



SIF BANAT-CRIȘANA

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CURRENT REPORT

according to Regulation no. 5/2018 and Law no. 24/2017
on issuers of financial instruments and market operations

Report date: November 2, 2020

Issuer **Societatea de Investiții Financiare Banat-Crișana SA (SIF Banat-Crișana)** | Registered office **35A Calea Victoriei, Arad 310158, Romania** | Phone **+40257 304 438** | Fax **+40257 250 165** | Webpage **www.sif1.ro** | Email **sifbc@sif1.ro** | Tax Identification Code **RO2761040** | Trade Register Number **J02 / 1898 / 02.09.1992** | Number In ASF AFIAA Register **PJR07.1AFIAA / 020007 / 09.03.2018** | Number In ASF SIIRS Register **PJR09SIIR / 020002 / 02.02.2006** | Legal Entity Identifier (LEI) **254900GAQ2XT8DPA7274** | Subscribed and paid-up share capital **RON 51,746,072.40** | Regulated market on which the issued securities are traded: **Bucharest Stock Exchange (BVB) Premium category (symbol: SIF1)**

Important event to be reported:

Resolutions of the Extraordinary General Meeting of Shareholders of November 2, 2020

The extraordinary general meeting of **Societatea de Investiții Financiare Banat-Crișana's** shareholders, established and operating in accordance with Romanian law, (hereinafter referred to as "**SIF Banat-Crișana**" or "**SIF1**"), headquartered in Arad, 35A Calea Victoriei, registered with the Trade Register Office of Arad Court under number Arad J02/1898/1992, having the Unique Registration Code 2761040, tax attribute R, with number PJR07.1AFIAA / 020007 / 09.03.2018 in ASF Register, and the subscribed and paid-up share capital of RON 51,746,072.40, gathered in the meeting held on November 2, 2020 starting with 10:00 hours (Romanian time), at the first call (hereinafter referred to as "**EGM**"),

Considering:

- The Convening Notice initially submitted on September 29, 2020 to the Financial Supervisory Authority ("ASF") - Sector of Financial instruments and Investments, and the Bucharest Stock Exchange (BVB), published in the Official Gazette of Romania, part IV, no. 3476 of 01.10.2020; in the national newspaper *Ziarul Financiar* no. 5516/01.10.2020, in the local newspaper *Jurnal Arădean* no. 8665/01.10.2020, on company's website, (www.sif1.ro), and on the website of Bucharest Stock Exchange on September 29, 2020,
- The supplemented Convening Notice submitted on October 20, 2020 to the Financial Supervisory Authority ("ASF") - Sector of Financial instruments and Investments, and the Bucharest Stock Exchange (BVB), published in the Official Gazette of Romania, part IV, no. 3733 of 21.10.2020; in the national newspaper *Ziarul Financiar* no. 5530/21.10.2020, in the local newspaper *Jurnal Arădean* no. 8679/21.10.2020, on company's website, (www.sif1.ro), and on the website of Bucharest Stock Exchange on October 20, 2020,
- Company's Articles of Association in force as of March 13, 2020,
- Law no. 31/1990 on trading companies, republished with subsequent amendments and completions,
- Law no. 74/2015 on the managers of alternative investment funds,
- Law no. 24/2017 on issuers of financial instruments and market operations,
- Financial Supervisory Authority (ASF) Regulation no. 5/2018 on issuers of financial instruments and market operations,

Decides upon the topics on the EGM Agenda as follows:

Resolution no. 1

With the direct participation or by correspondence of the shareholders holding 172,675,560 shares, representing 33.56% of the total voting rights, with the votes "for" of the shareholders representing 100% of the votes cast, **approves the amending of Company's Articles of Association, to comply with the provisions of Law no. 243/2019 on alternative investment funds, amending and supplementing certain normative acts, and the provisions of ASF Regulation no. 7/2020, as follows:**

- Art. 1 paragraph (2) is amended and will have the following content:

The legal form of the company is of a joint stock company, established according to the applicable regulations as an Alternative Investment Fund of investment companies type - FIAS, the category of alternative investment fund addressed to retail investors - FIAIR, with a diversified investment policy, closed-ended, self-managed.

- Art. 1 paragraph (4) is amended and will have the following content:

The company operates under the provisions of ordinary and special laws, concerning: the alternative investment funds, established as investment companies with legal personality, whose shares are listed on a regulated market; the alternative investment fund managers; the companies admitted to trading on a regulated market, the joint-stock companies, the provisions of this Articles of Association, as well as the rules and operating procedures of the company.

- Art. 1 paragraph (6) is amended and will have the following content:

The duration of company's operation is of 99 years. The shareholders have the right to extend the duration of the company before its expiration, by a resolution of the Extraordinary General Meeting of Shareholders.

- Art. 2 paragraph (1) is amended and will have the following content:

(1) The main object of activity: Financial intermediation except for insurance activities and pension funds, CAEN code 64, and the main object of company's activity is Other financial intermediation n.c.a., CAEN code 6499. The object of object of company's activity consists in:

a) portfolio management;

b) risk management;

c) other activities carried within the collective management of an investment fund, permitted by the legislation in force, such as:

(i) management of the entity: legal and accounting services of the company, requests for information from investors, valuation of assets, tax returns, monitoring of compliance with applicable law, record of holders of equity securities, distribution of income, issuance and repurchase of equity securities, settlement of contracts, including issuance of certificates, record keeping.

(ii) distribution;

(iii) activities related to the assets of the AIF: services required for the carrying out the duties of AIFM's management, infrastructure management, real estate management, advice to entities on the structure of capital, industrial strategy and related matters, consultancy and services on mergers and acquisitions of entities, as well as other services related to the management of the AIF and of the companies and other assets in which it has invested.

- Art. 5, paragraph (7) is amended and will have the following content:

The company may repurchase its own shares, under the conditions and in compliance with the applicable legal provisions. The shares of the Company may not be repurchased at the request of the investors, directly or indirectly, from Company's assets, before the beginning of the liquidation stage of the Company.

- Art. 6 paragraph (1) is amended and will have the following content:

The General Meeting of Shareholders is the supreme deliberation and decision-making body of the company and operates in accordance with the legal provisions in force and the articles of association.

- Art. 6 paragraph (5) letter d) is amended and will have the following content:

To determine the remuneration for the current year for the administrators, as well as the general limits of all the additional remunerations of the administrators and of the remunerations of the directors to whom the management of the company has been delegated, according to Law no. 31/1990;

- Art. 6 paragraph (7) is amended and will have the following content:

The Extraordinary General Meeting convenes for:

a) the increase of the share capital, which will be carried out in compliance with the legal provisions in force;

b) changing the company's object of activity;

c) changing the legal form of the company and / or changing the form of administration, in accordance with the law;

d) moving the company's headquarters;

e) merger with other companies;

f) reduction of the share capital or its replenishment by issuing new shares;

g) early dissolution of the company;

h) conversion of shares from one category to another;

i) consolidation or division (splitting) of the nominal value of the shares;

j) prolongation of the company's duration;

k) any other amendment of the Articles of Association or any other decision for which the approval of the extraordinary meeting is required.

- Art. 6 paragraph (8) letter c) is amended and will have the following content:

The establishment, or the dissolution of branches, agencies, representative offices, places of business or other units without legal personality, under the conditions provided by law.

- Art. 6 paragraph (10) is amended and will have the following content:

The convening notice for the general meeting is published in the Official Gazette of Romania, Part IV, and in one of the widespread newspapers in the locality where the company's headquarters are located or in the nearest locality, at least 30 days before the date for its holding.

- Art. 6 paragraph (14) is amended and will have the following content:

Shareholders may participate in the general meeting of shareholders directly or may be represented by other persons, shareholders or not, based on a special or general empowerment (power of attorney), according to law. Shareholders may grant a general empowerment for the participation and voting in the general meeting of shareholders, given by a shareholder, as a client, to an intermediary defined according to art. 2 par. (1) point 20 of Law no. 24/2017, or to a lawyer. Shareholders may also vote by correspondence in accordance with applicable legal regulations. The transmission of empowerments (proxies) or correspondence voting forms must be made so that they are registered with the company at least 48 hours before the meeting, subject to losing the voting rights, in compliance with the regulations, legal provisions and procedures for organizing and conducting the general meetings, approved and published according to the law and the provisions of the present Articles of Association.

- Art. 6 paragraph (19) is amended and will have the following content:

The resolutions of the ordinary or extraordinary general meeting may also be adopted based on the votes cast by correspondence and / or by another procedure for consulting the shareholders permitted by law. The procedure for consulting the shareholders will be in accordance with applicable law, the Board of Directors having the responsibility for organizing and the conduct of the voting methods in the general meetings of shareholders, within the limits provided by law.

- Art. 6 paragraph (20) is amended and will have the following content:

Resolutions of the general meeting are taken by open vote. The secret ballot is mandatory for the election or revocation of the Board of Directors, for the appointment or revocation of the financial auditor and for the taking of decisions regarding the liability of the members of the management, executive management and control bodies of the Company.

- Art. 6 paragraph (22) is amended and will have the following content:

The shareholder having an interest contrary to that of the company in a particular operation, will have to refrain from deliberations on that operation.

- Art. 7 paragraph (2) concerning the nominal composition of the Board of Directors shall be eliminated, following that, the other paragraphs of art. 7 are renumbered;

- Art. 7 paragraph (6), now Art. 7 paragraph (5) after the renumbering, is amended and will have the following content:

The Board of Directors elects from among its members a Chairman and a Vice-Chairman. The Chairman of the Board of Directors will also hold the position of General Director (CEO) of the company.

- Art. 7 paragraph (9), now Art. 7 paragraph (8) after the renumbering, is amended and will have the following content:

The convening notice for the meeting of the Board of Directors will be sent to the administrators (members of the Board) sufficiently before the date of the meeting, the term and the modalities of holding the meeting being established by the working procedures approved by the Board of Directors, in compliance with the legislation in force. The convocation will include the date, the place where the meeting will be held and the agenda. Decisions that are not provided for on the agenda may be taken only in cases of urgency. The Chairman shall chair the meetings. In the absence of the Chairman, the proceedings shall be chaired by the vice-Chairman. For the validity of the decisions of the Board of Directors, the presence of at least half of the number of members is required, provided by the Articles of Association.

- Art. 7 paragraph (11), now Art. 7 paragraph (10) after the renumbering, is amended and will have the following content:

Decisions of the Board of Directors shall be taken by a majority vote of the members present.

- Art. 7 paragraph (20), now Art. 7 paragraph (19) letter e) after the renumbering, is amended and will have the following content:

Adequacy, efficiency and update of the internal control-compliance system, so as to ensure its independence from the operational and support organizational structures within the company, which it controls and monitors;

- Art. 8 is amended and will have the following content:

Art. 8 Financial statements, financial audit, and internal audit.

(1) The financial year of the company shall begin on the date of January 1, and end on December 31 of each year.

(2) The annual financial statements, the annual report of the Board of Directors, and the proposal on the distribution of profit shall be made available to shareholders at least 30 days before the date of the general meeting of shareholders.

(3) The net profit will be distributed according to the approval of the ordinary general meeting of shareholders and the legal provisions in force;

- (4) The company constitutes legal reserves and other reserves, in accordance with the law.
- (5) Dividends shall be distributed to shareholders in proportion to the number of shares held.
- (6) The payment of dividends due to shareholders is made by the company, in accordance with the law.
- (7) If a loss of net assets is found, the general meeting of shareholders will analyse the causes and decide accordingly, as per law.
- (8) The financial statements of the company are audited by a financial auditor in accordance with the applicable legal provisions.
- (9) The financial auditor will be appointed by the general meeting of shareholders, which will set the term of office. The activity of the financial auditor will be carried out in accordance with the legal provisions in force, based on a service contract that will be approved by the Board of Directors;
- (10) The company will organize its internal audit in accordance with the legal provisions in force.

- Art. 11 is amended and will have the following content:

- (1) The company may acquire and hold investments only in the assets and under the conditions allowed by the regulations in force.
- (2) The investment policy is established by the company, in compliance with the prudential rules provided by the applicable regulations and legal provisions. The investment policy is established in accordance with the legal provisions applicable to alternative investment funds addressed to retail investors, with a diversified investment policy. The rules of AIF detail the investment policy and include the types of investments allowed according to the legal provisions.

- Art. 14 is amended and will have the following content:

- (1) The persons elected in the Board of Directors shall meet the requirements laid down in Law 31/1990 republished and the capital market legislation and shall not be members of the board of directors / supervisory board or managers / members of the executive board of another AIFM/investment management company/investment company or of SIF Banat-Crișana' depository bank, shall not be members of the board of directors/supervisory board of the SSIF with which SIF Banat-Crișana concluded a financial intermediation contract and shall not be employed or have any kind of contractual relationship with another SAI or investment company, except for other entities belonging to the same group;
- (2) The persons appointed as executive directors (managers) and the persons replacing them in office shall not be members of the board of directors / supervisory board or managers / members of the executive board of other AIFM or of SIF Banat-Crișana's depository bank, shall not be members of the board of directors / supervisory board, managers or members of the executive board of the investment firm (SSIF) with which SIF Banat-Crișana concluded a financial intermediation contract and shall not be employed or have any kind of contractual relationship with another AIFM, except for other entities belonging to the same group.

- Art. 15 is amended and will have the following content:

Company's net assets. Net asset value will be monthly calculated, certified, and published in compliance with the applicable regulations in force. The evaluation of the assets under company's management for the calculation of the net asset value will be performed in compliance with the legal regulations in force.

- Art. 16 paragraph (1) is amended and will have the following content:

The company will conclude a depository contract with a depository authorized and supervised by the competent authority, in accordance with applicable law. The activities that the depository will carry out will be provided in the contract concluded between the Company and the depository.

- Art. 17 is amended and will have the following content:

Art. 17 Dissolution and liquidation of the company:

- (1) The dissolution of the company will take place in the cases expressly provided by law. In case of dissolution, the company will be liquidated.
- (2) The liquidation will take place on the date of the termination of the company's existence. The Company's shares may not be redeemed at the request of investors, directly or indirectly, from the Company's assets, before the start of the liquidation phase of the Company.
- (3) The liquidation follows the procedure provided by law. After its completion, the liquidators will request the deregistration of the company from the Trade Register.

- Article 19 par. (3) is amended and will have the following content:

Any subsequent normative acts that remove or restrict the limitations expressly provided for at present for self-managed alternative investment funds or for alternative investment funds managers, the clauses of this Articles of Association will be considered modified by the effect of the law.

Resolution no. 2

With the direct participation or by correspondence of the shareholders holding 172,675,560 shares, representing 33.56% of the total voting rights, with the votes "for" of the shareholders representing 99.59%

of the votes cast, **approves the partial revocation of the Resolution of the Extraordinary General Meeting of Shareholders of April 22, 2019, published in the Official Gazette of Romania, Part IV, no. 2154 / 23.05.2019, respectively of article 1 of this resolution, by which it was approved the execution of a buyback program of a maximum of 15,000,000 own shares.**

Resolution no. 3

With the direct participation or by correspondence of the shareholders holding 172,675,560 shares, representing 33.56% of the total voting rights, with the votes "for" of the shareholders representing 100% of the votes cast, **approves the execution of a buyback program ("Program 3") in compliance with applicable legal provisions and having the following main features:**

- (i) The purpose of Program 3: The Company will repurchase shares under the Program 3 to reduce its share capital.
- (ii) The maximum number of shares that may be repurchased: 15,000,000 shares at most;
- (iii) The minimum price per share: RON 0.1;
- (iv) The maximum price per share: RON 5.1020;
- (v) Duration of Program 3: a maximum of 12 months after publication of the decision in the Official Gazette of Romania, Part IV;
- (vi) The shares acquired under the Program 3 will be paid from sources permitted by law.

Besides its main characteristics, Program 3 will also include other requirements provided by law and which are not listed above. The acquisition of shares under Program 3 will be done through all market operations allowed by law, which may include public tender offers initiated by the Company, in accordance with the law. To implement the Program 3, the Board of Directors will be empowered to take all necessary measures and fulfil all formalities required, in compliance with the above-mentioned requirements.

Resolution no. 4

With the direct participation or by correspondence of the shareholders holding 172,675,560 shares, representing 33.56% of the total voting rights, with the votes "for" of the shareholders representing 100% of the votes cast, **approves the date of November 18, 2020 as the registration date (November 17, 2020 as the ex date) in accordance with the provisions of art. 86 par. (1) of Law no. 24/2017 and ASF Regulation no. 5/2018.**

Chairman of the Board of Directors and CEO
Bogdan-Alexandru Drăgoi

Compliance Officer, Eugen Cristea