



Two-tier system company

30.06.2020

To

FINANCIAL SUPERVISORY AUTHORITY BUCHAREST STOCK EXCHANGE

CURRENT REPORT according to ASF REGULATION no. 5/2018 regarding the issuers of financial instruments and market operations and to LAW no. 24/2017 regarding issuers of financial instruments and market operators

Report date: 30.06.2020 Company name: VES S.A.

Company headquarters: Sighișoara, Str. Mihai Viteazul, No. 102, jud. Mureș. Fax: 0265/778865 – 0265/779710

Phone: 0365/ 808 884; 0365/ 808 885.

Unique Registration Code: RO1223604

Trade Registry Number: J26/2/1991

Subscribed and paid share capital: 1,881,719.00 lei Number of shares: 18,817,190

Voting rights: 18,817,190

The regulated market on which the issued securities are traded: REGS, Standard category of BSE (Bucharest Stock Exchange).

Important event to report: The statement under item 5 on the agenda of the Notice to Attend the ESGA from 03-04.08.2020 with the date of payment of the fractions of shares resulting from the decrease was omitted by accident. The corrected Notice to Attend the ESGA from 03-04.08.2020 is below.

PRESIDENT OF THE MANAGEMENT BOARD

Gelu Stan



NOTICE TO ATTEND

The management of VES S.A., a Romanian two-tier system company, with headquarters in Sighișoara, 102 Mihai Viteazu Street, Mureș county, registered in the Trade Register under no. J26/2/1991, with unique registration number RO 1223604, pursuant to art. 117 of Law no. 31/1990 regarding commercial companies, republished, with subsequent amendments, in the meeting on 29.06.2020, has issued a notice to attend the Company's Extraordinary Shareholders' General Assembly, through president Stan Gelu, in accordance with the statutory and legal provisions in force, on 03.08.2020, at 11:00 a.m., in Cluj- Napoca, str. Fagului, nr. 83, Cluj County.

The notice is addressed to all shareholders registered in the Register of Shareholders of the Company at the end of the day of 22.07.2020, considered as a reference date for holding the General Assembly.

If, on the date of 03.08.2020, the quorum of presence provided for by the legislation in force and the Articles of Association of the Company is not met, according to Article 118 of Law no. 31/1990, republished, the second Company's Extraordinary Shareholders' General Assembly is convened and set for 03.08.2020 at the same time, in the same place and with the same agenda.

I. The agenda of the Company's Extraordinary Shareholders' General Assembly is as follows:

1. Approval of the shares to be adopted by the company considering the decrease of the net assets below half of the value of the subscribed share capital, in accordance with the provisions of Article 153²⁴ of Law no. 31/1990.
2. Approval of the reduction of the share capital of the Company in accordance with the provisions of Article 153²⁴ par. 4), corroborated with the provisions of art. 207 par. 1) lit. a) of Law no. 31/1990, by decreasing the number of shares, resulting in a decrease of the share capital by 12,000,000 lei, respectively the decrease of the share capital by a number of 120,000,000 shares.
3. Approval of the procedure used to reduce the share capital, as follows:
 - a) The share capital, whose increased value is pending registration, amounting to 19,908,308.90 lei is reduced by the amount of 12,000,000 lei taking into account the value of losses recorded at the end of the financial year 2019, resulting in a new value of the share capital of 7,908,308.90 lei;
 - b) The number of shares subject to the reduction is distributed in proportion to the number of shares held by each shareholder in the share capital at the date of registration;

c) If the application of the proportional reduction results in fractions of shares, the number of shares remaining in the shareholders' account will be rounded down. A price of 0.1 lei/share is established for the compensation of the fractions of shares resulting from the application of the algorithm and rounding the results. The decrease rate of the share capital is 60.2763401968%.

4. Approval of the amendment of the Articles of Association of the Company as a result of the decrease of the share capital, respectively of Article 7 of the Articles of Association, which will have the following content:

“Article 7 Share Capital

The fully subscribed and paid-in share capital is 7,908,308.90 lei, divided into 79,083,089 shares, registered and indivisible, in dematerialized form, with a nominal value of 0.10 lei/share and has the following structure:

- *Chimsport SA, Romanian legal entity based in Romania, Cluj-Napoca, 83 Fagului Street, Cluj Napoca county, registered in the Trade Register under no. J12/124/2013, with unique registration code RO 11836894, holding a number of 75,101,363 shares, for a total value of 7,510,136.30 lei representing 94.9651% of the share capital of the Company, with a profits and losses participation share of 94.9651%;*
- *Other shareholders, natural and legal persons, holding a number of 3,981,726 shares, totalling 398,172.60 lei, representing 5.0349% of the Company's share capital, with a profit and loss share of 5.0349 %.”*

5. Approval of the date of 27.11.2020 as the date of registration, respectively of identification of the shareholders on whom the effects of the SGA decision in accordance with the provisions of Law 24/2017 regarding issuers of financial instruments and market operators, the date of 02.12.2020 as payment date, the date of 11.12.2020 as the date of payment for the fractional shares resulted and the date of 26.11.2020 as ex date, as defined by the provisions of the ASF Regulation no. 5/2018.

6. Mandating the President of the Board of Directors to carry out all the necessary formalities in order to register and publish the SGA decisions, as well as of any and all steps and procedures necessary for their fulfilment.

II. One or more shareholders which hold, individually or together, at least 5% of the share capital of the company, registered at the reference date, have the right to introduce new items on the agenda of the Extraordinary Shareholders' General Assembly within a maximum period of 15 days from the publication of the notice, respectively until 17.07.2020, provided that each point is accompanied by a justification or a draft decision proposed for adoption by the ESGA.

Also, the shareholders have the right to present draft resolutions for the items included or proposed to be included on the agenda of the General Assembly, at the latest by 17.07.2020.

These rights shall only be exercised in writing.

III. Shareholders have the right to ask questions related to items on the above-mentioned agenda and the answers will be published on the website of the company www.ves.ro. The questions will be submitted or sent in such a way that they will be registered with the Company Registry until the latest on 27.07.2020, at 11:00 a.m., in a closed envelope, with the statement "FOR THE EXTRAORDINARY SHAREHOLDERS GENERAL ASSEMBLY" of 03-04.08.2020 written clearly and in capital letters.

IV. The shareholders registered on the reference date may exercise their right to participate and vote directly in the Shareholders' General Assembly, based on their Identity Card, as well as the right to vote by correspondence or through a proxy, with a special power of attorney or a general power of attorney, according to the information displayed on the Company's website www.ves.ro SGA section.

If the shareholders appoint their representatives to participate and vote at the Shareholders' General Assembly, the notification of their appointment will be sent to the Company only in writing.

V. The ballot forms by correspondence and the special proxy forms in Romanian and English for representing the shareholders in the Shareholders' General Assembly can be obtained from the company headquarters, as well as from the company website www.ves.ro 30 days before the respective SGA, starting with 04.07.2020.

After completion, the English or Romanian correspondence voting form, with legalization of signature made by a notary public, together with a copy of the identity document - for individuals and a copy of the registration certificate together with the original Confirmation of company details, issued not later than 30 days before the first Assembly or equivalent documents issued by the competent authorities in the country of residence of the shareholder - for legal persons, will be deposited or sent to the Company's headquarters so that they will be registered in the Company's Register until the latest on 01.08.2020, 11:00 a.m. in a sealed envelope, with the following statement written clearly and in capital letters "VOTE BY CORRESPONDENCE FOR THE EXTRAORDINARY SHAREHOLDERS' GENERAL ASSEMBLY" from 03-04.08.2020.

Correspondence voting forms that are not received in the form and term stipulated in this notice will not be taken into account for determining the quorum of presence and voting, as well as for counting the votes in the Shareholders' General Assembly.

VI. After completion, the special proxies in Romanian or in English will be filed or sent, in original, to the Company's headquarters so that they may be registered with the Company's Register until the latest on 01.08.2020, at 11:00 a.m., in a closed envelope with the following statement written clearly and in capital letters

"FOR THE EXTRAORDINARY SHAREHOLDERS' GENERAL ASSEMBLY" of

03-04.08.2020. The powers of attorney are drawn up in three original copies, one of which shall be sent to the company according to the aforementioned procedure, one shall remain with the representative in order to prove his/her capacity as a representative at the request of the technical secretariat, and one copy shall remain with the shareholder. The powers of attorney can also be transmitted in electronic format, to the address office@ves.ro, provided that the original is transmitted to the Company according to the provisions of art. 125 paragraph 3 of Law 31/1990 and of this Notice.

The special powers of attorney originally filed or sent after 01.08.2020 will not be taken into account for the determination of the attendance quorum nor when counting the votes in the General Assembly.

VII. The shareholder may grant a power of attorney (general power of attorney) valid for a period not exceeding 3 years, allowing his/her representative to vote in all matters in the general meeting of shareholders of the company identified in the power of attorney, including regarding disposition documents, provided that the power of attorney is granted by the shareholder, as a client, to an intermediary defined in accordance with Article 2 paragraph (1) point 20 of Law 24/2017 on issuers of financial instruments and market operations, or to an attorney. The general power of attorney in copy, including the mention of compliance with the original copy under the signature of the representative accompanied by a copy of the identity card or the registration certificate of the represented shareholder and a copy of the identity card or the representative's registration certificate shall be filed at company headquarters by 01.08.2020 at 11.00 a.m. The shareholders cannot be represented in the SGA on the basis of the general power of attorney by a person who is in conflict of interest, according to Law 24/2017.

VIII. Only persons who are registered as shareholders on the reference date have the right to attend and vote in the Shareholders' General Assembly of 03-04.08.2020, personally or through a proxy.

IX. Documents and informative materials related to the items on the agenda, as well as the draft resolution projects for the items on the agenda, as the case may be, are available to the shareholders at the Company's headquarters in Sighișoara, 102 Mihai Viteazu Street, Mureș county, and are posted on the company's website www.ves.ro starting with 04.07.2020.

Further information can be obtained at the company headquarters or by calling 0365-808884 or 0365-808885.

PRESIDENT OF THE MANAGEMENT BOARD

Stan Gelu

