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To: Bucharest Stock Exchange

Announcement: “Baba Novac Residence” Bucharest - project implementation stage

“Baba Novac Residence” real estate project, developed by “Tesatoriile Reunite SA”, a subsidiary of SIF Moldova Group, which integrates the assets of this company, has recently received the building permit.

The general contractor is Octagon Constructing & Engineering, the project manager is Vitalis Consulting, both partners being prestigious professionals on the Romanian market. For the sale of the apartments there were contracted the services of Coldwell Banker.

Features of the project:

- ✓ Positioning in the south-eastern part of Bucharest, in Titan neighborhood, close to the Baba Novac crossroad, facilitates the access to the surface and underground public transport network (Metro Dristor), which ensures the interconnection with all the areas of the city. Fast access to Park Lake Mall, Titan/IOR Park, nurseries, kindergartens, schools;
- ✓ the residential complex consists of 6 blocks with a height of basement + ground floor + 8 floors, of which three are tower blocks and three blade blocks, with a total of 363 apartments and 436 underground and above ground parking spaces;
- ✓ the project benefits from a modern concept of apartments partitioning;
- ✓ the project value is around € 34 million, with financing from own sources and bank loans;
- ✓ the sale of apartments will start in the second half of June 2017;
- ✓ completion of buildings is expected to be in the spring of 2019.

SIF Moldova will recover its investment by selling the apartments at a higher yield than the financing cost, in accordance with the investment policy approved by the shareholders.

Starting with 2015, SIF Moldova has initiated the development of a portfolio with private equity investments, with a focus on real estate and agribusiness sectors, where medium to long-term growth opportunities are identified. Opportunistic investments can be made in other areas of interest as well. The private equity approach implies a direct involvement in entrepreneurial projects and leads to an increase in the profitability of the managed assets and gives the possibility to offset the risks of some possible negative evolutions of the equities from the listed companies. (www.sifm.ro/Current Reports/Investment projects)

Claudiu Doros
Vice President

Michaela Puscas
Internal Control