

No. 2769 /26.02.2021

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

on the initiation of the procedure for the pre-selection of the financial auditor according to the Financial Supervisory Authority Regulation no.13/2019, as amended and completed by the Financial Supervisory Authority Regulation no. 27/2019 for the appointment by the Ordinary General Shareholder Meeting of the financial auditor and the duration of the financial audit contract

The Board of Directors of S.I.F. Oltenia SA decided to initiate the procedure for the pre-selection of the financial auditor in order that the Ordinary General Shareholder Meeting to appoint the financial auditor and to decide upon the duration of the financial audit contract.

The pre-selection procedure is carried out by the Board of Directors.

Content of the file for the submission of offers by financial auditors:

I. Relevant information on the audit company, containing at least the following information:

1. Company details: experience in the field, presentation of a portfolio of relevant clients, etc.;
2. Human resources: presentation of the key audit partner's name, its relevant experience;
3. Means to approach the audit: understanding the needs and risks of the business, the internal processes of the auditor meant to ensure the provision of audit services aligned to the specific needs of S.I.F. Oltenia SA;
4. Means to ensure the quality of the audit process and the requirements of independence and avoidance of conflicts of interest.

II. The technical offer shall include:

1. Document issued by A.S.P.A.A.S. (The Authority for Public Supervision of the Statutory Audit Activity)/ C.A.F.R. (The Chamber of Financial Auditors of Romania) certifying that the audit company is registered in the Electronic Public Register of Financial Auditors and Audit Companies, published by the Authority for Public Supervision of the Statutory Audit Activity, in accordance with the legal regulations in force and has least 4 years of experience in practicing the profession;
2. Certificate of Company Details issued by the National Trade Register Office, with the current status of the legal entity, in the original;
3. Document issued by the Authority for Public Supervision of the Statutory Audit Activity/ the Chamber of Financial Auditors of Romania containing references to the last inspection carried out, as appropriate;
4. Professional civil liability insurance contract, valid on the date of submitting the documentation, in copy;
5. Criminal record and fiscal record, in the original;
6. For the key audit partner: curriculum vitae, signed and dated, document certifying the capacity of financial auditor registered in the Electronic Public Register of Financial Auditors and Audit Companies, published by the Authority for Public Supervision of the Statutory Audit Activity, in the category of active financial auditors, a statutory declaration, under a handwritten signature, showing that he/she is not registered with a disciplinary offence as a result of a decision which has become final in the last 3 years ruled by the competent authorities supervising their activity, as well as a filled in declaration showing that he/she is not in a situation of incompatibility or conflict of interest provided for by the legislation in force (*according to Annex no.1 to Regulation no.13/2019 as consolidated*);
7. List of financial auditors employed with individual employment contract, registered in the Electronic Public Register of Financial Auditors and Audit Companies, published by the Authority for Public Supervision of the Statutory Audit Activity, under the category “Assets”, who shall carry out activities in relation to S.I.F. Oltenia SA;
8. Statutory declaration of the legal representative of the audit company, under handwritten signature, showing that the audit company is not registered with a disciplinary offence as a result of a final decision in the last 3 years ruled by the competent authorities supervising their activity, and also that he/she has not been sanctioned by the Romanian or foreign authorities in the financial field with the prohibition to carry out activities in the financial-banking system or with the temporary prohibition to carry out such activities in the last 10 years;
9. Statutory declaration, under handwritten signature of the legal representative, showing that the audit company is not in a situation of incompatibility or conflict of interest provided for by the legislation in force (*Annex no. 2 to Regulation no. 13/2019 as consolidated*);
10. Questionnaire filled in the form presented in Annex no.4 to Norm no. 13/2019 as consolidated.

III. Financial offer for auditing:

- a) The financial statements drawn up in accordance with the individual International Financial Reporting Standards (IFRS) **for the financial years 2022-2024;**
- b) The financial statements drawn up in accordance with the consolidated International Financial Reporting Standards (IFRS) **for the financial years 2022-2024;**

Offers shall be submitted starting with **26.02.2021** until **10.03.2021, 05:00 p.m.**, by e-mail at public@sifolt.ro and by mail.

Contact person: Mihaela Colceriu (email mihaela.colceriu@sifolt.ro).

According to art. 23 of the Financial Supervisory Authority Regulation nr. 13/2019:

- the audit contract is concluded until 31 October of the current year, so that it enters into force starting with 1 January of the following year;
- the price of the audit contract is established in the currency agreed upon by the parties;

The Board of Directors shall analyse the submitted offers which meet the professional criteria required for the exercise of the financial auditor's responsibilities, which shall be communicated within the term provided in this announcement. The criterion used to select the auditor is to obtain the best services for S.I.F. Oltenia S.A. from a financial and reputational point of view.

The offer selected by the Board of Directors shall be submitted to the shareholders' approval, within the Ordinary General Shareholder Meeting of S.I.F. Oltenia S.A.

On 31.12.2020, S.I.F. Oltenia SA held in its portfolio participations in 42 companies. The nominal value of the managed portfolio of shares is Lei 618,985,752, and the market value is Lei 2,014,682,452.

On 31.12.2020, S.I.F. Oltenia SA held majority stakes in 12 companies:

1. COMPLEX HOTELIER DB. S.A. Târgoviște;
2. VOLTALIM S.A. Craiova;
3. MERCUR S.A. Craiova;
4. GEMINA-TOUR S.A. Rm. Vâlcea;
5. ARGUS S.A. Constanța;
6. FLAROS S.A. Bucharest;
7. CONSTRUCȚII FERROVIARE S.A. Craiova;
8. UNIVERS S.A. Rm. Vâlcea;
9. PROVITAS S.A. Bucharest;
10. TURISM S.A. Pucioasa;
11. ALIMENTARA S.A. Slatina;
12. LACTATE NATURA S.A. Târgoviște.

These companies fall within the scope of consolidation of the financial statements drawn up in accordance with International Financial Reporting Standards (IFRS).

Sorin-Iulian Cioacă
President/ General Manager

Compliance Officer
Viorica Bălan