

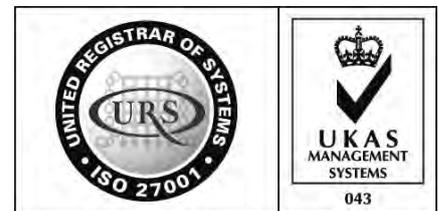


Performanță
Transparență
Calitate

Performance
Transparency
Quality

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Q1 2018 Board Report



URS is a member of Registrar of Standards (Holdings) Ltd.



Dear shareholders,

we hereby present you the results registered by SIF Moldova for the first quarter of 2018 and the objectives of the following period, in agreement with **the “2018 Activity Program” and multiannual strategies approved in the General Meetings of Shareholders.**

Portfolio Structure

The quoted shares portfolio (CORE) holds the main weight of 79% of total managed assets value, while the weight of the unquoted shares has been of 6,8%, based on the reorientation of investment policy.

We have maintained the financial and energy sectors, 45,8% namely 18,8%, reported to total assets value, as the main sectors in portfolio structure.

We have continued the restructuring process for the SELL portfolio, reducing the number of holdings by 8 in comparison to Q1 2017, through full sale and increase of issuer exposure, especially in the CORE portfolio, with positive effects on the performance of the entire portfolio.

The total value of assets under management has reached 2.075 mil lei, an increase by 13% in comparison to Q1 2017. The net asset value per share (NAV per share) of 1,93 lei in Q1 2018, registers an increase by 15% in comparison to Q1 2017, while SIF2 share price has reached a value of 1,53 lei, an increase by 77% compared to Q1 2017. These evolutions have led to the reduction of SIF2 price / NAV per share discount from 49% in Q1 2017 to 21 % in Q1 2018.

Investment process – is run on the coordinated defined for assets portfolios, namely:

- ✓ *Increase* for the Majority Holdings portfolio – **“private equity” type approach within existent majority holdings** (real estate, agriculture, other sectors);
- ✓ *Recalibration* for the CORE portfolio – listed portfolio what provides liquidity to SIF Moldova assets, representing the main income generator;
- ✓ *Restructure* for the SELL portfolio – **continuation of restructure/sale of “historic” portfolio**

We underling the significant evolutions in the development of the main projects started and run through the subsidiaries of SIF Moldova Group:

- ✓ **“Baba Novac Residence” Real estate project** developed by Tesatoriile Reunite SA Bucuresti – the building of the residential complex comprised of 6 blocks with 363 apartments and 436 parking spaces (above and underground) has started. The building of the complex is abiding by the schedule and sales rate is above that initially forecast, over 190 apartments being already contracted (April 2018).
- ✓ *Blueberry Farm Project developed by Agointens SA* – the project regarding the extension of Blueberry Farm investment to an area of 76ha, of which 24 ha existent plantations, 35 ha plantations currently being setup and 17 ha technological lands.
- ✓ *Veranda Mall Project (indirect holding through Professional Imo Partners SA and Nord SA)* – the performances registered in the exploitation of this commercial center with a rentable area of about 27.000 **square meters and an occupation degree over 97% have confirmed SIF Moldova’s projections** that have laid at the base of the investment decision.
- ✓ **“City Ring” Real Estate Project** – a new project developed through Straulesti Lac Alfa SA. The project targets the construction of 1.400 apartments, in stages, on a land of 9ha located in the NW area of Bucharest municipality. The architecture of the homes, the green areas, the vicinity to Colosseum Retail Park, the public transport and easy access to Piata Victoriei and the north area of the capital, together with the omnipresence and proximity of Colentina river and the strongpoints of this project

that aims to be the „showcase” of a new long-term urban life. The total investment of SIF Moldova, run on stages, will be of 8,3 million euro. The project financing is provided both with own capital and bank loans and the estimated project value is over 100 million euro (current report on 26.04.2018).

- ✓ *Hotel Sport Project* – ongoing; there are major delays due to the trials between Cluj Napoca City Hall and Cluj Prefecture on the procedure for amending the General Urban Plan regarding the rearrangement of some plots.

We are convinced that the coherent adhesion to the defining values - *transparency, quality, and performance* – significantly improves managerial performance for the final benefit of the shareholders.

Yours sincerely,

Costel Ceocea – President of the Board

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NOTE1:

The structure of the report complies with the provisions of CNVM/FSA Regulation no. 1/2006 regarding issuers and securities operations. For the comparability of information, SIF Moldova maintains the same structure of the periodical reports on the trimestral/ quarterly level. Additionally, the structure of the report abides by the provision of FSA Regulation no 39/2015 regarding the approval of Accounting Regulation according to the International Financial Reporting Standards, applicable to certified entities, regulated and supervised by ASF.

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Activity Analysis.

1.1.

Activity. Identification Data.

INVESTMENT COMPANY
TYPE

SIF Moldova is an AOPC, positioned mainly on the Romanian market, as closed fund with predominant share investments with average risk degree and temporary liquidity investments in fixed -rate instruments

Legal Framework - SIF Moldova SA is classified in the Alternative Investment Funds Manager (AIFM) category, certified by the Financial Supervision Authority under no. 20/23.O1.2018 and functions abiding by the provisions of Law 24/2017 regarding the issuers of financial instruments and market operations and Law no. 31/1990 regarding companies.

Purpose – increase of the managed assets value.

The main field of activity of the company is financial investments.

Its activity object consists in:

- a) administration and management of financial instruments, derived financial instruments and other instruments qualified as such by the regulations of competent authorities;
- b) administration and management of equities/bonds and other rights derived from them in companies that are closed or not traded;
- c) risk management;
- d) other auxiliary and connected activities of collective management.

Identification Data:

Headquarters: Str. Pictor Aman nr.94 C, Bacau

Tel./fax/e-mail: 0234576740 / 0234570062 / sifm@sifm.ro

Fiscal identification code: 2816642

Trade Registry Number: JO4/2400/92

LEI: 254900Y1O0025N04US14

Subscribed and paid-up capital: 101.317.917,6 lei

Number of issued shares: 1.013.179.176

Nominal value: 0,1 lei/share

Shareholding structure: 100% private

Free float: 100%

FSA registry no.: PJR07¹AFIAA/040002

Regulated market on which issued securities are traded: Bucharest Stock Exchange, Premium category

International identifiers:

Bucharest Stock Exchange: SIF2

ISIN: ROSIFBACNORO

Bloomberg: BBGID BG000BMN5F5

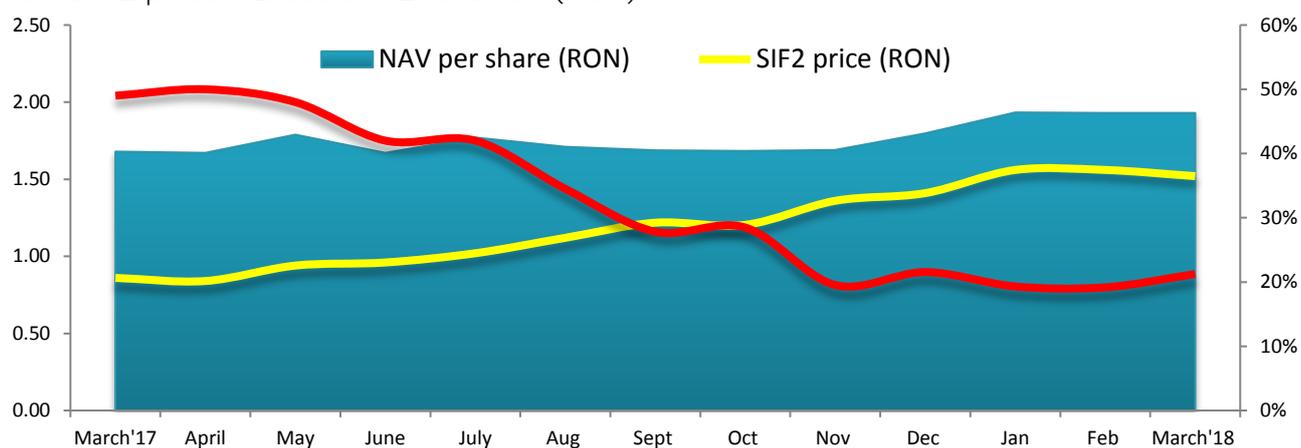
Reuters: SIF2.BX

1.2. Indicators. Objectives. Performance.

Assets under management

Indicator (million lei)	2016	Q1 2017	2017	Q1 2018	Q1 2018 / Q1 2017 %
Total Assets (million lei)	1.694	1.843	1.912	2.075	+13
Net Asset Value (million lei)	1.587	1.717	1.792	1.927	+12
NAV per share (lei)	1,55	1,68	1,79	1,93	+15
Market price (lei)	0,78	0,86	1,41	1,52	+77
Discount (%): market price / NAV/shr	50	49	22	21	-28

NAV / SIF2 price / Discount Evolution (YoY)

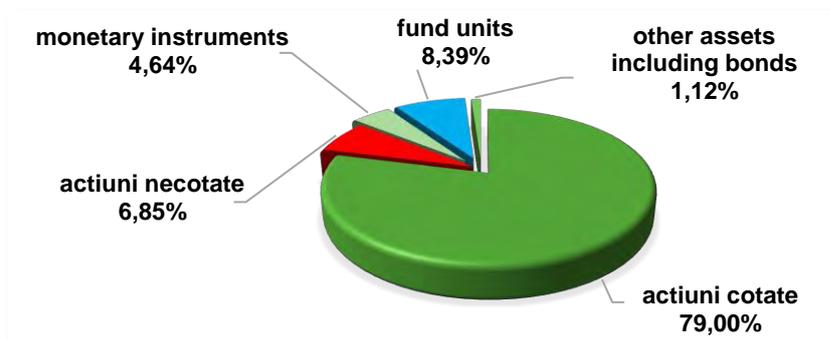


Assets Structure

Assets Structure (% of total assets value)	2016	Q1 2017	2017	Q1 2018	Q1 2018/Q1 2017 %
Shares, of which:	86,17	87,78	87,80	85,85	-1,93
- listed	74,11	76,35	79,39	79,00	+2,65
- unlisted	12,06	11,33	8,41	6,85	-4,48
AOPC + OPCVM equity securities (fund units)	5,42	5,22	8,96	8,39	+3,17
Monetary instruments (deposits, availabilities)	7,00	5,98	1,91	4,64	-1,34
Bonds (municipal, corporate)	0,58	0,53	0,41	0,37	-0,15
Other assets	0,83	0,58	0,92	0,75	+0,18

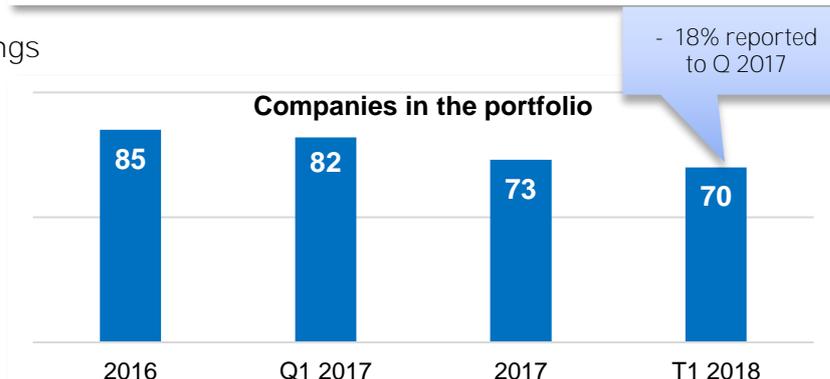
Portfolio structure on asset types Q1 2018. (% of total assets value)

Objective:
Maintaining the main share weight, namely listed shares



Evolution of the number of holdings

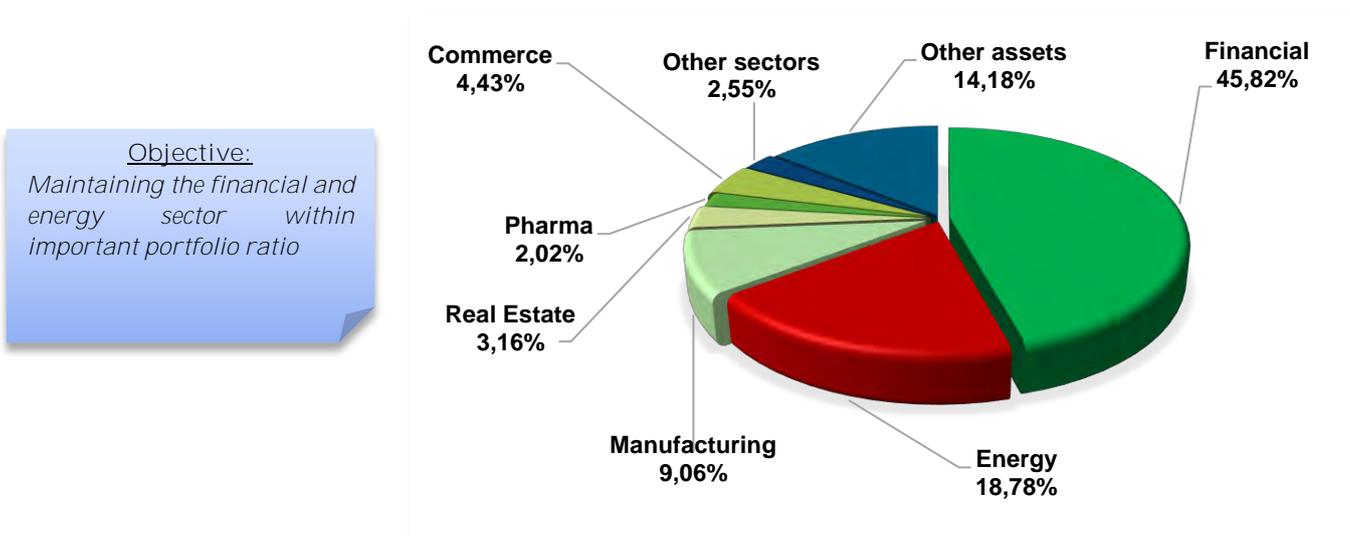
Objective:
Decrease in the number of holdings and increase of exposure/issuer, so that we can directly positively influence the portfolio.



Sectorial Exposure Evolution

Sectorial exposure (% of total assets value)	2016	Q1 2017	2017	Q1 2018	Q1 2018/Q1 2017 %
Financial	43,72	44,32	45,26	45,82	+1,5
Energy	19,90	22,32	18,18	18,78	-3,54
Processing industry	9,21	8,30	9,59	9,06	+0,76
Trade	2,20	1,59	5,58	4,43	+2,84
Real estate	7,20	6,57	3,81	3,16	-3,41
Pharmaceutical	2,29	2,12	2,09	2,02	-0,10
Agriculture	0,97	0,79	1,13	1,11	+0,32
Other sectors	0,68	1,55	2,04	1,44	-0,11

Sectorial exposure – Q1 2018 (% of total assets value).



Top companies/holdings in the portfolio Q1 2018

Issuer	% holding of issuer's share capital	weight > 1 % of total assets value
BANCA TRANSILVANIA	7,23	39,64
OMV PETROM	0,86	7,52
AEROSTAR	15,05	5,81
ROMGAZ	0,80	5,65
TRANSGAZ	2,33	5,40
PROFESSIONAL IMO PARTNERS	31,42	3,51
TESATORIILE REUNITE	99,99	2,73
SIF BANAT CRISANA	3,55	2,50
BIOFARM	13,62	1,99
SIF MUNTENIA	4,97	1,70
MECANICA CEAHLAU	73,30	1,22
SIF TRANSILVANIA	4,98	1,20
AGROINTENS	99,99	1,10
TOTAL		79,96

SIF's comparative evolution: Q1 2018 / Q1 2017

million lei	SIF1	SIF2	SIF3	SIF4	SIF5
Net assets Q1 2018	2.764	1.927	1.028	1.446	1.781
Net assets Q1 2016	2.114	1.717	944	1.222	1.729
net assets Q1 2018 / Q1 2017%	30,7	12,2	8,9	18,3	3,0
Liquidities Q1 2018*	64,0	96,7	23,6	19,6	3,5
Liquidities Q1 2017*	70,2	110,2	21,6	63,5	11,6
Liquidities evolutions Q1 2018 / Q1 2017 %	-8,8	-12,3	9,2	-69,0	-69,9
short-term financial investments Q1 2018	2.033	1.661	914	1.026	1.117
Short-term financial investments Q1 2017	1.455	1.443	701	869	1.147
Short-term investment evolution Q1 2018/Q1 2017%	39,6	15,0	30,4	18,1	-2,6
Net result Q1 2018	7,2	0,3	8,1	2,8	2,9
Net result Q1 2017	5,4	8,3	3,1	5,6	1,5
Net profit evolution Q1 2018/Q1 2017 %	34,6	-96,5	156,0	-50,4	93,0
Capitalization Q1 2018	1.456	1.540	498	710	1.276
Capitalization Q1 2017	1.001	873	546	574	992
Capitalization evolution Q1 2018 / Q1 2017 %	45,3	76,3	-8,8	23,6	28,6
NAV per share Q1 2018 lei	5,3421	1,9330	0,4719	1,7924	3,0706
price Q1 2018 lei	2,8000	1,5200	0,2280	0,8800	2,2000
Price/ NAV per share discount 30.03.2018 %	-47,5	-21,3	-51,6	-50,9	-28,3
Price/NAV per share discount 31.03.2017 %	-52,8	-48,7	-42,2	-53,0	-42,6
Dividend 2017	0	0,05	0,01	0,0347	0,07
DY%	0	3,29	4,39	3,94	3,18
no. of shares	520.000.000	1.013.179.176	2.184.286.664	807.036.515	580.165.714

*availabilities, deposits, state titles

In Q1 2018 SIF Moldova registers the lowest price/NAV of 21% in comparison to 49% in Q1 2017. At the same time, it is on the first place regarding capitalization, of 1,5 billion lei, an increase by around 76% in comparison to Q1 2017.

1.3 Portfolios. Strategies. Results.

SIF Moldova has three main portfolios: “**CORE**”, “**SELL**” and “**MAJORITY HOLDINGS**”.

The management of portfolio holdings has been made on the coordinates of the multiannual strategies and the 2018 Activity Program, namely:

- ✓ Increase for the Majority Holdings Portfolio - “**private equity**” type approach, within the real estate, agricultural and other sectors;
- ✓ Recalibration for the CORE Portfolio- listed portfolio that offers liquidity to SIF Moldova assets; representing the main revenue generator;
- ✓ Restructure for the SELL Portfolio– **continuation of the restructure/sale of the “historic” portfolio.**

1.3.1. “**CORE**” Portfolio

On 31.03.2018, CORE portfolio represented 75,95% of total assets value and included top BVB listed issuers, such as: TLV, TGN, SNG, SIFs, SNP, ARS, BIO, with a value of 1.576 mil lei, representing 102% of SIF2 (1.540 million lei) market value. The figures also include holdings in NORD and PPLI issuers, indirect holding in Veranda Mall.

The evolution of CORE Portfolio on sectorial exposures:

- Financial –Bank Sector – represents on 31.03.2018 45,82% of total assets (compared to 45,26% on 31.12.2017).

In compliance with the investment strategy of SIF Moldova that foresees the continuation of financial-bank sector investments, we have maintained an important holding on BANCA TRANSILVANIA due to the high yield offered (cash + free shares) and the share increase potential based on the ability to increase equity through organic growth and acquisitions, namely to maintain a competitive PBV in comparison to those of similar banks in EEC. Thus, on 31.03.2018 TLV exposure was of 39,64 % of total assets value of SIF MOLDOVA, an increase from 35,02% on 31.12.2017.

The results obtained in Q1 2018 prove that the growth oriented business model of Banca Transilvania continues to be efficient, as proven throughout the financial crisis when the bank has systematically increased its market share in an aggressive manner. We expect that the high financial results support the share price and we think that the absorption of Bancpost by the end of the year will consolidate Banca **Transilvania’s profitability** and the bank evaluation attractiveness.

While reaching historic price maximum levels which caused TLV issuer exposure to reach the allowed limit of 40% of total assets, based on the internal exposure management mechanism, markings were made obtaining transaction gains.

Given the need to provide the operational cash-flow and achieve 2018 investment program, since SIF’s investments in SIF Oltenia shares has reached its purpose, registering a yield (IRR) of 10% during the holding, SIF Oltenia package was sold, that is a number of 28.760.041 shares.

SIF Holdings represented on 31.03.2018 a percentage of 5.4% of total assets.

- Energy sector – the weight of the energy sector in total assets on 31.03.2018 has reached 18,78% in comparison to 18,18% on 31.12.2017.

The gas and petrol products, namely ROMGAZ and OMV PETROM have registered very good results in 2017, supported by the petrol and gas price increase, as well as energy price increases.

ROMGAZ (SNG), OMV PETROM (SNP) and TRANSGAZ (TGN) have suggested the payment of consistent dividends for year 2017, SNP and TGN with dividend yield over 6% and Romgaz with a yield over 13%.

For these issuers there are the premises that the stable financial results, based on the positive dynamics of Oil & Gas market and solid strategies, as well as predictable dividend policy will continue to contribute to the increase of share price.

In TRANSGAZ case, although it was proposed that 51% of the 2017 profit be paid as dividends, below **shareholders' expectations, we think that** the start of new investments in the coming year should be a profitability catalyst, contributing to the increase of regulated EBIT, supporting the price on the market. The implementation of the projects proposed by TRANSGAZ might help Romania become an important player in the European Union in the energy sector.

- Other operations made on CORE portfolio assets:
 - ✓ we have continued the SIF1 share purchase given the quality and high liquidity of the portfolio.
 - ✓ the liquidities management policy has also been implemented through fund unit transactions, namely disinvestments in OTP Comodis, BT Maxim, FII BET-FI INDEX INVEST and STK Europe and investments in FII DCP INVESTITII and FDI Piscator Equity Plus.

1.3.2. "Majority Holdings" Portfolio. SIF Moldova Group

On 30.03.2018, the Majority Holdings (MH) portfolio registered a value of 140 mil lei, representing 6,75% of total SIF Moldova's assets.

The members of SIF Moldova Group has been certified by FSA (*certificate no. 27/18.11.2015, certificate update no. 1/07.02.2017 and no. 2/23.01.2018*) and include 8 subsidiaries on the reporting date :

No.	Subsidiary name	SIF Moldova – mother company, Direct SIF Moldova Holding %	Company type (closed/listed)	Weight in total assets %
1	AGROINTENS SA	99,99	unlisted	1,0984
2	AGROLAND CAPITAL SA	99,99	unlisted	0,0028
3	ASSET INVEST BACAU	99,99	unlisted	0,1429
4	CASA SA BACAU	99,02	unlisted	0,4339
5	HOTEL SPORT CLUJ	99,99	unlisted	0,7800
6	MECANICA CEHLAU	73,30	BVB-REGS (MECF)	1,2204
7	REGAL	93,02	BVB-ATS (REGL)	0,3442
8	TESATORIILE REUNITE	99,99	unlisted	2,7277

Rules applied in compliance to AIFM

- ✓ Private equity type investments through which control is obtained on unlisted companies, is in agreement with the multiannual investment strategies and legal risk and prudential limits of SIF Moldova, without representing the main investment policy.
- ✓ SIF Moldova is a shareholder with a holding of over 99% in all unlisted shares. In the selection of monitoring of investments in unlisted companies, SIF Moldova applies a high level of diligence, its staff holding the proper competencies and vocational skills for the investment field specific activities: financial, legal, commercial and technical activities, negotiation, conclusion of agreements and contracts.
- ✓ These assets are evaluated in compliance with the evaluation policies and procedures, their value being reported on a monthly basis.

In compliance with *2014-2018 Investment Policy Statement* SIF Moldova has an investment strategy to develop the Majority Holdings Portfolio, characterized by:

- a) Project implementations in different activity sectors and business development for the **companies in SIF Moldova's historic portfolio.**
- b) Investments in this portfolio represent a private-equity type approach, that involves the development of existent majority holdings (real estate, agricultural machines, agribusiness), as well as new investments (real estate, agribusiness) and offer average and long-term increase opportunities.

The private equity type approach involves an active involvement in entrepreneurial rejects, which lead to the increase of managed assets profitability increase and offers the possibility to compensate for possible involutions **of SIF Moldova's holdings in listed companies.**

Some of the investments presented in the following paragraphs are in the increase/development period, while others are in the maturity stage of the business life cycle.

1.3.2.1. "VERANDA MALL" Project (www.verandamall.ro)

Project description: The investment project consisted in the construction and operation in association of Veranda Mall Commercial Center in Bucharest, in Obor-Colentina area, through the company Veranda Obor SA. Veranda mall is a proximity mall, located in a heavy populated area, with commercial traffic.

SIF Moldova's **investment**: SIF Moldova's **indirect holding in** Veranda Obor SA is of about 37% following the cancellation of Real Estate Asset SA subsidiary in December 2017.

The result of the operation was that Real Estate Assets SA's holdings in the following companies entered SIF Moldova's portfolio:

- ✓ Professional Imo Partners SA (PPLI) - 24.307.608 shares, representing 31,42% of share capital;
- ✓ Nord SA (NORD) - 1.658.681 shares, representing 18,12% of share capital, listed on BVB – ATS market.

Project characteristics: GLE (built area) about 67.000 sqm; GLA (rentable area) about 27.000 square meters.

Operation: Veranda Mall opened on 27th October 2016 and on 31st March 2018 it has an occupation degree of about 97%.

1.3.2.2. Tesatoriile Reunite SA – "BABA NOVAC RESIDENCE" residential project (www.babanovac-residence.ro)

Project Description: **use of the company's land by building a residential complex.**

"BABA NOVAC RESIDENCE" is a residential real estate project developed by Tesatoriile Reunite SA.

Our partners for this project are: Octagon Constructing & Engineering – general contractor, Vitalis Consulting – project manager, both partners being high ranked professionals on the Romanian market. For the sale of the apartments, in order to maximize project profitability, we have contracted the services of Coldwell Banker – sale agent.

SIF MOLDOVA's **Investment**: In order to achieve the investment project, SIF Moldova has subscribed **to the increase of Tesatoriile Reunite SA (TERU)'s capital with the amount of 5 million euro**. The co-financing of the project has been insured through the contracting of an investment bank credit by Tesatoriile Reunite SA from Raiffeisen Bank for about 18 million euro.

Project characteristics: 6 blocks of 363 apartments, 436 parking spaces of which 298 underground and 138 spaces above the ground. It is estimated that the project will be completed in 22 months, the first apartments are to be finished and delivered in the autumn of 2018.

The investment project value, on sale, is of about 34 mil euro.

During the reporting period the construction works were executed according to the schedule agreed on with the builder. The construction of the complex abides by the time frame and the sale pace is that initially forecast. On 31.03.2018, 179 apartments have already been contracted or have signed promissory documents; these represent 49% of the total number of apartments.

Exit possibilities: investment recovery will be made through the sale of the built apartments.

Financial results on 31st March 2018, unaudited

Indicators - TERU (thousand lei)	Budget 2018	Q1 2018	Q1 / Budget (%)
Total revenue	85.446	10.431	12,2
Total expenses	79.122	10.794	13,6
Net profit/ Loss	1.410	-366	-

1.3.2.3. Agointens SA – "BLUEBERRY FARM" project

Premise: The project was based on the development of a business in the agro-business field and involved the purchase of a blueberry farm with a cultivated area of about 18 hectares by Agointens SA.

The company also considered extending its cultivated areas, both through the setup of new farms and the purchase of existent ones.

Current status:

- ✓ *Vistea Farm – Farm extension* - around 6,5 ha were planted; the works for the electric energy supply have been completed and the fertilization and watering installations have been updated/automated. The total area of Vistea farm is now about 24 ha of which 18 ha in production.
- ✓ *Mandra* (farm currently being setup), the following were finished: preparation of planting beds on the entire plantation area, that is about 35 ha; main access road: water supply basin and drilling; plantation fence; planting on about 22 ha; currently carried out: works for the secondary roads, automated fertilization and watering installation system.

Exit possibilities: investment recovery will be made through dividends, capital return and sale of **investment in about 10 years' time**.

Financial results on 31st March 2018, unaudited

Indicators – AGROINTENS (thousand lei)	Budget 2018	Q1 2018	Q1 / Budget (%)
Total revenue	5.885	597	10,1
Total expenses	8.444	1.071	12,7
Net profit/ loss	-2.559	-474	-

Note: 2018 REB will be subjected for OGMS approval that will be held in May 2018.

1.3.2.4. Hotel Sport Cluj SA

Project description: The project was based on development through the diversification of the business portfolio in the hotel sector, through the purchase of a hotel located with an important development potential (*Current report of December 4 2015*).

The project is structured in stages: pre-development, concept definition, planning, certification, development, execution, follow-up, equipment, reception, opening.

Between 2015 and 2018 the management of the company initiated all the specific procedures for obtaining the necessary authorizations for the implementation of the project on the presented stages.

Current status: There are considerable delays in the running of the project because of the processes between Cluj Napoca Town Hall and Cluj Prefecture regarding the urban plan modification procedure concerning the reclassification of some plots. The company cannot control this blockage of an **unpredictable nature, which leads to a lowering of the investment's initially estimated yield, so that at present we are considering an exit possibility**.

Financial Results on 31st March 2018, unaudited

Indicators – HOTEL SPORT CLUJ (thousand lei)	Budget 2018	Q1 2018	Q1 / Budget (%)
Total revenue	157	43	27,4
Total expenses	1.212	302	24,9
Net profit/ loss	-1.056	-259	24,5

1.3.2.5. Agroland Capital SA

The company has been setup with the purpose of capitalizing from investment opportunities in the agribusiness- real estate area, in order to create added value for the shareholders. The company did not carry out any activity in 2017, investment projects are to be carried out through it in the future.

Financial Results on 31st March 2018, unaudited

Indicators – AGROLAND CAPITAL (thousand lei)	Budget 2018	Q1 2018	Q1 / Budget (%)
Total revenue	0,05	0	0
Total expenses	28	5	17,8
Net profit/ loss	-28	-5	17,8

1.3.2.6. CASA SA

The company manages own real-estate assets and those of SIF Moldova. Its own real-estate property includes on 31.03.2018, a number of 12 buildings located in various municipalities (Suceava, Botosani, Piatra Neamt, Bacau, Iasi, Galati, Braila, Tulcea), with a useful area of about 5.700 sqm, of which around 2.600 sqm are rented. Additionally, the company manages real estate assets belonging to SIF Moldova, with an area of about 2.030 square meters, the rented area being of about 1.600 sqm

Following GMS approval on 09.08.2017 to sell the area located in the center of Bacau city, 300 square meters, the final sale and purchase agreement of about 0,25 mil euro has been concluded on 30.03.2018.

In February 2018, we have purchased the commercial area consisting in the 2nd and 3rd floors of **Luceafărul** store, located in Bacau municipality, total area of 2.787 sqm, based on the Payment Contract certified under no. 248/28.02.2018, the transaction value being of 3,5 mil lei.

Through this transaction the debt of **Luceafărul SA**, purchased by Casa SA from SIF Moldova based on the Debt Cession Agreement no. 5200/03.10.2017 is extinguished.

Financial Results on 31st March 2018, unaudited

Indicators – CASA (thousand lei)	Budget 2018	Q1 2018	Q1 / Budget (%)
Total revenue	2.403	256	10,7
Total expenses	2.235	257	11,5
Net profit/ loss	144	-4	-

The net result on 31.03.2018 does not include the amount to be collected representing the auction sold asset value(the value of this asset will be presented on the financial statements of the 3rd quarter of 2018).

The legal documents concluded by SIF Moldova with Casa SA subsidiary have been reported in compliance with art. 82 Law no. 24/2017.

1.3.2.7. Regal SA

The company manages its own commercial areas (useful area of about 4.500 sqm) and has a program to sell areas without rental or development potential.

Financial Results on 31st March 2018, unaudited

Indicators – REGAL (thousand lei)	Budget 2018	Q1 2018	Q1 / Budget (%)
Total revenue	1.639	196	12,0
Total expenses	942	191	20,3
Net profit/ loss	585	5	0,9

Later corporal events:

EGMS on 24.04.2018: The sale of assets through public auction has been approved: " Olt 3 Restaurant", " Brates Port Bar", " Dunareana Bar", " Pescarul Restaurant" and " Locomotiva Restaurant" located in Galati.

OGMS on 24.04.2018: For financial year 2017, the following were approved: distribution of cumulated dividends of 2,28 mil lei (from (i) 2017 net profit, (ii) reduction of reserves setup from the net profits of the previous years, and redistribution of resulted net profit on dividends, and (iii) the lowering of the legal reserves setup from the gross profit of the previous year and distribution of dividends not collected in the previous years), representing a gross dividend of 1,90 lei/share.

1.3.2.8. Mecanica Ceahlau SA

The company manufactures agricultural equipment for soil management and sells (i) Steyr tractors, (ii) Project herbicidation/ spraying machines, and (iii) Stoll front loaders.

Financial Results on 31st March 2018, unaudited

Indicators – MECANICA CEHLAU (thousand lei)	Budget 2018	Q1 2018	Q1 / Budget (%)
Total revenue	47.600	11.041	23,2
Total expenses	44.700	9.450	21,1
Net profit/ loss	1.900	1.171	61,6

The turnover was mainly obtained from the sale of own products (77%) the difference being the distribution of machines and equipment (19%) and the delivery of other services (4%).

Corporate event – *EGMS on 22.01.2018*: The sale of the asset located in Piatra Neamt, str. Aurel Vlaicu no. 34, an area of 23.235 sqm was approved and the procedure is currently running.

1.3.2.9. Asset Invest

The company has the following main action directions:

- ✓ the management of companies in its own portfolio, with the main objective of liquidizing these participations. On 31.03.2018 the company managed a portfolio of 38 companies, of which 3 functional ones, 2 in administrative liquidation, 4 in insolvency and 29 in judicial liquidation.
- ✓ **Representation in GMS/BD of the companies in its own portfolio or from SIF Moldova’s portfolio.**
- ✓ **Monitoring the information and events of the companies in SIF Moldova’s portfolio based on service agreements.**

In compliance with the mandate framework contract concluded with SIF Moldova, Asset Invest has continued sale negotiations for the share packages held by SIF Moldova, by analyzing some exit **possibilities: sale of SIF Moldova’s holding, holding sale with the majority holder, division on assets structure, etc.**

Financial Results on 31st March 2018, unaudited

Indicators - ASSET INVEST (thousand lei)	Budget 2018	Q1 2018	Q1 / Budget (%)
Total revenue	678	217	32
Total expenses	614	123	20
Net profit/ loss	57	92	161

The legal documents concluded by SIF Moldova with Asset Invest subsidiary have been reported in compliance with art. 82 Law no. 24/2017.

1.3.2.10. “CityRing” Real Estate Project

(later event, following the reporting date, current report on 26.04.2018)

SIF Moldova is investing in a new real estate project, developed through Straulesti Lac Alfa SA. The project targets the construction of 1.400 apartments, on stages, an area of about 9 ha, located in the North western area of Bucharest municipality. The architecture of the homes, relaxation areas, proximity to Colosseum Retail Park, public transport and easy access to Piata Victoriei and the north area of the capital, together with the omnipresence and proximity of Colentina river, represent the strongpoints of this project that **aims to be the “showcase” of a new long-term urban living.**

SIF Moldova invests in Straulesti Lac Alfa SA Company along with City Ring Property SRL, a company held by Mr. Liviu Lepadatu and Eugen Lepadatu, who also provide the management of the real estate project development.

SIF Moldova’s total investment, run on stages, will be of 8,3 million euro. Project financing is provided both from equity and bank loan, and the estimated project value is over 100 million euro.

1.3.3. “SELL” Portfolio

In order to reach the investment objectives foreseen in the multiannual strategies and 2018 Activity Program, SIF Moldova has continued to lower the weight of SELL Portfolio, a portfolio selected based on low liquidity, performance and increase potential criteria. Thus, on 31.03.2018 the weight of SELL portfolio has been reduced to 3,11% of total assets value, in comparison to 5,13% on 31.03.2017, the main strategy applied being that of restructure through sale. To the extent that the positions in this portfolio are sold, the liquidities feed the investment needs of SIF Moldova.

In the 1st Quarter of 2018 we have sold the holdings of SIF Moldova in the following companies, either directly, or indirectly through proxy Asset Invest:

- ✓ GALGROS SA - SIF Moldova SA as collected the amount of 2,04 million lei, **as a result of the company's** withdrawal from Galgros SA Galati, according to the provisions of Law 151/2014.
- ✓ UPSS SA – partial collection of the amount for the withdrawal from UPSS, according to the provisions of Law 151/2014
- ✓ Compa SA – partial package sale;
- ✓ Electromagnetica – partial package sale
- ✓ Luceafarul Bacau– completion on the level of SIF Moldova Group - through CASA SA subsidiary- of the debt extinguishing operation worth 3.524.450 lei on Luceafarul SA, an amount that represented the value of the shares for which SIF Moldova has exercised its right to withdraw from the company, in compliance with the provisions of Law no. 151/2014; the debt payment was made through a **”Payment Operation” namely the receipt of an asset with a total area of 2.800 square meters- the 2nd and 3rd floors of ”Luceafărul” General Store in exclusive property.**

We have actively participated to the General Meetings of the Companies in the portfolio by amending the addenda with new items, by asking the Board of Directors questions, requesting the completion of informative materials. We have contested the resolutions of the General Meetings, with the purpose of **protecting SIF Moldova's interests.**

1.3.4. Implementation status of the 2018 Investment Program

SIF Moldova has analyzed and implemented investments *compliant with the directions and principles presented in the 2018 Activity Plan, approved by the shareholders* (OGMS on 27.04.2018).

	2018 Activity Program (million lei)	Achieved in Q1 2018 (million lei)
Total investment project, of which:	120	15,8
Majority Holdings		0
CORE		0,8
Fund units		15

2

Financial Position and Performance

The special purpose financial statements have been drafted by the Company in compliance with the recognition measurement and evaluation criteria of the International Financial Reporting Standards adopted by the European Union (“IFRS”), with the exception of IFRS 10 “Consolidated financial statements” and IAS 27 “Individual Financial Statements”, and Regulation 39/2015 for the approval of accounting regulations compliant with the international financial reporting standards applicable for entities certified, regulated and supervised by the Financial Supervision Authority in the field of Financial Instruments and Investments (FSA). In the understanding of Regulation 39/2015, the International Financial Reporting Standards, hereinafter referred to as IFRS, represent the standards adopted according to the procedure foreseen by CE Regulation no. 1606/2002 of the European Parliament and Council on 19th July 2002 regarding the application of international accounting standards, with its later amendments and additions.

2.1. Overall result. Management Expenses. Financial position.

➤ Individual statement of overall result:

(lei)	2016	Q1 2017	2017	Q1 2018
Revenue				
Revenue from dividends	118.775.487	128.153	73.301.258	8.490
Revenue from interest	1.216.794	300.626	1.148.917	214.907
Other operational revenue	846.767	202.590	897.387	212.502
Other revenue	2.792.301	31.796	4.781.789	450.379
Revenue from investment	-	-	-	-
Net revenue from assets sale	94.672.066	7.172.556	100.530.811	365.600
Net loss/ net earnings from the re-evaluation of financial assets at fair value through the profit or loss account	(6.504.125)	7.174.521	40.549.007	5.557.671
Net earning from the re-evaluation of real estate investments	240.932	314.328	314.328	-
Expenses				
Expenses from assets impairment	(46.908.657)	(336.735)	(152.475)	20.226
Expenses with the setup of provisions for risks and expenses	(145.628)	(16.308)	901.839	-
Other operational expenses	(31.174.094)	(5.121.579)	(34.737.537)	(6.019.567)
Other expenses	(8.820)	-	(2.219.881)	(2.940)
Profit before taxation	133.803.023	9.849.948	185.315.443	807.269
Profit tax	(10.505.003)	(1.548.772)	(20.528.695)	(522.072)
Net profit of the financial year	123.298.020	8.301.176	164.786.748	285.197
Increases / (Decreases) of the reserve - from the revaluation of tangible assets	-	-	-	14.381
Gain / (Loss) related to the financial assets measured at fair value through other ceded comprehensive income / financial assets available for sale	1.418.212	-	(297.959)	7.970.833
Net gain from the revaluation of the financial assets measured at fair value evaluated through other comprehensive income / available-for-sale financial assets	-	127.923.435	-	64.072.301
Transfer of the reserve in the reported result following the transition to IFRS 9 net of tax	165.342.680	120.430.881	41.670.900	103.084.492
Other overall results elements	166.760.892	120.430.881	41.372.941	175.142.007
Total overall result of the period	290.058.912	128.732.057	206.159.689	175.427.204

Starting on 1st January 2018, SIF Moldova has adopted IFRS 9, from that date on assets have been reclassified taking into consideration the business model and the long-term objectives of the company. Thus the new classification influences the way in which transaction gains and losses are reflected, these are present in both the profit or loss account and in the Reported Result account.

➤ Management Expenses

The monthly average percentage of management expenses represents 0,07%, of total assets value

The monthly average of management expenses represents 0,07% of total assets value, being lower than the commissions paid to management companies by investment funds (0.10% - 0.40%).

Management expenses structure

Management Expenses (lei)	4.582.293
1. Expenses with materials	41.850
2. Expenses with energy and water	57.742
3. Staff expenses, of which:	3,591,699
- wage rights and allowance	3,472,177
- expenses with insurance and social protection	107,576
- professional training expenses	11,946
4. Expenses with outsourced services	891,002

Management expenses **include expenses directly connected to the company's carrying out its current activity.**

In the management expenses the weight is held by *staff expenses* (wages, indemnities, social insurance, professional training), that is 78,38% of management expenses.

Expenses with outsourced services represent 19,44% of management expenses and mainly include expenses with maintenance and repairs, company monitoring, professional counseling, management of areas and archives, insurance, postal expenses and subscriptions, rents, royalties, concessions, protocol, travels and other expenses.

Expenses with materials, energy and water, represent 2,17.% of total management expenses.

➤ Individualized statement of financial position:

(lei)	2016	Q1 2017	2017	Q1 2018
Assets				
Cash and cash equivalents	931.024	2.541.252	229.547	161.881
Bank deposits	117.794.735	107.770.728	36.387.265	96.157.495
Financial assets at fair value through the profit and loss account	128.999.673	141.120.484	204.732.623	299.501.445
Financial assets at fair value through other elements of overall result	1.448.569.452	1.592.360.184	1.611.822.537	1.664.007.669
Investments held to maturity	9.573.804	9.495.506	7.324.894	7.204.954
Real estate investments	3.505.273	3.505.273	3.505.273	3.505.273
Intangible assets	113.180	76.814	21.294	17.931
Tangible assets	8.140.477	7.605.961	8.213.719	8.527.611
Other assets	1.347.293	1.583.039	7.910.991	4.154.314
Total assets	1.718.974.911	1.866.059.241	1.880.148.143	2.083.238.573
Liabilities				
Dividends to pay	29.258.494	29.065.878	33.087.963	32.778.055
Provisions for risks and expenses	3.452.286	3.468.594	2.565.455	2.565.455
Liabilities regarding deferred profit tax	69.089.754	90.619.428	79.144.662	102.019.972
Liabilities regarding current profit tax	-	-	5.033.350	10.468.041
Other liabilities	17.082.627	16.509.227	23.742.318	18.372.102
Total liabilities	118.883.161	139.663.127	138.540.398	166.203.625
Equity				
Share capital	539.720.149	539.720.149	539.720.149	537.220.149
Reported result	445.783.128	454.084.304	573.485.823	661.895.214
Reported result from title sale	-	-	-	8.591.845
Reserves from the re-evaluation of tangible assets	9.095.516	8.796.435	8.797.557	8.811.939
Reserves from the re-evaluation of financial assets available for sale	616.216.703	736.647.584	657.887.603	721.959.904
Other equity elements	(10.723.746)	(12.852.358)	(38.283.387)	(12.852.258)
Total equity	1.600.091.750	1.726.396.114	1.741.607.745	1.917.034.948
Total liabilities and equity	1.718.974.911	1.866.059.241	1.880.148.143	2.083.238.573

2.2.

Performance indicators

	2016	T1 2017	2017	T1 2018
Current liquidity indicator	6,89	7,16	5,17	2,50
Immediate liquidity indicator	6,89	7,16	5,17	2,50
Fixed assets rotation speed	0,16	0,01	0,14	0,00
Total assets rotation speed	0,14	0,01	0,13	0,00
Liability-clients rotation speed	2	27,8	6	36,37
Engaged profit profitability	8,36	0,57	10,64	0,04
Result per basic share (lei/share)	0,119	0,07	0,159	0,16

Specifications:

Current liquidity indicator = current assets/ current liabilities

Immediate liquidity indicator = (current assets- stocks)/current liabilities

Fixed assets rotation speed = revenue from current activity/fixed assets

Total assets rotation speed = revenue from current activity/ total assets

Liability- clients rotation speed = average liability balance/ turnover x number of days in the reporting period.

Engaged profit profitability = profit before interest and profit tax payment / engaged capital*100(%)

2.3.

2018 Budget Achievement Degree

	Forecast 2018	Achieved Q1 2018	(%)
	1	2	3 =2/1
Total Revenue	103.335.525	6.897.290	7
Financial revenue	92.170.981	6.590.877	7
• revenue from capital assets (dividends)	88.722.162	8.490	0
• revenue from receivables (bank interest + bonds)	800.000	214.907	27
• revenue from ceded financial investments	233.504	5.923.272	2537
• other financial revenue	2.415.315	444.208	18
Revenue from current activity	11.164.544	306.413	3
• revenue from rents and associated activities	800.000	205.546	26
• revenue from provisions	10.064.544	32.007	0
• other revenue from current activity	300.000	68.860	23
Total expenses	46.966.258	6.090.021	13
Financial expenses	1.000.000	168.045	17
• transaction commission expenses	1.000.000	122.111	12
Current activity expenses	45.966.258	5.921.976	13
Gross profit	56.369.267	807.269	1
Taxable profit	2.788.013	9.443.361	339
Profit tax	4.574.298	522.072	11
Net profit	51.794.969	285.197	1

3

SIF 2 Share on BSE

Number of shares: 1.013.179.176
 Nominal value: 0,1 lei
 Share capital: 101.317.917,6 lei
 Capitalization: 1.540.032.347 lei
 31.03.2018 (331 mil euro)

Price: 1,52 lei, EPS: 0,16 lei, PER: 9,5; DIV Y: 3,3%
 52 m: 0,82 lei; 52 M: 1,70 lei

The market on *which* SIF 2 shares are traded: Bucharest Stock Exchange, Premium category, since de 01.11.1999

The record of shares and shareholders is kept according to legal provisions by SC Depozitarul Central SA.

SIF2 share evolution between 31.03.2017 – 31.03.2018



(Source: Bloomberg Finance)

Yields: SIF 2 share, SIF 2 NAV, BET-FI

Yields on 30.03.2018 (%)	SIF2 Share	BET FI	NAV SIF2
1 month	-2,94	-2,91	0,13
3 months	7,80	2,76	7,52
6 months	24,79	8,88	14,55
12 months	76,33	27,59	15,03

Note: The historical price series and NAV taken into consideration for the calculation of the rate of return/risk indicators are adjusted with the corporate events of the issuers

Risk analysis (1Y, daily series): SIF 2 share / BET-FI

Indicator	SIF2 Share	BET-FI
Volatility (%) [*]	20,98	10,20
Beta ^{**}	1,56	1

^{*} Volatility (12M) = annualized volatility

^{**} Beta = price sensitivity to market movements

Related information in SIF Moldova Corporate Governance Code Ch.16. Evaluation of company performance and performance of SIF2 share

4

Risk Management

SIF Moldova permanently sets and keeps operational the risk management position that is hierarchically and functionally independent from the activities that generate risk exposures and has access to all relevant information.

The risk management position is insured by the Risk Management Department which plays an important role in the defining of risk management policy, monitoring the abidance of the risks that the company is or could be subjected to the risk profile approved by the Board of Directors. SIF Moldova has adopted proper and efficient measures, processes and techniques for the identification, management and monitoring of the risks the company is or could be subjected to, at any given time.

The staff of the Risk Management Department:

1. Sonia Fechet- risk manager, department coordinator (FSA registry no.: PFR13²FARA/040050)
2. Elena Rebei – risk manager (FSA registry no. :PFR13²FARA/040049)

The objectives of the management structure within the risk management policy are the prudential management of risks so that they prevent the negative impact that internal and external factors may have **on the company's activity, leading to the failure to reach set targets, to the** occurrence of unplanned or uncontrolled risks, or the causing of negative effects. When setting the risk appetite and tolerance, SIF Moldova takes all relevant risks it is subjected to through the nature of its activity into consideration, the main weight here being the market risk. The efficiency of the risk management system is evaluated by the Executive Management, Audit Committee and Board of directors on a half-yearly basis.

The main activities carried out in the 1st quarter of 2018:

- **evaluation of the company's risk** profile;
- calculation of the risk indicators set according to risk management procedures and analysis of their abidance by the approved risk tolerance limits;
- risk analysis regarding the investments proposed by the departments with portfolio management function;
- analysis of the impact of investments proposed through the Annual Activity Program on the prudential limits system ;
- daily monitoring of the abidance of portfolio assets by the prudential limits;
- follow-up of the fulfillment of the measures set in the Annual Risk Response plan and the operational risk events reporting sheets;
- annual revision of the risk management procedures and methodologies;
- analysis of the assets categories abiding by risk classes depending on their liquidity degree.

4.1. Main risks that SIF Moldova is exposed to

In its activity, SIF Moldova is exposed to various types of risks that are associated with securities portfolio (shares, bonds), especially financial instruments traded on the capital market portfolio, these being the most important types of risks it faces.

The main risks that SIF Moldova is subjected to are:

1. Market risk, with subcategories: position/price risk, currency risk, interest rate risk
2. Liquidity risk, with subcategories: cash-flow risk, assets liquidity risk
3. Issuer risk, with subcategory: Concentration risk.
4. Operational risk, with subcategories: information technology (IT) connected risk; professional responsibility risk, compliance risk, model risk, risk associated to outsourced activities.
5. Other risks, with subcategories: credit/ counterparty risk, reputational risk, strategic risk, regulation risk, risk of conflict of interest occurrence, risk associated with the activities carried out by company subsidiaries.

4.2. SIF Moldova's Risk Profile

The risk profile represents all exposures of SIF Moldova to real and potential risk.

Depending on historic and current values of risk indicators, the tolerance limits and risk appetite set by the Board of Directors, SIF Moldova's risk profile is the following:

The global risk profile taken on by SIF Moldova is an average one, corresponding to an average risk appetite

Risk type	Risk level taken on	Risk level on 31.03.2018
Market risk	average	average
Issuer risk	average	low
Liquidity risk	low	low
Operational risk	average	average
Global risk profile	average	average

4.3. Prudential limits system - classification of portfolio assets within legal holding limits.

1. CNVM Regulation no.15/2004, art.188

a) Securities and instruments of the monetary market not admitted for trading - allowed limit: 20% of total assets (closed shares, closed bonds, deposit certificates)

Asset type	Market value per asset category according to FSA Regulation no. 9/2014 (lei)	Weight of total SIF Moldova assets (%)
Shares held in closed-type issuers (incl. virtual shares and amounts to collect following the exit from a closed-company)	142.114.457	6,85
Closed bonds	7.598.388	0,37
TOTAL	149.712.845	7,22

b) Securities (shares and bonds) and monetary market instruments (government securities) registered or traded at Stock Exchange Market (on issuer level) – allowed limit: 10% of total assets, the limit can be increased up to a maximum of 40% provided that the total value of holdings over 10% per issuer does not exceed 80% of total assets. We mention that there is a single holding in this category, exposure on TLV issuer (39,64%), which abides by the maximum holding limit foreseen by CNVM/FSA Regulation no.15/2004, art.188, line b) which is closely monitored through daily holding monitoring mechanisms

c) Financial investments issued by entities belonging to the same group – allowed limit 50% of total assets.

Group name	Market value per asset category as per FSA regulation no. 9/2014 (lei)	Weight in total SIF Moldova assets (%)
BANCA TRANSILVANIA, of which:	932.982.577	44,96
• shares	822.556.430	39,64
• bank deposits	94.523.921	4,56
• fund units	8.303.838	0,40
• bonds	7.598.388	0,37
GLOBINVEST, of which:	80.680.772	3,89
• fund units	80.680.772	3,89
ATLAS ASSET MANAGEMENT, of which:	54.578.239	2,63
• fund units	54.578.239	2,63
STAR ASSET, of which:	29.117.152	1,40
• fund units	29.117.152	1,40

d) Financial instruments issued by entities belonging to the group that includes SAI (SIF Moldova) - allowed limit: 40% of total assets.

Group name	Asset category market value as per FSA regulation no.9/2014 (lei)	Weight of total SIF Moldova assets (%)
AGROINTENS shares	22.792.298	1,10
AGROLAND CAPITAL shares	59.500	0,00
ASSET INVEST shares	2.965.500	0,14
CASA shares	9.003.500	0,43
MECANICA CEAHLAU shares	25.323.502	1,22
HOTEL SPORT CLUJ shares	16.187.000	0,78
REGAL shares	7.144.051	0,34
TESATORIILE REUNITE shares	56.600.600	2,73
TOTAL SIF MOLDOVA GROUP	140.075.951	6,75

e) Exposure to counterparty risk with derivative financial instruments traded outside regulated markets – not applicable.

f) Current accounts and cash value - allowed limit 10% of total assets. In net assets on 30.03.2018, the value of current accounts and cash is 154.605 lei, representing 0,01% of assets value.

g) Bank deposits started and held at the same bank – allowed limit: 30% of total assets

Bank name	Deposit value (FSA regulation no. 9/2014) (lei)	weight in total SIF Moldova assets (%)
Banca Transilvania	94.523.921	4,56
BRD - GSG	1.578.348	0,08
Total deposits	96.102.269	4,63

h) Global exposure to derivative financial instruments - should not exceed the total value of net assets – not applicable.

i) Holdings in NON-UCITS – allowed limit: 50% of total assets.

NON-UCITS Name	asset category market value (FSA regulation no.9/2014) (lei)	weight in SIF Moldova total assets (%)
Fondul Privat Comercial	70.185.834	3,38
FII Multicapital Invest	17.912.514	0,86
FII DCP INVESTITII	31.369.018	1,51
FII HERMES	12.084.553	0,58
BT Invest 1	8.303.838	0,40
FII BET-FI Index Invest	1.393.825	0,07
STK Emergent	4.370	0,00
TOTAL AOPC (fund units)	141.253.952	6,81

2. FSA norm no. 14/08.11.2013, art. 9, letter. a)

Exposure obtained through direct and indirect investments in monetary market instruments of the promissory note type – allowed limit: 20% of total assets.

- *Direct investments* in monetary market instruments similar to promissory notes - *not applicable*.
- *Indirect investments* in monetary market instruments similar to promissory notes (PN) – *not applicable*.

3. Law no. 297/28.06.2004-updated, art. 129 line (1)

No shareholder of a market operator will be able to hold, directly or together with the entities it acts with, more than 20% of the total voting rights

Issuer name	no. of held shares	total no of issuer's shares	Holding percentage in the issuer 's share capital
Bursa de Valori Bucuresti	403.776	8.049.246	5,02

4. Law no.. 297/28.06.2004-updated, art. 150 line (1)

The shareholders of the central depository cannot hold more than 5% of vote rights, the exception being the market operators who can hold up to 75% of the right votes with the approval of CNVM/FSA.

Issuer name	No. of shares held	Total number of issuer's shares	Holding percentage in the issuer's share capital (%)
Depozitarul Central (Regisco)	7.396.029	252.919.526	2,92
Sibex Depository	1.256	44.500	2,82

5. Law no. 297/28.06.2004-updated, art. 286 ^1

Any individual may acquire with any title or may hold, along or along with individuals it acts in a concerted manner, shares issued by financial investment companies resulted from the transformation of private property funds, but not more than 5% of the financial investment companies' **share capital**.

Name	no. of shares held	Total no. of issuer's shares	holding percentage in the issuer's share capital (%)
SIF Transilvania	108.777.386	2.184.286.664	4,98
SIF Muntenia	40.160.859	807.036.515	4,98
SIF Banat Crisana	18.502.502	520.000.000	3,56

6. Holdings in the share capital of credit institutions – **Banca Transilvania's Articles of Incorporation, art. 11 point b (b)**

No shareholder may held 10% or more of the Bank's share capital, unless:

- it has the approval of GSM and
- according to all formalities requested by the law.

Issuer name	No. of shares held	Total no. of issuer's shares	Holding percentage in the issuer's share capital (%)
Banca Transilvania	313.952.836	4.341.439.404	7,23

5 Internal audit

The internal audit position is separate and independent from all functions and activities of SIF Moldova. The Internal Audit department is subordinated to the Board of Directors
FSA notified internal auditors: Virginia Sofian, Gabriela Stelea

The internal audit position is provided in SIF Moldova by the Internal Audit Department and has the role of supporting the company in fulfilling its objectives through a systematic and methodical approach which evaluates and improves the efficiency of risk management, control and governance processes.

For this purpose, the internal audit activity:

- ✓ evaluates and submits proper recommendations in order to improve governance processes
- ✓ evaluates the efficiency of the risk management processes and contributes to their improvement
- ✓ supports the company in maintaining efficient controls through the evaluation of their efficiency, as well as through the promotion of permanent improvement actions.

Internal auditors report to the directors, Audit Committee and Board of Directors regarding the purpose, authority and responsibility of the internal audit activity, as well as regarding the fulfillment degree of the audit plan.

Internal audit is subordinate to the Board of Directors and from an administrative point of view it is subordinate to the General Manager. Through its positioning in the organization chart, direct access is insured and activity reporting on the level of the Audit Committee and Board of Directors, as well as the independence required to carry out the internal audit activity, for the purpose of the objective evaluation of the efficiency of processes and operations and presentation of recommendations for their improvement.

Internal audit activity is carried out according to the procedures drawn up for activity guidance. The procedures have been updated according to the International Standards for the Professional Practice of Internal Audit.

Internal audit is carried out according to the audit plan based on the documented risk evaluation, so as to **set the internal audit activity priorities. The audit plan is in compliance with the company's objectives.**

The internal audit activities plan and necessary resources are approved by the Audit Committee and approved by the Board of Directors. At the same time, significant modifications occurred at a later date, are also presented for approval. The plan is revised and adapted if necessary, as answer to the changes in business, risks, operations, programs, systems and controls of the company.

For each internal audit mission, a plan has been drafted to include the objectives of the mission, coverage, timetable and resource assignment. For each mission the objectives are set, in order to identify the risks associated to the revised activity. The risks are evaluated, and the mission objectives reflect the results of this evaluation. Work programs are drafted and documented in order to fulfill the objectives of the mission.

The internal audit position directly reports its ascertainties and suggestions regarding the significant improvement of internal controls to the Audit Committee and the Board of Directors.

Internal audit is carried out under the following forms:

- ✓ compliance (regularity) audit – that has the objective of verifying the compliance with the laws, regulations, policies and procedures applicable;
- ✓ performance (operational) audit – that has the objective of verifying the quality and adequate nature of systems and procedures, critical analysis of organizational structure, the evaluation of method adequacy, resources and achievement of results in relation to the objectives set;
- ✓ corporate governance system audit- has the objective of evaluating the way in which the management position is exercised in order to reach company objectives;

- ✓ financial audit – has the objective of verifying the accuracy of the accounting records and financial reports.

The audit missions run in Q1 2018 targeted:

- ✓ completion of the mission regarding trading activity, partially run in 2017
- ✓ dividend distribution and payment to SIF Moldova shareholders
- ✓ strategic and annual planning of the internal audit activity
- ✓ partial run of the mission regarding the assets evaluation activity
- ✓ fulfillment of the conditions for the running of the “**stock option plan**” program
- ✓ analysis of management expenses for year 2017, and comparison with the activity sector
- ✓ analysis of the principles regarding the revision of system, operational and work procedures
- ✓ verification of some compliance aspects at the express of the Board of Directors or directors
- ✓ participation to the committees/ work groups appointed by the Board of Directors or directors for the implementation of some projects/ carrying out of some activities.

Following the insurance missions run, both the internal and external audits have presented recommendations to improve the processes, and the audited structures have drafted action plans to implement them.

There have been no cases of accepting a level of residual risk assessed as unacceptable for the company.

Internal auditors inform the directors, the Audit Committee and Board of Directors about the objectives and purpose of the engagement, conclusions, recommendations and applicable action plans. Notifications are made through internal audit reports, at the end of each mission.

Internal auditors follow the progresses registered in the implementation of recommendations and report to the management regarding the abidance by the terms set for implementation. At the same time, internal auditors monitor the setting of measures by the audited structures to finish recommendation implementation. No situations were identified where the management decided not to take any measure to reduce the risks considered unacceptable for the company.

6

Compliance

SIF Moldova sets up and maintains a permanent and efficient compliance verification function that is independent and has the following responsibilities:

- a) monitors and periodically evaluates the adequacy and efficiency of the measures, policies and procedures set in compliance with regulations in force, as well as of the actions taken to remedy the **deficiencies connected to the company's abidance by its obligations**.
- b) monitors and regularly verifies that application of legal **provisions applicable to SIF Moldova's activity**, the internal regulations and procedures and acts according to its competencies to prevent and propose measures for any kind of infringements of the law, the regulations in force applicable to the capital market, or internal regulations and procedures of SIF Moldova by SIF Moldova or by its employees; follows up the implementation of suggestions and recommendations.
- c) advises and assist the relevant individuals responsible for SIF **Moldova's abidance by its obligations according to the law** applicable to capital market

The internal control activity has been mainly run through permanent control, with a pro-active nature, exercised through the continuous supervision and monitoring of activities subjected to internal control, in order to prevent the occurrence of legal and internal non-compliance, to increase the efficiency of the internal control function.

The main activities of the Compliance Department for year 2018 are specific **to SIF Moldova's activity as an AIFM** (authorization no. 20/23.01.2018), defined by art.51 Law 74/2015 and are approved by the Board (resolution 16 b/20.02.2018 regarding the approval of 2018 Annual Investigations Plan).

These activities consist mainly in the verification of the abidance by:

1. the conditions that laid at the base of the *authorization/certification and functioning conditions* foreseen by art. 2, 4 and 6-10 (FSA authorization no. 20/23.01.2018) - *there have been no modifications in Q1*
2. *prudential rules* foreseen by art. 12 - *no noncompliance identified*;
3. *remuneration policies* foreseen by art. 13 - *the abidance by the remuneration policy on the group level was verified, no noncompliance identified*.
4. the provisions of art. 14 regarding the identification, prevention, management and monitoring of the situations mentioned in art. 30-37 of EU Regulation no. 231/2013 generating *conflict of interest*: *there have been no potential or spent conflict of interest situations, corresponding to the types of conflict of interests identified in SIF Moldova/ SIF Moldova's Group activity*.
5. provisions of art. 18 line (1), (3)-(9), (11) and (12) regarding the *evaluation of FIA assets* - *monthly net asset has been approved, it includes the verification of the evaluation method for the assets held by SIF; there have been no infringements of legal provisions identified*.
6. the provisions of art. 19 regarding the *assignment* of the collective portfolio management or risk management activity – *n/a*;
7. the provisions of art. 20 line (1)-(11) regarding the *agreement between the depositary and AIFM* – *not the case*;
8. the *transparency and reporting obligations* foreseen by art. 21 and 23, namely the transparency ones foreseen by art. 22

All mandatory reports and public releases, according to the good practices instituted through its own Corporate Governance, have been approved by RCCO regarding the abidance by the legal deadline and the reporting content; the webpage www.sifm.ro is constantly updated, once the public information is released. *Full prior verification – no noncompliance identified*

9. the obligations of AIFM following *the gaining of control on some unlisted companies and some issuers* foreseen by art. 25-29- *the subsidiaries have been informed about the policy for conflict of interest prevention and management, and internal and external communication policy of the Company, especially that regarding employees; notifications were sent to FSA regarding holdings over 30%; information from the annual report of SIF Moldova on the subsidiaries' activity were included*.

10. Abidance by UE (MAD, MAR) regulation regarding market abuse (privileged information, personal transactions) – *There have been no infringements of legal provisions identified.*
11. The management of petitions regarding SIF activity on the capital market – *Reporting were made according to FSA regulation no. 9/2015; no petition was registered in Q1*
12. the abidance by legal and internal provisions for the organization and conducting of SIF GMS on 27.04.2018, through the certification of the abidance by legal and internal regulations regarding the organization and conducting of General Meetings – *Full verification – no noncompliance identified.*
13. Obtaining FSA authorization/decisions; notifications to FSA – Verification and full endorsement of documentations for:
 - ✓ Authorization of SIF Moldova as AIFM- authorization no. 20 / 23.01.2018
 - ✓ Authorization of individuals holding key positions in SIF Moldova – risk management and compliance officer (according to 14/2015 Regulation) – approvals no. 21,22,23,24 / 23.01.2018
 - ✓ Modification of the Memorandum of Association (reduction of share capital, addition to the object of activity to include “risk management”) – *approvals no. 19 / 17.01.2018; no. 21 / 23.01.2018*
 - ✓ Approval of the modification of SIF Moldova Group members – certificate no. 2 / 23.01.2018
14. Method of abiding by internal procedures – Verification of the abidance by internal procedures mainly regarded:
 - ✓ internal compliance endorsement for the investment notes, work procedures, job descriptions from the point of view of their abidance by/ reflectance of legal provisions and internal regulations
 - ✓ endorsement of the contracts with capital market institutions, contracts for the sale of unlisted shares, contracts with SIF Moldova subsidiaries*Full prior verification – no noncompliance identified;*
15. Compliance of the investmetn of managed assets with the regulations of capital market, internal rules and procedures and Memorandum of Association – *no infringement of legal rprovisions and internal regulations identified*
16. Abidance by internal procedures:
 - a) “Prevention and fight against money laundering and terrorism financing”- full prior verification of the sale contracts for closed companies.
 - b) “Supervision of the application of international sanctions on the capital market” - notifications sent to the management structure and employees.
17. Notification of SIF Moldova, the management structure and employees about the legal regiment applicable to the capital market, including draft norms submitted for public debate.

Compliance department staff:

- ✓ Michaela Puscas- compliance officer, department coordinator (FSA reg. no.: PFR13¹RCCO/04003)
- ✓ Catalin Nicolaescu – compliance officer (FSA reg. no.: PFR13¹RCCO/04004)

The detailed responsibilities of each individual employed in the department are clearly set. In case one of the individuals is absent, his/her attributions and responsibilities will be automatically taken over by the other.

7

Litigation Status

The legal assistance, consultancy and representation activity run in Q1 2018 has focused mainly on the submission of the necessary defenses in the 165 litigations on the dockets of various courts. On the reporting date we have a total number of 25 legal consultancy files, and 251 legal notices.

The files with claims as object are an important part of the litigations where SIF Moldova acts as plaintiff, and the legal endeavors to recover the debts from AAAS and other debtors are ongoing. In judicial and extrajudicial procedures with object the recovery of some debts from various debtors, our company has registered collections amounting to a total of 5.070.971 lei.

The endeavors to defend the interests stemming from the significant shareholder quality in Iasitex S.A. Since the majority shareholder has adopted illegal resolutions repeatedly, infringing the abstain obligation foreseen by the law, we have initiated an action with object: drawing of patrimony responsibilities for the damages caused to IASX and consequently to SIF shareholder. At the same time we have asked before the court that the transaction on 29.11.2017, through which Iasitex purchased from its majority shareholder the A2 Impex SRL company a package of 3.468.793 shares in Chimcomplex SA for a price of 1,49 lei/share and the return of the parties to their initial state.

Part of the litigations with object the annulment and/or suspension of illegal GMS in some **companies from SIF Moldova's portfolio**, with the purpose of protecting our interests stemming from our shareholder quality (we are speaking about the files against Alimentara S.A., Bucovina Tex, Dyonisos S.A.) have been favorably solved. SIF Moldova has submitted new call before the courts against Alimentara S.A. Cluj, with the purpose of recovering some legal expenses in the files solved in favor of SIF Moldova.

We have obtained some favorable solutions in the files where our company acts as respondent, with object claims and/or various objects, such as those regarding the request to offer legal expenses separately, the pronouncement of resolutions to replace authentic documents, and others.

For the appeals against enforcements, the solutions are mainly in favor of SIF Moldova, with the consequence of binding AAAs to pay the legal expenses generated by these litigations.

Total litigations where SIF2 acts as plaintiff:

- ✓ 122 files of which: 113 files are litigations pending in various trial stages (of which 67 files are against AAAS), and 9 files are final.
- ✓ The value of litigations on the docket of courts: 71.645.217 lei (claims and insolvency procedure).

Total litigations where SIF2 acts as respondent:

- ✓ 43 files of which: 36 files are pending in various trial stages (of which 20 against AAAS); 7 files have been finalized.
- ✓ Value of litigations on the docket of courts: 1.289.450 lei in files with object various claims; 17.665.497 lei – enforcement challenges against AAAS.

8

Corporate Governance

8.1.

Relationship with investors. Dividend Policy.

Related information in
SIF Moldova's
Corporate Governance Code
Ch.1.1..General Meeting of Shareholders
Ch.8. **Shareholders' rights**

In the reporting period we have abided by the transparency, information and obligation requirements through press releases, the publication of mandatory reports and the running of an ample correspondence with the shareholders. We have provided the shareholders/investors with additional data, some regular in nature (monthly newsletter), drafted in such a way so as to insure the up-to-date information on the company's performance.

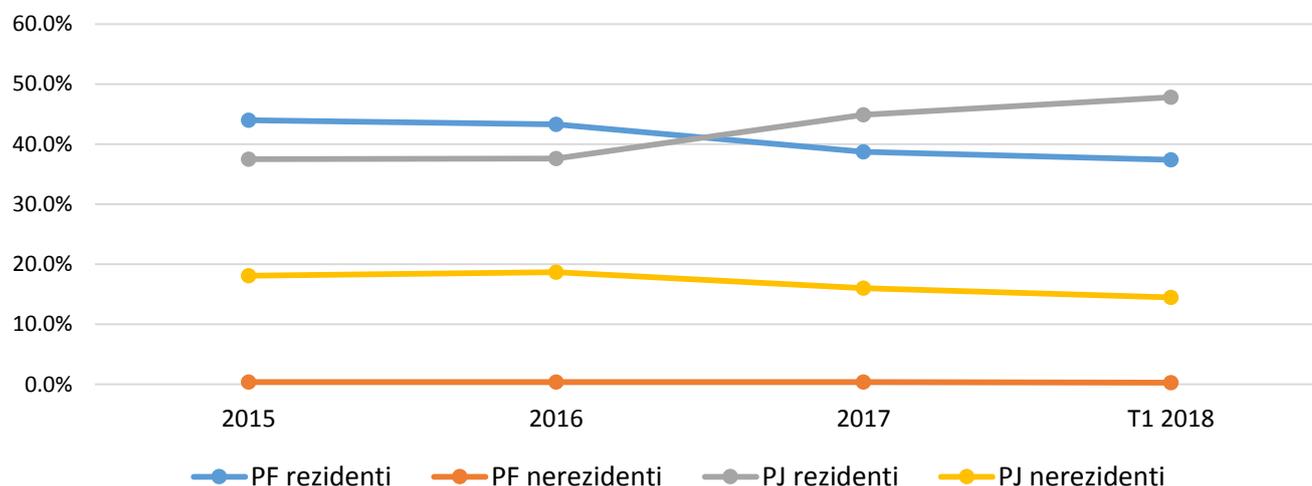
Note – the details regarding each reporting category made in the reporting period are presented in annex no. 4.

According to the provisions of "Corporate Governance Code", the regular and relevant information have been disseminated simultaneously, both in the Romanian and English language. An important component of the relationship with the shareholders is the direct communication activity: written correspondence (letters, e-mails); phone conversations.

Shareholding Structure on 31.03.2018

	Residents		Non-residents		Total
	Shareholders	% of share capital	Shareholders	% of share capital	% of share capital
Individuals	5.758.405	37,4	1.803	0,3	37,7
Companies	178	47,8	31	14,5	62,3
TOTAL	5.758.583	85,2	1.834	14,8	100,0

Shareholding Structure Evolution (% of share capital held)



Dividend Payments:

Dividend Payments on 31.03.2018	2014 Dividend	2015 Dividend	2016 Dividend
	0,1012 lei/share	0,0450 lei/share	0,0440 lei/share
Total dividend to pay (lei)	52531866	46250883	43875979,75
Total paid (lei)	41.906.192,06	35.360.115,22	32,615,993.72
% payment	79,77	76,45	74,34

8.2.

Authorization process of SIF Moldova as AIFM – FSA authorization no. 20/23.01.2018

Following AIFM authorization, the work rules and procedures for SIF Moldova are those foreseen by art. 13-19 Law no. 74/2015, namely:

1. Remuneration policies and practices for the staff categories whose professional activities have a significant impact on its risk factors; Evaluation policies and procedures for individuals in the management structure and individuals covering key position in SIF Moldova (art. 13)
2. Policy regarding the prevention, conflict of interests management and personal transactions (art. 14)
3. **Risk management policy in SIF Moldova, SIF Moldova's risk profile;** (art. 15)
4. Liquidities management policy; (art. 16)
5. Procedures regarding the organizational structure and administrative, accounting requirements, control and protection in the field of electronic data processing, as well as proper internal control mechanisms; Organization chart (art.17)
6. Evaluation policies and procedures for assets and the calculation of net asset unitary value per share (NAV); Evaluation rules and procedures for SIF Moldova assets (art. 18)
7. Procedures regarding the assignment of activities run by SIF Moldova (art. 19)
8. **SIF Moldova's investment strategy and policy.**

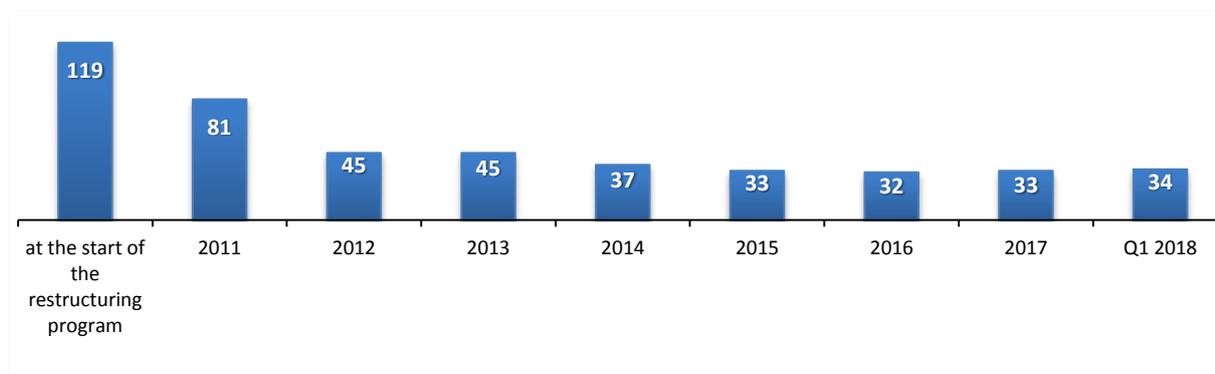
Public documents [www.sifm.ro/about-us/AIFM Rules and procedures](http://www.sifm.ro/about-us/AIFM-Rules-and-procedures):

1. **SIF Moldova's Memorandum of association** - FSA approval no.21/23.01.2018
2. **SIF Moldova's Organization Chart**
3. Policy regarding the prevention and management of conflict of interest
4. Information regarding complaints solving
5. **Rules and procedures for the evaluation of SIF Moldova's assets**

8.3.

Human Resource Management

On the executive level special attention is paid to human resource for the purpose of insuring continuous professional training programs in order to maintain the expertise gains over several years of specialization. In the continuous training programs we have included the staff working in the following fields: investment analysis, internal control, evaluation, audit, accounting, etc. The staff is periodically evaluated both regarding performance and specific knowledge. In Q1 2018 the sum assigned for professional training and participation to profile conferences and seminars has been of 23.173 lei. Following the running of the process for the improvement of the organizational structure, we have the following evolution of the number of employees:



8.4.

Social Responsibility - According to the Governance Code, SIF Moldova permanently carries out activities regarding the company's social responsibility, directly supporting, or through specialized foundations/ associations, the under-privileged categories in the community it carries out its activity or supports scientific, cultural, sporting, medical, educational, environmental actions, local or national interest events. SIF Moldova uses its tax facilities for sponsoring activities. In Q1 2018 we assigned the amount of 6.900 lei.

9

Events following the reporting date

The conducting of the Extraordinary and Ordinary General Meetings on 27.04.2018.

In the Extraordinary General Meeting all items of the agenda were discussed and approved, abiding **by statutory provisions (art. 6 line 19 of SIF Moldova's Memorandum of Association), and the provisions** of Law no. 31/1990 regarding companies, namely with the majority of votes held by the shareholders present, or represented in the meeting, as follows:

Resolution 1

Approval of the election of the secretariat for the ordinary general meeting comprised of the 3 individuals **entered on the volte forms, from among the company's shareholders according** to article 129, line (2) of Law no. 31/1990 regarding companies: Nicolaescu George Catalin, Puscas Michaela, Sofian Virginia.

Resolution 2

Approval of the running of an own shares buy-back program for the purpose of diminishing the share capital, with the following main characteristics:

- (i) program purpose: The Company will buy back shares within the Program for the purpose of reducing its share capital, through the annulment of shares, in compliance with applicable legal provisions.
- (ii) the maximum number of shares that can be bought-back: 11.000.000 shares (1,09% capital)
- (iii) minimum price per share: the minimum purchase price will be the BVB market price at the time the purchase is made.
- (iv) maximum price per share: 2,5 lei
- (v) Program duration: **maximum 12 months from the date the resolution is published in Romania's Official Gazette Part IV.**
- (vi) the payment of the bought-back shares will be made from the assignable profit registered in the 2017 financial statements, in compliance with the provisions of art. 103 index 1 Law no. 31/1990 regarding Companies.
- (vii) the purchase of shares within the Program will be made through public purchase offer(s) initiated by the Company, abiding by legal provisions.

The authorization of the board of Directors and individually of its members to adopt all resolutions necessary for the fulfillment of the resolution regarding the running of the share buy-back program.

Resolution 3

Approval of the change of the company's name from Societatea de Investitii Financiare MOLDOVA S.A. to FIRST ROMANIA CAPITAL INVEST S.A.

Approval of the modification of art. 1 line 1 and art. 7 line 11, line 19, letter m) and line 25 in SIF Moldova's Memorandum of Association (FSA approval no. 21 of 23.01.2018), as follows:

1. Art.1, line (1) The name of the company is: FIRST ROMANIA CAPITAL INVEST S.A.*
2. Art.7 line (11) The annual general limits of remunerations and bonuses for all directors, including the supplementary remunerations of the directors in charge of specific duties, as well as of the directors, amount to 0,6% of the average total asset value of the previous year, calculated and reported in compliance with legal provisions. Included in the general limits, the monthly remuneration for all the members of the board of directors is at the level of 0.015% of the average total asset value of the previous year, equally divided. The directors and managers participate in the benefit plan, inclusively paid by share allocation or option allocation to acquire company shares, amounting to 5% of the realized net profit and the net gain from transactions reflected in reported result. The actual level of this participation is set by the Board of Directors, following the approval of the annual financial statements in the General Shareholders' Meeting.
3. Art. 7, line (19) The Board of Directors has the following duties:

m) **delegating the company's representation right to their directors, setting the limits of the mandate** as well;

(25) The representation of the company before third parties and in court shall be done by the CEO or **by the deputy CEO.**"

Authorizes the Board of Directors and the CEO and deputy CEO individually to adopt all necessary decisions for the fulfillment of the resolution regarding the name change and the modification of the Memorandum of Association, including, without being limited to the following: registration, publicity, opposability and execution of the resolution; drafting, signing and submission of all documents for this purpose (name change on the emblem and mark, etc.), fulfilling all necessary formalities, before any and all competent authorities, to apply this resolution.

* *Statement on 27.04.2018 regarding the result of FSA consultations on the topic: **SIF Moldova's name change:***

*"Given the registration on the EGMS agenda on 27.04.2018 of the item regarding the name change of SIF Moldova SA **and based on the shareholders' vote** (Current report on 27.04.2018) we would like to inform SIF Moldova shareholders about the result of our discussions with FSA on the topic of our **company's name change.***

Thus, we have run specialized correspondence and had formal and informal meetings before and after the proposal to change the name to FIRST ROMANIA CAPITAL INVEST on the agenda of the General Meeting.

*Although initially our proposal seemed to be positively received, formally the final position of FSA was that the name change could not be possible, invoking a provision in force of Law no. 133/1996 to transform former Private Property Funds which states that FPP II Moldova will bear the name **"Societatea de Investitii Financiare Moldova S.A."***

SIF Moldova has presented solid legal arguments, with the support of two experienced attorney offices, stating that the shareholders are the only ones entitled to decide on the name of a company with 100% private capital, in compliance with Companies Law and that no other legal provision forbids such a decision. We consider that L133/1996 does not forbid another name anyway, and that this law had transitory provisions that have long-since been modified by special law on capital market, and then by AIFM law.

Although the point of view of FSA is not considered by the Authority as « an official interpretation document, according to the law», we understand that should we submit an authorization request for the Memorandum of Association containing the new name, this request will likely be dismissed based on the above-mentioned reasons.

*Moreover, according to the provisions of art. 1 (3) Law no. 297/2004 **FSA's duties** include the application of the provisions of this law as well as of other legal provisions regarding capital market. The law has not protected the name of authorized entities, but their activity, setting the interdiction to carry out activities. Therefore, the entity may bare any name the shareholders want. Only the organization and **running of the entity's activity is under FSA control.***

Therefore we ascertain that, despite the fact that the shareholders have cast a large number of votes in favor of changing the name to FIRST ROMANIA CAPITAL INVEST (representing 70,28% of cast votes), for the time being, we cannot fulfill this resolution.

In the end, in agreement with the shareholders' will, SIF Moldova reiterates the need to continue the modernization and consolidation of the company and completion of its compliance to the European law issued by directive regarding alternative investment funds, which takes into consideration the reality of the investment fund industries and encourages them.

Therefore, being aware of the existence of Alternate Investment Funds Law project, we request that the lawmaker finalize and submit this project that will be finalized with the national transposition of UE Directive and eliminate outdated provisions that prevent a simple name change, or that limits private property through the 5% holding limit.”

Resolution 4

Approval of the date of 15.05.2018 as registration date (ex-date 14.05.2018) for the shareholders impacted by the effects of the resolutions adopted by the extraordinary general meeting of shareholders.

Resolution 5

Authorization of the Board of Directors and individually of its members in order to implement the resolutions adopted by the Extraordinary General Meeting of Shareholders.

In the Ordinary General Meeting all items of the agenda were discussed and approved, abiding by **statutory provisions (art. 6 line 19 of SIF Moldova’s Memorandum of Association), and the provisions of Law no. 31/1990 regarding companies, namely with the majority of votes held by the shareholders present, or represented in the meeting, as follows:**

Resolution 1

Approval of the election of the Ordinary General Meeting Secretariat, comprised of the 3 individuals **entered on the vote forms, from among the company’s shareholders, in compliance** with art. 129, line (2) Law no. 31/1990 regarding companies: Nicolaescu George Catalin, Puscas Michaela, Sofian Virginia.

Resolution 2

Approval of the financial statements drafted according the International Standards for Financial Reporting (IFRS) for **financial year 2017 and of the Board of Directors’ Report, accompanied by the Report of the Financial Auditor.**

Resolution 3

Approval of the consolidated financial statements drafted in compliance with the International Financial Reporting Standards (IFRS) for financial year 2017 and the Consolidated Report of the Board of Directors, accompanied by the Report of the Financial Auditor.

Resolution 4

Approval of:

- a) the assignment of the net profit for financial 2017 on destinations, as follows:
 - net profit to be assigned 164.786.748 lei
 - Legal reserves 3.155.222 lei
 - Dividends 49.858.959 lei
 - Other reserves 111.772.567 lei
- b) Gross dividend of 0,05 lei/share.
- c) Payment related costs are born from the net dividend value.
- d) Dividend payment is made through the Central Depository and Banca Transilvania payment agent, to **insure the continuity of the dividend payment process for SIF Moldova’s shareholders.**
- e) Approval of the date of 12.09.2018 as registration date (ex-date 11.09.2018) and date of 02.10.2018 as dividend payment date.

Resolution 5

Approval of the expiry of the dividends of financial year 2014 set by OGMS of 02.04.2015, unclaimed by 30.06.2018 and their registration in compliance with applicable regulations.

Resolution 6

Approval of the discharge of managers for financial year 2017.

Resolution 7

Approval of the 2017 Activity Program, in compliance with “SIF Moldova’s Investment Strategy and Policy” and the Revenue and Expense Budget for financial year 2018:

- total revenue: 103.335.525 lei
- total expenses: 46.966.258 lei
- gross profit: 56.369.267 lei
- net profit: 51.794.969 lei

Resolution 8

Approval of the date of 15.05.2018 as registration date (ex-date 14.05.2018) for the shareholders impacted by the resolution adopted by the ordinary general meeting of shareholders, with the exception of the resolution regarding dividend.

Resolution 9

Authorization of the Board of Directors and individually of its members in order to implement the resolutions adopted by the Ordinary General Meeting of Shareholders.

Annexes:

1. Annex 1 Net assets statement on 31.03.2018
 - Annex 1.1. Statement of Assets and Liabilities (FSA Reg no. 15/2004 - A16)
 - Annex 1.2. Assets statement and detailed investments statement (FSA Reg no. 15/2004 - A17)
2. Annex 2 Financial statements on 31.03.2018 IFRS
3. Annex 3 Litigation status on 31.03.2018
4. Annex 4 BSE, FSA Reports on 31.03.2018

The activity report of the Board for Q1 2018 has been approved in the Board meeting on 15.05.2018

Costel CEOCEA
President of the Board

Claudiu DOROS
CEO

Decebal DUMITRESCU
CFO

Michaela PUSCAS
Compliance Officer



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Nr înregistrare ANSPDCP:

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PJR07AFIAA/040002
254900Y100025N04U514
3449

In accordance ASF Regulation no 9/2014

STATEMENT OF ASSETS AND LIABILITIES OF SIF MOLDOVA

Date of calculation 30/03/2018 - Monthly, balanta IFRS

		LEI	% total assets
1	NON-CURRENT ASSETS OF WHICH:	313.122.108,84	15,090
1.1	Intangible assets	17.931,00	0,001
1.2	Tangible assets	12.032.883,00	0,580
1.3	Financial assets, of which:	301.071.294,84	14,509
1.3.1	Listed shares, of which:	11.880.681,41	0,573
1.3.1.1	shares listed but never traded	0,00	0,000
1.3.1.2	shares listed but never traded in the last 30 days	11.880.681,41	0,573
1.3.2	Unlisted shares (closed), of witch:	141.533.543,14	6,821
1.3.2.1	Unlisted shares (closed)	140.174.559,87	6,755
1.3.2.2	untraded SICAR shares	1.358.983,27	0,065
1.3.3	Government securities	0,00	0,000
1.3.4	Certificates of deposit	0,00	0,000
1.3.5	Bank deposits	0,00	0,000
1.3.6	Unlisted bonds, of which:	7.598.388,43	0,366
1.3.6.1	Municipal bonds	0,00	0,000
1.3.6.2	Corporate bonds	7.598.388,43	0,366
1.3.7	Listed but never traded in the last 30 trading days, of which:	103.370,33	0,005
1.3.7.1	Municipal bonds	103.370,33	0,005
1.3.7.2	Corporate bonds	0,00	0,000
1.3.8	Newly issued securities	0,00	0,000
1.3.9	UCITS and non-UCITS equity securities	139.855.756,53	6,740
1.3.9.1	Not-traded fund units (non-UCITS)	139.855.756,53	6,740
1.3.9.2	Not-traded shares (non-UCITS)	0,00	0,000
1.3.9.3	ETF	0,00	0,000
1.3.10	Total other financial assets, of which:	99.555,00	0,005
1.3.10.1	Loans granted to group entities, associated entities and jointly controlled entities	0,00	0,000

		LEI	% total assets
1.3.10.2	Other financial assets (bail + guarantees administrators)	99.555,00	0,005
2	CURRENT ASSETS, OF WHICH:	1.761.543.639,00	84,894
2.1	Inventories	18.308,00	0,001
2.2	Claims, of which:	2.731.039,00	0,132
2.2.1.	Trade bills receivable	0,00	0,000
2.2.2.	Other claims	2.731.039,00	0,132
2.3	Cash availability	595.410,58	0,029
2.3.1	amounts in current accounts and in the financial investments services company accounts	154.605,46	0,007
2.3.2	amounts under settlement	440.805,12	0,021
2.3.3	amounts in transit	0,00	0,000
2.4	Short-term financial investments, of which:	1.661.508.334,58	80,073
2.4.1	Listed shares, of which:	1.515.336.090,43	73,028
2.4.1.1	listed on BVB	1.421.321.112,73	68,497
2.4.1.2	listed on foreign markets	0,00	0,000
2.4.1.3	listed on ATS	94.014.977,70	4,531
2.4.2	Unlisted shares (unlisted but traded on BVB)	0,00	0,000
2.4.3	Traded bonds, of which:	0,00	0,000
2.4.3.1	Municipal bonds	0,00	0,000
2.4.3.2	Corporate bonds	0,00	0,000
2.4.4	UCITS and non-UCITS equity securities	146.172.244,15	7,044
2.4.4.1	Traded fund units (non-UCITS)	1.398.195,00	0,067
2.4.4.2	Non-traded fund units (UCITS)	32.824.243,62	1,582
2.4.4.3	Traded shares (non-UCITS)	111.949.805,53	5,395
2.4.4.4	ETF	0,00	0,000
2.4.5	Dividends or other receivables, of which:	0,00	0,000
2.4.5.1	Preference/allocation rights	0,00	0,000
2.4.5.2	dividends due from listed issuers	0,00	0,000
2.4.5.3	bonus shares	0,00	0,000
2.4.5.4	shares distributed with cash contribution	0,00	0,000
2.4.5.5	amounts due from capital decreases	0,00	0,000
2.5	Newly issued securities	0,00	0,000
2.6	Government securities	0,00	0,000
2.7	Bank deposits	96.102.268,90	4,631
2.8	Certificates of deposit	0,00	0,000

		LEI	% total assets
2.9	Other assets	588.277,94	0,028
2.9.1	Amounts to be cashed as a result of withdrawal from companies	580.913,94	0,028
2.9.2	Other current assets	7.364,00	0,000
3	DERIVATIVES	0,00	0,000
4	ACCRUED EXPENSES	334.815,00	0,016
5	TOTAL ASSETS	2.075.000.562,84	100,000
6	TOTAL LIABILITIES, of which:	147.411.133,00	
6.1	Loans from bond issue	0,00	
6.2	Amounts due to credit institutions	0,00	
6.3	Advance payments received from clients	0,00	
6.4	Trade creditors	666.396,00	
6.5	Trade bills payable	0,00	
6.6	Amounts due to group entities	0,00	
6.7	Amounts due to associated entities and jointly controlled entities	0,00	
6.8	Other liabilities, of which:	146.744.737,00	
6.8.1	Dividends due to the shareholders	32.778.055,00	
6.8.2	Amounts subscribed and not paid to the share capital increases of the issuers	0,00	
6.8.3	Other debts	113.966.682,00	
6.9	Debts from financial leasing operations	0,00	
6.10	Debts resulting from derivative operations	0,00	
7	PROVISIONS FOR LIABILITIES AND EXPENSES	18.785.020,00	
8	DEFERRED INCOME, of which:	6.675,00	
8.1	Subventions for investments	0,00	
8.2	Deferred Income	6.675,00	
8.3	Deferred income related to the assets received by transfer from clients	0,00	
9	EQUITY CAPITAL, of which:	1.917.034.948,00	
9.1	Share capital	101.317.918,00	
9.2	Premiums related to capital	0,00	
9.3	Revaluation differences	9.713.543,00	
9.4	Reserves	639.873.532,00	
9.5	Reported result	458.598.008,00	
9.6	Result of the year	285.195,00	
9.7	Profit distribution	3.155.222,00	

		LEI	% total assets
9.8	Own shares	12.852.258,00	
9.9	Reported result due to the adoption of IAS 29 for the first time	433.706.298,00	
9.10	Share capital adjustments	435.902.231,00	
9.11	Other equity elements	721.058.299,00	
10	TOTAL LIABILITIES	2.083.237.776,00	
11	NET ASSETS	1.927.582.754,84	
12	NUMBER OF ISSUED OUTSTANDING SHARES *	997.179.176	
13	NET ASSET VALUE PER SHARE	1,9330	
14	NUMBER OF COMPANIES IN THE PORTFOLIO, of which:	70	
14.1	Companies admitted to trading on a regulated market	16	
14.2	Companies admitted to trading on an alternative trading system	19	
14.3	Not admitted companies to trading (closed companies)	35	
15	Companies for which no financial information was collected	2	

For the unlisted companies on which occurred share capital increases, the assessment through the book value/share method was carried out by using the equity in the financial statements which reflect the share capital increase.

SIF Moldova is in correspondence with the capital market institutions involved in this approach.

* According to article 123 paragraph (3) of FSA Regulation 9/2014, regarding the NAV/share calculation, this position represents: 'The number of issued outstanding shares at that date, excluding the own shares bought back by the company'

Prepared
SIF MOLDOVA

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Claudiu DOROS

CFO
Decebal DUMITRESCU

Net Asset Calculation Office
Gabriela PETER

Compliance Officer
Michaela PUSCAS

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Securities Department
Manager, Claudia IONESCU

Certified, Gabriela-Roxana VORONCA

ANNEX – according to Article 122 paragraph (8) of ASF Regulation no. 9/2014

SIF Moldova portfolio assets which were assessed by valuation methods in accordance with International Valuation Standards, on 30.03.2018

No	Issuer	Fiscal Code	Symbol	Number of shares held	No/Evaluation Report date	Value	
						RON / share	total
Shares listed and not traded in the last 30 trading days							
1	CEPROHART BRAILA	2269251	CPHA	84.385	1890 / 22.12.2017	12,3617	1.043.138,00
2	SPIT BUCOVINA SUCEAVA	728129	SPTU	1.162.275	388 / 21.02.2017	1,6151	1.877.219,00
3	TRANSTEC TECUCI	1632935	TRCS	286.699	1044 / 30.06.2017	1,5940	457.000,00
Unlisted shares (closed)							
1	AGROINTENS SA BUCURESTI	33857839		1.883.661	173 / 07.02.2018	12,1000	22.792.298,10
2	AGROLAND CAPITAL SA BACAU	33857820		12.000	1914 / 29.12.2017	4,9583	59.500,00
3	ALIMENCO PASCANI	6101101		53.857	388 / 21.02.2017	24,8661	1.339.212,00
4	ALIMENTARA CLUJ NAPOCA	199192		10.468.044	350 / 30.03.2018	0,7104	7.436.800,00
5	ASSET INVEST BACAU Bacau	32267040		38.330.420	173 / 07.02.2018	0,0774	2.965.500,00
6	BUCOVINA-TEX RADAUTI	2692358		77.820	388 / 14.02.2017	24,8703	1.935.406,00
7	CASA SA BACAU BACAU	8376788		3.248.682	173 / 07.02.2018	2,7714	9.003.500,00
8	DYONISOS COTESTI	7467373		772.824	1282 / 12.09.2014	0,7100	548.705,04
9	EXIMBANK BUCURESTI	361560		414.740	388 / 21.02.2017	6,2418	2.588.718,00
10	HOTEL SPORT CLUJ S.A. CLUJ	35075642		19.329.398	173 / 07.02.2018	0,8374	16.187.000,00
11	HUMOREANCA GURA HUMORULUI	736075		11.320	388 / 21.02.2017	36,2604	410.468,00
12	HYPERION IASI	3912346		116.433	1044 / 30.06.2017	6,2456	727.196,00
13	PARTMEN BACAU	11334812		75.748	388 / 21.02.2017	17,5467	1.329.126,00
14	RULMENTI BIRLAD	2808089		2.408.645	173 / 07.02.2018	2,5213	6.072.840,00
15	TESATORIILE REUNITE BUCURESTI	425818		10.269.277	173 / 07.02.2018	5,5116	56.600.600,00
16	VASCAR VASLUI	829522		327.591	1481 / 29.09.2017	6,2767	2.056.200,00

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The assets of SIF Moldova in compliance with ASF Regulation no 9/2014 - Annex 17
Date: 30/03/2018 - Monthly

Item	Currency	The beginning of the reporting period (29/12/2017)				The end of the reporting period (30/03/2018)				Differences
		% of the net assets	% of the total assets	Currency	LEI	% of the net assets	% of the total assets	Currency	LEI	
A. Grand total assets	RON	106,678	100,000	0,00	1.912.414.945,73	107,648	100,000	0,00	2.075.000.562,84	162.585.617,11
I. Total assets	RON	106,122	99,478	0,00	1.902.437.283,85	107,123	99,513	0,00	2.064.887.916,05	162.450.632,20
	EUR	0,556	0,521	2.138.116,77	9.962.982,71	0,524	0,487	2.168.556,35	10.100.268,09	137.285,38
	USD	0,001	0,001	3.772,11	14.679,17	0,001	0,001	3.276,61	12.378,70	-2.300,47
1. Securities and money market instruments, of which:	RON	74,711	70,034	0,00	1.339.345.015,96	79,235	73,606	0,00	1.527.320.142,17	187.975.126,21
1.1. securities and money market instruments admitted or traded on a Romanian regulated market, of which:	RON	74,711	70,034	0,00	1.339.345.015,96	79,235	73,606	0,00	1.527.320.142,17	187.975.126,21
1.1.1. shares and similar securities (mentioning each category)	RON	74,705	70,029	0,00	1.339.238.890,79	79,230	73,601	0,00	1.527.216.771,84	187.977.881,05
1.1.1.a. admitted on BVB	RON	67,746	63,505	0,00	1.214.475.400,93	73,736	68,497	0,00	1.421.321.112,73	206.845.711,80
1.1.1.b. preference/allocation rights	RON			0,00				0,00		0,00
1.1.1.b.1. not traded	RON			0,00				0,00		0,00
1.1.1.b.2. traded	RON			0,00				0,00		0,00
1.1.1.c. unlisted but traded through BVB system	RON			0,00				0,00		0,00
1.1.1.d. admitted but never traded	RON			0,00				0,00		0,00
1.1.1.e. admitted but not traded in the last 30 days	RON	1,023	0,959	0,00	18.332.638,61	0,616	0,573	0,00	11.880.681,41	-6.451.957,20
1.1.1.f. listed on BVB - in litigation	RON			0,00				0,00		0,00
1.1.1.g. admitted on ATS	RON	5,937	5,565	0,00	106.430.851,25	4,877	4,531	0,00	94.014.977,70	-12.415.873,55
1.1.2. bonds (by categories of issuers)	RON	0,006	0,006	0,00	106.125,17	0,005	0,005	0,00	103.370,33	-2.754,84
1.1.2.a. municipal bonds	RON	0,006	0,006	0,00	106.125,17	0,005	0,005	0,00	103.370,33	-2.754,84
1.1.2.b. localities bonds	RON			0,00				0,00		0,00

Item	Currency	The beginning of the reporting period (29/12/2017)				The end of the reporting period (30/03/2018)				Differences
		% of the net assets	% of the total assets	Currency	LEI	% of the net assets	% of the total assets	Currency	LEI	
1.1.2.c. corporate bonds	RON			0,00				0,00		0,00
1.1.2.d. government bonds	RON			0,00				0,00		0,00
1.1.3. other receivables (by issuer type and issuer category)	RON			0,00				0,00		0,00
1.1.4. other securities	RON			0,00				0,00		0,00
1.1.5. money market instruments (by categories);	RON			0,00				0,00		0,00
1.1.5.a. government securities	RON			0,00				0,00		0,00
1.2. securities and money market instruments admitted or traded on a regulated market, within a member state	RON			0,00				0,00		0,00
1.3. securities and money market instruments admitted in the official quotation of a stock market, within a non-member state, or negotiated on another regulated market within a non-member state	RON			0,00				0,00		0,00
2. newly issued securities	RON			0,00				0,00		0,00
3. other securities and money market instruments, mentioned in art. 187, paragraph a), of which:	RON	8,779	8,230	0,00	157.385.153,73	7,272	6,755	0,00	140.174.559,87	-17.210.593,86
	EUR	0,505	0,473	1.941.992,85	9.049.104,07	0,465	0,432	1.923.173,24	8.957.371,70	-91.732,37
3.1. securities (by categories and types of issuers)	RON	8,779	8,230	0,00	157.385.153,73	7,272	6,755	0,00	140.174.559,87	-17.210.593,86
	EUR	0,505	0,473	1.941.992,85	9.049.104,07	0,465	0,432	1.923.173,24	8.957.371,70	-91.732,37
3.1.1. Shares	RON	8,779	8,230	0,00	157.385.153,73	7,272	6,755	0,00	140.174.559,87	-17.210.593,86
	EUR	0,074	0,070	285.724,11	1.331.388,62	0,071	0,065	291.777,58	1.358.983,27	27.594,65
3.1.2. Bonds	RON			0,00				0,00		0,00
	EUR	0,431	0,404	1.656.268,74	7.717.715,45	0,394	0,366	1.631.395,66	7.598.388,43	-119.327,02
3.1.2.a. corporate bonds	RON			0,00				0,00		0,00
	EUR	0,431	0,404	1.656.268,74	7.717.715,45	0,394	0,366	1.631.395,66	7.598.388,43	-119.327,02
3.1.2.b. municipal bonds	RON			0,00				0,00		0,00
3.1.2.c. localities bonds	RON			0,00				0,00		0,00
3.1.2.d. government bonds	RON			0,00				0,00		0,00
3.2. money market instruments (by categories)	RON			0,00				0,00		0,00
3.2.1. certificates of deposit	RON			0,00				0,00		0,00
4. Bank deposits, of which:	RON	1,978	1,854	0,00	35.454.253,18	4,928	4,578	0,00	94.991.386,90	59.537.133,72
	EUR	0,049	0,046	188.516,18	878.428,85	0,058	0,054	238.509,53	1.110.882,00	232.453,15

Item	Currency	The beginning of the reporting period (29/12/2017)				The end of the reporting period (30/03/2018)				Differences
		% of the net assets	% of the total assets	Currency	LEI	% of the net assets	% of the total assets	Currency	LEI	
4.1. bank deposits in Romanian credit institutions;	RON	1,978	1,854	0,00	35.454.253,18	4,928	4,578	0,00	94.991.386,90	59.537.133,72
	EUR	0,049	0,046	188.516,18	878.428,85	0,058	0,054	238.509,53	1.110.882,00	232.453,15
4.2. bank deposits in member state credit institutions;	RON			0,00				0,00		0,00
4.3. bank deposits in non-member state credit institutions;	RON			0,00				0,00		0,00
5. Derivatives traded on a regulated market:	RON			0,00				0,00		0,00
5.1. Derivatives traded on a Romanian regulated market, by categories;	RON			0,00				0,00		0,00
5.1.1. Futures	RON			0,00				0,00		0,00
5.1.2. Options	RON			0,00				0,00		0,00
5.2. Derivatives traded on a member state regulated market, by categories	RON			0,00				0,00		0,00
5.3. Derivatives traded on a non-member state regulated market, by categories	RON			0,00				0,00		0,00
5.4. Derivatives traded outside the regulated markets, by categories	RON			0,00				0,00		0,00
6. Cash and current accounts	RON	0,010	0,009	0,00	176.783,02	0,006	0,005	0,00	110.212,37	-66.570,65
	EUR	0,002	0,002	7.607,74	35.449,79	0,002	0,002	6.873,58	32.014,39	-3.435,40
	USD	0,001	0,001	3.772,11	14.679,17	0,001	0,001	3.276,61	12.378,70	-2.300,47
7. Money market instruments, others than those traded on a regulated market, in accordance with art. 101 (1) letter g) of Law 297/2004.	RON			0,00				0,00		0,00
8. UCITS and non UCITS equity securities, of which:	RON	19,544	18,321	0,00	350.370.133,95	14,839	13,784	0,00	286.028.000,68	-64.342.133,27
8.1. UCITS securities	RON	2,419	2,268	0,00	43.370.634,71	1,703	1,582	0,00	32.824.243,62	-10.546.391,09
8.1.1. Fund units	RON	2,419	2,268	0,00	43.370.634,71	1,703	1,582	0,00	32.824.243,62	-10.546.391,09
8.1.2. ETFs	RON			0,00				0,00		0,00
8.2. non UCITS securities	RON	17,125	16,053	0,00	306.999.499,24	13,136	12,203	0,00	253.203.757,06	-53.795.742,18
8.2.1. Shares / Fund units	RON	17,125	16,053	0,00	306.999.499,24	13,136	12,203	0,00	253.203.757,06	-53.795.742,18
8.2.2. ETFs	RON			0,00				0,00		0,00
9. Other assets (amounts in transit, receivables from distributors, brokerage houses, tangible and intangible assets, claims, etc)	RON	1,099	1,030	0,00	19.705.944,01	0,844	0,784	0,00	16.263.614,06	-3.442.329,95

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RO 2816642
J04/2400/92
PJRO71AFIAA/040002
254900Y1O0025N04US14
3449

DETAILED STATEMENT OF INVESTMENTS

Securities admitted or traded on a Romanian regulated market
Date: 30/03/2018 Monthly

No	Issuer	Symbol	Last trading session	Owned shares	Nominal value / share	Market value / share	Total value	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
1	2	3	4	5	6	7	8 = 5 * 7	9	10	11
ADMITTED COMPANIES TO ATS										
1	IASITEX	IASX	13.03.2018	611.269	10,2400	9,0000	5.501.421,00	29,036	0,265	0,285
2	MARTENS	MABE	30.03.2018	72.203	2,5000	2,5000	180.507,50	7,743	0,009	0,009
3	NORD S.A. Bucuresti	NORD	07.03.2018	1.658.681	2,5000	3,8000	6.302.987,80	18,121	0,304	0,327
4	PROFESSIONAL IMO PARTNERS S.A.	PPLI	27.03.2018	24.307.608	1,0000	3,0000	72.922.824,00	31,420	3,514	3,783
5	REGAL	REGL	27.03.2018	1.116.258	0,1000	6,4000	7.144.051,20	93,022	0,344	0,371
6	SANTIERUL NAVAL CONSTANTA	SNC	13.03.2018	1.300.836	2,5000	1,1500	1.495.961,40	2,001	0,072	0,078
7	STOFE	STOF	22.03.2018	322.224	2,5000	1,4500	467.224,80	16,226	0,023	0,024
TOTAL ADMITTED COMPANIES TO ATS							94.014.977,70		4,531	4,877
ADMITTED COMPANIES TO BVB										
1	AEROSTAR	ARS	30.03.2018	22.919.887	0,3200	5,2600	120.558.605,62	15,051	5,810	6,254
2	BANCA TRANSILVANIA	TLV	30.03.2018	313.952.836	1,0000	2,6200	822.556.430,32	7,232	39,641	42,673
3	BIOFARM	BIO	30.03.2018	134.207.209	0,1000	0,3070	41.201.613,16	13,620	1,986	2,137
4	BURSA DE VALORI BUCURESTI	BVB	30.03.2018	403.776	10,0000	28,2000	11.386.483,20	5,016	0,549	0,591
5	CASA DE BUCOVINA CLUB DE MUNTE	BCM	29.03.2018	10.304.334	0,1000	0,0745	767.672,88	6,158	0,037	0,040
6	COMPA	CMP	30.03.2018	7.405.361	0,1000	0,9620	7.123.957,28	3,384	0,343	0,370

No	Issuer	Symbol	Last trading session	Owned shares	Nominal value / share	Market value / share	Total value	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
1	2	3	4	5	6	7	8 = 5 * 7	9	10	11
7	CONTED	CNTE	29.03.2018	2.495	9,5300	25,8000	64.371,00	1,041	0,003	0,003
8	DIGI COMMUNICATION N.V.	DIGI	30.03.2018	75.000	0,0466	34,0000	2.550.000,00	0,011	0,123	0,132
9	ELECTROMAGNETICA	ELMA	30.03.2018	32.758.892	0,1000	0,1390	4.553.485,99	4,846	0,219	0,236
10	MECANICA CEHLAU	MECF	30.03.2018	175.857.653	0,1000	0,1440	25.323.502,03	73,302	1,220	1,314
11	OMV PETROM	SNP	30.03.2018	490.366.875	0,1000	0,3180	155.936.666,25	0,866	7,515	8,090
12	SNGN ROMGAZ SA	SNG	30.03.2018	3.103.202	1,0000	37,7500	117.145.875,50	0,805	5,646	6,077
13	SNTGN TRANSGAZ	TGN	30.03.2018	274.547	10,0000	408,5000	112.152.449,50	2,332	5,405	5,818
TOTAL ADMITTED COMPANIES TO BVB							1.421.321.112,73		68,497	73,736
ADMITTED BUT NOT TRADED COMPANIES IN THE LAST 30 DAYS										
1	ADMET	ADMY	04.11.2016	125.400	2,5000	10,2272	1.282.493,31	23,842	0,062	0,067
2	ARMAX GAZ	ARAX	30.06.2017	157.778	10,0000	0,0000	0,00	2,569	0,000	0,000
3	ATLAS GALATI	ATLK	13.01.2014	17.036.782	0,1000	0,0000	0,00	33,995	0,000	0,000
4	CEPROHART	CPHA	25.10.2017	84.385	2,5000	12,3617	1.043.138,00	30,252	0,050	0,054
5	ELEROM	ELER	22.01.2018	23.357	13,0000	50,2904	1.174.632,15	8,930	0,057	0,061
6	FAM	FAMZ	12.09.2017	108.237	6,3000	15,8195	1.712.256,99	23,356	0,083	0,089
7	LACTATE NATURA	INBO	03.11.2017	147.847	2,5000	3,4899	515.970,89	5,986	0,025	0,027
8	SPIT BUCOVINA	SPTU	20.12.2017	1.162.275	1,0000	1,6151	1.877.219,00	19,547	0,090	0,097
9	TRANSILANA	TRSK	29.12.2017	7.352.083	0,1000	0,1426	1.048.302,80	15,080	0,051	0,054
10	TRANSTEC	TRCS	24.03.2017	286.699	2,5000	1,5940	457.000,00	41,031	0,022	0,024
11	URB RULMENTI	URUL	12.10.2017	1.790.020	2,5000	1,4717	2.634.299,94	15,874	0,127	0,137
12	VITIMAS	VITK	28.04.2017	10.497	2,5000	12,8959	135.368,33	1,477	0,007	0,007
TOTAL ADMITTED BUT NOT TRADED COMPANIES IN THE LAST 30 DAYS							11.880.681,41		0,573	0,616
TOTAL ADMITTED COMPANIES				32			1.527.216.771,84		73,601	79,230

* DIGI COMMUNICATION N.V. - valoarea nominala actiune reprezinta 0,0100 EUR la cursul BNR

Preemptive rights traded									
No	Issuer	Symbol	Last trading session	No of rights held	Nominal value / share	Market value / share	Total value	Percentage in the total assets of SIF	Percentage in the net assets of SIF
1	2	3	4	5	6	7	8 = 5 * 7	9	10

Preemptive rights which have not been traded							
No	Issuer	No of rights held	Nominal value / share	Theoretical value of the preemptive right	Total theoretical value	Percentage in the total assets of SIF Moldova	Percentage in the net assets of SIF Moldova
1	2	3	4	5	6 = 3 * 5	7	8
1	IASITEX	611.269	10,2400	0,0000	0,00	0,000	0,000
TOTALDREPTURI DE PREFERINTA NETRANZACTIONATE					0,00	0,000	0,000

Virtual shares										
No	Issuer	Symbol	Last trading session	Source	No of shares	Nominal value / share	Market value / share	Total value	Percentage in the total assets of SIF	Percentage in the net assets of SIF
1	2	3	4	5	6	7	8	9 = 6 * 8	10	11

Prepared
SIF MOLDOVA

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DETAILED STATEMENT OF INVESTMENTS

Instruments mentioned in Article 187, point a)

Date: 30/03/2018 Monthly

No.	Issue	No of shares held	Date of acquisition	Average price of acquisition	Nominal value/share	Share value	Total value	Total value (RON)	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
1	2	3	4	5	6	7	8	9	10	11	12
CLOSED COMPANIES											
EUR											
1	CATALYST ROMANIA SCA SICAR AA	241,000	31.12.2012	4.467,3676	1.000,0000	1.210,6954	291.777,58	1.358.983,27	2,147	0,065	0,071
TOTAL EUR							291.777,58	1.358.983,27	2,15	0,065	0,071
RON											
2	AGRICOLA INTERNATIONAL BC	6.639.150,000	2000	0,1000	0,1000	0,3884	2.578.353,94	2.578.353,94	1,581	0,124	0,134
3	AGROCOMPLEX BIRLAD VS	67.343,000	1993	2,5000	2,5000	0,0000	0,00	0,00	7,188	0,000	0,000
4	AGROINTENS SA B1	1.883.661,000	20.12.2016	10,0000	10,0000	12,1000	22.792.298,10	22.792.298,10	100,000	1,098	1,182
5	AGROLAND CAPITAL SA BC	12.000,000	20.12.2016	0,0000	10,0000	4,9583	59.500,00	59.500,00	99,992	0,003	0,003
6	ALIMENCO IS	53.857,000	1994	2,5000	2,5000	24,8661	1.339.212,00	1.339.212,00	28,465	0,065	0,069
7	ALIMENTARA CJ	10.468.044,000	2004	0,1559	0,1000	0,7104	7.436.800,00	7.436.800,00	18,376	0,358	0,386
8	ASSET INVEST BACAU BC	38.330.420,000	24.10.2013	0,1000	0,1000	0,0774	2.965.500,00	2.965.500,00	99,997	0,143	0,154
9	ATLAS BRAILA BR	22.337,000	1993	2,5000	2,5000	23,4535	523.881,36	523.881,36	14,985	0,025	0,027
10	BRIKSTON CONSTRUCTION SOLUTIONS(CERAMICA IS	225,000	2005	0,9626	0,5000	1,2869	289,55	289,55	0,000	0,000	0,000
11	BUCOVINA VEHICLES SA SV	2,000	31.05.2012	20.000,0000	20.000,0000	19.998,7991	39.997,60	39.997,60	0,009	0,002	0,002
12	BUCOVINA-TEX SV	77.820,000	1993	2,5000	2,5000	24,8703	1.935.406,00	1.935.406,00	28,488	0,093	0,100

13	BUMBACARIA ROMANEASCA IF	597.125,000	1993	1,0000	1,0000	0,0000	0,00	0,00	48,686	0,000	0,000
14	CASA ROMANA DE COMPENSATIE SB	852.039,000	2006	1,1990	0,1000	0,0000	0,00	0,00	7,879	0,000	0,000
15	CASA SA BACAU BC	3.248.682,000	1999	2,5212	2,5000	2,7714	9.003.500,00	9.003.500,00	99,026	0,434	0,467
16	CONFECTIA TG.JIU GJ	75.938,000	1993	2,5046	2,5000	0,0000	0,00	0,00	31,609	0,000	0,000
17	CONTOR GROUP AR	1.918.873,000	2008	0,3249	0,1000	0,0000	0,00	0,00	0,990	0,000	0,000
18	DEPOZITARUL CENTRAL(REGISCO) BU	7.396.029,000	1997	0,1341	0,1000	0,1225	905.742,94	905.742,94	2,924	0,044	0,047
19	DEPOZITARUL SIBEX SA SB	1.256,000	31.03.2009	127,9783	100,0000	0,0000	0,00	0,00	2,822	0,000	0,000
20	DYONISOS VN	772.824,000	1995	0,1000	0,1000	0,7100	548.705,04	548.705,04	12,410	0,026	0,028
21	EXIMBANK BU	414.740,000	1993	6,0000	6,0000	6,2418	2.588.718,00	2.588.718,00	0,311	0,125	0,134
22	FAVIL VL	730.000,000	1993	1,0000	1,0000	1,0783	787.131,88	787.131,88	19,942	0,038	0,041
23	FORTUS IS	5.153.925,000	1993	2,5000	2,5000	0,0000	0,00	0,00	13,565	0,000	0,000
24	HOTEL SPORT CLUJ S.A. CJ	19.329.398,000	04.01.2017	0,0000	1,0000	0,8374	16.187.000,00	16.187.000,00	99,990	0,780	0,840
25	HUMOREANCA SV	11.320,000	1993	3,5000	3,5000	36,2604	410.468,00	410.468,00	23,808	0,020	0,021
26	HYPERION IS	116.433,000	1993	2,5000	2,5000	6,2456	727.196,00	727.196,00	29,399	0,035	0,038
27	PARTMEN BC	75.748,000	1999	2,5000	2,5000	17,5467	1.329.126,00	1.329.126,00	26,592	0,064	0,069
28	PISCICOLA MURIGHIOL B1	253.026,000	1993	2,5000	2,5000	0,0000	0,00	0,00	30,000	0,000	0,000
29	RAFO BC	835.250,000	1993	0,2608	0,2600	0,0000	0,00	0,00	0,095	0,000	0,000
30	RULMENTI VS	2.408.645,000	1993	2,5014	2,5000	2,5213	6.072.840,00	6.072.840,00	6,005	0,293	0,315
31	SIMAT MS	95.172,000	1993	2,5000	2,5000	0,0000	0,00	0,00	37,908	0,000	0,000
32	TESATORIILE REUNITE BU	10.269.277,000	1993	3,4711	2,5000	5,5116	56.600.600,00	56.600.600,00	100,000	2,728	2,936
33	VASCAR VS	327.591,000	1993	2,5000	2,5000	6,2767	2.056.200,00	2.056.200,00	21,450	0,099	0,107
34	VASTEX VS	147.105,000	1993	2,7613	2,5000	22,3384	3.286.093,46	3.286.093,46	13,935	0,158	0,170
35	VINIA IS	11.634,000	1993	2,5000	2,5000	0,0000	0,00	0,00	0,163	0,000	0,000
	TOTAL RON						140.174.559,87	140.174.559,87	1.028,59	6,755	7,270
	TOTAL CLOSED COMPANIES							141.533.543,14		6,820	7,341

(shares held due to the share capital increase with counterperformance in cash, at which it has not been operated yet the share capital increase at the Trade Register, assessed in accordance with Article 119, paragraph 10 of ASF Regulation No. 9 / 2014)

No	Issuer	Source	No of shares	Nominal value / share	Subscripti on price / share	Subscription value	Remaining amount to be subscribed	Percentage in the total assets of SIF	Percentage in the net assets of SIF
1	2	3	4	5	6	7 = 4 * 6	8	9	10

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Depozitar: BRD-GSG, Bucuresti
CIF: RO 2816642
Of. Reg. Com.: J04/2400/92
Nr. Registru ASF: PJR07'AFIAA/040002
Cod LEI: 254900Y1O0025N04US14
Nr înregistrare ANSPDCP: 3449

DETAILED STATEMENT OF INVESTMENTS
Bonds or other tradable debt securities issued or guaranteed by the local public administration authorities

No.	Issuer	Symbol	No. of Bonds	Date of acquisition	Maturity date	Acquisition price	Bond value	Daily increase	Accrued interest	Present value	Present value (RON)	Percentage in the total assets of SIF	Percentage in the net assets of SIF	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Bonds listed and not traded in the last 30 trading days														
Municipal Bonds														
RON														
1	PRIMARIA BACAU	BAC26B	2.000	03.09.2009	31.10.2026	100,00	51,45	8,11	470,33	103.370,33	103.370,33	0,005	0,005	
TOTAL RON			2.000							470,33	103.370,33	103.370,33	0,005	0,005
Total Municipal Bonds			2.000								103.370,33	103.370,33	0,005	0,005
TOTAL Bonds listed and not traded in the last 30 trading days			2.000								103.370,33	103.370,33	0,005	0,005
TOTAL			2.000								103.370,33	103.370,33	0,005	0,005

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Cod LEI: 254900Y1O0025N04US14
Nr înregistrare ANSPDCP: 3449

DETAILED STATEMENT OF INVESTMENTS
Bonds or other tradable debt securities issued by companies

No.	Issuer	Symbol	No. of Bonds	Date of acquisition	Maturity date	Acquisition price	Bond value	Daily increase	Accrued interest	Present value	Present value (RON)	Percentage in the total assets of SIF	Percentage in the net assets of SIF	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Unlisted bonds														
Corporative Bonds														
EUR														
1	BANCA TRANSILVANIA		2.685.541	22.05.2013	22.05.2020	0,60	0,60	267,61	20.071,06	1.631.395,66	7.598.388,43	0,366	0,394	
TOTAL EUR			2.685.541							20.071,06	1.631.395,66	7.598.388,43	0,366	0,394
Total Corporative Bonds			2.685.541								1.631.395,66	7.598.388,43	0,366	0,394
TOTAL Unlisted bonds			2.685.541									7.598.388,43	0,366	0,394
TOTAL			2.685.541									7.598.388,43	0,366	0,394

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Autorizare CNVM: 1902/30.08.99
Registrul CNVM: PJR09SIIR/040001/14.12.05
Nr înregistrare ANSPDCP: 3449

DETAILED STATEMENT OF INVESTMENTS Bank deposits Date: 30/03/2018 Monthly

Filing date	Maturity date	Currency	Initial value		Daily interest		Accrued interest		Present value		Percentage in the total assets of SIF	Percentage in the net assets of SIF
			Foreign currency	RON	Foreign currency	RON	Foreign currency	RON	Foreign currency	RON		
BANCA TRANSILVANIA												
01.03.2018	02.04.2018	RON		6.000.000,00		216,67		6.500,00	6.006.500,00	6.006.500,00	0,29	0,31
01.03.2018	02.04.2018	RON		4.000.000,00		144,44		4.333,33	4.004.333,33	4.004.333,33	0,19	0,21
01.03.2018	02.04.2018	RON		2.000.000,00		72,22		2.166,67	2.002.166,67	2.002.166,67	0,10	0,10
12.03.2018	12.04.2018	EUR	98.500,00	458.773,60	0,27	1,27	5,20	24,21	98.505,20	458.797,81	0,02	0,02
12.03.2018	12.04.2018	RON		2.000.000,00		72,22		1.372,22	2.001.372,22	2.001.372,22	0,10	0,10
16.03.2018	16.04.2018	RON		4.000.000,00		144,44		2.166,67	4.002.166,67	4.002.166,67	0,19	0,21
16.03.2018	16.04.2018	EUR	50.000,00	232.880,00	0,14	0,65	2,08	9,70	50.002,08	232.889,70	0,01	0,01
22.03.2018	20.04.2018	RON		3.300.000,00		119,17		1.072,50	3.301.072,50	3.301.072,50	0,16	0,17
22.03.2018	20.04.2018	EUR	90.000,00	419.184,00	0,25	1,16	2,25	10,48	90.002,25	419.194,48	0,02	0,02
26.03.2018	10.04.2018	RON		5.500.000,00		187,92		939,58	5.500.939,58	5.500.939,58	0,27	0,29
28.03.2018	11.04.2018	RON		2.500.000,00		87,50		262,50	2.500.262,50	2.500.262,50	0,12	0,13

Filing date	Maturity date	Currency	Initial value		Daily interest		Accrued interest		Present value		Percentage in the total assets of SIF	Percentage in the net assets of SIF
			Foreign currency	RON	Foreign currency	RON	Foreign currency	RON	Foreign currency	RON		
30.03.2018	02.04.2018	RON		64.092.000,00		2.225,42		2.225,42	64.094.225,42	64.094.225,42	3,09	3,33
Total BANCA TRANSILVANIA				94.502.837,60		3.273,09		21.083,28		94.523.920,88	4,56	4,90
BRD												
30.03.2018	02.04.2018	RON		1.578.312,94		35,07		35,07	1.578.348,01	1.578.348,01	0,08	0,08
Total BRD				1.578.312,94		35,07		35,07		1.578.348,01	0,08	0,08
GRAND TOTAL				96.081.150,54		3.308,16		21.118,36		96.102.268,90	4,63	4,99

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DETAILED STATEMENT OF INVESTMENTS

UCITS / Non UCITS listed DATE: 30/03/2018 Monthly

No.	Issuer	Symbol	Last trading session	No of securities held	Nominal value/ security	Security value	Total value	Percentage in the total no of fund units in circulation	Percentage in the total assets of SIF	Percentage in the net assets of SIF
1	2	3	4	5	6	7	8 = 5 * 7	9	10	11
SECURITIES ADMITTED BVB - REGS										
SHARES BVB - REGS										
1	SIF BANAT CRISANA	SIF1	30.03.2018	18.502.502	0,1000	2,8000	51.807.005,60	3,558	2,497	2,688
2	SIF MUNTENIA	SIF4	30.03.2018	40.160.859	0,1000	0,8800	35.341.555,92	4,976	1,703	1,833
3	SIF TRANSILVANIA	SIF3	30.03.2018	108.777.386	0,1000	0,2280	24.801.244,01	4,980	1,195	1,287
TOTAL SHARES BVB - REGS							111.949.805,53		5,395	5,808
FUND UNITS BVB - REGS										
1	FII BET-FI INDEX INVEST	BTF	09.03.2018	2.195	200,0000	635,0000	1.393.825,00	11,520	0,067	0,072
2	STK Emergent	STK	29.03.2018	95	200,0000	46,0000	4.370,00	0,016	0,000	0,000
TOTAL FUND UNITS BVB - REGS							1.398.195,00		0,067	0,072
TOTAL UCITS							113.348.000,53		5,462	5,880

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PJR071AFIAA/040002
254900Y1O0025N04US14
3449

DETAILED STATEMENT OF INVESTMENTS

UCITS / Non UCITS unlisted
DATE: 30/03/2018 Monthly

No.	Issuer	Last trading session	No of securities held	NAV	Security value	Total value	Percentage in the total no of fund units in circulation	Percentage in the total assets of SIF	Percentage in the net assets of SIF
				lei	lei	lei	%	%	%
1	2	3	4	5	6	7 = 3 * 4	8	9	10
Securities denominated in RON									
1	BT INVEST 1		394,00000000	21.075,7300		8.303.837,62	3,360	0,400	0,431
2	FDI NAPOCA		7.265.417,54000000	0,5718		4.154.365,75	30,274	0,200	0,216
3	FDI Piscator Equity Plus		75.473,72150000	147,3979		11.124.668,05	51,292	0,536	0,577
4	FDI STAR FOCUS		660.283,58000000	6,3455		4.189.829,46	47,710	0,202	0,217
5	FDI STAR NEXT		1.054.921,84000000	6,6496		7.014.808,27	45,830	0,338	0,364
6	FII DCP INVESTITII		4.161,46230000	7.537,9796		31.369.017,92	40,913	1,512	1,627
7	FII HERMES		70,95840000	170.304,7590		12.084.553,21	49,448	0,582	0,627
8	FII MULTICAPITAL INVEST		6.788,00000000	2.638,8500		17.912.513,80	44,696	0,863	0,929
9	FONDUL PRIVAT COMERCIAL		141.903,00000000	494,6043		70.185.833,98	48,071	3,382	3,641
10	Fond Deschis de Investitii Transilvania		97.116,34000000	51,4770		4.999.257,83	16,313	0,241	0,259
11	TehnoGlobinvest		1.071,77000000	1.251,4945		1.341.314,26	14,550	0,065	0,070
TOTAL SECURITIES						172.680.000,15		8,322	8,958

No.	Issuer	Last trading session	No of securities held	NAV	Security value	Exchange rate BNR/RON	Total value	Percentage in the total no of fund units in circulation	Percentage in the total assets of SIF	Percentage in the net assets of SIF
				valuta	valuta	lei	lei	%	%	%
1	2	3	4	5	6	7	8=4*5*7	9	10	11
Securities denominated in foreign currencies										

Prepared
SIF MOLDOVA

CEO
Claudiu DOROS

CFO
Decebal DUMITRESCU

Net Asset Calculation Office
Gabriela PETER

Compliance Officer
Michaela PUSCAS

Depository Certification
BRD – Groupe Societe Generale

Securities Department
Manager, Claudia IONESCU

Certified, Gabriela-Roxana VORONCA



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Capital Social:
Depozitar:
CIF:
Of. Reg. Com.:
Nr. Registru ASF:
Cod LEI:
Nr înregistrare ANSPDCP:

101.317.917,60 LEI
BRD-GSG, Bucuresti
RO 2816642
J04/2400/92
PJR07*AFIAA/040002
254900Y1O0025N04US14
3449

Net asset value per share as of 30/03/2018

Item	Current period	Period of the previous year	Differences
1	2	3	4
NET ASSETS	1.927.582.754,84	1.717.739.865,7700	209.842.889,0700
NUMBER OF ISSUED OUTSTANDING SHARES *	997.179.176	1.022.179.176	-25.000.000
NET ASSET VALUE PER SHARE	1,9330	1,6805	0,2525

NAV and NAV/share evolution in the last 3 years

	31.12.2015	30.12.2016	29.12.2017
NET ASSETS	1434287735.56	1585572859.06	1792691575.72
NET ASSET VALUE PER SHARE	1.3938	1.5473	1.7978

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BRD – Groupe Societe Generale

Securities Department
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Certified, Gabriela-Roxana VORONCA



SIF Moldova S.A.

SPECIAL PURPOSE FINANCIAL INFORMATION
FOR THE THREE **MONTHS' PERIOD CONCLUDED ON**
31st MARCH 2018
UNAUDITED

DRAFTED IN COMPLIANCE WITH THE INTERNATIONAL
FINANCIAL REPORTING STANDARDS ADOPTED BY THE
EUROPEAN UNION („IFRS”) AND THE REGULATION OF
FINANCIAL SUPERVISION AUTHORITY (FSA) NO. 39/2015
FOR THE APPROVAL OF ACCOUNTING REGULATIONS
COMPLIANT WITH INTERNATIONAL FINANCIAL
REPORTING STANDARDS, APPLICABLE TO ENTITIES
AUTHORIZED, REGULATED AND SUPERVISED BY FSA IN
THE FIELD OF FINANCIAL INSTRUMENTS AND
INVESTMENTS, WITH ITS LATER AMENDMENTS AND
ADDITIONS

SIF MOLDOVA S.A.
INDIVIDUAL STATEMENT OF OVERALL RESULT
FOR THE THREE MONTHS' PERIOD CONCLUDED ON 31ST MARCH 2018
(all amounts are presented in RON, if not otherwise specified)

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SIF MOLDOVA S.A.
INDIVIDUAL STATEMENT OF OVERALL RESULT
FOR THE THREE MONTHS' PERIOD CONCLUDED ON 31ST MARCH 2018
(all amounts are presented in RON, if not otherwise specified)

<i>In LEI</i> Note	Note	31 st March 2018	31 st March 2017
Revenue			
revenue from dividends	6	8.490	128.153
revenue from interests	7	214.907	300.626
Other operational revenue	8a)	212.502	202.590
Other revenue	8b)	450.379	31.796
Gain from investments			
Net gain from assets sale	9	365.600	7.172.556
Net loss/net gain from the re-evaluation of financial assets at fair value through the profit or loss account	9	5.557.672	7.174.521
Net gain from the re-evaluation of real-estate investments	10	-	314.328
Expenses		-	-
Losses from assets impairment	11	20.226	(336.735)
Expenses with the setup of provisions for risks and expenses		-	(16.308)
Other operational expenses	12	(6.019.567)	(5.121.579)
Other expenses		(2.940)	-
Profit before taxation		807.269	9.849.948
Profit tax	13	(522.072)	(1.548.772)
Net profit of the financial year		285.197	8.301.176
Other overall result elements			
Increase/ (decrease) of reserve from the re-evaluation of tangible assets		14.381	-
Gain/(loss) corresponding to the fair value evaluated ceded financial assets through other elements of overall result /financial assets available for sale		7.970.833	(7.492.554)
Net gain from the re-evaluation of financial assets evaluated at fair value through other elements of overall result/ financial assets available for sale	16e)	64.072.301	127.923.435
Reserve transfer to reported result following the application of IFRS9 net of tax	16e)	103.084.492	-
Other overall result elements		175.142.007	120.430.881
Total overall result of the period		175.427.204	128.732.057

The individual financial statements have been approved by the Board of Directors on 15 th May 2018 and have been signed on its behalf by:

Claudiu Doros
CEO

Decebal Dumitrescu
Chief Financial Officer

SIF MOLDOVA S.A.
INDIVIDUAL STATEMENT OF THE FINANCIAL POSITION
FOR THE 3 **MONTHS' PERIOD CONCLUDED ON** 31ST MARCH 2018
(all amounts presented in RON if not otherwise specified)

<i>In LEI</i>	Note	31 st March 2018	31 st December 2017
Active		-	-
Cash and cash equivalents	14	161.881	229.547
Bank deposits	15	96.157.495	36.387.265
Financial assets at fair value through the profit or loss account	16a	299.501.445	204.732.623
Fair value evaluated financial assets through other overall result elements	16b	1.664.007.669	1.611.822.537
Investments held to maturity	16c	7.204.954	7.324.894
Real-estate investments	17	3.505.273	3.505.273
Intangible assets	18	17.931	21.294
Tangible assets	18	8.527.611	8.213.719
Other assets	19	4.154.314	7.910.991
Total assets		<u>2.083.238.573</u>	<u>1.880.148.143</u>
Liabilities			
Dividends to pay	20	32.778.055	33.087.963
Provisions for risks and expenses	21	2.565.455	2.565.455
Liabilities regarding deferred profit tax	22	102.019.972	79.144.662
Liabilities regarding current profit tax	23	10.468.041	4.636
Other liabilities	23	18.372.102	23.742.318
Total liabilities		<u>166.203.625</u>	<u>138.545.034</u>
Equity			
Share capital	24	537.220.149	539.720.149
Reported result		661.895.214	573.485.823
Reserves from the re-evaluation of tangible assets		8.811.939	8.797.557
Reserves from the re-evaluation of financial assets evaluated at fair value through other elements of overall result, ceded/ financial assets available for sale		721.959.904	657.887.603
Other equity elements	24	(12.852.258)	(38.283.387)
Total equity		<u>1.917.034.948</u>	<u>1.741.607.745</u>
Total liabilities and equity		<u>2.083.238.573</u>	<u>1.880.152.779</u>

The individual financial statements have been approved by the Board of Directors on 15th May 2018 and have been signed on its behalf by:

Claudiu Doros
CEO

Decebal Dumitrescu
Chief Financial Officer

SIF MOLDOVA S.A.
EQUITY CHANGES STATEMENT
FOR THE **3MONTHS' PERIOD CONCLUDED ON 31ST MARCH 2018**
(all amounts presented in RON, if not otherwise specified)

<i>In LEI</i>	Share capital	reserves from the re- evaluation of tangible assets	reserves from the re- evaluation of financial assets available for sale	Reported result	Other equity elements	Total
Balance on 01.01.2018	539.720.149	8.797.557	657.887.603	573.485.823	(38.283.388)	1.741.607.745
Overall result						
Profit of the financial year	-	-	-	285.195	-	285.195
Other overall result elements	-	-	-	-	-	-
Reserve increase from the re-evaluation of tangible assets	-	14.382	-	-	-	14.382
Reserve transfer to reported result following the application of IFRS9	-	-	(112.048.495)	-	-	(112.048.495)
Fair value re-evaluation of financial assets available for sale/ FVOCI, net of deferred tax	-	-	184.091.629	103.084.493	-	287.176.122
(Gain)/loss corresponding to the transfer to the profit or loss account/reported result, following the sale of financial assets available for sale	-	-	(7.970.833)	7.970.833	-	-
Total overall result of the period	-	14.382	64.072.301	111.340.521	-	175.427.204
Transactions with shareholders, directly recognized in equity						
Capital reduction	(2.500.000)	-	-	-	2.500.000	-
Own bought-back shares	-	-	-	(22.931.130)	-	(22.931.130)
Own assigned shares	-	-	-	-	22.931.130	22.931.130
Dividends prescribed according to the law	-	-	-	-	-	-
Dividends to pay for year 2016	-	-	-	-	-	-
Total transactions with shareholders directly recognized in equity	(2.500.000)	-	-	(22.931.130)	25.431.130	-
Balance on 31.03.2018	537.220.149	8.811.939	721.959.904	661.895.214	(12.852.258)	1.917.034.948

The individual financial statements have been approved by the Board of Directors on 15th May 2018 and have been signed on its behalf by:

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SIF MOLDOVA S.A.
EQUITY CHANGES STATEMENT
FOR THE **3 MONTHS' PERIOD CONCLUDED ON** 31st MARCH 2018
(all amounts are presented in RON, if not otherwise specified)

<i>In LEI</i>	Share capital	reserves from the re- evaluation of tangible assets	Reserves from the re- evaluation of financial assets available for sale	Reported result	Other equity elements	Total
Balance on 1 January 2017	539.720.149	9.095.516	616.216.703	445.783.128	(10.723.746)	1.600.091.750
Overall result						
Profit of the financial year	-	-	-	164.786.748	-	164.786.748
Other overall result elements	-	-	-	-	-	-
Reserve increase from the re-evaluation of tangible assets	-	(297.959)	-	-	-	(297.959)
Reserve transfer from the re-evaluation at reported result following the sale of tangible assets.	-	-	-	-	-	-
Re-evaluation at fair value of financial assets available for sale, net of deferred tax.	-	-	140.218.541	-	-	140.218.541
Reserve decrease following the sale of financial assets available for sale.	-	-	(98.547.641)	-	-	(98.547.641)
Total overall result of the period	-	(297.959)	41.670.900	164.786.748	-	206.159.689
Transactions with shareholders directly recognized in equity						
Share capital increase	-	-	-	-	-	-
Own bought-back shares	-	-	-	-	(27.559.641)	(27.559.641)
Dividends written-off according to the law	-	-	-	6.791.916	-	6.791.916
Dividends to pay for 2016	-	-	-	(43.875.969)	-	(43.875.969)
Total transactions with shareholders, directly recognized in equity	-	-	-	(37.084.053)	(27.559.641)	(64.643.694)
Balance at the end of the current period	539.720.149	8.797.557	657.887.603	573.485.823	(38.283.387)	1.741.607.745

The individual financial statements have been approved by the Board of Directors on 15th May 2018 and have been signed on its behalf by:

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CEO

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Chief Financial Officer

SIF MOLDOVA S.A.
CASH FLOW STATEMENT
FOR THE 3 **MONTHS' PERIOD CONCLUDED ON** 31st March 2018
(all amounts are presented in RON if not otherwise specified)

Operating activities		
Profit before taxation	807.267	9.849.947
Adjustments:		
Re-runs from asset impairment	-	617.715
Net gain/loss corresponding to the financial assets at fair value through the profit or loss account	365.600	(7.174.521)
Adjustments for the financial assets measured at the fair value through other items of the overall result	(17.191.160)	(7.804.185)
Revenue from dividends	(8.490)	(128.153)
Revenue from interest	(214.907)	(298.728)
Expenses/re-runs from provisions	(32.007)	36.143
Net revenue from provision re-runs for other assets	20.779	(1.526)
Other adjustments	-	(30.337)
Assets and liabilities modifications corresponding to the operating activity		
Purchase of financial assets at fair value through the profit or loss account	(15.005.383)	(4.946.289)
Sale of financial assets at fair value through the profit or loss account	15.485.118	-
Acquisitions of financial assets measured at the fair value through other items of the overall result	(817.319)	(31.161.808)
Sales of financial assets measured at the fair value through other items of the overall result	69.397.207	36.801.113
Modifications of investments held to maturity	2.940	2.940
Modification of setup deposits, with a maturity over 3 months	-	-
Modifications of other assets	3.719.786	(253.045)
Modifications of other liabilities	8.659.144	(2.094.928)
Collected dividends	8.490	128.153
Collected interest	349.785	366.378
Paid profit tax	(5.033.350)	4.635
Net cash resulted from operating activities	60.513.500	(6.086.496)
Investment activities	-	-
Payments for tangible assets purchase	(501.029)	(6.055)
Collections from the sale of assets and real estate	-	-
Net cash used in investment activities	(501.029)	(6.055)
Financing activities		
Paid dividends	(309.908)	(192.617)
Own bought-back shares	-	(2.128.611)
Net cash used in financing activities	(309.908)	(2.321.228)
Net increase of cash and cash equivalents	59.702.563	(8.413.779)
Cash and cash equivalents on 1st January	36.616.812	118.725.759
Cash and cash equivalents on 31 st March	96.319.375	110.311.980

SIF MOLDOVA S.A.
CASH FLOW STATEMENT
FOR THE 3 **MONTHS' PERIOD CONCLUDED ON** 31st March 2018
(all amounts are presented in RON if not otherwise specified)

Reconciliation of cash and cash equivalents with the accounting balance

Cash and cash equivalents	161.881	2.541.252
Bank deposits	96.157.495	107.770.728
Less bank deposits with a maturity over 3 months and blocked deposits	-	-
Cash and cash equivalents in the cash flow statement	<u>96.319.376</u>	<u>110.311.980</u>

The individual financial statements have been approved by the Board of Directors on 15th May 2018 and have been signed on its behalf by:

Claudiu Doros
CEO

Decebal Dumitrescu
Chief Financial Officer

1. Reporting Entity

SIF **Moldova SA** (“the Company”, or SIF Moldova) **Bucharest Stock Exchange index “SIF2”** is a collective placement entity operating in Romania according to the provisions of Law 31/1990 regarding Companies and Law 297/2004 regarding capital market its later amendments and additions, authorized as alternative investment funds manager(AIFM) through *Certificate no. 20/23.01.2018 issued by FSA*.

The company is the successor of **Fondul Proprietății Private II Moldova, reorganized and transformed** according to the provisions of Law no. 133/1996 and it is headquarters in Pictor Aman Str. no. 94C, Bacau municipality, Bacau district, Romania. SIF Moldova also operates through its agencies **in Iași and Bucharest localities**.

According to the Memorandum of Association, the main object of activity of the Company is:

- the administration and management of financial instruments, derivatives and other instruments classified as such by the regulations of the National Committee for Securities (CNVM), whose attributions and prerogatives have been transferred by the Financial Supervision Authority (FSA);
- the administration and management of shares/bonds and other rights resulting from these in untraded or closed companies;
- other auxiliary and related activities, according to applicable regulations.

The company is self-managed.

The shares of the Company have been listed on Bucharest Stock Exchange, 1st category, with the indicative SIF2, since November 1st, 1999.

The shares and shareholders' records are kept according to the law by Depozitarul Central S.A. **București**.

The assets deposit services are provided by BRD – Société Générale S.A. – a company authorized by the National Committee for Securities, whose attributions and prerogatives have been transferred by the Financial Supervision Authority (F.S.A);

2. Drafting grounds

(a) Statement of Compliance

The special purpose financial statements have been drafted by the Company in compliance with the acknowledgement, measurement and evaluation criteria of the **International Financial Reporting Standards adopted by the European Union (“IFRS”), IAS 27 “Individual financial statements”, and norm 39/2015 for the approval of Accounting regulations** in agreement with the International Financial Reporting Standards, applicable to authorized entities, regulated and supervised by the Financial Supervision Authority in the field of Financial Instruments and Investments (A.S.F.) with the exception of IFRS **10 “Consolidated financial statements”**.

According to Norm 39/2015, the International Financial Reporting Standards, hereinafter referred to as IFRS, represent the standards adopted according to the provisions foresee in (CE) Regulation no.1606/2002 of the European Parliament and Council on 19th July 2002 regarding the application of international accounting standards, with its later amendments and addition

The interim special purpose financial statements on 31st March 2018 include the individual overall result statement, individual statement of overall result, individual statement of cash flows, individual statement of equity modifications and explanatory notes.

The comparative financial information are presented on the 31st December 2017 for the individual financial position statement and on 31st March for the individual statement of equity modifications. The Company has not drafted interim consolidated financial statements on 31st March 2018 and 2017.

The Company's accounting records are in lei (symbol of national currency "RON").

(b) Financial statements presentation

The interim special-purpose financial statements are presented in compliance with IAS 1 requirements „**Financial statements presentation**". **The Company has adopted a presentation** based on liquidity in the financial position statement and a presentation of revenue and expenses depending on their nature in the overall result statement, thinking that these presentation methods offer information that is credible and more relevant than if presented based on other methods allowed by IAS1.

(c) Functional and presentation currency

The Company's management thinks that the functional currency, as defined by IAS 21 „Effects of currency exchange rate variation", is the Romanian leu ("RON"). The consolidated financial statements are presented in lei, rounded to the closest leu, a currency that the management of the Company has selected as presentation currency.

(d) Evaluation Grounds

The interim special purpose financial statements are drawn up based on the fair value for derived financial instruments convention and financial liabilities at fair value through the profit and loss account, and financial assets available for sale, with the exception of those for which fair value cannot be credibly ascertained.

Other assets and financial liabilities as well as non-financial assets and liabilities are presented at amortized cost, re-evaluated value or historical cost.

(e) Use of Estimates and Judgments

The drafting of individual financial statements in compliance with the International Financial **Reporting Standards adopted by the European Union ("IFRS") means that the management uses** some financial estimates, judgments and hypothesis that affect the application of accounting policies as well as the reported value of assets, liabilities, revenue and expenses. The judgments and hypotheses associated to these estimates are based on historic experience as well as other factors considered to be reasonable within the context of these estimates. The results of these estimates lay at the base of the judgments regarding the accounting values of assets and liabilities that cannot be obtained from other information sources. The results obtained may vary from the values of the estimates.

The judgments and hypothesis that lay at their base are periodically revised by the Company. The revisions of accounting estimates are recognized in the period the estimates are revised, if the revision only affects that particular period, or in the period the estimate is revised and future periods, if the revision affects both the current and future period.

3. Significant Accounting Policies

The accounting policies have been constantly applied on all periods presented in the individual financial statements drafted by the Company.

SIF MOLDOVA S.A.
EXPLANATORY NOTES FOR THE SPECIAL PURPOSE FINANCIAL INFORMATION
FOR THE 3 **MONTHS' PERIOD CONCLUDED ON** 31st MARCH 2018
(all amounts are in RON, unless otherwise stated)

The individual financial statements are drafted based on the hypothesis that the SIF Moldova will continue its activity in the predictable future. In order to evaluate the applicability of this hypothesis, the management analyses forecasts regarding future cash collections.

(a) Transactions in foreign currency

The operations expressed in foreign currency are entered in lei at the official exchange rate on the transaction date. The monetary assets and liabilities recorded in estimates on the date the accounting balance is drafted are turned into the functional currency at the exchange rate of that given day.

The revenue or losses from their offset and from the conversion using the exchange rate at the end of the accounting year and the denominate monetary liabilities in foreign currency are recognized in the global result, with the exception of those that have been recognized in equity following the registration in compliance with risk coverage accounting.

The exchange rate differences for the elements such as participations held at fair value through the profit or loss account are presented as fair value earnings or losses. The exchange rate differences for the elements such as financial instruments evaluated at fair value through other overall results elements are included in the reserve coming from the fair value modification of the financial instruments.

The exchange rates for the main foreign currency, according to BNR reporting have been:

Currency	31 st March 2018	31 st December 2017	Variation
Euro (EUR)	1:LEU 4,6576	1: LEU 4,6597	-0,05%
American dollar (USD)	1:LEU 3,7779	1: LEU 3,8915	-3,01%

(b) Subsidiaries and associated entities

Subsidiaries are entities under the Company's control. Control exists when, inter alia, the Company has the ability to directly or indirectly influence the financial and operational policies of an entity to obtain benefits from its activities. At the time of the control evaluation, potential or convertible vote rights which can be exercised at that particular time, are taken into account.

Associated entities are those companies in which the Company can exercise significant influence, but cannot control the financial and operational policies.

The list of subsidiaries and associated entities is presented under explanatory note 27, page 64.

The Company has classified in this individual financial statement its holdings in subsidiaries and associated entities as financial assets evaluated at fair value through other elements of overall result and fair value through the profit and loss account, in compliance with IFRS 9.

(c) Accounting in the hyper-inflation effect

In compliance with IAS 29, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy must be presented in the measurement units on the date the balance is closed (non-monetary elements are re-approached using a general price index on the date the balance is concluded (non-monetary elements are re-approached using a general price-index on the date the purchase or contribution is made).

SIF MOLDOVA S.A.
EXPLANATORY NOTES FOR THE SPECIAL PURPOSE FINANCIAL INFORMATION
FOR THE 3 **MONTHS' PERIOD CONCLUDED ON** 31st MARCH 2018
(all amounts are in RON, unless otherwise stated)

According to IAS 29, an economy is considered to be hyper-inflationist if, besides other factors the cumulated inflation rate for a period of three years exceeds 100%.

The continuous decrease of inflation rate and other factors connected to the characteristic of the economic environment in Romania indicate that the economy whose functional currency has been adopted by the Group has ceased to be hyper inflationist, with effect on the financial statements started on the January 1st 2004. Thus, the provisions of IAS 29 have been adopted in the drawing up of the consolidated financial statements up to 31st December 2003. .

Thus, the values expressed in the current measurement unit on 31st December 2003 are treated as the base for the accounting values reported in the consolidated financial statements and they are not evaluated values, replacement costs, or any other measure of current value of assets or prices at which transactions could be carried out at present.

For the purpose of drafting the individual financial statements, the Company adjusts the following non-monetary elements to be presented in the measurement unit as of 31st December 2003:

- share capital;
- cost-evaluated financial assets available for sale.

Tangible and intangible assets are presented at re-evaluated value on 01st January 2017 and 31st March 2018. The re-evaluation was made by the Company on 31st December 2017 by Evaluari Consultanta Management Bacau – ANEVAR member.

The affected amounts, rerun on an annual basis as a result of the financial statement re-approach operation in compliance with IAS 29 are of 433.706.298 lei.

(d) Cash and cash equivalents

Cash and cash equivalents include: actual cash, current accounts and deposits with banks (including blocked deposits and interest corresponding to the bank deposits).

On drafting the cash flow statement, the Company considers cash and cash equivalent to be: actual cash, bank current accounts, deposits with an initial maturity under 90 days and their corresponding interest (without blocked deposits),

(e) Financial Assets and Liabilities

Definition:

An asset is a resource controlled by the entity as a result of some past events, from forecasted to bring future economic benefits for the entity

A liability is a current obligation of the entity, resulted from past events, whose offset is expected to cause a resource exit incorporating economic benefits from the Company.

(i) Classification

According to IFRS 9, financial assets are classified in one of the following categories:

- **Fair value evaluated financial assets through the profit or loss account („FVTPL”):**
 - equity instruments held for trading;
 - equity instruments designated to be evaluated at fair value through the profit or loss account;
 - debt instruments;

• *financial assets evaluated at fair value through other elements of overall result („FVOCI”):*

- *equity instruments designated to be evaluated at fair value through other elements of overall result.*

- *debt instruments;*

• *Financial assets evaluated at amortized cost:*

- *debt instruments.*

- *The companies are bound to classify equity instruments held for trading at fair value through the profit or loss account, and for the rest of the portfolio they have the option, on instrument level, to decide their classification at fair value through other instruments of overall result.*

The company classifies the held financial instrument under the following categories:

Financial assets evaluated at fair value through the profit and loss account („FVTPL”):

A financial asset must be evaluated at fair value through the profit or loss account, except for the case when it is evaluated at amortized cost, in compliance with its score or to fair value through other overall result elements.

Nevertheless, an entity may make an irrevocable decision on the initial recognition, in case of certain investments in *equity instruments* that would otherwise be evaluated at fair value through the profit or loss account to present the later modifications of fair value in other overall result elements.

On initial recognition, the company may irrevocably designate a financial asset as evaluated at fair value through the profit or loss account, if it thus eliminates or significantly reduces an evaluation inconsistency, or recognition (to which reference is sometimes made as „**accounting mismatch**”) that would otherwise result from the evaluation of assets or liabilities, or recognition of gains and losses on different grounds.

An asset is held for trading if it meets the following requirement cumulatively:

- it is held for the purpose of sale and repurchase in the near future;
- on its initial recognition it is part of a portfolio of identified financial instruments, that are managed together and for which there is a real and recent pattern of short-term profit targeting.

This category includes financial assets or liabilities held for trading and financial instruments assigned at fair value through the profit or loss account on the moment of their initial recognition. Derived financial instruments are classified as held for trading if they are not instruments used for hedge accounting.

Investments held to maturity („HTM”)

Investments held to maturity represent those non-derived financial assets with fixed or determinable payments and fixed maturities that the Company strongly intends to and has the possibility to hold until maturity. Investments held up to maturity are measured at amortized cost through the method of actual interest less losses from impairment.

Credits and debts

Credits and debts are non-derived financial assets with fixed or determinable payments that are not quoted on an active market, other than those that the Company intends to sell immediately or in the near future. These are mainly comprised of bank deposits.

Financial assets evaluated at fair value through other elements of overall result („FVOCI”):

A financial asset must be evaluated at fair value through other elements of overall result if both conditions below are met:

- (a) the financial asset is held within a business model whose objective is met both through the collection of contractual treasury flows, and the sale of financial assets, and
- (b) the contractual terms of the financial asset generates, on certain dates, treasury flows that are exclusive payments of the main loan and of the interest for the main loan value.

A financial assets must be evaluated at amortized cost if both conditions below are met:

- (a) the financial asset is held within a business model whose objective is the holding of financial assets in order to collect contractual treasury flows, and
- (b) the contractual terms of the financial asset generates, on certain dates, treasury flows that are exclusive payments of the main loan and of the interest for the main loan value.

A gain or loss corresponding to a financial asset evaluated at fair value through other overall result elements must be recognized in other elements of overall result, with the exception of the gains or losses from impairment and gains and losses from currency exchange rates, until the financial asset is derecognized or reclassified.

When the financial asset is derecognized, the cumulated gain or loss previously recognized in other overall result elements is reclassified from equity in profit or loss as a reclassification adjustment (see IAS 1)

If the financial asset is reclassified outside fair value evaluation category through other elements of overall result, the entity must account the cumulated gain or loss that was previously recognized in other overall result elements.

3. Significant Accounting Policies (continued)

(ii) Recognition

Assets and liabilities are recognized on the date the Company becomes contracting party for the conditions of that particular instrument. Financial assets and liabilities are measured at the time of their initial recognition at fair value plus directly assigned trading costs, with the exception of investments in shares whose fair value could not be credibly ascertained, that are initially recognized under cost.

(iii) Compensations

Financial assets and liabilities are compensated, and the net result is presented in the position status only when there is a legal compensation right and if there is the intention to have them discounted on a net base, or if the Company intends to achieve the asset and eliminate the debt simultaneously.

Revenues and expenses are presented as net only when accounting standards allow it, or for the **profit and loss resulted from a group of similar transactions such as those from the Company's trading activity.**

(iv) Amortized Cost evaluation

The mortised cost of a financial asset or liability represents the value for which the financial asset or liability is measured for its initial recognition, minus the principal parts, to which cumulated amortization is added or deducted up to that given time, using the effective interest method, less reductions corresponding to impairment losses.

(v) Fair value evaluation

Fair value is the amount for which an asset can be traded or a liability settled, between interested and aware parties, in case of a transaction carried out under objective conditions, on the evaluation date. (e.g. exit price)

Ascertaining the fair value of financial assets and liabilities is based on the quotation of an active market. A financial instrument has an active market if for that instrument quoted prices are rapidly and regularly available, and these prices reflect the market transactions regularly made under objective market conditions.

Fair value evaluation for the financial instruments traded on an active market is set by multiplying the corresponding number of shares held with the closing price on the last trading date of the reporting period.

In case a financial asset is quoted on more active markets, the Company uses the quotation from the most convenient market, taking all access associated barriers/costs on each market into consideration.

All investments in equity and in the contracts corresponding to these instruments must be evaluated at fair value. Nevertheless, under certain circumstances, not many in number, the cost might represent a corresponding evaluation of fair value. This can be the case if there are not sufficient information available to evaluate fair value or if there is a large range of possible evaluations at fair value and cost represents the best estimate of fair value from that range.

For all other financial instruments, fair value is determined using evaluation techniques. Evaluations techniques include techniques based on net updated value, updated cash flow method, comparison with similar instruments for which there is an observable market price and other evaluation methods.

The value resulted from the use of an evaluation model is adjusting depending on a number of factors, as evaluation techniques do not credibly reflect all factors taken into consideration by market participants when closing a transaction. Adjustments are registered so that they reflect the risk models, differences between selling and buying quotations, liquidity risks and other factors. The management of the Company considers that these adjustments are necessary to present an accurate value of financial instruments held at fair value, in the status of the financial position.

(vi) Value impairment identification and evaluation

Financial assets measured at amortized cost

The Company analyses on every reporting date if there is an objective indication that a financial asset is impaired. A financial asset is impaired if and only if there are objective indications regarding the depreciation occurred following the result of one or more events that took place after **the initial recognition of the asset ("loss generating event")**, and **the loss generating event(s) has** (have) an impact on future cash flows of the financial asset, or the group of financial assets that can be credibly estimated.

If there are objective indications that there has been a loss from the depreciation of amortized cost **measured financial assets, then the loss is measured as difference between the assets' accounting value and updated value of future cash flows using the effective interest rate of the financial assets at the initial moment.**

If an amortized cost measured financial asset has a variable interest date, the updating rate for the evaluation of any loss through depreciation is the current variable interest rate, specified in the contract.

The accounting value of an asset is decreased through the use of a provision account. Impairment losses are acknowledged in the profit or loss account.

If in the following period an event that took place after the moment the impairment was recognized and it causes a reduction of the impairment loss previously recognized, it is rerun through the adjustment of the provision account. The reduction of the impairment is recognized in the profit or loss account.

(vii) Derecognition

The Company derecognizes a financial asset when the rights to receive cash flows from that particular asset expire, or when the Company has transferred the rights to receive contractual cash flow from that particular asset in a transaction where it has significantly transferred all risks and benefits of the ownership right.

Any interest in the transferred financial assets held by the Company or created for the Company is recognized separately as an asset or a liability.

The Company derecognizes a financial liability when contractual obligations have ended or when contractual obligations are annulled or expire.

If an entity transfers a financial asset through a transfer meeting the de- recognitions conditions and keeps the right to manage the financial assets in exchange for a fee, it must recognize either an asset from its management or a liability from its management for that management contract.

If the fee to be received does not properly compensate the entity for management activity, a management debt must be recognized under its fair value. If the fee to be received is more than a proper compensation for the delivery of the management service, than a management asset must be recognized for the management right, at a value set based on the assignment of an accounting value to the larger financial asset.

At the same time, if, following the transfer, a financial asset is fully derecognized, but following the transfer the entity receives a new financial asset or takes on a new financial liability or management liability, the entity must recognize the new financial asset, financial liability or management liability at fair value.

On derecognizing a financial asset fully, the difference between:

- its accounting value and
- the amount comprised of (i) the value of the amount received (including any new asset obtained minus any new liability taken on) and (ii) any cumulated gain or loss that has been recognized in other elements of global result, must be recognized in the profit or loss account.

If the transferred asset is part of a larger financial asset (for example when the entity transfers the cash flows corresponding to the interest to a liability instrument) and the transferred part meets the conditions for full derecognition, the previous accounting value of the financial asset, must be divided between the part that continues to remain recognized and the part that is derecognized, based on the relative fair value of those parts on the transfer date. For this purpose, a managed asset must be treated as a part that remains recognized. The difference between:

- accounting value assigned to the derecognized part, and
- the amount comprised of (i) The value of the amount received for the derecognized part (including any new asset obtained minus any new liability taken on) and (ii) any cumulated gain or loss that has been recognized in other elements of overall result, must be recognized in profit or loss account. A cumulated gain or loss that has been recognized in other elements of overall result is assigned between the part that continues to be recognized and the part that is derecognized, based on the relative fair value of those parts.

(f) Other financial assets and liabilities

Other financial assets and liabilities are evaluated at amortized cost, using the effective interest method minus any impairment loss.

(g) Real-estate investments

Real estate investments are real estates (lands, buildings, or parts of buildings) held by the Company for the purpose of renting or value increase or both, and not for the purpose of:

- being used in the production or supply of goods or services for administrative purposes;
or
- being sold over the normal course of activity

Certain properties include a part that is held for rental or for the purpose of increasing its value and another part that is held for the purpose of goods manufacture, service delivery or for administrative purposes.

If these parts can be sold separately (or rented separately based on a financial leasing contract) then they are accounted separately. If the parts cannot be sold separately, the property is treated as real investment only if the part used for the purpose of goods manufacture, service delivery or administrative purposes is insignificant.

(i) Recognition

A real estate investment is recognized as asset if, and only if:

- it is probable that a future economic benefit associated to the element enters the Company;
- the cost of the asset can be credibly determined

(ii) Evaluation

Initial Evaluation

A real investment is initially cost evaluated, included trading costs. The cost of a real investment purchased comprises the purchase price for it plus any other expenses directly connected to it (for example legal fees, property transfer taxes and other trading costs).

The value of the Company's real estate investments on 31st March 2018 and 31st December 2017 is detailed under explanatory note 17, page 57.

Ulterior Evaluation

The Company's accounting policy regarding the ulterior evaluation of real estate investments is that based on the fair value model. This policy is uniformly applied to tall real estate investments.

The fair value evaluation of real estate investments is carried out by evaluators members of the National Association of Evaluators in Romania (ANEVAR). Fair value is based on market price quotations, adjusted, if need be, so that they reflect the differences connected to the nature, location or condition of that asset. These evaluations are periodically revised by the management of the Company.

The earnings or losses resulted following the modification of real investment fair value are recognized in the profit or loss account of the period when these occur.

The fair value of real estate investments reflects the market conditions on the balance date.

(iii) Transfers

The transfers to or from real estate investments are made when, and only when there is a modification in the use of that given asset.

For the transfer of a real estate investment evaluated at fair value to corporal fixed assets, the implicit cost of the asset, for the purpose of its accounting at a later time, will be the net value on the date of use modification.

(iv) Depreciation

The same accounting principles as for tangible assets are applied.

(v) Derecognition

The accounting value of a real estate investment is derecognized on transfer or when the investment is finally taken out of use and no future economic benefits are expected from its transfer.

Profit or loss resulted from scrapping or sale of a real estate investment are recognized from the profit or loss account then it is scrapped or sold.

(h) Tangible and intangible assets

(i) Recognition and Evaluation

Tangible assets recognized as assets are initially evaluated at cost by the Company. The cost of a tangible element is comprised of the purchase price, including non-recoverable taxes after the deduction of any price reductions of commercial nature to which any costs that can be directly attributed to bringing the asset to the location and in the condition required for it to be used for that purposes intended by management is added, such as: expenses with employees directly resulting from the construction or purchase of the asset, location preparation costs, initial delivery and **handling costs, installation and assembly costs, experts' fees.**

The value of the Company's **tangible and intangible assets on 31st March** 2018 and 31 December 2017 is detained under explanatory note 18 (pag 58).

Tangible assets are classified by the Company in the following assets classes of the same nature and with similar use:

- Lands;
- Buildings;
- Equipment, technical installation and machines;
- Transportation means;
- other tangible assets.

3. Significant Accounting Policies (continued)

(h) Tangible and intangible assets (continued)

Lands and constructions are presented at re-evaluated value, this representing the fair value on the re-evaluation date minus any amortization later accumulated and any losses accumulated through depreciation

Fair value is based on market price quotations, adjusted, if the case be, so that they reflect differences connected to the nature, location or condition of that given asset.

Re-evaluations are made by specialized evaluators, members of ANEVAR. The frequency of the evaluations is set according to the dynamics of the markets the buildings held by the Company belong to.

The other tangible assets categories are cost presented, less cumulated amortization and provision for value impairment.

The expenses with the maintenance and repairs of tangible assets is registered by the Company in the overall result statement when they occur, and the significant improvements of the tangible assets that increase their value or life span, or significantly increase the ability to generate economic benefits, are capitalized.

(ii) Amortization

Amortization is calculated using the linear method along the estimated useful life duration of the assets, as follows:

Buildings	40 years
Equipment	2-12 years
Transportation means	4-8 years
Furniture and other tangible assets	4-12 years

Lands are not subjected to amortization.

Intangible assets that meet the recognition criteria of the International Financial Reporting Standards are cost registered less cumulated amortization. The amortization of intangible assets is entered in the profit or loss account based on the linear model for an estimated period of max. 3 years.

Amortization methods, estimated useful life span, as well as residual values are revised by the management of the Company, on each reporting date.

(iii) Sale/Scrapping of tangible and intangible assets

Corporal assets that are scrapped or sold are eliminated from the balance with the proper accumulated amortization. Any profit or loss resulted from such an operation is included in the current profit or loss account.

(i) Impairment of assets other than the financial ones

The accounting value of the Company's assets which are not of financial nature, other than assets such as deferred taxes, are revised on every reporting date in order to identify depreciation clues. If such clues exist, the recoverable value of those assets is estimated.

3. Significant accounting policies (continued)

(i) Impairment of assets other than the financial ones (continued)

An impairment loss is recognized when the accounting value of the assets or its cash generating unit exceeds the recoverable value of the asset of the cash-generating unit.

A cash generating unit is the smallest identifiable group that generates cash, and that – independent from other assets or groups of assets, has the ability to generate cash flows. Impairment losses are recognized in the overall result statement.

The recoverable value of an asset or a cash-generating unit is the maximum between the use value and the fair value minus cost for the sale of that asset or unit. In order to determine the use value, future cash flows are updated using an update rate before taxation, which reflects the current market conditions and the risks specific for that asset.

Losses from depreciation recognized in the previous periods are evaluated on each reporting date in order to ascertain if these are lower or if they no longer exist. Impairment loss is rerun if there was a change in the estimates used to determine its recovery value. Impairment loss is rerun only in case the accounting value of that asset does not exceed the accounting value that would have been calculated, net of amortization and depreciation, if the impairment loss would not have been recognized.

(j) Share capital

Ordinary shares are recognized in the share capital. Incremental costs directly assignable to an issue of ordinary shares are deducted from capital, net of taxation effects.

(k) Dividends to distribute

Dividends are treated as a distribution of profit in the period when these have been declared and approved by the General Meeting of Shareholders.

(l) Prescribed dividends

Dividends to be paid uncollected within 3 years from their declared date are prescribed according to the law. Out-dated dividends represent transactions with shareholders and are recognized in equity, in the reported result.

(m) Provisions for Risks and expenses

Provisions are recognized in the financial position statement when a liability is created for the Group connected to a past event and it is probable that in the future it will be necessary to spend some economic resources that extinguish this liability and a reasonable estimation of the liability value can be made. In order to determine the provision future cash flows are updated using an update rate before taxation which reflects the current conditions on the market and the specific risks for that particular liability.

(n) Revenue from interest

The revenues and expenses with interest are recognized in the status of global result through the effective interest method. The effective interest rate represents that rate which accurately updates the payments and cash collections forecast for the expected life span of the financial asset or liability (or, where the case be, for a shorter period of time) to the accounting value of the financial asset or liability.

(o) Revenue from dividends

Revenue from dividends is recognized in the profit or loss account on the date the right of the Company to receive these incomes is set. In the case of dividends received as shares as an alternative to cash payments, revenue from dividends is recognized on the level of the cash that has been received, in correspondence with the increase of the corresponding holding. The Company does not register revenue from the dividends corresponding to the shares received for free, when these are distributed proportionally to all shareholders.

The Company registers revenue from dividends at gross value including dividend tax, which is recognized as current expense with the profit tax.

(i) Short-term benefits

Short-term benefits of the employees are not updated and are recognized in the overall result statement, as the corresponding service is delivered.

Short-term benefits of employees include wages, bonuses. The short-term benefits of the employees and social insurance **contributions are recognized in the Company's financial**

statements, when the services are delivered. The company recognizes a provision for the amounts that are expected to be paid as cash bonuses on the short term or profit participation schemes for the staff, as the Company currently has a legal or implicit obligation to pay these amounts, as a result of past services delivered by the employees and if that given obligation can be credibly estimated.

(ii) Determined distribution plans

The Company makes payments on behalf of its own employees to the Romanian state pension system, social insurance and unemployment fund, in the normal course of activity.

All employees of the Company are members and at the same time they have the legal obligation to **contribute (through social contributions) to the Romanian state's pension system (a determined contribution plan of the state)**. All such contributions are recognized in the profit or loss account of the period when they are made. The Company has no other additional obligations.

The Company is not running any independent pension scheme and accordingly it has no other obligations. The Company is not involved in any retirement benefits scheme. The Company has no obligation to deliver ulterior services to the former or current employees.

(iii) Long-term benefits of the employees

The net obligation of the Company regarding benefits corresponding to long-term services is represented by the value of future benefits that the employees have earned in exchange for the services delivered by them during the current and prior periods. The Company does not have the obligation to awards benefits to employees on the date of their retirement.

(q) Revenue and loss from exchange rate differences

Currency transactions are entered in the functional currency (RON) through the conversion of the amount in currency to the official exchange rate notified by **Romania's National Bank valid on the transaction date. On**

3. Significant Accounting policies (continued)

q) Revenue and loss from exchange rate differences (continued)

the reporting date, the monetary elements expressed in currency are converted using the closing exchange rate.

Rate differences that occur on the offset of the monetary elements or conversion of monetary elements at rates different from those they were converted in at their initial recognition (during the period), or in the prior financial statements, are recognized as loss or income in the profit or loss account, in the period when they occur.

(r) Profit Tax

The profit tax corresponding to the exercise includes current and deferred tax. Current profit tax includes the tax on dividend income recognized at gross value.

Profit tax is recognized in the overall result statement or in other elements of overall result if the tax corresponds to capital elements.

Current tax is the tax paid for the profit of the current period, determined based on the percentages applied on the reporting date and all adjustments corresponding to previous periods.

For the period concluded on 31st March 2018, the profit tax rate has been of 16% (namely 16% on 31st December 2016). The taxation rate corresponding to the profit from taxable dividends has been of 5% for the period concluded on 31st March 2018, (namely 5% on 31 December 2017). Deferred tax is calculated by the Company using the balance method for those time differences that occur between the tax base for assets and liabilities calculated and their accounting value, used for reporting in the individual financial statements.

Deferred tax is not recognized for the following time differences: initial recognition of commercial fund, initial recognition of assets and liabilities coming from transactions that are not combinations between enterprises and do not affect the accounting or fiscal profit and differences stemming from investment in branches, provided that these will not be rerun in the near future.

Deferred tax is calculated based on the taxation percentages that are expected to be applied to the time differences on their rerun, based on applicable law on the reporting date. Claims and debts with deferred tax are compensated only if there is the legal right to compensate current debts and liabilities with the tax and if these correspond to the tax collected by the same tax authority for the same entity undergoing taxation or for different tax authorities who want the deduction of current claims and liabilities with the tax using a net base or corresponding assets and debts are simultaneous.

A claim regarding deferred is recognized only to the extent the realization of future profit that might be used to cover fiscal loss is probable. The claim is revised at the conclusion of each financial year and is diminished as the corresponding fiscal benefit is unlikely to be achieved. Additional taxes that occur from the distribution of dividends are recognized on the same date with the dividend payment obligation.

(s) Result per share

The Company presents the result per basic share and diluted for ordinary shares. The result per basic share is determined by dividing the profit or loss assignable to the ordinary shareholders

3. Significant Accounting Policies (continued)

(s) Result per share (continued)

of the Company to the average weighted number of ordinary shares corresponding to the reporting period. Diluted result per share is ascertained through the adjustment of the profit or loss assignable to ordinary shareholders and the average, weighted number of ordinary shares with dilution effects generated by potential ordinary shares.

(t) Leasing Payments

Operational leasing payments are recognized in the profit and loss account based on the linear method over the entire leasing contract duration. Leasing facilities received are recognized as integral part of total leasing expenses, over the leasing contract. Leasing facilities received are recognized as integral part of total leasing expenses over the leading period. Operational leasing expenses are recognized as a component of operational leasing expenses. Minimal leasing payments in financial leasing contracts are proportionally divided between leasing interest expenses and

leasing debt reduction. Leasing interest expense is assigned to each leasing period, so as to produce a constant interest rate for the remainder leasing debt.

Within the next session we present the new standards, amendments and interpretations of the standard already existent that were in force on 31st March, the list of new standards, amendments and interpretation of the standards adopted by the by the International Accounting Standards Board (IASB) and European Union (UE) but not into force for the financial year concluded on 31st December 2016 and the list of new standards, amendments and standard interpretation adopted by the International Accounting Standards Board, but not adopted by the European Union for the period concluded on

(u) New standards and interpretations

(i) *Initial application of new amendments to existent standards in force for the current reporting period*

On the approval date of this reporting, the following new standards and amendments issued by IASB and adopted by the European Union are in force:

- **IFRS 9 „Financial Instruments”** – adopted by EU on 22nd November 2016 (applicable for annual periods, starting on, or after 1st January 2018),
- **IFRS 15 „Revenue from contracts with clients” with its later amendments” and amendments to IFRS 15 “Actual date of IFRS 15”** – adopted by EU on 22nd September 2016 (applicable for annual periods starting on or after 1st January 2018).
- Amendments to **IFRS 2 „Share-based payment plan”** – the classification and evaluation of transactions with share-based payments (applicable for annual periods, starting with or after 1st January 2018).
- Amendments to **IFRS 4 „Insurance contracts”** – application of **IFRS 9 “Financial instruments” with IFRS 4 „Insurance contracts”** (applicable for annual periods starting with or following January 1st 2018 or with the first application of **IFRS 9”Financial Instruments”**).
- Amendments to **IFRS 10 „Consolidated financial statements”** and **IAS 28 „Investments in associated companies and joint venture”** Sale of or contribution with assets between
- an investor and associated entities, or joint ventures and its later amendments (the date of its coming into force was postponed for an undetermined period of time, until the completion of the research project regarding the equivalence method),
- Amendments to **IAS 7 „Treasury flows statement”** – the initiative regarding the presentation requirements (applicable for annual periods. beginning with or after 1st January 2017),
- Amendments to **IAS 12 „Profit Tax”** – Recognition of assets with deferred profit tax for unrealized losses (Applicable for annual periods, starting on or following 1st January 2017).
- Amendments to **IAS 40 „Real estate investments”** – Real estate investment transfers (Applicable for annual periods starting on or following 1st January 2018),
- **Amendments to various standards „Improvements of IFRS” (2014-2016 cycle)** which result from the annual project for the improvement of IFRS (IFRS 1, IFRS 12 and IAS

28) with the main purpose of eliminating the inconsistencies and clarifying some inconsistencies (amendments to IFRS 12 will be applied for annual periods, starting from or following 1st January 2017 and Amendments to IFRS 1 and IAS 28 will be applied for annual periods starting on, or following 2018),

- **IFRIC 22** „Transactions with currency and advances” (applicable for annual periods starting on 1st January 2018).

(ii) *New standards and amendments to the existent issued standards that have not been adopted yet.*

On the approval date of the new financial statements, the following new standards, amendments to the standards and new interpretations were issued, but they are not yet in force:

- **IFRS 16 „Leasing”** (applicable for annual periods starting on or after 1st January 2019),

SIF Moldova anticipates that the adoption of these standards, revisions and interpretations will not have a significant impact on its annual financial statements in the year when they will be applied for the first time.

Adopting **IFRS 9** “Financial instruments” **IFRS 9** replaces the provisions existent in IAS 39 „**Financial instruments: recognition and evaluation**” and include new principles regarding the classification and measurement of financial instruments, a new model regarding credit risk for the calculation of financial assets impairment and new general requirements regarding hedge accounting against risks. At the same time, it keeps principles similar to IAS 39 regarding the recognition and de-recognition of financial instruments.

SIF Moldova has adopted IFRS 9 starting on January 1st 2018.

IFRS 9 “Financial instruments” presents the provisions for the recognition and evaluation of financial assets, financial liabilities and certain contracts for the sale and purchase of non-financial elements. This standard replaces the provisions in IAS 39 „**Financial instruments: recognition and evaluation**” and includes new principles regarding the classification and measurement of financial instruments, a new model regarding credit risk for impairment calculation for financial assets and new general requirements regarding hedge accounting against risk. SIF Moldova has adopted IFRS 9 starting on January 1st 2018.

Our company holds the following types of financial instruments that fall under IFRS 9” equity instruments, debt instruments (fund units, bonds, cash and current accounts, bank deposits), other financial assets and liabilities.

Following the analysis carried out, **SIF “Moldova”** has decided to classify most (84% of IFRS value of financial assets existent on 31st December 2017) financial instruments, starting on the date of the initial application of IFRS9, at fair value, through other elements of overall result.

No fair value modifications were necessary when adopting IFRS 9.

4. Management of significant risks

The management of the Company thinks that risk management should be carried out in a consistent methodological environment and that their management is an important component of the strategy for yield maximization, obtaining the targeted level of profit while maintaining a reasonable level of risk exposure and abiding by legal provisions. The formalization of risk

management procedures, decided by the management of the Company is an integral part of the **Company's strategic objectives**.

The investment activity leads to the exposure of the Company to a variety of risks associated with financial instruments held and the financial markets on which it operates. The main risks the Company is exposed to are:

- market risk (interest rate risk, currency risk and price risk);
- credit risk;
- liquidity risk;
- taxation risk;
- economic environment risk;
- operational risk
- capital inadequacy risk

The general risk management strategy aims to maximize the profit of the Company reported to the **risk level that it is exposed to and minimize the potential adverse variants on the Company's** financial performance.

The Company has implemented procedures and policies for the management and evaluation of the risks it is exposed to. These policies and procedures are presented under the sections dedicated for each individual risk type.

(a) Market Risk

Market risk is defined as the risk to register a loss or fail to achieve the expected profit, as a result of price fluctuation, fluctuation of interest rates and currency exchange rates.

For an efficient management of market risk we use technical and fundamental analysis methods, forecasts regarding the evolution of economic branches and financial markets, taking into consideration:

- profitability evaluations corresponding to the share portfolio;
- setting the concentration limitations for assets on the same market, geographical position or economic sector;
- setting the presence limitations on new markets;
- setting the bearable risk limits;
- tolerance to risk concentrations;
- strategic assignment of long-term investments, based on the principle according to which the market will correctly determine the fundamental value;
- tactical, short-term assignment which involves the use of the short-term market variations to obtain profit.

The selection of investment opportunities is made through:

- technical analysis;
- fundamental analysis – **determination of the issuer's ability to generate** profit;
- comparative analysis – determining the relative value of an issuer in connection to the market or similar companies;
- statistical analysis – setting trends and colorations using price history and traded volumes

The company is exposed to the following market risk categories:

(i) Price Risk

Pice risk exposure consists in possibility that financial instruments fluctuate as a results of market

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price change.

The Company is exposed to the risk associated with the price variation of financial assets at fair value through the profits or loss account and the financial assets evaluated at fair value through other overall result elements. 81% of total shares traded on an active market held by the Company on 31st March 2018 (31st December 2017: 80%) represented investments in companies included in the BET index of Bucharest Stock Exchange, index weighted with market capitalization and created in order to reflect the general trend of prices for the 10 most liquid shares traded on Bucharest Stock Exchange.

A positive or negative variation of 10% of financial assets at fair value through the profit and loss account would lead to an increase/decrease of profit before taxation, 26.920.165 lei (31st December 2017: 10.835.973 lei).

A positive or negative variation of 10% of the prices of financial assets available for sale evaluated at value through other overall result elements would lead to an increase/decrease of equity, net of profit tax, by 140.497.010 lei (31st December 2017: 121.679.833 lei).

The Company holds shares in companies operating in different fields of activity, as follows:

In LEI	31 st March		31 st Dec 2017	
	2018	%		%
Financial bank and insurance activities	959.749.663	53,63	873.151.885	53,07
Transport, storage, communication	229.755.325	12,84	202.756.960	12,32
Chemical and oil industry	155.936.666	8,71	140.311.746	8,53
Textile industry	79.028.282	4,42	79.746.274	4,85
Pharmaceutical industry	41.928.809	2,34	40.009.730	2,43
Manufacture of machines, tools and equipment	60.297.609	3,37	62.378.640	3,79
Wholesale, tourism and restaurants	32.396.609	1,81	32.387.335	1,97
Manufacture of transportation means	120.558.606	6,74	107.723.469	6,55
Energy industry	0	0,00	748.655	0,05
Metal construction and metal products industry	1.287	0,00	8.042.000	0,49
Real estate, rental, other services	74.899.998	1,28	22.851.798	1,39
Agriculture, animal breeding, fishing	22.851.798	0,31	716.512	0,04
Food Industry	5.467.413	0,37	6.858.755	0,42
Total	1.789.430.919	100,00	1.645.146.956	100,00

As it can be seen in the table above, on 31st March 2018 the Company mainly held shares in companies operating in the financial-bank and insurance field, with a weight of 53,63% of total portfolio, an increase from the 53,07% recorded on 31st December 2017. **The Company's exposure** in Banca Transilvania is 46% la 31st March 2018 (41,97% on 31st December 2017).

(ii) Interest rate risk

The Company is confronted with the interest rate risk because of its exposure to unfavorable interest rate fluctuations. The change of interest rate on the market directly influences the income and expenses corresponding to the assets and financial liabilities bearing variable interest, as well as the market value of those bearing fixed interest.

On 31st March 2018 and 31st December 2017, **most of the Company's assets and liabilities are not** bearing interest. Therefore, the Company is not significantly affected by the risk of interest fluctuations. Cash access or that of assimilated money availabilities is invested in short-time investment titles with a maturity of 1- 3 months.

The Company does not use derived financial instruments to protect itself from interest rate fluctuations.

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4. Management of significant risks (continued)

(a) Market Risk (continued)

The following tables present the Company's exposure to interest rate risk.

31st March 2018

	Accounting value	Under 3 months	between 3 and 12 months	Over one year	no preset maturity
Financial assets					
Cash and cash equivalent	161.881	161.881	-	-	-
Bank deposits	96.157.495	96.105.577	-	-	51.918
Financial assets at fair value through profit or loss account	299.501.445	-	-	-	299.501.445
Financial assets available for sale	1.664.007.669	-	-	-	1.664.007.669
Investments held to maturity	7.204.954	98.389	8.820	7.097.985	-
Other financial assets	4.154.312	4.154.312	-	-	-
Total financial assets	2.071.187.756	100.520.159	8.820	7.097.985	1.963.561.032
Liabilities	-	-	-	-	-
Dividends to pay	32.778.055	32.778.055	-	-	-
Other financial liabilities	17.581.523	1.361.958	16.219.565	-	-
Total Financial liabilities	50.359.578	34.140.013	16.219.565	-	-

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4. Management of Significant Risks (continued)

(a) Market risk (continued)

31 st December 2017	Accounting value	under 3 months	between 3 and 12 months	Over one year	No preset maturity
Financial assets					
Cash and cash equivalents	229.547	229.547	-	-	-
Bank deposits	36.387.265	36.335.347	-	-	51.918
Fair value evaluated financial assets through the profit or loss account	204.732.623	-	-	-	204.732.623
Financial assets available for sale	1.611.822.537	-	-	-	1.611.822.537
Investments held to maturity	7.324.894	215.149	8.820	7.100.924	-
Other financial assets	7.910.991	7.910.991	-	-	-
Total financial liabilities	1.868.407.857	44.691.034	8.820	7.100.924	1.816.607.078
Financial liabilities					
Dividends to pay	33.087.963	33.087.963	-	-	-
Other financial liabilities	17.440.166	1.188.594	16.251.572	-	-
Total financial liabilities	50.528.129	34.276.557	16.251.572	-	-

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4. Management of Significant Risks (continued)

(a) Market risk (continued)

The impact on the Company's net profit of a ± 100 bp modification of the interest rate for variable interest bearing assets and liabilities, expressed in other currency, corroborated with a ± 500 bp modification of the interest rate corresponding to variable interest bearing assets and liabilities in lei is of 5.123.701 lei (31st December 2017: $\pm 6.067.064$ lei)

(iii) Currency risk

The Currency risk is the risk of registering losses or failing to achieve estimated profit following the adverse fluctuations of the exchange rate. The Company is exposed to currency rate fluctuation, but does not have a formalized policy to cover currency risk. Most financial assets and liabilities of the Group are expressed in the national currency, the other currencies in which operations are made are EUR, USDEUR, USD, GBP, CZK, PLN and CAD.

Most financial assets and liabilities of the Company are expressed in national currency and therefore currency rate fluctuations do not significantly affect the activity of the SIF Moldova. The exposure to currency rate fluctuations is mainly due to depositions and shares in foreign currency.

Assets expressed in lei and other foreign currencies 30st September 2017 and 31st December 2016 are presented in the tables below.

31st March 2018	RON	EUR	USD	other currency
Financial Assets				
Cash and cash equivalents	117.514	31.988	12.379	-
Bank deposits	95.046.658	1.110.837	-	-
Financial assets at fair value through the profit and loss account	299.501.445	-	-	-
Financial assets available for sale	1.664.007.669	-	-	-
Investments held to maturity	103.380	7.101.574	-	-
Other financial assets	4.154.314	-	-	-
Total financial assets	2.062.930.980	8.244.399	12.379	-
Financial liabilities	-	-	-	-
Dividends to pay	32.778.055	-	-	-
Other financial liabilities	17.581.523	-	-	-
Total financial liabilities	50.359.578	-	-	-

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4. Management of Significant Risks (continued)

(a) Market Risk (continued)

31 st December 2017	RON	EUR	USD	other currency
Financial assets				
Cash and cash equivalents	179.419	35.450	14.679	-
Bank deposits	35.508.911	878.353	-	-
Financial assets at fair value through the profit or loss account	204.732.623	-	-	-
Financial assets available for sale	1.611.822.537	-	-	-
Investments held to maturity	106.130	7.218.764	-	-
Other financial assets	7.910.991	-	-	-
Total Financial Assets	1.860.260.611	8.132.567	14.679	-
Financial liabilities				
Dividends to pay	33.087.963	-	-	-
Other financial liabilities	17.440.166	-	-	-
Total financial liabilities	50.528.129	-	-	-

The net impact on the Company's profit of a modification of $\pm 15\%$ of RON/EUR currency exchange rate, corroborated with a modification of $\pm 15\%$ of RON/USD, RON/GBP, RON/CZK, RON/PLN or RON/CAD exchange rate on 30th September 2017, all other variables remaining constant is 1.238.517 lei (31st December 2017: of $\pm 1.518.064$ lei).

(b) Credit Risk

The Company is exposed to the credit risk corresponding to financial instruments, stemming from the possible failure of a third party to meet its payment obligations towards the Company. The Company is exposed to credit risk following the investment made in bank deposits and bonds issued by municipalities or companies, current accounts and other claims.

On 31st March 2018 and 31 December 2017 Company did not hold real guarantees as insurance, and no other improvements of credit risks. On 31st March 2018 and 31 December 2017 the Company did not register any outstanding financial assets that are not impaired.

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4. Management of Significant Risks (continued)

(b) Credit Risk

The maximum exposure to credit risk of the Company amounts to 107.678.643 lei on 31st March 2018, amounts to 51.852.697 lei on 31st December 2017 and can be analyzed as follows:

Exposures from current accounts and bank deposits

	31 ST march 2018	31 ST March 2018
Banca Transilvania	94.527.194	34.396.167
BRD -Group Societe Generale	1.578.383	1.939.180
Eximbank	-	-
<i>Total bank deposits</i>	<u>96.157.495</u>	<u>36.387.265</u>
Current accounts	161.881	229.547
Total current accounts and bank deposits	<u>96.319.376</u>	<u>36.616.812</u>

Exposures from investments held to maturity

	31 ST March 2018	31 ST December 2017
Banca Transilvania Bonds	7.101.574	7.218.764
Bacau municipal bonds	103.380	106.130
Total	<u>7.204.954</u>	<u>7.324.894</u>

Various debtors and commercial claims

	31 ST December 2018	31 ST December 2017
AAAS Bucuresti	54.725.240	54.726.859
SC Casa Bacau	3.524.450	3.524.450
MFP (TEXU litigious rights)	-	2.415.314
Depozitarul Central	885.197	987.563
BRD Depozitar	441.600	-
Other various debtors and commercial claims	1.870.721	3.517.760
Impairment adjustments	(57.292.895)	(57.260.955)
Total	<u>4.154.312</u>	<u>7.910.991</u>

4. Management of Significant Risks (continued)

(c) Liquidity Risk

Liquidity risk represents the risk of registering a loss or failure to reach estimated profits, resulting from the impossibility to at any time fulfill short-term payment obligations, without this payment involving excessive costs or losses that cannot be borne by the Company..

The Company's financial instruments can also include investments in shares that are not traded on an organized market and consequently may have a reduced liquidity. Therefore, the Company might have difficulty in the rapid liquidation of investments in these instruments at a value close to that ascertained based on the calculation method for net assets for financial investment companies foreseen by Regulation no.9/2014 issued by FSA to meet own liquidity requirements.

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4. Management of Significant Risks (continued)

(a) Liquidity risk (continued)

The structure of assets and liabilities has been analyzed based on the remaining period from the balance date until the contractual maturity date, both for financial year concluded on 31 March 2018, and that concluded on 31st December 2017, as follows:

<i>In LEI</i>	3 March 1st2018	Accounting value	under 3 months	between 3 and 12 months	over one year	no preset maturity
Financial assets		-	-	-	-	-
Cash and Cash equivalents		161.881	161.881	-	-	-
Bank deposits		96.157.495	96.105.577	-	-	51.918
Financial assets at fair value through other elements of overall result		299.501.445	-	-	-	299.501.445
Financial assets at fair value through the profit and loss account		1.664.007.669	-	-	-	1.664.007.669
Investments held to maturity		7.204.954	-	-	7.204.954	-
Other financial assets		4.154.312	4.154.312	-	-	-
Total financial assets		2.071.187.758	100.421.770	-	7.204.954	1.963.561.032
Financial liabilities		-	-	-	-	-
Dividends to pay		32.778.055	32.778.055	-	-	-
Other financial liabilities		28.813.275	12.593.710	16.219.565	-	-
Total financial liabilities		61.591.330	45.371.765	16.219.565	-	-

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4. Management of Significant Risks (continued)

(c) Liquidity Risk (continued)

In LEI (31 December 2017)	Accounting value	under 3 months	between 3 and 12 months	over one year	no pre-set maturity
Financial Assets					
Cash and cash equivalents	229.547	229.547	-	-	-
Bank deposits	36.387.265	36.335.347	-	-	51.918
Financial assets at fair value through the profit and loss account	204.732.623	-	-	-	204.732.623
Financial assets available for sale	1.611.822.537	-	-	-	1.611.822.537
Investments held to maturity	7.324.894	215.149	8.820	7.100.924	-
Other financial assets	7.910.991	7.910.991	-	-	-
Total financial assets	1.868.407.857	44.691.034	8.820	7.100.924	1.816.607.078
Financial liabilities					
Dividends to pay	33.087.963	33.087.963	-	-	-
Other financial liabilities	23.742.318	7.490.746	16.251.572	-	-
Total financial liabilities	56.830.281	40.578.709	16.251.572	-	-

4. Management of Significant Risks (continued)

(d) Taxation risk

The tax system in Romania is subjected to various interpretations and permanent changes that can be retroactive. In certain circumstances, tax authorities might adopt different positions than those of the Company and might calculate tax interest and penalties. Although the tax corresponding to a transaction can be minimal, the penalties can be large, depending on the interpretation of tax authorities.

Moreover, Romania's **Government has under its supervision a series of agencies that are** authorized to control both the Romanian and foreign entities carrying out activities in Romania. These verifications are largely similar to those carried out in many countries but might also extend over some legal or regulating areas in which the Romanian authorities might be interested.

The statements regarding taxes and levies might be subjected to control and revisions over a period of five years, and in general after the date of their submission. According to legal provisions applicable in Romania, the already controlled periods can be subjected to other additional verifications in the future.

The management of the Company considers that it has registered correct values in the tax accounts, taxes and other debts to the state, nevertheless there is a risk that the authorities might have a different position than that of the Company.

Starting with the 1st January 2007, following Romania's entering the European Union, the Group had to subject itself to tax regulations of the European Union and implement the changes brought by the European legislation. The way in which the Company has implemented these changes remains open for tax audit for a period of five years.

The last verification of the Ministry of Public Finance the Company was subjected to covered the period up to 1st January 2010. Therefore the debts of the Company from this date on could be the object of a later verification.

(e) Economic environment risk

The Romanian economy continues to exhibit the characteristics that are specific for an emerging economy and there is a significant degree of uncertainty regarding the development of the political, economic and social development in the future. The Management of the Company is concerned with forecasting the nature of the changes that will take place in the Romanian economic environment and their effect of the financial statement of the Company.

Among the characteristics of Romanian economy we have the presence of a currency that is not fully convertible outside the borders and a low liquidity degree of the capital market.

The management of the Company cannot predict all effects of the crisis that will have an impact on the financial sector of Romania, nor their potential impact on the present financial statements. The management of SIF Moldova considers that it has adopted all necessary measures for the sustainability and development of the Company under current market conditions.

4. Management of Significant Risks (continued)

(f) Operational Risk

Operational risk is defined as the risk of registering a loss or failure to reach estimated profits due to internal factors such as improper running of internal activities, the existence of improper staff or systems or because of external factors such as economic conditions, capital market changes, and technological progresses. Operational risk is inherent for all activities of the Company.

The policies defined in order to manage operational risks have taken into consideration each type of event that could generate significant risks and their method of manifestation, in order to eliminate or lower the financial or reputational risks.

(g) Capital adequacy

Although the Company is not the object of legal requirements concerning capital adequacy, the **management's policy concerning capital adequacy is focused on maintaining a solid capital base**, for the purpose of supporting the continuous development of the Company and reaching investments objectives.

The Company's equity includes the share capital, various types of reserves and reported result. Equity amounted to 1.917.034.948 lei on 31 March 2018 (31st December 2017: 1.741.607.745 lei).

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5. Financial Assets and Liabilities

Accounting classifications and fair values

The table below summarizes accounting values and fair values of the financial assets and liabilities of the Company on 31 March 2018:

In LEI

	Financial assets evaluated at fair value through the profit and loss account	Financial assets evaluated at fair value through the other elements of overall results	Amortized costs	Total accounting value	Fair value
Cash and cash equivalents	-	-	161.881	161.881	161.881
Bank deposits	-	-	96.157.495	96.157.495	96.157.495
Financial assets evaluated at fair value through other elements of overall result	299.501.445	-	-	299.501.445	299.501.445
Financial assets evaluated at fair value through the profit and loss account	-	1.664.007.669	-	1.664.007.669	1.664.007.669
Investments held to maturity	-	-	7.204.954	7.204.954	7.204.954
Other financial assets	-	-	4.154.314	4.154.314	4.154.314
Total financial assets	299.501.445	1.664.007.669	107.678.644	2.071.187.758	2.071.187.758
Dividends to pay	-	-	32.778.055	32.778.055	32.778.055
Other financial liabilities	-	-	17.581.523	17.581.523	17.581.523
Total financial liabilities	-	-	50.359.578	50.359.578	50.359.578

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5. Financial assets and liabilities (continued)

The table below summarizes accounting values and fair values of the financial assets and liabilities of the Company on 31st December 2017:

In LEI	Tradable	Available for sale	Amortized cost	Total accounting value	Fair value
Cash and cash equivalents	-	-	229.547	229.547	229.547
Bank deposits	-	-	36.387.265	36.387.265	36.387.265
Financial assets at fair value through the profit or loss account	204.732.623	-	-	204.732.623	204.732.623
Financial assets available for sale	-	1.611.822.537	-	1.611.822.537	1.611.822.537
Investments held to maturity	-	-	7.324.894	7.324.894	7.324.894
Other financial assets	-	-	7.910.991	7.910.991	7.910.991
Total financial assets	204.732.623	1.611.822.537	51.852.697	1.868.407.857	1.868.407.857
Dividends to pay	-	-	33.087.963	33.087.963	33.087.963
Other financial liabilities	-	-	17.440.166	17.440.166	17.440.166
Total financial liabilities	-	-	50.528.129	50.528.129	50.528.129

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6. Revenue from dividends

Revenue from dividends are entered at gross value. The taxation quota for the dividends corresponding to the financial year concluded on 31st March 2018 has been of 5% and zero (2016: 5%). (2016: 5%).

7. Revenue from interest

	31 st March 2018	31 st March 2017
Revenue from interest corresponding to bank deposits and current accounts	102.138	149.571
Revenue from interest corresponding to investments held to maturity	112.769	151.055
Total	214.907	300.626

8. a) Other revenue from operations

	31 st March 2018	31 st March 2017
Revenue from rents	188.417	184.042
revenue from recovered claims	-	-
Other operational revenue	24.085	18.548
Total	212.502	202.590

8. b) Other revenue

	31 st March 2018	31 st March 2017
Other revenue	450.379	31.796
Total	450.379	31.796

9. Net revenue from assets sale

	31 ST March 2018	31 st March 2017
Net revenue from the sale of financial assets evaluated at fair value through the profit and loss account	365.600	7.172.556
Net revenue/transfer of categories from the re-evaluation of financial assets evaluated at fair value through the profit and loss account, of which :	5.557.672	7.174.521
- coming from financial assets available for sale	5.372.746	-
- coming from financial assets evaluated at fair value through the profit and loss account	184.926	1.235.126
- transferred to financial assets evaluated at fair value through other elements of overall result	-	5.939.395
Total	5.923.272	14.347.077

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10. Net loss/revenue from the reevaluation of assets at fair value through the profit or loss account

	31 st March 2018	31 st March 2017
Net gain from the re-evaluation of real-estate investments	-	314.328
Total	-	314.328

11. Losses / (impairment re-run) from assets impairment

	31 st March 2018	31 st March 2017
Losses / (reruns of impairment) from the impairment of financial assets available for sale	-	6.439
Losses/(impairment rerun) from the impairment of other assets	(20.226)	330.296
Total	(20.226)	336.735

12. Other operational expenses

	31 ST March 2018	31 st March 2017
Expenses with wages and other staff expenses	1.195.565	1.132.374
Expenses with outsourced services	3.202.382	2.190.477
Expenses with commissions	922.297	994.802
Expenses with protocol, advertising and ads	50.984	93.746
Other operational expenses	525.063	677.286
Audit and consultancy expenses	123.276	32.894
Total	6.019.567	5.121.579

13. Profit Tax

	31 ST March 2018	31 st March 2017
Current Profit tax		
Current profit tax (16%)	1.504.038	1.516.894
Total current tax	1.504.038	1.516.894
Deferred profit tax		
Financial assets	(981.966)	-
Financial assets at fair value through the profit or loss account	-	31.878
Total deferred tax	(981.966)	31.878
Total	522.072	1.548.772

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13. Profit tax (continued)

On determining the tax result, the management and administration expenses as well as other common expenses are taken into account, weighted with the non-taxable revenue in the total revenue recorded by the company.

	31 st March 2018	31 st March 2017
Profit before taxation	807.268	9.849.948
Tax in compliance with statutory tax rate of 16% (2017: 16%)	129.163	1.575.992
Effect on profit tax of :		
non-deductible expenses	414.017	1.584.973
Non-taxable revenue	(486.858)	(1.110.254)
Registrations and re-runs of temporal differences	465.750	(501.939)
Profit tax	522.072	1.548.772

14. Cash and cash equivalents

	31 st March 2018	31 st December 2017
Cash accounts	13.923	9.452
Current accounts	147.958	220.096
Cash and cash equivalents	161.881	229.548

Current accounts opened with banks are permanently at the Company's disposal, they are not restricted.

15. Bank deposits

	31 st March 2018	31 st December 2017
term bank deposits	96.081.151	36.317.468
attached claims	24.428	17.879
Blocked deposits	51.918	51.918
Total bank deposits	96.157.497	36.387.265

The bank deposits are permanently available for the Company and are not restricted.

16. Financial assets

a) Financial assets at fair value through the profit or loss account

	31 st March 2018	31 st December 2017
Equity instruments	125.423.250	178.961.930
Debit instruments	174.078.195	25.770.693
Total	299.501.445	204.732.623

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16. Financial assets (continued)

b) Financial assets evaluated at fair value through other elements of overall result

	31 st March 2018	31 st December 2017
Fair value evaluated shares	1.655.247.943	1.461.122.770
Estimated fair value evaluated shares	8.759.727	10.113.476
Fair value evaluated fund units	-	140.586.291
Total	1.664.007.670	1.611.822.537

On 31st March 2018 and 31st December 2017 the category of shares evaluated at fair value includes mainly the value of the shares held in Banca Transilvania, OMV, Aerostar, Romgaz SNTGN Transgaz. The evaluation of shares at fair value was made by multiplying the number of shares held on the balance date with the closing price on the last trading day of the reporting period. The movement of financial assets available for sale in the financial periods concluded on 31st March 2018 and 31st December 2017 is presented in the table below:

	shares evaluated at fair value through other elements of overall result	Shares evaluated at fair value through other elements of overall result	Fund unit/debt instruments	Total	Fair value evaluated shares through the profit and loss account
01 st January 2017	1,368,942,869	5,769,365	73,857,217	1,448,569,451	128.999.673
Net variation during the period	58,406,176	(420,536)	47,045,789	105,031,429	35.183.943
Impairment losses	(56,449)	(70,347)	-	(126,796)	-
Fair value modification	33,613,947	-	24,734,505	58,348,453	40.549.007
31 st December 2017	1,460,906,544	5,278,482	145,637,511	1,611,822,537	204.732.623
Sales during the period	(68,013,341)	(1,383,866)	-	(69,397,207)	15.485.118
Purchases during the period	817,319	-	-	817,319	15.748.538
Transfer between categories	(1,719,086)	1,719,086	-	-	-
<i>Transfer from fair value evaluated shares through other elements of overall result (FSA according to IAS 39) to fair value evaluated shares through profit or loss</i>	(121,555,043)	(351,506)	(145,637,511)	(267,544,061)	267.544.061
<i>Transfer from fair value evaluated shares through profit and loss (HFT according to IAS 39) shares evaluated at fair value through other elements of overall result</i>	178,961,930	-	-	178,961,930	(178,961,930)
fair value modification AFS classified FVTOCI	209,831,773	3,497,530	-	213,329,304	4.428.496
fair value modification HFT classified FVTOCI	(3,982,152)	-	-	(3,982,152)	1.494.776
31 st March 2017	1,655,247,942	8,759,727	-	1,664,007,669	299.501.445

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16. *Financial assets (continued)*

c) *Investments held to maturity*

	31 st March 2018	31 st December 2017
Corporate bonds	7.101.574	7.218.764
Municipal bonds	103.380	106.130
Total	7.204.954	7.324.894

d) *Fair value hierarchy*

The table below analyses the financial instruments registered at fair value, depending on the method of evaluation. The fair value levels depending on the entries date in the evaluation model, have been defined as follows:

- Level 1: quoted (unadjusted) prices on active markets for identical assets or liabilities
- Level 2: entries, other than quoted prices included in Level 1 that are observable for assets or liabilities: either directly (e.g. prices) or indirectly (e.g. price derivatives)
- Level 3: entries for assets or liabilities that are not based on market observable data (non-observable entries).

31 ST March 2018	Level 1	Level 2	Level 3	Total
Financial assets at fair value through the profit or loss account	229.216.292	-	70.285.153	299.501.445
Financial assets available for sale	1.452.809.320	-	211.198.350	1.664.007.669
Total	1.682.025.611	-	281.483.503	1.963.509.114

31 st December 2017	Level 1	Level 2	Level 3	Total
Financial assets at fair value through the profit or loss account	204.732.623	-	-	204.732.623.
Financial assets evaluated at fair value through other elements of overall result	1.332.854.975	-	278.967.562	1.611.822.537
Total	1.537.587.598	-	278.967.562	1.816.555.160

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16. Financial assets (continued)

Level 3 fair value modification

	31 ST March 2018	31 ST December 2017
On 01 January 2018/01 st January 2017	278.967.561	283.592.473
Total gain /(loss) recognized in profit and loss	984.174	(35.840)
Total gain/(loss) recognized in other elements of overall result	2.645.725	(26.716.905)
Purchases	23.304	24.657.474
Sales	(1.137.261)	(2.529.640)
On 31 st March 2018/ 31 st December 2017	<u>281.483.503</u>	<u>278.967.562</u>

In 2018 has ranked into Level 1 of title evaluation measured based on the closing prices on BVB, TSX markets on the last trading day. In this level fund units are included, measured based on unitary value of net assets certified by the fund depository as well as shares without active market evaluated at the last quoted price.

Holdings classified under level 3 have been evaluated by independent evaluators, based on financial information supplied by the departments with monitoring function, using evaluation techniques that maximize the use of relevant observable entry data and minimize the use of non-observable entry data, under **the management's supervision making sure that all data at the base of** the evaluation reports are correct and adequate. Holdings that have not been subjected to evaluation are entered under level 3 their amount being insignificant.

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16.
Financial
assets
(continued)

Financial assets	Fair value on 31 st March 2018	Evaluation technique	Non-observable entry data, value intervals	Relationship between non-observable entry data and fair value
Listed majority holding without active market	40.003.600	revenue approach – updated cash flow method	Average weighted capital cost: 12,2%	The lower the weighted average capital cost, the higher the fair value.
			Lack of liquidity discount: 16,8%.	The lower the lack of liquidity discount, the higher the fair value.
			Long-term revenue increase rate: 3,9%	The higher the long-term revenue increase rate, the higher the fair value.
untraded listed majority holdings (holding type)	12.325.570	Assets approach – sum method and corrected net assets method	Market value of equity reported to their accounting value : 2,9	In the balance, the accounting value is identified through equity. The lower the accounting value /price resulted, the lower the fair value.
			Lack of liquidity discount: 9,8%	The lower the lack of liquidity discount, the higher the fair value.
Unlisted majority holding	39.038.798	revenue approach – updated cash flow method	Capital weighted average cost: 8,4% ÷ 11%	The higher the average weighted cost of capital, the higher the fair value.
			Lack of liquidity discount: 9,8% ÷ 16,8%.	The lower the lack of liquidity discount, the higher the fair value.
			Long-term capital increase rate: 1,5%	The higher the long-term revenue increase rate, the higher the fair value.
Unlisted majority holdings (holding, start-up type)	68.569.600	Assets approach – adding up method and corrected net assets method	Market value of equity reported to their accounting value: 0,9 ÷ 1,1 .	In the balance, the accounting value is identified through equity. In the sectors characterized by large investments in fixed assets. P/BV is usually lower. The lower the P/BV result, the lower the fair value.
			The added up holdings are evaluated through revenue (average weighted capital cost: 8,3%)	
			Lack of liquidity discount: 9,8% ÷ 24,4%.	The lower of the lack of liquidity risk, the higher the fair value.

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16. Financial assets (continued)

d) Fair value hierarchy (continued)

Financial assets	Fair value on 31 st March 2018	Evaluation technique	Non-observable entry data. Value intervals	Relationship between the non-observable entry data and fair value
listed minority holdings, no active payment	11.731.567	market approach – comparable companies method (based on Price/Sale multiples)	Price/sell multiple: 1,7	The lower the Price/Sale multiple, the lower the fair value.
			Lack of control discount: 7,7%	The lower the lack of control discount, the higher the fair value.
			Lack of liquidity discount: 16.8%	The lower the lack of liquidity discount, the higher the fair value.
listed minority holdings, without active market that intends the liquidization of a significant percentage of real estate assets	19.931.100	assets approach – adding up method or corrected net asset method.	Market value of equity reported to their accounting value: 0,5	In the balance the accounting value is identified through equity. In the sectors characterized by larger investments in assets P/BV is usually lower. The lower the resulted P/BV, the lower the fair value.
			Lack of control discount: 7,7%	The lower the lack of control discount, the higher the fair value.
			Lack of liquidity discount: 16,8%	The lower the lack of liquidity discount, the higher the fair value.
Listed minority holdings, without active market	58.651.988	Revenue approach – updated cash flow method	Average weighted cost of capital at values between 9% and 11,3%	The lower the average weighted cost of capital, the higher the fair value.
			Lack of control discount, with values between 7.1% - 10,5%	The lower the lack of control discount, the higher the fair value.
			Lack of liquidity discount, with value between 10% -16,8%	The lower the lack of liquidity discount, the higher the fair value.
			Long-term revenue increase rate: in the interval 1,4% and 2%	The higher the long-term revenue increase rate the higher the fair value.

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16. Financial assets (continued)

d) Fair value hierarchy (continued)

Financial assets	Fair value on 31 st March 2018	Evaluation technique	Non-observable entry data. Value intervals	Relationship between non-observable entry data and fair value
Unlisted minority holdings	21.717.770	Revenue approach – updated cash flows value	Average weighted cost of equity, values between 10% and 11,1%.	The higher the weighted average cost of capital, the higher the fair value.
			Lack of control discount, with values between the interval 7,71% - 20,5%	The lower the lack of control discount, the higher the fair value.
			Lack of liquidity discount, with values between 10% -16,8%	The lower the lack of liquidity discount, the higher the fair value.
			Long-term revenue increase rate: in the 1% and 3% interval	The higher the long-term revenue interest rate, the higher the fair value.
	271.969.993			

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16. FINANCIAL ASSETS (continued)

d) Fair value hierarchy (continued)

Financial assets	Fair value on 31 st December 2017	Evaluation technique	Non-observable entry data, value intervals	Relationship between non-observable entry data and fair value
Listed majority holdings without active market	40.003.600	revenue approach – updated cash flow method	Average weighted capital cost: 12,2%	The lower the weighted average capital cost, the higher the fair value.
			Lack of liquidity discount: 16,8%.	The lower the lack of liquidity discount, the higher the fair value.
			Long-term revenue increase rate: 3,9%	The higher the long-term revenue increase rate, the higher the fair value.
untraded listed majority holdings (holding type)	12.325.570	Assets approach – sum method and corrected net assets method	Market value of equity reported to their accounting value : 2,9	In the balance, the accounting value is identified through equity. The lower the accounting value /price resulted, the lower the fair value.
			Lack of liquidity discount: 9,8%	The lower the lack of liquidity discount, the higher the fair value.
Unlisted majority holdings	39.038.798	revenue approach – updated cash flow method	Capital weighted average cost: 8,4% ÷ 11%	The higher the average weighted cost of capital, the higher the fair value.
			Lack of liquidity discount: 9,8% ÷ 16,8%.	The lower the lack of liquidity discount, the higher the fair value.
			Long-term capital increase rate: 1,5%	The higher the long-term revenue increase rate, the higher the fair value.
Unlisted majority holdings (holding, start-up type)	68.569.600	Assets approach – adding up method and corrected net assets method	Market value of equity reported to their accounting value: 0,9 ÷ 1,1 .	In the balance, the accounting value is identified through equity. In the sectors characterized by large investments in fixed assets. P/BV is usually lower. The lower the P/BV result, the lower the fair value.
			The added up holdings are evaluated through revenue (average weighted capital cost: 8,3%)	
			Lack of liquidity discount: 9,8% ÷ 24,4%.	The lower of the lack of liquidity risk, the higher the fair value.

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16. FINANCIAL ASSETS (continued)

d) Fair value hierarchy (continued)

Financial assets	Fair value on 31 st December 2017	Evaluation technique	Non-observable entry data, value intervals	Relationship between non-observable entry data and fair value
listed minority holdings, no active payment	11.731.567	market approach – comparable companies method (based on Price/Sale multiples)	Price/sell multiple: 1,7	The lower the Price/Sale multiple, the lower the fair value.
			Lack of control discount: 7,7%	The lower the lack of control discount, the higher the fair value.
			Lack of liquidity discount: 16,8%	The lower the lack of liquidity discount, the higher the fair value.
listed minority holdings, without active market that intends the liquidation of a significant percentage of real estate assets	19.931.100	assets approach – adding up method or corrected net asset method.	Market value of equity reported to their accounting value: 0,5	In the balance the accounting value is identified through equity. In the sectors characterized by larger investments in assets P/BV is usually lower. The lower the resulted P/BV, the lower the fair value.
			Lack of control discount: 7,7%	The lower the lack of control discount, the higher the fair value.
			Lack of liquidity discount: 16,8%	The lower the lack of liquidity discount, the higher the fair value.
Listed minority holdings, without active market	58.651.988	Revenue approach – updated cash flow method	Average weighted cost of capital at values between 9% and 11,3%	The lower the average weighted cost of capital, the higher the fair value.
			Lack of control discount, with values between 7.1% - 10,5%	The lower the lack of control discount, the higher the fair value.
			Lack of liquidity discount, with value between 10% -16,8%	The lower the lack of liquidity discount, the higher the fair value.
			Long-term revenue increase rate: in the interval 1,4% and 2%	The higher the long-term revenue increase rate the higher the fair value.

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16. FINANCIAL ASSETS (continued)

d) Fair value hierarchy (continued)

Financial assets	Fair value on 31 st December 2017	Evaluation technique	Non-observable entry data. Value intervals	Relationship between non-observable data and fair value
Unlisted minority holding	21.717.770	Revenue approach – updated cash flows value	Average weighted cost of equity, values between 10% and 11,1%.	The higher the weighted average cost of capital, the higher the fair value.
			Lack of control discount, with values between the interval 7,71% - 20,5%	The lower the lack of control discount, the higher the fair value.
			Lack of liquidity discount, with values between 10% -16,8%	The lower the lack of liquidity discount, the higher the fair value.
			Long-term revenue increase rate: in the 1% and 3% interval	The higher the long-term revenue interest rate, the higher the fair value.
	271.969.993			

16. Financial assets (continued)

The main non-observable entry data are:

Revenue multiple: this is an instrument used to evaluate companies based on the market comparison with similar, listed companies. The estimation of a company based on turnover is useful when the profit value is influenced by elements that are not connected to the normal course of business. The turnover is the profit and loss account indicator that is the hardest to be influenced by accounting policies, which recommends being used as a multiple.

EBITDA Multiple: is the most relevant multiple used in the evaluation of a holding and it is calculated using the information available for comparable listed companies (with the same geographic location, extent of industrial sector, target markets as well as other factors that the evaluators consider relevant). Trading multiples for comparable companies are determined by dividing the company value to the corresponding EBITDA indicator and through the later application of discounts, from grounds such as lack of liquidity and other differences between the analyzed and evaluated company.

Equity accounting price/book (P/BV): P/BV ratio evaluates the market price of a company in relation with its equity (net assets). This indicator reflects the ratio that investors are willing to pay for the net asset per share value. P/BV ratio significantly varies, depending on the field of activity. A company that required more assets (for example a manufacture company with manufacture area and equipment) will need a significantly lower accounting Price /value of equity, than one whose revenue comes from service delivery (for example a consultancy company).

Average weighted cost of capital: represents the company capital cost in nominal terms (including inflation) based on the “**Capital Asset Pricing Model**”. All capital sources – shares, bonds and other long-term liabilities are included in the calculation of the average weighted cost of capital.

Lack of control discount: represents the discount applied to reflect the absence of control and is used in the updated cash flow method, in order to determine the value of the minority holding in the capital of the evaluated company.

Lack of liquidity discount: represents the discount applied to comparable market multipliers, in order to reflect liquidity differences between the company in the portfolio subjected to evaluation and the comparable companies considered. The evaluators estimate the discount for lack of liquidity based on their professional judgment, taking into consideration the market conditions regarding liquidity and factors that are specific for the evaluated company.

In case of holdings that are part of holding-type companies, the evaluation model has been determined by adding up the market value of assets and liabilities, namely their accounting values adjusted following subsequent evaluations to which the revenue approach was applied. Through this method the value of equity was directly determined for majority holdings of the holding type.

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16. FINANCIAL ASSETS (continued)

d) *Fair value hierarchy (continued)*

The change of the current decisive approach (the current approach through assets versus the prior approach – revenue) has been applied to majority holding-type holdings, based on the following reasoning:

- . modification of the best use of a location and starting up a new project under construction at the same time with the management of other properties/businesses.
- . addition of new properties and reconfiguration of the business model (start-up);
- . change of the business strategy due to the market conditions has caused the rerunning of exit pattern (sale of real properties, previous exits during the holding targeted about 90% of the initially built area¹).
- . and exceptionally, it was applied in the case of a quoted minority holding that has reported its intention to sell most of its real estate assets. In this case, the result difference between the two approaches is located on the level of + 0,06% of the total value of fair value evaluations.

The calibration of the value interval was made under the conditions of reconciliation of alternate approaches through revenue applied in all cases in order to set the reasonable value character. It was ascertained that the result of the alternative approach has an insignificant impact (0,37% of total fair value evaluation value) and the technique applied reasonably reflects the will of the majority of market participants.

e) *Reserve from the re-evaluation at fair value of financial assets available for sale, net of deferred tax*

	31 st March 2018	31 st December 2017
On January 1 st 2018/2017	657.887.603	616.216.703
Net revenue from the re-evaluation of financial assets available for sale evaluated at fair value through other elements of overall result	184.091.629	140.197.932
(Revenue)/loss corresponding to the transfer to the profit or loss account/reported result following the sale of financial assets	(7,970,833)	(98,547,641)
Effect of the loss in the profit and loss account from the impairment of financial assets available for sale	-	20,609
<i>Reserve transfer to reported result following the adoption IFRS9 (AFS classification FVTPL)</i>	(78.566.977)	-
<i>Transfer of reported result from reserves following the adoption of IFRS9 (HFT classified FVTOCI)</i>	10.558.981	-
<i>Transfer of reported result to reserves following the adoption of IFRS9 (re-runs impairments/provisions)</i>	(44.040.499)	-
On 31 st March/ 31 st December	721.959.903	657.887.603

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17. Real-estate investments

	31 st March 2018	31 st December 2017
Balance on January 1 st	3.505.273	3.505.273
Real estate investment increase/decrease	-	-
Balance on 31 st March	3.505.273	3.505.273

18. Tangible and intangible assets

Gross values	1 st January 2018	Increases	Reductions / re- classification	31 st March 2018
Intangible assets				
Intangible assets	2.095.073	-	-	2.095.073
Pending intangible assets	-	-	-	-
Total	2.095.073	-	-	2.095.073
Tangible assets				
Lands	563.193	-	-	563.193
Constructions	6.506.674	-	-	6.506.674
Equipment	1.470.040	22.123	-	1.492.163
Transportation means	1.411.781	-	-	1.411.781
Other fixed means	148.442	-	-	148.442
Pending fixed tangible assets	1.061.136	488.255	9.349	1.540.042
Total	11.161.266	510.378	9.349	11.662.295

The company has re-evaluated the lands and constructions held on 31st December 2017.

Cumulated amortization	1 st January 2018	Increases	Reductions / re- classification	31 st March 2018
Intangible assets				
Intangible assets	2.073.779	3.363	-	2.077.142
Total	2.073.779	3.363	-	2.077.142
Tangible assets				
Lands	-	-	-	-
Constructions	406.463	95.826	-	502.289
Equipment	1.178.256	61.233	-	1.239.489
Transportation means	1.252.355	26.321	-	1.278.676
Other fixed means	110.472	3.758	-	114.230
Total	2.947.546	187.138	-	3.134.684
Net accounting value				
Intangible assets	-	-	-	17.931
Fixed tangible assets	-	-	-	8.527.611

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19. Other assets

Various debtors mainly include amounts coming from final sentences worth 57.292.895 lei. For the values for which collection is uncertain, the Company has calculated impairment adjustments

	31 st March 2018	31 st December 2017
Various debtors	61.052.103	64.647.099
Dividends to collect	107	107
Other assets	395.106	524.847
Minus adjustments for various debtors impairment	(57.292.895)	(57.260.955)
Total	4.154.314	7.910.991

The provision for various debtors impairment can be analyzed as follows:

	31 st March 2018	31 st December 2017
on 1 st January	(57.260.955)	(56.496.561)
Setup	(33.557)	(1.069.002)
ReOrun	1.619	304.608
On 31st March /31st December	(57.292.895)	(57.260.955)

20. Dividends to pay

Dividends to be paid not collected within 3 years from their statement date are prescribed according to the law and are transferred by the Company in equity, in the reported result. .

	30 th September 2017	31 st December 2017
Dividends to pay for 2012	642	642
Dividends to pay for 2013	1.062	1.055
Dividends to pay for 2014	10.753.577	10.676.542
Dividends to pay for 2015	11.111.604	10.963.612
Dividends to pay for 2016	44.975.884	11.446.112
Total dividends to pay	66.842.769	33.087.963

21. Provisions for risks and expenses

	31 st March 2018	31 st December 2017
Provisions for litigations	2.565.455	2.565.455
Total	2.565.455	2.565.455

For the amounts collected by the Company through enforcement agents, AVAS has opened litigations to challenge the enforced amounts. The litigations provisions represent the amounts collected by the Company through enforcement agents between 2010 and 2014, later challenged by AVAS.

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22. Liabilities regarding deferred profit tax

The liabilities regarding deferred profit tax on 31st March 2018 are generated by the elements presented in the following table:

In LEI

	Assets	Liabilities	Net
Tangible assets	3.637.644	-	3.637.644
Financial assets	650.783.940	-	650.783.940
Real-estate investments	1.988.263	-	1.988.263
Provisions for litigations and other provisions	-	2.565.455	(2.565.455)
Financial assets at fair value through the profit or loss account – fund units	-	-	-
Provision for management benefits	-	16.219.565	(16.219.565)
Total	656.409.847	18.785.020	637.624.827
Net temporal differences - 16% rate	-	-	637.624.827
Liabilities regarding deferred profit tax	-	-	102.019.972

The liabilities regarding deferred profit tax on 31st December 2016 are generated by the elements detailed in the table below:

<i>31st December 2017</i>	Assets	Liabilities	Net
Tangible assets	7.425.363	-	7.425.363
Financial assets available for sale	505.270.969	-	505.270.969
Real-estate investments	3.285.113	-	3.285.113
Provisions for litigations and other provisions	-	(2.565.455)	(2.565.455)
Financial assets at fair value through the profit and loss account – fund units	(2.510.280)	-	(2.510.280)
Provisions for benefits and untaken leave	-	(10.052.459)	(10.052.459)
Total	513.471.165	(18.817.027)	494.654.138
Net temporal differences - 16% rate			494.654.138
Liabilities regarding deferred profit tax			79.144.662

Deferred profit tax is directly recognized through the reduction of equity is de 105.027.035 lei on 31st March 2018 (31st December 2017: 81.169.760 lei), being generated by tangible assets and financial assets available for sale at fair value through overall result.

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23. Liabilities with profit tax and other liabilities

	31 st March 2018	31 st December 2017
Suppliers – invoices not received	271.230	485.059
Liabilities with current profit tax taxes and fees	10.468.041	5.033.350
Profit participation liabilities	519.350	783.743
Other liabilities	16.219.565	16.251.572
Total	1.361.957	1.188.594
	<u>28.840.143</u>	<u>23.742.318</u>

Liabilities regarding profit participation represent the employee's part of the net profit (setup within the limitations of the collective employment contract and representing 1.66 % of net profit before the setup of the provision), and managers (setup based on the Memorandum of Association, representing 5% of net profit before the setup of the provision to which the company's contribution is added), that will be distributed in 2018 as shares – following the running of SOP 2016. Current profit tax liabilities have been paid by the Company on time

24. Capital and Reserves

(a) *Share capital*

31st March 2018

	No. of shareholders	No of shares	Amount (RON)	(%)
Individuals	5.760.208	381.778.123	38.177.812	38
Companies	209	631.401.053	63.140.105	62
Total	<u>5.760.417</u>	<u>1.013.179.176</u>	<u>101.317.918</u>	<u>100</u>

The structure of the Company's shareholding is:

31st December 2017

	No. of shareholders	No. of shares	Amount (RON)	(%)
Individuals	5.768.263	453.939.226	45.393.923	43
Companies	269	584.239.950	58.423.995	57
Total	<u>5.768.532</u>	<u>1.038.179.176</u>	<u>103.817.918</u>	<u>100</u>

24. Capital and reserves (continued)
(a) *Share capital (continued)*

In January 2018 we have registered the operation regarding the Company's share capital reduction from 103.817.917.60 RON to 101.317.917.60 RON the source being the annulment of 25.000.000 own shares with nominal value of 0.10 RON/share, acquired by the Company in compliance with EGMS resolution no. 2 of 04.04.2017 and according to art. 207 line (1) letter c) of Law no. 31/1990 regarding companies, updated.

The buy-back of the 25.000.000 shares was made from the assignable profit included in the **company's individual** financial statements on 31st December 2016, drafted in compliance with the International Financial Reporting Standard adopted by the European Union („IFRS”) International Financial Reporting Standard adopted by the European Union („IFRS”) and Rule of the Financial Supervision Authority („FSA” no. 39/28th December 2015; for the approval of accounting regulations in compliance with the National Financial Reporting Standards, applicable to entities authorized, regulated and supervised by FSA in the Financial Instruments and Investments Sector (**hereinafter referred to as FSA Rule no. 39/2015**”), according to art. 103 index 1 updated Law no. 31/1990 regarding companies.

All shares are ordinary. They have been subscribed and fully paid on 31st March 2017. All shares have the same voting right and a nominal value of 0.1 lei/share. The number of shares authorized to be issued is equal to the issued ones. In 2017 there has been no modification of the number of issued shares.

Thus, the share capital on *31st March 2018* is 101.317.918 lei (31st December 2017: 103.817.918 lei).

The shareholding right limited to 1% of the share capital has been modified by Law no 11 of 6th January 2012 (coming into force on 13th January 2012), to 5% of share capital that is 50.658.959 shares.

(b) *Reserves from the re-evaluation of fair value evaluated assets through other elements of overall result*

This reserve includes net cumulated modifications of fair value of the financial assets available for sale from the date of their classification in this category until the date that they have been de-recognized or impaired. .

The reserves from the re-evaluation of financial assets evaluated at fair value through other elements of overall result are registered at value net of deferred profit tax. The value of deferred tax directly recognized in the lowering of equity is presented under explanatory note 22 (page 60).

(c) *Legal reserves*

As per legal requirements, the company sets up legal reserves worth 5% of registered profit as per IFRS up to 20% of share capital. The value of legal reserve on 31st March 2018 is 20.763.584 lei (31st December 2017: 20.763.584 lei).

Legal reserves cannot be distributed to shareholders.

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24. Capital and reserves (continued)

(d) Other equity elements – Own shares

The total number of own shares held by the Company on 31st March 2018 was 16.000.000 shares, representing 1,57% of share capital (31.12.2017 it was 41.000.000 shares representing 3,94%) total value 2.436.693 lei (31.12.2017-37.436.693 lei).

In the reporting period, a number of 25.000.000 shares for an average price of 0,9048 lei representing 2,65% of share capital, were annulled.

25. Result per share

The calculation of the result per basic share was made from the assignable profit assigned to ordinary shareholders and the average weighted number of ordinary shares:

	<i>31st March 2018</i>	<i>31st March 2017</i>
Profit assignable to ordinary shareholders	285.197	8.301.176
Average weighted number of ordinary shares	1.013.179.176	1.038.179.176
Result per basic share	0,0003	0,007

The diluted result per share is equal to the basic share result, as the Company did not register potential ordinary shares.

26. Contingent engagements and liabilities

(a) Trials

On 31st March 2018, SIF Moldova was involved in a number of 49 trials as respondent and a number of 108 trials as plaintiff.

The trials in which SIF Moldova acts as respondent/plaintiff whose object influence **the company's** patrimony are recorded in the accounting.

Of the 113 pending trials where **SIF” Moldova”** acts as plaintiff, 67 files are those of the litigations against AAAs. For the amounts claimed by the Company and won through final or irrevocable sentences AAAS receivables were recorded in the accounting for most of them the enforcement procedure being instituted.

Of the 36 trials where SIF Moldova acts as respondent, 20 files are initiated by AAAS following the enforcements made by SIF Moldova.

The litigations initiated by AAAS with object challenge of the enforcements of SIF Moldova amount to a total of 20.130.992 lei

Of the total contingent assets registered on 31st March 2018 of 20.564.160 lei, the amount of 10.165.152 represented by share value, according to Law 151/2014 following the withdrawal of SIF Moldova from Alimentara Cluj shareholding, the amount of 5.072.945 lei represents the value of Textile Oltul –SIF Moldova litigious right take-over agreement, 3.644.554 lei represents the value of shares plus interest owed by Vastex following the withdrawal from shareholding of SIF Moldova and 634.672 lei represents amounts requested by SIF Moldova in litigations against AAAS with object the recovery of legal expenses and damages for the amounts won following the litigations.

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The amounts representing contingent assets will be recorded in the balance, at the time final and irrevocable sentences are obtained/their collection.

26. Contingent engagements and liabilities (continued)

(b) Contingents related to the environment

The regulations regarding the environment are developed in Romania, and the company has not recorded any obligations on 31st March 2017 and 01st January 2018 for any type of anticipatory costs, including legal and consultancy fees, location surveys, design and implementation of remedy plans, regarding the environment.

The management of the Company does not consider the expenses associated with possible environmental issues to be of significance.

(c) Transfer Price

Romanian tax law contains regulations regarding transfer prices between affiliated entities since **2000. The legislative framework currently defines the principle of “market value” for the** transactions between affiliated entities and methods to set transfer prices. Therefore, it is to be expected that tax authorities initiate detailed verifications of transfer prices in order to make sure that the fiscal result and/or customs value of imported goods are not distorted by the effects of the prices practiced in the relationship with affiliated individuals. The Company cannot quantify the result of such verification.

27. Transactions and balances with parties in special relationships

The Company has identified in the course of carrying out its activities, the following parties in special relationship:

List of subsidiaries and holding percentages

In LEI	31 ST March 2018	31 ST December 2017
AGROINTENS SA	99.99	99.99
AGROLAND CAPITAL SA	99.99	99.99
ASSET INVEST BACAU	99.99	99.99
CASA SA BACAU	99.02	99.02
HOTEL SPORT CLUJ S.A.	99.98	99.98
MECANICA CEAHLAU	73.30	73.30
REGAL	93.02	93.02
TESATORIILE REUNITE	99.99	99.99

Company's associated entities

The Company does not have any associated entities on 31st March 2018 and 31st December 2017.

Key management staff

31st March 2018

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The members of the Board of Directors of SIF Moldova S.A.: Ceocea Costel (President of the Board of Directors), Octavian Claudiu Radu (Vicepresident of the Board of Directors) Doros Claudiu (CEO), Catalin Jianu Dan Iancu(Deputy CEO) Horia Ciorcila.
31st March 2017

The members of the Board of Directors SIF Moldova S.A.: Ceocea Costel (President and CEO), Doros Claudiu (Vice-president Deputy CEO), Catalin Jianu Dan Iancu (Mangement Committee Director) Horia Ciorcila, Radu Hanga, Octavian Claudiu Radu and Gheorghe Albu.

On 31st March 2018 there were: 35 individual employment contracts (on 31.03.2017 there were a number of 33 individual employment contract); 2 management contracts (3 management contracts 31.03.2017); 5 management contracts (7 management contracts on 31.03.2017).

Of which:	<u>Employees</u>	<u>Management Contracts</u>	<u>Management Contracts</u>
• Managers	-	-	5
• Directors – managers according to Law 31/1900 – republished	-	2	-
• High education employees	3	-	-
• Average education employees	3	-	-
TOTAL	<u>35</u>	<u>2</u>	<u>5</u>

The wages and indemnities paid or to be paid for the period January- March 2018, amounting to 3.504.184 lei (31st March 2017: 2.322.951 lei).

	<u>31st March 2018</u>	<u>31st March 2017</u>
Management Contract	636.663	647.691
Board of Directors	1.747.525	1.035.627
Employees	1.119.996	639.633
Total	<u>3.504.184</u>	<u>2.322.951</u>

Between 01st January 2018– 31st March 2018, employees have received training courses amounting to 11.946 lei (31st March 2017: courses 11.100 lei).

The money rights of managers are approved by the Board of Directors through the management contract. Wages and indemnities of managers represent 68 % of total employee expenses of the Company.

28. Events following the balance date:

Pending litigations status with object: annulment of GMS resolutions in companies from SIF Moldova's portfolio (plaintiff)

Nr.crt.	Company	Object	Litigation stage	Observations
1	lașitex S.A.	AN ascertainment of EGMSR no. 1/27.04.2015	Action dismissed	SIF's appeal
2	Alimentara S.A.	annulment of EGMS on 21.09.2016-BD Competence assignment	Suspended	
3	Alimentara S.A.	annulment OGMS on 18.12.2013	Action allowed. Respondent's appeal	SIF's request to amend the decision allowed
4	lașitex S.A.	annulment of EGMS on 05.04.2017	Action dismissed	SIF's appeal
5	lașitex S.A.	Annulment of OGMS no. 2 of 05.04.2017	Action dismissed	SIF's appeal
6	Vascar SA	Annulment of EGMS . 2/28.05.2017 – BD competence assignment	Action dismissed	SIF's appeal
7	lasitex SA	convening authorization	Action dismissed	SIF's appeal
8	Dyonisos S.A.	suspension EGMS no. 2/19.07.2017 – sc increase	Action allowed	Respondent's appeal
9	Dyonisos S.A.	Annulment of EGMS no. 2/19.07.2017 – sc increase	Action allowed	
10	lasitex SA	annulment of EGMS on 14.09.2017	Litigation pending on the merit	
11	Transtec S.A.	annulment of EGMS on 11.08.2017 – assets sale	Litigation pending on the merit	
12	Bucovina Tex	Annulment of EGMS no. 04.09.2017 – assets sale	Litigation pending on the merit	
13*	Alimentara S.A.	annulment of EGMS on 30.05.2017	Litigation pending on the merit	

LITIGATIONS SOLVED ON 31.03.2018

1	Chimcomplex S.A.	Annulment of BD resolution on capital increase	Renouncements noted	
2	Alimentara S.A.	annulment of OGMS on 17.05.2016	Action allowed	Final
3	Bucovina Tex	suspension of EGMS on 04.09.2017 – assets sale	Action allowed and respondent's appeal dismissed	
4	Bucovina Tex	annulment of EGMS on 28.04.2017 – assets sale	Rejected as without object	

Status of litigations with object: claims - SIF Moldova as plaintiff

No.	Legal /natural person as defendant	Amount claims in lei	Object	Litigation status
1*	Alimentara SA	8,734.98	claims	Litigation pending on the merit
2	Zaiet Marius	3,253.96	claims	Enforcement
3	Vastex S.A.	3,644,554.43	claims -share value	Action dismissed and SIF's appeal. SIF's recourse
4	AAAS	1,631.02	legal expenses	Enforcement
5	A.A.A.S.	883.44	litigation legal expenses BO 420.000 DEM Derby	Enforcement
6	A.A.A.S.	4,993.96	leg. exp. BO 300.000 DEM Relona Trans	Enforcement
7	A.A.A.S.	486,376.82	enf. return BO 300.000 USDAvicom	Enforcement
8	A.A.A.S.	6,177,603.93	damages BO issued by Digicom S.A.	Enforcement
9	A.A.A.S.	552,255.92	damages BO issued by Avicom	Enforcement
10	A.A.A.S.	1,201,762.65	enforcement execution BO 800.000 USD SGI	Enforcement
11	A.A.A.S.	845,735.57	enforcement execution BO 470.000 USD Aust Rom	Enforcement
12	A.A.A.S.	385,178.16	enforcement execution BO 220.000 USD Best	Enforcement
13	A.A.A.S.	1,045,579.33	enforcement execution BO 630.000 USD Best	Enforcement
14	A.A.A.S.	1,166,727.66	i enforcement execution BO 650.000 USD SGI	Enforcement

15	A.A.A.S.	1,099,612.11	enforcement execution BO 655.000 USD SGI	Enforcement
16	A.A.A.S.	1,358,748.31	enforcement execution BO 800.000 USD Max Inv	Enforcement
17	A.A.A.S.	425,550.42	enf ret. BO 250.000 USD Asociatia Pas Tranzitour	Enforcement
18	A.A.A.S.	12,038.01	leg.exp. -B.O. 300.000 USD Sercot Impex	Enforcement
19	A.A.A.S.	25,316.67	leg.exp. -B.O. 1.500.000 USD Lynx International	Enforcement
20	A.A.A.S.	5,194.06	leg.exp. litigiu B.O. 250.000 USD Alionor	Enforcement
21	A.A.A.S.	865,256.16	enforcement return BO 300.000 USD Editip	Enforcement
22	A.A.A.S.	1,516,281.58	enforcement return B.O. 900.000 USD SGI	Enforcement
23	A.A.A.S.	1,595,397.19	enf. ret. BO 940.000 USD Invest House	Enforcement
24	A.A.A.S.	884,946.81	enf. ret. B.O. 300.000 USD Editip	Enforcement
25	A.A.A.S.	1,265,286.48	enf.ret.. B.O. 750.000 USD Bel Ami Invest	Enforcement
26	A.A.A.S.	1,237,180.50	enforcement return B.O. 400.000 USD Best	Enforcement
27	A.A.A.S.	14,089.55	leg.exp. litigation B.O. 650.000 USD SGI	Enforcement
28	A.A.A.S.	1,320.12	leg.exp. -B.O. USD Digicom	Enforcement
29	A.A.A.S.	42,688.04	leg.exp. - B.O. 800.000 USD SGI	Enforcement
30	A.A.A.S.	2,082.38	leg.exp. -B.O. 940.000 USD Invest House	Enforcement
31	A.A.A.S.	29,612.04	leg.exp. - B.O. 630.000 USD Best	Enforcement
32	A.A.A.S.	1,833.22	lit.leg.exp. B.O. 500.000 USD SGI	Enforcement
33	A.A.A.S.	33,308.19	litigation legal expenses B.O. 655.000 USD SGI	Enforcement
34	A.A.A.S.	1,914.31	litigation legal expenses B.O. 230.000 USD Lerus	Enforcement
35	A.A.A.S.	24,885.42	litigation legal expenses B.O. 470.000 USD Aust Rom	Enforcement
36	A.A.A.S.	2,613.41	litigation legal expenses B.O. 220.000 USD Best	Enforcement
37	A.A.A.S.	39,031.41	litigation legal expenses B.O. 800.000 USD Max Inv.	Enforcement
38	A.A.A.S.	29,700.09	litigation legal expenses B.O. 300.000 USD Editip	Enforcement
39	A.A.A.S.	1,972.72	leg.exp. -B.O. 900.000 USD SGI	Enforcement
40	A.A.A.S.	10,862.50	leg.exp. B.O. 500.000 USD Trust Ares	Enforcement
41	A.A.A.S.	1,940.24	leg.exp. - B.O. 300.000 USD Editip	Enforcement
42	A.A.A.S.	1,867.95	litigation legal expenses B.O. 500.000 USD Max	Enforcement
43	A.A.A.S.	2,042.40	litigation legal expenses B.O. 250.000 USD Pas Tranz.	Enforcement
44	A.A.A.S.	16,232.80	litigation legal expenses B.O. 720.000 USD Lerus	Enforcement
45	A.A.A.S.	20,059.90	litigation legal expenses B.O. 300.000 USD Avicom	Enforcement
46	A.A.A.S.	2,123,137.19	enf. ret. B.O. 720.000 USD Lerus Agnita	Enforcement
47	A.A.A.S.	1,538,224.56	enf. return B.O. 500.000 USD Trust Ares	Enforcement
48	A.A.A.S.	1,475,732.98	enf. return B.O. 500.000 USD Max I.	Enforcement
49	A.A.A.S.	2,088,278.15	damages (BO 800.000 USD) issued by Max Inv.	Enforcement
50	A.A.A.S.	1,004,284.60	damages (BO 300.000 USD) issued by Editip	Enforcement
51	A.A.A.S.	920,080.23	damages (BO 300.000 USD) issued by Editip	Enforcement
52	A.A.A.S.	1,641,754.50	damages (BO 500.000 USD) Max Invest	Enforcement
53	A.A.A.S.	254,664.88	damages (BO 230.000 USD) Lerus Agnita	Enforcement
54	A.A.A.S.	2,302,001.06	damages (BO 720.000 USD) Lerus Agnita	Enforcement

55	A.A.A.S.	1,400,232.71	damages (BO 470.000 USD) Aust-Rom 95	Enforcement
56	A.A.A.S.	710,777.50	damages (BO 220.000 USD) issued by Best	Enforcement
57	A.A.A.S.	1,610,370.32	damages (BO 630.000 USD) issued by Best	Enforcement
58	A.A.A.S.	2,821,171.02	damages (BO 940.000 USD) Invest House	Enforcement
59	A.A.A.S.	2,336,957.60	damages (BO 940.000 USD) Invest House	Enforcement
60	A.A.A.S.	429,296.89	damages (BO 250.000 USD) Asoc.Tranzitour	Enforcement
61	A.A.A.S.	1,679,684.65	damages (BO 650.000 USD) issued by S.G.I.	Enforcement
62	A.A.A.S.	1,380,933.65	damages (BO 800.000 USD) issued by S.G.I.	Enforcement
63	A.A.A.S.	2,007,773.22	damages (BO 655.000 USD) issued by S.G.I.	Enforcement
64	A.A.A.S.	2,668,118.48	damages (BO 900.000 USD) issued by S.G.I.	Enforcement
65	A.A.A.S.	1,553,407.23	damages (BO 500.000 USD) issued by Trust Ares	Enforcement
66	A.A.A.S.	373,925.52	damages (BO 500.000 USD) issued by S.G.I.	Enforcement
67*	A.A.A.S.	2,166.78	legal expenses	Enforcement
68	Alimentara SA	10,165,151.99	share value as per law 151/2014	Litigation pending on the merit
69	Galgros S.A.	294,313.51	claims - share value	Action allowed . collection of 2.044.204,57 lei
70	CIA Hasmatuchi	3,693.07	claims - rent value	Litigation pending on the merit
71	Alimentara SA	21,896.65	claims - legal expenses separately	Litigation pending on the merit
72	AAAS	1,046.71	legal expenses	Enforcement
73*	Alimentara SA	6,280.78	legal expenses	Enforcement
74*	AAAS	2,205.79	legal expenses	Enforcement
75*	AAAS	1,694.50	legal expenses	Enforcement
76*	AIPC	6,376.12	legal expenses	Enforcement
77*	AIPC	1,552.21	legal expenses	Enforcement
78*	Comat SA	5,794.00	legal expenses	Enforcement
79*	CRC Impex Chemicals SRL (former A2 Impex)	493,534.17	prejudice –infringement of abstain	Litigation pending on the merit
	TOTAL:	69,420,650.04		

Solved litigations

1	Romanian state	1,672,075.76	claims - TEXU litigious rights	SIF's appeal dismissed
2	Alimentara SA	14,115.94	claims legal expenses	Fully collected
3	Alimentara SA	4,794.51	claims legal expenses	fully collected
4	AAAS	241,410.12	interest setting for enforcement file no. 492/2016	Action dismissed and SIF's appeal
5	Alimentara SA	1,243.00	claims legal expenses	fully collected

Status of litigations involving insolvency procedure (SIF as plaintiff-creditor)

no	Company	Total debt in lei	Stage	Observations
1	Bankcoop SA	626,742.17	Bankruptcy	Procedure continues
2	BIR	344.12	Bankruptcy	Procedure continues
3	Nova Bank	729.25	Bankruptcy	Procedure continues
4	Mes Suceava	4,776.77	Bankruptcy	Procedure closed. With appeal
5	Network Press	3,799.87	Bankruptcy	Procedure continues
6	Pantex S.A. Brasov	10.3	Bankruptcy	Procedure continues
7	Ceramica Dorohoi	3,039.00	Bankruptcy	Procedure continues
8	Nobel Corporation	2,215.31	Bankruptcy	Procedure continues
9	Horticola SA	1,466,168.33	Insolvency	enf. file claim 135/2014 (conditioned)
10	Celule Electrice Bailesti	22,707.72	Insolvency	Procedure continues

11*	Genko Med Group	94,035.07	Insolvency	SIF Challenge regarding partial claim registration
	TOTAL LEI:	2.224.567,91		
Status of pending litigations involving various claims where SIF acts as plaintiff				
No.	Company	Object	Litigation stage	Observations
1	Asia Debt Management; Eurobrick International BV	obligation to do –OPP conduct as per art. 203 LPC	Action dismissed and appeal	SIF's recourse
2	OCPI Iasi	TRO complaint, litigation note EGMSR IASX of 14.09.2017	Litigation pending on the merit	
3*	lasitex SA; Vuza Stefan	Derivative action	Litigation pending on the merit	Restitution of the amount of 788.302 lei into lasitex patrimony
4*	lasitex SA; A2 Impex; Depozitarul Central	transaction annulment - CHOB share purchase by IASX	Litigation pending on the merit	Returns to IASX patrimony the transaction price
5*	lasitex S.A.	TRO intervention – EGMS on 22.02.2018	Litigation pending on the merit	
6*	Inco Industry SRL s.a.	intervention-prescription action	Litigation pending on the merit	
Status of criminal litigations				
No.	Defendant	Object	Litigation status	Observatii
1	Bogdan Eugen	violation of Law 31/1990	Call before the court	art. 271, art. 275 (1) of LS
2	Bittner Alexandru s.a.	causing loss in Piscicola Murighiol	Criminal complaint	money laundering crime
3	Ciuburciu Gabriela s.a.	causing loss in Vascar SA	Call before the court. Litigation pending, on the merit	Civil party action
4*	Radauceanu Ana	complaint failure to call before the court, abuse of office and other	Pending, final hearings	
Status of pending litigations where SIF Moldova acts as respondent				
No.	Defendant	Object	Status of litigation	Observations
1	Groza Daniel	40,155.85	claims - lack of real estate use.	Action allowed . Counterclaim dismissed and recall in guarantee by SIF. SIF's appeal
2	Transcom SA Iasi	61,553.25	claims –recall in guarantee	Action dismissed. Respondent's appeal. With recourse
3	Cantoreanu Ioan Florin	1,089,430.20	claims - restitution of 250.000 USD - BO issued by Pas Tranzitour	Action allowed . SIF's appeal allowed and claims reduced. Parties' recourse
4	AIPC	12,741.28	enforcement challenge – enf; files. 483 and 484/2016	Action allowed . Orders the return of enforcement. SIF's appeal
5*	AIPC	enforcement challenge – enf. files 483 and 484/2016	Litigation pending on the merit. Cause suspended	Garnished third party - Raiffeisen Bank
6	Eximbank SA	23,862.23	claims - leg.exp. separately	Respondent's appeal allowed. Binds SIF to pay 9.832,50 lei. SIF's recourse
7	Mercom SA Onesti	54,000.00	real estate claim	Action allowed . Binds SIF to pay interest. SIF's appeal
8*	Eximbank SA	7,707.42	claims - leg.exp. separately	SIF's appeal allowed. Binds to 2.000 lei. Respondent's recourse
	TOTAL	1.289.450,23		
9	Solomon Ion		enforcement challenge	Suspended
10	Iovitu Marian		cancellation of mortgage in LR	Action dismissed as unallowable. Respondent's appeal.

11	Achitenei Viorica		decision to replace authentic document	Partly allowed. With appeal
12	Casandriuc Florin Sorin		decision to replace authentic document	Litigation pending on the merit
13	Andrei Lina		decision to replace authentic document	Competence declined
14	Primaria Tg. Neamt		declaratory action	Litigation pending on the merit
15*	Horticola SA		debt challenge in insolvency procedure	Litigation pending on the merit
16*	Baltaru Gheorghe		declaratory action - usucapion	Litigation pending on the merit

LITIGATIONS AGAINST AAAS

No	Amount challenged in RON	Subject	Stage	Observations. Garnished third parties
1	1,036,979.79	challenge of enf. file 727/2015	Cause suspended	
2	700,777.50	challenge of enforcement file 45/2016	Litigation pending on the merit	Cause suspended
3	2,321,957.60	challenge of enforcement file 108/2016	Action dismissed and request to amend decision	Apel AAAS
4	1,679,684.65	enforcement challenge 116/2013 damages (BO 650.000 USD-S.G.I.	Challenge dismissed. AAAS's appeal	Eximbank S.A., BCR
5	1,209.18	challenge of enforcement file no. 244/2012	Challenge dismissed. Recurs AAAS	Eximbank S.A., Trezoreria Sector 4 B
6	3,016.08	challenge of enforcement file no. 118/2011	Cause suspended	
7	4,721.55	challenge of enforcement file no. 115/2012	Challenge dismissed and binds to expenses .With recourse	Eximbank S.A., Trezoreria Sector 4 B
8	2,791.75	challenge of enforcement file no. 291/2011	Challenge dismissed and AAAS' recourse. Amendment of SIF resolution	CEC Bank, Trezoreria S4 București
9	2,668,118.48	challenge of enforcement file no 113/2013	Challenge annulled and binds to expenses. AAAS' appeal	BCR, Eximbank, Trezoreria Sector 4 B
10		challenge of enforcement file no. 113/2013	Challenge dismissed. Amendment of SIF resolution	BCR, Eximbank, Trezoreria Sector 4 B
11		challenge of enforcement file 45/2016	Challenge dismissed. AAAS' appeal	Garnished third party : Trezoreria S4 B
12	2,821,171.02	challenge of enforcement file no 115/2013	Challenge dismissed and binds to expenses. AAAS' appeal	Eximbank, Trezoreria S4 B
13		challenge of enforcement file no. 115/2013	Litigation pending on the merit	Eximbank, Trezoreria S4 B
14	1,641,754.50	challenge of enforcement file no. 95/2015	Challenge dismissed. AAAS' appeal	Trezoreria Sector 4
15	920,080.23	challenge of enforcement file no. 727/2015	Suspends the trial on the merits as per art. 242 Civil Procedure Code	BT, BRD, Trezoreria Sector 4
16	1,553,407.23	challenge of enforcement file no 492/2016	Litigation pending on the merit. Cause suspended	BT, BRD, Trezoreria Sector 4
17	1,073.06	challenge of enforcement file no 187/2011	Challenge dismissed. Request to amend SIF's resolution .	Eximbank, Trezoreria S4 B, CEC Bank
18	2,302,001.06	challenge of enforcement file no. 101/2015	Litigation pending on the merit. Cause suspended	BT, BRD, Trezoreria Sector 4
19	3,350.05	challenge of enforcement file no. 221/2011	Challenge dismissed and binds expenses to SIF. AAAS' recourse	CEC Bank, Trezoreria S4 București
20	3,403.68	challenge of enforcement file no. 103/2012	Enforcement challenge annulled. With appeal	Eximbank, Trezoreria S4 Bucuresti
TOTAL	17.665.497,41			

LITIGATIONS SOLVED ON 31.03.2018

No.	amount challenged in lei	Object	Status	Observations
1	2,723.04	challenge of enforcement file no. 104/2012	Challenge partly allowed	Eximbank S.A., Trezoreria Sector 4 B
2	13,771.12	challenge of enforcement file no. 102/2012	Challenge annulled. Binds expenses to SIF	Eximbank, Trezoreria S4 B
3	2,527.21	challenge of enforcement file no.. 528/2010	Partly allows and removes the provision regarding the garnishment of dividends in Eximbank. SIF's recourse dismissed	Eximbank, Trezoreria S4 B, CEC Bank.
4	562.46	challenge of enforcement file no. 482/2010	Challenge and AAAS' recourse dismissed	

5	3,498.93	challenge of enforcement file no. 290/2011	Challenge and AAAS' recourse dismissed	Eximbank, Trezoreria S4 B
6		enf. file challenge. 727/2015	Parties' appeal dismissed	TP - Trezoreria S4 B
7	3,278.99	challenge of enforcement file no.. 114/2012	Annuls the challenge and binds AAAAS to pay expenses	Eximbank, Trezoreria S4 B
TOTAL	26.361,75			
* - new litigation, started in year 2018				

A. Current Reports

1. 29.03.2018 (17:20) Current report in compliance with art. 82 of Law no. 24/2017 for the 1st semester 2018
2. 23.03.2018 (18:45) Current report: Convening the Extraordinary and Ordinary General Meeting of Shareholders on 27/28 April 2018; Convening Notice for the Extraordinary and Ordinary General Meeting of Shareholders on 27/28th April 2018 – published in Official Gazette 1226/26.03.2018, part 4
3. 09.03.2018 (15:30) Press release: **completion of the withdrawal of SIF Moldova Group from Luceafărul S.A** (completion of Current Report on 04.10.2017)
4. 28.02.2018 (17:20) Reporting holdings under 5% in ELECTROMAGNETICA SA
5. 21.02.2018 (18:05) Modification of 2018 financial reporting calendar; (18:10) Notification – Collection of withdrawal amounts from Galgros SA Galati (according to Law 151/2014)
6. 15.02.2018 (18:40) Current report: Preliminary unaudited financial results for financial year 2017; Presentation of preliminary unaudited financial results for financial year 2017; Phone conference invitation on 19.02.2018, at 15:00
7. 01.02.2018 (18:40) Important event: Share capital lowering – Securities registration certificate
8. 26.01.2018 (16:10) **Auditor's Report for the 2nd semester 2017** - art. 82, Law 24/2017
9. 25.01.2018 (17:30) Important event: SIF Moldova's **authorization as alternate investment fund manager (AIFM)**; subsequent certifications; (17:40) Event: certification of the current members of **"SIF Moldova Group"** – FSA Certificate no. 2/23.01.2018 (attached)
10. 23.01.2018 (13:50) Reporting holding over 5% in BVB Bucharest
11. 18.01.2018 (11:45) Important event: Approval of **"SIF Moldova SA's Memorandum of Association"** modification
12. 17.01.2018 (16:15) Important event to report – collection of amounts
13. 15.01.2018 (17:15) Current report – 2018 Financial calendar

B. REGULAR REPORTS

1. MONTHLY NET ASSETS – Jan / Feb / Mar /
Rules and procedures for assets evaluation – December 2017
2. Modification of 2017 Financial Calendar 2018 (21.02.2018, 18:05)
3. 2018 Financial Calendar (15.01.2018, 17:15)