

545400 Sighisoara, Romania, Str. Mihai Viteazu no. 102;
phone: 0040 265 773 840; fax: 0040 265 779 710; office@ves.ro
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Company administered in a two-tier system

To

**FINANCIAL SERVICES AUTHORITY
BUCHAREST STOCK EXCHANGE**

CURRENT REPORT according to ASF REGULATION no. 5/2018 on issuers of financial instruments and market operations and to Law no. 24/2017 on issuers of financial instruments and market operations

Date of report: 11.05.2021

Name of the company: VES S.A.

Premises of the company: Sighisoara, Str. Mihai Viteazul, No.102, Mures County.

Fax: 0265/778865 – 0265/779710

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

Sole registration code: RO 1223604

Serial number in the Trade Registry: J26/2/1991

Subscribed and paid-up share capital: 19.908.308,90 lei

Number of shares: 199.083.089

Voting rights: 199.083.089

Regulated market on which the securities issued are traded: REGS, Standard category of BVB.

Important event to report: AGEA Convocation of 14 / 15.06.2021, which we attach.

PRESIDENT OF THE DIRECTORATE

Gelu Stan





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CONVOCAȚION

The directorate **VES S.A.**, Romanian legal entity administered in a two-tier system, with the premises in Sighisoara, str. Mihai Viteazu, no. 102, Mures County, registered in the Trade Registry under no. J26/2/1991, with the sole registration code RO 1223604, pursuant to Art. 117 of Law no. 31/1990 on companies, republished, as subsequently amended and supplemented, at the meeting of 11.05.2021, decided to summon **the Extraordinary General Assembly of Shareholders**, in accordance with the statutory and legal provisions in force for **14.06.2021**, hour **11:00**, in Cluj-Napoca, str. Campului, no. 33, 2nd floor, Cluj county.

The summoning is addressed to all shareholders registered in the company's Register of shareholders at the end of day of **31.05.2021**, as a reference date for the holding of the General Assembly.

If on **14.06.2021** the presence quorum provided for by the laws in force and by the Company's Articles of Association shall not be met, the second General Assembly shall be convened and fixed pursuant to Art. 118 of Law no. 31/1990 for the date of **15.06.2021**, at the same time, in the same place and with the same agenda.

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

- 1.** Approving the dismantling of the secondary office in Cluj-Napoca municipality, Street Fagului, no. 83, Cluj County, and the removal from the Trade Registry.
- 2.** Approving the dismantling of the secondary office in Albesti village, Street Calea Baratilor, no. 14, Mures County, and the removal from the Trade Registry.
- 3.** Approving the actions the company will adopt in view of a net loss of assets of less than half the value of the subscribed capital, in accordance with the provisions of Art. 153²⁴ of Law no. 31/1990 of the companies.
- 4.** Approving the reduction of the company's share capital in accordance with the provisions of Art. 153²⁴ para. 4), in conjunction with the provisions of Art. 207 para. 1) let. a) of Law no. 31/1990 of the companies, by reducing the number of shares, resulting in a reduction of the share capital by 18.900.000 lei, that is reducing the share capital by 189.000.000 shares.



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5. The approval of the procedure used for the reduction of the share capital as follows:

a) The share capital of the company is reduced by 18.900.000 lei, taking into account the value of the losses incurred at the end of the financial year 2020, resulting in a new share capital value of 1.008.308,9 lei;

b) The number of shares subject to reduction shall be distributed in proportion to the share of 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 rounding of the number of shares remaining for the shareholders shall be affected to the lower total. The reduction rate of the share capital is of 94,93523581%.

d) The application of the algorithm specific to the reduction referred to above and the rounding of its results will be carried out in accordance with the legal provisions in force (Art. 90 para. (4) of Law no. 24/2017 and Art. 176 of the Regulation no. 5/2018), the shareholders being compensated based on a price to be determined according to the criteria laid down by law.

6. Mandating the Directorate to take all the necessary measures to carry out the above operation, including the determination of the price based on which the shareholders will be compensated, the cancellation of the reduced shares and the drawing up of other documents relating to the reduction of share capital, for the approval/ratification of the appointment of specialized consultancy companies (for e.g. authorized broker) which will provide financial investment services with a view to carrying out this operation, if any, in accordance with the law in force. The Directorate will have the power to delegate the tasks to third persons in order to carry out these endeavours.

7. The approval of the amendment of the company's Articles of Association as a result of a reduction in the share capital, namely Article 7 of the Articles of Association, which shall have the following content:

"Article 7

The fully paid-up and subscribed share capital is 1.008.308,9 lei, divided into 10.083.089 shares, registered and indivisible, in dematerialized form, with a nominal value of 0,10 lei per share and has the following structure:



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- *Chimsport SA, Romanian legal entity with the headquarters in Romania, Cluj-Napoca, Street Fagului, no. 83, Hunedoara County, registered in the Trade Registry under no.. J12/124/2013, with sole registration code 11836894, holding a number of 9.575.419 shares, for a total amount of 957.541,9 lei representing 94,9651% of the share capital of the Company, with a share in profits and losses of 94,9651%;*
- *Other shareholders, natural persons and legal entities, holding a number of 507.669 shares, for a total amount of 50.766,9 lei, representing 5,0349% of the company's share capital, with a share in profits and losses of 5,0349%."*

8. The approval of the date of 29.10.2021 as the date of registration or identification of the shareholders to which the effects of the AGA judgment are related under the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, of the date of 01.11.2021 as the payment date, of the date of 11.11.2021 as the payment date of the resulting fractions of shares and of the date of 28.10.2021 as ex date, as defined by the provisions of the ASF Regulation no. 5/2018.

9. The entrustment of the President of the Directorate to complete all the formalities necessary for the registration and publication of the AGA decisions and all approaches and procedures required for its implementation and for the signature of the Article of Association.

III. One or more shareholders representing, individually or jointly, at least 5 % of the share capital is/are entitled to introduce proposals on the Agenda of the General Assembly, provided that each proposal is accompanied by a justification or draft decision proposed for adoption by the General Assembly, as well as to submit draft decisions for the proposals included or proposed for inclusion on the Agenda of the General Assembly, no later than 15 days after the publication of the Convocation.

These rights shall be exercised only in writing, the proposals formulated will be submitted by courier services, to the headquarters of the company or by electronic means to the e-mail address office@ves.ro.

Shareholders have the right to ask questions about the items on the Agenda mentioned above and the answers will be published on the company's website (www.ves.ro). Questions



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will be submitted/sent in such a way that they are registered at the Registry of the Company no later than 12.06.2021 at 11:00, with the clear written indication "For the Extraordinary General Assembly of shareholders" of 14/15.06.2021.

In order to exercise any of the rights mentioned above, proof of shareholder status shall be provided through the following documents issued by the Central Depository or by the participants defined in art. 168 para. (1) let. b) of the Law no. 297/2004, providing custody services: the bank statement showing the shareholder status and the number of shares held or, where applicable, documents proving the registration of the information concerning the legal representative with the Central depository/respective participants.

IV. The shareholders registered on the reference date may exercise their right to participate and vote directly in the General Assembly based on the identity card, and the right to postal vote or by proxy/general proxy representative.

The postal vote forms and special proxy forms for the representation of the shareholders in the General Assembly may be obtained from the headquarters of the company, as well as from the website of the company www.ves.ro, section A.G.A. in Romanian and English, 30 days before the Assembly, respectively, starting with 14.05.2021.

After completion, the postal vote form, in Romanian or English, drawn up in the form of a document signed by hand, in original, together with a copy of the identity document of the natural person or, where appropriate, a copy of the identity document of the legal representative of the legal entity (signatory), shall be submitted/sent to the headquarters of the company to be registered at the company's Registry no later than 12.06.2021 at 11:00 in a closed envelope with the clear written indication "Postal Vote for the Extraordinary General Assembly of Shareholders" of 14/15.06.2021.

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

The company accepts a general authorization for participation and voting in the General Assembly given by a shareholder, as a customer, to an intermediary as defined in art. 2 para.



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(1) pct. 20 of Law no. 24/2017 or to a lawyer, if it is drawn up and sent in the conditions of the ASF Regulation no. 5/2018 and of Law 24/2017.

A special power of attorney, in Romanian or English, will be submitted or sent in original form to the headquarters of the company, together with a copy of the representative's identity document.

Shareholders may appoint their representative by electronic means. In this case, a special power of attorney, in Romanian or in English, signed by the shareholder with extended electronic signature, a copy of the identity document of the natural person shareholder or, as the case may be, a copy of the identity document of the legal representative of the legal entity shareholder (signatory), together with a copy of the identification document of the representative, will be sent to the company's e-mail address office@ves.ro.

Irrespective of the transmission mode chosen by the shareholder (of the above), it shall be mentioned on the envelope or, where appropriate, the subject of the e-mail "For the Extraordinary General Assembly of Shareholders", and the power of attorney must be communicated such as to be registered in the Registry of the company no later than 12.06.2021 at 11:00.

The representative shall have a copy of the power of attorney to prove his quality of representative, at the request of the Secretariate.

The documents referred to in the preceding paragraphs which are not received in the form and within the time limit prescribed in this Convocation shall not be taken into account for the purposes of determining a quorum of attendance and voting, or for the counting of votes in the General Assembly of Shareholders.

V. Only the persons who are registered as shareholders on the reference date have the right to participate and vote in the General Assembly of Shareholders on 14/15.06.2021, personally or by proxy.

VI. The documents and information materials relating to the subjects on the agenda, as well as the draft decision on the subjects on the agenda, if any, shall be available to the

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shareholders at the headquarters of the Company in Sighisoara, str. Mihai Viteazu no. 102, Mures County, and are posted on the company's website (www.ves.ro), as of 14.05.2021

Additional information can be obtained at the headquarters of the company or by phone at 0365-808884 or 0365-808885.

President of the Directorate

Gelu Stan

