

Issuer	<p align="center">WORK METHOD PROCEDURE on the valuation of the assets of S.I.F. Oltenia S.A.</p> <p align="center">SIFO 25 /reg. no. 1958/ 8 February 2023</p>	
Portfolio Department		
Reviewed: 0		
Code: BEV-PO-02		
	<p align="center">APPROVED, Board of Directors</p>	<p>Approved at the meeting of the Board of Directors of 24.02.2023 by the decision of the Board of Directors no. 6, art. 10</p>
	<p align="center">Endorsed by, President - General Manager Sorin - Iulian Cioacă</p> <p align="center">Vice President - Deputy General Manager Mihai Trifu</p>	

I. PURPOSE OF THE PROCEDURE

This procedure establishes the rules, stages, activities and responsibilities that are incumbent in connection with the asset valuation process administered by S.I.F. Oltenia S.A., the calculation and reporting of the unit value of the net asset.

II. SCOPE

This Procedure shall apply within the Portfolio Directorate and the Economic Directorate.

III. REFERENCE DOCUMENTS

- EU Regulation 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to derogations, general operating conditions, storage, leverage, transparency and supervision, as amended and supplemented;
- Law no. 74/2015 on alternative investment fund managers, as subsequently amended and supplemented;
- Law no. 243/2019 on the regulation of alternative investment funds and for amending and supplementing certain normative acts;
- Government Emergency Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies and for amending and supplementing Law no. 297/2004 on the capital market, as subsequently amended and supplemented;
- F.S.A. Regulation no. 10/2015 on the management of alternative investment funds, as subsequently amended and supplemented;
- F.S.A. Regulation no. 9/2014 on the authorization and functioning of the S.A.I., the U.C.I.T.S. and the depositaries of the U.C.I.T.S., as subsequently amended and supplemented;
- F.S.A. Regulation no. 7/2020 on the authorization and operation of alternative investment funds, as subsequently amended and supplemented.

IV. DEFINITIONS AND ABBREVIATIONS

- **professional investor** - an investor who is considered to be a professional client or may, upon request, be considered to be a professional client, within the meaning of the definitions set out in APPENDIX no. 2 to Law no. 126/2018 on markets in financial instruments;

A **retail investor** is an investor who is not a professional investor;

- **A.I.F. for retail investors** - A.I.F. that can attract resources from retail investors and/or from professional investors;

- **U.V.N.A.** - the unit value of the net asset.

V. PROCEDURE DESCRIPTION

S.I.F. Oltenia S.A. hereby ensures that the valuation process is carried out thoroughly, transparently and properly formalized, so as to carry out a proper and independent valuation of the assets in accordance with the corresponding specific legislation and the provisions of the articles of association.

Under the legislation in force, the valuation function is exercised either by an external valuer, which is a legal or natural person independent of the company and any other person having close links with the company, or internally, provided that the valuation task is functionally independent from portfolio management and remuneration policy and that other measures guarantee the limitation of conflicts of interest and the prevention of undue influence on employees.

The external evaluator may be a legal or natural person, who is a member of the National Association of Authorized Valuers in Romania, with the specialization of enterprise evaluation or of another international organization recognized by ANEVAR, with an equivalent specialization.

The evaluation function within S.I.F. Oltenia S.A. is performed internally, the evaluation task being functionally independent from the portfolio administration and the remuneration policy. Within the company operates the Office for Portfolio Evaluation, Transactions and Net Asset Calculation, which verifies and integrates the results of external evaluations into the net asset calculation. Also, in order to verify the evaluation reports, a working group consisting of 3 members is functioning within the company, of which at least one member is ANEVAR certified.

The Company shall ensure that the valuation function is performed in compliance with the following rules:

- in the organizational structure of the company there is a specialized office for the asset valuation activity;
- the bureau is hierarchically and functionally independent from the other operational structures responsible for managing the portfolios of managed entities;
- the personnel involved in the evaluation process carry out their activity, from a logistical point of view, in locations that limit the exercise by any other person of an inadequate influence on the way in which a person within the functional structure carries out evaluation activities;
- the designated persons within the office where the evaluation function is performed have the professional training necessary to carry out such an activity;
- the necessary measures are in place to ensure that conflicts of interest are limited and that undue influence on the staff involved in the evaluation process is prevented;
- in addition, the verification of the evaluation reports is also carried out by the working group consisting of 3 members of which at least one member is ANEVAR certified.

The delegation by S.I.F. Oltenia S.A. of the evaluation function to an external evaluator can be done in compliance with the legislative provisions in force, specific to such a situation. At the same time, S.I.F. Oltenia S.A. will notify F.S.A. on the appointment/change of the external evaluator.

The holdings in which S.I.F. Oltenia S.A. holds more than 33% of the share capital of joint stock companies not admitted to trading on a regulated market or a multilateral trading system shall be valued in accordance with international valuation standards on the basis of an valuation report drawn up by the valuer, updated at least annually.

This procedure is an interdepartmental procedure. The employees of the Office of Portfolio Evaluation, Transactions and Net Asset Calculation are the ones who coordinate the evaluation process. In the evaluation process, the other structures involved have as obligations:

- Information System Service:
 - provide the market price information for the listed portfolio shares;
 - take measures to preserve the integrity and security of databases;
 - provides prompt technical assistance for the proper functioning of computer applications;
 - take steps to save and maintain databases.

- Portfolio Directorate - Portfolio Management Service:
 - provide the reports on the economic and financial statements of the portfolio companies necessary for the evaluation of the shares issued by unlisted or non-traded companies;
 - provide information on changes in the securities portfolio.
- Financial and Accounting Service:
 - provide the financial and accounting information necessary for the calculation of the net asset.

The risk management function provides adequate assistance on the policies and procedures adopted for asset valuation.

The employees of the Office of Portfolio Evaluation, Transactions and Net Asset Calculation are responsible for the appropriate valuation of assets and have the professional competence to allow this activity. They have higher education in the economic or technical field, have completed vocational training courses in the field of evaluation.

The organizational structure adopted by S.I.F. Oltenia S.A. and the hierarchical subordination mode do not allow the influence of the employees of other functional structures on the employees who have the task of evaluating and calculating the net unit assets.

The assessment shall be carried out with impartiality, competence, prudence and professional diligence.

A. ALLOWED INVESTMENTS

The investments made by S.I.F. Oltenia S.A. may be made, according to the applicable legislation, in:

- transferable securities and money market instruments registered or traded on a trading venue in Romania or in a Member State;
- securities and money market instruments admitted to official listing on a third-country stock exchange which operate regularly and are recognized and open to the public, provided that the choice of stock exchange is approved by the F.S.A., in accordance with the eligibility conditions in the regulations issued by the F.S.A., and to be provided in the fund rules or in the articles of incorporation of the investment company, approved by the F.S.A.;

- newly issued securities which are the subject of an offer to the public for admission to trading, with cumulative observance of the following conditions:

(i) the issue documents include a firm commitment that admission to trading on a trading venue or trading on a stock exchange in a third country which operates regularly and is recognised and open to the public will be required, provided that the choice of trading venue or exchange is approved by the F.S.A. or is provided for in the fund rules or in the articles of association of the company approved by the F.S.A.;

(ii) such admission is ensured not later than one year after the issue;

- units of UCITS or AIFs established or not established in Member States, with the cumulative fulfillment of the following conditions:

(i) A.I.F. are authorised or registered;

(ii) the activities of the A.I.F. are the subject of periodic reports, which allow an assessment of the assets and liabilities, income and operations in the reporting period, in accordance with the redemption frequency offered to investors, where applicable;

(iii) the A.I.F. profile is in line with the liquidity profile of the AIF established by the A.I.F.M.

- deposits made with credit institutions, which are repayable on request or offer the right of withdrawal, with a maturity not exceeding 12 months provided that the registered office of the credit institution is located in Romania, in a Member State or in a third country, in the latter case provided that the credit institution is subject to prudential rules equivalent to those issued by the European Union;

- derivatives, with final settlement in cash or in the underlying share of the instrument, traded on a trading venue or on a stock exchange in a third country and/or derivatives, negotiated outside regulated markets, with the cumulative fulfilment of the following conditions:

(i) the underlying consists of the instruments referred to in this Article, as well as financial indices, interest rates, precious metals, energy products and exchange rates, in which the A.I.F. may invest, in accordance with its investment objectives, as laid down in the fund rules or in the investment company's instrument of incorporation;

(ii) the counterparties, in the negotiation carried out outside the regulated markets, are entities, subject to prudential supervision, belonging to the categories approved by the F.S.A.;

(iii) derivatives traded outside regulated markets are subject to a daily and verifiable valuation and may, at the initiative of the external AIFM or self-managed AIF, be sold, liquidated or the position closed daily, at its fair value, by a transaction to the contrary;

- money market instruments, other than those traded on a trading venue, which are liquid and have a value which can be precisely determined at any time, with the exception of commercial effects, provided that the issuer or issuer is subject to regulations relating to the protection of investors and their savings and that the instruments:

(i) be issued or guaranteed by an administrative, central, local or regional authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a third country or, in the case of federal States, by one of the component members of the Federation or by a public international body of which one or more Member States are members; or

(ii) be issued by a body whose securities are traded on regulated markets, referred to in the first two listed asset classes; or

(iii) be issued or guaranteed by an entity subject to prudential supervision according to criteria defined by European law, or by an entity subject to prudential rules and complying with them, rules validated by the competent authority as equivalent to those laid down by European law; or

(iv) be issued by other entities belonging to the categories approved by the F.S.A., provided that the investments in such instruments are subject to investor protection equivalent to that provided for in the previous paragraphs, and that the issuer is a company whose capital and reserves amount to at least the equivalent in lei of EUR 10,000,000, which submits and publishes its annual financial statements in accordance with the applicable European legislation, or an entity which, within a group of companies containing one or more listed companies, has the role of financing the group or is an entity dedicated to the financing of securitisation vehicles benefiting from a bank financing line;

- shares in limited liability companies regulated by Law no. 31/1990 republished, as amended and supplemented, whose annual financial statements are audited in accordance with the law;

- securities defined in art. 3 para. 1 pt. 26 of G.E.O. no. 32/2012 which are not admitted to trading on a trading venue or traded on an exchange in a third country;

- currency, purchased on the domestic market, freely convertible, according to the N.B.R. criteria; treasury bonds,

- real estate assets, in compliance with the F.S.A. regulations and the provisions assumed in the Alternative Investment Fund for Retail Investors documents;
- greenhouse gas emission certificates as defined in art. 3 lit. b) of the Government Decision no. 780/2006 on the establishment of the trading scheme for greenhouse gas emission certificates, with subsequent amendments and completions;
- movable and immovable property strictly necessary for the conduct of the company's business.

S.I.F. Oltenia S.A. cannot make short sales, defined by Regulation (EU) no. Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps, other than for hedging and hedging purposes.

S.I.F. Oltenia S.A shall invest exclusively in UCITS and AIFs which ensure through their constituent documents or other relevant documents the individual segregation of the assets held or their segregation in omnibus accounts, which are reconciled by the depositary of UCITS/AIFs with at least a similar periodicity to the subscription or redemption frequency offered to the investors of those UCITS/AIFs. An omnibus account, which may include assets of several clients of the depositaries of UCITS/AIFs, may not contain the own assets of the depositary of UCITS/AIFs or of the delegated third entity.

B. RULES ON ASSESSMENT

The valuation method of the assets in the portfolio of S.I.F. Oltenia S.A. is presented in the APPENDIX. If, under the law, the company will be able to invest in other types of assets, the APPENDIX will be completed accordingly.

The periodicity of drawing up an assessment for the financial assets in the company's portfolio will be established for each managed entity and for each type of asset, in compliance with the provisions of the legislation in force and the provisions of the documents of each entity. The identification of the financial assets within the portfolio of S.I.F. Oltenia S.A. for which the valuation process is carried out is made based on the data and information corresponding to the valuation date, as recorded in the application/applications regarding the management of financial securities for each of the managed entities.

Based on the data and information available at the valuation date, the main characteristics for each of the financial assets are determined and, depending on them, the applicable valuation method is selected and the input data necessary in the valuation process is established.

The selection of the valuation method used depends on the specificity of the holding, the relevance and credibility of the available information, as well as professional judgement. The valuation methodology is based on techniques and models specific to the categories of financial assets held.

The resolution of differences or other problems arising in the evaluation process takes into account measures regarding the identification, signaling, resolution of differences/inconsistencies arising and the analysis/elimination of the causes that led to the occurrence of problems.

In case of wrong calculation of the net asset value, the responsible persons will report the differences/inconsistencies to the company's management, will solve the differences/inconsistencies in the valuation process as a matter of priority, will communicate the corrected values and will analyze/eliminate the causes that led to the occurrence of those problems.

S.I.F. Oltenia S.A. has identified valuation methodologies for each type of asset existing in the managed portfolio and for those in which it can invest, according to the Rules of S.I.F. Oltenia S.A. These methodologies are those provided in the national legislation.

In situations where estimates of the value of financial securities are required on the basis of the fair value principle according to the International Valuation Standards, S.I.F. Oltenia S.A. will use the services of external evaluators, members of ANEVAR.

The evaluation activity will be carried out on the basis of a framework service contract concluded between the external evaluator (ANEVAR corporate member legal person or independent physical member, ANEVAR holder member), as service provider, and the company. The external valuer shall provide, upon request, professional guarantees demonstrating its ability to perform its valuation function. The external valuer shall provide those professional guarantees in written form.

The professional guarantees must contain evidence of the qualification and ability of the external evaluator to carry out the assessment in an appropriate and independent manner.

The documents necessary for the preparation of the evaluation report/reports will be made available to the evaluator by the company.

The responsible person in the Portfolio Assessment, Transactions and Net Asset Calculation Office will ensure that the valuation methodologies are applied consistently and are fully formalized in the valuation reports.

S.I.F. Oltenia S.A. will notify F.S.A. whenever there are changes regarding the way in which the evaluation function is ensured.

The notification shall also contain information and data attesting the fulfillment by the internal evaluator or, as the case may be, by the external evaluator, of the legal provisions.

S.I.F. Oltenia S.A. does not invest in a certain type of asset if the appropriate valuation methodology or methodologies have not been identified for that type.

If S.I.F. Oltenia S.A. will invest in other types of assets allowed by law, but which require valuation models, the following measures will be taken:

- the evaluation policy will be updated with the justification of the model and the main characteristics;
- the reason for choosing the model, the supporting data, the assumptions used in the model and the reason for its use will be formalized;
- the limitations of the model-based assessment will be formalized.

Before being used, the model to be used for the valuation of assets, built internally by S.I.F. Oltenia S.A., will be validated by a person with sufficient specialized knowledge. The person who will validate the evaluation model will not be involved in the process of elaborating the respective model.

The model is subject to prior approval by the Superior Management and the approval of the Board of Directors of S.I.F. Oltenia S.A.

C. NET ASSET CERTIFICATION

In order to determine the value of the net asset, the closure of the accounting records is usually to be carried out within 12 days from the end of the period for which the valuation is made.

The Portfolio Management Service and the Portfolio Assessment, Transactions and Net Asset Calculation Office, by the 3rd of the current month, update the database with the changes in the portfolio of shares held by S.I.F. Oltenia S.A., the supporting documents of the changes made being submitted to the Financial Accounting Service.

The Financial Accounting Service shall update, by the 10th of the month following that for which the net asset value is calculated, the database related to the other assets.

Following the centralization of the data entered by the Portfolio Directorate and the Financial Accounting Service, the Office for Portfolio Evaluation, Transactions and Net Asset Calculation, with the support of the IT Service, generates the necessary documents for reporting to F.S.A. and B.S.E.

The Office for Portfolio Valuation, Transactions and Net Asset Calculation shall send to the asset depository, on a monthly basis, by e-mail no later than the 6th of the month following that for which the net asset value, portfolio and supporting documents are calculated in relation to the portfolio of financial instruments held on the net asset calculation date.

No later than the 12th of the month following the one for which the net asset value is calculated, the Office for Portfolio Valuation, Transactions and Net Asset Calculation sends to the asset storage company, by e-mail, the documents related to the other elements of the patrimony of S.I.F. Oltenia S.A. received from the Financial Accounting Service. Transactions in assets not admitted to trading shall be transmitted to the depository on the business day following that on which they were concluded.

The documents “*Statement of assets and liabilities as of...*” and “*Detailed statement of investments as of ...*”, endorsed by the Compliance and Senior Management Office, are certified by the depository until the 15th of the month following that for which the net asset value is calculated.

S.I.F. Oltenia S.A. is responsible for the correct valuation of the assets as well as for calculating the net asset value and publishing it according to the legislation in force.

The net asset value of S.I.F. Oltenia S.A. is certified by the Depository. If, prior to the reporting, the Depository reports differences in values in the valuation of assets, the values are revised so that the values calculated by the Company and the Depository coincide.

In order to eliminate or reduce as much as possible the risk of inappropriate valuation of the financial securities under the management of the company, the Compliance Office verifies on a monthly basis the valuation of the assets and the calculation of the net asset, drawing up a Verification Note for this purpose.

If errors in the valuation of assets are detected after the asset value reporting, the valuation process, the differences or other problems in the valuation of assets, the certification by the Depository and the reporting shall be resumed.

S.I.F. Oltenia S.A. ensures that all assets are valued correctly and adequately. The A.I.F.M. shall document by type of asset the way the appropriateness and fairness of the individual values is assessed. S.I.F. Oltenia S.A. must prove at any time that the value of the managed portfolio is correctly evaluated.

The net asset value per unit shall be calculated according to the following relationship:
Unit value of net asset at that date = net asset value at that date / number of shares issued and outstanding at that date, excluding treasury shares and shares relating to depository receipts or own share certificates redeemed and held at the reporting date.

D. NET ASSET REPORTING

The valuation of assets as well as the calculation of the U.V.N.A. shall be carried out with a monthly frequency.

S.I.F. Oltenia S.A. prepares, submits to F.S.A. and B.S.E. and publishes reports on the value of the net asset calculated monthly, for the last working day of the month, Depository certificates, in the form presented in the legislation in force, within 15 days from the end of the reporting period.

If the last reporting day is not a working day, then the documents shall be submitted on the next working day after that date.

The net asset value is published monthly on the website of S.I.F. Oltenia S.A. (www.sifolt.ro).

S.I.F. Oltenia S.A. publishes the detailed statement of investments with a quarterly, half-yearly and annual frequency, within the deadlines provided by the applicable legislation in this respect, for the publication of quarterly, half-yearly and annual reports. It is also published on the website www.sifolt.ro.

VI. RESPONSIBILITIES

This Procedure is applied by the Portfolio Directorate and the Economic Department.

VII. REVIEW

The review of the valuation rules/policies/procedures is done annually during December and is communicated to investors within 60 days from the end of each year. Partial revisions of the valuation procedure will be carried out before the company engages in a new investment strategy or invests in a new type of asset that is not subject to the current valuation procedure.

The review process of the evaluation procedure will take into account the following aspects:

- new types of assets in which the company intends to invest and which are valued on the basis of internal valuation models;
- changes/updates of the International Valuation Standards, of the legislation, which are no longer in accordance with the rules used;
- events that could have an impact on the process and/or valuation models used, which would lead to an inappropriate valuation risk of the financial securities in the company's portfolio;
- the results/conclusions of the periodic verifications carried out in order to determine the reasonableness of each estimated value for the financial securities in the company's portfolio.

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NET ASSET VALUATION METHODOLOGY

The valuation of the assets for the calculation of the net assets of S.I.F. Oltenia S.A. is carried out in accordance with the provisions of the F.S.A. Regulation no. 9/2014 (art. 113 – 122), amended and supplemented by the F.S.A. Regulations no. 2/2018, no. 7/2020 and no. 20/2020.

Asset categories		Assessment methods
Financial instruments admitted to trading and traded within the last 30 trading days (working days) on a regulated market or on trading systems other than regulated markets in a Member State, including those admitted to official listing on an exchange or on an alternative trading system in a third country:		
1	Shares and any other negotiable securities giving the right to acquire those securities by subscription or exchange	- at the closing price of the section of the market considered as the main market, corresponding to the day for which the calculation is made, in the case of shares admitted to trading on that regulated market in the Member State/stock exchange of the non-member State. or - on the reference price for the day for which the calculation is made, in the case of shares traded on trading systems other than regulated markets, including other alternative trading systems, provided by the operator of that trading system for each of the segments of that system. The price used as the reference price is calculated on the basis of the trading activity on the day for which the calculation of the asset is performed, used as a benchmark in the opening of the trading session on the following day
1.2	Fixed income derivatives	1. one of the methods indicated in point 1.1, depending on the trading venue of the instruments in question; or 2. method based on daily recognition of interest and depreciation of discount/premium related to the period elapsed from the date of the placement; or 3. the method based on the use of MID market quotations (calculated as the arithmetic mean between the best-selling price and the best buying price), in the event of the existence of relevant composite price benchmarks published by official institutions or internationally recognized private companies (for example, NBR, Bloomberg, Reuters); or 4. the method based on the use of BID quotations, where there is no relevant composite price benchmark; or

		<p>5. the method of determining the fair value of the instrument, according to the internationally established valuation techniques, in the absence of any quotation according to the previous points, based on a substantiated decision of the senior management of S.I.F. Oltenia S.A.</p> <p>If S.I.F. Oltenia S.A. chooses the valuation method provided in points 3 or 4 above, and for a fixed income instrument there is no relevant price, that instrument will be evaluated according to the rules issued by the F.S.A.</p>
1.3	Money-market instruments	Similar to point 1.2
1.4	Derivative financial instruments	<p>- at the closing price of the section of the market considered as the main market for the day for which the calculation is made, in the case of financial instruments admitted to trading on that regulated market in the Member State/stock exchange of the non-member State;</p> <p>or</p> <p>- on the reference price for the day for which the calculation is made, in the case of financial instruments traded on trading systems other than regulated markets, including other alternative trading systems, provided by the operator of that trading system for each of the segments of that system. The price used as the reference price shall be calculated on the basis of the trading activity on the day for which the calculation of the asset is made, used as a benchmark in the opening of the trading session on the following day.</p>
1.5	Shares issued by C.P.B.	<p>- at the closing price of the section of the market considered as the main market for the day for which the calculation is made, in the case of units admitted to trading on that regulated market in the Member State/stock exchange of the non-member State;</p> <p>or</p> <p>- on the reference price for the day for which the calculation is made, in the case of units traded on trading systems other than regulated markets, including other alternative trading systems, provided by the operator of that trading system for each of the segments of that system. The price used as the reference price shall be calculated on the basis of the trading activity on the day for which the calculation of the asset is made, used as a benchmark in the opening of the trading session on the following day.</p>
<p>For the assessment of the above-mentioned financial instruments, the following rules shall be taken into account:</p> <ul style="list-style-type: none"> - financial instruments admitted to trading on more than one regulated market and/or on several trading systems, other than regulated markets, in a Member State, including alternative trading systems in Romania, traded in the last 30 trading days (working days) shall be valued at the closing price of the market section considered as the main market or at the reference price provided under alternative systems with the highest degree of liquidity and frequency of trading of that financial instrument determined on the basis of the volume and number of transactions recorded in the previous calendar year; - where financial instruments are also admitted to exchanges or alternative trading systems in a third country, the market price with the highest degree of liquidity and frequency of trading shall be taken 		

into account;

- in the case of financial instruments admitted to trading exclusively on more than one stock exchange and/or alternative trading systems in third countries, they will be measured at the closing price of the stock exchange or at the reference price provided under the alternative systems with the highest degree of liquidity and frequency of trading of that financial instrument determined on the basis of the volume and number of transactions recorded in the last 365 days, related to the day for which the calculation is made. The calculation shall be carried out with an annual frequency at the beginning of each calendar year;

- in the case of joint stock companies admitted to trading on a regulated market or a multilateral trading system with a liquidity considered by S.I.F. Oltenia S.A., based on a prudential value judgment regarding the active market defined by the International Financial Reporting Standard 13 - Valuation at Fair Value (IFRS 13), as irrelevant for the application of the valuation method by marking on the market, the shares of those companies will be valued in the assets of S.I.F. Oltenia S.A. in accordance with the valuation standards in force, according to the law, based on an valuation report. If S.I.F. Oltenia S.A. opts for the application of this valuation method, it shall maintain that valuation method for a period of at least one calendar year for those shares considered illiquid.

2. Financial instruments admitted to trading on a regulated market, under an alternative system or under systems other than regulated markets, in a Member State, including an alternative trading system in Romania, as well as those admitted to official listing on a stock exchange or an alternative trading system in a third country, but not traded in the last 30 trading days (working days), will be evaluated, starting with the 31st day of non-trading

2.1	Shares and any other negotiable securities giving the right to acquire those securities by subscription or exchange	<p>1. the carrying amount per share, as evidenced by the last approved annual financial statement of that entity. In the case of operations to increase/decrease the share capital (by increasing/decreasing the number of shares in circulation) of companies and for which the new number of shares in circulation is not actually reflected in the last approved annual financial statements, for the purpose of calculating the accounting value referred to in this point, the information provided to the issuer will be used, based on documentary evidence (registration certificate from National Trade Register Office or monthly verification balance – in the case of unlisted companies – or the certificate of registration of securities, issued by F.S.A. – in the case of issuers - as well as, to the extent available, a report drawn up to an independent auditor certifying the new value of the company's equity); in the case of credit institutions, the accounting value per share may be based on the calculation of the equity value contained in the monthly reports submitted to N.B.R., if such reports are available;</p> <p>or</p> <p>2. the value determined by applying valuation methods in accordance with international valuation standards (in which the fair value principle is used), approved by the Board of Directors/management of S.I.F. Oltenia S.A.</p> <p>Shares issued by companies admitted to trading on a regulated market or on trading systems other than regulated markets but not traded within the last 30 trading days in respect of which the F.S.A. or another competent</p>
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		authority has decided to open financial recovery by special administration shall be valued in accordance with the methods specified above.
2.2	Fixed income derivatives	<p>1. method based on daily recognition of interest and depreciation of discount/premium related to the period elapsed from the date of the placement. The daily recognition of the interest and the depreciation of the discount/related premium will be made starting from that price level starting with the date of the change of the valuation method;</p> <p>or</p> <p>2. the method based on the use of MID market quotations (calculated as the arithmetic mean between the best-selling price and the best buying price), in the event of the existence of relevant composite price benchmarks published by official institutions or internationally recognized private companies (e.g. NBR, Bloomberg, Reuters);</p> <p>or</p> <p>3. method based on the use of BID quotations, where there is no relevant composite price benchmark;</p> <p>or</p> <p>4. the method of determining the fair value of the instrument, according to the internationally established valuation techniques, in the absence of any quotation according to the previous points, based on a substantiated decision of the senior management of S.I.F. Oltenia S.A.</p> <p>If the principal and coupons related to fixed income instruments are not paid within 10 working days of the deadline set out in the prospectus, they will be included in the asset at zero value. In monitoring the number of 10 working days, the calendar to be taken into account is the corresponding calendar of the country of domicile of fixed income instruments, if there may be differences between working days in Romania and working days in other states. If the payment deadline coincides with a non-working day, it shall be automatically extended until the end of the first working day.</p>
2.3	Money-market instruments;	<p>1. method based on daily recognition of interest and depreciation of discount/premium related to the period elapsed from the date of the placement. The daily recognition of the interest and the depreciation of the discount/related premium will be made starting from that price level starting with the date of the change of the valuation method;</p> <p>or</p> <p>2. the method based on the use of MID market quotations (calculated as the arithmetic mean between the best-selling price and the best buying price), in the event of the existence of relevant composite price benchmarks published by official institutions or internationally recognized private companies (e.g. NBR, Bloomberg, Reuters);</p> <p>or</p> <p>3. method based on the use of BID quotations, where there is no relevant composite price benchmark;</p> <p>or</p> <p>4. the method of determining the fair value of the instrument, according to</p>

		the internationally established valuation techniques, in the absence of any quotation according to the previous points, based on a substantiated decision of the senior management of S.I.F. Oltenia S.A.
2.4	Derivative financial instruments	using established techniques on the financial markets so as to comply with the fair value principle
2.5	Shares issued by C.P.B.	the last unit value of the net asset calculated and published by their administrator or published by internationally recognised private firms (e.g. Bloomberg, Reuters)
<p>For the assessment of the financial instruments referred to in 2.1, the following rules shall be taken into account:</p> <ul style="list-style-type: none"> - in the case of operations to increase/decrease the share capital (by increasing/reducing the number of shares in circulation) of companies registered with the National Trade Register Office (in the case of a company not admitted to trading on a trading venue) or registered in the system of a central depository (for issuers) during the same financial year and for which the new number of shares in circulation is not actually reflected in the last approved annual financial statements, for the purpose of calculating the accounting value, the information provided by the company/issuer will be used, based on documentary evidence (registration certificate from the National Trade Register Office or monthly verification balance - in the case of unlisted companies - or the certificate of registration of securities, hereinafter referred to as C.I.V.M., issued by the F.S.A. - in the case of issuers -, as well as to the extent that an independent report is available to the auditor certifying the new value of the company's own capital; - the said financial instruments, issued by the same entity but purchased in different tranches, shall be valued in accordance with 2.1. – 2.5. 		
3.	Financial instruments not admitted to trading on a regulated market or on trading systems other than regulated markets, including alternative trading systems in Romania, from a Member State or a third party	
3.1	Shares issued by companies in which S.I.F. Oltenia S.A. holds less than 33% of the share capital	<p>1. the carrying amount per share, as evidenced by the last approved annual financial statement of that entity. In the case of credit institutions, the carrying amount per share is based on the calculation of the amount of equity contained in the monthly reports submitted to NBR, if such reports are available;</p> <p>or</p> <p>2. the value determined by applying valuation methods in accordance with international valuation standards (in which the fair value principle is used), approved by the Board of Directors/management of S.I.F. Oltenia S.A.</p>
3.2	Shares issued by companies in which S.I.F. Oltenia S.A. holds over 33% of the share capital	be assessed exclusively in accordance with International Valuation Standards on the basis of an updated valuation report at least annually.

3.3	Fixed income derivatives	<p>1. method based on daily recognition of interest and depreciation of discount/premium for the period elapsed from the date of the placement; and/or</p> <p>2. the method based on the use of MID market quotations (calculated as the arithmetic mean between the best-selling price and the best buying price), in the event of the existence of relevant composite price benchmarks published by official institutions or internationally recognized private companies (e.g. NBR, Bloomberg, Reuters);</p> <p>If the principal and coupons related to fixed income instruments are not paid within 10 working days of the deadline set out in the prospectus, they will be included in the asset at zero value. In monitoring the number of 10 working days, the calendar to be taken into account is the corresponding calendar of the country of domicile of fixed income instruments, if there may be differences between working days in Romania and working days in other states. If the payment deadline coincides with a non-working day, it shall be automatically extended until the end of the first working day.</p> <p>The valuation in the assets of S.I.F. Oltenia S.A. of corporate bonds not admitted to trading on a regulated market or an alternative/multilateral trading system for which the payment at maturity of the principal and related coupons has not been honored, is made at the value of 0 (zero) or at the value of the collateral executed, as the case may be, being forbidden to make additional investments in financial instruments issued by the same issuer.</p> <p>For prudential purposes, where it is established, according to the periodic financial statements of the issuer of these instruments, that there is a significant risk that it will not meet its payment obligations related to the periodic coupons and the principal, gradual adjustments of the exposure value on that instrument will be made, based on an internal analysis or an evaluation report drawn up by an authorized external evaluator. Those value adjustments shall be notified to the F.S.A. at least 5 working days prior to the implementation of the decision to apply this procedure.</p>
3.4	Money-market instruments;	<p>1. method based on daily recognition of interest and depreciation of discount/premium for the period elapsed from the date of the placement; or</p> <p>2. The method based on the use of MID market quotations (calculated as the arithmetic mean between the best-selling price and the best buying price), in the event of the existence of relevant composite price benchmarks published by official institutions or internationally recognized private companies (for example, NBR, Bloomberg, Reuters).</p>
3.5	Derivative financial instruments	using established techniques in financial markets so that the fair value principle is respected.
3.6	Shares issued by C.P.B.	the last unit value of the net asset calculated and published by their administrator or published by internationally recognised private firms

		(e.g. Bloomberg, Reuters)
4.	Holdings on current accounts	
		shall be assessed by taking into account the balance available on the date for which the calculation is made. The amounts existing in the current accounts of the UCITS with credit institutions that are in bankruptcy proceedings will be included in the net asset value at zero.
5.	Bank deposits and deposit certificates	
		shall be measured using the method based on the daily recognition of interest relating to the period elapsed from the date of the placement.
<p>For the assessment of bank deposits and deposit certificates, the following rules shall be taken into account:</p> <ul style="list-style-type: none"> - deposits with advance interest payment, regardless of the duration of the deposit, shall be valued at the value of the initial amount established as a deposit throughout the period of the deposit; - if interest has been collected on bank deposits before the due date, the amounts thus collected shall be deducted from the calculated value. 		
6.	Structured deposits	
		shall be assessed on the basis of the principle of daily recognition of the minimum guaranteed interest of the respective structured deposit to be boned by the bank. In case of non-guarantee of a minimum interest, the assessment will be made at the minimum current account interest. At maturity, if the evolution of the underlying asset was within the conditions of the deposit, the positive interest difference for the entire period from the time of the deposit will be recognized. The valuation method will be maintained throughout the duration of the deposit.
7.	Shares suspended from trading for a period of at least 30 trading days (business days) following the decision of the market or system operator to disclose to investors information that may lead to changes in the price of the issuer's shares	
		<p>will be assessed at:</p> <ol style="list-style-type: none"> 1. the weighted average price of the last 30 trading days (business days) calculated up to the date of occurrence of such an event as the arithmetic average of the weighted average prices of each of the last 30 trading days; or 2. the value determined by using valuation methods according to international valuation standards (in which the fair value principle is used) and approved by the management of S.I.F. Oltenia S.A. <p>If the suspension from trading occurs during the trading session, for the calculation of the value of the asset of the respective day the shares are valued at the closing/reference price, as the case may be, and for the purpose of counting the 30 trading days (working days), the first day is considered the next working day after the suspension. If the suspension takes place from the very beginning of the trading session, the first day shall be deemed to be the day of the suspension. If the weighted average prices of each of the last 30 trading days are not available for the calculation of the arithmetic average, S.I.F. Oltenia S.A. uses for the determination of the price of suspended shares exclusively the value</p>

		determined by using valuation methods according to international valuation standards (in which the fair value principle is used).
8.	Shares not admitted to trading, including those issued by credit institutions or admitted to trading and not traded within the last 30 trading days (business days), the financial statements of which are not obtained within 90 days from the legal filing dates	
		are included in the asset at zero or at the value determined by using valuation methods in accordance with international valuation standards (in which the fair value principle is used) and approved by the board of directors/management of the S.A.I./investment firm that self-manages if the information in the quarterly/half-yearly financial reports is not available on the basis of which the value of those shares could be determined. For the purpose of counting the 30 days of non-trading (business days), the first day of non-trading shall be deemed to be the first business day on which the respective share has not recorded transactions.
9.	Shares of companies regulated by Law no. 31/1990 in insolvency or reorganization proceedings	
		are included in the net asset value either at zero or at the value determined by an independent valuer by using valuation methods compliant with the International Valuation Standards (in accordance with the fair value principle), according to the option of the management of S.I.F. Oltenia S.A., from the date on which the announcement was made public on the website of the regulated market or the alternative trading system on which it is traded.
10.	Shares of companies regulated by Law no. 31/1990 in the procedure of judicial liquidation or in other forms of liquidation and of those in temporary or definitive cessation of activity	
		are included in the net assets of S.I.F. Oltenia S.A. at zero value, from the date when the announcement was made public on the website of the regulated market or of the alternative trading system on which it is traded.
11.	Shares of companies under insolvency or reorganisation proceedings whose shares were not admitted to trading on a regulated market or alternative trading system as a result of the issuance of a final court decision on the confirmation by the designated syndic judge of the reorganisation plan of the respective issuer and the confirmation by the issuer/market operator or system of the failure to appeal the sentence on the confirmation of the reorganisation plan	
		- in accordance with the method referred to in point 1.1 where those shares have a market price, in the sense that they have recorded transactions since the date of readmission to trading; or - if the shares do not have a market price, they shall be valued according to the method referred to in 3.1 or 3.2 until the date of registration of an available reference price.
12.	Shares of companies regulated by Law no. 31/1990 or the applicable legislation of Member States or third countries, not admitted to trading or admitted to trading on a	

	regulated market, on an alternative system or on other trading systems, in a Member State, including an alternative trading system in Romania, as well as those admitted to official listing on an exchange or an alternative trading system in a third country, but not traded in the last 30 trading days (working days), with negative values of equity	
		are included in the calculation of the net asset at zero.
13.	Shares of companies regulated by Law no. 31/1990 in insolvency or reorganization proceedings not admitted to trading on a regulated market or on an alternative trading system	
		are included in the calculation of the net asset at zero.
14.	Shares resulting from the division/consolidation of the nominal value of shares admitted to trading on a regulated market or in trading systems other than regulated markets	
		shall be assessed, from ex-date until their date of entry into trading, by dividing the pre-division price by the coefficient of division, respectively by multiplying by the coefficient of consolidation.
15	Shares resulting from share capital relief operations by reducing the number of shares of companies admitted to trading on a regulated market or in trading systems other than regulated markets	
		shall be evaluated, starting with ex-dates and until the date of their introduction for trading, by dividing the last available market price prior to the operation of the share capital change by the coefficient of decrease of the share capital.
16.	Dividends and shares distributed without consideration in cash resulting from participation in capital increases	
		are registered in the assets of S.I.F. Oltenia S.A. on the first day when the investors who buy the shares no longer benefit from the dividend or on the first day when the investors who buy the shares can no longer participate in the capital increase. They shall be shown in a separate item ' <i>Dividends or other receivables</i> ' in the assets of the company. The valuation of the shares held by S.I.F. Oltenia S.A. as a result of the participation in the capital increase without consideration in money is carried out: - at the closing price of the section of the market considered as the main market, or - at the reference price provided on systems other than regulated markets, including on alternative trading systems by the operator of that trading system, for the day for which the calculation is made.
<p>For the assessment of dividends and shares distributed without consideration in money resulting from participation in capital increases, the following rules shall be taken into account:</p> <ul style="list-style-type: none"> - if due to lack of information, the active registration of dividends related to the holding of shares listed on foreign markets cannot be achieved, the equivalent value of those dividends will be recorded in the asset on the date on which S.I.F. Oltenia S.A. or the depository of the company's assets comes into possession of the information regarding the ex-dividend date, a fact proven on the basis of documents/excerpts/publications; 		

- if the dividends and shares distributed without consideration in money are not paid/allocated within the legal term/term established in the GSM decision, they will be included in the asset at zero value. If the legal deadline/established in the GSM decision for payment/allocation of dividends falls on a non-working day, it shall be extended until the end of the first working day;

- dividends distributed by companies not admitted to trading on a trading venue in a Member State or on a stock exchange in a third country are recorded in the accounting records of S.I.F. Oltenia S.A. as receivables based on the decisions of the General Shareholders Meeting approving the balance sheet of that company and are recorded in the net assets of S.I.F. Oltenia S.A.;

- dividends distributed by companies not admitted to trading on a trading venue in a Member State or on a stock exchange in a third country are recorded in the assets of S.I.F. Oltenia S.A. on the date of their collection.

17. Shares as a result of share capital increases implying a cash consideration from investors, without the issuance of preference rights

If S.I.F. Oltenia S.A. decides to participate in the issuer's share capital increase, the shares due and the amount owed by S.I.F. Oltenia S.A. as a result of the participation in the share capital increase shall be recorded as follows:

- on the first day when the investors who buy the shares can no longer participate in the capital increase (so-called ex-dividend date), if the market price is higher than the subscription price;
 - on the date of actual payment of the shares subscribed to the share capital increase, if the market price is lower than the subscription price.
- They shall be shown in a separate item '*Dividends or other receivables*' in the assets of the company.

The valuation of these shares shall be carried out:

- at the closing price of the market section considered as the main market or
- at the reference price – provided on systems other than regulated markets, including on alternative trading systems by the operator of that trading system, for the day for which the calculation is made.

The amount due as a result of the participation in the share capital increase recorded in the asset is measured at the subscription value.

If the operation of increasing the share capital with cash consideration from the investors is not fulfilled within the legal term established by Law no. 31/1990 from the date of adoption of the decision of A.G.A., S.I.F. Oltenia S.A. excludes from the portfolio the subscribed shares and may record the amounts paid related to the increase of the capital not operated on the position "*Other assets - Amounts receivable*". S.I.F. Oltenia S.A. will use all legal steps to recover the cash consideration paid to the issuer for the shares that have not been subscribed for objective reasons attributable to it.

18. Shares as a result of share capital increases implying a cash consideration from investors, with the issuance of preference rights

shall be recorded in the assets of S.I.F. Oltenia S.A. on the date of actual payment of the shares subscribed to the share capital increase.

The preference rights shall be recorded in assets on the first day on which the investors purchasing the shares are no longer able to participate in the capital increase.

<p>For the evaluation of the shares as a result of the share capital increases involving a cash consideration from the investors, with the issuance of preference rights, the following rules shall be taken into account:</p> <ul style="list-style-type: none"> - the valuation of the preference rights is carried out at theoretical value, until the first trading day. The theoretical value of the right of preference shall be calculated according to the formula: Theoretical value of the preference right = (market price of old shares - subscription price of new shares on the basis of preference rights) * (number of new shares/(number of old shares + number of new shares)) * (number of old shares/number of preference rights issued), where the market price of the old shares is represented by the price evaluated according to the method specified in item 1.1, from the last day on which those who buy shares have the right to participate in the capital increase. - after admission to trading, preference rights will be measured at the closing price of the section of the market considered as the main market, related to the day for which the calculation is made, in the case of shares admitted to trading on that regulated market in the non-member Member State/stock exchange or at the reference price related to the day for which the calculation is made, in the case of shares traded on trading systems other than regulated markets, including other alternative trading systems, provided by the operator of the trading system for each of the segments of that system. - if no transactions will be recorded, the valuation at the theoretical value will be maintained. - after the trading period of the rights of preference and up to the moment of their exercise, the rights of preference will be valued at the last closing price of the trading period and highlighted in a separate position 'Dividends or other rights receivable'. - at the time of exercising the rights of preference, the due shares will be duly registered in the asset of S.I.F. Oltenia S.A. 		
19.	Underwriting shares in an initial public offering for sale of shares	
		<p>the shares are deemed to be “newly issued securities” and are valued on the basis of the purchase price of the shares subscribed for in the offer to the public. This method of registration and evaluation of the respective shares subscribed by S.I.F. Oltenia S.A. is maintained until the date of the first stock exchange transaction.</p> <p>If S.I.F. Oltenia S.A., has subscribed and paid in full for shares in the initial public offering for sale of shares, holds shares of that company prior to the public offering and admission to trading of those shares, they are valued as follows:</p> <ul style="list-style-type: none"> - between the date of issue and the date of possible admission to trading of the allocation rights, in accordance with the methods referred to in paragraph 3.1 – 3.2; - between the date of the possible admission to trading of the allocation rights and the effective date of the admission to trading of the shares, based on the assessment of those allocation rights according to the methods referred to in paragraph 1.1.
<p>The following rules shall be taken into account for the valuation of shares as a result of subscription in an initial public offer to sell shares:</p> <ul style="list-style-type: none"> - if the admission to trading of the subscribed shares is not made within a maximum of 12 months 		

<p>from the date of initiation of the offer period, the shares obtained by S.I.F. Oltenia S.A. as a result of the subscription in an initial public offer for sale of shares will be evaluated according to the methods referred to in section 3.1 – 3.2.</p>		
20.	<p>Allocation rights obtained by S.I.F. Oltenia S.A. as a result of subscription in an initial public offer for the sale of shares involving the issuance of marketable allocation rights, following the subscription and full payment of the shares within the offer, respectively during the period of exercise of the preference right</p>	
		<ul style="list-style-type: none"> - between the date of issue and the date of possible admission to trading of the allotment rights on the basis of the purchase price of the shares subscribed in the public offer; - between the date of the possible admission to trading of the allocation rights and the effective date of the admission to trading of the shares, based on the assessment of those allocation rights according to the methods referred to in paragraph 1.1
<p>Allocation rights will be presented in the reporting forms of S.I.F. Oltenia S.A. as follows:</p> <p>a) until the admission to trading within the sections related to holdings of other securities and money market instruments not admitted to trading;</p> <p>b) from the moment of admission to trading until the moment of issue of the shares subscribed in the public offer, within the sections related to holdings of other securities assimilated to shares and money market instruments admitted or traded.</p>		
21.	<p>Shares of companies not admitted to trading resulting from increases in share capital with cash consideration</p>	
		<ul style="list-style-type: none"> - until the date of operation of the share capital increase at U.N.C.R., at the value subscribed; - from the date of operation of the share capital increase at National Trade Register Office, similar to the method mentioned in 3.1 or 3.2, in conjunction with the methods specified in section 7, 8, 9 and 10.
22.	<p>Shares of companies not admitted to trading resulting from share capital increases without cash consideration</p>	
		<p>shall be recorded in the assets of S.I.F. Oltenia S.A. from the date of operation of the share capital increase at National Trade Register Office, based on supporting documents provided by the company, certifying the new value of the equity corresponding to the new share capital.</p>
23.	<p>Newly issued bonds comprising a listing commitment</p>	
		<p>are valued up to the date of admission to trading similar to the methods referred to in 3.3 for fixed income instruments</p>
24.	<p>Greenhouse gas emission allowances</p>	
		<p>is evaluated at least annually on the basis of the value determined by applying valuation methods in accordance with the valuation standards in force, according to the law (in which the fair value principle is used), by an ANEVAR authorized valuator, approved by the senior management of the company</p>
25.	<p>Real estate assets</p>	
		<p>is evaluated by an independent valuer, registered in the Public Register of F.S.A., in compliance with the regulations issued by F.S.A. The</p>

		depository certifies the calculation of the net asset, taking into its calculation the value of the real estate assets registered in the valuation report drawn up by the independent valuer, responsible for the valuation. The valuation method of the real estate assets will be maintained by the company for a minimum period of 3 years. The revaluation of real estate assets will be carried out at least annually, as well as each time when transactions with assets from its investment portfolio are recorded or at the request of the F.S.A. Expenses with the valuation of real estate assets will be borne by the company.
26.	- shares of limited liability companies regulated by Law no. 31/1990, whose annual financial statements are audited according to the law	
		is evaluated at least annually on the basis of the value determined by applying valuation methods in accordance with the valuation standards in force, according to the law (in which the fair value principle is used), approved by the senior management of the company
27.	Reversible purchases/sales of assets eligible for trading (repo/reverse repo)	
		<p>(a) reverse purchases under which S.I.F. Oltenia S.A. purchases assets eligible for trading, with the firm commitment of the counterparty to repurchase those assets at a later date and at a price determined at the date of the transaction, are measured by the daily recognition of the claim that is added to the acquisition value;</p> <p>b) reversible sales under which S.I.F. Oltenia S.A. sells assets eligible for trading, under a firm commitment to repurchase those assets at a later date and at a price established at the date of closing, are valued as follows:</p> <p>1. for the period between the date of receipt of the amount of the open market operation and the date of the firm repurchase commitment, the securities subject to the operation shall be valued daily in accordance with Article 113-115 of the F.S.A. Regulation no. 9/2014. The securities subject to the operation will be highlighted under a dedicated asset item: "Holding securities for repurchase agreements" in the category corresponding to those instruments;</p> <p>2. during the same period, the settlement value together with the daily recognition of the attached debt shall be entered with the sign "minus", within an asset position "Money market instruments other than those traded on a regulated market", according to art. 82 lit. G) of GEO 32/2012 – Repurchase agreements on securities issued by the central public administration.</p>
28.	Structured products	
		<p>The structured products will be measured at the reference price (for an individual structured product issue or a trading session) calculated by the market operator on which those instruments are traded, as follows:</p> <p>1. arithmetic mean, calculated on the basis of the best buy (ask) quote and the best sell (BID) quote entered/administered by the liquidity provider (s) or by the market maker (s), as applicable, existing in the market after the end of the current trading session, if there were quotes of the liquidity provider (s) or market maker (s), and the symbol was available for</p>

		<p>trading. That value shall be rounded to the nearest price step corresponding to that symbol;</p> <p>2. the closing price recorded in the main market of the symbol in the current trading session if it was available for trading, if there are no available quotes of the liquidity provider (s) or of the market maker (s), according to pt. 1, and transactions were recorded in that trading session; the most recent reference price of the symbol (the reference price remains unchanged) where all of the following requirements are met:</p> <p>(i) no transactions were recorded in the most recent trading session in which that symbol was available for trading;</p> <p>(ii) there have been no quotes from the liquidity provider (s) or market maker (s), as applicable, at the conclusion of the most recent trading session where the relevant symbol was available for trading.</p>
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