

NOTE

EGMS – Paragraph 1, 2 and 3

1. Approval of the decision to contract investment loans, credit lines, leasing assignment, letters of guarantee or other financial banking products, to a maximum cumulative total of 40 million euro for the year 2020 and establishing security interests related to movable and immovable property owned by the company.
2. The delegation of the Board by the EGM for contracting investment loans, credit lines, leasing assignments and letters of guarantee to a maximum cumulative total of 40 million euro for the year 2020 and further until the next EGM in the year 2021, and establishing security interests related to movable and immovable property owned by the company.
3. Empowering legal representatives to represent the company to represent the company when negotiating and signing of credit contracts, guarantee contracts and any other documents needed in order to comply with the decisions stipulated in paragraphs 1 and 2.

COMPAS has contracted loans consisting only in credit lines needed in order to secure working capital. In order to reduce exposure to banks and credit institutions, COMPAS's strategy in this area, provides increased self-financing, namely the company's development financing from own resources.

Given the fact that credit lines are annually renewed with financing banks, after a preliminary analysis carried out by specialist thereof, these banks ask for the approval of the General Meeting of Shareholders in order to renew the credits for 2020 up to the limit of 40 mil Euro, and to authorize the Board of Administration for signing the renewed contracts.

The cumulative total limit of 40 million euro is a level practiced during the last years by COMPAS SA with the financing banks and represents a volume of resources necessary for the business of the Company.

Given the above, we propose to the Extraordinary General Meeting of Shareholders from April 27th 2020 the approval of the decision to contract investment loans, credit lines, leasing assignment and guarantee letters to a maximum cumulative total of 40 million euro in 2020 and to establish security interests in movable and immovable assets of the company.

Also, we propose the empowerment of the Board of Administration of COMPAS S.A. Sibiu in order to contract these investment loans, lines of credit, leasing assignments and letters of guarantee up to the cumulative total limit of 40 mil.Euro for year 2020, and to establish collateral security interests in movable and immovable assets of the company, and the empowerment of the legal representatives, Mr. Ioan DEAC - General Manager and Mr. Ioan MICLEA - Economic Director to represent the company when negotiating and signing credit agreements, guarantees and any other documents requested by the financing institutions.

Chairman &CEO

Ioan DEAC

CFO,

Ioan MICLEA