
7740 Leasing of intellectual property and similar products, except copyrighted works  
7810 Activities of employment placement agencies  
7820 Temporary employment agency activities  
7830 Other human resources provision  
7990 Other reservation service and related activities  
8020 Security systems service activities  
8121 General cleaning of buildings  
8122 Other building and industrial cleaning  
8129 Other cleaning activities  
8211 Combined office administrative service activities  
8219 Photocopying, document preparation and other specialised office support activities  
8230 Organisation of conventions and trade shows  
8291 Activities of collection agencies and credit bureaus  
8299 Other business support service activities n.e.c.  
8424 Public order and civil protection activities  
8532 Technical and vocational secondary education  
8551 Sports and recreation education  
8552 Cultural education  
8559 Other education n.e.c.  
8560 Educational support activities  
8425 Fire service activities  
9311 Operation of sports facilities  
9312 Activities of sport clubs  
9319 Other sport activities  
9329 Other amusement and recreation activities  
9511 Repair of computers and peripheral equipment



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## **CHAPTER III SHARE CAPITAL AND SHARES**

### **ARTICLE 3**

The share capital is RON 327,552,185 (out of which RON 305,033,225 and USD 8,080,000 divided into 131,020,874 nominal shares, with a nominal value of RON 2.50 per share.

The shareholding structure of the Company is the following:

TMK Europe GmbH holds a number of 131,010,874 shares, numbered from 1 to 131,010,874, each with a nominal value of RON 2.50 and a total value of RON 327,527,185 (RON 305,008,225 and USD 8,080,000), representing 99.99237% of the share capital;

TMK Holdings Hals holds a number of 10,000 shares, numbered from 131,010,875 to 131,020,874, each with a nominal value of RON 2.5 and a total value of RON 25,000, representing 0.0076324 % of the share capital.

### **ARTICLE 4**

The Company's shares are nominative shares.

The records of the shares shall be kept by the Board of Directors. The ownership right over the shares may be transferred according to the relevant legal provisions.

The Company's shares shall be issued in a dematerialized form.

Total or partial transfer of shares between the shareholders and to third parties may be performed without restrictions, by shares sale-purchase agreement signed by the transferor and the transferee or by their attorneys, without granting any rights of first refusal to the other shareholders.

### **ARTICLE 5**

The Company's share capital may be increased or decreased on the basis of a resolution of the extraordinary general meeting of shareholders, under the conditions and according to the procedure provided by the law.

The extraordinary general meeting of shareholders may resolve the delegation of the power to decide upon the Company's share capital increase to the Board of Administrators provided that such delegation is valid for a maximum one year from the date of the respective resolution of the extraordinary meeting of shareholders which shall also provide for the maximum level of the share capital up to which the increase may be performed by the Board of Administrators. The nominal value of the authorized share capital increase shall not exceed ½ of the value of the then existing subscribed share capital. After the expiration of the one-year term mentioned hereof the extraordinary general meeting of shareholders may renew the mandate granted to the Board of Administrators for a new period of one year and observing the maximum level requirement.

### **ARTICLE 6**

**Rights and obligations arising from the shares**

Each share subscribed and paid-up by a shareholder shall confer one voting right in the general meeting of shareholders, the right to elect and to be elected in the management bodies, and the right to participate in the distribution of dividends.

The capacity of shareholder shall entail the compliance with the provisions of this Incorporation Deed.

The rights and obligations attached to the shares shall accompany the shares in case they are transferred to another person.

The company's patrimony shall not be encumbered by shareholders' debts or liabilities; it may only be prosecuted in respect of the benefit due to the shareholder or of the quota that reverts on such shareholder on the Company's liquidation, performed under the terms of this Incorporation Deed.

## **ARTICLE 7**

The shares shall be indivisible and the Company shall only recognize one holder per share.

## **CHAPTER IV GENERAL MEETING**

## **ARTICLE 8**

The general meeting of shareholders shall be the Company's highest management body, which shall decide on its activity and assure its economic and commercial policy.

General meetings shall be ordinary and extraordinary.

THE ORDINARY GENERAL MEETING shall be convened at least once a year, within 5 (five) months at most of the end of the financial year, and, apart from any other issues on its agenda, shall have the main following duties:

- a/ - to discuss, approve or amend the annual financial statements, on the basis of the reports of the Board of Administrators and of the financial auditor, and determine the dividends;
- b/ - to elect and revoke the members of the Board of Administrators, to set their remuneration, to discharge them from duty and to revoke them;
- c/ - to set the powers and the liabilities of the Board of Administrators;
- d/ - to approve the Company's business plan and budget;
- e/ - to decide upon the pledge, rent or close one or more of the Company's units;
- f/ to appoint or revoke the financial auditor and to fix the minimal duration of the financial auditing contract.

THE EXTRAORDINARY GENERAL MEETING shall be convened whenever necessary and shall adopt resolutions on:

- a / the change of the Company's legal form;
- b / the change of the Company's registered office;
- c / the change of the Company's line of business;
- d / the extension of the Company's duration;
- e / the increase of the share capital;



- f / the decrease of the share capital or its replenishment by an issue of shares;
- g / merging or split-up;
- h / the Company's anticipated dissolution;
- i / the issue of bonds;
- j / the conversion of shares from one category to another;
- k / the conversion of bonds from one category to another or into shares;
- l / any other amendment of the Incorporation Deed or any other resolution requiring the approval of the extraordinary general meeting of shareholders;
- m/ the following attributions are hereby delegated according to the law to the Board of Administrators:
  - moving the Company's premises (headquarters);
  - changing the Company's object of activity, except for the main object of activity; and
  - the set up and winding up of secondary headquarters such as branches, agencies, representative offices and other such units without legal personality.

These competencies, once delegated to the Board of Administrators by this Incorporation Deed, cannot be further delegated by the Board of Administrators to the executive officers.

## **ARTICLE 9**

### **Convening of the General Meeting**

The General Meeting shall be convened by the Board of Administrators whenever it is deemed necessary; the convening notice will be signed by the Chairman of the Board.

The Extraordinary General Meeting shall be convened at the request of shareholders representing individually or jointly at least 5% of the share capital or in case of decrease of the Company's net assets, determined as a difference between the Company's total assets and its total debts, to less than half of the value of the subscribed share capital.

The notice of the meeting shall comprise: the Company's identification data, the place and time date and starting hour of the meeting, the reference date, the agenda, the limit date for filing the candidatures, in case the agenda comprises election of the administrators; the modality for distribution of documents and information regarding the issues included on the agenda, including the date as of which they shall be available, the means for obtaining the special proxies form for representation in the general meeting of shareholders; the deadline and the place where the special mandates will be deposited/received; the proposal for the registration date.

The convening of the meeting shall be made in accordance with the provisions of this Incorporation Deed, the provisions of the Companies Law

## **ARTICLE 10**

### **Validity conditions of the general meeting debates:**

For the validity of the ordinary general meeting debates, the presence of the shareholders representing at least  $\frac{1}{4}$  of the total voting rights is required, and the resolutions will be validly taken with the majority of the votes expressed in the meeting. If the ordinary general meeting may not operate because of the non-fulfillment of the conditions above, the second meeting may decide on the matters on the first meeting agenda, whatever the quorum, with the majority of the expressed votes.

For the validity of the extraordinary general meeting's debates, on first convocation at least the shareholders owning 1/4 of the total voting rights should be present and for the next convocations the shareholders holding 1/5 of the total voting rights should be present.

The extraordinary shareholders meeting's resolutions are taken with majority of the votes held by the shareholders present or represented. The resolutions concerning the change of the main object of activity, the increase or decrease of the share capital, the change of the legal form, the merger, the Company's spin off or dissolution is taken with at least 2/3 of the voting rights held by the present or represented shareholders.

Notwithstanding the above, the resolutions of the extraordinary shareholders meeting regarding the increase in the share capital by in-kind contributions as well as the withdrawal of the shareholders' right of first refusal in case of share capital increase by contributions in cash shall be taken in the presence of at least three quarters of the share capital of the Company and with the vote of the shareholders holding at least 75% of the voting rights.

The general meeting resolutions shall be adopted by open voting.

The secret vote is mandatory when electing and revoking the members of the Board of Administrators, and the internal auditors, and for taking resolutions concerning the liability of the company's administration, management and control bodies of the Company.

## **CHAPTER V ORGANISATION OF THE COMPANY'S ADMINISTRATION**

TMK-RESITA SA hereby adopts the one-tier corporate governance system.

### **ARTICLE 11**

#### **The administration of the Company**

The company shall be administrated by a Board of Administrators comprising five members as follow:

1. Mr. Andrey Zimin, (...), as President;
2. Mr. Adrian Popescu, (...), as General Manager;
3. Mrs. Alla Korobkova, (...), as member;
4. Mr. Cristian Drinciu, (...), as member;
5. Mr. Kondrashov Evgeny, (...), as member

The administrators are appointed by the ordinary general meeting of the shareholders for a renewable mandate of four years. Any shareholder is entitled to nominate candidates for the position of administrator.

The administrators may be revoked at any time by the ordinary general meeting of the shareholders.

Whenever one or several administrator position is vacant, the remaining administrators will convoke the general meeting of the shareholders at once, in order to complete the number of members of the Board of

Administrators.

An administrator is legally appointed on the express acceptance of the mandate.

The person appointed as administrator will conclude a professional insurance policy.

The Chairman is appointed for the period of his administrator mandate.

If the Chairman cannot or is not allowed to vote in the meetings of the Board the other members of the Board may elect a chairman of the meeting having the same prerogatives as the Chairman of the Board.

The Chairman coordinates the activity of the Board and reports to the general meeting of the shareholders thereon. He is seeing to the good functioning of the Company's bodies. If the Chairman is temporarily unable to exercise his powers and throughout the duration of such incapability, the CEO will undertake his duties.

The Company's administrators may not exercise more than 5 simultaneous mandates as administrator and/or a member in the supervisory council of joint-stock companies having the headquarters in Romania. This interdiction does not apply if the person elected to be in the board of administrators owns at least 1/4 of the Company's shares or is a member in the board of administrators or supervisory council of a joint-stock company owning the above mentioned 1/4 of the Company's share capital.

## **ARTICLE 12**

### **Quorum and convening requirements**

The Board of Administrators gathers at least every 3 months.

The Chairman convokes the Board of Administrators, establishes the agenda, supervises the proper information of the board members on the issues on the agenda and presides the meeting.

The Board of Administrators will also gather on the motivated request of any of its two members or the CEO. Under such circumstances, the agenda of the meeting is established by the person who submitted the request. The Chairman is obliged to take into consideration such request and convene the Board of Administrators on such request.

The members of the Board of Administrators may only be represented by other members at the meetings of such body. One present member may only represent one absent member.

The convocation of the Board of Administrators will include the date, location of the meeting and agenda of the meeting. Resolutions on the issues which are not on the agenda will only be made in case of urgency. The administrators may participate at any meetings of the Board of Administrators by telephone conference call, video conferencing or by any other electronic means to the extent such means comply with the technical requirements necessary to identify the participants, to ensure their effective participation at the meeting and the continuous transmission/retransmission of the deliberations. In case at least three members of the Board expressly opposed to the meeting being held by teleconference or other communication means, the meeting will take place and the decisions will be taken by the members of the Board in accordance with the rules applicable to meetings that require the physical presence of the administrators.

For each meeting, minutes of the meeting will be prepared containing the name of the participants, order of the debates, resolutions taken, number of votes gathered and the separate opinions, if any. The minutes will be signed by the chairman of the meeting and the CEO or by any other administrator

The executive officers and the internal auditors may be convoked for any meeting of the Board of Administrators, in such case being obliged to attend the meeting.

The presence of at least half of the administrators shall be required for the validity of the resolutions of the Board of Administrators.

The resolutions shall be adopted with the majority of the votes of the attending members.

The decisions regarding the appointment and revocation of the Chairman may be taken with the affirmative vote of the majority of the members.

The vote by correspondence is not applicable to the decisions referring to the annual financial statements or the level of the authorized capital.

### **ARTICLE 13**

#### **Competences of Board of Administrators.**

The Board of Administrators is in charge with the performance of any and all deeds and operations necessary and useful for the proper carrying out of the Company's line of business except for those prerogatives exclusively reserved to the General Meeting of Shareholders and those delegated to the executive officers.

The Board of Administrators has the following basic attributions, which cannot be delegated to the executive officers:

- a) to establish the main course for the Company activity and development;
- b) to set the accounting and financial auditing system and the approval of the financial plan;
- c) to appoint and dismiss the executive officers and establish their remuneration;
- d) to supervise the executive officers' activity;
- e) to prepare the annual report, to organize the general meeting of the shareholders and to implement the resolutions thereof;
- f) to file the request for the Company's insolvency procedure.

The Board of Administrators represents the Company only in relation with the Chief Executive Officer and the executive officers.

The purchase, sale, exchange, constituting guarantees of/upon fixed assets of the Company whose value, during a financial year, exceeds 20% of the total fixed assets, less the receivables, will be performed by Company's Board of administrators only with the prior written approval of the extraordinary meeting of shareholders. Such prior approval will be also necessary for the execution of lease of assets and joint venture agreements for a period exceeding one year, of which cumulated value in relation to the same contracting party, involved persons or that are acting in concert, exceeds 20% of the total fixed assets, less the receivables,.

For avoidance of any doubt the purchase, sale, exchange, constituting guarantees of/upon fixed assets of the Company whose value, during a financial year, does not exceeds 20% of the total fixed assets, less the receivables, is hereby delegated to the CEO . In addition, the CEO will also be entitled to execute any lease of assets and any joint venture agreements for a period not exceeding one year, of which cumulated value in relation to the same contracting party, involved persons or that are acting in concert, does not exceed 20% of the total fixed assets, less the receivables.

#### Consultative committees

The Board of Administrators may form consultative committees comprising at least two members of the Board in charge with the performance of investigations and drafting of recommendations for the Board in the areas such as the audit, the remuneration of the administrators, the executive officers, the internal auditors and the company's personnel.

The functioning and the competences of any consultative committee shall be established by resolution of the Board of Administrators in accordance with the legal provisions in force.

### ARTICLE 14

#### The management of the Company

The Company's full management powers are delegated to the CEO and to six executive officers namely:

- Chief Operational Officer COO
- Chief Commercial, Logistic and Administrative Officer CCO
- Chief Economy – Accounting Officer CEAO
- Chief Financial Officer CFO
- Chief Procurement Officer CPO
- Executive Plant Officer ExPO

The Chief Executive Officer is also a member of the Board of Directors. The other directors may be appointed members of the Board of Directors or from the members of the Board of Directors provided that, after their appointment, the majority of the members of the Board of Directors is composed of non-executive directors, within the meaning provided by law.

The **CEO** of TMK-RESITA S.A. is Mr. Adrian Popescu(...);

The **COO** of TMK-RESITA S.A. is Mr. Cristian Drinciu, (...);

The **CCO** of TMK-RESITA S.A. is Mr. Valeru Mustata, (...);

The **CEAO** of TMK-Resita S.A. is Mrs. Cristiana Vaduva,...);

The **CFO** of TMK-Resita S.A. is Mr. Chernyy Evgeny,...);

The **CPO** of TMK-Resita S.A. is Mr. Alexander Pavlov, (...);

The **ExPO** of TMK-Resita is Mr Ioan Romulus-Vasile, (...).

These seven executive officers are appointed for a mandate of four years.

The CEO is representing the Company towards third parties and has full powers to hire, dismiss, set the remuneration for any employee, as well as, to establish and change at any time the organizational chart of the Company.

The appointment and revocation of the executive officers are made by decision of the Board of Administrators (excluding the appointment and revocation of one of the Company's administrators in his capacity as CEO which is in the competence of the general meeting of the shareholders).

The executive officers appointed by the Board of Administrators will form a Management Board having the individual and collective prerogatives established by the Decision of the CEO within the limits of his delegated powers. The CEO is the Chairman of the Management Board.

The remuneration of the executive officers will be set by resolution of the Board of Administrators within the limits set forth by the General Meeting of the Shareholders.

The executive officers exercise all the managerial powers within the Company, being responsible for the entire management of the Company, to the extent of the Company's object of activity and observing the exclusive competencies stated by the law or this Incorporation Deed for the Board of Administrators and the General Meeting of the Shareholders.

The Company is validly represented towards third parties, including but not limited to financial institutions, courts of all degree of jurisdiction, governmental authorities by the signature of the following persons acting jointly or individually as expressly stated below:

1. by the sole signature of the CEO with full competences; or
2. by the joint signatures of the COO (first signature) and the CEO (second signature), in accordance with the mandate given by the CEO, or,
3. by the joint signature of the CCO (first signature) and the CEO (second signature), in accordance with the mandate given by the CEO, or
4. by the joint signature of the CFO (first signature) and the CEO (second signature) in accordance with the mandate given by the CEO; or
5. by the joint signature of the CPO (first signature) and the CEO (second signature) in accordance with the mandate given by the CEO.
6. by the joint signature of the ExPO (first signature) and the CEO (second signature) in accordance with the mandate given by the CEO.

The Chief Economy – Accounting Officer is the representative of CEO regarding the preventive financial control over the company's operations in the limit of the mandate given by the CEO.

In case of absence the CEO may delegate his powers to represent the Company to any of the executive officers specifying whether such executive officers to whom the representation powers have been delegated act jointly or severally and the period and limits of their representation powers.

The CEO may delegate his rights of signature and representation based on a special power of attorney issued by him.

## **CHAPTER VI COMPANY'S SUPERVISION AND CONTROL**

### **ARTICLE 15**

The Company's administration and management shall be controlled by the shareholders and by the financial auditor and the internal auditors, according to the applicable legal provisions. The Company is

organizing its internal audit in accordance with the applicable laws.

## **CHAPTER VII THE ECONOMIC AND FINANCIAL YEAR**

### **ARTICLE 16**

The economic and financial year shall begin on the 1<sup>st</sup> of January and shall end on the 31<sup>st</sup> of December.

### **ARTICLE 17**

The annual financial statements shall be controlled or audited, as the case may be, and a copy shall be published in the Official Gazette of Romania.

The annual financial statements accompanied by the reports drafted by the Board of Administrators and the financial auditor and the resolution of the general meeting of shareholders approving such financial statements shall be submitted in hard copy and in electronic format (or just in electronic format to the extent an electronic signature is attached to them) to the Trade Registry. An announcement attesting the submission of the above mentioned documents shall be published in the Official Gazette-Part IV.

### **ARTICLE 18**

The fixed assets depreciation shall be made on the basis of the regulations in force, taking into account their wear and tear and the equipment modernization policy.

## **CHAPTER VIII PROFITS AND LOSSES**

### **ARTICLE 19**

The company's dividends shall be determined and distributed to the shareholders on the basis of the financial statements approved by the General Meeting and in accordance with the provisions of this Incorporation Deed.

The dividends shall be distributed to the shareholders pro rata with their contribution to the share capital.

The dividend shall be distributed per share and multiplied by the number of shares held by each shareholder.

The dividend shall be paid within sixty days at most of the approval of the financial statement by the General Meeting.

The shareholders shall bear the losses within the limits of the reserve fund, and in case the reserve fund is exceeded, losses shall be borne by the shareholders up to the subscribed share capital.

## **CHAPTER IX COMPANY'S REGISTERS**

### **ARTICLE 20**

The Company shall keep the registers required by the law.

## **CHAPTER X MERGER, SPLIT-UP AND CHANGE OF THE LEGAL FORM**



**ARTICLE 21**

The Company may merge, split-up or change its legal form on the basis of a resolution of the Extraordinary General Meeting, according to the law.

**CHAPTER XI  
DISSOLUTION AND LIQUIDATION****ARTICLE 22**

The dissolution and liquidation of the company shall be performed under the conditions and according to the procedure provided by the law.

**CHAPTER XII  
LITIGATION, FINAL PROVISIONS****ARTICLE 23**

The Company's litigation against individuals or legal entities shall fall under the jurisdiction of the courts or of the arbitral committee attached to the Romanian Chamber of Commerce and Industry.

**ARTICLE 24**

Shareholders that do not agree to the resolutions adopted by the general meeting on the change of the company's main activity, of its registered office, merging or splitting of the company, or of its legal form shall be entitled to withdraw from the Company and to obtain the equivalent value of the shares held, according to the law.

**ARTICLE 25**

The provisions of this Incorporation Deed are supplemented with the legal provisions regarding companies including but not limited to the provisions of the Companies Law.

This document has been drafted today, 14 August 2020, in 5 original counterparts of which one is to be registered with Caras-Severin Trade Registry.

**CHIEF EXECUTIVE OFFICER**  
Adrian Popescu