

## REGULATION ON THE ORGANIZATION OF THE AUCTION FOR THE SALE OF SHARES OF ELBA S.A. TIMIȘOARA

This Regulation establishes the stages, the way of organizing and carrying out the process of selling the package of shares held by SIF OLTENIA SA at ELBA SA a joint stock company, with registered office in Timisoara, str. Paul Morand, nr. 135, Timiș County, registered with the Trade Register under no. J35/3/1991, Sole Registration Code R1816318 (“**ELBA**” or “**Company**”).

The object of this Regulation is the sale of **39,628** shares held by SIF OLTENIA SA with ELBA SA, representing 2.37% of the share capital (the "**Shares**").

### I. PRINCIPLES.

The principles underlying the selection of bidders and the adjudication of the Shares auctioned for sale are as follows:

- a) transparency, respectively making available to all those interested the information regarding the application of the procedure for the sale of shares, the property of the seller;
- (b) equal treatment of all Offerors, meaning that all selection criteria are applied in a non-discriminatory manner;
- c) free competition, respectively ensuring the conditions for any candidate, Romanian or foreign natural or legal person, able, according to the legislation, to acquire shares in companies based in Romania, to have the right to participate in the auction organized for the sale/ of such goods
- d) proportionality, meaning that it is ensured that a fair award procedure is defined and carried out in relation to the Offerors.

The process of selling the Shares shall comprise two stages:

1. Designation of the auctioneer/buyer of the shares;
2. Conclusion of the share sale-purchase contract. (the “**Sale and Purchase Agreement**” or “**SPA**”).

### II. DEFINITIONS

**AUCTION** - means a competitive auction with a Dutch call, i.e. the open sale procedure, by submission of Bids, in which an unlimited number of participants can participate, used for the transparency of the transaction and ensuring equal treatment between the bidders, during the auction session the bidders have the right to bid by shouting in the established order an equal or higher price (an ascending price);

**SELLER** or SIF OLTENIA S.A., - a joint stock company with headquarters in Craiova, str. Tufănele, nr. 1, Dolj County, registered with the Trade Register under no. J16/1210/1993, having

CUI RO 4175676, having the IBAN account no. RO54BTRL01701202470727XX, opened at Banca Transilvania, Craiova Branch;

Bidder - Any natural or legal person who wishes to acquire the Shares provided in the Tender Book and who meets the conditions for participation in the auction established by this Regulation;

THE OBJECT OF THE AUCTION (the “SHARES”) – the ownership right over the Shares described in the Tender Book, the sale being made for all the Shares, not individually or fractionally;

SALE-PURCHASE AGREEMENT - the contract concluded under private signature between the seller and the auctioneer Bidder whose object is the transfer of ownership of the Shares described in the Tender Book, in the form attached to the Tender Book, as Annex 3 (*Sale-Purchase Contract*);

STARTING price – the price requested by the seller for each AUCTION session, indicated in the Auction Regulations;

TENDER BOOK – The Tender Book include the conditions for participation in the public auction organized for the sale of the Shares;

WARRANTY – In order to protect the Seller from the risk of improper behavior of the auctioneer (for example, without limitation, participation in the auction with the purpose of influencing the sale price/ participation in the auction without the intention of offering the starting price and/or the conclusion of the contract / as well as any other act or fact contrary to the principle of good faith in negotiations, etc.), during the auction and until the conclusion of the sale-purchase contract (CVC), the auctioneer records a guarantee of participation in the auction under the conditions described in the Tender Book. At the written request of the participants (except the auctioneer) in the Auction, the Guarantee shall be returned starting with the first working day following the settlement of the appeals or after the expiry of the term provided in the documentation for the submission of appeals, if no appeals are registered.

For the participation in the AUCTION, a non-refundable participation fee in the amount of 10,000 (ten thousand) lei plus VAT is paid by bank transfer, to the account of SIF Oltenia SA, IBAN account no. RO54BTRL01701202470727XX, opened at Banca Transilvania, Craiova Branch. The participation fee is not refunded, regardless of the outcome of the auction.

Information about the Company, the Auction and the Shares, other than the information mentioned in the Tender Book, are available and/or made public on the website of SIF Oltenia SA (<https://www.sifolt.ro/en/anunturi/2023/elba.html>).

#### **AUCTION COMMITTEE**

Manager of Portfolio Directorate	Ciprian Copariu	Chairman of the Committee
Manager of the Economic Directorate	Valentina Vladutoaia	Member
Manager of the Investment Directorate	Delia Stefan	Member
Legal Advisor	Carmen Vasile	Member
Employee Portfolio Directorate	Antoneta Stegaru	Member

### III. AUCTION ROUNDS

1 The auction will take place on 14.06.2023, 21.06.2023 or 28.06.2023 at 12:00 at the headquarters of SIF Oltenia SA in Craiova, str. Tufănele, nr. 1, Dolj County, at the starting price requested by the seller, indicated in the Auction Regulations, notified to the bidder and accepted by the bidder, in the amount of. 4.164.436,152 lei.

2. The qualification documents mentioned in the Tender Book shall be submitted/transmitted within the term provided for in Chapter III of the Tender Book, at the headquarters of SIF Oltenia SA or at the email address [licitatie@sifolt.ro](mailto:licitatie@sifolt.ro). If the documentation will be sent by email, it will be signed with qualified electronic signature, according to the legal provisions.

3. If at the beginning of the AUCTION there will be two or more participants declared qualified, the auction will be started by shouting at a price equal to or higher (a rising price), at the auction step of 50,000 lei.

If there is at least one participant who opts to improve the submitted bid (i.e. by increasing the price), with a value at least equal to a multiple (s) of the auction step (50,000 lei), the participant who will offer the highest price will be declared the winner.

If no participant declared qualified opts for the improvement of the submitted offer, the winner will be declared the participant who, at the price offer equal to another participant, offers the best payment conditions according to the following criteria in order: 1. The shortest payment term of the total adjudication price 2. The winner will be declared the first registered participant in the AUCTION according to the participation number (received according to point VI.3) smaller.

If there is only one bidder, which offers the minimum starting price, it is declared the winner, in the absence of other superior value offers.

Where an auction round does not nominate a winner, it shall resume on the dates and in accordance with the procedure specified in the specifications and in this Regulation.

### Payment Conditions

The successful bidder shall make the payment for the shares by bank transfer. The Purchase Price shall be paid in a single instalment as follows:

Tranche	Percentage of the adjudication price (%)	Payment Due Date
	100%	Upon signing THE SALE/PURCHASE CONTRACT, which will be concluded within a maximum of 30 working days from the date of signing the adjudication report, in full.
Total	100%	

## V. AUCTION PLANNING

The auction will be organized and carried out by SIF Oltenia SA, as seller, through the auction commission, in compliance with the following rules by the bidders:

1. The regulation for organizing the auction shall be notified to the bidders together with the Tender Book, on the S.I.F. OLTENIA website (<https://www.sifolt.ro/en/anunturi/2023/elba.html>);
2. The submission of the qualification documents will be made according to the conditions and within the deadlines provided in the Tender Book and in this Regulation, in a closed envelope, with a letter of submission, at the headquarters of SIF Oltenia SA or in electronic format by email, in this case the documents being sent with a qualified electronic signature (according to the legal provisions).
3. If no auction is registered that meets the award conditions, a new round will be organised as detailed in Chapter III.
4. The documents to be submitted by the Offerors at the headquarters of SIF Oltenia SA, at the deadlines detailed in Chapter III of the Tender Book, are the following:

### A) For the natural person bidder

- Copy of the identity document (and original for identification) and the special notarial power of attorney, in case of representation by proxy;
- Proof of payment of the auction guarantee (in original);
- Statement – agreement on the processing of personal data (GDPR) (template Annex 2 of the Tender Book);
- Affidavit (template Annex 1 of the Tender Book);
- Proof of payment of the fee for participation in the auction;
- The request to participate in the auction and the tender submitted in a closed envelope.

### B) For the Bidder legal entity:

- Power of attorney for representatives of legal entities for auction (in original);
- BI/CI, within the validity term, of the representative and/or of the person who was empowered);
- Confirmation of company details issued by the Trade Register Office (not older than 30 days), showing that there are no mentions regarding the application of Law no. 85/2014 on the procedures for the prevention of insolvency and insolvency. In the case of bidders who are foreign legal persons, a certificate issued by the competent trade/commercial register of the country of origin or any other official document issued in accordance with the law applicable in the country of origin shall be submitted;
- Proof of payment of the auction guarantee (in original);
- Statement – agreement on the processing of personal data (GDPR) (template Annex 2 of the Tender Book);
- Affidavit (template Annex 1 of the Tender Book);
- Proof of payment of the participation fee;
- The request to participate in the auction and the tender submitted in a closed envelope.

The absence of any of the documents listed above or their presentation in violation of the mentioned conditions, by the deadline for submission of documents, leads to automatic disqualification (exclusion) from participation in the auction, as well as to the exclusion of their offer.

Only people who accept the starting price of the auction will be able to participate in the auction. The auction will not take place if no potential buyer accepts the starting price.

In order to participate in the auction, Offerors shall submit the documents provided for in this Regulation and an Auction Guarantee that forms part of the sale price. The guarantee, amounting to 500,000 Ron, will be paid into the IBAN account no. RO54BTRL01701202470727XX, opened at Banca Transilvania, Craiova Branch, until the deadline for submitting the tender documentation. The return of the Tender Security shall be made in accordance with the provisions of the Tender Specifications.

5. The auction will start on 14.06.2023, 12:00, at the headquarters of SIF Oltenia SA in Craiova, str. Tufănele, nr. 1, Dolj County and is open only to declared qualified participants.
6. The bidders will comply with the regulations in force (legal or conventional) regarding the mandate of the persons, the powers conferred by the internal decision-making bodies, the consistency of the operation of purchasing the Shares subject to the auction with the bidder's own object of activity, the competition regulations, but also any restrictions imposed by law or contract.

## **VI. CONDUCT OF THE AUCTION**

When conducting the auction, the natural persons participating in their own name or as a representative will be identified with the identity document whose copy was submitted according to Chapter V. para. 5 (a) and (b)].

1. Bids shall be held at the place, on the date and time announced in accordance with the schedule set out in Chapter III, until the appointment of an auctioneer (at a price equal to at least the minimum level of the meeting at which the auctioneer submitted the tender).
2. The auction session is opened and conducted by the President of the auction commission, who announces the way the auction is conducted, presents the object of the auction and the minimum starting price of the auction. The Auction Committee finds the registration/non-registration of any purchase offer, until the deadline specified for that auction. If, by the deadline for submission of Bids, no tender is registered that meets the conditions for awarding the respective meeting, a report shall be concluded which shall include, at least, the place, date and time when the tender was held, the composition of the auction commission and the fact that no tender has been registered, by the deadline, at the minimum price provided for that tender session. It will also be explicitly stated in this Minutes of the Auction Meeting that a new Auction Round will be held for the next date and at the minimum price thereof, as scheduled in Chapter III.
3. In the first round of the tender in which at least one potential Bidder participates (the tender sessions being presented in point III), the President shall ensure that each Bidder has understood the procedure for conducting it (by signing Annex 1 of the Tender Book, which contains an express statement to this effect). Before the start of the tender session, the admitted bidders are handed coupons with increasing identification numbers, in the order of submission of the tender documents.
4. The president of the auction commission will announce that the only guarantees offered by the seller are those provided in the draft of the sale-purchase contract annexed as Annex 3 to

the Tender Book, and the limits of liability regarding these guarantees are those mentioned in the same document. The Bidder undertakes, by purchasing at the adjudication price, all the responsibilities imposed by holding the Shares, under the law and the Tender Book;

5. Offerors may increase the prices offered by filling out a form in an auction round of maximum 5 minutes. In an auction round, the new prices are higher by at least one auction step (one auction step has a value of 50,000 lei) than the maximum price offered by any of the bidders in the previous round. At the end of each bidding round, the new offered prices are communicated to the participants, after which a new bidding round begins. The auction continues until there is no further change in the price offered during a round. Only the tender that meets all the conditions for participation and offered the highest price (which is greater than or equal to the amount from which the Tender starts) will be declared the winner;
6. The award of the AUCTION shall be made in accordance with the criteria laid down in Chapter III, point 3.
7. Offerors who do not wish to continue their participation in the tender procedure, namely those who give up, will announce this explicitly and will refrain from any further remarks or observations during the course of the tender, otherwise they will be evicted from the tender room. The waiver shall be explicitly recorded in the auction adjudication minutes.
8. In the room where the auction will actually take place, only natural persons bidders are admitted, persons who have full powers to represent the legal entity or their proxies/intermediaries depending on the situation. The Commission will be able to stop the tender in case of suspicion of the Offerors' behaviour.
9. The President of the Tender Commission shall announce the Bidder, declare the Tender Meeting closed, after which the Tender Minutes signed by the members of the Tender Committee and by the Offerors shall be drawn up in accordance with the provisions of the Tender Regulations and the Tender Specifications. The refusal of a Bidder to sign the award minutes shall be expressly recorded and shall not affect its validity.
10. The conclusion of the Sale-Purchase Agreement of the Shares and the fulfillment of the legal formalities related to the transmission of the ownership right over the shares shall be made in compliance with the provisions of the Articles of Incorporation of the Company and the conditions of the Tender Book.
11. All expenses related to the alienation of the Shares, including fees for registration of changes with the Trade Register, shall be borne by the Purchaser.

## **VII. INCIDENTS. APPEALS.**

Any incidents and/or disputes shall be settled in accordance with the provisions of the Tender Book. The share sale-purchase contract will be signed with the auctioneer bidder, within 30 working days from the date of signing the adjudication minutes.

Failure to submit the successful bidder for the signing of the share sale-purchase contract, on the date and place mentioned in the invitation sent to the email address indicated by the bidder (date that complies with the 30 working days from the date of signing the adjudication report provided in the regulation), shall be considered as a waiver by the bidder of the adjudicated shares and, implicitly, of the tender guarantee. In this case of non-attendance of the successful Bidder for signing the sale-purchase contract, but also for failure to sign the sale-purchase contract by him for any reason, the tender guarantee shall not be returned to the successful Bidder.

The rights and duties of the parties are established by the Framework Sales Contract which is annexed to the Tender Book.

#### **VIII. CANCELLATION OF THE AUCTION.**

1. THE SELLER may cancel/suspend/terminate, by simple will, the auction, at any time until the date of signing the minutes of awarding the auction with the auctioneer. In this case, it is not bound by any obligation other than that of returning the guarantee, unless the cancellation of the auction is made after the award, if the winning bidder does not conclude the sale-purchase contract within the agreed term – as provided in the Tender Book. Any other effects of the tender procedure shall not apply to it.
2. If the SELLER chooses to cancel the auction, it may at any time restart a new auction procedure on the same asset.