

Report of the Board of Directors of S.I.F. Oltenia S.A.

- as of 30 September 2021 -

According to Law No. 24/2017 republished, Regulation No. 7/2020, Regulation No. 5/2018 and Rule No. 39/2015



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The Quarterly Report as of 30.09.2021 was prepared in accordance with Law No. 24/2017, republished, on issuers of financial instruments and market operations, FSA Regulation No. 5/2018 on issuers of financial instruments and market operations, F.S.A. Regulation no.7/2020 on the authorisation and operation of alternative investment funds and Rule no. 39/2015 for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards, applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector.

Date of the report: **30/09/2021**

Company name: **S.I.F. OLTENIA S.A.**

Registered seat: **Craiova, 1 Tufanele street, Dolj County, postal code 200767**

Telephone/fax: **0251-419,343; 0251-419,340**

Company registration no. **RO 4175676**

Trade Register No. **J16/1210/03.03.2014**

FSA Register number: **PJR07¹AFIAA/160004/15.02.2018**

FSA Register no. F.I.A.I.R: **PJR09FIAIR/160001/08.06.2021**

ISIN: **ROSIFEACNOR4**

LEI Code: **254900VTOM8GL8TVH59**

Regulated market where the issued securities are transacted: **Bucharest Stock Exchange, Premium Category (SIF5 market symbol)**

Subscribed and paid registered capital: **50,000,000 RON**

Number of issued shares: **500,000,000**

Nominal value: **0.10 RON/share**

The main features of the securities issues by the issuer: the shares of S.I.F. Oltenia S.A. are nominal, issued in dematerialized form and grant equal rights to their holders. The shares of the company are listed in the Premium category of the Bucharest stock Exchange, being negotiable and freely transferable, in accordance with legal provisions.

General Information

S.I.F. Oltenia S.A. is established as a legal person under private law, of Romanian nationality, organized as a joint stock company. According to the applicable legal provisions, the company is classified as a closed-ended Alternative Investment Fund (AIF) for retail investors, diversified and self-managed. S.I.F. Oltenia S.A. is authorized by the Financial Supervisory Authority as an Alternative Investment Fund Manager (AIFM) under Authorization No. 45/15.02.2018 and as a Retail Investor Alternative Investment Fund (R.I.A.I.F.) from 08.06.2021, according to Authorization no. 94/08.06.2021.

S.I.F. Oltenia S.A. is listed on the Bucharest Stock Exchange starting with 01.11.1999, with a free-float of 100%.

The company operates in compliance with the provisions of Law no. 24/2017 republished regarding issuers of financial instruments and market operations, Law no. 74/2015 regarding alternative investment fund administrators, Law no. 243/2019 (the AIF law) and Law no. 31/1990 on companies.

Main field of activity

The main field of activity of the company is NACE code 649 - other activities of financial intermediation, excluding insurance activities and pension funds, and its main activity is NACE code 6499 - other financial intermediation n.e.c.

The scope of activity

The main activities that can be carried out by S.I.F. Oltenia S.A. are the following:

- a) portfolio management;
- b) risk management.

The company, as an A.I.F.M., can also carry out other activities such as:

- administration of the entity;
 - a) legal and fund accounting services;
 - b) requests for information from customers;
 - c) control of compliance with applicable legislation;
 - d) income distribution;
 - e) issues and redemptions of equity securities;
 - f) record keeping.

- activities relating to the assets of the AIF, namely services necessary for the performance of the A.I.F.M.'s management tasks, infrastructure management, real estate management, advice to entities on capital structure, industrial strategy and related matters, advice and services on mergers and acquisitions of entities, as well as other services related to the management of the AIF and other assets in which it has invested.

RAIFFEISEN BANK S.A. is responsible for carrying out the storage activities provided for by the laws and regulations of the F.S.A.

The records of the shareholders of S.I.F. Oltenia S.A. are kept by DEPOZITARUL CENTRAL S.A. București.

I. IMPORTANT EVENTS

In the first nine months of 2021, the main events of the activity of S.I.F. Oltenia S.A. were:

- **Convening the General Shareholder Meeting of S.I.F. Oltenia S.A. for 24 February 2021**

On 20 January 2021, the Board of Directors convened the General Shareholder Meeting of S.I.F. Oltenia S.A. for 24 February 2021, with the following items on the agenda:

- The presentation and approval of the individual and consolidated financial statements of the Company as of 31.12.2019, drawn up according to Guideline no. 39/2015 on the approval of Accounting Regulations complying with the International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority for Financial Instruments and Investments, based on the reports of the Managing Board and of the Financial Auditor.

- Approval of the allocation of the net profit for the 2019 financial exercise, of 124,132,273.67 RON, as follows:

- a) Dividends: 52,214,914.30 RON (42.0639% of the net profit), which ensures a gross dividend per share of 0.10 RON.

The proposed dividend ensures a shareholder remuneration rate of 4.70%, calculated at the average share trading price in 2019 (2.1272 RON/share) and 3.91% calculated at the closing price for 2019 (2.56 RON/share).

- b) Other reserves (the company's own funding sources): 71,917,359.37 RON (57.9361% of the net profit) in order to establish the required funds for investments, especially for the development of a programme for the redemption of 22,149,143 own shares with a view to reducing the company's registered capital.

- Approval of the payments incurred by the company during 01.07.2020 – 16.07.2020 as “dividends allocated from the net profit of 2019 and paid based on the Financial Instruments Holders Register as of 12.06.2020 (the registration date established in the GOAS attendance notice of 28.04.2020)”, of In addition a few additional requirements in the assessment of the fitness and propriety of directors have to be considered. 36,093,495.47 RON, for 5,447 shareholders of the Company and establishing – with a view to ensuring the equal treatment of shareholders – the existence of a receivable over the company, with a gross value of 16,121,418.83 RON, held by 5,730,349 shareholders of S.I.F. Oltenia S.A., registered in the Register of holders of financial instruments on 12 June 2020 (registration date set in the caller of OGSM of 28 April 2020), representing dividends distributed from the net profits of 2019 and which were discontinued on 16 July 2020.

Approval of the company's payment of the amounts required to settle the debt in total gross value of lei 16,121,419 RON, held by the 5,730,349 shareholders of S.I.F. Oltenia S.A., registered in the Register of holders of financial instruments on 12 June 2020 (registration date set in the caller of OGSM of 28 April 2020), representing dividends distributed from the net profits of 2019 and which were discontinued on 16/07/2020. Approval of 22 March 2021 as the date of payment to the 5,730,349 shareholders of S.I.F. Oltenia S.A., registered in the Register of holders of financial instruments on 12 June 2020, of dividends distributed from the net profits of 2019 and which were discontinued on 16 July 2020.

- Presentation and acknowledgement of the Revenues and Expenses Budget for 2020 and of the Strategy for 2020.

- Approval of the administrators' accounts for the activity they performed during the 2019 financial exercise.

- The election of an administrator as a member of the Managing Board of the Company, for a term of office equal to the remaining term of the administrators holding office. The new administrator will exercise his/her mandate as of his/her authorization by the Financial Supervisory Authority.

- Approval of the date 12 March 2021 as the registration date and 11 March 2021 as the ex date, according to the legal provisions in force, for the determination of shareholders affected by the adopted decisions.

- **The General Shareholder Meeting of S.I.F. Oltenia S.A., that took place on 24 February 2021**

On 24 February 2021, the OGSM of S.I.F. Oltenia S.A. was organized upon the first call in the Golden House Hotel in Craiova. The items on the agenda were approved, except for decision 9, i.e. "Choosing an administrator as a member of the Board of Directors of S.I.F. Oltenia S.A., for a mandate equalling the remaining mandate of the other elected administrators", since no application was registered.

- **Publication of preliminary financial results on 31 December 2020**

On 25 February 2021, the company published the preliminary financial results as of 31 December 2020, which were brought to the attention of investors through the BVB website and the company's website www.sifolt.ro, Investor Information section.

- **Calling the Ordinary General Shareholder Meeting of S.I.F. Oltenia S.A. for 28 April 2021**

On 18 March 2021, the Board of Directors called the Ordinary General Shareholder Meeting of S.I.F. Oltenia S.A. for 28 April 2021, with the following items on the agenda:

- Presentation and approval of the individual and consolidated financial statements of S.I.F. Oltenia S.A. as of 31.12.2020, drawn up according to Rule No. 39/2015 on the approval of Accounting Regulations complying with the International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority for Financial Instruments and Investments, based on the reports of the Managing Board and of the Financial Auditor.

- The approval of the allocation of the net profit for the financial exercise of 2020, of 52,231,020 RON, according to the proposals provided by the Board of Directors, in one of the following options:

Option I: allocating the entire net profit of the 2020 financial exercise, of 52,231,020 RON, to Other Reserves, for the company's own sources, with a view to supporting future investments, including share repurchase programme(s), after obtaining the approvals to this purpose;

or

Option II: allocating the net profit of the 2020 financial exercise, of 52,231,020 lei RON, to the following destinations:

a) Dividends: 25,000,000 RON (*47.86% of the net profit*), which ensures a gross dividend per share of 0.05 RON.

The approval of the date of 30.07.2021 as the DATE for dividend PAYMENT according to the provisions of art. 178 par. (2) of FSA Regulation no. 5/2018. Dividends will be allocated to shareholders according to legal provisions; payment-related costs will be borne by the shareholders from the value of net dividends.

b) Other reserves (the company's own funding sources): 27,231,020 lei (52.14% of the net profit) with a view to establishing the required funds for investments.

- Approval of the administrators' accounts for the activity they performed during the 2020 financial exercise, according to the duration of the held mandate: Tudor Ciurezu (01.01.2020-12.10.2020), Anina Radu (01.01.2020-12.10.2020), Nicolae Stoian (01.01.2020-12.10.2020), Carmen Popa (01.01.2020-12.10.2020); Cristian Bușu (01.01.2020-03.12.2020), Radu Hanga (01.01.2020-04.05.2020), Ana Barbara Bobircă (01.01.2020-15.05.2020), Sorin-Iulian Cioacă (03.12.2020-31.12.2020), Mihai Trifu (03.12.2020-31.12.2020), Codrin Matei (03.12.2020-31.12.2020), Adrian Andrici (03.12.2020-31.12.2020).

- Presentation and approval of the Revenues and Expenses Budget for 2021 and of the Strategy for 2021.

- Approval of the general limits of all additional remuneration of the members of the Board of Directors and of the general limits of the directors' remuneration.

- Approval of the Remuneration Policy of S.I.F. Oltenia S.A. was approved according to the provisions of art. 92¹ of Law no. 24/2017 on financial instrument issuers and market operations.

- The election of an administrator as a member of the Managing Board of Societatea de Investitii Financiare Oltenia SA, for a term of office equal to the remaining term of the administrators holding office. The new administrator will exercise his/her mandate as of his/her authorization by the Financial Supervisory Authority.

- Approval of the date 14.07.2021 as the registration date and 13.07.2021 as the ex date, according to the legal provisions in force, for the determination of shareholders affected by the adopted decisions.

• **The Ordinary General Shareholder Meeting of S.I.F. Oltenia S.A., that took place on 28 April 2021**

On 28 April 2021, the OGSM of S.I.F. Oltenia S.A. was held which took place at the first call at the Golden House Hotel in Craiova. According to the agenda, the following resolutions were adopted:

- to approve the individual and consolidated financial statements of the company as at 31.12.2020, as presented, based on the Reports of the Board of Directors and the Financial Auditor;

- to approve the distribution of the net profit for the financial year 2020, in the amount of 52,231,020 RON, to the following destinations:

a) Dividends: 25,000,000 RON (47.86% of the net profit), which ensures a gross dividend per share of 0.05 RON. The date of 30.07.2021 is approved as the dividend PAYMENT DATE, the distribution of dividends to shareholders to be made in accordance with the related provisions, the costs related to the payment being borne by the shareholders from the amount of the net dividend.

b) Other reserves (the company's own funding sources): 27,231,020 RON (52.14% of the net profit) in order to constitute the necessary funds for investments.

- the legal requirements for discharge for the activity carried out in the financial year 2020, corresponding to the duration of the mandate held (period 01.01.2020 - 12.10.2020), were not met for the directors Tudor Ciurezu, Anina Radu, Nicolae Stoian and Carmen Popa;

- The discharge of the administrators for the activity carried out in the financial year 2020, corresponding to the term of office held, is approved: Cristian Bușu (period 01.01.2020 - 03.12.2020), Radu Hanga (period 01.01.2020 - 04.05.2020) and Ana Barbara Bobircă (period 01.01.2020 - 15.05.2020);

- to approve the discharge for the activity carried out in the financial year 2020, corresponding to the duration of the mandate held (period 03.12.2020 - 31.12.2020), for the administrators Sorin-Iulian Cioacă, Mihai Trifu, Codrin Matei and Adrian Andrici;
- to approve the Income and Expenditure Budget for 2021 and the Strategy for 2021;
- to approve the general limits of all additional remuneration of the members of the Board of Directors and the general limits of the remuneration of the directors;
- the *Remuneration Policy of S.I.F. Oltenia S.A.* is approved, in accordance with the provisions of Article 92¹ of Law no. 24/2017 on issuers of financial instruments and market operations;
- to approve the election of Mr. Mihai Zoescu, with the identification data available at the company, as member of the Board of Directors of S.I.F. Oltenia S.A., for a term of office equal to the remaining term of office of the other directors already elected, who will exercise the powers of office from the date of his authorization by the Financial Supervisory Authority;
- the date of 14.07.2021 is approved as the registration date (ex date 13.07.2021), in accordance with the applicable legal provisions, for the determination of the shareholders on whom the effects of the resolutions adopted shall be passed.

- **Publication of the Annual Report at individual and consolidated level for the financial year 2020**

As of 28 April 2021, the Company has made available to shareholders and investors, in electronic format on its website (www.sifolt.ro), the B.V.B. website (www.bvb.ro) and at its registered office, the Annual Report at individual and consolidated level for the financial year 2020, documents approved in the Ordinary General Shareholder Meeting of 28.04.2021.

- **Publication of the Quarterly Report on 31.03.2021**

As of 14 May 2021, the Company has made the Quarterly Report as at 31.03.2021 available to shareholders and investors in electronic format on its website (www.sifolt.ro), the B.V.B. website (www.bvb.ro) and at its registered office.

- **The authorization of S.I.F. Oltenia S.A. as a Retail Investor Alternative Investment Fund (R.I.A.I.F.)**

The company has received from the Financial Supervisory Authority the authorisation as a Retail Investor Alternative Investment Fund (R.I.A.I.F.) (Authorisation no. 94/08.06.2021). At the same time, by Authorisation no. 93/07.06.2021 it was authorised the amendment of paragraph (1) of Article 4 and paragraph (1) of Article 5 of the Articles of Association of the company, as a result of the decrease of the share capital from 52,214,914.3 RON to 50,000,000 RON, in accordance with Addendum no. 7 to the Articles of Association of the company, the rewritten Articles of Association and the Resolution of the Extraordinary General Shareholder Meeting no. 6/29.10.2020.

By the current report dated 10.06.2021 S.I.F. Oltenia S.A. informed shareholders and investors about the availability, on the company's website in a separate section, of the operating documents endorsed by the Financial Supervisory Authority in the process of authorization as a Retail Investor Alternative Investment Fund, according to the provisions of Regulation A. S.F. no. 7/2020, publishing - in accordance with the relevant regulations - *the Investor Information Note* containing an analysis of the impact on the investment portfolio of S.I.F. Oltenia S.A. generated by the transformation operation into the new category, that of R.I.A.I.F.

- **Authorisation as member of the Board of Directors of Mr Mihai Zoescu**

The Company has received from the Financial Supervisory Authority the Authorization

no. 99/18.06.2021 by which Mr. Mihai Zoescu was authorized as a member of the Board of Directors in accordance with the Resolution of the Ordinary General Shareholders Meeting dated 28.04.2021.

Following the authorization, the Board of Directors of S.I.F. Oltenia S.A., having the full composition (5 members), met on 21.06.2021, approved the establishment of the following advisory committees of the Board:

1. Nomination and Remuneration Committee:

- Mr Adrian Andrici - non-executive director - President;
- Mr Codrin Matei - non-executive director;
- Mr Mihai Zoescu - non-executive director

2. Audit Committee:

- Mr Mihai Zoescu - non-executive director - President;
- Mr Adrian Andrici - non-executive director;
- Mr Codrin Matei - non-executive director;

3. Investment Policy - Strategies Committee:

- Mr Codrin Matei - non-executive director - President;
- Mr Adrian Andrici - non-executive director;
- Mr Mihai Zoescu - non-executive director

- **Registration of the decrease in the share capital of S.I.F. Oltenia S.A.**

The Financial Supervisory Authority has issued Certificate no. AC-419-4/24.06.2021 registering the decrease in the share capital of S.I.F. Oltenia S.A., in accordance with the decision of the Extraordinary General Shareholder Meeting no. 6 of 29.10.2020. The share capital was reduced by 22,149,143 shares with a nominal value of 0.10 RON, from 52,214,914.3 RON (divided into 522,149,143 shares) to 50,000,000 RON (500,000,000 shares).

- **Establishment of a secondary office of S.I.F. Oltenia S.A.**

The Board of Directors of the company approved the establishment of a secondary office of S.I.F. Oltenia S.A., with the status of Representative Office, at the address in Bucharest, Sector 3, str. Mircea Vodă nr. 34, bloc M1, scara 1, etaj 1, ap.2 (Registration Certificate No. 51929 of 13.07.2021). To that end, a registration certificate was issued by the Office of the Trade Registry attached to the Dolj Court on the basis of Resolution 13553/16.07.2021.

- **Termination of the individual employment contract of the Director of the Economic Directorate**

Starting with 01.08.2021, the individual employment contract of Ms Elena Sichigea, Director of the Economic Directorate, ended and the position was taken over by Ms Valentina Vladuțoaia on the same date.

- **Publication of the Half-yearly Report on 30.06.2021**

As of 13 August 2021, the Company has made the Half-Yearly Report as at 30.06.2021 available to shareholders and investors in electronic format on its website (www.sifolt.ro), the B.V.B. website (www.bvb.ro) and at its registered office.

- **Calling the Ordinary General Shareholder Meeting of S.I.F. Oltenia S.A. for 20 October 2021**

On 13.09.2021, the Board of Directors called the General Shareholders Meeting of the Company for 20.10.2021, with the following agenda:

- appointing Deloitte Audit SRL as the External Financial Auditor for a period of 3 years to audit individual and consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for the financial years 2022, 2023, 2024 and mandating the Board of Directors to enter the contract for financial audit services and to establish the conditions for carrying out the audit work, in compliance with all the legal provisions applicable to that activity;

- revoking the Decision no. 24 of the Ordinary General shareholders meeting of the company dated 12.10.2020, as communicated on 13.10.2020 on the company's webpage on the Bucharest Stock Exchange by the current report no. 6152 / 13.10.2020.

- approving the accounting records stating that dividends which were not collected for more than three years from the date when they were due, whose actionable rights are terminated by prescription, i.e. the dividends for the 2016 and 2017 financial exercises, recorded as unpaid as of 26.10.2021, shall be covered in 2021, in one of the two following options:

Option I: Approval of the accounting records stating that dividends which were not collected for more than three years from the date when they were due, whose actionable rights are terminated by prescription, i.e. the dividends for the 2016 and 2017 financial exercises, recorded as unpaid as of 26.10.2021, will be classified as "revenues" in the 2021 financial exercise.

OR

Option II: Approval of the accounting records stating that dividends which were not collected for more than three years from the date when they were due, whose actionable rights are terminated by prescription, i.e. the dividends for the 2016 and 2017 financial exercises, recorded as unpaid as of 26.10.2021, will be classified as "reserves" in the 2021 financial exercise.

- approval of the date 09.11.2021 as the registration date (ex date 08.11.2021) according to the legal provisions in force, for the determination of shareholders affected by the adopted decisions.

- **Withdrawal of the authorisation of Mr Andrici Adrian**

On 15.09.2021, S.I.F. Oltenia S.A. received from the Financial Supervisory Authority the Decision No 1135/15.09.2021, withdrawing the approval granted to Mr Andrici Adrian as Member of the Board of Directors under Authorization no. 191/03.12.2020.

- **Electing a provisional director**

On 20.09.2021, the Board of Directors of S.I.F. Oltenia S.A. approved the election of Ms Andreea Cosmănescu as provisional director, the performance of the duties corresponding to the function of director to be carried out from the date of the approval by the F.S.A., in accordance with the applicable legal provisions.

- **Publication of the Half-yearly Report on 30.06.2021**

As of 24 September 2021, the Company has made the Consolidated Half-Yearly Report as at 30.06.2021 available to shareholders and investors in electronic format on its website (www.sifolt.ro), the B.V.B. website (www.bvb.ro) and at its registered office.

II. THE MAIN RISKS AND UNCERTAINTIES LIKELY TO AFFECT FUTURE ACTIVITY

S.I.F. Oltenia S.A. faces both **the specific risks arising from its current operation and the indirect risks** arising from the activities of the portfolio companies and the domestic and international macroeconomic environment.

Given that the company assumed **a medium risk appetite**, it has been continuously sought to address all specific risks at the medium level.

The main risks of the company (market risk, credit risk, liquidity risk, operational risk) are monitored, assessed and managed. Risks shall be prioritized and measures to mitigate exposure shall be established in accordance with the risk tolerance limits as established by existing procedures and approved by the Board of Directors.

Risk management is accomplished by integration into daily activities and by planning and developing the business according to the established risk appetite.

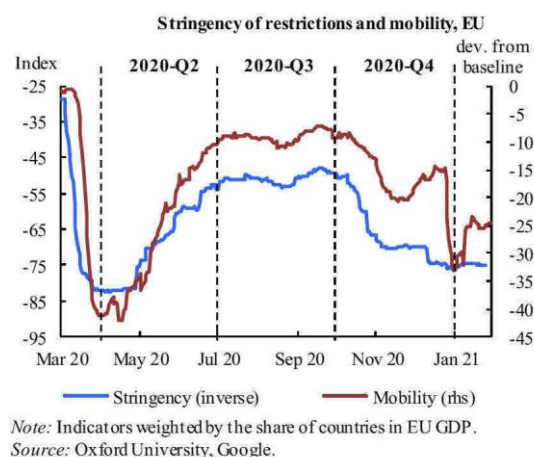
By the nature of the business the company is exposed to different types of risks associated with the financial instruments and markets in which it is exposed.

For the following months of the financial year, there is no information on the occurrence of risks and uncertainties which could affect the smooth running of the company's business. However, at company level, developments in the financial market are continuously monitored to identify possible events that could impact the company's activity.

The effects of the SARS COV 2 pandemic are still felt at European level. This autumn's resurgence led many Member States to reintroduce or tighten containment measures, again affecting economic activity. The coronavirus variants have led to renewed bottlenecks at European Union level. Increasing infection rates have led to the reintroduction of containment measures, restricting cross-border movements. They were generally less strict than those imposed in March and April last year.

Industry and construction companies have been largely functional, while schools and kindergartens have remained generally open. Restrictions have been imposed on social meetings/events and on non-essential purchases. Restrictions have led to a sudden decrease in mobility as measured by the mobility index.¹

At the same time, vaccination campaigns have seen positive developments in advanced economies, which should contribute to a reduction of the effects of virus infections and economic activity.



¹ Data taken from the website of the Council of the European Union (https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-forecasts/winter-2021-economic-forecast-challenging-winter-light-end-tunnel_en)

The Board of Directors of S.I.F. Oltenia S.A. is aware that future developments in the effects of the pandemic may influence the future activity of the company. Future societal outcomes may be affected by government-imposed measures to spread SARS COV2, with their effect being constantly monitored. Measures are implemented at the level of the company to ensure business continuity and to limit the impact at both social and economic level. The management of S.I.F. Oltenia S.A. is aware that the sustainable development of the company requires responsible behaviour toward the environment, business partners, the community, and the ownership of best corporate governance practices contributes to the long-term success of the organization.

III. ECONOMIC AND FINANCIAL INFORMATION

1. Portfolio management

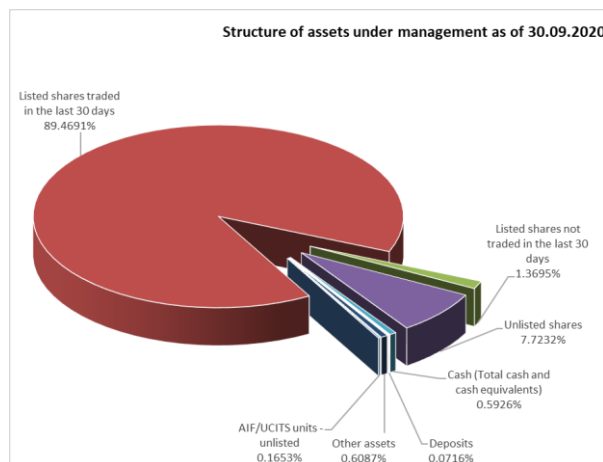
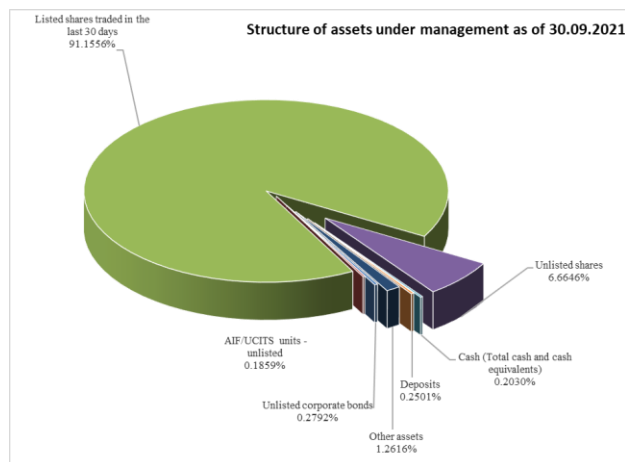
On 30.09.2021, **the assets of the company** - valued according to the provisions of the FSA Regulation No. 7/2020 - had a market value of **2,437,876,759 RON**, up by **23.27%** compared to the value on 30.09.2020 (1,977,720,479 RON). Compared to the value recorded on 31.12.2020, the assets on the reporting date show an increase of **18.28%** (2,061,083,057 RON).

The increase in the value of the assets is mainly due to the appreciation of the quotations of the listed shares as a result of a return, in tandem with international markets, of the business and performance of the BVB.

The structure of assets under management as at 30.09.2021 shall be as follows:

	30.09.2021		30/09/2020	
	Market value - RON -	Share in total SIF assets -%	Market value - RON -	Share in total SIF assets -%
TOTAL ASSETS	2,437,876,759	100.0000	1,977,720,479	100.0000
Financial assets	2,396,074,417	98.2853	1,952,546,878	98.7271
<i>Financial assets measured at amortized cost</i>	6,807,661	0.2792	-	-
<i>Listed corporate bonds</i>	-	-	-	-
<i>Unlisted corporate bonds</i>	6,807,661	0.2792	-	-
<i>Financial assets assessed at fair value through the profit or loss account</i>	4,531,351	0.1859	3,268,783	0.1653
<i>AIF/UCITS units - listed</i>	-	-	-	-
<i>AIF/UCITS units - unlisted</i>	4,531,351	0.1859	3,268,783	0.1653
<i>Financial assets assessed at fair value through other elements of the comprehensive income</i>	2,384,735,405	97.8202	1,949,278,095	98.5619
<i>Listed shares traded in the last 30 days</i>	2,222,259,905	91.1555	1,769,449,151	89.4691
<i>Listed shares not traded in the last 30 days</i>	-	-	27,085,271	1.3695

<i>Unlisted shares</i>	162,475,500	6.6646	152,743,673	7.7232
Cash (Total cash and cash equivalents)	4,949,756	0.2030	11,719,729	0.5926
Deposits	6,097,495	0.2501	1,416,573	0.0716
Other assets	30,755,091	1.2616	12,037,299	0.6087



Financial assets such as shares have a market value on 30.09.2021 of **2,384,735,405 RON**, that is **97.82%** of the total assets under management, compared to **98.56%** on 30.09.2020 (**1,949,278,095 RON**) and **97.75%** at the end of 2020 (2,014,682,452 RON).

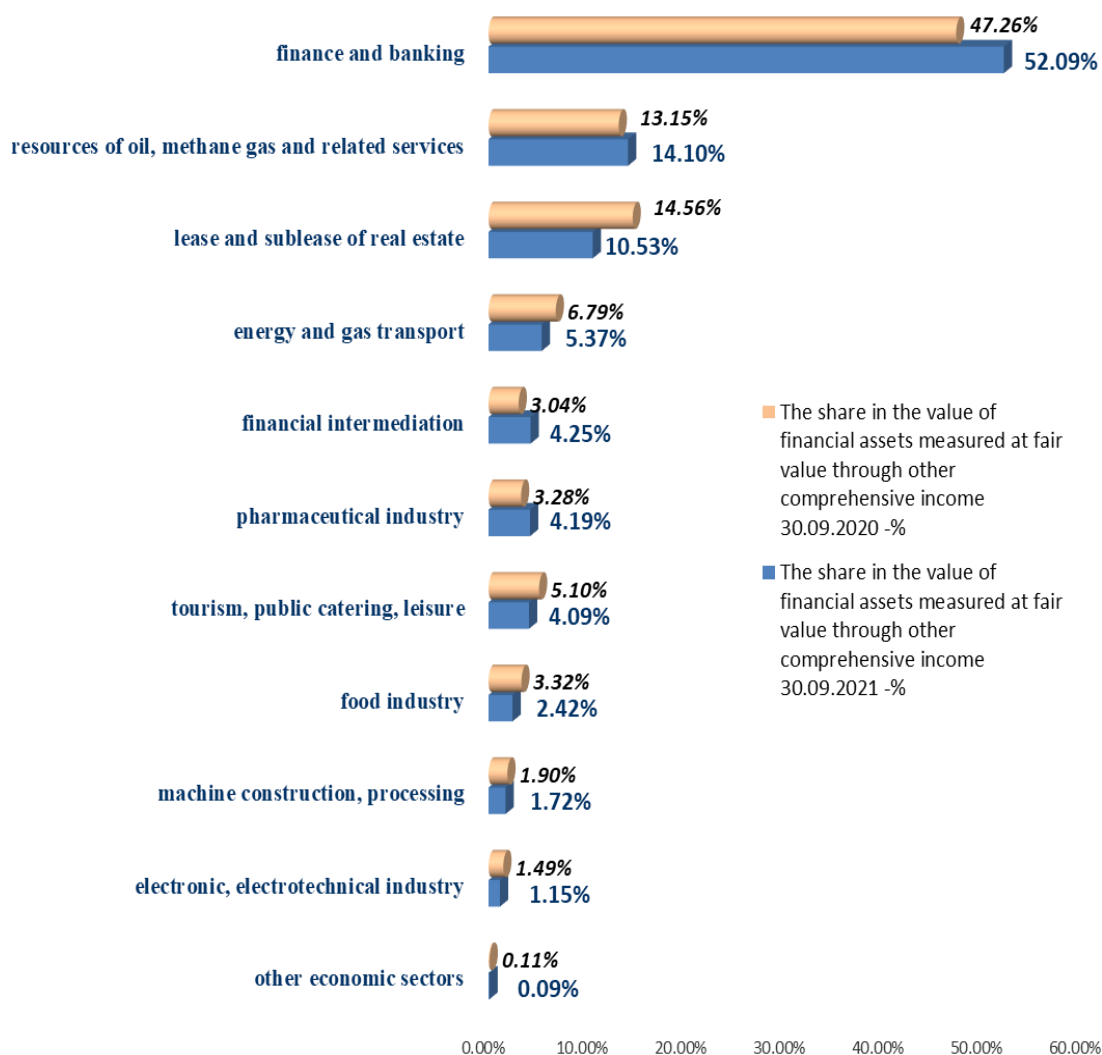
On 30.09.2021, the sums placed in bank deposits and current accounts in value of **11,047,251 RON** are **15.90%** lower than on 30.09.2020 (**13,136,302 RON**).

The portfolio of S.I.F. Oltenia S.A., on 30.09.2021, includes participations in the share capital of **40** issuers, compared to **42** issuers on 30.09.2020 and **42** issuers on 31.12.2020.

The portfolio structure by sector is:

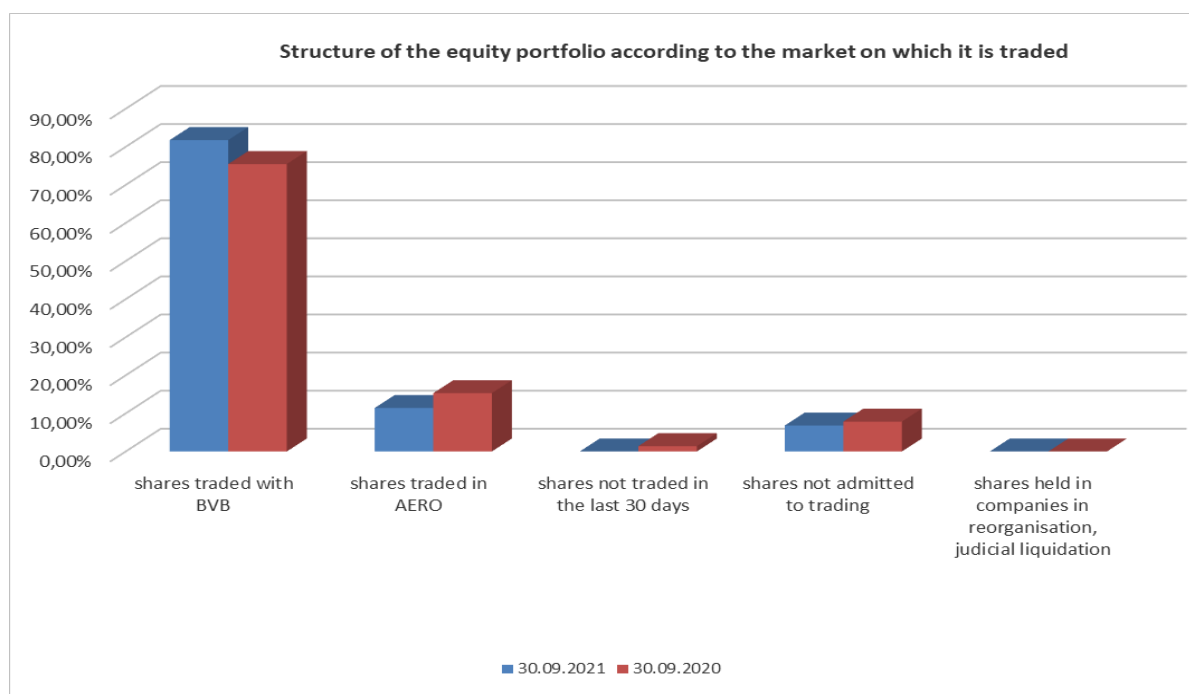
	30.09.2021		30.09.2020	
	No. of issuers	Market value - RON -	No. of issuers	Market value - RON -
finance and banking	3	1,242,230,461	3	921,319,180
oil resources, methane gas and related services	2	336,198,305	2	256,356,423
rental and sublease of movable property	7	251,140,937	7	283,730,543
energy and gas transport	2	127,961,592	2	132,285,450
tourism, public catering, leisure	6	97,629,850	6	99,448,792
financial intermediation	4	101,452,532	5	59,177,209
pharmaceutical industry	1	99,847,091	1	63,933,101
food industry	2	57,767,830	2	64,803,101
machine construction, processing	4	40,925,815	4	37,066,205
electronic, electrotechnical industry	3	27,484,114	3	29,039,410
other economic sectors	6	2,096,878	7	2,118,681
Total	40	2,384,735,405	42	1,949,278,095

The graphical representation of the portfolio structure by sectors of activity is:



Structure of the equity portfolio according to the market on which it is traded:

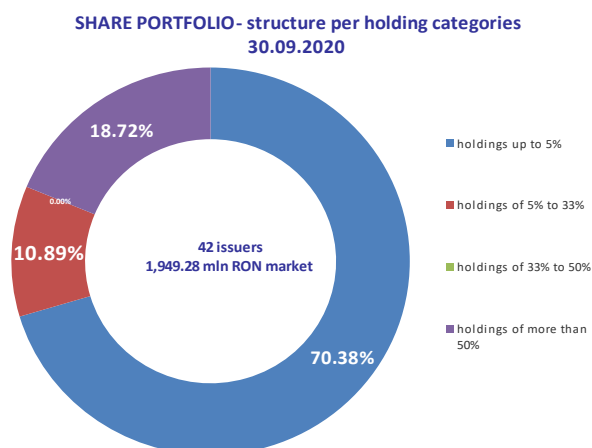
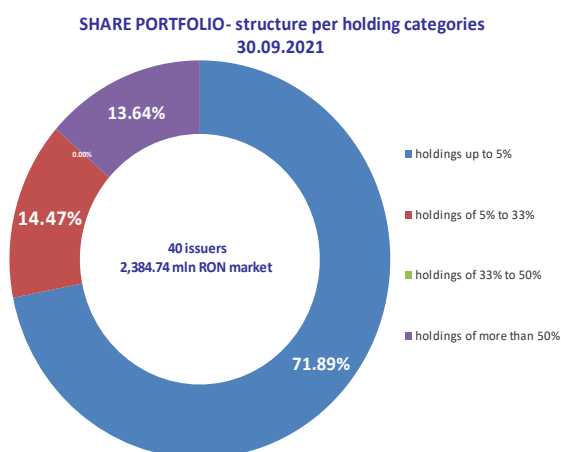
	30.09.2021		30.09.2020	
	Issuers	The market value of the package - RON -	Issuers	The market value of the package - RON -
shares traded with BVB	13	1,949,870,279	14	1,471,100,974
shares traded in AERO	12	272,389,626	7	298,348,177
shares not traded in the last 30 days	1	-	5	27,085,271
shares not admitted to trading	11	162,475,500	11	152,743,673
shares held in companies in reorganisation, judicial liquidation	3	-	5	-
TOTAL	40	2,384,735,405	42	1,949,278,095



The evolution of the number of companies in the portfolio of S.I.F. Oltenia S.A. decreased from 42 companies as of 30.09.2020 to 40 companies (as of 30.09.2021), due to the exit from the portfolio of S.I.F. Transilvania S.A. (through capital market operations) and Corint S.A. Târgoviște (deregistration of the company from ONRC, following the completion of the bankruptcy procedure).

The composition of the portfolio of shares by category of holding is as follows:

The size of the stock packages	30.09.2021			30.09.2020		
	Issuers	The market value of the package		Issuers	The market value of the package	
		- RON -	-%-		- RON -	-%-
holdings up to 5%	11	1,714,435,673	71.89	13	1,371,934,793	70.38
holdings of 5% to 33%	17	345,011,336	14.47	17	212,354,006	10.89
holdings of 33% to 50%	-	-	-	-	-	-
holdings of more than 50%	12	325,288,396	13.64	12	364,989,296	18.72
TOTAL	40	2,384,735,405	100.00	42	1,949,278,095	100.00



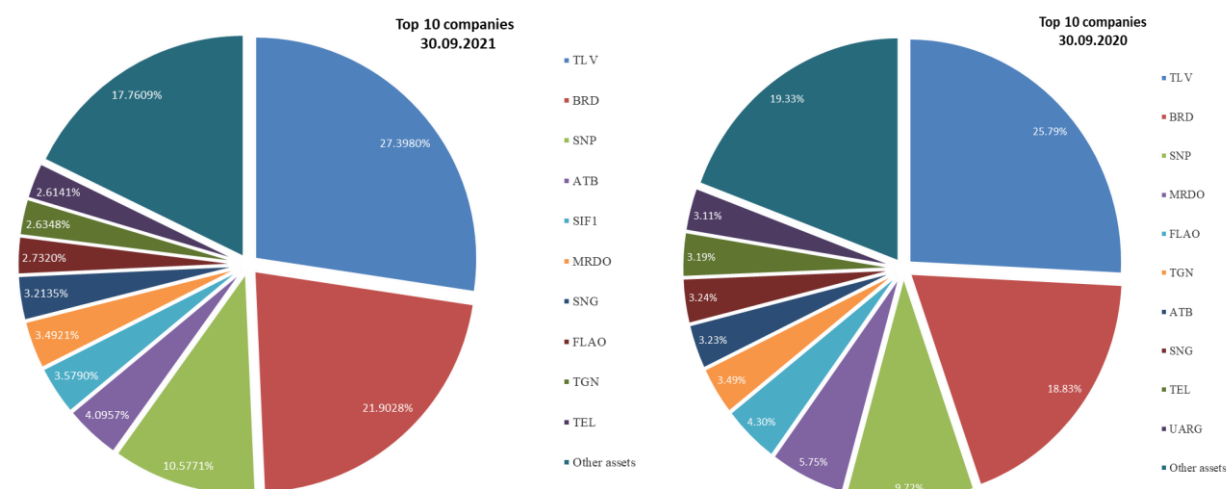
Among assets such as shares, as of 30.09.2021 (compared to 30.09.2020), the most important holdings in terms of asset weight are:

No.	Issuer	Symbol	30.09.2021			30.09.2020		
			Total value - RON -	Share in the issuer's registered capital -%-	Share in total SIF assets -%	Total value - RON -	Share in the issuer's registered capital -%-	Share in total SIF assets -%
1	BANCA TRANSILVANIA	TLV	667,928,864	3.9488	27.3980	510,149,437	4.1354	25.7948
2	B.R.D.- GROUPE SOCIETE GENERALE	BRD	533,962,657	4.0755	21.9028	372,479,497	4.1114	18.8338
3	OMV PETROM.	SNP	257,856,406	0.9961	10.5771	192,309,669	1.0134	9.7238
4	ANTIBIOTICE S.A. IAȘI	ATB	99,847,091	26.1846	4.0957	63,933,101	19.0465	3.2327
5	S.I.F. BANAT CRIȘANA S.A.*	SIF1	87,251,881	6.3165	3.5790	40,440,023*	3.7754*	2.0448*
6	MERCUR S.A.CRAIOVA	MRDO	85,133,633	97.8593	3.4921	113,677,376	97.8593	5.7479
7	S.N.G.N. ROMGAZ S.A.	SNG	78,341,899	0.5841	3.2135	64,046,754	0.5841	3.2384
8	FLAROS S.A. BUCUREȘTI	FLAO	66,603,060	81.0712	2.7320	85,103,910	81.0712	4.3031
9	S.N.T.G.N. TRANSGAZ S.A.	TGN	64,234,104	2.0665	2.6348	69,100,324	2.0665	3.4939
10	C.N.T.E.E. TRANSELECTRICA S.A.	TEL	63,727,488	3.6994	2.6141	63,185,126	3.6994	3.1948
11	ARGUS S.A. CONSTANȚA***	UARG	55,656,101**	86.4160**	2.2830**	61,530,911	86.4160	3.1112
	Total		2,004,887,083		82.2391	1,595,516,105		80.6744%

It is noted that 3 of the top 10 most important holdings (BANCA TRANSILVANIA S.A., B.R.D. - Groupe Societe Generale, OMV PETROM S.A.) represent, at 30.09.2021, **59.88%** of the total assets of the company. The group of the top 10 largest portfolio holdings represents **82.24%** of the total assets of S.I.F. Oltenia S.A.

* As of 30.09.2020, the company S.I.F. BANAT CRIȘANA S.A. did not belong to the top 10 companies in terms of share in the total assets of the R.I.A.I.F. These figures were not included in the 30.09.2020 totals.

** As of 30.09.2021, Argus S.A. no longer belongs to the top 10 companies in terms of share in the total assets of the R.I.A.I.F. These figures were not included in the 30.09.2021 totals.



In line with the proposed portfolio improvement objectives, by seeking a risk-return balance and in order to contribute to the efficiency of the activity of the company Mercur S.A Craiova in the third quarter of 2021, S.I.F. Oltenia S.A. diversified its portfolio through the purchase of guaranteed bonds not admitted to trading, issued by Mercur S.A., and the share of such instruments in the company's total assets is only 0.28%.

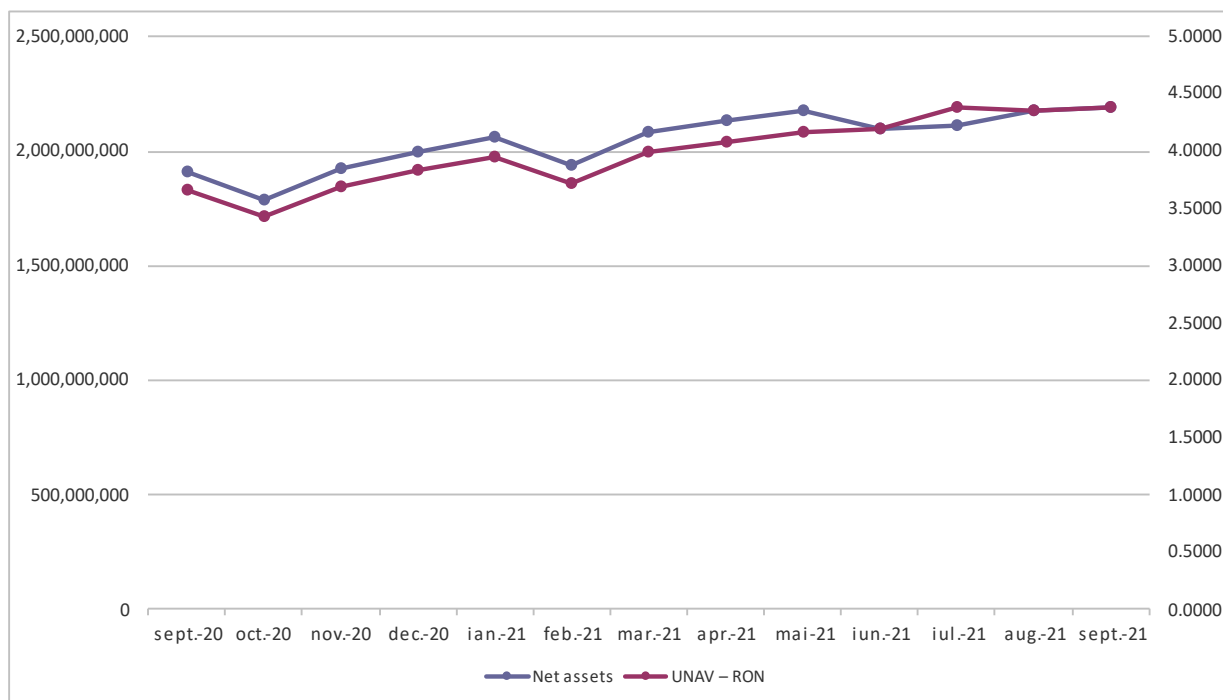
2. The value of the asset

One of the company's performance indicators is the net asset value. S.I.F. Oltenia S.A. publishes the net asset value per share on a monthly basis, in accordance with the legal regulations in force. The reporting of the values of NAV and UNAV shall be submitted to the F.S.A. within 15 calendar days from the end of the reporting period. The monthly net asset values are calculated by the company and certified by the depository company – Raiffeisen Bank. They were submitted to the Bucharest stock Exchange and to the Financial Supervisory Authority and published on the company's website www.sifolt.ro.

The net asset of the company on 30.09.2021 is 2,190,679,945 RON. It corresponds to a net asset value per unit of **4.3814 RON/share**.

In the third quarter of 2021, the net asset value developed as follows:

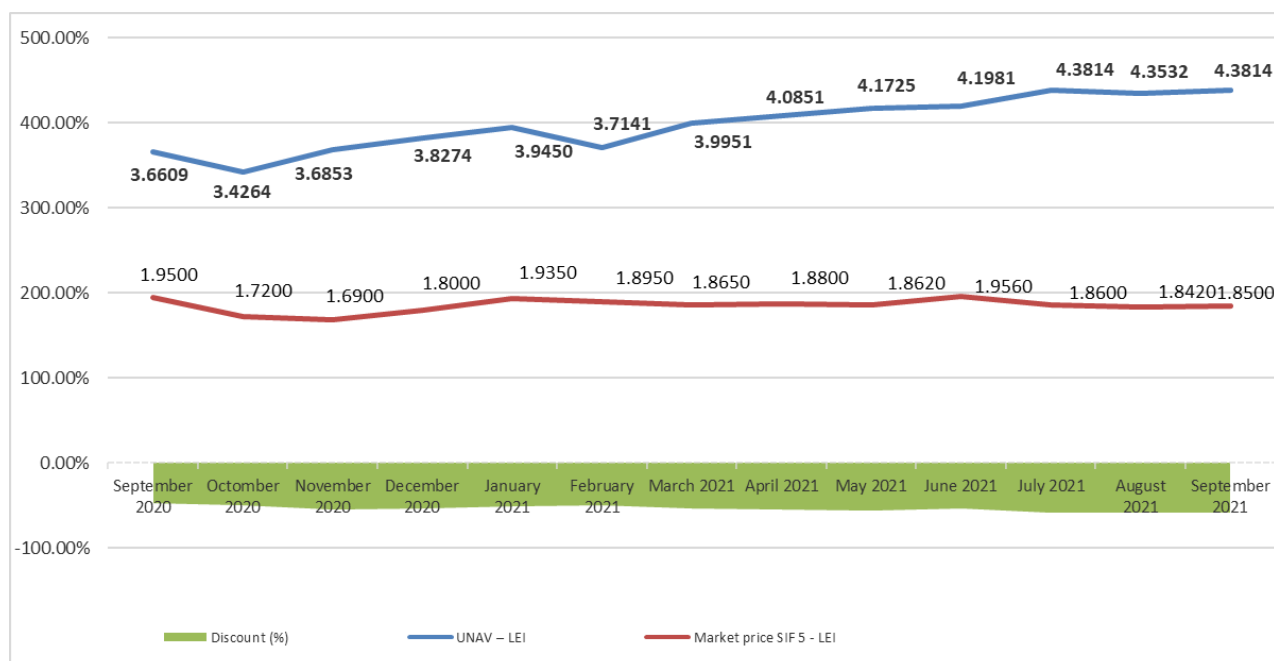
Date	Net asset value - RON -	VUAN - RON/share -
31.01.2021	2,059,869,711	3.9450
28/02/2021	1,939,311,604	3.7141
31/03/2021	2,086,036,853	3.9951
30/04/2021	2,133,054,886	4.0851
31/05/2021	2,178,665,188	4.1725
30/06/2021	2,099,065,262	4.1981
31/07/2021	2,111,504,001	4.2230
31/08/2021	2,176,594,923	4.3532
30.09.2021	2,190,679,945	4.3814



The net asset value was influenced by the developments in the trading activity on the Bucharest Stock Exchange. For shares issued by Mercur S.A., a company in the portfolio of S.I.F. Oltenia SA, in the absence of transactions with these shares - in February 2021 and March 2021, in the calculation of net assets was considered (according to the valuation rules available on the company's website, at https://www.sifolt.ro/en/activ/evaluare_activ.pdf), the value resulting from the last approved financial statement of Mercur SA (respectively, at the value related to 2019). In September 2021 the shares of Mercur SA were found to have very low liquidity and very high volatility. To this purpose, S.I.F. Oltenia S.A. considered the application of the mark-to-market method to be irrelevant, so the shares were assessed by valuation methods in line with international valuation standards on the basis of an assessment report, i.e. the "income approach" method. S.I.F. Oltenia S.A. will maintain this assessment method for a period of at least one calendar year.

On 30.09.2021, the net asset value recorded an increase of **19.68%** compared to the registered value on 30.09.2020 (3.6609 RON) and **14.47%** compared to the registered value on 31.12.2020 (3.8274 RON).

	30.09.2021	30.09.2020	31.12.2020
UNAV (0.1 RON/share)	4.3814	3.6609	3.8274



The increase of the trading price discount on BVB compared to the unit value of the net asset was determined, in January-September 2021, mainly by the different evolution rates of the two variables. Thus, the net assets per share of S.I.F. Oltenia S.A. increased by 14.47% in the reference period, while the trading price increased by only 2.78% in the same period.

The fair value measurement of the equity investments (shares) held as of 30 September 2021 was performed as follows:

- for listed and traded securities in the reporting period, the market value was determined by considering the quotation of the last trading day (closing quotation on the main capital market for those listed on the regulated market - BVB, respectively the reference price for the alternative system - AERO for level 1, and for level 2, quotations are taken for shares traded in the last 30 trading days);

- In the case of equity companies admitted to trading on a regulated market or a multilateral trading facility with liquidity considered by S.I.F. Oltenia S.A., based on a prudential value judgment regarding the active market as defined by the International Financial Reporting Standard 13 - Fair value measurement (IFRS 13), as irrelevant for the application of the mark-to-market method, the shares of those companies are valued in the assets of S.I.F. Oltenia S.A. according to the valuation standards in force, according to the law, on the basis of a valuation report.

- for listed securities that have no transactions in the last 30 days of the reporting period, as well as for unlisted securities, the market value is determined as it results from the last approved yearly financial statement of the entity;

- for securities issued by credit institutions not admitted to trading, the assessment is made at the book value per share calculated based on the value of the equity capital contained in the monthly reports transmitted to the NBR;

- for securities not admitted to trading on a regulated market or under an alternative trading system in Romania issued by issuers where there are holdings in excess of 33 % of the share capital, they shall be assessed solely in accordance with International Valuation Standards on the basis of an assessment report, updated at least annually;

- for securities relating to companies in insolvency proceedings or in reorganization, the valuation shall be made at zero.

The securities issued by the mutual collective investment undertakings (CIUs) are assessed taking into account the last unit value of the net asset, calculated and published.

Financial assets valued at amortized cost — corporate bonds not admitted to trading issued by S.C. MERCUR S.A. Craiova, a company where S.I.F. Oltenia S.A. owns at least 51% of the share capital (97.8593%) – were valued using the method based on the daily recognition of interest and the amortization of the discount/premium for the period since the investment was made.

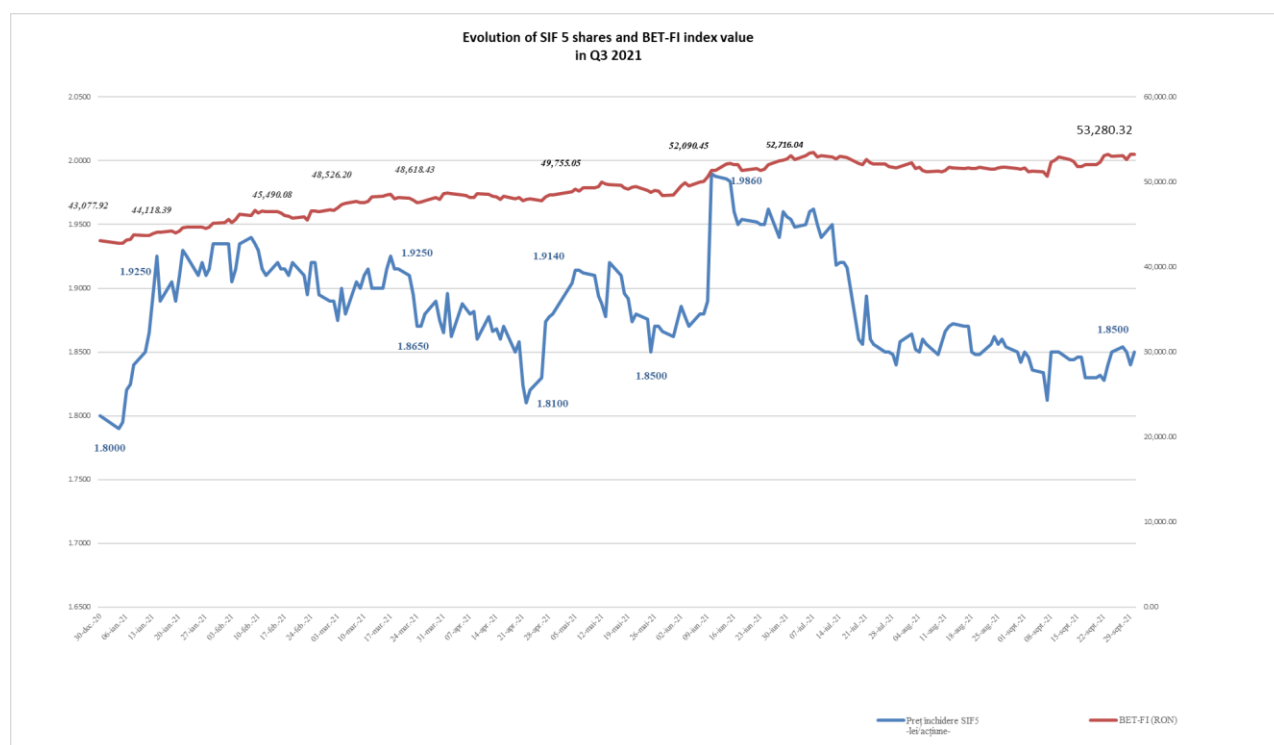
The valuation methods used by the company for the valuation of the financial assets in the portfolio are published on the company's website www.sifolt.ro, under Investors info/Reports/Asset Valuation Methods.

3. SIF5 share

The shares of S.I.F. Oltenia S.A. were trading on 30.09.2021 with a discount of 57.78% from the unit net asset value.

The closing price on 30.09.2021 – last trading day – for a SIF 5 share was **1.8500 RON**, up by 2.78% compared to the closing price on 30.12.2020 (equal to 1.8000 RON/share).

The BETA of the SIF 5 action, analysed for the period January to September 2021, is 0.30 relative to the BET index and 0.59 relative to the BET-FI index. Although the SIF 5 share is positively linked to the representative market index (BET), the dependency relationship is weak, so it can be seen that the SIF 5 share is less sensitive to market movements. During the third quarter of 2021, the share developed with a significantly lower dynamic (2.78%) compared to BST-FI (23.68%) - a partial index reflecting the overall trend in the prices of financial investment funds - SIFs and the property Fund - in the BVB regulated market).



4. The management of monetary instruments

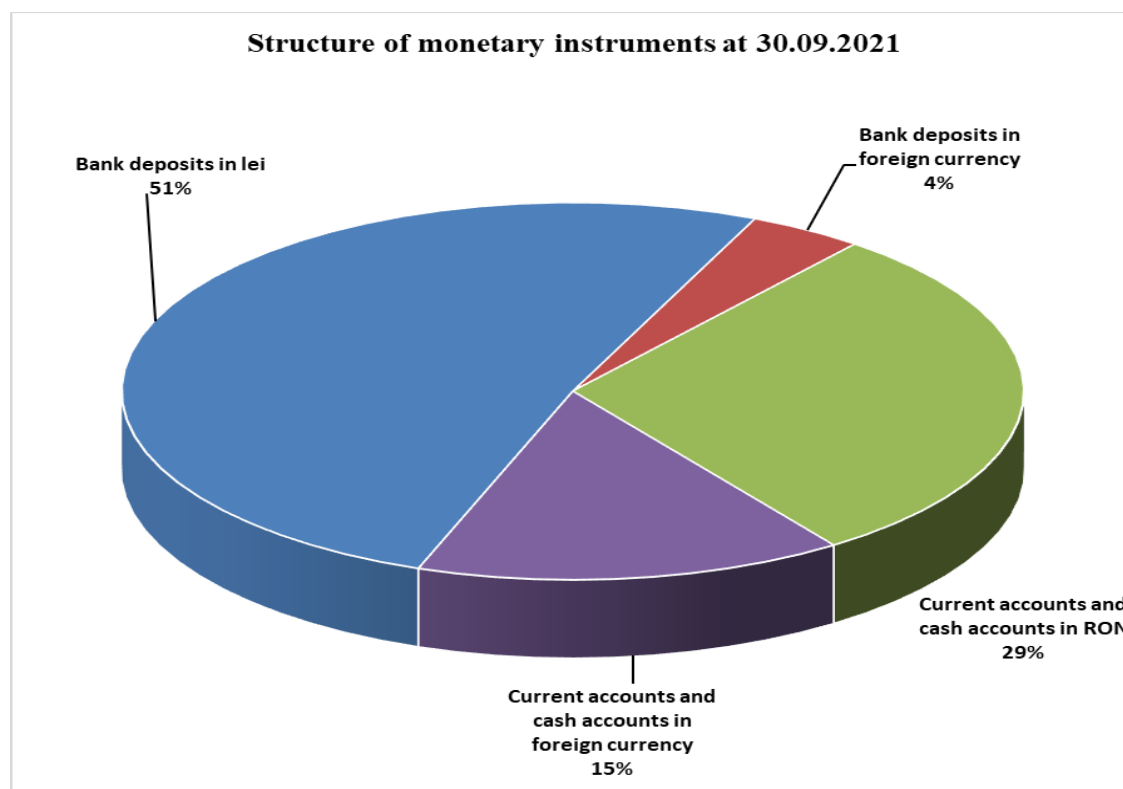
The policy of placing cash has been cautious and has sought to diversify risk both through the use of several types of investment instruments and through cooperation with several banking institutions.

S.I.F. Oltenia S.A. holds cash and placements on the money market totaling **11,047,251 lei**, with the following structure, as of 30.09.2021:

Type of financial asset	Updated value (calculated according to FSA Regulation No. 9/2014) - RON -	Share in total SIF assets (%)
Bank deposits in lei*	5,640,560	0.2575%
Bank deposits in foreign currency *	456,935	0.0209%
Current accounts and cash accounts in RON	3,252,940	0.1485%
Current accounts and cash accounts in foreign currency	1,696,816	0.0775%
TOTAL	11,047,251	0.5043%
Total assets - RON		2,437,876,759

* Bank deposits in RON and foreign currency also include - according to FSA Regulation No. 9/2015 - receivable interests.

At 30.09.2021, a graphic representation of the structure of monetary instruments S.I.F. Oltenia S.A. is as follows:



The cash resources were placed on different due dates, with the aim of securing the liquidity needed to pay the overdue debts.

Monetary instruments have a very low share in the total assets of S.I.F. Oltenia S.A. due to the use of cash resources in high-yield financial instruments.

5. The Economic and Financial Status

The simplified interim financial statements of S.I.F. Oltenia S.A., as of 30 September 2021, not audited, have been prepared in accordance with Rule No. 39/2015 for the approval of the Accounting Regulations conforming to the International Financial Reporting Standards, applicable to the entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector, with further completions and amendments.

The simplified interim individual situation of the financial position

<i>In RON</i>	30 September 2021	31 December 2020
Assets		
Cash and cash equivalents	4,949,756	4,279,513
Deposits placed in banks	6,097,495	26,602,893
Bonds at the amortized cost	6,807,661	-
Financial assets assessed at fair value through other elements of the comprehensive income	2,384,735,405	2,014,682,452
Financial assets assessed at fair value through the profit or loss account	4,531,351	3,598,943
Credits and receivables	19,199,056	191,867
Tangible assets	10,707,453	10,880,906
Real estate investments	675,090	675,090
Other assets	173,492	171,393
Total assets	2,437,876,759	2,061,083,057
Liabilities		
Payable dividends	68,051,652	61,222,189
Payable taxes and fees	3,083,782	805,811
Deferred tax payables	169,317,929	116,202,339
Other payables	6,743,451	10,655,357
Total payables	247,196,814	188,885,696
Equity		
Registered capital	50,000,000	52,214,914
Legal reserves	11,603,314	11,603,314
Differences from fair value changes of financial assets assessed at fair value through other elements of the comprehensive income	858,516,343	579,141,262
Other reserves	599,904,581	632,424,325
Reserves from revaluation of tangible assets	6,941,167	7,169,734
Losses related to buyback of shares	-	(59,747,655)
Own shares	-	(2,214,914)
Retained earnings except for the retained earnings originated in the adoption for the first time of IAS 29	616,537,444	599,375,361
Current profit	47,177,096	52,231,020
Total equity	2,190,679,945	1,872,197,361
Total payables and equity	2,437,876,759	2,061,083,057

- The assets of the company have a value of RON 2,437,876,759, registering a 18.28% increase compared to 31.12.2020 (lei 2,061,083,057), this increase was supported by the favourable evolution of the financial instruments in the portfolio of S.I.F. Oltenia S.A and through the decrease of deposits placed with banks, thus the cash resources were invested in financial instruments with a higher return compared to the interest offered by the banks. Moreover, the increase in the value of the assets was also due to the book-entry of dividends receivable on debt, which would be received at the beginning of October but which had an ex-dividend date in September.
- Cash and cash equivalents at 30.09.2021 have a value of 4,949,756 RON and are 15.66 % higher than those recorded on 31.12.2020 (4,279,513 RON). The company aims to maintain a prudent monetary policy in view of the current macroeconomic context. Current accounts with banks are at all times available to the company and are not restricted.
- Financial assets measured at fair value through other comprehensive income items, worth 2,384,735,405 RON, are increasing by 18.37% compared to the value on 31.12.2020 (2,014,682,452 RON) due to the increase in the market value of the shares in the portfolio of S.I.F. Oltenia S.A.
- The category “Financial assets measured at fair value through profit or loss” includes the units of fund in the value of 4,531,351 RON, which showed an increase of 25.91% compared to 31.12.2020 when their value was 3,598,943 RON.
- The equity of 2,190,679,945 RON increased by 17.01% compared to the value on 31.12.2020 (1,872,197,361 RON) as a result of the increase in the reserves established through the change in the fair value of the shares measured by other comprehensive income.

Simplified Interim Individual Statement of Profit or Loss and of Other Elements of the Comprehensive Income for the nine-month period ending on 30 September 2021

<i>In RON</i>	30 September 2021	30 September 2020
Incomes		
Gross incomes from dividends	57,273,099	45,655,862
Incomes from interests	197,752	207,772
Other operational incomes	91,809	84,100
Net profit from differences of exchange rate	58,715	20,294
Profit from financial assets at fair value through the profit or loss account	932,408	(283,013)
Expenses		
Commissions, fees, administration and supervision fees	(2,213,106)	(1,898,265)
Incomes from restatement of provisions	4,902,721	
Other operational expenses	(11,629,034)	(7,240,269)
Profit before taxation	49,614,364	36,546,481
Profit tax	(2,437,268)	(1,557,926)
Net profit of the reporting period	47,177,096	34,988,555
Other elements of the comprehensive income		
Earnings related to the transfer of financial assets assessed at fair value through other elements of the comprehensive income, net of tax, recognized in the result carried forward	16,919,182	48,389,506
Reserve variation from the reassessment of the tangible assets, net of deferred tax		

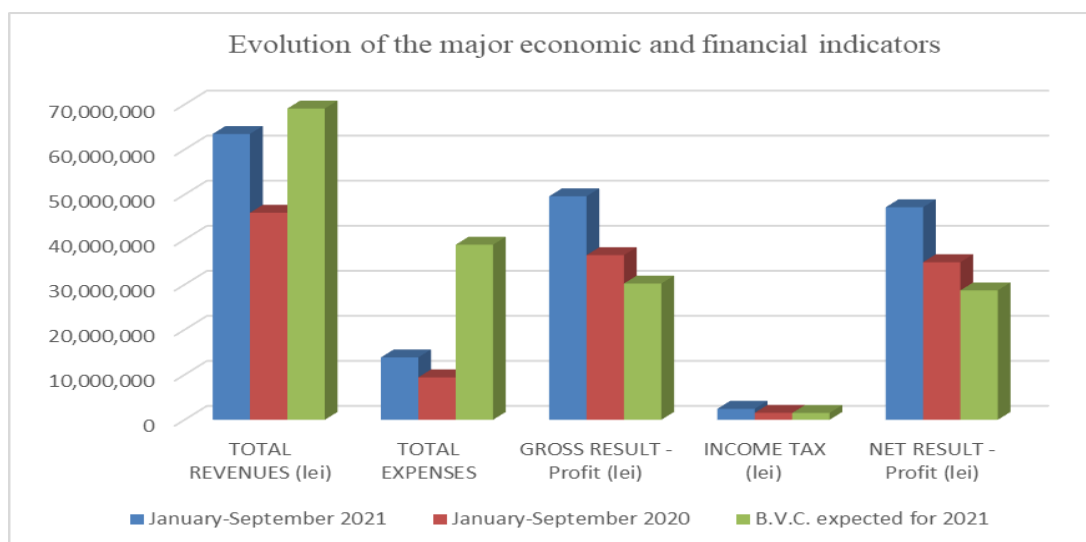
Net variation of the fair value of financial assets assessed through other elements of the comprehensive income	296,035,405	(195,801,072)
Fair value reserve of the financial assets assessed through other elements of the comprehensive income delivered, transferred into the result carried forward, net of tax	(16,731,201)	(47,133,906)
Total other elements of the comprehensive income	296,223,386	(194,545,472)
Total comprehensive income for the period	343,400,482	(159,556,917)
Result per share		
Basic	0.0944	0.0670
Diluted	0.0944	0.0670

- For the period of nine months ended on 30.09.2021, the dividend income in value of 57,273,099 RON showed an increase of 25.45% compared to the same period in 2020 when their value was 45,655,862 RON. This development was due to the decrease in the reluctance of issuers to address the adverse impact on financial results caused by the global health crisis, which decided to distribute dividends from the 2020 profit. A high share of dividend income in the period of nine months ended on 30.09.2021 is represented by the dividends received from Banca Transilvania.
- Operational expenditure recorded a significant increase compared to the figure recorded on the period of nine months ended on 30.09.2021. This increase was generated by staff expenses due to the recording of bonuses (incentives) related to 2019 in the amount of 4,794,837 RON, and the insurance contribution for work due in the amount of 107,884 RON, which were granted in April 2021.
- The net profit increased by 34.83% compared to the same period of the last year.
- The result per share (basic/diluted) showed an increase of 40.90% compared to the same period last year, this favourable development was almost entirely due to the net profit result, the decrease in equity by cancelling 22,149,143 shares had an insignificant impact on the result/share.
- The overall result for the period increased by 502,957,399 RON compared to the value recorded on 30.09.2020.

The main economic and financial results for the period January-September 2021 are as follows:

Indicator name	30.09.2021 - RON -	30.09.2020 - RON -	B.V.C. expected for 2021	30.09.2021/ B. V.C. 2021 %
Total revenues	63,456,504	45,968,028	69,108,117	91.82%
Total expenses	13,842,140	9,421,547	38,864,265	35.62%
Gross result - Profit	49,614,364	36,546,481	30,243,852	164.05%
Income Tax	2,437,268	1,557,926	1,512,193	161.17%
Net result - Profit	47,177,096	34,988,555	28,731,660	164.20%

The graphical representation of the evolution of the results of the economic-financial indicators, in the period January-September 2020 and 2021 and in the annual budget for 2021, is presented as follows:



The main income groups realized by the company in the first nine months of 2021:

- dividend income – **57,273,099 RON** (*gross value*);
- interest revenues – **197,752 RON**;
- other operating income – **91,809 RON**;
- net profit from exchange rate differences – **58,715 RON**;
- profit from financial assets at fair value through the profit or loss account – **932,408 RON**;
- revenues from the resumption of provisions - **4,902,721 RON**.

Dividend income according to the main counterparties is presented as follows:

In RON	30 September 2021	30 September 2020
BANCA TRANSILVANIA	19,892,934	-
OMV PETROM S.A. București	17,795,820	22,094,291
S.N.G.N. ROMGAZ S.A. Mediaș	4,029,655	3,624,439
ȘANTIERUL NAVAL ORȘOVA S.A.	3,200,337	768,081
C.N.T.E.E. TRANSELECTICA S.A. București	2,359,273	1,301,668
BRD-GROUPE SOCIETE GENERALE S.A. București	2,146,055	-
S.N.T.G.N. TRANSGAZ S.A. Mediaș	1,980,552	3,764,021
UNIVERS S.A. Rm.Vâlcea	1,345,419	2,153,257
VOLTALIM S.A. Craiova	1,307,459	1,619,330
FLAROS S.A. București	986,712	1,874,753
IAMU S.A. Blaj	793,372	793,372
ANTIBIOTICE S.A. Iași	578,231	3,820,609
BURSA DE VALORI BUCUREȘTI S.A.	409,494	315,496
PROVITAS S.A. București	316,251	182,723
ELBA S.A. Timisoara	98,982	-
DEPOZITARUL CENTRAL S.A. București	32,553	58,601
TURISM FELIX S.A. Băile Felix	-	1,451,900
ELECTROMAGNETICA S.A. București	-	706,871
MERCUR S.A. Craiova	-	881,000
COMPLEX HOTELIER DÂMBOVIȚA S.A. Târgoviște	-	245,450
TOTAL	57,273,099	45,655,862

6. The management of material risks

The risk management policy sets out the main coordinates of the activity of controlling and managing issues that may or even have an impact on the activity of S.I.F. Oltenia S.A.

The risk management activity, which is an important component of the company's activity, covers both general risks and specific risks, as required by national and international legal regulations. S.I.F. Oltenia S.A. is or can be subject to financial risks resulting from the activity undertaken for the achievement of the established goals.

Managing significant risks involves providing the framework for the identification, assessment, monitoring and control of those risks with a view to maintaining them at an acceptable level in relation to the company's risk appetite and its ability to mitigate or hedge those risks.

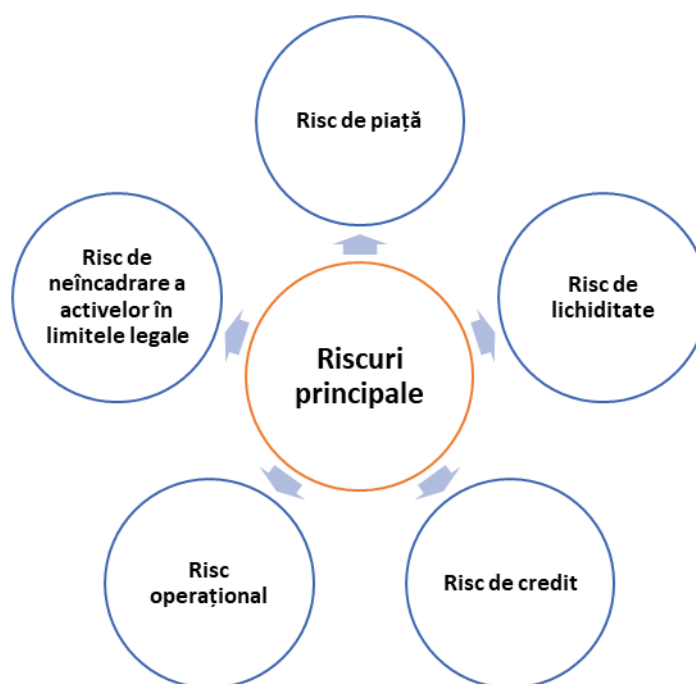
Risk monitoring is carried out at each hierarchical level, with procedures for supervising and approving decision-making limits.

The risk profile represents all the risks to which the Company is exposed, depending on the strategic objectives and the risk appetite undertaken by the management structure. Through its risk profile S.I.F. Oltenia S.A. has established, for each risk category, the level up to which the Company is willing to take or accept risks, provided that significant risks are kept under control.

The overall risk profile taken by S.I.F. Oltenia S.A. corresponds to a medium risk appetite.

No excesses of the risk limits were identified between January and September 2021 and the risk profile of the company remained at the level of the assumed risk.

The main risks to which S.I.F. Oltenia S.A. is exposed are as follows:



Market risk

Market risk is the current or future risk of adverse outcome on profits, caused by fluctuations in the market prices of equity securities - in terms of activities belonging to the trading portfolio - as well as interest rate and exchange rate fluctuations for the entire activity of the Company. Most of the assets held by S.I.F. Oltenia S.A. are subjected to market risk, which is why the company monitors market risk with the purpose of optimizing profitability in relation to the associated risk in accordance with approved policies and procedures. From the point of view of S.I.F. Oltenia S.A., the relevant market risks are: price risk (position risk), foreign exchange risk, interest rate risk.

The price (position) risk is caused by market price volatility, such as fluctuations in the market in financial instruments, as a result of changes in market prices, either caused by factors affecting all instruments traded on the market or by factors specific to individual instruments or their issuer.

S.I.F. Oltenia S.A. has in its portfolio financial instruments admitted to trading on the regulated market which have a 91.15 % share in the total assets of the company. Therefore, the price risk is a relevant risk, that is monitored by S.I.F. Oltenia S.A. on a continuous basis.

The interest rate risk is the current or future risk of loss of profits and capital due to adverse changes in interest rates. The interest rate directly influences the income and expenditure attached to the financial assets and liabilities bearing variable interest rates.

S.I.F. Oltenia S.A. did not invest in derivative financial instruments to protect itself against interest fluctuations.

A factor of increase of the interest rate risk is represented by investments in bonds. In the third quarter of 2021, S.I.F. Oltenia S.A. diversified its portfolio through the purchase of guaranteed bonds issued by Mercur S.A., but the share of such instruments in the company's total assets is only 0.28%, so the interest rate risk is insignificant.

Foreign exchange risk is the risk that the value of a financial instrument will be affected as a result of fluctuations in foreign exchange rates. This risk takes into account all positions held by S.I.F. Oltenia S.A. in foreign currency deposits, financial instruments denominated in foreign currency, irrespective of the holding period or the level of liquidity recorded by those positions. During the reporting period, the Company did not use derivative financial instruments to protect itself against interest rate fluctuations. Foreign exchange risk is insignificant.

The company is continuously seeking to minimize possible adverse effects associated with market risk through a policy of prudential diversification of the portfolio of financial assets under management.

On 30 September 2021 the cash in foreign currency was 2,153,752 RON, representing 19.50% of the total cash and 0.09% of the total financial assets, so that the foreign exchange risk is insignificant.

Liquidity risk

The liquidity risk is the risk of profit impairment due to operations associated with financial instruments that are not liquid (which could lead to difficulties in buying or selling these financial instruments within a reasonable time with a minimum loss) and the possible risk that S.I.F. Oltenia S.A. cannot fulfill its short-term financial obligations.

The company constantly monitors the level of liquidity appropriate to its underlying obligations, taking into account the time required for liquidation and the price or value at which those assets can be liquidated, and their sensitivity to market risks or other external factors.

The liquidity risk related to payment obligations is very low, with the company's current liabilities being covered by holdings in current accounts and/or short-term deposits.

The company constantly monitors the liquidity profile of the portfolio, analysing the impact of each asset on the liquidity, adopting a prudent policy regarding the cash outflows, permanently evaluating the quantitative and qualitative risks of the positions held and of the expected investments to be made.

The liquidity risk falls within the medium risk appetite of the company.

Credit risk

Credit risk is the company's risk of loss as a result of the insolvency of its debtors.

Credit risk expresses the possibility that debtors or issuers may not meet their obligations at maturity due to a deterioration in the financial situation of the borrower and the insolvency or the general economic situation. Credit risk arises in relation to any type of claim.

The main credit risk elements identified, which may significantly influence the activity of S.I.F. are as follows:

- the risk of non-collection of dividends from portfolio companies;
- the risk of non-collection of the contract value in the case of the activity of the sale of shares in closed-ended companies under a sales contract;
- the risk that, in the event of the liquidation of a portfolio undertaking, the value obtained will be less than the value of the initial investment, or nothing will be recovered;
- settlement risk in the case of transactions in shares issued by listed companies;
- credit risk arising from investments in bonds;
- concentration risk.

The indicators used to measure the insolvency risk of issuers are the following: the exposure rate to high-risk issuers (over the next 2 years), the exposure rate to unlisted issuers, the exposure rate by business sectors.

S.I.F. Oltenia SA pursues the sector-by-sector exposure through its internally established credit risk exposure limits approach.

The high exposure sector is the finance and banking sector with an exposure of over 20% in total assets on 30.09.2021. Exposure to the sector is carefully monitored, with the liquid nature of investments being a positive aspect of these holdings, with the main issuers being Banca Transilvania and BRD – Groupe Societe Generale.

S.I.F. Oltenia S.A. is exposed to credit risk through investments in bonds and by holding current accounts and bank deposits, as well as other receivables.

As of 30.09.2021, the company held bonds issued by Mercur S.A., with a very low share (0.2792%) in the total assets; such bonds are guaranteed and are not admitted to trading.

As for the company's cash, it is held in several banks, so as to avoid the concentration risk. Bank deposits are held with the most important bank institution in the system, with a BB+ rating according to Fitch.

The assessment of the main elements of credit risk results in the conclusion that they fall within the risk limits approved for an average risk appetite.

Operational risk

Operational risk refers to losses resulting from acts undertaken (or negligence) in the pursuit of business activities. Operational risk is also associated with the legal risk which represents the risk of loss caused by failure to apply or enforce legal or contractual provisions.

The operational risk category refers to:

- IT risk - a subcategory of operational risk that refers to the risk caused by inadequate strategies and IT policies, of information technology and information processing, regarding its management capacity, integrity, controllability and continuity or the improper use of information technology.

- Strategic risk - the current or future risk that profits and capitals are negatively affected, generated by changes in the business environment or by unfavourable business decisions, by the improper implementation of decisions or by the failure to react to changes in the business environment. Strategic risk is uncontrollable and unquantifiable, with the management of society adopting a prudent policy with the aim of minimizing exposure to this risk. In order to avoid strategic risk, the evolution of the market is monitored in relation to the provisions of the revenue and expenditure budget.

- Reputation risk - the current or future risk that the profits and capitals are negatively affected, resulting from the unfavourable perception of the company's image by shareholders, investors or the supervisory authority.

- The risk related to outsourced activities - the financial, reputational and operational impact that the improper performance of the outsourced activity by the service provider may have on the company, including the risk that the company may not be able to pursue the performance of financial activities and/or comply with the provisions of the relevant legislation, as a consequence of the failure or difficulties encountered by the legal person employed by the company to perform certain activities, based on a contract. This risk shall be managed by the compartments managing the entered contracts.

- Model risk – a loss the Company may incur, as a consequence of decisions that could be mainly based on the output of internal models, due to errors in the development, implementation or use of such models. It shall be managed at the level of each compartment.

- The risk of conflicts of interest - any situation when the company's interests diverge from the personal interests of employees, directors, managers or their close relatives.

With a view to assessing the level of operational risk to which it is exposed, S.I.F. Oltenia S.A. acts to identify and frame operational risk events within specific categories, that will allow to establish the most efficient methods of controlling and reducing potential effects. The functional departments within S.I.F. Oltenia S.A. are responsible for the preliminary analysis of the operational risks arising in their area of activity. The person responsible for risk management shall be responsible for implementing and developing measures for the management of operational risk. S.I.F. Oltenia S.A. uses self-assessment as a tool to analyse and manage operational risk.

Considering the complexity of the activity of S.I.F. Oltenia S.A., the amount of its activities, the staff structure, the level of informatization, the complexity of the monitoring and control procedures and other intrinsic aspects related to the company's risk policy, we estimate that the operational risk at the Company's level is average.

CLASSIFICATION OF ASSET CATEGORIES WITHIN THE LIMITS IMPOSED BY LAWS

A. Classification within the requirements imposed by art. 35 (2) of Law No. 243/2019

In June 2021, S.I.F. Oltenia S.A. was authorized by the F.S.A. as a Retail Investor Alternative Investment Fund for retail investors (RIAIF), thus complying with the holding limits for different categories of assets which are regulated by Article 35(2) of Law No 243/2019.

a) The exposure of holdings in securities and money market instruments issued by the same issuer

S.I.F. Oltenia S.A. SA may not hold more than 10% of its assets in securities and money market instruments issued by the same issuer, with the exception of securities or money market instruments issued or guaranteed by a Member State, by the public authorities of a Member State, by a third country or by public international bodies to which one or more Member States belong.

The limit of 10% may be increased up to a maximum of 40%, provided that the total value of the securities held by the R.I.A.I.F. in each of the issuers in which it has holdings of up to 40% shall in no case exceed 80% of the value of its assets.

The issuer with which S.I.F. Oltenia S.A. holds as at 30.09.2021 both securities (shares) and money market instruments (bank deposits) is Banca Transilvania.

Issuer	Total value - RON -	Share in the total assets of RIAIF -%-
BANCA TRANSILVANIA S.A. - shares	667,928,864	27.3980
<i>total deposits in RON</i>	<i>5,640,559.64</i>	<i>0.2314</i>
<i>total deposits in foreign currency</i>	<i>456,935.70</i>	<i>0.0187</i>
TOTAL holdings	674,026,359	27.6481
<i>Total assets - RON</i>		<i>2,437,876,759</i>

Holdings in excess of 10 % of the total assets of S.I.F. are as follows:

Issuer	Total value - RON -	Share in the total assets of RIAIF -%-
BANCA TRANSILVANIA S.A. (including deposits)	674,026,359	27.6481
B.R.D.- GROUPE SOCIETE GENERALE	533,962,657	21.9028
OMV PETROM.	257,856,406	10.5771
TOTAL holdings of more than 10%	1,465,845,422	60.1280
<i>Total assets - RON</i>		<i>2,437,876,759</i>

It is noted that in the case of holdings with issuers: BANCA TRANSILVANIA, BRD GROUPE SOCIETE GENERALE and OMV PETROM the exception mentioned in Article 35(2)(a) of Law No 243/2019 is applicable, i.e. the 10 % limit may be increased up to a maximum of 40 %, provided that the total value of securities held by S.I.F. Oltenia S.A. in each of the issuers in which it has holdings of up to 40 % must in no case exceed 80 % of the value of its assets;

b) The exposure to holdings of securities and money market instruments issued by entities belonging to the same group

S.I.F. Oltenia S.A. **may not hold more than 50% of its assets in securities and money market instruments issued by entities belonging to the same group.** The Banca Transilvania group and the BVB group are highlighted in the portfolio.

Banca Transilvania Group

The Banca Transilvania Group consists of: Banca Transilvania and Fondul Deschis de Investiții BT INDEX RO, which is a stock fund managed by BT Asset Management S.A.I..

Issuer		Total value - RON -	Percentage in total R.I.A.I.F. assets -%-
BANCA TRANSILVANIA	- shares	667,928,864	27.3980
	- bonds	-	-
BT INDEX RO		3,268,940	0.1341
Bank deposits in RON		5,640,559.64	0.2314
Bank deposits in foreign currency		456,935.70	0.0187
Banca Transilvania Group		677,295,299	27.7822
Total assets - RON		2,437,876,759	

Note: Although the fund units issued by BT INDEX RO fall into the category "securities", for prudent portfolio management they have been taken into account in the calculation of the exposure of the holdings of S.I.F. Oltenia S.A. in the Banca Transilvania Group.

B.V.B. Group

The B.V.B. group consists of the Bucharest Stock Exchange and Depozitarul Central S.A.- in which B.V.B. has a holding of 69.0421% of the share capital according to the Articles of Association of 04.03.2021.

Issuer		Total value - RON -	Percentage in total R.I.A.I.F. assets -%-
BURSA DE VALORI BUCUREȘTI S.A. - shares		10,287,525	0.4220
DEPOZITARUL CENTRAL - shares		1,196,885	0.0491
B.V.B. Group		11,484,410	0.4711
Total assets - RON		2,437,876,759	

It is noted that the holding limit for financial instruments issued by the same group is respected.

In the case of the group to which the AIFM managing the AIF belongs, this limit is 40%.

No.	Issuer	Symbol	Total value - RON -	Share in the issuer's registered capital -%-	Percentage in total R.I.A.I.F. assets -%-
1	COMPLEX HOTELIER DÂMBOVIȚA		10,194,151	99.9427	0.4182
2	VOLTALIM CRAIOVA		54,255,055	99.5506	2.2255
3	MERCUR CRAIOVA				
	- shares	MRDO	85,133,633	97.8593	3.4921
	- bonds		6,807,661		0.2792
4	GEMINA TOUR RM.VÂLCEA		3,306,332	88.2866	0.1356
5	ARGUS CONSTANTA	UARG	55,656,101	86.4160	2.2830
6	FLAROS BUCURESTI	FLAO	66,603,060	81.0712	2.7320
7	CONSTRUCTII FERROVIARE CRAIOVA	CFED	436,052	77.5001	0.0179
8	UNIVERS RM.VALCEA	UNVR	31,726,026	73.7494	1.3014
9	PROVITAS BUCURESTI		5,270,850	70.2780	0.2162
10	TURISM PUCIOASA		4,153,147	69.2191	0.1704
11	LACTATE NATURA TARGOVISTE	INBO	2,111,729	55.0710	0.0866
12	ALIMENTARA SLATINA	ALRV	6,442,260	52.2352	0.2643
TOTAL			332,096,057		13.6223
Total assets - RON					2,437,876,759

The companies that are part of the S.I.F. Oltenia S.A. Group account for 13.6223 % of the total assets of the company, and it is therefore concluded that the limit is respected.

c) The exposure to counterparty risk in an OTC derivatives transaction

S.I.F. Oltenia S.A. has no investments falling into this category.

d) Global exposure to derivative financial instruments

S.I.F. Oltenia S.A. has no investments falling into this category.

e) The value of current accounts and cash

S.I.F. Oltenia S.A. is required to keep the value of current accounts and cash within a maximum of 20% of its assets. This limit may be exceeded up to a maximum of 50% provided that the amounts involved derive from the issue of equity securities, from investments that are due or from the sale of the portfolio financial instruments and that such excess does not cover more than 90 days.

	Total value - RON -	Share in total assets of RIAIF -%-
Current accounts and cash in RON	3,252,940	0.1334
Current accounts and cash in foreign currency	1,696,816	0.0696
Total current accounts and cash	4,949,756	0.2030
Total assets - RON	2,437,876,759	

The value of current accounts and cash stays within the imposed limit.

f) The exposure of bank deposits with the same bank

S.I.F. Oltenia S.A. may not establish and **hold bank deposits with the same bank representing more than 30% of its assets.**

S.I.F. Oltenia S.A. had deposits in lei and foreign currency at Banca Transilvania on 30.09.2021.

	Total value - RON -	Share in total assets of RIAIF - %-
Total deposits in RON	5,640,559.64	0.2314
Total deposits in foreign currency	456,935.70	0.0187
Total established deposits	6,097,495.34	0.2501
<i>Total assets - RON</i>		<i>2,437,876,759</i>

g) Exposure to equity securities not admitted to trading on a trading venue or a third country exchange issued by a single AIF for retail investors - RIAIF

S.I.F. Oltenia S.A. has no investments falling into this category.

h) Exposure to equity securities not admitted to trading on a trading venue or on a stock exchange in a third country issued by a single AIF for professional investors - AIFPi

S.I.F. Oltenia S.A. has no investments falling into this category.

i) Exposure to equity securities not admitted to trading on a trading venue or a stock exchange in a third country issued by other open-ended AIFs

S.I.F. Oltenia S.A. may not hold more than 50% of its assets in units not admitted to trading on a trading venue or on an exchange in a third country issued by other AIFs of the open-ended type.

The open-ended investment funds in the portfolio of S.I.F. Oltenia S.A. as at 30.09.2021 are listed in the “REGISTER OF FINANCIAL INSTRUMENTS AND INVESTMENTS”, Section 6 - FDI - Open-ended investment funds, published on the F.S.A. website, and are:

Issuer	Total value - RON -	Percentage in total R.I.A.I.F. assets - %-
Open-ended type AIF		
BT INDEX RO (<i>FDIR - Open-ended investment fund in Romania</i>)	3,268,940	0.1341
FDI NAPOCA (<i>FDIR - Open-ended investment fund in Romania</i>)	289,233	0.0119
FDI TRANSILVANIA (<i>FDIR - Open-ended investment fund in Romania</i>)	414,719	0.0170
FDI TEHNOGLOBINVEST (<i>FDIR - Open-ended investment fund in Romania</i>)	558,459	0.0229
Total open-ended type AIF	4,531,351	0.1859
<i>Total assets - RON</i>		<i>2,437,876,759</i>

In the case of the group to which the AIFM managing the AIF belongs, **the holding limit is 40% of its assets.**

None of the companies controlled by S.I.F. Oltenia S.A. belongs to the category: “open-ended investment fund”.

It is noted that the **compulsory limit is observed** in both cases.

- j) The exposure to securities issued by a single UCITS authorised by the FSA or a national competent authority of another Member State and to units issued by a single UCI admitted to trading on a trading venue in Romania, another Member State or on a stock exchange in a third country.**

S.I.F. Oltenia S.A. may not hold more than 40% of its assets in units issued by a single UCITS authorised by the FSA or by a national competent authority of another Member State and in units issued by a single UCI admitted to trading on a trading venue in Romania, another Member State or on a stock exchange in a third country.

S.I.F. Oltenia S.A. holds as at 30.09.2021 the following UCITS units authorised by the FSA:

Issuer	Total value - RON -	Percentage in total R.I.A.I.F. assets - % -
UCITS authorized by F.S.A.		
BT INDEX RO (<i>FDIR - Open-ended investment fund in Romania</i>)	3,268,940	0.1341
FDI NAPOCA (<i>FDIR - Open-ended investment fund in Romania</i>)	289,233	0.0119
FDI TRANSILVANIA (<i>FDIR - Open-ended investment fund in Romania</i>)	414,719	0.0170
FDI TEHNOGLOBINVEST (<i>FDIR - Open-ended investment fund in Romania</i>)	558,459	0.0229
Total UCITS authorised by FSA	4,531,351	0.1859
UCI admitted to trading		
S.I.F. Banat Crişana S.A.	87,251,881	3.5790
Total UCI admitted to trading	87,251,881	3.5790
Total UCITS authorised by FSA and UCI admitted to trading	91,783,232	3.7649
Total assets - RON		2,437,876,759

- k) Lending financial instruments**

S.I.F. Oltenia S.A. may not grant loans of financial instruments representing more than 20% of its assets, and the period for which the loan is granted may not exceed 12 calendar months, in accordance with the regulations issued by the F.S.A on margin and loan transactions. The limit of 20 % of their asset may be increased to 30 %, subject to the approval of the F.S.A., under the conditions laid down in the F.S.A. Regulations;

S.I.F. Oltenia S.A. does not have any financial instrument loans.

l) The provision of cash loans

S.I.F. Oltenia S.A. may not grant cash loans, may not participate/subscribe to syndicated loans, may not guarantee cash loans in favour of a third party, with the exception of entities in the group of which R.I.A.I.F. is a member. established as an investment company up to 10% of its assets and may not acquire directly, partially or in full portfolios of loans issued by other financial or non-financial entities, with the exception of investment placements in financial instruments issued by internationally recognised financial institutions, credit institutions or non-banking financial institutions authorised by the NBR or other central banks of a Member State or third countries.

S.I.F. Oltenia S.A. does not have any cash loans.

m) Exposure in securities, money market instruments not admitted to trading on a trading venue or stock exchange in a third country

S.I.F. Oltenia S.A. may not hold more than 40% of the value of its assets in securities, money market instruments not admitted to trading on a trading venue or stock exchange in a third country, with the exception of government securities and bonds issued by the Ministry of Public Finance, as well as holdings acquired by the company by law - in which case no holding limit is established.

As of 30.09.2021, the category of **securities not admitted to trading** (unlisted) on a trading venue or stock exchange in a third country includes the following companies:

No.	Issuer	No. of held shares	Total value (RON)	Share in the issuer's registered capital (%)	Percentage in total R.I.A.I.F. assets (%)
1	BIROUL DE INVESTIȚII REGIONAL OLTENIA IFN	272,411	2,716,241	19.4540	0.1114
2	COMPLEX HOTELIER S.A. DÂMBOVIȚA	1,753,217	10,194,151	99.9427	0.4182
3	COREALIS S.A. CRAIOVA	655,757	1,710,053	11.4189	0.0701
4	DEPOZITARUL CENTRAL BUCUREȘTI	9,878,329	1,196,885	3.9057	0.0491
5	ELBA S.A. TIMISOARA	39,628	5,753,216	2.3694	0.2360
6	ELECTRO TOTAL S.A. BOTOȘANI	57,909	0	29.8562	0.0000
7	EXIMBANK - BANCA DE EXPORT IMPORT A ROMANIEI	4,364,430	40,338,940	3.2702	1.6547
8	GEMINA TOUR S.A. RM.VÂLCEA	757,888	3,306,332	88.2866	0.1356
9	PROVITAS S.A. BUCUREȘTI	35,139	5,270,850	70.2780	0.2162
10	SAGRICOM S.A. ULMI	57,941	0	4.2057	0.0000
11	SANEVIT S.A. ARAD	792,662	0	13.2841	0.0000
12	TURISM LOTUS FELIX	347,859,802	33,580,630	27.4554	1.3775
13	TURISM S.A. PUCIOASA	1,010,599	4,153,147	69.2191	0.1704
14	VOLTALIM S.A. CRAIOVA	5,997,519	54,255,055	99.5506	2.2255
	TOTAL		162,475,500		6.6646

Total assets - RON	2,437,876,759	
Holdings in securities and money market instruments	Total value - RON -	Percentage in total R.I.A.I.F. assets -% -
- shares held in closed-end issuers	162,475,500	6.6646%
- unlisted corporate bonds	6,807,661	0.2792%
- bank deposits	6,097,495	0.2501%
Total holdings	175,380,656	7.1940%
Total assets	2,437,876,759	

The holdings in securities and money market instruments not admitted to trading represent 7.1940% of the total assets of S.I.F. Oltenia S.A — the holding limit is found to have been respected.

n) Exposure to shares issued by limited liability companies

S.I.F. Oltenia S.A. may not hold more than 20% of the value of its assets in shares issued by limited liability companies governed by Law no. 31/1990, republished, as subsequently amended and supplemented.

S.I.F. Oltenia S.A. does not hold shares issued by limited liability companies.

o) Exposure to greenhouse gas emission allowances

S.I.F. Oltenia S.A. may not hold more than 10% of the value of its assets in greenhouse gas emission allowances.

S.I.F. Oltenia S.A. SA does not hold any greenhouse gas emission allowances.

B. Exposures based on a Article 35 (1) (g) of Law no. 243/2019

According to article 35 (1) (g) of Law no. 243/2019, “The investments of a RIAIF can only be made in one or several of the following assets: money market instruments, other than those traded on a trading venue, which are liquid and have a value that can be accurately determined at any time, excluding commercial papers, provided that the issue or issuer is subject to regulations relating to the protection of investors and their savings (...)”.

S.I.F. Oltenia S.A. does not have investments in instruments such as commercial bills (checks, promissory notes, bills of exchange).

C. Requirements imposed by art. 136 (5) of Law No. 126/2018

Pursuant to Article 136 (5) of Law No. 126/2018 on markets in financial instruments, no shareholder of a market operator may hold, directly or together with the persons with whom he acts in concert, more than 20 % of the total voting rights.

Issuer	No. of shares held by S.I.F. Oltenia S.A. on a continuous basis.	Share in the issuer’s registered capital - % -
BUCHAREST STOCK EXCHANGE	411,501	5.1123
Total		5.1123

The compulsory limit is observed.

D. The requirements imposed by art. 9 of FSA Rule No. 14/2013

Pursuant to Article 8 and Article 9 of FSA Rule No. 14/2013 concerning the investments of collective investment undertakings in money market instruments of the type of promissory notes, an OCIU may invest up to 35 % of its assets in money market instruments of the type of promissory notes, in accordance with its investment policy and within certain limits, i.e. the exposure obtained by an OCIU through direct and indirect investments in money market instruments such as promissory notes must not exceed 20% of its assets in the case of the OCIU with a diversified investment policy.

As of 30.09.2021 S.I.F. Oltenia S.A. does not have direct or indirect investments in money market instruments such as promissory notes.

Leverage

Leverage means any method by which the company increases the exposure of the portfolio it manages either by borrowing cash or securities, by derivative positions or by any other means. Leverage is expressed as the ratio of its exposure (both gross and commitment methods) to its net asset value.

As of 30.09.2021 S.I.F. Oltenia SA did not use leverage to invest in assets.

According to Regulation (EU) No 231/2013, and Article 38(4) of Law No 243/2019, the leverage ratio calculated on 30.09.2021 is as follows:

Gross method:	Leverage indicator
Lever level	1.1078
SIF5 exposure	2,426,829,508
Commitment method:	
Lever level	1.1128
SIF5 exposure	2,437,876,759

Stress testing

According to the risk management policy, stress tests shall be carried out at least annually and whenever the situation so requires. By the date of this report, no stress tests have been carried out on the documented methodology, which will take place in the fourth quarter of 2021 at a date to be notified to the Financial Supervisory Authority.

IV. LITIGATIONS IN WHICH THE COMPANY IS INVOLVED

As of 30 September 2021, 23 litigations are in progress with legal courts. The company was an active party in 15 lawsuits and a passive party in 3 lawsuits; it is a respondent in a case, appealed for guarantee in another case and under insolvency in 3 cases.

V. EVENTS AFTER THE REPORTING PERIOD

- On 20.10.2021, the Ordinary General Shareholders Meeting was held at the first call, which submitted the following agenda items for approval:

1. Electing the meeting's secretarial team, including 2 members, i.e. Ms Cimpoeru Ana - Internal Auditor and Mr Nedelcu Ion Eugen, whose identification data are available at the company's headquarters. Mr Nedelcu Ion Eugen will be elected the meeting secretary, who will draw up the meeting's minutes. The proposed persons are shareholders of S.I.F. Oltenia S.A. on a continuous basis.

2. Appointing notary public Virgil Claudiu Făurar, from the Notary Public Office - SPN Doina Făurar of Craiova, Dolj, for the supervision of the operations incurred by the meeting secretaries, according to art. 129 par. (3) of Law no. 31/1990 R, at the company's expense.

3. Electing the commission to count the votes expressed by the shareholders regarding the issues on the agenda of the Ordinary General Shareholder Meeting, including three members: Ms Negoită Costin Teodora, Ms. Bălan Viorica and Ms Țalea Mihaela, whose identification data are available at the company's headquarters. The proposed persons are shareholders of S.I.F. Oltenia S.A. on a continuous basis.

4. The appointment of Deloitte Audit SRL as the external financial auditor of S.I.F. Oltenia S.A. for a period of 3 years to audit individual and consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for the financial years 2022, 2023, 2024 and mandating the Board of Directors to enter the contract for financial audit services and to establish the conditions for carrying out the audit work, in compliance with all the legal provisions applicable to that activity.

5. The revocation of Decision no. 24 of the Ordinary General Shareholder Meeting of the company dated 12.10.2020, as communicated on 13.10.2020 on the company's webpage on the Bucharest Stock Exchange by the current report no. 6152 / 13.10.2020.

6. Approval of the accounting records stating that dividends which were not collected for more than three years from the date when they were due, whose actionable rights are terminated by prescription, i.e. the dividends for the 2016 and 2017 financial exercises, recorded as unpaid as of 26.10.2021, shall be covered in 2021, in one of the two following options:

Option I: Approval of the accounting records stating that dividends which were not collected for more than three years from the date when they were due, whose actionable rights are terminated by prescription, i.e. the dividends for the 2016 and 2017 financial exercises, recorded as unpaid as of 26.10.2021, will be classified as "revenues" in the 2021 financial exercise.

OR

Option II: Approval of the accounting records stating that dividends which were not collected for more than three years from the date when they were due, whose actionable rights are terminated by prescription, i.e. the dividends for the 2016 and 2017 financial exercises, recorded as unpaid as of 26.10.2021, will be classified as "reserves" in the 2021 financial exercise.

7. Approval of the date 09.11.2021 as the registration date (ex date 08.11.2021) according to the legal provisions in force, for the determination of shareholders affected by the adopted decisions.

All the items on the agenda were approved by the Ordinary General Shareholders Meeting, and on item 6 on the agenda where the shareholders had a choice between the two

options put to the vote, they opted for option II - “Approval of the accounting records stating that dividends which were not collected for more than three years from the date when they were due (...)”

Impact on operations and business continuity

A range of actions were taken at the company’s level in order to limit the impact of COVID-19 on the activity of S.I.F. Oltenia S.A. Additional measures of hygiene and disinfection were implemented in order to protect employees and minimize risks, employees were informed on the danger of SARS COV 2 infection, vaccination was recommended as a protection measures, so as not to endanger business continuity.

Information to shareholders and investors was provided on a normal basis and the company provided relevant information and events about the company via current reports, e-mail and updates of the company’s website.

The works of the general shareholder meetings were carried out safely, the shareholders were provided with agenda-related materials. The shareholders were also able to vote on the items on the agenda of the meetings by other means as alternatives to participation directly or by proxy as required by law (vote by correspondence).

VI. ANNEXES

- Economic and financial indicators as of 30.09.2021;
- Detailed statement of investments as at 30.09.2021 - Annex 11 (prepared in accordance with F.S.A. Regulation no. 7/2020);
- Statement of assets and liabilities as at 30.09.2021 - Annex 10 (drawn up in accordance with F.S.A. Regulation no. 7/2020).

Sorin - Iulian Cioacă
President/General Manager

Mihai Trifu
Vicepresident/Deputy General Manager