

THE REPORT OF THE CHAIRMAN OF THE BOARD OF ADMINISTRATORS OF VRANCART S.A. ON THE COORDINATION OF THE BOARD'S ACTIVITY IN 2019

„VRANCART” is managed by a Board of Administrators formed of 5 members, elected by the General Meeting of the Shareholders for a period of 4 years, with the possibility of being re-elected.

The Board of Administrators has decision-making competences in relation to the company's management during the time interval between the general meetings, except for the decisions that the law or the Company's Articles of Incorporation provide exclusively for the General Meeting of the Shareholders.

The Board of Administrators elects a chairman from among its members. The chairman is also the General Manager and provides the actual management of the company.

In the current mandate of the Board of Administrators, elected by the General Meeting of the Shareholders held on April 27th, 2018, the structure of the Board of Administrators provides a balance between the executive and the non-executive members, with a ratio of 1/5.

During the period between January 1st, 2019 – December 31st, 2019, the company was managed by a Board of Administrators formed of five members, having the following structure:

- Ciucioi Ionel-Marian – Chairman of the Board of Administrators
- Bîlteanu Dragoş-George – Member of the Board of Administrators
- Drăgoi Bogdan Alexandru – Member of the Board of Administrators
- Najib El Lakis – Member of the Board of Administrators (January 01st, 2019 – April 04th, 2019 - waiver of the mandate of administrator)
- Mihailov Sergiu - Member of the Board of Administrators

Subsequent events regarding member of the Board of Administrators:

- Mr. Bîlteanu Dragoş-George – Member of the Board of Administrators was revoked with effect from January 8, 2020
- Since January 27, 2020, Mr. MINEA Alexandru-Lucian and Mr. EL LAKIS Rachid have been appointed temporary members of the Board of Administrators.

The operation and the activity of the Board of Administrators followed the legal provisions in force:

- The by-laws of VRANCART S.A.
- Law no. 31/1990R
- Law no. 24/2017

In 2019, the Board of Administrators of VRANCART S.A. gathered 10 times in accordance with the statutory provisions.

The convening of the Board members was made in accordance with the statutory provisions. The attendance of the members of the Board of Administrators in the meetings convened in 2019 was in compliance with the legal provisions.

The Chairman of the Board of Administrators chaired all the meeting held in 2019.

Following the meetings of the Board of Administrators, a number of 23 management decisions on the company's current activity were issued. All the decisions were adopted with a majority of votes in favour from those that were present in the meetings.

The 23 decisions of the Board of Administrators that were issued during the analysed period concerned the following areas:

- 16 decisions related to the organising of the company's current activity;
- 4 decisions for the approval to extend some credit lines and to access bank facilities;
- 3 decisions related to the approval of some projects for the company's development, that were submitted for approval to the General Meeting of the Shareholders.

All of the 23 decisions adopted by the Board of Administrators of VRANCART S.A. during the period between January 1st, 2019 – December 31st, 2019 were entirely fulfilled.

Ciucioi Ionel-Marian
Chairman of the Board of Administrators
of VRANCART SA

