SOCIETATEA DE INVESTITII FINANCIARE
TRANSILVANIA S.A.

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Societate administrată în sistem dualist

No. 3881/12.06.2020

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: 12.06.2020

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 registration at the Trade Register Office of the Executive Board members

S.I.F. Transilvania informs the investors that it has submitted to the Trade Register Office the application for the registration of the Executive Board members, namely Mr. Moldovan Marius Adrian and Mr. Răduță Gib Tony Cristian, based on the F.S.A. Authorizations no. 77 and 78 of 15.05.2020.

Mr. Fercală Mihai submitted an application to intervene in respect to this registration, application which is the object of File no. 1489/62/2020 registered with the Brasov Tribunal (parties: petitioners Fercală Mihai and S.I.F. Transilvania S.A., through legal representative, and the Trade Register Office attached to the Brasov Tribunal, through legal representative).

The Limited Liability Professional Society of Lawyers *Suciu, Popa and Associates* filed a request to waive the settlement of the registration with Trade Register Office Brasov of the Executive Board members, on behalf of S.I.F. Transilvania, without having a mandate of conventional representation from the company. The mandate of the law firm *Suciu, Popa and Associates* is granted by Mr. Fercală Mihai.

We emphasize the fact that the *Suciu, Popa and Associates* lawyers acted without being instructed in this respect by the legal representatives of S.I.F. Transilvania, acting in collusion with Mr. Fercală Mihai, trying to block the registration of the Executive Board members of S.I.F. Transilvania, who are authorized by the Financial Supervision Authority.

We inform the investors that within the Files no. 100/64/2020, 1028/62/2020, 1033/62/2020, 1099/62/2020, 1104/62/2020, 1137/62/2020, 1135/62/2020, 1836/2/2020, 1889/2/2020, 1208/62/2020, 1931/2/2020, 2036/2/2020, the preliminary complaints filed against the F.S.A. Decisions no. 525 and 526 of 22.04.2020, 539 of27.04.2020, 558 of 06.05.2020, the criminal

complaint filed against the management of the Financial Supervisory Authority, S.I.F. Transilvania has been represented by *Suciu, Popa and Associates*.

For the activity mentioned above, requested by Mr. Fercală Mihai, on behalf of S.I.F. Transilvania, the invoices issued by this law firm between 01.03.2020 - 15.05.2020 amount to RON 258,739. The invoices have been paid until 15.05.2020, at the instruction of Mr. Fercală Mihai who continued to exercise the mandate of chief executive officer even after his revocation by the Supervisory Board. [1]

We inform the shareholders that there are still outstanding invoices amounting to RON 186,055.33, issued by the Law Firm *Suciu Popa and Associates* on the following dates: 07.05.2020 (sent to S.I.F. Transilvania and registered on 04.06.2020), 11.05.2020 (registered at S.I.F. Transilvania on 12.05.2020, ordered for payment by Mr. Fercală Mihai on the same day) and 29.05.2020 (registered at S.I.F. Transilvania on 04.06.2020).

S.I.F. Transilvania's Executive Board stopped the payment of these invoices, having a reasonable suspicion, from the analysis performed, that the legal services related to the invoices issued by the lawyers from the mentioned law firm have been ordered by Mr. Fercală Mihai, who did not have the quality of legal representative of S.I.F. Transilvania, status known by *Suciu, Popa and Associates* lawyers as they represented the company in cases related precisely to this subject-matter, namely the revocation of Mr. Fercală Mihai and the Supervisory Board Resolution of 15.01.2020 for the extension of the mandates of Mr. Fercală Mihai, Mr. Stan Iulian and Mr. Szitas Ștefan after 20.04.2020.

We would like to mention that *Suciu, Popa and Associates* accepted the conclusion of an additional act with S.I.F. Transilvania on 30.04.2020, although Mr. Fercală Mihai, signatory of the additional act, was revoked from office on 30.03.2020, and Mr. Szitas Ștefan's (co-signatory) mandate expired on 19.04.2020.

Considering that:

- the law firm *Suciu, Popa and Associates* was aware of the legal disputes within S.I.F. Transilvania and yet accepted the conclusion of an addendum to the legal assistance contract concluded with S.I.F. Transilvania on 30.04.2020, through persons who no longer had the quality of legal representatives of S.I.F. Transilvania, respectively Mr. Fercală Mihai and Mr. Szitas Ștefan,

- the law firm issued invoices to S.I.F. Transilvania for legal services ordered by Mr. Fercală Mihai, a third party in relation with S.I.F. Transilvania,

- Ms. Suciu Miruna, partner within *Suciu Popa and Associates*, was requested by Mr. Moldovan Marius Adrian, Executive President of S.I.F. Transilvania, to submit all order notes for the legal services rendered on behalf of S.I.F. Transilvania, and the fact that they have not been submitted to our company so far,

S.I.F. Transilvania's Executive Board disassociates itself from the procedural attitude and conduct adopted by the former management team of the company, therefore terminating the legal assistance contract concluded with the Law Firm *Suciu, Popa and Associates* and ceased the payment of invoices issued in the month of May 2020. Said invoices are related to legal services requested on behalf of and at the expense of SIF Transilvania by persons not having the quality of legal representative of the company.

[1] Mr. Fercala Mihai was revoked by the Supervisory Board from the position of Executive President/CEO of S.I.F. Transilvania S.A. on 30.03.2020. The request for the suspension of the Decision to revoke Mr. Fercala Mihai was the subject of file 1064/62/2020. The request for the suspension was rejected through the Decision no. 297 of 25.05.2020. The decision pronounced by the Court of Appeal is final.

We are continuing the analysis of the status of the legal contracts concluded by S.I.F. Transilvania, of the financial resources drained from the company pursuing personal interests, of the professional deontology of the legal partners of S.I.F. Transilvania and the way in which they understood to respect the fundamental principles for the exercise of the profession of lawyer: *independence, dignity, integrity, loyalty, professional secrecy and freedom of defense.*

We assure S.I.F. Transilvania's shareholders that we will act firmly and we will adopt all the necessary legal measures needed to protect the financial interests of the company and of its shareholders, against the abusive behavior and misconduct of the persons who are responsible for bringing damages to S.I.F. Transilvania.

Moldovan Marius Adrian
Executive President/CEO

Răduță-Gib Tony-Cristian
Member of the Executive Board/Director