SOCIETATEA DE INVESTITII FINANCIARE
TRANSILVANIA S.A.

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Societate administrată în sistem dualist

No. 2850 /16.04.2020

To: **Bucharest Stock Exchange**
Financial Supervisory Authority
- Financial Instruments and Investments Sector

CURRENT REPORT
According to Law no. 24/2017 and F.S.A. Regulation no. 5/2018
Report date: 16.04.2020

S.I.F. Transilvania S.A.
Headquarters: 2, Nicolae Iorga Street, Brasov 500057
Telephone: +40 268 415529, 416171; Fax: +40 268 473215, 473216
Tax registration code: RO3047687
Order number in the Trade Register: J08/3306/92
Registration number in the NSC Register: PJR 09 SIIR/080004
LEI Code (Legal Entity Identifier): 254900E2IL36VM93H128
Subscribed and paid-in share capital: RON 216,244,379.70
Regulated market on which the issued securities are traded: Bucharest Stock Exchange (ticker: SIF3)

Important event to be reported: Litigation regarding the failure to include within the legal deadline on the agenda of the F.S.A.'s Council the request for the approval of the Executive Board members of S.I.F. Transilvania. Lawful extension of the endorsement granted to the Executive Board members

1. S.I.F. Transilvania informs the shareholders and investors that it has submitted to the Bucharest Court of Appeal an application in administrative contentious matters, application filed against the defendant the Financial Supervisory Authority, through which our company requested the court:

(i) to find that the F.S.A. did not respond in the legal term to the request submitted by S.I.F. Transilvania for the approval of the members of the Executive Board, appointed by the Supervisory Board for a new 4-year mandate starting on 20.04.2020, according to the Resolution no. 1/15.01.2020, board composed of ec. Mihai FERCALĂ, PhD, ec. Iulian STAN, PhD and ec. Ştefan SZITAS;

(ii) to order the defendant F.S.A. to issue a notice of approval of the members of the Executive Board composed of ec. Mihai FERCALĂ, PhD, ec. Iulian STAN, PhD and ec. Ştefan SZITAS, for a new 4-year mandate starting on 20.04.2020, according to the Resolution no. 1/15.01.2020 of the Supervisory Board, based on the documentation submitted to the F.S.A. on 16.01.2020 and

(iii) to order the defendant to pay the legal fees.

2. At the same time, through the effect of the Decree of the President of Romania no. 240/2020 *regarding the extension of the state of emergency on the territory of Romania* (art. 18), in conjunction with the provisions of the Government Emergency Ordinance no. 1/1999 *regarding the regime of the state of siege and the regime of the state of emergency*, as further amended and supplemented by G.E.O. no. 34/26.03.2020 - art. 33^2: **"... the validity of the documents issued by public institutions and authorities is maintained throughout the period of emergency, as well as for a 90-day period from the cessation of these states ..."** and with the Decision no. 24/06.11.2017 of the High Court of Cassation and Justice, published in the Official Gazette of Romania-Part I, nr.

153/19.02.2018: **"... the administrator of the joint-stock company whose mandate has expired, in the absence of an act appointing a new administrator and an explicit acceptance of the said administrator, he holds the prerogatives of representation as long as the termination of his position has not been published in accordance with the law ...** ", the latter decision being applicable to the administrators acting under an unitary management system, the members of the Executive Board being equivalent to the type of administrators mentioned above as being the exclusive executives of the company:

(i) the F.S.A. Opinion no. 51/23.02.20217 through which Mr. Mihai Fercală was endorsed as member of the Executive Board,

(ii) the F.S.A. Opinion no. 265/12.10.2016, through which Mr. Iulian Stan was endorsed as member of the Executive Board and

(iii) the F.S.A. Opinion no. 325/23.05.2017 through which Mr. Ştefan Szitas was endorsed as member of the Executive Board

will remain valid throughout the state of emergency period, as well as for a 90- day period from the cessation of the state of emergency.

3. In order to ensure the proper and orderly functioning of Societatea de Investiții Financiare Transilvania S.A., considering the responsibilities of the Executive Board members according to the concluded mandate agreements and the relevant legislation, in respect to the need to ensure the functioning of the company according to the business continuity plan under the conditions of pandemic and state of emergency, we shall continue the activity in the general interest of the company and in the shareholders' interest.

Mihai Fercală
Executive President/CEO

Ștefan Szitas
Member of the Executive Board

Marcus Valeriu Marin
Compliance Officer