



TMK-ARTROM S.A.

Draganesti Str. 30, Slatina, jud. OLT, Romania 230119
Tel: +40 (249) 436862, 434640, 434641
Fax: +40 (249) 434330, 437288
E-mail: office.slatina@tmk-artrom.eu www.tmk-artrom.eu
EUID: ROONRC.J28/9/1991; J28/9/31.01.1991
VAT No. RO 1510210/1992
Subscribed and Paid Share Capital: 291.587.538,34 lei

No 102/60 from 21.03.2019

Current Report
in accordance with Law no. 24/2017 and of Regulation no. 5/2018 on issuers of financial instruments and market operation

Date of the Report: 21 March 2019
Name of the issuing entity: TMK- ARTROM S.A.
Registered office: 30 Draganesti Street, Slatina, Olt, Romania
Telephone/fax number: +40249436862/ +40249434330
Registered in the Trade Register under no: J28/9/1991
Tax Identification Number: RO1510210
Unique Identifier at European Level (EUID): ROONRC.J28/9/1991
Code LEI: 315700M25SMO44FAN52
Subscribed and paid up share capital: 291,587,538.34 RON
Regulated market where the issued securities are traded: Bucharest Stock Exchange - STANDARD Category (market symbol ART)

Important events to report:

Following TMK Europe GmbH's (TMK-Artrom SA's shareholder) request of 20 March 2019, the Board of Directors of TMK-ARTROM SA convened on 21 March 2019 and decided as follows:

TMK-ARTROM S.A.'S BOARD OF DIRECTORS'
DECISION OF 21 MARCH 2019

The Board of Directors of TMK-ARTROM S.A. (the "**Company**"), validly met on 21 March 2019, as per the provisions of the Articles of Incorporation of the Company and Law 31/1990 on companies, with the subsequent modifications and supplementations, hereby

DECIDES

1. Following the request received from TMK Europe GmbH, a shareholder of the Company holding more than 5% of the share capital of the Company ("TMK Europe"), to supplement the agenda of the Ordinary Meeting of Shareholders convened for 5 April 2019, at 11:00 hours, at the Company's headquarters located at 30 Draganesti Street, Slatina, Olt County, Romania (or for 8 April 2019 at the same place, at 11:00 hours, and with the same agenda, in case the quorum conditions required by the law and by the Articles of Incorporation are not fulfilled in the first meeting). The agenda thus supplemented is the agenda attached hereto as Annex 1.
2. Acknowledge the proposal by TMK Europe of the following draft resolution for item 2 on the agenda of the Ordinary General Shareholders Meeting scheduled for 5 April 2019:

"To approve the distribution of the Company's profit for 2018 amounting to 56,569,986.13 lei as follows:
(i) 3,389,036 lei to the legal reserves according to Law 31/1990, respectively at least 5% of the annual



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TMK EUROPEAN DIVISION Cod: FCU-01, Ed. 3 Rev. 2/2017

gross profit (but no more than 20% of the share capital), (ii) 14,280,000 lei as dividends and (ii) 38,900,950.13 lei will be carried over in the next year.

With respect to the decision to approve the distribution of dividends, to establish the date of registration, ex-date and date of payment for the payment of dividends in accordance with the provisions of the Capital Market Law and FSA Regulation 5/2018 as follows:

- 13 September 2019 shall be the record date set in accordance with Article 86(1) of the Capital Market Law (the “Record Date”) and
 - 12 September 2019 shall be the ex-date set in accordance with ASF Regulation 5/2018 (the “Ex-date”); and
 - 4 October 2019 shall be the payment date of the dividends, set in accordance with Article 178(2) of ASF Regulation 5/2018 (the “Payment Date”).”
3. Acknowledge TMK’s Europe’s proposal of draft resolution with respect to item 4 on the agenda of the Extraordinary General Shareholders Meeting scheduled for 5 April 2019 and consisting of the approval of the Dividend Distribution Policy attached hereto as Annex 2.
 4. To publicize, in accordance with the applicable legal provisions, the supplemented agenda, as well as TMK Europe’s proposals for the draft resolutions as mentioned under points 2 and 3 above.
 5. To empower the General Manager, as well as the other members of the Management Board (representing the Company within the limits of the Articles of Incorporation and according to their mandate) to perform all legal formalities and to sign all documents necessary for fulfilling the afore-mentioned decisions.



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Annex 1
Agenda of the Ordinary Meeting of Shareholders

1. The approval of the separate and consolidated financial statements for the financial year 2018 and the restated consolidated financial reports for the financial years 2016 and 2017 based on individual and consolidated management report of the Board of Directors with respect to years 2016, 2017 and 2018, including the Sustainability Report-the consolidated non-financial reporting, and on the independent financial auditor's report for year 2018 and of the independent financial auditor's report reissued for years 2016 and 2017;
2. To approve the distribution of the Company's profit for 2018;
- 2¹. To approve the distribution of 14,280,000 RON from the Company's net profits for year 2018 as dividends;
- 2². With respect to the decision to approve the distribution of dividends, to establish the date of registration, ex-date and date of payment for the payment of dividends in accordance with the provisions of the Capital Market Law and FSA Regulation 5/2018 as follows:
 - 13 September 2019 shall be the record date set in accordance with Article 86(1) of the Capital Market Law (the "Record Date") and
 - 12 September 2019 shall be the ex-date set in accordance with ASF Regulation 5/2018 (the "Ex-date"); and
 - 4 October 2019 shall be the payment date of the dividends, set in accordance with Article 178(2) of ASF Regulation 5/2018 (the "Payment Date");
3. The approval of the Company's income and expenses budget and the activity program (including the investment program) for year 2019;
4. The discharge of activity of the members of the Board of Directors for their activity during financial year 2018;
5. The appointment of the financial auditor, including the approval of the value of the statutory audit services, for the audit of the financial statements for financial year 2019;
6. The approval of the total yearly remuneration for the independent directors of the Company for year 2019 at a maximum gross (including taxes) amount of 37,754 EUR for each director, payable in RON at BCR's exchange rate of EUR/RON applicable on the first day of each month for the monthly payment.
7. To set the maximum aggregate limit for the gross remuneration (covering the fixed monthly remunerations and the annual performance bonuses) for 2019 for the total fixed monthly remuneration and annual performance bonuses for all independent directors and managers (as per Law 31/1990) of the Company and all managers of the Company's subsidiaries at the amount of 6.3 million Euro.
8. Empowering Mr. Adrian Popescu, as director and general manager of the Company to perform all the necessary formalities in relation to the publication and registration of the resolution, being entitled to delegate such powers to another person at his discretion.



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Annex 2 Dividends Distribution Policy

TMK ARTROM SA – DIVIDEND POLICY

1. General Provisions

- 1.1 The purpose of this dividend policy is to establish the set of principles, terms and conditions which TMK Artrom SA (the “**Company**”) intends to apply in relation to the distribution of net profits.
- 1.2 This policy is developed in accordance with the legal and regulatory framework applicable in Romania and with the Company’s constitutive deed, as well as any other applicable rules and regulations.
- 1.3 The policy confirms Company’s Board of Directors’ commitment to offer the Company’s shareholders the opportunity to yield a return on the money invested and the Company the opportunity of sustainable development.

2. Principles

- 2.1 The Company’s shares are indivisible and confer equal rights to their holders.
- 2.2 The dividends are paid to the Company’s shareholders pro rata to their holdings in the Company’s paid up share capital.
- 2.3 The Company's dividends are distributed from its net distributable profit.

3. Competence for Approving the Dividends Payment

Dividends are declared and paid only if approved by the Company’s Ordinary Meeting of Shareholders, based on the proposal of the Board of Directors or of the shareholders of the Company holding, on a standalone basis or together with other shareholders, at least 5% of the Company's share capital.

4. Percentage of Net Profits for Dividends’ Distribution

- 4.1 In absence of exceptional market conditions or circumstances, it is the Company’s intention to recommend to the shareholders to distribute in the following 10 years dividends as follows:

Closed Financial Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Dividends (not less than % of Net Distributable Consolidated Profit of the Company)	30	32	35	40	50	50	50	50	50	50

- 4.2 The Board of Director’s proposal for, as well as the decision on the distribution of profit to shareholders, shall always be subject to applicable law and commercial considerations (including, without limitation, applicable regulations, restrictions, the group’s results of operations, financial condition, cash requirements, cash resources available for dividend distribution as well as the



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Company's indebtedness, contractual restrictions, the group's future projects, plans, tax considerations, investment opportunities and needs and so on), as well as subject to the approval of the Ordinary Meeting of Shareholders. Also, the distribution of dividends in the percentages mentioned in the table under point 4.1 above will always be dependent on the existence of an individually distributable profit at the Company's level at least equal to the amount that would result from the application of the above mentioned percentages to the consolidated net profit.

5. Right to Dividends

The shareholders registered in the shareholders' registry kept by Depozitarul Central SA on the record date set by the Ordinary Meeting of Shareholders approving the distribution of dividends are entitled to dividends. The record date shall be at least 10 business days after the date on which the Ordinary Meeting of Shareholders approved the dividend distribution.

6. Dividends' Payment

- 6.1 The Company's Ordinary Meeting of Shareholders approving the distribution of dividends also approves the dividends payment date. Such date is to fall on a business day no later than 15 business days after the record date, however not later than 6 months from the date of the resolution of the Ordinary Meeting of Shareholders establishing the dividends. If such date is not approved by the Ordinary Meeting of Shareholders, then dividends are to be paid within 30 days from the publication of the resolution of the Ordinary Meeting of Shareholders establishing the dividends in the Official Gazette. Any dividends that are not claimed by the entitled shareholders within three years from the date on which their payment becomes due shall be retained by the Company.
- 6.2 The Decision of the Ordinary Meeting of Shareholders to distribute dividends is a writ of execution based on which the shareholders may initiate the forced execution procedure against the Company according to the law.
- 6.3 Dividends will be paid to the shareholders through Depozitarul Central SA and the participants to its system.
- 6.4 Prior to paying the dividends, the Company shall inform the shareholders with respect to the value of the dividends per share, the ex date, the record date and the payment date, as established by the Ordinary Meeting of Shareholders, as well as the payments means and the payment agent's identification data.
- 6.5 Applicable tax regulations will be complied with.

7. Final Provisions

- 7.1 This policy becomes effective as of the date of its approval by the Extraordinary Meeting of Shareholders. Should the need arise, the Board of Directors may propose to change this policy, case in which it will submit the amended dividend policy proposal to the approval of the Extraordinary Meeting of Shareholders.
- 7.2 In the event of changes and amendments to the relevant legislation or the Company's constitutive deed affecting this policy, the provisions of this policy shall be deemed modified in order to reflect the new applicable legal provisions or the changes to the Company's constitutive deed as of the date such new legal provisions and/or changes to the Company's constitutive deed become effective.



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7.3 This policy is published on the Company's website.

**GENERAL MANAGER
ADRIAN POPESCU**



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