

PRESS STATEMENT**to the shareholders of SIF Oltenia SA and potential investors**

Dear shareholders,

Dear investors

We present to you next the conditions that determined the conclusion and development of the credit agreement concluded between SIF Oltenia SA and Transilvania Bank in June 2020 and the total costs generated by it.

The Board of Directors of SIF Oltenia SA from 20.03.2020 through the Current Report no. 2496/20.03.2020, published on the BVB website, informed investors about the OGMS Convocation whose agenda included as main points: approval of individual financial statements, distribution of profit for the financial year 2019 in the amount of 124.132.274 lei with the destination of dividends in the amount of 52.214.914,30 lei, respectively a gross dividend / share of 0.10 lei and the difference in the amount of 71.917.359,37 lei for other resources (own financing sources in order to establish the necessary funds for investments, especially for the development of a future buyback program of 22.149.143 own shares in order to reduce the company's share capital). The date of payment of dividends 01.07.2020 was established according to the provisions of art. 178 paragraph (2) of the FSA Regulation no. 5/2018.

Prior to the convening of the OGMS by the Board of Directors of SIF Oltenia SA, there were the following presumptions in ensuring the necessary funds to pay the proposed dividends and to realize the buyback program of its own shares decided by the EGMS of 25.03.2020, convened and organized at the request of shareholders:

- dividends due from the companies in which SIF Oltenia SA holds the majority stake, provided to be collected until 30.03.2020 in the amount of 6.256.511 lei, respectively from the following companies: Voltalim SA, Provitas SA, Dâmbovița SA Hotel Complex, Univers SA, Mercur SA and Flaros SA;
- OMV PETROM SA, through the Current Report of 17.03.2020 communicated the proposal for granting a dividend of 0.031 lei / share with the date of payment on 05.06.2020. SIF Oltenia SA was to collect net dividends in the amount of 20.989.576 lei for the participation held;
- The Board of Directors of BRD Groupe Societe Generale from 12.03.2020 convened the OGMS for 23.04.2020 proposing the granting of a gross dividend of 1.64 lei / share, with the date of payment 03.06.2020. SIF Oltenia SA, for the participation in BRD, was to collect net dividends in the amount of 44.559.998 lei.

In total, until the date of 01.07.2020 proposed by SIF Oltenia SA for the payment of dividends, the company was to collect the amount of 71.806.085 lei, compared to the total payment dividends of 52.214.914 lei, respectively a surplus of 19.591.171 lei .

At the same time, the Board of Directors of Transilvania Bank on 25.03.2020 convened the OGMS for 29.04.2020 with a proposal for payment of dividends, respectively 0,1150286771 lei / share and the granting of free shares in proportion of 10% of the shares held . The date of payment was announced as being 22.06.2020, SIF Oltenia SA following to receive net dividends in the amount of 24.076.020 lei for the participation held.

Under the conditions described, taking into account only the dividends to be collected from the mentioned companies, the cash necessary to fully pay the dividends proposed by SIF Oltenia SA and over 70% of the amounts necessary to carry out the buyback program of its own shares requested by the company's shareholders and approved in the EGMS of 25.03.2020 were ensured. Dividends expected to be collected by SIF Oltenia SA during the period July- August 2020, related to the other participations held in liquid, stable companies, dividend payers - Transgaz SA, Romgaz SA, Transelectrica SA, BVB etc. - following to complete the difference of approximately 20 million lei necessary for the successful conclusion of the buyback program of its own shares.

Subsequently, following the recommendations of the European Central Bank and the National Bank of Romania that banking companies refrain in 2020 from granting dividends to shareholders from the financial results of 2019, BRD decided not to distribute dividends with payment in 2020 and Transilvania Bank to postpone the date of payment of dividends from 22.06.2020 on 16.10.2020.

Under the conditions described, for SIF Oltenia SA was impossible to achieve the cash necessary to pay dividends in the amount of 52.214.914 lei on account of planned resources (dividends to be collected related to the placements held) forecasting for 01.07.2020 a shortfall in cash in the amount of about 24 million lei.

Since the buyback program of its own shares had to be completed by August 15, 2020, the resource shortfall amounted to approximately 70 million lei.

The Board of Directors and Senior management of SIF Oltenia SA, considering imperative the decisions approved by the OGMS and EGMS, respectively the payment of dividends and the achievement of the buyback program of its own shares, the obligation to manage with maximum responsibility the company's portfolio of shares, in the context of decrease in the 1st Semester 2020 of market quotations for shares listed on BVB of approximately 11% (BET index) on 30.06.2020 compared to 01.01.2020 due to the pandemic with COVID 19, while seeking at the same time the collection of maximum dividends, possibly achieved by avoiding the sale of stakes before the registration date, they considered the possibility of obtaining in an efficient manner, with minimum costs, a credit during the period of source gap between the due date of the payment obligations and the date of obtaining cash through dividends or from trading under maximum efficiency conditions of some participations, in normal conditions of time and not under the pressure of maturity of obligations.

Thus, the Board of Directors, with unanimity of votes, on 25.06.2020 approved the access of a loan of 30 million lei and the empowerment of the Senior Management to treat, negotiate and sign with Transilvania Bank the final terms and conditions of the Contract and

any documents for the constitution in guarantee of liquid participations up to the value of 150% of the credit of 30 million lei requested for the payment of dividends to the company's shareholders and the provision of the necessary resources for the realization of the buyback program of its own shares.

Since the legislation in force stipulates for the FIA the impossibility of carrying out the buyback programs of its own shares with borrowed sources, considering that SIF Oltenia SA had the obligation to submit the documentation to the FSA until 24.07.2020 for the registration of the company as FIA, the senior management decided to cover with 29 million lei from the contracted credit the amounts necessary for the payment of dividends to shareholders on 01.07.2020.

The own resources held by the company were used to successfully carry out the buyback program of its own shares.

The total costs generated by obtaining the loan, including those related to the establishment and registration of guarantees to which the company undertook, for the period of 53 days that elapsed from obtaining the loan 29.06.2020 and until full repayment 20.08.2020 were in the amount of 198.779 lei .

The decision of the Board of Directors avoided the capitalization of some of the company's liquid holdings, under time pressure, in conditions of low market liquidity due to the internal and external situation generated by the pandemic with COVID 19. Low prices during the first semester of 2020 would have led the company to the lack of the portfolio of important participations in liquid, stable, dividend-paying companies, to the decrease of the sources of achieving the net profit established for 2020, in the conditions in which SIF Oltenia SA achieves the profit established by the Revenue and Expenditure Budget in proportion of over 72 % on account of dividends collected.

We mention that, in the third quarter of 2020, and especially in August and in the first half of September, the stock quotes registered at the main participations held in the portfolio (SNP, BRD, Transilvania Bank) increases between 11% - 15%, to which are added the dividends collected from OMV PETROM SA and, in October, from Banca Transilvania SA, resources from which SIF Oltenia SA would have been partially deprived in the event of capitalizations in the first semester of 2020.

At the same time, the company's performing portfolio was preserved, bringing added value in the future for the company, able to create the necessary resources both for permanent distribution of dividends to shareholders and the achievement of new programs to buy back their shares followed by the diminution of the company's share capital and increase in this way of the share price of SIF5, the decrease of the gap compared to the unit value given by the net asset per share, of the increase of the shareholders' confidence in the potential of the SIF Oltenia SA share.

We exemplify the fact that, if instead of the loan of 29 million lei, the company would have resorted to ensuring the respective amount through transactions for the sale of Transilvania Bank shares during June - July 2020, at the maximum price of 2,235 lei / share registered in the same period (difficult to achieve), involved the alienation of a number of 12.975.392 shares. SIF Oltenia SA by holding these shares will collect in the form of dividends, on 16.10.2020, the amount of 1.417.915 lei and will receive a number

of 1.297.539 shares free of charge. Consequently, by resorting to financing through a credit contract that engaged insignificant total costs of 198.779 lei, no damage was created, this represents an opportunity cost generating benefits in the patrimony of the company and shareholders.

Finally, I express the opinion that the common request of the shareholders of SIF Banat Crișana SA and SIF Muntenia SA to complete the agenda of the OGMS convened for 12.10.2020, with “the approval of the liability of the administrators Tudor Ciurezu, Anina Radu, Carmen Popa and Nicolae Stoian for the damage caused by them SIF Oltenia SA, by contracting the loan of 30 million lei from Transilvania Bank ” in the conditions in which the decision of the Board of Directors dated 25.06.2020 approving the contracting of a loan of 30 million lei from the Transilvania Bank was taken with the unanimous vote of all administrators, including of Mister Vice President Cristian Bușu, and the entire documentation requested and submitted to Transilvania Bank for obtaining the loan was signed by the General Manager and Deputy General Manager, respectively Tudor Ciurezu and Cristian Bușu, is an evidence of harassment, intimidation, discrimination and discrediting of the administrators Tudor Ciurezu, Anina Radu, Carmen Popa and Nicolae Stoian. This action aims to create the conditions for the paralysis of management, namely the dissolution of the Senior Management and of the Board of Directors of SIF Oltenia SA from October 12, 2020 and until the approval of new directors by FSA elected by the OGMS from October 29, 2020.

In conclusion, the conclusion and development of the credit agreement between SIF Oltenia SA and Transilvania Bank was made in the interest of the company, determined by objective conditions, by the necessity to cover the gap of financing sources for a short period of time, in order to protect the company's portfolio and avoid the sales of holdings under the pressure of time, in a declining market and did not bring damage to the company. The action was transparent, the conclusion of the credit agreement was brought to the public's attention through the Current Report no. 4432 / 29.06.2020.

The invocation of an imaginary, unrealistic damage, by the management of SIF 1 and SIF 4, for interests contrary to the company's interest, seeks to remove the four directors from office so that at the Ordinary General Meeting of Shareholders of October 29, 2020 they can no longer run and thus the entire management of SIF Oltenia SA to be the result of the vote of the SIF1 and SIF4 shareholders' group and of the funds financed by them, respectively: FII Active Plus, FIA Certinvest Shares, FDI Certinvest XT Index, FDI Certinvest BET FI Index, FII Optim Invest, FII - BET FI INDEX Invest, FDI Prosper Invest, FII SMART MONEY, FDI Fix Invest, FII FORTUNA Clasic, FII FORTUNA GOLD, FIA ROMANIA STRATEGY Fund AA / VADUZ, OPUS Chartered Issuances SA / AA Luxembourg, FII STAR VALUE, FII Multicapital Invest, FDI Star Focus, FDI STAR NEXT.

Although the holding of shares in SIF Oltenia SA of the mentioned group is on 31.08.2020 of approximately 33% of the voting capital, in case of applying the method of cumulative voting to elect the members of the Board of Directors, recommended by the Corporate Governance Code and in accordance with the provisions of art. 84 of Law no. 24/2017, creates the possibility for shareholders with minority holdings to appoint a number of directors in the new Board of Directors of SIF Oltenia SA. Under the conditions of electing

the directors by majority vote of the shareholders present and represented at the OGMS, only the candidates approved by the SIF1, SIF4 group and the funds financed by them will be elected. That is why the vote of each shareholder will influence the future evolution of the company.

Dear shareholders, we assure you that at the level of the company, the administrators Tudor Ciurezu, Anina Radu, Carmen Popa and Nicolae Stoian, respectively the General Manager Tudor Ciurezu, against whom it is requested to take responsibility for the contracted credit and the termination of their mandate, acted always in good faith, have proven maximum responsibility in managing and creating a liquid, performing portfolio, able to permanently generate added value to ensure the resources needed for a predictable dividend policy, to carry out the buyback programs of its own shares, in the interest of the company, of its shareholders entirely and not to satisfy the interests of the group.

We find with regret that in 2020 - with a more pronounced emphasis after July 24, 2020, the date of elimination of the threshold for holding SIF shares - the share of SIF Oltenia SA behaves as a captive share, the price of which does not seem to have been set under normal conditions given by demand and supply, of the company's performances and value, with result in the maintenance of a low price, meant to determine the diminution of shareholders' confidence in SIF5's action, a fact which leads us to ask the institutions authorized with the surveillance of BVB market to analyze the structure of demand and offer of SIF 5 shares, as well as possible links between the parties involved in the transactions carried out.

Thank you for the trust and support received during the period of the mandate entrusted.

Associate Prof. PhD ec. Tudor Ciurezu

General Manager