

PRELIMINARY FINANCIAL RESULTS AS OF DECEMBER 31, 2022

SIF Banat-Crișana concludes the year 2022 with a solid financial position and a net profit exceeding the level approved by the income and expenses budget, despite the volatile and unpredictable macroeconomic conditions.

The value of SIF Banat-Crișana's total assets, as per the preliminary financial statements, was of RON 3,405.3 million as of December 31, 2022, down 5.6% vs 2021-year end.

The Company has pursued an active investment policy, making significant acquisitions throughout 2022, both in terms of direct purchases of shares listed on the Bucharest Stock Exchange and financing acquisitions conducted by the SIF's subsidiaries in the real estate segment.

During 2022, the Company recorded dividend income amounting to RON 166.2 million, significantly higher than the level achieved in 2021, due to the resumption of dividend payments by banking companies and the dividends distributed by listed issuers in which the Company acquired stakes in the first part of the year. Interest income has increased significantly compared to the previous year, as a result of asset diversification generating interest income (variable-rate loan provided to a subsidiary), holding bonds with variable interest rates (updated quarterly), and accelerated growth in interest rates earned on placements in RON in bank deposits.

Net loss on investments amounts to RON 47.4 million, being mainly the result of the valuation of the financial assets in the portfolio recorded at fair value through profit and loss (e.g. listed and unlisted shares - subsidiaries and associates, and fund units). The downward movement in 2022 of the main listed issuers included in this category (VNC and BIO) has decisively influenced the level of this position, cancelling out the positive impact resulting from the fair value evolution of shareholdings unlisted or without an active market (mainly those related to real estate entities).

Total expenses as of December 31, 2022, are below those for 2021, as savings have been recorded in the majority of operating cost categories. The decrease in commission expenses is also a result of an average level of Company's net assets, which partially determine these fees, being lower than during the previous year.

Net profit as of December 31, 2022, amounting to RON 95.5 million, is the combined effect of the impact of the net result from the valuation at fair value of the aforementioned shareholdings on the recurrent income (dividends, interest) obtained by the Company.

Total comprehensive income as of December 31, 2022, amounts to RON -144.8 million, reflecting the negative impact of the decrease of fair value of the portfolio of financial assets classified as FVTOCI (financial assets at fair value through other comprehensive income - mainly shareholdings in the financial-banking sector).

The preliminary financial results are available on company's website, www.sif1.ro, or accessing the link below.

Vice Chairman, Deputy General Director **Radu-Răzvan STRĂUȚ**
Financial Reporting Manager, **Dorel BABA**