

Simplified Prospectus of SIF MUNTENIA SA

Investments in SIF MUNTENIA S.A. are not bank deposits, and the banks, in case they hold the quality of shareholder of an A.I.F., do not offer any guarantee to the investor on the recovery of the invested amounts;

The approval of the initiation and commencement of the public offering of shares by the Financial Supervisory Authority (FSA) does not imply in any way the approval or assessment by the FSA of the quality of the investment in the respective shares, but underlines the bidder's compliance with the provisions of Law no. 74/2015, Law no. 243/2019 and of the FSA Regulation no. 7/2020;

Holding shares involves not only their particular advantages, but also the risk of not achieving the objectives, including some losses for the investors, the income attracted from the investment being generally proportionate to the risk.

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Chapter A – SIMPLIFIED PROSPECTUS SUMMARY**I. Introduction**

- 1) Securities: shares listed on Bucharest Stock Exchange, ISIN – ROSIFDACNOR6.
- 2) Name of the issuer: **Societatea de Investiții Financiare Muntenia S.A (SIF Muntenia/AIF).**
Contact details: 46-48, S.V. Rahmaninov St., sector. 2, Bucharest – 020199, Romania; Phone - +40 213 873 210; Fax - +40 213 873 209; E-mail - sai@munteniainvest.ro, website: www.sifmuntenia.ro, Cod LEI - 2549007DHG4WLBMAAO98.
- 3) The legal form of SIF MUNTENIA SA is a joint stock company, Romanian legal person under private law, classified according to the applicable regulations as an Alternative Investment Fund closed-ended, with a diversified investment policy, addressed to retail investors (AIFRI) , managed by an asset manager.
- 4) Societatea de Administrare a Investițiilor Muntenia Invest SA (SAI Muntenia Invest/AIFM) is the the asset manager and has prepared this prospectus. Contact details: 46-48, S.V. Rahmaninov St., sector. 2, Bucharest – 020199, Romania; Phone -+40 213 873 210; Fax - +40 213 873 209; E-mail - sai@munteniainvest.ro, website: www.munteniainvest.ro.
- 5) The competent authority that authorizes this Simplified Prospectus is the Romanian Financial Supervisory Authority (FSA), which has the following contact details: 15, Splaiul Independenței sector 5, București - 050092, Fax: +4021.659.60.51, +4021.659.64.36, tel.: +40216681208, website: www.asfromania.ro.
- 6) **This Simplified Prospectus was authorized by the FSA on 09 July 2021 by Authorisation no. 151/09.07.2021**

7) WARNINGS

THE SUMMARY IN ITS ENTIRETY MUST BE READ AS AN INTRODUCTION TO THIS SIMPLIFIED PROSPECTUS

ANY INVESTMENT DECISION IN THE SHARES ISSUED BY SIF MUNTENIA MUST BE BASED ON AN EXAMINATION OF THE ENTIRE PROSPECTUS BY THE INVESTOR.

THE INVESTOR MAY LOSE ALL OR PART OF THE INVESTED CAPITAL.

IN THE EVENT OF A LITIGATION RELATED TO THE INFORMATION CONTAINED IN THE PROSPECTUS, THE PLAINTIFF, IN ACCORDANCE WITH DOMESTIC LAW, MAY HAVE TO BEAR THE PROSPECTUS TRANSLATION COSTS BEFORE INITIATING THE LEGAL PROCEEDINGS.

CIVIL LIABILITY LIES SOLELY WITH THE PERSONS WHO HAVE SUBMITTED THIS SIMPLIFIED PROSPECTUS, INCLUDING ANY TRANSLATION THEREOF, BUT ONLY WHEN IT IS MISLEADING, INACCURATE OR INCONSISTENT WITH THE ESSENTIAL INFORMATION FOR HELPING INVESTORS DECIDE WHETHER TO INVEST IN SUCH SECURITIES / SHARES.

YOU ARE ABOUT TO PURCHASE A PRODUCT THAT IS NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND

II. Key information on the Issuer**II.1. Who is the Issuer of the securities?**

Name of the Issuer	Societatea de Investiții Financiare Muntenia S.A.
Registered office	46-48 SV Rahmaninov St., ground floor, room 2, sector 2, Bucharest – 020199
Unique Registration Code	3168735
Trade Register Number	J40/27499/1992
LEI Code	2549007DHG4WLBMAAO98
FSA Register number	PJR09SIIR/400005/ 15.06.2006
Share capital	78,464,520.10 lei – subscribed and fully paid share capital 784,645,201 – issued shares 784,645,201 – free float 0.1 lei – nominal value
Characteristics of the shares	Common, nominative, indivisible, dematerialized
Main object of activity	- making financial investments in order to maximize the value of its own shares, in accordance with the regulations in force; - managing the investment portfolio and exercising all the rights associated with the instruments in which it is invested; - risk management - other ancillary and adjacent activities, in accordance with the regulations in force. NACE 6430- Trusts, funds and similar financial entities
Shareholding structure	100% private
Market capitalization	100%
Depositary and custodian services	BRD - Groupe Societe Generale S.A.
Evidence of shares and shareholders	Depozitarul Central S.A.
Financial auditor	KPMG Audit S.R.L.
Contact	Registered office; Tel: +4021-3873210, Fax: +4021-3873209 www.sifmuntenia.ro e-mail: sai@munteniainvest.ro
Manager	SAI Muntenia Invest, registered at the Bucharest Trade Register under no. J40 / 3307/1997, sole registration code 9415761, registered as an alternative investment fund manager (AIFM) and registered with the FSA in Section 8 - Alternative Investment Fund Managers, RAIFM Subsection - Alternative Investment Fund Managers registered with the FSA with no. PJR071AFIAI / 400005 according to the Certificate no. 39 / 21.12.2017.

The operation of SIF Muntenia is regulated by the provisions of ordinary and special Romanian laws applicable in the field of Alternative Investment Funds, closed-ended, with a diversified investment policy, addressed to retail investors (AIFRI), externally managed.

II.2. What is the essential financial information regarding the Issuer?

Table no. 1

Share class	NAV 31.12.2019 lei	No. of shares 31.12.2019	NAV/share (free float) lei	PER 31.12.2019
Premium	1,593,627,487	807,036,515	2.0310	6.09

Profit and loss account for SIF Muntenia

Table no. 2

Indicator (lei)	31.12.2019	31.12.2018	31.12.2017	31.03.2020	31.03.2019
Net investment income	151,246,654	49,562,212	81,437,888	(74,670,124)	5,609,759
Net profit /(Net loss)	111,913,700	22,799,383	51,005,327	(79,756,118)	(64,262)
Performance fee (accrued/paid)	8,741,496	-	1,307,525	-	-
Investment management fee (accrued/paid)	17,400,000	17,400,000	17,400,000	4,350,000	4,350,000
Any other significant fees (accrued/paid) due to service suppliers	1,916,562	2,040,313	1,818,046	456,697	488,473
Earnings per share	0.140	0.028	0.063	(0.100)	0.000

Balance sheet for SIF Muntenia

Table no. 3

Indicator (lei)	31.12.2019	31.12.2018	31.12.2017	31.09.2020
Total net asset	1,574,026,234	1,255,153,611	1,204,627,895	1,563,860,796
Leverage	N/A	N/A	N/A	N/A

Throughout the analyzed period, the financial auditor of SIF Muntenia, KPMG Audit SRL, issued unqualified audit reports on the preparation of the annual financial statements and annual reports of its manager, SAI Muntenia Invest.

Other categories of expenses that are obligations of SIF Muntenia:

Besides the expenses specified under Art. 48. paragraph (1) of the FSA Regulation no. 7/2020, SIF Muntenia also registers the following types of expenses:

1. Expenses with the operation of SIF Muntenia Shareholders Representatives Council;
2. Expenses with independent evaluators authorized by ANEVAR for the evaluation according to the international standards of evaluation of some shares from SIF Muntenia's portfolio
3. Expenses with lawyers / law firms for the representation of SIF Muntenia in Court;
4. Expenses with internal audit, GDPR or any mandatory activities according to the applicable legal regulations;

5. Expenses for leasing the registered office (IFRS 16)
6. Expenses related to investor relations and public relations in the interest of the AIFRI;
7. Expenses with the protocol and sponsorships within the provisions of the applicable regulations;
8. Commissions with services provided by third parties (taxes to the Trade Register, Romanian Post services, bank commissions, translation of documents, internet and telephone services, stamp duties, court fees, depreciation of fixed assets).

II.3. What are the main risks specific to the issuer?

The investment in SIF Muntenia is mainly subject to the following risk categories, (without being limited to): market risk, credit risk, counterparty risk, liquidity risk, operational risk, reputational risk and strategic risk.

Market risk is the risk of incurring losses due to adverse fluctuations in the prices at which the financial securities in the portfolio are traded.

Credit risk is the risk of adverse outcome on SIF Muntenia's profits and capital following the failure of the debtor to fulfill contractual obligations.

Counterparty risk is the risk that one of the parties to the contract will not fulfill its contractual obligations, leading to a loss for the other party.

Liquidity risk is the risk of adverse outcome on profits and capital determined by SIF Muntenia inability to meet its obligations at maturity.

Operational risk is the risk of loss that results either from the use of inadequate internal processes, human resources or systems or that have not performed their function properly, or from external events

Reputational risk is the risk of adverse outcome on profits and capital determined by the unfavorable perception of SIF Muntenia's image by customers, counterparties, shareholders, investors or supervisory authorities.

Strategic risk is the risk of adverse outcome on SIF Muntenia profits and capital determined by the inadequate implementation of decisions or making unfavorable business decisions or lack of reaction to changes in the business environment.

III. Key information on securities

III.1. What are the main characteristics of securities?

The shares issued by SIF Muntenia are registered shares, of equal values, issued in dematerialized form. The shares issued by SIF Muntenia are listed and traded on the Bucharest Stock Exchange SA (BSE), on the Main segment, Premium category, trading symbol "SIF4", starting with 01.11.1999.

The shareholders registry is kept according to the applicable legal regulations, on a contractual basis, by the company Depozitarul Central SA.

The currency in which the shares are traded is LEU, and the unit nominal value of a share is 0.1 lei. At the date of preparation of this Simplified Prospectus, the number of SIF Muntenia shares issued and under circulation is 784,645,201.

The shares issued by SIF Muntenia SA grant equal rights to their holders, and the rights related to them are:

1. to attend the general shareholders meetings;

2. to obtain the information necessary for the exercise of the voting right and information on the results of the vote at the general shareholders meeting;
3. to express a vote / share in the general shareholders meeting;
4. to obtain the dividends due;
5. any other rights provided by law and by the operating documents of SIF Muntenia.

There are no restrictions on the free transferability of securities.

III.2. Dividend policy

The dividend policy applied by SIF Muntenia aims at maintaining a balance between the remuneration of shareholders through dividends and the need to finance new investments from the reinvested-obtained profit. Maintaining this balance aims both to increase the long-term investment attractiveness for investors and to maintain the potential future development of the company, ensuring the long-term profitability of the business and increasing the value created for the shareholders.

Determining how the distribution of the net profit is performed is subject to the approval of the General Shareholders Meeting and the proposal made by the manager takes into account the sustainability, the economic environment and the market as well. If the GS decides to distribute dividends, all shareholders of the company registered in the consolidated register on the registration date set by the GSM are entitled to the dividends approved by the GSM. The payment of dividends is made in accordance with the applicable legal provisions and the GSM resolutions.

The remuneration of SIF Muntenia shareholders is achieved both through the dividend distribution policy and through the decision to reinvest the profit or to repurchase the securities, for the stated purpose of increasing the value of the shares. If the profit reinvestment opportunities are more attractive or in the case of redemption of shares on the market, the return on capital invested by the shareholder may be higher than a simple distribution of taxable dividend

Remuneration of SIF Muntenia shareholders is carried out transparently and accurately, in any of the variants decided by the shareholders: cash dividend distribution, reinvestment of profit with the expectation of increasing the value of the share by at least the size of the undistributed dividend or redemption programs of the company's shares.

III.2. Where will the securities be traded?

The shares issued by SIF Muntenia are listed and traded on the Bucharest Stock Exchange SA (BSE).

III.3. What are the main risks specific to securities?

Any investment in securities involves certain risks. Before making the decision to invest in SIF Muntenia shares, any investor must carefully analyze the risk factors described below, as well as all the information contained in this Simplified Prospectus.

If these risks lead to a fall in the share price, investors may lose all or a significant part of their investment.

The investment in shares issued by SIF Muntenia is mainly subject to the following categories of risks, without being limited to: Market risk - there is a risk that shareholders will record losses due to generalized unfavorable fluctuations in stock prices on the Bucharest Stock Exchange and, as a result, in the price of SIF Muntenia share.

Liquidity risk - there is a risk that investors will encounter difficulties in liquidating shares portfolios or liquidating these portfolios with significant costs; In general, more liquid markets lead to more efficient execution of investors' buy and sell orders.

Volatility risk - the market price may be volatile and may be subject to sudden and significant declines, so that the result of the investment in shares will be adversely affected.

Suspension of shares from trading risk – the FSA is authorized to suspend the trading of securities or to request BSE to suspend from trading the securities traded on the BSE, if the continuation of trading would adversely affect the interests of investors or the proper functioning of the market. Such trading suspensions may limit the ability of investors to sell shares at any desired time and may induce the risk of a substantial loss in value after the resumption of trading.

Risks resulting from possible legislative changes governing the operation of SIF Muntenia - the existence and operation of SIF Muntenia are regulated by both primary and secondary legislation and one cannot rule out the possibility that the current regulatory framework will be amended in a way that may affect the fund and its shares.

The risk that SIF Muntenia as issuer will not pay dividends in the future - if the payment of dividends to shareholders by SIF Muntenia is possible in the future, it will depend, , , among others, on the profit, financial situation and capital requirements of the issuer, the existence of sufficient distributable reserves, general economic conditions and other factors that the manager and / or shareholders consider significant at a given date.

Risks associated with force majeure events - the current and future performance of the fund may be adversely affected by external factors, such as natural or civil disasters, accidents, terrorism, which may adversely affect companies in the portfolio as well.

Risk of monthly fluctuations in net asset value - net asset values calculated on a monthly basis and certified by the depositary may have significant fluctuations, as they may be influenced by a number of factors, including the results of qualitative portfolio management and implementation of related decisions.

Currency risk - investors resident in other jurisdictions are exposed to foreign currency exchange differences, considering the fact that the shares are issued and traded in lei.

IV. Key information on the public offering of securities and / or admission to trading on a regulated market

IV.1. What are the conditions and schedule for investing in this security?

SIF Muntenia shares (SIF4 symbol) are traded according to the regulations of the regulated market operator Bursa de Valori București SA and the capital market legislation.

IV.2. Why was this prospectus prepared?

This Prospectus has been drawn up as part of the documentation authorizing SIF Muntenia as an Alternative Investment Fund (AIF), the category of Alternative Investment Fund for retail investors (AIFRI), with a diversified investment policy, closed-ended, externally managed.

The prospectus has been prepared in accordance with the provisions of *Regulation (EU) 2017 / 1.129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published in the case of a public offering of securities or the admission of securities to trading on a regulated market, repealing Directive 2003/71 / EC*, of *Law no. 243/2019 on the regulation of alternative investment funds and for the amendment and completion of some normative acts* and of the *FSA Regulation no. 7/2020 on the authorization and operation of alternative investment funds*.

The manager of SIF Muntenia must avoid situations that constitute a conflict of interests as defined by the regulations in force or, in the event they occur, to ensure the equal treatment among managed entities and keeping the investors informed.

The administrator of SIF Muntenia applies Policies and procedures in the conflict of interest field that are aimed at avoiding conflicts of interest by implementing appropriate measures in relation to the nature, size and complexity of the activities carried out.

Date of preparing– 25.03.2021

Nicușor Marian Buică

General Director

SAI Muntenia Invest SA

Chapter B – REGISTRATION DOCUMENT

SECTION 1 - RESPONSIBLE PERSONS, INFORMATION ON THIRD PARTIES, EXPERTS REPORTS AND COMPETENT AUTHORITY APPROVAL

1.1. The person responsible for the information included in the Registration Document is SAI Muntenia Invest / AIFM, the external manager of SIF Muntenia / AIF.

1.2. Statement

SAI Muntenia Invest, legally represented by Nicușor Marian Buică – General Director, declares that the information included in the Simplified Prospectus is, to the best of his knowledge, according to reality and that the Simplified Prospectus does not contain omissions likely to affect its significance.

SAI Muntenia Invest declares that:

- a) The Simplified Prospectus was approved by the FINANCIAL SUPERVISORY AUTHORITY (FSA), as competent authority according to Regulation (EU) 2017/1129;
- b) The FSA approves this Simplified Prospectus only in terms of meeting the standards of completeness, intelligibility and coherence imposed by Regulation (EU) 2017/1129;
- c) Such approval is not considered as an approval of the Issuer that is the subject to this Simplified Prospectus;
- d) The Registration Document was prepared as part of the Simplified Prospectus in accordance with Article 14 of Regulation (EU) 2017/1129.

SECTION 2 - STATUTORY AUDITORS

2.1. The financial auditor of SIF Muntenia SA is KPMG Audit SRL, member of the Authority for Public Supervision of the Statutory Audit Activity, registered in the electronic public register of financial auditors and audit firms with registration number FA9. KPMG Audit SRL is a limited liability company, member of the KPMG network of independent companies affiliated to KPMG International Cooperative (“KPMG International”), a Swiss entity. The responsible partner of KPMG Audit SRL is Tudor Grecu, registered in the electronic public register of financial auditors and audit firms with number AF2368.

SECTION 3 – RISK FACTORS

3.1. RISK FACTORS

The significant risks of SIF Muntenia, as an Alternative Investment Fund (AIF) are the following, without the enumeration being limited to:

- Market risk is the risk of incurring losses due to adverse fluctuations in the prices at which the financial securities in the portfolio are traded – this category includes position risk, interest rate risk, currency risk and real estate investment risk;
- Credit risk is the risk of adverse outcome on profits and capital, following the failure of the debtor to fulfill contractual obligations – this category includes credit institution risk, credit risk related to equity securities, risk related to fund units, risk related to shares held, concentration risk and country risk;

- Counterparty risk is the risk that one of the parties to the contract will not fulfill its contractual obligations, leading to a loss for the other party;
- Liquidity risk is the risk of adverse outcome on profits and capital determined by the inability to meet obligations at maturity;
- Strategic risk is the risk of adverse outcome on profits and capital determined by the inadequate implementation of decisions or making unfavorable business decisions, including by the lack of reaction to changes in the business environment.
- Operational risk is the risk of loss that results either from the use of inadequate internal processes, human resources or systems or that have not performed their function properly, or from external events – this category includes compliance risk, IT risk and legal risk.
- Reputational risk is the risk of adverse outcome on profits and capital determined by the unfavorable perception of the company's image by customers, counterparties, shareholders, investors or supervisory authorities.

SAI Muntenia Invest periodically evaluates, monitors and reviews the adequacy and efficiency of the risk management policy and notifies the FSA of any significant change thereof.

SECTION 4 – INFORMATION ON THE ISSUER

4.1. Name of the Issuer: Societatea de Investiții Financiare MUNTENIA S.A (SIF Muntenia).

SIF Muntenia operates and will continue to operate in compliance with the provisions of the legislation on the capital market, of Law no. 31/1990 on companies, and legal regulations on AIF.

SAI Muntenia Invest declares that the information on the website www.sifmuntenia.ro is not part of the prospectus, unless certain information is included, by reference, in the prospectus.

SAI Muntenia Invest declares that during the validity period of the registration document, the following documents can be consulted, as the case may be, on the website www.sifmuntenia.ro:

- Updated Articles of Incorporation of SIF MUNTENIA SA;
- All current reports as well as, where applicable, correspondence and other documents, valuations and statements made by an expert upon the request of the issuer, of which certain parts are included or mentioned in the registration document

SECTION - PROFIT FORECASTS OR ESTIMATES

5.1. In April 2020, the General Ordinary Shareholders Meeting of SIF Muntenia approved, at the proposal of SAI Muntenia Invest, the Management Program and the estimates on SIF Muntenia's profit at 31.12.2020.

The main objectives for 2020 included in the approved Management Program are:

- Continue the restructuring process and efficient management of the portfolio so as to ensure sustainable long-term growth.
- Continue the investment process, focusing on investments in Romania and listed shares.

The differentiated approach adopted by SIF Muntenia for each of its holdings aims at achieving a capitalized aggregate yield, generated from dividend income and capital gain.

The guidelines underlying the preparation of the revenue and expenses budget and the profit estimates of SIF Muntenia were:

- Implementing the strategic management program for 2020;
- Prudent estimation of the company's resources;
- The company's ability to meet its future payment obligations;
- Exercise and efficient procurement of SIF Muntenia's rights;
- Applying IFRS 9 and IFRS 10.

The assumptions underlying the preparation of SIF Muntenia's profit estimates:

- A. Factors that SAI Muntenia Invest, as manager of SIF Muntenia, cannot influence:
- a. Fees, taxes, commissions and contributions used in the forecast are based on the levels established according to the legal provisions in force at the date of preparation;
 - b. The manner of collecting dividends distributed by the companies in the portfolio in 2020 will be similar to that of the previous year;
 - c. Dividend income is recorded at gross value, which includes dividend tax;
- B. Factors that SAI Muntenia Invest, as manager of SIF Muntenia, can influence through the activity of portfolio management, to the extent that the portfolio held and the applicable legal regulations sustain it for approval in the shareholders meetings of the issuers of the management and dividend policy that it has forecasted:
- a. Dividend income is estimated on the basis of the reporting of issuers in the portfolio on the date of the estimate, i.e. before the date of approval during the issuers' shareholders meetings;
 - b. Bank interest income is estimated considering the level of cash at the end of 2019, influenced by the level of transactions planned to take place in the capital market and the planned monetary investments to be made in 2020;
 - c. The interest income obtained from the bonds held as at 31.12.2019 is estimated on the provisions of the prospectuses in force and no interest income was taken into account for new bonds;
 - d. The operating and administration expenses of SIF Muntenia are estimated starting from the level of those registered in the previous year and take into account the provision of services contracts in force.

A profit of 33,600,000 lei was forecasted for 31.12.2020 in the budget of revenues and expenses, taking into account these estimates.

In the budgeting of the gross profit presented above, the major negative effects that will result due to the current situation, respectively the COVID-19 pandemic, were not considered.

The effects of this pandemic have spread both on the capital markets and on the financial markets (financial-banking institutions), at global level, respectively at the level of Romania. Major volatilities may occur and both listed and unlisted companies may be affected. The most affected companies will be those in the field of tourism, trade, and transport.

The combined effect of the items presented above may mainly affect the expected dividend income and the net gain / loss on the measurement of financial assets at fair value through profit or loss.

Therefore, these estimates may differ substantially from the actual values to be recorded, depending on changes in the assets in the portfolio, investment and redemption decisions, money market trends during 2020, and the impact of the COVID 19-induced crisis, as well as the impact of new legal regulations in the activity of SIF Muntenia and the capital market in general

5.2. SAI Muntenia Invest declares that the estimate regarding the profit of SIF MUNTENIA on 31.12.2020 was elaborated and prepared on a basis that is both comparable with the historical financial information and in accordance with the accounting policies of the issuer.

SECTION 6 - ADMINISTRATION, MANAGEMENT AND SUPERVISION BODIES AND SUPERVISORY MANAGEMENT

6.1. SIF MUNTENIA SA is managed by the external manager SAI Muntenia Invest.

Members of the administration, management and supervision bodies of SAI Muntenia Invest are the following individuals:

Name	Position in SAI Muntenia Invest	Office address
Adrian Simionescu	President of the Board of Directors	46-48, Serghei Vasileievici Rahmaninov St., sector 2, 2 nd floor, code 020199, Bucharest, România
Segiu Mihailov	Member of the Board of Directors and Corporate Management Director	46-48, Serghei Vasileievici Rahmaninov St., sector 2, 2 nd floor, code 020199, Bucharest, România
Dorina Teodora Mihăilescu	Member of the Board of Directors	Str. Serghei Vasileievici Rahmaninov, nr.46-48, sector 2, etaj 2, cod 020199, București, România
Nicușor Marian Buică	General Manager	46-48, Serghei Vasileievici Rahmaninov St., sector 2, 2 nd floor, code 020199, Bucharest, România
Vacancy*	Strategy Director/Manager	46-48, Serghei Vasileievici Rahmaninov St., sector 2, 2 nd floor, code 020199, Bucharest, România

The external managers activity is monitored by the Shareholders' Representatives Council, a body that represents the interests of SIF MUNTENIA SA shareholders in relation to SAI Muntenia Invest, which is appointed by the General Shareholders Meeting of SIF MUNTENIA SA.

Members of the Shareholders' Representatives Council of SIF Muntenia are the following individuals:

Name	Position in SIF Muntenia	Office address
Ștefan Gioga	President of the Shareholders' Representatives Council	46-48, Serghei Vasileievici Rahmaninov St., sector 2, 2 nd floor, code 020199, Bucharest, România
Mihai Chișu	Member of the Shareholders' Representatives Council	46-48, Serghei Vasileievici Rahmaninov St., sector 2, 2 nd floor, code 020199, Bucharest, România
George Ștefan	Member of the Shareholders' Representatives Council	46-48, Serghei Vasileievici Rahmaninov St., sector 2, 2 nd floor, code 020199, Bucharest, România

SAI Muntenia Invest declares that, at the date of this Document, there is no information on any criminal pursuit and / or official public sanction brought / imposed by the competent authorities (including by professional bodies) on any member of the administrative, management and

supervisory bodies. None of the members listed above has ever been prevented by a court from acting as a member of an issuer's administrative, management or supervisory body or from intervening in the management or conduct of an issuer's business for at least the last five years.

SAI Muntenia Invest declares that, at the date of this Document, there is no kinship relationship between the members of the administration, management and supervisory bodies.

6.2. The Fund Manager Muntenia Invest declares that, at the date of this Document, there is no information on a conflict of interest between any obligation performed on behalf of the issuer by the persons who are members of the administrative, management or supervisory bodies and their private interests or other obligations.

SAI Muntenia Invest declares that, at the date of this Document, there is no information on the existence of an agreement or arrangement with the main shareholders, customers, suppliers or other persons, based on which the persons who are members of the management, supervisory or supervisory bodies were elected. these functions.

SAI Muntenia Invest declares that, to the best of its knowledge, there are no restrictions accepted by the persons who are members of the administrative, management or supervisory bodies regarding the transfer, within a certain period of time, of their participations in the issuer's share capital.

SECTION 7 – MAIN SHAREHOLDERS

SAI Muntenia Invest declares that it does not have information that there are persons / a person, who is not / are a member of any administrative, management and supervisory body of the issuer, who hold, directly or indirectly, a percentage of the share capital or rights of the issuer to be notified under the national law applicable to the issuer, except for the following legal entities, as notified in 2020:

- Romanian Strategy Fund, managed by Accuro Fund Solutions AG – 5.14% holding on 21.08.2020
- Fondul de investitii Alternative Optim Invest, Fondul Inchis de Investitii BET – FI Index Invest, Fondul Deschis de Investitii Fortuna Classic, Fondul Deschis de Investitii Fortuna Gold, Fondul Deschis de Investitii Fix Invest, Fondul Dechis de Investitii Prosper Invest – administrate de SAI Broker SA - 5.13965% holding on 27.08.2020
- FDI Certinvest Bet Fi Index, FDI Certinvest XT Index si FIA Certinvest Actiuni – managed by SAI CERTINVEST SA – 5.110489% holding on 27.08.2020
- FII Active Plus si FDI Active Dinamic – managed by SAI SWISS Capital Asset Management SA – 5.1423% holding on 27.08.2020
- SIF Banat Crişana SA – 5.113585% holding on 27.08.2020.

SAI Muntenia Invest declares that, at the date of this Document, in SIF MUNTENIA SA there are no different voting rights among the shareholders.

SAI Muntenia Invest declares that, at the date of this Document, SIF MUNTENIA SA is not owned or controlled directly or indirectly by any shareholder.

SAI Muntenia Invest declares that, at the date of this Document, is not aware that there are any agreements in SIF MUNTENIA SA between shareholders whose application may generate, at a later date, a change of control over SIF MUNTENIA SA.

SECTION 8 – TRANSACTIONS WITH AFFILIATES

8.1. SIF Muntenia, through its manager SAI Muntenia Invest, concluded on 22.06.2020 a contract for the sale of shares with Avicola Bucureşti SA, having as object a stake of shares issued by

Voluthema Property Developer SA, both companies being subsidiaries of SIF Muntenia. The elements of the transaction were:

- Parties that concluded the legal act: SIF Muntenia, as buyer and Avicola București SA, as seller;
- Date of conclusion and nature of the legal act: Contract for the sale of shares no. 2130/102568 dated 22.06.2020;
- Object of the legal act: Purchase by SIF Muntenia of a package of 907,145 shares issued by Voluthema Property Developer SA owned by Avicola București SA;
- Total value of the legal act: 7,220,148.48 lei;
- Mutual debts, guarantees: Not applicable
- Terms and methods of payment: 2 (two) working days from the conclusion of the contract, full payment, by bank transfer.

SAI Muntenia Invest declares that between SIF Muntenia SA and any other member of the group to which it belongs, no important contracts were concluded during the 2 years immediately prior to the publication of the registration document (other than those concluded in the normal course of business).

SAI Muntenia Invest declares that no contract has been concluded by any member of the group that would contain provisions that assign to any member of the group an important obligation or commitment for the entire group, at the date of this registration document

SECTION 9 - FINANCIAL INFORMATION REGARDING ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

9.1 Financial position statement

In LEI	31 December 2019	31 December 2018
Assets		
Cash and current accounts	2,288,570	1,079,966
Deposits at banks	48,830,657	29,381,709
Financial assets at fair value through profit or loss	817,525,382	710,614,051
Financial assets at fair value through other comprehensive income	798,621,743	585,329,963
Financial assets measured at depreciated cost	11,247,685	10,171,781
Other assets	1,702,389	9,100,213
Total assets	1,680,216,426	1,345,677,683
Liabilities		
Dividends to be paid	43,547,004	66,635,384

SIMPLIFIED PROSPECTUS OF SIF MUNTENIA SA

Deferred income tax liabilities	48,821,284	19,427,363
Other liabilities	13,821,904	4,461,325
Total liabilities	106,190,192	90,524,072
Equity		
Share capital	80,703,652	80,703,652
Hyperinflation effect- IAS 29	803,294,017	803,294,017
Own shares	(16,345,504)	-
Reported Result	503,040,623	355,279,975
Reserves from revaluation of financial assets at fair value through other comprehensive income	203,333,446	15,875,967
Total equity	1,574,026,234	1,255,153,611
Total liabilities and equity	1,680,216,426	1,345,677,683

9.2 Statement of profit and loss and other comprehensive income

<i>In LEI</i>	2019	2018
Income		
Dividend income	52,419,044	56,969,732
Interest income	1,864,804	890,357
Other operational income	696,588	667,435
Gain on investment		
Net gain from foreign exchange differences	241,751	16,448
Net gain / (Net loss) from revaluation of financial assets at fair value through profit and loss	95,896,891	(22,162,265)
Expenses		
Net income from reversal of adjustments for impairment of assets	127,576	13,180,505
Administrative expenses		
Management fees	(26,141,496)	(17,400,000)
Expenses with remuneration of the Shareholders Representatives Council and staff salaries	(500,152)	(891,801)
Other operational expenses	(4,158,099)	(4,121,009)
Interest rate expenses related to the lease contract liability	(44,029)	-
Profit before tax	120,402,878	27,149,402
Profit tax	(8,489,178)	(4,350,019)
Net profit for the period	111,913,700	22,799,383

Other comprehensive income

Elements that may not be restated to profit or loss

Revaluation at fair value of financial assets at fair value through other comprehensive income, net of defferred tax	200,840,858	48,409,891
Reserve related to financial assets at fair value through other comprehensive income, transferred to retained earnings	(13,383,379)	(41,678,200)
Other comprehensive income	187,457,479	6,731,691
Total comprehensive income for the period	299,371,179	29,531,074

SAI Muntenia Invest declares that, at the date of this Document, the significant changes of the financial position of SIF MUNTENIA SA are represented by an increase of over 500% of the profit in the financial year 2019 compared to the financial year 2018, determined by the very good returns obtained by SIF MUNTENIA SA's assets in 2019.

9.3 Audit report

The financial auditor of SIF Muntenia, KPMG Audit SRL, issued unreserved audit reports on the preparation of the annual financial statements presented above and the annual reports of its administrator, SAI Muntenia Invest, prepared for 31.12.2018 and 31.12.2019.

9.4 Judicial and arbitration proceedings

SAI Muntenia Invest declares that, to the best of its knowledge, in the last 12 months, there are no ongoing or potential governmental, judicial or arbitration proceedings in relation to the issuer that could have or have recently had significant effects on the financial position or profitability of the issuer and / or the group to which the issuer belongs.

9.5 Dividend distribution policy

The dividend policy enforced by SIF Muntenia aims at maintaining a balance between the remuneration of shareholders through dividends and the need to finance new investments from the reinvested-obtained profit. Maintaining this balance aims both to increase the long-term investment attractiveness for investors and to maintain the future development potential of the company, ensuring the long-term profitability of the business and increasing the value created for shareholders.

The distribution method of the net profit is subject to the approval of the Shareholders General Meeting and the proposal made by the administrator takes into account sustainability, the economic context and the market. If the SGM decides to distribute dividends, all shareholders of the company registered in the consolidated register on the registration date established by the SGM are entitled

to the dividends approved by the SGM. The payment of dividends is made according to the decision of the general meeting and in accordance with the applicable legal provisions.

The remuneration of SIF Muntenia shareholders is achieved both through the dividend distribution policy and through the decision to reinvest the profit or to repurchase the securities, for the stated purpose of increasing the value of the shares. If the profit reinvestment opportunities are more attractive or in the case of redemption of shares on the market, the return on capital invested by the shareholder may be higher than a simple distribution of taxable dividend.

Remuneration of SIF Muntenia shareholders is carried out transparently and correctly, in any of the variants decided by the shareholders: cash dividend distribution, reinvestment of profit with a view to increasing the value of the share by at least the value of the undistributed dividend or redemption programs of the company's shares.

SECTION – ADDITIONAL INFORMATION

10.1 Share capital

<i>In LEI</i>	31 December 2019	31 December 2018
Subscribed and paid-up share capital	80,703,652	80,703,652
Hyperinflation effect - IAS 29	803,294,017	803,294,017
Total share capital	883,997,669	883,997,669

10.1 Share capital structure

31 December 2019	Number of shareholders	Number of shares	Amount (LEI)
Individuals	5,943,930	492,210,856	49,221,086
Legal bodies	170	292,434,345	29,243,435
SIF Muntenia S.A.	1	22,391,314	2,239,131
Total	5,944,101	807,036,515	80,703,652

10.2 Share capital decrease

On 02.07.2020, the request to decrease the share capital of SIF Muntenia from 80,703,651.5 lei to 78,464,520.10 lei, respectively from 807,036,515 shares, to 784,645,201 shares with a nominal value of 0.1 lei / share was sent for authorization by the FSA., by canceling a number of 22,391,314 treasury shares acquired following the development in the period 04.09.2019 - 17.09.2019 of the public offer for the purchase of treasury shares for the implementation of the redemption program approved by the SGEM Decision from 22.04.2019. The decrease of the share capital in accordance with the SGEM from 11.03.2020 was approved by the FSA by Authorization no. 126 / 29.07.2020 and was registered at the Trade Register based on the Certificate of Registration of Financial Instruments no. AC-400-5 / 19.08.2020.

SECTION 11 - DISCLOSURE OF INFORMATION REQUIRED BY REGULATIONS

11.1. The information related to SIF Muntenia, relevant at the date of the prospectus, disclosed pursuant to Regulation (EU) no. 596/2014 during the last 12 months, respectively in the period 20.03.2020 - 20.03.2021 are presented in summary, in a limited number of categories, depending on their subject, as follows:

- a) Financial communication calendar (for the year 2021);
- b) Presentation of unaudited preliminary financial results (31.12.2020);
- c) Convening of Ordinary and Extraordinary General Meetings of SIF Muntenia Shareholders, including supplementation / revision of the convening notice (SGOM/SGEM of 23/24.04.2020, SGEM of 02/03.07.2020, SGEM of 07/08.01.2021 and SGOM of 28/29.04.2021);
- d) Requests addressed by the FSA for the modification / supplementation of the convening notice of the Ordinary and Extraordinary General Meetings of SIF Muntenia Shareholders (SGOM/SGEM of 23/24.04.2020 and SGEM of 02/03.07.2020 and SGEM of 07/08.01.2021);
- e) Resolutions of the Ordinary and Extraordinary General Meetings of SIF Muntenia Shareholders (SGOM/SGEM of 23.04.2020, SGEM of 03.07.2020 and SGEM of 07.01.2021);
- f) Public offering of shares issued by SIF Muntenia approved according to the SGEM Resolution of SIF Muntenia SA dated 04/22/2019;
- g) Authorization by the FSA of the changes in the organization and functioning documents of SIF Muntenia and SAI Muntenia Invest;
- h) Litigations in which SIF Muntenia SA is involved;
- i) Periodic reports available (year 2019, quarter I 2020, semester I 2020, quarter III 2020);
- j) Monthly statement of assets and liabilities of SIF Muntenia SA / NAV.

Information related to SIF Muntenia disclosed pursuant to Regulation (EU) no. 596/2014 are available on the website www.sifmuntenia.ro and on the website of the regulated market operator Bucharest Stock Exchange on which SIF4 shares are traded.

SECTION 12 - INVESTMENT OBJECTIVE AND POLICY

12.1. SIF Muntenia aims at the efficient management of a diversified portfolio of assets, able to ensure a constant flow of income, conservation and increase of capital in the medium-long term, in order to increase the value for shareholders and obtain the highest returns on invested capital.

In accordance with the applicable regulatory framework and the Articles of Incorporation, SIF Muntenia may invest in the following types of assets:

1. transferable securities and money market instruments registered or traded on a trading venue, in Romania or in a Member State;
2. transferable 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 FSA in accordance with the requirements of eligibility from the regulations issued by the FSA;
3. newly issued securities, which are the subject of a public offer for admission to trading, with cumulative compliance with the following conditions:

- a. the issuance documents include a firm commitment to require admission to trading on a trading venue or trading on a third-country stock exchange that operates regularly and is recognized and open to the public, provided that the choice on the place of trading or the stock exchange to be approved by the FSA;
 - b. admission to trading must be ensured within a maximum of one year from the issue;
- 4. units of UCITS or AIF established or not in a Member States, with the cumulative fulfillment of the following conditions:
 - a. the AIF are authorized or registered;
 - b. AIF activities are subject to periodic reports, which allow an assessment of the assets and liabilities, income and operations of the reporting period, in accordance with the redemption frequency offered to investors, as appropriate;
 - c. UCITS/AIF profile is included in the liquidity profile of SIF Muntenia;
- 5. 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 in Romania or in a Member State. The registered office of the credit institution may also be in a third country, provided that the credit institution is subject to prudential rules equivalent to those issued by the European Union
- 6. money market instruments, other than those traded on a trading venue, that are liquid and have a value that can be accurately determined at any time, with the exception of trading effects, provided that the issue or issuer is subject to regulation on the protection of investors and their savings, and that the instruments meet the following conditions:
 - a. to be issued or guaranteed by an administrative authority, central, local or regional, 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 situation of the federal states, by one of the component members of the federation or by an international public body, of which one or more Member States are members; or
 - b. to be issued by a body whose securities are traded on a regulated market in Romania, a Member State or a third country, which operates regularly and is recognized and open to the public, provided that such market complies with the eligibility requirements of the regulations issued by the FSA and be approved by the FSA or
 - c. to be issued or guaranteed by an entity, subject to prudential supervision, according to the criteria defined by European legislation, or by an entity that is subject to and complies with prudential rules, such rules being validated by the FSA as equivalent to those provided by European legislation; or
 - d. to be issued by other entities belonging to the categories approved by the FSA, provided that investments in such instruments are subject to investor protection, equivalent to that provided for in points a., b. or c., and the issuer to be a company whose capital and reserves amount to at least the RON equivalent of 10,000,000 euros, which presents and publishes its annual financial statements, according to the applicable European legislation, or an entity which, within a group of companies which contains one or more listed companies, has the role of financing the group or is an entity dedicated to the financing of securitization vehicles that benefit from a bank financing line;
- 7. social parts of limited liability companies, regulated by Law no. 31/1990, republished, with the subsequent modifications and completions, whose annual financial statements are audited according to the law;

8. other types of securities as they are defined under art. 3 para. (1) point 26 of the Government Emergency Ordinance no. 32/2012 that are not admitted to trading on a trading venue or are not traded on a stock exchange in a third country
9. currency, purchased on the domestic market, freely convertible, according to NBR criteria;
10. government securities;
11. real estate assets, as they are defined under art. 2, point b of Law no. 243/2019;
12. movable and immovable goods, necessary for the development of SIF Muntenia's activity.

The Administrator shall not invest in derivative financial instruments traded on regulated markets, organized trading systems (OTF) or over the counter (OTC).

The administrator does not use leverage in the investment policy adopted in connection with the management of SIF Muntenia.

12.2. Annually, SAI Muntenia Invest will review the Investment Policy of SIF Muntenia and will submit to the approval of the General Shareholders Meeting, the Management Program that will include the proposed changes. Any modification of the Investment Policy will be made in compliance with the limits provided by the applicable legislation.

12.3. SAI Muntenia Invest declares that it does not use leverage in the investment policy adopted in connection with the management of SIF Muntenia.

12.4. A retail investor is defined as any investor who does not fall into the category of professional investor (in the sense that it has less experience in the capital market, less knowledge about investment management and the associated risk and there is a difference in the amounts invested).

SIF Muntenia's shares are of interest to investors who are looking for long-term investment assessment and who are willing to accept the volatility of an emerging BSE-type market. Investment in SIF Muntenia shares is not recommended for investors who cannot afford losses on the initial investment nor for those who are looking for a steady income.

SECTION 13 RESTRICTIONS ON INVESTMENTS

13.1. SAI Muntenia Invest declares that:

- The restrictions on SIF Muntenia's investments are those referring to the prudential investment limits provided by the applicable regulatory framework of the AIF and presented in the AIF Documents;
- If one or more of the respective limits are exceeded for reasons beyond its control, it will take the necessary steps to fall within the investment limits within 30 days from the date of exceeding the respective limit;
- In case of exceeding the limits mentioned in the AIF Documents, it will inform SIF Muntenia's Depositary and the FSA about exceeding the investment limits, within maximum two working days from discovering that;
- It will inform the shareholders of SIF Muntenia on the measures it takes or has taken in case of violation of these restrictions.

13.2 SAI Muntenia Invest SA declares that at the date of preparation of this document there is only one investment made by SIF Muntenia that exceeds 20% of its gross assets. This investment is made in the shares of the issuer Banca Transilvania S.A., Cluj Napoca, 8, G. Baritiu St., Cluj county, Romania, issuer operating in the banking field, being traded on the Main segment, Premium category on the Bucharest Stock Exchange.

SECTION 14 SERVICE PROVIDERS OF THE AIF**14.1. Main service providers and a description of their obligations**

SIF Muntenia has several service providers for its daily activity, described below.

The table below shows the main features of the contracts concluded by the AIF with the most important service providers:

Provider of services	SAI Muntenia Invest
Type of contract	Investment management contract
Date of signature	23.04.2020
Object	Investment management services
Validity	4 years from the date of signature
Rights and obligations	SAI Muntenia Invest has the following main rights according to the concluded management contract: (a) to carry out investment analysis and consultancy activities for SIF Muntenia, in accordance with the legal provisions in force; (b) to keep the accounting records of the assets of SIF Muntenia, or to delegate it to specialized companies in compliance with the legal provisions and regulations in force; (c) to draw up the draft budget of revenues and expenses and the proposals for its rectification and to submit them to the approval of the General Meeting of Shareholders of SIF Muntenia; (d) to prepare, disseminate and publish the annual, half-yearly and quarterly statements and reports on the activity of SIF Muntenia; (e) legally represent SIF Muntenia for and in connection with the financial instruments held in the portfolio and the operations carried out for and with them, including before the courts; (f) to obtain the authorization for the initiation and development of the public tenders of SIF Muntenia, to elaborate and obtain the authorization of the prospectuses for the public tenders; (g) to negotiate and conclude the contract with the depositary and take all measures to comply with the provisions of the depositary contract;

	(h) to organize the activity of distributing the dividends due, to SIF Muntenia shareholders; (i) to order all operations carried out through the bank accounts of SIF Muntenia; (j) to negotiate and sign with third parties, on behalf of SIF Muntenia, the provision of services contracts necessary for the fulfillment of the object of activity; (k) to make every effort to collect on time all the rights conferred by the holdings of financial instruments in the portfolio of SIF Muntenia; (l) to represent SIF Muntenia in the general meetings of shareholders of the portfolio companies and to exercise both the voting rights and any other rights conferred by the holding of the respective financial instruments, in accordance with the strategy approved by the General Meeting of SIF Muntenia Shareholders; (m) to perform any other activities necessary for the performance of the purpose of this contract, in compliance with the laws and regulations of the Financial Supervisory Authority in force. SAI Muntenia Invest has the following main obligations according to the management contract concluded: (a) to execute personally, with maximum professional diligence, fairness and transparency, the mandate entrusted by SIF Muntenia, in the exclusive interest of SIF Muntenia shareholders; (b) comply with the limitations arising from the provisions of this contract as well as from the strategy and performance criteria approved by SIF Muntenia; (c) inform third parties of the mandate under which it is acting; (d) respect the confidentiality towards third parties of the portfolio entrusted under management both during the term of this contract and for a period of three years after its termination; (e) to elaborate and propose annually the management strategy and policies that will be submitted to the approval of the General Shareholders Meeting of SIF Muntenia; (f) to submit, at the request of the Shareholders' Representatives Council (SRC) or whenever it deems appropriate, reports on the management of the sub-portfolios that make up the global portfolio of SIF Muntenia; (g) communicate to the SRC within the mutually agreed time, any information requested by it, as well as any information that SAI Muntenia Invest deems necessary in relation to the object of the contract;
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	(h) to include in the tasks of its own compliance department provisions regarding the obligation to inform the SRC of all irregularities found regarding the violation of the legal provisions, of the FSA regulations and of the management contract; (i) to support, at the request and on behalf of SIF Muntenia, at least from an organizational and logistical point of view, all the activities of SIF Muntenia; (j) to avoid situations of conflict of interest as defined in the legislation in force and the FSA regulations and, if they occur, to ensure the proper management and interest of shareholders, as well as to inform investors about conflicts of interest that arise; (k) to ensure the direct collection by SIF Muntenia of the revenues resulting from the management of all its assets; SIF Muntenia has the following main obligations according to the management contract concluded: (a) to grant to SAI Muntenia Invest, in compliance with the legislation in force and the provisions of the management contract, all the powers necessary for the execution of the mandate; (b) not to undertake any actions and not to sign acts and documents by which to dispose in connection with the attributions delegated to SAI Muntenia Invest; (c) to pay to SAI Muntenia Invest the management fee due for the execution of the mandate, in accordance with the provisions of the contract; (d) to bear all the necessary expenses incurred by SAI Muntenia Invest in accordance with the legal provisions for the administration of SIF Muntenia which, according to the legal provisions, are not borne by SAI Muntenia Invest; (e) not to disclose to third parties any confidential information related to the execution of the mandate by SAI Muntenia Invest or any information about it.
Termination	The contract terminates automatically and without the intervention of the court, in the cases provided by the legislation and regulations in force regarding any of the parties. Either party may reasonably terminate the contract by written notification with acknowledgment of receipt, sent at least 180 days before the date of termination of the contractual relationship. The denunciation by the parties will be made in compliance with the provisions of the legislation in force, of the FSA regulations and of the Articles of Incorporation of SIF Muntenia.
Contract price	Monthly management fee = Total Asset Value of the Fund x 0.125% Performance fee = (Achieved Gross profit – Budgeted Gross profit) x 10%

Provider of services	Banca Română pentru Dezvoltare – Groupe Societe Generale SA
Type of contract	Depository and custodian contract
Object	depository and custodian services related to SIF Muntenia's assets
Validity	3 (three) years from the date of entry into force, with the possibility of tacit prolongation, if neither Party notifies, in writing, the other Party of the intention to terminate the contract, within a notice period of 90 (ninety) calendar days
Rights and obligations	the information can be found in Section 15 below, Depository / Custodian
Termination	The contract terminates automatically, without the need for the intervention of a court or arbitration and without any additional formality, in the following situations: a) by unilateral denunciation by either Party, subject to the written notice of termination sent to the other Party within 90 (ninety) calendar days of the date of notification of the termination of the contract to the FSA, by the requesting Party; b) in case of withdrawal of the authorization / approval for the operation of any Party by the FSA and / or the NBR in the case of the Depository / Custodian; c) in case of initiation of supervision or special administration procedures by the NBR in the case of the Depository, the AIFM will proceed to the unilateral termination of the contract; d) in case of initiation of dissolution / liquidation proceedings or other similar procedures against the AIFM; e) in case of opening the bankruptcy procedure against any of the Parties; f) by agreement of the Parties and the conclusion of an addendum to this regard. The AIFM shall send to the FSA a copy of the addendum, subject to a notice period of 90 (ninety) calendar days from the date of transmitting the original document to the FSA; g) either Party has the right to consider the contract terminated, if the other Party does not fulfill any of its obligations under the Contract.
Contract price	Depository fee = Net asset value x 0.005% per year for 1 calculation / month Depository fee = Net asset value x 0.007% per year for 2 calculations / month The custodian fee and the security fee vary depending on the type of market in which the financial instruments are traded.

Provider of services	KPMG Audit SRL
Type of contract	financial audit and review services
Date of signature	30.04.2020
Object	The audit of SIF Muntenia's statements as at 31.12.2020 and 31.12.2021 Interim report to the Audit Committee for the interim financial statements of SIF Muntenia on 30.06.2020 and 30.06.2021
Validity	30.04.2022
Rights and obligations	according to the applicable legal regulations
Contract price	The fee is 77,000 euros, excluding VAT

Provider of services	CMF Consulting SA
Type of contract	evaluation services according to International Evaluation Standards
Date of signature	02.08.2018
Object	preparation by CMF Consulting for SIF Muntenia of works for evaluating the fair value of some share stakes from SIF Muntenia's portfolio for financial reporting purposes according to IFRS and SIF Muntenia's net assets reporting according to the applicable legal regulations
Validity	12 months and enters into force on the signing date. The duration of the Contract will be automatically extended by a period of 12 months if neither party notifies the other party of the termination of the contract 30 calendar days before the expiration.
Rights and obligations	SIF Muntenia has the following main rights according to the contract concluded: (a) order at any time the preparation of evaluation works and evaluation-related activities as mentioned under this contract; (b) give additional instructions to the provider at any time.

	SIF Muntenia has the following main obligations according to the contract concluded: (a) make available to CMF Consulting all the necessary data and information within a specified timeframe, in connection with the object of the contract and for the benefit of its performance; (b) ensure the collaboration of its staff with the staff of CMF Consulting, throughout the performance of the contract; (c) to periodically review, together with CMF Consulting, how the provisions of the contract are met, designating a person responsible for this purpose; (e) not to multiply or disseminate the works for purposes other than those stated in the contract. CMF Consulting has the following main rights according to the contract: (a) collect the contract price under the agreed conditions; (b) request at any time additional information necessary for the evaluation; CMF Consulting has the following main obligations according to the contract: (a) maintain confidentiality on the information received from the beneficiary, as well as on the conclusions resulting from the preparation of the works for a period of 3 years; (b) comply with the "Code of Ethics of the Certified Assessor Profession"; (c) apply the standards approved by ANEVAR, performing works appropriate to the purpose of the evaluation; (d) to use personnel with the necessary professional competence in the elaboration of the works; (e) provide an objective and impartial evaluation.
Contract price	It is established for each order, according to the approved budget.

Provider of services	Veridio S.R.L.
Type of contract	evaluation services according to International Evaluation Standards
Date of signature	16.10.2020

Object	preparation by Veridio for SIF Muntenia of works for evaluating the fair value of some share stakes from SIF Muntenia's portfolio for financial reporting purposes according to IFRS and SIF Muntenia's net assets reporting according to the applicable legal regulations
Validity	36 months and enters into force on the signing date. The duration of the Contract will be automatically extended by a period of 12 months if neither party notifies the other party of the termination of the contract 30 calendar days before the expiration.
Rights and obligations	SIF Muntenia has the following main rights according to the contract: (a) order at any time the preparation of evaluation works and evaluation-related activities as mentioned under this contract; (b) give additional instructions to the provider at any time. SIF Muntenia has the following main obligations according to the contract concluded: (a) make available to Veridio all the necessary data and information within a specified timeframe, in connection with the object of the contract and for the benefit of its performance; (b) ensure the collaboration of its staff with the staff of Veridio, throughout the performance of the contract, except the execution; (c) to periodically review, together with Veridio, how the provisions of the contract are met, designating a person responsible for this purpose; (e) not to multiply or disseminate the works for purposes other than those stated in the contract. Veridio has the following main rights according to the contract: (a) collect the contract price under the agreed conditions; (b) request at any time additional information necessary for the evaluation; Veridio has the following main obligations according to the contract: (a) maintain confidentiality on the information received from the beneficiary, as well as on the conclusions resulting from the preparation of the works for the entire period of the contract and for a period of 10 years after its termination; (b) comply with the "Code of Ethics of the Certified Assessor Profession"; (c) apply the standards approved by ANEVAR, performing works appropriate to the purpose of the evaluation; (d) to use personnel with the necessary professional competence in the elaboration of the works;

	(e) provide an objective and impartial evaluation.
Contract price	It is established for each order, according to the approved budget.

The maximum amount, real or estimated, of all significant fees due, directly or indirectly, by SIF Muntenia for any service under contracts concluded on the date of the Registration Document cannot be quantified as most of these fees are determined by one or more variable elements.

14.2. SAI Muntenia Invest declares that, at the date of this Document, there is no potential conflict of interest that any of SIF Muntenia's service providers could face between its obligations towards SIF Muntenia and the obligations of third parties towards suppliers and other interests they might have.

In order to avoid conflicts of interest, in case of using the service providers, SAI Muntenia Invest SA will identify if the suppliers are affiliated entities or with which they or SIF Muntenia have business relations. In case deciding to contract services provided by such a provider, SAI Muntenia Invest SA ensures that SIF Muntenia will not be subject to additional costs, by comparison with similar offers from other providers and by contracting at a similar or lower price compared with the market one.

At least the following criteria will be used to identify situations of conflict of interest in relations with service providers:

- a. if the supplier directly or through its representative, his close relatives or the persons with whom it is in close contact are in a position to mark a profit or to avoid a loss to the disadvantage of SIF Muntenia;
- b. if the supplier directly or through its representative or a close person has an interest contrary to the interests of SIF Muntenia;
- c. if the direct provider or through its representative or a close person has a financial advantage or other benefit based on which it favors the interests of a third party against the interests of SIF Muntenia;
- d. if the supplier directly or through its representative provides at the same time the same services for SAI Muntenia Invest or for the managed entities; subsidiary of the managed entities and for a third party or group of third parties not related to SAI Muntenia Invest or the managed entities; subsidiary of the managed entities, which also falls into one of the situations from points a), b) and c).

The following situations may constitute conflicts of interest, without being limited to:

- transactions performed by SAI Muntenia Invest in the name and / or in connection with SIF Muntenia with entities that are part of the same group with SAI Muntenia Invest;
- transactions between SAI Muntenia Invest and companies with which SAI Muntenia Invest already has business relations;
- obtaining by SAI Muntenia Invest a commission from the intermediary that executes the trading orders, depending on the total value of the trading orders sent by SAI Muntenia Invest on behalf of SIF Muntenia, and the respective benefit is not included in the revenues of SIF Muntenia;

In order to resolve potential conflicts of interest, SAI Muntenia Invest, through the departments involved, will identify all cases in which the contractual conditions agreed with the providers conflict with SIF Muntenia and will ensure that:

- is not burdened with avoidable costs and is not excluded from obtaining the benefits due to it;
- investors are informed about the main terms of contracts with third parties that give rise to monetary and / or non-monetary commissions or benefits, as well as other details.

SECTION 15 DEPOSITARY/CUSTODIAN

15.1. SIF Muntenia has concluded a depositary and custodian contract with Banca Română pentru Dezvoltare - Groupe Societe Generale SA (Depositary / Custodian or BRD-GSG), a credit institution registered at the Trade Register Office under no. J40 / 608/1991, subscribed and fully paid-up share capital 696,901,518 lei, sole registration code 361579, fiscal identification code RO 361579, authorized to act as custodian and depositary according to the FSA Decision no. 4338 / 09.12.2003 and registered in the FSA Register under no. PJR10DEPR / 400007, LEI code 5493008QRHH0XCLJ4238.

The custodian's registered office is in Bucharest, Bd. Ion Mihalache, no. 1-7, sector 1, telephone 021-2008372, fax 021-2008394, website address www.brd.ro.

15.2. Obligations of each party under the depositary and custodian contract

The AIFM has the obligation to:

- a. act honestly, fairly, professionally and independently and in the interests of the AIF and the investors of the AIF;
- b. entrust the assets of the AIF to safe deposit;
- c. transfers in the custody of the Depositary / Custodian the assets of the AIF to the accounts opened by it in the name of the AIF, except for the assets not held in custody;
- d. hand over to the Depositary / Custodian, on the basis of the handover-receipt protocol, the AIF assets in physical form;
- e. request the Depositary / Custodian to open a current account, cash account, which includes also custodian operations;
- f. send, according to the agreed terms, all data, information and documents necessary and relevant for the fulfillment of the obligations of the Depositary / Custodian, as well as other information required by it for the proper conduct of relations between the parties and monitoring the activity of the AIF, information that must be complete, correct and promptly transmitted. To this end, the AIFM will take the necessary steps to ensure that third parties provide the Depositary / Custodian, without undue delay, with relevant information and supporting documents regarding transactions with AIF assets, whenever they occur;
- g. send, on a durable means, the statement of the principal intermediary of the AIF transactions containing the elements required by the regulations in force (including, but not limited to, the total value of the AIF assets held by the intermediary, the value of the AIF assets held as collateral, AIF assets on which the intermediary has exercised a right of use, a list of institutions in which the intermediary holds or may hold AIF cash in an account opened in the name of the AIF, no later than the end of the working day following that to which the statement relates;
- h. send, without undue delay, when it finds out that the information provided is not accurate, correct and complete, according to the agreed deadlines, notifications of correction of errors. If these notifications cannot be submitted within the agreed deadlines, the Depositary / Custodian will make the appropriate changes and certify them at the next AIF net asset calculation by the AIFM;

- i. send daily to the Depositary the status of operations with AIF participation titles (including issuance, purchase / subscription, cancellation and redemption operations);
- j. forward to the Depositary, on a daily basis, on the next business day for the previous business day, account statements relating to the AIF's liquidity accounts, which shall include details of the transactions carried out in those accounts during the previous day;
- k. pay to the Depositary / Custodian all commissions, fees and other costs due under the contract, including any exchange rate differences generated by the exchange, if any;
- l. make available, within the deadlines indicated by the Custodian, the cash (funds / financial instruments) necessary for the settlement of transactions in the cash account and the financial instruments account, including to cover any commissions and / or fees due, and to send in due time to the custodian appropriate, complete and correct settlement instructions;
- m. inform the Depositary / Custodian of all relevant changes regarding the management, organization and operation of the AIF, promptly, but not later than 2 (two) working days after the occurrence of these changes;
- n. inform the Depositary, without undue delay, of any transfer of assets not held in custody, as well as any changes to the AIF Documents;
- o. reconcile on a monthly basis with the Depositary the situation of assets not held in custody;
- p. provide annually, until 31 January, a situation with any third parties designated to perform specific AIFM tasks and, at the written request of the Depositary, the criteria used to select third parties and the measures taken to monitor the activity of the selected third party;
- q. comply with applicable regulations and any other applicable legal provisions, to implement and effectively apply appropriate internal rules and procedures, including on risk / portfolio management or to carry out a proper and independent assessment of AIF assets, reviewed and updated periodically;
- r. invest the assets of the AIF according to the specifics of the fund, observing the categories and investment limits provided by the regulations in force;
- s. update the identification and contact details whenever necessary, as well as to notify about the modification of any information that was provided at the time of concluding the contract, respecting the agreed terms, before the effects occur, sending to the Depositary / Custodian any relevant documents in this sense;
- t. fulfill any other obligations provided to be in its charge in accordance with the provisions of the depositary / custodian contract and the regulations in force.

The Depositary / Custodian has the obligation to:

- a. act honestly, fairly, professionally and independently;
- b. keep in safe custody the assets held in custody, separate from its assets and those of other entities. The AIF assets in physical form, handed over on the basis of delivery – receipt protocol, will be kept safely in the Depositary's vault and will be entrusted to the AIFM upon receipt of its corresponding instructions, on the basis of delivery – receipt protocol;
- c. open accounts of financial instruments, in the name of the AIF, in which it will keep the assets held in custody;
- d. open and maintain current accounts in the name of the AIF and in the AIF account related to transactions with financial instruments. These accounts will be debited / credited by the Depositary / Custodian, only based on its functions as depositary / custodian, with the information of the AIFM;
- e. carry out, on account of the AIF, the settlement of transactions with financial instruments executed in accordance with the corresponding instructions and with the regulations specific to the markets on which they are traded;
- f. collect dividends, interest and other income related to assets held in custody, at the request of the AIFM;
- g. ensure that, in transactions involving the assets of the AIF, any amount is paid within the due period;

- h. ensure that AIF revenues are managed and calculated in accordance with the regulations in force and the AIF documents;
- i. ensure that the sale, issue, redemption or cancellation of fund units / shares is carried out by the AIFM, in accordance with the regulations in force and the AIF Documents;
- j. verify and certify the reports requested by the FSA and submit them to the AIFM within the time limits, form, conditions and periodicity established by the Parties or by the regulations in force;
- k. verify and certify the NAV / NAV per SHARE and the number of investors on a regular basis and for the reference date set out in the AIF Documents and the regulations in force;
- l. ensure that the value of the fund unit / participation title is calculated in accordance with the regulations in force and the AIF Documents;
- m. perform the registration, verification, monitoring and control of AIF assets;
- n. comply with the appropriate instructions submitted by the AIFM, unless they are contrary to the regulations in force or to the AIF Documents or there are other grounds for refusal;
- o. inform the AIFM in writing of any act or fact relevant to the work of the AIF which has not been made public through the media;
- p. provide annually, until January 31, a situation of third parties (global / local custodians and / or international depositaries) to whom the custodian has entrusted for safekeeping the assets held in custody traded on foreign markets;
- q. provide, at the written request of the AIFM, the criteria used for the selection of the aforementioned third parties as well as the measures taken to monitor the activity carried out by the selected third party;
- r. reconcile with the AIFM the situation of the assets not held in custody with the periodicity and for the reference date established by the AIF Documents and the regulations in force;
- s. verify that the appointment of the external evaluator has been made in accordance with the regulations in force;
- t. establish and apply mechanisms and procedures for monitoring by types of assets, in accordance with the regulations in force;
- u. keep records of all information exchanged with the AIFM, during the performance of the contract, for the period established in the specific legislation, but not less than 5 (five) years from the date of receipt of the information. The information will be kept on a durable means, as defined in the regulations in force;
- v. make available financial instruments from the AIF's portfolio upon receipt of the corresponding AIF instructions only in the following cases:
 - on the settlement date of the transaction, on the sale of a financial instrument on the principle of delivery against payment;
 - as a result of instructions received in the event of a merger;
 - as a result of the instructions received from the liquidation administrator in case of liquidation;
 - as a result of the establishment of guarantees for the operations carried out by the AIF, in accordance with the regulations in force;
 - in other situations provided by the regulations in force;
- w. make available / receive financial instruments exclusively on a delivery / receipt basis against payment, for all financial instruments in the AIF portfolio settled under a clearing, settlement and registry system;
- x. inform the AIFM, as soon as it becomes aware that the separation of the assets of the AIF is no longer sufficient to ensure protection against the insolvency of a third party to whom the custodian has delegated custody;
- y. provide, at the written request of the AIFM, account statements on the holdings of the AIF issued through the system made available by the central depository;
- z. monitor investment limits in compliance with applicable regulations;

- aa. inform the AIFM of all relevant changes regarding the management, organization and operation of the Depositary / Custodian, promptly, but not later than 2 (two) working days after these changes occur;
- bb. send, on the date of conclusion of the contract and during its operation, whenever changes occur, the names, functions and contact details of the persons authorized to liaise with the AIFM for the performance of the contract;
- cc. fulfill any other obligations provided for in its charge in accordance with the contractual provisions and regulations in force

15.3. For the custody of the financial instruments acquired by SIF Muntenia on foreign markets (Germany and Luxembourg) BRD-GSG uses as sub-custodians Banca Societe Generale SA from Germany and Societe Generale Bank Trust SA from Luxembourg.

SECTION 16 EVALUATION

16.1. The asset valuation rules and the calculation method for the net asset value for SIF Muntenia are presented in the AIF Documents (AIF Rules) and are available to investors at the website address of SIF Muntenia's manager: www.munteniainvest.ro

16.2. SAI Muntenia Invest is authorized to suspend the valuation of an asset / sub-portfolio of assets from the portfolio of SIF Muntenia if it is unable to access the primary information necessary to determine the value of that asset / sub-portfolio of assets in accordance with the valuation rules.

SAI Muntenia Invest will calculate the NAV / NAV per SHARE for SIF Muntenia and will explicitly present to the investors the list of assets whose valuation has been suspended and the reasons for suspending the valuation.

SECTION 17 FINANCIAL INFORMATION

17.1. Financial information on the issuer's assets and liabilities, financial position and profits and losses is presented in Section 9 of this Document.

17.2. Analysis of SIF Muntenia's portfolio as at 31.12.2019

The allocation of the Company's assets was close to a strategic allocation, which pursues a long-term target portfolio structure - within certain limits, which are defined annually by management programs and approved by shareholders.

The financial instruments in which it was invested were within the investments allowed by the legislation in force, applicable to the Romanian capital market. The portfolio of SIF Muntenia was within the applicable legal limits and indicative limits, defined by the target portfolio of diversified balanced fund, approved by SIF Muntenia's Management Program for 2019.

Chart no. 1. *Target portfolio for 2019, according to the Management Program*

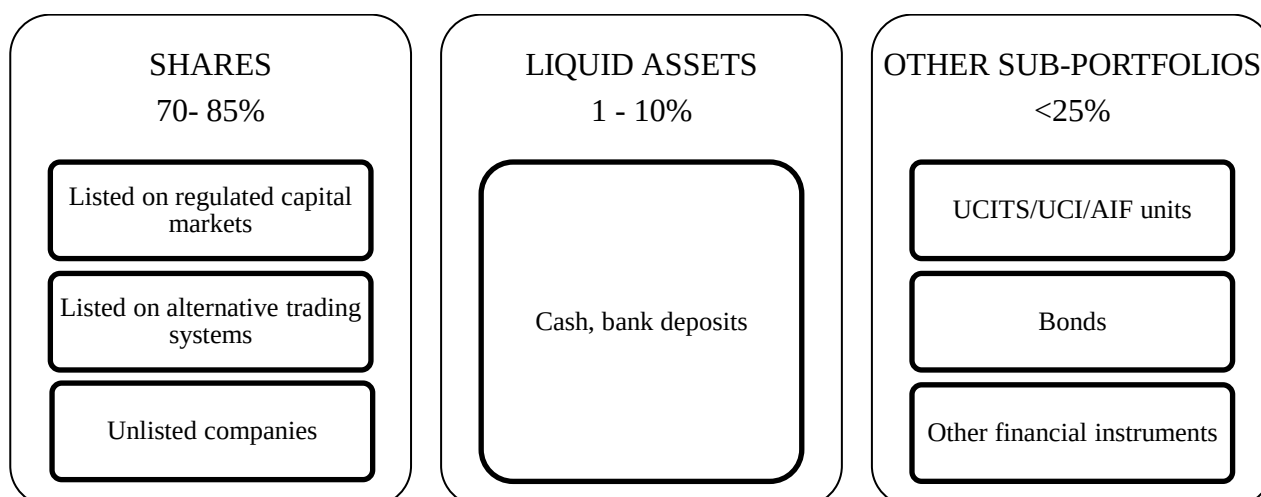
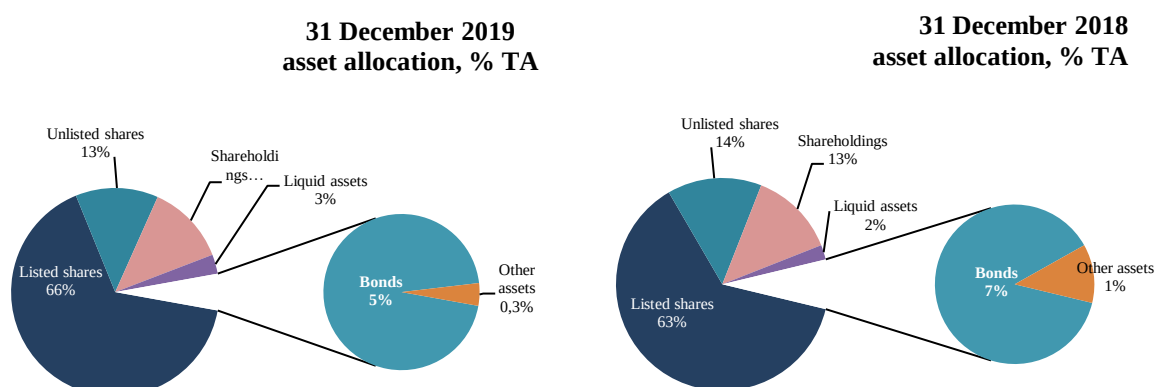


Chart no. 2. *Asset allocation in the Company's portfolio, 31 December 2019 as compared to 31 December 2018*



The main sub-portfolios¹ that make up the Company's portfolio are presented below, in value and percentage, of the total assets.

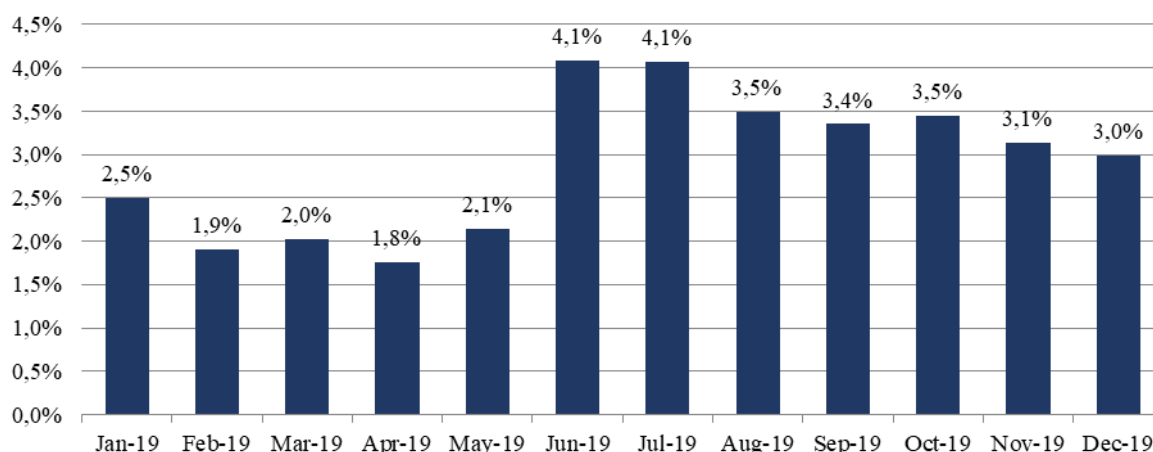
in LEI / %	2019		2018		2017	
Listed shares	1,121,947,025	66.0%	847,312,992	62.9%	992,239,037	67.7%
Unlisted shares	218,431,969	12.9%	193,558,597	14.4%	170,101,775	11.6%
Listed bonds	85,144,957	5.0%	82,557,980	6.1%	83,745,681	5.7%
Unlisted bonds	6,676,271	0.4%	6,693,865	0.5%	1,194,062	0.1%
Cash available	2,034,533	0.1%	733,446	0.1%	5,498,622	0.4%
Bank deposits	48,818,682	2.9%	29,369,735	2.2%	15,546,412	1.1%
Participation titles	212,251,040	12.5%	175,856,515	13.0%	181,191,076	12.4%
Other assets	4,515,494	0.3%	12,056,625	0.8%	16,053,242	1.1%
TOTAL ASSETS	1,699,819,971	100%	1,348,139,755	100%	1,465,569,907	100%

¹ Detailed situation of SIF Muntenia investments on 31 December 2019, prepared in accordance with Annex 17 of Regulation no. 15/2004, is presented on the website www.sifmuntenia.ro

The main evolution registered in the structure of the portfolio during the year 2019 was the continuation of the investment process, especially in the shares sub-portfolio (purchases of listed shares amounted to 21.5 million lei, and sales of shares of 11.6 million lei).

The sub-portfolio of participation titles at UCITS/NON-UCITS/AIF has undergone changes, participation titles amounting to 11.86 million lei being repurchased and participation tiles amounting to 1.5 million lei being purchased.

The portfolio liquidity, defined as the ratio between liquidity plus bank deposits and total assets, was within the **limits required by a prudent liquidity risk management**.

Chart no. 3. *Liquidity, year 2019*

Geographic exposures in which investments are concentrated

During the year 2019, the investments performed by SIF Muntenia were made in financial instruments issued and traded in Romania. As of 31 December 2019, the exposure on financial instruments whose issuers do not have fiscal residence in Romania was 6.79% of the net assets calculated according to the FSA provisions (31.12.2018: 7.81%).

Investments in shares, especially those in shares listed on organized markets and alternative trading systems, remained the most important, both in terms of value and revenue in SIF Muntenia's portfolio.

The management of this sub-portfolio aimed at achieving the objectives presented in the Management Program approved for 2019.

The table below shows the evolution of the shares sub-portfolio, over a period of 3 years from the date of the report.

in lei	2019	2018	2017
Listed shares:	1,121,947,025	847,312,992	992,239,037
- BSE	855,305,528	647,312,413	617,297,189
- ATS	266,641,497	200,000,579	374,941,848
Unlisted shares	218,431,969	193,558,597	170,101,775
TOTAL	1,340,378,994	1,040,871,589	1,162,340,812

There can be noticed the appreciation of the shares value for each presented category, the listed shares having an increase by 32.4%, and the unlisted ones by 12.9%, compared to the end of 2018.

TOP 10 Participations in SIF Muntenia's portfolio

As of 31 December 2019, the first 10 holdings, with a total value of 992.94 million lei, represent a share of 58.41% in SIF Muntenia's total assets (31 December 2018: 738.44 million lei, 54.77%).

SIMPLIFIED PROSPECTUS OF SIF MUNTENIA SA

	I	II	III	IV	V
1.	Banca Transilvania S.A.	Financial - banking	352.98	20.77	2.61
2.	Biofarm S.A.	Pharmaceutical industry	182.36	10.73	50.98
3.	CI-CO S.A.	Real estate, renting	92.19	5.42	97.34
4.	BRD - Groupe Societe Generale	Financial - banking	90.94	5.35	0.82
5.	SIF Banat-Crişana	Other financial intermediation	70.29	4.14	4.98
6.	FIROS S.A	Construction materials industry	46.28	2.72	99.69
7.	SIF Oltenia	Other financial intermediation	44.54	2.62	3.00
8.	S.N.G.N. Romgaz-S.A. Mediaş	Energy - utilities	43.13	2.54	0.30
9.	Romaero S.A. Bucureşti	Manufacture of air and spacecraft	37.46	2.20	23.24
10.	ICPE S.A. Bucureşti	Research	32.76	1.93	50.32
	TOTAL		992.93	58.42	

Legend

I- Denomination**II-** Field of activity**III-** Value of the participations, in million lei, calculated according to the F.S.A. regulations**IV-** % in the total asset of the Company**V-** % of the company's share capital held by the Company

17.3. SIF Muntenia's net asset value on 30.06.2020, the most recent value calculated at the date of this Document, is 1,459,374,587.36 lei, ie a net asset value per share of 1.8599 lei / share. This value was certified by the SIF Muntenia's Depositary, BRD-GSG and was published on 14.07.2020 at the BSE and on the website www.sifmuntenia.ro.

Chapter C - NOTE ON THE SECURITIES ISSUED BY SIF MUNTENIA

SECTION 1

RESPONSIBLE PERSONS, INFORMATION ON THIRD PARTIES, EXPERTS REPORTS AND APPROVAL OF THE COMPETENT AUTHORITY

1.1 The person responsible for the information included in this note is the asset manager **Societatea de Administrare a Investițiilor Muntenia Invest SA** (SAI Muntenia Invest/AIFM).

The permanent representative of SAI Muntenia Invest SA is - Nicușor Marian BUICĂ- General Director.

1.2 The responsible persons referred to under point 1.1 declare that the information included in this Note on Securities is, to the best of their knowledge, according to reality and that the Securities Note does not contain omissions that could affect the content of this Note.

1.3 The responsible persons referred to under point 1.1 declare that this Securities Note have been prepared as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017 / 1129.EN EN 166/102 Official Journal of the European Union 21.6.2019 and investors should themselves assess the appropriateness of investing in securities.

SECTION 2

RISK FACTORS

2.1 The significant risks of Societatea de Investiții Financiare Muntenia SA (SIF Muntenia / AIF), as a closed-end undertaking for collective investment, are the following, the enumeration not being limited to:

- Market risk is the risk of incurring losses due to adverse fluctuations in the prices at which the financial securities in the portfolio are traded – this category includes position risk, interest rate risk, currency risk and real estate investment risk;
- Credit risk is the risk of adverse outcome on profits and capital, following the failure of the debtor to fulfill contractual obligations – this category includes credit institution risk, credit risk related to equity securities, risk related to fund units, risk related to shares held, concentration risk and country risk;
- Counterparty risk is the risk that one of the parties to the contract will not fulfill its contractual obligations, leading to a loss for the other party;
- Liquidity risk is the risk of adverse outcome on profits and capital determined by the inability of the Fund to meet obligations at maturity;
- Strategic risk is the risk of adverse outcome on profits and capital determined by the inadequate implementation of decisions or making unfavorable business decisions, including by the lack of reaction to changes in the business environment;
- Operational risk is the risk of loss that results either from the use of inadequate internal processes, human resources or systems or that have not performed their function properly, or from external events – this category includes compliance risk, IT risk and legal risk;
- Reputational risk is the risk of adverse outcome on profits and capital determined by the unfavorable perception of the company's image by customers, counterparties, shareholders, investors or supervisory authorities.

The risk profile of SIF Muntenia is defined according to the level of risk appetite associated with each category of significant risks. The risk profile is developed in a detailed system of key risk indicators that supports SAI Muntenia Invest in its risk management and control functions.

SAI Muntenia Invest periodically evaluates, monitors and reviews the adequacy and efficiency of the risk management policy and notifies the FSA of any significant change thereof.

SECTION 3

KEY INFORMATION

3.1 SAI Muntenia Invest, manager of SIF Muntenia, applies Policies and procedures in the field of conflict of interest that aim at avoiding conflicts of interest by implementing appropriate measures in relation to the nature, size and complexity of the activities carried out. At the date of this Note, no natural and legal persons involved have been identified, whose interests would be likely to constitute possible conflicts of interest.

3.2 This Note has been prepared as part of the Simplified Prospectus within the documentation authorizing SIF Muntenia as an Alternative Investment Fund (AIF) for retail investors, organized in the form of a diversified, externally managed investment company.

3.3 The issuer, through the responsible persons referred to under point 1.1, declares that, in its opinion, its working capital is sufficient for its current obligations.

3.4 The Issuer, through the responsible persons mentioned under point 1.1, declares that SIF Muntenia as an Alternative Investment Fund has not contracted bank loans and has not issued bond loans, the degree of indebtedness being zero

SECTION 4

INFORMATION ON THE SECURITIES TO BE OFFERED / ADMITTED TO TRADING

4.1 The securities issued by SIF Muntenia are shares listed on the Bucharest Stock Exchange, on the Main segment, Premium category, trading symbol “SIF4”, ISIN ROSIFDACNOR6. At present, SIF Muntenia has a free float of 784,645,201 shares.

4.2 The currency in which the shares are traded is LEU.

4.3 There are no restrictions on the free transferability of securities under circulation.

4.4 SIF Muntenia, as issuer of the securities, is obliged, at the date of preparation of this Note, to withhold the tax for dividends distributed and paid to shareholders. Holders of securities have a legal obligation to declare and pay tax on gains / losses resulting from the sale of shares.

4.5 Rights associated to the issued shares are:

- a. The right to receive dividends. The amount of the dividends is approved by the resolution of the ordinary general meeting of shareholders, expressly establishing the gross amount per share. All shares issued by the company and under circulation grant equal rights to their holders in respect of the amount and term of payment of dividends. The holders of the shares that benefit from the right to dividend are those registered in the Shareholders Register provided by the independent registrar Societatea Depozitarul Central SA on the registration date established by the Shareholders General Ordinary Meeting of (SGOM). The payment will be made on the “payment date” established by the OM Resolution according to the applicable legal provisions. The right to collect distributed dividends expires within 3 years from the date of payment, and the person in whose favor the prescription intervenes is the issuer. For the non-resident holders of shares, the incidental tax regime will be applied depending on their fiscal domicile / headquarters. The dividend tax rate is set by tax law. The dividend to be paid is determined according to the algorithm below

Gross dividend = number of shares held at the date of registration x gross amount per share

Dividend payable (net dividend) = Gross dividend - Dividend tax

Dividend tax = Gross dividend x Dividend tax rate

The payment of the net dividend is made according to the Distribution Procedure.

- b. The right to vote at the meetings of the shareholders general assembly. Each share entitles the holder to one vote at the meetings of the shareholders general assembly. The right to vote may be suspended in cases expressly provided for by the relevant legislation.
- c. There are no subscription preferential rights for securities of the same class. There is only one class of shares issued by SIF Muntenia, and each share gives equal preference rights.
- d. The right to participate in the profits of SIF MUNTENIA SA is quantified only by the right to dividends
- e. The right to participate in the surplus in case of liquidation of SIF MUNTENIA SA
- f. SIF Muntenia has issued and has under circulation a single class of shares. Therefore there are no conversion clauses.

SAI Muntenia Invest declares that there is no national legislative act regarding the acquisitions applicable to SIF MUNTENIA SA that can prevent such acquisitions.

SAI Muntenia Invest declares that there were no public purchase offers of third parties on the capital of SIF MUNTENIA SA during the previous or current financial year.

SAI Muntenia Invest declares that the holders of shares issued by SIF MUNTENIA SA have no restrictions if they want to sell the securities held.

Nicușor Marian Buică

General Director

SAI Muntenia Invest SA