



ȘANTIERUL NAVAL ORȘOVA S.A.
No. RC J25/150/1991 CIF: RO 1614734
Share capital: - issued 28.557.297,5 lei
- paid up 28.557.297,5 lei
No. 4. Tufări Street, Orșova, 225200, Mehedinți
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LEI code (Legal Entity Identifier): 254900UAXJ8TPIKLXG79
IBAN code: RO96RNCB0181022634120001- B.C.R. Orșova
IBAN code: RO59BRDE260SV03176142600- B.R.D. Orșova

To: The STOCK EXCHANGE – Operations Department Issuers of Regulated Markets
FINANCIAL MONITORING AUTHORITY – Sector Financial Instruments and Investments

CURRENT REPORT

ACCORDING TO THE LAW NO. 24/2017 AND TO THE REGULATION ASF NO. 5/2018

Concerning the issuers of financial instruments and market operations

Date of the report: 25th of August 2020

Trading company: ȘANTIERUL NAVAL ORȘOVA S.A;

Main headquarters: no. 4 Tufări Street, Orșova Town, Mehedinți County;

Phone number: 0252/362399; **Fax no.:** 0252/360648

Unique registration code at the Trade Register's Office: RO 1614734;

Number and registration date at the Trade Register's Office: J25/150/03.04.1991;

Share capital issued and paid up: 28.557.297,5 lei

Number of shares: 11.422.919 common shares, of 2,5 lei each;

Regulated market on which the issued securities are traded: Stock Exchange Bucharest, STANDARD category (under symbol: SNO)

IMPORTANT EVENT TO REPORT: The Calling up of the General Extraordinary Meeting of the Shareholders and of the General Ordinary Meeting of the Shareholders

The management board of ȘANTIERUL NAVAL ORȘOVA S.A, with the main head-office in the town of Orșova, no. 4 Tufări Str., registered at ORC of Mehedinți County with no. J25/150/1991, unique registration number 1614734, joining their meeting from the date of the 24th of August 2020 **decided, upon the request of the shareholder S.I.F Transilvania, holding 5.711.432 shares, representing 49,9998% out of the share capital, to call out the General Extraordinary Meeting of the Shareholders for the date of 02th of October 2020, at 10⁰⁰ o'clock and the General Ordinary Meeting of the Shareholders for the date of 02th of October 2020 at 12 o'clock to the head office from the**

town of ORȘOVA, NO. 4 TUFĂRI STREET, MEHEDINȚI COUNTY, in compliance with the regulation no. 31/1990 republished in 2004, further amended and abridged, with the Law no. 297/2004, concerning the stock market, further amended and abridged, with the Law no. 24/2017 concerning the issuers of the financial instruments and market operations of the ASF regulation no. 5/2018 related to the issuers of the financial instruments and market operations and with the provisions from the Articles of Incorporation.

The General Extraordinary Meeting of the shareholders has the following AGENDA:

1. Approval of the amendment of the company's Articles of Incorporation, as following:

Art. 18 line (1) will be amended with the following content:

- (1) The company is managed, unitarily, by an Administration Board, managing authority formed of 5 members, temporary and revocable, natural and/or legal persons. The mandate duration of each administrator has been settled through the resolution of the ordinary meeting of the shareholders which selects the administrators, not being able to exceed 4 years. The members of the managing board select a president and a vice-president among themselves.

Art. 19, line (2) and line (3) will be amended and will have the following content:

- (2) The monthly remuneration of the managing board members is settled through the resolution of the general ordinary meeting of the shareholders for each financial year in part. The additional remuneration of the managing board members who are part of the consulting committees of the managing board is settled at 10% out of the monthly remuneration of the named member, irrespective of the number of committees who, they belong to.
- (3) Each managing board member must expressly accept the performance of the mandate assigned and to conclude an insurance for professional civil liability, within the limits settled by the General Shareholders' Meeting. The insurance premiums will be borne by the company.

Art. 20 line (1) and line (10) will be amended with the following content:

- (1) The managing board will be gathered at least once in every 3 months, upon the calling out of the board's president or vice-president. The managing board will be summoned also at the reasoned request from at least two members or general CEO, anytime necessary, and the agenda will be proposed by the applicants. The President or the Vice-president is obliged to proceed with such requests.
- (2) The calling out for managing board meeting will be sent to the administrators with at least 5 days prior to the date proposed for the meeting. The calling out of the Managing Board will be sent to each member in written, by fax or email, at the fax or email addresses the members of the Managing Board have.
- (10) The managers are entitled to receive from the company, the money back from all the expenses triggered by the travelling or participation to any of the meetings of the managing board, as well as for any activity related by the company's inventory and management. The equivalent of the paid amounts will be settled in the managing contract agreement.

Article 21 line (1) and line (2) will be amended and will have the following content:

- (1) The members of the managing board may be revoked anytime by the general meeting of the shareholders for important reasons. The right reason for revoking a member is:

- i. Any action or lack of action through which they guiltily infringe (out of own guilt or willingly) any of the undertaken obligations and/or the obligations assigned to them as members according to the law, to the general meetings and to the articles of incorporation;
 - ii. Failure to fulfill the scope settled by the General Shareholders' Meeting, especially the provisions from the income and expenses budget;
 - iii. The A.G.A resolution for reorganization/restructuring of the statutory authorities in charge of the company by amendment of the Managing Board's number of members or of the managing form;
 - iv. Amendment of the shareholding's structure in the sense of limiting the participation of one of the shareholders (by partial or total sale of the withheld package of shares, increase of social capital, merging, division, etc.).
 - v. Calling off the administrators in charge who were not reconfirmed by cumulating votes in the new managing board.
- (2) In case of a vacant position of one or more administrators, the other administrators deliberating, may proceed with absolute majority to appointing one temporary manager, until the gathering of the general meeting.

Article 22 line (3) will be amended with the following content:

- (3) The limits of the monthly remuneration of the manager(s) will be settled between 5 and 11 average gross salaries realized by the company during the previous fiscal year.

Syntagma "Commercial company" it is replaced with term " Company" from content of Article of Incorporation, in according with prevails of 76/2012 Law.

- 2. The appointment of the proxy representative to sign the updated Articles of Incorporation of the company.
- 3. The appointment of the person carrying out all necessary steps in order to publish and register the resolutions adopted by the General Extraordinary Meeting of the Shareholders.

II. THE AGENDA OF THE GENERAL ORDINARY MEETING OF THE SHAREHOLDERS:

- 1. The selection of the Managing Board members for a mandate of 2 years with application of the cumulating voting procedure;
- 2. The settlement of the remunerations inherited in the fiscal year 2020;
- 3. The settlement of the level of insurance for professional civil liability for the members from the Administration Board and for Manager/Managers;
- 4. The approval of having concluded the managing contract agreement with the members from the Administration Board, according to the project attached;
- 5. Appointment of the person who will sign the managing contract agreement with the members from the Managing Board, as conventional proxy representative on behalf of the company;
- 6. Approval of the updated version of the mandate contract which is to be signed by the Administration Board with the assigned manager/managers, according to the attached project,
- 7. Appointment of the person who is to carry out all necessary steps in order to publish and register the resolutions adopted by the General Ordinary Meeting of the Shareholders.

Only registered shareholders to the Shareholders' Register of the company on the date of 17th of September 2020 **settled as reference date** will be able to join the meeting and vote.

The share capital of ȘANTIERUL NAVAL ORȘOVA SA is formed of 11.422.919 registered dematerialized shares, with a nominal value of 2.5 lei, each share being entitled to one vote within the general ordinary meeting of the shareholders.

The shareholders representing, separately or together, at least 5% out of the share/issued capital, are entitled to:

- a) Introduce points into the agenda of the general meeting, provided that each point is supported by an argument or by a decision draft proposed for adoption by the general meeting;
- b) Submit decision drafts for the points included or proposed to be included in the agenda of the general meeting.

The due date for the shareholders to carry out the above mentioned rights is 14.09.2020, until 03:00 p.m. The applications must be sent in written to the company's head-office Șantierul Naval Orșova S.A., no. 4 Tufări Street, Orșova Town, Mehedinți County.

Each shareholder is entitled to ask questions concerning the points of the agenda of the general meeting. The company can reply also by posting the answer of their website, to the section "Frequent questions".

The shareholders mentioned in the previous lines are obliged to send the materials/questions in written, in sealed envelopes, accompanied by the following documents:

- for the natural persons shareholders - certified copy of their identity cards and account statement issued by the Depozitarul Central SA out of which it results the quality of shareholder and number of withhold actions;
 - for the legal persons shareholders – the registration certificate, certified copy of the identity card of the legal representative and account statement out of which it results the quality of shareholder and the number of shares withhold, issued by Depozitarul Central SA or, as appropriate, the participants who supply custody services, according to the law.
- The documents stipulated will be sent to the company's head-office, with a clearly written note, in capital letters: "FOR THE GENERAL EXTRAORDINARY MEETING OF THE SHAREHOLDERS from the date of 02th of October 2020", respectively "FOR THE GENERAL ORDINARY MEETING OF THE SHAREHOLDERS from the date of 02th of October 2020".

The candidates for the managing positions will be appointed by the present members of the Management Board or by the shareholders, in compliance with art. 137¹ line (2) from Law no. 31/1990 R further amended and abridged. The conditions of eligibility the candidates for the position of member in the management board and the content of the candidature file are shown on the company's web site www.snorsova.ro at the section of "INVESTORS/INFORMATION FOR SHARHOLDERS/MATERIALS FOR AGEA AND AGOA FROM 02.10.2020".

The application files of the proposed managers will be submitted to the Management Board of SANTIÉRUL NAVAL ORSOVA S.A. to the company's head office, until the date of 14th of September 2019, at 04:00 p.m., the latest, for registration on the candidates' list, to be submitted to the approval of the general ordinary meeting of the shareholders. The candidates will be registered on the list, in chronological order of the registration numbers at the Registry of SANTIÉRUL NAVAL ORSOVA S.A of the candidature files. Only the candidates, whose files are complete and include the documents mentioned in the list published on the company's web site, will be registered on the voting protocols, in chronological order.

The list which includes information concerning the name, residential town and professional qualification of the persons proposed for the management position is available to the shareholders, on the company's site.

The documents, informative materials and drafts of the resolution of the general meeting concerning the issues included in the agenda may be seen on the company's web site – www.snorsova.ro and/or from the company's head-office, starting with the date of 26th of August 2020 during the working days from 09⁰⁰ a.m.-03⁰⁰ p.m.

The shareholders registered on the reference date may join and vote at the General meeting of the shareholders directly and may be represented also by other persons who are different from the shareholders, according to a special power of attorney or general power of attorney, conceived according to the provisions under the Law no. 24/2017 and the ASF Regulation no. 5/2018. The shareholders legal persons or parties without a legal personality who take part in the General Shareholders' Meeting through other persons than their proxy representative, will mandatorily use a special or general power of attorney, under the terms stipulated above. The shareholders will fulfill and sign the special powers of attorney in three original samples: one for the shareholder, one for the representative and one for the company.

The general power of attorney may be awarded for a period which will not exceed three years, allowing the appointed representative to vote in all the aspects under debate of the General Meeting of the Shareholders, provided that the general power of attorney is awarded by the shareholders, as client, to an interim party described according to art. 92 from the Law no. 24/2017 or to a lawyer. The shareholders cannot be represented in the General Meeting of the Shareholders according to a general power of attorney, by a party who finds themselves in a conflict of interests' situation, in compliance with the stipulations under the Law no. 24/2017.

The access of the natural persons shareholders, entitled to take part in the general meeting is allowed through a simple test of their identity carried out with the identity card and in the case of the shareholders natural persons represented, with the power of attorney given to the natural person they represent.

The access of the shareholders legal persons, entitled to take part in the general meeting, is allowed according to the proof of the legal representative quality when the proxy representative of the shareholder is present in person. In the case when the proxy representative is not present himself, then the proof of the quality of proxy representative will be accompanied by the power of attorney given to the natural person who represents the named shareholder. The quality of proxy representative may be proved with a finding certificate issued by the Trade Register, submitted in original or a copy according to the original or any other document in original or copy according to the original issued by the certified authority in the state in which the shareholder is legally registered who certifies the quality of proxy representative. The document certifying the quality of proxy representative of shareholder legal person is valid provided that it had been issued with at least 3 months prior to the publication of the General Meeting Convener. The documents certifying the quality of proxy representative conceived in a foreign language, other than English will be accompanied by a translation, realized by a certified translation, in Romanian or English language.

The requirements stipulated within the previous lines are applied accordingly also for proving the quality of proxy representative of the shareholder who proposes the introduction of new points on the agenda of the general meeting of the shareholders or which ask questions to the issuer concerning the points on the agenda of the general meeting of the shareholders.

The forms of special powers of attorney in Romanian or English language may be obtained from the company's head office starting with the date of 26th of August 2020 between 9:00 a.m.-03:00 p.m. or they may be downloaded from the company's website www.snorsova.ro. A file of the special power of attorney will be submitted/sent to the company's head office until including the date of 28th of September 2020, a file following to be made available to the representative's use, so that he can prove this quality.

The shareholders registered on the reference date are able to vote also by correspondence, prior to the date when the general meeting is held, by using the voting form by correspondence. The voting form, in Romanian language or in English Language, may be obtained starting with the date of 26th of August 2020, between 9:00 a.m. – 03:00 p.m., from the head office of the company or from the website www.snorsova.ro.

In the case of the vote by correspondence, the voting form, fulfilled and signed, accompanied by the copy of the identity document (ID card/identity card, in the case of natural persons, namely registration certificate in the case of legal persons), may be sent to the company's head office, up to the 28th of September 2020, 1:00 p.m., in closed envelope, with the clear mention, in capital letters: "FOR THE GENERAL EXTRAORDINARY MEETING OF THE SHAREHOLDERS FROM THE DATE OF 02TH of October 2020", respectively "FOR THE GENERAL ORDINARY MEETING OF THE SHAREHOLDERS FROM THE DATE OF 02TH of October 2020",

The powers of attorney and the voting forms, accompanied by the identification data of the shareholders, may be sent also by e-mail with extended electronic signature in compliance with Law no. 455/2001 concerning the electronic signature, until the date of 28th of September 2020, at 1:00 p.m., to the address: marilena.visescu@snorsova.ro. On the date of the general meeting, these documents will be handed over in original.

The voting forms which are not received until the indicated date cannot be considered for settling the quorum and majority within the general meeting.

In the existing context generated by the pandemic of COVID-19 considering the recommendations from the Romanian public authorities concerning the prevention/limitation of COVID 19 spreading, to the extent to which the restrictions imposed for managing the situation appeared because of COVID 19, the following measures are recommended by the company SANTIERUL NAVAL ORSOVA SA:

- access the meeting materials corresponding to the agenda in electronic form, available on the company's website www.snorsova.ro, under the section "INVESTORS/INFORMATION FOR THE SHAREHOLDERS/MATERIALS FOR AGENDA AND AGOA FROM 02.10.2020", both in Romanian and English;
- to vote by correspondence before the general meetings by using the Form of voting by correspondence;
- to use as communication means, mainly the email with extended incorporated electronic signature rather than the sending by post mail or by courier to the company's head Office.

We stipulate that the level of the company, the legal working restrictions are being applied at the date of the general shareholders' meeting, concerning the limitation of the number of participants, at events held in indoor spaces, only according to the expressly adopted decisions by the authorities.

Additional information may be found at the company's head-office or at the phone number 0252362399 between 9:00 a.m.-3:00 p.m.

In the case when the validity terms of the two meetings called out have not been fulfilled, then the general meeting of the shareholders will be held for the date of 03th of October 2020, with preservation of the agenda, the time and place of its progress.

**PRESIDENT OF THE ADMINISTRATION BOARD,
EC. Manager MIHAI FERCALĂ**