

STATEMENT OF
assets and liabilities of SIF Banat-Crişana as
at
07/31/2020

annex no. 16

DESIGNATION	VALUE [RON]
1. Non-current assets	591,096,031
1.1 Intangible assets	13,577
1.2 Tangible assets	17,979,578
1.3 Financial assets	573,102,876
1.3.1 Listed shares	22,139,453
1.3.2 Unlisted shares	187,690,580
1.3.3 Government securities	-
1.3.4 Certificates of deposit	-
1.3.5 Bank deposits	-
1.3.6 Municipal bonds	-
1.3.7 Corporate bonds	52,974,858
1.3.8 Newly issued securities	-
1.3.9 Units of UCITS and / or AIF	310,192,025
1.3.10 Other financial assets	105,959
2. Current assets	3,402,112,025
2.1 Inventories	2,239
2.2 Receivables, of which:	15,801,261
2.2.1 Dividends receivables	-
2.2.2 Receivables rights	-
2.2.3 Other receivables	15,801,261
2.3 Cash and equivalents	40,247,219
2.4 Short term financial investments	3,225,665,601
2.4.1 Listed shares	3,077,514,904
2.4.2 Unlisted shares	-
2.4.3 Municipal bonds	-
2.4.4 Corporate bonds	29,167,564
2.4.5 Units of UCITS and / or AIF	118,983,133
2.5 Newly issued securities	-
2.6 Government securities	-
2.7 Bank deposits	120,356,869
2.8 Certificates of deposit	-
2.9 Other current assets	38,836
3. Derivatives	-
4. Prepaid expenses	127,443
5. Total assets	3,993,335,498
6. Total liabilities	125,655,678
6.1 Loans from bond issues	-
6.2 Amounts owed to credit institutions	-
6.3 Advances received from clients	-
6.4 Trade payables	64,489
6.5 Bills of exchange payable	-

6.6	Amounts owed to group companies	-
6.7	Amounts owed to related parties	-
6.8	Other liabilities, of which:	125,591,189
	- deferred income tax	122,543,370
7.	Provisions for expenses	-
8.	Deferred income, of which:	16,379
8.1	Investment subsidies	-
8.2	Deferred income	16,379
9.	Shareholders' equity, of which:	2,439,107,999
9.1	Share capital	51,746,072
9.2	Share capital premiums	-
9.3	Revaluation differences	1,176,569
9.4	Reserves	3,127,994,448
*	9.5 Own shares	-7,430,298
9.6	Retained earnings	587,535,252
9.7	Result for the period (YTD)	-42,000,390
9.8	Profit appropriation	-
9.9	Retained earnings adoption of IAS 29 for the first time - debtor account	-2,540,075,937
9.10	Items treated as capital	645,164,114
9.11	Other elements of equity	614,998,169
10.	Total liabilities	2,564,780,056
11.	Net asset	3,990,206,811
**	12. The total number of outstanding shares	514,542,363
13.	Net asset value per share	7.7549
14.	Number of companies in the portfolio, of which:	123
14.1	Companies admitted to trading on a regulated market	22
14.2	Companies admitted to trading on an alternative trading system	25
14.3	Unlisted companies	76

* - The value of own shares repurchased in the buyback programs approved by the GMS of April 26, 2018, carried out through market transactions between October 2 - 26, 2018, and the PTO carried out during October 22 - November 4, 2019.

** - Pursuant to Article.123, alin. (3) of the ASF Regulation nr. 9/2014, referring to NAV calculation, this item represents:
"The total number of outstanding shares, less the number of repurchased shares held by the Company"

This statement is provided as a free translation from Romanian, which is the official and binding version

NOTE:

SIF Banat-Crișana's Net Asset Value (NAV) as of July 31, 2020 recorded a rise by RON 467,757,851, up 13% as compared to the value calculated as of June 30, 2020. Mainly, the increase is caused by the upsurge of SIF Imobiliare PLC stock, valued as of July 31, 2020 to RON 1,799.9m, value resulted from mark-to-market at RON 400/share following the transaction from July 16, 2020 (calculated as per the provisions of art. 113 section a) pt. 2 of ASF Regulation no. 9/2014).

Significant changes in NAV, especially since April 2019, were substantially generated by the fluctuations in the value of the stake held in SIF Imobiliare PLC, an issuer listed on the Bucharest Stock Exchange on the AeRo market (SIFI symbol), but having extremely low liquidity, being recorded during a year only sporadic transactions and with an insignificant number of shares (1-max. 3 shares out of the total of 4,499,974 shares issued).

SIF Banat-Crișana has informed the shareholders every time on the NAV variations and their determining factors.

During this year, SIF Banat-Crișana's Net Asset Value of recorded significant increases in May, June and July compared to the values of previous months (January - April 2020), upsurges influenced by the value of the stake in SIF Imobiliare PLC following the trades with SIFI shares occurred during this period at arbitrary prices, unjustifiably high (trade on 19.05.2020, one SIFI share, price RON 286 / share; trade on 15.07.2020, one SIFI share, price RON 370 / share; trade on 16.07.2020, one SIFI share, price RON 400 / share). We mention that the transactions recorded on the market with SIFI shares were not performed by SIF Banat-Crișana or by its affiliates.

The norms applicable to the valuation of assets and the calculation of SIF Banat-Crișana's net asset value per share are established based on *Law no. 74/2015 on the managers of alternative investment funds*, the asset valuation rules complying with the provisions of art. 17 par. (7) of the ASF Regulation no. 10/2015 and are provided in art. 113 - 122 of the ASF Regulation no. 9/2014, with subsequent amendments and completions.

In accordance with the applicable regulations, the valuation of SIFI shares for the calculation of net assets is performed by different methods, depending on whether or not some trades are recorded in the market in the last 30 trading days, as follows:

As per the provisions of ASF Regulation no. 9/2014, art. 113, section a) pt. 2:

"Art. 113 - Financial instruments admitted to trading and traded in the last 30 trading days (working days) on a regulated market or in trading systems other than regulated markets, from a Member State, including in an alternative trading system in Romania, and those admitted at the official rate of stock exchange or an alternative trading system from a third State shall be valued as follows: a) the shares and transferable securities provided under Art. 3 Para (1) Item 26 Letter c) of GEO No. 32/2012: [...]

2. at the reference price of the day for which the calculation is made, in the case of shares listed in trading systems other than regulated markets, including in other alternative trading systems, provided by the operator of that trading system for each of the segments of that system."

According to art. 115 par. (2) of the ASF Regulation no. 9/2014:

"Art. 115 (1) Financial instruments not admitted to trading on a regulated market or within trading systems other than regulated markets, including alternative trading systems in Romania, from a Member State or a third party shall be valued as follows: a) shares according to one of the following methods: 1. the accounting (book) value per share, as shown in the entity's last approved annual financial statement, [...]

(2) Financial instruments admitted to trading on a regulated market, within an alternative system or within systems other than regulated markets, in a Member State, including within an alternative trading system in Romania, as well as those admitted to the quota official exchange of a stock exchange or alternative trading system in a third country, but not traded in the last 30 trading days (working days), will be valued, starting with the 31st day of non-trading, as follows: (i) the shares and securities provided in art. 3 par. (1) pt. 26 section. c) of the GEO. no. 32/2012, derivative financial instruments and securities issued by collective investment undertakings similar to the evaluation provided in par. (1);"

SIF Banat-Crișana's management continuously analyses, with maximum responsibility, the correct reflection of the value of the assets under management. Considering the NAV variations influenced by the volatility of the value of the stake held in SIF Imobiliare PLC determined by the market prices, regarded as unjustifiably high, SIF Banat-Crișana' management notified the Financial Supervision Authority (starting with May 2019 and later on each market transaction with SIFI shares), requesting the verification of these trades from the perspective of possible violations of art. 120 of Law no. 24/2014 and of art. 12 of the EU Regulation no. 596/2014 on market abuse. Proposals have also been made to the Authority concerning the reflection in the net asset of the fair value, determined on the basis of a valuation report, for listed companies but without an active market and where the volume and frequency of transactions is insufficient to constantly provide relevant information on price (e.g. the case of SIFI).

The Financial Supervisory Authority - through the regulations already adopted (Regulation no. 7/2020), respectively the Draft Regulation for completing art. 114 of Regulation no. 9/2014, as well as for the amendment of Regulation no. 7/2020 currently under public debate - will give the possibility to evaluate on the basis of an evaluation report according to the evaluation standards of issuers without active market.

We inform the shareholders that SIF Banat-Crișana permanently performs the liquidity analysis of the issuers in the portfolio, and the company's management approved the internal methodology of valuing assets at fair value to reflect in the net asset value, so that, as soon as the relevant legislation allows, the shareholdings in the SIF Banat-Crișana portfolio without an active market will be able to be valued in the calculation of net asset based on a valuation report prepared in accordance with valuation standards.

We also inform shareholders that the valuation methods used by the Company for valuing the financial assets in the portfolio are presented on the website, at www.sif1.ro, in the section *Investments > Net asset> Asset valuation methods* and any changes in policies and the valuation methods will be communicated to the market immediately, in accordance with the regulations in force.