



TURBOMECHANICA

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European Unique Identifier (EUID) [ROONRC.J40/533/1991](#)

Commerce Registry Code J40/533/1991

Tax Code RO3156315 Unique Registration Code 3156315

Subscribed share fully paid capital 36,944,247.50 RON

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CURRENT REPORT

No. 04 of 18.03.2020

Under the provisions of the ASF Regulation no. 5 / 2018 on the issuers of financial instruments and market operations and of the Law no. 24 / 2017 on the issuers of financial instruments and market operations

Reporting date: 18.03.2020

Name issuing entity: TURBOMECHANICA SA

Headquarters: Bucharest, 244 Iuliu Maniu Blvd., district 6

Phone no.: 021 434 32 06 021 434 07 41 **facsimilia:** 021 434 07 94

Unique Registration Code with the Trade Registry Office: RO 3156315

Registration number with the Trade Registry: J40/533/1991

LEI Code 52990005AIXHHACIZH85

Subscribed and integrally paid in capital: 36.944.247,50 lei

Regulated market where the issued receivables are traded: Bucharest Stock Exchange
Capital Titles Standard Shares

I. Important events to report:

Information on the Business Continuity Plan in the context of COVID-19

In the context of the spread of COVID-19 worldwide, of the increase of national frequency of occurrence and the establishment by the President of Romania of the state of emergency, TMB revised its Business Continuity Plan in the first quarter of 2020 in order to introduce in the risk analysis of the impact that COVID-19 can have on the Company.

In this regard, during the first quarter, TMB maintained an adequate level of information for emergency situations by constantly monitoring the official information channels of the Ministry of Health, the Ministry of Internal Affairs, the Ministry of Economy - Defence Industry Directorate, the Financial Supervisory Authority and the clients / TMB suppliers.

The measures to prevent the spread of COVID-19 have been gradually implemented in TMB's activity, being introduced since February 2020 based on the information received from Leonardo Helicopters Italy regarding the implementation in its international relations of some preventive measures.

Business continuity risk analysis was performed on FMEA (Failure Mode and Effects Analysis) which represents a systematic procedure for analysing a system in order to identify potential failure modes, causes and effects. every failure on the functioning of the system.

Following such analysis, 5 potential causes of failure were identified, of which 4 were evaluated with a Potential Risk Number (RPN) above the maximum allowed according to the internal standard SF SO-01 "Risk management". Under this risk analysis, the availability of cash flow was not evaluated with a Potential Risk Number (RPN) above the maximum allowed. The risk analysis will be re-evaluated whenever the Management foresees a new potential risk.

The potential effects of the 4 causes of defect concern temporary difficulties in the supplies of the Company, in intra-community deliveries, in the optimal assurance of the company personnel and in the unpredictability of the legal regulations with temporary impact on the economic activity at national level.

In order to decrease the negative effects on the Company's activity of the potential causes of defect, the following have been established in the responsibility of the Management Board of the Company:

- Providing of means of protection and prevention to maintain the health status of the personnel.
- Purchase of thermometers for daily checking of personnel in order to detect people with fever greater than 38°C.
- Flexibility of the work program for avoiding crowding in public transport to / from the service.
- Conducting an intensive information campaign in order to make the entire staff aware of the hygiene rules to be implemented and respected in order to prevent contracting the virus.
- Implementation of raising awareness actions as regards the need for information of all personnel regarding possible trips to risk areas as they are updated by the authorities and about possible contacts with such family members or circle of acquaintances.
- Implementation of information measures by all personnel about any symptoms of the disease.
- Strict implementation of home isolation for symptomatic personnel.
- Implementation of the measures provided by the competent authorities regarding quarantine or isolation, as the case may be, of personnel returning from risk areas or who have come into contact with sick persons (in the case of viruses with a rapid transmission capacity and with serious potential health effects).
- Establishing a stock of raw materials and materials provided by customers or other suppliers.
- Identifying and use of alternative sources of raw materials and supplies.
- Establishing a safety stock parts that can be delivered to customers.
- Re-scheduling the delivery terms, if applicable.
- Ensuring an efficient communication with the suppliers in order to ensure the measures to prevent malfunctions in the supply chain related both to the actual supply activity and to any problems related to the dedicated staff of these suppliers.
- Informing customers about possible delays in product deliveries, if any.

All the measures aimed at the Company's personnel were analysed and agreed with the members of the Syndicate within the Company and were detailed in the Decision of the General Manager no. ORG-034/16.03.2020.

Failure to comply with the measures ordered and communicated by the executive management of the Company in these emergency situations as well as the failure to comply with the measures ordered by the Competent Authorities regarding the prevention and limitation of the spread of infections with COVID-19 triggers the disciplinary liability of the employees, according to the Collective Labour Contract or the Internal Regulations, as the case may be.

The measures detailed above, object of the Decision of the Director General no. ORG-034 of 16.03.2020, must be fulfilled by all the personnel of the Company, as well as by any other person who has access to the Company's premises (collaborators, visitors, etc.)

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 does not estimate a major impact on the commercial activity in the context of the development. it mainly in the National Defence Industry.

Official communications are constantly received from external clients Leonardo Helicopters Italia and Rolls Royce Germany, which inform us about the current situation and ask us, as a supplier, to inform, in return, about the business continuity plan and ensure the requirement. customer according to the delivery plan that was not affected by the spread of COVID-19.

The rest of the external clients from which no information was received are operating under normal conditions.

Specific measures have also been taken for the materials and raw materials supplied from risk areas, being quarantined for 24 hours before the reception and the personnel managing them have appropriate equipment.

Until the date of issuing of this information, the commercial activity of the Company has not been affected by the spread of COVID-19 and the management of the Company is engaged in the full implementation without exception of the best management practices and policies so as to ensure the continuity of the economic activity during the year 2020 both in the interest of investors and in strict compliance with any measures taken by the competent authorities.

So far, the Company has not registered any case of a person tested positively with COVID-19 and no information has determined the Company to apply measures of personnel isolation.

PRESIDENT OF THE BOARD GENERAL MANAGER,
Eng. Radu VIEHMANN