



SIF BANAT-CRIȘANA

QUARTERLY REPORT

— AS OF MARCH 31, 2022 —

prepared pursuant to the provisions of
Law no. 24/2017, Law no. 74/2015, Law no. 243/2019,
ASF Regulation no. 10/2015, ASF Regulation no. 7/2020,
ASF Regulation no. 5/2018, and ASF Rule no. 39/2015
*this report is provided as a free translation from Romanian, which is
the official and binding document*



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1. GENERAL INFORMATION

COMPANY NAME	Societatea de Investiții Financiare Banat-Crișana S.A. (hereinafter referred to as "SIF Banat-Crișana" or "the Company")
COMPANY TYPE	<ul style="list-style-type: none"> ▪ joint stock company, Romanian legal entity with entire private capital ▪ established as a self-managed investment company, authorized by the Financial Supervisory Authority as Alternative Investment Fund Manager (AIFM) - Authorization no. 78 / 09.03.2018, and as closed-ended alternative investment fund, diversified, addressed to retail investors (AIFRI) - Authorization no. 130 / 01.07.2021
SHARE CAPITAL	<ul style="list-style-type: none"> ▪ RON 51,542,236.30 – subscribed and paid-in capital ▪ 514,422,363 shares issued; 507,510,056 outstanding shares as of March 31, 2022 ▪ RON 0.10 per share nominal value
REGISTRATIONS	<ul style="list-style-type: none"> ▪ Number in Trade Register J02/1898/1992 ▪ Tax Identification Code RO 2761040 ▪ Number in ASF AFIAA Register PJR07.1AFIAA / 020007 / 09.03.2018 ▪ Number in ASF FIAIR Register PJR09FIAIR / 020004 / 01.07.2021 ▪ Legal Entity Identifier (LEI) 254900GAQ2XT8DPA7274
MAIN ACTIVITY	<p>Main activity is, as per the classification of economic activities in the national economy (CAEN): financial intermediation, except for insurance and pension funds (CAEN code 64), and the main object of activity: Other financial intermediation n.c.a. (CAEN code 6499):</p> <ul style="list-style-type: none"> ▪ portfolio management ▪ risk management; ▪ other activities carried out within the collective management of an investment fund, allowed by the legislation in force.
TRADING MARKET	The company is listed since November 1, 1999, on the regulated market of Bucharest Stock Exchange (BVB or BSE) – Premium category - ticker SIF1
FINANCIAL AUDITOR	Deloitte Audit S.R.L.
DEPOSITARY BANK	Banca Comercială Română (BCR)
SHARES AND SHAREHOLDERS' REGISTER	Depozitarul Central S.A. Bucharest
HEADQUARTERS	Arad , 35A Calea Victoriei, 310158, Romania TEL +40257 304 438 FAX +40257 250 165 EMAIL sifbc@sif1.ro WEB www.sif1.ro
BRANCH	SIF Banat-Crișana SA Arad-Bucharest Branch-Rahmaninov 46-48 S. V. Rahmaninov Str., 3rd floor, sector 2, 020199, Bucharest

CONTACT Investor Relations: email investitori@sif1.ro **tel** +40257 304 446

2. MAIN FINANCIAL AND OPERATIONAL INFORMATION

MAIN BALANCE SHEET ITEMS [RONm]		
	31.12.2021	31.03.2022
Total assets, of which	3,607.39	3,450.40
Total financial assets	3,579.13	3,391.11
Equity (own capital)	3,416.13	3,276.41
Total liabilities	191.26	173.99

FINANCIAL PERFORMANCE [RONm]		
	31.03.2021	31.03.2022
Operating income	0.87	33.74
Gain/(Loss) on investment	100.84	(63.95)
Operating expenses	5.32	4.67
Gross profit / (Loss)	96.39	(34.88)
Net profit / (Loss)	94.76	(36.25)

PERFORMANCE OF SHARES AND NET ASSET		
	31.12.2021	31.03.2022
Share price (end of period, RON)	2.5400	2.3200
NAV/S* (RON)	6.7170	6.4448
Accounting net asset / share (RON)	6.7311	6.4558
Nominal value of share (RON)	0.1	0.1
Number of shares issued	515,422,363	515,422,363
Number of outstanding shares**	507,510,056	507,510,056

* calculated acc. to ASF regulations

** calculated considering the shares repurchased by the Company

OPERATIONAL DATA		
	31.12.2021	31.03.2022
Number of permanent employees	33	31
Branch offices	1	1

SHAREHOLDING STRUCTURE as of March 31, 2022		
	number of shareholders	holdings
Romanian individuals	5,741,246	39.97%
Non-resident individuals	2,103	0.35%
Romanian legal entities	115	34.40%
SIF Banat-Crișana*	1	1.54
Non-resident legal entities	24	19.74%
TOTAL	5,743,489	100%

* treasury shares, repurchased in 2021

3. PORTFOLIO AS OF MARCH 31, 2022

Investment objective and policy

SIF Banat-Crișana's investment strategy on long term aims to maximize the portfolio performance to increase the value of the assets under management and the investment income.

The financial objective is to reap an aggregate return on the portfolio generated from dividend and capital gains.

SIF Banat-Crișana's investment objective is the efficient management of a diversified portfolio comprised of high-quality assets, capable of providing a constant flow of revenues, the preservation and medium-long term capital growth, to increase the value for shareholders and obtain as high yields for the invested capital.

The strategic allocations by asset classes and within each class are based on assessments of the individual attractiveness of investment opportunities, under the conditions of the macroeconomic and market environment at the time.

SIF Banat-Crișana's investments, as AIFRI, are made exclusively in the assets and within the limits regulated by *Law no. 243/2019 on alternative investment funds, amending and supplementing certain normative acts*.

Investments are made over a certain period, under appropriate risk monitoring and control, to ensure a steady balance of risk and expected return. The investment decision-making process is formalized through internal procedures and the levels of competence approved by the company's Board of Directors.

The company applies an exit strategy tailored to the specifics of each investment, defined based on the applied strategy, the investment objectives, the conditions (triggers) of the exit transaction.

The execution of the various exit strategies is adapted and correlated with a series of internal and external factors, such as: the general economic perspectives; the evolution of financial markets; liquidity of listed securities and daily trading volumes; small business regionality; access barriers (interest), depending on the shareholding structure; SIF Banat-Crișana's liquidity needs.

As of March 31, 2022, SIF Banat-Crișana has under management a complex portfolio, consisting of (i) equity instruments: listed shares, unlisted shares (i) debt instruments: corporate bonds, bank deposits, fund units issued by AIF.

Lines of action in portfolio management:

- building a diverse portfolio consisting of assets capable of achieving targeted returns at the designated risk level;
- continuous increase of portfolio quality, as a basis for the increase of its value and the capacity to constantly generate income;
- portfolio management and development so as to adapt to the global risk profile;
- diversification of income channels for a high adaptability necessary in volatile periods;
- ensuring an appropriate liquidity level to enable the desired investments to be made and operational expenses to be covered;
- improving corporate governance practices.

In the investment process, SIF Banat-Crișana acknowledges that global sustainability challenges, including climate change, resource scarcity and human rights are of critical importance and need to be addressed. In this regard, to provide long-term value to the investments made, SIF Banat-Crișana analyses the sustainability risk of issuers with respect to the criteria applied to determine whether an economic activity qualifies as sustainable and contributes substantially to one or more of the sustainability objectives.

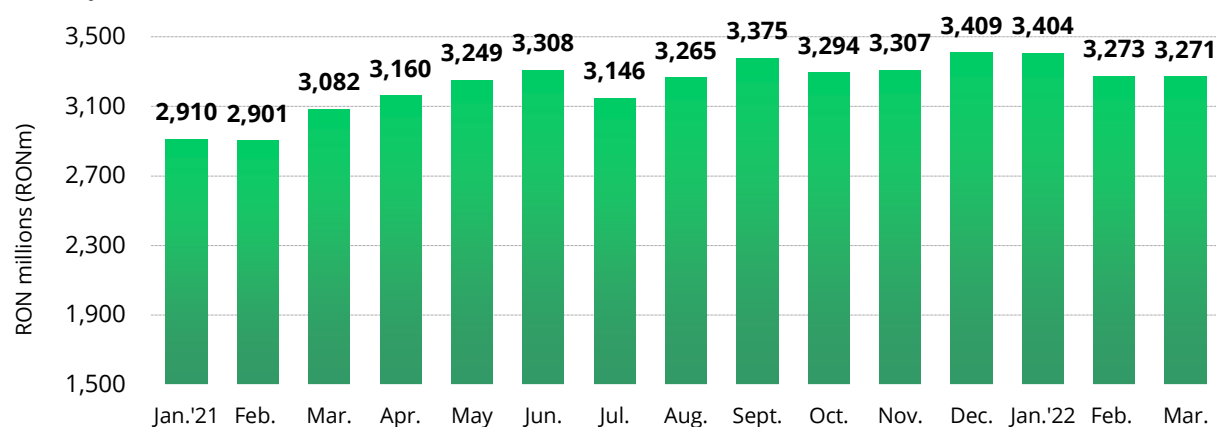
Both the *Policy on integrating ESG risks in the investment decision-making process* and the *Statement prepared in accordance with the provisions of art. 4 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019, on sustainability-related disclosures in the financial services sector* are available on Company's website, www.sif1.ro, in *Corporate Governance* section.

Net Asset Value

SIF Banat-Crișana's net asset value (NAV) was of **RON 3,270.80m** as of March 31, 2022, down 4.05% vs. RON 3,408.92m, the value recorded as of December 31, 2021, and 6.12% higher as compared to March 2021. Net asset value per share (NAV/S) was of **RON 6.4448** as of March 31, 2022 (December 31, 2021: RON 6.7170/share, March 31, 2021: RON 5.9899).

NET ASSET VALUE

January 2021 - March 2022



Monthly values for net asset are calculated by SIF Banat-Crișana and certified by the depositary bank Banca Comercială Română (BCR).

Throughout Q1 2022, the valuation of assets for the calculation of SIF Banat-Crișana's net asset value was performed pursuant to the regulations issued by The Financial Supervisory Authority (Regulation no. 9/2014 with subsequent changes and amendments and Regulation no. 10/2015).

Starting with July 1, 2021, the date of SIF Banat-Crișana authorization as an alternative investment fund addressed to retail investors (AIFRI), the calculation of the net asset value is performed in accordance with the provisions of *Law no. 243/2019 on alternative investment funds, amending and supplementing certain normative acts* and of the *ASF Regulation no. 7/2020 on the authorization and operation of alternative investment funds with subsequent amendments and completions*. From this date, the reporting formats on the *assets and liabilities*, and respectively *the detailed statement of investments*, related to the reporting period comply with the content established in annexes no. 10 and 11 of the ASF Regulation no. 7/2020.

The statement of SIF Banat-Crișana's assets and liabilities as of March 31, 2022, prepared as per annex 10 of the Regulation no. 7/2020, is presented as annex to this report.

The monthly reports for the net asset value were submitted to the Bucharest Stock Exchange and ASF – Financial Investments and Instruments Sector and published on SIF Banat-Crișana's website www.sif1.ro within the regulated deadlines.

The methodology for calculating the net asset value

During the reporting period, the calculation of net asset value was performed under the provisions of ASF Regulation no. 9/2014 (art. 113-122), amended and supplemented by ASF Regulation no. 2/2018 and ASF Regulation no. 20/2020 and with the provisions of ASF Regulation no. 10/2015.

As per these regulations:

- Financial instruments admitted to trading or traded in the last 30 trading days on a regulated market or under systems other than the regulated markets including under an alternative trading system in Romania, in a member or non-member state, are valued:

a) at the closing price on the market section considered as main market or at the reference price provided on trading systems others than the regulated markets including the alternative systems by the operator of the respective trading system as of day for which the calculation is made;

b) By way of exception from the provisions of section i) above, in the case of joint stock companies admitted to trading on a regulated market or a multilateral trading system with a liquidity considered by SIF Banat-Crișana, based on a prudential value judgment regarding the active market defined by International Financial Reporting Standard 13 - Fair value measurement (IFRS 13), as irrelevant for the application of the mark to market valuation method, the shares of those companies will be measured in SIF Banat-Crișana' assets in accordance with the evaluation standards in force, according to the law, based on an evaluation report. Throughout Q1 2022, this valuation method was applied in the case of the following companies in the portfolio: SIF Imobiliare PLC (symbol SIFI), SIF Hoteluri SA (symbol CAOR), and IAMU SA (symbol IAMU).

- Securities not admitted to trading on a regulated market or not traded during last 30 trading days are valued at the book value per share as it results from the latest annual financial statement, respectively the equity value as entered in the monthly reports submitted to the National Bank of Romania for credit institutions.

- For joint stock-companies not admitted to trading on a regulated market or an alternative system, where SIF Banat-Crișana owns more than 33% of the share capital, the respective shares are valued in SIF Banat-Crișana's net asset value exclusively as per the international valuation standards based on an evaluation report, updated at least annually. These companies are presented in a separate annex within the Detailed statement for the portfolio.

- Fixed income financial instruments are evaluated by the method based on the daily recognition of the interest and the amortization of the discount / premium for the period passed from the date of the placement.

- The shares of companies in insolvency, judicial liquidation or reorganization procedure are evaluated at zero value until the end of the procedure.

- The values of the non-portfolio items considered in the calculation of the net asset are in accordance with the International Financial Reporting Standards ("IFRS").

The valuation methods applied by the Company to evaluate the financial assets in the portfolio are presented on Company's website, www.sif1.ro, in the operating as AIFRI documents, namely: Simplified Prospectus and Rules of the Fund in the section Corporate Governance > AIFRI, as well as in the section *Investments > Net Asset > Net asset value calculation methodology*.

Portfolio structure

The strategy for asset allocation aims to maximize the performance of the portfolio under the prudential requirements established by the regulations.

The investment limits and restrictions incidental to the operations carried out by SIF Banat-Crișana during Q1 2022 complied with the applicable legal provisions, established by Law no. 243/2019 on the regulation of alternative investment funds, given that in accordance with the provisions of this law SIF Banat-Crișana is classified as a Closed, Diversified Alternative Investment Fund addressed to retail investors (AIFRI).

During Q1 2022, no violations of the regulated prudential investment limits were recorded.

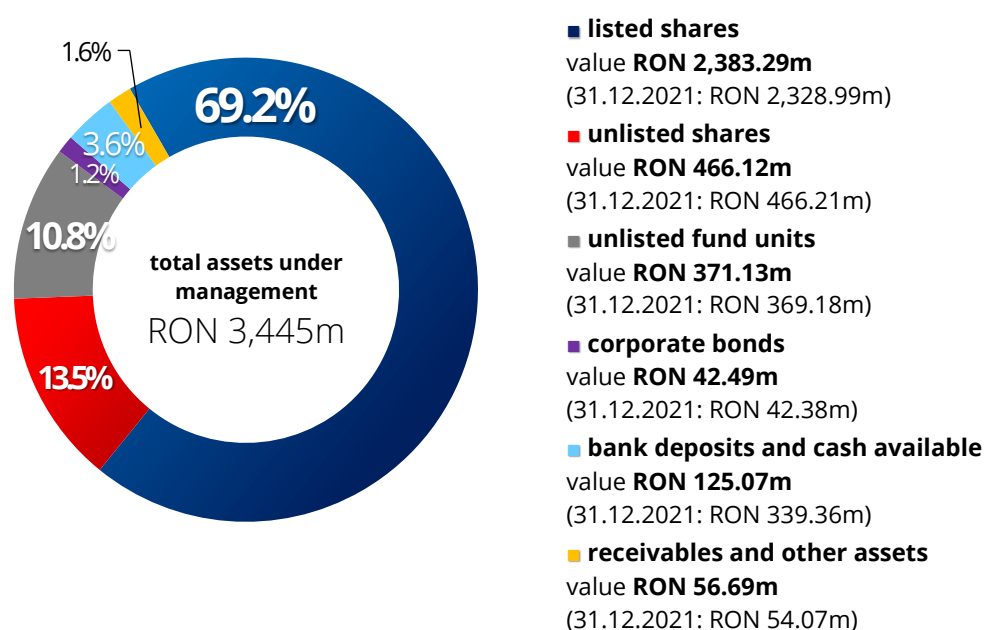
The detailed statement of SIF Banat-Crișana's investments as of March 31, 2022, prepared pursuant to Annex 11 of Regulation no. 7/2020, is presented as annex to this report.

Total value of assets under SIF Banat-Crișana management as of March 31, 2022, was of **RON 3,445m**, 4.32% below the value recorded for December 31, 2021, when reached RON 3,600m.

The value of the stock portfolio (listed and unlisted shares) accounted for **82.72%** of SIF Banat-Crișana's total assets as of March 31, 2022, amounting to **RON 2,849.41m**. At the end of Q1 2022, SIF Banat-Crișana held *majority stakes* - over 50% of the issuer's share capital - in 13 companies, with a total value of RON 1,054m, standing for 37% of company's stock portfolio.

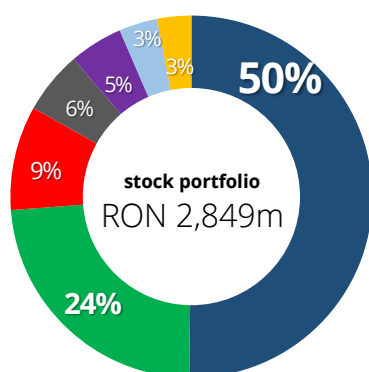
ASSETS UNDER MANAGEMENT as of March 31, 2022

breakdown on classes (weight on total assets)



values calculated as of March 31, 2022, and December 31, 2021, pursuant to the provisions of ASF Regulations no. 9/2014, no. 10/2015, no. 2/2018.

STOCK PORTFOLIO - breakdown by sector

■ **banking - financial**

stakes in **13** companies, worth **RON 1,430.18m**
(31.12.2021: RON 1,411.53m)

■ **commerce - real estate**

stakes in **12** companies, worth **RON 672.94m**
(31.12.2021: RON 672.83m)

■ **pharmaceuticals**

stakes in **2** companies, worth **RON 265.58m**
(31.12.2021: RON 310.57m)

■ **cardboard and paper**

stakes in **4** companies, worth **RON 159.70m**
(31.12.2021: RON 154.97m)

■ **energy - utilities**

stakes in **6** companies, worth **RON 136.35m**
(31.12.2021: RON 79.31m)

■ **hospitality (hotels and restaurants)**

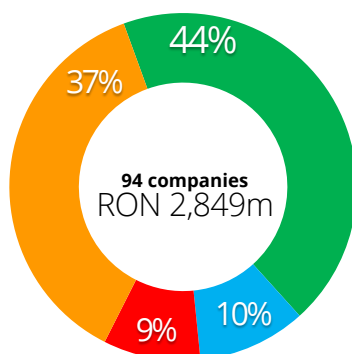
stakes in **4** companies, worth **RON 97.88m**
(31.12.2021: RON 97.65m)

■ **other industries and activities**

stakes in **53** companies, worth **RON 86.78m**
(31.12.2021: RON 68.34m)

percentages in the chart represent the stake of the category in the stock portfolio; values calculated as of March 31, 2022, and December 31, 2021, acc. to ASF Reg. no. 9/2014, no. 10/2015, no. 2/2018.

STOCK PORTFOLIO - breakdown by stake held

■ **up to 5%**

stakes in **29** companies
worth **RON 1,249.69m** (31.12.2021: RON 1,289.29m)

■ **5-33%**

stakes in **49** companies
worth **RON 287.94m** (31.12.2021: RON 154.67m)

■ **33-50%**

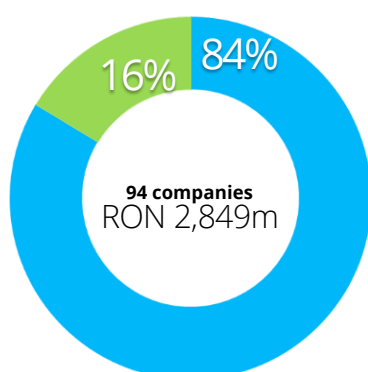
stakes in **3** companies
worth **RON 257.81m** (31.12.2021: RON 301.99m)

■ **above 50%**

majority stakes in **13** companies
worth **RON 1,053.97m** (31.12.2021: RON 1,049.23m)

percentages in the chart represent the stake of the category in the stock portfolio; values calculated as of March 31, 2022, and December 31, 2021, acc. to ASF Reg. no. 9/2014, no. 10/2015, no. 2/2018

STOCK PORTFOLIO - on liquidity



■ listed companies

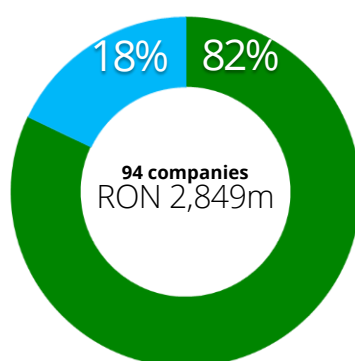
RON 2,383.28m (31.12.2021: RON 2,328.99m) value of stakes in **32** companies (31.12.2021: 34)

■ unlisted companies

RON 466.12m (31.12.2021: RON 466.21m) value of stakes **62** companies (31.12.2021: 64)

percentages in the chart represent the stake of the category in the stock portfolio; values calculated as of March 31, 2022, and December 31, 2021, acc. to ASF Reg. no. 9/2014, no. 10/2015, no. 2/2018

STOCK PORTFOLIO - geographical exposure



■ Romania

RON 2,339.17m (31.12.2021: RON 2,244.03m) value of stakes in **92** companies (31.12.2021: 96)

■ foreign

RON 510.24m (31.12.2021: RON 551.16m) value of stakes in **2** companies (31.12.2021: 2): Austria (1 company – Erste Bank), Cyprus (1 company – SIF Imobiliare)

percentages in the chart represent the stake of the category in the stock portfolio; values calculated as of March 31, 2022, and December 31, 2021, acc. to ASF Reg. no. 9/2014, no. 10/2015, no. 2/2018

TOP 10 COMPANIES IN SIF BANAT-CRIȘANA PORTFOLIO as of March 31, 2022

Company (symbol)	Sector	Stake	Value of holding* [RON]	% of NAV
1 Banca Transilvania (TLV)	banking - financial	4.78%	735,625,674	22.49%
2 SIF Imobiliare Plc (SIFI)	real estate	99.99%	346,555,946	10.60%
3 Biofarm (BIO)	pharmaceuticals	36.75%	257,812,770	7.88%
4 SIF1 IMGB	real estate	99.92%	241,615,614	7.39%
5 BRD Groupe Société Générale (BRD)	banking - financial	1.95%	237,998,888	7.28%
6 Erste Group Bank AG (EBS)	banking - financial	0.23%	163,682,994	5.00%
7 Vrancart (VNC)	cardboard and paper	75.36%	159,618,468	4.88%
8 SIF Muntenia (SIF4)	financial (AIF)	14.92%	135,212,234	4.13%
9 OMV Petrom (SNP)	energy - utilities	0.35%	92,056,926	2.81%
10 SAI Muntenia Invest	financial (AIFM)	99.98%	88,812,234	2.72%
TOTAL			2,458,991,748	75.18%

* calculated pursuant to ASF Reg. no. 9/2014, no. 10/2015, no. 2/2018

4. THE SHARES ISSUED BY BANAT-CRIȘANA

CHARACTERISTICS OF THE SHARES ISSUED BY SIF BANAT-CRIȘANA

Total number of issued shares (March 31, 2022)	515,422,363
Outstanding shares (March 31, 2022)	507,510,056
Nominal value	RON 0.1000 / share
Type of shares	common, ordinary, registered, dematerialized, indivisible
Trading market	Regulated spot market of Bucharest Stock Exchange (BVB or BSE), Premium category, listed since November 1, 1999
Trading venue (MIC)	XBSE
BVB (BSE) symbol (ticker)	SIF1
Bloomberg BBGID	BBG000BMN388 (SIF1:RO)
ISIN	ROSIFAACNOR2
Reuters	SIF1.BX
Part of indices	BVB (BSE) indices: BET-FI BET-XT BET-XT-TR BET-BK BET-XT-TRN

SIF1 shares on BVB (BSE)

The liquidity of SIF1 stock was higher vs. the similar period of 2021, a total of 10,519,720 shares were traded in Q1 2022, standing for 2.073% of the total issued securities, the total value of the traded shares was of RON 25,562,194.

On the "DEAL" market, one trade was carried out, with 2.58m shares worth RON 6.46m.

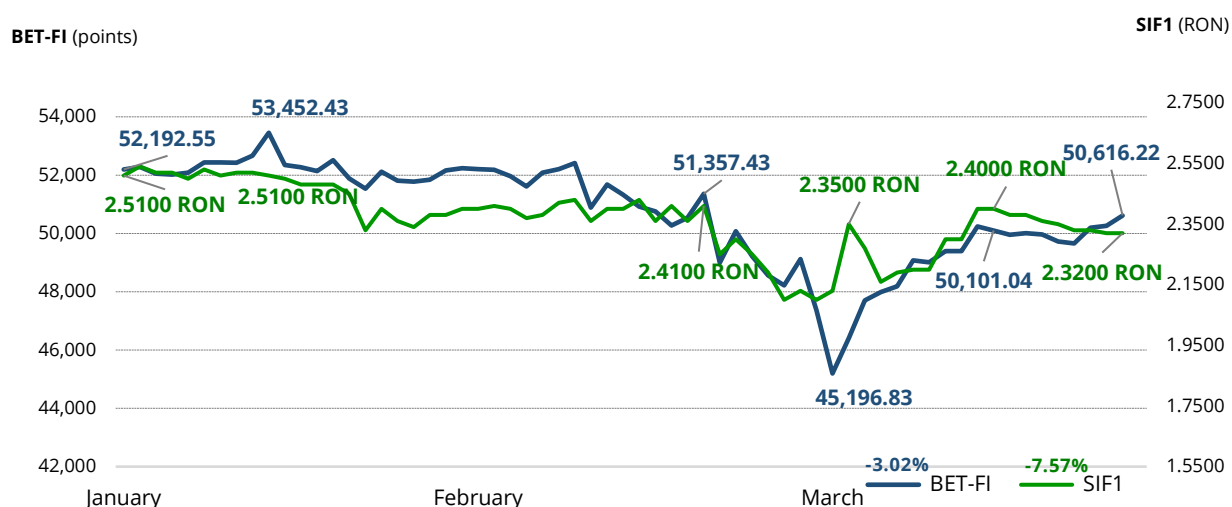
Of the 63 trading days, 22 sessions were with positive changes (highest +10.33% on March 8) and 28 days with negative variations (lowest -6.64% on February 24)

The highest closing price for SIF1 stock in Q1 2022 was of RON 2.5400 per share, in the session of January 4, and the lowest closing price was of RON 2.1000 per share, during the session of March 4, the trading range between the highest and lowest of the period being 21%. The average price of the period was of RON 2.4299 per share.

During Q1 2022, the trading of SIF1 stock paired with the downward trend of stock exchanges due to the energy crisis and the Russo-Ukrainian war, the average daily volume of 167 thousand shares was higher than that traded throughout 2021. The decline of SIF1 share price was of 7.57% YtD, the BET-FI index was 3.02% and the BET-BK index was 5.262%.

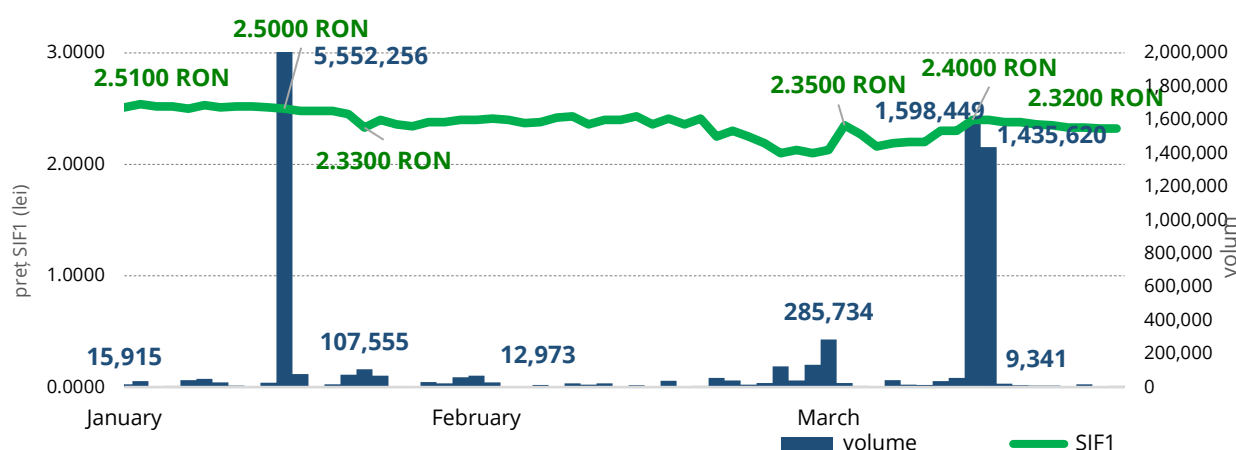
On March 31, 2022, the market capitalization of SIF1 stock was of RON 1,195.78m, calculated using the closing price.

SIF1 vs. BET-FI PERFORMANCE DURING JANUARY - MARCH 2022



highlighted values were recorded at the closing of trading day

SIF1 PRICE AND VOLUME DURING JANUARY - MARCH 2022

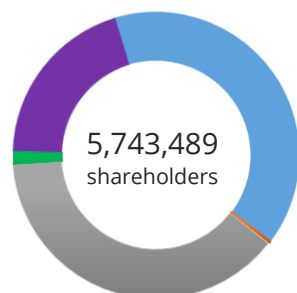


highlighted values for SIF1 price were recorded at the closing of trading day

As of March 31, 2022, SIF Banat-Crișana has 5,743,489 shareholders, according to the data reported by Depozitarul Central SA Bucharest, the company keeping the shareholders registry. As of March 31, 2022, SIF Banat-Crișana holds 7,912,307 own shares, purchased in the public tender offer carried out during September 29 – October 12, 2021, under the buyback programs approved by the EGM of April 27, 2020, and November 2, 2020.

SHAREHOLDERS' STRUCTURE

as per holdings, as of March 31, 2022



■ 39.97%
Romanian individuals
(5,741,246 shareholders)

■ 0.35%
non-resident individuals
(2,103 shareholders)

■ 38.40%
Romanian legal entities
(115 shareholders)

■ 19.74%
non-resident legal entities
(24 shareholders)

■ 1.54%
SIF Banat-Crișana
(the Company holds 7,912,307
treasury shares)

5. THE MANAGEMENT OF SIGNIFICANT RISKS

SIF Banat-Crișana acknowledges its exposure to financial and operational risks resulting from daily activities, and the achievement of its strategic objectives. In this context, SIF Banat-Crișana's policy on significant risk management provides the framework for the identification, assessment, monitoring, and control of these risks, to keep them at acceptable levels depending on the Company's risk appetite and its ability to cover, absorb or mitigate these risks.

The significant risk management policy of SIF Banat-Crișana comprises all the elements necessary for risk management operations associated with each investment position to be properly identified, assessed, managed, and monitored, including using appropriate crisis simulation procedures. The company has implemented a documented procedure for *pre-investment verification*, which monitors whether the investment / divestment process is carried out according to the investment strategy, objectives and risk profile chosen.

Risk profile and risk limits

By the nature of the object of activity, the Company is exposed both to the risks associated with the financial instruments and to the markets on which it has exposures, as well as to certain operational risks, which can materialize in loss of capital or low investment performance in relation to the chosen risks.

The strategy of management of significant risks assumed by the Board of Directors is based on risk management objectives and pursues three parameters: risk appetite, risk profile and risk tolerance.

Risk appetite

According to the Policy on the management of significant risks, SIF Banat-Crișana's Board of Directors has assumed a medium risk appetite. This level represents the level of risk that the Company accepts for new exposures, in addition to the risk arising from existing exposures in its portfolio.

This objective considers the fact that, in conditions of economic difficulties, the Company will objectively accept a higher level of risk from the existing exposures of the Company's portfolio but will take all necessary measures to reduce the risk appetite for new (future) exposures.

The company's risk appetite is clearly connected to the overall business strategy and business plan.

Risk profile represents all the risks to which the Company is estimated to be exposed depending on the strategic objectives and the defined risk appetite. By risk management, the risk profile is not considered as a static measure, but a dynamic assessment of the evolving risks, at a predetermined frequency that would protect as solidly as possible the Company's investment portfolio exposed to risk. The role of the risk profile is to determine the size of each significant risk and the overall level of risk, based on relevant, qualitative, and quantitative indicators.

The Board of Directors approved the classification of the global risk of the Company at MEDIUM level, corresponding to a medium risk appetite.

The risk management policy is based on a system of limits used to monitor and control significant risks, in accordance with the risk profile and the approved investment strategy.

The risk profile is assessed annually, and it is monitored against the established risk level objectives. Depending on the progress of the risk profile in relation to these objectives, as well as the temporal dimension of a certain evolution, corrective or control measures of the risk factors may be ordered.

The assessment of the global risk profile and the establishment of risk limits was performed based on the information included in the periodic risk reports and stress tests. In addition, assessments were performed at other intermediate dates, when large fluctuations of SIF Banat-Crișana's NAV were ascertained.

The objectives of the Risk Management Office for 2022 address both the identification of risk-generating situations in the activity associated with the management of SIF Banat-Crișana portfolio and its secondary risks, as well as the risk assessment with strict observance of the regulations specific to the field of activity (both local and European directives and regulations) and the adequacy of working procedures to the new regulations on the activity of AIFM / AIF.

Main risks for the Company

The significant risks to which SIF Banat-Crișana is exposed are **market risk, liquidity risk, credit and counterparty risk, operational risk, and other risks** (reputational risk, strategic risk, regulatory risk, tax-related risk, business-environment related risk).

In the analysis of risks and their materialization potential, all significant holdings of the Company were structured according to the relevant portfolios of financial instruments into 3 classes of instruments as follows: (i) equity instruments: listed shares, unlisted shares; (ii) debt instruments: government securities, municipal bonds, corporate bonds, bank deposits (investments), fund units issued by AIF, (iii) derivative instruments for the purpose of risk reduction / hedging / management (not in the portfolio as of March 31, 2022).

For the risks associated with each class of instruments mentioned, the rules of identification, assessment, and monitoring described in the approved specific risk procedures shall apply.

a) Market risk

The Company is exposed to the risk that the fair value of the financial instruments held will fluctuate following the changes in market prices caused either by factors specific to the activity of issuers or by factors affecting all instruments traded on the market.

The four subcategories of market risk specific to financial instrument portfolios are: *price / position risk, interest rate volatility risk, currency risk and concentration risk*.

PROXI-85 risk portfolio, a reference for price risk in the traded stock portfolio, is analysed compared to the total risk of the BET-BK index as a forecast of future volatilities. The risk indicator used, the VaR risk value (99%, 1M), is monitored both for the portfolio, for a benchmark (BET-BK index) or active portfolio / difference.

As of 31.03.2022, VaR for the PROXI-85 portfolio was 12.55% of the market value of RON 2,044.78 million. *Tracking-error*, indicating active management and representing the risk for the part of the PROXI-85 portfolio other than the BET-BK benchmark, was 6.07% and *Expected shortfall (Conditional VaR)*, which indicates the potential loss of the portfolio in extreme cases of exceeding the 99% confidence level, was of 15.63%, higher as compared to the data for 2021 year-end.

With respect to interest-bearing financial instruments, the Company's policy is to invest in short-term financial instruments in general, thus partially reducing both the risk of fluctuation and the risk of maturity differences (the Company has no liabilities with maturities over 1 year).

Only small stake of net assets (1.23%) is placed in corporate bonds, whose interest rates are unlikely to vary significantly. Thus, the Company is subject to limited exposure to changes in fair value or future cash flows due to fluctuations in prevailing market interest rate levels.

The company did not use derivative financial instruments for hedging against interest rate fluctuations.

Financial instruments denominated in euro: shares and corporate bonds, as well as monetary instruments: deposits and current accounts, are subject to currency risk. The amounts representing the balance of current accounts opened in currencies other than EURO (GBP and USD) are of the level of thousands of RON, irrelevant for the currency risk analysis.

The company traded in both Romanian currency (Leu or RON) and foreign currency (Euro) in Q1 2022, the Romanian currency fluctuated compared to foreign currencies, the average value of EURRON rate

for Q1 2022 was of 4.9375 vs. 4.9208, the average for 2021. The value of Company's portfolio exposure (shares, bonds, and current accounts) represents a weight of 9.48% of total assets as of March 2022. The exposure decreased vs. 2021-year end the amounts being used for purchasing shares).

The company did not make any derivative transactions on the exchange rate during the financial year presented.

The Company's exposure diversification policy applies to the structure of the portfolio, the structure of the business model, as well as the structure of exposures to financial risks. This diversification policy implies: diversifying the portfolio by avoiding excessive exposure to a debtor, issuer, country or geographical region; the diversification of the structure of the business plan aims at the level of the Company to avoid excessive exposure to a certain line of business / sector of activity; diversifying the structure of financial risks aims at avoiding excessive exposure to a certain type of financial risk.

Due to the specifics and history of its portfolio, the exposure on the banking sector remains significant, issuers in the banking sector and issued financial instruments (equity instruments, deposits, and current accounts) have a weight of 37.33% in TA as of 31.03.2022. The exposure decrease is mainly due to the decline of the prices of listed bank shares (TLV, EBS and BRD) and the investment program carried out during Q1. Banks are most exposed to systemic and contagion risk in crisis situations, a positive aspect of these holdings is the liquidity of the investment.

b) Liquidity risk

The company carefully maintains a level of liquidity appropriate to its underlying obligations, based on an assessment of the relative liquidity of the assets on the market, taking into account the period required for liquidation and the price or value at which those assets can be liquidated, as well as their sensitivity to market risks or other market factors.

In the risk management process, the liquidity of the financial instruments portfolio is analysed separately from the liquidity risk related to the Company's payment obligations.

The liquidity risk related to the company's payment obligations is very low, as current debts can be immediately covered by the current account balance and short-term deposits. The liquidity indicator (LCR) is 16.71, calculated on the value of assets having high liquidity.

The Company systematically monitors the liquidity profile of assets, considering the marginal contribution of each asset that may have a significant impact on liquidity, as well as significant liabilities and commitments, contingent or otherwise, that the Company may have in relation to its underlying obligations.

The value of assets with a liquidation period on short intervals of up to 30 days decreased to 8.48% of TA (from 11.88% of TA as of December 2021), the descent was mainly caused by the decline of listed bank shares prices (EBS) and investment program carried out during Q1. Assets with a liquidation period of more than 365 days declined to 58.79% of TA (from 83.88% of TA as of December 2021) due to placing the exposure on TLV on a different liquidation period (353 days).

The Company has implemented procedures and policies that establish appropriate actions to measure liquidity to assess the quantitative and qualitative risks of the positions and expected investments that have a significant impact on the liquidity profile of the asset portfolio, in order to properly measure their effects on the global liquidity profile, including by simulating liquidity crisis situations (LST).

The liquidity buffer was 8.70% of the TA with a limit of at least 7% of total assets.

To limit / avoid liquidity risk, the Company systematically monitors the liquidity profile of assets and liabilities and will continuously adopt a prudent cash outflow policy.

c) Credit risk

The company is exposed to credit and counterparty risk as a result of investments made in bonds issued by companies, current accounts and bank deposits and other receivables.

Cash held by the Company, which is not invested in portfolio companies or government securities, may be placed in short-term bank deposits. The credit risk is also diminished by placing the Company's cash in several banks. In Q1 2022, bank deposits were made at the highest ranked banking institutions in the system, with a rating similar or close to the country rating.

Credit risk management is performed by closely and constantly monitoring credit risk exposures so that the Company does not suffer losses because of the concentration of credit in a certain sector or field of activity.

The diversification of exposures in the banking sector, through short-and medium-term investments in deposits in euro, can be beneficial for protection against fees and negative interest rates charged by the largest Romanian banks, and protection against rising inflation.

The assessment of the counterparty's credit risk indicators based on exposure to unlisted or unrated issuers and based on exposure by business sectors leads to the conclusion that they fall within the approved risk limits for a medium risk appetite.

The company did not trade derivative financial instruments (listed or OTC), so it is not subject to counterparty risk.

d) Operational risk

The Company's objective of managing operational risk in such a way as to limit financial losses, to not damage its reputation, to achieve its investment objective and to generate benefits for investors, was met throughout the year.

The risk limits for the operational risk subcategories (legal, professional, process / model and associated with outsourced activities) are established as a result of the risk indicator assessment (KRI), the appetite for operational risk being medium.

During Q1 2022, there were no incidents of an operational risk arising from IT systems. All the important IT systems comply with the requirements of art. 16 of the ASF Rule no. 4/2018, ensuring the integrity, confidentiality, authenticity, and availability of data in accordance with the risk category of the important computer system internally defined.

Other events of operational risk such as inadequate reporting were tolerated due to low values of probability of occurrence and their impact coefficient, the loss recorded having a value below the significance threshold of RON 10,000. Protection and control measures have led to an inherently tolerable risk.

Risk of money laundering and terrorist financing (ML/TF)

The Company makes sure that it takes appropriate measures to identify and assess the risks related to money laundering and terrorist financing, considering the risk factors, including those relating to customers, countries or geographical areas, products, services, transactions, or distribution channels, in proportion to the nature and size of its activity. The assessment of ML / TF risks associated with the clientele of SIF Banat-Crișana is performed both at the initiation of a business relationship and after the transaction, if during it one of the risk factors changes.

Following the ML/TF risk assessment for Q1 2022, it resulted that all business partners have an inherently low risk. Simplified customer awareness and normal business relationship monitoring measures were applied. The total residual risk remaining after the internal controls have been applied

to the inherent risk leads to the conclusion that the exposure of SIF Banat-Crișana to the risk of ML / TF is low.

e) Other risks the Company is exposed to

The internal assessment of other types of risks not included in the main categories (market, credit, liquidity, operational) consists in their qualitative assessment depending on the impact it could cause on the income, expenses, and value of Company's assets.

From a risk management perspective, *reputational risk* can be divided into two important classes: (i) the belief that the Company can and will deliver on its promises to shareholders and investors; (ii) the belief that the Company conducts its business properly and adheres to ethical practices.

Regarding the efficient management of events that may give rise to reputational risk, the Risk Management Office monitored the image of the Company in the media to identify any events/rumours that could generate reputational risk and link them with the course of SIF1 stock on BVB (BSE).

The movement of the SIF1 quotation was in line with the evolution of BVB in the analysed period, the traded volumes stood roughly at the same level compared to the previous period (in 89% of the 63 trading days were recorded trading volumes >100K), the average daily volume traded in Q1 being of 166,980 shares.

The Company's policy on *strategic risk* addresses the establishing of rational long-term strategic objectives, the management structure constantly adopting a prudential policy to mitigate / avoid strategic risk and will continuously monitor the progress of the market in relation to budgeted operations.

According to the internal evaluation methodology, the strategic risk is low for the Company.

Regulatory (compliance) risk is uncontrollable and unquantifiable in that neither the triggering event nor the level of impact can be anticipated. The regulatory risk assessment is part of the medium risk appetite. From a qualitative point of view, the management of regulatory risk was achieved by permanently adapting policies, rules, and procedures to changes occurred and by reducing or increasing the level of activities where appropriate.

Compliance risks are considered as parts of the risk management framework. The compliance function monitors all aspects of compliance with legal and regulatory provisions and provides reports to directors on a regular basis, if necessary, in cooperation with the risk management function.

The taxation risk remains medium, the interpretation of texts and the practical implementation of the procedures of the new applicable tax regulations harmonized with European legislation could vary from entity to entity, and there is a risk that in some situations the tax authorities will adopt a different position from that of the Company.

The business environment risk is high due to the domestic economy evolution on short and medium term.

The high level of uncertainty in the context of geo-political tensions in the immediate vicinity of our country, as well as the pandemic situation in China that imposed a period of severe lockdown are factors with a direct impact on the world economy just back to growth after two years of COVID-19 pandemic.

In Erste Bank's forecast for Romania, inflation could reach 11.5% by the end of the year, after peaking around 12% in June, with core inflation converging to a high level by the end of the year.

SIF Banat-Crișana takes the necessary measures for the sustainability and development of the Company in the existing conditions on the financial market, by monitoring the cash flows and the adequacy of the investment policies.

The avoidance of risks, the mitigation of their effects, are ensured by the Company through an investment policy that respects the prudential rules imposed by the applicable legal provisions and regulations in force.

No exceedances of the risk limits at the level of the global risk profile were reported during Q1 2022.

As a result of this assessment, it is ascertained that the analysed risks fit in the average global risk profile.

Through risk management, both by prior substantiation of investments and by ex-post monitoring, the Company ensures that portfolio management is within the appropriate risk parameters.

Risk of exceeding the prudential holding limits

Compliance with the holding limits regulated by the supervisory authority is one of the main lines of action for managing and controlling the risk associated with the asset portfolio. The analysis of the compliance with the holding limits is performed both monthly with the approval of the net asset calculation reports, as well as part of the pre-investment verification procedure.

During the reporting period, in accordance with SIF Banat-Crișana's investment risk management policy, it was pursued the compliance of the portfolio with the limits of ownership provided by Law no. 24/2017, art. 90 (1) regarding cumulative investments, and the provisions of allowed investments and shareholding limits.

During Q1 2022, the portfolio of assets held by SIF Banat-Crișana complied with the legal provisions in force stated by Law 243/2019 and Law no. 24/2017.

Exposures higher than 10% on instruments issued by the same issuer are at Banca Transilvania (largest weight in TA: 21.35%) and SIF Imobiliare (weight in TA: 10.06%). Together, these holdings represent an exposure of 33.09% of the TA without exceeding the upper limit of 80%. SIF1 Group, the parent company together with its subsidiaries, stands for a 31.71% weight in TA, the legal limit being 40% of the total assets.

Leverage

Leverage means any method by which the Company increases the exposure of the portfolio under its management either by borrowing cash or securities, or by derivative financial positions or by any other means. The leverage effect is expressed as the ratio between the global exposure of the portfolio of financial instruments and the value of the net asset. The Company performs the calculation of the exposure using the gross method and the commitment method complying with the provisions of EU Regulation 231/2013 art. 7 and art. 8, Annex I on "Methods of increasing the exposure of an AIF" and Annex II on "Conversion methodologies for financial derivatives", and the approved internal procedures.

The leverage indicator on March 31, 2022, by the gross method is 99.95% (excluding cash and cash equivalents as per the requirements of AFIM regulations), and by the commitment method is of 100%.

Through the investment policy for 2022, the Company planned not to use financing operations through financial instruments (SFTs) and not to invest in *total return swap* instruments, defined by EU Regulation 2365/2015, and in the process of portfolio of financial instruments management, not to use methods to increase the exposure of the portfolio, to fit the average risk profile decided. In Q1 2022, the Company did not use the leverage effect for the portfolio under management, not having the tools to generate such an effect.

6. SIGNIFICANT EVENTS DURING Q1 2022

Disclosure document concerning the shares offered to the members of the management structure

On January 25, 2022, SIF Banat-Crișana informed the shareholders, by means of a current report published on Bucharest Stock Exchange that, based on the resolutions adopted by the Extraordinary General Meeting of the Shareholders of the Company of October 11, 2021 (EGM Resolution no. 3/11.10.2021, EGM Resolution no. 4/11.10.2021, SIF Banat-Crișana's Board of Directors approved through Decision of the Board no. 5 of 20.01.2022 the offering free of charge to the members of the management structure (administrators, directors) of 880,000 shares in a share-based payment plan of a "Stock Option Plan" type (hereinafter referred to as "SOP" or "Plan").

The vesting (transfer of shares) will be made when the conditions in the "Stock Option Plan" are met and the option is exercised by each beneficiary, after a term of 12 months has passed since the signing of the payment agreements.

The disclosure document concerning the shares offered or allotted to members of SIF Banat-Crișana management, prepared as per EU Regulation no. 1129/2017 and ASF Regulation no. 5/2018, was published on the website of BVB and on company's website, www.sif1.ro, in *Investor Relations* section.

Publication of preliminary financial results for 2021

On February 28, 2022, SIF Banat-Crișana published the preliminary financial results for the year ended on December 31, 2021, prepared in accordance with IFRS, by communicating to the market (BVB) and posting on Company's website, www.sif1.ro.

Valuation methods

As per the provisions of the ASF Regulation no. 10/2015 (article 19) and the EU Regulation 231/2013 (articles 69-70), on February 28, 2022, SIF Banat-Crișana informed the investors upon maintaining the valuation policies and methods applied to evaluate the financial assets in the company's portfolio presented on Company's website, www.sif1.ro, in the section Investments > Net Asset > Net asset value calculation methodology.

Convening the Ordinary and Extraordinary General Meeting of Shareholders of April 28 (29), 2022

The Board of Directors, in the meeting held on March 21, 2022, convened, based on art. 117 of Law no. 31/1990, the Ordinary Meeting of Shareholders for April 28 (29), 2022, 10:00 hours, and the Extraordinary Meeting of Shareholders for April 28 (29), 2022, 12:00 hours, at company's headquarters in Arad, 35A Calea Victoriei.

Starting with March 28, 2022, all the informative materials for the topics on the agenda and the drafts of the resolutions submitted for the approval of the general meetings were made available to shareholders, being published on Company's website, at www.sif1.ro, in the *Investor Relation* section. Information on the resolutions adopted are presented in this report in Chapter 8 – Events after the reporting period.

7. FINANCIAL POSITION AND RESULTS AS OF MARCH 31, 2022

SIF Banat-Crișana has prepared the financial statements as of March 31, 2022, pursuant to ASF Rule no. 39/2015 for the approval of accounting regulations in accordance with the International Financial Reporting Standards applicable to entities authorised, regulated, and supervised by the Financial Supervisory Authority, operating in the Financial Instruments and Investments Sector.

The interim condensed financial statements as of March 31, 2022, are not audited, as there is no legal or statutory requirement.

The following are comments on the main elements of the financial position and results of the Company as of March 31, 2022:

Condensed standalone statement of financial position

Standalone statement of financial position - extract		
<i>denominated in RON</i>	31/03/2022	31/12/2021
Cash and cash equivalents	97,010,291	260,126,530
Bank deposits	28,075,257	79,232,230
Financial assets at fair value through profit and loss (FVTPL)	1,617,148,411	1,680,415,609
Financial assets at fair value through other comprehensive income (FVTOCI)	1,648,877,242	1,559,352,399
Investment property and tangible assets (property, plant, and equipment)	17,387,531	17,518,911
Other assets	41,899,675	10,740,380
Total assets	3,450,398,407	3,607,386,059
Liabilities	173,990,935	191,259,774
Equity (own capital)	3,276,407,472	3,416,126,285
Total liabilities	3,450,398,407	3,607,386,059

Total assets value held as of March 31, 2022, was of RON 3,450.4m, 4.4% lower as compared to the value of assets at the end of 2021.

The main patrimonial elements changed compared to the beginning of the period as follows:

- **Cash and cash equivalents** and **Bank deposits** decreased by RON 214.3m compared to 2021-year end, given that the Company has made significant acquisitions of listed shares in the first 3 months of 2022.

- **Financial assets at fair value through profit and loss (FVTPL)**, amounting to RON 1,617.1m, with RON 63.3m lower as compared to December 31, 2021, due to the effect of recording differences in fair value fund units and listed companies - subsidiaries and associates (with active market) as of March 31, 2022.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**, amounting to RON 1,648.9m, are with RON 89.5m above the level recorded on December 31, 2021, a result of the cumulative effect of recording the unfavourable fair value differences of the financial assets investment portfolio (listed shares) as of March 31, 2022, and the acquisitions of listed shares classified within this category during Q1 2022.

- The **Other assets** category increased compared to the beginning of the period, mainly influenced by the dividends declared but not yet paid by some companies in the portfolio as of March 31, 2022, provided that no dividend income was recognized in the same period of the previous year.

- The volume of **equity** (own capital) decreased by 4.1% vs. December 31, 2021, mainly due to unfavourable fair value differences related to the portfolio of securities, recorded both in the items of gain / loss on investments and in other comprehensive income as of March 31, 2022. The decrease in

the volume of the fair value reserve also explains the reduction of the Company's debts compared to the end of the previous year, due to the adjustment of the deferred income tax liability.

Condensed statement of profit and loss and other comprehensive income

Standalone statement of profit or loss and other comprehensive income - extract		
<i>denominated in RON</i>	31/03/2022	31/03/2021
Income		
Dividend income	32.900.487	-
Interest income	829.784	851.662
Other operating revenues	7.573	14.495
Gain / (Loss) on investment		
Gain on investment property	-	874
Gain from foreign exchange differences	(261.846)	566.188
Gain / (Loss) on financial assets at fair value through profit and loss	(63.686.667)	100.277.137
Expenses		
Commissions expenses	(1.029.007)	(1.463.971)
Other operating expenses	(3.641.144)	(3.852.508)
Profit / (Loss) before tax	(34.880.820)	96.393.876
Income tax	(1.372.701)	(1.630.655)
Net Profit/(Loss) for the period	(36.253.521)	94.763.222
Other comprehensive income	(103.829.026)	88.541.740
Total comprehensive income for the period	(140.082.547)	183.304.962

Progress of **income** with significant weight was as follows:

- **Dividend income** amounts to RON 32.9m in Q1 2022, the only company in the portfolio that approved the distribution of dividends until the interim reporting date being BRD. In the same period of the previous year, no dividend income was recorded.

- **Interest income** stood roughly at the same level as the corresponding period of the previous year, being in the majority proportion related to financial assets at fair value through profit and loss.

Gain / (loss) on investment had the following evolution:

- **The net result from exchange rate differences** recorded as of March 31, 2022, is unfavourable one, related to corporate bonds and cash held in foreign currency.

- **Gain / (Loss) on financial assets at fair value through profit and loss (FVTPL)** is negative, compared to a favourable result recorded as of March 31, 2021. The net loss is the result of the fair value measurement on March 31, 2022, of the listed shares (subsidiaries and associates), fund units and bonds. The movement of the global stock markets, affected by the current geopolitical situation, has negatively influenced the market value of the shares listed locally and recorded in this category (Vrancart, Biofarm).

Expenses as of March 31, 2022, are below those of the corresponding period of 2021, with reductions in most categories of expenses.

The net loss recorded as of March 31, 2022, amounting to RON 36.2m, is mainly the effect of the result from the fair value measurement of the above-mentioned shareholdings.

Total comprehensive income as of March 31, 2022, is negative, amounting to RON 140.1m, and it is the effect of the recognition in other comprehensive income of the fair value decrease, vs. 2021-year end, of the portfolio of financial assets classified in FVTOCI (Assets at fair value through other comprehensive income - mainly shareholdings in the banking financial sector).

Financial ratios as of March 31, 2022

Ratio	Calculation method	Result as at 31.03.2022
1. Current liquidity ratio ¹⁾	Current assets/Current liabilities	12.28
	Debt / Equity x 100	not applicable
2. Debt to equity ratio ²⁾	Debt / Capital employed x 100	not applicable
3. Accounts receivables turnover ³⁾	Average clients' accounts / Turnover x 90	69.62
4. Non-current assets turnover ⁴⁾	Turnover / Non-current assets	0.0103

¹⁾ **Current liquidity ratio** provides the guarantee of covering current liabilities from current assets. The acceptable recommended value is approximately 2, and the recorded value at the end of the first three months of 2022 was of 12.28. This is due to the high level of current assets as of March 31, 2022, as there were significant amounts of liquidity in bank accounts and deposits.

²⁾ **Debt to equity ratio** indicates the effectiveness of the credit risk management, revealing potential financing or liquidity issues, with impact on fulfilling the assumed commitments. The Company had no borrowings as of March 31, 2022, and therefore this indicator is zero.

³⁾ **The accounts-receivable turnover** indicates the effectiveness of the company in collecting its receivables, respectively the number of days until the debtors pay their debt to the company.

In determining the average balance of clients, the receivables were considered at gross value. The weight in total receivables is held by dividends receivable from portfolio companies and other receivables.

For the turnover, the company's total revenues as of March 31, 2022, was used.

Turnover ratio calculated as of March 31, 2022, was of 70 days.

⁴⁾ **Non-current assets turnover** measures the efficiency of management of the non-current assets, by examining the value of the turnover (for SIF Banat-Crișana - the total operating income) generated by a certain portion of non-current assets. In determining the ratio, the gross value of financial assets was considered. As of March 31, 2022, this ratio has a value of 0.0103.

8. EVENTS AFTER THE REPORTING PERIOD

Resolutions of the Ordinary and the Extraordinary General Meeting of Shareholders of April 28, 2022

The ordinary and the extraordinary general meeting of SIF Banat-Crișana shareholders were held on April 28, 2022, starting with 10:00 (Romanian time) and 12:00 (Romanian time), respectively, at the first call.

The ordinary general meeting of shareholders approved:

- the standalone financial statements for 2021 FY, based on the discussions and the reports presented by the board of directors and the financial auditor, including the remuneration report of SIF Banat-Crișana for 2021, as per the provisions of art. 107, par. (6) of Law no. 24/2017 republished, annex to the annual report of the Board of Directors;
- the distribution of the profit for the year 2021, in the amount of RON 387,001,105, on the following destinations: dividends RON 30,450,603, representing a gross RON 0.0600 per share and other reserves RON 356,550,502;
- the consolidated financial statements as of December 31, 2021;
- the discharge from liability of administrators for the activity carried out in the financial year 2021;
- the income and expenses budget and the activity program for 2022;
- the remuneration due to the members of the board of directors for the financial year 2022, at the level established by the OGM resolutions of April 26, 2016;
- the general limits of all additional remuneration of the members of the board of directors and the general limits of the remuneration of the directors for 2022 FY at the level established by the OGM resolutions no. 7 of April 27, 2020.

The extraordinary general meeting of shareholders approved:

- reduction of the share capital, from RON 51,542,236.3 to RON 50,751,005.6 following the cancellation of 7,912,307 treasury shares acquired by the company, under the buyback programs. Following the reduction, the share capital of SIF Banat-Crișana SA will have a value of RON 50,751,005.6, divided into 507,510,056 shares with a value of RON 0.10/share. Article 3 par. (1) of the Articles of Association is amended as a result of the reduction of the share capital and shall read as follows: *"The share capital of the company amounts to RON 50,751,005.6 and is divided into 507,510,056 shares of RON 0.10 each, allotted to shareholders as results from the records entered in the shareholders' register."*
- execution of a buyback program ("Program 6"), in compliance with applicable legal provisions and having the following main features: (i) The purpose of Program 6: The Company will repurchase shares under the Program 6 for the distribution free of charge to members of the Company's management (administrators, executive directors) in order to build their loyalty and to reward their activity in the Company, according to performance criteria to be determined by the Board of Directors. (ii) The maximum number of shares that may be repurchased: 990,000 shares at most; (iii) The minimum price per share: RON 0.1; (iv) The maximum price per share: RON 6.3981; (v) Duration of Program 6: a maximum of 18 months after publication of the decision in the Official Gazette of Romania, Part IV; (vi) The shares acquired under the Program 6 will be paid from sources permitted by law.
- the use of the shares acquired under the Buyback Program 6, in order to be distributed free of charge to the members of the Company's management (directors, directors), within a share-based payment of "Stock Option Plan" type, in compliance with the applicable legislation. The Board of Directors of the company is empowered to take all necessary measures and to fulfil all the formalities required for the approval and implementation of the share-based payment plan of "Stock Option Plan" type.

The Resolutions adopted by the OGM and EGM of April 28, 2022, in full, are available for consultation on Company's website, at www.sif1.ro, in the *Investor Relation* section.

9. ANNEXES

- Annex 1** **Condensed interim standalone financial statements** as of March 31, 2022, prepared pursuant to the ASF Rule no. 39/2015 for the approval of accounting regulations in accordance with the International Financial Reporting Standards applicable to entities authorised, regulated, and supervised by the Financial Supervisory Authority, operating in the Financial Instruments and Investments Sector - unaudited
- Annex 2** **Net asset statement** as of March 31, 2022, prepared pursuant to Annex 10 of Regulation no. 7/2020
- Annex 3** **Detailed statement of investments** as of March 31, 2022, pursuant to Annex 11 of Regulation no. 7/2020

The quarterly report prepared as of March 31, 2022, was approved by the Board of Directors of SIF Banat-Crișana in the meeting held on May 16, 2022.

Bogdan-Alexandru DRĂGOI

Chairman and CEO