



## SIF BANAT-CRIȘANA

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### ANNOUNCEMENT

## Board of Directors' proposal on the distribution of the net profit for the 2021 financial year

**March 21, 2022, Arad** | The Board of Directors **submits for the approval of the General Meeting of Shareholders the distribution of the net profit for the year 2021, amounting to RON 387,001,105, in one of the following options:**

**OPTION I:** Distribution of the net profit of the financial year 2021, in the amount of **RON 387,001,105** on the following destinations:

- **Dividends RON 30,450,603 representing a gross dividend of RON 0.0600 /share,**

Approval of the date of July 28, 2022, as the dividend payment date. The distribution of dividends to shareholders will be made in accordance with the legal provisions and the payment costs will be borne by the shareholders from the net dividend amount.

- **Other reserves RON 356,550,502.**

In case of the approval of this distribution of profit, it becomes obsolete, and it is removed from the agenda of the EGM convened for April 28 (29), 2022, the proposal for the approval a buyback program for 15,300,000 shares at most, for the reduction of company's share capital (Program 5), included on topic 4 of the agenda of the said meeting.

**or**

**OPTION II:** Allocation of the amount of RON 387,001,105 to *Other Reserves*, as own funding sources, to support a buyback program for 15,300,000 shares at most, to reduce the Company's share capital (Program 5) included on topic 4 of the agenda of the EGM convened for April 28 (29), 2022.

In case of the approval of this distribution of profit, it will be submitted for the approval of the EGM convened for April 28 (29), 2022 the resolution of topic 4 on the agenda of this general meeting regarding the execution of the buyback program for the reduction of company's share capital (Program 5).

In substantiating this proposal, the Board of Directors considered the following relevant matters:

- *The current macroeconomic situation*, characterized by the persistence of uncertainty and volatility in global and local asset prices. This context also creates the emergence of investment opportunities, which the management anticipates for 2022. In this sense, in addition to the investment efforts, the strategic orientation was also the consolidation of an adequate liquidity reserve to take advantage of possible investment opportunities;
- *The degree of liquidity of the net profit obtained in 2021*, given that most of the investment gain is represented by the impact on the MTM (mark to market) of listed and unlisted shareholdings (deconsolidated subsidiaries and associates), not actually realized / collected;
- *The relative position of the Company in the investment cycle* (new investments, consuming liquidity vs. divestments from assets that are not part of the "core" portfolio): new investment projects being in early stages while the process of divestments / portfolio restructuring is not completed, being dependent on both the current economic context and the low liquidity of the non-core shareholdings listed on BVB.

**Bogdan-Alexandru DRĂGOI**

Chairman and CEO