



TMK-ARTROM S.A.

Draganesti Str. 30, Slatina, jud. OLT, Romania 230119  
Tel: +40 (249) 436862, 434640, 434641  
Fax: +40 (249) 434330, 437288  
E-mail: office.slatina@tmk-artrom.eu www.tmk-artrom.eu  
EUID: ROONRC.J28/9/1991; J28/9/31.01.1991  
VAT No. RO 1510210/1992  
Subscribed and Paid Share Capital: 291.587.538,34 lei

01 MARTIE 2019

## TMK ARTROM SA – FORECAST POLICY

### 1. General Information

- 1.1 The purpose of this Forecast Policy is to establish a set of principles developed and used by TMK Artrom SA (the “Company”) for projecting the Company's economic and financial ratios on short and medium term.
- 1.2 Forecasts are quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called assumptions). By nature, such projections are based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented.

### 2. Principles

- 2.1 Each year the Company prepares the revenue and expenditure budget, as well as an activity plan (the “Budget”) subject to the approval of the Board of Directors and the approval of the General Meeting of Shareholders.
- 2.2 The preparation of the Budget is based on estimates of macro-sectoral and company-wide variables.
- 2.3 The forecasting process required for the preparation of the Budget is based on a range of assumptions and input factors, both external (such as macroeconomic parameters, expected changes in global and local consumer trends, changes in input costs, including materials, labor, utilities, changes in market-standard costs and terms of financing, changes in legislation and tax regimes, changes in regulatory requirements, risks related to geopolitical instability, changes at the political class level which affect the business environment and so on) and internal (such as decisions to expand business, capital investment program and so on). The external assumptions and input factors are, where possible, based on verifiable high-quality sources, such as government statistical offices reporting and studies, rating agencies, recognized research companies, other.
- 2.4 The forecasting process for the Budget envisages a one-year horizon. Modifications of the base of the predictions and estimations used in the forecasting process will lead to their adjustment within the interval of one year without leading to a Budget change during the course of such year.

### 3. Disclosure of Forecasts

- 3.1 The forecasts are not made public and are prepared exclusively for the internal use of the management and the Board of Directors
- 3.2 The Company includes statements about forecasts’ elements in its yearly, half-yearly and quarterly reports presenting trends, key factors influencing changes in sales, operating profit, net profit, and other relevant financial ratios. The Budget is published each year on the Company's website, as part of the documentation to be approved by the General Meeting of Shareholders convened to this end.



API:  
5CT-0440  
5L-0352

LRQA:  
ISO 9001  
ISO 14001  
OHSAS 18001

TUV:  
PED/AD-2000 W0/W4/  
TRD 100/102  
Vd TUV

TUV CPR:  
EN 10210-1,2  
EN 10255

LR  
DNV-GL Rules  
RINA

LRQA:  
ISO/TS 16949

**TMK EUROPEAN DIVISION Cod: FCU-01, Ed. 3 Rev. 2/2017**

#### 4. Final Provisions

- 4.1 This policy becomes effective as of the date of its approval by the Board of Directors. Should the need arise, the Board of Directors may change this policy, case in which it will inform the shareholders prior to the date the changes become effective.
- 4.2 In the event of changes and amendments to the relevant legislation or the Company's constitutive deed affecting this policy, the provisions of this policy shall be deemed modified in order to reflect the new applicable legal provisions or the changes to the Company's constitutive deed as of the date such new legal provisions and/or changes to the Company's constitutive deed become effective.
- 4.3 This policy is published on the Company's website.

#### BOARD OF DIRECTORS



API:  
5CT-0440  
5L-0352

LRQA:  
ISO 9001  
ISO 14001  
OHSAS 18001

TUV:  
PED/AD-2000 W0/W4/  
TRD 100/102  
Vd TUV

TUV CPR:  
EN 10210-1,2  
EN 10255

LR  
DNV-GL Rules  
RINA

LRQA:  
ISO/TS 16949

---

**Annex 7**  
**Rules of the General Meetings of Shareholders**



API:  
5CT-0440  
5L-0352

LRQA:  
ISO 9001  
ISO 14001  
OHSAS 18001

TUV:  
PED/AD-2000 W0/W4/  
TRD 100/102  
Vd TUV

TUV CPR:  
EN 10210-1,2  
EN 10255

LR  
DNV-GL Rules  
RINA

LRQA:  
ISO/TS 16949