

The Company
“MECANICA CEHLAU” S.A.
- PIATRA NEAMT –

Attention to:

AUTHORITY FOR FINANCIAL MONITORING BUCHAREST [ASF]
BUCHAREST STOCK EXCHANGE
CURRENT REPORT

in compliance with the provisions under Law 24/2017 and of the Regulation N° 1/2006 of CNVM

Report date: 24/11/2017

Issuing entity: S.C. “Mecanica Ceahlău” SA

Registered Office: Municipality of Piatra Neamt, Str. Dumbravei, N° 6

Phone/Fax: 0233/211104; 0233/216069

Unique Code of Registration with the Office of the Register of Commerce: 2045262

Register of Commerce Incorporation N°: J.27/8/1991

Social capital, subscribed and paid: Lei 23,990,846.00

Regulated Market on which movables issued are traded: [Bursa de Valori] Bucharest Stock Exchange

Important events to be reported:

1. The Extraordinary General Meeting of Shareholders and Resolutions approved

The Extraordinary General Meeting of the Shareholders of the company “MECANICA CEHLAU” S.A. was held on the first convening, i.e., 24/11/2017, and was attended – in person, by representatives or by post – by a number of 4 shareholders, representing 224,341,391 shares, i.e., 93,5112% of the company’s social capital.

Resolutions approved by the Extraordinary General Meeting of Shareholders held on 24/11/2017.

Resolution No. 1

It is hereby approved that the secretariat of the Extraordinary General Meeting of Shareholders from among the shareholders, in compliance with the provisions of Law 31/1990, article 129, paragraph (2):

1. Ilie Mihailescu
2. Elvira Bulai

The resolution is hereby adopted with 224,341,391 votes in favor, i.e., 100.00 % of the total shares represented in the Extraordinary General Meeting of Shareholders.

Resolution No. 2

It approves the modification of the Article of Incorporation of the society as follows:

- Art. 16, paragraph 1 from the Article of Incorporation will be modified and will have the following form:
" The company is managed by 3-5 administrators, natural persons or legal persons elected by the Ordinary General Meeting of Shareholders, who together form the Board of Directors"
- Art. 16, paragraph 7 from Article of Incorporation will be removed:
- Art. 16, paragraph 14 from Article of Incorporation will be modified and will have the following form:
" The Board of Directors deliberately deliberates in the presence of at least half of the members, and the decisions will be taken by a majority. Members of the Board of Directors may be represented under the law".
- Art. 17, paragraph 3 from Article of Incorporation will be modified and will have the following form:
" Representation of the company in relation to third parties is made by the Director General. With the prior approval of the Board of Directors, the right of representation may be transmitted on a special mandate. "
- Art. 18, paragraph 2, lit. m) from Article of Incorporation will be modified and will have the following form:
" submits for the approval of the General Meeting of Shareholders, within 4 months of the end of the financial year, the annual financial statements, unless the law provides otherwise. "

The other provisions of the Article of Incorporation remain unchanged.

The Chairman of the Board of Directors is empowered to sign the amended and updated form of the Articles of Incorporation.

The General Manager is empowered to carry out all the necessary documents for the registration of the judgments at Trade Registry Office and to take steps to ensure the publicity of the adopted decisions. The General Manager may also mandate other persons to carry out such records

The resolution is hereby adopted with 224,341,391 votes in favor, i.e., 100.00 % of the total shares represented in the Ordinary General Meeting of Shareholders.

Resolution No 3

It is hereby approved that the date of 14/12/2017 (ex-date 13/12/2017) shall be set as the date for the identification of the shareholders that are to benefit from rights and who are to be subject to the effects of the resolutions adopted by the Extraordinary General Meeting of Shareholders

The resolution is hereby adopted with 224,341,391 votes in favor, i.e., 100.00 % of the total shares represented in the Extraordinary General Meeting of Shareholders.

2. The Ordinary General Meeting of Shareholders and Resolutions approved

The Ordinary General Meeting of the Shareholders of the company “MECANICA CEAHLAU” S.A. was held on the first convening, i.e., 24/11/2017, and was attended – in person, by representatives or by post – by a number of 4 shareholders, representing 224,341,391 shares, i.e., 93,5112% of the company’s social capital.

Resolutions approved by the Ordinary General Meeting of Shareholders held on 24/11/2017.

Resolution No. 1

It is hereby approved that the secretariat of the Ordinary General Meeting of Shareholders from among the shareholders, in compliance with the provisions of Law 31/1990, article 129, paragraph (2):

1. Ilie Mihailescu
2. Elvira Bulai

The resolution is hereby adopted with 224,341,391 votes in favour, i.e., 100.00 % of the total shares represented in the Ordinary General Meeting of Shareholders.

Resolution No. 2

Art. 1 Is approved the election result by secret ballot, as a in the position of Administrators, for a period of 4 years (2017-2021), of the following persons:

Trifa Aurelian-Mircea-Radu, Romanian citizen, born in Oradea, Bihor County, on 27.04.1961, Romanian citizen, with the residence in Bucharest, 50 Câmpinita street, 1st District, identified with RT, no. 747877, issued by SPCEP S1 office no. 4, on 26.03.2010, valid until 27.04.2020, CNP 1610427400511. The mandate is for a period of 4 years (24.11.2017-24.11.2021)

Ianculescu Carmen, Romanian citizen, born in Bucharest, 8th District, on 24.09.1968 with the residence in Bucharest, 2 Boteni alley, Building D46, Tronson A, 4th Floor, Apartment 15, 6th District, identified with RT, no. 595667, issued by SPCEP S6 office no.3, on 03.09.2008, CNP 2680924463026 The mandate is for a period of 4 years (24.11.2017-24.11.2021)

Warinschi Laura-Elena, Romanian citizen, born in Bucharest, 5th District, on 27.06.1976 with the residence in Corbeanca village (com. Corbeanca), 7 Codrului street, Ilfov County, identified with IF, no. 578947, issued by SPCLEP Corbeanca, on 04.10.2017, CNP 2760627443053 The mandate is for a period of 4 years (24.11.2017-24.11.2021)

Name and surname of the candidates	Votes for	Votes against	Votes withheld	Votes canceled	Total votes
Trifa Aurelian Mircea Radu	175.863.453		48.477.938		224.341.391
Ianculescu Carmen	224.341.391				224.341.391
Warinschi Laura Elena	175.863.453		48.477.938		224.341.391
Zorzolan Vicentiu-Octavian			224.341.391		224.341.391
Miron Daniel Florian			224.341.391		224.341.391

As a result of the above vote, the company operates with a 3-member Board of Directors, and the mandate of the Administrator of Mr. **Zorzolan Vicentiu-Octavian** and Mr. **Miron Daniel Florian** ceased, they are being discharged.

Resolution No 3

Art. 1 Approves the content of the management agreement, to be signed by the company and the company's directors.

Art. 2 The general limits of monthly remuneration of the members of the Board of Directors are approved, as follows:

Chairman of the Board of Directors – 2.500 Euro net.

Members of the Board of Directors – 1.250 Euro net

The denomination in Lei will be made at the BNR Euro Leu on the date of payment.

The resolution is hereby adopted with 175.863.453 votes in favor, i.e., 78.39 % of the total shares represented in the Ordinary General Meeting of Shareholders.

Resolution No 4

Mr. Cojocariu Mircea is empowered to sign the management contracts from the company side

The resolution is hereby adopted with 175.863.453 votes in favor, i.e., 78.39 % of the total shares represented in the Ordinary General Meeting of Shareholders.

Resolution No 5

It is hereby approved that the date of 14/12/2017 (ex-date 13/12/2017) shall be set as the date for the identification of the shareholders that are to benefit from rights and who are to be subject to the effects of the resolutions adopted by the Ordinary General Meeting of Shareholders

The resolution is hereby adopted with 224,341,391 votes in favor, i.e., 100.00 % of the total shares represented in the Ordinary General Meeting of Shareholders.

Resolution No 6

The General Manager is empowered to carry out all the necessary documents for the registration of the judgments at Trade Registry Office and to take steps to ensure the publicity of the adopted decisions. The General Manager may also mandate other persons to carry out such records.

The resolution is hereby adopted with 224,341,391 votes in favor, i.e., 100.00 % of the total shares represented in the Ordinary General Meeting of Shareholders.

Trifa Aurelian-Mircea-Radu

Chair of the Board of Directors