



REPORT ON THE COMPANY'S ACTIVITY DURING THE THIRD QUARTER OF 2019

Prepared according to Law no. 24/2017, F.S.A. Regulations no. 5/2018 and 15/2004,
BSE Code and F.S.A. Rule no. 39/2015
by Societatea de Administrare a Investițiilor Muntenia Invest S.A.
Report date: 30.09.2019

GENERAL INFORMATION

Name of the issuing company	Societatea de Investiții Financiare Muntenia S.A.
Headquarters	16, Splaiul Unirii, Bucharest, district 4, code 040035, Romania
Sole Registration Code	3168735
Trade Registry Office Registration Number	J40/27499/1992
LEI Code	2549007DHG4WLBMAAO98
F.S.A. Registry Number	PJR09SIIR/400005
Share capital	80,703,651.5 lei – subscribed and paid up share capital 807,036,515 – issued shares 784,645,201 – shares under circulation 0.1 lei – nominal value
Characteristics of the shares	Common, nominative, indivisible, dematerialized
Regulated Market on which the issued securities are traded	Bucharest Stock Exchange, main segment, premium category, SIF4 symbol
Main object of activity	- making financial investments, in order to maximize the value of its own shares, according to the regulations in force; - managing the investment portfolio and exercising all the rights associated with the instruments in which it invests; - risk management CAEN 6499- Other financial service activities
Shareholding structure	100% private
Free capitalization	100%
Depository and custodian services	BRD Groupe Societe Generale
Evidence of shares and shareholders	Depozitarul Central S.A.
Financial auditor	KPMG Audit S.R.L.
Contact	Romania, Bucharest, district 4, 16, Splaiul Unirii, postal code 040035 Tel: +4021-3873210; +4021- 3873208 Fax: +4021-3873265; +4021-3873209 www.sifmuntenia.ro e-mail: relatii@sifmuntenia.ro; sai@munteniainvest.ro

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1 GENERAL INFORMATION

SIF Muntenia S.A. (the "Company") is a Romanian legal entity, constituted as a joint stock company with fully private capital. The operation of the company is regulated by the provisions of the ordinary Romanian laws and those of special character, applicable in the field of financial investment companies, as well as the provisions of its articles of incorporation.

The Company is a collective investment body operating in Romania in accordance with the provisions of the Companies Law no. 31/1990, Law no. 297/2004 regarding the capital market, Law no. 74/2015 regarding the managers of alternative investment funds and Law no. 24/2017 regarding issuers of financial instruments and market operations. The Company is registered in the F.S.A. Registry of financial instruments and investments in the Alternative/Closed investment companies section.

During the third quarter of 2019 there were no reorganizations, mergers or divisions of the Company's activity.

During the period ended 30 September 2019, the Company continues to meet the conditions to be an investment entity, as there have been no changes to the classification criteria as an investment entity.

In applying the Company's investment policy, its administrator, S.A.I. Muntenia Invest S.A., does not perform securities financing transactions (SFTs) nor does it use total return swap instruments, as defined by the EU Regulation no. 2365/2015.

S.A.I. Muntenia Invest S.A., as administrator of SIF Muntenia, does not intend to offer other investment related activities, either directly or through a subsidiary, which would represent a separate economic activity or a separate, important source of income for SIF Muntenia investment entity.

2 SIGNIFICANT EVENTS IN THE THIRD QUARTER

CAPITAL MARKET

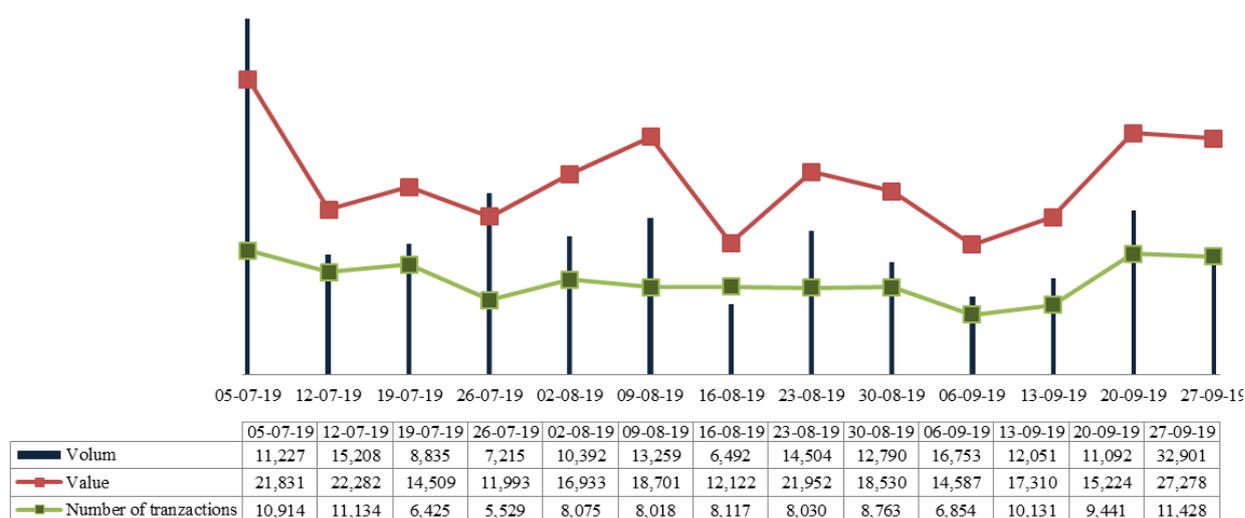
Romania was promoted to the status of Secondary Emerging Market from Frontier Market, as announced on September 26th by the global index provider Russell FTSE¹. As part of the Annual Review the FTSE Country Classification Advisory Committee approved the following modification of the rating criteria:

- „Liquidity – Sufficient broad market liquidity to support sizeable global investment”: upgraded from ‘Restricted’ to ‘Pass’.

Consequently, Romania meets the nine FTSE Quality of Markets criteria required for Secondary Emerging market status within the FTSE Country Classification scheme.

The graph below shows the evolution of the stock market, the main segment of the BSE, in the third quarter of 2019.

Chart no.2.1. Evolution of shares transactions in Q3 2019 (in tens of thousands lei - volume / value)



Source: Bucharest Stock Exchange

NATIONAL ECONOMY

Regarding the recent developments in consumer prices, NBR² officials showed that the annual inflation rate had increased to 4.1% in July and it had fallen to 3.9% in August, thus remaining above the 3.8 % level reached in June and above the variation band of the target³. The increase compared to the last month of the second quarter is mainly attributable to both the exogenous CPI components – given the hike in tobacco product prices and fuel price evolution.

As far as future developments are concerned, it was concluded that the annual inflation rate would probably remain above the variation band until the year-end, on a trajectory slightly below the one mentioned in the medium-term forecast (4.2% in December 2019 and 3.3% at the end of the second quarter of 2021). It was appreciated that the action of supply-side factors will continue to be slightly disinflationary in September-October, but will become moderately inflationary in the last two months of the year. Two-way influences are expected mainly from the recent and future evolution of volatile prices, while constant effects are presumed from administered prices and tobacco prices. Instead, over the longer time horizon, the dynamics of electricity and natural gas prices might sizeably exceed the previously-anticipated values, given the likely removal, in the short run, of restrictions imposed on the energy market via the legal acts in force. Nevertheless, reference was also made to the heightened uncertainties surrounding the near-term outlook for the oil price (amid the increasingly obvious weakening of the global economy and the volatility of geopolitical tensions), as well as to the possibly higher-than-expected increase in this year's agricultural output, with effects on the short-term evolution of food prices..

¹ Press release, 27 September 2019, Bucharest Stock Exchange

² Monetary policy meeting of the National Bank of Romania Board, 3 October 2019

³ <https://www.bnr.ro/Inflation-Targets-3241.aspx>

3 ACTIVITY ANALYSIS

The main strategic objectives for 2019 are:

- Continue the portfolio restructuring and its efficient management so as to ensure sustainable long-term growth.
- Continue the investment process, focusing on investments in Romania and listed shares.

From a financial point of view, the main milestones of the evolution of the Company's assets / shares, from September 2018 to September 2019, are presented below.

in lei	Q3 2019	2018	Q3 2018
Total certified asset	1,644,681,914	1,348,139,755	1,491,799,373
Net Asset Value (NAV)	1,558,453,541	1,257,619,659	1,391,768,954
Net asset value per share (NAV per SHARE)	1.9862	1.5583	1.7245

Table no. 3.1. *Evolution of the certified asset*

The asset certified by the Depositary, respectively BRD-Groupe-Societe Generale, is calculated according to the valuation rules⁴ approved by S.A.I. Muntenia Invest, based on the applicable legal regulations. SIF Muntenia reported a total asset value (TA) increasing by 22,0% at the date of the report as compared to 2018 and by 10,2% as compared to the same period of the previous year.

Certified net asset increased by 23.9% compared to the end of the previous year and by 12.0% compared to the third quarter of 2018. Net asset value per share increased compared to the end of 2018, with a percentage of 27,5 (year / year recorded an increase of 15.2 pp).

in lei	Q3 2019	2018	Q3 2018
Closing price end of period	0.738	0.598	0.660
Market capitalization (mill. lei)	579.07	482.61	532.64
Net asset discount	62.8%	61.6%	61.7%

Table no. 3.2. *Evolution of SIF4 share*

The closing price of the Company's shares increased by 23.4% in the third quarter of 2019 compared to the end of 2018 and by 11.8% compared to the same period of the previous year. The liquidity of the transactions with SIF4 shares remained at reduced values - the total trading value of the Company's shares in the third quarter of 2019 was 17.4 million lei, traded shares representing 2.21% of the number of issued and outstanding shares as at 30.09.2019 (REGS market).

in lei	Q3 2019	2018	Q3 2018
Total asset	1.598.727.542	1.345.677.683	1.369.564.765
Total liabilities	86.227.011	90.524.072	100.030.418
Total Equity	1.512.500.531	1.255.153.611	1.269.534.347
Gross Profit	81.988.110	27.149.402	41.311.141

Table no. 3.3. *Financial results*

The total assets calculated according to the accounting regulations registered an increase by 18.8% compared to the one registered at the end of 2018, amid the total liabilities decreased by 4.7% (mainly due to the prescribed dividends to be paid). The equity registered on 30.09.2019 compared to 31.12.2018 increased by 20.5%, details being found in the Notes to the Interim Financial Statements as at 30.09.2019.

⁴ <http://www.sifmuntenia.ro/en/investments/net-asset-value/rules-applied-nav-calculation/>

ASSET ALLOCATION

The allocation of the Company's assets targeted a long-term portfolio structure, defined by the administration program approved by the shareholders.

The financial instruments subject to investments were within the range of investments permitted by the legislation in force, applicable to the Romanian capital market. The Company's portfolio has been within the applicable legal limits and within the indicative limits, defined by the Company's diversified balanced target portfolio, approved by the Management Program for 2019.

Chart no. 3.1. Target portfolio for 2019, according to the Management Program

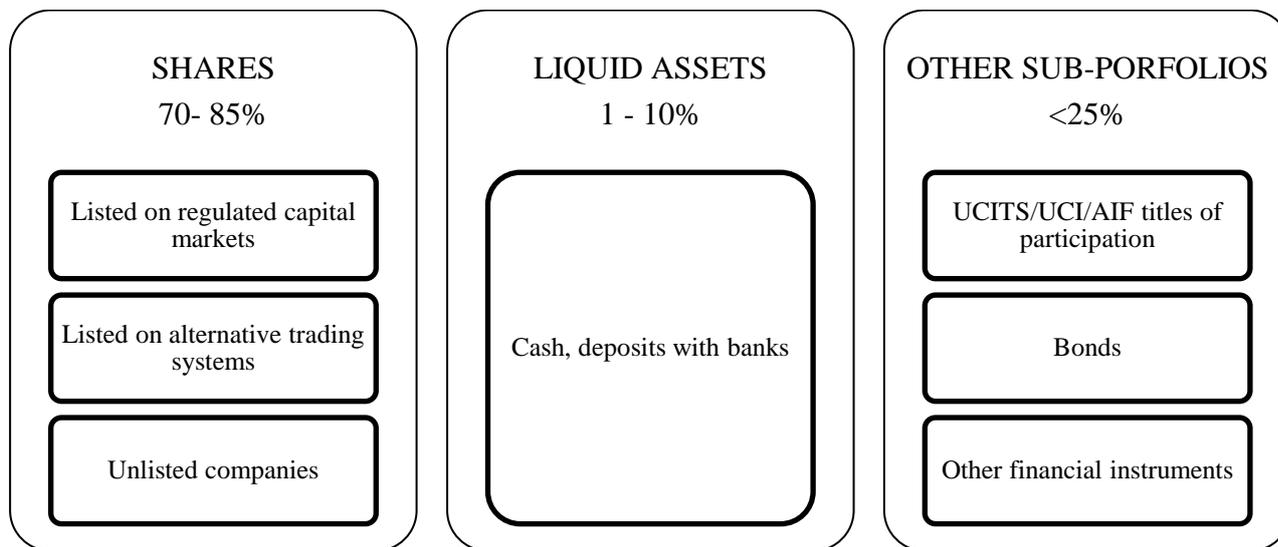
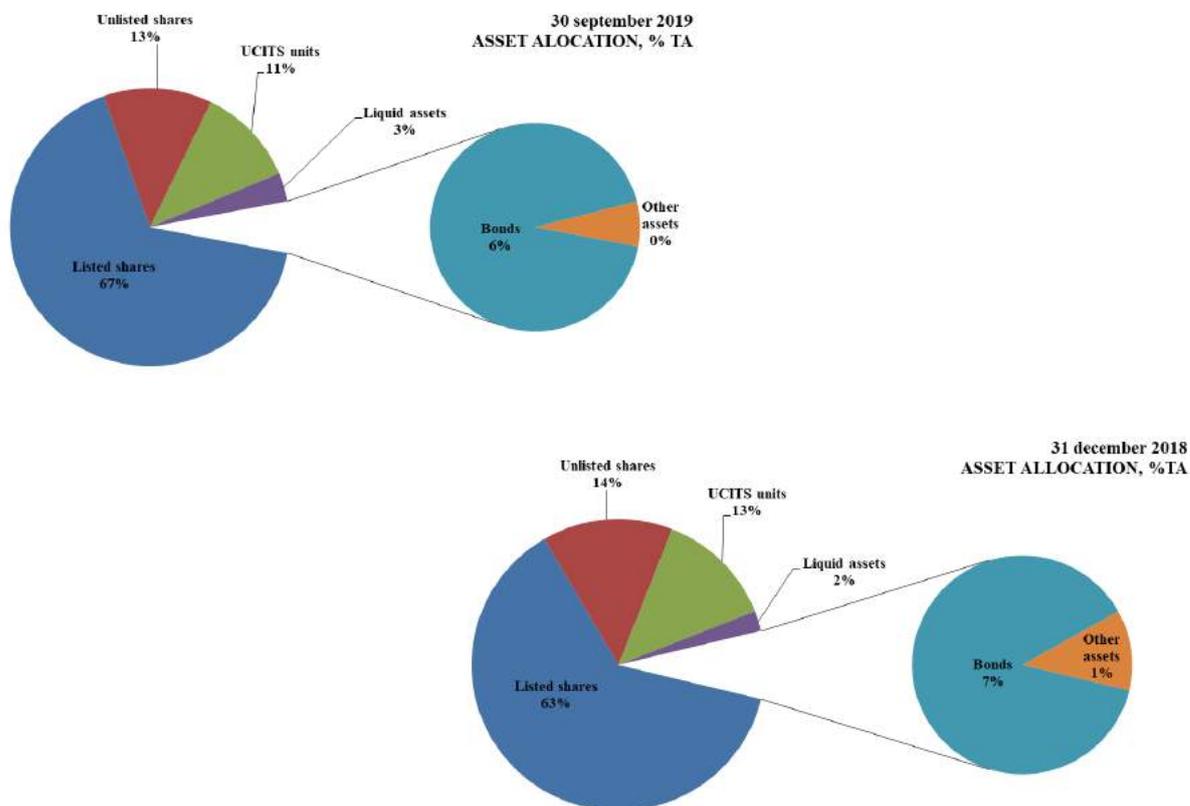


Chart no. 3.2. Asset allocation in the Company's portfolio, 30 September 2019 compared to 31 December 2018.



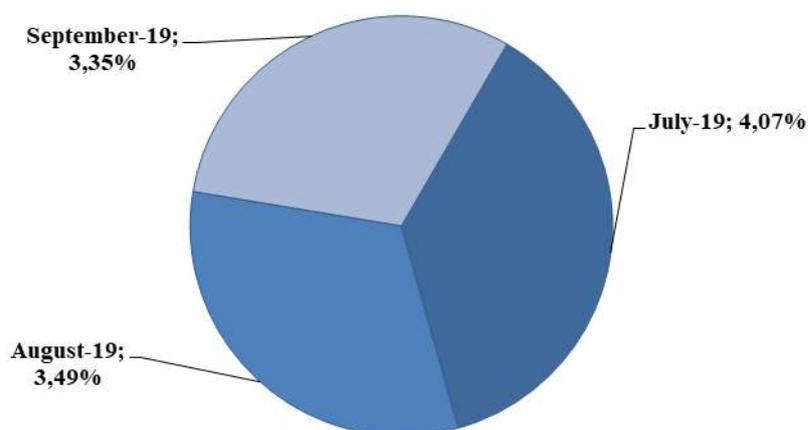
The main sub-portfolios⁵ that form the Company's portfolio are presented below, in value and percentage, of the total asset.

in LEI / %	Q3 2019		2018		Q3 2018	
Listed shares	1,096,532,245	66.7%	847,312,992	62.9%	1,016,451,994	68.1%
Unlisted shares	205,761,103	12.5%	193,558,597	14.4%	187,595,602	12.6%
Listed bonds	83,433,986	5.1%	82,557,980	6.1%	82,342,626	5.5%
Unlisted bonds	7,737,939	0.5%	6,693,865	0.5%	6,563,985	0.4%
Cash available	1,991,768	0.1%	733,446	0.1%	4,714,412	0.3%
Bank deposits	53,125,437	3.2%	29,369,735	2.2%	8,242,589	0.6%
Participation titles	189,293,215	11.5%	175,856,515	13.0%	165,286,133	11.1%
Other assets	6,806,221	0.4%	12,056,625	0.8%	20,602,032	1.4%
TOTAL ASSET	1,644,681,914	100%	1,348,139,755	100%	1,491,799,373	100%

Table no. 3.4. SIF Muntenia Portofolio (value/percentage comparison)

The liquidity degree of the portfolio⁶ was within the limits required by a prudent liquidity risk management. Its evolution in the third quarter is presented below.

Chart no. 3.3. Liquidity degree of the portfolio



⁵ Detailed situation of SIF Muntenia investments on 30 September 2019, prepared in accordance with Annex 17 of Regulation no. 15/2004, is annexed to this report

⁶ Liquidities/TA

TOTAL ASSET AND NET ASSET

The monthly values of the asset have been published on the website www.sifmuntenia.ro to inform the shareholders and reported according to the legal provisions to the F.S.A. - The Financial Instruments and Services Sector and the Bucharest Stock Exchange (BSE), no later than 15 calendar days from the end of the reporting month.

The values of total asset, net asset and liabilities for the period 1 July 2019 – 30 September 2019 were calculated in accordance with Regulation no. 9/2014 issued by the F.S.A., using accounting elements related to accounting reports in accordance with the F.S.A. Rule 39/2015.

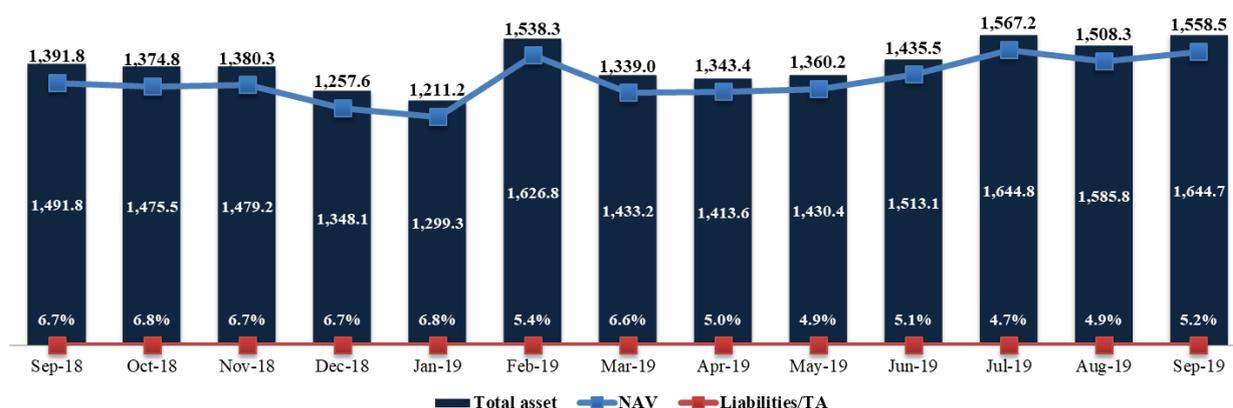
The total asset, net asset and liabilities of the Company (lei and euro equivalent at the ECB exchange rate) and the changes in value and percentage in the third quarter of 2019 and in the last year (in millions of lei), are presented below.

in lei	Q3 2019	2018	Q3 2018
Total certified asset	1,644,681,914	1,348,139,755	1,491,799,373
Total liabilities	86,228,373	90,520,096	100,030,419
Net asset	1,558,453,541	1,257,619,659	1,391,768,954
Net Asset Value per Share	1.9862	1.5583	1.7245
<i>ECB euro exchange rate</i>	4.7496	4.6635	4.6638
Total certified asset <i>in euro</i>	346,277,984	289,083,254	319,867,784
Net asset in euro	328,123,114	269,672,919	298,419,519

Table no. 3.5. Total asset and net asset (value comparison)

The chart below shows the evolution of total asset, net asset and liabilities / TA during the period September 2018 - September 2019, elements whose value fluctuates from month / month, within limited limits, but following an increasing trend.

Chart no. 3.4. Total asset evolution, NAV (mill. lei) and total liabilities/total asset (%) during the period September 2018 – September 2019



3.1 SHARES SUB-PORTFOLIO

The investments in shares, especially those in shares listed on organized markets and alternative trading systems, remained the most important, both in terms of value and income in the Company's portfolio.

The administration of this sub-portfolio has pursued the objectives presented in the Management Program approved for 2019.

The contribution of the shares sub-portfolio to the total assets increased during the last year, with an increase of the listed shares, as shown in the table below.

	Q3 2019	2018	Q3 2018	Q3 2019/ 2018		Q3 2019/Q3 2018	
in lei				value (mill.lei)	%	value (mill.lei)	%
Listed shares , of which:	1,096,532,245	847,312,992	1,016,451,994	249.2	29.4%	80.08	7.9%
- listed on BSE	786,494,600	647,312,412	705,966,011	139.2	21.5%	80.53	11.4%
- listed on ATS	268,550,374	105,950,884	154,333,548	162.6	153.5%	114.22	74.0%
Unlisted shares	205,761,103	193,558,597	187,595,602	12.2	6.3%	18.17	9.7%
TOTAL	1,302,293,348	1,040,871,589	1,204,047,596	261.4	25.1%	98.25	8.2%

Table no. 3.6. Evolution of shares sub-portfolio on its main components

Trends manifested in the shares sub-portfolio comparing the end of the third quarter of 2019 with the end of 2018 and the similar period of the previous year were the following:

- The category of listed shares increased by 29% and 7%, respectively, both due to the shares that are listed on the main segment and those on the ATS segment.
- The unlisted shares increased by 12%, respectively 9%, mainly due to the delisting of Avicola S.A. Bucuresti, delisting that took place in the third quarter of 2019.

TRADING AND OTHER EVENTS IN THE SHARES SUB-PORTFOLIO

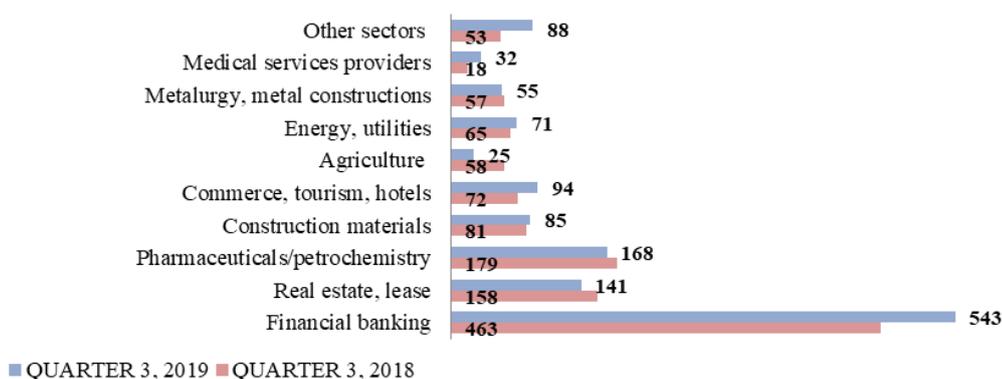
In the third quarter of 2019, the following operations were recorded on the shares sub-portfolio:

- listed shares amounting to 2.8 million lei were sold (Banca Transilvania S.A., OMV Petrom S.A., Purcari Wineries Public Company Limited);
- the increase of the share capital of Banca Transilvania S.A. was registered, free of charge, achieved by increasing the number of shares, increase at which the Company received a number of 10,452,762 shares;
- dividends were received amounting to 6.38 million lei from the companies in the portfolio (the gross income from dividends in the third quarter of 2019 was 5.54 million lei).

STRUCTURE ON SECTORS OF ACTIVITY

The shares in companies with activity in the *financial-banking* sector continued to hold the largest share in the total asset of the Company.

Chart no. 3.5. Main activity sectors in which the Company holds participations in shares



TOP 10 PARTICIPATIONS IN THE COMPANY'S PORTFOLIO

The first 10 participations, with a total value of 936.62 million lei, represent a weight of 56.97% in the total certified asset of the Company, as at 30 September 2019.

	I	II	III	IV	V
1.	Banca Transilvania S.A.	Financial - banking	326.45	19.85	2.61
2.	Biofarm S.A.	Pharmaceuticals	163.27	9.93	50.98
3.	CI-CO S.A.	Real estate, lease	97.46	5.93	97.34
4.	BRD – Groupe Societe Generale	Financial - banking	82.22	5.00	0.82
5.	SIF Banat-Crişana	Other monetary intermediation activities	63.08	3.84	4.98
6.	S.N.G.N. Romgaz-S.A. Mediaş	Energy - utilities	45.40	2.76	0.32
7.	FIROS S.A.	Construction materials industry	43.69	2.66	99.69
8.	Sticloval S.A. Vălenii de Munte	Extractive industry	39.80	2.42	34.93
9.	SIF Oltenia	Other monetary intermediation activities	38.11	2.32	3.00
10.	Romaero S.A. Bucureşti	Manufacture of aircraft and spacecraft	37.14	2.26	23.24
	TOTAL		936.62	56.97	

Table no. 3.7. Top 10 participations in shares as at 30.09.2019

Legend

I- Name of the company

II- Field of activity

III- Participation value, in million lei, calculated according to the F.S.A. regulations

IV- % in the total asset of the Company

V- % of the company's share capital held by the Company

CONTROLLED COMPANIES/ SUBSIDIARIES

Considering the definitions presented in Law no. 24/2017, regarding the issuers of financial instruments and market operations, regarding the notions of "group", "mother-company" and "subsidiaries", we inform that the company owns in the portfolio the same participations on 30.09.2019, representing 50% and over 50% of the share capital of some issuers, to a number of 14 companies, all of which being operational.

Subsidiaries are analytically monitored, constantly aiming at increasing their fair value by taking immediate measures, especially in the case of non-achieving the indicators in the revenue and expenditure budgets approved by the S.G.M. Their growth is constantly pursued, both in terms of the result and of the position in the market in which they operate, so that the fair value does not have negative influences on the annual result recorded by the Company.

All the subsidiaries are based in Romania. For them, the Company's holding percentage in the share capital of the subsidiaries is not different from the percentage of the number of votes held.

On 30.09.2019 the net asset value of these companies, according to the provisions of the F.S.A., was 471.00 million lei (30.09.2018: 429.18 million lei), and the percentage of the total assets of the Company was 28.65% (30.09.2018: 28.77%).

Of the 14 subsidiaries:

- Two subsidiaries are listed on the Bucharest Stock Exchange: Biofarm S.A. (BIO), Casa de Bucovina Club de Munte S.A. (BCM);
- Six subsidiaries are listed on AERO, the alternative trading system of the B.S.E.: Bucur S.A. (BUCV), CI-CO S.A. (CICO), Mindo S.A. (MINO), Germina Agribusiness S.A. (SEOM), Semrom Oltenia S.A. (SEOL), Unisem S.A. (UNISEM);

- Six subsidiaries do not have shares listed on an organized capital market or an alternative trading system: Firos SA, Fondul Român de Garantare a Creditelor pentru Întreprinzătorii Privati - IFN SA, Gecsatherm SA, Muntenia Medical Competences SA, Voluthema Property Developer SA, Avicola Bucharest SA.

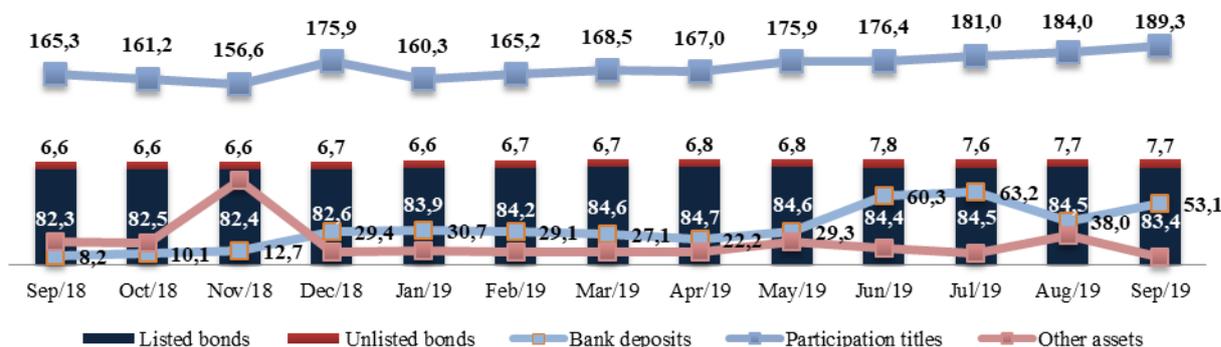
	I	II	III	IV	V
1. Biofarm S.A. București		163.27	9.93	Manufacture of pharmaceutical preparations	50.98
2. CI-CO S.A. București		97.46	5.93	Renting and operating of own or leased real estate	97.34
3. Firos S.A. București		43.69	2.66	Production of mortars	99.69
4. Muntenia Medical Competences S.A.		32.42	1.97	Specialized healthcare activities	99.76
5. Avicola S.A. București		25.10	1.53	Poultry	99.40
6. Germina Agribusiness S.A.		18.38	1.12	Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	90.68
7. Bucur S.A. București		17.66	1.07	Other retail sale in non-specialised stores	67.98
8. Semrom Oltenia S.A. Craiova		14.68	0.89	Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	88.49
9. Voluthema Property Developer S.A.		14.38	0.87	Renting and operating of own or leased real estate	69.11
10. Gecsatherm S.A.		11.93	0.73	Manufacture of fiber glass	50.00
11. Fondul roman de garantare a creditelor pentru întreprinzătorii privați - IFN S.A.		9.45	0.57	Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	53.60
12. Casa de Bucovina-Club de Munte S.A.		8.82	0.54	Other lending activities	67.17
13. Unisem S.A. București		7.89	0.48	Hotels and similar accommodation	76.91
14. Mindo S.A. Dorohoi		5.87	0.36	Production of mortars	98.02
TOTAL		471.00	28.65		

Table no. 3.8. List of subsidiaries and their net certified asset value as at 30.09.2019

*Legend***I** - Name**II** - Value of participation, in lei million, calculated according to the F.S.A. regulations**III** - % in TA of the Company**IV** - Field of activity**V** - % of the share capital of the company owned by the Company

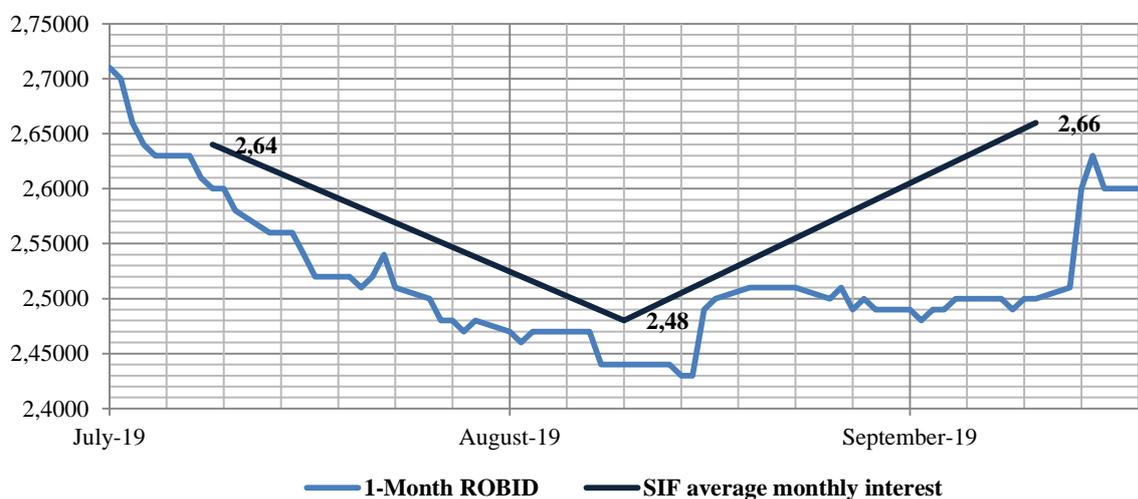
3.2 OTHER SUB-PORTFOLIOS

Chart no. 3.6. Evolution of the Company's other sub-portfolios in Q3 2019 (mill. lei)



BANK DEPOSITS

Chart no. 3.7. 1-Month RO BID (maximum 2.71%, minimum 2.43%) compared to the average monthly interest on the Company's deposits



During the third quarter, the average interest on the deposits constituted by the Company was higher than RO BID 1M, except for the first 3 days of July. At the end of the third quarter, the Company holds, at present value, 53.14 million lei in bank deposits, representing 3.41% of the total certified asset. The credit institutions where these deposits are constituted belong to well-capitalized groups, both at national and European level.

BONDS

During the analyzed period, the coupons were received, in the amount of 335,738 euros, related to the bonds issued by Banca Transilvania S.A. and Opus Chartered Issuances and that of the issue made by Medimfarm S.A. Ploiești (186,307 lei).

PARTICIPATION TITLES

In the third quarter of this year, the participation titles sub-portfolio did not change.

4 RISK MANAGEMENT

Risk management is the totality of the activities aimed at identifying, quantifying, monitoring and controlling the risks, so as to ensure that the principles of the general risk policy are observed. The risk management system of the Company includes a set of analyzes, charts for diversifying the exposures of the financial instruments in the portfolio, together with identifying and evaluating the financial risks, as well as proposals to mitigate the effects of the risks related to the investment and general activity of the Company.

Starting with 1 July 2019, the new Risk Profile for the Company has entered into force, according to the requirements provided by the EU Regulation no. 231/2013 regarding the risk management system, defining certain risk categories and a detailed system of tolerance limits / key risk indicators.

During the third quarter of 2019, the following present or potential risk categories to which the Company is exposed, were analyzed and measured in order to reduce their impact: market risk, credit risk, liquidity risk and operational risk.

(a) Market risk

Market risk is the risk of recording losses related to the positions in the profit and loss account, on the balance sheet and off balance sheet due to the unfavorable fluctuation of the prices at which the financial securities in the portfolio are traded. This risk is attributable to changes in market variables: stock prices, exchange rates, interest rates or commodity prices that could change the value of the financial instruments held.

For the measurement and evaluation of market risks, tradable portfolio VaR is calculated, an indicator that expresses the maximum potential loss, with a certain probability of error, expected in a certain period of time, assuming that the evolution of past prices will determine the behavior of prices in future. The VaR calculated for the last year has a value that is within the limits of a lower degree of risk than that of the Agreed Risk Profile;

The calculated currency risk is 5.48% (percentage of assets in foreign currency / total asset), and it is within the limits of the average risk degree (4.01% - 6%), the degree of risk that is assumed by the risk profile. We mention that the main currency exposure is the Euro currency (in the Company's portfolio there are also exposures in other currencies (USD and GBP) but at residual dimensions).

From the analyzes of all the types of parameters related to the concentration risk, it resulted that in the third quarter of 2019 the Company's financial instruments portfolio was within the limits of the Risk Profile and according to the requirements provided by the legislation in force regarding the investment management companies.

As regards the long-term interest rate risk, on 30 September 2019, in the Company's portfolio there was only one floating rate bond issue, that of Banca Transilvania (0.07% of the total asset), having an insignificant impact on the risks. what can influence the income of the company. The Company's bank deposits are interest bearing assets, which are generally short-term investments and are not exposed to a major risk of change. The Company does not use derivative financial instruments to protect against interest rate fluctuations.

The Company does not own commodities in the portfolio and is not affected by the risk regarding their price evolution.

(b) Credit risk

Indicators are calculated that determine the value of exposures to securities issued by listed and unlisted companies in the portfolio, which present a high level of bankruptcy risk, relative to the equity value. The calculated indicators, (the rate of exposure to listed issuers and the rate of exposure to non-listed issuers) fall within the degree of risk agreed through the Company's Risk Profile.

Counterparty risk - the possibility of insolvency of institutions providing services (eg custody of assets) or situations in which transactions with shares / bonds issued by issuers unlisted on a regulated market or on an alternative trading system is considered. According to the calculations made, the results place the Company in the area of medium risk. The non-existence of a portfolio of derivatives or pending transactions (not settled) places the Company in the area of very low risk.

(c) Liquidity risk

The liquidities available as cash and very liquid assets are monitored, as compared to the Company's short-term obligations.

The main indicator for calculating liquidity is: "Liquid assets / Average monthly expenses", an indicator that falls in the very low risk degree, according to the Company's Risk Profile, which means that the value of cash or cash equivalents represents at least five times the value of liabilities over 30 days.

Another monitored liquidity indicator is the grouping of assets in the liquidity bands specified in ESMA Guide 869/2014 (118, 119), respectively the percentage of the fund's portfolio that can be liquidated in each of the specified liquidity periods. The percentages of assets classified in the liquidity bands related to the total assets administered were calculated. The calculations for the entire portfolio show that it falls within the average risk, with an optimal level of assets that can be converted into cash within the time horizon analyzed in relation to the proposed level.

(d) Operational risk

Operational risks take into account the losses caused either by the use of inadequate processes, internal systems or human resources, which cannot fulfill properly their function, or by external events and actions. Legal risk is included in this category of risks. For the Company, the value of the potential aggregate loss as a result of the operational risks is insignificant.

CLASSIFICATION OF CATEGORIES OF ASSETS IN THE PORTFOLIO WITHIN THE LEGAL LIMITS OF HOLDING

The holding limits for the Company's portfolio are defined by the applicable law, respectively:

- Art. 188 of N.S.C. Regulation no. 15/2004 regarding the authorization and functioning of investment management companies, collective investment undertakings and depositors - the exposure conditions of UCI with a diversified investment policy;
- Art. 9 of the F.S.A. Rule no. 14/2013 - direct and indirect investments in promissory notes;
- Limits resulting from the provisions of Law 297/2004 on voting rights in entities supervised by the F.S.A. ;
- Limits provided under art. 3 (2) of Directive 2011/61 / EU.

The holding limits for the aforementioned items in the above list have been complied with throughout the third quarter of 2019.

LIMITS REFERRED TO UNDER ART. 3 (2) OF DIRECTIVE 2011/61 / EU

At the end of the third quarter of 2019, the Company's assets amounted 1,644,681,914.29 lei. Their value in Euro is 346,277,984.31. If the value calculated above would exceed the threshold of 500,000,000 Euros, SAI Muntenia Invest S.A., as AIFM, should apply for authorization in accordance with the relevant procedures of Directive 2011/61 / EU.

LEVERAGE

S.A.I. Muntenia Invest S.A.'s policy is not to use leverage for the Company in the administration process, respectively the non-use of a method of increasing the exposure of an AIF provided in Annex no. 1 of Regulation 231/2013 of the European Commission, in accordance with the Decision of the Board of Directors. From the analysis of the Company's portfolio it appears that there is no derivative financial instrument or that any method is used to increase the exposure, according to the Annex mentioned in the previous paragraph.

Regarding **Systemic and contagion risk**, it is part of the objectives of the National Bank of Romania to impose additional capital requirements on systemically important institutions and consists in increasing their capacity to absorb losses, with positive effects on reducing the systemic risk generated by the size of the institutions, respectively the probability of manifesting some financial difficulties and decreasing the severity of their potential impact.

Systemic risk can have both internal and external causes. Regarding the internal causes - increasing in 2019 -, the National Bank of Romania, in the document "Quarterly survey on systemic risks - June 2019" identified the following risks, in order of their importance, as considered by the banking entities:

- the uncertain and unpredictable legislative framework in the financial-banking field, with implications on the solvency of the banking sector (severe systemic risk, but with decreasing intensity);
- the risk of tightening internal macroeconomic balances;
- the risk of increasing the financing cost as a result of the interest rate increase and / or the depreciation of the national currency, with negative effects on the debtors' payment capacity, especially of the population and SMEs.

Regarding external causes, the systemic risks identified for the financial system are related to the increase of risk premiums, the sustainability of the state debt, the impairment of the intermediation capacity of the banks and, last but not least, taking increasing risks by the non-banking financial sector.

In the Company's portfolio, the issuer Banca Transilvania can be considered an exposure that adds systemic risk, especially due to the size of the bank. The company owns 20.99% of the assets under management in the bank's assets (shares, bonds, bank deposits and current accounts). Regarding the exposure of the Company in Banca

Transilvania, we appreciate that the performance of the bank, the complex evaluations of the NBR as well as the evaluations of the rating agencies lead to a permanent monitoring of the systemic risk generated by this exposure.

5 SHARES ISSUED BY THE COMPANY

The subscribed and paid-up share capital is 80,703,651.5 lei, divided into 807,036,515 common shares, with a nominal value of 0.1000 RON/ share.

MAIN CHARACTERISTICS OF THE COMPANY'S SHARES

All shares are ordinary, with a nominal value of 0.1 lei / share.

The shares are issued in dematerialized form and evidenced by registration in the shareholders register, managed by the Central Depository S.A. Bucharest, company authorized by A.S.F.

In the third quarter of 2019, the Company started the public offer to buy its own shares, which was approved by the Shareholders' General Extraordinary Meeting on 22 April 2019. The results of this offer are as follows:

- Number of the F.S.A. decision approving the public offer document: F.S.A. Decision no. 1079 / 27.08.2019
- The number and the percentage represented by the securities deposited within the offer: 37,036,515 shares, representing 4,5892% of the share capital of the issuer
- The number of securities purchased and the total amount paid: 22,391,314 shares, totaling 16,121,746.08 lei
- Date and method of settlement of the transaction related to the public offer: 20.09.2019, through the Central Depository system
- Percentage held by the bidder following the closing of the offer: the bidder owns 22,391,314 shares, representing 2.7745% of the Company's share capital.

The shares are included in a series of indexes calculated by the Bucharest Stock Exchange, respectively BET-FI (the index that includes SIF and Fondul Proprietatea investment funds type; at the date of the report, the weight of SIF4 in the index was 7.87%) as well as BET-XT-TR, BET-XT, BET-BK indexes.

Main market Bucharest Stock Exchange, main segment, premium category

Included in the indexes BET-BK | BET-FI | BET-XT | BET-XT-TR

	Q3 2019	2018	Q3 2018
Closing price REGS lei	0.738	0.598	0.660
NAV per SHARE lei	1.9862	1.5583	1.7245
Net asset discount (%)	62.8	61.6	61.7
Market capitalization (mill. lei)	579,07	482,61	532,64

Table no. 5.1. SIF Muntenia share performance

	REGS	POF	DEAL
Number of trades	4,125	163	-
Number of traded shares (mill. lei)	17,376,448	22,391,314	-
Total trading value (mill. lei)	11,523,001	16,121,746	-
% total number of shares	2.21% ⁷	2.77% ⁸	-

Table no. 5.2. Trades with SIF Muntenia shares in Q3 2019

⁷ Of total number of shares issued and under circulation as at 30.09.2019, excluding own shares redeemed by the company

⁸ Of total issued shares as at 30.09.2019

Chart no. 5.1. Average trading price and trading volume on REGS in Q3 2019



COMPANY SHAREHOLDERS

The table below shows the synthetic structure of the Company's shareholding, as at 30 September 2019.

	30/09/2019		
	Number of shareholders	Shares held	% held of total shares
Resident individuals	5,943,320	488,922,010	60.58
Non resident individuals	1,958	2,566,833	0.32
Resident entities	157	231,159,555	28.64
Non resident entities	21	84,388,117	10.46
TOTAL	5,945,456	807,036,515	100

Table no. 5.3. Shareholding structure as at 30.09.2019

Source: Depozitarul Central S.A.

The investor relations sections on the Company's website include up-to-date information on *corporate governance* and provide access to the documents governing the governance of the company. Governance information is reported periodically through the corporate governance statement within the annual report and permanently updated through current reports and the website. In this section, the forecasting policy and the dividend distribution policy and other shareholder rights are presented.

The sections on the *rules* on S.A.I. Muntenia Invest S.A.'s website include up-to-date information on remuneration policy and practices, rules and procedures regarding the policy of issuing orders and evaluation rules for the assets in the portfolios managed.

The obligations of transparency, reporting and information to shareholders and institutions of the capital market have been complied with and performed through press releases distributed in financial profile newspapers with national coverage, by publishing periodic and continuous reports of information electronically provided, both on the web page www.sifmuntenia.ro, as well as on the electronic system of the capital market on which the shares of the Company are listed, through the official storage mechanism of the F.S.A., by informing the F.S.A. and by carrying out an activity of written and electronic correspondence with the shareholders through the specialized compartment of S.A.I. Muntenia Invest S.A..

DIVIDENDS

The policy regarding the annual distribution of dividends or other shareholders benefits is presented on the Company's website, in the Corporate Governance section.

Gross dividends amounting to 1.27 million lei (dividends for 2015, 2016 and 2017) were distributed in the first 9 months of 2019.

The payment of dividends, in compliance with the legal provisions, is made by the Central Depository, and the payment agent designated by the Company is Banca Comercială Română S.A..

6 FINANCIAL ACCOUNTING STATEMENT

The company prepared the interim financial statements as at 30.09.2019 in accordance with the F.S.A Rule no. 39/2015 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, applicable to the entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investment Sector, as subsequently amended and supplemented.

The interim financial statements as at 30.09.2019 are not audited.

Below we will present a summary of the Company's interim financial statement as at 30 September 2019. For details you can consult the Notes to the interim financial statements as at 30 September 2019, annexed to this report..

FINANCIAL POSITION STATEMENT

<i>In LEI</i>	30 September 2019	31 December 2018
Assets		
Cash and current accounts	2,346,022	1,079,966
Deposits at banks	53,137,411	29,381,709
Financial assets at fair value through profit or loss	740,397,646	710,614,051
Financial assets at fair value through other elements of comprehensive income	786,054,409	585,329,963
Financial assets measured at amortized cost	11,367,271	10,171,781
Other assets	5,424,783	9,100,213
Total assets	1,598,727,542	1,345,677,683
Liabilities		
Dividends to be paid	43,641,314	66,635,384
Deferred income tax liabilities	39,641,259	19,427,363
Other liabilities	2,944,438	4,461,325
Total liabilities	86,227,011	90,524,072
Equity		
Share capital	80,703,652	80,703,652
Hyperinflation effect- IAS 29	803,294,017	803,294,017
Own shares	(16,345,504)	-
Retained Result	451,407,084	355,279,975
Reserves from revaluation of financial assets at fair value through other elements of comprehensive income	193,441,282	15,875,967
Total equity	1,512,500,531	1,255,153,611
Total liabilities and equity	1,598,727,542	1,345,677,683

Table no. 6.1. *Financial position statement*

The value of the assets as at 30 September 2019 is increasing by 253.05 million lei, respectively 18.80%, compared to the value as at 31 December 2018, mainly due to the increase in the value of financial assets at fair value through profit or loss and those through other elements of comprehensive income.

ACCOUNTING NET ASSET / NET ASSET CERTIFIED BY THE DEPOSITARY

Considering that the registrations made in the accounting records are in accordance with the F.S.A. Rule no. 39/2015, and the monthly calculation of the net asset is based on rules established in accordance with the F.S.A. Regulation no. 9/2014, there are differences between the value of the net asset according to the accounting records and the net asset certified by the Depositary.

A synoptic table of the differences between the net asset according to the accounting records and the certified net assets (million lei) is presented below.

Explanation	Amount
Net asset according to the accounting records	1,512.50
Net asset certified according to the F.S.A. regulations	1,558.45
Differences, of which:	(45.95)
Fair value difference for the shares portfolio	(66.09)
Fair value difference for the bond portfolio	21.15
Adjustment difference for depreciation of debtors from withdrawals from unlisted companies	(2.53)
Dividend difference due to closed companies, investment funds	1.52

Table no. 6.2. *Differences between certified net asset / net asset according to accounting records*

STATEMENT OF PROFIT AND LOSS AND OTHER ELEMENTS OF COMPREHENSIVE INCOME

In LEI	30 September 2019	30 September 2018
Income		
Dividend income	51,952,699	51,759,913
Interest income	1,310,590	602,780
Other operational income	547,045	556,897
Gain on investment		
Net gain from foreign exchange differences	181,826	99
Net gain from revaluation of financial assets at fair value through profit or loss	43,469,197	2,433,153
Expenses		
Net income from the reversal of adjustments for the impairment of assets	143,566	1,951,875
Administrative expenses		
Management fees	(13,050,000)	(13,050,000)
Expenses with remuneration of the Shareholders Representatives Council and with staff salaries	(375,091)	(766,903)
Other operational expenses	(2,158,749)	(2,176,673)
Interest rate expenses related to the lease contract liability	(32,973)	-
Profit before tax	81,988,110	41,311,141
Profit tax	(6,285,932)	(5,452,723)
Net profit for the period	75,702,178	35,858,418
Other elements of comprehensive income		
Elements that may not be restated to profit or loss		
Revaluation at fair value of financial assets at fair value through other elements of comprehensive income, net of defferred tax	175,526,677	49,720,883
Reserve related to financial assets at fair value through other elements of comprehensive income, transferred to retained earnings	2,038,638	10,272,517
Other elements of comprehensive income	177,565,315	59,993,400
Total comprehensive income for the period	253,267,493	95,851,818

Table no. 6.3. *Statement of profit or loss and other elements of comprehensive income*

The net profit as at 30 September 2019 increased by 111.11% compared to the one recorded at the end of the similar period of the previous year (RON 39.84 million), mainly due to the increase in net profit from the revaluation of financial assets at fair value through profit or loss.

ECONOMIC-FINANCIAL INDICATORS

Indicator	Value
Current liquidity ¹	1.87
Turnover of fixed assets ²	0.0953
Net profit net/certified net asset (%)	4.86
ROA ³ (%)	4.74
ROE ⁴ (%)	5.01

Table no. 6.4. *Economic – financial indicators**Method of calculation*

¹ Current assets / Current liabilities

² Turnover / fixed assets (turnover = total income (current) of the Company).

³ Net profit / Total accounting assets (it is one of the main profitability indicators of a company and it measures the efficiency of the use of assets, from the point of view of the profit obtained and shows how many units bring, in the form of profit, a unit invested in assets).

⁴ Net profit / equity (is one of the most important indicators that measure the performance of a company. The indicator is calculated as a ratio between the net profit obtained by the company and its equity, practically expressing the way and the efficiency with which the shareholders invested their money).

7 EXECUTION OF THE REVENUE AND EXPENSES BUDGET

The revenue and expenses budget for the financial year 2019 was approved in the SGOM from 22 April 2019, by Decision no. 4.

In LEI	R.E.B. 2019	Achieved 09.2019	%
1. Total income	53,100,000	53,810,334	101.3
1.1. Investment income	53,000,000	53,263,289	100.5
1.1.1 Divided gross income	52,000,000	51,952,699	99.9
1.1.2 Interest income	1,000,000	1,310,590	131.1
1.2 Other income	100,000	547,045	547.1
2. Total expenses	22,200,000	15,702,421	70.7
2.1 Management expenses	17,400,000	13,050,000	75.0
2.2 Third party expenses	2,500,000	1,687,990	67.5
2.3 Portfolio management expenses	1,500,000	378,141	25.2
2.4 SRC expenses	700,000	500,510	71.5
2.5 Other expenses	100,000	85,780	85.8
3. Net profit from the valuation of financial assets at fair value through profit or loss		43,880,197	0.0
4. Gross Profit	30,900,000	81,988,110	265.3
5. Profit tax (current and deferred), including dividend income tax		6,285,932	
6. Net Profit		75,702,178	

Table no. 7. Achievement of R.E.B. as at 30.09.2019

The Total Revenue indicator, at the end of the third quarter of 2019, slightly exceeded the budgeted values for the current year. The revenues are mainly composed of gross income from dividends, amounting to 51.95 million lei and interest income, amounting to 1.31 million lei.

The Total expenditure indicator, at the end of the third quarter of 2019, represents 70.7% of the total budgeted expenses for the current year and is composed mainly of the following expenditure categories:

- the management expenses represent the monthly fee of the administrator according to the administration contract in force,
- the expenses with the services provided by third parties include the expenses with the service providers (BRD - depositary, custodian, the Central Depository, FSA fees and charges, the financial auditor of the company, the internal auditor, expenses for investors relations, expenses with the mandatory publicity, payments to the trade register)
- the portfolio management expenses include the commissions of the transactions through SSIF, expenses with the banking services, the notarial expenses, with debt recovery services, the costs of the court, with the evaluation services performed by external evaluators, etc.

The gross profit, in the amount of 81.99 million lei, exceeds the budgeted values for 2019 by 165.3%, mainly as a result of the evolution of the fair value of the assets that are measured by profit or loss.

8 SUBSEQUENT EVENTS

There were no events subsequent to the date of the report, relevant to the Company's activity.

ANNEXES

- The interim financial statements as at 30 September 2019 prepared in accordance with the provisions of the FSA Rule no. 39/28 December 2015, as subsequently amended and supplemented, not audited, which include:
 - Statement of financial position,
 - Statement of profit or loss and other elements of the comprehensive income,
 - Statement of changes in equity,
 - Statement of cash flows,
 - Notes to the interim financial statements.
- The detailed situation of SIF Muntenia investments on 30 September 2019, prepared in accordance with annex no.17 of the Regulation no. 15/2004.

SIF Muntenia S.A. by its administrator
S.A.I. Muntenia INVEST S.A.

General Director,
Marian Nicușor BUICĂ

SIF Muntenia S.A. by its administrator
S.A.I. Muntenia INVEST S.A.

Chief Accountant,
Irina MIHALCEA

SIF Muntenia S.A.

**Interim Financial Statements
as at 30 September 2019**

Prepared in accordance with Rule no.
39/2015 approving the Accounting
Regulations compliant with International
Financial Reporting Standards, applicable to
entities authorized, regulated and supervised
by the FSA of the Investment and Financial
Instruments Sector

UNAUDITED

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Statement of profit and loss and other items of comprehensive income

for the financial period ended 30 September 2019

<i>In LEI</i>	<i>Note</i>	30 September 2019	30 September 2018
Income			
Dividend income	6	51,952,699	51,759,913
Interest income	7	1,310,590	602,780
Other operational income		547,045	556,897
Gain on investment			
Net gain from foreign exchange differences		181,826	99
Net gain from revaluation of financial assets at fair value through profit and loss	8	43,469,197	2,433,153
Expenses			
Net income from reversal of adjustments for impairment of assets	9	143,566	1,951,875
Administrative expenses			
Management fees	23	(13,050,000)	(13,050,000)
Expenses with remuneration of the Shareholders Representatives Council and with staff salaries	23	(375,091)	(766,903)
Other operational expenses	10	(2,158,749)	(2,176,673)
Interest rate expenses related to the lease contract liability	15 ii)	(32,973)	-
Profit before tax		81,988,110	41,311,141
Profit tax	11	(6,285,932)	(5,452,723)
Net profit for the period		75,702,178	35,858,418
Other elements of comprehensive income			
Elements that may not be restated to profit or loss			
Revaluation at fair value of financial assets at fair value through other elements of comprehensive income, net of deferred tax		175,526,677	49,720,883
Reserve related to financial assets at fair value through other elements of comprehensive income, transferred to retained earnings		2,038,638	10,272,517
Other elements of comprehensive income		177,565,315	59,993,400
Total comprehensive income for the period		253,267,493	95,851,818
Earnings per share			
Basic	20	0.095	0.044
Diluted	20	0.095	0.044

Statement of profit and loss and other items of comprehensive income

for the financial period ended 30 September 2019

The financial statements were approved and authorised to be issued by the Board of Directors on 13 November 2019 and were signed on its behalf by SAI Muntenia Invest S.A., administrator of SIF Muntenia S.A., by:

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Nicușor Marian BUICĂ
General Director

PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

Notes on pages 8 to 59 are part of the interim financial statements.

Statement of financial position

as at 30 September 2019

<i>In LEI</i>	<i>Note</i>	30 September 2019	31 December 2018
Assets			
Cash and current accounts	12	2,346,022	1,079,966
Deposits at banks	13	53,137,411	29,381,709
Financial assets at fair value through profit or loss	14 a)	740,397,646	710,614,051
Financial assets at fair value through other items of comprehensive income	14 b)	786,054,409	585,329,963
Financial assets measured at amortized cost	14 c)	11,367,271	10,171,781
Other assets	15	5,424,783	9,100,213
Total assets		<u>1,598,727,542</u>	<u>1,345,677,683</u>
Liabilities			
Dividends to be paid	16	43,641,314	66,635,384
Deferred income tax liabilities	17	39,641,259	19,427,363
Other liabilities	18	2,944,438	4,461,325
Total liabilities		<u>86,227,011</u>	<u>90,524,072</u>
Equity			
Share capital	19 a)	80,703,652	80,703,652
Hyperinflation effect- IAS 29	19 a)	803,294,017	803,294,017
Own shares	19 f)	(16,345,504)	-
Reported Result		451,407,084	355,279,975
Reserves from revaluation of financial assets at fair value through other elements of comprehensive income	19 b)	193,441,282	15,875,967
Total equity		<u>1,512,500,531</u>	<u>1,255,153,611</u>
Total liabilities and equity		<u>1,598,727,542</u>	<u>1,345,677,683</u>

The financial statements were approved and authorised to be issued by the Board of Directors on 13 November 2019 and were signed on its behalf by SAI Muntenia Invest S.A., administrator of SIF Muntenia S.A., by:

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Nicușor Marian BUICĂ
General Director

PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

Notes on pages 8 to 59 are part of the interim financial statements.

Statement of changes in equity

for the financial period ended 30 September 2019

<i>In LEI</i>	Share capital	Own shares	Reserves from revaluation of financial assets at fair value through other elements of comprehensive income	Retained earnings	Total
Balance as at 31 December 2018	883,997,669	-	15,875,967	355,279,975	1,255,153,611
Comprehensive income					
<i>Profit for the period</i>	-	-	-	75,702,178	75,702,178
<i>Other elements of comprehensive income</i>					
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax	-	-	175,526,677	-	175,526,677
Reserve relating to financial assets at fair value through other elements of comprehensive income transferred to retained earnings	-	-	2,038,638	(2,038,638)	-
Total comprehensive income of the period	-	-	177,565,315	73,663,540	251,228,855
Transactions with the shareholders, recognised directly in equity					
Prescribed dividends	-	-	-	22,463,569	22,463,569
Dividends to be paid	-	-	-	-	-
Own shares redeemed	-	(16,345,504)	-	-	(16,345,504)
Total transactions with the shareholders, recognised directly in equity	-	(16,345,504)	-	22,463,569	6,118,065
Balance as at 30 September 2019	883,997,669	(16,345,504)	193,441,282	451,407,084	1,512,500,531

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Nicuşor Marian BUICĂ
General Director

PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

Notes on pages 8 to 59 are part of the interim financial statements.

Statement of changes in equity (continued)

for the financial period ended 30 September 2019

In LEI

	Share capital	Own shares	Reserves from revaluation of financial assets at fair value through other elements of comprehensive income	(Accumulated Loss) / Retained earnings	Total
Balance ast at 31 December 2017	883,997,669	-	371,561,473	(50,931,247)	1,204,627,895
Comprehensive income					
<i>Profit for the financial period</i>	-	-	-	35,858,418	35,858,418
<i>Other elements of comprehensive income</i>					
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax	-	-	49,720,883	-	49,720,883
Reserve relating to financial assets at fair value through other elements of comprehensive income transferred to retained earnings	-	-	10,272,517	(10,272,517)	-
Transfer of reserve related to financial assets available for sale in retained earnings as a result of the adoption of IFRS 9, net of deferred tax	-	-	(362,417,197)	369,748,515	7,331,318
Total comprehensive income for the period	-	-	(302,423,797)	395,334,416	92,910,619
Transactions with the shareholders, recognised directly in equity					
Prescribed dividends	-	-	-	-	-
Dividends to be paid	-	-	-	(28,004,167)	(28,004,167)
Total transactions with the shareholders, recognised directly in equity	-	-	-	(28,004,167)	(28,004,167)
Balance as at 30 September 2018	883,997,669	-	69,137,676	316,399,002	1,269,534,347

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Nicușor Marian BUICĂ
General Director

PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

Notes on pages 8 to 59 are part of the interim financial statements.

Statement of cash flow

for the financial period ended 30 September 2019

<i>In LEI</i>	<i>Note</i>	30 September 2019	30 September 2018
Operating activities			
Profit before tax		81,988,110	41,311,141
<i>Adjustments:</i>			
Net income from the reversal of adjustments for the impairment of assets	9	(143,566)	(1,951,875)
Net gain on revaluation of financial assets at fair value through profit or loss	8	(43,469,197)	(2,433,153)
Dividend income	6	(51,952,699)	(51,759,913)
Interest income	7	(1,310,590)	(602,780)
Net gain from foreign exchange differences		(181,826)	(99)
Interest expense related to the lease contract liability	10	32,973	-
Other adjustments		142,026	55,479
Changes in assets and liabilities related to operating activities			
Changes in financial assets at fair value through profit or loss		13,614,302	6,405,183
Changes in financial assets at fair value through other items of comprehensive income		(4,429,777)	(12,580,591)
Changes in financial assets measured at amortized cost		(1,000,000)	(5,300,000)
Changes of other assets		5,855,852	(4,238,330)
Changes of other debts		(6,107,596)	(3,179,574)
Net investments from deposits with maturity over 3 months and less than one year	13	947,000	3,010,000
Dividends received		48,352,811	48,820,233
Interest received		1,334,430	550,996
Profit tax paid		-	(8,438,961)
Net cash resulted from operating activities		43,672,253	9,667,756
Investment activities			
Payments for purchases of tangible and intangible assets		(177)	(7,163)
Net cash used in investment activities		(177)	(7,163)
Financing activities			
Dividends paid, including dividend tax paid		(1,270,457)	(14,581,779)
Payments related to the leasing contract liability, including interest	15ii)	(106,572)	-
Redemption of own shares		(16,345,504)	-
Net cash used in financing activities		(17,722,533)	(14,581,779)
Net increase/decrease in cash and cash equivalents		25,949,543	(4,921,186)
Effect of exchange rate changes on cash and cash equivalents		(4,949)	(6,244)
Cash and cash equivalents on 1st January		20,401,928	19,074,391
Cash and cash equivalent as at 30 September		46,346,522	14,146,961

Notes on pages 8 to 59 are part of the interim financial statements.

Statement of cash flow (continued)

for the financial period ended 30 September 2019

At 30 September cash and cash equivalents comprise

<i>In LEI</i>	<i>Note</i>	30 September 2019	30 September 2018
Cash in the petty cash	13	2,450	1,564
Current accounts in banks	13	2,343,572	5,904,507
Bank deposits with less than three months initial maturity	14	44,000,500	8,240,890
Cash and cash equivalents		46,346,522	14,146,961

At 1 January cash and cash equivalents comprise

<i>In LEI</i>	1 January 2019	1 January 2018
Cash in the petty cash	575	4,776
Current accounts in banks	1,079,391	6,569,615
Bank deposits with less than three months initial maturity	19,321,962	12,500,000
Cash and cash equivalents	20,401,928	19,074,391

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Nicușor Marian BUICĂ
General Director

PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

Notes on pages 8 to 59 are part of the interim financial statements.

Notes to financial statements

for the financial period ended 30 September 2019

1. Reporting entity

SIF Muntenia S.A. (the "Company") is an undertaking for collective investments trust established in 1996 through the reorganization and transformation of the Private Property Fund IV Muntenia, pursuant to Law no. 133/1996 for the transformation of the Private Property Funds into financial investment companies, which operates in Romania in accordance with Law 31/1990 and Law 297/2004 on the capital market and Law 24/2017 on issuers of financial instruments and market operations. The Company is headquartered in 16, Splaiul Unirii, Sector 4, Bucharest, România.

The main field of activity of the Company, according to the Articles of Incorporation in force is:

- making financial investments in order to maximize the value of own shares in accordance with the regulations in force;
- management of the investment portfolio and the exercise of all rights associated with the instruments in which it is invested;
- risk management;
- other ancillary and adjacent activities in accordance with the regulations in force.

The company operates under a management contract concluded with Societatea de Administrare a Investițiilor Muntenia – Invest S.A. On 21 December 2017, the FSA certified the registration of SAI Muntenia Invest S.A. as an alternative investment fund manager (AIFM) with the number PJR07 1AFIAI/400005. According to the provisions of art. 3 point 2 of the Law no. 74/2015, as amended and supplemented, AIFM means any legal person whose principal activity is the management of one or more alternative investment funds.

The Company's shares are listed on the Bucharest Stock Exchange, Premium Category, symbol SIF4, starting with 1 November 1999.

Depozitarul Central S.A. București keeps evidence of shares and shareholders, according to the law. BRD – Groupe Société Générale S.A. – company authorised by the FSA provides depositary services for the Company's assets.

The interim financial statements for the period ended 30 September 2019 have not been subject to financial auditing or review.

2. Basis of preparation

(a) Declaration of compliance

The financial statements have been prepared in accordance with FSA Rule no. 39/28 December 2015 approving the Accounting Regulations compliant with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the FSA, Sector of Investment and Financial Instruments as further modified and supplemented ("FSA Rule no. 39/2015"). Pursuant to the FSA Rule No. 39/2015, the International Financial Reporting Standards are those adopted according to the procedure laid down under Regulation (EC) No. 1606/2002 ("IFRS adopted by the European Union").

These financial statements have been prepared on a going concern basis which assumes that the Company will continue to operate in the foreseeable future.

Starting 1 January 2018, the Company complied with the classification criteria as an investment entity in accordance with IFRS 10 "Consolidated Financial Statements."

Applying this exemption from consolidation implies that an investment firm should not consolidate its subsidiaries or apply IFRS 3 "Business combinations" when it obtains control over another entity. Instead, it must assess an investment in a subsidiary at fair value through profit or loss in accordance with IFRS 9 "Financial Instruments".

In the period ended 30 September 2019, the Company continues to be an investment entity as there were no changes in meeting the classification criteria as an investment entity.

Notes to financial statements

for the financial period ended 30 September 2019

2. Basis of preparation (continued)

(b) Presentation of financial statements

Interim financial statements are presented in accordance with IAS 1 "Presentation of Financial Statements", IAS 34 "Interim Financial Reporting", and IFRS 12 "Presentation of Interests in Other Entities". The Company has adopted a presentation based on liquidity in the statement of financial position and a presentation of income and expenditure according to their nature in the statement of profit or loss and other comprehensive income, considering that these methods of presentation provide information that is reliable and more relevant than those that would have been presented under other methods permitted by IAS 1.

(c) Basis of valuation

Interim financial statements are prepared using the fair value convention for financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other items of comprehensive income.

Other financial assets and liabilities and non-financial assets and liabilities are presented at amortized cost, revalued amount or historical cost.

The methods used for measuring the fair value are presented in Note 3(e)(iv) and Note 5.

(d) Functional and presentation currency

The Company's management considers that the functional currency, as defined by IAS 21 "Effects of exchange rate variation", is the Romanian leu (lei). Interim financial statements are prepared and presented in Lei, rounded to the nearest leu, which the Company's management has chosen as presentation currency.

(e) Use of estimates and judgments

Preparation of Interim financial statements in accordance with IFRS as adopted by the European Union involves the management's use of estimates, judgments and assumptions that affect the application of accounting policies, as well as the reported values of assets, liabilities, income and expenses. Judgments and assumptions associated with these estimates are based on historical experience and on other factors deemed reasonable in light of these estimates. The results of these estimates form the basis for judgments related to accounting values of assets and liabilities that can not be obtained from other sources of information. The results obtained can differ from these estimates.

The underlying judgments and assumptions are regularly reviewed. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period in which the estimate is revised and future periods if the revision affects both the current period and future periods.

Judgments made by management in applying IFRS that have a significant effect on the financial statements as well as estimates that involve a significant risk of a material adjustment in the next year are disclosed in Note 4 and Note 5.

3. Significant accounting policies

Significant accounting policies set out below have been applied consistently to all periods presented in these interim financial statements.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(a) Subsidiaries and associated entities

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to lead, directly or indirectly, financial and operating policies of an entity so as to obtain benefits from its activities. When assessing control, one must consider potential voting rights that are exercisable or convertible at that time.

Associated entities are those companies in which the Company may exercise a significant influence, but not control over financial and operating policies.

The List of subsidiaries and associates on 30 September 2019 and 31 December 2018 are presented in Note 23. In these interim financial statements, the Company classifies participations in subsidiaries as financial assets at fair value through profit or loss (as of 1 January 2018, following the adoption of IFRS 9 and the application of IFRS 10 on the exception to consolidation).

(b) Transactions in foreign currency

Transactions denominated in foreign currencies are recorded in lei at the official exchange rate at the settlement date of transactions. Monetary assets and liabilities denominated in foreign currencies at the financial position statement date are translated into the functional currency at the exchange rate of the day.

Gains or losses resulting from the settlement thereof and the conversion using the exchange rate at the end of the financial period of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Translation differences on non-monetary items such as holdings at fair value through profit or loss are presented as gains or losses from fair value. Foreign exchange differences related to non-monetary financial assets, denominated in foreign currency and classified at fair value through other items of comprehensive income, are included in a distinctive reserve account.

The exchange rates of major foreign currencies were:

Currency	30 September 2019	31 December 2018	Variation
Euro (EUR)	1: LEU 4.7551	1: LEU 4.6639	+ 1.87%
US Dollar (USD)	1: LEU 4.3488	1: LEU 4.0736	+ 6.76%

(c) Accounting of the hyperinflation effect

Under IAS 29, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy should be presented in the current measuring unit at the end of the reporting period (non-monetary items are restated using a general price index from the date of purchase or contribution).

Under IAS 29, an economy is considered hyperinflationary if, among other factors, the cumulative inflation rate over a period of three years exceeds 100%. Continued decline in inflation and other factors related to the characteristics of the economic environment in Romania indicate that the economy whose functional currency was adopted by the Company ceased to be hyperinflationary with effect for financial periods starting 1 January 2004. Therefore, the provisions of IAS 29 have been adopted in the preparation of financial statements until 31 December 2003.

(d) Cash and cash equivalents

Cash and cash equivalents comprise: cash, current accounts and deposits at banks (including blocked deposits and interest received on cash deposits).

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(d) Cash and cash equivalents (continued)

When preparing the cash flow statement, the following have been considered as cash and cash equivalents: cash, current accounts at banks and deposits with an original maturity of less than 90 days (excluding blocked deposits).

(e) Financial assets and liabilities

(i) Classification

The Company adopted IFRS 9 "Financial Instruments" with the date of initial application 1 January 2018.

This Standard supersedes the provisions of IAS 39 "Financial Instruments: Recognition and Measurement" on classification and valuation of financial assets and replaces the model for estimating adjustments for impairment of financial assets with an expected loss-based model.

IFRS 9 contains a new approach to the classification and measurement of financial assets that reflects the business model in which assets and cash flow characteristics are managed.

IFRS 9 includes three main categories of financial asset classification: measured at amortized cost, measured at fair value through other comprehensive income and measured at fair value through profit or loss.

The Company classifies financial instruments held in the following categories:

Financial assets measured at amortized cost

A financial asset is measured at *amortized cost* if it meets both of the conditions below and it is not designated as at fair value through profit or loss:

- is owned within a business model whose purpose is to keep assets for the collection of contractual cash flows; and
- its contractual conditions generate, at certain dates, cash flows that are only principal payments and interest on the principal due.

The Standard takes over the provisions of IAS 39 on the recognition and derecognition of financial instruments.

Financial assets at fair value through other items of comprehensive income

A financial asset is measured at *fair value through other comprehensive income* only if it meets both of the following conditions and it is not designated at fair value through profit or loss:

- is owned within a business model the objective of which is achieved both by collecting contractual cash flows and by selling financial assets; and
- its contractual conditions generate, at certain dates, cash flows that represent only principal payments and interest on the principal due.

More over, upon the initial recognition of an investment in equity instruments that are not held for trading, the Company may irrevocably choose to make subsequent changes in fair value in other comprehensive income. These options apply to each instrument, as appropriate.

Financial assets at fair value through profit or loss

All financial assets that are not classified at amortized cost or at fair value through other comprehensive income, as described above, will be measured at *fair value through profit or loss*. In addition, upon initial recognition, the Company may irrevocably designate that a financial asset that otherwise meets the requirements to be measured at amortized cost or fair value through other comprehensive income is measured at fair value through profit or loss, if this eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(e) Financial assets and liabilities (continued)

(ii) Recognition

Financial assets and financial liabilities are recognized on the date on which the Company becomes party to the contractual terms of the respective instrument. Financial assets and liabilities are measured at initial recognition at fair value.

(iii) Compensations

Financial assets and liabilities are offset and the net result is presented in the statement of financial position only when there is a legal right to compensation if their intention is to settle on a net basis, or if the achievement of the asset and settlement of the liabilities is intended simultaneously.

Revenues and expenses are presented net only when permitted by the accounting standards, or for the profit and loss resulted from a group of similar transactions such as the trading activity of the Company.

(iv) Valuation

Valuation at amortized cost

The amortized cost of a financial asset or liability is the amount at which the asset or financial liability is measured after initial recognition, less principal payments, plus or minus the accumulated depreciation to date using the effective interest method, less reductions related to impairment losses.

Valuation at fair value

Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between participants on the main market at the valuation date, or if no principal market, on the most advantageous market the company has access to at that date.

The Company measures the fair value of a financial instrument using quoted prices in an active market for that instrument. A financial instrument has an active market if quoted prices for that instrument are available quickly and regularly.

The market price used to determine fair value is the closing market price on the last trading day before the valuation date.

In the absence of price quotations in an active market, the Company uses valuation techniques based on the analysis of discounted cash flows and other valuation methods commonly used by market participants, making full use of market information, relying as little as possible on company-specific information. The Company uses valuation techniques that maximize the use of observable data and minimizes the use of unobservable inputs.

The value resulting by using a valuation model is adjusted based on a number of factors, due to the fact that assessment techniques do not reliably reflect all the factors considered by market participants when a transaction is performed. Adjustments are recorded to reflect the risk models, differences between quotations for sale and purchase, liquidity risks, and other factors.

Under the regulations issued by the Financial Supervisory Authority, fund units are valued at the unit value of the net asset, calculated by the fund manager using closing quotation for the financial instruments held by the funds. If the Company notes that there is no active market for the Fund's holdings, it uses public information about the fund's holdings (financial statements, audit reports, portfolio structure, etc.), obtaining a NAV per SHARE corrected with the adjustments deemed necessary to the net asset value following the analysis of the aforementioned public information.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(e) Financial assets and liabilities (continued)

(v) *Identifying and evaluating impairment*

Financial assets measured at amortized cost

IFRS 9 replaces the incurred loss pattern from IAS 39 with the expected loss pattern.

The expected loss of credit is the difference between all contractual treasury flows that are owed to the Company and all cash flows that the Company expects to receive, discounted at the original effective interest rate.

A financial asset or group of financial assets is impaired as a result of credit risk in the event that one or more events occurred that have a negative impact on the estimated future cash flows of the assets.

The Company assesses whether the credit risk for a financial asset has increased significantly since its initial recognition, on the basis of information available without cost or undue effort, which is an indicator of significant credit risk increases since initial recognition

The Company recognizes in profit or loss the amount of changes in expected credit loss over the life of the financial assets as impairment gain or loss.

Gains or losses from impairment are determined as the difference between the carrying amount of the financial asset and the present value of future cash flows using the effective interest rate of the financial asset at its original date.

The Company recognizes favorable changes in expected credit losses during the entire lifetime as an impairment gain, even if expected credit loss during the entire lifetime is less than the amount of expected credit loss that was included in the cash flows estimated at the initial recognition.

(vi) *Derecognition*

The Company derecognises a financial asset when the rights to receive cash flows of that financial asset expire or when the Company has transferred the rights to receive the contractual cash flows related to that financial asset in a transaction in which it substantially transferred all the risks and rewards related to ownership.

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

The Company derecognises a financial liability when its contractual obligations have been completed or when contractual obligations are canceled or expire.

(vii) *Gains and losses on disposal*

Gains or losses on the disposal of a financial asset or financial liability measured at fair value through profit or loss are recognized in the current profit or loss.

In the derecognition of equity instruments designated as financial assets at fair value through other comprehensive income, gains or losses representing favorable or unfavorable valuation differences, identified in revaluation reserves, are recognized in other comprehensive income (reported result representing the surplus realized - IFRS 9).

Upon derecognition of financial assets, the retained earnings as of the date of transition to IFRS 9 is transferred to a reported result representing the surplus realized.

A gain or loss on a financial asset that is measured at amortized cost is recognized in current profit or loss when the asset is derecognised.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(f) Other financial assets or liabilities

Other financial assets and liabilities are measured at amortized cost using the effective interest method, less any impairment losses.

(g) Tangible assets

(i) Recognition and valuation

Tangible assets recognized as an asset are initially measured at cost. The cost of a tangible assets item comprises the purchase price, including non-recoverable taxes, after deducting any commercial discounts, and any costs directly attributable to bringing the asset to the location and under the conditions necessary for it to be used for the purpose intended by the management, such as: staff costs arising directly from the construction or acquisition of assets, the costs of site preparation, initial delivery and handling costs, installation and assembly costs, professional fees.

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

- Lands;
- Constructions;
- Equipment, technical equipment and machinery;
- Vehicles;
- Furniture and other tangible assets.

The Company does not own land and buildings.

Tangible assets are recognized at cost, less accumulated depreciation and adjustment for impairment.

Expenditure on maintenance and repairs of tangible assets is recorded in profit or loss when incurred, while significant improvements to tangible assets, which increase the value or duration of their life, or which significantly increase their capacity to generate economic benefits, are capitalized.

(ii) Depreciation

Depreciation is calculated using the straight-line method over the estimated useful life of the assets, as follows:

- Equipment, plant and machinery	3-20 years
- Vehicles	3-6 years
- Furniture and other tangible assets	3-15 years

Depreciation methods, estimated useful life durations and residual values are reviewed by the Company's management at each reporting date.

(iii) Sale / scrapping of tangible assets

Tangible assets that are scrapped or sold are removed from the statement of financial position along with the corresponding accumulated depreciation. Any profit or loss resulting from such operations is included in current profit or loss.

(h) Assets representing rights to use underlying assets under a leasing contract

(i) Recognition

As of 1 January 2019, in accordance with IFRS 16 "Leases", a contract is, or contains a lease if it transmits the right to control the use of an asset identified for a period of time in exchange for a consideration.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(h) Assets representing rights to use underlying assets under a leasing contract (continued)

(i) Recognition (continued)

As a lessee, based on the lease agreement for the registered office space, the Company has recognized an asset related to the right of use of the underlying asset and a lease liability arising from this contract.

As a lessor, the financial statements remain unaffected by the introduction of the new standard.

Exceptions to IFRS 16 may be:

- lease contracts with a rental period of 12 months or less and which do not include acquisition options, and
- leases where the underlying asset has a low value.

The Company found the non-fulfillment of the criteria for the application of the exceptions, so, on 1 January 2019, restated the lease contract as a lessee under IFRS 16.

(ii) Valuation

The Company, as a lessee, initially evaluates at cost the asset related to the right of use. The cost of the asset related to the right of use consists of the amount of the initial valuation of the liability arising from the lease, the lease payments made starting with 1 January 2019 (the date of entry into force of IFRS 16), or the date of commencement or before this date, the initial direct costs borne by the lessee, an estimate of the costs to be borne by the lessee less any lease stimulus received.

The Company, as a lessee, also assesses the liability arising from the lease contract at the present value of the lease payments that are not disbursed at that date. Updating is done using the default interest rate in the lease contract if that rate can be determined immediately. If this rate can not be determined immediately, the marginal lending rate of the lessee shall be used.

The carrying amount of the asset measured on the cost model is the cost of the initial valuation less any accumulated depreciation and any accumulated impairment losses and it is adjusted for any revaluation of the liability arising from the lease.

The liability arising from the lease is subsequently assessed by increasing the carrying amount to reflect the debt-related interest, the reduction in the carrying amount to reflect the lease payments and the revaluation of the carrying amount as a result of the contract changes (example of the changes: duration of the contract, lease payments, options to buy the asset, interest rate, termination of the contract).

(iii) Depreciation

The underlying asset is depreciated using the straight line method. If the ownership right is not transferred or there is no purchase option on the underlying asset until the end of the asset life, the asset is depreciated from the commencement date of the contract until the first date between the end of the useful life and the end of the term of the contract, also including the options of extension or termination of the contract.

(iv) Derecognition

The asset related to the right of use is derecognised on the termination date and is reflected by decreasing the carrying amount of the asset related to the right of use and the recognition in profit or loss of gains/losses associated with the modification of the leasing contract.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(i) Impairment of assets other than financial

The carrying amount of the Company's assets that are not financial, other than deferred tax assets, are reviewed at each reporting date to identify the existence of indications of impairment. If such indication exists, the recoverable amount is estimated for the respective assets.

An impairment loss is recognized when the carrying amount of the asset or its cash-generating unit exceeds the recoverable amount of the asset or cash-generating unit. A cash-generating unit is the smallest identifiable group that generates cash independently of other assets and other groups of assets. Impairment losses are recognized in the statement of profit or loss and other comprehensive income.

The recoverable amount of an asset or cash-generating unit is the maximum of its value in use and its fair value less costs to sell the asset or unit. To determine value in use, future cash flows are discounted using a pre-tax discount rate that reflects current market conditions and risks specific to the asset.

Impairment loss recognized in prior periods is assessed at each reporting date to determine whether it decreased or no longer exists. The impairment loss shall be reversed if there was a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only if the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

(j) Share capital

Ordinary shares are recognized in equity.

(k) Provisions for risks and expenses

Provisions are recognized in the statement of financial position when an obligation arises for the Company in connection with a past event and it is likely that in the future it will be necessary to consume economic resources to extinguish this obligation and a reasonable estimate of the obligation can be made. To determine the provision, future cash flows are discounted using a pre-tax discount rate that reflects current market conditions and risks specific to the liability.

(l) Interest income and interest expenses

Interest income and expenses are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the expected cash receipts and payments in the future during the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the asset or financial liability.

The amount of interest on the liability arising from the lease is determined using a discount rate that may be the interest rate in the contract or the marginal lending rate of the lessee and it is recognized in profit or loss.

(m) Dividend income

Dividend income is recognized in profit or loss on the date on which the right to receive this income is established.

If dividends are received in the form of shares as an alternative to cash, the dividend income is recognized at the level of cash that would have been received in correspondence with increasing the participation therein. The Company does not record dividend income from shares received free of charge when they are distributed proportionally to all shareholders.

Dividend income is recorded on a gross basis including dividend tax, which is recognized as a current income tax expense.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(n) Employees benefits

(i) Short term benefits

Obligations with short-term benefits granted to employees are not updated and are recognized in the statement of profit or loss and other comprehensive income as the services are provided.

Short-term employee benefits comprise salaries and bonuses. Short-term employee benefits are recognized as an expense when services are rendered. The Company recognizes a provision for the amounts expected to be paid as premiums in short-term cash if the Company currently has a legal or constructive obligation to pay those amounts as a result of past service rendered by employees and whether that obligation can be estimated reliably.

(ii) Defined contribution plans

All employees of the Company are insured and have the legal obligation to contribute (through social contributions) to the Romanian State Pension Scheme (a defined contribution plan of the State).

Starting with 2018, the Company retains, declares and pays, on behalf of its employees, the contribution to social security and the contribution to health insurance according to the provisions of the Fiscal Code modified by GEO no.79 / 2017.

The Company is not engaged in any independent pension scheme and consequently, has no other obligations in this regard. The Company is not engaged in any other post retirement benefit system. The Company has no obligation to provide further services to current or former employees.

(iii) Long term employees benefits

The Company's net obligation in respect of services related to long-term benefits is the amount of future benefits that employees have earned in return for services rendered by them in the current and prior periods.

The Company has no obligation to grant benefits to employees upon retirement.

(o) Tax on profit

Tax on profit for the period comprises current tax and deferred tax. Current income tax includes income tax from dividends recognized at gross value.

Profit tax is recognized in profit or loss and other elements of comprehensive income if the tax is related to capital items.

Current tax is the expected tax payable on the profit realized in the current period, based on tax rates applied at the date of the financial position statement and on all adjustments related to prior periods.

Deferred tax is provided for temporary differences arising between the tax base for calculating the tax for assets and liabilities and their carrying amount used for financial statements reporting.

Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities arising from transactions that are not business combinations and that affects neither the accounting profit nor fiscal profit, and differences arising on investments in subsidiaries, provided that they are not resumed in the near future. Deferred tax is calculated using tax rates expected to be applicable to temporary differences upon their resumption, based on the legislation in force on the reporting date or issued on the reporting date and which will enter into force thereafter.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(o) Tax on profit (continued)

Deferred tax assets and liabilities are offset only if there is a legal right to offset current liabilities and assets with tax and whether they are related to the tax collected by the same fiscal authority for the same entity subject to taxation or for different fiscal authorities that want to settle current tax receivables and liabilities using a net basis, or related assets and liabilities will be realized simultaneously.

Deferred tax asset is recognized only to the extent that it is probable that future profits are likely to be realized and be used to cover the tax loss. The receivable is reviewed at the end of each financial year and is reduced to the extent that the related tax benefit is unlikely to be realized.

Additional taxes that arise from the distribution of dividends are recognized at the same time as the obligation to pay dividends.

Starting 2018, the fiscal result is determined on the basis of items of income and expense in the Statement of profit or loss, plus items similar to income, and less items similar to expenses as shown in retained earnings, as a result of the adoption of IFRS 9.

For the period ended as at 30 September 2019 and at 30 September 2018, the income tax rate was 16%. The tax rate related to taxable dividend income for the period ended as at 30 September 2019 and 30 September 2018 was of 5%.

(p) Earnings per share

The Company presents basic and diluted earnings per share for ordinary shares. Basic earnings per share is determined by dividing profit or loss attributable to ordinary equity shareholders of the Company's weighted average number of ordinary shares outstanding over the reporting period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares with dilution effects arising from potential ordinary shares.

(q) Dividends to be distributed

Dividends are treated as an appropriation of profit in the period in which they were declared and approved by the General Meeting of the Shareholders. Dividends not collected for three years, after expiry of prescription period are recorded directly in equity being treated as contributions from shareholders according to the decision of the General Shareholders Meeting.

(r) Subsequent events

Events occurred after the end of the reporting period are those events favorable and unfavorable, that occur between the end of the reporting period and the date the financial statements are authorized for issue.

Subsequent events that provide additional information about the Company's position to the date of ending the reporting period (adjusting events) are reflected in the financial statements.

Events after the end of the reporting period that require no adjustments are shown in the notes, when considered significant.

(s) Affiliates

Different entities or persons are considered to be in special relationship with the Company also if one of the parties, either through ownership or through contractual rights, family relationships or other similar situations, can directly or indirectly control the other party or may influence it significantly in making financial or operational decisions.

Transactions between affiliated parties represent a transfer of resources or liabilities between affiliated parties whether or not they involve a price.

Notes to financial statements

for the financial period ended 30 September 2019

3. Significant accounting policies (continued)

(t) Standards and new interpretations that are not yet in force

A number of new standards, amendments and interpretations to standards are not yet effective as of the financial statements date and have not been applied in preparing these financial statements:

IFRS 17 Insurance Contracts (effective date: annual periods beginning on or after 1 January 2021)

IFRS 17 replaces IFRS 4, which was introduced as an interim standard in 2004. IFRS 4 granted companies the exemption from accounting for insurance contracts using national accounting standards resulting in different approaches. IFRS 17 requires that all insurance contracts be accounted for consistently, to the benefit of both investors and insurance companies. Insurance liabilities will be accounted for using the current value instead of the historical cost.

The Company does not consider that this Standard will have a material impact on the financial statements because it does not operate in the insurance sector.

4. Significant risks management

Investment activity exposes the Company to a variety of risks associated with financial instruments owned and financial markets in which it operates. The main risks the Company is exposed to are:

- market risk (price risk, currency risk and interest rate risk);
- credit risk;
- liquidity risk;
- risk related to taxation;
- operational risk.

The overall risk management strategy seeks to maximize Company's profit reported to the level of risk to which it is exposed and minimize any potential adverse variations on the financial performance of the Company.

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

(a) Market risk

Market risk is defined as the risk of recording a loss or not achieving the expected profit, as a result of price fluctuations, interest rates and foreign exchange rates.

The company is exposed to the following market risk categories:

(i) Price risk

The Company is exposed to risks associated with variation in the price of financial assets at fair value through profit or loss and of financial assets at fair value through other items of comprehensive income.

Of the total shares with an active market held by the Company, on 30 September 2019, 60% (31 December 2018: 50%) were investments in companies that were part of the BET index of the Bucharest Stock Exchange, index weighted by market capitalization and designed to reflect the overall trend of prices of the most liquid sixteen shares traded on the Bucharest Stock Exchange.

The Board of Directors of SAI Muntenia Invest S.A. fulfills its role of monitoring the risk management framework as well as by approving trading limits on the Romanian capital market for speculative purposes.

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks management (continued)

(a) Market risk (continued)

(i) Price risk (continued)

A positive variation of 10% in the price of financial assets at fair value through profit or loss would lead to an increase in profit after tax at 30 September 2019 with 69,386,161 lei (31 December 2018: 66,842,195 lei), a negative variation 10 % having an equal net impact and of opposite sign.

A positive variation of 10% in the price of financial assets at fair value through other items of comprehensive income would lead to an increase in equity, net of profit tax at 30 September 2019 with 68,829,867 lei, a negative variation 10% having an equal net impact and of opposite sign.

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

<i>In LEI</i>	30 September 2019	%	31 December 2018	%
Financial, banking and insurance	541,982,998	44%	417,021,602	40%
Real estate, rentals and other services	77,517,957	6%	86,852,178	8%
Wholesale, retail, tourism and restaurants	116,309,731	9%	95,307,972	9%
Building materials industry	81,492,244	7%	68,733,152	7%
Agriculture, livestock, fishing	25,097,680	2%	25,097,680	2%
Metallic construction and metal products	49,119,485	4%	55,019,204	5%
Pharmaceutical and medical industry	198,527,587	16%	195,695,049	19%
Chemical and petrochemical industry	-	0%	11,512,234	1%
Energy industry	70,601,133	6%	46,704,803	5%
Mining industry	41,598,525	3%	-	0%
Others	33,953,755	3%	30,888,789	3%
TOTAL	1,236,201,095	100%	1,032,832,663	100%

As can be noticed from the above table, on 30 September 2019 the Company held shares mainly in companies active in the financial-banking and insurance sector, accounting for 44% of the total portfolio, increasing from 40% as registered as at 31 December 2018. On the other hand, 16% of the shares portfolio at 30 September 2019, decreasing from 19% as registered as at 31 December 2018 represents holdings in companies in the pharmaceutical and medical industry.

Fund units owned by the Company are exposed to price risk, having different degrees of investment risk (bank deposits, bonds, other fixed income instruments, shares, etc.).

The bonds held by the Company at OPUS Chartered Issuances S.A. and Banca Transilvania S.A. are also exposed to price risk. They are classified within the category of financial assets at fair value through profit or loss, and amount to 100,957,745 lei (31 December 2018: 87,254,836 lei), see note 14.

(ii) Interest rate risk

The company faces interest rate risk exposure due to exposure to unfavorable interest rate fluctuations. The change in market interest rates directly affects income and expenses related to financial assets and liabilities bearing floating interest rates and the market value of the interest-bearing instruments (for example, the bonds).

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

As at 30 September 2019 and 31 December 2018, most of the Company's assets and liabilities are not interest bearing. As a result, the Company is not directly significantly affected by the risk of interest rate fluctuations. Cash and cash equivalents are generally invested at short-term interest rates. However, market yield lowering can affect the valuation value of assets held by the Company.

Out of the total financial assets of the Company, the only variable interest-bearing assets are represented by bonds issued by Banca Transilvania SA, whose interest will be reset within 1-6 months comoarea to the previous maturity. For more information on contractual maturity of interest-bearing financial assets of the Company, see note 4 (c) Liquidity risk.

The Company does not use derivative financial instruments to protect itself against interest rate fluctuations. The impact on net profit of the Company of a change of $\pm 1.00\%$ of the interest rate related to variable interest-bearing assets and liabilities denominated in other currencies in conjunction with a change of $\pm 5.00\%$ of the interest rate related to variable interest-bearing assets and liabilities denominated in lei is of $\pm 9,949$ lei (31 December 2018: $\pm 9,767$ lei).

(iii) Currency risk

Currency risk is the risk of loss or failure to achieve estimated profit as a result of unfavorable exchange rate fluctuations. The Company is exposed to fluctuations in exchange rates, but has not formalized a policy of currency hedging. Most of the Company's financial assets and liabilities are denominated in local currency, other currencies in which operations are performed are EUR and USD.

Financial assets and liabilities denominated in LEI and foreign currencies as of 30 September 2019 and 31 December 2018 are presented in the following tables.

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks management (continued)

(a) Market risk (continued)

(iii) Currency risk (continued)

30 September 2019

<i>In LEI</i>	Book value	LEI	USD	EUR
Financial assets				
Cash and cash equivalents	2,346,022	2,344,043	722	1,257
Deposits with banks	53,137,411	53,137,411	-	-
Financial assets at fair value through profit and loss	740,397,646	639,439,901	-	100,957,745
Financial assets at fair value through other items of comprehensive income	786,054,409	786,054,409	-	-
Financial assets measured at amortized cost	11,367,271	1,027,553	-	10,339,718
Other liabilities	4,797,296	4,797,296	-	-
TOTAL	<u>1,598,100,055</u>	<u>1,486,800,613</u>	<u>722</u>	<u>111,298,720</u>
Financial liabilities				
Dividends payment	43,641,314	43,641,314	-	-
Other liabilities	2,944,438	2,388,297	-	556,141
TOTAL	<u>46,585,752</u>	<u>46,029,611</u>	<u>-</u>	<u>556,141</u>

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks management (continued)

(b) Market risk (continued)

(iii) Currency risk (continued)

31 December 2018

<i>In LEI</i>	Book value	LEI	USD	EUR
Financial assets				
Cash and cash equivalents	1,079,966	1,071,309	703	7,954
Deposits with banks	29,381,709	29,381,709	-	-
Financial assets at fair value through profit and loss	710,614,051	623,359,215	-	87,254,836
Financial assets at fair value through other items of comprehensive income	585,329,963	585,329,963	-	-
Financial assets measured at amortized cost	10,171,781	-	-	10,171,781
Other assets	8,956,361	8,956,361	-	-
TOTAL	<u>1,345,533,831</u>	<u>1,248,098,557</u>	<u>703</u>	<u>97,434,571</u>
Financial liabilities				
Dividends payment	66,635,384	66,635,384	-	-
Other liabilities	4,461,325	4,461,325	-	-
TOTAL	<u>71,096,709</u>	<u>71,096,709</u>	<u>-</u>	<u>-</u>

The net impact on Company's profit of a change of $\pm 5\%$ of the RON/ EUR currency rate together with a modification of $\pm 5\%$ of the RON/ USD currency rate as of 30 september 2019, all other variables remaining constant, is of $\pm 4,651,219$ lei (31 December 2018: $\pm 4,092,282$ lei).

(b) Credit risk

Credit risk is the risk of loss or failure to achieve estimated profits due to failure of a counterparty to comply with financial obligations. The Company is exposed to credit risk due to investments in bonds issued by companies, current accounts and bank deposits and receivables.

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks management (continued)

(b) Credit risk (continued)

The Company's maximum exposure to credit risk amounts to 70,063,053 Lei as at 30 September 2019 and to 43,128,359 lei as at 31 December 2018 and may be analyzed as follows:

<i>In LEI</i>	30 September 2019	31 December 2018
<i>Exposures from current accounts and deposits with banks (Note 12 and Note 13)</i>		
Banca Transilvania S.A.	17,529,355	3,424
Libra Internet Bank S.A.	74,723	7,213,518
Banca Comercială Română S.A.	172	526
BRD - Groupe Societe Generale S.A.	672,616	8,333,421
Credit Europe Bank S.A.	6,288,463	6,521,727
Marfin Bank S.A.	198	5,973
Banca Comercială Feroviară S.A.	2,327	5,201
Banca Comercială Intesa Sanpaolo Bank	30,565,201	8,022,723
Other commercial banks	347,928	354,587
Total	55,480,983	30,461,100

Financial assets measured at amortized cost (Note 14 c)

Impact Developer&Contractor S.A. Bonds	4,751,100	4,663,900
Medimfarm S.A. Bonds	5,415,233	5,315,843
Capital Leasing IFN S.A. Bonds	1,000,000	-
Other bonds and related interest	200,938	192,038
Total	11,367,271	10,171,781

Financial assets measured at amortized cost classified according to maturity:

- current (Medimfarm S.A., Impact Developer&Contractor S.A., Capital Leasing IFN S.A. Bonds and related interest)	11,367,271	10,171,781
Total	11,367,271	10,171,781

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks management (continued)

(b) Credit risk (continued)

<i>In LEI</i>	30 September 2019	31 December 2018
<i>Various Debtors and Commercial Receivables (Note 15)</i>		
Consol S.A.	2,051,503	2,056,149
Banca Română de Scont S.A.	1,283,228	1,283,228
Autoritatea Administrării Activelor Statului	1,153,625	1,153,625
Timpuri Noi S.A.	2,529,526	2,529,526
Transchim S.A	-	2,250,243
Siderca S.A	410,334	410,334
Dividends to be received	2,357,235	811,658
Other various debtors	2,077,723	3,018,111
Impairment of trade receivables and various debtors	(8,648,375)	(11,017,397)
Total	3,214,799	2,495,478

Various debtors and trade receivables classified according to maturity:

- current (various debtors and dividends to be received)	3,214,799	2,495,478
- outstanding, adjustments of gross values (various debtors and dividends to be received)	8,648,375	11,017,397
- adjustments for various debtors (Consol S.A., Banca Română de Scont S.A., Autoritatea Administrării Activelor Statului, Siderca S.A., Timpuri Noi S.A.) and outstanding dividends to be received	(8,648,375)	(11,017,397)
Total	3,214,799	2,495,478
Total exposure	70,063,053	43,128,359

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks management (continued)

(c) Liquidity risk

Liquidity risk is the risk of loss or failure to achieve estimated profits resulting from failure to meet payment obligations at any time in the short term, without this entailing excessive costs or losses that may be incurred by the Company.

The structure of assets and liabilities was analyzed based on the period remaining as of the financial position statement date to contractual maturity date, both for the period ended as at 30 September 2019 and for the financial exercise ended 31 December 2018 is as follows:

30 September 2019

<i>In LEI</i>	Book value	Below 3 months	Between 3 and 12 months	More than 1 year	Without default maturity
Financial assets					
Cash and cash equivalents	2,346,022	2,343,572	-	-	2,450
Deposits with banks	53,137,411	53,125,437	-	-	11,974
Financial assets at fair value through profit or loss	740,397,646	-	100,957,745	-	639,439,901
Financial assets at fair value through other items of comprehensive income	786,054,409	-	-	-	786,054,409
Financial assets measured at amortized cost	11,367,271	200,938	5,415,233	5,751,100	-
Other assets	4,797,296	3,620,520	882,582	294,194	-
Total financial assets	1,598,100,055	59,290,467	107,255,560	6,045,294	1,425,508,734
Financial liabilities					
Dividends to be paid	43,641,314	43,641,314	-	-	-
Other liabilities	2,944,438	2,413,017	80,280	451,141	-
Total financial liabilities	46,585,752	46,054,331	80,280	451,141	-
Liquidity surplus	1,551,514,303	13,236,136	107,175,280	5,594,153	1,425,508,734

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks management (continued)

(c) Liquidity risk (continued)

31 December 2018

<i>In LEI</i>	Book value	Below 3 months	Between 3 and 12 months	More than 1 year	Without default maturity
Financial assets					
Cash and cash equivalents	1,079,966	1,079,391	-	-	575
Deposits with banks	29,381,709	29,369,735	-	-	11,974
Financial assets at fair value through profit or loss	710,614,051	38,881	548,342	86,667,613	623,359,215
Financial assets at fair value through other items of comprehensive income	585,329,963	-	-	-	585,329,963
Financial assets measured at amortized cost	10,171,781	9,552	182,486	9,979,743	-
Other assets	8,956,361	8,956,361	-	-	-
Total financial assets	1,345,533,831	39,453,920	730,828	96,647,356	1,208,701,727
Financial liabilities					
Dividends to be paid	66,635,384	66,635,384	-	-	-
Other liabilities	4,461,325	4,461,325	-	-	-
Total financial liabilities	71,096,709	71,096,709	-	-	-
Liquidity surplus / (deficit)	1,274,437,122	(31,642,789)	730,828	96,647,356	1,208,701,727

Taking into consideration the statistical data relating to previous years regarding shareholders' demand for dividends in the year following the distribution, the Management of the Company considers that their share is insignificant from the undistributed dividends on 31 December 2018.

(d) Taxation risk

Romanian tax legislation provides detailed and complex rules that undergone several changes in recent years. Interpretation of the text and the practical implementation of tax laws may vary, existing the risk that certain transactions are interpreted differently by the tax authorities as compared to the Company's treatment.

In terms of profit tax, there is a risk of different interpretation by the tax authorities of the fiscal rules applied according to IFRS accounting regulations.

Romanian Government has a number of 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. It is possible that the Company may be subject to tax audits on the extent of issuing new tax regulations.

Notes to financial statements

for the financial period ended 30 September 2019

4. Significant risks administration (continued)

(f) Operational risk

Operational risk is the risk of incurring losses or not achieving the estimated profits due to internal factors such as inappropriate conduct of internal activities, the existence of inadequate personnel or systems or due to external factors such as economic conditions, changes in capital market, technological progress. Operational risk is inherent in all activities of the Company.

Policies defined for operational risk management took into consideration each type of event that can generate significant risks and ways of their manifestations, to eliminate or reduce financial or reputational losses.

(g) Capital adequacy

The Management's policy regarding capital adequacy focuses on maintaining a sound capital base in order to support the ongoing development of the Company and the achievement of investment objectives.

5. Significant accounting estimates and judgments

The Management discusses the development, selection, presentation and application of significant accounting policies and estimates. All these are approved at the meetings of the Board of Directors of SAI Muntenia Invest S.A.

These presentations supplement the information on financial risk management (see Note 4). Significant accounting judgments for applying the Company's accounting policies include:

Notes to financial statements

for the financial period ended 30 September 2019

5. Significant accounting estimates and judgments (continued)

Key sources of uncertainty of estimation

Impairment of assets measured at amortized cost

Assets carried at amortized cost are evaluated for impairment in accordance with accounting policy described in Note 3 (e) (v).

Assessment for impairment of receivables is made on an individual level and is based on management's best estimate of the present value of cash flows expected to be received. To estimate these flows, the management makes certain estimates related to the financial position of the counterparty. Each asset is individually analyzed. Accuracy of the adjustments depends on estimates of future cash flows for specific counterparties.

Determining the fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques described in the accounting policy under Note 3 (e) (v). For financial instruments rarely traded and for which there is no price transparency, fair value is less objective and is determined using various levels of estimates of the degree of liquidity, the degree of concentration, uncertainty of market factors, assumptions of price and other risks affecting the respective financial instrument.

Fair value hierarchy

The Company uses the following methods hierarchy for fair value measurement:

Level 1: prices quoted (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (ie as prices, prices quoted on inactive markets) or indirectly (ie derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes all instruments where the valuation technique includes items that are not based on observable data and for which unobservable input parameters can have a significant effect on the assessment of the instrument. This category includes instruments that are valued based on quoted prices for similar instruments but which are subject to adjustments based largely on unobservable data or estimates to reflect the difference between the two instruments

The fair value of financial assets and liabilities that are traded in active markets are based on quoted market prices or the prices quoted by brokers. For all other financial instruments, the Company determines fair value by using valuation techniques. Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation techniques. Assumptions and variables used in valuation techniques include risk-free interest rates and reference rates, margins for credit risk and other premiums used in estimating discount rates, yields on bonds and equity, exchange rates, indices price of capital, volatilities and correlations predicted. The purpose of valuation techniques is to determine the fair value of financial instruments which reflect the price at the reporting date, the price that would be determined under objective conditions by market participants.

The Company uses recognized valuation models to determine the fair value of simple financial instruments using only observable market data and require few estimates and analysis from management. Observable prices and input parameters in the model are usually available in the market for capital instruments. Their availability reduces the need for estimates and analysis from management and the uncertainty associated with determining fair value. The availability of observable market prices and inputs varies depending on products and markets and is subject to changes arising from specific events and general conditions in the financial markets.

Notes to financial statements

for the financial period ended 30 September 2019

5. Significant accounting estimates and judgments (continued)

Fair value hierarchy (continued)

For the shares that do not have a quoted market price in an active market, the Company uses valuation models which are usually derived from known models of evaluation. Some or all significant input data into these models may not be observable in the market and are derived from market prices or estimated based on assumptions. Valuation models requiring unobservable inputs require a higher degree of management analysis and estimation to determine fair value. Analysis and estimate from management affect, in particular, the selection of a suitable evaluation model, the determination of future cash flows of a financial instrument, the determination of the probability of default by the counterparty and of payments in advance and the selection of appropriate discount rates.

The table below uses financial instruments recorded at fair value according to the method of assessment.

30 September 2019

<i>In LEI</i>	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	217,135,059	-	523,262,587	740,397,646
Financial assets at fair value through other items of comprehensive income	633,675,556	108,578,860	43,799,993	786,054,409
	850,810,615	108,578,860	567,062,580	1,526,452,055

31 December 2018

<i>În LEI</i>	Nivel 1	Nivel 2	Nivel 3	Total
Financial assets at fair value through profit or loss	212,145,472	-	498,468,579	710,614,051
Financial assets available for sale at fair value	493,298,015	53,199,450	38,832,498	585,329,963
	705,443,487	53,199,450	537,301,077	1,295,944,014

For the period ended as at 30 September 2019, the Company presented financial assets at fair value through profit or loss on level 3 of the fair value hierarchy, instruments held in bonds amounting to 100,957,745 Lei, closed-end fund units in the amount of 162,515,997 lei and shares held in eleven companies whose fair value of 259,788,845 Lei was determined using evaluation models in accordance with the ANEVAR Valuation Standards.

For the period ended 30 September 2019, the Company presented financial assets at fair value through other comprehensive income on level 3 of the fair value hierarchy, shares held in several companies whose fair value of 43,799,993 Lei was determined using models of assessment according to the ANEVAR Assessment Standards and professional reasoning, using different valuation models, taking into account the credibility, quantity and quality of the available information.

For the financial period ended as at 31 December 2018, the Company presented financial assets at fair value through profit or loss on fair value hierarchy level 3, instruments held in bonds amounting to 86,206,075 Lei, closed-end fund units amounting to 152,473,659 Lei and shares held in eleven companies whose fair value amounting to 259,788,845 Lei was determined using valuation models according to ANEVAR Valuation Standards.

Notes to financial statements

for the financial period ended 30 September 2019

5. Significant accounting estimates and judgments (continued)

Fair value hierarchy (continued)

For the financial period ended as at 31 December 2018, the Company presented financial assets at fair value through other items of the comprehensive income on level 3 of the fair value hierarchy, the shares held at several companies whose fair value of 38,832,498 Lei was determined using valuation models in accordance with the ANEVAR Valuation Standards and professional judgment by using different evaluation models, taking into account the credibility, quantity and quality of available information.

The main assumptions used in the valuation model for financial assets at fair value - shares as at 31 December 2018, together with related amounts are presented in the following table:

Assumptions used in the valuation model	Value of the indicator used in the valuation as at 31 December 2018
Annual change of EBITDA	0% - 6%
Perpetual variation of revenues and expenses	2.00%
Weighted average cost of capital (WACC)	8,2% - 12,8%

Although the Company considers its fair value estimates as appropriate, the use of other methods or assumptions could result in different values of fair value. For the fair values recognized following the use of a significant number of unobservable inputs (Level 3) modifying one or more assumptions with other reasonable alternative assumptions would have an influence on the statement of profit or loss and other comprehensive income, as follows:

Changing variable at the valuation as at 31 December 2018	Impact on profit or loss	Impact on other elements of comprehensive income
Increase of EBITDA margin with 3%	8,916,881	175,230
Decrease of EBITDA margin with 3%	(8,015,666)	(140,127)
Increase of WACC by 0.5%	(9,618,161)	(70,101)
Decrease of WACC by 0.5%	10,857,744	70,111
Increase of perpetuity of revenues and expenses by 0.5%	6,380,338	-
Decrease of perpetuity of revenues and expenses by 0.5%	(5,628,733)	-

Notes to financial statements

for the financial period ended 30 September 2019

5. Significant accounting estimates and judgments (continued)

Fair value hierarchy (continued)

Considering the available information for estimating the fair value of certain shares held in companies classified as financial assets at fair value through other items of comprehensive income the market approach method was used, ie the comparison of the company under assessment with similar companies traded on a market, and the determination its value by using a multiplier (EBITDA or equity) and applying a discount for lack of liquidity.

Under the valuation model for financial assets at fair value through profit or loss - fund units and bonds, a positive change of fair value of 10% leads to a increase in profit after tax of 22,131,794 Lei at 30 September 2019 (31 December 2018: 20,049,098 Lei), a negative change of 10% having an equal net impact and of opposite sign.

Notes to financial statements

for the financial period ended 30 September 2019

5. Significant accounting estimates and judgments (continued)

Fair value hierarchy (continued)

Reconciliation of valuations at fair value classified on Level 3 of the fair value hierarchy

<i>In LEI</i>	Financial assets at fair value through profit or loss	Financial assets measured at fair value through other items of comprehensive income
1 January 2018	98,683,282	404,672,354
Restatement according to the adoption of IFRS 9	152,229,481	(152,229,481)
Restatement according to IFRS 10	252,442,873	(252,442,873)
Transfers to level 3	-	37,991,410
Gains or losses for the period included in profit or loss	(32,951,091)	
Gains or losses for the period included in other items of comprehensive income	-	841,088
Acquisitions, participations to share capital	69,052,850	-
Sales	(40,988,817)	-
31 December 2018	498,468,579	38,832,498
Transfers to level 3	1,048,761	-
Transfers from level 3	-	(160,178)
Gains or losses for the period included in profit or loss	37,224,635	-
Gains or losses for the period included in other items of comprehensive income	-	11,190,304
Acquisitions, participations to share capital	-	34,810
Sales	(13,479,388)	(6,097,441)
30 September 2019	523,262,587	43,799,993

Notes to financial statements

for the financial period ended 30 September 2019

5. Significant accounting estimates and judgments (continued)

Classification of financial assets and liabilities

The Company's accounting policies provide the basis so that the assets and liabilities to be classified, initially, in various accounting categories. For the classification of assets and liabilities at fair value through profit or loss, the Company has determined to have met one or more criteria as presented in note 3 (e) (i). Details of the classification of financial assets and liabilities of the Company are presented in Note 21.

6. Dividend income

Dividend income is recorded on a gross basis. Tax rates on dividends for the financial period ended as at 30 September 2019 was of 5% and zero (financial period ended as at 30 September 2018: 5% and zero). Details on the main counterparts of dividend income is presented below:

<i>In LEI</i>	30 September 2019	30 September 2018
Banca Transilvania S.A.	21,686,672	15,216,374
BRD GSG S.A.	8,993,229	5,948,757
Voluthema Property Developer S.A.	-	5,790,747
SNGN Romgaz S.A.	5,123,116	5,603,769
Biofarm S.A.	5,023,791	9,545,202
SIF Oltenia S.A.	2,610,000	-
CI-CO S.A.	1,681,847	2,088,019
Firos S.A.	1,407,788	1,412,230
FIA Certinvest Acțiuni	1,141,077	60,182
OMV Petrom S.A.	929,265	614,345
Alro S.A.	452,984	-
SNTGN Transgaz S.A.	450,528	943,904
Casa de Bucovina Club de Munte S.A.	-	447,601
Geccatherm S.A.	-	430,292
Bursa de Valori București S.A.	395,525	592,340
Șantierul Naval Orșova S.A.	331,012	240,736
Geccsat S.A.	330,501	686,511
ICPE S.A.	-	385,492
Conpet S.A.	265,825	286,251
Compania de Librării București S.A.	175,866	311,002
SN Nuclearelectrica S.A.	-	289,278
Others	953,673	866,880
Total	51,952,699	51,759,913

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for the financial period ended 30 September 2019

7. Interest income

<i>In LEI</i>	30 September 2019	30 September 2018
Income from interest on bank deposits and current accounts	796,096	313,438
Income from interest on financial assets measured at amortized cost	514,494	289,342
Total	<u>1,310,590</u>	<u>602,780</u>

8. Net gain from revaluation of financial assets at fair value through profit or loss

<i>In LEI</i>	30 September 2019	30 September 2018
Net gain on revaluation of financial assets at fair value through profit or loss - shares	2,850,201	27,115,821
Net gain / (Net loss) on revaluation of financial assets at fair value through profit or loss - bonds	15,326,913	(4,510,971)
Net gain / (Net loss) on revaluation of financial assets at fair value through profit or loss - fund units	25,292,083	(20,171,697)
Total	<u>43,469,197</u>	<u>2,433,153</u>

9. Net income from reversal of adjustments for the impairment of assets

<i>In LEI</i>	30 September 2019	30 September 2018
Reversed losses from impairment of other assets (Note 15)	2,369,022	1,951,875
Expenses with the receivable write - off (i)	(2,225,456)	-
Total	<u>143,566</u>	<u>1,951,875</u>

(i) During the financial period ended 30 September 2019, the Company derecognized the receivable held at Transchim S.A. amounting to 2,139,847 lei, as a result of closing the bankruptcy procedure.

Notes to financial statements

for the financial period ended 30 September 2019

10. Other operating expenses

<i>In LEI</i>	30 September 2019	30 September 2018
Expenditure on external benefits	478,131	578,998
Expenditure on commissions	1,116,410	1,111,745
Custody fees	212,510	218,700
Trading costs	90,823	98,108
Protocol, advertising and publicity expenses	107,112	104,096
Expenses with depreciation of the asset representing rights to use the underlying assets (Note 15 (ii))	85,671	-
Other operating expenses (i)	68,092	65,026
Total	2,158,749	2,176,673

(i) Other operating expenses include expenditure with transportation, telecommunications, other taxes and fees, etc.

11. Income tax

<i>In LEI</i>	30 September 2019	30 September 2018
Current income tax		
Current income tax 16%)	4,771,587	3,618,875
Dividend tax (5%)	2,068,441	1,521,548
	6,840,028	5,140,423
Deferred income tax		
Adjustments for impairment of other assets	(554,096)	312,300
	(554,096)	312,300
Total	6,285,932	5,452,723

Notes to financial statements

for the financial period ended 30 September 2019

11. Income tax (continued)

Reconciliation of profit before taxation with the income tax expense:

<i>In LEI</i>	30 September 2019	30 September 2018
Profit before tax	81,988,110	41,311,141
Tax under statutory tax rate of 16% (2018: 16%)	13,118,098	6,609,783
Effect on income tax of:		
Dividends tax rates	2,068,441	1,521,548
Items similar to income resulting from the adoption of IFRS 9	-	9,260,377
Items similar to expenditures following the adoption of IFRS 9	(257,126)	(155,545)
Non-deductible expenses	4,595,129	3,267,465
Non-taxable income	(12,436,056)	(15,363,205)
Amounts representing sponsorship within legal limits	(248,458)	-
Recording and reversal of temporary differences	(554,096)	312,300
Income tax	<u>6,285,932</u>	<u>5,452,723</u>

12. Cash and current accounts

<i>In LEI</i>	30 September 2019	31 December 2018
Cash in the petty cash	2,450	575
Current accounts at banks	2,343,572	1,079,391
Total	<u>2,346,022</u>	<u>1,079,966</u>

Current accounts open at banks are permanently available to the Company and are not restricted or encumbered.

Notes to financial statements

for the financial period ended 30 September 2019

13. Deposits with banks

<i>In LEI</i>	30 September 2019	31 December 2018
Bank deposits with an initial maturity less than 3 months (i)	44,000,500	19,321,962
Bank deposits with an initial maturity over 3 months and less than 1 year (i)	9,053,000	10,000,000
Receivables attached	71,937	47,773
Blocked deposits	11,974	11,974
Total deposits with banks	53,137,411	29,381,709

(i) Bank deposits are permanently available to the Company and are not restricted or encumbered.

14. Financial assets

a) Financial assets at fair value through profit or loss

<i>In LEI</i>	30 September 2019	31 December 2018
Bonds (i)	100,957,745	87,254,836
Shares (ii)	450,146,686	447,502,700
Fund units (iii) (Note 24)	189,293,215	175,856,515
Total	740,397,646	710,614,051

Notes to financial statements

for the financial period ended 30 September 2019

14. Financial assets (continued)

a) Financial assets at fair value through profit or loss (continued)

(i) The Company owns in the portfolio 501 bonds issued by OPUS Chartered Issuances SA with a two-year maturity (as of September 2018), an acquisition cost of 29,205,275 lei, equivalent to 6,389,253 EUR and a fix annual interest amounting to 200.00 EUR per bond.

As at 30 September 2019, the Company valued these securities using a valuation model that considers the closing price published by Bloomberg of 14,748.71 EUR/certificate (31 December 2018: 12,522.18 EUR/certificate).

The Company also holds 1,140 bonds issued by OPUS Chartered Issuances SA with a maturity of two years (as of September 2018) with a purchase cost of 44,621,357 lei, equivalent to 10,000,080 euros and a fixed annual interest rate of 200.00 EUR per bond.

As at 30 September 2019, the Company valued these securities using a valuation model that considers the closing price published by Bloomberg of 12,311.07 EUR/certificate (31 December 2018: 11,041.68 EUR/certificate) as well as an adjustment factor that mainly concerns the liquidity risk on the instrument's market. The aforementioned adjustment factor determined the decrease in the fair value of these securities by 2,270,568 lei.

The acquisition of these types of financial instruments is part of the investment policy of SIF Muntenia S.A. to diversify the investment portfolio.

The bonds held with Banca Transilvania were also classified in this category, bonds containing contractual clauses regarding the option to convert them into shares and, from the analysis of contractual terms, cash flows are not exclusively payments of the principal and the interest on the principal due, which are related to a basic lending agreement (Note 25).

On 30 September 2019, the fair value of the bonds is 1,312,118 lei (31 December 2018: 1,048,761 lei).

(ii) Starting with 1 January 2018, the Company adopted IFRS 9 and applied IFRS 10 on the exception to consolidation (Note 25 and Note 26). Applying this exception implies that an investment entity must measure an investment in a subsidiary at fair value through profit or loss in accordance with IFRS 9 (Note 2 a). On 30 September 2019, the fair value of the subsidiaries is 449,547,436 Lei (31 December 2018: 446,913,400 Lei).

The shares held at Purcari Wineries Public Company Limited that were acquired during the period ended as at 31 December 2018 were also classified in this category. The fair value of this holding is 599,250 lei as at 30 September 2019 (31 December 2018: 589,300 Lei).

The fair value measurements of shares was made by multiplying the number of shares held with the closing price on the last trading day of the reporting period or by obtaining valuation reports prepared by independent valuers.

(iii) As at 30 September 2019, the Company owns fund units valued at fair value, of which: open-end investment funds (Star Next, Star Focus, Prosper Invest, Active Dinamic) amounting to 20,938,454 lei and closed-end investment funds/alternative investment funds (BET-FI Index Invest, Multicapital Invest, Active Plus, Star Value, Optim Invest, Certinvest Actiuni and Romania Strategy Fund) amounting to 168,354,761 lei.

Notes to financial statements

for the financial period ended 30 September 2019

14. Financial assets (continued)

b) Financial assets at fair value through other items of comprehensive income

<i>In LEI</i>	30 September 2019	31 December 2018
Shares valued at fair value (i)	786,054,409	585,329,963
Total	<u>786,054,409</u>	<u>585,329,963</u>

(i) The fair value was determined at the closing price on the last trading day of the reporting period or it was determined using valuation models according to ANEVAR Valuation Standards. As at 30 September 2019 and 31 December 2018, the shares category measured at fair value includes mainly the value of the shares held in BRD - Groupe Societe Generale S.A., Banca Transilvania S.A., SIF Banat-Crişana S.A., SIF Oltenia S.A., SNGN Romgaz S.A..

Notes to financial statements

for the financial period ended 30 September 2019

14. Financial assets (continued)

b) Financial assets at fair value through other items of comprehensive income (continued)

The movement of financial assets at fair value through other items of comprehensive income during the financial period ended as at 30 September 2019 is presented in the following table:

<i>In LEI</i>	Shares valued at fair value	Shares valued at cost	Fund units	Total
31 December 2018	585,329,963	-	-	585,329,963
Net change during the period (i)	4,429,777	-	-	4,429,777
Changes in fair value	196,294,669	-	-	196,294,669
30 September 2019	786,054,409	-	-	786,054,409

The movement of financial assets at fair value through other items of comprehensive income during the financial period ended as at 30 september 2018 is presented in the following table:

<i>In LEI</i>	Shares valued at fair value	Shares valued at cost	Fund units	Total
31 December 2017	905,239,333	79,726,697	179,731,361	1,164,697,391
Restatement as at 1 January 2018 following the adoption of IFRS 9 (Note 25)	79,726,697	(79,726,697)	(179,731,361)	(179,731,361)
Restatement as at 1 January 2018 due to IFRS 10 (Note 25)	(425,431,656)	-	-	(425,431,656)
Net change during the period (i)	12,580,591	-	-	12,580,591
Changes in fair value	56,821,746	-	-	56,821,746
30 September 2018	628,936,711	-	-	628,936,711

Notes to financial statements

for the financial period ended 30 September 2019

14. Financial assets (continued)

b) Financial assets at fair value through other items of comprehensive income (continued)

(i) Inputs of shares during the period ended as at 30 September 2019 represent: purchases of shares on a regulated market: BRD - Groupe Societe Generale S.A., Banca Transilvania S.A. and Depozitarul Central S.A.

Outputs of shares during the period ended as at 30 September 2019 represent: sales of shares in the portfolio from the following issuers: SN Nuclearelectrica S.A., Minerva S.A., Primcom S.A., Alro S.A., Banca Transilvania S.A., OMV Petrom S.A., Galeriile Victoria S.A. and Chimopar S.A., shares in the de-registered companies: Foraj Sonde București Internațional S.A. and Transchim S.A.

Inputs of shares during the period ended as at 30 September 2018 represent: acquisition of shares on a regulated market, such as: SNGN Romgaz S.A., BRD Group Societe Generale S.A., Macofil S.A., Banca Transilvania S.A. and OMV Petrom S.A., participation in the share capital increase of Bursa de Valori Bucuresti S.A. and ICPE S.A..

Outputs of shares during the period ended as at 30 September 2018 represent: sales of shares in the portfolio from the following issuers: Conpet S.A., Alumil Rom Industry S.A., Primcom S.A., OMV Petrom S.A., Complex Cabana Ciucaș S.A. and Cotroceni Park S.A., shares in de-registered companies: Urbis Armături Sanitare S.A., Metaplast S.A., Tehnopam S.A., Sibex Sibiu Stock Exchange S.A., Suinprod S.A., Sticlă S.A. and Mercur Trading S.A., withdrawals from companies: Depozitarul Sibex S.A., Pavcom S.A., decrease of share capital: Geccat S.A.

c) Financial assets measured at amortized cost

<i>In LEI</i>	30 September 2019	31 December 2018
Corporate bonds - other currencies	10,339,718	10,171,781
Corporate bonds - LEI	1,027,553	-
TOTAL	11,367,271	10,171,781
of which with maturity in more than a year:		
Corporate bonds - other currencies	10,166,333	9,979,743
Corporate bonds - LEI	1,000,000	-

As at 30 September 2019, the Company holds unlisted bonds issued by Medimfarm S.A., Capital Leasing IFN S.A. and listed bonds issued by Impact Developer & Contractor S.A.

As at 31 December 2018, the Company holds unlisted bonds issued by Medimfarm S.A. and listed bonds issued by Impact Developer & Contractor S.A..

Notes to financial statements

for the financial period ended 30 September 2019

15. Other assets

<i>In LEI</i>	30 September 2019	31 December 2018
Various debtors	9,505,939	12,701,217
Dividends to be received	2,357,235	811,658
Current income tax receivables (i)	1,582,497	6,460,883
Assets representing rights to use underlying assets under a lease contract (ii)	533,062	-
Tangible assets	53,913	104,392
Other assets	40,512	39,460
Adjustments for impairment of various debtors	(7,878,482)	(10,261,634)
Adjustments for impairment of dividends receivables	(769,893)	(755,763)
Total	5,424,783	9,100,213
<i>Of which, with credit risk (Note 4 b):</i>	3,214,799	2,495,478

Evolution of impairment of various debtors and dividends receivables is the following:

In LEI

as at 1 January 2019	(11,017,397)
Reversal of impairment adjustments (Note 9)	2,369,022
as at 30 September 2019	(8,648,375)

(i) As at 30 September 2019 the current tax expense was 4,771,587 lei (Note 11). During the period ended 30 September 2019, offsets of fiscal debts amounting to 106,799 lei were made, from the liability with the current profit tax as at 31 December 2018, resulting in a receivable with the current profit tax as at 30 September 2019 of 1,582,497 lei.

As at 31 December 2018 current tax expense was 518,169 Lei (Note 11), and the income tax paid in the financial year ended as at 31 December 2018 amounted to 6,979,052 Lei, resulting in a current tax receivable as at 31 December 2018 of 6,460,883 lei.

(ii) As of 1 January 2019, the Company has adopted IFRS 16, for which it has recognized in the statement of financial position assets and liabilities related to the restatement of the lease contract as a lessee.

The company concluded in 2014 a lease contract for the right to use the space in 16, Splaiul Unirii, sector 4, Bucharest, as a tenant. The Company has estimated the initial value of the asset related to the right to use at an amount equal to the current debt at the time of the transaction resulting from this contract of 618,732 RON (equivalent in foreign currency: 132,664 Euro)

The accumulated depreciation of this asset up to 30 September 2019 is 85,671 lei (Note 10), resulting in a net book value of 533,062 lei. Under IFRS 16, for this contract, the Company recognized interest expense of 32,973 lei. The total cash outflows related to the contract amounted to 106,572 lei.

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for the financial period ended 30 September 2019

16. Dividends to be paid

<i>In LEI</i>	30 September 2019	31 December 2018
Dividends to be paid for 2014 profit	-	22,463,569
Dividends to be paid for 2015 profit	16,086,147	16,187,630
Dividends to be paid for 2016 profit	14,539,652	14,697,869
Dividends to be paid for 2017 profit	13,015,515	13,286,316
Total dividends to be paid	43,641,314	66,635,384

For dividends not claimed within more than 3 years from the date of the declaration, the Shareholders General Meeting of the Company approved their transfer to equity (retained earnings).

17. Liabilities related to deferred income tax

Liabilities with deferred tax as at 30 September 2019 are generated by items detailed in the table below:

<i>In LEI</i>	Assets	Liabilities	Net
Financial assets at fair value through other items of comprehensive income	256,406,247	-	256,406,247
Impairment adjustments and other provisions	-	8,648,375	(8,648,375)
Total	256,406,247	8,648,375	247,757,872
Net temporary differences - 16% quota			247,757,872
Deferred income tax liabilities			39,641,259

Notes to financial statements

for the financial period ended 30 September 2019

17. Liabilities related to deferred income tax (continued)

Liabilities related to deferred income tax as at 31 December 2018 are generated by items detailed in the table below:

<i>In LEI</i>	Assets	Liabilities	Net
Financial assets at fair value through other items of comprehensive income	132,438,415	-	132,438,415
Impairment adjustments and other provisions	-	11,017,397	(11,017,397)
Total	132,438,415	11,017,397	121,421,018
Net temporary differences - 16% quota			121,421,018
Deferred income tax liabilities			19,427,363

The balance of the deferred income tax directly recognized through decrease of equity amounts to 34,744,229 lei as at 30 September 2019 (31 December 2018: 13,976,237 lei), being entirely generated by financial assets at fair value through other items of comprehensive income.

18. Other liabilities

<i>In LEI</i>	30 September 2019	31 December 2018
Suppliers - invoices to be received	1,769,883	1,976,475
Taxes and fees	17,805	722,582
Domestic suppliers	10,663	1,500,908
Liabilities related to the leasing contract (Note 15 ii))	556,141	-
Other liabilities	589,946	261,360
Total	2,944,438	4,461,325

Notes to financial statements

for the financial period ended 30 September 2019

19. Equity and reserves

(a) Share capital

The shareholding structure of the Company is the following:

30 September 2019	Number of shareholders	Number of shares	Amount (LEI)	(%)
Individuals	5,945,278	491,488,843	49,148,884	60.90
Legal persons	177	293,156,358	29,315,636	36.33
SIF Muntenia S.A.	1	22,391,314	2,239,131	2.77
Total	5,945,456	807,036,515	80,703,652	100

31 December 2018	Number of shareholders	Number of shares	Amount (LEI)	(%)
Individuals	5,949,001	501,485,470	50,148,547	62.14
Legal persons	192	305,551,045	30,555,105	37.86
Total	5,949,193	807,036,515	80,703,652	100

All shares are ordinary shares, they were subscribed and paid in full by 30 September 2019 and 31 December 2018. All shares have equal voting rights and a nominal value of 0.1 lei/share. The number of shares authorized to be issued is equal to the shares issued.

Reconciliation of the share capital according to IFRS with the one according to the Articles of Incorporation is presented in the following table:

<i>In LEI</i>	30 September 2019	31 December 2018
Share capital according to the Articles of Incorporation	80,703,652	80,703,652
Hyperinflation effect - IAS 29	803,294,017	803,294,017
Restated share capital	883,997,669	883,997,669

(b) Reserves from revaluation of financial assets at fair value through other items of comprehensive income

This reserve includes cumulative net changes in the fair values of financial assets at fair value through other items of comprehensive income from the date of classification in this category and to the date they have been derecognized.

Revaluation reserves of financial assets at fair value through other items of comprehensive income are recorded net of related deferred tax. The value of deferred tax recognized directly by decrease in equity is presented in Note 17.

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for the financial period ended 30 September 2019

19. Equity and reserves (continued)

(c) Retained earnings representing surplus from revaluation reserves - IFRS 9

When derecognizing equity instruments designated as financial assets at fair value through other comprehensive income, (see Note 14 b) (i)), the gains / losses on these instruments are reclassified to retained earnings from revaluation reserves.

In the period ended 30 September 2019, as a result of applying accounting policies compliant with IFRS 9 and detailed in note 3 (e) (vii), the Company recognized the net gain on disposal of financial assets in retained earnings. The surplus realized by the Company as a result of the disposal of financial assets at fair value through other elements of the comprehensive income was in the amount of 9,759,646 lei. In addition, as a result of the disposal of financial assets at fair value through profit or loss, the amount of 7,421,023 Lei was transferred from retained earnings to retained earnings representing realized surplus.

In the financial year ended 31 December 2018, as a result of the application of the accounting policies in accordance with IFRS 9 and detailed in Note 3 e) (vii), the Company recognized in the reported result the net gain from the transfer of the financial assets. The surplus realized by the Company as a result of the transfer of the financial assets at fair value through other elements of the comprehensive income amounted to 58,908,982 lei. In addition, as a result of the transfer of financial assets at fair value through profit or loss, the amount of 13,883,054 lei was transferred from the deferred result to the deferred result representing the realized surplus.

Amounts recognized in reserves from the revaluation of financial assets at fair value through other comprehensive income shall not be reclassified to profit or loss on derecognition of those instruments.

(d) Legal reserves

According to legal requirements, the Company creates legal reserves in a quota of 5% of statutory recorded gross profit up to a level of 20% of the share capital according to the Articles of Incorporation. Legal reserve value as at 30 September 2019 is of 16,140,730 lei (31 December 2018: 16,140,730 lei).

Legal reserves can not be distributed to shareholders. The value of legal reserves was included in the financial position statement under "Retained earnings" line.

(e) Dividends

On 22 April 2019, by Resolution no. 3, the General Meeting of the Shareholders approved the distribution of the entire profit obtained in 2018 to "Other reserves", in order to start a Redemption Program of a number of 37,036,515 shares. Therefore, during 2019, the Company will not distribute dividends.

During the year 2018, the Company distributed dividends amounting to 28,004,167 lei, respectively 0,0347 lei/share from the profit of 2017.

During the period ended 30 September 2019, the Company prescribed dividends amounting to 22,463,569 lei related to the profit of 2014, according to the Resolution no.5 of the General Meeting of Shareholders on 22 April 2019.

(f) Own shares

By the Resolution no.3 of the General Meeting of Shareholders from 22 April 2019, it was approved to carry out a redemption program of its own shares for a maximum number of 37,036,515 shares, in order to reduce the share capital.

During the program carried out between 4 September 2019 and 17 September 2019, 22,391,314 shares were redeemed at the price of 0.72 lei / share. The total value of the redemption, including the commissions related to the redemption of the shares, is of 16,345,504 lei.

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for the financial period ended 30 September 2019

20. Earnings per share

The calculation of basic earnings per share was made on the basis of net profit and the weighted average number of ordinary shares:

<i>In LEI</i>	30 September 2019	30 September 2018
Net profit	75,702,178	35,858,418
Weighted average number of ordinary shares	800,638,997	807,036,515
Basic earnings per share	<u>0.095</u>	<u>0.044</u>

Diluted earnings per share is equal to basic earnings per share as the Company has not registered potential ordinary shares.

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for the financial period ended 30 September 2019

21. Financial assets and liabilities

Accounting classifications and fair values

The table below summarizes the carrying amounts and fair values of financial assets and liabilities of the Company as at 30 September 2019:

<i>In LEI</i>	Fair value through profit or loss	Fair value through other items of comprehensive income	Amortized cost	Total book value	Fair value
Cash and cash equivalents	-	-	2,346,022	2,346,022	2,346,022
Deposits with banks	-	-	53,137,411	53,137,411	53,137,411
Financial assets at fair value through profit or loss	740,397,646	-	-	740,397,646	740,397,646
Financial assets at fair value through other items of comprehensive income	-	786,054,409	-	786,054,409	786,054,409
Financial assets measured at amortized cost	-	-	11,367,271	11,367,271	12,346,175
Other financial assets	-	-	4,797,296	4,797,296	4,797,296
Total financial assets	740,397,646	786,054,409	71,648,000	1,598,100,055	1,599,078,959
Dividends to be paid	-	-	(43,641,314)	(43,641,314)	(43,641,314)
Other financial liabilities	-	-	(2,944,438)	(2,944,438)	(2,944,438)
Total financial liabilities	-	-	(46,585,752)	(46,585,752)	(46,585,752)

In order to estimate the fair value of financial assets and liabilities measured at amortized cost, the Company used the following estimates and made the following judgments: for significant elements such as cash and cash equivalents, other financial assets and liabilities that are issued or held on a very short term and generally do not bear interest or bear fixed interest, the Company approximated fair value with their costs; as for the financial assets measured at amortized cost, the Company used valuation techniques such as discounted cash flows, using observable market inputs (as such, the evaluation was performed using Level 3 techniques).

Notes to financial statements

for the financial period ended 30 September 2019

21. Financial assets and liabilities

Accounting classifications and fair values (continued)

The table below summarizes the carrying amounts and fair values of financial assets and liabilities of the Company as at 31 December 2018:

<i>In LEI</i>	Fair value through profit or loss	Fair value through other items of comprehensive income	Amortized cost	Total book value	Fair value
Cash and cash equivalents	-	-	1,079,966	1,079,966	1,079,966
Deposits with banks	-	-	29,381,709	29,381,709	29,381,709
Financial assets at fair value through profit or loss	710,614,051	-	-	710,614,051	710,614,051
Financial assets at fair value through other items of comprehensive income	-	585,329,963	-	585,329,963	585,329,963
Financial assets measured at amortized cost	-	-	10,171,781	10,171,781	11,351,123
Other financial assets	-	-	8,956,361	8,956,361	8,956,361
Total financial assets	710,614,051	585,329,963	49,589,817	1,345,533,831	1,346,713,173
Dividends to be paid	-	-	(66,635,384)	(66,635,384)	(66,635,384)
Other financial liabilities	-	-	(4,461,325)	(4,461,325)	(4,461,325)
Total financial liabilities	-	-	(71,096,709)	(71,096,709)	(71,096,709)

In order to estimate the fair value of financial assets and liabilities measured at amortized cost, the Company used the following estimates and made the following judgments: for significant elements such as cash and cash equivalents, other financial assets and liabilities that are issued or held on a very short term and generally do not bear interest or bear fixed interest, the Company approximated fair value with their costs; as for the financial assets measured at amortized cost, the Company used valuation techniques such as discounted cash flows, using observable market inputs (as such, the evaluation was performed using Level 3 techniques).

Notes to financial statements

for the financial period ended 30 September 2019

22. Commitments and contingent liabilities

(a) Litigations

The company is subject to a number of court proceedings resulting from the normal course of business. The Company's management believes, based on legal advice, that these actions will not have a significant adverse effect on the Company's financial results and financial position

(b) Contingencies related to the environment

Environmental regulations are under development in Romania and the Company did not record any obligations at 30 September 2019 and 31 December 2018 for any anticipated costs, including legal fees and consulting studies of site, design, implementation of remedial plans concerning environmental elements. The Company's management does not consider the costs associated with any environmental problems as significant.

(c) Transfer pricing

Romanian tax legislation contains rules on transfer pricing between related parties since 2000. The current legislative framework defines the "market value" for transactions between affiliates and the methods of transfer pricing. As a result, it is expected that the tax authorities shall initiate thorough checks of transfer pricing, to ensure that the fiscal result is not distorted by the effect of prices in relations with affiliates. In the period ended 30 September 2019, the Company did not exceed the value level of the materiality threshold in the transactions carried out with the related parties.

23. Transactions and balances with parties under special relations

The Company identified during the development of its activity the following parties under special relationships:

(i) Company's Management

The Company operates under a management contract signed with cu Societatea de Administrare a Investițiilor Muntenia Invest S.A..The majority shareholder of the Administration Company Societatea de Administrare a Investițiilor Muntenia Invest S.A is SIF Banat-Crisana S.A., holding 99.98% of the share capital on 30 September 2019.

The transactions carried out between the Company and the Administrator were the following:

In LEI

<i>Loans and receivables</i>	30 September 2019	31 December 2018
Trade receivables	-	207
Liabilities related to the management fee	(1,450,000)	(2,900,000)
<i>Revenues and expenses</i>	30 September 2019	30 September 2018
Management fee	(13,050,000)	(13,050,000)
Rental revenues	49,500	49,500

Notes to financial statements

for the financial period ended 30 September 2019

23. Transactions and balances with parties under special relations (continued)

(ii) Key management personnel

30 September 2019

- Members of the Board of Directors of S.A.I. Muntenia Invest S.A.: Florica Trandafir, Adrian Simionescu and Dorina Teodora Mihăilescu.
- Member of the executive management of S.A.I. Muntenia Invest S.A: Nicușor Marian Buică - General Director, Florica Trandafir - Corporate Management Director and Mircea Constantin - Strategy Director.

Transactions with the Company's personnel:

<i>Other transactions</i>	30 September 2019	30 September 2018
Expenses with the remuneration of Shareholders Representatives Council members, of which:	330,354	723,174
- gross remunerations paid to the members	323,082	703,101
	7,272	20,073
- social security and social protection expenditure		
-number of members	3	3
Expenses with salaries, of which:	44,737	43,729
- gross salaries paid or to be paid	43,173	42,770
	1,564	959
- social security and social protection expenditure		
- number of employees	2	2

As at 30 September 2019, the Company has an actual number of 2 employees and 3 members of the Shareholders Representatives Council. The Shareholders Representatives Council Members were appointed during the SGOA of SIF Muntenia dated 25 June 2018.

Notes to financial statements

for the financial period ended 30 September 2019

23. Transactions and balances with parties under special relations (continued)

(iii) Subsidiaries (companies where SIF Muntenia holds control)

All subsidiaries of the Company as at 30 September 2019 and 31 December 2018 are based in Romania. For them, the ownership percentage of the Company is no different from the percentage of number of votes held. The fair value of holdings in subsidiaries and the percentage owned are presented in the table below:

Denomination of the subsidiary	Fair value ast at 30 September 2019	Fair value ast at 31 December 2018	Percentage held as at 30 September 2019	Percentage held as at 31 December 2018
Avicola București S.A.	25,097,680	25,097,680	99.40%	99.40%
Bucur S.A.	17,661,973	15,850,489	67.98%	67.98%
Casa de Bucovina - Club de Munte S.A.	8,823,422	8,000,870	67.17%	66.87%
CI-CO S.A.	44,387,862	44,387,862	97.34%	97.34%
Firos S.A.	43,692,108	43,692,108	99.69%	99.69%
FRGC IFN S.A.	9,447,499	9,447,499	53.60%	53.60%
Gecsatherm S.A.	11,934,999	11,934,999	50.00%	50.00%
Mindo S.A.	4,496,105	4,496,105	98.02%	98.02%
Muntenia Medical Competences S.A.	32,421,852	32,421,852	99.76%	99.76%
Germina Agribusiness S.A. (Semrom Muntenia S.A.)	38,059,064	38,059,064	90.68%	90.68%
Semrom Oltenia S.A.	14,680,815	14,680,815	88.49%	88.49%
Unisem S.A.	21,195,789	21,195,789	76.91%	76.91%
Voluthema Property Developer S.A.	14,375,072	14,375,072	69.11%	69.11%
Biofarm S.A.	163,273,196	163,273,196	50.98%	50.98%
Total	449,547,436	446,913,400	-	-

(iv) Associates of the Company

As at 30 September 2019 and 31 December 2018, the Company does not hold participations in associated entities.

(v) Transactions and balances with subsidiaries of the Company

Transactions entered into by the Company with parties under special relations were conducted in the normal course of business. The Company did not receive and did not give guarantees in favor of any party under special relations.

Transactions with Company's subsidiaries

<i>Loans and receivables</i>	30 September 2019	31 December 2018
Trade receivables	11,974	11,974
Trade liabilities	(42)	(42)
<i>Income and expenses</i>	30 September 2019	30 September 2018
Acquisition of goods and services	(118,644)	(97,487)

24. Fund units

Notes to financial statements

for the financial period ended 30 September 2019

Fund units as at 30 September 2019 and 31 December 2018 are:

Financial assets at fair value through profit or loss	30 September 2019	31 December 2018
FÎI Multicapital Invest	11,675,638	9,840,566
FÎI BET-FI Index Invest	5,838,764	4,720,204
FÎI Omnitrend	-	12,307,175
FDI Star Next	1,341,703	1,144,265
FDI Star Focus	1,003,323	912,095
FDI Prosper Invest	1,513,237	1,313,577
FÎI Active Plus	46,714,077	40,508,542
FÎI Star Value	15,931,864	13,281,296
FDI Active Dinamic	17,080,191	15,292,715
FÎI Optim Invest	31,075,065	26,598,891
FIA Certinvest Acțiuni	25,571,753	23,159,669
FIA Romania Strategy Fund	31,547,600	26,777,520
Total	189,293,215	175,856,515
Financial assets at fair value through profit or loss (Note 14.a) (iii)	189,293,215	175,856,515

25. Adoption of IFRS 9 Standard

IFRS 9 has affected the classification and measurement of financial assets held as at 1 January 2018 as follows:

A. Bonds that were classified as loans and receivables and measured at amortized cost in accordance with IAS 39 were measured at amortized cost (bonds issued by Impact Developer & Contractor - Note 14 c)) or at fair value through profit or loss (bonds issued by Banca Transilvania - Note 14 (a) (iv)) in accordance with IFRS 9, depending on the analysis of contractual terms in which cash flows are not only principal payments and interest on the principal due.

Bonds that were measured at fair value through profit or loss in accordance with IAS 39 continue to be measured at fair value through profit or loss and in accordance with IFRS 9.

B. Shares that were classified as available for sale in accordance with IAS 39 were measured in accordance with IFRS 9 at fair value through other comprehensive income according to particular circumstances (apart from holdings in subsidiaries). These securities are mainly held for long-term periods and were designated as at fair value through other comprehensive income on 1 January 2018.

Shares held in subsidiaries are measured at fair value through profit or loss as a result of the application of IFRS 10 on the exception to consolidation for which an investment in a subsidiary is measured at fair value through profit or loss in accordance with IFRS 9 (Note 26).

C. Fund units that were classified as available for sale in accordance with IAS 39 will be measured in accordance with IFRS 9 at fair value through profit or loss.

The impact of these changes following the adoption of IFRS 9 as of 1 January 2018 represents a decrease in the Company's equity of 116,419 lei.

Deferred tax on fund units calculated up to the date of transition to IFRS 9, amounting to 7,437,026 Lei, was reversed resulting in an increase in equity and was recognized in current income tax during the financial year ended 31 December 2018.

Notes to financial statements

for the financial period ended 30 September 2019

25. Adoption of IFRS 9 Standard (continued)

Initial classification in accordance with IAS 39 and the new IFRS 9 classification of financial assets and liabilities held by the Company on 1 January 2018:

Financial assets	Note	Classification acc. to IAS 39	Book value acc. To IAS 39 as at 31 December 2017	Classification acc. to IFRS 9	Book value acc. To IFRS 9 as at 1 January 2018
Shares (equity instruments)	15b	Financial assets available for sale (AFS)	984,966,030	Financial assets at fair value through other comprehensive income (FVOCI)	559,534,374
				Financial assets at fair value through profit or loss (FVTPL) - subsidiaries	425,431,656
Fund units (debt instruments)	15b	Financial assets available for sale (AFS)	179,731,361	Financial assets at fair value through profit or loss (FVTPL)	179,731,361
Structured products (debt instruments)	15a	Financial assets at fair value through profit or loss (FVTPL) - held for trading (HFT)	98,683,282	Financial assets at fair value through profit or loss (FVTPL)	98,683,282
Corporate bonds (debt instruments)	15c	Loans and receivables	5,863,691	Financial assets measured at amortized cost	4,669,243
				Financial assets at fair value through profit or loss (FVTPL)	1,078,031
Commercial liabilities and other liabilities	17	Other financial assets	7,682,571	Other financial assets	7,682,571
Cash and bank deposits	13, 14	Cash and cash equivalent	22,132,795	Cash and cash equivalent	22,132,795
TOTAL FINANCIAL ASSETS			1,299,059,730		1,298,943,313

Notes to financial statements

for the financial period ended 30 September 2019

25. Adoption of IFRS 9 Standard (continued)

Financial liabilities	Note	Classification acc. To IAS 39	Book value acc. to IAS 39 as at 31 December 2017	Classification acc. to IFRS 9	Book value acc. To IFRS 9 as at 1 January 2018
Dividends to be paid	18	Financial liabilities measured at cost	54,323,451	Financial liabilities measured at amortized cost	54,323,451
Other financial liabilities	20	Financial liabilities measured at cost	10,770,267	Financial liabilities measured at amortized cost	10,770,267
TOTAL FINANCIAL LIABILITIES			65,093,718		65,093,718

Notes to financial statements

for the financial period ended 30 September 2019

26. Applying IFRS 10 on the exception to consolidation

The Company has reviewed the applicability of IFRS 10 provisions regarding the measurement criteria of SIF Muntenia as an investment entity from 1 January 2018.

An investment entity is an entity that:

- Obtains funds from one or more investors in order to provide investment management services to those investors;
- Engages in front of its investors that the purpose of its business is to invest funds only for earnings from capital appreciation, investment income, or both; and
- Quantifies and evaluates the performance of most of its investments based on fair value.

An investment entity also has the following typical features:

- it owns more than one investment;
- it has more than one investor;
- it has investors that are not related parties of the entity.

The analysis of the Company was based on the following aspects:

Communicating business objectives to investors

The Company presents and submits to the investors' approval the program of activities, the strategic administration programs and the income and expenditure budget at the General Meeting of Shareholders.

The Company provide investors with quarterly, half-yearly and annual reports with information on the outcome of the actions undertaken to raise capital and earnings from investments, by analyzing the evolution of the equity portfolio, earnings from investments and dividend income. Thus, through communications to its shareholders, the Company demonstrates that the purpose of its business is to pursue solely the increase in the value of capital and investment income.

Exit strategies (disinvestment) for investment held

An investment entity differentiates itself from other entities by not planning to keep its investments for an indefinite period, but keeping them for a limited period.

The Administration Program for 2019 describes the various disinvestment strategies for the shares and units held by SIF Muntenia and presents a specific time horizon for disinvestment.

The Company pursues the objectives of the exit strategy presented to investors. The exit strategy will be amended and / or completed each year, if appropriate, depending on the economic context in which the Company operates.

Activities carried out by the Company with its subsidiaries

The Company analyzed the transactions between the Company and its subsidiaries and the transactions between subsidiaries. The analysis shows that the Company does not obtain benefits from transactions with its subsidiaries that represent a significant source of income for the Company and are not available to other parties not related to these entities and that transactions between subsidiaries are not a substantial part of the economic activity none of the subsidiaries.

Notes to financial statements

for the financial period ended 30 September 2019

26. Applying IFRS 10 on the exception to consolidation (continued)

In the category of transactions between the Company and its subsidiaries only the operation of space rental from Voluthema Property Developer S.A is included. The space rental operation does not imply for the Company the holding of an exclusive right to lease the space owned by Voluthema Property Developer S.A. and is conducted under conditions that are available to customers who are not affiliated with Voluthema Property Developer S.A. or the SIF Muntenia Group and is not a substantial part of the Company's or subsidiary's economic activity.

During the period ended 30 September 2019, the share of expenses made with Voluthema Property Developer S.A.'s space in the Company's total expenses is 0.19%.

Transactions between subsidiaries take place under the same conditions as for non-affiliated entities or SIF Muntenia Group in order to obtain benefits that improve the value of capital and investment income, these subsidiaries carrying out economic activities in the same sectors of activity.

Transactions between subsidiaries are not a substantial part of the economic activity for any of these subsidiaries.

As of 1 January 2018, together with the change into an investment entity, in order to ensure that its subsidiaries do not engage in activities contrary to the investment entity statute, the Company examines the transactions and the conditions under which they are carried out, so that these transactions do not result in the Company failing to meet the criteria as an investment entity.

Assessing the Company's investments based on fair value

The Company measures most of the investments at fair value and has taken the necessary measures to determine fair value through alternative valuation techniques in the case of investments where there is no control or significant influence.

During the period ended 30 September 2019, more than 99.6% of the Company's net book value of investments is measured at fair value.

The Company reports to key management personnel information on the fair value of its investments, at a higher frequency.

Taking into account the above, the Company meets the requirements of being an investment entity during the analyzed period.

As an investment entity, the Company has ceased to consolidate its subsidiaries as of 1 January 2018 and has disclosed the gain or loss arising from the derecognition of the subsidiaries' assets and liabilities in the statement of consolidated financial position at 31 December 2017 and the recognition of investments in subsidiaries at fair value through profit or loss in accordance with IFRS 9.

The effect of loss of control over subsidiaries is presented below:

	<i>In LEI</i>
Value of assets and liabilities of subsidiaries in the consolidated financial statements at 31 December 2017	566,153,122
Fair value of the subsidiaries whose consolidation ceases on 1 January 2018	425,431,656
Loss due to loss of control	(140,721,466)

Notes to financial statements

for the financial period ended 30 September 2019

27. Subsequent events

Until the preparation date of these interim financial statements, no significant subsequent events occurred.

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Nicușor Marian BUICĂ
General Director

PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

AOPC reports established by constituent act										
The assets situation										
Item	Currency	The beginning of the reporting period (28.06.2019)				The end of the reporting period (30.09.2019)				Differences (lei)
		% of the net assets	% of the total assets	Currency	LEI	% of the net assets	% of the total assets	Currency	LEI	
I.Total assets										
1. Securities and money market instruments, of which:	RON	68,81	65,28	0,00	987.772.208,73	70,36	66,67	0,00	1.096.532.244,44	108.760.035,70
1. Securities and money market instruments, of which:	EUR	5,88	5,57	17.814.984,48	84.355.733,02	5,35	5,07	17.560.982,95	83.433.986,08	-921.746,94
1.1. Securities and money market instruments admitted or traded on a Romanian regulated market, of which:	RON	68,81	65,28	0,00	987.772.208,73	70,36	66,67	0,00	1.096.532.244,44	108.760.035,70
1.1. Securities and money market instruments admitted or traded on a Romanian regulated market, of which:	EUR	5,88	5,57	17.814.984,48	84.355.733,02	5,35	5,07	17.560.982,95	83.433.986,08	-921.746,94
- Admitted shares on BVB	RON	45,40	43,07	0,00	651.682.129,85	43,97	41,67	0,00	685.305.568,89	33.623.439,03
- Admitted AOPC on BVB	RON	6,49	6,16	0,00	93.178.950,72	6,49	6,15	0,00	101.189.031,20	8.010.080,48
- Admitted shares on SIBEX	RON			0,00				0,00		0,00
- Admitted shares on RASDAQ	RON			0,00				0,00		0,00
- Admitted shares on ATS	RON	6,63	6,29	0,00	95.106.532,64	17,23	16,33	0,00	268.550.373,94	173.443.841,30
- Admitted shares on SIBEX-ATS	RON			0,00				0,00		0,00
- Unlisted but traded through BVB system	RON			0,00				0,00		0,00
- Admitted shares but not traded in the last 30 days	RON	10,30	9,77	0,00	147.804.595,52	2,66	2,52	0,00	41.487.270,41	-106.317.325,12
- Admitted shares but never traded	RON			0,00				0,00		0,00
- Admitted shares and suspended from trading for more the 30 days	RON			0,00				0,00		0,00
- Admitted municipal bonds	RON			0,00				0,00		0,00
- Admitted corporate bonds	RON			0,00				0,00		0,00
- Admitted corporate bonds	EUR	5,88	5,57	17.814.984,48	84.355.733,02	5,35	5,07	17.560.982,95	83.433.986,08	-921.746,94
- Admitted municipal bonds but not traded in the last 30 days	RON			0,00				0,00		0,00
- Admitted corporate bonds but not traded in the last 30 days	RON			0,00				0,00		0,00

AOPC reports established by constituent act
The assets situation

Item	Currency	The beginning of the reporting period (28.06.2019)				The end of the reporting period (30.09.2019)				Differences (lei)
		% of the net assets	% of the total assets	Currency	LEI	% of the net assets	% of the total assets	Currency	LEI	
I.Total assets										
1.2. Securities and money market instruments admitted or traded on a regulated market, within a member state	RON			0,00				0,00		0,00
1.3. Securities and money market instruments admitted in the official quotation of a stock market, within a non-member state, or negotiated on another regulated market within a non-member state	RON			0,00				0,00		0,00
2. Newly issued securities	RON			0,00				0,00		0,00
3. Other securities and money market instruments, mentioned in art. 187, paragraph a), of which:	RON	12,65	12,00	0,00	181.520.728,22	13,27	12,57	0,00	206.788.656,84	25.267.928,62
3. Other securities and money market instruments, mentioned in art. 187, paragraph a), of which:	EUR	0,47	0,45	1.434.864,95	6.794.229,04	0,43	0,41	1.412.385,78	6.710.386,06	-83.842,97
- Unlisted shares	RON	12,58	11,93	0,00	180.516.095,35	13,20	12,51	0,00	205.761.103,42	25.245.008,07
- Unlisted municipal bonds	RON			0,00				0,00		0,00
- Unlisted corporate bonds	RON	0,07	0,07	0,00	1.004.632,88	0,07	0,06	0,00	1.027.553,42	22.920,55
- Unlisted corporate bonds	EUR	0,47	0,45	1.434.864,95	6.794.229,04	0,43	0,41	1.412.385,78	6.710.386,06	-83.842,97
4. Bank deposits, of which:	RON	4,20	3,98	0,00	60.279.825,48	3,41	3,23	0,00	53.125.436,78	-7.154.388,70
4.1. Bank deposits in Romanian credit institutions;	RON	4,20	3,98	0,00	60.279.825,48	3,41	3,23	0,00	53.125.436,78	-7.154.388,70
4.2. Bank deposits in member state credit institutions;	RON			0,00				0,00		0,00
4.3. Bank deposits in non-member state credit institutions;	RON			0,00				0,00		0,00
5. Derivatives traded on a regulated market:	RON			0,00				0,00		0,00
6. Structured products	RON			0,00				0,00		0,00
7. Cash and current accounts	RON	0,10	0,10	0,00	1.451.607,89	0,13	0,12	0,00	1.989.789,48	538.181,59
7. Cash and current accounts	EUR	0,00	0,00	274,17	1.298,22	0,00	0,00	263,42	1.251,53	-46,69
7. Cash and current accounts	GBP	0,00	0,00	1,00	5,27	0,00	0,00	1,00	5,35	0,08
7. Cash and current accounts	USD	0,00	0,00	194,78	810,03	0,00	0,00	165,91	721,51	-88,52
8. Money market instruments, others than those traded on a regulated market, in accordance with art. 101 (1) letter g) of Law 297/2004.	RON			0,00				0,00		0,00
9. UCITS and non UCITS equity securities	RON	12,29	11,66	0,00	176.430.188,66	12,15	11,51	0,00	189.293.214,83	12.863.026,17
10. Dividends or other receivables	RON	0,05	0,04	0,00	655.468,00	0,00	0,00	0,00	71.664,85	-583.803,15

AOPC reports established by constituent act
The assets situation

Item	Currency	The beginning of the reporting period (28.06.2019)				The end of the reporting period (30.09.2019)				Differences (lei)
		% of the net assets	% of the total assets	Currency	LEI	% of the net assets	% of the total assets	Currency	LEI	
I.Total assets										
11. Other assets (amounts in transit, receivables from distributors, brokerage houses, tangible and intangible assets, claims, etc)	RON	0,97	0,92	0,00	13.860.883,22	0,43	0,41	0,00	6.734.556,53	-7.126.326,69

Net asset value per share as of

Item	Current period (30.09.2019)	Period of the previous year (28.09.2018)	Differences
NET ASSETS	1.558.453.541,27	1.391.768.954,29	166.684.586,98
NUMBER OF ISSUED SHARES	784.645.201,00	807.036.515,00	-22.391.314,00
NET ASSET VALUE PER SHARE	1,99	1,72	0,26

Detailed statement of investments 30.09.2019

Securities admitted or traded on a Romanian regulated market - a. Shares

Issuer	Symbol	Last trading session	Owned shares	Nominal value	Share value	Total value	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
24 IANUARIE SA PLOIESTI	IANY	17/09/2019	71.479	2,5000	8,50	607.571,50	14,64	0,04	0,04
ALRO SA	ALR	30/09/2019	981.721	0,5000	2,40	2.356.130,40	0,14	0,14	0,15
ANTIBIOTICE SA IASI	ATB	30/09/2019	1.772.878	0,1000	0,51	904.167,78	0,26	0,06	0,06
ARO PALACE SA BRASOV	ARO	16/09/2019	41.825.500	0,1000	0,25	10.456.375,00	10,37	0,64	0,67
BANCA TRANSILVANIA	TLV	30/09/2019	136.021.422	1,0000	2,40	326.451.412,80	2,61	19,85	20,95
BIOFARM SA BUCURESTI	BIO	30/09/2019	502.379.066	0,1000	0,33	163.273.196,45	50,98	9,93	10,48
BRD - GROUPE SOCIETE GENERALE	BRD	30/09/2019	5.741.471	1,0000	14,32	82.217.864,72	0,82	5,00	5,28
BUCUR SA BUCURESTI	BUCV	30/09/2019	56.608.888	0,1000	0,31	17.661.973,06	67,98	1,07	1,13
BURSA DE VALORI BUCURESTI	BVB	30/09/2019	351.287	10,0000	27,00	9.484.749,00	4,36	0,58	0,61
CAMEXIP SA BAICOI	CAXY	03/10/2000	33.120	2,5000	4,59	151.971,59	8,34	0,01	0,01
CASA DE BUCOVINA-CLUB DE MUNTE S.A.	BCM	24/09/2019	112.400.276	0,1000	0,08	8.823.421,67	67,17	0,54	0,57
CI-CO SA BUCURESTI	CICO	26/09/2019	2.634.060	2,5000	37,00	97.460.220,00	97,34	5,93	6,25
COCOR SA BUCURESTI	COCR	03/07/2019	30.206	40,0000	332,41	10.040.858,13	10,01	0,61	0,64
COMCEREAL SA BUCURESTI	CMIL	02/04/2015	143.589	2,5000	4,81	690.706,45	11,59	0,04	0,04
COMPANIA ENERGOPETROL SA CAMPINA	ENP	16/04/2019	160.256	2,5000	0,28	44.425,39	7,92	0,00	0,00
COMPLEX COMET SA BUCURESTI	COET	03/07/2019	40.174	2,5000	10,23	411.138,49	3,22	0,03	0,03
COMREP SA PLOIESTI	COTN	27/09/2019	120.605	2,5000	14,90	1.797.014,50	17,18	0,11	0,12
COMTURIST SA BUCURESTI	COUT	03/07/2019	16.081	2,5000	56,67	911.287,97	9,51	0,06	0,06
CONPET SA PLOIESTI	COTE	30/09/2019	35.596	3,3000	79,80	2.840.560,80	0,41	0,17	0,18
DIASFIN SA BUCURESTI	DIAS	03/07/2019	42.314	2,5000	54,02	2.285.853,65	18,60	0,14	0,15
GERMINA AGRIBUSINESS S.A.	SEOM	30/09/2019	12.250.246	2,5000	1,50	18.375.369,00	90,68	1,12	1,18
GEROM SA BUZAU	GROB	21/10/2016	742.591	1,3100	0,00	0,00	3,82	0,00	0,00
HELIOS SA Astileu	HEAL	03/09/2019	106.440	2,5000	5,50	585.420,00	7,36	0,04	0,04
ICERP SA PLOIESTI	ICER	29/12/2014	167.395	15,0000	10,19	1.706.413,00	46,11	0,10	0,11

Detailed statement of investments 30.09.2019

Securities admitted or traded on a Romanian regulated market - a. Shares

Issuer	Symbol	Last trading session	Owned shares	Nominal value	Share value	Total value	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
ICMA SA BUCURESTI	ICMA	01/09/2017	84.463	2,5000	1,61	136.266,41	7,66	0,01	0,01
ICSIM SA BUCURESTI	ICSI	03/07/2019	119.093	2,5000	10,15	1.208.857,26	6,08	0,07	0,08
INOX SA Magurele, Ilfov	INOX	30/09/2019	226.102	2,5000	0,45	101.745,90	5,15	0,01	0,01
INSTITUTUL DE CERCETARI IN TRANSPORTURI - INCERTRANS SA BUCURESTI	INCT	23/09/2019	270.392	2,5000	1,11	300.135,12	22,76	0,02	0,02
IOR SA BUCURESTI	IORB	06/09/2019	7.327.025	0,1000	0,40	2.916.155,95	3,31	0,18	0,19
MACOFIL SA TIRGU JIU	MACO	30/09/2019	627.909	2,5000	4,52	2.838.148,68	17,38	0,17	0,18
METALURGICA SA BUCURESTI	MECA	24/09/2019	34.127	2,5000	7,20	245.714,40	8,91	0,02	0,02
MINDO SA DOROHOI	MINO	28/08/2019	32.595.770	0,1000	0,18	5.867.238,60	98,02	0,36	0,38
OMV PETROM SA	SNP	30/09/2019	32.350.521	0,1000	0,42	13.668.095,12	0,06	0,83	0,88
PREFAB SA BUCURESTI	PREH	23/09/2019	6.295.000	0,5000	0,88	5.539.600,00	12,97	0,34	0,36
PRIMCOM SA BUCURESTI	PRIB	03/07/2019	213.267	0,1000	7,29	1.554.473,64	14,03	0,10	0,10
PROSPECTIUNI SA BUCURESTI	PRSN	27/09/2019	84.917.900	0,1000	0,06	5.392.286,65	11,83	0,33	0,35
Purcari Wineries Public Company Limited	WINE	30/09/2019	25.500	0,0100	23,50	599.250,00	0,13	0,04	0,04
ROMAERO SA BUCURESTI	RORX	12/09/2019	1.614.693	2,5000	23,00	37.137.939,00	23,24	2,26	2,38
S.N.G.N. ROMGAZ-S.A. Medias	SNG	30/09/2019	1.228.565	1,0000	36,95	45.395.476,75	0,32	2,76	2,91
SANTIERUL NAVAL ORSOVA	SNO	30/09/2019	1.504.600	2,5000	3,40	5.115.640,00	13,17	0,31	0,33
SEMROM OLTENIA SA CRAIOVA	SEOL	03/07/2019	9.879.418	0,1000	1,49	14.680.815,00	88,49	0,89	0,94
SIF BANAT-CRISANA	SIF1	30/09/2019	25.748.176	0,1000	2,45	63.083.031,20	4,98	3,84	4,05
SIF OLTENIA	SIF5	30/09/2019	17.400.000	0,1000	2,19	38.106.000,00	3,00	2,32	2,45
SINTER REF SA AZUGA	SIEP	27/05/1997	790.462	2,5000	8,03	6.345.905,38	19,40	0,39	0,41
SINTOFARM SA BUCURESTI	SINT	02/09/2019	502.180	2,5000	3,84	1.928.371,20	13,01	0,12	0,12
SOCIETATEA ENERGETICA ELECTRICA S.A.	EL	30/09/2019	100.000	10,0000	11,05	1.105.000,00	0,03	0,07	0,07
SOCIETATEA NATIONALA DE TRANSPORT GAZE NATURALE "TRANSGAZ" SA	TGN	30/09/2019	20.800	10,0000	365,00	7.592.000,00	0,18	0,46	0,49
SPIT BUCOVINA S.A. SUCEAVA	SPTU	03/07/2019	510.000	1,0000	2,58	1.318.298,06	8,58	0,08	0,09
SSIF BRK FINANCIAL GROUP S.A.	BRK	30/09/2019	62.399.290	0,1600	0,08	5.129.221,64	18,48	0,31	0,33
STICLOVAL SA VALENII DE MUNTE	STOZ	11/09/2019	884.478	2,5000	45,00	39.801.510,00	34,93	2,42	2,55
TERAPLAST S.A. BISTRITA	TRP	30/09/2019	3.304.867	0,1000	0,33	1.100.520,71	0,31	0,07	0,07
TRANSILVANIA LEASING SI CREDIT IFN S.A.	TSLA	27/09/2019	127.498.395	0,1000	0,03	3.187.459,88	24,72	0,19	0,21
UNIREA SHOPPING CENTER SA BUCURESTI	SCDM	30/09/2019	297.841	2,5000	47,00	13.998.527,00	10,83	0,85	0,90

Detailed statement of investments 30.09.2019

Securities admitted or traded on a Romanian regulated market - a. Shares

Issuer	Symbol	Last trading session	Owned shares	Nominal value	Share value	Total value	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
UNISEM SA BUCURESTI	UNISEM	23/09/2019	60.701.527	0,1000	0,13	7.891.198,51	76,91	0,48	0,51
VRANCART S.A. ADJUD	VNC	30/09/2019	22.480.370	0,1000	0,17	3.709.261,05	2,18	0,23	0,24
TOTAL						1.096.532.244,46			

Detailed statement of investments 30.09.2019
Securities mentioned in art. 187, paragraph a) - a.SHARES

	Issuer	Owned shares	Date of acquisition in the reporting period	Acquisition price in the reporting period	Share value	Total value	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
1.	AGROEXPORT SA CONSTANTA CT	203.045			0,0000	0,00	18,53	0,00	0,00
2.	AGROIND UNIREA SA MANASTIREA CL	187.098			0,0000	0,00	18,80	0,00	0,00
3.	AGROSEM SA TIMISOARA TM	834			0,0000	0,00	0,04	0,00	0,00
4.	AGROZOOTEHNICA SA PUCHENII MARI PH	22.176			0,0000	0,00	5,65	0,00	0,00
5.	ALEXANDRA TURISM SA BUCURESTI BU	4.811			0,0117	56,00	1,53	0,00	0,00
6.	ALSTOM TRANSPORT SA BUCURESTI B6	20.775			190,9042	3.966.034,00	2,18	0,24	0,25
7.	ALUNIS SA BUCURESTI IF	2.653			0,0000	0,00	1,96	0,00	0,00
8.	APOLODOR SA BUCURESTI BU	843.382			0,3101	261.494,00	9,85	0,02	0,02
9.	ARCOM SA BUCURESTI BU	80.287			0,0000	0,00	22,56	0,00	0,00
10.	AVICOLA SA BUCURESTI B4	7.981.093			3,1446	25.097.680,00	99,40	1,53	1,61
11.	BANCA COMERCIALA ROMANA (BCR) B3	1			0,4865	0,00	0,00	0,00	0,00
12.	BANCA DE EXPORT-IMPORT A ROMANIEI EXIMBANK B1	564.870			8,7760	4.957.317,00	0,42	0,30	0,32
13.	BANCA INTERNATIONALA A RELIGIILOR SA BUC BU	690.743			0,0000	0,00	3,45	0,00	0,00
14.	BANKCOOP SA BUCURESTI BU	74.812			0,0000	0,00	0,16	0,00	0,00
15.	BRAIFOR SA STEFANESTI AG	1.016			27,2443	27.680,00	0,97	0,00	0,00
16.	BUCHAREST FILM STUDIOS SA IF	806.372			0,0000	0,00	2,34	0,00	0,00
17.	BUENO PANDURI SA BUCURESTI IF	107.900			0,0000	0,00	9,94	0,00	0,00
18.	CABLUL ROMANESC SA PLOIESTI PH	116.116			0,0000	0,00	17,22	0,00	0,00
19.	CLEAN INVOLVEMENT SGP SA AG	27.273			0,0000	0,00	41,38	0,00	0,00
20.	COMPAN SA DB	1.430.288			0,0000	0,00	72,71	0,00	0,00
21.	COMPANIA DE LIBRARIИ SA BUCURESTI BU	113.492			45,8843	5.207.506,00	9,89	0,32	0,33
22.	COMPANIA NATIONALA DE TRANSPORTURI AERIENE ROMANE TAROM SA OTOPENI IF	752.795			0,6910	520.163,00	0,08	0,03	0,03
23.	CON-DEM SA BUCURESTI BU	20.746			0,0000	0,00	0,66	0,00	0,00
24.	CONCORDIA A4 SA BUCURESTI BU	296.185			0,0000	0,00	32,55	0,00	0,00
25.	CONTOR GROUP SA AR	3.839.316			0,0000	0,00	1,98	0,00	0,00

Detailed statement of investments 30.09.2019

Securities mentioned in art. 187, paragraph a) - a.SHARES

	Issuer	Owned shares	Date of acquisition in the reporting period	Acquisition price in the reporting period	Share value	Total value	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
26.	CONTRANSIMEX SA BUCURESTI BU	26.588			0,0000	0,00	10,00	0,00	0,00
27.	CORMORAN - PROD IMPEX B3	30.632			0,0000	0,00	24,53	0,00	0,00
28.	DEPOZITARUL CENTRAL SA B2	10.584.609			0,1252	1.325.309,00	4,18	0,08	0,09
29.	ELECTRONUM SA BUCURESTI B3	8			0,0000	0,00	0,44	0,00	0,00
30.	ENERGOCONSTRUCTIA SA BUCURESTI B1	136.045			0,0000	0,00	1,77	0,00	0,00
31.	EUROTEST SA BUCURESTI B3	74.888			18,6501	1.396.670,00	30,00	0,08	0,09
32.	FIROS S.A BUCURESTI BU	2.815.576			15,5180	43.692.108,00	99,69	2,66	2,80
33.	FONDUL ROMAN DE GARANTARE A CREDITELOR PENTRU INTREPRINZATORII PRIVATI - IFN S.A. B2	8.610.644			1,0972	9.447.499,00	53,60	0,57	0,61
34.	GECSAT SA TIRNAVENI MS	41			171.867,6335	7.046.573,00	25,47	0,43	0,45
35.	GECSATHERM SA MS	98.186			121,5550	11.934.999,00	50,00	0,73	0,77
36.	GEOMIN SA BUCURESTI B3	352			5.197,4410	1.829.499,00	4,56	0,11	0,12
37.	HIDROJET SA BREAZA PH	291.387			0,0000	0,00	8,99	0,00	0,00
38.	HORTICOLA SA BUCURESTI BU	51.845			0,0000	0,00	1,22	0,00	0,00
39.	I.C.T.C.M. SA BUCURESTI BU	119.750			54,9935	6.585.468,00	30,00	0,40	0,42
40.	ICPE SA BUCURESTI BU	1.595.127			9,1176	14.543.805,00	35,05	0,88	0,93
41.	ICPPAM SA BALOTESTI BU	243.180			0,0000	0,00	15,46	0,00	0,00
42.	IFMA IMOBILIARE SA BU	101.737			27,7104	2.819.170,00	13,95	0,17	0,18
43.	INDUSTRIALEXPORT SA BUCURESTI B1	80.000			0,0000	0,00	3,20	0,00	0,00
44.	INSTITUTUL NATIONAL DE STICLA SA BUCURES BU	124.654			0,0000	0,00	24,23	0,00	0,00
45.	ISORAST TECHNOLOGY SA B4	778.563			0,0000	0,00	25,00	0,00	0,00
46.	ISPCF SA BUCURESTI BU	307.644			4,1307	1.270.770,00	16,79	0,08	0,08
47.	ITC Institutul pentru Tehnica de Calcul S.A BUCURESTI BU	964.554			3,4332	3.311.495,00	29,86	0,20	0,21
48.	MARC TRUST CONSID SA CALARASI CL	148.009			0,0000	0,00	24,86	0,00	0,00
49.	MASTER SA BUCURESTI BU	1.501.668			3,5534	5.336.058,00	12,77	0,32	0,34
50.	MUNTENIA MEDICAL COMPETENCES SA AG	1.882.496			17,2228	32.421.852,00	99,76	1,97	2,08
51.	MUNTENIA SA FILIPESTII DE PADURE PH	388.840			0,0000	0,00	25,93	0,00	0,00
52.	PAVCOM S.A. TARGOVISTE DB	2.736.691			0,0000	0,00	30,88	0,00	0,00
53.	PISCICOLA SA OLTENITA CL	30.935			0,0000	0,00	30,00	0,00	0,00
54.	PROED SA BUCURESTI BU	134.450			0,0000	0,00	10,63	0,00	0,00
55.	RAFINARIA SA DARMANESTI BC	45.059			0,0000	0,00	1,14	0,00	0,00

Detailed statement of investments 30.09.2019

Securities mentioned in art. 187, paragraph a) - a.SHARES

	Issuer	Owned shares	Date of acquisition in the reporting period	Acquisition price in the reporting period	Share value	Total value	Percentage in the share capital of the issuer	Percentage in the total assets of SIF	Percentage in the net assets of SIF
56.	RAFINARIA STEAUA ROMANA SA CAMPINA BU	2.357.100			0,0000	0,00	5,70	0,00	0,00
57.	RAFO SA ONESTI BC	4.453			0,0000	0,00	0,00	0,00	0,00
58.	RESIAL SA ALBA IULIA AB	128.669			0,0000	0,00	10,14	0,00	0,00
59.	ROM VIAL SA BUCURESTI BU	400			0,0000	0,00	0,76	0,00	0,00
60.	ROMATEST SA VOLUNTARI IF	3.470			1,4215	4.933,00	0,46	0,00	0,00
61.	ROMSIT SA BUCURESTI BU	75.739			0,0000	0,00	10,73	0,00	0,00
62.	ROMSUINTEST SA PERIS BU	6.155.903			0,0000	0,00	40,05	0,00	0,00
63.	RULMENTI SA BIRLAD VS	58.893			9,8319	579.031,00	0,15	0,04	0,04
64.	SALSI SA SINAIA PH	57.876			0,0000	0,00	9,64	0,00	0,00
65.	SANEVIT SA ARAD AR	45.282			0,0000	0,00	0,76	0,00	0,00
66.	SEMINA S.A ALBESTI PH	3.254.150			0,0000	0,00	70,03	0,00	0,00
67.	SEMROM TRANSILVANIA SA CLUJ NAPOCA CJ	1.089			0,0000	0,00	0,03	0,00	0,00
68.	SIDERCA SA CALARASI CL	3.676.136			0,0000	0,00	18,38	0,00	0,00
69.	STIMAS SA SUCEAVA SV	70.356			0,0000	0,00	5,99	0,00	0,00
70.	TEHNOFORESTEXPORT SA BUCURESTI BU	14.739			0,0000	0,00	10,00	0,00	0,00
71.	TUBAL COM SA BUCURESTI BU	37.979			7,4127	281.527,00	16,43	0,02	0,02
72.	TUBAL METALICA SA BUCURESTI BU	37.979			11,4230	433.833,00	16,43	0,03	0,03
73.	TURISM LOTUS FELIX S.A. BH	50.000.000			0,0992	4.960.138,00	3,95	0,30	0,32
74.	TURNATORIA CENTRALA -ORION SA CIMPINA PH	332.300			0,0000	0,00	22,89	0,00	0,00
75.	UPETROLAM SA BUCURESTI B4	38.873			6,6817	259.739,00	1,13	0,02	0,02
76.	VALEA CU PESTI SA AG	230.781			8,0926	1.867.626,00	24,81	0,11	0,12
77.	VOLUTHEMA PROPERTY DEVELOPER SA B4	2.031.841			7,0749	14.375.072,00	69,11	0,87	0,92
78.	VULCAN SA BUCURESTI B4	2.119.143			0,0000	0,00	7,13	0,00	0,00
79.	WORLD TRADE CENTER SA BUCURESTI AB	26.746			0,0000	0,00	2,68	0,00	0,00
80.	ZECASIN SA BUCURESTI BU	15.921			0,0000	0,00	11,62	0,00	0,00
TOTAL						205.761.104,00			

Detailed statement of investments 30.09.2019
**Securities mentioned in art. 187, paragraph a)
b.UNLISTED CORPORATE AND MUNICIPAL BONDS**

Issuer	No. of Bonds	Date of acquisition	Acquisition price	Bond value	Total value (lei)	Percentage in the total assets of SIF	Percentage in the net assets of SIF
BANCA TRANSILVANIA (EUR)	415.499	22.05.2013	0,6000	0,6077	1.199.608,00	0,07	0,08
MEDIMFARM SA PLOIESTI (EUR)	53.000	16.10.2018	21,5054	21,8848	5.510.778,00	0,34	0,35
CAPITAL LEASING IFN SA (LEI)	10.000	10.06.2019	100,0000	102,7553	1.027.553,00	0,06	0,07
TOTAL					7.737.939,00		

Detailed statement of investments 30.09.2019

Corporative Bonds / Bonds issued or guaranteed by the local public administration authorities - Listed bonds

Issuer	No. of Bonds	Date of acquisition	Maturity date	Currency	Acquisition price	Initial value	Daily increase	Accrued interest	Present value RON	Percentage in the total assets of SIF	Percentage in the net assets of SIF
IMPACT DEVELOPER & CONTRACTOR	200	19/12/2017	19.12.2022	EUR	5.000,00	1.000.000,00	157,53	16.383,56	4.828.939,94	0,29	0,31
Opus-Chartered Issuances S.A.	501	25/08/2017	24.09.2020	EUR	12.753,00	5.010.000,00	278,33	1.948,33	25.901.535,78	1,57	1,66
Opus-Chartered Issuances S.A.	1.140	06/09/2016	03.09.2020	EUR	8.772,00	11.400.000,00	622,95	17.442,62	52.703.510,37	3,20	3,38
TOTAL									83.433.986,09		

Detailed statement of investments 30.09.2019 - Bank deposits									
Bank	Filing date	Maturity date	Initial value	Daily interest	Accrued interest	Present value	Present value Lei	Percentage in the total assets of SIF	Percentage in the net assets of SIF
RON									
BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA (RON)	25.07.2019	23.10.2019	4.053.000,00	315,23	21.435,87	4.074.435,87	4.074.435,87	0,25	0,26
BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA (RON)	06.09.2019	05.12.2019	5.000.000,00	388,89	9.722,22	5.009.722,22	5.009.722,22	0,30	0,32
BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA (RON)	10.09.2019	11.11.2019	8.177.000,00	590,56	12.401,78	8.189.401,78	8.189.401,78	0,50	0,53
BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA (RON)	18.09.2019	16.12.2019	13.277.500,00	1.069,58	13.904,49	13.291.404,49	13.291.404,49	0,81	0,85
BANCA TRANSILVANIA Sucursala SMB (RON)	19.09.2019	20.11.2019	6.496.000,00	433,07	5.196,80	6.501.196,80	6.501.196,80	0,40	0,42
BANCA TRANSILVANIA Sucursala SMB (RON)	19.09.2019	17.12.2019	6.000.000,00	433,33	5.200,00	6.005.200,00	6.005.200,00	0,37	0,39
BANCA TRANSILVANIA Sucursala SMB (RON)	25.09.2019	23.10.2019	5.020.000,00	341,64	2.049,83	5.022.049,83	5.022.049,83	0,31	0,32
CREDIT EUROPE BANK (RON)	25.09.2019	25.11.2019	5.030.000,00	337,63	2.025,78	5.032.025,78	5.032.025,78	0,31	0,32
TOTAL RON						53.125.436,77	53.125.436,77		
							53.125.436,77		

Titluri de participare la OPCVM / AOPC la data 30.09.2019									
Nr. crt.	Denumire fond	Data ultimei sedinte de tranzactionare	Nr. unitati de fond detinute	Valoare unitate de fond (VUAN)	Pret piata	Valoare totala valuta	Valoare totala	% in total titluri de participare ale OPCVM / AOPC	% in activul total al SIF
Titluri de participare denuminate in RON									
1	ACTIVE DINAMIC		2.938.476,904300	5,8126			17.080.190,85	95,26	1,04
2	ACTIVE PLUS		4.096,468400	11.403,5000			46.714.077,40	20,80	2,84
3	CERTINVEST ACTIUNI		108,488970	235.708,3200			25.571.752,86	24,95	1,55
4	FDI PROSPER Invest		100.085,114900	15,1195			1.513.236,89	28,87	0,09
5	FII BET-FI INDEX INVEST		8.297,000000	703,7199			5.838.764,01	59,94	0,36
6	FII MULTICAPITAL INVEST		4.337,000000	2.692,1000			11.675.637,70	25,97	0,71
7	FII OPTIM INVEST		2.843,460000	10.928,6100			31.075.065,39	18,92	1,89
8	ROMANIA STRATEGY FUND CLASS B		56.000,000000	563,3500			31.547.600,00	49,12	1,92
9	STAR FOCUS		152.631,390000	6,5735			1.003.322,44	16,92	0,06
10	STAR NEXT		190.539,480000	7,0416			1.341.702,80	10,71	0,08
11	STAR VALUE		15.134,000000	1.052,7200			15.931.864,48	30,47	0,97
Total RON							189.293.214,82		11,51
Total							189.293.214,82		11,51

Evolutia activului net si a VUAN in ultimii 3 ani la data 30.09.2019

	29.12.2017	31.12.2018	30.09.2019
ACTIV NET	1.370.925.949,61	1.257.619.659,09	1.558.453.541,27
VALOAREA UNITARA A ACTIVULUI NET	1,6987	1,5583	1,9862