



TURBOMECHANICA

Bd. Iuliu Maniu Nr. 244 Sector 6 Cod Poștal 061126 București – Romania

Tel.: (+4) 021 434 32 06; (+4) 021 434 07 41 Fax: (+4) 021 434 07 94

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Capital Social subscris integral vărsat 36.944.247,50 RON

www.turbomecanica.ro; e-mail: office@turbomecanica.ro

Proposal for net profit distribution for the fiscal year 2019

In the Board of Directors' meeting of 25.03.2020 for approval of the financial statements for the fiscal year 2019, the Board of Directors of Turbomecanica SA has decided to propose to the Ordinary General meeting of shareholders the following distribution for the net profit related to the fiscal year 2019 as follows and considering the below context:

1. The rapid spread of Covid-19 virus and its social and economic impact in Romania and globally, determined the Board of Directors of Turbomecanica S.A. to apply principles and measures of prudence with regards to the Company's assets and liabilities.

Although the extent of this situation cannot be estimated correctly, as the events evolve from day to day and the legal regulations with temporary impact on the economic activity at national level are still unpredictable, the Company applies precaution principles on the distribution for the net profit for the fiscal year 2019.

2. Considering the above context, the net profit of the year 2019, in amount of 21.919.302,20 lei will be distributed on the following destinations:

- Other reserves – distribution of the profit for which a tax exemption was granted under the provisions of Art.22 para. (5) of the Law 227/2015 on Fiscal Code, amounting to: 2.333.472,02 lei
Note: Re-invested profit has been deducted from the payable profit tax as at 31.12.2019
- Covering the losses from previous years, According to Law 31/1990, re-published, in amount of: 19.585.830,18 lei

PRESIDENT OF THE BOARD GENERAL MANAGER,
Eng. Radu VIEHMANN