



INDUSTRIAL
COMERCIAL
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AGRO



SIF IMOBILIARE
RAPORT ANUAL
2022

Dezvoltare durabila menita sa asigure remunerarea actionarilor

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INFORMAȚII GENERALE SIF IMOBILIARE PLC

| | |
|--------------------------------------|---|
| Denumire | SIF Imobiliare PLC ("Societatea") |
| Capital social | €4.499.974; 4.499.974 acțiuni emise, fiecare cu o valoare nominală de 1€ |
| Inregistrare | HE 323682, Cipru, 18 Iulie 2013 ISIN CY0104062217 |
| Activitate principală | Societate de tip holding, ce deține și finanțează activitățile grupului în domeniul imobiliar. Activitatea principală constă în administrare și consultanța în domeniul investițiilor imobiliare. |
| Piața de tranzacționare | Societatea este listată din data de 23 Decembrie 2013 pe sistemul alternativ de tranzacționare (ATS), categoria AeRO Standard a Bursei de Valori București |
| Auditor | Evoserve Auditors Ltd., Nicosia, Cipru |
| Registrul acțiunilor și acționarilor | Depozitarul Central S.A. București |
| Sediul central | 30 Karpenisiou, 1077 Nicosia, Cipru |

SIF Imobiliare PLC este tranzacționată pe Sistemul Alternativ de Tranzacționare (CAN – ATS - AeRO) al Bursei de Valori București (BVB).

Societatea a luat ființă în 2013, ca urmare a deciziei SIF Banat-Crișana S.A. de a constitui o structură de administrare centralizată, după principiile unui management integrat, pentru un număr de companii cu activități în domeniul imobiliar. Această decizie are la bază unificarea obiectivelor, minimizarea costurilor operaționale, maximizarea veniturilor și totodată, valorificarea oportunităților ce există sau pot apărea pe piața de profil.

Constituirea SIF Imobiliare PLC a avut loc după realizarea unui studiu special pentru acest proiect de un consultant „Big Four” referitor la selectarea unei jurisdicții favorabile pentru infiintarea SIF Imobiliare și ca urmare a faptului că nu exista o lege care să reglementeze activitățile de tip holding în România.

Valoarea capitalului social autorizat și subscris este de 4.499.974 EUR vărsat integral, împărțit în 4.499.974 de acțiuni, fiecare având valoarea nominală de 1 EUR.

| Structură acționariat SIF Imobiliare PLC la 31.12.2022 | Acțiuni | Procent |
|---|------------------|----------------|
| SIF Banat-Crișana SA | 4,499,961 | 99.9997 % |
| Alți acționari | 13 | 0.0003 % |
| Total | 4,499,974 | 100 % |

INFORMAȚII GENERALE SIF IMOBILIARE PLC

Entități incluse în consolidare

Filialele sunt entități aflate sub controlul Societății. Controlul există atunci când Societatea este expusă sau are drepturi asupra rentabilității variabile pe baza participării sale în entitatea în care a investit și are capacitatea de a influența acele venituri prin autoritatea sa asupra entității în care s-a investit. La momentul evaluării controlului sunt luate în calcul și drepturile de vot potențiale sau convertibile care sunt exercitabile la momentul respectiv.

Situațiile financiare ale filialelor sunt incluse în situațiile financiare consolidate din momentul în care începe exercitarea controlului și până în momentul încetării acestuia. Politicile contabile ale filialelor sunt aliniate cu cele ale SIF Imobiliare.

| Filiale | Deținere SIF Imobiliare PLC La 31.12.2022 | Deținere SIF Imobiliare PLC La 31.12.2021 | Locație | BVB |
|---------------------|--|--|-------------------|------------|
| Bistrița SA | 91.98% | 91.98% | Cluj Napoca | |
| Comalim SA | 91.17% | 91.17% | Arad | AeRO |
| Cora SA | 96.33% | 96.33% | Hunedoara | |
| SIFI Unitech SA | 50.20% | 50.20% | Timisoara | AeRO |
| SIFI BH Est SA | 94.77% | 94.77% | Oradea | |
| SIFI BH Ind Vest SA | 98.95% | 98.95% | Oradea | |
| SIFI BH Retail SA | 99.90% | 99.90% | Oradea | |
| SIFI Baia Mare SA | 92.59% | 92.59% | Baia Mare | |
| SIFI B One SA | 90.79% | 90.79% | Bucuresti | |
| SIFI CJ Storage SA | 92.10% | 92.10% | Cluj Napoca | AeRO |
| SIFI CJ Logistic SA | 84.74% | 84.74% | Cluj Napoca | AeRO |
| SIFI Cluj Retail SA | 96.36% | 96.36% | Cluj Napoca | AeRO |
| SIFI CJ Office SA | 98.83% | 98.83% | Bucuresti | |
| SIFI CJ Agro SA | 97.50% | 97.50% | Turda | |
| SIFI Properties SA | 99.90% | 99.90% | Bucuresti | |
| SIFI Sighet SA | 72.28% | 72.28% | Sighetu Marmatiei | |

ANALIZA ACTIVITĂȚII

Analiza generală

Grupul SIF Imobiliare PLC își desfășoară activitatea pe piața imobiliară din România, deținând active în marile orașe din vestul țării, cum ar fi Cluj, Timișoara, Arad, Oradea, precum și în București.

Contextul economic intern

Anul 2022 a marcat o creștere economică importantă a economiei României (4,8%). Transformările majore pe care le-a cunoscut economia mondială impulsionate de globalizare și digitalizare, pandemia Covid-19, impactul crizelor suprapuse, inflația în creștere și tensiunile geopolitice, au necesitat un răspuns substanțial concertat, în vederea atenuării consecințele lor economice și sociale. Măsurile întreprinse au reușit să asigure redresarea economiei, cu o creștere de 4,8% în anul 2022, mai mare decât cea estimată a fi înregistrată la nivelul UE cât și al Zonei Euro de 3,3% și respectiv 3,2% (în anul 2022). Principalele influențe la nivelul economiei autohtone în anul 2022 au fost în linie cu cele europene, unde efectele economice post-Covid și volatilitățile extreme de prețuri ale gazelor și a energiei electrice în urma invadării Ucrainei de către Rusia au alimentat puternic puseul inflaționist.

La formarea PIB, în anul 2022 față de anul 2021, au contribuit cu aporturi pozitive sectoarele IT&C cu +20%, servicii suport +13%, construcțiile +11%, și comerțul cu +6,6%. Influențele negative au venit din agricultură, unde s-au raportat scăderi de -12%, respectiv -2% pentru industrie. Economia României a crescut sub impulsul formării capitalului fix și al consumului privat pe fondul unei piețe a muncii puternice și a creșterilor salariale solide, respectiv au ajutat și măsurile guvernamentale de atenuarea impactului prețurilor mai mari la energie (plafonarea prețurilor la energie electrică și gaz), ceea ce a plasat România pe o poziție de creștere procentuală peste media zonei CEE.

Agențiile de rating au păstrat încadrarea și perspectivele României neschimbate. Moody's și Standard & Poor's au acordat perspectivă stabilă, în timp ce Fitch a îmbunătățit outlook-ul de la negativ la stabil în primul trimestru din 2023. Rating-urile au fost păstrate la Baa3 din partea Moody's, iar S&P și Fitch au evaluat condițiile curente la un rating de BBB-.

Previțiunile de creștere economică pentru anul curent și anul viitor sunt divergente, având în vedere contextul geostrategic foarte complex și imprezibil. Ca urmare, instituțiile au publicat așteptări cu diferențe semnificative la nivelul scenariilor de creșteri ale PIB-ului României pentru 2023 și 2024.

Analiza portofoliului

Strategia investițională a SIF Imobiliare PLC urmărește maximizarea performanțelor portofoliului în vederea creșterii valorii activelor administrate și a veniturilor din investiții. Astfel, Societatea are ca obiectiv administrarea eficientă a unui portofoliu diversificat de active de calitate în scopul creșterii valorii pentru acționari și obținerea unor randamente cât mai ridicate ale capitalului investit.

Abordarea individualizată adoptată de Societate pentru fiecare dintre participațiile sale urmărește valorificarea unui randament agregat, generat din câștiguri sub forma dividendelor cât și din câștiguri de capital.

Informații privind entitățile incluse în consolidare

SIFI CJ LOGISTIC S.A.



Înființare: Începând cu anii '50, societatea a fost cunoscută sub denumirea de B.J.A.T.M. (Baza Județeană de Aprovizionare Tehnico-Materială) iar după anii '90 s-a produs reorganizarea conform Legii 31/1990 și a altor acte normative, noua societate preluând activul și pasivul B.J.A.T.M. Cluj.

Obiect de activitate: Intermedieri în comerțul cu produse diverse și închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Aționariat: SIF IMOBILIARE PLC (84,74%) cu 835.345 acțiuni și alți acționari (15,26%) cu 150.388 acțiuni.

Capital social: 2.464.333 RON

Valoare nominală: 2,5 RON/acțiune.

În cursul anului 2022, în conformitate cu Hotarea Adunării Generale Extraordinare din data de 28.06.2022 societatea a vândut activul situat în str. Traian Vuia nr. 206, Cluj-Napoca, jud. Cluj.

SIFI CJ STORAGE S.A.



Înființare: Societatea a fost fondată în anul 1949, iar din anul 1990 este societate pe acțiuni

Obiect de activitate: Închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate

Aționariat: SIF IMOBILIARE PLC (92,10%) cu 409.980 acțiuni și alți acționari (7,9 %) cu 35.172 acțiuni

Capital social: 1.112.880 lei

Valoare nominală: 2,5 RON/acțiune.

În cursul anului 2022, în conformitate cu Hotărârea Adunării Generale Extraordinare din data de 28.06.2022 societatea a vândut activul situat în str. Traian Vuia nr. 208, Cluj-Napoca, jud. Cluj.

COMALIM S.A.



Înființată în 1991, în baza Legii nr. 15/1990, prin preluarea integrală a patrimoniului fostei Întreprinderi de Comerț cu Ridicata a Mărfurilor Alimentare Arad. În 2008, societatea a fuzionat cu RESAPARE ȘI REPARARE ANVELOPE S.A., iar după trei ani s-a produs fuziunea cu societatea COMBI SPEDITION S.A. De aici a rezultat un conglomerat de active răspândite în Arad, Oradea, Timișoara și București.

Obiect de activitate: Comerț cu ridicata al cărnii și produselor din carne și închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Acționariat: SIF IMOBILIARE PLC (91,17%) cu 1,148,927 acțiuni și alți acționari (8,83%) cu 111.255 acțiuni.

Capital social: 3.150.455 RON.

Valoare nominală: 2,5 RON/acțiune.

În cursul anului 2022, în conformitate cu Hotărârea Adunării Generale Extraordinare din data de 25.11.2022 societatea a vândut activul situat în Municipiul Arad, Strada Câmpul Liniștii nr. 1, județul Arad.

SIFI CLUJ RETAIL S.A.



Înființată în 1991, Societatea este succesoarea ICSAP Cluj (Întreprinderea Comercială de Stat de Alimentație Publică).

La data înființării Societatea desfășura activitatea de alimentație publică în 163 unități amenajate în spațiile proprii, închiriate sau folosite în reciprocitate cu alte societăți. În baza hotărârii AGEA din 10.11.2014, obiectul principal de activitate se schimbă din cod CAEN 5610 – Restaurante, în cod CAEN 6820 – Închirieri și subînchirierea bunurilor imobiliare proprii.

În 1998 are loc o divizare în 8 societăți pe acțiuni cu acționar majoritar SIF Banat-Crișana. Până la finalul celui de-al treilea trimestru în 2013, societatea a avut în administrare directă 1,327 m², constând într-un restaurant, un laborator de cofetărie-patiserie și 4 cofetării.

Începând cu noiembrie 2013, Consiliul de Administrație a aprobat renunțarea la activitatea proprie – producție (laborator, cofetărie și restaurant). În prezent, Cluj Retail are ca obiect de activitate principal „Închirierea și subînchirierea bunurilor imobiliare”.

Obiect de activitate: Închirierea și subînchirierea bunurilor imobiliare

proprii sau închiriate.

Acționariat: SIF IMOBILIARE PLC (96.36%) cu 26.263.863 acțiuni și alți acționari (3.64%) cu 990.996 acțiuni.

Capital social: 2.725.486 RON

Valoare nominală: 0,1 RON/acțiune.

Societatea deține imobile situate în Cluj-Napoca a căror suprafață totală este de 18.218 m², gradul de ocupare la sfârșitul anului fiind de 96%.

În anul 2022, veniturile totale au crescut cu 16% față de cele ale anului 2021, iar profitul net cu 21%.

SIFI BH RETAIL S.A.



Înființare: Societatea a fost înființată în anul 2014, desfășurându-și activitatea în Oradea, jud. Bihor.

Obiect de activitate: Închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Acționariat: SIF IMOBILIARE PLC (99.9%) cu 35.964 acțiuni și Administrare Imobiliare S.A. (0,1%) cu 36 acțiuni.

Capital social: 90.000 RON

Valoare nominală: 2.5 RON/acțiune.

Societatea deține imobile situate în Oradea și în împrejurimi, a căror suprafață totală disponibilă pentru închiriere este de aproximativ 12.000 mp, gradul de ocupare la sfârșitul anului fiind de 87%.

SIFI BAIA MARE S.A.



Înființată în iunie 2001 prin divizarea COMDINAMIC SA, Baia Mare (fosta M.C.B. SA), Societatea a trecut printr-un proces de fuziune prin absorbție cu SC Informin SA Baia Mare, în 2007. Activele societății sunt situate în Baia Mare, Baia Sprie și Cavnic.

Obiect de activitate: Închirierea și subînchirierea spațiilor comerciale din patrimoniu.

Aționariat: SIF IMOBILIARE PLC (92,59%) cu 271.332 acțiuni și alți acționari (7,41%) cu 21.713 acțiuni.

Capital social: 732.613 RON

Valoare nominală: 2,5 RON/acțiune



Suprafața totală disponibilă pentru închiriere este de aproximativ 2.500 mp, iar gradul de ocupare la sfârșitul anului este de 82%.



SIFI SIGHET S.A.



Înființare: În 1991, prin transformarea ICS Mărfuri Industriale în societate pe acțiuni având ca obiect de activitate comerțul cu amănuntul al mărfurilor industriale.

În anul 1999 societatea este preluată de către SIF Banat Crișana SA. Obiectul actual de activitate al societății este închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Societatea deține în patrimoniu spații situate în Sighetu Marmăției, fiind reprezentate în proporție de 92% de spații comerciale și depozite.

Obiect de activitate: Închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Aționariat: SIF IMOBILIARE PLC (72,28%) cu 85.765 acțiuni și alți acționari (27,72%) cu 32.889 acțiuni.

Capital social: 296.635 RON.

Valoare nominală: 2,5 RON/acțiune.

Suprafața totală disponibilă pentru închiriere este de aproximativ 4.500 mp, iar gradul de ocupare la sfârșitul anului este de 87%.

CORA S.A.



Înființare: Societatea a fost fondată în anul 1991 ca societate pe acțiuni în județul Hunedoara.

Începând cu 01 iulie 2017 Cora a absorbit societatea Central Petroșani S.A., suprafața închirială crescând astfel. Spațiile comerciale și birourile sunt situate în Municipiul Hunedoara, comuna Ghelari, comuna Teliuc și în Petroșani.

Obiect de activitate: Închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Aționariat: SIF IMOBILIARE PLC (96.33%) cu 101.934 acțiuni și alți acționari (3.67%) cu 3.887 acțiuni.

Capital social: 264.553 RON.

Valoare nominală: 2,5 RON/acțiune.



Suprafața totală disponibilă pentru închiriere este de aproximativ 4.300 mp, iar gradul de ocupare la sfârșitul anului este de 81%.



SIFI UNITEH S.A.

Înființată în 1966, sub denumirea I.M.T.L.I.F. Banat, este denumită ulterior S.U.G.T.C. – Stația de Utilaj Greu pentru Transporturi și Construcții (1977). În 1991 devine societate comercială sub denumirea de UNITEH S.A.

Obiect de activitate: Închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Acționariat: SIF IMOBILIARE PLC (50,20%) cu 219.043 acțiuni și alți acționari (49,80%) cu 217.317 acțiuni.

Capital social: 1.090.900 RON.

Valoare nominală: 2,5 RON/acțiune.

Prin Hotărârea Adunării Generale Extraordinare a Acționarilor SIFI UNITEH S.A. („AGA”) din data de 28.07.2020 s-a aprobat dizolvarea voluntară a Societății și deschiderea procedurii dizolvării și lichidării.

Hotărârea AGA a fost atacată în instanță de un acționar, iar în data de 07.10.2022 instanța a respins apelul prin Hotărârea 1479/2022, definitivă.

În primul trimestru al anului 2023 a fost numit lichidatorul, demarându-se procedura efectivă de lichidare/dizolvare.

SIFI BH EST S.A.

Înființare: Începând cu anii '50, societatea a fost cunoscută sub denumirea de B.J.A.T.M. (Baza Județeană de Aprovizionare Tehnico-Materială) iar după anii '90 s-a produs reorganizarea sa conform Legii 31/1990 și a altor acte normative, noua societate preluând activul și pasivul B.J.A.T.M. Cluj.

Obiect de activitate: Închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Acționariat: SIF IMOBILIARE PLC (94.77%) cu 497.584 acțiuni și alți acționari (5.23%) cu 27.479 acțiuni.

Capital social: 1.312.658 RON;

Valoare nominală: 2,5 RON/acțiune.

În cursul anului 2022, în conformitate cu Hotărârea Adunării Generale Extraordinare din data de 28.06.2022 societatea a vândut activele situate în Oradea, Str. Dâmboviței nr. 29, Str. Lotrului nr. 11 și Str. Lotrului nr. 11 A, județ Bihor.

SIFI BH IND VEST S.A.

Înființată în 1995, prin divizarea societății MECORD S.A. ORADEA

Obiect de activitate: Fabricarea de construcții metalice și părți componente ale structurilor metalice și închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Aționariat: SIF IMOBILIARE PLC (98,95%) cu 2.732.858 acțiuni și alți aționari (1,05%) cu 29.117 acțiuni

Capital social: 2.761.975 RON

Valoare nominală: 1 RON/ acțiune

În cursul anului 2022, în conformitate cu Hotarea Adunării Generale Extraordinare din data de 28.06.2022 societatea a vândut activul situat în Oradea, Str. Uzinelor nr. 4, județ Bihor.

BISTRITA S.A.

Înființată în 1998, în urma divizării societății Arta Culinara SA (actual Cluj Retail SA). Societatea își realizează cifra de afaceri exclusiv din activitatea de închiriere a spațiilor comerciale din patrimoniu.

Obiect de activitate: Închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Aționariat: SIF IMOBILIARE PLC (91,98%) cu 849.408 acțiuni și alți aționari (8,02%) cu 74.084 acțiuni.

Capital social: 92.349 RON.

Valoare nominală: 0,1 RON/acțiune.

Prin Hotărârea A.G.A. din 12.12.2022 s-a decis revocarea Hotărârii A.G.A. nr. 4/24.05.2021 privind dizolvarea voluntară și deschiderea procedurii dizolvării și lichidării societății BISTRITA S.A.

SIFI CJ OFFICE S.A.

Societatea s-a înființat în 1998, sub denumirea de Complex Laboratoare SA, în urma divizării societății comerciale Arta Culinara SA (actual SIFI Cluj Retail SA). Societatea își realizează cifra de afaceri exclusiv din activitatea de închiriere a spațiilor comerciale din patrimoniu.

SIF Imobiliare PLC deține 98,83% (39.813.758 acțiuni) din acțiunile Societății și alți acționari diferența de 1,17% (473.270 acțiuni). Valoarea capitalului social al Societății este 4.028.703 lei, divizat în 40.287.028 acțiuni cu o valoare nominală de 0,1 lei/acțiune.

Societatea intenționează dezvoltarea unui proiect imobiliar, al cărui plan urbanistic zonal a fost aprobat în luna Mai a anului 2021.

SIFI PROPERTIES S.A.

Societatea a fost înființată în anul 2016, având ca obiect principal de activitate dezvoltare (promovare) imobiliară.

Capitalul social al SIFI Properties S.A. la 31 decembrie 2021 este în valoarea de 120.000 RON fiind divizat în 48.000 acțiuni cu valoarea nominală de 2,5 RON.

SIF Imobiliare PLC este acționarul principal, deținând 99.9% din acțiunile Societății (47.952 acțiuni), iar alți acționari dețin diferența de 0.1%, reprezentând 48 acțiuni.

SIFI B ONE S.A.

Societatea a fost înființată în anul 2014, având ca obiect principal de activitate închirierea și subînchirierea bunurilor imobiliare proprii sau închiriate.

Capitalul social al SIFI B ONE S.A. la 31 decembrie 2021 este în valoarea de 559.070 RON fiind divizat în 223.628 acțiuni cu valoarea nominală de 2,5 RON.

SIF Imobiliare PLC este acționarul principal, deținând 90.79% din acțiunile Societății (203.026 acțiuni), iar alți acționari dețin diferența de 9.21%, reprezentând 20.602 acțiuni.

SIFI CJ AGRO S.A.



Societatea, înființată în anul 1996, are ca și obiect principal de activitate contractarea, achiziționarea și preluarea de la producătorii agricoli de cereale, leguminoase boabe și semințe oleaginoase, păstrarea, condiționarea și comercializarea acestora, comerț cu îngrășăminte chimice, semințe, pesticide, motorină, prestări servicii și fabricarea produselor de morărit.



SIF Imobiliare PLC deține 97.50% (1.944.392 acțiuni) din acțiunile Societății, iar alți acționari dețin diferența de 2.50% (49.769 acțiuni) din acțiuni. Capitalul social al societății este de 4.985.403 RON, împărțit în 1.994.161 acțiuni, cu o valoare nominală de 2,5 lei/acțiune.

Societatea deține o bază de recepție în Turda, cu o capacitate de depozitare de 18.000 tone, aflată pe un teren în suprafață de 63.292 m².



OBIECTIVE PENTRU ANUL 2023

Obiectivele Societatii constă în îmbunătățirea calității portofoliului prin proiecte investiționale de perspectivă și diversificarea/restructurarea acestuia în vederea atingerii parametrilor financiari urmăriți. Astfel, Societatea își propune să continue administrarea eficientă a portofoliului și maximizarea performanțelor acestuia, precum și analiza și identificarea oportunităților investiționale.

Situația geopolitică din Europa de Est s-a deteriorat la 24 februarie 2022 odată cu începerea conflictului dintre Rusia și Ucraina. La data acestui raport conflictul continuă să evolueze afectând din ce în ce mai mult economiile și piețele financiare la nivel global și exacerbează provocările economice în curs.

Impactul asupra Societății depinde în mare măsură de natura și durata evenimentelor incerte și imprevizibile, cum ar fi acțiuni militare viitoare, sancțiuni suplimentare adoptate împotriva Rusiei și reacții la evoluțiile în curs de pe piețele financiare globale.

Gradul de incertitudine și nivelul restricțiilor asociate pandemiei Covid 19 sunt în scădere, însă posibile blocaje la nivelul comerțului global pot reapărea în contextul sancțiunilor impuse Rusiei și diminuării capacității de transport a Ucrainei, în condițiile în care aceste state ocupă un loc important în exportul global de cereale și materii prime, inclusiv de gaze naturale și petrol în cazul Rusiei.

Conflictul ruso – ucrainean continuă să reprezinte un risc semnificativ în sensul scăderii la adresa creșterii economice, iar în cazul unei escaladări sentimentul economic s-ar deteriora, costurile produselor energetice și ale alimentelor s-ar putea menține peste așteptări. Societatea nu are o expunere directă în Rusia, Ucraina și Belarus, iar implicațiile indirecte vor depinde de amploarea și durata crizei și rămân incerte.

RISCURI ȘI SUSTENABILITATE

PRINCIPALELE RISCURI ȘI INCERTITUDINI

MANAGEMENTUL RISICULUI

Grupul SIF Imobiliare PLC înțelege existența riscurilor aferente operațiunilor curente, precum și a celor care pot apărea din urmărirea obiectivelor strategice. În acest context, s-au adoptat și aplicat politici de management al riscurilor prin care se realizează o gestiune adecvată a acestora, precum și proceduri specifice proactive de identificare, evaluare, monitorizare și control a riscurilor, care să ofere confortul necesar din perspectiva îndeplinirii obiectivelor.

Fluctuația valorii proprietăților și fluctuația cererii pentru proprietatea închiriată, volatilitatea chiriilor de pe piață sau gradul mare de neocupare sunt principalele riscuri potențiale cărora li se acordă o atenție deosebită.

RISFUL DE CREDIT

Riscul de credit reprezintă vulnerabilitate legată de probabilitatea ca o parte contractuală să nu își poată onora obligațiile asumate în limitele termenilor agreeți, fiind definită de 3 caracteristici fundamentale: expunerea, probabilitatea de a nu fi onorate obligațiile și rata de recuperare (în cazul evenimentului de risc).

RISFUL DE DOBANDA

Grupul SIF Imobiliare PLC este expus la riscul de rată a dobânzii. Riscul de rată a dobânzii reprezintă probabilitatea de a suferi o pierdere sau o nerealizare a profiturilor prognozate, datorită variației ratei dobânzii pe piață într-un sens nefavorabil.

RISFUL VALUTAR

Riscul valutar este riscul înregistrării unor pierderi sau nerealizării profitului estimat ca urmare a fluctuațiilor nefavorabile ale cursului de schimb.

RISFUL DE LICHIDITATE

Lichiditatea reprezintă capacitatea unui activ de a fi transformat în bani fără pierderea valorii sale. Astfel, un activ este cu atât mai lichid, cu cât poate fi mai ușor și mai repede transformat în bani cash.

Riscul de lichiditate este deci asociat deținerii de active reale sau financiare, iar evaluarea efectelor lui presupune estimarea reducerii valorii de piață a acestor active, atunci când vânzarea lor imediată este necesară sau inevitabilă pentru obținerea de cash în cel mai scurt timp.

Riscul de lichiditate aferent obligațiilor de plată este riscul ca Grupul SIF Imobiliare PLC să întâmpine dificultăți în îndeplinirea obligațiilor care decurg din datoriile financiare pe termen scurt, care se sting prin plata în numerar sau prin alte mijloace financiare, sau că asemenea obligații să fie stinse într-o manieră nefavorabilă.

Grupul SIF Imobiliare PLC monitorizează sistematic profilul de lichiditate al portofoliului, având în vedere contribuția marginală a fiecărui activ care poate avea un impact semnificativ asupra lichidității, precum și pasivele și angajamentele semnificative, contingente sau de altă natură, pe care grupul le poate avea în raport cu obligațiile sale.

RISFUL OPERAȚIONAL

Riscul operațional este riscul înregistrării de pierderi directe sau indirecte rezultate din carențe sau deficiențe ale procedurilor, personalului, sistemelor interne ale Grupului SIF Imobiliare PLC sau din evenimente externe ce pot avea un impact asupra operațiunilor acesteia.

RISCURI ȘI SUSTENABILITATE

PRINCIPALELE RISCURI ȘI INCERTITUDINI

În scopul evaluării nivelului de risc operațional în activitatea curentă, un pas important îl reprezintă identificarea și încadrarea evenimentelor de risc operațional în categorii specifice care să permită stabilirea celor mai eficiente metode de control și diminuare a efectelor potențiale.

Societatea utilizează ca instrument de analiză și administrare a riscului operațional autoevaluarea. Autoevaluarea este un proces inițiat, planificat și executat de către fiecare filială în parte.

RISFUL REPUTAȚIONAL

Riscul reputațional reprezintă riscul actual sau viitor de afectare negativă a profiturilor și capitalului determinat de percepția nefavorabilă asupra imaginii unei companii de către clienți, contrapartide, acționari, investitori sau autorități de supraveghere.

Din perspectiva managementului riscurilor, riscul reputațional poate fi împărțit în două clase importante: (i) convingerea că Grupul SIF Imobiliare PLC își poate și își va îndeplini promisiunile față de contrapartide și creditori; (ii) convingerea că Grupul SIF Imobiliare PLC își desfășoară afacerile în mod corect și urmează practicile etice.

RISFUL STRATEGIC

Riscul strategic reprezintă riscul actual sau viitor de afectare negativă a profiturilor și a valorii activului portofoliului Grupului SIF Imobiliare PLC, provenind din implementarea unor decizii de management inadecvate, din implementarea necorespunzătoare a deciziilor de management sau din lipsa reacției la schimbările mediului de afaceri.

RISFUL DE REGLEMENTARE

Riscul de reglementare este riscul înregistrării unei pierderi din cauza neaplicării sau aplicării defectuoase a prevederilor legale și/sau contractuale și/sau din cauza cadrului contractual necorespunzător sau insuficientă reglementare.

Grupul SIF Imobiliare PLC trebuie să respecte o gamă largă de legi și reglementări – impuse sau reglementări specifice sectorului de activitate. Riscul de reglementare este necontrolabil și necuantificabil prin faptul că nu se poate anticipa evenimentul declanșator și nici nivelul impactului. Impactul se poate referi la reducerea atractivității unui anumit tip de investiții, creșterea semnificativă a costurilor în activitate, etc. Din punct de vedere calitativ, diminuarea riscului de reglementare se va realiza prin adaptarea politicilor, normelor și procedurilor la modificările apărute și prin reducerea sau creșterea nivelului unor activități acolo unde este cazul.

În timp ce riscul de conformitate poate fi monitorizat și recunoscut, riscurile juridice sunt uneori greu de anticipat. Riscurile legate de conformare sunt considerate ca fiind componente ale cadrului de management al riscurilor.

RISFUL DE IMPOZITARE

Riscul aferent impozitării – Interpretarea textelor și implementarea practică a procedurilor noilor reglementări fiscale aplicabile armonizate cu legislația europeană, ar putea varia de la entitate la entitate și există riscul ca în anumite situații autoritățile fiscale să adopte o poziție diferită față de cea a Grupului.

În plus, Guvernul României deține un număr de agenții autorizate să efectueze auditul (controlul) companiilor care operează pe teritoriul României. Aceste controale sunt similare auditurilor fiscale din alte țări, și pot acoperi nu numai aspecte fiscale, dar și alte aspecte legale și regulatorii care prezintă interes pentru aceste agenții. Este posibil ca Grupul

RISCURI ȘI SUSTENABILITATE

PRINCIPALELE RISCURI ȘI INCERTITUDINI

SIF Imobiliare PLC sa fie supus controalelor fiscale pe măsura emiterii unor noi reglementări fiscale, deci riscul fiscal trebuie analizat atent.

RISFUL AFERENT MEDIULUI DE AFACERI

Riscul aferent mediului de afaceri reprezintă riscul actual sau viitor de afectare negativă a profiturilor și a capitalului, ca urmare a unor evoluții nefavorabile ale principalelor variabile macroeconomice sau ale oricăror variabile care constituie ținte ale politicii economice a țării. Grupul SIF Imobiliare PLC adoptă măsurile necesare pentru sustenabilitatea și dezvoltarea afacerii în condițiile existente pe piața din România, prin monitorizarea constantă a parametrilor și indicatorilor relevanți și adecvarea corespunzătoare a politicilor investiționale.

RISFUL IMOBILIAR

Valoarea contabilă a activelor imobiliare evaluate la valoarea justă este actualizată anual pentru a reflecta condițiile pieței. Totuși, în anumite cazuri, absența de date relevante referitoare la piață poate determina Societatea să își modifice metodologiile de evaluare.

RISFUL DE PRODUCȚIE

Riscul de producție agricol este în strânsă legătură cu riscul meteorologic, riscul comercial dar și cel uman. Acest sector necesită o abordare specifică, crearea unui mediu propice pentru o piață atipică și imprevizibilă.

RISCURI ȘI SUSTENABILITATE

SUSTENABILITATE

Conceptul de dezvoltare durabilă sau sustenabilitate cunoaște o largă utilizare și este definit ca un model de dezvoltare care urmărește dezvoltarea și satisfacerea nevoilor prezente, fără a compromite însă posibilitățile viitoare de dezvoltare.

Grupul urmărește să dezvolte activități care să respecte principiile de dezvoltare durabilă prin realizarea unor operațiuni sustenabile, precum:

i) reducerea consumului resurselor neregenerabile pentru sediile de birouri și încurajarea angajaților să fie responsabili cu mediul înconjurător.

ii) economisirea de resurse financiare pentru a fi alocate altor cheltuieli importante. Aceste economii permit acoperirea altor necesități, cum ar fi de exemplu salariile angajaților, beneficii legate de sănătate dar și investiții în dezvoltarea societății;

iii) menținerea unui mediu social și de muncă sigur și sănătos;

În realizarea obiectivelor sale financiare, societatea încearcă să minimizeze impactul negativ asupra mediului social, dar și a celui înconjurător, prin aplicarea acestor practici pe termen lung.

GUVERNANȚA CORPORATIVĂ

ADMINISTRAREA ȘI CONDUCEREA SIF IMOBILIARE PLC

Consiliul de Administrație

În conformitate cu prevederile actului constitutiv Societatea este administrată de un Consiliu de Administrație, având trei membri. La 31.12.2022 componența acestuia este:

- Dna. Androula Saxiate
- Dna. Chrystalla Mina
- Administrare Imobiliare S.A. (prin reprezentant permanent Valentin Țic-Chiliment)

Componența Consiliului de Administrație nu a suferit modificări în timpul exercițiului financiar 2022.

| Administrator | Funcție | Alte informații |
|---|--|--|
| Dna. Androula Saxiate (1981) | Administrator | Studii - Colegiu Experiență Secretar companii (2013 – prezent) |
| Dna. Chrystalla Mina (1976) | Administrator | Studii - Liceu Experiență Administrator companii (2013 – prezent) |
| Administrare Imobiliare S.A. (societate de drept român, pe acțiuni, J40/J40/8567/2013, CUI 20919450, cu sediul în București, Sector 2, Serghei Vasilevici Rahmaninov 46-48, obiect de activitate constând în activități de consultanță pentru afaceri și management) prin reprezentant permanent (numit la data de 31.12.2018) Valentin Țic-Chiliment | Valentin Țic-Chiliment (1966) Director General/Președinte al Consiliului de Administrație al Administrare Imobiliare S.A. din Martie 2018 | Studii Licență în Drept; Licență în Electronică și Telecomunicații; Experiență (selecție) 2018 – 1996 consultant /manager/partener în diverse firme de servicii profesionale (e.g. Big 4), în țară și în străinătate; 1994-1991 – consultant Agenția Română de Dezvoltare |

În cursul anului 2022 Consiliul de Administrație s-a întrunit în 10 ședințe.

Participare administratori la capitalul social al Societății

- Dna. Androula Saxiate – nu deține acțiuni la capitalul social al Societății
- Dna. Chrystalla Mina - nu deține acțiuni la capitalul social al Societății
- Administrare Imobiliare S.A. - deține 1 acțiune la capitalul social al Societății

Din informațiile deținute de Societate, pentru administratori nu se cunosc acorduri, înțelegeri sau legături de familie între persoana respectivă și o altă persoană datorită căreia persoana respectivă a fost numită în această calitate. Administratorii nu au fost implicați în litigii sau proceduri administrative.

Administratorii nu sunt remunerați.

Conducerea executivă

Societatea nu are conducere executivă.

Politica de dividend

Societatea își propune să distribuie dividende, întrucât toate pierderile din anii precedenți au fost acoperite.

Participații ale filialelor în capitalul social al Societății

| Nr.crt. | Filiale | Acțiuni SIF Imobiliare PLC deținute/valoare nominală |
|---------|------------------------------|--|
| 1. | ADMINISTRARE IMOBILIARE S.A. | 1/€1 |
| 2. | SIFI B ONE S.A. | 1/€1 |
| 3. | BISTRITA S.A. | 1/€1 |
| 4. | COMALIM S.A. | 1/€1 |
| 5. | SIFI CJ OFFICE S.A. | 1/€1 |
| 6. | SIFI CLUJ RETAIL S.A. | 1/€1 |

ANALIZA FINANCIARĂ INDIVIDUALĂ

ANALIZA SITUAȚIILOR FINANCIARE INDIVIDUALE

SITUAȚIA PROFITULUI SAU PIERDERII ȘI ALTE VENITURI GENERALE 31 decembrie 2022

| | 2022 € | 2021 € | 2020 € | 2019 € |
|---|------------------|------------------|------------------|------------------|
| Venituri din dividende | 2,251,132 | 2,376,494 | 3,726,673 | 1,489,564 |
| Venit din dobânzi (împrumuturi) | 227,725 | 403,886 | 523,509 | 276,166 |
| Profit brut | 2,478,857 | 2,780,380 | 4,250,182 | 1,765,730 |
| Cheltuieli administrative | (71,204) | (69,628) | - | (60,989) |
| Alte cheltuieli | | | (74,492) | - |
| Profit/(pierdere) operationala | 2,407,653 | 2,710,752 | 4,175,690 | 7,743,887 |
| Costuri de finanțare nete | 66,140 | (147,633) | (110,986) | (116,371) |
| (Pierdere) / Profit înainte de impozitare | 2,473,793 | 2,563,119 | 4,064,704 | 7,627,516 |
| Impozit pe profit | (28,094) | (108,282) | (91,997) | (47,056) |
| Profit / (pierdere) netă pentru anul vizat | 2,445,699 | 2,454,837 | 3,972,707 | 7,580,460 |
| Alte venituri generale | - | - | - | - |
| Venituri generale totale anul vizat | 2,445,699 | 2,454,837 | 3,972,707 | 7,580,460 |

ANALIZA SITUAȚIILOR FINANCIARE INDIVIDUALE

SITUAȚIA POZIȚIEI FINANCIARE
31 decembrie 2022

| | 2022 | 2021 | 2020 | 2019 |
|--|-------------------|-------------------|-------------------|-------------------|
| | € | € | € | € |
| ACTIVE | | | | |
| Active imobilizate | | | | |
| Investiții (participații) în filiale | 18,974,771 | 18,974,771 | 18,974,771 | 18,974,771 |
| Împrumuturi pe termen lung | 1,720,491 | 2,253,309 | 17,740,555 | - |
| | 20,695,262 | 21,228,080 | 36,715,326 | 18,974,771 |
| Active circulante | | | | |
| Creanțe | - | - | - | - |
| Creanțe din împrumuturi | 15,271,794 | 14,174,283 | 6,414,288 | 20,965,430 |
| Investiții financiare la valoare justă | 169,404 | 169,404 | 169,404 | 169,404 |
| Impozite de recuperat | 20,090 | 23,467 | 6,939 | 5,713 |
| Numerar în bănci | 1,943,740 | 2,487,299 | 2,905,808 | 2,113,479 |
| | 17,405,028 | 16,854,453 | 9,496,439 | 23,254,026 |
| Active totale | 38,100,290 | 38,082,533 | 46,211,765 | 42,228,797 |
| CAPITALURI PROPRII ȘI DATORII | | | | |
| Capitaluri proprii | | | | |
| Capital social | 4,499,974 | 4,499,974 | 4,499,974 | 4,499,974 |
| Prime de capital | 31,037,928 | 31,037,928 | 31,037,928 | 31,037,928 |
| Câșiguri/(pierderi) acumulate | 2,522,623 | 2,506,910 | 10,627,012 | 6,654,305 |
| Capitaluri proprii totale | 38,060,525 | 38,044,812 | 46,164,914 | 42,192,207 |
| Datorii curente | | | | |
| Alte datorii | 39,765 | 37,721 | 46,851 | 36,590 |
| Datorii privind impozitul curent | - | - | - | - |
| | 39,765 | 37,721 | 46,851 | 36,590 |
| Capitaluri proprii și datorii | 38,100,290 | 38,082,533 | 46,211,765 | 42,228,797 |

ANALIZA SITUAȚIILOR FINANCIARE INDIVIDUALE

SITUAȚIA MODIFICĂRILOR DE CAPITALURI PROPRII
31 decembrie 2022

| | Capital social € | Prime de capital € | Pierderi acumulate € | Total € |
|---|---------------------|--------------------------|----------------------------|-------------------|
| Bilanț la 1 ianuarie 2021 | 4,499,974 | 31,037,928 | 10,627,012 | 46,164,914 |
| Profit net pentru anul curent | - | - | 2,454,837 | 2,454,837 |
| Dividende | - | - | (10,574,939) | (10,574,939) |
| Bilanț la 31 decembrie 2021/ 1 ianuarie 2022 | 4,499,974 | 31,037,928 | 2,506,910 | 38,044,812 |
| Profit net pentru anul curent | - | - | 2,445,699 | 2,445,699 |
| Dividende | - | - | (2,429,986) | (2,429,986) |
| Bilanț la data de 31 decembrie 2022 | 4,499,974 | 31,037,928 | 2,522,623 | 38,060,525 |

ANALIZA SITUAȚIILOR FINANCIARE INDIVIDUALE

SITUAȚIA FLUXURILOR DE NUMERAR

31 decembrie 2022

| | 2022 € | 2021 € | 2020 € | 2019 € |
|--|--------------------|---------------------|--------------------|------------------|
| FLUXURI DE NUMERAR DIN ACTIVITĂȚI DE EXPLOATARE | | | | |
| Profit / (pierdere) înainte de impozitare | 2,473,793 | 2,563,119 | 4,064,704 | 7,627,516 |
| Ajustări pentru: | | | | |
| Diferențe de curs valutar nerealizate | 12,066 | 184,074 | 106,714 | 91,255 |
| Venituri din dividende | (2,251,132) | (2,376,494) | (3,726,673) | (1,489,564) |
| Venituri din dobânzi (împrumuturi) | (227,725) | (403,886) | (523,509) | (276,166) |
| Venituri din dobânzi (depozite bancare) | (58,413) | (35,442) | (16,478) | - |
| | (51,411) | (68,629) | (95,242) | (86,105) |
| Modificări ale capitalului de lucru: (Reducerea)/creșterea altor sume de plată | 2,044 | (9,130) | 10,261 | (329) |
| Numerar folosit în operațiuni | (49,367) | (77,759) | (84,981) | (86,175) |
| Dividende primite | 2,251,132 | 2,315,494 | 3,695,365 | 1,489,564 |
| Dobânzi depozite bancare | 53,413 | 31,837 | 13,841 | - |
| Impozit plătit | (31,717) | (119,242) | (59,277) | (51,825) |
| Numerar net (folosit)/generat în activități de exploatare | 2,223,461 | 2,150,330 | 3,564,948 | 1,351,564 |
| FLUXURI DE NUMERAR DIN ACTIVITĂȚI DE INVESTIȚII | | | | |
| Împrumuturi acordate | (337,034) | (2,482,657) | (2,911,791) | (15,499,785) |
| Rambursări de împrumuturi acordate | - | 9,822,125 | 139,172 | 9,710,161 |
| Venituri din vânzarea participațiilor | - | - | - | 6,050,000 |
| Dobânzi încasate | - | 666,632 | - | - |
| Numerar net generat din/(folosit în) activități de investiții | (337,034) | 8,006,100 | (2,772,619) | 260,376 |
| FLUXURI DE NUMERAR DIN ACTIVITĂȚI DE FINANȚARE | | | | |
| Dividende platite | (2,429,986) | (10,574,939) | - | - |
| Numerar net folosit în activități de finanțare | (2,429,986) | (10,574,939) | - | - |
| (Scăderea)/creștere netă a numerarului și echivalent numerar | (543,559) | (418,509) | 792,329 | 1,611,940 |
| Numerar și echivalent numerar la începutul anului | 2,487,299 | 2,905,808 | 2,113,479 | 501,539 |
| Numerar și echivalentul numerarului la sfârșitul anului | 1,943,740 | 2,487,299 | 2,905,808 | 2,113,479 |

ALTE INFORMAȚII

EVENIMENTE ULTERIOARE BILANȚULUI

Nu este cazul.

ASPECTE LEGATE DE ANGAJAȚI

Societatea SIF Imobiliare PLC nu are personal angajat.

În cadrul SIF IMOBILIARE PLC și a entităților incluse în consolidare nu funcționează organizații sindicale. Raporturile de muncă sunt reglementate prin contracte individuale de muncă.

SIF IMOBILIARE PLC și entitățile incluse în consolidare încurajează dialogul social și asigură un mediu de lucru pozitiv, oferind șanse egale tuturor angajaților.

Pe parcursul anului 2022 nu au fost înregistrate elemente conflictuale în raporturile dintre conducere și angajați; de asemenea, nu au avut loc concedieri colective.

ASPECTE LEGATE DE MEDIU

Grupul SIF IMOBILIARE PLC nu are o politică sau procedură integrată de governanță privind mediul înconjurător, însă acoperă aspectele relevante în acest domeniu.

Cu toate că activitatea specifică a Grupului nu are un impact negativ asupra mediului înconjurător, Grupul este preocupat de utilizarea de proceduri de bună administrare a problemelor de mediu în derularea proceselor ce țin de activitatea zilnică, resursele fiind folosite eficient cu asigurarea protecției mediului.

LITIGII

Societatea SIF Imobiliare PLC nu a fost implicată în litigii în cursul exercițiului financiar 2022.

ANEXĂ - GUVERNANȚA CORPORATIVĂ

DECLARAȚIA APLICI SAU EXPLICI

| Prevederile Codului | Respectă | Nu respectă sau respectă parțial | Motivul pentru neconformitate |
|--|----------|----------------------------------|---|
| A.1. Societatea trebuie să dețină un regulament intern al Consiliului care să includă termeni de referință cu privire la Consiliu și la funcțiile de conducere cheie ale societății. Administrarea conflictului de interese la nivelul Consiliului trebuie, de asemenea, să fie tratat în regulamentul Consiliului. | | Parțial | Este în curs de întocmire regulamentul intern al Consiliului de Administrație actualizat cu termenii de referință prevăzuți de Cod. În actul constitutiv al societății există prevederi privind activitatea CA. |
| A.2. Orice alte angajamente profesionale ale membrilor Consiliului, inclusiv poziția de membru executiv sau neexecutiv al Consiliului în alte societăți (excluzând filiale ale societății) și instituții non-profit, vor fi aduse la cunoștință Consiliului înainte de numire și pe perioada mandatului. | X | | |
| A.3. Fiecare membru al Consiliului va informa Consiliul cu privire la orice legătură cu un acționar care deține direct sau indirect acțiuni reprezentând nu mai puțin de 5% din numărul total de drepturi de vot. Această obligație are în vedere orice fel de legătură care poate afecta poziția membrului respectiv pe aspecte ce țin de decizii ale Consiliului. | X | | |
| A.4. Raportul anual trebuie să informeze dacă a avut loc o evaluare a Consiliului, sub conducerea președintelui. Trebuie să conțină, de asemenea, numărul de ședințe ale Consiliului. | | Parțial | Raportul anual conține menționarea numărului de ședințe CA și se are în vedere implementarea evaluării anuale a Consiliului. |
| A.5. Procedura privind cooperarea cu Consultantul Autorizat pentru perioada în care această cooperare este impusă de Bursa de Valori București | X | | |
| B.1. Consiliul va adopta o politică astfel încât orice tranzacție a societății cu o filială reprezentând 5% sau mai mult din activele nete ale societății, conform celei mai recente raportări financiare, să fie aprobată de Consiliu. | X | | |
| B.2. Auditul intern trebuie să fie realizat de către o structură organizatorică separată (departamentul de audit intern) din cadrul societății sau prin serviciile unei terțe părți independente, care va raporta Consiliului, iar, în cadrul societății, îi va raporta direct Directorului General. | | X | În curs de implementare. |
| C.1. Societatea va publica în raportul anual o secțiune care va include veniturile totale ale membrilor Consiliului și ale directorului general aferente anului financiar respectiv și valoarea totală a tuturor bonusurilor sau a oricăror compensații variabile și, de asemenea, ipotezele cheie și principiile | X | | |

| | | | |
|--|--|---------|---|
| pentru calcularea veniturilor menționate mai sus. | | | |
| D.1. Suplimentar față de informațiile prevăzute în prevederile legale, pagina de internet a societății va conține o secțiune dedicată Relației cu Investitorii, atât în limba română cât și în limba engleză, cu toate informațiile relevante de interes pentru investitori, incluzând: | | Parțial | Societatea deține o pagină de internet unde sunt prezentate în limba română informațiile relevante pentru investitori în cadrul secțiunii denumită "PENTRU INVESTITORI"; Secțiunea urmează să fie actualizată cu aceste informații și în limba engleză. |
| D.1.1. Principalele regulamente ale societății, în particular actul constitutiv și regulamentele interne ale organelor statutare | | X | Informațiile vor fi prezentate pe site-ul societății care este în curs de actualizare. |
| D.1.2. CV-urile membrilor organelor statutare | | X | Informațiile vor fi prezentate pe site-ul societății care este în curs de actualizare. |
| D.1.3. Rapoartele curente și rapoartele periodice | | X | Informațiile vor fi prezentate pe site-ul societății care este în curs de actualizare. |
| D.1.4. Informații cu privire la adunările generale ale acționarilor: ordinea de zi și materialele aferente; hotărârile adunărilor generale | | Parțial | Informațiile în limba română sunt disponibile pe pagina de internet a societății. Se are în vedere publicarea acestora și în limba engleză. |
| D.1.5. Informații cu privire la evenimente corporative precum plata dividendelor sau alte evenimente care au ca rezultat obținerea sau limitări cu privire la drepturile unui acționar, incluzând termenele limită și principiile unor astfel de operațiuni | | Parțial | Informațiile în limba română sunt disponibile pe pagina de internet a societății. Se are în vedere publicarea acestora și în limba engleză. |
| D.1.6. Alte informații de natură extraordinară care ar trebui făcute publice: anularea/ modificarea/ inițierea cooperării cu un Consultant Autorizat; semnarea/ reînnoirea/ terminarea unui acord cu un Market Maker | | X | Se va implementa în cursul anului 2020. |
| D.1.7. Societatea trebuie să aibă o funcție de Relații cu Investitorii și să includă în secțiunea dedicată acestei funcții, pe pagina de internet a societății, numele și datele de contact ale unei persoane care are capacitatea de a furniza, la cerere, informațiile corespunzătoare | | Parțial | Societatea a desemnat o persoană pentru Relații cu Investitorii, ale cărei date de contact urmează a fi incluse pe pagina de internet, care este în curs de actualizare. |
| D.2. O societate trebuie să aibă adoptată o politică de dividend a societății, ca un set de direcții referitoare la repartizarea profitului net, pe care societatea declară că o va respecta. Principiile politicii de dividend trebuie să fie publicate pe pagina de internet a societății. | | Parțial | Consiliul de administrație a adoptat politica de dividend, aceasta urmând să fie publicată pe pagina de internet a societății care este în curs de actualizare. |
| D.3. O societate trebuie să aibă adoptată o politică cu privire la prognoze și dacă acestea vor fi furnizate sau nu. Prognozele reprezintă concluziile cuantificate ale studiilor care vizează determinarea impactului total al unei liste de factori referitori la o perioadă viitoare (așa-numitele ipoteze). Politica trebuie să prevadă frecvența, perioada avută în vedere și conținutul prognozelor. Prognozele, dacă sunt publicate, vor fi parte a rapoartelor anuale, semestriale sau trimestriale. Politica cu privire la prognoze trebuie să fie publicată pe pagina de internet a societății. | | Parțial | Consiliul de administrație a adoptat politica cu privire la prognoze, aceasta urmând să fie publicată pe pagina de internet a societății care este în curs de actualizare. |

| | | | |
|---|----------|----------------|--|
| <p>D.4. O societate trebuie să stabilească data și locul unei adunări generale astfel încât să permită participarea unui număr cât mai mare de acționari.</p> | <p>X</p> | | |
| <p>D.5. Rapoartele financiare vor include informații atât în română cât și în engleză, cu privire la principalii factori care influențează schimbări la nivelul vânzărilor, profitului operațional, profitului net sau orice alt indicator financiar relevant.</p> | | <p>Partial</p> | |
| <p>D.6. Societatea va organiza cel puțin o întâlnire/ conferință telefonică cu analiști și investitori, în fiecare an. Informațiile prezentate cu aceste ocazii vor fi publicate în secțiunea Relații cu Investitorii de pe pagina de internet a societății, la momentul respectivei întâlniri/ conferințe telefonice.</p> | | <p>X</p> | |

SIF IMOBILIARE PLC
REPORT AND CONSOLIDATED FINANCIAL
STATEMENTS
Year ended 31 December 2022

SIF IMOBILIARE PLC

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

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SIF IMOBILIARE PLC

BOARD OF DIRECTORS AND OTHER OFFICERS

| | |
|------------------------------|---|
| Board of Directors: | Administrare Imobillare SA Chrystalla Mina Androulla Siaxiate |
| Company Secretary: | Romanos Secretarial Limited 30 Karpenisiou Street CY-1077, Nicosia, Cyprus |
| Independent Auditors: | Evoserve Auditors Limited Certified Public Accountants and Registered Auditors Andrea Papakosta 7, 1037 P.O. Box 21550 |
| Registered office: | 30 Karpenisiou Street CY-1077, Nicosia, Cyprus |
| Registration number: | HE323682 |

SIF IMOBILIARE PLC

MANAGEMENT REPORT

The Board of Directors presents its report and audited consolidated financial statements of the Company and its subsidiaries (together with the Company, the "Group") for the year ended 31 December 2022.

Principal activities and nature of operations of the Group

The principal activities of the Group, which are unchanged from last year, is the ownership, exploitation, management and trading of real estate property located in Romania.

The consolidated results of the Group for the year ended 31 December 2022 include the subsidiary companies of the Company that are property owners, all incorporated in Romania, that is:

1. COMALIM SA
2. SIFI BH EST SA
3. SIFI CLUJ RETAIL SA
4. SIFI CJ LOGISTIC SA
5. SIFI CJ AGRO SA
6. SIFI CJ STORAGE SA
7. SIFI UNITEH SA
8. SIFI BH IND VEST SA
9. BISTRITA SA
10. SIFI CJ OFFICE SA
11. CORA SA
12. SIFI BAIJA MARE SA
13. SIFI SIGHET SA
14. SIFI B ONE SA
15. SIFI BH RETAIL SA
16. SIFI PROPERTIES SA

Out of 16 subsidiary companies mentioned above, 5 are currently listed on Bucharest Stock Exchange's AeRO market: Comalim SA, SIFI Cluj Retail SA, SIFI CJ Logistic SA, SIFI CJ Storage SA and SIFI Uniteh SA. The shares of SIFI Uniteh SA are suspended and not traded.

In 2022 the administrator of Bistrita S.A. proposed the revocation of the liquidation and the shareholders approved the proposal.

As per an Extraordinary General meeting of SIFI Uniteh SA dated 28.02.2020 the voluntary dissolution of the company was approved. This decision was challenged in court and effectively in 2023 it was ruled that the company may proceed with dissolution. On 07.02.2023 the dissolution and liquidation procedures was commenced, appointing a liquidator as of the same date.

Review of current position, future developments and performance of the Group's business

The Group's development to date, financial results and position as presented in the consolidated financial statements are considered satisfactory.

Results

The Group's results for the year are set out on page 9.

Dividends

On 6 April 2022 the Company declared as dividend the amount of €2,429,985.96 part of the profit for the year 2021 (0.54€/share).

Share capital

There were no changes in the share capital of the Company during the year under review.

SIF IMOBILIARE PLC

MANAGEMENT REPORT

Board of Directors

The members of the Group's Board of Directors as at 31 December 2022 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2022.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Independent Auditors

The Independent Auditors, Evoserve Auditors Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,



Administrare Imobiliare SA
Director

Nicosia, 30 March 2023

Independent Auditor's Report

To the Members of SIF Immobiliare PLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of SIF Immobiliare PLC (the "Company") and its subsidiaries (together with the Company, the "Group"), which are presented in pages 9 to 31 which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (continued)

To the Members of SIF Imobiliare PLC

| Key audit matter | How our audit addressed the key audit matter |
|---|--|
| <i>Valuation of investment properties (refer to Note 15 to the Financial Statements)</i> | |
| <p>The Group holds investment properties at the total value of Euro 56,209,968 as at 31 December 2022 which represents approximately 61,23% of the total assets of the Group. The Group's investment properties are held to earn rentals and are located in Romania.</p> <p>The fair value of investment property is determined by using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. Indicators of the assessment of the fair value of the investment properties include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability, which may indicate that the carrying amount of an asset is not recoverable. In addition, management obtains valuation reports for the investment properties held from external independent valuers.</p> <p>The investment properties are stated at its fair value at the reporting date and we consider the valuation of the investment properties as a key audit matter due to their significance on the consolidated statement of financial position and because the determination of the fair values involves significant judgment and estimation.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Obtained and inspected the valuation reports prepared by the external property valuer engaged by the Group - Evaluated the independent external valuer competence, capabilities and objectivity - Evaluated the valuation methodology used by the external property valuer based on our knowledge of other property valuers for similar types of properties <p>Based on the results of our audit procedures we have obtained reasonable assurance in regard to the valuation of the investment properties.</p> |

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditor's Report (continued)

To the Members of SIF Imobiliare PLC

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent Auditor's Report (continued)

To the Members of SIF Immobiliare PLC

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Board of Directors, we determine those matters were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors Laws of 2017, we report the following:

- In our opinion, the management report, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the consolidated financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the management report.

Independent Auditor's Report (continued)

To the Members of SIF Immobiliare PLC

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Laws of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

The engagement partner on the audit resulting in this independent auditor's report is Constantinos Montis.

C. Montis

EVOSEERVE AUDITORS LIMITED

Constantinos Montis, BSc ACA
Certified Public Accountant and Registered Auditor
for and on behalf of
Evoserve Auditors Limited
Certified Public Accountants and Registered Auditors

Nicosia, 30 March 2023

SIF IMOBILIARE PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME Year ended 31 December 2022

| | Note | 2022 € | 2021 € |
|--|------|--------------------|-------------|
| Revenue | 6 | 8,415,354 | 5,661,966 |
| Fair value gain on investment property | | 1,677,540 | 2,913,812 |
| General and administration expenses | 7 | (3,155,311) | (2,530,459) |
| Gross profit | | 6,937,583 | 6,045,319 |
| Other operating income | 8 | 139,521 | 350,633 |
| Other expenses | 9 | (2,970) | (1,484) |
| Operating profit | | 7,074,134 | 6,394,468 |
| Finance income | 11 | 1,276,867 | 296,659 |
| Finance costs | 11 | (396,515) | (510,556) |
| Profit before tax | | 7,954,486 | 6,180,571 |
| Tax | 12 | (1,855,128) | (312,500) |
| Net profit for the year | | 6,099,358 | 5,868,071 |
| Other comprehensive income | | | |
| Total comprehensive income for the year | | 355,592 | (2,343,480) |
| Other comprehensive income for the year | | 355,592 | (2,343,480) |
| Total comprehensive income for the year | | 6,454,950 | 3,524,591 |
| Net profit for the year attributable to: | | | |
| Equity holders of the parent | | 5,521,377 | 5,312,008 |
| Non-controlling interests | | 577,981 | 556,063 |
| | | 6,099,358 | 5,868,071 |
| Total comprehensive income for the year attributable to: | | | |
| Equity holders of the parent | | 5,843,272 | 3,190,597 |
| Non-controlling interests | | 611,678 | 333,994 |
| | | 6,454,950 | 3,524,591 |

The notes on pages 15 to 31 form an integral part of these consolidated financial statements.

SIF IMOBILIARE PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2022

| | Note | 2022 € | 2021 € |
|---|------|-------------------|-------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 14 | 73,111 | 839,818 |
| Investment properties | 15 | 56,209,968 | 66,451,477 |
| Intangible assets | | 2,814 | 2,893 |
| Non-current loans receivable | 16 | 425,987 | 2,025,314 |
| | | <u>56,711,880</u> | <u>69,319,502</u> |
| Current assets | | | |
| Inventories | 17 | 780 | 710 |
| Trade and other receivables | 18 | 3,180,561 | 839,689 |
| Loans receivable | 16 | 3,073,330 | 1,183,528 |
| Financial assets at fair value through profit or loss | 19 | 5,519,243 | 5,519,389 |
| Cash and cash equivalents | 20 | 23,310,481 | 12,375,285 |
| | | <u>35,084,395</u> | <u>19,918,601</u> |
| Total assets | | <u>91,796,275</u> | <u>89,238,103</u> |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 21 | 4,499,974 | 4,499,974 |
| Share premium | | 31,037,928 | 31,037,928 |
| Other reserves | | (1,288,346) | (1,216,453) |
| Retained earnings | | 33,218,154 | 29,511,989 |
| | | <u>67,467,710</u> | <u>63,833,438</u> |
| Non-controlling interests | | <u>3,663,926</u> | <u>3,273,234</u> |
| Total equity | | <u>71,131,636</u> | <u>67,106,672</u> |
| Non-current liabilities | | | |
| Borrowings | 22 | 196,458 | 198,688 |
| Deferred tax liabilities | 23 | 5,602,803 | 6,645,282 |
| | | <u>5,799,261</u> | <u>6,843,970</u> |
| Current liabilities | | | |
| Trade and other payables | 24 | 14,865,378 | 15,287,461 |
| | | <u>14,865,378</u> | <u>15,287,461</u> |
| Total liabilities | | <u>20,664,639</u> | <u>22,131,431</u> |
| Total equity and liabilities | | <u>91,796,275</u> | <u>89,238,103</u> |

The notes on pages 15 to 31 form an integral part of these consolidated financial statements.

SIF IMOBILIARE PLC

On 30 March 2023 the Board of Directors of SIF IMOBILIARE PLC authorised these consolidated financial statements for issue.



.....
Administrare Imobiliare SA
Director



.....
Chrystalla Mina
Director

The notes on pages 15 to 31 form an integral part of these consolidated financial statements.

SIF IMOBILIARE PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2022

| | Note | Share capital | Attributable to equity holders of the Company | | | | | Non-controlling interests | Total |
|---|------|------------------|---|---------------------|------------------|-------------------|-------------------|---------------------------|-------------------|
| | | | Share premium | Translation Reserve | Other reserves | Retained earnings | Total | | |
| | | € | € | € | € | € | € | € | |
| Balance at 1 January 2021 | | 4,499,974 | 31,037,928 | (493,904) | 607,795 | 35,554,325 | 71,206,118 | 2,950,902 | 74,157,020 |
| Net profit for the year | | - | - | - | - | 5,312,008 | 5,312,008 | 556,063 | 5,868,071 |
| Dividends | 13 | - | - | - | - | (10,574,939) | (10,574,939) | - | (10,574,939) |
| Other comprehensive income for the year | | - | 7,915 | (1,338,259) | (779,405) | (2,109,749) | (2,109,749) | (233,731) | (2,343,480) |
| Balance at 31 December 2021 / 1 January 2022 | | 4,499,974 | 31,037,928 | (485,989) | (730,464) | 29,511,989 | 63,833,438 | 3,273,234 | 67,106,672 |
| Net profit for the year | | - | - | - | - | 5,521,377 | 5,521,377 | 577,981 | 6,099,358 |
| Dividends | 13 | - | - | - | - | (2,429,986) | (2,429,986) | - | (2,429,986) |
| Other comprehensive income | | - | (129) | (71,764) | 614,774 | 542,881 | 542,881 | (187,289) | 355,592 |
| Balance at 31 December 2022 | | 4,499,974 | 31,037,928 | (486,118) | (802,228) | 33,218,154 | 67,467,710 | 3,663,926 | 71,131,636 |

The notes on pages 15 to 31 form an integral part of these consolidated financial statements.

SIF IMOBILIARE PLC

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2022

| | Note | 2022 € | 2021 € |
|--|------|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | 7,954,486 | 6,180,571 |
| Adjustments for: | | | |
| Depreciation of property, plant and equipment | 14 | 25,272 | 39,872 |
| Unrealised exchange loss | | 48,071 | 732,135 |
| Fair value (gains)/losses on financial assets at fair value through profit or loss | 19 | (3,286) | 1,484 |
| Fair value profit on investment property | 15 | (1,677,540) | (2,913,812) |
| Other provisions | | 9,546 | 73,477 |
| Net gain from sale of assets classified as held for sale | 8 | - | (350,633) |
| Net gain from sale of property assets | | (25,956) | - |
| Interest income | 11 | (1,276,867) | (296,659) |
| Interest expense | 11 | 380,763 | 478,297 |
| Other non monetary items | | (46,426) | (28,578) |
| | | 5,388,063 | 3,916,154 |
| Changes in working capital: | | | |
| (Increase)/decrease in inventories | | (70) | 16,899 |
| Increase in trade and other receivables | | (2,340,872) | (123,429) |
| Decrease in financial assets at fair value through profit or loss | | 1,219 | 88,008 |
| (Decrease)/increase in trade and other payables | | (422,083) | 12,070,117 |
| Cash generated from operations | | 2,626,257 | 15,967,749 |
| Interest received | | 247,123 | 65,637 |
| Interest paid | | (22,200) | (202,650) |
| Tax paid | | (1,742,548) | (314,619) |
| Net cash generated from operating activities | | 1,108,632 | 15,516,117 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payment for purchase of property, plant and equipment | 14 | (569,168) | (713,994) |
| Payment for purchase of investment property | 15 | (39,593) | (60,096) |
| Proceeds from sales of assets classified as held for sale | | - | 740,390 |
| Loans granted | | (337,034) | - |
| Loans repayments received | | - | 1,500,000 |
| Proceeds from disposal of property, plant and equipment | | 272,920 | 8,213 |
| Proceeds from sale of investment properties | 15 | 13,044,333 | 17,597 |
| Interest received | | 46,138 | 198,780 |
| Net cash generated from investing activities | | 12,417,596 | 1,690,890 |

The notes on pages 15 to 31 form an integral part of these consolidated financial statements.

SIF IMOBILIARE PLC

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2022

| | Note | 2022 € | 2021 € |
|---|-----------|--------------------------|--------------------------|
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayments of borrowings | | (206,456) | (2,751,090) |
| Proceeds from borrowings | | 90,888 | - |
| Interest paid | | (45,478) | (478,297) |
| Dividends paid | | <u>(2,429,986)</u> | <u>(10,574,939)</u> |
| Net cash used in financing activities | | <u>(2,591,032)</u> | <u>(13,804,326)</u> |
| Net increase in cash and cash equivalents | | 10,935,196 | 3,402,681 |
| Cash and cash equivalents at beginning of the year | | <u>12,375,285</u> | <u>8,972,604</u> |
| Cash and cash equivalents at end of the year | 20 | <u>23,310,481</u> | <u>12,375,285</u> |

The notes on pages 15 to 31 form an integral part of these consolidated financial statements.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

1. Incorporation and principal activities

Country of incorporation

SIF Imobiliare PLC (the 'Company') and its subsidiaries (together, the 'Group') are engaged in the ownership, exploitation, management and trading of real estate property located in Romania.

The Company was incorporated in Cyprus on 18 July 2013 as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its registered office is at 30 Karpenisiou Street, CY-1077 Nicosia, Cyprus.

Principal activities

The principal activities of the Group, which are unchanged from last year, is the ownership, exploitation, management and trading of real estate property located in Romania.

2. Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113.

(b) Basis of measurement

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented in these consolidated financial statements unless otherwise stated.

The consolidated financial statements have been prepared under the historical cost convention, except in the case of land, buildings and equipment, investment property, available-for-sale financial assets, and financial assets and financial liabilities at fair value through profit or loss.

(c) Use of estimates and judgments

The preparation of financial statements in accordance with IFRS requires from management the exercise of judgment, to make estimates and assumptions that influence the application of accounting principles and the related amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are deemed to be reasonable based on knowledge available at that time. Actual results may deviate from such estimates.

The estimates and underlying assumptions are revised on a continuous basis. Revisions in accounting estimates are recognised in the period during which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects the present as well as future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the consolidated financial statements are described below:

- **Fair value of investment property**
The fair value of investment property is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. The fair value of the investment property has been estimated based on the fair value of the particular investment properties held.
- **Fair value of financial assets**
The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

2. Basis of preparation (continued)

(d) Functional and presentation currency

The consolidated financial statements are presented in Euro (€) which is the presentation currency of the Group.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented in these consolidated financial statements unless otherwise stated.

Basis of consolidation

The Group consolidated financial statements comprise the financial statements of the parent company SIF Imobiliare Plc and the financial statements of the following subsidiaries:

- 1 COMALIM SA
- 2 SIFI BH EST SA
- 3 SIFI CLUJ RETAIL SA
- 4 SIFI CJ LOGISTIC SA
- 5 SIFI CJ AGRO SA
- 6 SIFI CJ STORAGE SA
- 7 SIFI UNITEH SA
- 8 SIFI BH IND VEST SA
- 9 BISTRITA SA
- 10 SIFI CJ OFFICE SA
- 11 CORA SA
- 12 SIFI BAIA MARE SA
- 13 SIFI SIGHET SA
- 14 SIFI B ONE SA
- 15 SIFI BH RETAIL SA
- 16 SIFI PROPERTIES SA

Subsidiaries are entities controlled by the Group. Control exists where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Acquisition of entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as an acquisition at the date when the business combination has occurred. The assets and liabilities are recognised at the carrying amounts recognised previously in the Group controlling shareholder's financial statements. The difference between the carrying values of the Group's share of the identifiable net assets and the consideration paid is recorded, in equity as a reserve on acquisition from entities under common control.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

3. Significant accounting policies (continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

The financial statements of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date that control commences until the date control ceases. Intra-group balances, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Revenue recognition

Revenues earned by the Group are recognised on the following bases:

- **Rental income**
Rental income is recognised on an accruals basis in accordance with the substance of the relevant agreements.
- **Rendering of services**
Sales of services are recognised in the accounting period in which the services are rendered by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.
- **Sale of products**
Sales of goods are recognised when significant risks and rewards of ownership of the goods have been transferred to the customer, which is usually when the Company has sold or delivered goods to the customer, the customer has accepted the goods and collectability of the related receivable is reasonably assured.

Finance income

Finance income includes interest income which is recognised based on an accrual basis.

Finance expenses

Interest expense and other borrowing costs are recognised to profit or loss using the effective interest method.

Foreign currency translation

- **Functional and presentation currency**
Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

Items included in the subsidiaries financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Romanian Lei (LEI), which is the subsidiaries' functional and presentation currency. The financial statements of the subsidiary companies have been translated in Euro (€), for consolidation purposes.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

3. Significant accounting policies (continued)

The financial statements of the Group are presented in Euro (€), which is the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The assets and liabilities of the Company's foreign operations (including comparatives) are expressed in Euro using exchange rates prevailing on the reporting date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Company's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed off.

Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date. Current tax includes any adjustments to tax payable in respect of previous periods.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Currently enacted tax rates are used in the determination of deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Land and buildings are carried at cost, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to other comprehensive income. Decreases that offset previous increases of the same asset are charged against that reserve; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to profit or loss) and depreciation based on the asset's original cost is transferred from fair value reserves to retained earnings.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

3. Significant accounting policies (continued)

Depreciation is recognised in profit or loss on the straight-line method over the useful lives of each part of an item of property, plant and equipment. The annual depreciation rates used for the current and comparative periods are as follows:

| | % |
|--|--------------|
| Plant and machinery | 5 - 33.33 |
| Buildings | 2 - 5 |
| Furniture, fixtures and office equipment | 10 |
| Tangible assets-cost | 6.67 - 33.33 |

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the continued use of the asset. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Intangible assets

Costs that are directly associated with identifiable and unique computer software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the computer software. Costs associated with maintenance of computer software programs are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not exceeding a period of three years. Amortisation commences when the computer software is available for use and is included within administrative expenses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

3. Significant accounting policies (continued)

Financial assets

Financial assets - Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Group's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Group may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Financial assets - Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets - Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Group exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Group may write-off financial assets that are still subject to enforcement activity when the Group seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

3. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - modification

The Group sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Group assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Group derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Group also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Group compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Group recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Borrowings

Borrowings are recorded initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Inventories

Inventories are stated at the lower of cost and net realisable value. The cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs to completion and selling expenses.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

3. Significant accounting policies (continued)

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 5, Credit risk section.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

Non-current liabilities

Non-current liabilities represent amounts that are due more than twelve months from the reporting date.

4. New accounting pronouncements

At the date of approval of these consolidated financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the consolidated financial statements of the Group.

5. Financial risk management

Financial risk factors

The Group is exposed to market price risk, interest rate risk, credit risk, liquidity risk and currency risk arising from the financial instruments it holds. The risk management policies employed by the Group to manage these risks are discussed below:

5.1 Market price risk

Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Group's financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss are susceptible to market price risk arising from uncertainties about future prices of the investments. The Group's market price risk is managed through diversification of the investment portfolio.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

5. Financial risk management (continued)

5.2 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. The Group is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

5.3 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to retail customers, including outstanding receivables. Further, credit risk arises from financial guarantees and credit related commitments.

5.4 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

| 31 December 2022 | Carrying amounts € |
|--|-----------------------|
| Long-term interest bearing liabilities | 196,458 |
| Trade and other payables | <u>14,865,378</u> |
| | <u>15,061,836</u> |

| 31 December 2021 | Carrying amounts € |
|--|-----------------------|
| Long-term interest bearing liabilities | 198,688 |
| Trade and other payables | <u>15,287,461</u> |
| | <u>15,486,149</u> |

5.5 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's measurement currency. The Group's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

6. Revenue

| | 2022 € | 2021 € |
|------------------------|------------------|------------------|
| Rental income | 4,734,418 | 5,042,096 |
| Other operating income | <u>3,680,936</u> | <u>619,870</u> |
| | <u>8,415,354</u> | <u>5,661,966</u> |

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

7. General and administration expenses

| | 2022 | 2021 |
|--|------------------|------------------|
| | € | € |
| Raw materials and consumables used | 38,198 | 35,612 |
| Staff costs (Note 10) | 647,038 | 631,810 |
| Water supply and cleaning | 42,249 | 32,788 |
| Licenses and taxes | 568,311 | 421,683 |
| Sundry expenses | 452,687 | 99,865 |
| Professional and other related expenses | 822,791 | 894,410 |
| Adjustment for impairment of current assets | 220,750 | 286,427 |
| Travelling and entertainment | 7,145 | 7,483 |
| Auditor's remuneration | 17,850 | 17,850 |
| Rent payable | 71,985 | 41,047 |
| Repairs and maintenance | 6,638 | 5,510 |
| Letting costs and Investment Properties sale commissions | 234,397 | 16,102 |
| Depreciation | 25,272 | 39,872 |
| | <u>3,155,311</u> | <u>2,530,459</u> |

8. Other operating income

| | 2022 | 2021 |
|---|----------------|----------------|
| | € | € |
| Commercial discounts | 110,279 | - |
| Net gain from sale of property assets | 25,956 | - |
| Net gain from sale of assets classified as held for sale | - | 350,633 |
| Fair value gains on financial assets at fair value through profit or loss | 3,286 | - |
| | <u>139,521</u> | <u>350,633</u> |

9. Other expenses

| | 2022 | 2021 |
|---|--------------|--------------|
| | € | € |
| Loss from disposal of financial assets at fair value through profit or loss | 2,970 | - |
| Fair value losses on financial assets at fair value through profit or loss | - | 1,484 |
| | <u>2,970</u> | <u>1,484</u> |

10. Staff costs

| | 2022 | 2021 |
|-----------------------------|----------------|----------------|
| | € | € |
| Salaries | 593,129 | 582,939 |
| Social security costs | 53,909 | 48,871 |
| | <u>647,038</u> | <u>631,810</u> |
| Average number of employees | <u>43</u> | <u>84</u> |

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

11. Finance income/(costs)

| | 2022 | 2021 |
|----------------------------------|-------------------------|------------------|
| | € | € |
| Finance income | <u>1,276,867</u> | 296,659 |
| Finance income | <u>1,276,867</u> | 296,659 |
| Net foreign exchange losses | <u>(15,752)</u> | (32,259) |
| Finance cost | <u>(380,763)</u> | (478,297) |
| Finance costs | <u>(396,515)</u> | (510,556) |
| Net finance income/(cost) | <u>880,352</u> | (213,897) |

12. Tax

| | 2022 | 2021 |
|-----------------|------------------|---------|
| | € | € |
| Corporation tax | <u>1,855,128</u> | 312,500 |

The applicable tax rate in Cyprus is 12.5% and in Romania is 16%.

13. Dividends

| | 2022 | 2021 |
|-------------------|------------------|-------------------|
| | € | € |
| Declared dividend | <u>2,429,986</u> | <u>10,574,939</u> |

On 6 April 2022 SIF Imobiliare PLC declared the payment of a dividend of €2,429,986 (2021: €10,574,939).

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

14. Property, plant and equipment

| | Land and buildings | Plant and machinery | Furniture, fixtures and office equipment | Tangible assets-cost | Total |
|--|-----------------------|------------------------|---|-------------------------|--------------------|
| | € | € | € | € | € |
| Cost | | | | | |
| Balance at 1 January 2021 | 2,653,286 | 1,222,007 | 226,433 | 651,398 | 4,753,124 |
| Additions | - | 4,022 | - | 709,972 | 713,994 |
| Disposals | - | (7,594) | - | (619) | (8,213) |
| Inflation adjustments | - | (441) | - | (180) | (621) |
| Exchange differences | (1,452) | (2,642) | (2,872) | (4,634) | (11,600) |
| Reclassification from/ (to) investment properties (Note 15) | - | - | - | (257,306) | (257,306) |
| Reclassification between Property, Plant and Equipment | - | - | 203 | (203) | - |
| Balance at 31 December 2021/ 1 January 2022 | 2,651,834 | 1,215,352 | 223,764 | 1,098,428 | 5,189,378 |
| Additions | 1,169 | 18,111 | - | 549,888 | 569,168 |
| Disposals | - | (132,515) | (131,903) | (8,502) | (272,920) |
| Inflation adjustment | - | - | - | 16 | 16 |
| Exchange differences | - | 100 | 39 | (1,332) | (1,193) |
| Adjustment on reclassification | - | - | - | (399,590) | (399,590) |
| Reclassification from/ (to) investment properties (Note 15) | - | (3,694) | - | (1,233,520) | (1,237,214) |
| Balance at 31 December 2022 | 2,653,003 | 1,097,354 | 91,900 | 5,388 | 3,847,645 |
| Depreciation | | | | | |
| Balance at 1 January 2021 | (2,618,313) | (1,144,512) | (161,307) | (398,960) | (4,323,092) |
| Charge for the year | (322) | (29,548) | (9,372) | (630) | (39,872) |
| On disposals | - | 2,645 | - | - | 2,645 |
| Inflation adjustments | - | 384 | - | - | 384 |
| Exchange differences | 326 | 8,152 | 1,897 | - | 10,375 |
| Balance at 31 December 2021/ 1 January 2022 | (2,618,309) | (1,162,879) | (168,782) | (399,590) | (4,349,560) |
| Charge for the year | (245) | (19,128) | (5,899) | - | (25,272) |
| On disposals/ transfers | - | 116,073 | 84,607 | 399,590 | 600,270 |
| Exchange differences | 143 | (88) | (27) | - | 28 |
| Balance at 31 December 2022 | (2,618,411) | (1,066,022) | (90,101) | - | (3,774,534) |
| Net book amount | | | | | |
| Balance at 31 December 2022 | 34,592 | 31,332 | 1,799 | 5,388 | 73,111 |
| Balance at 31 December 2021 | 33,525 | 52,473 | 54,982 | 698,838 | 839,818 |

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

15. Investment properties

| | 2022 | 2021 |
|---|-------------------|-------------------|
| | € | € |
| Balance at 1 January | 66,451,477 | 64,278,378 |
| Additions | 39,593 | 60,096 |
| Disposals | (13,044,333) | (17,597) |
| Transfer from/ (to) property, plant and equipment (Note 14) | 1,237,214 | 257,306 |
| Exchange differences | 8,179 | (1,040,518) |
| Fair value adjustments | 1,677,540 | 2,913,812 |
| Prior year corrections | (159,702) | - |
| Balance at 31 December | 56,209,968 | 66,451,477 |

During the year Comalin S.A., SIFI BH Est SA, SIFI CJ Logistic SA, SIFI CJ Storage SA and SIFI BH Retail SA disposed part of their investment properties and SIFI BH IND Vest SA fully disposed its investment property.

16. Non-current loans receivable

| | 2022 | 2021 |
|--------------------------------------|----------------|------------------|
| | € | € |
| Loans receivable | 202,373 | - |
| Loans to related parties (Note 26.1) | 3,296,944 | 3,208,842 |
| | 3,499,317 | 3,208,842 |
| Less current portion | (3,073,330) | (1,183,528) |
| Non-current portion | 425,987 | 2,025,314 |

The loans are repayable as follows:

| | 2022 | 2021 |
|----------------------------|-----------|-----------|
| | € | € |
| Within one year | 3,073,330 | 1,183,528 |
| Between one and five years | 425,987 | 2,025,314 |
| | 3,499,317 | 3,208,842 |

The exposure of the Group to credit risk in relation to loans receivable is reported in note 5 of the consolidated financial statements.

The fair values of non-current receivables approximate to their carrying amounts as presented above.

17. Inventories

| | 2022 | 2021 |
|------------------|------|------|
| | € | € |
| Raw materials | 745 | 675 |
| Goods for resale | 35 | 35 |
| | 780 | 710 |

Inventories are stated at cost.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

18. Trade and other receivables

| | 2022 | 2021 |
|-------------------|------------------|----------------|
| | € | € |
| Trade receivables | 304,295 | 396,674 |
| Refundable taxes | 110,118 | 143,777 |
| Deferred expenses | 7,236 | 11,633 |
| Other receivables | 2,758,912 | 287,605 |
| | <u>3,180,561</u> | <u>839,689</u> |

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

The exposure of the Group to credit risk and impairment losses in relation to trade and other receivables is reported in note 5 of the consolidated financial statements.

19. Financial assets at fair value through profit or loss

| | 2022 | 2021 |
|------------------------|------------------|------------------|
| | € | € |
| Balance at 1 January | 5,519,389 | 5,607,397 |
| Disposals | (1,219) | - |
| Loss on disposal | (2,970) | - |
| Change in fair value | 3,286 | (1,484) |
| Exchange differences | 757 | (86,524) |
| Balance at 31 December | <u>5,519,243</u> | <u>5,519,389</u> |

20. Cash and cash equivalents

Cash balances are analysed as follows:

| | 2022 | 2021 |
|--------------------------|-------------------|-------------------|
| | € | € |
| Cash at bank and in hand | 5,696,531 | 8,795,161 |
| Bank deposits | 17,613,950 | 3,580,124 |
| | <u>23,310,481</u> | <u>12,375,285</u> |

21. Share capital

| | 2022 | 2022 | 2021 | 2021 |
|------------------------------|------------------|------------------|------------------|------------------|
| | Number of shares | € | Number of shares | € |
| Authorised | | | | |
| Ordinary shares of €1 each | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> |
| Issued and fully paid | | | | |
| Balance at 1 January | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> |
| Balance at 31 December | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> |

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

22. Borrowings

| | 2022 € | 2021 € |
|--|----------------|----------------|
| Non-current borrowings | | |
| Long-term interest bearing liabilities | <u>196,458</u> | <u>198,688</u> |

Maturity of non-current borrowings:

| | 2022 € | 2021 € |
|----------------------------|----------------|----------------|
| Between two and five years | <u>196,458</u> | <u>198,688</u> |

23. Deferred tax

Deferred tax is calculated in full on all temporary differences under the liability method using the applicable tax rates (Note 12). The applicable corporation tax rate in the case of tax losses is 12,5%.

The movement on the deferred taxation account is as follows:

Deferred tax liability

| | Temporary tax differences € |
|--|--------------------------------------|
| Balance at 1 January 2021 | 5,432,999 |
| Charged/ (credited) | <u>1,212,283</u> |
| Balance at 31 December 2021/ 1 January 2022 | 6,645,282 |
| Charged/(credited) | <u>(1,042,479)</u> |
| Balance at 31 December 2022 | <u>5,602,803</u> |

24. Trade and other payables

| | 2022 € | 2021 € |
|----------------------------------|-------------------|-------------------|
| Trade payables | 141,904 | 91,205 |
| Social insurance and other taxes | 25,742 | 87,548 |
| Taxes payable | 271,308 | 37,436 |
| Accruals | 107,914 | 90,062 |
| Other creditors | 14,037,693 | 14,538,374 |
| Deferred income | 280,817 | 442,836 |
| | <u>14,865,378</u> | <u>15,287,461</u> |

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

25. Operating Environment of the Group

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Group largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Group has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

With the recent and rapid development of the Coronavirus disease (COVID-19) pandemic the world economy entered a period of unprecedented health care crisis that has caused considerable global disruption in business activities and everyday life.

Industries such as tourism, hospitality and entertainment have been directly disrupted significantly by these measures. Other industries such as manufacturing and financial services have also been indirectly affected.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty though, due to the pace at which the outbreak expands and the high level of uncertainties arising from the inability to reliably predict the outcome. Management's current expectations and estimates could differ from actual results.

The Group's management believes that it is taking all the necessary measures to maintain the viability of the Group and the development of its business in the current business and economic environment.

26. Related party transactions

The Company is controlled by SIF Banat- Crisana S.A., which owns 99.99% of the issued share capital of SIF Imobiliare PLC.

The following transactions were carried out with related parties:

26.1 Loans to related parties (Note 16)

| | 2022 | 2021 |
|----------------------------|------------------|------------------|
| | € | € |
| Administrare Imobiliare SA | <u>3,296,944</u> | <u>3,208,842</u> |

SIF IMOBILIARE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2022

27. Contingent liabilities

The Group had no contingent liabilities as at 31 December 2022.

28. Commitments

The Group had no capital or other commitments as at 31 December 2022.

29. Events after the reporting period

As explained in note 25 the geopolitical situation in Eastern Europe intensified on 24 February 2022, with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these consolidated financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

As per an Extraordinary General meeting of SIFI Uniteh SA dated 28.02.2020 the voluntary dissolution of the company was approved. This decision was challenged in court and effectively in 2023 it was ruled that the company may proceed with dissolution. On 07.02.2023 the dissolution and liquidation procedures was commenced, appointing a liquidator as of the same date.

There were no other material events after the reporting period, which have a bearing on the understanding of the consolidated financial statements.

Independent auditor's report on pages 4 to 8

SIF IMOBILIARE PLC
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2022

SIF IMOBILIARE PLC

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2022

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SIF IMOBILIARE PLC

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Chrystalla Mina
Androula Saxiate
Administrare Imobiliare S.A.

Company Secretary:

Romanos Secretarial Ltd
30 Karpenisiou Street
CY-1077, Nicosia
Cyprus

Independent Auditors:

Evoserve Auditors Limited
Certified Public Accountants and Registered Auditors
7, Andrea Papakosta, 1037
P.O Box 21550, Elefterias Square, 1510
Nicosia, Cyprus

Registered office:

30 Karpenisiou Street
CY-1077, Nicosia
Cyprus

Registration number:

HE323682

SIF IMOBILIARE PLC

MANAGEMENT REPORT

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2022.

Incorporation

The Company SIF Immobiliare Plc was incorporated in Cyprus on 18 July 2013 as a public company under the provisions of the Cyprus Companies Law, Cap. 113.

Principal activity and nature of operations of the Company

The principal activity of the Company, which is unchanged from last year, is to serve as a holding vehicle of shares in other entities and is engaged in the provision of financing facilities to related entities.

Review of current position, future developments and performance of the Company's business

The Company's development to date, financial results and position as presented in the financial statements are considered satisfactory.

Results

The Company's results for the year are set out on page 9. The net profit for the year attributable to the shareholders of the Company amounted to €2,445,699 (2021: €2,454,837). On 31 December 2022 the total assets of the Company were €38,100,290 (2021: €38,082,533) and the net assets of the Company were €38,060,525 (2021: €38,044,812).

Dividends

On 6 April 2022 the Company declared dividends amounting to €2,429,985.96 representing part of the 2021 FY results, namely 0.54€/share.

Share capital

There were no changes in the share capital of the Company during the year under review.

Board of Directors

The members of the Company's Board of Directors as at 31 December 2022 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2022.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 22 to the financial statements.

Independent Auditors

The Independent Auditors, Evoserve Auditors Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,



Chrystalla Mina
Director

Nicosia, 30 March 2023

Independent Auditor's Report

To the Members of SIF IMOBILIARE PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of parent company SIF Immobiliare PLC (the "Company"), which are presented in pages 9 to 24 and comprise the statement of financial position as at 31 December 2022, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the parent company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (continued)

To the Members of SIF IMOBILIARE PLC

| Key audit matter | How our audit addressed the key audit matter |
|---|--|
| <i>Valuation of investment in subsidiaries (refer to Note 12 to the Financial Statements)</i> | |
| <p>The Company holds investments in subsidiaries at the total value of Euro 18.974.771 as at 31 December 2022 which represents approximately 49,80% of the total assets of the Company. The subsidiaries held by the Company are incorporated in Romania and their main activities is that of holding of investment properties in Romania.</p> <p>Management periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability, which may indicate that the carrying amount of an asset is not recoverable. In addition, management obtains valuation reports for all the investment properties held from external independent valuers. Management assessment on the valuation of the investment in subsidiaries is based on estimations and judgement.</p> <p>The investments in subsidiaries are stated at cost and we consider the impairment testing of the investment in subsidiaries as a key audit matter due to their significance on the statement of financial position and due to the fact that management exercise significant judgment and estimations.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Evaluated the management assessment in relation to the possible impairment of the investment in subsidiaries. - Obtained the audited financial statements of all of the subsidiaries and to assess whether there is an indication of impairment based on their performance and their net assets value. - Based on our findings we have discussed with the management the possible impairment of the investment in subsidiaries. - Obtained the valuation reports performed from independent valuers in relation to the investment properties held by the subsidiaries and to assess the independence and the qualifications of the external valuator. <p>Based on the results of our audit procedures we have obtained adequate assurance in regard to the valuation of the investment in subsidiaries.</p> |

Independent Auditor's Report (continued)

To the Members of SIF IMOBILIARE PLC

| Key audit matter | How our audit addresses the key audit matter |
|--|---|
| <i>Recoverability of loans receivables (refer to Note 13 to the Financial Statements)</i> | |
| <p>The Company has loans receivables of the total value of Euro 16.992.285 as at 31 December 2022 which represents approximately 44,60% of the total assets of the Company. The loans receivable was granted to the subsidiaries of the Company in order to finance them for their activities.</p> <p>Management periodically evaluates the recoverability of loans receivable whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability in which the borrower operates, which may indicate that the carrying amount of the loan is not recoverable.</p> <p>We consider the recoverability of the loans receivable as a key audit matter due to their significance on the statement of financial position and due to the fact that the management exercise significant judgment and estimations in order to assess whether there is an indication of impairment in the loans receivable.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Evaluated the management assessment in relation to the recoverability of the loans receivable. - Reviewed the terms of the loan agreements and whether all the conditions of the loan are met. - Obtained the signed audited financial statements of all of the subsidiaries and to assess whether the subsidiaries have the necessary assets to repay their debts. - Based on our findings we have assessed with management the possible impairment in the value of the loans receivable - Obtained the valuation reports performed from independent valuers in relation to the investment properties held by the subsidiaries and to assess the independence and the qualifications of the external valuator. <p>Based on the results of our audit procedures we have obtained adequate assurance regarding the recoverability of the loans receivable.</p> |

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditor's Report (continued)

To the Members of SIF IMOBILIARE PLC

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent Auditor's Report (continued)

To the Members of SIF IMOBILIARE PLC

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Board of Directors, we determine those matters were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2017, we report the following:

- In our opinion, the management report, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the management report.

Independent Auditor's Report (continued)

To the Members of SIF IMOBILIARE PLC

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

The engagement partner on the audit resulting in this independent auditor's report is Constantinos Montis.

C. Montis **EVOSERVE AUDITORS LIMITED**

Constantinos Montis, BSc ACA
Certified Public Accountant and Registered Auditor
for and on behalf of
Evoserve Auditors Limited
Certified Public Accountants and Registered Auditors

Nicosia, 30 March 2023

SIF IMOBILIARE PLC

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

| | Note | 2022 € | 2021 € |
|--|------|-------------------------|-------------------------|
| Dividend income | 20.4 | 2,251,132 | 2,376,494 |
| Loan interest income | | <u>227,725</u> | <u>403,886</u> |
| Gross profit | | 2,478,857 | 2,780,380 |
| Administration expenses | | <u>(71,204)</u> | <u>(69,628)</u> |
| Operating profit | 7 | 2,407,653 | 2,710,752 |
| Net finance income/(cost) | 8 | <u>66,140</u> | <u>(147,633)</u> |
| Profit before tax | | 2,473,793 | 2,563,119 |
| Tax | 9 | <u>(28,094)</u> | <u>(108,282)</u> |
| Net profit for the year | | 2,445,699 | 2,454,837 |
| Other comprehensive income | | <u>-</u> | <u>-</u> |
| Total comprehensive income for the year | | <u>2,445,699</u> | <u>2,454,837</u> |

The notes on pages 13 to 25 form an integral part of these financial statements.

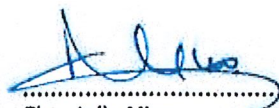
SIF IMOBILIARE PLC

STATEMENT OF FINANCIAL POSITION

31 December 2022

| | Note | 2022 € | 2021 € |
|---|------|--------------------------|--------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Investments in subsidiaries | 12 | 18,974,771 | 18,974,771 |
| Non-current loans receivable | 13 | 1,720,491 | 2,253,309 |
| | | <u>20,695,262</u> | <u>21,228,080</u> |
| Current assets | | | |
| Loans receivable | 13 | 15,271,794 | 14,174,283 |
| Financial assets at fair value through profit or loss | 14 | 169,404 | 169,404 |
| Refundable taxes | 18 | 20,090 | 23,467 |
| Cash at bank | 15 | 1,943,740 | 2,487,299 |
| | | <u>17,405,028</u> | <u>16,854,453</u> |
| Total assets | | <u>38,100,290</u> | <u>38,082,533</u> |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 16 | 4,499,974 | 4,499,974 |
| Share premium | | 31,037,928 | 31,037,928 |
| Retained earnings | | 2,522,623 | 2,506,910 |
| Total equity | | <u>38,060,525</u> | <u>38,044,812</u> |
| Current liabilities | | | |
| Other payables | 17 | 39,765 | 37,721 |
| Total liabilities | | <u>39,765</u> | <u>37,721</u> |
| Total equity and liabilities | | <u>38,100,290</u> | <u>38,082,533</u> |

On 30 March 2023 the Board of Directors of SIF IMOBILIARE PLC authorised these financial statements for issue.


.....
Chrystalla Mina
Director


.....
Androula Saxiate
Director

The notes on pages 13 to 25 form an integral part of these financial statements.

SIF IMOBILIARE PLC

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

| Note | Share capital € | Share premium € | Retained earnings € | Total € |
|--|--------------------|--------------------|------------------------|-------------------|
| Balance at 1 January 2021 | 4,499,974 | 31,037,928 | 10,627,012 | 46,164,914 |
| Net profit for the year | - | - | 2,454,837 | 2,454,837 |
| Dividends | 10 | - | (10,574,939) | (10,574,939) |
| Balance at 31 December 2021/ 1 January 2022 | 4,499,974 | 31,037,928 | 2,506,910 | 38,044,812 |
| Net profit for the year | - | - | 2,445,699 | 2,445,699 |
| Dividends | 10 | - | (2,429,986) | (2,429,986) |
| Balance at 31 December 2022 | 4,499,974 | 31,037,928 | 2,522,623 | 38,060,525 |

Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

The notes on pages 13 to 25 form an integral part of these financial statements.

SIF IMOBILIARE PLC

STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

| | Note | 2022 € | 2021 € |
|---|------|--------------------|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | 2,473,793 | 2,563,119 |
| Adjustments for: | | | |
| Foreign exchange loss | | 12,066 | 184,074 |
| Dividend income | 20.4 | (2,251,132) | (2,376,494) |
| Interest income | | (227,725) | (403,886) |
| Bank interest income | | (58,413) | (35,442) |
| | | (51,411) | (68,629) |
| Changes in working capital: | | | |
| Increase/(Decrease) in other payables | | 2,044 | (9,130) |
| Cash used in operations | | (49,367) | (77,759) |
| Dividends received | | 2,251,132 | 2,315,494 |
| Bank interest received | | 53,413 | 31,837 |
| Tax paid | | (31,717) | (119,242) |
| Net cash generated from operating activities | | 2,223,461 | 2,150,330 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Loans granted | 13 | (337,034) | (2,482,657) |
| Loans principal repayments received | 13 | - | 9,822,125 |
| Loans interest repayments received | 13 | - | 666,632 |
| Net cash (used in)/generated from investing activities | | (337,034) | 8,006,100 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividends paid | 10 | (2,429,986) | (10,574,939) |
| Net cash used in financing activities | | (2,429,986) | (10,574,939) |
| Net decrease in cash and cash equivalents | | (543,559) | (418,509) |
| Cash and cash equivalents at beginning of the year | | 2,487,299 | 2,905,808 |
| Cash and cash equivalents at end of the year | 15 | 1,943,740 | 2,487,299 |

The notes on pages 13 to 25 form an integral part of these financial statements.

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1. Incorporation and principal activities

Country of incorporation

The Company SIF IMOBILIARE PLC (the "Company") was incorporated in Cyprus on 18 July 2013 as a public company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 30 Karpenisiou Street, CY-1077, Nicosia, Cyprus.

Principal activity

The principal activity of the Company, which is unchanged from last year, is to serve as a holding vehicle of shares in other entities and is engaged in the provision of financing facilities to related entities.

2. Basis of preparation

The Company has prepared these parent's separate financial statements for compliance with the requirements of the Cyprus Income Tax Law.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention as modified by the revaluation of, and financial assets and financial liabilities at fair value through profit or loss.

The Company has also prepared consolidated financial statements in accordance with IFRSs for the Company and its subsidiaries (the "Group"). The consolidated financial statements can be obtained from 30 Karpenisiou Street, CY 1077, Nicosia, Cyprus.

Users of these parent's separate financial statements should read them together with the Group's consolidated financial statements as at and for the year ended 31 December 2022 in order to obtain a proper understanding of the financial position, the financial performance and the cash flows of the Company and the Group.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. Apart from the accounting policy changes resulting from the adoption of IFRS 9 effective from 1 January 2018, these policies have been consistently applied to all the years presented, unless otherwise stated.

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

3. Significant accounting policies (continued)

Consolidated financial statements

The Company has subsidiary undertakings for which section 142(1)(b) of the Cyprus Companies Law Cap. 113 requires consolidated financial statements to be prepared and laid before the Company at the Annual General Meeting. The Group consolidated financial statements comprise the financial statements of the parent company SIF IMOBILIARE PLC and the financial statements of the following subsidiaries:

- Comalin SA
- SIFI BH EST SA
- SIFI CLUJ Retail AS
- SIFI CJ Logistic SA
- SIFI CJ Agro SA
- SIFI CJ Storage SA
- SIFI Uniteh SA
- SIFI BH IND VEST SA
- Bistrita SA
- SIFI CJ Office SA
- Cora SA
- SIFI Baia Mare SA
- SIFI SIGHET SA
- SIFI B ONE SA
- SIFI BH Retail S.A
- SIFI Properties SA

The financial statements of all the Group companies are prepared using uniform accounting policies. All inter-company transactions and balances between Group companies have been eliminated during consolidation.

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Révenue

- **Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method.

- **Dividend income**

Dividends are received from financial assets measured at fair value through profit or loss (FVTPL) and at fair value through other comprehensive income (FVOCI). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI.

Finance income

Interest income is recognised on a time-proportion basis using the effective method.

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

3. Significant accounting policies (continued)

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Translation differences on non-monetary items such as equities held at fair value through profit or loss are reported as part of the fair value gain or loss.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Dividends

Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the year in which they are approved by the Company's shareholders.

Computer software

Costs that are directly associated with identifiable and unique computer software products controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the computer software. Costs associated with maintenance of computer software programs are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not exceeding a period of three years. Amortisation commences when the computer software is available for use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

3. Significant accounting policies (continued)

Financial assets

Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

3. Significant accounting policies (continued)

Financial assets (continued)

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank.

Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

4. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

5. Financial risk management

Financial risk factors

The Company is exposed to credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

5.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and contract assets as well as lease receivables. Further, credit risk arises from financial guarantees and credit related commitments.

5.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining liquid current assets and by having available an adequate amount of committed credit facilities.

5.3 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

5.4 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

6. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

- **Fair value of financial assets**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. The fair value of the financial assets at fair value through other comprehensive income has been estimated based on the fair value of these individual assets.

- **Impairment of investments in subsidiaries**

The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future discounted cash flows associated with these subsidiaries would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

- **Impairment of loans receivable**

The Company periodically evaluates the recoverability of loans receivable whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country in which the borrower operates, which may indicate that the carrying amount of the loan is not recoverable. If facts and circumstances indicate that loans receivable may be impaired, the estimated future discounted cash flows associated with these loans would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

7. Operating profit

| | 2022 | 2021 |
|--|---------------|---------------|
| | € | € |
| Operating profit is stated after charging the following items: | | |
| Auditors' remuneration | <u>17,850</u> | <u>17,850</u> |

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

8. Finance income/(costs)

| | 2022 | 2021 |
|----------------------------------|----------------|------------------|
| | € | € |
| Interest income | 58,413 | 35,442 |
| Exchange profit | 9,616 | - |
| Finance income | 68,029 | 35,442 |
| Net foreign exchange losses | (1,245) | (182,667) |
| Sundry finance expenses | (644) | (408) |
| Finance costs | (1,889) | (183,075) |
| Net finance income/(cost) | 66,140 | (147,633) |

9. Tax

| | 2022 | 2021 |
|----------------------------|---------------|----------------|
| | € | € |
| Corporation tax | 23,097 | 44,713 |
| Overseas tax | 4,997 | 63,569 |
| Charge for the year | 28,094 | 108,282 |

The tax on the Company's profit before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

| | 2022 | 2021 |
|--|---------------|----------------|
| | € | € |
| Profit before tax | 2,473,793 | 2,563,119 |
| Tax calculated at the applicable tax rates | 309,224 | 320,390 |
| Tax effect of expenses not deductible for tax purposes | 2,308 | 24,518 |
| Tax effect of allowances and income not subject to tax | (282,595) | (297,062) |
| Underprovision prior year | - | 412 |
| Overseas tax | (843) | 60,024 |
| Tax charge | 28,094 | 108,282 |

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

10. Dividends

| | 2022 | 2021 |
|-------------------|-----------|------------|
| | € | € |
| Declared dividend | 2,429,986 | 10,574,939 |

On 6 April 2022 the Company declared the payment of a dividend of €2,429,986 (2021: €10,574,939).

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

11. Intangible assets

| | Website € |
|--|--------------|
| Cost | |
| Balance at 1 January 2021 | 596 |
| Balance at 31 December 2021/ 1 January 2022 | 596 |
| Balance at 31 December 2022 | 596 |
| Amortisation | |
| Balance at 1 January 2021 | 596 |
| Balance at 31 December 2021/ 1 January 2022 | 596 |
| Balance at 31 December 2022 | 596 |
| Net book amount | |
| Balance at 31 December 2022 | - |

The Company maintains the website <http://sif-imbiliare.ro/>.

12. Investments in subsidiaries

| | 2022 € | 2021 € |
|-------------------------------|--------------------------|--------------------------|
| Balance at 1 January | <u>18,974,771</u> | 18,974,771 |
| Balance at 31 December | <u>18,974,771</u> | <u>18,974,771</u> |

The details of the subsidiaries are as follows:

| <u>Name</u> | <u>Principal activities</u> | 2022 Holding % | 2021 Holding % | 2022 € | 2021 € |
|---------------------|-----------------------------|-------------------------------|----------------------|--------------------------|--------------------------|
| Comalin SA | Investment property | 91.1715 | 91.1715 | 3,092,601 | 3,092,601 |
| SIFI BH EST SA | Investment property | 94.7665 | 94.7665 | 814,778 | 814,778 |
| SIFI CLUJ Retail SA | Investment property | 96.3640 | 96.3640 | 6,009,094 | 6,009,094 |
| SIFI CJ Logistic SA | Investment property | 84.7435 | 84.7435 | 871,303 | 871,303 |
| SIFI CJ Agro SA | Trade with cereals | 97.5043 | 97.5043 | 1,171,918 | 1,171,918 |
| SIFI CJ Storage SA | Investment property | 92.0989 | 92.0989 | 781,685 | 781,685 |
| SIFI Uniteh SA (1) | Investment property | 50.1978 | 50.1978 | 1,176,319 | 1,176,319 |
| SIFI BH IND VEST SA | Investment property | 98.9458 | 98.9458 | 1,747,017 | 1,747,017 |
| Bistrita SA (2) | Investment property | 91.9778 | 91.9778 | 291,159 | 291,159 |
| SIFI CJ OFFICE SA | Investment property | 98.8252 | 98.8252 | 1,229,297 | 1,229,297 |
| CORA SA | Investment property | 96.3268 | 96.3268 | 404,053 | 404,053 |
| SIFI BAI A MARE SA | Investment property | 92.5906 | 92.5906 | 925,672 | 925,672 |
| SIFI SIGHET SA | Investment property | 72.2816 | 72.2816 | 300,074 | 300,074 |
| SIFI B ONE SA | Investment property | 90.7874 | 90.7874 | 112,379 | 112,379 |
| SIFI BH Retail SA | Investment property | 99.9000 | 99.9000 | 20,513 | 20,513 |
| SIFI Properties SA | Investment property | 99.9000 | 99.9000 | 26,909 | 26,909 |
| | | | | <u>18,974,771</u> | <u>18,974,771</u> |

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

12. Investments in subsidiaries (continued)

(1) As per an Extraordinary General meeting of SIFI Uniteh SA dated 28.02.2020 the voluntary dissolution of the company was approved. This decision was challenged in court and effectively in 2023 it was ruled that the company may proceed with dissolution. On 07.02.2023 the dissolution and liquidation procedures was commenced, appointing a liquidator as of the same date.

(2) In 2022 the administrator of Bistrita S.A. proposed the revocation of the liquidation and the shareholders approved the proposal.

13. Non-current loans receivable

| | 2022 | 2021 |
|-------------------------------|-------------------|-------------------|
| | € | € |
| Balance at 1 January | 16,427,592 | 24,154,843 |
| New loans granted | 337,034 | 2,482,657 |
| Interest charged | 227,725 | 403,886 |
| Repayments principal | - | (9,822,125) |
| Repayments interest | - | (666,632) |
| Exchange difference | (66) | (125,037) |
| Balance at 31 December | 16,992,285 | 16,427,592 |

| | 2022 | 2021 |
|---------------------------------------|------------------|------------------|
| | € | € |
| Loans receivable | 202,372 | - |
| Loans to own subsidiaries (Note 20.1) | 13,492,969 | 13,218,750 |
| Loans to related parties (Note 20.2) | 3,296,944 | 3,208,842 |
| | 16,992,285 | 16,427,592 |
| Less current portion | (15,271,794) | (14,174,283) |
| Non-current portion | 1,720,491 | 2,253,309 |

The loans are repayable as follows:

| | 2022 | 2021 |
|----------------------------|------------|------------|
| | € | € |
| Within one year | 15,271,794 | 14,174,283 |
| Between one and five years | 1,720,491 | 2,253,309 |
| | 16,992,285 | 16,427,592 |

The exposure of the Company to credit risk in relation to loans receivable is reported in note 5 of the financial statements.

The fair values of non-current receivables approximate to their carrying amounts as presented above.

14. Financial assets at fair value through profit or loss

| | 2022 | 2021 |
|-------------------------------|----------------|----------------|
| | € | € |
| Balance at 1 January | 169,404 | 169,404 |
| Balance at 31 December | 169,404 | 169,404 |

SIF IMOBILIARE PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

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

In the statement of cash flows, financial assets at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital. In the statement of comprehensive income, changes in fair values of financial assets at fair value through profit or loss are recorded in operating income.

15. Cash at bank

For the purposes of the statement of cash flows, the cash and cash equivalents include the following:

| | 2022 | 2021 |
|--------------|------------------|------------------|
| | € | € |
| Cash at bank | <u>1,943,740</u> | <u>2,487,299</u> |

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 5 of the financial statements.

16. Share capital

| | 2022 | 2022 | 2021 | 2021 |
|-------------------------------|------------------|------------------|------------------|------------------|
| | Number of shares | € | Number of shares | € |
| Authorised | | | | |
| Ordinary shares €1 each | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> |
| Issued and fully paid | | | | |
| Balance at 1 January | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> |
| Balance at 31 December | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> | <u>4,499,974</u> |

17. Other payables

| | 2022 | 2021 |
|-----------------|---------------|---------------|
| | € | € |
| Accruals | 39,675 | 37,636 |
| Other creditors | <u>90</u> | <u>85</u> |
| | <u>39,765</u> | <u>37,721</u> |

The fair values of other payables due within one year approximate to their carrying amounts as presented above.

18. Refundable taxes

| | 2022 | 2021 |
|-----------------|-----------------|-----------------|
| | € | € |
| Corporation tax | <u>(20,090)</u> | <u>(23,467)</u> |

19. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

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19. Operating Environment of the Company (continued)

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

With the recent and rapid development of the Coronavirus disease (COVID-19) pandemic the world economy entered a period of unprecedented health care crisis that has caused considerable global disruption in business activities and everyday life.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty though, due to the pace at which the outbreak expands and the high level of uncertainties arising from the inability to reliably predict the outcome. Management's current expectations and estimates could differ from actual results.

The Company's management believes that it is taking all the necessary measures to maintain the viability of the Company and the development of its business in the current business and economic environment.

20. Related party transactions

The following transactions were carried out with related parties:

20.1 Loans to subsidiaries (Note 13)

| | 2022 | 2021 |
|--------------------------------------|-------------------|-------------------|
| | € | € |
| SIFI CJ OFFICE S.A.-principal amount | 253,661 | 221,289 |
| SIFI CJ OFFICE S.A.-accrued interest | 21,489 | 12,928 |
| SIFI CJ AGRO S.A.-principal amount | 325,029 | 222,723 |
| SIFI CJ AGRO S.A.-accrued interest | 12,151 | 5,271 |
| SIFI B ONE SA-principal amount | 410,000 | 410,000 |
| SIFI B ONE SA- accrued interest | 36,338 | 32,238 |
| SIFI BH RETAIL-principal amount | 12,000,000 | 12,000,000 |
| SIFI BH RETAIL- accrued interest | 434,301 | 314,301 |
| | <u>13,492,969</u> | <u>13,218,750</u> |

The loans receivable from the subsidiaries bear interest 1%, 2.5% and 3.5% per annum and are expected to be repaid in 2023 and 2024.

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20. Related party transactions (continued)

20.2 Loans to related parties (Note 13)

| | 2022 | 2021 |
|--|------------------|------------------|
| | € | € |
| Administrare Imobiliare SA-principal amount | 2,937,128 | 2,936,718 |
| Administrare Imobiliare SA- accrued interest | 359,816 | 272,124 |
| | <u>3,296,944</u> | <u>3,208,842</u> |

The loans receivable from Administrare Imobiliare SA bear interest 1%, 2%, 2.5% and 3.5% per annum and are expected to be repaid in 2023 and 2024.

20.3 Interest income

| | 2022 | 2021 |
|-------------------------|----------------|----------------|
| | € | € |
| Administrare Imobiliare | 87,892 | 87,836 |
| SIFI B ONE SA | 4,100 | 4,100 |
| SIFI BH RETAIL | 120,000 | 166,239 |
| SIFI CJ OFFICE S.A | 8,582 | 7,539 |
| SIFI CJ AGRO S.A. | 6,899 | 4,272 |
| | <u>227,473</u> | <u>269,986</u> |

20.4 Dividend income

| | 2022 | 2021 |
|-----------------------|------------------|------------------|
| | € | € |
| SIFI CJ Storage SA | 223,716 | 454,544 |
| Comalin SA | 148,608 | 503,926 |
| Cluj Retail SA | 743,117 | 853,294 |
| SIFI Sighet SA | 15,616 | 45,499 |
| SIFI Bala Mare SA | 85,632 | 68,939 |
| SIFI BH IND VEST S.A. | 138,219 | 77,767 |
| Cora SA | 31,345 | 18,647 |
| Bistrita SA | 583,667 | - |
| SIFI CJ Logistic | 165,448 | 252,739 |
| SIFI BH EST S.A | 115,764 | 101,139 |
| | <u>2,251,132</u> | <u>2,376,494</u> |

21. Commitments

The Company had no capital or other commitments as at 31 December 2022.

22. Events after the reporting period

As explained in note 19 the geopolitical situation in Eastern Europe intensified on 24 February 2022, with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

As per an Extraordinary General meeting of SIFI Uniteh SA dated 28.02.2020 the voluntary dissolution of the company was approved. This decision was challenged in court and effectively in 2023 it was ruled that the company may proceed with dissolution. On 07.02.2023 the dissolution and liquidation procedures was commenced, appointing a liquidator as of the same date.

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22. Events after the reporting period (continued)

There were no other material events after the reporting period, which have a bearing on the understanding of the financial statements.

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