



**SIF BANAT-CRIȘANA**

SOCIETATE DE INVESTIȚII FINANCIARE

# QUARTERLY REPORT

— AS AT SEPTEMBER 30, 2019 —

prepared pursuant to the provisions of  
Law no. 24/2017, Regulation no. 15/2004,  
Regulation no. 5/2018, and Rule no. 39/2015  
*this report is provided as a free translation from Romanian, which is  
the official and binding document*



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<ul style="list-style-type: none"> <li>▪ Condensed interim standalone financial statements as at September 30, 2019, prepared pursuant to Rule no. 39/2015 for the approval of the Accounting Regulations compliant with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority from Financial Instruments and Investments Sector - unaudited</li> </ul>	
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## 1. GENERAL INFORMATION

CORPORATE NAME	<b>Societatea de Investiții Financiare Banat-Crișana S.A.</b> (hereinafter referred to as “SIF Banat-Crișana” or “the Company”)
COMPANY TYPE	<ul style="list-style-type: none"> <li>▪ closed-end investment company self-managed, with a diversified investment policy investment policy, endorsed by the Financial Supervisory Authority by Endorsement no. 258 / 14.12.2005 and as AIFM with Authorization no. 78/09.03.2018</li> <li>▪ set-up as a joint stock company in November 1996 pursuant to the provisions of Law no. 133/1996 for the conversion of the Private Property Funds (FPP) into Financial Investment Companies (SIF)</li> <li>▪ Romanian legal entity with private capital</li> </ul>
SHARE CAPITAL	<ul style="list-style-type: none"> <li>▪ RON 51,746,072.40 – subscribed and paid-in capital</li> <li>▪ 517,460,724 shares issued, 517,371,068 outstanding shares</li> <li>▪ RON 0.10 per share nominal value</li> </ul>
REGISTRATIONS	<ul style="list-style-type: none"> <li>▪ J02/1898/1992 at Trade Registry of the Arad Court</li> <li>▪ Unique Fiscal Registration Code RO 2761040</li> <li>▪ Number in ASF AFIAA Register PJR07.1AFIAA/020007/09.03.2018</li> <li>▪ Number in ASF SIIR Register PJR09SIIR/020002/2006</li> <li>▪ Legal Entity Identifier (LEI Code) 254900GAQ2XT8DPA7274</li> </ul>
MAIN ACTIVITY	<p>Main activity is, as per the classification of economic activities in the national economy (CAEN): financial intermediation, except insurance and pension funding (CAEN code 64), and the main object of activity: Other financial intermediation n.c.a. (CAEN code 6499):</p> <ul style="list-style-type: none"> <li>▪ carrying out financial investments in order to maximize the value of own shares in accordance with the regulations in force;</li> <li>▪ management of investment portfolio and exercising all of the rights related to the instruments in which investments are made;</li> <li>▪ risk management;</li> <li>▪ other activities auxiliary and associated to the collective investment activity, in accordance with the regulations in force.</li> </ul>
TRADING MARKET	The company is listed since November 1, 1999 on the regulated market of Bucharest Stock Exchange (BVB) – Premium category - ticker <b>SIF1</b>
FINANCIAL AUDITOR	PricewaterhouseCoopers Audit S.R.L for the financial years 2016 – 2018 <b>Deloitte Audit S.R.L.</b> , starting with 2019 financial year
DEPOSITARY BANK	BRD - Groupe Société Générale
SHARES AND SHAREHOLDERS' REGISTRY	Depozitarul Central S.A. Bucharest
HEADQUARTERS	<b>Arad</b> , 35A Calea Victoriei 310158, Romania TEL +40257 304 438 FAX +40257 250 165 EMAIL sifbc@sif1.ro WEB www.sif1.ro
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## 2. MAIN FINANCIAL AND OPERATIONAL INFORMATION

<b>MAIN BALANCE SHEET ITEMS [RON mn]</b>			
	<b>30.09.2018</b>	<b>31.12.2018</b>	<b>30.09.2019</b>
Total assets, of which	2,612.07	2,452.94	2,792.32
Total financial assets	2,585.71	2,427.11	2,741.61
Equity (own capital)	2,435.60	2,321.42	2,634.93
Total current liabilities	16.29	1.62	4.55

<b>FINANCIAL PERFORMANCE [RON mn]</b>			
	<b>30.09.2018</b>	<b>31.12.2018</b>	<b>30.09.2019</b>
Operational income	101.27	114.88	110.44
Gains on investments	(20.24)	(16.05)	39.43
Operating expenses	12.07	17.93	11.94
Gross profit	68.96	80.89	137.93
Net profit	65.46	77.19	126.54

<b>PERFORMANCE OF SHARES AND NET ASSET</b>			
	<b>30.09.2018</b>	<b>31.12.2018</b>	<b>30.09.2019</b>
Share price (end of period, RON)	2.4500	2.0400	2.4500
NAV/S* (RON)	5.1782	4.3067	4.9745
Accounting net asset / share (RON)	4.7068	4.4863	5.0929
Nominal value of share (RON)	0.10	0.10	0.10
Number of outstanding shares**	517,460,724	517,371,068	517,371,068

\* calculated acc. to ASF regulations

\*\* number of shares not including treasury stock

<b>OPERATIONAL DATA</b>			
	<b>30.09.2018</b>	<b>31.12.2018</b>	<b>30.09.2019</b>
Number of permanent employees, end of period	34	34	34
Branch offices	1	1	1

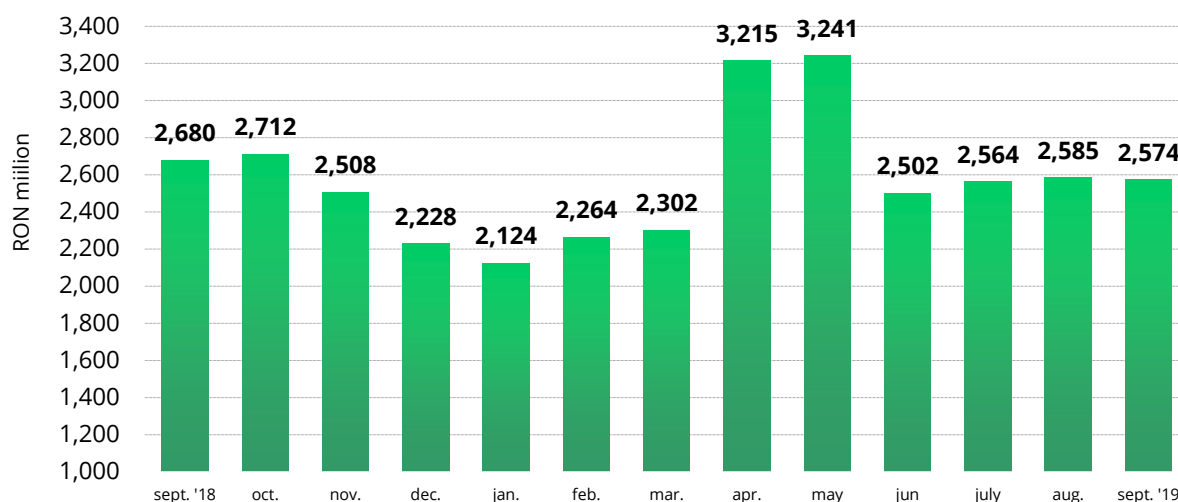
### 3. PORTFOLIO AS AT SEPTEMBER 30, 2019

#### Net Asset Value

SIF Banat-Crișana's net asset value (NAV), reached **RON 2,573.66 mn** at the end of the Q3 2019, 2.86% higher as compared to RON 2,502.12 mn at the end of H1 2019 and 3.95% below the value recorded as at September 2018. Net asset value per share (NAV/S) was of **RON 4.9745** as at September 30, 2019 (June 30, 2019: RON 4.8363).

#### NET ASSET VALUE

September 2018 - September 2019



Monthly values for net asset were calculated by SIF Banat-Crișana and certified by BRD Groupe Société Générale. The valuation of assets for the calculation of net asset value of SIF Banat-Crișana was performed pursuant to ASF Regulation no. 9/2014 (art. 113-122) ASF Regulation no. 10/2015 and ASF Regulation no. 2/2018.

The monthly reports for the net asset value were submitted to the Bucharest Stock Exchange and ASF – Financial Investments and Instruments Sector and published on SIF Banat-Crișana's website **www.sif1.ro** within 15 days from the end of the reporting month, as per the regulations in force.

Net asset statement as at September 30, 2019, prepared pursuant to annex 16 of the Regulation no. 15/2004, is presented as annex to this report.

#### The methodology for calculating the net asset value

During H1 2019, the calculation of net asset value was performed under the provisions of art. 113-122 of ASF Regulation no. 9/2014, ASF Regulation no. 10/2015 and ASF Regulation no. 2/2018.

Per these regulations:

- shares and securities referred to in art. 3 par. (1) pt. 26 letter c) from GEO no. 32/2012 admitted to trading and traded in the last 30 trading days on a regulated market or in trading systems other than regulated markets, are evaluated: (i) at the closing price of the market section considered the main market, for the day for which the calculation is made, in the case of shares admitted to trading on the respective regulated market; or (ii) at the reference price for the day for which the calculation is made, in the case of shares traded under trading systems other than regulated markets.
- The securities not admitted to trading on a regulated market or not traded during the last 30 trading days are valued at the accounting (book) value per share recorded in the most recent annual financial statements, or equity value comprised in the monthly reports submitted to BNR

(the Romanian central bank) for credit institutions.

- In the case of joint stock companies not admitted to trading on a regulated market or on an alternative system, in which SIF Banat-Crișana holds more than 33% of the share capital, these shares are valued in the net asset of SIF Banat-Crișana exclusively in accordance with international valuation standards based on an evaluation report, updated at least annually. These companies are presented in a separate annex within the Detailed Statement of the Portfolio.
- Fixed income financial instruments are evaluated by the method based on the daily recognition of the interest and the amortization of the discount / premium for the period passed from the date of the placement.
- The shares of companies in insolvency, judicial liquidation or reorganization procedure are evaluated at zero value until the end of the procedure.
- The values of the non-portfolio items considered in the calculation of the net asset are in accordance with the International Financial Reporting Standards ("IFRS").

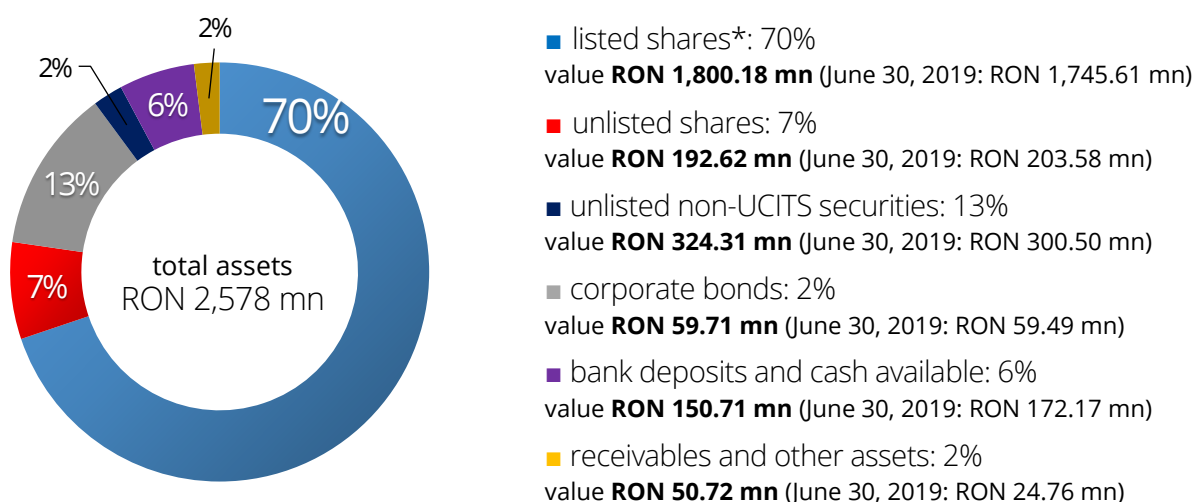
The valuation methods applied by the Company to evaluate the financial assets in the portfolio are presented on Company's website, [www.sif1.ro](http://www.sif1.ro), in the section *Investments > Net Asset > Net asset value calculation methodology*. The changes in valuation policies and methods are communicated to investors and the Financial Supervisory Authority, in accordance with the regulations in force.

## Portfolio structure

The strategy for asset allocation aims to maximize the performance of the portfolio under the prudential conditions established by the regulations incident to the operation of the Company. The prudential conditions applicable to the investments of the Company are set by Capital Market Law no. 297/2004, amended and supplemented by GEO no. 32/2012, and Regulation no. 15/2004 regarding authorization and operation of asset management companies, collective investment undertakings and depositories.

### ASSETS UNDER MANAGEMENT as at September 30, 2019

assets class breakdown (weight in total assets)



\*the category also includes listed non-UCITS securities (SIFs);  
values calculated pursuant to the provisions of ASF Regulation no. 9/2014  
(art. 113-122) and ASF Regulation no. 10/2015;  
the amounts for fixed income financial instruments include interest  
receivables

Total assets value<sup>1</sup> of SIF Banat-Crișana, calculated as per ASF regulations as at September 30, 2019, was of **RON 2,578 million**, up 2.88% as compared to June 30, 2019, when it reached RON 2,506.12 million. Compared to that date, the value of listed shares rose 3.13%.

The value of the stock portfolio (listed and unlisted shares) accounted for **77.29%** of SIF Banat-Crișana's total assets as at September 30, 2019, amounting to **RON 1,993 million**.

The detailed statement of SIF Banat-Crișana's investments as at June 30, 2019, prepared pursuant to Regulation no. 15/2004 (Annex 17), is presented as annex to this report.

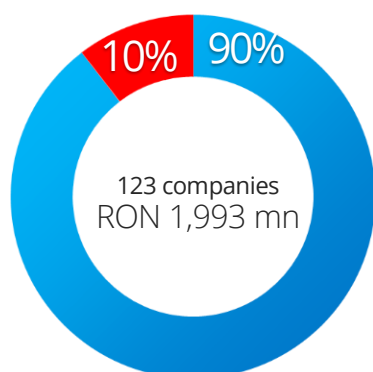
At the end of Q3 2019, SIF Banat-Crișana held *majority holdings* - over 50% of the issuer's share capital - in 13 companies, with a total value of RON 547 million, representing 21.25% of NAV.

The companies in which SIF Banat-Crișana holds majority stakes and the control are classified as subsidiaries according to the International Financial Reporting Standards.

During H1 2019, the Company re-analysed the criteria regarding the classification as an investment entity and concluded that they are met, except for the subsidiaries that provide investment services (SAI Muntenia Invest SA and Administrare Imobiliare SA). Thus, in accordance with IAS 27 and IFRS 10, the Company measures all its subsidiaries at fair value through profit or loss, except for subsidiaries that provide investment services, which will continue to be consolidated.

### STOCK PORTFOLIO as at September 30, 2019

on liquidity



■ listed companies: 90%

**RON 1,800 mn** (June 30, 2019: RON 1,746 mn) value of stakes held in 45 companies (June 30, 2019: 46)

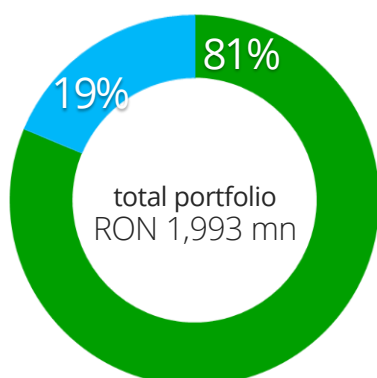
■ unlisted companies: 10%

**RON 192.6 mn** (June 30, 2019: RON 204 mn) value of stakes held in 78 companies (June 30, 2019: 79)

*values calculated acc. to ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015; percentages in the chart represent the stake of the category in the stock portfolio*

### STOCK PORTFOLIO as at September 30, 2019

geographical exposure



■ Romania: 81%

**RON 1,620 mn** (June 30, 2019: RON 1,561.97 mn) value of holdings in 121 de companies (June 30, 2019: 123)

■ foreign: 19%

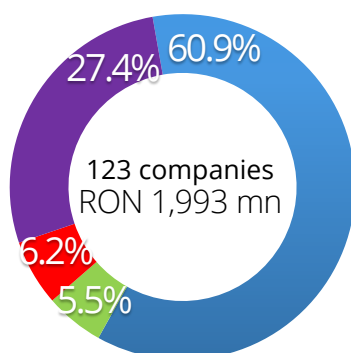
**RON 373 mn** (June 30, 2019: RON 387.22 mn) value of holdings in 2 companies (June 30, 2019: 2): Austria (1 company – Erste Bank), Cyprus (1 company – SIF Imobiliare)

*values calculated acc. to ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015; percentages in the chart represent the stake of the category in the stock portfolio*

<sup>1</sup> calculated pursuant to the provisions of ASF Regulation no. 9/2014 (art. 113-122) and ASF Regulation no. 10/2015

**STOCK PORTFOLIO as at September 30, 2019**

breakdown by stake held



## ■ up to 5%

stakes **up to 5%** in **44** companies  
worth **RON 1,213 mn** (June 30, 2019: RON 1,143 mn)

## ■ 5-33%

stakes **between 5 and 33%** in **63** companies  
worth **RON 109.5 mn** (June 30, 2019: RON 122 mn)

## ■ 33-50%

stakes **between 33 and 50%** in **3** companies  
worth **RON 123.2 mn** (June 30, 2019: RON 129 mn)

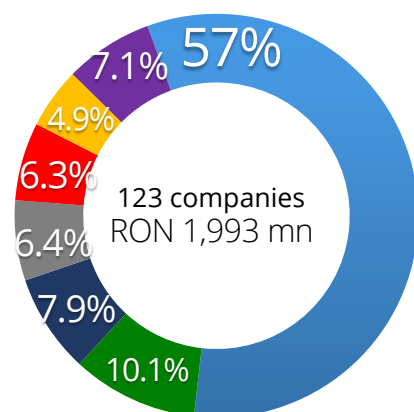
## ■ above 50%

**majority stakes, above 50%**, in **13** companies  
worth **RON 546.9 mn** (June 30, 2019: RON 554 mn)

values calculated acc. to ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015;  
percentages in the chart represent the stake of the category in the stock portfolio

**STOCK PORTFOLIO as at September 30, 2019**

breakdown by sector



## ■ banking-financial: 57%

stakes in **14** companies worth **RON 1,143 mn**  
(June 30, 2019: RON 1,091 mn)

## ■ commerce - real-estate: 10.1%

stakes in **12** companies worth **RON 201 mn**  
(June 30, 2019: RON 200 mn)

## ■ energy - utilities: 7.9%

stakes in **11** companies worth **RON 158 mn**  
(June 30, 2019: RON 150 mn)

## ■ cardboard and paper: 6.4%

stakes in **5** companies worth **RON 128 mn**  
(June 30, 2019: RON 132 mn)

## ■ pharmaceuticals: 6.3%

stakes in **2** companies worth **RON 125 mn**  
(June 30, 2019: 131 mn)

## ■ tourism and public-food services: 4.9%

stakes in **4** companies worth **RON 97 mn**  
(June 30, 2019: RON 94 mn)

## ■ other industries: 7.1%

stakes in **75** companies worth **RON 141 mn**  
(June 30, 2019: RON 151 mn)

values calculated acc. to ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015; percentages  
in the chart represent the stake of the category in the stock portfolio

**TOP 10 COMPANIES IN SIF BANAT-CRIȘANA PORTFOLIO as at September 30, 2019**

Issuer	Activity	Stake held [%]	Value of holding* [RON]	% of NAV
1 Banca Transilvania	banking - financial	4.5177	565.53	21.97%
2 Erste Group Bank AG	banking - financial	0.3362	208.29	8.09%
3 BRD - Groupe Société Générale	banking - financial	1.9537	194.97	7.58%
4 SIF Imobiliare Plc	financial services applicable to real estate	99.9997	164.44	6.39%
5 Vrancart	cardboard and paper	75.0633	127.78	4.96%
6 Biofarm	pharmaceuticals	36.7471	117.68	4.57%
7 SIF Moldova	other financial intermediations	4.9991	72.43	2.81%
8 SNGN Romgaz	energy - utilities	0.4078	58.07	2.26%
9 CONPET	energy - utilities	6.5000	44.91	1.74%
10 SIF Hoteluri	tourism and public food services	98.9997	42.00	1.63%
<b>TOTAL</b>			<b>1,596.11</b>	<b>62.02%</b>

\* calculated pursuant to ASF Reg. no. 9/2014 and ASF Reg. no. 10/2015



## 4. THE SHARES ISSUED BY BANAT-CRIȘANA

### CHARACTERISTICS OF THE SHARES ISSUED BY SIF BANAT-CRIȘANA

Total number of issued shares (September 30, 2019)	<b>517,460,724</b>
Outstanding shares (September 30, 2019)	<b>517,371,068</b>
Nominal value	<b>RON 0.1000 / share</b>
Type of shares	<b>common, ordinary, registered, dematerialized, indivisible</b>
Trading market	<b>Regulated spot market of Bucharest Stock Exchange (BVB or BSE), Premium category</b> , listed since November 1, 1999
BVB (BSE) symbol (ticker)	<b>SIF1</b>
Bloomberg BBGID	<b>BBG000BMN388</b>
ISIN	<b>ROSIFAACNOR2</b>
Part of indices	<b>BVB (BSE) indices: BET-XT, BET-FI, BET-BK and BET-XT-TR</b>

Shares issued by SIF Banat-Crișana grant all shareholders equal rights.

Pursuant to art. 286<sup>1</sup> par. (1) of Capital Market Law no. 297/2004, as amended by Law no. 11/2012, any person may acquire under any title or may hold, alone or together with the persons acting in concert with such person, shares issued by the Company, but not more than 5% of the share capital. The voting right is suspended for the shares held by shareholders that exceed this limit, pursuant to art. 286<sup>1</sup> par. (2) of Law no. 297/2004 and CNVM/ASF Instruction no. 6/2012 issued in application of art. 286<sup>1</sup> of Law no. 297/2004.

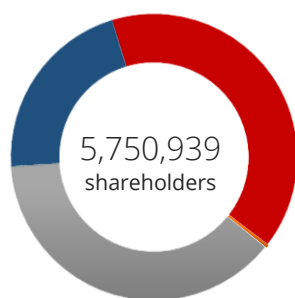
Since its set-up, SIF Banat-Crișana has not issued bonds or other debt instruments.

At the date of this report, SIF Banat-Crișana holds 89,656 own shares, purchased in October 2018 in the buyback program approved by EGM Resolution no. 2 art. 2 of April 26, 2018.

As at June 30, 2019, SIF Banat-Crișana has 5,750,939 shareholders, according to the data reported by Depozitarul Central SA Bucharest, the company that keeps the shareholders registry.

### SHAREHOLDERS' STRUCTURE

as per holdings, as at September 30, 2019



■ 40.18%  
Romanian individuals  
(5,748,701 shareholders)

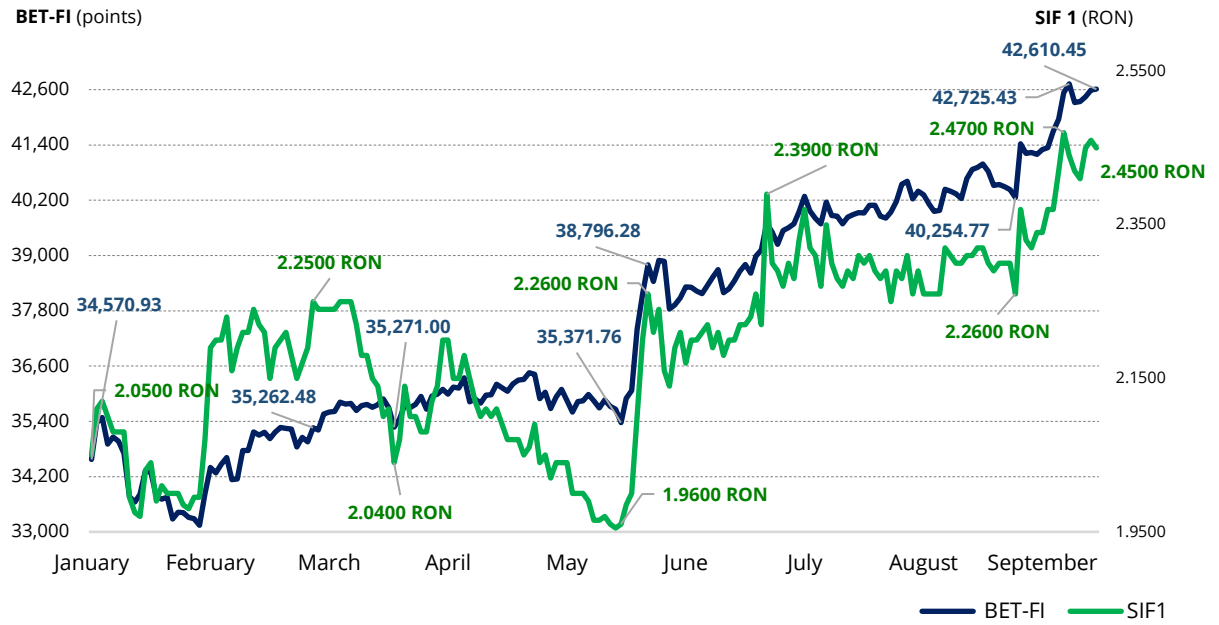
■ 38.16%  
Romanian legal entities  
(157 shareholders)

■ 0.02%  
treasury stock  
(following the acquisitions  
made in October 2018, the  
company holds 89,656 own  
shares)

■ 0.34%  
non-resident individuals  
(2,051 shareholders)

■ 21.30%  
non-resident legal entities  
(29 shareholders)

## SIF1 vs. BET-FI PERFORMANCE IN 2019



*highlighted values were recorded at the close of trading sessions*

## 5. MANAGEMENT OF SIGNIFICANT RISKS

The most significant financial risks to which the Company is exposed to are the credit risk, the liquidity risk and the market risk. The market risk includes the foreign currency risk, the interest rate risk and the price risk of the equity instruments.

The company uses a variety of policies and procedures for managing and measuring the types of risk to which it is exposed. These policies and procedures are presented in detail in the subchapters dedicated to each type of risk in *Note 4* of the Standalone financial statements as at September 30, 2019.

Financial risks

Market risk

Market risk is the risk that changes in market prices, such as stock prices, interest rates and exchange rates, affect the revenues or the value of the financial instruments held. The market risk of equity instruments represents the risk that the value of such an instrument will fluctuate as a result of changes in market prices, either due to factors specific to the issuer's activity or to factors affecting all instruments traded on the market.

The market risk of equity instruments mainly results from the shares held, measured at fair value, both through the profit and loss account and through other elements of the overall result. The entities in which the Company owns shares operate in various industries. The objective of market risk management is to control and manage market risk exposures within acceptable parameters, in order to optimize profitability. The Company's strategy for managing the market risk is driven by its investment objective, and the market risk is managed in accordance with the policies and procedures used.

The Company is exposed to the following market risk categories:

*Price risk*

Price risk is the risk of recording losses from both on balance sheet and off balance sheet positions due to asset price developments.

The Company is exposed to the risk of fair value of financial instruments fluctuation due to changes in market prices, whether caused by factors specific to the activity of its issuer or factors affecting all instruments traded in the market.

A positive change of 10% in the price of financial assets at fair value through profit or loss (shares of subsidiaries, associates and fund units) would lead to an increase in profit after tax by RON 112,182,109 (December 31, 2018: RON 92,903,098), a negative change of 10% having an equal net impact on the opposite direction.

A positive change of 10% in the prices of financial assets measured at fair value through other comprehensive income, investments in shares and unit funds would lead to an increase in equity, net of tax, of RON 118,987,942 (December 31, 2018: RON 107,464,995), a negative change of 10% with an equal net impact on an opposite direction.

*Interest rate risk*

Interest rate risk is the risk that revenues or expenses, or the value of assets or liabilities of the Company will fluctuate due to changes in market interest rates.

As regards the interest-bearing financial instruments: the interest rate risk consists of the risk of fluctuation recorded in the value of a financial instrument due to changes in interest rates and risk differences between the maturity of interest-bearing financial assets and interest-bearing liabilities. However, the interest rate risk may also affect the value of assets bearing fixed interest rates (e.g. bonds) so that an increase in interest rate on the market will determine a decrease in the value of future cash flows generated by them and may lead to their price reduction if it increases the

preference of investors to place their funds in bank deposits or other instruments whose interest has grown, and vice versa - a reduction in interest rate on the market may increase the price of shares and bonds and will lead to an increase in the fair value of future cash flows.

With respect to the Company's interest-bearing financial instruments, the policy is to invest in profitable financial instruments, with due date over 1 year. With respect to the fixed interest-bearing assets or tradable assets, the Company is exposed to the risk that fair value of future cash flows related to financial instruments will fluctuate as a result of changes in market interest rates. The Company does not use derivative financial instruments to protect itself against interest rate fluctuations.

The impact on the Company's net profit (through interest revenues) of a change of  $\pm 1.00\%$  in the interest rate related to variable interest-bearing assets and liabilities and expressed on other currencies corroborated with a change of  $\pm 1.00\%$  in the interest rate related to variable interest bearing assets in RON is of RON 1,768,370 (December 31, 2018: RON 615,400).

#### *Currency risk*

Currency risk is the risk of loss or failure to achieve the estimated profit as a result of unfavourable exchange rate fluctuations. The Company invests in financial instruments and enters into transactions which are denominated in currencies other than the functional currency, thus being exposed to risks that the exchange rate of the national currency in relation to another currency may adversely affect the fair value or future cash flows of that share of financial assets and liabilities denominated in other currencies.

The Company has not entered into any fix derivative transaction during the financial years presented.

Company's net asset in foreign currency as at September 30, 2019 are of RON 327,610,363 (December 31, 2018: RON 325,868,403). A variation of  $\pm 5\%$  of euro currency vs. RON would generate a net impact in Company's profit and loss account of  $\pm 5,011,270$  RON, respectively of  $\pm 8,748,365$  RON.

#### *Credit risk*

Credit risk is the risk that a counterparty of a financial instrument fails to meet its contractual obligations, or a financial engagement in which it has entered into a relationship with the Company, resulting in a loss for the Company. The Company is exposed to credit risk as a result of investments in bonds issued by commercial companies or the Romanian State, current accounts and bank deposits and other receivables. The management of the Company closely monitors and expands the exposure to credit risk so that it does not suffer losses as a result of the concentration of credit in a particular sector or field of activity.

The Company's maximum exposure to credit risk is in the amount of RON 238,825,720 as at September 30, 2019.

#### *Liquidity risk*

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations arising from short-term financial liabilities that are settled by payment of cash or other financial means, or the risk that such obligations are extinguished in an unfavourable manner for the Company.

The company monitors the progress of its liquidity levels to be able to meet its payment obligations at due date and constantly analyses its assets and liabilities, based on the remaining period to the contractual maturities.

The structure of assets and liabilities was analysed on the basis of the period remaining from the balance sheet date to the contractual maturity date, both on September 30, 2019 and December 31, 2018. The company has a liquidity surplus of RON 2.76 billion as at September 30, 2019. (December 31, 2018: RON 2.43 billion), its structure on maturities is presented in Note 4 of the standalone financial statements as at September 30, 2019.

## Other risks

By the nature of the business object, the Company is exposed to various types associated to financial instruments and to market on which it invests. The main types of risks the Company is exposed to are:

- taxation risk;
- economic environment risk;
- operational risk.

### *Taxation risk*

Starting with 1 January 2007, following Romania's accession to the European Union, the Company had to comply with the EU regulations and, therefore, prepared to implement changes brought by the European legislation. The Company has implemented these changes, but their implementation remains open to tax audit for 5 years.

Interpretation of texts and practical implementation of the procedures of the new applicable tax regulations could vary and there is a risk that in some cases the tax authorities might adopt a position different from that of the Company.

In terms of income tax there is a risk of different interpretation by the tax authorities to accounting treatments that were determined by the transition to IFRS as an accounting basis.

In addition, the Romanian Government has several agencies authorized to conduct audits (controls) of companies operating in Romania. These controls are similar to tax audits in other countries and may extend not only to tax matters but also to other legal and regulatory issues of interest to these agencies. The Company may be subject to tax audits as new tax regulations are issued.

### *Economic environment risk*

SIF Banat-Crișana's management cannot predict all the effects of the financial crisis with an impact on the financial sector in Romania, but has confidence in that in the first six months of 2019 has adopted the necessary measures for the Company's sustainability and development under the present state of the financial market by monitoring its cash flows and adapting its investment policies.

The Euro area economy has experienced a significant recovery in recent years, both in terms of GDP growth (with annualized increases of more than 1.5%) and the progressive reduction of unemployment and the return of inflation to the ECB target (2%). However, the ECB has also maintained during the latest period (at the meeting in January 2019) both the benchmark interest rate in absolute historical absolutes (0%) and the commitment to fully reinvest the amounts cashed on the maturity date of the financial instruments acquired in the quantitative easing program, the duration of this program being dependent on the sustainability of the inflation rate to the 2% target set by the ECB. Recently, both the ECB and the Federal Reserve (which reduced the reference interest rate by 0.25% at the meeting on July 31, 2019) reiterated their willingness to intervene through monetary stimulus measures if the pace of economic activity does not ensure convergence to expected inflation target. Thus, these exceptional measures and the willingness to maintain them in the foreseeable future signal the persistence of risks despite the positive developments in recent years.

### *Operational risk*

Operational risk is the risk of direct or indirect loss resulting from deficiencies or weaknesses in procedures, personnel, the Company's internal systems or from external events that can have an impact on its operations. Operational risks arise from all the Company's activities.

The Company's objective is to manage the operational risk so as to limit financial loss, not damage its reputation and achieve the investment objective of generating returns for investors.

There were no operational risk incidents as defined in the Operational Risk Nomenclature at SIF Banat-Crișana level in Q3 2019.

*Capital adequacy*

The management policy with respect to capital adequacy focuses on maintaining a sound capital base in order to support the ongoing development of the Company and attain the investment objectives.

The Company's equity includes the share capital, different types of reserves and the retained earnings. The equity amounted to RON 2,634,925,357 as at September 30, 2019 (RON 2,321,420,613 as at December 31, 2018).

*Leverage*

Leverage means any method by which the Company increases the exposure of the portfolio under management either by borrowing cash or securities, or by derivative financial positions or by any other means. The leverage effect is expressed as the ratio between the global exposure of the portfolio of financial instruments (calculated by both the gross method and the commitment method) and the value of the net assets.

In Q3 2019, the Company did not use the leverage effect for the portfolio under management, lacking instruments to generate such an effect, there were no financial instruments financing operations (SFTs) and there were no transactions with financial instruments of total return swap type, as defined by EU Regulation 2365/2015.

The leverage indicator calculated by the gross method was of 97.12% and by the commitment method it was 100.00%.

*The risk of exceeding the legal limits of prudential holding*

The investment policy of SIF Banat-Crișana is subject to the constraints imposed by the ASF regulations. Currently, the Company has a diversified investment policy characteristic of Other Collective Investment Undertakings (Romanian: AOPC) in accordance with the provisions of CNVM Regulation no. 15/2004, allowing a classification of the assets portfolio in the category of MEDIUM RISK.

As at September 30, 2019, SIF Banat-Crișana's assets portfolio complied with the legal provisions in force regarding the holding limits stipulated by Law 297/2004, Law 24/2017, ASF/CNVM Regulation no. 15/2004, and ASF Norm no. 14/2013.

Throughout 2019, the assets under management complied with the prudential legal limits.

## 6. SIGNIFICANT EVENTS DURING Q3 2019

### Registration with the Trade Register Office of the financial auditor

SIF Banat-Crișana informed that, on July 15, 2019, the Trade Register Office attached to the Arad Court communicated to the company the Resolution no. 11109/12.07.2019 granting the company's request and ordering the registering in the Trade Register of the mentions regarding the appointment of the financial auditor Deloitte Audit S.R.L. as financial auditor of the company, as per the Resolution of the Ordinary General Meeting of SIF Banat-Crișana's Shareholders no. 1 of June 20, 2019. (*Current Report of July 16, 2019*)

### Litigations

On July 22, 2019, SIF Banat-Crișana informed that before the Arad Tribunal was constituted the case file no. 1583/108/2019, concerning the application for the annulment of the Resolution of the Ordinary General Meeting of Shareholders of SIF Banat-Crișana no. 1 of June 20, 2019, in contradiction with Flaros S.A. The Court set the first trial date for September 23, 2019.

On July 30, 2019, SIF Banat-Crișana informed that before the Arad Tribunal was constituted the case file no. 1648/108/2019, concerning the application for the annulment of the Resolution of the Ordinary General Meeting of Shareholders of SIF Banat-Crișana no. 1 of June 20, 2019, in contradiction with SIF Oltenia S.A. The Court has not set the trial date.

On September 23, 2019, SIF Banat-Crișana informed the investors that in the case file no. 1583/108/2019 at the Arad Tribunal, having as object the application for the annulment of the Decision of the Ordinary General Meeting of SIF Banat-Crișana Shareholders no. 1 of June 20, 2019, in contradiction with Flaros S.A., the court postponed the trial of the case for the term of November 4, 2019.

### Statement of Holdings according to Instruction 6/2012

Under the provisions of art. 2, par. (2) of CNVM Instruction no. 6/2012, issued in application of the provisions of art. 286<sup>1</sup> of Law No. 297/2004 on capital market:

- on July 23, 2019, SIF Banat-Crișana submitted the Affidavit on SIF Oltenia S.A. shareholding, following the reduction of the shareholding below 5% of the share capital, according to the ASF Decision no. 601 / 23.04.2019 (*Current Report of July 23, 2019*).
- On July 29, 2019 SIF Banat-Crișana submitted the Affidavit on SIF Oltenia S.A. shareholding upon reaching the percentage of 5.001124% in the stake held in the share capital of SIF Oltenia S.A. represented by the shares held in concert (*Current Report of July 29, 2019*).

SIF Banat-Crișana fulfilled all the obligations of communication and publication of the Ownership statement, in accordance with the provisions of art. 2 of the Instruction no. 6/2012. The information is published on SIF Banat-Crișana's website in the *Investor Relations* sections.

### Authorization by ASF of the amendment in Company's Articles of Association

SIF Banat-Crișana informed the investors that the Financial Supervisory Authority (ASF), by ASF Authorization no. 92/24.07.2019, authorized the amendment made in the Company's Articles of Association, as per Resolution of the Extraordinary General Meeting of SIF Banat-Crișana's Shareholders no. 1/20.06.2019, following the updated of Art. 14 Incompatibilities. (*Current Report of July 25, 2019*).

The updated Articles of Association is available on SIF Banat-Crișana's website, in the section *About SIF Banat-Crișana › Corporate Governance › Reference Documents*.

### Auditor report as per Art. 82 of Law no. 24/2017

SIF Banat-Crișana, in compliance with the provisions of article 82 of Law no. 24/2017 and article 144 of ASF Regulation no. 5/2018, published for the shareholders the *Limited Independent Assurance Report*

*on the information included in the current reports prepared by the company in accordance with the provisions of Law no. 24/2017 and Regulation no. 5/2018, prepared by the financial auditor Deloitte Audit SRL concerning the transactions reported by the company during 01.01.2019 - 30.06.2019 with SIFI BH RETAIL S.A., a company in which SIF IMOBILIARE PLC, a SIF Banat-Crișana subsidiary, holds 99.9% of the share capital. (Current Report of July 31, 2019).*

#### Change of depository bank

As per the provisions of art. 87 paragraph (4) of ASF Regulation no. 9/2014, SIF Banat-Crișana informed the shareholders that, on July 30, 2019, signed the addendum to the Depository and Custody Contract no. 1148/25.09.2017 with BRD - Groupe Société Générale S.A., arranging its termination by the agreement of the parties, and accordingly notified the Financial Supervisory Authority (ASF).

At the same time, the Board of Directors of SIF Banat-Crișana approved the conclusion of a new depository contract with Banca Comercială Română, a credit institution authorized by ASF to conduct depository activities. *(Current Report of August 1, 2019)*

The new depository contract was submitted for the approval of ASF and will enter into force thereafter, according to the regulated procedures. At the date of this report, the documentation is under authority's review.

#### Request for convening by the court of OGM at SIF Oltenia S.A.

SIF Banat-Crișana informed the shareholders that, on September 6, 2019, together with SIF Muntenia SA, through its Asset Management Company SAI Muntenia Invest SA, sent to the Dolj Law Court the request for authorization to convene the Ordinary General Meeting of Shareholders of SIF Oltenia S.A. pursuant to art. 119 paragraph (3) of the Companies Law no. 31/1990.

The request for authorization submitted to the court refers to the agenda requested and registered at SIF Oltenia S.A. under no. 5071 / 11.06.2019, presented in the current report of SIF Oltenia SA dated June 11, 2019, published on the BVB website. *(Current Report of September 6, 2019)*



## 7. FINANCIAL POSITION AND RESULTS AS AT SEPTEMBER 30, 2019

SIF Banat-Crișana prepared the accounting report as at September 30, 2019 pursuant to ASF Rule no. 39/2015 for the approval of Accounting Regulations compliant to the International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments sector and considering the provisions of IFRS 9 - Financial Instruments, applicable as of January 1, 2018.

The accounting report as at September 30, 2019, has not been audited by the financial auditor, as it is not a legal or statutory requirement.

The following are a summary of Company's financial position and results as at September 30, 2019:

Condensed standalone statement of financial position - extract

	31.12.2018	30.09.2019
<i>(all amounts denominated in RON)</i>		
Cash and cash equivalents	29,230,410	150,717,366
Bank deposits, including interest	6,044,457	-
Financial assets at fair value through profit and loss	1,105,989,265	1,183,857,883
Financial assets at fair value through other comprehensive income	1,279,345,173	1,400,506,971
Financial assets at amortized cost	6,505,683	6,527,844
Investment property and tangible assets	23,332,032	23,163,913
Other assets	2,496,233	27,544,476
<b>Total assets</b>	<b>2,452,943,252</b>	<b>2,792,318,453</b>
Liabilities	131,522,639	157,393,096
Equity (own capital)	2,321,420,613	2,634,925,357
<b>Total liabilities</b>	<b>2,452,943,252</b>	<b>2,792,318,453</b>

The value of **total assets** held as at September 30, 2019, was of RON 2,792.3 million, 13.8% higher than the value of assets as at 2018-year end.

The progress of main items as compared to the beginning of the period:

- **Cash and cash equivalents** are higher as compared to 2018 year-end, as during the first 9 months of the year the Company only partially reinvested the proceeds from the sale of shares (mainly Erste Bank) and the dividends collected from the companies in the portfolio, the amounts being kept in short-term liquid investments (cash available and deposits with maturity < 3 months).

- **Bank deposits** – As at September 30, 2019, the Company had no amounts placed for investments with an initial maturity over 3 months.

- **Financial assets at fair value through profit and loss**, amounting to RON 1,183.9 million, are higher as compared to December 31, 2018 with RON 78 million, following the increase of the stake held in Biofarm with RON 44 million lei and of the recording of positive fair value differences for investments in fund units.

- **Financial assets at fair value through other comprehensive income**, amounting to RON 1,400.5 million, are above the level recorded on December 31, 2018, with RON 121 million provided that the amounts derecognised in this category after the sale of shares were lower than the positive fair value differences recorded as a result of the fair value measurement of the portfolio of financial assets as at September 30, 2019.

- **Other assets** substantially rose as compared to the beginning of the period. As at September 30, 2019, this category contains, within the Receivables category, the amount transferred to SSIF Swiss Capital as a guarantee, related to the operations of repurchasing SIF Banat-Crișana S.A.'s own shares.

- **Equity** significantly rose as compared to December 31, 2018, mainly because of the positive fair value differences on the securities portfolio, recorded in other comprehensive income as of September 30, 2019 and the net result for the period. At the same time with the recording of the fair value differences were, a deferred tax liability was recognized, operation which explains the increase of the Company's liabilities as compared to the end of the previous year.

Condensed standalone statement of profit and loss and other items of comprehensive income - extract

<i>(all amounts denominated in RON)</i>	<b>30.09.2018</b>	<b>30.09.2019</b>
<b>Income</b>		
Dividend income	97,919,594	105,781,188
Interest income	3,133,997	4,526,500
Other operational revenues	219,612	128,747
<b>Gain on investments</b>		
Net gain on foreign exchange	106,945	1,403,973
Net gain/(loss) on financial assets at fair value through profit and loss	(19,793,660)	38,024,031
Net gain/(loss) on sale of assets	(553,308)	-
<b>Expenses</b>		
Expenses related to fees, commissions	(2,393,051)	(2,463,778)
Other operating expenses	(9,677,316)	(9,471,329)
<b>Profit before tax</b>	<b>68,962,812</b>	<b>137,929,332</b>
Income tax	(3,507,159)	(11,388,357)
<b>Net profit</b>	<b>65,455,653</b>	<b>126,540,975</b>
<b>Other comprehensive income</b>	<b>68,021,599</b>	<b>185,773,769</b>
<b>Total comprehensive income for the period</b>	<b>133,477,252</b>	<b>312,314,744</b>

Progress of **revenues** having significant weight:

- **Dividend income** is higher as compared to the first nine months of the previous year, mainly from the dividends collected from the stakes in banking companies (Banca Transilvania, BRD; Erste Bank).

- **Interest income** is higher as compared to the same period of the previous year, given the rise of monetary investments and the change of fixed-income investments from bank deposits to corporate bonds, in terms of significantly more favourable returns.

**Gain on investments** had the following progress:

- **Net result on foreign exchange** recorded as at September 30, 2019, is a favourable one, resulting from the corporate bonds held, and has a positive progress over the same period of the similar period of the previous year, given the significant increase in investments in this type of instruments during Q1 2019.

- **Net gain / (loss) on financial assets at fair value through profit or loss (FVTPL):** The gain was mainly due to the fair value measurement as at September 30, 2019 of this category of financial assets. Structurally, the positive differences recorded in the valuation of the fund units offset the negative differences of fair value registered for listed shares (subsidiaries and associated entities) and corporate bonds.

**Expenses** as at September 30, 2019 are below those recorded for the corresponding period of 2018.

**Net profit** as at September 30, 2019 amounting to RON 126.5 million is significant above the net result of the first 3 quarters of 2018, as both the revenues (from dividends) and the gains (from the marking-to-market of the financial assets in FVTPL category) recorded a significant positive contribution over the similar period of the year 2018.

**Total comprehensive income** as at September 30, 2019 in the amount of RON 312.3 million is the effect of recognition in other comprehensive income of the fair value increase of the financial assets portfolio classified as FVTOCI (assets at fair value through other comprehensive income).

Financial ratios as at September 31, 2019

(as per pt. A of Annex no. 13 to ASF Regulation no. 5/2018)

Ratio	Calculation	Result as at 30.09.2019
<b>1. Current liquidity ratio</b> <sup>1)</sup>	Current assets/Current liabilities	39.1
<b>2. Debt to equity ratio</b> <sup>2)</sup>	Debt / Equity x 100	not applicable
	Debt / Capital employed x 100	not applicable
<b>3. Accounts receivables turnover</b> <sup>3)</sup>	Average clients' accounts / Turnover x 270	25
<b>4. Non-current assets turnover</b> <sup>4)</sup>	Turnover / Non-current assets	0.057

<sup>1)</sup> **Current liquidity ratio** provides the guarantee of covering current liabilities from current assets. The acceptable recommended value is approximately 2, and the recorded value at the end of the first nine months of 2019 was of 39.1. This is due to the high level of current assets as at September 30, 2019, as there were significant amounts of liquidity in bank accounts.

<sup>2)</sup> **Debt to equity ratio** indicates the effectiveness of the credit risk management, revealing potential financing or liquidity issues, with impact on fulfilling the assumed commitments. The Company had no borrowings as at September 30, 2019, and therefore this indicator is zero.

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

In determining the average balance of clients, the receivables were considered at gross value. The weight in total receivables is of the dividends to be collected from portfolio companies and interest receivable on securities.

For the turnover, the company's total revenues as at September 30, 2019 was used.

Turnover ratio calculated as at September 30, 2019, was of 25 days.

<sup>4)</sup> **Non-current assets turnover** measures the efficiency in managing the non-current assets, by examining the value of the turnover (for SIF Banat-Crișana - the total operating income) generated by a certain portion of non-current assets. In determining the ratio, the gross value of financial assets was considered. As at September 30, 2019, this ratio has a value of 0.057.

## 8. EVENTS AFTER THE REPORTING PERIOD

- As per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the investors that in the case file no. no. 1648/108/2019, to be judged by the Tribunal of Arad having as object the request for the annulment of the Resolution of the Ordinary General Meeting of SIF Banat-Crișana Shareholders no. 1 of June 20, 2019, in contradiction with SIF Oltenia S.A., the court ordered the joining with the file case no. 1583/108/2019 before the Tribunal of Arad, having as object the request for the annulment of the Resolution of the Ordinary General Meeting of SIF Banat-Crișana Shareholders no. 1 of June 20, 2019, in contradiction with Flaros S.A., which has the trial date November 4, 2019. *(Current Report of October 3, 2019)*
- As per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the shareholders that, pursuant to the provisions of Law no. 31/1990 and Company's Articles of Association, in the meeting held on October 3, 2019, the Board of Directors of SIF Banat-Crișana decided:
  - Approval of relocating the premises of SIF Banat-Crișana's Bucharest branch having the registration number in Trade Register J40/4282/1998, unique registration code 14045541, from the former address in Bucharest, sector 1, No. 175 Calea Floreasca, 7th floor, room A1, to the new address in Bucharest, sector 2, No. 46-48 Serghei Vasileievici Rahmaninov Str., 3rd floor.
  - Approval of updating art. 2 paragraph (2) of the SIF Banat-Crișana's Articles of Association, following the relocation of Bucharest branch.

The updated Articles of Association was submitted to the Financial Supervisory Authority to be authorized.

- As per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the shareholders upon the conclusion of the lease agreement for the space located in Bucharest, sector 2, No. 46-48 Serghei Vasileievici Rahmaninov Str., 3rd floor, owned by the company Administrare Imobiliare S.A. Bucharest, a transaction regulated under the provisions of Article 82 of Law 24/2017. The value of the legal act comprises rent of 3,179.50 eur/month + VTA; operating costs of 794.97 euro/month + VTA. *(Current Report of October 7, 2019)*
- On October 4, 2019 the Financial Supervisory Authority transmitted to the company the results and conclusions of the periodic control carried out at SIF Banat-Crișana between 13.05-31.05.2019. By Decision No. 1203 / 02.10.2019 ASF set for the Company a plan of measures with implementation deadlines. The recommendations and measures will be assumed and implemented by the Company within the deadlines specified by the authority.
- As per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the shareholders upon the receiving on October 8, 2019, from Societatea de Investiții Financiare (SIF) Oltenia S.A. of - Reporting of major shareholdings as per art. 69 par. (1) of Law no. 24/2017 and ASF Regulation no. 5/2018. *(Current Report of October 9, 2019).*
- As per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the investors that, from the information published on the portal of the courts, in the hearing held on October 15, 2019, Dolj Tribunal admitted the request submitted in the case file no. 6001/63/2019 and authorized the convening of the Ordinary General Meeting of SIF OLTENIA SA by the shareholders SIF Banat-Crișana and SIF Muntenia. At the same time, the Court set the date of holding the general meeting within 60 days from the moment the sentence is final, establishing that the shareholder SIF BANAT-CRIȘANA SA through legal representative to preside the assembly of the Ordinary General

Meeting of SIF OLTENIA SA. The sentence of the Dolj Court is not final, it can be appealed within 30 days after its communication. (*Current Report of October 15, 2019*).

- As per the Resolution of the EGM held on April 26, 2018, published in the Official Gazette of Romania Part IV, Nr.1893 / 17.05.2018, two buyback programs were approved, namely Program I - for 17,460,724 shares and Program II - for 1,400,000 shares.

On September 18, 2018, the Board of Directors decided to initiate buyback Program II through market transactions. The program was initiated on October 2, 2018 and, by decision of the Board of Directors on October 24, 2018, the program was suspended in the absence of trading volumes on SIF1 to cover the completion of the program. During the period it was carried out, 89,656 shares were repurchased at an average gross price of RON 2.49 / share.

In October 2019, the Board of Directors decided the simultaneous execution, through a public tender offer, of the Buyback Program I and II of mentioned above, the public tender offer document being submitted for the authorization of the Financial Supervisory Authority.

By the ASF Decision no. 1263 of 16.10.2019, the document of public tender offer initiated by SIF Banat-Crișana for the buyback of shares issued by the Company was approved, the offer having the following characteristics:

- The number of shares subject to the offer is 18,771,068 shares, representing 3.6275% of the share capital
- The nominal value: RON 0,10 / share
- The purchase price is: RON 2.50 / share
- Public offer period: 22.10.2019 - 04.11.2019
- Intermediary: SSIF Swiss Capital SA
- Subscription venues: according to the information contained in the tender document.

On October 17, 2019, the announcement and the public offer document for the buyback of shares issued by SIF Banat-Crișana were published.

At the date of this report the offer is in progress.

## 9. ANNEXES

**Condensed interim standalone financial statements** as at September 30, 2019, prepared pursuant to Rule no. 39/2015 for the approval of the Accounting Regulations compliant with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority from Financial Instruments and Investments Sector - unaudited

**Net asset statement** as at September 30, 2019,  
prepared pursuant to annex 16 to Regulation no. 15/2004

**Detailed statement of investments** as at September 30, 2019,  
prepared pursuant to annex 17 to Regulation no. 15/2004

The quarterly report prepared as at September 30, 2019, was approved by the Board of Directors of SIF Banat-Crișana in the meeting held on October 28, 2019.

**Bogdan-Alexandru DRĂGOI**  
Chairman and CEO

**SIF Banat-Crişana S.A.**

**Condensed interim standalone financial statements  
as at September 30, 2019**

Prepared pursuant to Rule no. 39/2015 for the approval of accounting regulations in accordance with the International Financial Reporting Standards applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority, operating in the Financial Instruments and Investments Sector

**unaudited**

*FREE TRANSLATION  
from Romanian which is the official and binding version*

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**Condensed statement of profit or loss and other comprehensive income  
as at September 30, 2019**

*Denominated in RON*

	<i>Note</i>	<b>September 30, 2019</b>	<b>September 30, 2018</b>
<b>Income</b>			
Dividend income	5	105,781,188	97,919,594
Interest income	6	4,526,500	3,133,997
Other operating revenues		128,747	219,612
<b>Investment gains</b>			
Net gain from foreign exchange differences		1,403,973	106,945
Net profit / (Loss) from financial assets at FVTPL	7	38,024,031	(19,793,660)
Profit/(Loss) from sale of assets	8	-	(553,308)
<b>Expenses</b>			
Commissions expenses	9	(2,463,778)	(2,393,051)
Other operating expenses	10	(9,471,329)	(9,677,316)
<b>Profit before tax</b>		<b>137,929,332</b>	<b>68,962,812</b>
Income tax	11	(11,388,357)	(3,507,159)
<b>Net profit for the period</b>		<b>126,540,975</b>	<b>65,455,653</b>
<b>Other comprehensive income</b>			
Fair value reserve financial assets:			
Amount transferred to profit or loss (debt instruments)		-	553,308
Change in fair value of the financial assets at FVTOCI		222,407,340	68,305,090
Effect of the income tax related to them		(36,633,571)	(836,799)
Change of reserve from revaluation items of property, plant and equipment			
<b>Other comprehensive income</b>		<b>185,773,769</b>	<b>68,021,599</b>
<b>Total comprehensive income for the period</b>		<b>312,314,744</b>	<b>133,477,252</b>
<b>Earnings per share</b>			
Basic		0.245	0.126
Diluted		0.245	0.126

The condensed interim financial statements were approved by the Board of Directors on October 28, 2019 and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman, CEO

Dorel Baba  
Economic Director

## Condensed statement of financial position as at September 30, 2019

<i>Denominated in RON</i>	<i>Note</i>	<b>September 30, 2019</b>	<b>December 31, 2018</b>
<b>Assets</b>			
Cash and cash equivalents	12	150,717,366	29,230,410
Bank deposits	13	-	6,044,457
Financial assets at fair value through profit or loss	14	1,183,857,883	1,105,989,265
Financial assets at fair value through other comprehensive income	15	1,400,506,971	1,279,345,173
Financial assets at amortized cost	16	6,527,844	6,505,683
Investment property	17	20,128,515	20,128,515
Tangible assets (items of property, plant and equipment)		3,035,398	3,203,517
Other financial assets	18	27,358,908	2,277,307
Other assets		185,568	218,926
<b>Total assets</b>		<b>2,792,318,453</b>	<b>2,452,943,252</b>
<b>Liabilities</b>			
Dividends payable		-	5,495
Deferred income tax liabilities	19	152,829,709	129,889,043
Other financial liabilities	20	4,550,905	1,614,344
Other liabilities and deferred revenues		12,482	13,757
<b>Total liabilities</b>		<b>157,393,096</b>	<b>131,522,639</b>
<b>Equity (own capital)</b>			
Statutory share capital	21	51,746,072	51,746,072
The effect of applying IAS 29 on the share capital	21	645,164,114	645,164,114
Treasury shares	21	(223,486)	(223,486)
Losses from the repurchase of own shares		(559)	(559)
Benefits granted in equity instruments		3,570,000	2,380,000
Reserves set-up from the application of Law no. 133/1996	21	2,105,675,691	2,105,675,691
The effect of applying IAS 29 to equity elements on retained earnings	21	(2,605,353,717)	(2,605,353,717)
Accumulated profit		779,075,151	683,411,583
Other reserves		852,475,011	775,288,784
Reserves from revaluation of tangible assets		105,016	105,016
Legal reserves		10,349,214	10,349,214
Differences from the change in fair value of financial assets measured by other items of comprehensive income		792,342,849	652,877,901
<b>Total equity (own capital)</b>		<b>2,634,925,357</b>	<b>2,321,420,613</b>
<b>Total liabilities and equity</b>		<b>2,792,318,453</b>	<b>2,452,943,252</b>

The condensed interim financial statements were approved by the Board of Directors on October 28, 2019 and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman, CEO

Dorel Baba  
Economic Director

## Condensed Statement of Changes in Equity as at September 30, 2019

Denominated in RON

	Inflated share capital	Treasury shares	Losses from the repurchase of own shares	Legal reserves	Reserves from the application of Law no. 133/1996 (including hyperinflation)	Changes from revaluation of financial assets through other comprehensive income	Reserves from revaluation of fixed assets	Other reserves	Benefits granted in equity instruments	Accumulated profit	The effect of applying IAS 29 on items of equity on retained earnings	Total
<b>Balance at January 1, 2019</b>	<b>696,910,187</b>	<b>(223,487)</b>	<b>(559)</b>	<b>10,349,214</b>	<b>2,105,675,691</b>	<b>652,877,901</b>	<b>105,016</b>	<b>775,288,783</b>	<b>2,380,000</b>	<b>683,411,583</b>	<b>(2,605,353,718)</b>	<b>2,321,420,613</b>
<b>Comprehensive income</b>												
<b>Profit for the period</b>	-			-	-	-				126,540,975	-	126,540,975
<b>Other comprehensive income</b>												
Reserve from revaluation of financial assets transferred to profit or loss	-			-	-	-				-	-	-
Reserve from revaluation of financial assets transferred to retained earnings												
Change in reserve	-			-	-	167,999,386				54,407,954	-	222,407,340
Revaluation of tangible assets												-
Related deferred tax						(28,534,437)				(8,099,133)		(36,633,571)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>139,464,949</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>172,849,795</b>	<b>-</b>	<b>312,314,744</b>
Other reserves – own sources								77,186,227		(77,186,227)		-
<b>Transactions with shareholders recognized directly in equity</b>												
Dividends payable for 2018	-			-	-	-				-	-	-
Dividends written-off	-			-	-	-	-			-	-	-
Repurchase of own shares									1,190,000			1,190,000
Cancellation of treasury shares		-									-	-
<b>Total transactions with shareholders recognized directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,186,227</b>	<b>1,190,000</b>	<b>(77,186,227)</b>	<b>-</b>	<b>1,190,000</b>
<b>Balance at September 30, 2019</b>	<b>696,910,187</b>	<b>(223,487)</b>	<b>(559)</b>	<b>10,349,214</b>	<b>2,105,675,691</b>	<b>792,342,850</b>	<b>105,016</b>	<b>852,475,011</b>	<b>3,570,000</b>	<b>779,075,151</b>	<b>(2,605,353,718)</b>	<b>2,634,925,357</b>

The condensed interim financial statements were approved by the Board of Directors on October 28, 2019 and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman, CEO

Dorel Baba  
Economic Director

## Condensed Statement of Changes in Equity as at September 30, 2019

*Denominated in RON*

	Inflated share capital	Treasury shares	Losses from the repurchase of own shares	Legal reserves	Reserves from the application of Law no. 133/1996 (including hyperinflation)	Changes from revaluation of financial assets through other comprehensive income	Reserves from revaluation of fixed assets	Other reserves	Benefits granted in equity instruments	Accumulated profit	The effect of applying IAS 29 on items of equity on retained earnings	Total
<b>Balance at December 31, 2017</b>	<b>700,330,055</b>	<b>(4,748,190)</b>	<b>(124,659)</b>	<b>10,976,985</b>	<b>2,105,675,691</b>	<b>1,251,829,179</b>	<b>97,794</b>	<b>690,289,841</b>	<b>-</b>	<b>145,433,106</b>	<b>2,291,240,143</b>	<b>2,291,240,143</b>
<b>Balance as at January 1, 2018 - restated</b>	<b>700,330,055</b>	<b>(4,748,190)</b>	<b>(124,659)</b>	<b>10,976,985</b>	<b>2,105,675,691</b>	<b>1,176,253,311</b>	<b>97,794</b>	<b>690,289,841</b>	<b>-</b>	<b>239,606,863</b>	<b>2,309,838,033</b>	<b>2,309,838,033</b>
<b>Comprehensive income</b>												
<i>Profit for the period</i>	-			-	-	-				65,455,653	-	65,455,653
<i>Other comprehensive income</i>												
Reserve from revaluation of assets available for sale transferred to profit or loss	-			-	-	553,308				-	-	553,308
Reserve from revaluation of assets transferred to retained earnings as per IFRS 9						(71,323,643)				71,323,643		-
Change in fair value for subsidiaries						(376,323,691)				376,323,691		-
Change in reserve from revaluation of financial assets through other comprehensive income	-			-	-	68,305,090				-	-	68,305,090
Revaluation of tangible assets												-
Related deferred tax						(836,799)				(9,199,856)		(10,036,655)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(379,625,735)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>503,903,132</b>	<b>-</b>	<b>124,277,397</b>
Other reserves – own sources								69,553,194	-	(69,553,194)		-
<b>Transactions with shareholders recognized directly in equity</b>												
Dividends payable for 2017				-	-	-				-	-	-
Dividends written-off	-			-	-	-	-			-	-	-
Repurchase of own shares									1,487,500			1,487,500
Cancellation of treasury shares											-	-
<b>Total transactions with shareholders recognized directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,487,500</b>	<b>-</b>	<b>-</b>	<b>1,487,500</b>
<b>Balance at September 30, 2018</b>	<b>700,330,055</b>	<b>(4,748,190)</b>	<b>(124,659)</b>	<b>10,976,985</b>	<b>2,105,675,691</b>	<b>796,627,576</b>	<b>97,794</b>	<b>759,843,035</b>	<b>1,487,500</b>	<b>673,956,801</b>	<b>-2,608,519,658</b>	<b>2,435,602,930</b>

The condensed interim financial statements were approved by the Board of Directors on October 28, 2019 and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman, CEO

Dorel Baba  
Economic Director

## Condensed cash flow statement as at September 30, 2019

<i>Denominated in RON</i>	<i>Note</i>	<b>September 30, 2019</b>	<b>September 30, 2018</b>
<b>Operating activities</b>			
Net profit for the period		<b>126,540,975</b>	<b>65,455,653</b>
<i>Adjustments for:</i>			
Depreciation of tangible and intangible assets		185,476	216,354
Net (gain)/loss from disposal of tangible assets		1,585	4,557
Net profit from sale of assets (debt instruments)	8	-	553,308
(Net gain)/Net loss from financial assets at fair value through profit or loss		(38,024,030)	19,793,660
Dividend income	5	(105,781,188)	(97,919,594)
Interest income	6	(4,526,500)	(3,133,997)
Expense with / (income from) foreign exchange differences financial assets		(854,258)	(9,627)
Benefits granted in equity instruments		1,190,000	1,487,500
Income tax	11	11,388,357	3,507,159
<b>Changes in operating assets and liabilities</b>			
Change in other assets (claims, etc.)		(27,174,591)	(1,210,182)
Change in other liabilities		(894,125)	(1,561,741)
Income tax paid		(15,292,554)	(25,588,823)
<b>Net cash used in operating activities</b>		<b>(53,240,854)</b>	<b>(38,405,774)</b>
<b>Investment activities</b>			
Payments for acquisition of shares in subsidiaries and other financial assets (shares, fund units, govt. bonds, corporate bonds)	14, 15	(128,787,589)	(133,303,416)
Proceeds from sales of financial assets (shares, govt. bonds)		106,558,504	138,055,117
(Placements) / Proceeds from term deposits greater than three months		6,000,000	4,800,000
Proceeds from sale of assets at fair value through profit or loss account		84,852,486	16,000,255
Proceeds / (Payments) from sale of assets measured at amortized cost		-	-
Proceeds for sale of tangible assets and investment property		-	-
Payments for purchases of tangible assets		(16,947)	(43,006)
Dividends collected		101,946,244	92,006,564
Interest collected		4,180,606	4,406,270
<b>Net cash from investment activities</b>		<b>174,733,305</b>	<b>121,921,783</b>
<b>Financing activities</b>			
Dividends paid		(5,495)	-
Repurchase of own shares		-	-
<b>Net cash used in financing activities</b>		<b>(5,495)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>121,486,956</b>	<b>83,516,010</b>
Cash and cash equivalents at January 1		29,230,410	11,320,217
<b>Cash and cash equivalents at the end of the period</b>		<b>150,717,366</b>	<b>94,836,227</b>

The condensed interim financial statements were approved by the Board of Directors on October 28, 2019 and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman, CEO

Dorel Baba  
Economic Director

## **Selected explanatory notes to the condensed financial statements as at September 30, 2019**

### **1. Reporting entity**

Societatea de Investiții Financiare Banat-Crișana SA ("the Company") was established based on Law no. 133/1996 by the reorganization and transformation of Fondul Proprietății Private Banat-Crișana and it is a joint stock company operating under Law 31/1990 and Capital Market Law no. 297/2004 as subsequently amended and supplemented, authorized as AIFM as per Law no. 74/2015.

SIF Banat-Crișana is headquartered in Arad, 35A Calea Victoriei, Arad county, postal code 310158, tel.: +40257 304 438, fax: +40257 250 165. The registration number in the Trade Register is: J02/1898/1992, and the tax identification number is: RO 2761040.

The main activity of the company:

- carrying out financial investments in order to maximize the value of own shares in accordance with the regulations in force;
- management of investment portfolio and exercising all of the rights related to the instruments in which investments are made;
- risk management;
- other activities auxiliary and associated to the collective investment activity, in accordance with the regulations in force.

The Company's shares are listed on the Bucharest Stock Exchange since November 1st, 1999 and are traded on a regulated market, Premium category, with the market symbol SIF1.

The custodian bank of the Company is BRD Groupe Société Générale, and the company providing registry services is Depozitarul Central SA Bucharest. The Company informed the shareholders that, on July 30, 2019, signed the addendum to the Depository and Custody Contract no. 1148/25.09.2017 with BRD - Groupe Société Générale S.A., arranging its termination by the agreement of the parties, and accordingly notified the Financial Supervisory Authority (ASF).

At the same time, the Board of Directors of SIF Banat-Crișana approved the conclusion of a new depository contract with Banca Comercială Română, a credit institution authorized by ASF to conduct depository activities. The new depository contract will be subject for the approval of ASF and will enter into force thereafter, according to the regulated procedures.

The interim financial statements, condensed, prepared as at the end of September 30, 2019, are not audited or reviewed.

### **2. Basis of preparation**

#### **Statement of compliance**

Pursuant to Rule no. 39/2015 issued by the Financial Supervisory Authority (ASF) of Financial Instruments and Investments Sector, starting with the annual financial statements for the financial year 2015, the entities authorized, regulated and supervised by ASF - Financial Instruments and Investments Sector, shall use the International Financial Reporting Standards adopted by the European Union EU ("IFRS") as the official accounting regulations.

December 31, 2015 is the date of transition to IFRS as an accounting basis, at this date by restatements were performed and accounted for the operations determined by the transition from CNVM Regulation no. 4/2011 to IFRS accounting regulations.

These condensed interim financial statements as at September 30, 2019, have been prepared pursuant to the requirements of IAS 34 "Interim Financial Reporting" and should be read together with the standalone financial statements for 2018 prepared in accordance with Rule no. 39/2015 for the approval of the Accounting Regulations compliant with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the ASF of Financial Instruments and Investments Sector (The Rule).

Pursuant to Regulation no. 1606/2002 of the European Parliament and the EU Council of July 19, 2002, and Law no. 24/2017 on issuers of financial instruments and market operations, the company is required to prepare and submit to the Financial Supervisory Authority (ASF) annual consolidated financial statements pursuant to IFRS, within 4 months from the end of the financial year. The Company prepared and published consolidated financial statements for the financial year 2018.

## **Selected explanatory notes to the condensed financial statements as at September 30, 2019**

As per the requirements of Law no. 24/2017 and the ASF Regulation no. 5 on Issuers of Financial Instruments and Market Operations, the Company has to prepare and publish consolidated interim financial statements for H1 2019 within 3 months of the end of the period. The Company prepared and published the consolidated financial statements for H1 2019.

During H1 2018, the Company reanalysed the criteria for the classification of as an investment entity and ascertained that the requirements are met, except for subsidiaries providing investment services (SAI Muntenia Invest, Administrare Imobiliare SA). Thus, in accordance with IAS 27 and IFRS 10, starting with financial year 2018, the Company measures all its subsidiaries at fair value through profit or loss, except for subsidiaries providing investment-related services, that will continue to be consolidated. Under these circumstances, the Company will prepare two sets of financial statements: standalone and consolidated financial statements, in accordance with IFRS 10 and IAS 27. At the same time, in May 2019, the Company reviewed the analysis regarding the fulfilment of the classification criteria as an investment entity, concluding that they are met, and that it will also apply the exception provided by IFRS 10 regarding the investment entities for the financial statements related to the financial year 2019.

### **(b) Presentation of the financial statements**

The Company adopted a presentation based on liquidity in the condensed interim statement of financial position and a presentation of income and expenses according to their nature in the interim condensed statement of comprehensive income, considering that these methods of presentation provide information that is reliable and more relevant than the information presented on other methods allowed by IAS 1 "Presentation of financial statements".

### **(c) Basis of measurement**

The condensed interim financial statements are prepared on a fair value basis convention, for the financial assets and liabilities, at fair value through profit or loss or by other comprehensive income.

Other financial assets and liabilities as well as non-financial assets and liabilities are stated at amortized cost, revaluated amount or historical cost.

### **(d) Functional and presentation currency**

The Company's management considers that the functional currency, as defined by IAS 21 "The effects of changes in Foreign Exchange Rates", is the Romanian Leu (RON or lei). The condensed interim financial statements are presented in RON, rounded to the nearest unit, which is the presentation currency chosen by the Company's management.

### **(e) Use of estimates and judgements**

The preparation of the condensed interim financial statements pursuant to IFRS requires that management makes estimates, judgements, and assumptions that affect the application of accounting policies as well as the reported value of assets, liabilities, income and expenses.

Such estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the given circumstances. The result of these estimates forms the basis of judgments used in assessing the carrying value of assets and liabilities for which no other evaluation sources are available. Actual results may differ from the estimated values.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period or if the period of the revision and future periods are affected the revision affects both current and future periods.

Judgments made by the management in applying IFRS that have a significant impact on the separate financial statements and the estimates that involve a significant risk of a material adjustment in the next year are presented in the *Notes to the condensed interim financial statements*.

### **(f) Changes in the accounting policies**

The accounting policies adopted are consistent with those used in the previous year.

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

### 3. Significant accounting policies - extract

The accounting policies used in these condensed interim financial statements are the consistent with those of the standalone financial statements prepared as at December 31, 2018.

#### Assets and financial liabilities

##### Financial assets, as per IFRS 9, include the following:

- investments in equity instruments (e.g. shares)
- investments in debt instruments (e.g. securities, bonds, loans)
- trade receivables and other receivables;
- cash and cash equivalents;
- derivatives;
- shareholdings in subsidiaries, associates and joint ventures - subject to IFRS 10 / IAS 27 / IAS 28.

##### (i) Classification

Financial assets held are classified by the Company as per IFRS 9 "Financial Instruments" in financial assets and financial liabilities.

The Company classifies **financial assets** as being measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss on the basis of:

- (a) the entity's business model for the management of financial assets;
- (b) the characteristics of the contractual cash flows of the financial asset.

##### Business model

- Represents the way an entity manages its financial assets to generate cash flows: *collecting, sale of assets, or both*;
- Determining it is factually realized considering: *the manner of assessment and reporting of its performance*, the existing *risks* and their *management*, respectively the way of *compensating the management* (based on the fair value or the cash flows associated with these investments);

##### Model of assets held for collecting

- Managed to generate cash flows by collecting the principal and interest over the life of the instrument;
- It is not necessary to hold them until maturity;
- There are categories of sales transactions that are compatible with this model: those due to credit risk increase, miscalculated or insignificant value sales, or sales close to the maturity of the instruments;
- The accounting of these assets (assuming that the SPPI criterion is also met and the fair value option has not been selected) is carried at amortized cost (using the effective interest method, interest, impairment gains or losses and exchange rate differences - in profit and loss).

##### Model of assets held for collecting and sale

- Managed both to generate cash flows from collecting and by selling (all) the assets;
- Sales are of high frequency and value compared to the previous model, without specifying a certain threshold for fitting into this model;
- The purpose of these sales may be: managing current liquidity needs, maintaining a certain structure of returns or decisions to optimize the entity's balance sheet (correlating the duration of financial assets with that of financial liabilities).
- The accounting of these assets (assuming that the SPPI criterion is met and the fair value option has not been selected) is made at fair value through other comprehensive income (using the effective interest rate method, interest, gains or losses from impairment) and foreign exchange differences - in profit and loss / change in the fair value of these instruments - in other comprehensive income, amounts recognized in other comprehensive income are recycled through profit or loss on derecognition of the asset).

##### Other business model

- Assets managed for the purpose of cash flow from sales;
- Collecting cash flows associated with these investments is incidental, it is not the purpose of holding them;
- Assets whose performance is managed and reported on the basis of their fair value;
- Debt instruments acquired for sale in the near future are intended for short-term profit or are derivatives;
- Their accounting is at fair value through profit and loss account.



## **Selected explanatory notes to the condensed financial statements *as at September 30, 2019***

### **SPPI test**

It comprises criteria that evaluates to what extent the structure of the cash flows of a debt instrument classifies within the model of the base credit agreement (the interest reflects to a great extent the value in time of money and credit risk).

There are some ratios that indicate the case in which the liabilities instruments held should be measured at fair value through profit and loss:

- non-standard interest rate;
- presence of the leverage effect;
- hybrid instruments (including an incorporated derivative).

There are also ratios that, although they would require a registration at fair value, can comply, under certain circumstances, with the SPPI criterion and so the respective assets should be accounted for at amortized cost:

- the existence of an anticipated reimbursement option or extension of the asset term;
- assets without recourse that should guarantee the debt reimbursement
- contractually related instruments.

### **Financial assets measured at fair value through profit or loss (FVTPL)**

A financial asset must be measured at fair value through profit or loss, except if it is measured at amortized cost or at fair value through other comprehensive income.

### **Financial assets measured at fair value through other comprehensive income (FVOCI)**

A financial asset, such as debt instruments, must be measured at fair value through other comprehensive income if both conditions presented below are met:

- a) the financial asset is held within a business model whose goal is achieved by collecting the contractual cash flows and the sale of financial assets and
- b) the contractual terms of the financial asset give rise, on certain dates, to cash flows that are exclusively payments of the principal and of the interest corresponding to the principal owed. The company can make an irrevocable choice upon the initial recognition in case of certain investments in equity instruments that otherwise would have been evaluated at the fair value through profit or loss to present the subsequent modifications of the fair value in other comprehensive income (according to pt. 5.7.5 and 5.7.6 of IFRS 9 – Financial Instruments).

### **Financial instruments measured at amortized cost**

A financial asset must be measured at amortized cost if both conditions below are met:

- (a) the financial asset is held within a business model whose goal is to hold financial assets in order to collect the contractual cash flows and
- (b) the contractual terms of the financial asset give rise, on certain dates, to cash flows that are exclusively payments of the principal and of the interest corresponding to the principal owed.

**Financial liabilities** – They are measured at amortized cost, except for the financial liabilities classified at fair value through profit or loss.

### **(ii) Recognition**

The assets and liabilities are recognized on the date when the Company becomes a contractual party to the conditions of the respective instrument. When the Company recognizes a financial asset for the first time, it must classify it according to pt. 4.1.1 - 4.1.5 (at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income) of IFRS 9 and to assess it according to pt. 5.1.1-5.1.3. (a financial asset or financial liability is measured at fair value adding or subtracting the transaction costs, directly attributable to the acquisition or issue of the asset or liability).

### **(iii) Measurement**

After the initial recognition, the entity must measure (assess) the financial assets according to pt. 4.1.1 – 4.1.5 of IFRS 9 at:

- a) Amortized cost;
- b) Fair value through other comprehensive income; or
- c) Fair value through profit or loss.

## **Selected explanatory notes to the condensed financial statements *as at September 30, 2019***

After the initial recognition, the entity must measure the financial liabilities according to pt. 4.2.1-4.2.2 of IFRS 9. Thus, the Company will classify all financial liabilities at amortized cost, except for:

- a) the financial liabilities measured at fair value through profit or loss;
- b) the financial liabilities that appear when the transfer of a financial asset does not qualify for derecognition;
- c) financial collateral contracts valued at the highest of the loss provision value (Section 5.5 of IFRS 9) and the amount initially recognized less accumulated income (recognized under IFRS 15);
- d) commitments to provide a loan at an interest rate below the market value measured at the highest of the loss provision value (Section 5.5 of IFRS 9) and the amount initially recognized less accumulated income (recognized under IFRS 15)
- e) Contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.

### **Measurement at amortized cost**

The amortized cost of a financial asset or of a financial liability is the value at which the financial asset or the financial liability is measured after the initial derecognition minus the reimbursement of principal, plus or minus the accumulated amortization using the effective interest method for each difference between the initial value and the value at due date, and minus any reduction (direct or by the use of an adjustment account) for impairment or un-recoverability.

The effective interest rate represents the rate that updates exactly the future payments and proceeds in cash during the forecasted life of the financial instrument or, where applicable, during a shorter period, up to the level of the net carrying amount of the financial asset or of the financial liability. For the calculation of the effective interest rate, the entity must estimate the cash flows considering all contractual conditions of the financial instrument but must not consider the future losses from the changes in credit risk. The calculation includes all fees paid or cashed by the contracting parties that make integral part of the effective interest rate, transaction costs and all the other premiums and discounts.

### **Measurement at fair value**

Fair value represents the price that would be received upon the sale of an asset or paid to extinguish a debt within a transaction developed under normal conditions between the participants in the principal market, on the measurement date, or in the absence of the principal market, on the most advantageous market to which the Company has access at that date.

The company measures the fair value of a financial instrument using the prices quoted on an active market for that instrument. A financial instrument has an active market if for that instrument quoted prices are readily available and regularly. The company measures the instruments quoted on the active markets using the closing price.

A financial instrument is considered as being quoted on an active market when the quoted prices are readily available and regularly from an exchange, dealer, broker, association within the industry, a service for establishing the prices or a regulatory agency, and these prices reflect the transactions occurring actually and regularly, developed under objective market conditions.

Within the category of shares quoted on an active market, all those shares admitted to trading on the Stock Exchange or on the alternative market having frequent transactions are included. The market price used to determine the fair value is the closing price of the market on the last trading day before the measurement date.

The fund units are measured according to the Unitary Net Asset Value, calculated by the fund administrator using the closing quotations for the quoted financial instruments. If the Company notices that there is no active market for the fund holding, it recurs for measurement to the public financial statements of the fund holding, respectively to the net asset value. According to the net asset, a corrected Unitary Net Asset Value is obtained used to evaluate the units in the financial statements of SIF Banat-Crișana.

Government securities (bonds) are measured based on the market quotation available on Bloomberg for the respective item, multiplied by the unit nominal value.

In the absence of a price quotation on an active market, the Company uses measurement techniques. The fair value of the financial assets not traded on an active market is determined by authorized valuers, within the current assessment compartment within the Company and by external valuers.

## **Selected explanatory notes to the condensed financial statements as at September 30, 2019**

The valuation techniques include techniques based on the use of observable inputs, such as the quoted price of the identical element held by another party as asset, on a market that is not active, and for the assets for which the observable prices are not available, measurements techniques based on the analysis of the updated cash flows, and other measurement methods used regularly by the market participants. These include the method of comparisons with similar instruments for which there is an observable market price or the percentage method of the net assets of these companies adjusted with a discount for minority ownership and a discount for lack of liquidity, using at maximum the market information, being based at minimum on the specific company information. The Group uses evaluation techniques that maximize the use of observable data and minimize the use of non-observable data.

The valuation techniques are used consistently.

The value resulted through the use of a measurement model is adjusted depending on the number of factors, because the valuation techniques do not reflect reliably all factors considered by the market participants when closing a transaction. The adjustments are recorded so that to reflect the risk models, the differences between the sale and purchase quotations, the liquidity risks as well as other factors. Company's management considers that these adjustments are necessary to present a correct measure of the value of the financial instruments held at fair value in the statement of financial position.

### **(iv) Identification and measurement of value impairment**

The Company must recognize a provision for the forecasted losses from credit corresponding to a financial asset that is measured according to pt. 4.1.2 or 4.1.2A of IFRS 9 (debt instruments measured at amortized cost or at the fair value through other comprehensive income), a receivable resulting from a leasing agreement, a credit commitment and a financial guarantee agreement.

The Company applies the impairment provisions for the recognition of the provision for losses corresponding to the assets measured at fair value through other comprehensive income (debt instruments that meet the criteria of pt. 4.1.2A of IFRS 9 – assets held in order to collect the cash flows and sales, whose cash flows represent exclusively principal reimbursement or interest payments). The provision so determined is recognized considering other comprehensive income and does not reduce the carrying amount of the financial asset from the statement of the financial position.

On each reporting date, the Company measures the provision for losses corresponding to a financial instrument at a value equal to:

- The credit losses forecasted for a 12-month period, if the credit risk has not increased significantly as of the initial recognition;
- The credit losses forecasted during the entire life, if the credit risk has increased significantly as of the initial recognition.

The Company recognizes in profit or loss, as earnings or losses from impairment, the value of the forecasted, recognized or reversed losses, required to adjust the provision for losses on the reporting date up to the level imposed by the provisions of IFRS 9.

The Company assesses the expected credit losses of a financial instrument so that it represents:

- An impartial value, resulted from the weighting of more possible results depending on the probabilities related thereto;
- The time value of money;
- Reasonable information available at no cost or disproportionate effort at reporting date.

The Company may assume that the risk credit for a financial instrument has not increased significantly as of the initial recognition if the financial instrument is considered to have a low credit risk on the reporting date. A financial instrument is considered to have a low credit risk if:

- The debtor has a high capacity to meet the obligations associated with short-term contractual cash flow;
- Unfavourable changes in the business and the business environment may, but not necessarily, reduce the debtor's ability to meet its obligations.

In the assessment of low credit risk for issuers, no real collateral is taken into account. At the same time, financial instruments are not considered to be low-risk only because they have a lower risk than the other instruments issued by the debtor or in comparison with the credit risk prevailing in the geographical region or the jurisdiction in which it operates. In the credit risk assessment, the company uses both external credit risk ratings and internal ratings that are consistent with generally accepted definitions of credit risk.

## **Selected explanatory notes to the condensed financial statements *as at September 30, 2019***

### **(v) Derecognition**

The Company derecognizes a financial asset when the rights to receive cash flows from that financial asset expires, or when the Company transferred the rights to receive the contractual cash flows corresponding to that financial asset in a transaction in which it transferred significantly all risks and benefits of the ownership right.

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

The Company derecognizes a financial liability when the contractual obligations ended or when the contractual obligations are cancelled or expire.

Derecognition of financial assets and liabilities is accounted for using the weighted average cost method.

### **(vi) Reclassifications**

If the Company reclassifies the financial assets according to pt. 4.4.1 of IFRS 9 (as a result of changing the business model for the management of its financial assets), then all the affected financial assets will be reclassified. The financial liabilities cannot be reclassified after the initial recognition.

The Company applies the reclassification of financial assets prospectively as of the reclassification date. The eventual earnings, losses or interests previously recognized will not be restated.

If a reclassification occurs, the Company proceeds as follows:

- When reclassifying an asset in the amortized cost category to fair value through profit or loss, the fair value is determined at the date of reclassification. The difference between the amortized cost and the fair value is recognized in profit or loss;
- When reclassifying an asset in the fair value through profit or loss category to the amortized cost, the fair value at the date of reclassification becomes the new gross carrying amount;
- When reclassifying an asset in the amortized cost category to fair value through other comprehensive income, fair value is determined at the date of reclassification. The difference between the amortized cost and the fair value is recognized in other comprehensive income, without adjusting the effective interest rate or the expected loss from the borrowing;
- When reclassifying an asset in the fair value category by other elements of the comprehensive income to the amortized cost, the reclassification is carried at the fair value of the asset from the reclassification date. Amounts previously recognized in other comprehensive income are eliminated in relation to the fair value of the asset, without affecting the profit or loss account. The actual interest rate and the expected loss on credit are not adjusted as a reclassification effect;
- When reclassifying an asset in the fair value through profit or loss category to fair value through other comprehensive income, the asset continues to be measured at its fair value;
- When reclassifying an asset of fair value through other comprehensive income to fair value through profit or loss, the financial asset continues to be measured at fair value. Amounts previously recognized in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment (as per IAS1).

### **(vii) Gains and losses**

Gains or losses resulting from a change in the fair value of a financial asset or of a financial liability that is not part of a hedging relationship are recognized as follows:

- a) The gains or losses generated by financial assets or financial liabilities classified as being measured at fair value through profit or loss are recognized in profit or loss;
- b) The gains or losses generated by a financial asset at fair value through other comprehensive income are recognized at other comprehensive income.

When the assets are derecognized, the accumulated losses or gains previously recognized in other comprehensive income:

- are reclassified from equity in profit or loss, in the case of debt instruments;
- are transferred to retained earnings, in case of equity instruments (shares).

When the financial assets are impaired or derecognized and the financial liabilities are accounted for at amortized cost, and through their amortization process, the Company recognizes the gains or the loss in the income statement.

## **Selected explanatory notes to the condensed financial statements as at September 30, 2019**

As regards the recognized financial assets using the settlement date accounting, no change of the fair value of the asset to be received during the period between the trading date and the settlement date is recognized for the assets carried at cost or at amortized cost (except for impairment losses). But for the assets accounted for at fair value, the change in fair value must be recognized in profit or loss or in equity, as the case may be.

### **Other financial assets and liabilities**

Other financial assets and liabilities are measured at amortized cost using the effective interest method.

## **4. Management of significant risks**

The risk management policy can be found in the Company organizational structure and it encompasses both general and specific risks, as set forth in Law no. 297/2004 and the Regulation of the National Securities Commission (CNVM) no. 15/2004, as amended and completed.

The most significant financial risks to which the Company is exposed to are the credit risk, the liquidity risk and the market risk. The market risk includes the foreign currency risk, the interest rate risk and the price risk of the equity instruments. This note provides information on the Company's exposure to each of the above-mentioned risks, the Company's objectives and policies, and the risk assessment and risk management processes.

The company uses a variety of policies and procedures for managing and measuring the types of risk to which it is exposed. These policies and procedures are presented in the subchapter dedicated to each type of risk.

### **4.1 Financial risks**

#### **(a) Market risk**

Market risk is the present or future risk of recording losses balance and off-balance sheet related due to adverse movements in market price (such as stock prices, interest rates, foreign exchange rates). Company's management sets the limits on the value of risk that may be accepted, which are monitored on a daily basis. However, the use of this approach does not prevent losses outside these limits in the event of more significant market movements.

Position risk is associated with financial instruments portfolio held by the Company with intention to benefit from positive evolution of prices of underlined financial assets or potential dividends/coupons issued by entities. The Company is exposed to general position risk as well as specific, due to short term investments made in bonds, shares and fund units.

The management has monitored and is permanently observing the reduction of adverse effects related to this financial risk, through an active procedure of diversifying prudently the investment portfolio and by using one or more technics of diminishing of the risk through trading activity or market prices evolution related to financial instruments held by the Company.

#### *Concentration risk*

Concentration risk relates to all assets held by the Company, regardless of their holding period, and through diminishing this risk is intended to avoid a too large exposure against the same debtor/entity at Company level.

The management policy of diversifying exposures is applied to the portfolio structure, business structure as well as the structure of financial risks exposure. Thus, this diversifying policy implies: avoiding excessive exposures against the same debtor/issue, country or geographical area; diversifying business structure implies avoiding at Company's level the excessive exposure against specific type of business/sector; diversifying the structure of financial risks intends to avoid excessive exposure against the same financial risk.

The market risk of equity instruments is mainly the result of shares measured at fair value through other comprehensive income and through profit or loss. Entities in which the Company holds shares operate in various industries.

The objective of market risk management is to control and manage market risk exposures in acceptable parameters to the extent that profitability is optimized.

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

The Company's strategy for managing market risk is driven by its investment objective, and market risk is managed in accordance with its policies and procedures.

The Company is exposed to the following categories of market risk:

### (i) Equity Price risk

Price risk is the risk of decline both in value of a security or portfolio related to changes in asset prices.

The Company is exposed to the risk of fair value of financial instruments fluctuation due to changes in market prices, whether caused by factors specific to the activity of its issuer or factors affecting all instruments traded in the market.

The Board of Directors monitors the market risk management and internal procedures, which require that when price risks are not consistent with the Company's investment policy and principles, it shall proceed to rebalance the portfolio.

A positive change of 10% in the price of financial assets at fair value through profit or loss (shares of subsidiaries, associates and fund units) would lead to an increase in profit after tax by RON 112,182,109 (December 31, 2018: RON 92,903,098), a negative change of 10% having an equal net impact on the opposite direction.

A positive change of 10% in the prices of financial assets measured at fair value through other comprehensive income, investments in shares and unit funds would lead to an increase in equity, net of tax, of RON 118,987,942 (December 31, 2018: RON 107,464,995), a negative change of 10% with an equal net impact on an opposite direction.

The company holds shares in companies operating in various sectors, such as:

As it can be noticed from the table below, as at September 30, 2019, the Company mainly held shares in companies in the banking-financial and insurance field, having a weight of 52% on the total portfolio, higher than the 51.2% as at December 31, 2018.

in RON	September 30, 2019	%	December 31, 2018	%
Financial intermediation and insurance	1,147,220,349	52.0%	1,047,441,047	51.2%
Manufacturing industry	364,781,923	16.5%	333,231,839	16.3%
Financial services applicable to real estate	348,746,547	15.8%	344,682,950	16.9%
Hotels and restaurants	141,169,970	6.4%	126,746,145	6.2%
Extractive industry	73,226,396	3.3%	54,416,217	2.7%
Transportation and storage	60,988,813	2.8%	57,659,329	2.8%
Wholesale and retail trade, repair of motor vehicles	30,683,493	1.4%	37,902,258	1.9%
Production and supply of energy, gas and water	25,126,935	1.1%	27,242,153	1.3%
Rental of property investment	10,180,520	0.5%	10,570,630	0.5%
Other activities	3,099,926	0.1%	2,901,664	0.1%
Agriculture, forestry and fishing	369,746	0.0%	378,546	0.0%
Constructions	207,671	0.0%	667,238	0.0%
<b>TOTAL</b>	<b>2,205,802,289</b>	<b>100%</b>	<b>2,043,840,016</b>	<b>100%</b>

As at September 30, 2019 and December 31, 2018, the Company holds fund units at the closed investment funds Active Plus, Optim Invest, Certinvest Shares, Star Value and Romania Strategy Fund (as at December 31, 2018 also Omnitrend closed investment fund). The Company is exposed to price risk in terms of placements made with different degrees of risk by these Investment Funds, the fair value of the investments in these assets being as at September 30, 2019 of RON 324,306,361 (December 31, 2018: RON 295,681,969).

### (ii) Interest rate risk

Interest rate risk is the risk that revenues or expenses, or the value of assets or liabilities of the Company will fluctuate due to changes in market interest rates.

As regards the interest-bearing financial instruments: the interest rate risk consists of the risk of fluctuation recorded in the value of a financial instrument due to changes in interest rates and risk differences between the maturity of interest-bearing financial assets and interest-bearing liabilities. However, the interest rate risk may also affect the value of assets bearing fixed interest rates (e.g. bonds) so that an increase in interest rate on the market will determine a decrease in the value of future cash flows generated by them and may

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

lead to their price reduction if it increases the preference of investors to place their funds in bank deposits or other instruments whose interest has grown, and vice versa - a reduction in interest rate on the market may increase the price of shares and bonds and will lead to an increase in the fair value of future cash flows.

With respect to the Company's interest-bearing financial instruments, the policy is to invest in profitable financial instruments, with due date over 1 year. With respect to the fixed interest-bearing assets or tradable assets, the Company is exposed to the risk that fair value of future cash flows related to financial instruments will fluctuate as a result of changes in market interest rates. However, most financial assets of the Company are in stable currencies whose interest rates are unlikely to vary significantly.

Thus, the Company will be subject to limited exposure to the fair value interest rate risk or to future cash flows due to fluctuations in the prevailing levels of market interest rates.

The Company does not use derivative financial instruments to protect itself against interest rate fluctuations.

The following table shows the annual interest rates earned by the Company for interest-bearing assets during the first three quarters of 2019:

Financial assets	RON interval		EUR interval	
	Min	Max	Min	Max
Cash and cash equivalents	1.00	3.00	-	-
Financial assets at fair value through profit and loss*	5.03	5.39	6.00	6.00
Financial assets at fair value through other comprehensive income**	-	-	5.75	5.75
Investments measured at amortized cost	-	-	5.91	6.01

\* In the financial assets at fair value through profit and loss are included bonds, denominated in RON and foreign currency, issued by subsidiaries of SIF Banat-Crișana.

\*\* Corporate bonds are included in the financial assets at fair value through other items of comprehensive income.

The following table shows the annual interest rates earned by the Company for interest-bearing assets during the first three quarters of 2018:

Financial assets	RON interval		EUR interval	
	Min	Max	Min	Max
Cash and cash equivalents	0.45	2.95	-	-
Financial assets at fair value through profit and loss	3.85	5.42	-	-
Financial assets at fair value through other comprehensive income*	3.25	5.75	5.75	5.75
Investments measured at amortized cost	-	-	5.98	5.98

\* Financial assets at fair value through all items of comprehensive income include government bonds (interest is the nominal coupon, not yield on acquisition / adjudication) and corporate bonds

The following table shows a summary Company's exposure to the interest rate risk. The table includes the Company's assets and liabilities at the carrying amounts classified by the most recent date of the change in the interest rate and the maturity date.

in RON	September 30, 2019	December 31, 2018
Cash and cash equivalent*	150,682,763	15,500,000
Bank deposits	-	6,000,000
Financial assets at fair value through profit and loss – corporate bonds	48,353,614	40,562,280
Financial assets at fair value through comprehensive income – corporate bonds	5,038,542	4,872,610
Investments measured at amortized cost – corporate bonds	6,445,339	6,327,044
<b>TOTAL</b>	<b>210,520,258</b>	<b>73,261,933</b>

\* Within the cash equivalents short-term investments in bank deposits (maturity less than 3 months) in the amount of RON 77 million are included

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

The impact on the Company's net profit and equity of a change of  $\pm 1.00\%$  in the interest rate related to variable interest-bearing assets and liabilities and expressed on other currencies corroborated with a change of  $\pm 1.00\%$  in the interest rate related to variable interest bearing assets in RON is of RON 1,768,370 (December 31, 2018: RON 615,400).

### (iii) Currency risk

Currency risk is the risk of loss or failure to achieve the estimated profit as a result of unfavourable exchange rate fluctuations. The Company invests in financial instruments and enters into transactions which are denominated in currencies other than the functional currency, thus being exposed to risks that the exchange rate of the national currency in relation to another currency may adversely affect the fair value or future cash flows of that share of financial assets and liabilities denominated in other currencies.

In the reporting periods the company conducted transactions in Romanian currency (RON) and in foreign currencies. The Romanian currency has fluctuated compared to the foreign currencies EUR and USD.

The financial instruments used enable the conservation of the value of monetary assets held in RON, by making investments and collecting interest according to their maturity.

The Company has not entered into any fix derivative transaction during the financial years presented.

The Company's assets and liabilities in RON and foreign currencies at September 30, 2019 and December 31, 2018 can be analysed as follows:

#### *Financial assets exposed to foreign currency risk (in RON) in RON*

	September 30, 2019	December 31, 2018
Cash and cash equivalent	72,008,645	9,025,982
Bank deposits	-	-
Financial assets at fair value through profit and loss*	35,659,200	20,255,448
Financial assets at fair value through comprehensive income**	213,414,674	290,081,290
Investments measured at amortized cost	6,527,844	6,505,683
<b>TOTAL</b>	<b>327,610,363</b>	<b>325,868,403</b>

\* Financial assets at fair value through profit or loss include euro bonds issued by SIFI BH Retail and foreign exchange holdings of closed-end investment funds, proportional to the Company's holding in their net assets (as at December 31, 2018: the foreign exchange holdings of closed-end investment funds, proportional to the Company's holding in their net assets..

\*\* Financial assets at fair value through other comprehensive income in EUR result include holdings held abroad, namely Austria - Erste Bank and corporate bonds issued by Impact.

The following table shows the sensitivity of profit or loss as well as equity to possible changes at the end of the reporting period of the exchange rates in line with the reporting currency, consistently maintaining all other variables:

	September 30, 2019		December 31, 2018	
	Impact on P&L account	Impact on OCI	Impact on P&L account	Impact on OCI
EUR increase with 5% (2018: 5%)	5,011,270	8,748,365	1,229,820	12,456,653
EUR decrease with 5% (2018: 5%)	(5,011,270)	(8,748,365)	-1,229,820	-12,456,653
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### (b) Credit risk

Credit risk is the risk that a counterparty of a financial instrument fails to meet its contractual obligations, or a financial engagement in which it has entered into a relationship with the Company, resulting in a loss for the Company. The Company is exposed to credit risk as a result of investments in bonds issued by commercial companies or the Romanian State, current accounts and bank deposits and other receivables.

The management of the Company closely monitors and expands the exposure to credit risk so that it does not suffer losses as a result of the concentration of credit in a particular sector or field of activity.



## Selected explanatory notes to the condensed financial statements as at September 30, 2019

As at September 30, 2019 and December 31, 2018, the Company did not have any security interests as insurance, nor any other credit enhancement. As at September 30, 2019 and December 31, 2018, the Company did not record outstanding financial assets, but they are not impaired.

Below we present the financial assets with exposure to credit risk:

September 30, 2019	Current accounts	Bank deposits	Bonds issued by financial entities (measured at amortized cost)	Corporate bonds (measured at FVOCI)	Corporate bonds (measured at FVTPL)	Other financial assets	Total
<i>Current and not impaired</i>							
Rating AAA to A-							
BBB+	71,953,979	11,000,000					82,953,979
BBB	23,240						23,240
BB+	1,701,597	66,000,000	6,527,844				74,229,441
Baa1	3,947						3,947
NR				5,120,273	49,135,932	27,358,908	81,615,113
<b>TOTAL</b>	<b>73,682,763</b>	<b>77,000,000</b>	<b>6,527,844</b>	<b>5,120,273</b>	<b>49,135,932</b>	<b>27,358,908</b>	<b>238,825,720</b>

December 31, 2018	Current accounts	Bank deposits	Bonds issued by financial entities (measured at amortized cost)	Corporate bonds (measured at FVOCI)	Corporate bonds (measured at FVTPL)	Other financial assets	Total
<i>Current and not impaired</i>							
Rating AAA to A-							
BBB+	10,988,692	13,000,000					23,988,692
BBB	24,299						24,299
BB+	2,698,188	8,500,000	6,505,683				17,703,871
Baa2	4,367						4,367
Ba3	3,554						3,554
Caa2	284						284
NR	1,501			4,882,639	40,929,816	2,277,307	48,091,262
<b>TOTAL</b>	<b>13,720,885</b>	<b>21,500,000</b>	<b>6,505,683</b>	<b>4,882,639</b>	<b>40,929,816</b>	<b>2,277,307</b>	<b>89,816,329</b>

The Company's maximum exposure to credit risk is of RON 238,825,720 as at September 30, 2019 (December 31, 2018: RON 89,816,329) and can be analysed as follows:

Exposure of current accounts and deposits placed at banks (excluding interest accrued)

	Credit rating			September 30, 2019	December 31, 2018
BRD - Groupe Société Générale	BBB+	BRD - Groupe Société Générale	Fitch	82,906,707	23.940.933
Banca Transilvania	BB+	Banca Transilvania	Fitch	67,701,597	11.197.124
Banca Comercială Română	BBB+	Banca Comercială Română	Fitch	46,870	46.776
Intesa Sanpaolo Romania*	BBB	Intesa Sanpaolo Italia	Fitch	23,240	24.299
Raiffeisen Bank Romania	Baa1	Raiffeisen Bank Romania	Moody's	3,947	4.367
Alpha Bank Romania	Ba2	Alpha Bank Romania	Moody's	-	3.554
Bancpost**	C	Eurobank Ergasias Athens	Fitch	-	1.064
UniCredit Tirioc	BBB+	UniCredit Tirioc	Fitch	402	983
Banca Comercială Feroviara	NR			-	1.501
Piraeus Bank Romania***	NR	J. C. Flowers	Fitch	-	284
<b>TOTAL</b>				<b>150,682,763</b>	<b>35.220.885</b>

\* For banks for which there is no rating, the parent company's rating was considered

\*\* At the end of year 2018, the taking over of Bancpost by Banca Transilvania was completed.

\*\*\*In 2018, the local subsidiary of Piraeus Bank Greece was taken over by the American investment fund JC Flowers, the name of the bank was changed to First Bank

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

The cash and cash equivalent and bank deposits are not past due and not impaired. The corporate bonds are not past due and not impaired.

### (c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations arising from short-term financial liabilities that are settled by payment of cash or other financial means, or the risk that such obligations are extinguished in an unfavourable manner for the Company.

The company monitors the progress of its liquidity levels to be able to meet its payment obligations at due date and constantly analyses its assets and liabilities, based on the remaining period to the contractual maturities.

The breakdown of assets and liabilities was analysed based on the remaining period from the balance sheet date to contractual maturity date, both as at September 30, 2019 and December 31, 2018, as follows:

in RON

	Book value	Less than 3 months	3 to 12 months	More than 1 year	No fixed maturity
<b>September 30, 2019</b>					
<b>Financial assets</b>					
Cash and cash equiv.	150,717,366	150,717,366	-	-	-
Bank deposits	-	-	-	-	-
Financial assets at fair value through profit and loss	1,183,857,883	351,048	431,270	48,353,614	1,134,721,951
Financial assets at fair value through other comprehensive income	1,400,506,971	81,732	-	5,038,542	1,395,386,697
Financial assets at amortized cost	6,527,844	82,505	6,445,339	-	-
Other financial assets	27,358,908	27,358,908	-	-	-
<b>Total financial assets</b>	<b>2,768,968,972</b>	<b>178,591,559</b>	<b>6,876,609</b>	<b>53,392,156</b>	<b>2,530,108,648</b>
<b>Financial liabilities</b>					
Dividends payable	-	-	-	-	-
Other financial liabilities	4,550,905	4,550,905	-	-	-
<b>Total financial liabilities</b>	<b>4,550,905</b>	<b>4,550,905</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liquidity surplus</b>	<b>2,764,418,067</b>	<b>174,040,654</b>	<b>6,876,609</b>	<b>53,392,156</b>	<b>2,530,108,648</b>

in RON

	Book value	Less than 3 months	3 to 12 months	More than 1 year	No fixed maturity
<b>December 31, 2018</b>					
<b>Financial assets</b>					
Cash and cash equiv.	29,230,410	29,230,410	-	-	-
Bank deposits	6,044,457	3,030,457	3,014,000	-	-
Financial assets at fair value through profit and loss	1,105,989,265	-	-	40,929,816	1,065,059,449
Financial assets at fair value through other comprehensive income	1,279,345,173	-	-	4,882,639	1,274,462,535
Financial assets at amortized cost	6,505,683	-	-	6,505,683	-
Other financial assets	2,277,307	2,277,307	-	-	-
<b>Total financial assets</b>	<b>2,429,392,294</b>	<b>34,538,174</b>	<b>3,014,000</b>	<b>52,318,137</b>	<b>2,339,521,984</b>
<b>Financial liabilities</b>					
Dividends payable	5,495	5,495	-	-	-
Other financial liabilities	1,614,344	1,614,344	-	-	-
<b>Total financial liabilities</b>	<b>1,619,839</b>	<b>1,619,839</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liquidity surplus</b>	<b>2,427,772,455</b>	<b>32,918,335</b>	<b>3,014,000</b>	<b>52,318,137</b>	<b>2,339,521,984</b>

## **Selected explanatory notes to the condensed financial statements *as at September 30, 2019***

### **4.2 Other risks**

By the nature of the business object, the Company is exposed to various types associated to financial instruments and to market on which it invests.

The main types of risks the Company is exposed to are:

- taxation risk;
- economic environment risk;
- operational risk.

The risk management takes into account the maximization of the Company profit related to the risk level it is exposed to.

The Company uses various management and measurement policies and procedures for the risk types it is exposed to. These policies and procedures are presented in the subchapter dedicated to each type of risk.

#### **(a) Taxation risk**

Starting with 1 January 2007, following Romania's accession to the European Union, the Company had to comply with the EU regulations and, therefore, prepared to implement changes brought by the European legislation. The Company has implemented these changes, but their implementation remains open to tax audit for 5 years.

Interpretation of texts and practical implementation of the procedures of the new applicable tax regulations could vary and there is a risk that in some cases the tax authorities might adopt a position different from that of the Company.

In terms of income tax there is a risk of different interpretation by the tax authorities to accounting treatments that were determined by the transition to IFRS as an accounting basis.

In addition, the Romanian Government has several agencies authorized to conduct audits (controls) of companies operating in Romania. These controls are similar to tax audits in other countries and may extend not only to tax matters but also to other legal and regulatory issues of interest to these agencies. The Company may be subject to tax audits as new tax regulations are issued.

#### **(b) Economic environment risk**

SIF Banat-Crișana's management cannot predict all the effects of the financial crisis with an impact on the financial sector in Romania, but has confidence in that in the first six months of 2019 has adopted the necessary measures for the Company's sustainability and development under the present state of the financial market by monitoring its cash flows and adapting its investment policies.

Risk avoidance and mitigation of their effects is ensured by the company through an investment policy which complies with prudential rules imposed by the applicable laws and regulations in force.

SIF Banat-Crișana has adopted risk management policies through which risks are managed actively, by implementing specific risk identification, evaluation, measurement and control procedures meant to provide reasonable assurance with respect to the achievement of the Company's objectives, thus seeking a consistent balance between risk and expected profit.

The risk management aims at: (i) identifying and assessing significant risks with major impact in achieving the target investment and developing activities to counter the risk identified; (ii) adapting the risk management policies to the developments in the financial capital market, monitoring performance and improving risk management procedures; (iii) reviewing investment decisions in line with the development of the capital and money market; (iv) compliance with the legislation in force.

The Euro area economy has experienced a significant recovery in recent years, both in terms of GDP growth (with annualized increases of more than 1.5%) and the progressive reduction of unemployment and the return of inflation to the ECB target (2%). However, the ECB has also maintained during the latest period (at the meeting in January 2019) both the benchmark interest rate in absolute historical absolutes (0%) and the commitment to fully reinvest the amounts cashed on the maturity date of the financial instruments acquired in the quantitative easing program, the duration of this program being dependent on the sustainability of the inflation rate to the 2% target set by the ECB. Recently, both the ECB and the Federal Reserve (which reduced the reference interest rate by 0.25% at the meeting on July 31, 2019) reiterated their willingness to intervene through monetary stimulus measures if the pace of economic activity does

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

not ensure convergence to expected inflation target. Thus, these exceptional measures and the willingness to maintain them in the foreseeable future signal the persistence of risks despite the positive developments in recent years.

### (c) Operational risk

Operational risk is the risk of direct or indirect loss resulting from deficiencies or weaknesses in procedures, personnel, the Company's internal systems or from external events that can have an impact on its operations. Operational risks arise from all the Company's activities.

The Company's objective is to manage the operational risk so as to limit financial loss, not damage its reputation and achieve the investment objective of generating returns for investors.

The primary responsibility for implementation and development of control over the operational risk lies with the Board of Directors. This responsibility is supported by the development of general standards of operational risk management, including controls and processes within service providers and service commitments with service providers.

### (d) Capital adequacy

The management policy with respect to capital adequacy focuses on maintaining a sound capital base in order to support the ongoing development of the Company and attain the investment objectives.

The Company's equity includes the share capital, different types of reserves and the retained earnings. The equity amounted to RON 2,634,925,357 as at September 30, 2019 (RON 2,321,420,613 as at December 31, 2018).

## 5. Dividend income

Please note that in accordance with IFRS 9 and due to the fact that the Company has opted to measure participations by other comprehensive income, dividends from these shareholdings are recognized as income unless they are a substantially recovery of the cost of investment. Dividend income is recorded as gross value. The tax rates for dividends from resident and non-resident companies were 5% and zero (2018: 5% and zero). The breakdown of dividend income on the main counterparties is shown in the table below:

<i>Denominated in RON</i>	<b>September 30, 2019</b>	<b>September 30, 2018</b>
Banca Transilvania	36,980,164	27,065,775
BRD	22,329,415	22,329,415
SAI Muntenia Invest SA	13,557,288	7,748,450
Erste Group Bank AG	9,634,942	11,552,853
SNGN ROMGAZ	6,553,851	7,842,618
CONPET PLOIESTI	4,202,445	4,525,377
BIOFARM BUCURESTI	3,620,966	4,347,695
IAMU BLAJ	2,300,867	2,113,027
SIF OLTENIA	1,741,243	-
SIF MOLDOVA	1,539,758	2,532,496
SNP Petrom	968,377	717,316
SNTGN Transgaz	949,683	1,989,686
ELECTRICA S.A.	479,975	475,833
I PROEB BISTRITA	344,527	516,521
ANTIBIOTICE IASI	141,557	376,190
BT Asset Management	-	2,000,000
SIF MUNTENIA	-	1,392,285
Others	436,130	394,056
<b>Total</b>	<b>105,781,188</b>	<b>97,919,594</b>

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

### 6. Interest income

<i>denominated in RON</i>	September 30, 2019	September 30, 2018
Interest income on deposits and current accounts	974,102	503,681
Interest income on bonds measured at amortized cost	291,479	286,661
Interest income on assets measured through profit and loss	3,046,328	1,220,140
Interest income on assets measured through other comprehensive income (govt. and corporate bonds)	214,591	1,123,515
	<b>4,526,500</b>	<b>3,133,997</b>

### 7. Profit/(Loss) on measurement of assets through profit and loss

<i>denominated in RON</i>	September 30, 2019	September 30, 2018
Profit / (Loss) from measurement / disposal of fund units	44,072,004	(39,143,586)
Profit / (Loss) from measurement of bonds	(2,661,085)	172,717
Profit / (Loss) from measurement of shares in subsidiaries and associates	(3,386,888)	19,177,235
Gain / (Loss) from sale of shares held for short term	-	(26)
<b>Total</b>	<b>38,024,031</b>	<b>(19,793,660)</b>

During first three quarters of 2019 fund units fund were redeemed by the closed-end investment fund Omnitrend amounting to RON 20.7 mn, RON 0.8 mn below the current book value.

### 8. Net profit /(loss) from sale of assets

<i>denominated in RON</i>	September 30, 2019	September 30, 2018
Gain/ (Loss) from sale of government bonds	-	(553,308)
<b>Total</b>	<b>-</b>	<b>(553,308)</b>

Please note that under IFRS 9 and due to the fact that the Company has opted to measure holdings through other items of comprehensive income, gain from sale of shares until September 30, 2019, in the amount of RON 54,407,954, is reflected in retained earnings.

### 9. Fees and commissions expenses

<i>denominated in RON</i>	September 30, 2019	September 30, 2018
ASF commissions	1,798,072	1,774,394
Depository fees	382,118	355,685
Fees payable to SSIF (brokers)	115,836	133,239
Registry fees	108,000	108,000
Other fees and commissions	59,751	21,733
<b>Total</b>	<b>2,463,778</b>	<b>2,393,051</b>

### 10. Other operating expenses

<i>denominated in RON</i>	September 30, 2019	September 30, 2018
Expenses with other taxes and fees and assimilated payments	181,524	183,948
Expenses with salaries and other personnel expenses	7,504,731	7,385,654
Amortization expenses	185,476	216,354
Expenses for external services	1,599,599	1,891,360
<b>Total</b>	<b>9,471,329</b>	<b>9,677,316</b>

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>September 30, 2018</b>
Expenses with salaries	5,983,632	5,571,044
Expenses with stock option plan	1,190,000	1,487,500
Expenses with insurance and social care	246,769	239,585
Other personnel expenses	84,330	87,525
<b>Total</b>	<b>7,504,731</b>	<b>7,385,654</b>

In other operating expenses are included personnel expenses, expenditure with taxes and fees, amortization expenses and other expenses on external services.

In the period ended on September 30, 2019, the average number of employees was of 34 (September 30, 2018: 35), and the number of employees recorded at the end of the reporting period was of 33 (September 30, 2018: 34).

The company makes payments to institutions of the Romanian State in the account of the pensions of its employees.

All employees are members of the pension plan of the Romanian State. The company does not operate any other pension scheme or post-retirement benefits and, consequently, has no other obligations concerning pensions. Furthermore, the Company is not bound to provide additional benefits to employees after their retirement.

### 11. Income tax

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>September 30, 2018</b>
<b>Current income tax</b>		
Current income tax (16%)	7,555,412	
Tax on dividend (0%, 5%)	3,832,945	3,507,159
Tax exemption on transactions with ownership greater than 10%		
<b>Expense on / (income) deferred tax</b>		
Financial assets available for sale		
Financial assets at fair value through profit or loss		
Tangible assets / Investment property		
<b>Total income tax recognized in profit or loss</b>	<b>11,388,357</b>	<b>3,507,159</b>

The effective tax rate used to calculate the deferred tax of the Company was of 16%.

Reconciliation of profit before tax with expense on income tax in the profit and loss account:

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>September 30, 2018</b>
<b>Profit before tax</b>	<b>137,929,332</b>	<b>68,962,812</b>
<b>Tax under statutory tax rate of 16% (2018: 16%)</b>	<b>22,068,693</b>	<b>11,034,050</b>
<b>Income tax effect of:</b>		
Tax on dividend (0%, 5%)	3,832,945	3,507,159
Non-deductible expenses and similar items	3,544,947	4,155,034
Non-taxable revenues	(18,037,532)	(20,579,791)
Revenue related items	13,696,210	22,314,699
Expenses related items		
Recoverable tax loss		(1,109,699)
Deferred tax	(5,593,772)	(6,530,496)
Amounts of sponsorship within legal limits and other deductions	(24,000)	(83,942)
Tax recognized in retained earnings	(8,099,133)	(9,199,856)
<b>Income tax</b>	<b>11,388,357</b>	<b>3,507,159</b>

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

### 12. Cash and cash equivalents

<i>denominated in RON</i>	September 30, 2019	September 30, 2018
Cash in hand and other valuables	11,631	9,526
Current accounts in banks	73,682,763	13,720,884
Deposits at banks with original maturity less than 3 months (including interest)	77,022,972	15,500,000
<b>Cash and cash equivalents with maturity less than 3 months</b>	<b>150,717,366</b>	<b>29,230,410</b>

Current bank accounts and bank deposits are permanently available to the Company and are not restricted.

### 13. Bank deposits

<i>denominated in RON</i>	September 30, 2019	December 31, 2018
Bank deposits with maturity more than 3 months	0	6,000,000
Interest on deposits	0	44,457
<b>Cash and cash equivalents with maturity greater than 3 months</b>	<b>0</b>	<b>6,044,457</b>

### 14. Financial assets measured at fair value through profit and loss account

<i>denominated in RON</i>	September 30, 2019	December 31, 2018
Shares	810,415,590	769,377,480
Fund units	324,306,361	295,681,969
Corporate bonds (including attached interest)	49,135,932	40,929,816
<b>Total</b>	<b>1,183,857,883</b>	<b>1,105,989,265</b>

As the Company met the classification criteria as an "investment entity", it measures all its subsidiaries at fair value through profit or loss, except for subsidiaries that provide investment-related services, that will continue to be consolidated.

The movement of the financial assets measured at fair value through profit and loss account as at September 30, 2019 is presented in the table below:

<i>denominated in RON</i>	Shares	Fund units	Corporate bonds in subsidiaries	Total
<b>January 1, 2019</b>	<b>769,377,480</b>	<b>295,681,969</b>	<b>40,929,816</b>	<b>1,105,989,265</b>
Acquisitions	44,424,999	8,499,912	70,713,000	123,637,912
Sales		(21,455,948)	(60,904,960)	(82,360,908)
Change in interest receivable			414,782	414,782
Change in fair value (including foreign exchange differences)	(3,386,890)	41,580,427	(2,016,706)	36,176,831
<b>September 30, 2019</b>	<b>810,415,590</b>	<b>324,306,361</b>	<b>49,135,932</b>	<b>1,183,857,882</b>

Acquisitions of shares amounting to RON 44.4 million mainly include purchases of Biofarm shares.

As at September 30, 2019, the holdings in subsidiaries and associates were measured at fair value, the difference being an unfavourable one, amounting to RON 5.7 million (vs. the value as at June 30, 2019) and respectively RON 3.4 million (vs. the value as at December 31, 2018).

During the first three quarters of 2019 fund units in closed end Investment Fund Optim Invest were purchased, amounting to RON 8.5 million.

During the period fund units were redeemed with the book value of RON 21.5 million, by Omnitrend closed end investment fund.

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

Purchases of corporate bonds amounting to RON 70.7 million include the equivalent of 7,500 bonds issued by BIFI BH retail, denominated in euro. The amount of RON 60.9 million represents the early repurchase of 6,400 bonds issued by SIFI BH Retail SA.

The movement of financial assets measured at fair value through profit and loss account in 2018 is presented in the following table:

<i>denominated in RON</i>	Shares	Fund units	Corporate bonds in subsidiaries	Total
<b>January 1, 2018</b>	<b>338</b>	-	-	<b>338</b>
<b>January 1, 2018 - restated</b>	<b>95,026,202</b>	<b>230,404,039</b>	<b>36,989,473</b>	<b>362,419,714</b>
Acquisitions	5,423,872	140,499,992		145,923,864
Reclassifications from assets valued at fair value through other comprehensive income	635,959,310			635,959,310
Sales	(338)	(23,369,673)		(23,370,011)
Change in interest receivable			103,047	103,047
Change in fair value	32,968,434	(51,852,389)	3,837,295	(15,046,661)
<b>December 31, 2018</b>	<b>769,377,480</b>	<b>295,681,969</b>	<b>40,929,815</b>	<b>1,105,989,264</b>

In 2018, the company concluded it meets the criteria for declaring itself an investment entity and thus reclassified its holdings in subsidiaries, from assets measured by other comprehensive income, to assets measured at fair value through profit and loss. The fair value of these investments at the date of reclassification was of RON 635,959,310.

The purchases of shares amounting to RON 5.4 million mainly include the value of the shares in Uniteh SA Timișoara (RON 5.3 million), classified in the category of shares held in subsidiaries.

During the year 2018, fund units in the amount of RON 140.5 million were purchased, of which RON 74.5 million in Certinvest Shares Fund, RON 29 million in Romania Strategy Fund, RON 15 million in Omnitrend Fund, RON 12 million in Active Plus Fund, and RON 10 million in closed end Star Value Investment Fund.

The sales of fund units include the repurchase of fund units by Optim Invest Fund in the amount of RON 18.5 million and Omnitrend in the amount of RON 4.8 million.

### 15. Financial assets measured at fair value through other comprehensive income

<i>denominated in RON</i>	September 30, 2019	December 31, 2018
Shares at fair value	1,395,386,697	1,274,462,535
Corporate bonds (including attached interest)	5,120,274	4,882,639
<b>Total</b>	<b>1,400,506,971</b>	<b>1,279,345,173</b>

The measurement of shares at fair value was done by multiplying the number of shares held as at the reporting date with the closing price on the last trading day of the reporting period or the price determined by other valuation methods, respectively valuation performed by certified appraisers. As at September 30, 2019, the category of shares that are classified as measured at fair value includes mainly the value of shares held in Banca Transilvania, Erste Group Bank AG, BRD-Groupe Société Générale (December 31, 2018: Banca Transilvania, Erste Group Bank AG, BRD-Groupe Société Générale).

The movement of financial assets measured at fair value through other comprehensive income in the reporting period ended on September 30, 2019 is presented in the table below:



## Selected explanatory notes to the condensed financial statements as at September 30, 2019

<i>denominated in RON</i>	Shares at fair value	Corporate bonds	Total
<b>January 1, 2019</b>	<b>1,274,462,535</b>	<b>4,882,639</b>	<b>1,279,345,173</b>
Acquisitions	5,149,677	-	5,149,677
Sales	(106,558,504)	-	(106,558,504)
Change of interest receivable	-	71,703	71,703
Change in fair value (including foreign exchange differences)	222,332,990	165,932	222,498,922
<b>September 30, 2019</b>	<b>1,395,386,697</b>	<b>5,120,274</b>	<b>1,400,506,971</b>

Purchases of shares during the current period, amounting to RON 5.1 million, mainly include the acquisition of Intercontinental SA Bucharest shares.

Sales of shares amounting to RON 106.6 million include mainly the sale of shares in Erste Bank (RON 93.9 million) and Minerva SA (RON 8.8 million).

The gain on transactions amounting to RON 54.4 million was recognized in retained earnings.

The movement in 2018 of financial assets available for sale is shown in the table below:

<i>denominated in RON</i>	Shares at fair value	Govt. bonds at fair value	Corporate bonds	Shares at cost	Fund units	Total
<b>January 1, 2018</b>	<b>2,079,884,448</b>	<b>64,044,407</b>	<b>41,901,964</b>	<b>23,956,501</b>	<b>230,404,038</b>	<b>2,440,191,358</b>
<b>January 1, 2018 – restated</b>	<b>2,027,772,253</b>	<b>64,044,407</b>	<b>4,912,490</b>	<b>0</b>	<b>0</b>	<b>2,096,729,150</b>
Acquisitions	101,077,286	0				101,077,286
Reclassifications in assets measured at FVTPL	(635,959,310)					(635,959,310)
Sales	(111,649,280)	(62,228,956)				(173,878,235)
Change in interest receivable		(2,007,441)	9			(2,007,432)
Change in fair value	(106,778,414)	191,989	(29,860)			(106,616,285)
<b>December 31, 2018</b>	<b>1,274,462,535</b>	<b>(0)</b>	<b>4,882,639</b>	<b>0</b>	<b>0</b>	<b>1,279,345,173</b>

The decrease in the volume of these financial assets as at January 1, 2018 compared to 2017 year-end is due to the reclassification, under IFRS 9 Financial Instruments, of fund units, shares held in associates and bonds purchased from a subsidiary, in the category of assets at FVTPL.

Purchases of shares in 2018, amounting to RON 101.1 million include mainly the acquisition of Conpet shares (RON 48.3 million), Administrare Imobiliare SA București (RON 40.1 million), Banca Transilvania (RON 8.1 million), Erste Bank (RON 4.1 million) and Central SA Cluj (RON 0.4 million).

Sales of shares amounting to RON 111.6 million include mainly the sale of shares issued by Erste Bank (RON 98.8 million), Compa (RON 1.9 million), Celhart Donaris (RON 1.7 million), Hora Reghin (RON 1.5 million), SIF Moldova (RON 1.3 million), Bermas (RON 1.3 million), Silvarom (RON 1.3 million), Hercules (RON 1.1 million), Cotroceni Park RON (0.8 million), etc.

Gain on transactions amounting to RON 71.3 million was recognized in retained earnings.

During the year 2018 government bonds were sold, amounting to 62.2 million lei.

The Company uses the following hierarchy of methods to measure fair value:

- Level 1: quoted market price in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs: quoted market prices in active markets for similar instruments; valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques largely based on unobservable input.

The fair value of financial assets and liabilities that are traded in active markets are based on quoted market prices or on prices quoted by intermediaries (brokers).

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

The fair value of the financial instruments for which there is no active market (Level 2 and 3) and those that are not traded is determined by external appraisers and authorized appraisers within the Appraisal dept. of the Company, using the strategy set by the management of the issuer and appraisal techniques that meet the requirements of IFRS 13 and the ANEVAR Valuation Standards, in line with best valuation practices. These techniques include: techniques based on the present net value, the discounted cash flow method, the method of comparisons with similar instruments for which there is an observable market price and using the method approved by ASF namely a percentage of the net assets of these companies, reduced by a discount for minority ownership and a discount for lack of liquidity.

Valuation techniques are used consistently, there are no changes in their application.

An analysis of the financial instruments and investment property recognized at fair value according to the valuation method is presented in the following table:

### September 30, 2019

*denominated in RON*

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss - shares	245,460,040	-	564,955,550	810,415,590
Financial assets at fair value through profit and loss - fund units	324,306,361	-	-	324,306,361
Financial assets at fair value through profit and loss - bonds	38,147,718	10,988,214	-	49,135,932
Financial assets at fair value through other comprehensive income - shares	1,284,841,262	12,998,817	97,546,618	1,395,386,697
Financial assets at fair value through other comprehensive income – corporate bonds	5,120,273	-	-	5,120,273
Investment property	-	-	20,128,515	20,128,515
Land and buildings	-	-	2,690,866	2,690,866
	<b>1,897,875,655</b>	<b>23,987,031</b>	<b>685,321,549</b>	<b>2,607,184,235</b>

### December 31, 2018

*denominated in RON*

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss – shares	207,568,029		561,809,452	769,377,481
Financial assets at fair value through profit and loss – fund units			295,681,969	295,681,969
Financial assets at fair value through profit and loss – bonds	40,929,816			40,929,816
Financial assets at FVOCI - shares	1,139,744,797	16,138,348	118,579,391	1,274,462,536
Financial assets at FVOCI – corporate bonds	4,882,639			4,882,639
Financial assets at amortized cost – corporate bonds	6,505,683			6,505,683
Investment property			20,128,515	20,128,515
Land and buildings			2,773,415	2,773,415
	<b>1,399,630,963</b>	<b>16,138,348</b>	<b>998,972,742</b>	<b>2,414,742,053</b>

During the first 9 months of 2019, the fund units were transferred between the levels of fair value, from level 3 to level 1 (unit value of net assets determined based on observable market data for fund holdings).

## 16. Financial assets measured at amortized cost

*denominated in RON*

	September 30, 2019	December 31, 2018
Bonds	6,445,339	6,327,044
Attached interest related to bonds	82,505	178,639
<b>Total</b>	<b>6,527,844</b>	<b>6,505,683</b>

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

Outstanding securities (bonds) at September 30, 2019 include:

- corporate bonds issued by Banca Transilvania denominated in EURO, amounting to RON 6.4 million, purchased in May 2013, convertible in Banca Transilvania shares, with maturity in May 2020, with an annual variable interest rate based on EURIBOR<sub>6 months</sub> + a margin set at 5.9080%;

### 17. Investment property

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>December 31, 2018</b>
<b>Balance at January 1</b>	<b>20,128,515</b>	<b>20,042,164</b>
Entries		
Sales		
Changes in fair value		86,351
<b>Balance at the end of period</b>	<b>20,128,515</b>	<b>20,128,515</b>

The balance of real investment property includes the value of the building and the land acquired following the withdrawals from companies and the value of the buildings held after the closure of some branches, measured at fair value.

### 18. Other financial assets

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>December 31, 2018</b>
Sundry debtors	28,620,512	1,440,881
Current income tax receivables	-	2,126,352
Other financial assets	144,758	116,436
Impairment for depreciation of sundry debtors	(1,406,362)	(1,406,362)
<b>Total</b>	<b>27,358,908</b>	<b>2,277,307</b>

As at September 30, 2019, Sundry debtors item includes the amount of RON 27,086,652, representing guarantee for operations on the capital market, amount transferred to Swiss Capital.

### 19. Deferred tax liabilities

Deferred tax assets and liabilities at September 30, 2019 and December 31, 2018 are generated by the elements detailed in the following tables:

#### September 30, 2019

<i>denominated in RON</i>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
Financial assets at FVOCI	-	942,421,638	(942,421,638)
Tangible assets and investment property	-	12,764,035	(12,764,035)
<b>Total</b>	<b>-</b>	<b>955,185,673</b>	<b>(955,185,673)</b>
Net temporary differences - 16% rate			(995,185,673)
<b>Deferred tax liabilities</b>			<b>(152,829,708)</b>

#### 2018

<i>denominated in RON</i>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
Financial assets at FVOCI	-	799,042,481	(799,042,481)
Tangible assets and investment property	-	12,764,034	(12,764,034)
<b>Total</b>	<b>-</b>	<b>811,806,515</b>	<b>(811,806,515)</b>
Net temporary differences - 16% rate	-	-	<b>(811,806,515)</b>
<b>Deferred tax liabilities</b>	-	-	<b>(129,889,043)</b>

Deferred tax liabilities in balance for the period ended September 30, 2019 in the amount of RON 152,829,708 (2018: 129,889,043) include:

- deferred income tax recognized directly through the decrease in equity amounting to RON 142,505,815 (2018: 113,971,379), being wholly generated by reserves for financial assets measured at fair value through other comprehensive income (FVOCI)

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

- the deferred tax related mainly to the differences from inflation of the financial assets and the impairment adjustments, amounting to RON 10,323,893 recognized in the retained earnings.

### 20. Other financial liabilities

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>December 31, 2018</b>
Payables to employees and related contributions	638,415	1,195,933
Taxes and fees	3,839,311	8,606
Internal suppliers	73,178	409,805
<b>Total</b>	<b>4,550,905</b>	<b>1,614,344</b>

### 21. Capital and reserves

#### (a) Share capital

As at September 30, 2019, the share capital of SIF Banat-Crişana amounts to RON 51,746,072, divided into 517,460,724 shares with the nominal value of RON 0.1 and it is the result of direct subscriptions to the share capital of the company, by converting into shares the amounts due as dividends under Law no. 55/1995 and pursuant to Law no. 133/1996. As at September 30, 2019 the number of shareholders was of 5,750,939 (December 31, 2018: 5,754,670).

The shares issued by SIF Banat-Crişana are traded on the Bucharest Stock Exchange since November 1999. The records of shares and shareholders is kept by Depozitarul Central S.A. Bucharest.

All shares are ordinary shares, were subscribed and fully paid as June 30, 2019 and December 31, 2018. All shares have equal voting rights and a nominal value of RON 0.1/share. The number of shares authorized to be issued is equal to the shares issued.

The Extraordinary General Meeting of Shareholders of April 26, 2018, approved the reduction of SIF Banat-Crişana's share capital, as per art. 207 par. (1) letter c) of Law no. 31/1990, from RON 52,000,000 to RON 51,746,072.40, following the cancelation of 2,539,276 own shares repurchased by the Company in the buyback programs executed in 2016 and 2017.

The EGM of April 26, 2018, approved the execution of a buyback program for the repurchase of 17,460,724 own shares ("Program I") by the Company, to reduce its share capital.

The EGM of April 26, 2018, approved the execution of a buyback program for the repurchase of 1,400,000 own shares ("Program II") by the Company, for their distribution free of charge to the members of the Company's management (administrators, directors) in order to build their loyalty as well and to reward their activity in the Company, according to performance criteria to be determined by the Board of Directors.

Following the resolution of EGM of April 26, 2018, the Board approved the "Stock-Option Plan" by which were offered to administrators and directors of the Company a total of 1,400,000 SIF1 shares. The vesting (transfer) of shares will be made when the conditions of the "Stock-option Plan" are met and each beneficiary exercise his/her option, after a period of 15 months from signing the payment agreements.

On September 28, 2018, SIF Banat-Crişana reported on the initiation, starting on October 2, 2018, of the Buyback Program II through daily transactions in the market, according to the resolution of the EGM no. 2 art. 2 of 26.04.2018. The program was suspended by the Company on October 29, 2018.

The EGM of April 22, 2019, approved the execution of a buyback program for the repurchase of 15,000,000 own shares ("Program I") by the Company, to reduce its share capital and the repurchase of 800,000 own shares at most ("Program II") by the Company, for their distribution free of charge to the members of the Company's management (administrators, directors) in order to build their loyalty as well and to reward their activity in the Company, according to performance criteria to be determined by the Board of Directors.

Reconciliation of the share capital in accordance with IFRS with the share capital in accordance with the statutory share capital is shown in the table below:

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>December 31, 2018</b>
Statutory share capital	51,746,072	51,746,072
The effect of applying IAS 29 on share capital	645,164,114	645,164,114
<b>Restated capital</b>	<b>696,910,187</b>	<b>696,910,187</b>

## Selected explanatory notes to the condensed financial statements as at September 30, 2019

### **(b) Reserves set up following the application of Law no. 133/1996**

The reserve for the initial portfolio was set up under the application of Law no. 133/1996, as the difference between the portfolio value and the subscribed capital contribution to the company. These reserves are treated as an initial contribution (share premium) and are not used when selling the financial assets. Reconciliation of the reserve related to the initial portfolio according to IFRS with the reserve according to the accounting regulations applicable up to the date of application of ASF Rule no. 39/2015 is presented in the following table:

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>December 31, 2018</b>
Reserves from the application of Law no. 133/1996	145,486,088	145,486,088
The effect of applying IAS 29 on reserves set up following the application of Law no. 133/1996	1,960,189,603	1,960,189,603
<b>Reserves set-up from the application of Law no. 133/1996</b>	<b>2,105,675,691</b>	<b>2,105,675,691</b>

The effect of hyperinflation over the share capital amounting to RON 645,164,111 and over the reserve set-up following the application of Law no. 133/1996 amounting to RON 1,960,189,603 was recorded by reducing the retained earnings, resulting in an accumulated loss related to applying IAS 29 on the capital items in the amount of RON 2,605,353,717 at the end of each period presented.

### **(c) Differences from changes in fair value of financial assets measured through other comprehensive income**

This reserve comprises cumulative net changes in the fair values of financial assets measured through other comprehensive income from the date of their classification in this category to the date they have been derecognized or impaired.

Reserves are recorded net of related deferred tax.

### **(d) Legal reserves**

Pursuant to the legal requirements, the Company set-up legal reserves in the amount of 5% of recorded profit according to applicable accounting standards up to 20% of the share capital as per the Articles of Association. The legal reserve as at September 30, 2019, amounts to RON 10,349,214 (December 31, 2018: RON 10,349,214). In the financial year 2018 and as at September 30, 2019, the Company has no longer set-up legal reserves from the distributed profit, as these reached the upper limit of 20% of the share capital, as per the Articles of Association.

Legal reserves cannot be distributed to shareholders.

### **(e) Dividends**

During the first nine months of 2019 there was no approval for dividend distribution. In 2018, it was not approved the distribution of dividends from the profit of the financial year 2017.

## **22. Earnings per share**

The calculation of basic earnings per share was made based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares:

<i>denominated in RON</i>	<b>September 30, 2019</b>	<b>September 30, 2018</b>
Profit attributable to ordinary shareholders	126,540,975	65,455,653
Weighted average number of ordinary shares	517,371,068	517,460,724
<b>Basic earnings per share</b>	<b>0,245</b>	<b>0,126</b>

Diluted earnings per share equals basic earnings per share, as the Company did not record potential ordinary shares.

## **Selected explanatory notes to the condensed financial statements *as at September 30, 2019***

### **23. Contingent assets and liabilities**

#### **(a) Litigations**

As at September 30, 2019 the Legal Office of the Company reported 103 litigations pending in Courts. The Company had legal standing in 89 lawsuits, and passive legal standing in 14 lawsuits.

In most lawsuits in which the Company acts as plaintiff, the subject of litigation is the cancellation / ascertainment of cancellation of decisions taken by the General Meetings of Shareholders in portfolio companies, recovery of non-collected dividends or insolvency proceedings of portfolio companies.

#### **(b) Other liabilities**

not the case

### **24. Related parties**

The parties are considered related if one party has the ability to control the other party or to exercise a significant influence over its financial and operational decision making.

The Company has identified the following related parties in the course of business:

#### **Key management personnel**

##### *September 30, 2019*

- As at September 30, 2019, the Board of Directors of SIF Banat-Crişana was comprised of 5 members: Bogdan-Alexandru Drăgoi - Chairman, Radu Răzvan Străuț - Vice-Chairman, Sorin Marica, Marcel Heinz Pfister and Ionel Marian Ciucioi.
- As at September 30, 2019, the members of the executive team of SIF Banat-Crişana are: Bogdan-Alexandru Drăgoi – CEO (General Director), Radu Răzvan Străuț - Deputy General Director, Teodora Sferdian - Deputy General Director, Laurențiu Riviș – Director.

##### *December 31, 2018*

- As at December 31, 2018, the Board of Directors of SIF Banat-Crişana was comprised of 5 members: Bogdan-Alexandru Drăgoi - Chairman, Radu Răzvan Străuț - Vice-Chairman, Sorin Marica, Marcel Heinz Pfister and Ionel Marian Ciucioi.
- As at December 31, 2018, the members of the executive team of SIF Banat-Crişana were: Bogdan-Alexandru Drăgoi – CEO (General Director), Radu Răzvan Străuț - Deputy General Director, Teodora Sferdian - Deputy General Director and Laurențiu Riviș – Director.

During the period of the interim reporting, there were no transactions carried out and no advances and loans were granted to managers and administrators of the Company, except for work related travel advances.

The Company has not received and has not given guarantees in favour of any related party.

#### **Subsidiaries**

As at September 30, 2019 and December 31, 2018, the Company held stakes in 13 companies. The reduction in the number of subsidiaries included in the scope of consolidation is the result of the classification of the Company as an investment entity, after which the subsidiaries performing investment services for the Company (SAI Muntenia and AISA) remained in the scope of consolidation and the other subsidiaries were deconsolidated.

#### **Associated entities**

The number of entities in which the Company holds stakes between 20% and 50% of the capital as at September 30, 2019 is of 21 (December 31, 2018: 25), of which:

- a. Two entities (Gaz Vest SA Arad, Biofarm SA Bucharest), in which the Company exercises significant influence;
- b. 6 (December 31, 2018: 9) entities that do not qualify as associates, because the Company does not exercise significant influence in those companies;
- c. 13 (December 31, 2018: 14) entities in insolvency / liquidation / bankruptcy.

## **Selected explanatory notes to the condensed financial statements as at September 30, 2019**

### **Transactions with related parties during the interim reporting period:**

During the first nine months of 2019, the Company made the following transactions with affiliated parties:

- recording as dividend income from:
  - SAI Muntenia, amounting to RON 13,557,288;
  - Biofarm SA Bucharest, amounting to RON 3,620,966;
  - IAMU SA Blaj, amounting to RON 2,300,867;
  - Uniteh SA, amounting to RON 96,730.
- proceeds from Vrancart SA, interest on corporate bonds in the amount of RON 1,450,127;
- payments to the company Administrare Imobiliare SA (the management company of SIF Imobiliare) of the total amount of RON 116,208, representing the rent and operating expenses for the rented space, and to the company Gaz Vest SA Arad the amount of RON 45,222 representing natural gas;
- 7,500 bonds issued by the company SIFI BH Retail SA worth of RON 70,713,000 were purchased, of which 6,400 were redeemed, with a value of RON 60,904,960. The interest received on the bonds amounted to RON 1,181,419, transactions were reported on the market according to Law no. 24/2017.

During the first nine months of 2019, the stakes were enlarged, by the acquisition of shares, in the companies:

- Uniteh SA - from 36.33% to 36.34%, purchase of 51 shares with a value of RON 1,503,
- Biofarm SA - from 23.22% to 36.75%, purchase of 133,270,532 shares with a value of RON 44,423,496.

### **25. Events after the interim period**

- **October 3, 2019** – as per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the investors that in the litigation subject of the file case no. 1648/108/2019, to be judged by the Tribunal of Arad having as object the request for the annulment of the Resolution of the Ordinary General Meeting of SIF Banat-Crişana Shareholders no. 1 of June 20, 2019, in contradiction with SIF Oltenia S.A., the court ordered the joining with the file case no. 1583/108/2019 before the Tribunal of Arad, having as object the request for the annulment of the Resolution of the Ordinary General Meeting of SIF Banat-Crişana Shareholders no. 1 of June 20, 2019, in contradiction with Flaros S.A., which has the trial date November 4, 2019.

- **October 4, 2019** – as per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the shareholders that, pursuant to the provisions of Law no. 31/1990 and Company's Articles of Association, in the meeting held on October 3, 2019, the Board of Directors of SIF Banat-Crişana has decided:

- approval of relocating the premises of SIF Banat-Crişana's Bucharest branch from the former address in Bucharest, sector 1, No. 175 Calea Floreasca, 7th floor, room A1, to the new address in Bucharest, sector 2, No. 46-48 Serghei Vasilievici Rahmaninov Str., 3rd floor.

- approval of updating art. 2 paragraph (2) of the SIF Banat-Crişana's Articles of Association, following the relocation of Bucharest branch.

- **October 7, 2019** – as per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the shareholders upon the conclusion of the lease agreement for the space located in Bucharest, sector 2, No. 46-48 Serghei Vasilievici Rahmaninov Str., 3rd floor, owned by the company Administrare Imobiliare S.A. Bucharest, a transaction regulated under the provisions of Article 82 of Law 24/2017.

- **October 9, 2019** – as per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the shareholders upon the receiving from SIF Oltenia S.A. of - Reporting of major holdings according to art. 69 paragraph (1) of Law no. 24/2017 and the ASF Regulation no. 5/2018.

- **October 15, 2019** – as per Regulation no. 5/2018 and Law no. 24/2017 on issuers of financial instruments and market operations, the Company informed the shareholders that, from the information published on the portal of the courts, in the hearing held on October 15, 2019, Dolj Tribunal admitted the request submitted in the file case no. 6001/63/2019 and authorized the convening of the Ordinary General Meeting of SIF OLTENIA SA by the shareholders SIF Banat-Crişana and SIF Muntenia. At the same time, the court set the date of holding the general meeting within 60 days from the final

## **Selected explanatory notes to the condensed financial statements *as at September 30, 2019***

stay of the sentence, establishing that the shareholder SIF BANAT-CRIȘANA SA through legal representative to preside over the meeting of the OGM of SIF OLTENIA SA.

The sentence of the Dolj Court is not final, it can be appealed within 30 days after its communication.

- **October 17, 2019** – it was published the announcement concerning the Public Tender Offer for shares issued by SIF Banat-Crișana with the price of RON 2.5/share, approved by ASF Decision no. 1263/16.10.2019.



**STATEMENT OF**  
**assets and liabilities of SIF Banat-Crişana as at 30.09.2019**

annex no. 16

DESIGNATION	VALUE [RON]
<b>1. Non-current assets</b>	<b>735,592,017</b>
1.1 Intangible assets	12,061
1.2 Tangible assets	23,168,440
1.3 Financial assets	712,411,516
1.3.1 Listed shares	177,974,673
1.3.2 Unlisted shares	192,612,989
1.3.3 Government securities	-
1.3.4 Certificates of deposit	-
1.3.5 Bank deposits	-
1.3.6 Municipal bonds	-
1.3.7 Corporate bonds	17,411,534
1.3.8 Newly issued securities	-
1.3.9 Units of UCITS and / or non-UCITS	324,306,361
1.3.10 Other financial assets	105,959
<b>2. Current assets</b>	<b>1,842,469,513</b>
2.1 Inventories	2,239
2.2 Receivables, of which:	27,250,949
2.2.1 Dividends receivables	-
2.2.2 Receivables rights	-
2.2.3 Other receivables	27,250,949
2.3 Cash and equivalents	73,682,181
2.4 Short term financial investments	1,664,500,660
2.4.1 Listed shares	1,494,741,740
2.4.2 Unlisted shares	-
2.4.3 Municipal bonds	-
2.4.4 Corporate bonds	42,296,235
2.4.5 Units of UCITS and / or non-UCITS	127,462,684
2.5 Newly issued securities	-
2.6 Government securities	-
2.7 Bank deposits	77,022,972
2.8 Certificates of deposit	-
2.9 Other current assets	10,512
<b>3. Derivatives</b>	<b>-</b>
<b>4. Prepaid expenses</b>	<b>166,742</b>
<b>5. Total assets</b>	<b>2,578,228,271</b>
<b>6. Total liabilities</b>	<b>157,380,614</b>
6.1 Loans from bond issues	-
6.2 Amounts owed to credit institutions	-
6.3 Advances received from clients	-
6.4 Trade payables	58,419
6.5 Bills of exchange payable	-
6.6 Amounts owed to group companies	-
6.7 Amounts owed to related parties	-
6.8 Other liabilities, of which	157,322,194
- deferred income tax	152,829,709
<b>7. Provisions for expenses</b>	<b>-</b>
<b>8. Deferred income, of which:</b>	<b>12,482</b>
8.1 Investment subsidies	-
8.2 Deferred income	12,482
<b>9. Shareholders' equity, of which:</b>	<b>2,634,925,357</b>
9.1 Share capital	51,746,072
9.2 Share capital premiums	-
9.3 Revaluation differences	105,016
9.4 Reserves	2,968,499,916
* 9.5 Treasury shares	-224,045
9.6 Retained earnings	587,256,396
9.7 Result for the period (YTD)	126,540,975
9.8 Profit appropriation	-
9.9 Retained earnings adoption of IAS 29 for the first time	-2,540,075,937
9.10 Items treated as capital	645,164,114
9.11 Other elements of equity	795,912,849
<b>10. Total liabilities</b>	<b>2,792,318,453</b>
<b>11. Net asset</b>	<b>2,573,664,884</b>
** 12. Number of outstanding shares	517,371,068
<b>13. Net asset value per share NAV/S</b>	<b>4.9745</b>
<b>14. Number of companies in the portfolio, of which:</b>	<b>123</b>
14.1 Companies admitted to trading on a regulated market	20
14.2 Companies admitted to trading on an alternative trading system	25
14.3 Unlisted companies	78

\* The value of own shares repurchased in Buyback Program 2 approved by GMS of April 26, 2018, executed between 02.10.2018 - 26.10.2018

\*\* Pursuant to Art.123, par. (3) of the ASF Regulation no. 9/2014, on the calculation of NAV, this item represents:

"The total number of issued and outstanding shares, less treasury stock"

"NOTE:

Net Asset Value (NAV) as at September 30, 2019 decreased 0.45% compared to the previous month, mainly due to the lowering of the value of the issuer SIF Hoteluri SA. In calculating SIF Banat-Crişana's NAV, SIF Hoteluri SA (market symbol CAOR) is evaluated in accordance with the provisions of the ASF Regulation no. 9/2014, depending on whether there are transactions with CAOR securities during the last 30 trading days.

As at August 30, 2019, the value of SIF Hoteluri was calculated according to the provisions of art. 115 paragraph (2) and paragraph (1) letter (a) point (1), at the book value of RON 3.0668 / share, as there were no transactions on BVB (Bucharest Stock Exchange) during the last 30 trading days. During September 2019, there were three transactions with CAOR securities and, therefore, the value of SIF Hoteluri as at September 30, 2019 was calculated according to art. 113 letter (a) point 2, at the price of RON 1.3200 / share, the closing price of the last transaction recorded on BVB in September."0

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**SIF Banat-Crişana**

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**Assets in SIF Banat-Crișana portfolio assessed by  
valuation methods compliant with International Valuation Standards**

as at: 30.09.2019

No.	Company name	Fiscal code	Symbol	Nr. of shares held	No./date Evaluation report	Value	
						RON / share	total
Unlisted shares (closed)							
1	AZUGA TURISM	28330211		786,882	585-A/27.02.2019	35.0000	27,540,870
2	NAPOMAR	199176		10,256,241	510/f/20.03.2019	2.9851	30,615,905
3	CENTRAL	199230		53,120	510/e/20.03.2019	547.6632	29,091,869
4	SAI MUNTENIA INVEST	9415761		119,976	510/d/20.03.2019	406.4000	48,758,246
5	SIF SPV TWO	40094500		119,988	1699-a/30.07.2019	0.8715	104,570
6	Administrare Imobiliare SA	20919450		16,049,741	64/11.01.2019	2.4396	39,154,948

**SIF Banat-Crișana**

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## SIF Banat-Crişana's assets as at 30.09.2019

RON

ITEM	Beginning of the reporting period 31.12.2018				End of the reporting period 28.06.2019				Differences
	% of net asset	% of total assets	Currency	RON	% of net asset	% of total assets	Currency	RON	
I. Total assets	100.16	100.00	93,862,496	2,412,253,247	100.18	100.00	94,490,566	2,483,737,705	72,112,528
1. Securities and money market instruments, out of which:	65.11	65.01	-	1,629,196,228	64.99	64.88	-	1,672,716,414	43,520,186
1.1. Securities and money market instruments admitted or traded on a regulated market from Romania, out of which:	56.19	56.10	-	1,405,866,184	56.90	56.80	-	1,464,422,013	58,555,830
1.1.1. Shares issued by companies admitted to trading	56.19	56.10	-	1,405,866,184	56.90	56.80	-	1,464,422,013	58,555,830
1.1.2. Municipal bonds	-	-	-	-	-	-	-	-	-
1.1.3. Bonds issued by banking companies	-	-	-	-	-	-	-	-	-
1.2. Securities and money market instruments admitted or traded on a regulated market from a member state	8.93	8.91	-	223,330,044	8.09	8.08	-	208,294,400	-15,035,644
1.3. Securities and money market instruments admitted on a stock exchange from a state not a member or negotiated on another regulated market from a state not a member, that operates on a regular basis and is recognized and opened to the public	-	-	-	-	-	-	-	-	-
2. Newly issued securities	-	-	-	-	-	-	-	-	-
3. Other securities and money market instruments mentioned at art. 187 letter a): securities (by category and by type of issuer) and money market instruments (by category), of which:	10.51	10.50	22,266,453	240,804,752	9.80	9.79	22,481,921	229,838,837	-10,750,447
3.1. Shares issued by companies not admitted to trading	8.14	8.12	-	203,576,005	7.48	7.47	-	192,612,989	-10,963,015
3.2. Corporate bonds	2.38	2.37	22,266,453	37,228,748	2.32	2.32	22,481,921	37,225,848	212,568
4. Bank deposits, of which:	3.96	3.95	0	99,040,954	2.99	2.99	0	77,022,972	-22,017,982
4.1. Bank deposits made with credit institutions in Romania	3.96	3.95	0	99,040,954	2.99	2.99	0	77,022,972	-22,017,982
4.2. Bank deposits made with credit institutions of a member state	-	-	-	-	-	-	-	-	-
4.3. Bank deposits made with credit institutions of a non-member state	-	-	-	-	-	-	-	-	-
5. Derivatives financial instruments traded on a regulated market:	-	-	-	-	-	-	-	-	-
5.1. Derivatives financial instruments traded on a regulated market from Romania, on categories	-	-	-	-	-	-	-	-	-
5.2. Derivatives financial instruments traded on a regulated market from a member state, on categories	-	-	-	-	-	-	-	-	-
5.3. Derivatives financial instruments traded on a regulated market from a non-member state, on categories	-	-	-	-	-	-	-	-	-
5.4. Derivatives traded outside the regulated markets, on categories	-	-	-	-	-	-	-	-	-
6. Current accounts and cash	2.92	2.92	71,596,043	1,530,181	2.86	2.86	72,008,645	1,673,535	555,957
7. Money market instruments, others than those traded on a regulated market, according to art. 101 par. (1) letter g) of Law no. 297/2004	0.00	0.00	0	-	-	-	0	-	0
7.1. Municipal bonds not traded	-	-	-	-	-	-	-	-	-
7.2. REPO with govt. bonds denominated in RON and foreign currency	-	-	-	-	-	-	-	-	-
7.3. Govt. bonds	0.00	0.00	0	-	-	-	0	-	0
8. UCITS and non UCITS equity securities	16.66	16.64	-	416,920,992	17.55	17.52	-	451,769,045	34,848,053
9. Other assets (amounts in transit, receivables from distributors, brokerage houses, etc.)	0.99	0.99	-	24,760,139	1.97	1.97	-	50,716,901	25,956,762

SIF Banat-Crişana

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# **Net Asset Value / Share**

as at 30.09.2019

RON

ITEM	Current period [30.09.2019]	Corresponding period of the previous year [28.09.2018]	Differences
Net Asset Value (NAV)	2,573,664,884	2,679,532,491	-105,867,608
Number of issued, outstanding shares	517,371,068	517,460,724	-89,656
Unitary net asset value (NAV/S)	4.9745	5.1782	-0.2037

**SIF Banat-Crişana**

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Securities admitted or traded on a regulated market in Romania  
as at 30.09.2019

No.	Issuer	Symbol	Date of last trading session	No. of shares held [units]	Nominal value [RON]	Value of share [RON]	Total value [RON]	Stake in the issuer's share capital [%]	Stake in SIFBC total asset [%]	Stake in SIFBC net asset [%]
<b>LISTED SHARES</b>										
<b>traded in the last 30 days</b>										
1	BANCA TRANSILVANIA	TLV	30.09.2019	235,638,345	1.00	2.4000	565,532,028	4.5177	21.93	21.97
2	BRD - GROUPE SOCIETE GENERALE	BRD	30.09.2019	13,615,497	1.00	14.3200	194,973,917	1.9537	7.56	7.58
3	VRANCART	VNC	30.09.2019	774,416,054	0.10	0.1650	127,778,649	75.0633	4.96	4.96
4	BIOFARM	BIO	30.09.2019	362,096,587	0.10	0.3250	117,681,391	36.7471	4.56	4.57
5	S.N.G.N. ROMGAZ S.A.	SNG	30.09.2019	1,571,667	1.00	36.9500	58,073,096	0.4078	2.25	2.26
6	CONPET	COTE	30.09.2019	562,740	3.30	79.8000	44,906,652	6.5000	1.74	1.74
7	SIF HOTELURI	CAOR	27.09.2019	31,820,906	2.50	1.3200	42,003,596	98.9997	1.63	1.63
8	SNTGN TRANSGAZ	TGN	30.09.2019	43,845	10.00	365.0000	16,003,425	0.3724	0.62	0.62
9	OMV PETROM	SNP	30.09.2019	35,865,800	0.10	0.4225	15,153,301	0.0633	0.59	0.59
10	ELECTRICA S.A.	EL	30.09.2019	657,500	10.00	11.0500	7,265,375	0.1901	0.28	0.28
11	ANTIBIOTICE	ATB	30.09.2019	14,167,736	0.10	0.5100	7,225,545	2.1104	0.28	0.28
12	COMELF	CMF	16.09.2019	1,211,907	0.58	2.0000	2,423,814	5.3919	0.09	0.09
13	ROMPETROL WELL SERVICES	PTR	27.09.2019	5,541,900	0.10	0.3600	1,995,084	1.9921	0.08	0.08
14	COMPA	CMP	30.09.2019	2,342,529	0.10	0.7900	1,850,598	1.0705	0.07	0.07
15	SSIF BRK FINANCIAL GROUP SA	BRK	30.09.2019	2,867,075	0.25	0.0822	235,674	0.8489	0.01	0.01
<b>On an alternative trading system</b>										
16	IAMU	IAMU	02.09.2019	7,286,299	2.50	5.2000	37,888,755	76.6967	1.47	1.47
17	COMPANIA HOTELIERA INTERCONTINENTAL ROMANIA	RCHI	27.09.2019	112,745,203	0.10	0.2360	26,607,868	13.5260	1.03	1.03
18	UNITEH	UNIT	19.09.2019	158,573	2.50	35.0000	5,550,055	36.3399	0.22	0.22
19	IPROEB	IPRU	30.09.2019	4,097,615	0.30	0.8200	3,360,044	8.6135	0.13	0.13
20	ARGUS	UARG	27.09.2019	1,790,432	1.50	1.7500	3,133,256	5.0039	0.12	0.12
21	SATURN	SATU	23.09.2019	346,926	2.50	8.0000	2,775,408	17.5385	0.11	0.11
22	MOBEX	MOBG	16.09.2019	295,844	2.50	6.0000	1,775,064	17.4504	0.07	0.07
23	ARCELOR MITTAL HUNEDOARA	SIDG	25.09.2019	5,921,324	2.00	0.2140	1,267,163	2.9820	0.05	0.05
24	REVA	REVA	30.08.2019	74,777	2.50	8.6000	643,082	5.0112	0.02	0.02
25	PROSPECTIUNI	PRSN	27.09.2019	5,198,500	0.10	0.0635	330,105	0.7240	0.01	0.01
26	ELVILA	ELV	23.09.2019	13,085	1.00	1.1000	14,394	0.0492	0.00	0.00
27	PROFESSIONAL IMO PARTNERS	PPLI	23.09.2019	1	1.00	2.5800	3	0.0000	0.00	0.00
							<b>1,286,447,340</b>			

<b>Not traded in the last 30 days</b>										
1	UCM	UCM	06.12.2011	1,071,837	0.10	0.0000	0	0.9750	0.00	0.00

<b>On an alternative trading system</b>										
2	SIF IMOBILIARE	SIFI	25.04.19	4,499,961	4.47	36.5432895	164,443,378	99.9997	6.38	6.39
3	SOMPLAST	SOPL	03.07.19	2,303,180	2.50	3.18928681	7,345,502	70.7511	0.28	0.29
4	SILVANA	SIVX	19.08.09	1,443,772	2.50	1.8448647	2,663,564	96.2832	0.10	0.10
5	ANTECO	ANTE	04.07.19	7,042,220	0.10	0.13867889	976,607	17.2036	0.04	0.04
6	TRANSGEX	TRNG	14.08.19	143,978	2.50	5.36492058	772,431	2.7040	0.03	0.03
7	INDUSTRIA SARMEI CAMPIA TURZII	INSI	04.07.19	4,604,082	0.10	0.1671484	769,565	4.1320	0.03	0.03
8	PRIMACONSTRUCT	PCTM	03.07.19	90,685	2.50	6.00159552	544,255	15.6969	0.02	0.02
9	URBANA	URBA	03.07.19	13,208	9.20	34.7798795	459,373	16.5830	0.02	0.02
10	SOMETRA	SOMR	03.07.19	1,217,602	2.50	0	0	4.5814	0.00	0.00
11	ARMAX GAZ	ARAX	30.06.17	18,500	10.00	0	0	0.3012	0.00	0.00
12	TALC DOLOMITA	TALD	09.10.15	167,108	2.50	0	0	7.8944	0.00	0.00
13	ICSH	ICSH	26.03.12	84,500	2.50	0	0	1.2891	0.00	0.00
14	PETROCAR	PTRC	10.07.19	11,852,163	0.50	0	0	30.1767	0.00	0.00
							<b>177,974,673</b>			

<b>ISSUERS of UCITS and non-UCITS TYPE</b>										
1	SIF MOLDOVA	SIF2	30.09.19	50,649,925	0.10	1.4300	72,429,393	4.9991	2.81	2.81
2	SIF MUNTENIA	SIF4	30.09.19	40,123,500	0.10	0.7380	29,611,143	4.9717	1.15	1.15
3	SIF OLTENIA	SIF5	30.09.19	11,608,287	0.10	2.1900	25,422,149	2.0009	0.99	0.99
							<b>127,462,684</b>			

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SIF Banat-Crișana

BRD Groupe Société Générale

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**Securities admitted or traded on a regulated market in a member state**  
as at 30.09.2019

No.	Issuer	Symbol	Date of last trading session	No. of shares held [units]	Nominal value [RON]	Value of share [RON]	Total value [RON]	Stake in the issuer's share capital [%]	Stake in SIFBC total asset [%]	Stake in SIFBC net asset [%]
<b>LISTED SHARES</b>										
1	ERSTE GROUP BANK AG	EBS	30.09.2019	1,445,000	0.00	144.1484	208,294,400	0.3362	8.08	8.09

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Instruments mentioned at art.187 letter a) - Unlisted shares  
as at 30.09.2019

No.	Issuer	No. of shares held [units]	Date of acquisition	Price of acquisition [RON]*	Value of share [RON]	Total value [RON]	Stake in issuers's share capital [%]	Stake in SIFBC total asset [%]	Stake in SIFBC net asset [%]
<b>UNLISTED SHARES</b>									
1	ADMINISTRARE IMOBILIARE	16,049,741	21 Dec 2018	2.5000	2.4663	39,583,476	97.3981	1.54	1.54
2	SAI MUNTENIA INVEST	119,976	22 Jul 2013	151.3009	305.8333	36,692,656	99.9800	1.42	1.43
3	CENTRAL	53,120	1 Nov 1999	226.1045	572.7924	30,426,732	67.0783	1.18	1.18
4	NAPOMAR	10,256,241	30 Nov 1997	2.5219	2.8746	29,482,590	99.4348	1.14	1.15
5	AZUGA TURISM	786,882	13 Feb 2013	37.5155	36.3000	28,563,817	98.9354	1.11	1.11
6	GAZ VEST	105,068	23 Aug 2002	100.0000	137.5802	14,455,275	25.8185	0.56	0.56
7	BT ASSET MANAGEMENT	716,570	27 Jan 2005	1.0000	5.1535	3,692,842	10.0000	0.14	0.14
8	EXIMBANK	414,740	30 Nov 1997	6.0000	8.7772	3,640,242	0.3108	0.14	0.14
9	DEPOZITARUL CENTRAL	9,878,329	4 Nov 1998	0.1000	0.1252	1,236,869	3.9057	0.05	0.05
10	IFB FINWEST	7,976,121	21 Dec 2000	0.1749	0.0955	762,083	8.6736	0.03	0.03
11	AMIS MOB	12,607	11 Dec 2003	2.5399	53.3780	672,936	8.1220	0.03	0.03
12	MOBIROM	11,589	30 Nov 1997	2.7675	53.9520	625,249	9.0289	0.02	0.02
13	SPUMOTIM	12,398	30 Nov 1997	2.5000	50.0332	620,311	3.9864	0.02	0.02
14	TREMULA BRAILA	17,465	30 Nov 1997	2.5000	28.8966	504,680	13.4561	0.02	0.02
15	CTCE	8,501	30 Nov 1997	2.5000	35.2027	299,258	23.2357	0.01	0.01
16	BIZOOFRUCT	39,424	30 Nov 1997	2.5000	7.5071	295,958	4.4235	0.01	0.01
17	COMAT MARAMURES	19,909	30 Nov 1997	2.5000	12.2171	243,230	10.0002	0.01	0.01
18	COMMETCAR	14,862	30 Nov 1997	2.5000	13.2789	197,351	10.0002	0.01	0.01
19	GRUP BIANCA TRANS	562,400	26 Sep 2006	0.1000	0.3341	187,887	5.1783	0.01	0.01
20	APRO HOREA	8,220	30 Nov 1997	2.5000	16.5096	135,709	13.5427	0.01	0.01
21	FORESTIERA	42,269	12 Jun 1998	2.5000	3.1067	131,317	25.7520	0.01	0.01
22	SIF SPV TWO	119,988	2 Nov 2018	1.0000	0.8715	104,570	99.9900	0.00	0.00
23	STREIUL	9,344	30 Nov 1997	2.5000	4.2707	39,906	17.4419	0.00	0.00
24	MODERN	3,302	30 Nov 1997	2.5000	5.4648	18,045	2.4485	0.00	0.00
25	AGROINDUSTRIALA NADLAC	66,406	30 Nov 1997	2.5000	0.0000	0	29.9996	0.00	0.00
26	SUINPROD GALDA	143,084	30 Nov 1997	2.5000	0.0000	0	27.0910	0.00	0.00
27	TRANSILVANIA AIUD	46,779	30 Nov 1997	2.5000	0.0000	0	20.1873	0.00	0.00
28	COMMIT	10,543	30 Nov 1997	2.5000	0.0000	0	28.9667	0.00	0.00
29	MINIERA CUART	17,396	29 Dec 2006	2.5000	0.0000	0	3.3999	0.00	0.00
30	PROIECT	2,162	30 Nov 1997	8.0000	0.0000	0	10.0000	0.00	0.00
31	AGROINDUSTRIALA INEU	59,755	30 Nov 1997	2.5008	0.0000	0	11.5001	0.00	0.00
32	SANEVIT	535,217	30 Nov 1997	0.2495	0.0000	0	8.9696	0.00	0.00
33	EDIL CONSTRUCTII	1,771,625	27 Aug 2007	0.8283	0.0000	0	3.8504	0.00	0.00
34	MOBILA USI	1,262,796	13 Jan 2005	0.1000	0.0000	0	32.4520	0.00	0.00
35	AMIS IMPEX	12,607	11 Dec 2003	2.5399	0.0000	0	8.0936	0.00	0.00
36	TREMULA	66,112	8 Apr 2002	2.5000	0.0000	0	17.9898	0.00	0.00
37	LEMN-MOL-FA	37,146	8 May 2001	1.9783	0.0000	0	13.0184	0.00	0.00
38	IPEGM	9,913	16 Jul 1999	2.5000	0.0000	0	3.4000	0.00	0.00
39	COMBINATUL DE UTILAJ GREU	409,572	24 Mar 1999	4.0000	0.0000	0	5.0221	0.00	0.00
40	AUTODANUBIUS	11,653	30 Nov 1997	2.5000	0.0000	0	14.0387	0.00	0.00
41	FORESTA PRIM GHEORGHIEI	17,202	1 Jul 1998	2.5000	0.0000	0	14.7522	0.00	0.00
42	FORTOP	39,226	1 Jul 1998	2.5000	0.0000	0	12.4859	0.00	0.00
43	MOCARS	119,969	25 Nov 1998	5.5408	0.0000	0	9.6836	0.00	0.00
44	AGROPRODUCT RESITA	72,720	30 Nov 1997	2.5000	0.0000	0	30.0045	0.00	0.00
45	TEHNOLOGIE MOBILA STIL	9,000	20 Sep 2004	2.5000	0.0000	0	4.5523	0.00	0.00
46	METALURGICA	50,436	30 Nov 1997	2.5000	0.0000	0	28.4090	0.00	0.00
47	FOREMAR	28,047	30 Nov 1997	40.0000	0.0000	0	10.5405	0.00	0.00
48	REGNA FOREST	33,118	30 Nov 1997	2.5000	0.0000	0	7.0103	0.00	0.00
49	MEBIS	346,637	30 Nov 1997	2.5000	0.0000	0	26.7806	0.00	0.00
50	BRAFOR	5,928,744	30 Nov 1997	0.1000	0.0000	0	2.6874	0.00	0.00
51	HICART	4,576	24 Jun 1998	2.5000	0.0000	0	0.7939	0.00	0.00
52	RETEAUA LIBRARIILOR "BIBLIOFOR"	1,275	30 Nov 1997	2.5000	0.0000	0	10.0047	0.00	0.00
53	ERGOLEMN	9,637	30 Nov 1997	11.0608	0.0000	0	12.9584	0.00	0.00
54	IFOR	101,803	30 Nov 1997	2.5000	0.0000	0	15.3525	0.00	0.00
55	AGROMEC GATAIA	13,585	30 Nov 1997	4.1242	0.0000	0	23.9097	0.00	0.00
56	SILVANIA FOREST	30,111	30 Nov 1997	2.5000	0.0000	0	0.6049	0.00	0.00
57	LASPERESIA	20	30 Nov 1997	2.5000	0.0000	0	1.9455	0.00	0.00
58	AVERSA	142,699	22 Oct 2004	1.1799	0.0000	0	2.1416	0.00	0.00
59	MOBILSAL	550	30 Nov 1997	9.1900	0.0000	0	2.7500	0.00	0.00
60	CONTOR GROUP	2,900,049	27 Nov 2007	0.6628	0.0000	0	1.4962	0.00	0.00
61	ARIO	3,523,021	30 Nov 1997	4.3027	0.0000	0	93.6407	0.00	0.00
62	FORTPRES - CUG	103,523	30 Nov 1997	2.5000	0.0000	0	1.3598	0.00	0.00
63	VINALCOOL	232,433	30 Nov 1997	0.1000	0.0000	0	6.7973	0.00	0.00
64	REMAT CARAS SEVERIN	24,257	30 Nov 1997	2.5000	0.0000	0	7.8287	0.00	0.00
65	ROSTRAMO	434,501	30 Nov 1997	2.4988	0.0000	0	10.0371	0.00	0.00
66	MOBIMET	14,695	30 Nov 1997	2.5000	0.0000	0	28.8749	0.00	0.00
67	SIMATEC	42,886	30 Nov 1997	2.5000	0.0000	0	18.8217	0.00	0.00
68	EXFOR	399,654	30 Nov 1997	2.5000	0.0000	0	24.2311	0.00	0.00
69	UZINA ARDEALUL	55,593	30 Nov 1997	2.5000	0.0000	0	29.5075	0.00	0.00
70	BANCA INTERNATIONALA A RELIGIILOR	186,849	30 Nov 1997	0.7544	0.0000	0	0.9342	0.00	0.00
71	ARCER	83,213	30 Nov 1997	2.5000	0.0000	0	19.7002	0.00	0.00

72	ELBAC	8,299,560	30 Nov 1997	0.1000	0.0000	0	32.4500	0.00	0.00
73	MOPAL	251,067	30 Nov 1997	61.0533	0.0000	0	21.8936	0.00	0.00
74	CUART	4,516	30 Nov 1997	2.5000	0.0000	0	3.3999	0.00	0.00
75	BANCA COMERCIALA ROMANA	1	30 Nov 1997	0.1000	0.0000	0	-	0.00	0.00
76	SOMES	1,653,350	30 Nov 1997	2.0993	0.0000	0	13.1191	0.00	0.00
77	COMAR	40,601	30 Nov 1997	2.5000	0.0000	0	34.9415	0.00	0.00

ISSUERS WITH BALANCE SHEET NOT SUBMITTED									
78	MOLIDUL	90,579	30.11.1997	2.5000	0.0000	0	21.6326	0.00	0.00

**192,612,989**

ISSUERS of UCITS and non-UCITS TYPE									
1	Fondul Inchis de Investitii ACTIVE PLUS	15,050.2178	4 Mar 2014	8,396.5368	11,403.5000	171,625,159	76.4216	6.66	6.67
2	Fondul Inchis de investitii OPTIM INVEST	3,494.6900	8 May 2017	8,190.6100	10,928.6100	38,192,104	23.2591	1.48	1.48
3	FII STAR VALUE	9,382.0000	9 Feb 2018	1,065.8700	1,052.7200	9,876,619	18.8875	0.38	0.38
4	FIA CERTINVEST ACTIUNI	305.2000	23 Mar 2018	244,053.3693	235,708.3200	71,938,179	70.1892	2.79	2.80
5	ROMANIA STRATEGY FUND	58,000.0000	12 Dec 2018	500.0000	563.3500	32,674,300	50.8772	1.27	1.27

**324,306,361**

\* The average price determined as the ratio between the acquisition value (calculated based on the initial value in the portfolio plus, if the case, any subsequent increase in value arising from share capital increase, new acquisitions, diminished by potential sales) and the number of shares held at the reporting date (influenced by possible share splits, consolidations and shares acquired free of charge). Impairment differences calculated on the basis of IAS 29 "Financial reporting in hyperinflationary economies" have not been included.

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Bonds or other debt instruments as at  
30.09.2019

**Annex 17**  
**Table 10**

No.	Series and number of the issue	No. of units	Date of acquisition	Maturity date	Initial value [RON]	Daily interest [RON]	Cumulative interest [RON]	Current value[RON]	Stake in SIFBC total asset [%]	Stake in SIFBC net asset [%]	Intermediary bank
	<b>Marketable, issued or guaranteed by the state or central public administration authorities</b>										
	<b>Marketable, issued by companies</b>										
1	ROIMPCDBC030	210	19.12.2017	12.12.2022	4,988,655	786	81,732	5,070,387	0.20	0.20	IMPACT
2	ROVRJUDBC011	368,748	17.03.2017	17.03.2024	36,874,800	5,162	351,048	37,225,848	1.44	1.45	VRANCART ADJUD
	<b>Non-marketable, issued by companies</b>										
1		1,100	23.01.2019	23.01.2021	10,452,420	1,718	431,270	10,883,690	0.42	0.42	SIFI BH Retail
2	ROTLVADBC015	2,260,999	22.05.2013	22.05.2020	6,445,339	1,058	82,505	6,527,844	0.25	0.25	TRANSILVANIA

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**Bank deposits**  
as at 30.09.2019

No.	Name of the bank / Starting date	Maturity date	Initial value [RON]	Daily interest [RON]	Cumulative interest [RON]	Current value [RON]	Stake in SIFBC total asset [%]	Stake in SIFBC net asset [%]
<b>BANCA TRANSILVANIA</b>								
1	20/09/2019	11/10/2019	10,000,000	639	7,028	10,007,028	0.39	0.39
2	20/09/2019	11/10/2019	7,000,000	447	4,919	7,004,919	0.27	0.27
3	20/09/2019	11/10/2019	4,000,000	256	2,811	4,002,811	0.16	0.16
4	20/09/2019	11/10/2019	3,000,000	192	2,108	3,002,108	0.12	0.12
5	30/09/2019	21/10/2019	20,000,000	1,278	1,278	20,001,278	0.78	0.78
6	30/09/2019	21/10/2019	10,000,000	639	639	10,000,639	0.39	0.39
7	30/09/2019	21/10/2019	5,000,000	319	319	5,000,319	0.19	0.19
8	30/09/2019	21/10/2019	5,000,000	319	319	5,000,319	0.19	0.19
9	30/09/2019	21/10/2019	2,000,000	128	128	2,000,128	0.08	0.08
<b>BRD</b>								
1	23/09/2019	07/10/2019	6,000,000.00	233	1,866.67	6,001,867	0.23	0.23
2	23/09/2019	07/10/2019	5,000,000.00	194	1,555.56	5,001,556	0.19	0.19

**77,022,972**

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**Evolution of the net asset and the net asset unitary value in the last 3 years**

as at 30.09.2019

RON

<b>Item</b>	<b>29.09.2017</b>	<b>28.09.2018</b>	<b>30.09.2019</b>
Net Asset	2,299,959,642	2,679,532,491	2,573,664,884
NAV / share	4.4447	5.1782	4.9745

**SIF Banat-Crişana**

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## SIF BANAT-CRIȘANA

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### PRESS RELEASE

## Availability of SIF Banat-Crișana Q3 2019 Report

**October 28, 2019, Arad** | SIF Banat-Crișana informs the investors that the Quarterly Report prepared as at September 30, 2019, pursuant to the provisions of Regulation no. 5/2018, Regulation no. 15/2004, Rule no. 39/2015 and Law no. 24/2017 will be made available to the public starting October 28, 2019. The report in print is made available to the public upon request, and in electronic format on SIF Banat-Crișana's website, at [www.sif1.ro](http://www.sif1.ro).

Note that the condensed standalone interim financial statements as at September 30, 2019 are not audited by the financial auditor of the company.

Further information can be obtained from Investor Relations Office, tel/fax: +40257 304 446 / +40257 250 165, e-mail: [investitori@sif1.ro](mailto:investitori@sif1.ro).

**Bogdan-Alexandru Drăgoi**  
Chairman and CEO

Compliance Officer, Eugen Cristea