



# S.C. ROMCARBON S.A.

## Buzău – Romania

J/10/83/1991; COD FISCAL 1158050  
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Nr.1507/19.03.2019

## CURRENT REPORT

According to A.S.F. Regulation no.5/2018

Date of report: **19.03.2019**

Name of Issuer: ROMCARBON S.A.

Headquarters: no.132, Transilvaniei street, Buzau, Buzau County

Phone number: 0238/711 155

Fax number: 0238/710 697

Single registration code: RO 1158050

Number of Trade Registry: J 10/83/1991

Subscribed and paid up capital: 26.412.209,6 lei

Regulated market where the issued securities are traded: BVB Standard Category

Event reported: Convocation for the Ordinary General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders of 24.04.2019/25.04.2019;

ROMCARBON S.A. reports the following important event:

The Board of Directors of ROMCARBON SA, gathered in meeting on 19.03.2019, in accordance with the law and the articles of association, following the debates and deliberations on the issues on the agenda, by vote, decided, with unanimity, to CALL FOR:

**ORDINARY GENERAL MEETING OF SHAREHOLDERS (OGMS)**, on **24.04.2019 at 12<sup>00</sup>**, at the company's headquarters in 132 Transilvania Street, Buzau, Buzau County, with the following Agenda:

**1.** Presentation, discussion and approval of the annual report of the Board of Directors for the fiscal year 2018.

**2.** Presentation and approval of the individual financial statements for the financial year 2018 in accordance with International Financial Reporting Standards (IFRS) based on: Directors' Report and External Financial Auditor's Report for the financial year 2018.

**3.** Presentation of the report of the external financial auditor - Deloitte Audit SRL, member of Deloitte Touche Tohmatsu - on the consolidated financial statements for the financial year 2018.

**4.** Presentation and approval of the consolidated financial statements, for the financial year 2018 in accordance with International Financial Reporting Standards (IFRS) based on: Directors' Report and External Financial Auditor's Report for the financial year 2018.

**5.** Presentation of the report of the external financial auditor - Deloitte Audit SRL, member of Deloitte Touche Tohmatsu - changing situations on the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for the fiscal year 2018.

6. Approval of the distribution of the net profit recorded in the fiscal year 2018 in the amount of 4.800.355,89 lei on the following destinations:

a) Legal reserves amounting to 240.018 lei;

b) Other reserves amounting to 4.560.337,89 lei, representing fiscal facility regarding the profit tax exemption for the profit reinvested in 2018;

7. Presentation and approval of the Annual Report for 2018, prepared in accordance with ASF Regulation No.5/2018 on issuers and operations with securities and the Corporate Governance Code of the Bucharest Stock Exchange.

8. Approval to discharge the members of the Board of Directors for the work in fiscal year 2018.

9. Approval to contract services for the statutory audit of the company for the financial year 2019.

10. Approval of the income and expenses budget for the financial year 2019.

11. Approval, in consideration of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange, that, until the end of 2019 financial year, ROMCARBON SA's Board of Directors will elaborate and adopt Romcarbon SA Dividend policy, policy which will take into account, the possibility, provided by art. 67 of Law no. 31/1990, regarding the quarterly distribution of dividends.

12. Approval of **24.05.2019** as “**registration date**”, according to Law 24/2017.

13. Approval of **23.05.2019** as “**ex-date**”, according to Law 24/2017.

And

**EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS (EGMS)**, on **24.04.2019 at 12<sup>30</sup>**, at the company's headquarters in 132 Transilvania Street, Buzau, Buzau County, with the following Agenda:

1. Approval for the banking exposure of Romcarbon SA for the financial years 2019-2020, consisting of: credits in amount of 11.735.182 Euro and 13.437.443 Lei, factoring contracts with a ceiling of 500.000 Euro, letters of guarantee in amount of 500.000 lei, Guarantee given to LivingJumbo Industry SA for the investment credit contracted UniCredit amount of 1.057.200 Euro, as detailed in the material no. 2655/15.03.2019.

1.1. Approval for:

-the prolongation by 36 months of the validity of the factoring ceiling of 500.000 Euro;

-the prolongation at maturity, or if necessary, before maturity date, of the letters of guarantee ceiling in value of 500.000 lei by 36 months period and supplementing the existing guarantees as detailed in material no. 2655/15.03.2019;

-the prolongation by 12 months of the validity of the credit facilities contracted by Romcarbon SA with BRD-GSG SA (in amount of 2.550.000 Euro) and UniCredit Bank SA (in amount of 5.450.000 Euro), and for maintaining the related guarantee;

1.2. Empowering the Board of Directors to negotiate and decide, as appropriate, on: changing loan credit conditions in progress and/or extending up to 12 months of short-term facilities - credit lines, modification and/or setting up new guarantees for existing loans and approval of guarantees for new loans to be contracted within the approved bank exposure, contracting of new credits within the limits of the bank exposure and under the conditions of the law, as well as, as the case may be, restructuring existing bank loans/exposures, currency change or refinancing of existing credits, as well as the contracting of new credits, within the limits of the approved bank exposition and according to the law.

**1.3.** Empowering for the General Director and Financial Director, to sign credit agreements and all additional documents to them, related warranties and all additional acts, leasing and factoring contracts and all additional documents, as well as any other documents required in to view the fulfillment of the AGEA decision to sign credit agreements, addendums thereto related, mortgage deeds and other guarantees, and any other documents necessary for the carrying out of the EGMS' s decision.

**2.** Approval for Romcarbon SA 2019 Investment Plan.

**3.** Approval for:

**i)** the date of 01.06.2019 as the due date of the loan amounting to 1.000.000 Euro contracted by Livingjumbo Industry SA from Romcarbon SA (loan granted by Romcarbon SA as the lender, as the majority shareholder of the borrower Livingjumbo Industry SA - within which Romcarbon SA holds 99% of the share capital) and of the interest on this loan;

**ii)** the conversion into shares of the receivable amounting to 4,838,400 lei, which Romcarbon SA holds against Livingjumbo Industry SA, consisting of the amount of the loan in value of 1.000.000 Euro and of a part of the related interest, accumulated up to 01.06.2019 (total interest on 01.06.2019 = 32.658 Euro), part of interest in amount of 20.759,49 Euro, at a reference rate of 1 Euro = 4.74 Lei, in order for Romcarbon SA to participate at the increase of Livingjumbo Industry SA share capital, with a total amount of 4.838.400 lei, respectively to the increase of the share capital from the value of 806.400 lei to the value of 5.644.800 lei, by issuing 1200 new, nominative, dematerialized shares with a nominal value of 4032 lei each.

**3.1.** Empowering the General Director and the Financial Director of Romcarbon SA to sign the addendum to the loan agreement concluded between Romcarbon SA as lender and Livingjumbo Industry SA as borrower on the rescheduling the loan by changing its maturity date on 01.06 .2019, as well as any/all documents necessary to carry out the decision of the E.G.M.S.

**4.** Approval, considering those approved by the Extraordinary General Meeting of Shareholders Decision no. 1 of 11.06.2018 and by Romcarbon Board of Directors Decision no.4 of 22.02.2019, the conclusion by Romcarbon SA (as the Seller) of a sale -purchase contract with Office & Logistic SRL (as Purchaser, company registered with Trade register near Court of Iasi under no. J22/13/2018, CUI 38653333), through which Romcarbon SA is selling on the term of 27.05.2019, with the possibility of extending only once by 30 days, for a total price of 126.322 Euro, in lei equivalent at NBR exchange rate Euro/Leu valid on the day of payment, excluding VAT, the total area of 1.289,00 m.p. land, category for constructions, part of the plot, Romcarbon S.A property, located in Iasi, Calea Chisinaului no. 29, Iasi county, identified by cadastral number 157259 and registered in the land book no.157259 / UAT Iasi, having the detailed description and layout in PFA Florin Alexe's dismantling proposal, as follows:

- the area of 1146 sqm., land use category for constructions, not enclosed, consisting of Lot 1 from the dismantling proposal;

- the area of 143 sqm., land use category for constructions, not enclosed, consisting of Lot 3 from the dismantling proposal,subject to the following main conditions:

**A.** 50% of the selling price, in RON equivalent at the NBR exchange rate Euro/Leu valid on the day of payment, will be paid on the date of authentication of the sale-purchase contract, by bank transfer, to the Seller's account, the other 50% of the price, in RON equivalent at the NBR exchange rate Euro/Leu valid on the day of payment, being already paid, by bank transfer to the Seller's account, on 07.03.2019, the date of authentication of the sale - purchase precontract no. 244/07.03.2019;

**B.** transfer of ownership and risks with respect to the surface of 1289,00 m.p. from the Seller's patrimony to the Buyer's patrimony, will operate on the date of the sale -purchase contract authentication.

**C.** granting, free of charge, by the Buyer, after the purchase of the total area of 1289.00 sq.m., consisting of Lot 1 and Lot 3, with the detailed description and layout in PFA Florin Alexe's dismantling proposal, as of the date of entry into its patrimony, on the basis of a Contract for the establishment of easement rights, of:

**a)** an easement right for pedestrian passage and for means of transport with a maximum tonnage of 40 tons passage and for an easement right for underground, surface and/or aerial existing/future utility networks:

**i)** in favor of the plot identified by cadastral number 157257 (dominant fund) property of Ito Industries International S.A. for a term valid until 30.03.2021;

**ii.)** in favor of plots identified by cadastral number: 123936 (former 19407/1), 125698 (former 19407/2), 125719 (former 19407/5), 123982 (former 3860/8), 124379 (former 3860/9), 123944 123924 (former 3860/11), 123929 (former 3860/13/2), 123939 (former 3860/1/3), property of Romcarbon SA, during the existence in its patrimony of the aforementioned dominant funds; With regard to the exercise of these easement rights, the Seller agrees and undertakes that if the Buyer will reasonably decide to modify the agreed route of these easement rights, the Seller, will exercise these rights on the new agreed by the parties route.

**b)** an easement right for underground, surface and/or aerial existing/future sewerage networks in favor of plots identified by cadastral number: 124493, 124495, 124496, 124511, 124513, 124514, 124515, 124516, 124518, 124519 124520, 124521, 124522, 124523 , 124490, 124524 (dominant funds) owned by Greenfiber International SA.

**D.** expressing by Buyer of its agreement, through the same contract of establishment, the easement rights referred to in let.C above as the owner of the total area of 1289.00 sq.m., consisting of Lot 1 and Lot 3, with the detailed description and layout in PFA Florin Alexe's dismantling proposal, for the establishment of a right of passage in favor of any interested third party, such as, but not limited to, tenants/collaborators/successors in rights/creditors, etc. of the Seller, for the duration in Romcarbon S.A patrimony of the dominant funds listed in par. (ii) above on the route established in accordance with the parties' agreement under par.(ii) above.

**E.** signing/concluding the same time with the signing/concluding in authentic sale – purchase contract for the sale of the 1289.00 sqm area, an addendum to the sale -purchase precontract authenticated under no.1878 of 23.04.2018, by Daniela Bădărău Individual Notary Office, for updating/modifying its clauses as a consequence of the sale of this area of 1289,00 m.p.

**4.1.** Empowering the General Manager of Romcarbon S.A., Mr. Andrei Radu, who is identified with C.I. XZ series no. 580979, issued 11 January 2013, by S.P.C.L.P. Buzău, CNP 1681127080025, as on behalf of Romcarbon SA, to negotiate and sign the sale contract mentioned in point 4, the contract for the constitution of the easement rights mentioned in point 4 let. C, as well as the additional act to the sale purchase pre-contract authenticated under No. 1878 of April 23, 2018, by Daniela Bădărău Individual Notary Office, mentioned in let.E, to sign any other documents necessary for the accomplishment of those decided, such as, but not limited to: requests to the public authorities, notaries, banks, as well as to appear before the public notary, signing in the name of the company and for the company with full powers, either personally or through an empowered person (on the basis of a special authenticated power of attorney) all the necessary authentic acts and any other documents in order to carry out those decided by the E.G.M.S.

**5.**Approval of 24.05.2019 as “registration date”, according to Law 24/2017.

**6.**Approval of 23.05.2019 as “ex-date”, according to Law 24/2017.

To the General Meeting of Shareholders are entitled to attend and to exercise voting rights the shareholders registered in the Register of Shareholders (released by the company Central Depository SA) at the reference date set at the end of the day of 15.04.2019. The shareholders can participate in person or by representative and by correspondence. Representation of shareholders can be made by other persons than the shareholders, based on a special power of attorney according to art. 92 par.10 of Law 24/2017.

Starting from 25.03.2019 till the date set for holding the GMS meetings, can be obtained by shareholders from the registered office of the company, every working day, between 9.00-17.00 or can be downloaded from the company website [www.romcarbon.com](http://www.romcarbon.com), both Romanian version and English version of the following documents: The Convocation, the total number of issued shares and voting rights at the date of the convocation, the draft

decision submitted for approval to GMS, special power of attorney forms used to vote by representative, voting by correspondence forms, documents to be presented in the GMS meetings.

In the case of personal vote, the shareholders and the legal persons are entitled to participate in the GMS session by means of a simple identity test made in the case of natural persons shareholders with the identity document (identity card, identity card, passport, residence permit) and in the case of legal persons shareholders with the identity card of the legal representative (identity card, identity card, passport, residence permit). In the case of legal entities or non-legal entities, the status of legal representative is determined on the basis of the list of shareholders from the reference date received from the central depository and the issuing certificate issued by the trade registry or any equivalent document issued by an authority competence in the state in which the legal person is legally registered, attesting to the status of legal representative, presented in original or in copy according to the original.

The documents certifying the status of legal representative of the legal entity shareholder will be issued no later than 3 months before the date of the GMS convocation. Documents presented in a language other than English will be accompanied by a translation made by a Romanian/English authorized translator.

In the case of voting by representation with the power of attorney, it is possible to represent the shareholders at the GMS meeting through a representative / trustee who may be another shareholder or a third person. The special power of attorney may be granted to any person for representation in a single general meeting and contains specific voting instructions from the shareholder, with a clear indication of the voting option for each item entered on the agenda of the general meeting. In this situation, the provisions of art. 125 par. (5) of the Law no. 31/1990 are not applicable. In the situation of discussing in the general meeting of shareholders, in accordance with the legal provisions, of items not included on the published agenda, the empowered person may vote on their behalf according to the interest of the represented shareholder. The vote by representation with the special power of attorney will be expressed by filling in and signing the special proxies provided by the company in 3 copies of which: one copy will be submitted in writing in the original, at the registered office, the second copy will be handed to the representative, so that he can prove himself a representative at the request of the technical secretariat of the assembly, the third copy remaining to the shareholder. The special / general power of attorney will be transmitted in physical format, in the original, in the case of a special power of attorney, respectively in a copy according to the original under the signature of the representative, in the case of the general power of attorney, so that the registered office will be registered until 22.04.2019, at 11.00 am or by e-mail at office@romcarbon.com (if electronic means are used, the special power of attorney will be transmitted via the extended electronic signature incorporated according to the Law no. 455/2001) until the same date and time. Regardless of the way of transmitting the proxies of representation in the GMS, the statement must be clearly and capitalized "*POWER OF ATTORNEY FOR THE ORDINARY/EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS DATED 24/ 25.04.2019*". A shareholder may designate a single person to represent it in GMS. A shareholder may designate one or more alternate representatives by special power of attorney to represent him or her in the general meeting if the appointed representative is unable to fulfill his mandate. If several substitute representatives are appointed by special proxy, the order in which they will exercise their mandate shall also be established. Also, a shareholder may award a valid proxy for a period not exceeding three years, which empowers his / her representative to vote on all aspects of the GMS debate, including mandatory acts, provided that the power of attorney either granted by the shareholder as a client to an intermediary within the meaning of the capital legislation or a lawyer. For purposes of identification, the special power / general power of attorney will be accompanied by the following documents: copy of the identity card (identity card, identity card, passport, residence permit) and copy of representative identity document for individuals; copy of the identity card of the representative / representative of the individual (identity card, identity card, passport, residence permit), copy of the identity card representative / guardian attorney with attorney in the original or in the case of the representative / representative legal person copy of the act the identity of the legal representative of the legal representative, accompanied by the certificate issued by the Trade Register or any equivalent document issued by the the competent authority of the State in which the legal representative / representative is legally registered, presented in original or in a copy corresponding to the original. Documents presented in a language other than English will be accompanied by a translation made by a Romanian / English authorized translator.

When completing the special power of attorney forms, the shareholders will consider the possibility of completing the update of the agenda, in which case the proxy forms will be updated until no later than 09.04.2019, at 11.00 a.m.

Shareholders may not be represented in the General Meeting of Shareholders on the basis of a general power of attorney by a person in a situation of conflict of interest, according to art. 92, paragraph 15 of the Law no.24/2017 regarding issuers of financial instruments and operations market.

When a shareholder is represented by a credit institution providing custody services, it may vote in the general meeting of shareholders on the basis of voting instructions received by electronic means of communication, without the need for a special mandate or general by the shareholder. Custodians vote in the general meeting of shareholders exclusively in accordance with and within the limits of the instructions received from its clients as shareholders at the reference date.

When a shareholder is represented by a credit institution providing custody services, it may vote in the general meeting of shareholders on the basis of voting instructions received by electronic means of communication, without the need for a special mandate or general by the shareholder, according to the provisions of art. 92 paragraph 11 of the Law no. 24/2017.

Shareholders enrolled in the Shareholders' Registry on the reference date can express and transmit their vote on the items on the GMs agenda and by correspondence. Voting forms can be obtained from the company's headquarters - the Shares Service or they can be downloaded from the website of the company, both in Romanian and English, starting with 25.03.2019. The voting form by correspondence, completed and signed by the shareholder, will be sent in writing, originally at the registered office of the company or by e-mail at office@romcarbon.com, bearing the extended electronic signature incorporated according to the Law no.455/2001, so that or registered as received at latest on 22.04.2019, 11.00. Regardless of the way of submitting the voting form by correspondence, it must contain the clear written statement in capital letters *"FORM FOR THE VOTE BY CORRESPONDENCE FOR THE ORDINARY/EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS DATED 24 /25.04.2019"*. The correspondence voting form shall be accompanied by the following documents: identity card copy in the case of natural persons shareholders; copy of the identity document of the representative / representative, certificate issued by the trade registry or any equivalent document issued by a competent authority of the state in which the shareholder is legally registered, attesting to the legal representative, presented in original or in copy according to the original, in the case of legal persons shareholders. The documents certifying the legal representative of the legal entity shareholder will be issued no later than 3 months before the date of publication of the convocation of the GMS. Documents submitted in a language other than English will be accompanied by a translation by a trainer authorized in Romanian or English. In case the shareholder who has expressed the vote by correspondence participates personally or by a representative at the GMS, the vote by correspondence expressed for GMS is canceled. In this situation, the vote expressed in the personal meeting or by the representative shall be taken into consideration.

The correspondence voting form for the GMS vote submitted by a shareholder for which a credit institution provides custody services will be valid without the submission of any additional documents relating to that shareholder if the voting form is drafted in accordance with Law no. 24/2017 and ASF Regulation no.5/2018 and is signed by the respective shareholder. If the person representing the shareholder by personal participation in the general meeting is other than the one who has cast the ballot by correspondence, then for the validity of his vote, he shall present to the assembly a written revocation of the vote by correspondence, signed by the shareholder or the representative who cast the vote correspondence. This is not necessary if the shareholder or his legal representative is present at the general meeting.

When completing the voting form by correspondence, the shareholders must take into account the possibility of completing / updating the agenda, in which case these documents will be updated and made available until 09.04.2019 at the latest, 11:00 hours.

One or more shareholders representing, individually or together, at least 5% of the share capital, have the right to enter points on the agenda of the General Meeting of Shareholders until no later than 05.04.2019 (provided that each point is accompanied by a justification or proposed draft decision to be adopted) and to propose draft decisions for the items included or proposed to be included on the agenda. Proposals for the draft decision may be submitted in closed envelopes at the headquarters of the company in Buzau, str. Transilvaniei, no. 132, until 05.04.2019, 17.00, or sent by e-mail with extended electronic signature incorporated according to the Law no. 455/2001 regarding the electronic signature, by the same date and time at office@romcarbon.com with the written mention *"NEW PROPOSAL OF POINTS ON THE AGENDA FOR THE ORDINARY/EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS DATED 24/25.04.2019"*. Each proposed new point must be accompanied by a justification or draft decision proposed for adoption at the GMS meeting. These proposals must be accompanied by a copy of an identity document in the case of natural persons shareholders; copy of the identity document of the representative / representative, certificate issued by the trade registry or any equivalent document issued by a competent authority of the state in which the shareholder is legally registered, attesting to the legal representative, presented in original or in copy according to the original, in the case of legal persons shareholders. The documents certifying the legal representative of the legal entity shareholder will be issued no later than 3 months before the date of publication of the convocation of the GMS.

Each shareholder has the right to ask, by 04.04.2019 at the latest, questions regarding the items on the agenda according to art. 198 of the ASF Regulation no.5/2018. Questions may be submitted in writing at the Company's headquarters or by e-mail with the extended electronic signature incorporated according to Law 455/2001 on Electronic Signature, at office@romcarbon.com, mentioning the topic *"FOR THE ORDINARY/EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS DE 24 /25.04.2019 "*. Questions must be accompanied by a copy of an identity document in the case of individual shareholders; copy of the identity document of the representative / representative, certificate issued by the trade registry or any equivalent document issued by a competent authority of the state in which the shareholder is legally registered, attesting to the legal representative, presented in original or in copy according to the original, in the case of legal persons shareholders. The documents certifying the legal representative of the legal entity shareholder will be issued no later than 3 months before the date of publication of the convocation of the GMS.

The company will issue an overall answer to questions with the same content that will be made available on the website of the company in question and answer format.

At the date of this Convocation the share capital of the Company is of 26.412.209,6 lei, divided into 264.122.096 nominative shares, dematerialized, with a nominal value of 0.10 lei per share, each share giving right to one vote in the GMS meeting.

In the situation the provisions of the law and of the articles of association for holding the General Meeting of Shareholders on 24.04.2019, at 12.00, respectively 12.30, are not fulfilled, the next meetings are convoked on 25.04.2019, at 12.00, respectively 12.30, the same place with the same agenda and shareholders registered on the same date. Additional information may be obtained by calling: 0238/711 155, int.130.

We are at your disposal with other information or additional documents.

### **Chairman of the Board**

Huang Liang Neng

### **General Manager**

Andrei Radu

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