

SOCIETATEA DE INVESTIȚII FINANCIARE OLTENIA S.A.

PRELIMINARY FINANCIAL REPORTING

on 31st December 2018

prepared in accordance with Rule no. 39/2015 for the approval of Accounting Regulations compliant with International Standards of Financial Reporting, applicable to all authorized entities, settled and supervised by the Financial Supervision Authority from the Sector of Financial Instruments and Investments

NOT AUDITED

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PRELIMINARY INDIVIDUAL FINANCIAL STATEMENTS

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SOCIETATEA DE INVESTIȚII FINANCIARE OLTENIA S.A.

Individual statement of profit or loss and of other elements of the comprehensive income for the financial year ended on 31st December 2018

<i>In RON</i>	<i>Note</i>	2018	2017
Incomes			
Incomes from dividends	6	90,616,735	68,321,469
Incomes from interests	7	432,173	68,419
Other operational incomes	8	27,592,578	22,867,614
Net profit from differences of exchange rate		(986,647)	(387,485)
Net profit from sale of financial assets	9		12,216,446
Profit from financial assets at fair value through profit or loss account		(56,554)	
Expenses			
Commissions and administration and supervision fees	10	(2,438,351)	(2,399,886)
Incomes from restatement of commissions for risks and expenses		4,990,801	5,031,750
Other operational expenses	11	(18,765,032)	(23,800,527)
Profit before taxation		101,385,703	81,917,800
Profit tax	12	(5,125,903)	(7,613,836)
Net profit of the financial year		96,259,800	74,303,964
Profit from transactions recognized in the result carried forward according to IFRS 9		606,846,980	
Related tax		(98,982,191)	
Net profit recognized in the result carried forward		507,864,789	0
Other elements of the comprehensive income			
Reserve variation from the reassessment of the tangible assets, net tax delayed		956,327	-
Net variation of the fair value of financial assets assessed through other elements of the comprehensive income		87,336,247	165,529,167
Fair value reserve of the financial assets assessed through other elements of the comprehensive income, transferred into the income carried forward / profit or loss		(606,881,307)	(10,405,230)
Tax effect on related profit		97,101,009	
Income carried forward derived from passing to IFRS 9 – hyper inflation		13,810,379	
Total other elements of the comprehensive income		(407,677,345)	155,123,937
Total comprehensive income for the period		196,447,244	229,427,901
Result per share			
Basic	26	0.1659	0.1281
Diluted		0.1659	0.1281

The preliminary financial statements were approved by the Administration Board in the meeting from 22 February 2019 and were signed on its behalf by:

Associate prof. PhD ec. Ciurezu Tudor
Chairman/ General Manager

Associate prof. PhD Bușu Cristian
Vice Chairman/ Deputy General Manager

ec. Sichigea Elena
Economic Manager

SOCIETATEA DE INVESTIȚII FINANCIARE OLTENIA S.A.

Individual statement of financial position for the financial year ended on 31st December 2018

<i>In RON</i>	<i>Note</i>	31st December 2018	31st December 2017
Assets			
Cash and cash equivalents	13	472,375,238	3,020,367
Deposits placed in banks	14	554,340	792,848
Financial assets assessed at fair value through other elements of the comprehensive income	15	1,478,457,359	1,798,097,017
Financial assets assessed at fair value through profit or loss account	15	2,732,940	
Credits and receivables	16	15,836,743	2,755,702
Tangible assets	17	11,965,182	10,871,348
Real estate investments	18	555,001	539,637
Other assets	19	134,574	367,939
Total assets		1,982,611,377	1,816,444,858
Liabilities			
Payment dividends	20	42,515,955	48,087,127
Taxes and fees	21	97,715,503	4,997,330
Debts with deferred tax	22	70,194,585	150,531,920
Other debts	23	9,855,891	6,349,864
Total debts		220,281,934	209,966,241
Own capitals			
Share capital	24	58,016,571	58,016,571
Reserves formed after the application of the law 133/1996		144,636,073	144,636,073
Legal reserves		11,603,314	11,603,314
Reserves from the assessment of financial assets assessed at fair value through other elements of the comprehensive income / financial assets available for sale		336,179,070	781,551,351
Other reserves	25	555,210,270	521,517,906
Reserves from revaluation of tangible assets		7,844,289	7,175,074
Deferred result except for the result carried forward originated in the adoption for the first time of IAS 29		552,580,056	7,674,364
Current profit		96,259,800	74,303,964
Total own equity		1,762,329,443	1,606,478,617
Total debts and own equity		1,982,611,377	1,816,444,858

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Economic Manager

SOCIETATEA DE INVESTIȚII FINANCIARE OLTENIA S.A.
Individual statement of equity modifications for the
financial year ended on 31st December 2018

<i>In RON</i>	Share capital	Reserves from the reassessment of tangible assets	Legal reserves	Other reserves	Differences from modification of fair value of financial assets assessed through other elements of the comprehensive income	Other elements of own capitals	Cumulated profit	TOTAL
BALANCE ON JANUARY 1ST 2018	58,016,571	7,175,074	11,603,314	666,153,979	784,613,031	(3,061,680)	81,978,328	1,606,478,617
COMPREHENSIVE INCOME	-	-	-	-	-	-	-	-
Profit of financial exercise	-	-	-	-	-	-	96,259,800	96,259,800
Other elements of the comprehensive income	-	-	-	-	-	-	-	-
1. Reserve variation from the reassessment of tangible assets net tax delayed	-	669,215	-	-	-	-	287,112	956,327
2. Net variation of the reserve from the fair value modification of financial assets assessed at fair value through other elements of the comprehensive income	-	-	-	-	87,336,247	-	-	87,336,247
3. Fair value reserve of financial assets assessed at fair value through other elements of the comprehensive income, ceded	-	-	-	-	(606,881,307)	-	606,846,980	(34,327)
4. Related profit tax	-	-	-	-	97,101,009	-	(98,982,191)	(1,881,182)
5. Transfer of reserve at result carried forward following the passing to IFRS 9	-	-	-	-	(22,928,230)	-	22,928,230	0
6. Result carried forward derived from the passage to IFRS 9 - hyperinflation	-	-	-	-	-	-	13,810,379	13,810,379
TOTAL COMPREHENSIVE INCOME	0	669,215	0	0	(445,372,281)	0	641,150,310	196,447,244
Afferent to the period								
Delayed tax afferent to the result carried forward taxed unperformed reassessment surplus	-	-	-	-	-	-	15182	15,182
Other reserves – own financial sources	-	-	-	33,692,364	-	-	(33,692,364)	-
Other reserves – shares buyback	-	-	-	-	-	-	-	-
Shareholders transactions directly recognized in own capitals								
1. Prescribed dividends according to the law – transfer in the profit or loss account from other reserves	-	-	-	-	-	-	-	-
2. Payment dividends afferent to the year 2017	-	-	-	-	-	-	(40,611,600)	(40,611,600)
TOTAL TRANSACTIONS WITH SHAREHOLDERS DIRECTLY RECOGNIZED IN OWN CAPITALS	0	0	0	0	0	0	(40,611,600)	(40,611,600)
BALANCE ON 31th DECEMBER 2018	58,016,571	7,844,289	11,603,314	699,846,343	339,240,750	(3,061,680)	648,839,856	1,762,329,443

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Sichigea Elena
Economic Manager

SOCIETATEA DE INVESTIȚII FINANCIARE OLTENIA S.A.
Individual statement of equity modifications for the
financial year ended on 31st December 2018

<i>In RON</i>	Inflated share capital	Reserves from the reassessment of tangible assets	Legal reserves	Other reserves	Reserves from the reassessment of financial assets available for sale	Other elements of own capitals	Result carried forward due to IAS 29 applied over the share capital and reserves	Cumulated profit	TOTAL
BALANCE ON 1st JANUARY 2017	689,869,095	7,755,548	11,603,314	2,423,876,878	629,489,094	(3,061,680)	(2,438,631,885)	108,294,690	1,429,195,054
COMPREHENSIVE INCOME									
Profit of financial exercise								74,303,964	74,303,964
Other elements of the comprehensive income									
1. Reserve variation from the reassessment of tangible assets net of delayed tax		(580,474)						580,474	
2. Net variation of the reserve from the fair value modification of financial assets available for sale					165,529,167				165,529,167
3. Reserve afferent to the difference from the fair value modification of financial assets available for sale transferred into profit or loss, net tax					(10,405,230)				(10,405,230)
TOTAL COMPREHENSIVE INCOME Afferent to the period	0	(580,474)	0	0	155,123,937	0	0	74,884,438	229,427,901
Delayed tax afferent to the result carried forward taxed unperformed reassessment surplus								70,576	70,576
Other reserves – own financial sources									
Other reserves – shares buyback				49,056,462				(49,056,462)	
Covering result carried forward from hyperinflation update	(631,852,524)			(1,806,779,361)			2,438,631,885		
Shareholders transactions directly recognized in own capitals									
1. Prescribed dividends according to the law – transfer in the profit or loss account from other reserves									
2. Payment dividends afferent to the year 2015								(52,214,914)	(52,214,914)
TOTAL TRANSACTIONS WITH SHAREHOLDERS DIRECTLY RECOGNIZED IN OWN CAPITALS	0	0	0	0	0	0	0	(52,214,914)	(52,214,914)
BALANCE ON 31st DECEMBER 2017	58,016,571	7,175,074	11,603,314	666,153,979	784,613,031	(3,061,680)	0	81,978,328	1,606,478,617

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SOCIETATEA DE INVESTIȚII FINANCIARE OLTENIA S.A.

Individual statement of treasury flows for the financial year ended on 31st December 2018

In RON

Name of the element	Reporting period	
	31 st December 2018	31 st December 2017
A	1	2
Treasury flows from operating activities		
Cashes from customers, other cashes	1,504,804	1,676,157
Cashes from sales of financial investments (securities)	668,586,163	22,932,336
Payments for the purchase of shares	(218,266,792)	(54,018,729)
Payments to suppliers and employees, other payments	(11,843,474)	(9,251,927)
Payments to state budget, social security budget and local budget	(4,633,914)	(4,861,594)
Interests received	431,649	70,613
Dividends received	86,452,238	65,302,341
Interests paid	0	0
Profit tax paid	(7,018,990)	(4,604,995)
Cashes from insurance against earthquakes	0	0
Net treasury from operating activities	515,211,684	17,244,202
Treasury flows from investment activities:		
Payments for the acquisition of tangible assets	(371,967)	(266,097)
Cashes from sale of tangible assets	0	586,888
Net treasury from investment activities	(371,967)	320,791
Treasury flows from financing activities:		
Cashes from emission of shares	0	0
Cashes from loans on long term	0	0
Payment of debts related to financial leasing	0	0
Downpayments for shares buyback	(14,716,940)	0
Dividends paid	(29,237,600)	(38,217,906)
Downpayments to the Central Deposit for dividends payment	(698,183)	(1,540,060)
Tax on paid dividends	(1,071,156)	(1,967,274)
Net treasury from financing activities	(45,723,879)	(41,725,240)
Net increase of treasury and cash equivalents	469,115,838	(24,160,247)
Treasury and cash equivalents at the beginning of the reporting period	3,813,119	27,973,366
Treasury and cash equivalents at the end of the reporting period	472,928,957	3,813,119

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