



ARMATURA

RC J12/13/1991 CUI RO199001 IBAN RO29RNCB0106026615010001 S.C.R. Cluj-Napoca Capital Social: 4.000.000 RON

S.C. ARMATURA S.A.
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**Decision dated August 11, 2025
of the Board of Directors of ARMATURA S.A.**

Today, August 11, 2025, the undersigned:

1. **BOGDAN ȘTEFAN**, Romanian citizen, born on [REDACTED], in Bucharest, [REDACTED], residing in Bucharest, [REDACTED], identified with Identity Card series [REDACTED] issued on [REDACTED], valid until [REDACTED] – Chairman of the Company's Board of Directors
2. **DAMIR RUTAR**, Slovenian citizen, born on [REDACTED], in Sempeter pri Gorici, residing in Tolmin, Republic of Slovenia, holding passport no. [REDACTED] issued by the authorities of the Republic of Slovenia on [REDACTED], valid until [REDACTED] – Director
3. **WALTER SIMMEL**, Austrian citizen, born on [REDACTED], in Vienna, Austria, residing in Vienna, Austria, holding passport no. [REDACTED] issued by the Austrian authorities on [REDACTED], valid until [REDACTED] – Director
4. **ZORAN BANKOVIC**, Serbian citizen, born on [REDACTED], in Negotin, Republic of Serbia, residing in Negotin, Republic of Serbia, holding passport [REDACTED] issued by the authorities of the Republic of Serbia on [REDACTED], valid until [REDACTED] – Director

As members of the Board of Directors of **ARMATURA S.A.** (the "Company"), registered with the Trade Registry attached to the Cluj Tribunal under no. J12/13/1991, tax identification code RO 199001, with its registered office in Cluj-Napoca, Str. Gării no. 19, Cluj County, having a subscribed and paid-in share capital of RON 4,000,000,

Considering that:

- On June 24, 2025, the Extraordinary General Meeting of Shareholders adopted a resolution whereby, under item 1, the dissolution and initiation of the liquidation procedure were approved, as a result of the reduction of the Company's net assets (determined as the difference between total assets and total liabilities) to less than half of the subscribed share capital, and the impossibility of achieving the Company's business object, pursuant to Article 153²⁴ and Article 227(1)(b) of Law No. 31/1990.
- The resolution was based on the Financial Analysis Report prepared on May 9, 2025 by the external auditor NOA Tax Advisors S.R.L. In the Romanian version of this report, it was stated that the Company had a share capital of RON 18,110,957 and equity of RON 6,945,660, representing less than 50% of the share capital. According to the provisions of the Romanian Companies Law, when the net assets fall below half of the share capital, the law requires the Board of Directors to convene an Extraordinary General Meeting of Shareholders to inform them of the financial situation, so that they may decide whether the Company should continue its activity or be liquidated.
- All legal procedures related to this resolution have been duly completed, as it was submitted to the Financial Supervisory Authority (ASF), the Bucharest Stock Exchange (BVB), and the Trade Register, and published on the Company's website.
- On July 31, 2025, the Financial Supervisory Authority (ASF) issued letter no. 11363 (attached), requesting clarifications regarding the financial information referenced in the EGM Resolution dated June 24, 2025, in view of the contradiction between the data included in the 2024 Annual Report (published on the Company's and BVB's websites), the annual accounting report prepared and submitted in the format required by the Ministry of Finance, and the information presented in the NOA Report.
- Following verifications, it was found that the amount of RON 18,110,957 was erroneously included in the Romanian version of the NOA Report in the analysis related to the net asset test under Article 153²⁴ of Law No. 31/1990. This amount was carried over into the EGM documentation. Subsequently, NOA confirmed that this value was no longer included in the English version of the report nor in the final conclusions, having been previously removed. However, in the Romanian version, the reference remained due to a material translation error, which was not identified prior to the adoption of the EGM Resolution. The statutory auditor confirmed that the amount of RON 18,110,957 includes

historical IFRS adjustments made in 2012, and that the subscribed and paid-up share capital, as reflected in the 2024 financial statements, is RON 4,000,000.

- Consequently, although the legal conclusion regarding the necessity of dissolution was, at that time, in accordance with the legal provisions and based on the available information, the factual basis concerning the net asset test was subsequently found to be incorrect. For this reason, this specific ground for dissolution can no longer be upheld.
- The NOA Report (Romanian version) has been revised to remove the erroneous references regarding the reduction of net assets to less than half of the subscribed share capital.
- The ground for the dissolution of the Company — also included in the EGM Resolution dated June 24, 2025 — remains valid, namely the impossibility of achieving the Company's business object, as established in the NOA Report. Below, we present the conclusions of said Report, which support the proposed solution of dissolution:

1. The Company has not carried out any operational activity since 2020

- The Company's operational activity was suspended starting in 2020. Since then, a significant portion of its assets has been sold and the majority of its employees have been laid off. As of December 2024, only 6 employees remained. Considering that the Company no longer has the material base necessary to carry out its main NACE code activity (Manufacture of taps and valves), it will no longer be possible to generate operational revenues in the future to support the Company's activity and existence, unless the resource base is reconstituted.
- Even if, during the reviewed period, the Company generated other types of income (e.g., from the sale of assets and scrap metal or from issuing certificates for former employees), such revenues are exceptional in nature and not related to the Company's core business activity.

2. Currently, the main source of income is a sublease agreement, which does not generate sufficient revenue to cover administrative and operational costs, resulting in a projected negative cash flow

- During the analyzed period, the Company's main source of income was a sublease agreement valid until June 30, 2026, with a monthly rent of approximately RON 21,000 plus VAT starting from April 1, 2025.
- However, the revenue generated from this contract does not cover the Company's salary expenses, utilities, and other fixed administrative costs. These amounted to approximately RON 1,500,000 in 2024, while the net rent income received by the Company is around RON 850,000 per year.
- Therefore, if these conditions remain unchanged in the future, the Company will continue to generate negative operational cash flows.

3. The value of the Company's cash reserves has been eroded during the analyzed period.

- The Company's cash reserves have steadily decreased during the reviewed period, mainly due to negative operational cash flows.
- These cash reserves originated from capital increases prior to the reviewed period, and not from the Company's operational activities. As such, the Company has been primarily financed through shareholder funding rather than resources generated by operational activity, meaning that current liabilities are being settled from non-operational sources.
- In conclusion, the Company will no longer generate operational cash flows necessary to sustain its existence, but will instead consume its existing financial resources, which are supported by the shareholders.

Based on the above, the Company's Board of Directors has prepared the Report dated August 4, 2025, which is attached as an annex to this Decision.

In an online meeting, in accordance with the provisions of Article 153²⁴ of Company Law no. 31/1990, republished, as subsequently amended and supplemented, and Article 10.1 point 11 letter e) of the Company's Articles of Association,

WE HAVE DECIDED AS FOLLOWS:

I. The convening of the Extraordinary General Meeting of Shareholders (EGMS) of the Company for September 17, 2025, at 12:00 PM, at the Company's headquarters located in Cluj-Napoca, 19 Gării Street, Cluj County, with the following agenda:

1. Revocation of the Resolution of the Extraordinary General Meeting of Shareholders dated June 24, 2025, in view of the erroneous reference to the reduction of the Company's net assets (determined

as the difference between total assets and total liabilities) to less than half of the subscribed share capital.

2. Approval of the dissolution and initiation of the liquidation procedure, due to the impossibility of achieving the Company's business object, pursuant to Article 227 paragraph (1) letter b) of Law No. 31/1990.
3. Approval of the appointment of BELCIU INSOLVENCY SPRL, with registered office at Str. Grigore Mora no. 11, 2nd Floor, Sector 1, Bucharest, registered with the National Union of Insolvency Practitioners of Romania under no. 0608/25.05.2012, through Violeta Belciu, as judicial liquidator for the purpose of carrying out the liquidation procedure (hereinafter referred to as the "Liquidator").
4. Approval of the authorization of the Liquidator to undertake all necessary procedures, operations, and formalities before any public authority, including tax authorities, in connection with the liquidation (including the transfer of the Company's remaining assets to the shareholders following liquidation). To this end, it is proposed that the Liquidator carry out all duties provided by the applicable legislation, including:
 - a) To ensure the distribution of the Company's assets and liabilities;
 - b) To ensure the payment of all the Company's debts, including tax obligations, and the collection of all receivables during the liquidation procedure;
 - c) To carry out and complete commercial operations related to the liquidation and to conduct any type of transactions for this purpose;
 - d) To settle with the shareholders, at the time of liquidation, the rights due to them regarding the return of share capital and dividends; To represent the Company in accordance with legal provisions, including submitting, in the name and on behalf of the Company, any tax or other declarations, as well as making any registrations in public registers;
 - e) To carry out any other duties and responsibilities provided by law.
5. Suspension from trading of the securities admitted to trading on the regulated market of the Bucharest Stock Exchange, until the completion of the liquidation procedure.
6. Approval of the delisting of the securities admitted to trading on the regulated market of the Bucharest Stock Exchange upon completion of the liquidation procedure.
7. Empowering Mr. BOGDAN STEFAN to sign, on behalf of the shareholders, the EGMS resolution and any other related documents, and mandating "Jantea și Asociații" – Civil Law Partnership, with its office in Bucharest, Str. Transilvaniei no. 9, Sector 1, registered with the Bucharest Bar under no. 2164/16.12.2013, tax code RO 32675944, phone +40(21)336 72 25, fax +40(21)336 72 26, email: office@jantea-law.ro, to perform any act or formality required by law for the publication and registration of the EGMS Resolution with the Trade Registry or any other public institution.
8. Approval of December 17, 2025 as the registration date, in accordance with the provisions of Article 87 of Law 24/2017 and Article 2 of Regulation 5/2018, i.e., the date used to identify the shareholders who will be affected by the EGMS resolutions for points 2-8, and December 16, 2025 as the ex-date.
9. All shareholders registered in the Shareholders' Register at the end of the day on 03.09.2025, established as the record date, shall be entitled to attend and vote at the Extraordinary General Meeting.

II. If, on September 17, 2025, the Extraordinary General Meeting of Shareholders of the Company cannot be held due to failure to meet the quorum requirements, the second Extraordinary General Meeting of Shareholders shall take place on September 18, 2025, at the same address and at 12:00 PM, with the same agenda as for the first convening.


III. Empowering Mr. BOGDAN ŞTEFAN to sign the Notice of Meeting and any other documents related to the convening of the Extraordinary General Meeting of Shareholders of the Company, as well as to perform any acts or formalities necessary or required by law for the convening and organization of the Extraordinary General Meeting of Shareholders.

BOGDAN ŞTEFAN
President of the Board of Directors

DAMIR RUTAR
Administrator

WALTER SIMMEL
Administrator

ZORAN BANKOVIC
Administrator



Stefan

