ANNUAL REPORT
OF THE MANAGER SAI MUNTENIA INVEST S.A. REGARDING THE ACTIVITY OF SIF MUNTENIA S.A. IN 2021

Prepared in accordance with Law no. 243/2019 on the regulation of alternative investment funds and amending and supplementing various legislative acts, Law no. 24/2017 on issuers of financial instruments and market operations, Law no. 74/2015 on alternative investment fund managers, FSA Regulation no. 7/2020 on the authorisation and operation of alternative investment funds, FSA Regulation no. 5/2018 on issuers of financial instruments and market operations and Norm no. 39/2015 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards, applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority in the Financial Instrument and Investment Sector.

Report date: 31.12.2021

GENERAL

NAME	Societatea de Investiții Financiare Muntenia S.A.
REGISTRATIONS	• Unique registration code 3168735 • Registered with the Trade Register under no. J40/27499/1992 • Code RON 2549007DHG4WLBMAAO98 • Registered with the FSA register under no. PJR09FIAIR/400005/09.07.2021 obtained following the authorization of FSA No 151/09.07.2021 by which SIF Muntenia S.A. was authorized as an Alternative Investment Fund intended for Retail Investors
SHARE CAPITAL	RON 78,464,520.10 – subscribed and paid-in share capital 784,645,201 – issued shares in circulation RON 0.1 – the face value
SHARE FEATURES	Common, registered, indivisible, dematerialised
THE TRADING MARKET	The Company is listed on the regulated market of the Bucharest Stock Exchange (BVB), the main segment, the premium category, SIF4 symbol
THE MAIN ACTIVITY	The principal field of activity is, according to the classification of activities of the national economy (NACE): Financial service activities, except insurance and pension funding (NACE code 64), and the main object of activity: Trusts, funds and similar financial entities (NACE code 6430): • Making financial investment, in order to maximise the value of its own shares, in accordance with the regulations in force; • Managing the investment portfolio and exercising all rights associated with the instruments in which it invests; • Managing risks; • Carrying out other ancillary and adjacent activities, in accordance with the regulations in force.
THE SHAREHOLDING STRUCTURE	100% private
FREE - FLOAT	100%
DEPOSIT AND CUSTODY SERVICES	BRD Groupe Societe Generale
THE REGISTER OF SHARES AND SHAREHOLDERS	Depozitarul Central S.A.
THE FINANCIAL AUDITOR	KPMG Audit S.R.L.
THE REGISTERED OFFICE	Romania, Bucharest, 46-48 Serghei Vasilievici Rahmaninov St., the ground floor, room 2, district 2, postal code 020199 Tel: +40 213 873 210 Fax: +40 213 873 209 www.sifmuntenia.ro Email: sai@munteniainvest.ro

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1 ABBREVIATIONS

Alternative Investment Fund Manager	AIFM
SIF Muntenia S.A. Shareholders' General Meeting	SGM
SIF Muntenia S.A. Shareholders' Extraordinary General Meeting	SEGM
SIF Muntenia S.A. Shareholders' Ordinary General Meeting	SOGM
Financial Supervisory Authority	FSA
European Central Bank	ECB
The National Bank of Romania	NBR
BRD Groupe Société Générale S.A.	The Depositary
The Bucharest Stock Exchange (regulated market)	BVB
The Board of Directors of SAI Muntenia Invest S.A.	BoD
Auxiliary market of the regular negotiation market in which deals are concluded, for which BVB establishes a minimum value of the transaction	The DEAL market
Alternative Investment Fund	AIF
Alternative Investment Fund intended for Retail Investors	AIFRI
Gross domestic product	GDP
The main (regular) market of the Bucharest Stock Exchange	The REGS market
Return on Assets	ROA
Return on Equity	ROE
Romanian Interbank Bid Rate 1 month	ROBID 1M
SAI Muntenia Invest S.A.	The Manager
SIF Muntenia S.A.	The Company
Multilateral Trading Facility	MTF
International Financial Reporting Standards	IFRS
The European Union	EU
Certified net asset value	NAV
Certified net asset value per unit	NAVU
Value at Risk	VaR

2 GENERAL

Societatea de Investitii Financiare Muntenia S.A. (the Company) is a Romanian legal entity, established as a joint stock company with fully private capital, classified according to the applicable legal regulations as an Alternative Investment Fund of the Investment Company type, in the category of Alternative Investment Fund intended for Retail Investors with a closed diversified investment policy which is managed from the outside[1].

During the reporting period, the Company was managed by SAI Muntenia Invest S.A., based on the management contract in force, approved by the Company shareholders within the SOGM of 23 April 2020 and endorsed by FSA by way of Opinion no. 165/22.07.2020 and also in accordance with the applicable legislation. The Company Depositary is BRD Groupe Société Générale S.A.

The priority strategic objectives are, as approved within the SOGM of 28 April 2021:

- Continuing the process of restructuring the portfolio and managing it efficiently, so as to ensure a long-term sustainable growth;
- Continuing the investment process, focusing on investment in Romania and in listed shares.

The differentiated approach adopted by the Company for each of its shareholdings aims at fully benefitting from an aggregate return, generated by dividend income and capital gain.

In 2021 there were no reorganisations, mergers or divisions of the Company.

The acquisitions and disposals of assets carried out by the Company, in 2021, refer to transactions of sale and purchase of securities. Details of these transactions are set out below in Chapter 5 of this Report.

During the period ended 31 December 2021, the Company continued meeting the conditions to be an investment entity. There were no changes in the criteria of classification as an investment entity.

In applying the Company investment policy, the Manager neither carries out securities financing transactions (SFTs), nor does it use total return swap instruments, as defined in Regulation (EU) no. 2015/2365 of the European Parliament and of the Council of 25 November 2015 on the transparency of securities financing transactions and of reuse and amending Regulation (EU) no. 648/2012 (hereinafter referred to as “Regulation (EU) no 2015/2365”).

[1] According to FSA Authorisation no. 151/09.07.2021

3 THE ECONOMIC FRAMEWORK

THE INTERNATIONAL ECONOMIC FRAMEWORK[2]

An economic growth of 5.5% was estimated globally in 2021 due to the fact that in many countries most of the measures imposed in the context of the Covid-19 pandemic were relaxed, which contributed to the increase of the aggregate demand. In advanced countries, high vaccination rates and expansionary fiscal measures have helped to cushion the impact of some of the side effects of the pandemic. In contrast, emerging markets and developing economies are experiencing notably weaker and more fragile recoveries compared to those in advanced economies as a result of slower vaccination progress, a more limited policy response, and the pandemic's scarring effects.

After rising briskly earlier last year, global trade has plateaued, owing to softening growth of demand for traded goods and supply bottlenecks caused by pandemic-related factory and port shutdowns in the context of the pandemic.

Energy prices surged in the second half of 2021 in most of the countries, especially in Europe and are currently projected to be much higher in 2022 than previously expected. Non-energy commodity prices generally stabilized in 2021, with many at or close to all-time highs; however, soaring energy costs have negatively affected the production of non-energy commodities including metals and fertilizers. An upside risk to energy prices is low investment in new production capacity, which may prove insufficient to keep pace with demand. To avoid future energy price spikes, investment in low-carbon sources of energy would need to increase markedly, or growth in energy demand would need to slow.

Natural gas and coal prices rose particularly sharply in 2021, even though coal prices moderated toward the end of the year. Natural gas prices in Europe saw particularly steep increases, reaching record highs in December 2021. Demand has been lifted by firming global activity as well as adverse weather, which, in some countries, increased energy use for heating and cooling, disrupted coal production, and reduced hydroelectric power (World Bank 2021b).

Oil prices rose to an average of $69/bbl. in 2021, an increase of 67 percent over 2020 and $7/bbl. higher than previously expected as oil demand recovered, boosted by higher natural gas prices which encouraged the use of oil as a substitute. Despite a planned increase in production by the member countries of OPEC, global oil output rebounded more slowly than expected owing to supply outages and production constraints.

The European fertilizer crisis is spreading after countless firms are reducing their production due to very high energy prices, and the set of financial instruments proposed by the European Commission to mitigate the shock does not go far enough to put an end to the problem. Agricultural prices rose by 23 percent, on average, in 2021. Some food prices were boosted by record-high imports by China, including grains and vegetable oils, while weather-induced supply disruptions boosted wheat, cocoa, and coffee prices. Fertilizer prices rose strongly owing to the rise in energy prices. The rise in food prices will be driven by high agricultural raw materials prices, in particular energy and fertilizer prices, which are expected to remain high in 2022.

At almost 14% a year, the EU's GDP growth rate in the second quarter of 2021 was the best ever, as high as the unprecedented decline in GDP over the same period last year, during the first wave of the pandemic. In the third quarter of 2021, the EU economy reached its pre-pandemic results again. However, the growth rate is again facing problems. Global supply bottlenecks and disruptions affect activity in the EU, especially in its highly integrated manufacturing sector. In addition, after falling sharply in 2020, energy prices, especially for natural gas, have risen steadily over the last period and are now well above pre-pandemic levels. The constant lack of minerals while their prices are rising (e.g. the unprecedented explosion in the price of nickel that is blocking the metal industry as well as the machinery construction industry) has a negative impact on economic growth.

After several years of low inflation, the strong resumption of economic activity in the EU and in many advanced economies has been accompanied by an increase in inflation that has exceeded expectations. Annual inflation in the euro area rose from -0.3% in the last quarter of 2020 to 4.66% in the fourth quarter of 2021. The December 2021 value was

[2] https://ec.europa.eu/commission/presscorner/detail/ro/ip_21_5883
https://openknowledge.worldbank.org/bitstream/handle/10986/36519/9781464817601.pdf

5%, the highest value since 2021.This strong inflation increase is mainly driven by rising energy and gas prices, but seems to be linked to a wide set of post-pandemic economic adjustments.

THE NATIONAL ECONOMIC FRAMEWORK

According to the data from the NBR[3], economic activity stagnates in the fourth quarter of 2021, including in the context of the pandemic wave 4, the energy crisis and bottlenecks in production and supply chains, bringing the annual GDP dynamics down to a significantly lower value than expected in November 2021.At the same time, annual GDP dynamics recorded a markedly more pronounced fall in Q3 2021 than expected to 7,4% from 13,9% in Q2. However, it remained high from a historical perspective, with the majority of private consumption as well as the change in stocks.

The inflation[4] rate rose to 8.19% in December 2021, from 7.80% in November, rising further above the upper limit of the target range, mainly as a result of the continuing increase in energy commodity prices. It also reflects the effects of the large-scale increase in agri-food commodity prices, energy costs and transport, as well as the influences of persistent bottlenecks in production and supply chains, together with those arising from measures to protect against coronavirus infection, all of which are likely to be sustained by rising short-term inflationary expectations.

In the financial market, the main quotations of the interbank monetary segment continued to grow relatively quickly in November and December 2021 under the impulse of the new increase in the monetary policy interest rate, as well as amid the restrictive nature of liquidity conditions and expectations on further increase in the key interest rate, which is also driven by developments in the region.

The annual dynamics of credit granted to the private sector continued to rise in October and November 2021, reaching 14.1%, as average of the range, from 12.9% in the third quarter, under the conditions of the increase in the very high variation of the component in RON, including with the support of the governmental programs, but also amid the slight dynamization of the credit in foreign currency.

Regarding the number of newly established firms, the data of the National Trade Register[5] show that in 2021 in Romania were recorded 148,294 new registrations, increasing by approximately 35% compared to 2020. Depending on the region, most of the new registrations were in Bucharest (24,038), and at the opposite end was Covasna County (1,065). On the other hand, the number of firms that suspended their activity in 2021 was 13,020, increasing by 19.31% compared to 2020. Here, too, Bucharest records the highest values (1,285), being followed by the Counties of Cluj (683) and Bihor (562). There were 6.144 companies in insolvency on 5.694 as at December 2020, an increase of 7,9%

THE CAPITAL MARKET

In 2021, according to the data published by the FSA[6], approximately 1.5 million transactions were recorded on all markets managed by the BVB, increasing by 52.43% compared to 2020 with a total volume of about 9.5 billion financial instruments, totalling approximately RON 21.5 billion, increasing by 28.48% compared to the previous year.

The stock market capitalization of the companies that are present on the regulated market and on the multilateral trading system increased by over 50%, reaching at the end of the year the value of approximately RON 246 billion.

The market for share transactions had a 33% increase in the number of transactions made on the main stock market segment and more than 252% on the multilateral trading system (MTS), although it was characterised by a decrease in the volume traded (-19.5%) on the main market and a decrease (-10%) in the transaction value.

[3] https://www.bnr.ro/page.aspx?prid=20456
[4] https://www.bnr.ro/page.aspx?prid=20556
[5] https://www.onrc.ro/index.php/ro/
[6] https://asfromania.ro/ro/a/2300/gabriel-gr%C4%83dinescu,-vicepre%C8%99edinte-asf:-repere-ale-evolu%C8%9Biei-pie%C8%9Bei-de-capital-%C3%AEn-anul-2021

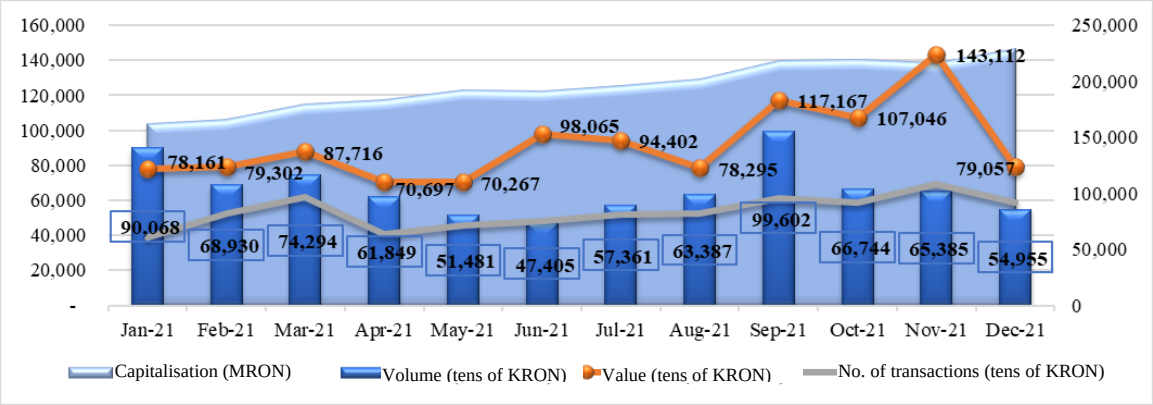
Regarding the bond market, there is an increase in the number of transactions by 71% on the main stock market segment and by more than 118% on the MTS, a higher volume traded (by 16% on the main market and by 188% on the MTS), as well as an increase of the traded value by 55% on the main stock market segment and by approximately 230% on the MTS.

Also, transactions with structured products increased by over 92.5%, and the value traded with this type of financial instruments by approximately 4%.

The main BET index was on an upward trend during 2021, with an increase of over 30% between January and December 2021.

The chart below shows the developments of the share market, in the main segment, during the 12 months of 2021.

Chart no. 3.1 *Transactions in shares in 2021, the main segment*



Source: *data taken from BVB, processed by SAI Muntenia Invest S.A.*

4 MAJOR EVENTS REGARDING THE COMPANY ACTIVITY IN 2021

CHANGES IN THE EXECUTIVE MANAGEMENT OF THE MANAGER

In the meeting of 04.01.2021, the BoD of the Manager took note of the notice given by Mr. Mircea Constantin, Strategy Director, regarding the termination of the Individual Employment Agreement, as of 05.02.2021. On 03.02.2021, an agreement was concluded whereby the notice period regarding the termination of the Individual Employment Agreement was extended until 25.02.2021.

THE AUTHORISATION OF THE CHANGE IN THE EXECUTIVE MANAGEMENT OF THE MANAGER

In the meeting of 05.01.2021, the BoD of the Manager approved the appointment of Mr. Sergiu Mihailov as Corporate Management Director. Mr. Sergiu Mihailov was authorised based on the FSA authorisation no. 16/22.01.2021.

DECISIONS OF THE COMPANY SHAREHOLDERS' EXTRAORDINARY GENERAL MEETING OF 7 JANUARY 2021

Within the SEGM of 7 January 2021, the amendment of the Company Articles of Incorporation was approved, for the purposes of correlation with the provisions of Law no. 243/2019 on the regulation of alternative investment funds and amending and supplementing certain legislative acts (hereinafter referred to as "Law no. 243/2019"). Details on the adopted amendments may be found in the published decisions[7]. The current Report on the SEGM of 7 January 2021 is available for consultation on the Company website, i.e. www.sifmuntenia.ro, in the dedicated section.

DECISIONS OF THE COMPANY SHAREHOLDERS' ORDINARY GENERAL MEETING OF 28 APRIL 2021

Within the SOGM of 28 April 2021, the following items were approved:

- The Company annual financial statements for the financial year 2020, based on the discussions and reports submitted by the Manager SAI Muntenia Invest S.A, the financial auditor KPMG Audit S.R.L. and the BoSR;
- The hedging of the accounting loss reported in the financial statements for the financial year ended 31 December 2020, amounting to RON 25,856,302 using reserves distributed from the net profit in the amount of RON 606,660,572, reserves that were set up using the net profits of 1992 – 2019;
- The SIF Muntenia S.A. management programme and the Company revenue and expenditure budget for the financial year 2021;
- The Remuneration Policy of SIF Muntenia S.A., in accordance with the proposal in the presented/published material;
- The making of accounting entries corresponding to the expiry of the limitation period applicable to the right to request the payment of dividends not collected by Company shareholders for three years from the date of their rightful request, in the amount of RON 14,337,520.68 and the transfer of this amount to reserves;
- The remuneration of the BoSR for the financial year 2021.

The shareholder Mr. Behboud Madadi requested that the Manager be held liable on the basis of Article 155(3) of the companies Act 31/1990, but following the submission to the vote it was rejected that the Manager should be held liable for the acquisition by the Company of its own shares indirectly in the context of SOGM SIF Muntenia S.A. dated 28.04.2021. Subsequently, a group of shareholders of the company, including Mr. Behboud Madadi, Mr. Munteanu Florian, Mr. Alexandru Ionel Secară and Mr. Andrei Viorel Orlando, registered an action before the courts seeking annulment of the decision of SOGM SIF Muntenia S.A. of April 2021, action in which the Company is a defendant. On 09 March 2022, the Bucharest Court dismissed the claimants' action as being brought by persons without active legal standing and ordered the claimants jointly to pay the sum of RON 7,148.29 as court costs. An appeal may be brought against the judgment of the Bucharest Court.

[7] https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/SIF4-Hotarari-AGA-E-din-data-de-7-ianuarie-2021/CB6A0

THE AUTHORISATION OF THE COMPANY AS AN ALTERNATIVE INVESTMENT FUND INTENDED FOR RETAIL INVESTORS

On 09.07.2021 the FSA issued the Authorisation no. 151/09.07.2021 authorising the Company as an AIFRI, with BRD-Groupe Societe Generale S.A. as the depositary and managed by SAI Muntenia Invest S.A. According to Authorisation no. 151/09.07.2021 the Company was registered in the FSA Register in Section 9 – Alternative Investment Funds, Subsection 1 – AIFRI under no. PJR09FIAIR/400005.

Moreover, according to the Authorisation no. 151/09.07.2021, the FSA authorised the amendments of the Company Instrument of Incorporation in accordance with the SEGM Decision no. 2/07.01.2021, as well as the simplified Company prospectus, prepared in accordance with the legal provisions applicable to issuers of securities and FSA regulations issued in their application and in compliance with the provisions of the Delegated Regulation (EU) no. 2019/980 supplementing Regulation (EU) no. 2017/1129.

Company shareholders and potential investors have been informed, through BVB and its own website, i.e. www.sifmuntenia.ro, about the new documentation regarding the operation of the Company as an AIFRI according to Law no. 243/2019 on the regulation of alternative investment funds and amending and supplementing various legislative acts.

THE AUTHORISATION OF VARIOUS MEMBERS OF THE BOARD OF DIRECTORS OF SAI MUNTENIA INVEST S.A. THE ELECTION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

In July of 2021, the Company, by means of its Manager, SAI Muntenia Invest S.A., informed investors about the fact that the FSA had issued the Authorisation no. 148/09.07.2021 authorising Mr. Adrian Simionescu as a member of the BoD of SAI Muntenia Invest S.A. for a term of office of four years, as of 20.08.2021, in accordance with the SOGM Decision no. 20/25.05.2021. Moreover, the SOGM of the Manager decided to elect Mr. Adrian Simionescu as the Chairman of the BoD for a term of office of four years, from 20.08.2021 to 20.08.2025.

The composition of the BoD of SAI Muntenia Invest S.A., authorised as of 20.08.2021, is the following:

1. Adrian Simionescu – Chairman of BoD
2. Dorina Teodora Mihăilescu
3. Sergiu Mihailov

In November of 2021, the Company, through its Manager SAI Muntenia Invest S.A., informed investors about the fact that the FSA had issued the Authorisation no. 226/01.11.2021 authorising Mrs. Dorina Teodora Mihăilescu as a member of the BoD of SAI Muntenia Invest S.A. for a term of office of four years as of 27.12.2021, in accordance with the SOGM Decision no. 21/25.08.2021.

The composition of the BoD of SAI Muntenia Invest S.A., authorised as of 27.12.2021, is as follows:

1. Adrian Simionescu – Chairman of BoD
2. Dorina Teodora Mihăilescu
3. Sergiu Mihailov

THE EXTENSION OF THE TERM OF OFFICE FOR THE CEO OF THE MANAGER

In November of 2021, the Company, via its Manager SAI Muntenia Invest S.A., notified the fact that the FSA had issued the Authorisation no. 227/01.11.2021 authorising Mr. Nicușor Marian Buică as the CEO of SAI Muntenia Invest S.A. for a term of office of four years as of 22.12.2021, in accordance with the Decision of the BoD of SAI Muntenia Invest S.A. no. 22/2 of 01.09.2021. Mr. Nicușor Marian Buică is in his second term of office as the CEO of SAI Muntenia Invest S.A.

The composition of the executive management of SAI Muntenia Invest S.A., authorised as of 22.12.2021, is the following:

1. Nicușor Marian Buică – CEO
2. Sergiu Mihailov – Corporate Management Director

THE PUBLIC OFFER TO PURCHASE SHARES ISSUED BY SIF MUNTENIA S.A., INITIATED BY SIF MUNTENIA S.A.

Considering the fact that, according to the SEGM Decision no. 3/23.04.2020, the SIF Muntenia S.A. SEGM of 23.04.2020 approved, with a majority of the votes held by the present and represented shareholders, a programme for the redemption by the Company of its own shares, in accordance with the applicable legal provisions, on 27.07.2021, the Company informed the shareholders and investors that, for the implementation of the SEGM Decision of 23.04.2021, on 27.07.2021, the FSA was presented by SSIF BRK Financial Group S.A., as an intermediary within the Public Offer for Purchase of Shares issued by SIF Muntenia S.A., with the Document of Public Offer to Purchase Shares issued by SIF Muntenia S.A. together with the related documentation.

Based on Decision no. 1047/25.08.2021, communicated on the BVB website on 25.08.2021, the FSA approved the Document of Public Offer to Purchase Shares issued by SIF Muntenia S.A., initiated by SIF Muntenia S.A., an offer with the following characteristics:

a. The number of shares subject to the offer: 20,645,201 shares, representing 2.6312% of the share capital
b. The face value: RON 0.10/share
c. The purchase price: RON 1.30/share
d. The implementation period: 02.09.2021 – 15.09.2021
e. The intermediary of the offer: SSIF BRK Financial Group S.A.
f. Subscription places: according to the information in the offer document.

The events unfolding within the public offer to purchase shares issued by SIF Muntenia S.A.:

- On 30.08.2021 the documents related to the public offer to purchase shares issued by SIF Muntenia S.A., initiated by SIF Muntenia S.A., were published on the BVB website by the offer intermediary, SSIF BRK Financial Group S.A.;
    - On 01.09.2021, the Manager of SIF Muntenia S.A. informed investors that, on 31.08.2021, he was informed by a Company shareholder that the same had submitted an offer competing against the public offer to purchase shares initiated by SIF Muntenia S.A. to the FSA on 30.08.2021, also noting that, in accordance with the submitted offer, it wanted to buy 55 million SIF Muntenia S.A. shares;
    - On 08.09.2021, the FSA communicated Decisions no. 1100 - 1104/08.09.2021 on the BVB website, as follows:
  - According to the FSA Decision no. 1100/08.09.2021, the document of the competing public offer to purchase shares issued by SIF Muntenia S.A., initiated by Mr. Behboud Madadi, was approved; the offer had the following features:
    a. The number of shares subject to the offer: 55,000,000 shares, representing 7.0095% of the share capital;
    b. The face value: RON 0.10/share;
    c. The purchase price: RON 1.60/share;
    d. The implementation period: 15.09.2021 - 28.09.2021;
    e. The intermediary of the offer: Alpha Bank Romania S.A.;
    f. Subscription places: according to the information in the offer document.
  - According to the FSA Decision no. 1101/08.09.2021, the period of implementation of the public offer to purchase shares issued by SIF Muntenia S.A. and initiated by SIF Muntenia S.A. was extended (approved by the FSA Decision no. 1047/25.08.2021), the sole deadline for closing the competing public offers being 28.09.2021, inclusive. The deadline by which amendments regarding the price increase could be submitted for approval was 22.09.2021, at 10:00, i.e. the date and time at which the auction regarding the price increase was to take place at the FSA headquarters. Following the auction and the approval of the amendment in terms of the price increase, the lowest competing bid was to be cancelled;

  - According to the FSA Decision no. 1102/08.09.2021, the implementation of the public offer to purchase shares issued by SIF Muntenia S.A., initiated by SIF Muntenia S.A. and mediated by SSIF BRK Financial Group S.A., was suspended from 15.09.2021 to the date of publication of the amendment regarding the price increase;
  - According to the FSA Decision no. 1103/08.09.2021, the implementation of the competing public offer to purchase shares issued by SIF Muntenia S.A., initiated by Mr. Behboud Madadi and mediated by Alpha Bank Romania S.A., was suspended from 15.09.2021 to the date of publication of the amendment regarding the price increase;
  - According to the FSA Decision no. 1104/08.09.2021, the shares issued by SIF Muntenia S.A. were suspended from trading on BVB from 22.09.2021 to the day of publication of the announcement regarding the highest price resulting from the auction, inclusive.
- On 28.09.2021, the FSA communicated Decisions no. 1225 – 1227/28.09.2021 by means of which:
  - According to the FSA Decision no. 1225/28.09.2021, the FSA Decision no. 1047/25.08.2021 approving the document of public offer to purchase shares issued by SIF Muntenia S.A. was revoked, considering that the price in the offer of the Company shareholder was higher than the one offered by SIF Muntenia S.A. According to this FSA decision, the revocation of the decision approving the offer document leaves the subscriptions made until the time of the revocation without effect;
  - According to the FSA Decision no. 1226/28.09.2021, as of 29.09.2021, the suspension of the public offer to purchase shares issued by SIF Muntenia S.A. initiated by Mr. Behboud Madadi and mediated by Alpha Bank Romania S.A. was lifted, as ordered by the FSA Decision no. 1103/08.09.2021, the deadline for closing the offer being 12.10.2021, inclusive;
  - According to the FSA Decision no. 1227/28.09.2021, the shares issued by SIF Muntenia S.A. were re-introduced for trading on BVB as of 28.09.2021.
- On 18.10.2021 Alpha Bank Romania S.A. communicated the following results of the public offer to purchase shares issued by SIF Muntenia S.A. to BVB:
  - The issuer's name: SIF Muntenia S.A.;
  - The bidder's name: Mr. Behboud Madadi;
  - The name of the offer intermediary: Alpha Bank Romania S.A.;
  - The number of the FSA Decision approving the public offer document: Decision no. 1100/08.09.2021;
  - The period of implementation of the offer: 29.09.2021 - 12.10.2021;
  - The number and percentage represented by securities deposited within the offer: 12,287,145 shares (1.57%);
  - The number of securities purchased, and the total amount paid: 12,287,145 shares worth RON 19,659,432;
  - The date and method of settlement of the transaction related to the public offer: 15.10.2021, through the Central Depositary;
  - The percentage held by the bidder after the conclusion of the bid: 6.13%.

THE DECISIONS OF THE SHAREHOLDERS' GENERAL MEETINGS OF 18/19 OCTOBER 2021

Within the SOGM of 19 October 2021, held on a second convening, the appointment of the financial auditor Deloitte Audit S.R.L. for a period of two years, as of 01.05.2022, for the financial years of 2022-2023, was approved.

Within the SEGM of 19 October 2021, held on a second convening, the amendment of the Company Articles of Incorporation was approved, for the purposes of the correlation of the statutory provisions with those of the legislative acts in force, according to the applicable legal regulations, i.e. Art. 8(8) and Art. 14(2) as follows:

- "The annual financial statements of SIF Muntenia S.A. shall be audited by a financial auditor that meets the conditions stipulated by the laws in force and by FSA regulations";
- "The net asset value (NAV) of SIF Muntenia S.A. shall be calculated on a monthly basis, according to the applicable legal regulations."

The amendment of the Company Articles of Incorporation approved according to the SOGM Decision of 19 October 2021 was authorised by the FSA according to the Authorisation no. 233/19.11.2021.

The documents related to the SOGM and SEGM of 19 October 2021, as well as the current report on the SOGM and

SEGM Decisions are available for consultation on the Company website, www.sifmuntenia.ro, in the dedicated section.

THE DECISIONS OF THE SHAREHOLDERS' EXTRAORDINARY GENERAL MEETING OF 15 NOVEMBER 2021

Within the SEGM of 15 November 2021, the following decisions were adopted:

- The revocation of the Decision no. 3 of the Company SEGM of 23.04.2020 regarding the implementation by SIF Muntenia S.A. of a Programme for the redemption of its own shares;
- Shareholder Mr. Behboud Madadi, which held 6.13% of the share capital of SIF Muntenia S.A. requested the introduction of additional points in the SEGM which mainly referred to the approval of the distribution of dividends amounting to RON 350 million and to the revocation of the Manager as of the date of the approval of the company by the FSA as AIFM. These agenda items introduced by Mr. Madadi were rejected by the shareholders. Subsequently, a group of shareholders of the company, including Mr. Behboud Madadi, Mr. Munteanu Florian, Mr. Alexandru Ionel Secară and Mr. Andrei Viorel Orlando, registered an action before the courts seeking annulment of the decision of SOGM SIF Muntenia S.A. of April 2021, action in which the Company is a defendant. On 09 March 2022, the Bucharest Court dismissed the claimants' action as being brought by persons without active legal standing and ordered the claimants jointly to pay the sum of RON 7,148.29 as court costs. An appeal may be brought against the judgment of the Bucharest Court.

5 THE ANALYSIS OF THE ACTIVITY

The priority strategic objectives for 2021, according to the Management Programme approved by the SOGM of 28 April 2021, were:

- Continuing the process of restructuring the portfolio and effectively managing it, so as to ensure long-term sustainable growth;
- Continuing the investment process, with a focus on investment in Romania and in listed shares.

The main benchmarks, from an operational and financial point of view, of the developments of Company assets/share price, in the 2019-2021 period, are presented below.

in RON	2021	2020	2019
Total certified asset value (TA)	2,071,016,814	1,613,770,267	1,699,817,678
Net asset value (NAV)	1,982,613,439	1,552,786,093	1,593,627,487
Certified net asset value per unit (NAVU)	2.5268	1.9790	2.0310

Table no. 5.1 *Developments of the certified assets*

The value of the asset certified by the Depositary is calculated according to valuation rules[8] approved by the Manager based on the applicable legal regulations. The Company reported a total certified asset value up by 28.33% compared to the one recorded at the end of the previous year and up by 21.84% compared to 2019. The NAV increased by 27.68% compared to 31.12.2020 and by 24.41% compared to the same period of 2019.

in RON	2021	2020	2019
End-of-period closing price	1.565	0.820	0.844
Market capitalisation (million RON)	1,227.97	643.41	662.24
Discount on net assets	38.1%	58.6%	58.4%

Table no. 5.2 *Developments of the SIF4 share*

The closing price of Company shares increased by 90.9% at the end of 2021 compared to the end of 2020, and, compared to 31.12.2019, it increased by 85.40%. The total trading value of Company shares in 2021 was RON 43.02 million, trading shares representing 4.9% of the number of shares issued and in circulation as at 31.12.2021. The average price of a share as at 30.12.2021 is RON 1.565, whereas, as at 30.12.2020, it was RON 0.812.

in RON	2021	2020	2019
Total assets	2,065,321,150	1,618,525,311	1,680,216,426
Total liabilities	88,450,065	60,984,174	106,190,192
Total equity	1,976,871,085	1,557,541,132	1,574,026,234
Net profit/(Net loss)	266,187,637	(25,856,302)	111,913,700

Table no. 5.3 *Financial results*

As at 31.12.2021, the main elements of the financial position recorded increases compared to the same period of the previous year: the total assets increased by 27.61%, whereas the equity increased by 26.92%.

Liabilities increased by 45.04% on 31 December 2021 compared to the same period last year. The difference comes mainly from the performance fee charged by the Manager, which is equal to 10% of the amount by which the gross profit realized exceeds the gross profit set out in the Revenue and Expenditure Budget approved by the SGM for 2021. Performance fee has not been budgeted.

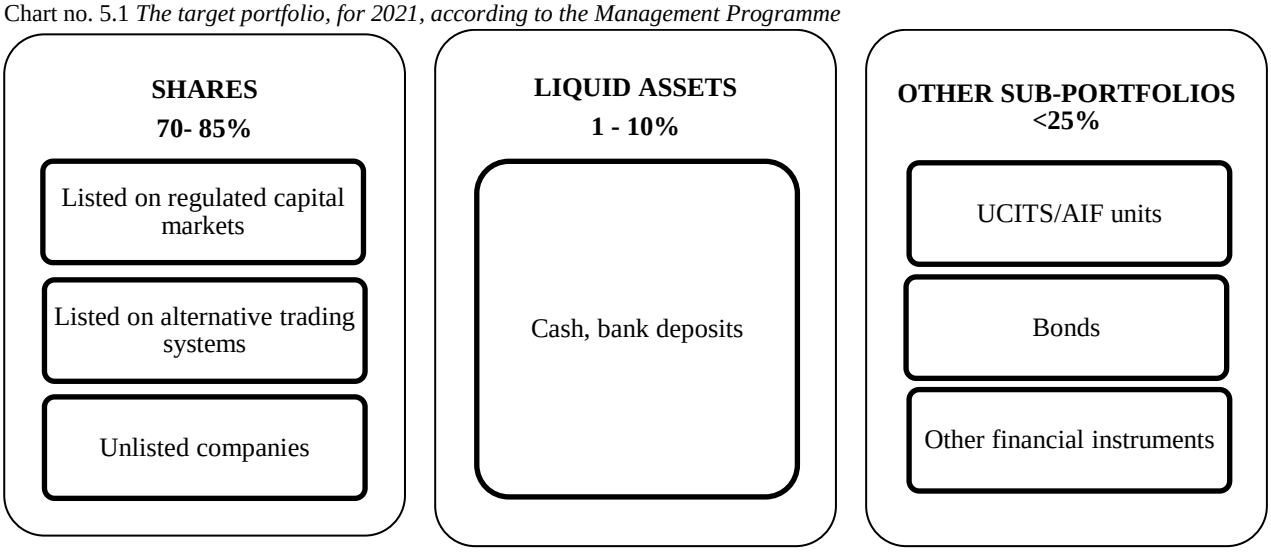
Details may be found in this Report and in the Notes to the annual Financial Statements as at 31.12.2021.

[8] http://www.sifmuntenia.ro/investitii/activ-net/reguli-privind-evaluarea-activelor

ASSET ALLOCATION

The investment made by the Company was in line with the provisions of the laws in force, applicable to the Romanian capital market. The Company portfolio meets the applicable legal limits and the indicative limits, as defined by the Company target portfolio, as approved by the 2021 SIF Muntenia S.A. Management Programme.

Chart no. 5.1 *The target portfolio, for 2021, according to the Management Programme*



The main sub-portfolios[9] that make up the Company portfolio are presented below, as value and percentage, of the total certified assets.

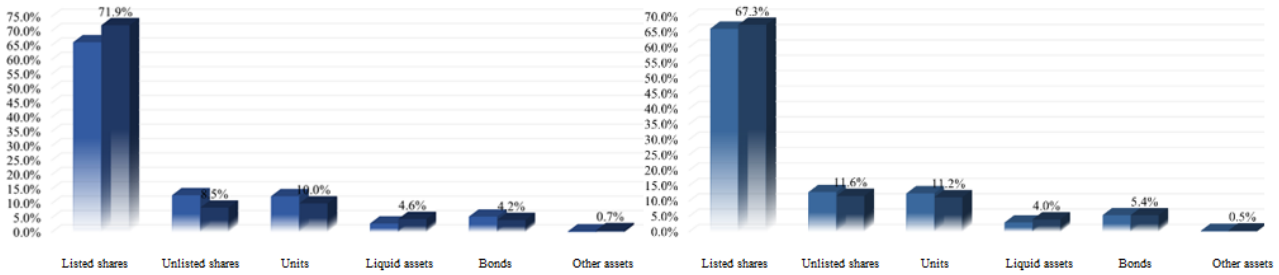
in RON/%	2021		2020		2019	
Listed shares	1,489,757,315	*71.9%*	1,085,640,908	*67.3%*	1,121,947,025	*66.0%*
Unlisted shares	176,675,209	*8.5%*	187,795,067	*11.6%*	218,431,970	*12.9%*
Listed bonds	87,868,461	*4.2%*	86,671,386	*5.4%*	85,144,957	*5.0%*
Unlisted bonds	-	-	-	-	6,676,271	*0.4%*
Liquid assets	13,046,863	*0.6%*	29,228,487	1.8%	2,034,533	*0.1%*
Bank deposits	81,853,590	*4%*	35,566,325	2.2%	48,818,682	*2.9%*
Units	207,692,401	*10%*	181,407,447	11.2%	212,251,041	*12.5%*
Other assets	14,122,975	*0.7%*	7,460,647	0.5%	4,513,199	*0.3%*
TOTAL ASSETS	**2,071,016,814**	***100%***	**1,613,770,267**	***100%***	**1,699,817,678**	***100%***

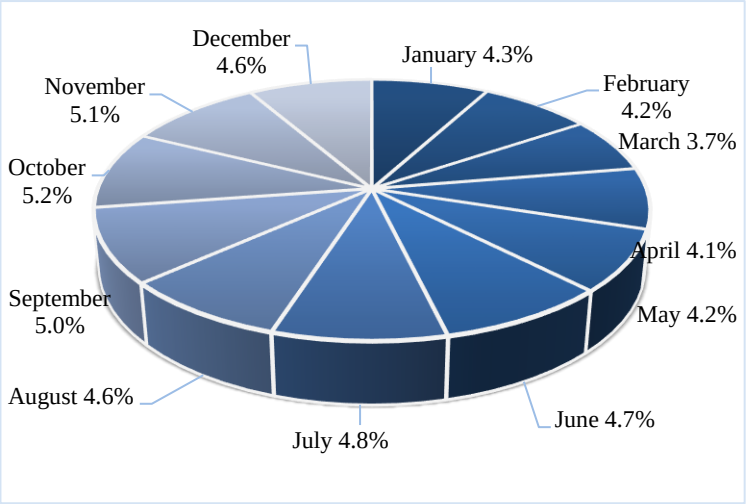
Table no. 5.4 *SIF Muntenia S.A. portfolio (value/percentage comparison)*

[9] The detailed statement of SIF Muntenia S.A. investment as at 31 December 2021, prepared in accordance with Annex no. 11 of the Regulation no. 7/2020, is attached hereto.

Chart no. 5.2 *The allocation of assets from the Company portfolio, 31 December 2021 compared to 31 December 2020*

31 DECEMBER 2021 **31 DECEMBER 2020**





In 2021 *the degree of liquidity of the portfolio*[10] was within the limits required by prudent liquidity risk management and within the limits of the Company target portfolio (within the **3.7% - 5.2%** range during the reporting period).

The maintenance of a low degree of liquidity is due to the decision to invest in listed financial instruments that offer returns which are higher than the interest on bank deposits offered by credit institutions in Romania.

The geographical breakdown of the investment held by the Company[11]

In 2021, the Company investment was in financial instruments issued and traded in Romania. As at 31 December 2021, the share of instruments not traded in the Romanian capital market represented 4.0031% of the Company certified net assets (31.12.2020: 5.2%, 31.12.2019: 5.0%).

THE TOTAL ASSETS AND THE CERTIFIED NET ASSETS

The monthly values of the assets were published by the Depositary BRD-Groupe Societe Generale SA on the website www.sifmuntenia.ro and reported according to the legal provisions to the FSA - the Financial Instrument and Service and Sector and to BVB no later than 15 calendar days after the end of the reporting month. The rules regarding the methods of valuation of the assets in the Company portfolio are presented on its website[12]. Changes in the valuation rules are notified to investors and the FSA, in accordance with the regulations in force.

[10] Liquid assets (cash + deposits)/Certified total assets

[11] In accordance with art. 3(3)(d) and art. 24 of the Directive no. 2011/61/EU on alternative investment fund managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) no. 1060/2009 and (EU) no. 1095/2010 and Annex IV of the Regulation no. 231/2012 supplementing the Directive 2011/61/EU of the Parliament European and of the Council in terms of derogations, general terms and conditions of operation, deposits, leverage, transparency and supervision.

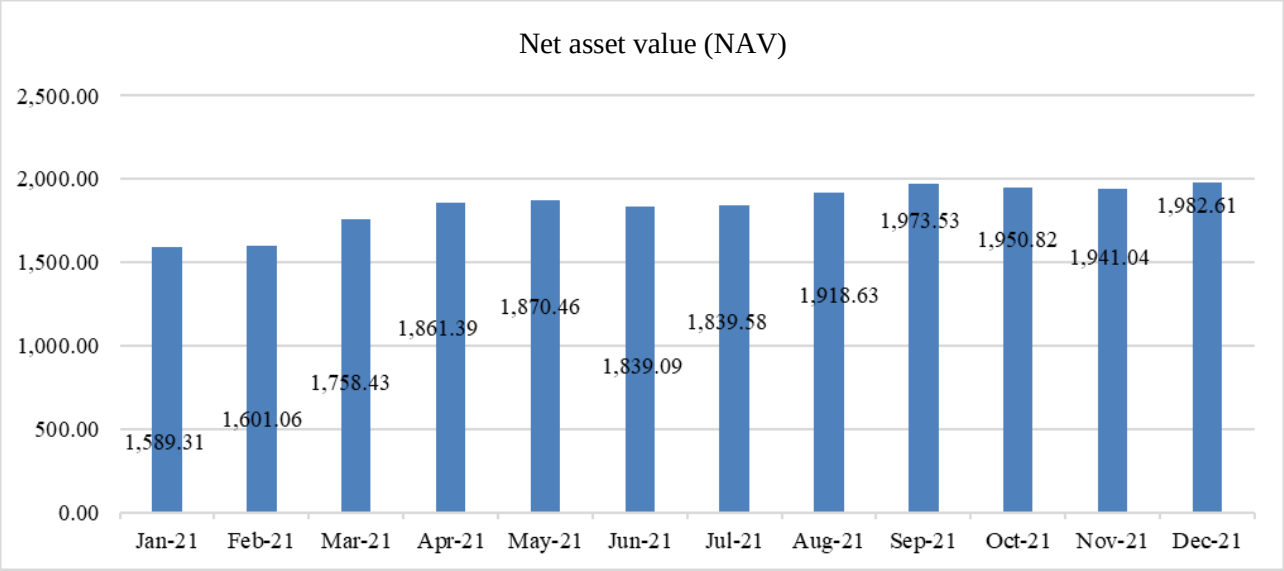
[12] http://www.sifmuntenia.ro/investitii/activ-net/reguli-privind-evaluarea-activelor/

in RON	2021	2020	2019
Certified total assets	2,071,016,814	1,613,770,267	1,699,817,678
Total liabilities	88,403,375	60,984,174	106,190,192
Net assets	1,982,613,439	1,552,786,093	1,593,627,487
Net asset value per unit (NAVU)	2,5268	1,9790	2,0310
ECB EUR exchange rate	*4,9490*	*4,8683*	*4,7830*
Certified total assets (EUR)	418,471,775	331,485,378	355,387,347
Certified net assets (EUR)	400,608,899	318,958,588	333,185,759

Table no. 5.5 *Total assets and net assets (value comparison)*

The chart below shows the developments in the certified net assets between January of 2021 and December of 2021.

Chart no. 5.3 *Developments of NAV between January of 2021 and December of 2021 (MRON)*



5.1 THE SHARE SUB-PORTFOLIO

Holdings in equity, especially if listed on regulated markets and alternative trading systems, continued being the most significant ones, both in terms of the value and in terms of the revenues in the Company portfolio.

The management of this sub-portfolio aimed at achieving the objectives presented in the Management Programme approved for 2021, subject to the current economic conditions.

	2021	**2020**	**2021/2020**	
in RON			**by value**	**%**
Listed shares	1,489,757,315	1,085,640,908	404,116,408	37.22%
Unlisted shares	176,675,209	187,795,067	-11,119,858	-5.92%
TOTAL	**1,666,432,524**	**1,273,435,975**	**392,996,549**	**30.86%**

Table no. 5.6 *Developments in the share sub-portfolio – 2021/2020 comparison*

	2021	**2019**	**2021/2019**	
in RON			**by value**	**%**
Listed shares	1,489,757,315	1,121,947,025	367,810,290	32.78%
Unlisted shares	176,675,209	218,431,970	-41,756,761	-19.12%
TOTAL	**1,666,432,524**	**1,340,378,995**	**326,053,529**	**24.33%**

Table no. 5.7 *Developments in the share sub-portfolio – 2021/2019 comparison*

The trends in the share sub-portfolio, when comparing the end of 2021 with the end of 2020, were the following:

- The total value of the listed shares increased by 37.22%;
- The total value of unlisted shares decreased by 5.92% compared to the end of 2020, and the decrease was mainly caused by the sale of shares held by SIF Muntenia S.A. at companies: Gecsat S.A., Gecsatherm S.A. and ITC Institutul pentru Tehnică de Calcul S.A.

TRANSACTIONS AND OTHER EVENTS IN THE SHARE SUB-PORTFOLIO

In 2021, the following operations regarding the share sub-portfolio were registered:

- Listed shares worth RON 69.84 million were bought (Banca Transilvania, OMV Petrom S.A., Societatea Energetică Electrica S.A., Transport Trade Services);
- Listed shares worth RON 35.18 million were sold (Banca Transilvania, Primcom S.A, Teraplast S.A., Transport Trade Services). Moreover, listed share bundles held within Alro S.A., Purcari Wineries Public Company Limited, Complex Comet S.A. and unlisted share bundles held within Gecsat S.A., Gecsatherm S.A., ITC Institutul pentru Tehnică de Calcul S.A. were sold for a total of RON 20.83 million;
- The entire stakes held within the following companies were sold: Arcom S.A. of Bucharest, representing 80,287 shares for a total price of RON 9.25 million, ICPPAM S.A. of Balotesti, representing 243,180 shares for a total price of EUR 900,000 (RON 4.45 million), ICMA S.A. of Bucharest, representing 84,463 shares for a total price of RON 1,58 million, ICSIM S.A. of Bucharest representing 119,093 shares for a total price of RON 1.37 million;
- Icerp S.A. and Clean Involvement SGP S.A. were deregistered;
- The share capital increase within Banca Transilvania and Teraplast Bistrița S.A., achieved free of charge by increasing the number of shares, was registered; in this increase the Company received 15,088,756 and 720,731 free shares, respectively;
- The share capital increase of Voluthema Property Developer S.A., with a cash contribution, achieved by increasing the number of shares, was registered; in this increase the Company received 149,949 shares; the share capital increase of Vrancart S.A. of Adjud, with a cash contribution, achieved by increasing the number of shares, was also recorded; in this increase the Company received 3,746,728 shares in the first stage, and, in the second stage on 10 January 2022 respectively, it received 99,792 shares. The total of the shares subscribed by the Company in the period 23.11.2021

to 12.01.2022 is 3,846,520 shares, with a total of 22,326,890 shares to be owned by the company after the completion of the capital increase operations;

- The share capital decrease of Gecsatherm S.A. by the decrease in the face value of the shares was recorded; in this decrease, the Company received the amount of RON 4.42 million;
- 775.78 units were sold from FII Optim Invest for a total price of RON 9.99 million;
- Dividends were collected from portfolio companies in a total amount of RON 54.71 million.

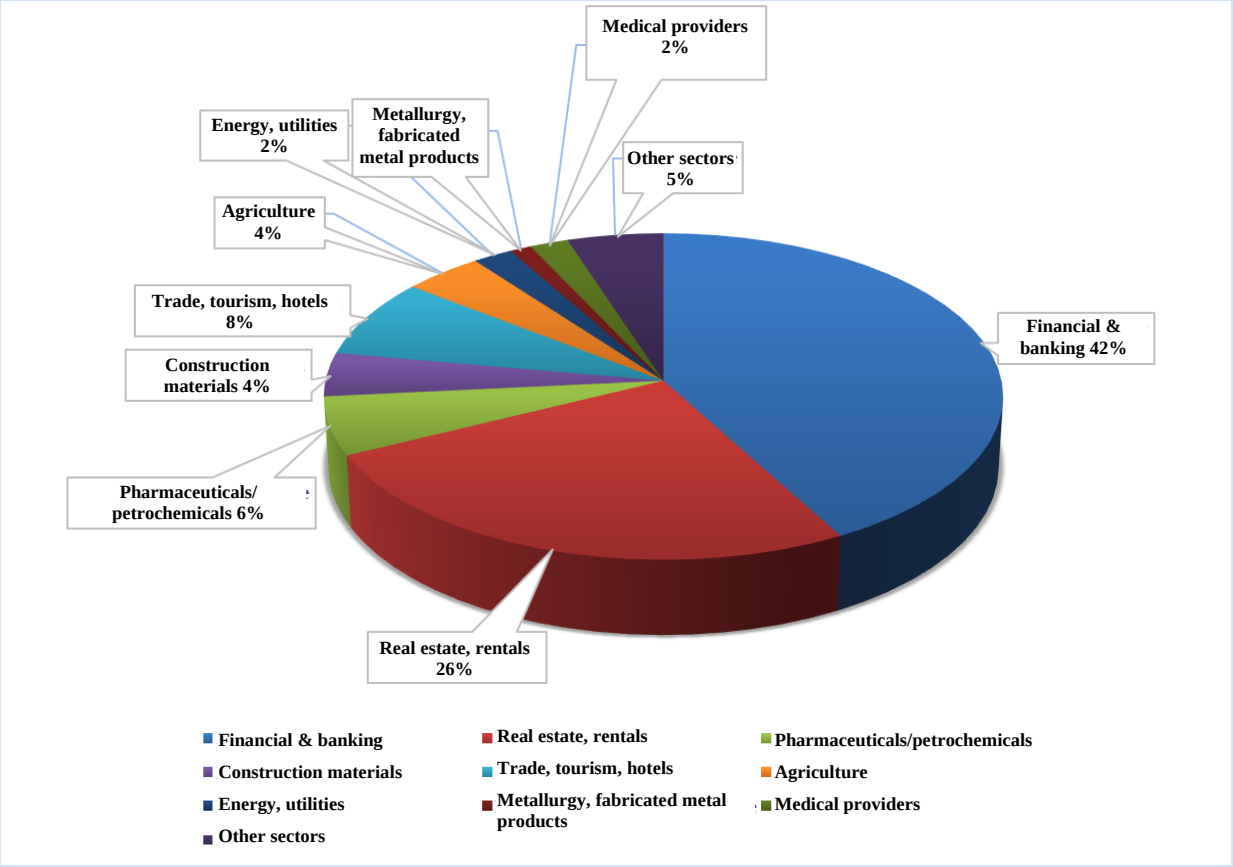
We note that the sales of stakes of 2021 complied with the exit strategies listed in the Company Management Programme.

According to the exit strategies approved by Company shareholders within the 2021 Management Programme, the Manager continued the activity of restructuring the portfolio by selling shareholdings in which the Company held shares below 49%, with accounting losses, which have not distributed dividends in recent years, or which did not have a transparent policy of communication with minority shareholders. Thus, as at the end of 2021, the Company had in its portfolio a number of 115 companies compared to 125 companies as at the end of 2020.

THE STRUCTURE BY BUSINESS SECTORS

As can be seen in the chart below, the shares in the financial and banking category represent the largest share in the Company share sub-portfolio.

Chart no. 5.4 *The main business sectors – shares (% in the share sub-portfolio, 115 issuers)*



TOP 10 SHAREHOLDINGS WITHIN THE COMPANY PORTFOLIO

As at 31 December 2021, the top 10 shareholdings with a total value of RON 1,304.34 million account for 62.98% of the total certified Company assets (31 December 2020: RON 944.19 million, i.e. 58.48%).

	I	II	III	IV	V
1.	**Banca Transilvania S.A.**	Financial and banking	464.22	22.42%	2.85%
2.	**Biofarm S.A.**	The pharmaceutical industry	423.86	20.47%	51.58%
3.	**BRD – Groupe Societe Generale**	Financial and banking	97.38	4.70%	0.79%
4.	**SIF Banat-Crișana**	Other financial intermediation services	65.40	3.16%	5.00%
5.	**Romaero S.A.**	Manufacture of aircraft and spacecraft	51.02	2.46%	23.24%
6.	**S.N.G.N. Romgaz-S.A.**	Energy-utilities	45.34	2.19%	0.30%
7.	**Germina Agribusiness S.A.**	Trade, tourism, hotels	43.37	2.09%	90.68%
8.	**CI-CO S.A. of Bucharest**	Real estate, rentals	42.36	2.05%	97.34%
9.	**Firos S.A. of Bucharest**	The construction material industry	37.22	1.80%	99.69%
10.	**Bucur S.A. of Bucharest**	Trade, tourism, hotels	34.25	1.65%	67.98%
	TOTAL		**1,304.43**	**62.98%**	

Table no. 5.8 *Top 10 holdings in equity as at 31.12.2021*

Legend

I- Name

II- Industry

III- Value of the shareholding, in MRON, as certified by the Depositary

IV- % of the total Company assets

V- % of the share capital of the entity held by the Company

Next, we present the preliminary financial results of 2021 for companies required to prepare them, and, for those not required to do so, we present the financial results for the first half year of 2021.

1. Banca Transilvania[13]

in million RON (individually)	2021 preliminary	2020	2019
Total assets	125,052	103,355	87,438
Net interest income	2,740	2,580	2,685
Net income from charges and fees	806	656	713
Net profit	**1,783**	**1,197**	**1,621**
NPL (non-performing loans)	2.71%	3.46%	4.36%
Degree of coverage with total provisions of non-performing exposures	166.0%	133%	128.0%

Table no. 5.9 *Banca Transilvania financial results (value comparison)*

At the level of the BT Financial Group, the consolidated net profit recorded in 2021 was RON 2,045.77 million (of which that of the Bank was RON 1,782.70 million) increasing by 43.66% (48.89% at the level of the Bank) compared to 2020, amid the increase in volume of operations and reduction in cost of risk. The Bank's operating profit amounting to RON 2,257.20 million, increased by 4.75% compared to the one recorded at the end of the previous year, amid operating income of RON 4.35 billion, increasing by 10.44% compared to the income in 2020.

The total value of the assets of the BT Financial Group at the end of 2021 was RON 132.5 billion, increasing by 23.26% compared to the value of the assets recorded on 31.12.2020. The Bank's total debts amounted to RON 115,699 million on 31.12.2021, 23.30% above the level of those recorded at the end of the previous year, amid the increase in deposits from customers and loans from banks and other financial institutions. The Bank's equity decreased by 1.78% on 31.12.2021, reaching RON 9,353 million.

[13] The data is taken from the reports and information published on the BVB

According to the data provided by the Bank[14], the cost/income ratio reached the level of 48.1% (45.3% in 2020) due to the good management of costs and efficiency through process digitisation. The solvency of Banca Transilvania, without the profit of 2021, is 22.62% (19.94% in 2020), and with the profit included is 24.46% (22.23% in 2020).

SIF Muntenia S.A. received a number of 15,088,756 shares free of charge, for the 150,887,564 shares held in the portfolio as of 10.09.2021, registration date (in 2020: 13,826,142 shares) and collected on 6 October 2021 the amount of RON 12.49 million net for the 165,976,320 shares held in the portfolio as of 29.09.2021, registration date (in 2020: RON 15 million).

2. Biofarm S.A.[15]

in million RON	**2021 preliminary**	**2020**	**2019**
Total assets	418.78	372.38	346.62
Total debts	85.99	80.82	89.39
Sales income	239.04	216.42	202.76
Net profit	**60.02**	**54.26**	**50.88**

Table no. 5.10 *Biofarm S.A. financial results (value comparison)*

Biofarm S.A. mainly operates in the OTC (over-the-counter medicines) and dietary supplements market. The distribution of sales of the Biofarm S.A. products is made, for the most part, to the retail segment, representing 98% of the total sales, both in volume and in value.

According to the management report of Biofarm S.A. related to the third quarter of 2021[16], regarding the three categories of products manufactured by Biofarm S.A., the share in the company's turnover is as follows: over-the-counter medicines (OTC) have a share of 58%, dietary supplements (SN) have a share of 39%, and the share of prescription medicines (RX) is of 3%.

According to the preliminary results as of 31.12.2021, unaudited, the sales income in 2021 amounting to RON 239.04 million, 10.45% higher than those recorded during 2020. The company recorded in 2021 a net profit of RON 60.02 million, by 10.61% higher than the one related to 2020, mainly due to the increase in sales income.

SIF Muntenia S.A. received in 2021 from Biofarm S.A. dividends amounting to RON 11.18 million (in 2020: RON 15.74 million).

Major events:

- In 2021, Biofarm S.A. opened a new production facility in Bucharest, following investment of over EUR 35 million. The new factory has an annual production flow three times higher than the existing facility[17].

- In accordance with the decision of the Ordinary General Meeting of the Shareholders (SOGM) of 04.11.2021, following the expiry of the term of office of the current BoD, was approved the election of a new BoD consisting of 5 members, for a term of office of 4 years starting from 08.11.2021.

3. BRD – Groupe Société Générale (BRD)[18]

in million RON (individually)	**2021 preliminary**	**2020**	**2019**
Total assets	67,015	61,635	55,853
Net interest income	1,953	1,957	2,024
Net income from charges and fees	727	674	767

[14] https://bvb.ro/infocont/infocont22/TLV_20220225071147_Rezultate-financiare-preliminare-2021.pdf
[15] The data is taken from the reports and information published on the BVB
[16] https://bvb.ro/infocont/infocont21/BIO_20211115175349_Raport-trimestrul-3-2021.pdf
[17] https://www.biofarm.ro/stiri/Biofarm-inaugureaza-una-dintre-cele-mai-moderne-fabrici-de-medicamente-din-Romania
[18] The data is taken from the reports and information published on the BVB

Net profit	**1,279**	**952**	**1,529**
NPL (non-performing loans)	3.1%	3.00%	3.1%
Degree of coverage with total provisions of non-performing exposures	75.0%	75.8%	74.0%

Table no. 5.11 *BRD-Groupe Société Générale financial results (value comparison)*

As of 31 December 2021, the Bank's total assets amounted to RON 67 billion, increasing by 8.7% compared to 2020, while at Group level the total assets reached the level of RON 69 billion, increasing by 8.6%.

The Bank's equity increased by 0.7%/year (1.1% at Group level), namely from RON 9,472 million to RON 9,539 million. The Bank's total debts increased by 10.2% (10.0% at Group level) at the end of 2021 compared to the value recorded on 31.12.2020, amid the increase in customer deposits.

The cost/income indicator remained stable at 51.8% (51.4% in 2020). The solvency ratio was 22.9% at the end of December 2020 (30.3% in 2020).

According to the preliminary financial results as of 31.12.2021, unaudited, the individual net profit is by 34% (37% at Group level) higher than the one recorded in 2020, mainly due to the change in the net cost of risk compared to 2020.

Given the results of the year, the BoD of BRD proposes a dividend pay-out ratio of 70% of the distributable profit for 2021 (1.285 RON/share), subject to the favourable vote within the SGM of 28/29 April 2022. Thus, SIF Muntenia S.A. could receive gross dividends in the net amount of RON 6.7 million for the BRD shares held in the portfolio at the date of this report (in 2021: RON 0.4 million).

In addition to this proposal for the distribution of dividends from the profit recorded in 2021, the Bank's shareholders who gathered at the SOGM meeting on 24.02.2022 approved the distribution in the form of dividends of the amount of RON 1,683,992,828, from the retained earnings for 2019 and 2020 (the gross dividend is 2.4164 RON/share), as an exceptional payment. The dividends will be paid on 4 April 2022 and the deferred payment date is 29 November 2022[19].Thus, SIF Muntenia S.A. is going to receive net dividends amounting to RON 16.2 million for the BRD shares held in the portfolio on registration date, 14 March 2022.

4. SIF Banat-Crișana S.A.[20]

in million RON	**2021 preliminary**	**2020**	**2019**
Total assets	3,607.39	2,883.77	2,926.68
Income, of which:	135.55	94.84	121.54
Dividend income	130.45	85.78	115.09
Investment profit/(loss)	288.29	27.82	75.95
Net profit	**387.00**	**92.12**	**159.49**

Table no. 5.12 *SIF Banat-Crișana S.A. financial results (value comparison)*

The total assets of SIF Banat-Crișana S.A. recorded in 2021 an increase by 25.09% (RON 723.61 million) compared to 2020, mainly due to the increase in the value of the holdings in shares in listed companies (companies in the banking and pharmaceutical field).

The Company's income increased by 42.92% (RON 40.71 million) compared to the previous year mainly due to the increase in dividend income distributed by the companies in the portfolio (52.08%) and interest income related to the assets assessed at fair value through the profit and loss account (26.49%).

The investment profit was higher by RON 260.47 million compared to the value achieved in 2020, mainly due to the recognition in income of the results of the assessment of financial assets at fair value through the profit or loss account.

[19] https://bvb.ro/infocont/infocont22/BRD_20220224124250_BRD-Raport-curent-AGOA-24022022.pdf
[20] The data is taken from the reports and information published on the BVB, SAI Muntenia Invest S.A. calculations

For the financial year 2021, SIF Banat-Crișana S.A. reported a preliminary net profit of RON 387 million, higher by RON 294.88 million compared to the profit of 2020.

Major events:

- The FSA issued Authorisation no. 130/01.07.2021 authorising SIF Banat-Crișana S.A. as an AIFRI.

- Between 29.09.2021 and 12.10.2021, SIF Banat-Crișana S.A. carried out a Public Offer to Purchase own shares approved by the FSA by Decision no. 1166/22.09.2021. Within the Offer, a number of 8,792,307 own shares were purchased, representing 1.71% of the issuer's share capital, in accordance with the redemption programmes approved by the decisions of the SEGM of 27.04.2020 and of 02.11.2020.

- At the SEGM meeting dated 11.10.2021, the shareholders approved the development of a buy-back programme for a maximum of 880,000 own shares (Programme 4) and their use for free distribution to the members of the company's management under a "Stock Option Plan" Type Plan, in compliance with the legislation in force.

- The company shareholders approved, at the SEGM dated 25.11.2021, the allocation of the 8,792,307 own shares bought back through the Public Offer to Purchase carried out between 29.09.2021 and 12.10.2021, as follows: 7,912,307 shares will be cancelled in order to reduce the share capital and 880,000 shares will be allocated for free distribution to the members of the company's management.

- Through the current Report dated 07.12.2021, the issuer informed the shareholders concerning the consent of the management members to exercise their right to receive a number of 880,000 shares of SIF Banat-Crișana S.A. purchased in accordance with decisions no. 4 and 5 of the SEGM dated 27.04.2020.

5. Romaero S.A.[21]

in million RON	**S1 2021**	**2020**	**2019**
Total assets	932.00	930.28	903.09
Operating income	45.05	107.38	116.77
Operating profit/loss	(16.90)	(56.51)	(42.38)
Net profit/loss of the year	**(22.48)**	**(55.77)**	**(51.36)**

Table no. 5.13 *ROMAERO S.A. financial results (value comparison)*

In the first semester of 2021, Romaero S.A. recorded a net loss amounting to RON 22.48 million, RON 1.7 million higher than the loss budgeted, according to the data presented by the company in the management report as of 30.06.2021, amid the decrease in the company's turnover by 58.2% (RON -26.4 million) compared to the first semester of 2020, while the operating expenses decreased by only 17.4% (RON -13.1 million), although the expenses concerning the accessories decreased from RON 9.5 million in the first semester of 2020 to RON 0.7 million in the first semester of 2021.

Major events:

Given that the quorum necessary for the adoption of the decisions regarding the increase of the share capital was not met, at the SEGM dated 04.03.2021 and at the SEGM dated 08.07.2021, respectively, was not approved the increase of the share capital of Romaero S.A., with the value of the investment funded in 2019 and 2020 from the state budget, through the budget of the Ministry of Economy, Energy and Business Environment (nowadays the Ministry of Economy), with the granting of the preferential right to the shareholders registered at Depozitarul Central S.A. on the date of registration, with an amount of up to RON 34,426,680.

At the SEGM dated 09.03.2021, was mainly approved the start of the recovery procedure of the assets provided for in the Restructuring Plan of the Budgetary Obligations. The recovery of each asset will be subject to the approval of the SEGM.

At the SOGM dated 14.12.2021, was approved the Adjusted Restructuring Plan of the Budgetary Obligations – prepared in accordance with Government Decision no. 6 of 31.07.2019 on the establishment of tax incentives. At the SEGM dated

[21] The data is taken from the reports and information published on the BVB

14.12.2021, was approved the contracting of a working capital loan with a maximum ceiling of RON 50 million from the Export-Import Bank of Romania Eximbank S.A., based on the *State Aid Scheme in the form of subsidised interest loans and loan guarantees in the context of the COVID-19 pandemic*.

The company has convened the SEGM for 14/15.03.2022, having on the agenda the approval of the share capital increase with the value of the investment funded in 2019 and 2020 from the state budget, through the budget of the Ministry of Economy, Energy and Business Environment (nowadays the Ministry of Economy), with the granting of the preferential right to the shareholders registered at Depozitarul Central S.A. on the date of registration, with an amount of up to RON 34,426,680.

6. S.N.G.N. Romgaz S.A. Mediaș[22]

in million RON (consolidated)	**2021 preliminary**	**2020**	**2019**
Total assets	11,365.7	9,261.2	8,253.2
Turnover	5,852.9	4,074.9	5,080.5
EBITDA	2,766.3	2,050.7	2,595.3
EBITDA margin	47.26%	50.33%	51.08%
Net profit	**1,897.1**	**1,247.9**	**1,089.6**

Table no. 5.14 *S.N.G.N. Romgaz S.A. Mediaș financial results (value comparison)*

According to the preliminary consolidated annual report on the activity of the S.N.G.N. Romgaz S.A. Mediaș Group for 2021, the production of natural gas was 11.3% higher (5,028.5 million cubic meters) compared to the production achieved in the previous year (4,519.7 million cubic meters).

The turnover was RON 5.85 billion, 43.63% higher than the previous year (RON 4.07 billion), amid the increase in turnover from the sale of natural gas (+52.41% due to the increase in the amount of natural gas sold by 12.7% compared to the previous year, as well as the increase in the selling price), while the turnover in the storage activity was 30.64% lower compared to 2020 (due to the decrease by 32.3% of the reservation services and to the decrease by 31.48% of the injection services). The turnover from electricity sales increased by 69.9% compared to 2020 (due to the high prices in the markets in which the Group operates, while production decreased by 31.7%).

The company also recorded income from the execution of the performance bond related to the works contract for the development of CTE Iernut, by building a 430 MW thermoelectric power plant (RON 114.7 million), as well as from the fact that the company won a dispute in court with the National Agency for Fiscal Administration (ANAF), which led to the recognition of an income of RON 28.02 million from the cancellation of the impairment recorded for the related claim.

Compared to the previous year, the Group recorded increases in the cost of goods sold (+1,415.5%, due to the increase in the quantity of gas purchased on the domestic market for resale), while oil royalty expenses increased by 280.65% (as a result of the increase in the reference price taken into account in calculating this fee). Also, another increase was recorded by the additional income tax (+203.17%). In 2021, the S.N.G.N. Romgaz S.A. Mediaș Group recorded a net profit from the impairment of receivables amounting to RON 349.99 million, following the collection of receivables from insolvent customers (in 2020: RON 17.5 million). The staff expenses remained relatively constant (-0.08%), while the operating expenses decreased by 95.48%, amid the reduction in activities of prospecting.

The preliminary net profit for 2021 is of RON 1.90 billion, increasing by 52.02% compared to the net profit achieved in 2020, of RON 1.25 billion.

The value of the investment made in 2021 was RON 458.17 million and represents 34.13% of the value budgeted for this year.

In 2021, SIF Muntenia S.A. received net dividends amounting to RON 1.98 million (in 2020: RON 1.78 million).

[22] The data is taken from the reports and information published on the BVB

Major events:

- In accordance with decision no. 11/10.12.2021 of the SEGM, was approved the purchase transaction by S.N.G.N. Romgaz S.A. Mediaș of all shares issued by ExxonMobil Exploration and Production Romania Limited, holding 50% of the acquired rights and the obligations undertaken by the Concession Agreement for oil exploration, development and exploitation in the Deep-Water XIX Neptune Zone perimeter. It was also approved the conclusion of the sale and purchase contract of all shares issued by ExxonMobil Exploration and Production Romania Limited, to be concluded by the Company, as buyer, with ExxonMobil Exploration and Production Romania Holdings Limited, ExxonMobil Exploration and Production Romania (Domino) Limited, ExxonMobil Exploration and Production Romania (Pelican South) Limited, ExxonMobil Exploration and Production Romania (Califar) Limited and ExxonMobil Exploration and Production Romania (Nard) Limited, as sellers.

- According to Decision no. 12 of the SOGM dated 10.12.2021, was approved the contracting of loans from one or more credit institutions, in a total amount of EUR 325 million, in order to cover a part of the purchase transaction price by S.N.G.N. Romgaz S.A., of all shares issued by ExxonMobil Exploration and Production Romania Limited.

7. Germina Agribusiness S.A.[23]

in million RON	**9 months of 2021[24]**	**2020**	**2019**
Total assets	73.50	82.21	84.83
Turnover	25.90	52.39	64.48
Operating profit/loss	0.35	-2.66	1.34
Net profit/loss of the year	**0.07**	**-3.55**	**1.06**

Table no. 5.15 *Germina Agribusiness S.A. financial results (value comparison)*

Germina Agribusiness S.A. operates in the field of agriculture. The main activities are the production of cereal seeds, the processing and packaging of seeds in their own stations, the distribution of inputs for farmers, own production seeds, seeds from other producers, as well as plant protection products and fertilisers.

The year 2020 being a difficult one for agriculture due to drought, the Company decided to limit the activity of selling inputs for large agriculture to farmers. Thus, in 2021, the Company focused mainly on the liquidation of the stocks of seeds, foliar fertilisers and plant protection products, but also on the recovery of receivables. In the first part of the year, the Company sold the Aristide Pascal and Brăila locations, thus registering a net income of RON 7.24 million, according to the plan approved by the SEGM on 24.03.2019 and on 02.03.2021.

The decrease in turnover by 34% (RON -13.37 million) in the first nine months of 2021, compared to the similar period of the previous year, is mainly caused by the decrease by 53% (RON -19.27 million) in the income from the production sold and the sale of goods, following the decision of the Company to restrict the activity of selling inputs for large agriculture to farmers. Also, rental income decreased by 69% (RON -1.14 million) as a result of the sale of the Constanța and Buzău locations in the second half of 2020, while the income from the provision of packaging services increased by 35% (RON +2.82 million).

In the first nine months of 2021, the Company recorded a net profit of RON 0.07 million, compared to a net loss of RON 1.52 million in the first 9 months of 2020.

Major events

During the SEGM dated 28.09.2021, was approved the sale of the asset SUCP Vădeni – Seed drying, calibration and processing station, to the Company Rodbun Grup S.A., at a price of EUR 650,000, according to the proposal of the BoD.

At the SEGM dated 13.12.2021, was approved the sale of the assets Agrosem Dâmbovița Complex – "Agrosem Dâmbovița" straw cereals processing station and Agrosem Urziceni Complex – "Agrosem Urziceni" packaging station, according to the proposal of the BoD.
Also, according to the SEGM of 10.01.2012, the shareholders approved to reduce the subscribed share capital of the Company with the amount of RON 32,421,820.80, from RON 33,772,730 to RON 1,350,909.20, by reducing the face

[23] The data is taken from the reports and information published on the BVB and on the company website, www.germina.ro
[24] By the date of this report the company has not published the 2021 financial statements

value of each share from RON 2.50 to RON 0.10. The reduction is not justified by losses and involves the return to the shareholders of a share of the contributions, in proportion to the participation in the paid-up share capital of the Company. Was also approved the payment to the Company's shareholders of the amount of RON 2.40 per share, multiplied by the number of shares held and paid by each entitled shareholder, with the application and withholding of the applicable tax, according to the relevant legal provisions. Thus, the date of 10.05.2022 was approved as the Payment Date.

By the decision of the SOGM dated 27.01.2022, was approved the distribution of the amount of RON 9,916,365.5, representing the retained earnings from the surplus made from the revaluation reserve of the Company as of 30.09.2021, as "dividends", namely of a gross dividend per share as of 30.09.2021 amounting to 0.72 RON/share, payable on the Payment Date, which will be regulated after the approval of the annual financial statement of the Company. Thus, the date of 04.03.2022 was approved as the Payment Date, for the payment of the interim dividends on 30.09.2021 to the shareholders of the Company from the Registration Date.

Thus, SIF Muntenia S.A. will receive in 2022 from Germina Agribusiness S.A a net dividend of RON 8.8 million (in 2021: RON 4.5 million).

8. CI-CO S.A.[25]

in million RON	**S1 2021[26]**	**2020**	**2019**
Total assets	62.74	64.60	55.29
Turnover	5.62	10.50	11.15
EBITDA	1.89	2.85	4.98
EBITDA margin	33.64%	27.17%	44.70%
Net profit	**1.40**	**1.68**	**3.76**

Table no. 5.16 *CI-CO S.A. financial results (value comparison)*

The COVID-19 pandemic affected the activity of CI-CO S.A. also in 2021. The maintenance of the state of emergency and the compliance with the social distancing measures have had a negative impact on rental and service income and required additional costs for disinfecting the premises and implementing the measures to prevent the infection with the SARS-CoV2 virus.

However, in the first six months of the year 2021, CI-CO S.A. has improved its performance compared to the first half of 2020, in terms of income, EBITDA and net profit.

The turnover amounting to RON 5.62 million recorded an increase by 11.62% compared to the first half of 2020, representing 50.05% of the level budgeted for the entire year 2021 (RON 11.53 million).

The first half of 2021 ended with a Net profit amounting to RON 1.40 million, 58.58% higher than the value achieved in the first half of 2020, as a result of the increase in the income from renting spaces and re-invoicing utilities and the collection of income from participation interests amounting to RON 0.42 million.

During the first semester of 2021, were received investment works worth RON 0.50 million, representing modernisation, repair and maintenance works for the Obor Central Halls building.

In 2021, SIF Muntenia S.A. received dividends amounting to RON 3.01 million (in 2020: RON 3.42 million).

9. Firos S.A.[27]

in million RON	**S1 2021[28]**	**2020**	**2019**
Total assets	80.6	69.4	67.6
Turnover	36.8	61.7	60.6
EBITDA	4.52	9.08	6.9
EBITDA margin	12.2%	14.7%	11.4%
Net profit	**3.25**	**6.23**	**4.82**

[25] The data is taken from the reports and information published on the BVB, SAI Muntenia Invest S.A. calculations
[26] By the date of this report the company has not published the 2021 financial statements
[27] The data is taken from the reports and information provided by the company
[28] By the date of this report, the company did not submit to SIF Muntenia S.A. the financial statements for 2021

Table no. 5.17 *Firos S.A. financial results (value comparison)*

Firos S.A. is a company with Romanian private capital, focused on the production and marketing of construction materials.

In the first half of 2021, the total assets of the company reached a value of RON 80.6, representing an increase by 16.1% compared to the end of the previous year. This variation is mainly due to an increase by RON 0.24 million in fixed assets and RON 11.15 million in current assets.

The turnover increased in the first half of 2021 by 30.6% (RON 8.6 million) compared to the first half of 2020. The variation of the turnover is explained by the increase by RON 7.2 million in the income from the production sold, and by RON 1.4 million of the income from the sale of goods. The income from the production sold exceeded the income and expenditure budget for the first half of 2021 by 39.9%.

For 2021, the Company budgeted the production and sale of 97,000 tons of mortars/adhesives/plasters/screeds, as well as the production and sale of 127,000 cubic meters of expanded cellular polystyrene. From the production of mortars and adhesives were achieved in the first six months of 2021 sales of approximately 53,397 tons, being achieved 55.05% of the quantity budgeted. The sales of expanded cellular polystyrene were approximately 69,000 cubic meters, being achieved 54.27% of the quantity budgeted.

The net profit achieved in the first six months of 2021 is 36.6% higher than the one achieved in the first half of 2020 and 48.4% higher than the value budgeted for the first six months of 2021. The EBITDA margin had a slight decrease in the first half of 2021 compared to 2020.

SIF Muntenia S.A. received in 2021 from Firos S.A. net dividends of RON 4 million (in 2020: RON 1.4 million).

Major events:

At the SEGM dated 25.06.2021, was approved the issue of 890,000 bonds amounting to RON 2,225,000, for working capital, under the conditions proposed by the BoD in the Offering Document.

10. Bucur S.A.[29]

in million RON	**S1 2021[30]**	**2020**	**2019**
Total assets	115.23	115.41	114.33
Turnover	3.78	8.88	17.73
EBITDA	1.42	2.87	1.32
EBITDA margin	37.5%	32.32%	7.47%
Net profit	**0.94**	**1.52**	**0.11**

Table no. 5.18 *Bucur S.A. financial results (value comparison)*

Bucur S.A. has as object of activity the wholesale trade in food goods and the management of commercial and office spaces located in Bucharest and Oltenița (Călărași County).

In the first 6 months of 2021, the company achieved a turnover amounting to RON 3.78 million, 13% lower (RON 0.55 million) compared to the similar period in 2020, mainly due to the decrease in the income from the sale of goods by 90% (RON 0.78 million) amid the reduction in demand for food products (coffee). The rental income increased by 7% (RON 0.24 million), as a result of the increase in the rented area and the exchange rate.

The first semester of 2021 ended with a net profit of RON 0.94 million, almost identical to the value recorded in the first 6 months of 2020 (RON 0.95 million).

[29] The data is taken over from public reports and information, SAI Muntenia Invest S.A. calculations
[30] By the date of this report the company has not published the 2021 financial statements

During 2020, Bucur S.A. started a residential project, in partnership with the developer Novum Business Invest S.R.L, for the construction of a compound of apartment blocks with the related parking. The project will be built in two stages in the location from 56 Timișoara Blvd., where is also developed the Bucur Retail Park shopping centre. The developer received Building Permit no. 218/19.08.2021 for collective housing with height regime 2B(basement)+GF(ground floor)+11F(floors) and started the fitting-out and construction works of the residential compound in September 2021.

5.2 CONTROLLED COMPANIES/SUBSIDIARIES

Considering the provisions presented in Law no. 24/2017 on issuers of financial instruments and market operations for the notions of "group"[31], "parent company"[32] and "subsidiaries"[33], we inform, as at 31.12.2021, that the Company holds in its portfolio shareholdings representing over 50% of the share capital within 14 companies, all of which are operational.

Subsidiaries are monitored analytically, constantly aiming to increase their fair value by taking immediate action, especially in case of failing to meet the indicators in the revenue and expenditure budgets approved by the entity SGM. The aim is to increase the subsidiaries at all times, both in terms of the result and the position in the market in which they operate, so that the fair value should not have negative influences on the annual result recorded by the Company.

All controlled companies[34] are based in Romania. For them, the percentage of holding of the Company in the entity share capital is not different from the percentage of the number of votes held. As at 31.12.2021, no subsidiary holds shares issued by the Company.

Of the 14 subsidiaries:

- Two subsidiaries are listed on the BVB regulated market: Biofarm S.A. (BIO), Casa de Bucovina Club de Munte S.A. (BCM);
- Six subsidiaries are listed on AERO, the BVB multilateral trading facility: Bucur S.A. (BUCV), CI-CO S.A. (CICO), Mindo S.A. (MINO), Germina Agribusiness S.A. (SEOM), Semrom Oltenia S.A. (SEOL), Unisem S.A. (UNISEM);
- Six subsidiaries do not have listed shares: Firos S.A., Fondul Român de Garantare a Creditelor pentru Întreprinzătorii Privați - IFN S.A., Muntenia Medical Competences S.A., Voluthema Property Developer S.A., Avicola S.A. of Bucharest, ICPE S.A.

In 2021, the Company received dividends from its subsidiaries in the amount of RON 28.90 million, i.e. 54.63% of the total dividends received in 2021.

As at 31.12.2021, the net asset value of these subsidiaries, as certified by the Depositary, was RON 725.53 million (31.12.2020: RON 491.75 million), and the percentage of the total Company assets was 35.03% (31.12.2020: 30.47).

[31] A parent company and all its subsidiaries (art. 2(1))12) of Law no. 24/2017)
[32] A company that controls one or more subsidiaries (art. 2(1)(40) of Law no. 24/2017)
[33] An entity defined according to the provisions of art. 3(1)(25) of Law no. 126/2018 on financial instrument markets (art. 2(1)(9) of Law no. 24/2017), i.e. an entity controlled by a parent company, including any subsidiary of the parent company that runs them, including any subsidiary of a subsidiary of the parent company which runs them
[34] This means the relationship between a parent company and a subsidiary, in all cases provided for in art. 22(1) and (2) of Directive 2013/34/EU or a similar relationship between any natural or legal person and a company, any subsidiary of a subsidiary company also being considered a subsidiary of the parent company which runs them (art. 3(1)(39)(b) of Law no. 126/2018 on financial instrument markets)

	I	II	III	IV	V
1.	**Biofarm S.A.**	Manufacture of pharmaceutical preparations	423.86	20.47%	51.58%
2.	**Germina Agribusiness S.A.**	Wholesale of grains, seeds, feed and unmanufactured tobacco	43.37	2.09%	90.68%
3.	**CI-CO S.A.**	Renting and operating of own or leased real estate	42.36	2.05%	97.34%
4.	**Firos S.A.**	Manufacture of mortars	37.22	1.80%	99.69%
5.	**Bucur S.A.**	Non-specialised wholesale of food, beverages and tobacco	34.25	1.65%	67.98%
6.	**Muntenia Medical Competences S.A.**	Specialist medical practice activities	33.67	1.63%	99.76%
7.	**Voluthema Property Developer S.A.**	Renting and operating of own or leased real estate	25.09	1.21%	99.97%
8.	**ICPE S.A.**	Research	22.12	1.07%	50.32%
9.	**Avicola S.A. of Bucharest**	Raising of poultry	18.86	0.91%	99.40%
10.	**Unisem S.A.**	Wholesale of grains, seeds, feed and unmanufactured tobacco	12.26	0.59%	76.91%
11.	**Casa de Bucovina-Club de Munte S.A.**	Hotels and other short-stay accommodation	11.02	0.53%	69.25%
12.	**Semrom Oltenia S.A.**	Growing of cereals (except rice), leguminous plants and oil seeds	9.58	0.46%	88.49%
13.	**Fondul Român de Garantare a Creditelor pentru Intreprinzătorii Privați - IFN S.A.**	Other lending activities	8.17	0.39%	54.59%
14.	**Mindo S.A.**	Manufacture of mortars	3.71	0.18%	98.02%
	TOTAL		**725.53**	**35.03%**	

Table no. 5.19 *List of subsidiaries of SIF Muntenia S.A. and their certified net asset value as at 31.12.2021*

Legend
I- Name
II- Industry
III- Value of the shareholding, in MRON, as certified by the Depositary
IV- % of the total Company assets
V- % of the share capital of the entity held by the Company

According to art. 38(4) of Law no. 243/2019 on the regulation of alternative investment funds and amending and supplementing various legislative acts, in 2021, the assets in the Company portfolio that were measured using valuation methods in accordance with International Valuation Standards are:

No.	Name	No. of shares	Date of the valuation	Value/ share	Value of the stake	Valuation method
1	Avicola S.A. of Bucharest	7,981,093	31.10.2021	2.3632	18,860,597	The asset-based approach - the adjusted net asset method
2	CI-CO S.A. of Bucharest	2,634,060	31.10.2021	16.0804	42,356,658	The income-based approach - the discounted cashflow method
3	Firos S.A.	2,815,576	31.10.2021	13.2208	37,224,058	The income-based approach - the discounted cashflow method
4	Fondul Român de Garantare a Creditelor pentru Intreprinzătorii Privați - IFN S.A.	8,770,196	31.10.2021	0.9316	8,170,467	The asset-based approach - the adjusted net asset method
5	ICPE S.A.	2,996,939	31.10.2021	7.3812	22,120,897	The income-based approach - the discounted cashflow method
6	Mindo S.A.	32,595,770	31.10.2021	0.1137	3,705,102	The income-based approach - the discounted cashflow method
7	Muntenia Medical Competences S.A.	1,882,496	31.10.2021	17.8838	33,666,183	The income-based approach - the discounted cashflow method
8	Voluthema Property Developer S.A.	3,088,935	31.10.2021	8.1222	25,088,939	The income-based approach - the discounted cashflow method

Table no.5.20 *List of subsidiaries measured by valuation methods in accordance with International Valuation Standards as at 31.12.2021*

The measurement of the shareholding of SIF Muntenia S.A. within the above-mentioned companies was performed using the income-based approach – the discounted cashflow method, except Avicola SA of Bucharest and Fondul Român de Garantare a Creditelor pentru Intreprinzătorii Privați - IFN S.A., where the measurement was performed using the asset-based approach – the adjusted net asset method.

The leverage and exposure of SIF Muntenia S.A. are calculated according to the provisions of Regulation (EU) no. 231/2013, i.e. using the gross method and the commitment method.

Method type	Leverage	Value of the exposure
The gross method	103.80%	2,057,969,950.72
The commitment method	104.46%	2,071,016,814.08

Table no. 5.21 *Leverage and exposure in accordance with International Valuation Standards as at 31.12.2021*

SAI Muntenia Invest S.A. does not use the leverage in the investment policy adopted in connection with the management of SIF Muntenia S.A.

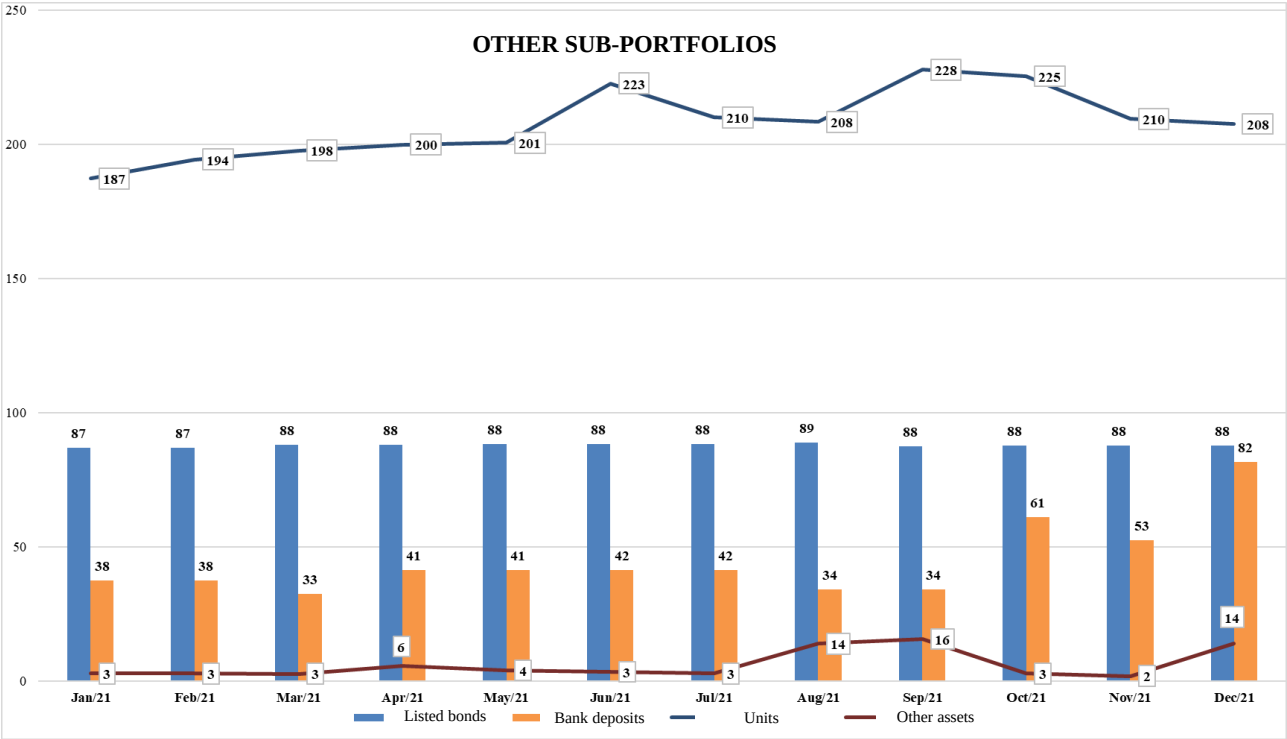
RELATED PARTY TRANSACTIONS

In 2021, the Company sold the stake held within ITC Institutul pentru Tehnica de Calcul S.A. to the Voluthema Property Developer S.A. subsidiary, the value of the transaction being of RON 2,700,751, and the stake held within Arcom S.A., worth RON 9,247,000.

SIF Muntenia S.A. participated in the share capital increase of Voluthema Property Developer S.A. with the amount of RON 1,499,490 in October of 2021 and with the amount of RON 10,743,340 in December of 2021.

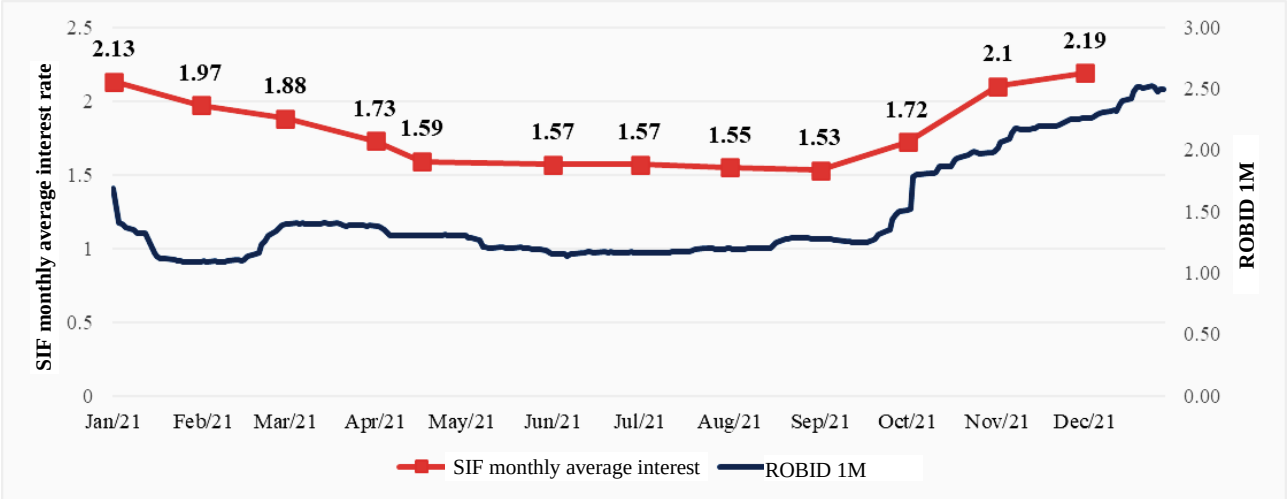
5.3 OTHER SUB-PORTFOLIOS

Chart no. 5.5 *Developments in the value of other Company sub-portfolios in 2021 (in MRON)*



BANK DEPOSITS

Chart no. 5.6 *ROBID 1M (max. 2.52%, min. 1.09%) compared to the average monthly interest on Company deposits*



Source: *data taken from the NBR website, the Statistics section, processed by SAI Muntenia Invest S.A.*

In 2021, the average monthly interest on Company deposits recorded values higher than ROBID 1M for most of the year. At the end of 2021, the Company held RON 81.85 million in bank deposits, representing 3.95% of the total certified assets. The credit institutions where these deposits are set up are part of groups with good capitalisation, at both national and European level.

BONDS

During the analysed period, there were receipts of the coupons of bond issues issued by:

- Impact Developer&Contractor S.A. – RON 0.28 million (EUR 57,342.50)
- Capital Leasing IFN S.A. – RON 0.089 million
- Opus - Chartered Issuances S.A. – RON 1.62 million (EUR 328,200).

In the table below we present the status of the bonds as at 31 December 2021.

Issuer	Maturity	Date of issue	Date of purchase	Number of bonds	Face value	Currency	Annual interest rate
Impact Developer & Contractor	19/12/2022	19/12/2017	19/12/2017	200	5,000.00	EUR	5.75%
Opus-Chartered Issuances	26/09/2022	23/09/2015	25/08/2017	501	10,000.00	EUR	EUR 200/bond
Opus-Chartered Issuances	05/09/2022	02/09/2016	06/09/2016	1,140	10,000.00	EUR	EUR 200/bond
Capital Leasing IFN	03/06/2022	10/06/2019	10/06/2019	10,000	100.00	RON	8.9%

Table no. 5.22 *The statement of current bonds as at 31.12.2021*

The total net asset value of the bonds as at 31.12.2021 is RON 87,868,461.

There were no purchases or sales of bonds during the reported period.

UNITS

As at 31 December 2021, the Company holds units in its portfolio with 11 investment funds (five open-end investment funds and six alternative investment funds).

Fund	No. of units	NAVU	Date of NAVU	Value	Currency
Active Dinamic	2,938,476.90	6.45	31.12.2021	18,960,522.23	RON
FDI Prosper Invest	100,085.11	19.43	31.12.2021	1,944,863.96	RON
FII BET-FI Index Invest	8,297.00	849.36	31.12.2021	7,047,173.11	RON
Star Focus	152,631.39	6.89	31.12.2021	1,051,920.28	RON
Star Next	190,539.48	8.17	31.12.2021	1,556,783.77	RON

Table no. 5.23 *The statement of current units as at 31.12.2021 with open-end investment funds*

Fund	No. of units	NAVU	Date of NAVU	Value	Currency
Active Plus	4,096.47	12,972.18	31.12.2021	53,140,125.45	RON
Certinvest Acțiuni	114.19	264,760.60	31.12.2021	30,234,187.92	RON
FII Multicapital Invest	4,337.00	3,184.28	31.12.2021	13,810,222.36	RON
FII Optim Invest	2,067.68	12,403.52	31.12.2021	25,646,510.23	RON
Romania Strategy Fund Class B	56,000.00	665.57	31.12.2021	37,271,920.00	RON
Star Value	15,134.00	1,125.16	31.12.2021	17,028,171.44	RON

Table no. 5.24 *The statement of current units as at 31.12.2021 with alternative investment funds*

During the analysed period, 775.78 units were redeemed from FII Optim Invest for a total price of RON 9,999,882.

The total net asset value of the units as at 31.12.2021 is RON 207,692,401. Compared to the balance as at 31.12.2020 (RON 181,407,447), in 2021, there was a net gain of RON 26,284,954, which comes from the increase in the value of these units, classified as financial assets measured at fair value through profit or loss.

No new adherences occurred in 2021.

6 DISPUTES

The Manager ensures the defence, exercise and capitalisation of Company rights. To this end, the activity of legal services is ensured by legal advisers and lawyers.

In the records of the Division for the Management of Special Situations, as at 31.12.2021 there are 45 court case-files, of which 32 disputes with professionals, 9 civil disputes, 2 criminal disputes and 2 administrative disputes.

In most disputes, the Company acts as the plaintiff or intervening party, the subject-matter of the disputes being the annulment/declaration of the absolute nullity of various decisions of the SGM for entities from the Company portfolio, disputes concerning the recognition of the right of withdrawal from companies under the Law no. 151/2014 on the clarification of the legal status of shares traded in the RASDAQ market or the unlisted securities market, in order to recover the value of the shares held, and disputes in connection with the insolvency procedure of entities from the Company portfolio.

As at 31.12.2021, an action is pending before the court concerning the annulment of the Decision of the SIF Muntenia S.A. SGM of April of 2021, which has been brought by a group of Company shareholders, including Mr. Behboud Madadi, Mr. Munteanu Florian, Mr. Alexandu Ionel Secară and Mr. Andrei Viorel Orlando, an action in which the Company acts as the defendant. On 09 March 2022, the Bucharest Court ruled in case No 18.956/3/2021, on the action for annulment of judgment No 10 of the SOGM SIF Muntenia S.A. of 28.04.2021, in which the complainants were Mr. Behboud Madadi, Mr. Alexandru Ionel Secară, Mr. Florian Munteanu and Mr. Andrei Viorel Orlando and in which SIF Muntenia S.A. was a defendant. The Bucharest Court rejected the claimants' action as being brought by persons without active legal standing and ordered the claimants jointly to pay the sum of RON 7,148.29 as court costs. An appeal may be brought against the judgment of the Bucharest Court.

The management of the Manager shall continue to ensure that all steps are taken to defend the Company and shareholders' legitimate interests in all these disputes according to legal provisions.

7 RISK MANAGEMENT

Risk management means all the activities aimed at identifying, quantifying, monitoring and controlling risks, so as to ensure compliance with the principles of the general risk policy. The Company risk management system includes a set of analyses and charts of diversification of the exposures for the financial instruments in the portfolio, together with the identification and assessment of financial risks, as well as proposals for the mitigation of the effects of risks related to the general and investment activities of the Manager.

The Manager has implemented the permanent risk management function within its organisational structure, which also covers the Company risk management. Within this structure there are procedures that guide the risk management activity in order to identify, assess, manage and properly monitor all relevant risks, in accordance with the provisions of art. 30-37 of Commission Regulation (EU) no. 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards derogations, general terms and conditions of operation, deposits, leverage, transparency and supervision.

On 14.12.2021, the BoD approved the revision of the Company Risk Profile within which the classification of ten indicators was changed compared to the previous version (the appetite and the risk tolerance), taking into account the following principles:

- The business strategy approved by Company shareholders and the portfolio structure;
- The establishment of an optimal and prudent level for each risk;
- The compliance with the laws in force;
- The results of the analyses prepared by the Risk Management Division and the recommendations received from the internal auditor.

The risk profile was defined according to the level of the risk appetite associated with each category of major risks, depending on the Company risk tolerance and business strategy.

RISKS WITH MAJOR IMPLICATIONS

In 2021, the most important event was the spread in stages of the SARS-CoV-2 virus (the Delta, Omicron variants), which causes COVID-19, a phenomenon with major implications and economic and social restrictions. Since 2020, the COVID-19 pandemic has generated significant effects on all levels, and this event has been included in the category of non-financial operational risks under Civil Disasters.

At national level, this state of affairs brought about the establishment of the state of alert on the territory of Romania, for periods of 30 consecutive days, for the entirety of 2021. During this period the national authorities ordered and maintained measures designed to prevent and control SARS-CoV-2 virus infections, in order to ensure the protection of the population against the contamination with this virus.

During the state of alert, the Manager took the necessary steps to adapt to the crisis situation and to ensure the uninterrupted continuity of the business, subject to the rules of social distancing. Decisions were made related to:

- The compliance by employees with preventive measures, so that the activity should not be affected by the spread of the pandemic;
- The relaxation of the working hours and the use of electronic means of communication, including teleworking;
- Sanitation and disinfection and social distancing measures; the obligation to wear a mask; home isolation for suspected cases or cases of coronavirus infection;
- Regular employee testing.

During the alert period, by the date hereof, no operational risks caused by the epidemiological situation determined by the evolution of the SARS-CoV-2 virus were reported. We note that the implications and expressions of this event require constant monitoring and present and future corrective measures adapted to this crisis situation.

Another risk with major implications is the serious energy crisis faced in late 2021, with at least seasonal implications over the coming year(s). The energy crisis is the situation where the energy demand cannot be met due to the lack or depletion of electricity, oil and coal resources. Thus, there is a short circuit in the supply-demand relation that leads to an increase in product prices, which fuels inflation. In 2021, especially in the second half of the year, energy resource prices rose sharply, leading to increases in energy bills for both domestic and industrial consumers. The scale of the crisis renders government measures unable to cover the chain effects within the economy. At this time one can state that the current energy crisis could herald a possible post-pandemic recession, with all the implications and risks related thereto (inflation, unemployment, economic downturn).

MAJOR RISKS

The risk management policy is based on a system of limits used to monitor and control risks. The developments in the level of portfolio share prices did not lead to exceeded risk limits.

In 2021, the following categories of potential or existing risks to which the Company is exposed were analysed and assessed, including the impact of the SARS-CoV-2 pandemic on the conduct of the business:

1. The market risk

The market risk is the risk of recording losses on positions in the profit or loss statement, in the balance sheet and off-balance sheet, due to fluctuations in the prices at which the securities in the portfolio are traded. These fluctuations are attributed to changes in the market variables: share prices, developments in interest rates or exchange rates, which could change the value of the financial instruments held.

For the measurement and assessment of market risks, a tradable sub-portfolio VaR is calculated, i.e. an indicator that expresses the maximum potential loss, with a certain probability of error, expected over a certain period of time, on the assumption that past developments in prices will determine the future price behaviour. The calculated VaR was 1.77% with a probability of 99%, placing the Company within the limits of a very low risk (0-2%), according to the risk profile.

The currency risk is the current or future risk of a negative impact on profits and capital due to the possible adverse influence of changes in the exchange rate, with an adverse impact on investment. It is determined by adding up all the investment exposed to currency risk, which is then related to the value of the total assets. The currency risk of the Company portfolio as at the end of December of 2021 was 5.82%. It falls within the limits of a medium risk (5.01-7.50%) undertaken based on the risk profile.

According to the financial statements, the Company financial assets and liabilities denominated in other currencies, as at 31 December 2021, can be analysed as follows:

In RON	**2021**	**2020**	**2019**
Cash and current accounts	151,907	26,928,648	3,191
Financial assets at fair value through profit or loss	81,987,444	83,968,674	111,649,643
Financial assets measured at amortised cost	4,957,454	4,877,838	10,240,614
TOTAL assets	**87,096,805**	**115,775,160**	**121,893,448**
Other liabilities	31,913	40,419	534,576
TOTAL liabilities	**31,913**	**40,419**	**534,576**
Net financial assets	**87,064,902**	**115,734,741**	**121,358,872**

Table 7.1 *Assets and liabilities of SIF Muntenia S.A. (denominated in EUR, expressed in RON)*

The interest rate risk is the current or future risk of an adverse impact on profits and capital as a result of adverse changes in interest rates. The bank deposits held by the Company are interest-bearing assets, generally invested at short-term interest rates and are not exposed to any major risk of change. The Company does not use financial derivatives to protect itself against interest rate fluctuations.

2. The credit risk

The credit risk is the current or future risk of an adverse impact on profits and capital as a result of the debtor's failure to meet contractual obligations. The exposure to credit risk in relation to units was reduced by taking the following steps:

- Conducting a prior check in terms of the entities in which it invests, so as to ensure the existence of a sound and prudent investment strategy, correlated with the Company investment strategy;
- Monitoring the return on funds, as well as the individual return on the most significant investment;
- Monitoring events that could indicate a decrease in the value of units, such as the decline of the market in which it invests or of a business sector that corresponds to a significant sub-portfolio.

The exposure to credit risk related to equity securities is mainly due to the possibility of an inability to meet outstanding obligations, as a result of the loss-making conclusion of previous years, which completely exhausted the equity. For the Company, the Risk Management Division calculates indicators that determine the value of exposures to shares issued by listed and unlisted portfolio companies, with a high level of bankruptcy risk, in relation to the value of the equity. Thus, both the exposure rate to listed issuers with a high risk of bankruptcy and the exposure rate to unlisted issuers with a high risk of bankruptcy fall within the limits stated by the approved risk profile.

The concentration risk is the risk arising from exposures to each counterparty, including central counterparties, groups of associated counterparties and counterparties in the same economic sector, the same geographical region, or carrying out the same activity, supplying the same commodity or to the same issuer. It is analysed using the ratio between the value of that exposure and the value of the total assets, and it falls within certain predetermined limits. The concentration risk is divided into six indicators that are part of the risk profile, which are listed below. All these indicators fall within the limit of the degree of risk undertaken.

No.	Risk indicators	Risk appetite	Risk appetite range	Risk tolerance range	Current level	Risk tolerance compliance	Level of risk recorded
1	Unlisted securities/Total assets	Low	8.01 - 16%	0 - 24%	8.53%	Yes	Low
2	Holdings with the same issuer/Total assets	Low	12.01 - 24%	0 - 36%	22.86%	Yes	Low
3	Holdings with issuers of the same group/Total assets	Low	15.01 - 30%	0 - 45%	22.86%	Yes	Low
4	Current accounts/Total assets	Very low	0 - 4%	0 - 8%	0.63%	Yes	Very low
5	Liquid assets with the same bank/Total assets	Very low	0 - 4.50%	0 - 9%	0.96%	Yes	Very low
6	Level of units issued by a single UCITS/Total assets	Very low	0 - 8%	0 - 16%	0.92%	Yes	Very low

Table no. 7.2 *Risk indicators*

Romania's **country risk** (the sovereign rating) is included in the last notch of the 'Investment grade' category by all three main rating agencies (Moody's, Standard&Poor's and Fitch). At the beginning of October of 2021, the Moody's and S&P rating agencies published their own assessments regarding Romania's sovereign rating. Moody's reconfirmed the sovereign rating on the last notch of the 'Investment grade' category (Baa3) and improved its outlook from 'negative' to 'stable'. S&P kept Romania's sovereign rating unchanged, on the last notch of the 'Investment grade' category (BBB+) and its 'stable' outlook. In their assessments, the two rating agencies primarily took into account the potentially favourable medium and long-term developments of the Romanian economy (economic growth and European funds to which Romania has access within the economic recovery fund), giving limited importance to current risks (political crisis, the deterioration of the pandemic situation).

3. The counterparty risk

The counterparty risk is the risk that one of the parties to the contract may not meet its contractual obligations, leading to a loss for the other party; this risk arises in particular from OTC derivative transactions or financial instrument financing transactions. Moreover, the exposure to the risk of credit institutions results primarily from the relationships with the institutions where the available cash is deposited. In order to manage this risk, the Manager has chosen local credit institutions for depositing the available cash, whose financial soundness it monitors on the basis of publicly available information.

In 2021 the Company did not carry out financial derivative transactions, as defined in Section C, sub-sections 4 to 10 of Annex I to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments, implemented by Articles 38 and 39 of Regulation no. 1287/2006 implementing Directive 2004/39/EC of the European Parliament and of the Council as regards record-keeping obligations for investment firms, transaction reporting, market transparency, admission to financial instruments to trading and defined terms for the purposes of the Directive concerned.

Moreover, one analyses the possibility of insolvency of institutions providing services (such as asset custody ones) or situations in which transactions are carried out involving shares/bonds issued by unlisted companies on a regulated market or within a multilateral trading facility. According to the calculations made, the results are within the scope of the parameters set in the Risk Profile. The lack of a portfolio of derivatives or pending (unsettled) transactions places the Company in the very low risk area.

4. The liquidity risk

The liquidity risk is the current or future risk of an adverse impact on profits and capital, determined by the Company's inability to meet its obligations when due.

The Risk Management Division of the Manager monitors the liquid assets in the form of cash and highly liquid assets against its short-term liabilities. The main liquidity calculation indicator is "*Liquid assets/Average monthly expenses*", which, as at 31.12.2021, has a value of 19.81 and which expresses the fact that the Company can meet its current obligations using the liquid assets which it holds. This indicator falls within the very low risk level according to the risk profile, which means that the value of the cash or cash equivalents represents at least five times the value of the average monthly expenses.

Another liquidity indicator pursued is the grouping of assets in liquidity bands specified in the Guidelines on reporting obligations in accordance with Article 3(3)(d) and Article 24(1), (2) and (4) of AIFM - ESMA/2014/869 (118, 119), i.e. the percentage of the Company portfolio that can be liquidated in each of the specified liquidity periods. In order to mitigate/avoid the liquidity risk, the Manager adopts a prudential policy in terms of cash outflows.

The liquidity bands are those set out in the Regulation no. 231/2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards derogations, general terms and conditions of operation, deposits, leverage, transparency and supervision, as follows:

Percentage of the portfolio that can be liquidated within:						
0-1 day	**2-7 days**	**8-30 days**	**31-90 days**	**91-180 days**	**181-365 days**	**over 365 days**
0.03%	1.01%	2.01%	6.01%	6.06%	27.05%	57.83%

Table 7.3 *Liquidity bands*

For the Company, one calculated the percentages of assets falling within the liquidity bands in relation to the total assets managed. The portfolio positions were assigned to one or more periods, based on the length of time during which they could reasonably be liquidated, at book value or at a value close to it, the total being equal to 100%.

The calculations made for the end of 2021 for the Company portfolio show that, for five bands analysed, it falls within medium risk, for the 91-180 day band, it falls within high risk, and, for the 181-365 day period, it falls within very low risk.

5. The operational risk

The operational risk is the risk of loss resulting either from the use of internal processes, people or systems that are inadequate or that have not performed their function properly, or from external events and actions. The legal risk is also included in this category of risks.

In 2021, the developments of the SARS-CoV-2 virus on the Romanian territory is considered a major element of the operational risk, with major effects and implications, included under Civil Disasters. Throughout the year, the Manager ensured the IT security protection, through its own architecture incorporating firewalls, applications for protecting against data loss, intrusion prevention systems, antimalware and antivirus solutions. The set of policies and procedures of the Manager is adapted to maintaining an optimal level of cyber security, implicitly reducing the risks generated by cyber security incidents.

In 2021, no risks of loss were reported, resulting either from the use of internal processes, people or systems that were inadequate or that did not perform their function properly, or from external events.

6. The strategic risk

The strategic risk is the current or future risk of an adverse impact on profits and capital due to a lack of response to changes in the business environment, unfavourable business decisions or their inappropriate implementation. Under conditions of extensive capital market volatility, there is the risk of non-fulfilment of the management plan according to the communications to investors, due to the non-realisation of the dividend income expected when preparing the revenue and expenditure budget, as well as the negative influence of the decrease in shareholdings measured at fair value through the profit and loss account. Macro influences can be reflected on the business of companies within the Company portfolio and implicitly on the investment activity. Although 2021 was affected by the 19 Covid pandemic and the restrictions it generated, SIF Muntenia S.A. received dividends from the portfolio companies amounting to RON 52.903.094, 1,74% more than the budgeted dividends and 7,20% more than the previous year.

7. The reputational risk

The reputational risk is the current or future risk of an adverse impact on profits and capital caused by the unfavourable perception of the institution image by customers, counterparties, shareholders, investors or supervisory authorities.

The Company press coverage is monitored daily, through the PR firm and portfolio Managers, and is notified to the executive management of the Manager and the BoD, in order to take steps in handling potential situations, if necessary. One of the risks that had developed in the third quarter of 2021 was the introduction of additional points to SEGM SIF Muntenia S.A. of 15/16.11.2021, by the shareholder Mr. Behboud Madadi, which held 6,13% of the share capital of SIF Muntenia S.A. These additional points related mainly to the approval of the distribution of dividends of RON 350 million and the revocation of the Manager of SIF Muntenia S.A., as of the date of the authorization of the company as an AIFM by the FSA. These agenda items have not been approved by the shareholders.

8. The systemic and contagion risk

The systemic and contagion risks are defined by the non-fulfilment of obligations devolving on an entity from its participation in a system or in the financial market, which leads to the non-fulfilment of obligations taken on by other participants in due time. Such failure to meet obligations may cause significant liquidity or credit problems and, as a result, it may jeopardise the stability or trust in the financial system.

As for the systemic and contagion risk, at macroeconomic level, in order to prevent the spread of the negative effects of the crisis caused by the SARS-CoV-2 virus epidemic in Romania, the NBR developed and implemented a set of measures

at the beginning of the pandemic to support the efforts made by public authorities and the banking system to mitigate the effects of the crisis on the national economy and to support both individuals and companies affected by the crisis in appropriate ways, on a case-by-case basis, by relieving instalments on ongoing loans and facilitating access to new financing lines.

The current energy crisis is also part of the systemic and contagion risk, and it is rooted in the significant increases in oil, coal and gas prices of the third quarter of 2021. Given the low probability of energy prices declining over the coming years, the issue of contagion in financial markets, a major feature especially in times of economic downturn, is of particular importance because of the consequences which it can have on the global economy. NBR has assessed that tensions in terms of the domestic macroeconomic balances, including as a result of the Covid-19 pandemic and the energy crisis, pose a severe systemic risk.

On the other hand, in the Company portfolio, Banca Transilvania can be deemed to be an exposure that adds systemic risk, especially due to the size of the bank, seeing as it ranks first among the top ones within the Romanian banking system in terms of assets (19% market share). The business model of this bank focuses on the sector of small and medium enterprises, entrepreneurs and individual customers, and, in terms of sectors of the economy, it focuses on agriculture, the medical field and European funds. For the constant monitoring of the systemic risk generated by this exposure, the Company has access to and analyses the assessments made by rating agencies and public ones performed by the NBR in connection with Banca Transilvania. As regards the rating assessments of Banca Transilvania, this indicator is rated 'BB+', with a negative outlook, by the Fitch Ratings rating agency.

The Company has an exposure to Banca Transilvania of 22.42% of all assets certified by the Depositary as at 31.12.2021. Regarding this exposure to Banca Transilvania, we consider that the analysis of the complex assessments of the NBR, as well as the assessments made by the rating agencies leads to constant monitoring of the systemic risk generated by this exposure.

THE COMPLIANCE BY THE CATEGORIES OF ASSETS WITHIN THE PORTFOLIO WITH THE LEGAL HOLDING LIMITS

The holding limits for the Company portfolio and the categories of assets in which the Company may invest are defined by the applicable laws, namely:

- Law no. 243/2019 on the regulation of alternative investment funds and for the amendment and supplementing of various legislative acts;
- FSA Regulation no. 7/2020 on the authorisation and operation of alternative investment funds, a regulation which establishes the terms and conditions for the authorisation and operation of alternative investment funds;
- Directive no. 61/2011 on alternative investment fund managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) no. 1060/2009 and (EU) no. 1095/2010 transposed into domestic law through Law no. 74/2015 on alternative investment fund managers.

Following the analyses conducted, the Company investment portfolio complied with the requirements provided for by the applicable laws throughout 2021.

THE LEVERAGE

Leverage involves any method whereby the Company increases the exposure of the portfolio which it manages, either through a loan of cash or securities, or through positions in financial derivatives or by any other means. Leverage is expressed as the ratio between the overall exposure of the portfolio of financial instruments (calculated using both the gross method and the commitment method) and the net asset value.

The policy of the Manager is not to use the leverage in the management of the Company portfolio, i.e. not to employ methods to increase the portfolio exposure. In 2021, no securities financing transactions (SFTs) took place and no transactions with total return swap instruments were carried out, as defined by EU Regulation 2365/2015 of the European

Parliament and of the Council of 25 November 2015 on the transparency of securities financing transactions and of reuse and amending Regulation (EU) no. 648/2012.

STRESS TESTING

The stress test

In accordance with the Risk Management Policy and the laws on AIFM, regular stress testing in normal situations shall be carried out at least annually, on the date set in accordance with the working procedures and notified to the FSA. In 2021, the Risk Management Division performed a stress test for the Company for 31.10.2021.

The purpose of this test was to obtain an estimate of the impact of a crisis situation on the Company portfolio and the value of the assets under management. The types of risk covered by this test were the market risk and the credit risk. For the creation of the crisis scenario, stress factors that could influence the portfolio, i.e. events which, despite being rather infrequent, could have a major impact on the Company assets, were identified and approved. As a conclusion to the test, we can note that the Company has a major investment component exposed to the risk of falling share prices and also to the credit risk. The materialisation of certain scenarios could also lead to the exceeding of certain limits set out in the risk profile for certain indicators.

The liquidity test

In 2021, according to the laws in force[35], a liquidity test was performed for the Company, by simulating a series of conditions, the purpose of this simulation being to obtain an estimate of the impact of a liquidity crisis situation on the assets, liabilities and overall liquidity of the Company. The risk covered by this simulation is the liquidity risk, which is the risk that a position may be beyond selling, liquidating or closing at limited costs.

Even though the Company has a major component of exposure to the liquidity risk and the risk of falling share prices, it is not, by nature, exposed to redemption requests. This means that the potential impact of obligations undertaken by the Company has a limited effect, and they can be met at any time. The results obtained underline the fact that the Company is a sufficiently liquid fund so as to be able to meet its obligations arising from the balance sheet liabilities. It is also worth noting that the materialisation of the scenarios taken into account will not lead to the exceeding of holding limits, as specified in the legal regulations applicable to the Company activity.

[35] FSA Norm no. 39/2020 for the application of the ESMA Guidelines on liquidity stress testing in UCITS and AIFs

8 SHARES ISSUED BY THE COMPANY

THE SHARE CAPITAL

The subscribed and paid-in share capital is RON 78,464,520.10, divided into 784,645,201 common shares, with a face value of RON 0.1000/share.

CHARACTERISTICS OF SHARES ISSUED BY THE COMPANY

All shares are ordinary ones.

During the analysed period, the financing of the entire activity was achieved solely using own funds.

The shares issued by the Company are registered at the BVB quote (symbol SIF4), within the main segment, in the Premium category, in accordance with the provisions of the BVB Decision no. 200/1999 and have been traded in this market since 01.11.1999.

The records of Company shares and of shareholders are kept by Depozitarul Central S.A., a company authorised by the FSA.

The shares are included in a series of indices calculated by BVB, i.e. BET-FI[36] (the index comprising SIF-type investment funds and Fondul Proprietatea), BET-XT (the index reflecting the prices of the 25 most traded companies on the BVB regulated market, including financial investment companies) BET-XT-TR (the index reflecting both the evolution of the prices of the component companies and their dividends. Is the total return type variant of the BST-XT index), BET-BK (the index that has been built to be used as a benchmark by fund managers and other institutional investors, the calculation methodology reflects the legal requirements and investment limits of the funds).

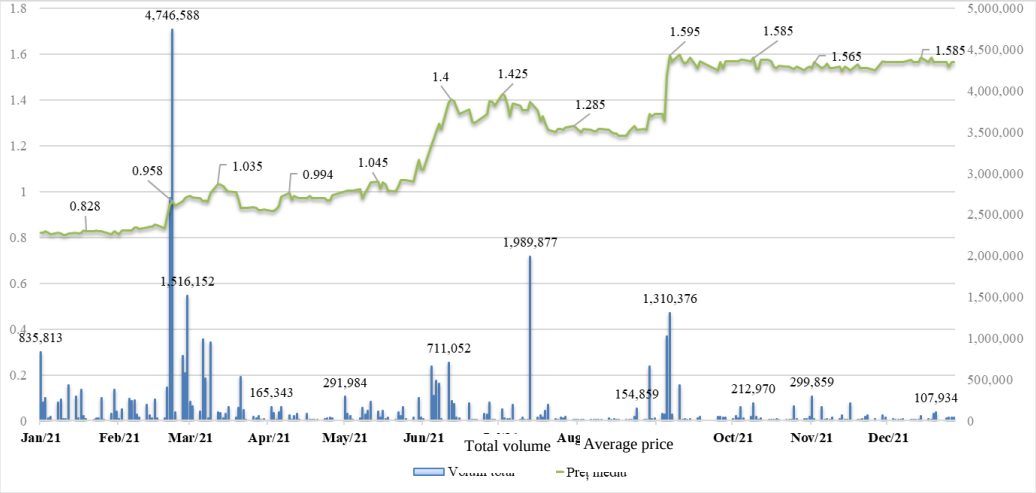
The table below offers details on SIF4 share transactions in 2021.

	REGS[37]	**DEAL[38]**	**POFR[39]**
Number of transactions	7,726	4	101
Number of traded shares (M)	38.54	47.86	12.29
Total value of transactions (MRON)	43.02	77.46	19.66
% of the Total number of shares[40]	4.9	6.1	1.6

Table no. 8.1 *Transactions with SIF Muntenia S.A. shares in 2021*

[36] As at 10.12.2021 (the last adjustment of 2021) the share of SIF4 of the index was 15.93%
[37] The BVB's main market (Regular)
[38] The auxiliary market of Regular (BVB's main market) for negotiating, where Deal Transactions are concluded, for which the BVB sets a minimum amount of the transaction
[39] The market for public offers
[40] Traded and in circulation

Chart no. 8.1 *The average trading price and the volume of transactions in REGS of the SIF4 share in 2021*



COMPANY SHAREHOLDERS

The table below shows the summary structure of the Company shareholders, as at 31 December 2021.

	31/12/2021		
	Number of shareholders	**Shares held**	**% held of total shares**
Resident individuals	5,936,651	514,474,467	65.568%
Non-resident individuals	1,985	2,001,338	0.255%
Resident legal entities	120	203,452,733	25.929%
Non-resident legal entities	11	64,716,663	8.248%
TOTAL	**5,938,767**	**784,645,201**	**100%**

Table no. 8.2 *The shareholding structure as at 31.12.2021*
Source: *Depozitarul Central S.A.*

Company shareholders' rights are protected in accordance with the laws in force. The Company adheres to a policy of effective and active communication with its shareholders and ensures that all shareholders are treated fairly in terms of the access to public information.[41]

[41] http://www.sifmuntenia.ro/despre-noi/guvernanta-corporativa/documente-la-zi/

9 CORPORATE GOVERNANCE

The Manager is committed to maintain and develop the best practices in corporate governance, to ensure an effective decision-making process that leads to the long-term viability of the business, to achieve the company's objectives and to create a sustainable value for all stakeholders.

The Manager considers that the compliance with the Corporate Governance Code ensures the accuracy and transparency of the Company's decision-making process and allows equal access for all shareholders to relevant information, being a means of maintaining the Company's competitiveness in a world increasingly affected by accelerated changes.

The Company's corporate governance regulations present the corporate governance structures, the decision-making rules and procedures, the governance standards that ensure the application of the general management and control principles of the Company's activity for the benefit of the shareholders. It can be consulted on the Company's website, in the *Corporate Governance* section[42].

The set of corporate governance rules defines the structure by which the Company's objectives are set, the means by which they can be achieved efficiently and transparently in the relationship with the shareholders and monitoring of the activity and performance.

Corporate Governance Structures

The management of the Company is carried out in a unitary system, in compliance with the provisions of Law no. 31/1990 on Companies and of the Articles of Incorporation. In accordance with the Articles of Incorporation, the management of the Company is carried out based on a Management Contract concluded with the Manager.

During the period between SGM, the Manager's activity is supervised by the BoSR, a supervisory body consisting of three natural persons elected by the SGM, with a 4-year term of office. The duties and responsibilities of the BoSR are established by the Company's Articles of Incorporation.

The Shareholders' General Meeting

The SGM is the Company's supreme governing body.

The General Meetings are ordinary (hereinafter referred to as the "SEGM") and extraordinary (hereinafter referred to as the "SEGM"). The SOGM shall meet at least once a year within four months following the end of the financial year. The SEGM shall be convened whenever necessary. The SOGM or the SEGM, as the case may be, shall be convened by the Manager's BoD in accordance with the law, as well as upon the request of the shareholders representing at least 5% of the share capital, if the request contains provisions falling within the duties of the meeting or upon the request of the FSA.

The duties of the SGM are specified in the Articles of Incorporation and comply with the legal provisions in force. The updated Articles of Incorporation is published on the Company's website, www.sifmuntenia.ro, in the dedicated section. The decisions of the SGM are taken by open vote or by secret vote. The secret vote is mandatory in the case of the appointment of the BoSR members or their dismissal, the appointment or dismissal of the director, as well as for the appointment or dismissal of the financial auditor and for taking decisions regarding the responsibility of the members of the administrative bodies. The decisions of the SGM, taken in compliance with the law and the Articles of Incorporation, are binding on all shareholders, including those who did not attend the meeting or who voted against said decision.

The SGM is chaired by one of the permanent representatives appointed by the Manager and registered with the Trade Register as legal representative of the Company.

[42] https://www.sifmuntenia.ro/despre-noi/guvernanta-corporativa/documente-la-zi/

The General Meetings are convened by the Manager at least 30 days before the date set for the deployment. The BoD of the Manager approves procedures regarding the orderly and efficient organisation and performance of the SGM works, in accordance with the legal provisions and the relevant FSA regulations. The procedures for participation and voting at the SGM are made available to the shareholders, at the headquarters of the Company and displayed on the Company's website, together with the information and materials regarding the SGM: the notice to attend the SGM, informative materials and documents subject to the SGM debates and approvals, the special power of attorney forms and the ballot papers by correspondence, the decisions taken by the SGM and the result of the vote for each item on the agenda. The decisions taken within the SGM are reported to the FSA and BVB, are published in a national daily newspaper and in the Official Journal, Part IV.

The Manager uses its best efforts to ensure a fair treatment of all shareholders of the Company, regardless of the number of shares held, including non-resident shareholders, providing them with relevant and up-to-date information.

The following SGMs of the Company took place throughout 2021:

- The SEGM dated 7 January 2021; the decisions being published in the current report dated 07.01.2021, both on the BVB's website and on the Company's website;
- The SOGM dated 28 April 2021; the decisions being published in the current report dated 28.04.2021, both on the BVB's website and on the Company's website;
- The SOGM and the SEGM dated 19 October 2021, held at the second convening; the decisions being published in the current report dated 19.10.2021, both on the BVB's website and on the Company's website;
- The SEGM dated 15 November 2021; the decisions being published in the current report dated 15.11.2021, both on the BVB's website and on the Company's website.

The current reports related to the Company SGM listed above are available for consultation on the Company's website, namely on www.sifmuntenia.ro, in the dedicated section and on the BVB's website.

The Board of Shareholders' Representatives (BoSR)

The BoSR is a body that represents the interests of the Company's shareholders in relation to its Manager.

The BoSR has mainly the following duties:

- To represent the Company in relation to its Manager;
- To negotiate and conclude the management contract;
- To follow the way in which the contractual clauses and commitments undertaken by the administrator through the management contract and through the management program approved by the SGM of the Company;
- To analyse the periodic reports drawn up by the Manager regarding the way in which it exercised its duties regarding:
  - The management of the Company;
  - The exercise of the rights conferred by the holding of securities in the Company's portfolio;
  - The defence of the rights and interests of the Company before the courts, arbitration courts, as well as any bodies with judicial and administrative powers.
- To call for measures to include the Manager's activity in the provisions of the management contract, the FSA regulations, the annual management programs, the revenue and expenditure budgets approved by the SGM of the Company and the applicable legislation;
- To verify the conclusion of the contract with the financial auditor according to the decision of the SGM of the Company;
- To verify the preparation of the annual financial statements by the Manager and the proposals for the distribution of the profit to be submitted for approval by the SGM of the Company;
- To verify the preparation of the annual program regarding the management of the Company's portfolio;
- To verify the preparation of the Revenue and Expenditure Budget of the Company, in order to submit it to the SGM of the Company;

- To verify the preparation of the half-yearly and quarterly reports of the Manager in accordance with the legal provisions and with the FSA regulations;
- To verify the preparation of the materials to be submitted to the SGM of the Company;
- To verify the conclusion of the depositary contract, of the contract concluded with Depozitarul Central, respectively;
- To verify the Remuneration Policy in order to ensure that the remuneration of the Manager's staff promotes a sound and effective risk management and does not encourage risk-taking that is contrary to the risk profile and the Company's Articles of Incorporation;
- To ensure that all remuneration commitments are properly and responsibly structured and that the Remuneration Policies allow and promote an effective risk management, without leading to a risk-taking that exceeds the level of risk tolerance of the regulated entity.

The Company's Manager

Throughout 2021, the Company was managed by SAI Muntenia Invest S.A. based on the management contract endorsed by the CNVM through Notice no. 35/15.06.2006. Starting with 23.07.2020, the management contract endorsed by the FSA through Notice no. 165/22.07.2020 has entered into force with a 4-year validity.

The Manager is represented by the three members of the BoD, as well as by the permanently appointed representatives. The members of the BoD of the Manager are elected by the SGM for a period of 4 years, with the possibility of being re-elected. The members of the BoD must cumulatively meet the general conditions provided for by Law no. 31/1990 on Companies and those relevant to the companies falling within the scope of supervision of the FSA. The members of the BoD are authorised by the FSA.

The BoD elects a Chairperson from among its members. The structure and composition of the BoD are in accordance with the requirements of the applicable specific legislation, so that the Manager can effectively fulfil its obligations. The structure of the BoD ensures a balance between the executive and non-executive members, so that the decision-making process of the board cannot be dominated by a person or a small group of people. The Manager's obligations are regulated by the provisions regarding the term of office and those specifically provided by Law no. 31/1990 on Companies, as subsequently amended and supplemented, by the capital market legislation, by the applicable CNVM/FSA regulations, by the provisions of the Articles of Incorporation of the Manager and of the Company, as well as by the provisions of the Management Contract.

There are no family agreements or arrangements by which SAI Muntenia Invest S.A. was appointed as Manager of the Company.

The Manager does not own shares within the Company or within other companies where the Company has control.

At the time of preparation of this report, the Manager has the following contractual obligations regarding the management of the Company:

a) To manage the Company's investment, and in managing thereof, the Manager will carry out the following activities:

- to exercise, in behalf of the Company, the rights arising from the ownership of financial instruments;
- to purchase financial instruments on behalf of the Company, using its financial resources;
- to trade financial instruments from the Company's portfolio, temporary or definitive, partially or fully, including those constituting real rights.

b) To carry out activities regarding:

- legal and accounting services related to the management of the Company;
- market research;
- assessment of the Company's portfolio and determining the value of the financial instruments issued by the Company, including the fiscal matters;

- monitoring the compliance with the regulations in force;
- conclusion of a contract with a company that keeps records of the holders of financial instruments issued by the Company;
- distribution of the revenues due to the Company's shareholders;
- issuing of shares of the Company;
- keeping the records of the Company.

c) To carry out specific activities regarding the marketing of the financial instruments issued by the Company;

d) To carry out any other activities regarding the management of the Company, in compliance with the provisions of the legislation in force and with the CNVM/FSA regulations.

The Manager's main objectives are defined by the annual programs regarding the management of the Company and are subject to the approval of the SGM.

In 2021, the structure of the Manager's BoD was:

Surname and first name	Position	Term of office validity (authorisation expiry date)
Adrian Simionescu	Chairman	20.08.2025
Dorina Teodora Mihăilescu	Member	27.12.2025
Sergiu Mihailov	Member	05.10.2024

Table no. 9.1 *Structure of the Manager's BoD*

The CVs of the members of the Manager's governing bodies are listed in the annex to this report and can also be found on the Company's website, in the dedicated section.

Throughout 2021, the meetings of the BoD took place at the Manager's headquarters. In 2021, the BoD had a number of 46 meetings[43], during which were analysed matters related to the proper operation of the Company and its development prospects.

The Management Contract concluded with SAI Muntenia Invest S.A (the Manager)

The price of the management contract concluded between the Company and the Manager is represented by the management fee, consisting of a monthly management fee and a performance fee, if the criteria listed in Chapter V of the management contract approved in the SOGM dated 23 April 2020, are met.

The management fee consists of a fixed part and a variable part (performance fee):

- the fixed part is calculated and paid monthly and is equal to 0.125% of the value of the total asset as it was certified by the Company's Depositary for the last business day of the month;
- the variable part is calculated at the end of the year and is paid after the approval by the SGM of the financial statements and is equal to 10% of the value by which the gross profit exceeds the gross profit provided for in the Revenue and Expenditure Budget approved by the SGM, for the year in which the profit was recorded.

The Manager's management fee related to the financial year 2021 amounted to RON 52.90 million, representing 2.87% of the average net asset, 2.76% of the average total asset of the Company in 2021, respectively.

[43] According to section *A- Responsibilities* from the Stage of compliance with the provisions of the Corporate Governance Code of the BVB

The Remuneration Policy of the Company

During the SOGM dated 28 April 2021, was approved the Remuneration Policy of the Company, prepared by the Manager and appropriated by the BoSR of SIF Muntenia S.A., in accordance with Law no. 24/2017 concerning the issuers of financial instruments and market operations.

The purpose of this Policy is to establish the corporate governance principles on the remuneration of:

- the Fund Manager
- the members of the BoSR

as provided by the legislation in force, as well as in the Corporate Governance Code of the BVB.

In order to promote the development of corporate governance under best practices conditions and prudent management achievement, considering also that the representatives of the Fund Manager are remunerated in accordance with the Remuneration Policy of the Manager and DAFIA, SIF Muntenia S.A. must observe certain requirements underlying the application of the principles of corporate governance related to the remuneration of executive/senior management, as follows:

- The remuneration policy will be prepared by the Manager, but analysed and appropriated by the BoSR so that it corresponds to the business strategy, objectives and long-term interests of the Company and includes measures to prevent conflicts of interest;
- The BoSR ensures that all remuneration commitments are properly and responsibly structured and that remuneration policies allow and promote effective risk management, without leading to risk-taking that exceeds the level of risk tolerance of the regulated entity;
- The level of remuneration is established in close connection to the responsibilities and commitments related to the duties.

Considering that the Manager has its own remuneration policy, the BoSR considers that the Remuneration Policy of the Manager SIF Muntenia S.A. reflects solid remuneration principles, aligning the personal objectives of its employees with the long-term interests of the Manager and of SIF Muntenia S.A.

Remuneration of the Manager of SIF Muntenia S.A.

The method to remunerate the Manager is established according to the Management Contract concluded between the Company and the Manager approved at the SOGM dated 23 April 2020 and is represented by the management fee, consisting of a monthly management fee and a performance fee, if the criteria set out in Chapter V of the Management Contract are met.

The monthly management fee is determined according to the following formula:

Monthly management fee = ATc x C

ATc – represents the value of the total assets of SIF Muntenia S.A. certified by the depositary for that last business day of the month

C – represents a percentage coefficient. Starting from the date of entry into force of this contract, the value of this coefficient is 0.125%

Depending on the way in which the Manager meets the performance criteria and objectives established annually by the SGM of SIF Muntenia S.A. through the Management Program and the Revenue and Expenditure Budget, SIF Muntenia S.A. will pay the Manager a performance fee in accordance with the provisions of the Articles of Incorporation of SIF Muntenia S.A., calculated as follows:

Performance fee = (Achieved gross profit – Budgeted gross profit) x 10%

The Manager's management fee related to the financial year 2021 amounted to RON 52.90 million, representing 2.87% of the average net asset, 2.76% of the average total asset of the Company in 2021, respectively.

Remuneration of the SIF Muntenia S.A. employees

SIF Muntenia S.A. has only one employee of its own with a fixed monthly remuneration related to the national minimum wage, for a part-time working hour (2 hours/day, 10 hours/week), having duties specific to the cashier position. All other necessary services are provided by the Manager of SIF Muntenia S.A. through its own employees and contractors.

Remuneration of the employees of the Manager SAI Muntenia Invest S.A.

The BoD of SAI Muntenia Invest S.A. appoints an advisory committee composed of 2 members whose role is to consult/assist the BoD in establishing and supervising the remuneration policies and practices, as well as in nominating and assessing the persons in the management structure, called the Nomination and Remuneration Committee (CNR). The members of the CNR are members of the BoD holding executive positions within SAI Muntenia Invest S.A.

The CNR structure considers that at the aggregate level it should have sufficient professional competences and experience regarding risk management and control activities, more precisely with reference to the mechanism of aligning the remuneration structure to the risk and capital profiles of SAI Muntenia Invest S.A., respectively of the entities managed.

Remuneration of the BoSR members

The net monthly remuneration of each member of the BoSR is RON 5,500 net and RON 10,000 net for the Chairperson of the BoSR.

This policy is drafted based on the principle of avoiding conflict of interest and includes measures that ensure a professional and responsible behaviour at the level of SIF Muntenia S.A.:

- The level of the remuneration of the Manager and of the BoSR members is set in strict accordance with the responsibilities and commitments related to the duties, in accordance with the provisions of the management contract and of the mandate contract;
- The shareholder who is also a members of the BoSR will not participate in the decision regarding his/her remuneration package and/or the mandate contract;
- The elimination of any direct link between the remuneration of the relevant persons carrying out mainly one activity and the remuneration of other relevant persons carrying out mainly other activity, when the activities in question may give rise to a conflict of interest;
- The prohibition to use the position held within SIF Muntenia S.A. in the interest of persons with whom there is kinship or other extraprofessional relations within the remuneration practices; in order to avoid conflicts of interest, the aim is to avoid appointing persons to such positions, which is why each candidate for the position of BoSR member must provide a questionnaire on his/her independence which will be the basis of the independence analysis carried out by the BoSR.

The Manager's Remuneration Policy

The BoD has approved the remuneration policy to ensure that the remuneration of the Manager's staff promotes sound and effective risk management and does not encourage risk-taking that are contrary to the risk profile and the Company's Articles of Incorporation.

The Remuneration Policy is prepared by the Manager, but analysed and appropriated by the BoSR, so that it corresponds to the business strategy, objectives and long-term interests of SIF Muntenia S.A. and includes measures to prevent conflicts of interest.

The Company's BoSR ensures that all remuneration commitments are properly and responsibly structured and that the remuneration policies allow and promote effective risk management, without leading to risk-taking exceeding the level of risk tolerance of the regulated entity.

The remuneration policy and practices apply to the management of the Manager and to the categories of staff whose professional activities have a significant impact on the Company's risk profile and are subject to an internal assessment at least annually and the changes to be made will take into account the economic context, the company's activity, as well as its strategy and objectives.

The following prerequisites were taken into account in drawing up the Remuneration Policy:

- The Manager obtains a monthly fee from the entities managed and an annual variable fee for the management services, if applicable, according to the provisions entered in the management contract concluded with SIF Muntenia S.A.;
- The principle of proportionality in relation to the various characteristics of the Manager and of the entities managed, as well as the principle of proportionality regarding the various categories of staff of the Manager;
- The provisions of sub-section 56 of the Guide on sound remuneration policies in accordance with DAFIA (03.07.2013/ESMA/2013/232) and of sub-section 58 of the Guide on sound remuneration policies in accordance with the UCITS Directive (14.10.2016/ESMA/2016/575);
- The BoD, in is supervisory role, adopts the remuneration policies and practices, which submits at least once a year to an independent internal assessment, based on which can be made reviews;
- The remuneration policy regarding the Manager's staff must not have a significant impact on the results obtained by the Manager or by the entities managed by it;
- The remuneration of the persons holding control positions is based on the fulfilment of the objectives related to their positions, there being no direct correlation with the results of the areas they monitor and control; the remuneration of the staff is based on a fixed part (the tariff salary) and a variable part (premiums or bonuses); the variable part is occasional and may be granted based on the results of the annual staff assessment; the variable part is correlated with the Manager's financial results and within the limits approved by the SGM in the annual revenue and expenditure budget;
- Other types of benefits (monetary and non-monetary incentives such as meal vouchers, bonuses on public holidays, etc.) are part of the Manager's general and non-discretionary policy and do not have any incentive effects in terms of risk-taking;
- The Manager has a predictable remuneration policy that is easy to manage in terms of financial/operational risks managed by the company. In this respect, the variable remuneration of the staff is limited to a maximum ceiling which relates to the beneficiary's annual salary/remuneration fund and not to other indicators, in order to remove the possibility of encouraging employees to take additional risks in achieving the objectives set.

The main principles underlying the Remuneration Policy:

- Pursuing the compatibility with the sound and effective risk management and promoting this type of management without encouraging risk-taking that is not in line with the risk profile, the internal rules or the Company's Articles of Incorporation;
- The substantiation on the values and beliefs of the organisation and compatibility with the business strategy, objectives, values and interests of the Manager and of the entities it manages, as well as the interests of the investors thereof, including measures to avoid conflicts of interest.

The Remuneration Policy does not lead to conflicts of interest. Thus, the Manager applies measures to avoid conflicts of interest, such as:

- The staff is remunerated according to the results obtained by the Manager and not according to those obtained by the entities managed. This way, the excessive risk-taking in the management activity of the entities managed is not stimulated and by default is ensured the achievement of the objectives established in the risk profile of the entities managed and of the Manager, respectively;

- The Risk Management Department assesses whether the remuneration structures affect the risk profile of the entities managed/Manager and, as the case may be, makes proposals for compliance with the limits imposed by the risk profile of the entities managed, of the Manager, respectively;
- The elimination of any direct link between the remuneration of relevant persons mainly carrying out a particular activity and the remuneration of other relevant persons, or the profits generated by them, mainly carrying out other activity, when the activities in question may give rise to a conflict of interest;
- The members of the BoD who have an executive position within the Manager will not participate in the decisions regarding their remuneration;
- Any situation that may cause a conflict of interest in the remuneration process will be brought to the attention of the Compliance Department.

The structure of the remuneration

The remuneration of the staff includes the basic remuneration (the tariff salary) and may also include a variable remuneration or other benefits.

The basic fixed remuneration (the salary): The fixed remuneration of an employee may not exceed 2.5 times the average gross salary per company (the average gross salary per company is the sum of the monthly basic salaries of the company's employees in relation to the number of employees, with employment contract concluded for indefinite period, who are in the company during the month prior to the establishment of the remuneration).

The fixed remuneration of the members of the management structure is based on the following benchmarks:

- The members of the BoD may have a maximum fixed remuneration of 2.5 times the average gross salary per company;
- The members appointed in the advisory committees of the BoD, as well as the Chairperson of the BoD may benefit from an additional fixed remuneration representing 25% of the basic fixed remuneration (for each committee);
- The CEO may have a maximum fixed remuneration of 8 times the average gross salary per company;
- The other members of the actual management may have a maximum fixed remuneration of 6 times the average gross salary per company.

The level of basic fixed remuneration may be revised annually based on the results of the analysis and assessment of performance and/or the market conditions (for example, inflation, level of wages in the industry, etc).

The variable remuneration means additional payments or allowances depending on performance or, in some cases, other contractual criteria.

In the case of employees, the variable part represents at most 25% of the total remuneration received during a year and in the case of the Actual management the variable part represents at most 35% of the total remuneration received during a year.

The variable remuneration is an occasional part of the total annual remuneration that can exclusively reward the performance of the Manager's employees. Both the financial and non-financial criteria are taken into account in the process of assessing individual performance. The assessment of the employees is done according to the Procedure regarding the assessment of the professional performance of the Manager's employees (PEVA). The assessment of the members of the actual management is carried out by the CNR based on the annual reports regarding the duties and responsibilities provided for in the decision-making procedure. The members of the BoD may benefit from a variable annual remuneration with the approval of the SGM, based on the assessment of the Manager's financial position recorded in the previous financial year. The total variable remuneration of the members of the BoD may be set at the limit of a maximum of 5% of the Manager's net profit recorded in the financial statements concluded in the previous financial year.

Other types of benefits

The Manager's employees receive additionally the following categories of monetary and non-monetary incentives: meal vouchers, mobile access, the company's contribution to Pillar III (to the NN Fund), legal holiday bonuses and medical services subscription to a specialised provider.

The remuneration of control positions

The Manager will ensure a level of the fixed remuneration for the staff holding control positions so that they can employ qualified and experienced staff in these positions. If the staff holding control positions receives variable remuneration, this will be based on achieving the objectives specific to the position and will not be set based on the performance criteria.

The Identified Staff

The Manager identifies and reviews, at least once a year, the categories of staff whose professional activities have a significant impact on the risk profile of the Manager and of the entities managed, respectively.

The following categories of staff fall into the category of identified staff, unless it is proven that they do not have a significant impact on the risk profile of the Manager or on the entities it manages:

- Executive and non-executive members of the governing body (members of the BoD and members of the Actual management who are not part of the BoD);
- The staff holding control positions (the Compliance Officer; the Representative of the Risk Management Department);
- The staff in charge for the management of the Departments: the Investment Opportunities Analysis and Asset Placement Department and the Operations Department;
- Other risk-takers such as: staff members whose professional activities – separately or jointly, as members of a group (for example, a unit or part of a department) – may have a significant influence on the risk profile of the Manager or of the entities it manages, including the persons who may conclude contracts/positions and make decisions that significantly affect the risk positions of the Manager or of the entities it manages;
- Other employees/other persons whose total remuneration falls within the same remuneration category as that of senior managers and risk-takers.

In 2021, the remuneration was granted in compliance with the remuneration principles, established by the remuneration policy in force as of 1 June 2021 and in accordance with the legal provisions. No deficiencies/irregularities were found. The 2021 remuneration report of the Manager is attached to the annual report.

Also, details regarding the remuneration of the AFIA staff are also provided in the BoD report of the Manager on 31.12.2021, which can be found on the website www.munteniainvest.ro. At the same time, the report of the Nomination and Remuneration Committee (CNR) is attached to the report mentioned above, as provided in art. 49(2) of Regulation no. 2/2016 on the application of the principles of corporate governance by the entities authorised, regulated and supervised by the FSA, as subsequently amended and supplemented.

The Advisory Committees of the Manager's BoD

The Audit Committee

The Audit Committee is a Standing Committee that assists the Manager's BoD in fulfilling its responsibilities in the area of financial reporting, internal control and risk management and supports the BoD in monitoring the credibility and integrity of the financial information provided by the Company. The duties of the Audit Committee are detailed in the Company's Internal Regulations.

The Audit Committee consists of independent non-executive members of the BoD and had the following membership in 2021: Mr. Adrian Simionescu (Chairman) and Mrs. Dorina Teodora Mihăilescu (Member).

Throughout 2021, the Audit Committee had a number of 21 meetings[44] at the Company's headquarters, during which the necessary measures were analysed and adopted based on the exercise of its duties and responsibilities, such as, but not limited to:

- Monitor the financial reporting process, the annual financial statements prepared in accordance with the IFRS approved by the FSA Norm no. 39/2015, respectively;
- Monitor the quarterly simplified interim financial statements and those for the first half of 2021;
- Analyse the service contracts;
- Analyse the risk reports on the management of significant risks;
- Monitor the activity of the internal auditor;
- Monitor and assess the efficiency of the internal control and risk management system for 2020, for the period between January and October 2021, respectively;
- Monitor the selection procedure of the financial audit firm and prepare recommendations for appointment in accordance with the relevant regulations in force;
- Assess and monitor the independence of the audit firm in accordance with the relevant regulations in force;
- Monitor the selection procedure of the internal audit firm.

The annual report of the Audit Committee for 2021 will be submitted with the FSA on time, according to the regulations in force.

The Nomination and Remuneration Committee (CNR)

The CNR is a Standing Committee, with an advisory position, subordinated to the BoD, which operates within the Manager's BoD, with the role of assisting the BoD in fulfilling its responsibilities regarding the nomination of candidates for management positions, as well as their remuneration. At the same time, the CNR recommends to the BoD the appointment or dismissal of the staff holding key and control positions within the Company, the level of remuneration, their rights and duties and participates in the preparation and revision of the remuneration policies applicable at Company level. The duties of the CNR are detailed in the Company's Internal Regulations.

The CNR has mainly the following responsibilities:

- To assess the initial suitability of the persons proposed for the management structure and for the key positions within the Manager, in accordance with the provisions of Regulation no. 1/2019 regarding the assessment and approval of the members of the management structures and of persons holding key-positions within entities regulated by the FSA ("Regulation no. 1/2019");
- To continuously monitor the suitability of the persons in the management structure and of those holding key positions within the Manager in order to identify those relevant new facts, as well as the situations in which it is necessary to reassess their suitability according to the provisions of Regulation no. 1/2019;
- To draft recommendations/to perform assessments addressed to the Audit Committee/the BoD/the SGM in order to verify the individual suitability requirements of the persons within the management structure, the executive management, as well as those holding key positions;
- To make recommendations to the BoD, regarding the remuneration of the members of the governing body, as well as of the staff members with the highest level of remuneration within the Company;
- To monitor the implementation of the remuneration system;
- To assess the mechanisms adopted to ensure that:
    - the remuneration system takes due account of all types of risks and the level of liquidity and assets under management;
    - the general remuneration policy corresponds to the strategy, objectives, values and professional interests of the Company and the entities it manages, as well as the interests of the investors thereof.

[44]According to section *A- Responsibilities* from the Stage of compliance with the provisions of the Corporate Governance Code of the Bucharest Stock Exchange

- To directly supervise the remuneration of the persons holding positions of risk management and internal control/compliance.

The CNR consists of two members elected from the non-executive directors, in compliance with the condition of independence provided for by the Companies Law. The membership of the Committee shall not prevent members from participating in the activity of other Committees of the Board. The Committee shall meet regularly, at least twice a year. Membership of the CNR: Mrs. Dorina Teodora Mihăilescu – Chairwoman, Mr. Adrian Simionescu – Member.

Throughout 2021, CNR met[45] 16 times at the Company's headquarters, meetings during which were analysed matters that are incumbent to the Committee, such as:

- To monitor the individual suitability of the assessed persons, of the members of the management structure and of the persons holding key-positions, respectively, throughout 2021;
- At the same time, within the processes of assessing and monitoring the individual suitability of the persons holding positions in the management structure and those holding key-positions within the Company, the CNR found that they have knowledge, skills and professional experience and comply with the reputation, honesty, integrity and governance requirements provided by Regulation no. 1/2019, requirements necessary for the performance of the duties specific to the positions they hold;
- The prior assessment of the suitability of the nominees for the management structure and key positions for which the Manager requests approval or notifies to the FSA (as a result of changes in membership of the BoD, the executive management, as well as for the process of selection and prior evaluation of the financial auditor and the internal auditor).

At the end of 2021, the CNR analysed the granting of the variable part to the employees and managers in order to achieve the objectives in 2021, in compliance with the remuneration policies applicable at Company level, finding that the performance-based remuneration is granted in a way that promotes an effective risk management and does not encourage excessive risk-taking.

The Executive Management

The Executive Management of the Company's activity is ensured in accordance with the provisions of the legal regulations in force and of the Manager's Internal Regulations by the CEO and by the Managers authorised by the FSA.

The Executive Management informs the BoD regarding the activity carried out between the regular meetings thereof.

The Executive Management is empowered to lead and coordinate the Company's daily activity and may undertake the Company's liability within the limit of the mandate granted by the BoD. The Company's executives are liable to ensure the compliance with the work procedures set by the Manager's Internal Regulations.

Throughout 2021, the Manager's Executive Management was ensured by the following persons, authorised by the FSA:

- Nicușor Marian Buică – CEO (FSA Authorisation no. 307/21.12.2017 and FSA Authorisation no. 227/01.11.2021). Mr. Buică held this position throughout 2021;
- Sergiu Mihailov – Corporate Administration Manager (FSA Authorisation no. 16/22.01.2021). Mr. Mihailov held this position in 2021 following the communication of the FSA Authorisation, namely between 25.01.2021 and 31.12.2021;
- Mircea Constantin – Strategy Manager (FSA Authorisation no. 192/21.12.2016). Mr. Constantin held this position in 2021, between 01.01.2021 and 25.02.2021, starting with 26.02.2021 took place the termination of the employment relations with SAI Muntenia Invest S.A., as a result of the resignation of Mr. Mircea CONSTANTIN and the expiry of the notice period.

[45] According to section *A- Responsibilities* from the Stage of compliance with the provisions of the Corporate Governance Code of the Bucharest Stock Exchange

Participation of the directors and managers to the Company's share capital on 31.12.2021

Name	Position	Number of SIF4 shares	% of share capital
Adrian Simionescu	Non-executive director	-	-
Dorina Teodora Mihăilescu	Non-executive director	38	0.000005%
Sergiu Mihailov	Director	-	-
Nicușor-Marian Buică	CEO	-	-

Table no. 9.2 *Participation of the directors and managers to the Company's share capital on 31.12.2021*

There are no agreements, arrangements or family ties known for directors and managers between that person and another person as a result of which that person was appointed in that capacity.

Key positions

Within the Manager, the persons holding key-positions are the one whose duties have a significant influence on the achievement of the Company's strategic objectives, which are not part of the management structure, fulfilling the duties of:

- Risk assessment and management;
- Compliance;
- Internal audit;
- Compliance officer and the persons appointed for the implementation of Law no. 129/2019 to prevent and combat money laundering and terrorism financing, as well as to amend and supplement some legislative acts, as subsequently amended and supplemented.

The duties of the key positions are allocated are allocated according to the specific legislation applicable to the Company, to persons with professional competence and experience. The Company applies internal procedures for the assessment of good reputation and integrity for both its own staff in key-positions and for the staff in outsourced key-positions. The Company includes in the internal procedures provisions regarding the transmission of the information necessary to fulfil the duties of the key positions.

Risk management

The risk management position is separated, functionally and hierarchically, from the business units, including the portfolio management positions.

Risk management is all the activities aiming to identify, quantify, monitor and control the risks, so as to ensure the observance of the principles of the general risk policy. Effective risk management is considered vital in order to achieve the strategic objectives and to ensure the quality of the shareholder benefits on an ongoing basis. In this regard, the strategy on the management of significant risks provides the framework to identify, assess, monitor and control these risks, in order to maintain them at acceptable levels depending on the risk appetite and the ability to cover (absorb) these risks.

The risk management system and its effectiveness are monitored by the Executive Management, by the Audit Committee and by the Manager's BoD.

Within the Manager, the person in charge for risk management is Valentin Vrînceanu. Through Authorisation no. 158/02.08.2017, Valentin Vrînceanu was authorised in the key-position of person in charge for risk assessment and management (person in charge for risk management) within the Manager (registered in the FSA Register under no. PFR132FARA/400016). The person in charge for risk management has the necessary authority, has access to all relevant information and maintains regular contact with the Managers and the BoD of the Manager and has the responsibility to provide up-to-date data on which immediate remedial actions can be taken if necessary.

The risk management policies implemented shall include the procedures necessary to be able to assess the exposure to the market risk, the liquidity risk, the operational risk and the credit and counterparty risk, as well as the exposure to all

other relevant risks that may have a significant level, taking into account the investment objectives and strategies, management styles or methods for managing assets and which may directly affect the interests of the shareholders.

The risk management policy comprehensively includes the measures to protect against potential conflicts of interest, the corrective measures taken, the reasons why such measures should lead, according to reasonable expectations, to the independent exercise of the risk management position and how is intended to ensure the constant effectiveness of the protection measures.

Throughout 2021, the risk management procedures applicable by the Risk Management Department were analysed for review. Following this process, out of the 12 procedures analysed, were modified the Risk profile for the Company and the Policy of SAI Muntenia Invest S.A. on the simulation of liquidity stress situations within the entities managed.

The performance of the risk management position is regularly reviewed by the internal and external audit position, as well as by the Audit Committee.

The compliance verification function

The Manager shall establish and maintain at all times and expeditiously the compliance verification function which shall be carried out independently of other activities. The Compliance Division is subordinated to the BoD and has the main responsibilities listed below:

- Regularly monitoring and assessing the effectiveness and adequate implementation of the established control measures and procedures, as well as the measures ordered to solve any situations of non-fulfilment of Company obligations;
- Providing consultancy and assistance to the relevant persons responsible for carrying out services and activities in order to comply with the requirements imposed on the Company according to legal provisions and FSA regulations.

The Compliance Officer has carried out the activity thereof in accordance with the provisions of the Control Plan for 2021, approved by the BoD of the Manager, the provisions of the FSA Regulations no. 9/2014, no. 10/2015, of the EU Regulation 231/2013, of the working procedures and internal regulations.

The Compliance Officer is subject to authorisation by the FSA and is registered in the public register of the FSA. Authorisation no. 723/23.03.2006 authorised Claudia Jianu in the key position of representative of the Compliance Division within the Company (registered in the FSA Register under no. PFR13RCCI/400091).

The activity carried out focused on the control of the compliance with the regulations in force specific to the capital market and/or the internal procedures, the notification of the Company and the staff of the legal regime of the capital market, the endorsing of the documents submitted by the Manager to the FSA for obtaining the authorisations provided for by FSA regulations, the endorsing of the informative and advertising materials of the Company, and other activities in connection with the compliance by the Company and its staff with the laws in force specific to the capital market and the internal regulations.

Within the compliance verification activity, in 2021, the compliance with the internal regulations and the laws specific to the capital market was verified in terms of the activity in relation to:

- The compliance with transparency and reporting rules;
- The fulfilment of the obligations of the Manager relating to investment due diligence;
- The compliance with transparency and reporting rules regarding changes in the organisation and operation documents and significant events;
- The compliance with legal provisions and internal procedures regarding the avoidance and/or management of conflicts of interest, the regime of inside information and personal transactions;
- The fulfilment of the Manager’s obligations regarding the registration of transactions;
- Checks related to the risk control system;
- The organisation and conduct of the activity of handling requests.

The performance of the compliance verification function is regularly reviewed by the internal and external audit function, as well as the Audit Committee.

As a result of the actions of conformity control and verification, it was found that, within the activities subject to control, the capital market laws and the internal regulations and procedures are observed. On the basis of the control activities, proposals and recommendations were made to improve the activity and the working procedures.

Internal audit

The Company activities are subject to a regular internal audit, in order to provide an independent assessment of the operations carried out, the control and management processes and the possible risk exposures for various business segments (asset security, compliance with regulations and contracts, operational and financial information integrity, etc.), and in order to issue recommendations that may aim at improving the systems, controls and procedures for streamlining and increasing the degree of effectiveness of the operations and for monitoring the proposed corrective actions and the results obtained.

The internal audit is carried out in these forms: the assessment of management and control systems; the assessment of the results regarding the objectives pursued and the examination of the actual impact; the provision of conformity for the procedures and operations with the legal rules.

The internal audit activity is an independent and objective activity that gives the Company assurance regarding the degree of control over the operations and is carried out according to the procedures developed for the purposes of carrying out the activity. For each internal audit mission, a detailed programme is drawn up which includes the scope, objectives, resources allocated and the period of its conduct. The audit plan and the resources required for carrying out the activity are endorsed by the Audit Committee and approved by the BoD, and the aim is to include all the activities and operations performed by the Company.

The internal audit aims at supporting the Company in identifying and assessing significant risks in order to provide an independent assessment of the risk management, control and management processes and to assist the Company in maintaining an efficient and effective control system.

Within the Company, the internal audit function is separate and independent of other functions and activities.

This activity was outsourced to MZ Finance Advisory and Assurance S.R.L., according to the internal audit contract no. 15/2016 registered under no. 6747/66528/15.12.2016. According to the Addendum no. 1 registered under no. 8793/88483/12.11.2018 to the aforementioned contract, the mandate of the internal auditor was initially extended for a period of two years, until 30.11.2020. In 2020, according to the Addendum no. 2 registered under no. 3507/104865/12.11.2020, the mandate of the internal auditor was extended for a period of one year, until 31.12.2021.

In the case of the Manager, the internal audit function is also separate and independent of other functions and activities.

This activity was outsourced to MZ Finance Advisory and Assurance S.R.L., according to the internal audit contract no. 12/2016 registered under no. 1175/65796/15.11.2016. According to the Addendum no. 1 registered under no. 1039/88482/12.11.2018 to the aforementioned contract, the mandate of the internal auditor was initially extended for a period of two years, until 30.11.2020. In 2020, according to the Addendum no. 2 registered under no. 963/104864/12.11.2020, the mandate of the internal auditor was extended for a period of one year, until 30.11.2021.

Since 01.12.2021, the internal audit has been carried out by ANB CONSULTING S.R.L., in accordance with the internal audit services contract no. 1004/113386/04.11.2021. The mandate of the internal auditor ANB CONSULTING S.R.L. is for a period of two years, from 01.12.2021 to 30.11.2023.

The main activities and operations of the Company and the Manager subject to internal audit in 2021 are as follows:

The Risk Management Division:

- Reviewing and assessing the compliance with the risk profile
- Reviewing amended procedures and applying them in the quarterly and annual monitoring for the entire set of indicators

Corporate Governance:

- Reviewing the procedure in force regarding the remuneration policy and practices
- Reviewing the activity of the two audited entities and assessing the changes in the relevant procedures of 2021

The Finance and Accounting Division:

- Reviewing and assessing the changes in the relevant procedures, specifically the IFRS Accounting Policy and Procedure Handbook
- Checking the implementation of the interface with the Integrated Information System (IIS) and monitoring relevant internal changes in terms of accounting organisation for the Manager

The Division for the Management of Special Situations, the Operations Division, the Analysis Division, the Investment Opportunity and Asset Investment Division:

- Reviewing the activity and assessing the changes in the relevant procedures

The IT Division:

- Reviewing the activity and assessing the changes in the relevant procedures, establishing the adequacy of the procedures in accordance with the laws in force and the recommendations of the Internal Audit and of the IT auditor of 2020, checking the implementation of the procedures in the workflow

The Division for Net Asset Calculation Strategy

- Reviewing and assessing the changes in the relevant procedures, checking the implementation of the procedures in the workflow, establishing the adequacy of the procedures in accordance with the laws in force.

The internal auditor reports to the Audit Committee and the BoD of the Manager about the purpose of the audit activity, its results, conclusions, recommendations and proposals made. No significant events have been identified that would require the intervention of the BoD.

The Internal Audit believes the activities and operations carried out by the Company in 2021, which were subject to audit, to be in accordance with the Company policies, programmes and management, in keeping with the legal provisions and internal regulations.

The Audit Committee monitors and assesses how the internal auditor complies with contractual provisions. The Audit Committee informs the BoD of any deficiencies found in the performance of the internal audit contract.

The internal audit activity is carried out in accordance with the applicable legal requirements, internal rules and regulations of the Company and complies with the guidelines issued by CAFR and International Audit Standards issued by the Institute of Internal Auditors (IIA Global), respectively. International internal audit rules are based on the (conceptual) International Professional Practices Framework (IPPF), developed and published by the Institute of Internal Auditors (IIA Global).

The effectiveness of the control and risk management system is assessed by the Audit Committee based on reports received from the Risk Management, Compliance and Internal Audit Divisions. Those reports shall include relevant and complete information on the main activities carried out by those divisions. Having reviewed the content of the reports

presented by the three divisions, the Audit Committee concludes that, within the Manager and the Company, respectively, there are procedures which are implemented that allow the rapid identification of any situations potentially generating risks/nonconformities, but also mechanisms of action that allow their rapid and effective management.

The ability to monitor risks at all times, materialised in regular risk reports, as well as stress testing, by means of which crisis impact estimates are obtained, and also materialised in the due diligence at the time of the investment, leads to the conclusion that the risk management system within the Manager/the Company is effective, and the measures adopted to monitor and control exposures to risks identified are appropriate and timely, and the recommendations and issues of concern are given the necessary attention.

The Compliance Officer and the persons designed for the application of Law no. 129/2019 for the prevention and combating of money laundering and terrorist financing, as well as amending and supplementing various legislative acts (hereinafter referred to as Law no. 129/2019)

The Compliance Officer and the persons designated for the prevention and combating of money laundering and terrorist financing within the Manager, in dealings with the National Office for the Prevention and Combating of Money Laundering and the FSA, will have direct access in due time to the data and information required to fulfil the duties established by the Law no. 129/2019 and have specific duties established by a decision of the Executive Management and by internal procedures.

The Manager approves and implements internal policies and rules, internal control mechanisms and procedures for managing the risks of money laundering/terrorist financing, which ensure the establishment of the risk profile associated with the activity carried out, KYC and the submission of reports to the competent authorities

The Manager keeps the records (secondary or operational) and the records of all financial operations that are the subject of the Law no. 129/2019 for a period of five years after the conclusion of the business relationship or after the performance of the occasional transaction, respectively, or even more, at the request of the Office or other authorities, regardless of whether the relevant account has been closed or the customer relationship has ended, in an appropriate form. The records shall be sufficient to enable the reconstruction of the individual transaction, including the amount and type of currency, to provide evidence in court, if necessary. In fulfilling the duties established by the Law no. 129/2019, the persons in charge have direct access at all times to all the records drawn up by the Company in accordance with the applicable legal provisions and check the records on customers and draw up and keep records of their own reports.

The persons in charge of the application of legal provisions for the prevention and punishment of money laundering **and the financing of terrorism (AML/CFT)** within SAI Muntenia Invest S.A. in 2021 were as follows:

- The AML/CFT Compliance Officer: from 01.01.2021 to 25.02.2021: Mr. Mircea Constantin, Strategy Director; from 25.02.2021 to 31.12.2021, Mr. Nicușor Marian Buică, CEO;
- The AML/CFT designated person: Mrs. Ioana Mihaela Petrescu, Legal Advisor.

Mrs. Ioana Mihaela Petrescu is also the person in charge in 2021 of the application of the Government Emergency Ordinance no. 202/2008 on the application of international sanctions.

Financial reporting

The financial statements of 2021 were prepared in accordance with IFRS and the FSA Norm no. 39/2015, which applies together with the Accounting Law no. 82/1991 (as republished and amended). In 2021, the financial audit services for SAI Muntenia Invest S.A. were provided by KPMG Audit S.R.L. According to the Addendum no. 1 registered under no. 75374/875/30.10.2017 to the Letter of Audit and Revision Commitment no. 1249/66389/08.12.2016 the duration of the mandate of KPMG Audit S.R.L. was until 30.04.2020. According to the Letter of Audit Commitment no. 330/101141/30.03.2020 and the FSA Decision no. 536/24.04.2020, the duration of the mandate of KPMG Audit SRL is until 01.05.2022.

On 29 April 2021, the Manager published the Financial Statements as at 31.12.2020 in accordance with the FSA Norm no. 39/2015 for the approval of accounting regulations in accordance with IFRS, applicable to entities authorised, regulated and supervised by the FSA in the Financial Instrument and Investment Sector, with the subsequent amendments and additions, audited by KPMG Audit SRL, the financial auditor of the Company, and approved by the SOGM of 28 April 2021 – accompanied by the Annual Directors' Report and the Report of the Independent Auditor.

On 17 May 2021, the Manager published the Report on the management of SIF Muntenia S.A. for the first quarter of 2021, as well as the Interim Financial Statements as at 31 March 2021, prepared in accordance with the FSA Norm no. 39/2015 for the approval of accounting regulations in accordance with IFRS, applicable to entities authorised, regulated and supervised by the FSA in the Financial Instrument and Investment Sector – without having been audited.

On 10 August 2021, the Manager published the Report on the management of SIF Muntenia S.A. for the first half-year of 2021, in accordance with the provisions of the Law no. 24/2017, the Regulation no. 15/2004, the FSA Regulation no. 5/2018 and the Norm no. 39/2015, as well as the Interim Financial Statements as at 30 June 2021, drawn up in accordance with the FSA Norm no. 39/2015 for the approval of accounting regulations in accordance with IFRS, applicable to entities authorised, regulated and supervised by the FSA in the Financial Instrument and Investment Sector – without having been audited.

On 15 November 2021, the Manager published the Report on the management of SIF Muntenia S.A. for the third quarter of 2021, in accordance with the provisions of the Law no. 24/2017, the Regulation no. 15/2004, the FSA Regulation no. 5/2018 and the Norm no. 39/2015, as well as the Interim Financial Statements as at 30 September 2021, drawn up in accordance with the FSA Norm no. 39/2015 for the approval of accounting regulations in accordance with IFRS, applicable to entities authorised, regulated and supervised by the FSA in the Financial Instrument and Investment Sector – without having been audited.

The conflict of interests and transactions in financial instruments of the relevant persons

The Manager has no holdings that entail a conflict of interests with the Company. The members of the BoD and the Managers working for the Manager may only take up their duties after having obtained the relevant approval from the FSA.

The documentation submitted to the FSA by each member of the BoD and by each member of the executive management, in order to obtain the authorisation, includes statements showing any conflicts of interests.

The Manager establishes the main rules and measures which it may adopt in the decision-making process on the prevention and management of conflicts of interests and is responsible for implementing and observing the working procedure regarding the prevention and management of conflicts of interests.

In order to comply with the legal provisions in force regarding the prevention and proper management of conflicts of interests, within the Manager, there are a Risk Management Division and a Compliance Division, whose purpose is that of ensuring the prevention or proper management of situations with a possible negative impact on the Company, by using specific processes, mechanisms and techniques related to the prevention and management of conflicts of interests posing a significant risk of harm to investors.

Through the functional divisions with specific duties, through the reports drawn up by them according to their duties, the BoD has access at all times to relevant information regarding potential conflicts of interests that affect or may affect the activity of the Company or the Manager, and is also notified of any legal, material, operational and financial aspects that could have an impact.

Upon the occurrence of a conflict of interests among the directors, they inform the BoD about it and refrain from debating and voting on those issues, in accordance with the relevant legal provisions; these situations are recorded in the minutes of the BoD meeting.

The members of the BoD, the executive management or any person with whom the Manager/the Company has concluded an employment agreement or a mandate/services contract may not use inside information related to the Company investment policy when carrying out transactions in financial instruments of one's own portfolio.

One may not disseminate information on the transactions of the BoD, the managers working for the Manager or any persons with whom the Manager/the Company has concluded an employment agreement or a mandate/services contract.

In the case of all personal transactions carried out by the relevant persons within the Manager, regardless of the financial instrument, all relevant persons shall provide the Manager with a report containing information on such transactions. These transactions shall be recorded in the register of personal transactions, together with any authorisation or prohibition, notified to it by third parties, in connection with such transactions.

The Company fulfils the institutional obligations of reporting and information, in the ways specified by FSA and BVB regulations, including by posting on the website and publication in the specialised press.

The internal rules and procedures of the Manager, as well as the Regulation on corporate governance include regulations on avoiding conflicts of interests in the Company management, rules of professional ethics to be observed by one's own employees so that the decisions taken by directors/the executive management and the implementation of such decisions, respectively, should be performed while respecting the interests of Company shareholders as a matter of priority.

The regime of corporate information

The Manager has an effective system of communication and transmission of information, which prevents the disclosure of confidential information. To this end, the Company Manager has adopted a procedure for ensuring the security, integrity and confidentiality of the information.

The management of information security is undertaken both by the management at the highest level and by the managers of the functional structures of the Manager. Everyone has the obligation to designate the responsibilities required by security policy and procedures, to allocate and use the necessary resources efficiently, so as to ensure genuine protection for the data and information, as well as adequate control of the services. The responsibility for the protection and security of the Company assets rests directly with the owners of these resources.

Company information and its infrastructure are secured against threats, such as mishandling or destruction, corruption, unauthorised access, unauthorised processing or suspicious transactions, unauthorised dissemination of customer-related information and other confidential information, accidental or deliberate errors.

These protection measures govern internal and external information and information systems and provide information management practices in accordance with domestic legal requirements and international best practices.

The securing of the information belonging to the Manager, the Company and the computer systems is of strategic and critical importance for the efficiency and continuity of the Company activity. In this regard, the following principles are taken into account:

- The measures to protect IT resources are in accordance with the business requirements, the level of risk exposure, the efficiency and the value of the resource;
- The implementation of information security is practical and achievable through a balance between the level of protection and the efficiency;
- Information security starts from a process of managing incidents, threats and inherent risks;
- Employees, consultants, business partners and other related parties providing services to the Manager/Company shall ensure that their actions are in accordance with the information security policies and applicable procedures.

The Division with duties to this end draws up communications/current or regular reports that are available according to the specific laws applicable to the Company, within the period of reporting of the information provided. The information disseminated to the public is complete, accurate, timely, so that objective investment decisions should be made.

The Manager constantly updates the "Investor Information" section on the Company website.

Social responsibility

The Company constantly carries out activities related to corporate social responsibility and supports disadvantaged groups within the community where it operates each year, either directly or through specialised foundations/associations. The Company also contributes to supporting scientific, cultural, sports, health, educational and environmental actions and events of national or regional interest.

Delegations

For 2021 the Company had the following contracts in force:

- The Framework Contract no. 84500/5429/02.08.2018, with CMF Consulting S.A., an authorised valuer, regarding the preparation of valuation works and valuation-related activities, for a period of 12 months from the date of its signing, with the possibility of automatic extension by 12-month periods;
- The Framework Contract no. 3220/104435/16.10.2020, with Veridio S.R.L., an authorised valuer, regarding the preparation of valuation works and valuation-related activities, for a period of 36 months, with the possibility of automatic extension by 12-month periods;
- With MZ Finance Advisory and Assurance S.R.L., according to the internal audit contract no. 15/2016 registered under no. 6747/66528/15.12.2016. According to Addendum no. 1 registered under no. 8793/88483/12.11.2018 to the aforementioned contract, the mandate of the internal auditor was initially extended for two years, until 30.11.2020. In 2020, according to Addendum no. 2 registered under no. 3507/104865/12.11.2020, the mandate of the internal auditor was extended for a year, until 31.12.2021;
- The Manager concluded the archiving service contract no. 1109/89395/05.12.2018 on behalf of the Company, for a period of five years from the date of its signing, with GLOBAL STORAGE SOLUTION S.R.L.

The policy on the annual distribution of dividends or other shareholder benefits[46]

The dividend policy practiced by SIF Muntenia S.A. aims to maintain a balance between the remuneration of shareholders through dividends and the need to finance new investment from the profit obtained. The maintenance of this balance aims both to increase the long-term investment attractiveness and to maintain the potential for the future development of the Company, ensuring the long-term sustainable profitability of the activity, to the benefit of increasing shareholder value.

The establishment of the manner and proportion of the distribution of the net profit is subject to the approval of the SGM, the proposal of the Company's Manager, taking into account the sustainability, the macroeconomic context and the market.

The remuneration of SIF Muntenia S.A. shareholders is achieved 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.

Throughout 2021 there were no dividend distributions for shareholders because the Company obtained a negative result in 2020.

More details are provided on the Company's website, in the dedicated section.

The relationship with shareholders and capital market institutions

The sections regarding the relationship with investors on the Company's website include up-to-date information on *corporate governance* and provide access to the documents regulating the Company's governance. The information on

[46] The payment of dividends, in compliance with the relevant legal provisions, is and will be made by Depozitarul Central, and the paying agent appointed by the Company is Banca Comercială Română S.A.

governance is regularly reported through the corporate governance statement in the annual report and is constantly updated through current reports and the website. This section also provides the Forecast Policy and the Dividend Distribution Policy or other Benefits to the Shareholders.

The obligations of transparency, reporting and information to the shareholders and capital market institutions have been complied with and ensured through press releases distributed in newspapers with a national financial profile, by publishing the regular and ongoing reports regarding the information provided electronically both on the website www.sifmuntenia.ro and in the electronic system of the capital market on which the Company's shares are listed, by informing the FSA and by carrying out a written and electronic correspondence activity with the shareholders through the Manager's specialised department.

At the beginning of each financial year, the Manager communicates to the BVB and posts on the Company's website (www.sifmuntenia.ro) the financial calendar, according to the regulations in force.

The Manager holds and maintains at its headquarters a single register of petitions, in secure electronic format, in which are recorded chronologically, in order of receipt, all petitions, as well as the status, date and resolution thereof. Any investor in the entities managed by the Manager can submit petitions, free of charge. The information regarding the procedure on the resolution of the petitions received from investors is made available to them, free of charge, at the Manager's headquarters or on the website https://www.sifmuntenia.ro/informatii-pentru-investitori/petitii/. The petitions can be sent to the Manager's headquarters through the following channels: mail, fax, courier, directly at the general registry at the headquarters or by e-mail.

The implementation of the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector

Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (hereinafter referred to as "the Regulation (EU) 2019/2088") lays down rules for financial market participants and financial advisors on transparency in relation to the integration of sustainability risks and the consideration of the adverse effects on sustainability within their activities and on the provision of information concerning sustainability with regard to financial products. Sustainability factors relate to environmental, social and labour issues, the respect for human rights, anti-corruption and anti-bribery issues.

The sustainability risk is an environmental, social or governance event or condition which, if it were to materialise, could have a significant actual or potential adverse effect on the value of the investment.

Sustainability risks can be influenced both by environmental changes (the reduction in the effects of climate change, adapting to climate change, low carbon emissions, the protection of biodiversity and resource management), social aspects (inequality, inclusion, labour relations, investment in the human capital, accident prevention, changes in customer behaviour) or governance deficiencies (significant recurrent violations of international agreements, corruption, product quality and safety, sales practices).

Sustainability risks may pose a real distinct risk, but they may also have an impact on other risks, such as those to which the Manager and the Company are subject, e.g. the market, the credit and operational risks, etc., as the major risks to which the Manager is exposed have been identified.

Sustainability risk assessment is a complex process that can be carried out on the basis of available data on environmental, social and governance issues. For the purposes of collecting raw sustainability data, the Manager may rely on the data provided by external providers.

The Manager shall seek to involve the FSA in issuing recommendations and best practices to facilitate the integration of sustainability risks into the risk management system of investment management companies and to implement legal requirements that create the necessary framework for sustainable financing.

The FSA recommendations are a first step in the area of Regulation and supervision of activities for sustainable financing and sustainable development, in the context of the fight against climate change and raising awareness of the impact of climate change in society and the financial system.

The aim of the FSA recommendations is to address supervised entities by providing a first set of information on sustainable financing, in particular on the increasing importance of sustainability risks.

The recommendations of the FSA, which the administrator follows with a view to integration as best practices in the following period, are:

- Addressing sustainability risks as factors with the potential to increase other types of risks;
- Review the strategy with regard to short, medium and long-term business plans and programs of activities including sustainability risks;
- Review risk policies to include sustainability risks;
- Implementation of a climate governance policy;
- The inclusion of sustainability risks in the entity's internal processes and poles, depending on the nature, scale and complexity of the business and the nature and range of services and activities carried out by the organization;
- Ensuring transparency and public communication on addressing sustainability factors.

The Forecast Policy

Financial forecasts underlying the directions for action are made public to all Company shareholders and refer at least to considerations regarding the internal and external macroeconomic framework relevant for the structuring of management programmes and revenue and expenditure budgets of SIF Muntenia S.A., which includes, but is not limited to:

- Forecasts on the developments and/or level of the main macroeconomic indicators (e.g. GDP, unemployment, inflation, etc.)
- Forecasts on the developments of specific economic sectors deemed to be relevant for the activity, the existing portfolio and the investment policy of SIF Muntenia S.A.;
- Forecasts of the level and developments of specific financial indicators including but not limited to: the expected exchange rate, changes in the monetary policies of the NBR, the developments of the relevant stock market indices;
- Risks related to the geopolitical instability, changes in the political class that affect the business environment (monetary, economic, tax, legal, infrastructure-related, etc.);
- Changes in the legislative framework applicable to the business field of SIF Muntenia S.A. and portfolio companies.

Analyses of the economic context, of global, national and regional trends generate the information support for forecasts that are presented as assumptions, developed on the basis of public data, with a significant degree of uncertainty, as future developments may be different from the expectations originally presented.

The information on the financial forecasts of SIF Muntenia S.A. are subject to the corporate information system and its publication is achieved through the annual, half-yearly or quarterly reports of SIF Muntenia S.A.

Any changes to the original assumptions underlying the forecasts and estimates used may result in adjustments thereof over the established horizon, without this process routinely leading to changes in the approved objectives, programmes or budgets.

The Management Programme and the revenue and expenditure budget proposed within this programme are published each year as part of the documentation subject to the approval of the SGM and are available on the Company website[47].

Forecast-related information refers to factors, trends, events, costs and related revenues that have influenced the result of the relevant period or may influence the results of subsequent reporting periods. The original assumptions underlying the development of the budget and the management programme are regularly re-examined by the Manager and, if potential changes in the expected results are identified, the new assumptions are made public in the reports regarding the management of SIF Muntenia S.A.

The Involvement Policy and the principles in terms of exercising voting rights for the managed undertakings for collective investment[48]

The Manager applies the following Involvement Policy in terms of the investment of the UCIs which it manages, in accordance with the provisions of the Law no. 158/2020, which requires fund managers to develop and provide unit holders/shareholders with information on the involvement policy, describing how shareholders' involvement is

[47] https://www.sifmuntenia.ro/informatii-pentru-investitori/evenimente/adunari-generale-ale-actionarilor/adunari-generale-ale-actionarilor-2021/
[48] http://www.munteniainvest.ro/doc/reguli/20210922/Politica%20de%20implicare_RO.pdf

incorporated into the investment strategies, as well as the principles regarding the exercise of voting rights related to the instruments held in the portfolios of the managed UCIs.

The Manager publishes information both on its website and in the annual report regarding its exercise of the voting right within the general meetings of the issuers in which the UCIs under management hold shares, except for secret ballots according to legal provisions, ones where it does not hold a stake of at least 50%+1 of the voting rights, as well as ones undergoing insolvency proceedings.

The Manager acts in the best interest of investors of the managed UCIs and in this regard it pursues a strategy of active involvement in dealings with the companies in which it invests in order to improve their potential to create value in the medium and long term.

The Manager distinguishes three levels of participation in the case of companies covered by the Involvement Policy. The qualification for one of these three levels of involvement is performed semi-annually on the basis of the total assets of the UCIs under management. These three levels of involvement are determined by the following criteria:

- ✓ The influence (the holding and/or share of voting rights) within the company and
- ✓ The Company share within the portfolio of UCIs under management.

	The share of the UCI portfolio – no more than 0.1%, inclusive, of the total assets, but not lower than RON 250,000	**The share of the UCI portfolio – 0.1 to 5%, inclusive, of the total assets, but not lower than RON 250,000**	**The share of the UCI portfolio – over 5% of the total assets, but not lower than RON 250,000**
Less than 10%, inclusive, of the Issuer's voting rights	**No shareholder involvement**	**Basic shareholder involvement**	**Basic shareholder involvement**
10 to 25%, inclusive of the Issuer's voting rights	**Basic shareholder involvement**	**Basic shareholder involvement**	**Basic shareholder involvement**
Over 25% of the Issuer's voting rights	**Key shareholders' involvement**		

No shareholder involvement

In the case of investment in this category, the fund manager makes its investment decisions primarily on the basis of publicly available information and market analyses, and it is not involved in the operation and management of the company at an operational or strategic level. The Manager may decide to exercise its voting right if it believes that the exercise of such right may have a significant impact on the interests of the investors in the managed UCIs. Since, in the case of companies belonging to this category, the vote of the fund manager is not of strategic importance, the fund manager will not provide information on these votes on its website.

Basic shareholder involvement

In the case of investment in this category, the fund manager appears in part as a financial investor and in part as a long-term strategic investor, making its investment decisions mainly based on publicly available information and market analyses, but not participating in the operation of the companies at operational level.

In general, it participates in the strategic decisions made within SGM, acting on behalf of the funds, exercising voting rights in person, by power of attorney or via electronic/postal votes. Since, in the case of companies belonging to this category, the vote of the fund manager is not (usually) of strategic importance, the Manager will not provide information on such votes on its website.

The exercise of the voting right shall be prominently carried out in terms of issues that have a financial impact on the activity of the companies/shareholders' interests. In current matters, without any financial impact on the activity of the company/shareholders' interests, if the Manager assesses that it is in the Company interest not to vote within the SGM, it may decide not to exercise the right to vote. If the fund manager believes that it is in investors' interest to vote for/against or to abstain from a decision subject to a vote, then it will act accordingly.

In making the decision to exercise the right to vote, the Manager shall also take into account additional elements such as:

- ✓ The strategy behind the decision to invest in the relevant company (short-term investment versus long-term investment);
- ✓ The administrative or other related costs connected with the exercise of the right to vote;
- ✓ The percentage of the share capital/voting rights held.

Key shareholders' involvement

The Manager believes that the investment in this category is the investment covered by this Involvement Policy and acts according to the principles set out below:

a) The monitoring of the business pursued by companies within the UCI portfolio

As an integral part of the investment process, the Manager carefully monitors and examines all issuers that fall within this category, according to the previously established classification. The analysis covers, *inter alia*, the strategy, the financial and non-financial performance and the risk, the capital structure, the social and environmental impact and corporate governance.

This may include the assessment of its own data and the issuers' market, taking into account the research conducted by analysts, discussions within individual and group meetings, the review of the competition.

In addition to the foregoing, the Manager regularly monitors the financial data and other information published by companies from the portfolio of UCIs and additional information which is relevant to the company in question.

As part of the sustainability component, the objective is to identify potential risks, in particular with regard to environmental, social and corporate governance factors. The Manager believes that these factors can have a significant impact on the performance of companies in the medium and long term.

b) The dialogue with companies involved in investment

The Manager deems it crucial to have a dialogue with the companies in which the managed UCIs have investment, e.g. to influence the Company to improve its corporate governance practices, to ensure long-term value creation or in any other area of interest identified.

The Manager normally engages in dialogues during meetings with the senior managers of the Company, during the annual general meetings and other shareholder events.

c) The exercise of voting and other rights related to the shares of companies in the UCI portfolio

d) The cooperation with other shareholders of companies from the UCI portfolio

The Manager may cooperate with other shareholders of companies from the UCI portfolio to promote the best corporate governance, risk management, performance or adequacy of disclosed information. Such cooperation may not lead to a breach of any laws, regulatory requirements or recommendations or of the internal rules of the Manager and shall ensure that all shareholders' rights are observed.

e) The communication with relevant stakeholders of companies from the UCI portfolio

The Manager may start a dialogue with the relevant stakeholders within the companies from the UCI portfolio in order to get a clearer picture of the Company financial position and sustainability-related issues. It shall decide on the approach that best serves the interests of investors in the managed UCIs without violating any legislative act or internal regulation. Dialogues with company representatives may take place through direct or indirect contact, visits to the company headquarters, correspondence, conferences and teleconferencing. The relevant stakeholders include professional working groups, credit rating agencies, public authorities and non-governmental organisations.

In the event of potential conflicts of interests arising in the exercise of voting rights, the Manager shall ensure that investors' interests are not affected. The rules on conflicts of interests set out in the legal regulations and the internal procedures of the Manager shall be taken into account.

The Manager shall publish information on how it has exercised its right to vote within the General Meetings of issuers in which the UCIs under management hold shares, except votes by secret ballot according to legal provisions, ones where it does not hold a stake of at least 50%+1 of the voting rights, as well as ones in insolvency proceedings.

Since 28 August 2021, the Company actively engaged in the company's Germina Agribusiness S.A. and Biofarm S.A., participating in all the SGM during 2021. The Company voted on all the items on the agenda of the SGM as set out below.

The most important agenda items in the SGM are presented below:

1. Germina Agribusiness S.A.:

Within the SOGM of 28.09.2021, the Manager voted "for" on:

- The approval of the Framework Management Contract concluded by the company with the elected directors, from the signing date to the end of the directors' terms of office.

Within the SEGM of 28.09.2021, the Manager voted "for" on:

- The sale of the asset (movable and immovable property) owned by: SUCP Vădeni – the drying, calibration and processing station for "Vădeni" seed maize, Vădeni Commune, Braila County, to Rodbun Grup - S.A., according to the proposal of the BoD.

Within the SEGM of 11.11.2021, the Manager voted "for" on:

- The company steps taken in the case-file no. 2009/P/2019.

Within the SEGM of 13.12.2021, the Manager voted "for" on:

- The sale of the asset (movable and immovable property) owned by: Complex Agrosem Dâmbovița – the small-grain cereal processing station of "Agrosem Dâmbovița", located in Găești, 15 Libertății St., Dâmbovița County, according to the proposal of the BoD.

2. BIOFARM S.A.

Within the SOGM of 04.11.2021, the Manager voted "for" on:

- The discharge of the directors for the period between 01.01.2021 and the date of the SOGM.

10 THE ACCOUNTS

The Company prepared the interim financial statements as at 31.12.2021 in accordance with the FSA Norm no. 39/2015 for the approval of Accounting Regulations in accordance with IFRS, applicable to entities authorised, regulated and supervised by the FSA in the Financial Instrument and Investment Sector, with the subsequent amendments and additions.

The interim financial statements as at 31.12.2021 have been audited.

Below there is a summary of the Company interim financial statements as at 31.12.2021. For details, check the Notes to the Interim Financial Statements as at 31.12.2021, attached hereto.

THE STATEMENT OF FINANCIAL POSITION

In RON	**31 December 2021**	**31 December 2020**
Assets		
Cash and cash equivalents	13,076,220	29,428,118
Deposits with banks	81,853,590	35,567,325
Financial assets at fair value through profit or loss	1,022,991,600	760,465,458
Financial assets at fair value through other comprehensive income	941,366,194	782,464,281
Financial assets measured at amortised cost	5,964,525	5,884,909
Other assets	69,021	4,715,215
Total assets	**2,065,321,150**	**1,618,525,306**
Liabilities		
Dividends payable	13,293,319	27,672,577
Deferred income tax liabilities	47,718,341	27,665,485
Other liabilities	27,438,405	5,646,112
Total liabilities	**88,450,065**	**60,984,174**
Equity		
Share capital	859,471,059	859,471,059
Retained earnings	806,896,611	501,786,070
Reserves from revaluation of financial assets at fair value through other comprehensive income	310,503,415	196,284,003
Total equity	**1,976,871,085**	**1,557,541,132**
Total liabilities and equity	**2,065,321,150**	**1,618,525,306**

Table no. 10.1 *The Statement of Financial Position*

The total asset value as at 31 December 2021 increased by RON 446.80 million, i.e. 27.61%, compared to the value as at 31 December 2020.

The main elements of the assets evolved compared to the end of 2020, as follows:

- *The cash and cash equivalents* (also including deposits with banks) increased compared to 31.12.2020 by RON 29.93 million, due to the Manager's decision, noting that the strategy regarding the Company portfolio liquidity was observed (% of the total assets as at 31.12.2021 – 4.6%);
- *The financial assets at fair value through profit or loss* appreciated by RON 262.53 million, i.e. 34.52%, compared to the value recorded as at 31 December 2020, due to the appreciation of assets in this class. At the end of 2021, Biofarm S.A. accounted for 20.52% of the total accounting assets (31.12.2020: 13.44%)*;*

- *The financial assets at fair value through other comprehensive income* increased by RON 158.90 million, i.e. 20.31%, as a result of the registration of favourable differences in fair value, in particular, with issuers traded in the regulated market or MTF. As at 31.12.2021 the stake held with Banca Transilvania S.A. accounted for 22.48% of the total accounting assets of the Company (31.12.2020: 21.14%).

The equity holds the major share in the liability structure. It appreciated by 26.92% compared to the end of the previous year, mainly due to the positive differences in the fair value of financial assets recorded in the category of *Financial assets at fair value through other comprehensive income* as at 31.12.2021 and the retained earnings.

Net asset difference according to accounting regulations/net assets certified by the Depositary

Considering the fact that in the accounts the entries are according to the FSA Norm no. 39/2015 for the approval of Accounting Regulations in accordance with IFRS, applicable to entities authorised, regulated and supervised by the FSA in the Financial Instrument and Investment Sector and the valuation procedures approved by the Manager, and the monthly net asset calculation is based on the requirements of the FSA Regulation no. 7/2020 on the authorisation and operation of alternative investment funds, the FSA Regulation no. 9/2014 on the authorisation and operation of investment management companies, undertakings for collective investment in transferable securities and depositaries of undertakings for collective investment in transferable securities, and the valuation rules approved by the Manager, as at 31.12.2021 there are differences between the net asset value calculated according to the accounting rules and the net asset value certified by the Depositary.

A summary of the differences between the net assets according to accounts and the certified net assets is presented below.

	Amount (in MRON)
Net assets according to accounts	1,976.79
Certified net assets according to FSA regulations	1,982.61
Differences, of which:	**(5.82)**
Fair value difference for the share sub-portfolio	(3.27)
Fair value difference for the bond sub-portfolio	(0.02)
Adjustment difference for impairment of debtors from withdrawals from unlisted companies	(2.53)

Table no. 10.2 *Differences between the certified net assets and the net assets according to accounts*

THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In RON	31 December 2021	31 December 2020
Income		
Dividend income	52,903,094	49,348,263
Interest income	1,357,621	1,723,224
Other operating income	4,000	-
Investment gain		
Net foreign exchange gains	513,145	178,712
Net gain/(Net loss) on financial assets at fair value through profit or loss	271,741,882	(63,537,403)
Expenses		
Net income from reversal of impairment of assets	-	806,709
Administrative expenses		
Management fees	(52,895,241)	(19,939,043)
Expenses on the remuneration of the members of the Board of Shareholders' Representatives and salaries	(447,523)	(467,016)
Other operating expenses	(4,164,662)	(4,210,642)
Profit/(Loss) before tax	**269,012,316**	**(36,097,196)**
Profit tax	(2,824,679)	10,240,894
Net profit/(Net loss) for the period	**266,187,637**	**(25,856,302)**
Other comprehensive income		
Items that cannot be reclassified as profit or loss		
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax	138,804,795	(6,379,368)
Other comprehensive income	**138,804,795**	**(6,379,368)**
Total comprehensive income for the period	**404,992,432**	**(32,235,670)**

Table no. 10.3 *The Statement of profit or loss and other comprehensive income*

The evolution of the main elements that make up the Statement of profit or loss and other comprehensive income is as follows:

- Dividend income increased, compared to the same period of the previous year, by RON 3.55 million, i.e. 7.20%;
- The *Interest income* category registered a decrease by RON 0.37 million, caused by the decrease in interest rates on bank deposits and cash at bank;
- Investment gains are structured as follows:
  - *Net foreign exchange gains* recorded an increase by RON 0.33 million, i.e. 187.14% higher than the value registered during the same period of the previous year*;*
  - In 2021, the Company recorded a *Net gain on financial assets at fair value through profit or loss* of RON 271.74 million, compared to a loss of RON 63.54 million during the same period of 2020.

The combined effect of the aforementioned items is a positive net result in the amount of RON 266.19 million.

THE CASH FLOW STATEMENT

When preparing the Cash Flow Statement, one considered the following as cash and cash equivalents: the petty cash, the cash at bank, the deposits with an initial maturity shorter than 90 days.

In RON	**2021**	**2020**
Operating activities		
Profit/(Loss) before tax	269,012,316	(36,097,196)
Adjustments:		
Net income from the reversal of impairment of assets	-	(806,709)
(Net gain)/Net loss on financial assets at fair value through profit or loss	(271,741,882)	63,537,403
Dividend income	(52,903,094)	(49,348,263)
Interest income	(1,357,621)	(1,723,224)
Net foreign exchange gains	(513,145)	(178,712)
Interest expense related to the leasing contract liability	2,971	16,339
Adjustments for suppliers – invoiced to be received	26,767,094	2,018,141
Other adjustments	10,395	46,549
Changes in assets and liabilities related to operating activities		
Payments for financial assets at fair value through profit or loss	(12,242,830)	(9,337,235)
Receipts from financial assets at fair value through profit or loss	21,458,570	2,798,340
Payments for financial assets at fair value through other comprehensive income	(70,399,471)	(5,439,376)
Receipts from financial assets at fair value through other comprehensive income	68,599,033	5,330,545
Receipts from financial assets measured at amortised cost	-	5,507,709
Changes in other assets	1,724,894	430,094
Changes in other liabilities	(4,924,553)	(9,825,677)
Net investment in deposits with a maturity of more than 3 months and less than a year	(46,245,858)	(9,694,500)
Dividends received	54,714,182	46,234,435
Interest received	1,304,932	1,760,279
Profit tax paid	-	(851,341)
Net cash resulting from operating activities	**(16,734,067)**	**4,377,601**
Investment activities		
Payments for purchases of tangible and intangible assets	(209)	(179)
Proceeds from the sale of tangible assets	-	-
Net cash (used in)/resulting from investment activities	**(209)**	**(179)**
Financing activities		
Dividends paid, including dividend tax paid	(43,207)	(133,711)
Payments related to the leasing contract liability, including interest	(10,273)	(61,424)
Redemption of own shares	-	-
Net cash used in financing activities	**(53,480)**	**(195,135)**
Net increase in cash and cash equivalents	**(16,787,756)**	**4,182,287**
Effect of exchange rate changes on cash and cash equivalents	435,858	(4,239)
Cash and cash equivalents as at 1 January	29,428,118	25,250,070
Cash and cash equivalents as at 31 December	**13,076,220**	**29,428,118**

Table no. 10.4 *The Cash Flow Statement*

In 2021, the operating activity generated cash as a result of dividend receipts from portfolio companies, the sale of shares and the receipt of bonds reaching maturity (details in the relevant chapters and the Notes to the annual Financial Statements as at 31.12.2021).

ECONOMIC AND FINANCIAL INDICATORS

Indicator	2021	2020	2019
Current ratio	2.00	2.13	1.54
Debt ratio	Not applicable	Not applicable	Not applicable
Non-current asset turnover ratio	0.2237	0.1512	0.1507
Net profit/certified net assets (%)	13.43	-	7.02
ROA (%)	12.89	-	6.66
ROE (%)	13.47	-	7.11

Table no. 10.5 *Economic and financial indicators*

The calculation method
Current ratio - Current assets/Current liabilities
Debt ratio - Borrowed capital/Equity x 100
Non-current asset turnover ratio - Turnover/Non-current assets (turnover = total (current) Company income).
ROA - Net profit/Total accounting assets (this is one of the main indicators of a company's profitability and measures the efficiency of use of the assets, in terms of profit earned, and shows how many units a unit invested in assets brings, in terms of profit).
ROE - Net profit/Equity (this is one of the most important indicators that measures a company's performance. This indicator is calculated as the ratio between the net profit obtained by the company and the equity, basically expressing the way in which and the efficiency with which shareholders have invested their money).

11 THE IMPLEMENTATION OF THE REVENUE AND EXPENDITURE BUDGET

The revenue and expenditure budget for the 2021 financial year was approved within the SOGM of 28 April 2021, based on Decision no. 5.

In RON	2021 revenue & expenditure budget	Achieved in 2021	%
1. Total revenues	**53,110,000**	**54,264,715**	**102.17**
1.1. Investment income	53,010,000	54,260,715	102.36
1.1.1 Gross dividend income	52,000,000	52,903,094	101.74
1.1.2 Interest income	1,010,000	1,357,621	134.42
1.2 Other revenues	100,000	4,000	4.00
2. Total expenditure	**26,950,000**	**57,507,426**	**213.39**
2.1 Management expenses	22,900,000	52,895,241	230.98
2.2 External expenses	2,850,000	3,263,616	114.51
2.3 Portfolio management expenses	600,000	885,540	147.59
2.4 BoSR expenses	500,000	462,841	92.57
2.5 Other expenses	100,000	188	0.19
3. Net gain from the valuation of financial assets at fair value through profit or loss	**-**	**272,255,027**	**-**
4. Gross profit	**26,160,000**	**269,012,316**	**1.028.33**
5. Profit tax (current and deferred), including dividend income tax	-	2,824,679	-
6. Net profit	**-**	**266,187,637**	**-**

Table no. 11.1 *The implementation of the revenue and expenditure budget in 2021*

The total Company income registered in 2021 exceeded the budgeted value approved by Company shareholders by 2.17%.

The total expenses reached a level of 213.39% of the 2021 budgeted value and consisted mainly of the following subcategories:

- Management expenses representing the fee of the Manager, calculated according to the management contract in force:

  - the fixed part is calculated and paid monthly and is equal to 0.125% of the value of the total asset as it was certified by the Company's Depositary for the last business day of the month. In 2021 the amount of this commission was RON 28.72 million;
  - the variable part is calculated at the end of the year and is paid after the approval by the SGM of the financial statements and is equal to 10% of the value by which the gross profit exceeds the gross profit provided for in the Revenue and Expenditure Budget approved by the SGM, for the year in which the profit was recorded. In 2021 the amount of this commission was RON 24.18 million. Performance fee has not been budgeted

  The Manager's management fee related to the financial year 2021 amounted to RON 52.90 million, representing 2.87% of the average net asset, 2.76% of the average total asset of the Company in 2021, respectively.

- External expenses representing the expenses relating to third party services, i.e. expenses relating to service providers: BRD – the depositary (fees shall be calculated as a percentage of the Net Asset certified, which increased in year 2021), FSA commissions and fees (fees shall be calculated as a percentage of the Net Asset certified, which increased in year 2021), the custodian, the Central Depositary, the financial Company auditor, the internal auditor, expenses relating to the relationship with investors, mandatory advertising expenses (increased in 2021 because there were several current and reported reports published), payments to the Trade Register;
- Portfolio management expenses including the SSIF transaction fees, expenses related to the debt recovery services, legal assistance expenses, expenses relating to the valuation services performed by external valuers, etc.

The net gain on the valuation of assets at fair value through profit or loss is in the amount of RON 272.26 million as at 31.12.2021.

By combining the above-mentioned items, as at 31.12.2021, the Company registered a positive net result of RON 266.19 million, primarily as a result of the developments in the fair value of the assets measured through profit or loss.

12 SUBSEQUENT EVENTS

On 09 March 2022, the Bucharest Court ruled in case no. 18.956/3/2021, on the action for annulment of SOGM Decision no. 10 of 28.04.2021, in which the complainants were Mr. Behboud Madadi, Mr. Alexandru Ionel Secară, Mr. Florian Munteanu and Mr. Andrei Viorel Orlando and in which SIF Muntenia S.A. was the defendant. The Bucharest Court dismissed the claimants' action as being brought by persons without active legal standing and ordered the claimants jointly to pay the sum of RON 7,148.29 as court costs. An appeal may be brought against the decision of the Bucharest Court.

13 2022 PROSPECTS

A war that many considered unthinkable has begun. Russia invaded Ukraine on February 2022.The invasion carries huge risks for a world economy that's yet to fully recover from the pandemic shock. The pandemic has left the global economy with two key points of vulnerability: high inflation and tense financial markets. As Ukraine fights for survival, governments of some countries are taking steps to punish Russia. There is also a threat to economic growth too. The population is spending an increasing share of their income on fuel and heating and will have less money for other goods and services. The countries of Europe are heavily dependent on Russian gas for heating their homes.

Until such time as this report is drawn up, the EU has decided to exclude important Russian banks from SWIFT, the world's leading financial messaging system, the decision was taken in close coordination with the EU's international partners, such as the United States and the United Kingdom; to ban investment in projects co-financed by the Russian Direct Investment Fund; to suspend cooperation with Russian entities in the field of research, science and innovation and to prohibit the supply of euro banknotes to Russia.

Ukraine is a major world producer and exporter of cereals, but in 2022 its crops and exports are expected to fall enormously due to the war. After Russian troops have entered Ukraine, there is no physical opportunity to start seeding, which will lead to higher prices for cereals and vegetable oils and a drop in the activity of chemical fertilizer producers at European level. Sanctions against Russia will also affect its exports, as it is also one of the world's leading wheat producers.

Just how big a blow the conflict ends up delivering to the global economy will depend on its length and scope, the severity of sanctions, and the possibility that Russia might retaliate given that it is the EU natural gas supplier.

According to the data from the International Monetary Fund (IMF), the global economy enters 2022 in a weaker position than previously expected. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies.

The IMF considers that elevated inflation is expected to persist longer with ongoing supply chain disruptions and high energy prices continuing in 2022. Assuming inflation expectations stay well anchored, inflation should gradually decrease as supply-demand imbalances wane in 2022 and monetary policy in major economies responds.

Europe's dependence on Russian gas, the energy crisis, the development of the pandemic and the restrictive measures implemented are major sources of uncertainty and risk for forecasts, at least in the short term.

14 PRIORITY STRATEGIC OBJECTIVES FOR 2022

The priority strategic objectives and directions of action for 2022 will be presented, in detail, in the *Management Programme and the Revenue and Expenditure Budget of SIF Muntenia S.A. for 2022,* which will be submitted to the shareholders for approval purposes.

Summary

The investment strategy aims at ensuring that the Company portfolio has well-defined characteristics of a balanced fund, which combines assets (different types of financial instruments) with the potential to increase the value of the assets under management and the investment income. The Company strategy and portfolio meet the requirements of European regulations applicable to alternative investment funds.

The Manager does not invest in derivatives – traded in regulated markets, within organised trading facilities (OTFs) or over the counter (OTC) on its behalf or on behalf of the Company and does not use the leverage in the investment policy adopted in connection with the Company management.

The financial objective of the Company is the effective management of the asset portfolio, so as to ensure a constant flow of income, the preservation and medium to long-term increase of the capital, in order to increase the value for shareholders and to obtain the highest possible returns on the invested capital.

PRIORITY STRATEGIC OBJECTIVES FOR 2022

- Continuing the process of restructuring the portfolio and efficiently managing it, so as to ensure long-term sustainable growth;
- Continuing the investment process, with a focus on investment in Romania and in listed shares.

ANNEXES

- The Financial Statements as at 31 December 2021 prepared in accordance with the provisions of the FSA Norm no. 39/28 December 2015, with the subsequent amendments and additions, which have not been audited, including:
  - The Statement of Financial Position,
  - The Statement of profit or loss and other comprehensive income,
  - Statement of Changes in Equity,
  - The Cash Flow Statement,
  - Notes to the Financial Statements.
- The detailed statement of the investment of SIF Muntenia S.A. as at 31 December 2021, prepared in accordance with Annex no. 11 of Regulation no. 7/2020.
- The Statement on the responsibility for preparing the financial statements as at 31 December 2021.
- The Company instruments of incorporation, as amended in 2021;
- The Statement on the application of the corporate governance principles for SIF Muntenia S.A. (according to the Annex to the FSA Regulation no. 2/2016 on the application of the corporate governance principles by entities authorised, regulated and supervised by the FSA, as subsequently amended and supplemented);
- The status of the compliance with the provisions of the Code of Corporate Governance of BVB as at 31 December 2021;
- Remuneration's report of SAI Muntenia Invest S.A. for the 2021 financial year according to the Remuneration Policy.

SIF Muntenia S.A. by way of its Manager
SAI Muntenia Invest S.A.

CEO,
Marian Nicușor BUICĂ

SIF Muntenia S.A. by way of its Manager
SAI Muntenia Invest S.A.

Chief Accountant,
Irina MIHALCEA

The CVs of the members of the BoD and the Executive Management of the Manager in office as at 31.12.2021

Name	**Age**	**Qualification**	**Professional experience**	**Position held**
Adrian Simionescu	49	*2002-2007* Bachelor of Laws, the Bioterra University of Bucharest – the Faculty of Law *1996-2002* PhD in Economics, the Academy of Economic Studies of Bucharest – the Faculty of International Economic Relations *1995-1996* Master's degree – Quality Management and Crisis Management, the Academy of Economic Studies of Bucharest *1990–1995* Economist, the Academy of Economic Studies of Bucharest *1993-1994* Banks, Stock Exchanges and the Capital Market; Financial Accounting; Marketing & Management; Institute Superieur de Gestion - Paris	*August of 2017 - present* – Non-executive member of the Board of Directors, SAI Muntenia Invest S.A.; *1998 - present* – Chairman & CEO, Vienna Investment Trust S.A. (formerly Finans Securities); *2013 - present* – Member of the Board of Directors, Depozitarul Central S.A.; *2013 - present* – President, FSA Authorised Lecturer, the Millennium Financial Training Centre; *2016 - 2019* – Manager; Delta Energy Management S.a.r.l., Luxembourg *2002 - 2012* – Member of the Board of Directors; Grup Feroviar Român; *1995 - 2001* – Lecturer with the Academy of Economic Studies of Bucharest; *1994 - 1998* – Executive Director, the Romanian Institute of Investment.	Chairman of the Board of Directors

Name	**Age**	**Qualification**	**Professional experience**	**Position held**
Dorina Teodora Mihăilescu	61	*1996* – the National School of Political and Administrative Studies – the Faculty of Political Sciences *1995* – the National College of Defence *1984* – the Academy of Economic Studies of Bucharest, the Faculty of Commerce	*December of 2017 - present* – Non-executive member of the Board of Directors, SAI Muntenia Invest S.A.; *December of 2013 - August of 2014* – Advisor, the First Vice-President's Office, the Financial Supervisory Authority; *April of 2013 - October of 2013* – Non-executive member, the Financial Supervisory Authority; *November of 2007 - April of 2013* – Commissioner, the National Securities Commission; *2011 - 2013* – Representative of the National Securities Commission (participation in the Advisory Technical Committee and the General Board), the European Systemic Risk Board; *April of 2008* – the US Securities and Exchange Commission, the International Institute for Securities Market Development (training programme) – Washington D.C.; *June of 2005 - November of 2007* – Vice-President, the National Securities Commission; *December of 2004 - May of 2005* – Deputy with the Romanian Parliament – the Chamber of Deputies – the Committee for Budget, Finance and Banks; *2001 - 2004* – State Secretary, the Government of Romania, the Department for Institutional and Social Analysis; *1998 - 2000* – Advisor for the Office of the Vice-President of the Chamber of Deputies, the Romanian Parliament – the Chamber of Deputies; *April of 1997 - September of 2001* – Auditor, SIF Muntenia S.A.; *1993 - 1996* – the Government General Secretariat – the Directorate for European Integration – a governmental expert, the Government of Romania; *September of 1990 - 1992* – Deputy, a member of the Economic Committee, the Parliament of Romania – the Chamber of Deputies; *June – September of 1990* – Head of Office for the Head of the Department of Political Analysis, the Romanian Presidency; *1984 - 1990* – Economist, ICSM Huedin, Cluj County;	Member of the Board of Directors

Name	**Age**	**Qualification**	**Professional experience**	**Position held**
Sergiu Mihailov	42	*2014-2019* – Bachelor of Laws, the Faculty of Law; the University of Bucharest; *2002-2007* – the Association of Chartered Certified Accountants, the UK *1998-2002* – Bachelor's degree in Finance and Insurance; the Faculty of Economics, the West University of Timisoara; A member of the Association of Chartered Certified Accountants, the UK; A member of the Chamber of Financial Auditors of Romania; A member of the Chamber of Tax Consultants of Romania;	*January of 2021 – present* – Head of Corporate Management; SAI Muntenia Invest S.A.; *December of 2020 - present* – Member of the Board of Directors; SAI Muntenia Invest S.A.; *2020 - present* – Director; Unisem S.A.; *2019 - present* – Director; Rompaper S.R.L.; *2018 - present* – Director; Vrancart S.A.; *2017 - present* – Director; CI-CO S.A.; *September of 2020 - December of 2020* – Head of the Investment Opportunity Analysis and Asset Investment Department; SAI Muntenia Invest S.A.; *2017 - August of 2020* – Financial Controller; SAI Muntenia Invest S.A.; *2015 - 2021* – Director; Industrial Export S.A.; *2009 - 2015* – Tax Manager; the Romanian companies of the Central Media Enterprises Group; *2005 - 2009* – Tax Assistant Manager, Tax Manager; KPMG Romania; *2004 - 2005* – Tax Consultant; KPMG Romania; *2002 - 2004* – Financial auditor; KPMG Romania;	Member of the Board of Directors Head of Corporate Management

Name	**Age**	**Qualification**	**Professional experience**	**Position held**
Nicușor Marian Buică	47	Associate degree in Engineering, 1997 graduate, the Mechanical field of study, specialising in Materials and Defectoscopy, the Polytechnic University of Bucharest; Economist, 2003 graduate, the University of Craiova, the Faculty of Economic Sciences MBA, 2005 graduate, City University, the State of Washington, the US	*December of 2017 - present* – CEO; SAI Muntenia Invest S.A.; *September of 2020 - present* – Non-executive Director; Biofarm S.A.; *September of 2019 - present* – Non-executive Director; Conpet S.A.; *June of 2019 - present* – Non-executive Director; ICPE S.A.; *March of 2018 - present* – Non-executive Director; Cocor S.A.; *May of 2017 - present* – Member of the Board of Directors; Incertrans S.A.; *December of 2016 - December of 2017* - Member of the Board of Directors; SAI Muntenia Invest S.A. *June of 2016 - 07 December 2016* – Member of the Board of Directors of Swiss Capital S.A.; *May of 2016 - October of 2016* – Manager of Romenergo S.A.; *October of 2015 - April of 2016* – State Secretary, the Ministry of European Funds; *February of 2015 - September of 2015* – Member of the Board of Directors; CN "Loteria Română" S.A.; *December of 2014 - July of 2015* – Member of the Board of Directors; Enel Energie Muntenia S.A.; *August of 2014 - December of 2014* – Advisor to the Minister Delegate for Budget, the Ministry of Public Finance; *March of 2013 - March of 2014* – State Secretary, the Ministry of Transport; *June of 2012 - November of 2012* – Advisor to the Secretary of State, the Ministry of Environment and Climate Change; *July of 2010 - June of 2012* – Chairman of the Board of Directors; Dunapref S.A. *January of 2008 - May of 2009* – Business Director; Apolodor Com Impex S.R.L.;	CEO

Name	**Age**	**Qualification**	**Professional experience**	**Position held**
			2007 - July of 2009 – Head (Deputy Manager); SSIF Active International S.A.; *February of 2004 - 2006* – Internal Control; SSIF Active International S.A.; *October of 2001 - December of 2005* – Head of Development; Elpreco S.A. of Craiova; *January of 1998 - September of 2001* – Investment Broker; SSIF Active International.	

DETAILED STATEMENT OF INVESTMENTS AS AT 31.12.2021 AS COMPARED TO 31.12.2020											
No.	Item denomination	Currency	Beginning of the reporting period (31.12.2020)				End of the reporting period (31.12.2021)				Differences
			% of net asset	% of total asset	Currency	LEI	% of net asset	% of total asset	Currency	LEI	LEI
1	**I. Total asset**	RON	103,927	100,000	0,00	1.613.770.266,73	104,459	100,000	0,00	2.071.016.814,06	457.246.547,33
2	**I.1. Securities and money market instruments of which:**	RON	69,981	67,336	0,00	1.086.647.979,07	75,192	71,982	0,00	1.490.764.386,67	404.116.407,60
3	I.1.1. Securities and money market instruments admitted or traded on a regulated market in Romania, of which:	RON	69,981	67,336	0,00	1.086.647.979,07	75,192	71,982	0,00	1.490.764.386,67	404.116.407,60
4	I.1.1.1. Shares listed on BSE	RON	47,906	46,096	0,00	743.876.633,21	56,938	54,508	0,00	1.128.867.851,32	384.991.218,11
5	I.1.1.2. AIF listed on BSE	RON	5,665	5,451	0,00	87.965.987,20	4,778	4,574	0,00	94.736.767,04	6.770.779,84
6	I.1.1.3. Shares listed on ATS	RON	11,748	11,304	0,00	182.423.324,71	10,323	9,882	0,00	204.668.020,05	22.244.695,34
7	I.1.1.4. Listed shares, but not traded during the last 30 days	RON	4,597	4,423	0,00	71.374.962,72	3,101	2,969	0,00	61.484.677,03	-9.890.285,69
8	I.1.1.5. Shares listed and suspended for trading for more than 30 days	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
9	I.1.1.6. Listed municipal bonds	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
10	I.1.1.7. Listed corporate bonds	RON	0,000	0,000	0,00	0,00	0,051	0,049	0,00	1.007.071,23	1.007.071,23
11	I.1.1.8. Listed municipal bonds and not traded during the last 30 days	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
12	I.1.1.9. Listed corporate bonds and not traded during the last 30 days	RON	0,065	0,062	0,00	1.007.071,23	0,000	0,000	0,00	0,00	-1.007.071,23
13	I.1.2. securities and money market instruments admitted or traded on a regulated market in a Member State	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
14	I.1.2.1 Listed corporate bonds	RON			0,00		0,000	0,000	0,00	0,00	0,00

SIF MUNTENIA

DETAILED STATEMENT OF INVESTMENTS AS AT 31.12.2021 AS COMPARED TO 31.12.2020											
No.	Item denomination	Currency	Beginning of the reporting period (31.12.2020)				End of the reporting period (31.12.2021)				Differences
			% of net asset	% of total asset	Currency	LEI	% of net asset	% of total asset	Currency	LEI	LEI
15	I.1.3. securities and money market instruments admitted to official listing on a non-member stock exchange or traded on another regulated market in a third country	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
16	**I.1. Securities and money market instruments of which:**	EUR	5,517	5,308	17.592.375,80	85.664.314,74	4,381	4,194	17.554.493,63	86.861.389,94	1.197.075,20
17	I.1.1. Securities and money market instruments admitted or traded on a regulated market in Romania, of which:	EUR	0,314	0,302	1.001.732,88	4.877.838,07	0,250	0,239	1.001.890,41	4.957.453,94	79.615,87
18	I.1.1.7. Listed corporate bonds	EUR	0,314	0,302	1.001.732,88	4.877.838,07	0,250	0,239	1.001.890,41	4.957.453,94	79.615,87
19	I.1.2. securities and money market instruments admitted or traded on a regulated market in a Member State	EUR	5,203	5,006	16.590.642,93	80.786.476,67	4,131	3,955	16.552.603,22	81.903.936,00	1.117.459,33
20	I.1.2.1 Listed corporate bonds	EUR					4,131	3,955	16.552.603,22	81.903.936,00	81.903.936,00
21	**I.2. newly issued securities**	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
22	**I.3. other securities and money market instruments mentioned under art. 83 paragraph (1) letter a) of the E.G.O. no. 32/2012 of which**	RON	12,094	11,637	0,00	187.795.066,92	8,911	8,531	0,00	176.675.208,66	-11.119.858,26
23	I.3.1. Unlisted shares (closed)	RON	12,094	11,637	0,00	187.795.066,92	8,911	8,531	0,00	176.675.208,66	-11.119.858,26
24	I.3.2. Unlisted municipal bonds	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
25	I.3.3. Unlisted corporate bonds	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
26	**I.4. Bank deposits, of which:**	RON	2,290	2,204	0,00	35.566.324,68	2,435	2,331	0,00	48.279.557,92	12.713.233,24
27	I.4.1. . bank deposits with credit institutions in Romania;	RON	2,290	2,204	0,00	35.566.324,68	2,435	2,331	0,00	48.279.557,92	12.713.233,24

SIF MUNTENIA

DETAILED STATEMENT OF INVESTMENTS AS AT 31.12.2021 AS COMPARED TO 31.12.2020											
No.	Item denomination	Currency	Beginning of the reporting period (31.12.2020)				End of the reporting period (31.12.2021)				Differences
			% of net asset	% of total asset	Currency	LEI	% of net asset	% of total asset	Currency	LEI	LEI
28	I.4.2. bank deposits with credit institutions in a Member State;	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
29	I.4.3. bank deposits with credit institutions in a third country;	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
30	**I.4. Bank deposits, of which:**	EUR	0,000	0,000	0,00	0,00	1,693	1,621	6.785.237,23	33.574.032,34	33.574.032,34
31	I.4.1. . bank deposits with credit institutions in Romania;	EUR	0,000	0,000	0,00	0,00	1,693	1,621	6.785.237,23	33.574.032,34	33.574.032,34
32	**I.5. Derivative financial instruments traded on a regulated market**	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
33	**I.6. Current accounts and cash**	RON	0,148	0,143	0,00	2.299.839,36	0,650	0,623	0,00	12.894.956,05	10.595.116,69
34	**I.6. Current accounts and cash**	EUR	1,734	1,669	5.529.967,63	26.927.624,38	0,008	0,007	30.311,28	149.983,24	-26.777.641,14
35	**I.6. Current accounts and cash**	GBP	0,000	0,000	1,00	5,42	0,000	0,000	1,00	5,90	0,48
36	**I.6. Current accounts and cash**	USD	0,000	0,000	256,75	1.018,27	0,000	0,000	438,87	1.918,17	899,90
37	**I.7. Money market instruments, other than those traded on a regulated market, according to art. 82 letter g) of the E.G.O no. 32/2012 - Repo type contracts on securities**	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
38	**I.8. AIF / UCITS participation titles**	RON	11,683	11,241	0,00	181.407.446,97	10,476	10,029	0,00	207.692.400,74	26.284.953,77
39	**I.9. Dividends or other receivables**	RON	0,292	0,281	0,00	4.532.591,02	0,038	0,036	0,00	749.345,60	-3.783.245,42
40	I.9.1 Shares distributed with cash contribution	RON			0,00		0,038	0,036	0,00	749.345,60	749.345,60
41	I.9.2 Bonus shares	RON			0,00		0,000	0,000	0,00	0,00	0,00
42	I.9.3 Dividends	RON			0,00		0,000	0,000	0,00	0,00	0,00

DETAILED STATEMENT OF INVESTMENTS AS AT 31.12.2021 AS COMPARED TO 31.12.2020											
No.	Item denomination	Currency	Beginning of the reporting period (31.12.2020)				End of the reporting period (31.12.2021)				Differences
			% of net asset	% of total asset	Currency	LEI	% of net asset	% of total asset	Currency	LEI	LEI
43	I.9.4 Preference / allocation rights	RON			0,00		0,000	0,000	0,00	0,00	0,00
44	**I.10. Other assets (amounts in transit, amounts at distributors, amounts at brokers, tangible and intangible assets, receivables, etc.)**	RON	0,189	0,181	0,00	2.928.055,90	0,675	0,646	0,00	13.373.628,83	10.445.572,93
45	**II. Total liabilities**	RON	3,927	3,779	0,00	60.984.173,63	4,459	4,269	0,00	88.403.375,08	27.419.201,45
46	II.1. Expenses for payment of commissions due to AIFM	RON	0,130	0,125	0,00	2.018.063,19	1,350	1,292	0,00	26.759.807,11	24.741.743,92
47	II.2. Expenses for payment of commissions due to the depositary	RON	0,002	0,002	0,00	26.026,37	0,002	0,001	0,00	30.692,57	4.666,20
48	II.3. Expenses with commissions due to intermediaries	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
49	II.4. Expenses with running commissions and other banking services	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
50	II.5. Interest expenses	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
51	II.6. Issue expenses	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
52	II.7. Expenses for paying the commissions/tariffs due to the FSA	RON	0,008	0,007	0,00	120.298,20	0,008	0,008	0,00	155.622,95	35.324,75
53	II.8. Financial auditing expenses	RON	0,000	0,000	0,00	0,00	0,015	0,015	0,00	306.188,43	306.188,43
54	II.9. Other approved expenses	RON	3,788	3,645	0,00	58.819.785,87	3,084	2,953	0,00	61.151.064,02	2.331.278,15
55	II.10. Buy-back payable	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
56	**III. Net asset value (I-II)**	RON	100,000	96,221	0,00	1.552.786.093,10	100,000	95,731	0,00	1.982.613.438,98	429.827.345,88

Net asset value per share statement			
Item denomination	**Current period (31.12.2021)**	**Corresponding period of the previous year (31.12.2020)**	**Differences**
Net Asset	1.982.613.439,00	1.552.786.093,10	429.827.345,90
Number of issued shares	784.645.201,00	784.645.201,00	0,00
Net asset value per share	2,5268	1,9790	0,5478

DETAILED STATEMENT OF INVESTMENTS AT 31.12.2021

I. Securities admitted or traded on a regulated market in Romania
1. Shares traded during the last 30 trading days (business days)

No. crt.	Issuer	Share symbol	Date of the last trading session	Number of shares owned	Nominal value	Share value	Total value	Share in the share capital of the issuer	Share in the total assets of the AIFR
					lei	lei	lei	%	%
1	ANTIBIOTICE SA IASI	ATB	30.12.2021	1.772.878	0,1000	0,6060	1.074.364,07	0,264	0.052
2	ARO PALACE SA BRASOV	ARO	09.12.2021	41.825.500	0,1000	0,1850	7.737.717,50	10,373	0.374
3	BANCA TRANSILVANIA	TLV	30.12.2021	179.931.994	1,0000	2,5800	464.224.544,52	2,851	22.415
4	BIOFARM SA BUCURESTI	BIO	30.12.2021	508.231.323	0,1000	0,8340	423.864.923,38	51,577	20.467
5	BRD - GROUPE SOCIETE GENERALE	BRD	30.12.2021	5.501.471	1,0000	17,7000	97.376.036,70	0,789	4.702
6	BUCUR SA BUCURESTI	BUCV	29.12.2021	56.608.888	0,1000	0,6050	34.248.377,24	67,978	1.654
7	BURSA DE VALORI BUCURESTI	BVB	30.12.2021	359.500	10,0000	25,5000	9.167.250,00	4,466	0.443
8	CASA DE BUCOVINA-CLUB DE MUNTE S.A.	BCM	30.12.2021	112.400.276	0,1000	0,0980	11.015.227,05	69,246	0.532
9	COCOR SA BUCURESTI	COCR	23.12.2021	30.206	40,0000	80,0000	2.416.480,00	10,012	0.117
10	COMREP SA PLOIESTI	COTN	30.12.2021	120.605	2,5000	14,4000	1.736.712,00	17,178	0.084
11	CONPET SA PLOIESTI	COTE	30.12.2021	35.596	3,3000	79,0000	2.812.084,00	0,411	0.136
12	GERMINA AGRIBUSINESS S.A.	SEOM	30.12.2021	12.250.246	2,5000	3,5400	43.365.870,84	90,681	2.094
13	HELIOS SA Astileu	HEAL	27.12.2021	106.440	2,5000	10,2000	1.085.688,00	7,355	0.052

No. crt.	Issuer	Share symbol	Date of the last trading session	Number of shares owned	Nominal value	Share value	Total value	Share in the share capital of the issuer	Share in the total assets of the AIFR
					lei	lei	lei	%	%
14	INOX SA	INOX	30.12.2021	226.102	2,5000	0,9800	221.579,96	5,146	0.011
15	IOR SA BUCURESTI	IORB	30.12.2021	7.327.025	0,1000	0,1000	732.702,50	2,314	0.035
16	MACOFIL SA TIRGU JIU	MACO	30.12.2021	627.909	4,1000	13,5000	8.476.771,50	17,377	0.409
17	OMV PETROM SA	SNP	30.12.2021	36.509.249	0,1000	0,4990	18.218.115,25	0,064	0.880
18	PREFAB SA BUCURESTI	PREH	30.12.2021	6.295.000	0,5000	2,2000	13.849.000,00	12,970	0.669
19	PRIMCOM SA BUCURESTI	PRIB	30.12.2021	195.345	0,1000	9,7000	1.894.846,50	13,469	0.091
20	PROSPECTIUNI SA BUCURESTI	PRSN	30.12.2021	84.917.900	0,1000	0,0455	3.863.764,45	11,826	0.187
21	ROMAERO SA BUCURESTI	RORX	30.12.2021	1.614.693	2,5000	31,6000	51.024.298,80	23,241	2.464
22	S.N.G.N. ROMGAZ-S.A. Medias	SNG	30.12.2021	1.162.565	1,0000	39,0000	45.340.035,00	0,302	2.189
23	SANTIERUL NAVAL ORSOVA	SNO	30.12.2021	1.504.600	2,5000	5,7000	8.576.220,00	13,172	0.414
24	SEMROM OLTENIA SA CRAIOVA	SEOL	29.12.2021	9.879.418	0,1000	0,9700	9.583.035,46	88,492	0.463
25	SIF BANAT-CRISANA	SIF1	30.12.2021	25.748.176	0,1000	2,5400	65.400.367,04	4,996	3.158
26	SIF OLTENIA	SIF5	30.12.2021	17.400.000	0,1000	1,6860	29.336.400,00	3,480	1.417
27	SINTOFARM SA BUCURESTI	SINT	30.12.2021	502.180	2,5000	5,0500	2.536.009,00	13,007	0.122
28	SOCIETATEA ENERGETICA ELECTRICA S.A.	EL	30.12.2021	310.174	10,0000	10,0400	3.114.146,96	0,090	0.150
29	SOCIETATEA NATIONALA DE TRANSPORT GAZE NATURALE "TRANSGAZ" SA	TGN	30.12.2021	20.800	10,0000	236,0000	4.908.800,00	0,177	0.237
30	SSIF BRK FINANCIAL GROUP S.A.	BRK	30.12.2021	62.399.290	0,1600	0,2830	17.658.999,07	18,475	0.853
31	TERAPLAST S.A. BISTRITA	TRP	30.12.2021	2.317.105	0,1000	0,9840	2.280.031,32	0,106	0.110
32	TRANSILVANIA LEASING SI CREDIT IFN S.A.	TSLA	30.12.2021	127.498.395	0,1000	0,0300	3.824.951,85	24,770	0.185
33	TRANSPORT TRADE SERVICES	TTS	30.12.2021	40.000	1,0000	22,3000	892.000,00	0,133	0.043
34	UNIREA SHOPPING CENTER SA BUCURESTI	SCDM	27.12.2021	297.841	2,5000	66,0000	19.657.506,00	10,833	0.949
35	UNISEM SA BUCURESTI	UNISEM	30.12.2021	60.701.527	0,1000	0,2020	12.261.708,45	76,909	0.592
36	VRANCART S.A. ADJUD	VNC	30.12.2021	22.480.370	0,1000	0,2000	4.496.074,00	2,179	0.217
TOTAL							**1.428.272.638,41**		**68,97**

2. Shares not traded during the last 30 trading days (business days)

No. crt.	Issuer	Share symbol	Date of the last trading session	Number of shares owned	Nominal value	Share value	Total value	Share in the share capital of the issuer	Share in the total assets of the AIFR
					lei	lei	lei	%	%
1	24 IANUARIE SA PLOIESTI	IANY	17.03.2021	71.479	2,5000	41,1100	2.938.498,15	14,640	0.142
* 2	CI-CO SA BUCURESTI	CICO	30.09.2021	2.634.060	2,5000	16,0804	42.356.658,00	97,342	2.045
3	COMCEREAL SA BUCURESTI	CMIL	02.04.2015	143.589	2,5000	3,7207	534.243,99	11,589	0.026
4	COMPANIA ENERGOPETROL SA CAMPINA	ENP	29.06.2021	160.256	2,5000	2,0099	322.095,54	7,915	0.016
5	COMTURIST SA BUCURESTI	COUT	30.09.2021	16.693	2,5000	49,8618	832.342,99	9,867	0.040
6	DIASFIN SA BUCURESTI	DIAS	30.06.2021	42.314	2,5000	44,7939	1.895.410,85	18,604	0.092
7	INSTITUTUL DE CERCETARI IN TRANSPORTURI - INCERTRANS SA BUCURESTI	INCT	09.07.2021	270.392	2,5000	5,0628	1.368.943,60	22,759	0.066
8	METALURGICA SA BUCURESTI	MECA	21.09.2021	34.127	2,5000	12,1710	415.359,81	8,906	0.020
* 9	MINDO SA DOROHOI	MINO	06.07.2021	32.595.770	0,1000	0,1137	3.705.102,00	98,018	0.179
10	SINTER REF SA AZUGA	SIEP	27.05.1997	790.462	2,5000	6,6063	5.222.011,12	19,401	0.252
11	STICLOVAL SA VALENII DE MUNTE	STOZ	15.10.2021	884.478	2,5000	2,1414	1.894.010,98	34,933	0.091
TOTAL							**61.484.677,03**		**2,97**

* The evaluation of companies from SIF Muntenia's portfolio for which evaluation reports were prepared in accordance with the international evaluation standards was performed using income approach - the discounted cash-flows method.

3. Shares not traded during the last 30 trading days (business days) for which the financial statements are not obtained within 90 days from the legal submission dates

No. crt.	Issuer	Share symbol	Date of the last trading session	Number of shares owned	Nominal value	Share value	Total value	Share in the share capital of the issuer	Share in the total assets of the AIFR
					lei	lei	lei	%	%
1	GEROM SA BUZAU	GROB	21.10.2016	742.591	1,3100	0,0000	0,00	3,823	0.000
TOTAL							**0,00**		**0,00**

4. Preference rights / allocation rights

No. crt.	Issuer	Tipul de drept	Symbol	Date of the last trading session	Numar drepturi detinute	Valoare drept	Valoare totala	Share in the total assets of the AIFR
						lei	lei	%
1	VRANCART S.A. ADJUD	de alocare	VNCR02		3.746.728	0,0000	0,00	0.000
TOTAL							**0,00**	**0,00**

5. Bonds admitted to trading issued or guaranteed by local public administration authorities / corporate bonds

Issuer	Bond symbol	Date of the last trading session	No. of owned shares	Purchase date	Coupon date	Coupon maturity date	Initial value	Daily increase	Cumulative interest	Discount / premium cumulative	Market price	Total value	Share in total bonds issued	Share in the total assets of the AIFR
							lei	lei	lei	lei	lei	lei	%	%
CAPITAL LEASING IFN SA	CL22	30.12.2021	10.000	10.06.2019	03.12.2021	02.06.2022	100,00	243,84	7.071,23		101,5000	1.007.071,23	0,167	0,049
IMPACT DEVELOPER & CONTRACTOR	IMP22E	23.12.2021	200	15.12.2017	20.12.2021	19.06.2022	5.000,00	157,53	1.890,41		101,2000	4.957.453,94	7,984	0,239
TOTAL												**5.964.525,18**		**0,288**

6. Bonds admitted to trading issued or guaranteed by central public administration authorities

Not applicable

7. Other securities admitted to trading on a regulated market

Not applicable

8. Amounts under settlement for securities admitted or traded on a regulated market in Romania

Not applicable

II. Securities admitted or traded on a regulated market in another Member State

1. Shares traded during the last 30 trading days (business days)

Not applicable

2. Bonds admitted to trading issued or guaranteed by local public administration authorities, corporate bonds

Issuer	ISIN Code	Date of the last trading session	No. of bonds owned	Purchase date	Coupon date	Coupon maturity date	Initial value	Daily increase	Cumulative interest	Discount / premium cumulative	Market price	NBR foreign exchange rate	Total value	Share in total bonds issue	Share in the total assets of the AIFR
							foreign currency	foreign currency	foreign currency	foreign currency	foreign currency	lei	lei	%	%
Bonds in EUR															
Opus-Chartered Issuances S.A.	DE000A17LGN6		501	16.08.2017	24.09.2021	24.09.2022	10.000,00	272,71	26.998,33			4,9481	25.907.971,21	1,575	1,251
Opus-Chartered Issuances S.A.	DE000A185GT6		1.140	30.08.2016	03.09.2021	05.09.2022	10.000,00	621,25	74.550,41			4,9481	55.995.964,80	3,585	2,704
Total bonds in EUR													**81.903.936,00**		**3,96**
TOTAL													**81.903.936,00**		**3,955**

3. Bonds admitted to trading issued or guaranteed by central public administration authorities

Not applicable

4. Other securities admitted to trading on a regulated market in another Member State

Not applicable

5. Amounts under settlement for securities admitted or traded on a regulated market in another Member State

Not applicable

III. Securities admitted or traded on a regulated market in a third country

1. Shares traded during the last 30 trading days (business days)

Not applicable

2. Bonds admitted to trading issued or guaranteed by local public administration authorities, corporate bonds, traded during the last 30 days

Not applicable

3. Other securities admitted to trading on a regulated market in a third country

Not applicable

4. Amounts under settlement for securities admitted or traded on a regulated market in a third country

Not applicable

IV. Money market instruments admitted or traded on a regulated market in Romania
Not applicable

Amounts under settlement for money market instruments admitted or traded on a regulated market in Romania
Not applicable

V. Money market instruments admitted or traded on a regulated market in another Member State
Not applicable

Amounts under settlement for money market instruments admitted or traded on a regulated market in another Member State
Not applicable

VI. Money market instruments admitted or traded on a regulated market in a third country
Not applicable

Amounts under settlement for money market instruments admitted or traded on a regulated market in a third country
Not applicable

VII. Newly issued securities

1. Newly issued shares

Not applicable

1. Newly issued bonds

Not applicable

3. Preference rights (after registration with the central depository, prior to admission to trading)

Not applicable

VIII. Other securities and money market instruments

VIII.1 Other securities

1. Shares not admitted to trading

No. crt.	Issuer	No, of shares owned	Nominal value	Share value	Total value	Share in the issuer's share capital / total bonds of an issuer	Share in the total assets of the AIFR
			lei		lei	%	%
1	AGAM INVESTITII S.A.	80.000	2,1000	27,6872	2.214.976,48	3,198	0,107
2	AGROEXPORT SA CONSTANTA	203.045	2,5000	0,0000	0,00	18,529	0,000
3	AGROIND UNIREA SA MANASTIREA	187.098	2,5000	0,0000	0,00	18,804	0,000
4	AGROSEM SA TIMISOARA	834	2,5000	0,0000	0,00	0,044	0,000
5	ALEXANDRA TURISM SA BUCURESTI	4.811	2,5000	0,0000	0,00	1,529	0,000
6	ALSTOM TRANSPORT SA BUCURESTI	20.775	10,0000	167,7729	3.485.482,80	2,180	0,168
7	APOLODOR SA BUCURESTI	843.382	0,1000	0,3157	266.277,34	9,850	0,013
* 8	AVICOLA SA BUCURESTI	7.981.093	2,5000	2,3632	18.860.597,00	99,397	0,911
9	BANCA COMERCIALA ROMANA (BCR)	1	0,1000	0,6100	0,61	0,000	0,000
10	BANCA DE EXPORT-IMPORT A ROMANIEI EXIMBANK	564.870	6,0000	6,3358	3.578.885,80	0,423	0,173
11	BRAIFOR SA STEFANESTI	1.016	2,5000	18,1939	18.485,01	0,969	0,001
12	CABLUL ROMANESC SA PLOIESTI	116.116	9,5900	0,0000	0,00	17,219	0,000
13	CCP.RO Bucharest SA	142.500	10,0000	6,9362	988.400,74	1,786	0,048
14	COMPAN SA	1.430.288	2,5000	0,0000	0,00	72,711	0,000
15	COMPANIA DE LIBRARII SA BUCURESTI	113.492	2,6000	61,4968	6.979.398,20	9,891	0,337
16	COMPANIA NATIONALA DE TRANSPORTURI AERIENE ROMANE TAROM SA OTOPENI	752.795	2,5000	0,0000	0,00	0,084	0,000
17	CONTOR GROUP SA	3.839.316	0,1000	0,0000	0,00	1,981	0,000
18	DEPOZITARUL CENTRAL SA	10.584.609	0,1000	0,0896	948.522,92	4,185	0,046
19	ENERGOCONSTRUCTIA SA BUCURESTI	136.045	5,6000	0,0000	0,00	1,766	0,000
* 20	FIROS S.A BUCURESTI	2.815.576	2,5000	13,2208	37.224.058,00	99,685	1,797
* 21	FONDUL ROMAN DE GARANTARE A CREDITELOR PENTRU INTREPRINZATORII PRIVATI - IFN S.A.	8.770.196	1,0000	0,9316	8.170.467,00	54,590	0,395
22	HIDROJET SA BREAZA	291.387	2,5000	0,0000	0,00	8,986	0,000
23	I.C.T.C.M. SA BUCURESTI	119.750	2,5000	0,0000	0,00	30,000	0,000
* 24	ICPE SA BUCURESTI	2.996.939	2,5000	7,3812	22.120.897,00	50,315	1,068
25	IFMA IMOBILIARE SA	101.737	1,8400	22,6530	2.304.643,03	13,952	0,111

No. crt.	Issuer	No, of shares owned	Nominal value	Share value	Total value	Share in the issuer's share capital / total bonds of an issuer	Share in the total assets of the AIFR
			lei		lei	%	%
26	INDUSTRIALEXPORT SA BUCURESTI	80.000	12,0000	0,0000	0,00	3,600	0,000
27	ISORAST TECHNOLOGY SA	778.563	10,0000	0,0000	0,00	25,000	0,000
28	ISPCF SA BUCURESTI	307.644	5,0000	6,9771	2.146.458,25	16,788	0,104
29	MARC TRUST CONSID SA CALARASI	148.009	2,5000	0,0000	0,00	24,856	0,000
30	MASTER SA BUCURESTI	1.501.668	2,5000	3,4858	5.234.570,59	12,773	0,253
* 31	MUNTENIA MEDICAL COMPETENCES SA	1.882.496	11,0000	17,8838	33.666.183,00	99,760	1,626
32	MUNTENIA SA FILIPESTII DE PADURE	388.840	2,5000	0,0000	0,00	25,935	0,000
33	PISCICOLA SA OLTENITA	30.935	2,5000	0,0000	0,00	30,000	0,000
34	RAFINARIA SA DARMANESTI	45.059	2,5000	0,0000	0,00	1,136	0,000
35	RAFINARIA STEAUA ROMANA SA CAMPINA	2.357.100	0,1000	0,0000	0,00	5,696	0,000
36	RAFO SA ONESTI	4.453	0,2600	0,0000	0,00	0,001	0,000
37	RESIAL SA ALBA IULIA	128.669	3,1000	0,0000	0,00	10,136	0,000
38	ROM VIAL SA BUCURESTI	400	2,5000	0,0000	0,00	0,764	0,000
39	ROMATEST SA VOLUNTARI	3.470	2,5000	0,9244	3.207,66	0,460	0,000
40	ROMSUINTEST SA PERIS	6.155.903	2,5000	0,0000	0,00	40,046	0,000
41	RULMENTI SA BIRLAD	58.893	2,7500	1,6855	99.264,27	0,147	0,005
42	SANEVIT SA ARAD	45.282	0,1000	0,0000	0,00	0,759	0,000
43	SEMINA S.A ALBESTI	3.254.150	2,5000	0,0000	0,00	70,027	0,000
44	STIMAS SA SUCEAVA	70.356	2,5000	0,0000	0,00	5,993	0,000
45	TURISM LOTUS FELIX S.A.	50.000.000	0,1000	0,0318	1.589.164,48	3,946	0,077
46	TURNATORIA CENTRALA -ORION SA CIMPINA	332.300	2,5000	0,0000	0,00	22,893	0,000
47	UPETROLAM SA BUCURESTI	38.873	4,0000	4,2315	164.489,67	1,131	0,008
48	VALEA CU PESTI SA	230.781	2,5000	6,5943	1.521.839,81	24,806	0,073
* 49	VOLUTHEMA PROPERTY DEVELOPER SA	3.088.935	10,0000	8,1222	25.088.939,00	99,966	1,211

No. crt.	Issuer	No, of shares owned	Nominal value	Share value	Total value	Share in the issuer's share capital / total bonds of an issuer	Share in the total assets of the AIFR
			lei		lei	%	%
50	VULCAN SA BUCURESTI	2.119.143	2,5000	0,0000	0,00	7,130	0,000
TOTAL					**176.675.208,66**		**8,532**

* The evaluation of companies from SIF Muntenia's portfolio for which evaluation reports were prepared in accordance with the international evaluation standards was performed using income approach - the discounted cash-flows method, except for AVICOLA SA BUCURESTI, FONDUL ROMAN DE GARANTARE A CREDITELOR PENTRU INTREPRINZATORII PRIVATI - IFN S.A. where the valuation was performed using asset approach - the adjusted net asset method.

2. Shares traded on systems other than regulated markets

Not applicable

3. Shares not admitted to trading valued at zero value (lack of updated financial statements submitted to the Trade Register)

No.crt.	Issuer	No, of shares owned	Nominal value	Share value	Total value	Share in the issuer's share capital / total bonds of an issuer	Share in the total assets of the AIFR
			lei		lei	%	%
1	ALUNIS SA BUCURESTI	2.653	2,5000	0,0000	0,00	1,962	0,000
2	BANCA INTERNATIONALA A RELIGIILOR SA BUC	690.743	1,0000	0,0000	0,00	3,454	0,000
3	BUCHAREST FILM STUDIOS SA	806.372	2,5000	0,0000	0,00	0,700	0,000
4	BUENO PANDURI SA BUCURESTI	107.900	2,5000	0,0000	0,00	9,939	0,000
5	CONCORDIA A4 SA BUCURESTI	296.185	2,5000	0,0000	0,00	32,550	0,000
6	CONTRANSIMEX SA BUCURESTI	26.588	11,7517	0,0000	0,00	10,000	0,000
7	CORMORAN - PROD IMPEX	30.632	100,0000	0,0000	0,00	24,528	0,000
8	ELECTRONUM SA BUCURESTI	8	100,0000	0,0000	0,00	0,440	0,000
9	EUROTEST SA BUCURESTI	74.888	2,5000	0,0000	0,00	30,000	0,000
10	HORTICOLA SA BUCURESTI	51.845	2,5000	0,0000	0,00	1,224	0,000
11	INSTITUTUL NATIONAL DE STICLA SA BUCURES	124.654	2,5000	0,0000	0,00	24,228	0,000
12	PROED SA BUCURESTI	134.450	1,0000	0,0000	0,00	10,628	0,000
13	ROMSIT SA BUCURESTI	75.739	0,1000	0,0000	0,00	10,728	0,000

No.crt.	Issuer	No, of shares owned	Nominal value	Share value	Total value	Share in the issuer's share capital / total bonds of an issuer	Share in the total assets of the AIFR
			lei		lei	%	%
14	SIDERCA SA CALARASI	3.676.136	2,5000	0,0000	0,00	18,383	0,000
15	TEHNOFORESTEXPORT SA BUCURESTI	14.739	2,5000	0,0000	0,00	10,000	0,000
16	WORLD TRADE CENTER SA BUCURESTI	26.746	78,7800	0,0000	0,00	2,677	0,000
17	ZECASIN SA BUCURESTI	15.921	15,3000	0,0000	0,00	11,620	0,000
TOTAL					**0,00**		**0,000**

4.Bonds not admitted to trading

Not applicable

5. Amounts under settlement for shares traded on other systems than regulated markets

Not applicable

VIII.2. Other money market instruments mentioned under art. 83 paragraph (1) letter a) of the G.E.O. no. 32/2012

1. Commercial papers

Not applicable

IX. Bank accounts and cash balance

1. Lei bank accounts and cash balance

No. crt.	Bank denomination	Current value	Share in the total assets of the AIFR
		lei	%
1	BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA - RO88WBANXXXXXXXXXXXXXXXX	57,74	0,000
2	BANCA COMERCIALA ROMANA (BCR) Sucursala UNIREA - RO81RNCBXXXXXXXXXXXXXXXX	692,19	0,000
3	BANCA DE EXPORT-IMPORT A ROMANIEI EXIMBANK - RO84EXIMXXXXXXXXXXXXXXXX	4.755,38	0,000

No. crt.	Bank denomination	Current value	Share in the total assets of the AIFR
		lei	%
4	BANCA TRANSILVANIA Sucursala SMB - RO91BTRLXXXXXXXXXXXXXXXX	1.072,12	0,000
5	BRD - GROUPE SOCIETE GENERALE Sucursala MARI CLIENTI CORPORATIVI - RO59BRDEXXXXXXXXXXXXXXXX	3.192,16	0,000
6	BRD - GROUPE SOCIETE GENERALE Sucursala MARI CLIENTI CORPORATIVI - RO81BRDEXXXXXXXXXXXXXXXX	4.261,36	0,000
7	CEC BANK - RO09CECEXXXXXXXXXXXXXXXX	4.760,00	0,000
8	CREDIT EUROPE BANK - RO20FNNBXXXXXXXXXXXXXXXX	6.376.441,82	0,310
9	CREDIT EUROPE BANK - RO47FNNBXXXXXXXXXXXXXXXX	506,93	0,000
10	LIBRA INTERNET BANK Sucursala FUNDENI - RO41BRELXXXXXXXXXXXXXXXX	39.076,55	0,000
11	PROCREDIT BANK S.A. - RO49MIROXXXXXXXXXXXXXXXX	598,90	0,000
12	PROCREDIT BANK S.A. - RO86MIROXXXXXXXXXXXXXXXX	6.457.118,52	0,310
13	SOCIETATEA DE INVESTITII FINANCIARE MUNTENIA S.A. - Casa	2.005,14	0,000
14	VISTA BANK (ROMANIA) SA - RO34EGNAXXXXXXXXXXXXXXXX	417,24	0,000
TOTAL		**12.894.956,05**	**0,620**

2. Foreign currency bank accounts and cash balance

No. crt.	Bank denomination	Current value	NBR foreign exchange rate	Updated value in lei	Share in the total assets of the AIFR
		foreign currency			%
EUR bank accounts and cash balance					
1	BANCA DE EXPORT-IMPORT A ROMANIEI EXIMBANK - RO95EXIMXXXXXXXXXXXXXXXX	0,00	4,9481	0,00	0,000
2	BANCA TRANSILVANIA Sucursala SMB - RO40BTRLXXXXXXXXXXXXXXXX	655,74	4,9481	3.244,67	0,000
3	BRD - GROUPE SOCIETE GENERALE Sucursala MARI CLIENTI CORPORATIVI - RO06BRDEXXXXXXXXXXXXXXXX	29.612,04	4,9481	146.523,34	0,010
4	CEC BANK - RO19CECEXXXXXXXXXXXXXXXX	43,50	4,9481	215,24	0,000
5	SOCIETATEA DE INVESTITII FINANCIARE MUNTENIA S.A. - Casa	0,00	4,9481	0,00	0,000

No. crt.	Bank denomination	Current value	NBR foreign exchange rate	Updated value in lei	Share in the total assets of the AIFR
		foreign currency			%
GBP bank accounts and cash balance					
1	SOCIETATEA DE INVESTITII FINANCIARE MUNTENIA S.A. - Casa	1,00	5,8994	5,90	0,000
USD bank accounts and cash balance					
1	BRD - GROUPE SOCIETE GENERALE Sucursala MARI CLIENTI CORPORATIVI - RO04BRDEXXXXXXXXXXXXXXX	438,87	4,3707	1.918,17	0,000
2	SOCIETATEA DE INVESTITII FINANCIARE MUNTENIA S.A. - Casa	0,00	4,3707	0,00	0,000
TOTAL				**151.907,32**	**0,010**

X. Bank deposits by distinct categories: set up at credit institutions in Romania / in another Member State / in a third country

1. Bank deposits in lei

No. crt.	Bank denomination	Deposit date	Maturity date	Initial value	Daily increase	Cumulative interest	Total value	Share in the total assets of the AIFR
				lei	lei	lei	lei	%
1	PROCREDIT BANK S.A.	28.10.2021	01.02.2022	13.071.000,00	841,56	54.701,24	13.125.701,24	0,63
2	CREDIT EUROPE BANK	28.10.2021	27.01.2022	7.500.000,00	462,33	30.051,37	7.530.051,37	0,36
3	BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA	21.10.2021	20.01.2022	8.141.000,00	565,35	40.705,00	8.181.705,00	0,40
4	BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA	12.10.2021	12.01.2022	10.085.000,00	630,31	51.055,31	10.136.055,31	0,49
5	BANCA TRANSILVANIA	23.12.2021	23.03.2022	9.300.000,00	671,67	6.045,00	9.306.045,00	0,45
TOTAL							**48.279.557,92**	**2,33**

2. Bank deposits in foreign currency

No. crt.	Bank denomination	Deposit date	Maturity date	Initial value	Daily increase	Cumulative interest	NBR foreign exchange rate	Total value	Share in the total assets of the AIFR

				foreign currency	foreign currency	foreign currency	lei	lei	%
Deposits in EUR									
1	CEC BANK	16.12.2021	16.03.2022	4.000.000,00	10,96	175,34	4,9481	19.793.267,61	0,96
2	BANCA DE EXPORT-IMPORT A ROMANIEI EXIMBANK	16.12.2021	16.03.2022	2.785.000,00	3,87	61,89	4,9481	13.780.764,73	0,67
TOTAL								**33.574.032,34**	**1,63**

XI. Derivative financial instruments traded on a regulated market

- on distinct categories: on a regulated market in Romania/in a Member State/in a third country

1. Futures

Not applicable

2. Options

Not applicable

3. Amounts under settlement for derivative financial instruments traded on a regulated market

Not applicable

XII. Derivative financial instruments traded outside regulated markets

1. Forwards
Not applicable

2. SWAPs
- valued according to the quotation
Not applicable

- valued according to the determination of the present value of the payments within the contract
Not applicable

3. Contracts for difference
Not applicable

4. Other derivative contracts on securities, currencies, interest or return rates or other derivative instruments, financial indices or financial indicators / other derivative contracts on goods that must be settled in cash or may be settled in cash at the request of one of the parties
Not applicable

XIII. Money market instruments, other than those traded on a regulated market, according to art. 82 letter g) of the E.G.O. no. 32/2012
Not applicable

XIV. Participation titles in UCITS and/or AIFs

1. Participation titles in lei

No. crt.	Fund denomination	Last trading session date	No. of fund units owned	Fund unit value (NAV per SHARE)	Market price	Total value	Share in total participation titles of UCITS/AIFs	Share in the total assets of the AIFR
				lei	lei	lei	%	%
1	ACTIVE DINAMIC		2.938.476,904300	6,4525		18.960.522,23	95,41	0,92
2	ACTIVE PLUS		4.096,468400	12.972,1800		53.140.125,45	20,80	2,57
3	FII BET-FI INDEX INVEST		8.297,000000	849,3640		7.047.173,11	59,99	0,34

4	FDI PROSPER Invest		100.085,114900	19,4321		1.944.863,96	33,37	0,09
5	FII OPTIM INVEST		2.067,680000	12.403,5200		25.646.510,23	18,26	1,24
6	STAR VALUE		15.134,000000	1.125,1600		17.028.171,44	29,81	0,82
7	ROMANIA STRATEGY FUND CLASS B		56.000,000000	665,5700		37.271.920,00	49,12	1,80
8	STAR FOCUS		152.631,390000	6,8919		1.051.920,28	16,54	0,05
9	STAR NEXT		190.539,480000	8,1704		1.556.783,77	10,46	0,08
10	FII MULTICAPITAL INVEST		4.337,000000	3.184,2800		13.810.222,36	25,91	0,67
11	CERTINVEST ACTIUNI		114,194438	264.760,6000		30.234.187,92	20,68	1,46
TOTAL						**207.692.400,75**		**10,04**

2. Participation titles in foreign currency

Not applicable

3. Amounts under settlement for participation titles denominated in lei

Not applicable

4. Amounts under settlement for participation titles denominated in foreign currency

Not applicable

XV. Dividends or other rights receivables

1. Dividend receivables

Amounts to be received following the withdrawal from the company					
Issuer	Approval's date of the price	No. of shares owned by SIF4 on the approval date	Due amount	Amount to be received	Share in the total assets of the AIFR
TIMPURI NOI SA BUCURESTI	28.06.2016	681,813	2,529,526.23	2,529,526.23	0.122
Total amounts to be received following the withdrawal from the company				**2.529.526,23**	**0,122**
Total				**2,529,526.23**	**0.122**

2. Shares distributed without cash consideration

Not applicable

3. Shares distributed with cash consideration

No.	Issuer	Share symbol	Ex-dividend date	No. of subscribed shares	Share value	Total value	Percentage in F.I.A.I.R. total assets
					lei	lei	%
1	VRANCART S.A. ADJUD	VNC	17.05.2021	3.746.728	0,2000	749.345,60	0,036
Total						**749.345,60**	**0,036**

4. Amount to be paid for shares distributed with cash consideration

Not applicable

5. Preference rights (before admission to trading and after the trading period)

Not applicable

Evolution of net assets and NAV per SHARE in the last 3 reporting periods

	31.12.2021	31.12.2020	31.12.2019
Activul Net	1.982.613.439,00	1.552.786.093,10	1.593.627.487,09
Valoarea unitara a activului net	2,5268	1,9790	2,0310

The leverage level and the exposure value of SIF Muntenia calculated according to the provisions of Regulation (EU) No. 231/2013

Method type	Leverage	Exposure value
Gross method	103,80%	2.057.969.950,72
Commitment method	104,46%	2.071.016.814,08

SAI Muntenia Invest SA does not use leverage in the investment policy adopted in the management of SIF Muntenia.

SIF MUNTENIA
SOCIETATE DE INVESTIȚII FINANCIARE
ADMINISTRATĂ DE S.A.I. MUNTENIA INVEST SA

București, str. S.V. Rahmaninov
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E-MAIL: sai@munteniainvest.ro
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Statement of responsibility for the preparation of the financial statements

In accordance with Article 10, paragraph (1) of the Accounting Law no. 82/1991, republished, as subsequently amended and supplemented, the responsibility for organizing and conducting the accounting is the responsibility of the administrator, the authorizing officer or other person who has the obligation to manage the respective unit.

As administrator of SIF Muntenia S.A., according to the provisions of the Article 29 and 30 of the Accounting Law no. 82/1991, republished, as subsequently amended and supplemented and Regulation no.5/2018 regarding issuers of financial instruments and market operations, article 223, letter A, paragraph (1), letter c), I assume the responsibility for the preparation of the annual financial statements and confirm that:

a) the accounting policies used in the preparation of the annual financial statements as at 31 December 2021 are in accordance with the Financial Supervisory Authority Norm no. 39/2015 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, applicable to the entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector, as subsequently amended and supplemented;

b) the annual financial statements as at 31 December 2021 provide a true view of the financial position, financial performance and other information regarding the activity carried out by SIF Muntenia S.A.;

c) SIF Muntenia S.A. carries out its activity under conditions of continuity;

d) the annual report of SAI Muntenia Invest S.A. regarding the administration of SIF Muntenia S.A. in the year 2021 includes a correct analysis of the development and performance of SIF Muntenia S.A., as well as a description of the main risks and uncertainties specific to the activity carried out.

SAI Muntenia Invest S.A.
Administrator of
SIF Muntenia S.A.

General Director
Nicușor-Marian BUICĂ

ARTICLES OF INCORPORATION
of Societatea de Investiţii Financiare Muntenia SA

Art. 1 Company name, legal form, headquarters and duration

(1). The denomination of the company is "Societatea de Investiţii Financiare Muntenia S.A." hereinafter referred to as SIF MUNTENIA SA. In all documents issued by SIF MUNTENIA SA, the identification data and the information requested by applicable law will be mentioned.

(2). The legal form of SIF MUNTENIA SA (hereinafter referred to as "the Company") is that of joint stock company, Romanian legal person, organized in the form of a private law, classified according to the applicable regulations as an externally managed Alternative Investment Fund of the type of investment companies - FIAS, category Alternative investment fund for retail investors - FIAIR, with a diversified, closed-ended, externally managed investment policy.

(3). SIF MUNTENIA SA will operate in compliance with the provisions of the legislation on the capital market, of the Companies Law 31/1990, republished with subsequent amendments and completions and, of these Articles of Incorporation, of the Rules of SIF MUNTENIA SA (referred to as "Rules" in these Articles of Incorporation) and of the Simplified Prospectus of SIF MUNTENIA SA (called "Prospectus" in these Articles of Incorporation).

(4). The company will operate on the basis of a management contract that will be concluded with the Investment Management Company Muntenia-Invest S.A.

(5). The registered office of the "Company" is in Bucharest, 46-48 Serghei Vasilievici Rachmaninov, ground floor, room. 2, district 2, code 020199. The General Assembly of Shareholders may decide to change the headquarters of SIF MUNTENIA SA in any other place in Romania. SIF MUNTENIA SA will be able to set up subsidiaries, branches, agencies, representations, as well as offices, both in the country and abroad, in compliance with the legal requirements and these Articles of Incorporation, regarding authorization and publicity.

(6). The duration of operation of the "Company" is 100 years. Shareholders have the right to extend the life of the "Company" before its expiration, by decision of the General Assembly of Shareholders.

Art. 2 Company's object of activity

(1). The main domain of activity of SIF MUNTENIA SA is financial service activities, except insurance and pension funding, NACE code 64, and the main object of activity is " Trusts, funds and similar financial entities" NACE CODE – 6430

(2). SIF MUNTENIA SA will be able to carry out the following activities:

a) making financial investments in order to maximize the value of its own shares in accordance with the regulations in force;

b) management of the investment portfolio and the exercise of all rights associated with the instruments in which it invests;

c) risk management

d) other auxiliary and adjacent activities in accordance with the regulations in force

Art. 3 Share capital and shares

(1). The subscribed and fully paid share capital amounts to 78.464.520,10 lei divided into 784.645.201 nominal shares, of 0.1 lei each. Each share entitles to one vote at the Shareholders General Meeting.

(2). The shares of the "Company" are registered, of equal values, issued in dematerialized form and grant equal rights and obligations to their holders. The nominal value of a share is 0.1 lei. The shares are indivisible, and the "Company" recognizes a single representative for the exercise of the rights resulting from an action. The distribution of profits and losses shall be made equally for each action.

(3). The increase of the share capital will be made, in accordance with the law: a) by issuing new shares in exchange for cash contributions; b) by incorporating the reserves, except for the legal reserves and the reserves constituted from the revaluation of the patrimony, as well as of the benefits or of the issue premiums.

(4). The reduction of the share capital is made under the conditions provided by law.

(5). The share capital can be reduced by: a) reducing the number of shares; b) reduction of the nominal value of the shares; and c) other procedures provided by law.

(6). If SAI MUNTENIA INVEST SA finds that following the losses the value of the net assets, determined as the difference between the total assets and debts of SIF MUNTENIA SA, represents less than half of the value of the subscribed share capital, SAI MUNTENIA INVEST SA has the obligation to summon the General Assembly of Shareholders, which will decide whether SIF MUNTENIA SA should be dissolved. If the General Assembly of Shareholders does not approve the dissolution, then SIF MUNTENIA SA is obliged to reduce the share capital by an amount at least equal to that of the losses by the end of the financial year following the one in which the losses were recorded, which could not be covered by reserves, if during this period the net assets have not been reconstituted to the level of a value at least equal to half of the share capital.

(7). The reduction of the share capital will be achieved only after a period of two months from the date of publication in the Official Gazette of Romania, Part IV, of the decision of the General Assembly of Shareholders.

(8). Investors entitled to receive dividends or benefit from the effects of the decisions of the General Assembly of Shareholders are those registered in the register of shareholders kept according to the law by Depozitarul Central SA on the date set by the General Assembly of Shareholders, in accordance with regulations.

(9). The distribution of dividends will be made in compliance with the legal regulations in force and the FSA regulations.

Art. 4 Shareholders

(1). The quality of shareholder of the "Company" is attested by an account statement issued by Depozitarul Central SA, the entity that keeps the records of the shareholders.

Art. 5 Trade, issue, buy back and cancellation of shares

(1). The shares of SIF MUNTENIA SA are negotiable and transferable under the conditions provided by the legislation in force.

(2). The trading of the shares issued by SIF MUNTENIA SA will be done only on a regulated market.

(3). The trading of the shares of SIF MUNTENIA SA is subject to the regulations applicable

to the regulated market on which these shares are traded.

(4). The "Company" may issue new shares in compliance with legal regulations in order to increase the share capital.

(5). The "Company" may redeem its own shares in compliance with the legal provisions applicable in the case of redemption of shares. The "Company" cannot accept redemption requests made by investors for the shares they hold, before the start of the liquidation phase of the fund, directly or indirectly, from the AIF's assets, according to the regulations applicable to alternative closed-end investment funds.

(6). The "Company" may cancel the issued shares only in the cases provided for by the applicable legislation.

Art. 6 The General Assembly of Shareholders

(1). The General Assembly of Shareholders is the supreme governing body of SIF Muntenia SA and is entitled to decide on all matters under its competence according to law and these Articles of Incorporation.

(2). The General Assembly of Shareholders may be ordinary or extraordinary.

(3). The General Assembly of Shareholders is held at least once a year within the period specified by the legal provisions in force.

(4). In addition to debating other issues included on the agenda, the Ordinary The General Assembly of Shareholders must:

a) discuss, approve or amend the yearly financial statements based on the reports of the Director of SAI MUNTENIA INVEST SA and of the financial auditor;

b) to set the value of the amount to be distributed as dividends according to legal provisions;

c) to appoint and revoke the members of the Shareholders' Representatives Council;

d) to appoint the external director according to legal provisions and to revoke the mandate granted to it;

e) to approve the management contract to be concluded with the external administrator;

f) to appoint and and revoke the financial auditor and to set the minimum duration of the financial audit contract;

g) to determine the remuneration of the members of the Shareholders' Representatives Council;

h) to rule on the management of the company;

i) to set the revenue and expenses budget and the management strategy for the following financial year;

j) to decide on pledging, leasing or de-registration of one or several units of SIF MUNTENIA SA

(5). In order to validate the deliberations of the Ordinary General Assembly of Shareholders of SIF MUNTENIA SA the presence of the shareholders holding at least one fourth of the total voting rights is required. Decisions are implemented when the shareholders holding the majority of the votes cast have voted “in favour”.

(6). If, after the first summoning, the Ordinary General Assembly of Shareholders cannot be held because the quorum and / or validity conditions set out in the above paragraph are not met, the Assembly held after the second summon shall deliberate on the issues listed on the agenda of the first Assembly, regardless of the percentage of the share capital of SIF MUNTENIA SA represented by the shareholders attending the Assembly personally / by a representative. In such a case, the Ordinary General Assembly of Shareholders shall adopt valid decisions via a majority of the votes cast.

(7). The Extraordinary General Assembly of Shareholders shall be summoned whenever needed and, unless the applicable law provides otherwise, will adopt resolutions on the following matters:

a. changing the legal form of SIF Muntenia SA;
b. SIF Muntenia SA relocation;
c. changing SIF Muntenia's object of activity;
d. setting up or closing subsidiaries of SIF Muntenia SA;
e. extending the operation duration of SIF Muntenia SA before expiring;
f. increasing the share capital;
g. issuing bonds;
h. reducing the share capital or increasing it by issuing new shares, according to legal provisions in force;
i. merger with other companies or divisions of SIF Muntenia SA;
j. anticipated dissolution of SIF Muntenia SA;
k. conversion of shares from one class to another;
l. conversion of a category of bonds to another category of bonds or into shares;
m. acquisition by SIF Muntenia SA of its own shares, either directly or through persons acting in their own name but on its behalf;
n. consolidating or splitting the nominal value of the share;
o. any other additions and amendments to the Articles of Incorporation or any other decisions in force under this document require the approval of the Extraordinary General Assembly of Shareholders;

(8). The Extraordinary General Assembly delegated to the Director of SAI MUNTENIA INVEST SA the exercise of its attributions for setting up or dissolving branches, representative offices, agencies or other such units with no legal personality.

(9). In order to validate the deliberations of the Extraordinary General Assembly of Shareholders, the presence of shareholders holding at least one quarter of the total number of voting rights is required at the first summon and at subsequent summons, the presence of shareholders representing at least one fifth of the total number of voting rights is required. Decisions are taken via the majority of the votes held by the shareholders that are either present or represented. The decision to change the main object of activity of the company, to reduce or increase the share capital, to change the legal form, to merge, divide or dissolve the company is taken by a majority of at least two thirds of the voting rights held by the shareholders that are either present or represented.

(10). The General Assembly of Shareholders is summoned by SAI MUNTENIA INVEST SA, in compliance with the provisions of Law 31/1990 republished, with subsequent completions and additions, the legislation in force and of the FSA regulations.

(11). The General Assembly is summoned by publishing an announcement in the Official Gazette and in one of the widely circulated newspapers in the locality where the "Company" is located, in accordance with the provisions of the legislation in force. The convocation will include the place and date of the Assembly, as well as the agenda, with the explicit mention of all the issues that will be subject to the debates of the Assembly. If the agenda includes the appointment of the sole director and / or the members of the Shareholders' Representatives Council, the notice shall state that the list includes information on the name, registered office, place of residence and professional qualification, as appropriate, of the proposed legal entities or natural persons for the position of sole director / member of the Shareholders' Representatives Council, are available to shareholders, and can be consulted and completed by them.

(12). The General Assembly of Shareholders will be summoned by SAI MUNTENIA INVEST SA whenever issues arise that are within the competence of the General Assembly of Shareholders. SAI MUNTENIA INVEST SA must summon the General Assembly of Shareholders at the request of the shareholders with shares representing at least 5% of the share capital of SIF MUNTENIA SA, upon the request of the FSA or in the event of a final and irrevocable court decision summoning SIF MUNTENIA SA's General Assembly of Shareholders.

(13). The right to participate in the General Assembly of Shareholders is held by the shareholders registered in the shareholders' register compiled for the reference date set by SAI Muntenia Invest SA.

(14). Participation in the General Assembly of Shareholders will be done directly or through representatives appointed in accordance with the legal provisions in force. The shareholders of SIF MUNTENIA SA may also vote by correspondence according to legal provisions in force and the procedures approved by SAI Muntenia Invest SA. SIF MUNTENIA SA shall allow its shareholders to participate in the General Assembly by using electronic means of data transmission. The electronic means of data transmission that can be used by shareholders to participate in the General Assembly of Shareholders as well as the procedures for identifying shareholders who will participate in the General Assembly of Shareholders with the use of electronic means of data transmission will be presented in the summoning of the General Assembly Shareholders.

(15). Each share gives the right to one vote. Shareholders or those representing a group of shareholders are entitled to vote in accordance with the law.

(16). Decisions shall be implemented by open vote. The secret vote is mandatory when appointing or revoking members of the Shareholders' Representative Council, appointing or revoking the Administrator as well as when appointing or revoking the financial auditor and when making decisions related to the liability of the members of the administration, management and control bodies of the "Company".

(17). SAI Muntenia Invest SA and members of the Board of Directors of SAI Muntenia Invest SA cannot vote on the grounds of the shares they hold, neither personally nor through representatives, when discharging their company property or for issue where the person or their work is in question.

(18). A shareholder who, in a certain operation, has an interest contrary to that of the company, will have to abstain from deliberating on said operation. A shareholder who fails to observe this provision is liable for damages produced to the Company, if, without this vote, the required majority would have not been met.

(19). The decisions of the General Assembly of Shareholders, taken in compliance with the law and these Articles of Incorporation, are binding for all shareholders, including for those who did not attend the meeting or who voted against said decision.

(20). The General Assembly of Shareholders is chaired by the permanent representative appointed by the Director of SAI MUNTENIA INVEST SA and registered at the National Trade Registry Office as a representative of SIF MUNTENIA SA., Respectively the General Manager of SAI MUNTENIA INVEST SA or, in his absence, the Manager of the Corporate Management unit of SAI MUNTENIA INVEST SA.

(21). The General Assembly of Shareholders shall elect from the present shareholders one to three secretaries, who will check the attendance of shareholders, indicating the share capital represented by each of them and all the formalities required by law and by the Articles of Incorporation for holding the General Assembly.

(22). The expenses incurred by organizing and conducting the General Assemblies of Shareholders

shall be borne by SIF Muntenia SA, these expenses being considered incurred in the interest of SIF Muntenia SA and its shareholders.

Art. 7 Shareholders' Representatives Council

1) The Shareholders' Representative Council is a body representing the interests of SIF MUNTENIA SA's shareholders in relation with SAI MUNTENIA INVEST SA, on the basis of a budget approved by the General Assembly of Shareholders of SIF MUNTENIA SA.

2) The General Assembly of Shareholders of SIF MUNTENIA SA shall elect a Shareholders' Representative Council consisting of 3 members, for a four-year term, with the possibility to be re-elected.

3) Individuals that can apply for a place in the Shareholders' Representatives Council of SIF Muntenia SA must fulfill the following conditions:

a) they are not employees or directors of a closed-end fund (SAI) / alternative investment fund manager (AIFM) or another financial investment company and do not have any contractual relationship with SIF Muntenia SA or with the AIFM of SIF Muntenia SA;

b) they must not have any convictions as a result of a final court decision for fraudulent management, breach of trust, forgery, fraud, embezzlement, perjury, offering or receiving bribes;

c) they must be graduates of a higher education institution, at least BA level;

d) they must have at least five years experience in banking and finance, capital markets and managing of a firm or in higher education;

e) they must not hold, directly or together with his/her spouse or relatives up to the third degree or in-laws up to the second degree, more than 5% of the share capital of the depositary with which SIF Muntenia SA has concluded a depository contract;

f) they must not have been sanctioned by a financial market regulator with a ban on the exercise of professional activities;

g) they must not be incomplatible in any way, as provided by the applicable legal provisions or by these Articles of Incorporation

4) SIF MUNTENIA SA's Shareholders Representative Council has the following duties:

a) represents SIF MUNTENIA SA in relation to SAI MUNTENIA INVEST SA;
b) negotiates and concludes the management contract;
c) monitors the observance of the contractual clauses and the commitments undertaken by SAI MUNTENIA INVEST SA through the management contract and the management program approved by the General Assembly of Shareholders of SIF MUNTENIA SA;
d) analyses the periodical reports drawn up by SAI MUNTENIA INVEST SA regarding the performance of its duties on:

- the management of SIF MUNTENIA SA;
- exercising the rights conferred by holding securities from the portfolio of SIF MUNTENIA SA;
- defending the rights and interests of SIF MUNTENIA SA before law courts, arbitration courts and any other bodies with jurisdictional and administrative power;

e) calls for measures to be taken to place the activity of SAI MUNTENIA INVEST within the provisions of the management contract, the FSA Regulations, the yearly management programs, the income and expenditure budgets approved by the General Assembly of Shareholders of SIF MUNTENIA SA and the applicable legislation;

f) verifies the conclusion of the contract with the financial auditor in accordance with the decision of the General Meeting of the Shareholders of SIF MUNTENIA SA;
g) verifies the preparation of the yearly financial statements of SAI MUNTENIA INVEST SA and the profit distribution proposals to be submitted to the approval of the General Assembly of Shareholders of SIF MUNTENIA SA;
h) checks if the annual program regarding the management of the portfolio of SIF MUNTENIA SA was drafted;
i) checks the draft of the Budget of Revenues and Expenditures report of SIF MUNTENIA SA, in order to present it at the General Assembly of Shareholders of SIF MUNTENIA SA;
j) checks if the half-yearly and quarterly reports of SAI MUNTENIA INVEST SA were drafted in accordance with the legal provisions and the FSA regulations;
k) checks if the materials to be presented in the General Assembly of Shareholders of SIF MUNTENIA SA were drafted;
l) checks the conclusion of the storage contract, respectively of the contract with the Central Depository.

Art. 8 Financial reports, financial audit and internal audit of SIF MUNTENIA SA

1) The financial year of SIF MUNTENIA SA starts on January 1 and ends on December 31 of each year.
2) The yearly financial statements, the yearly report of SAI MUNTENIA INVEST SA, as well as the proposal regarding the distribution of the profit are made available to the shareholders at least 30 days before the date of the General Assembly of Shareholders.
3) The net profit will be distributed according to the approval of the Ordinary General Assembly of Shareholders and the legal provisions in force, including in the case provided by art. 67 of Companies Law no. 31/1990, with the application of the specific legislation;
4) SIF MUNTENIA SA has legal reserves and other reserves, in accordance with the law.
5) Dividends are distributed among shareholders in correspondence to the number of shares held
6) The payment of dividends due to shareholders is made by SIF MUNTENIA SA, in accordance with the law.
7) If a loss of net assets is found, the General Assembly of Shareholders will analyse the causes and will decide accordingly in compliance with the legal provisions.
8) The yearly and half-yearly financial statements of SIF MUNTENIA SA will be audited by a financial auditor who meets the conditions provided by the legislation in force and by the ASF regulations.
9) The financial audit will be performed in accordance with an audit agreement concluded by SAI MUNTENIA INVEST SA.
10) The specific internal audit services of SIF MUNTENIA SA will be provided in compliance with the legal provisions in force.

Art. 9 Loans

1) SIF MUNTENIA SA may borrow funds provided that it complies with the legal provisions in force and with the FSA regulations.

Art. 10 Reporting

1) SIF Muntenia SA will ensure for all shareholders equal access to information on its operation in accordance with the FSA regulations.

2) SIF Muntenia SA will comply with the reporting requirements established by FSA regulations and by market regulations where the shares are traded.
3) SIF Muntenia SA will draft, make available to the public, submit to the FSA and the market operator quarterly, half yearly and yearly reports. The reports will be made available to investors in accordance with the FSA regulations.

Art. 11 Authorised investments
1) SIF MUNTENIA SA will make investments in compliance with the legal provisions and the FSA regulations regarding the alternative investment funds classified according to art. 1 para. 2 of these Articles of Incorporation.

Art. 12 Prudential rules regarding the investment policy
1) The investment policy and prudential rules are set by SAI MUNTENIA INVEST SA and will be regulated in the "Rules" and in the "Prospectus" of SIF MUNTENIA SA, in compliance with the investment limitations provided by the applicable legal regulations in force.
2) The prudential rules regarding the investment policy of SIF MUNTENIA SA will comply with the applicable legal regulations.
3) Subject to the restrictions set out by these Articles of Incorporation, the Management Contract and the applicable legislation in force, all decisions regarding the acquisition, sale and exercise of all rights and obligations in relation to the assets of SIF MUNTENIA SA will be exercised by SAI MUNTENIA INVEST SA.
4) SIF MUNTENIA SA has the following obligations:
a. To publish the prudential rules regarding the investment policy on the website www.sifmuntenia.ro;
b. To notify the FSA on any changes regarding the prudential rules regarding the investment policy;
c. To notify the investors in connection with any modification of the prudential rules regarding the investment policy through a current report that will be made public through the website www.sifmuntenia.ro and through the information dissemination system of the Bucharest Stock Exchange.

Art. 13 SIF MUNTENIA SA Management
1) SIF MUNTENIA SA is managed on the grounds of a Management Contract concluded with SAI MUNTENIA INVEST SA, AIFM registered in the FSA Register under no. PJR07.1AFIAI/400005/21.12.2017, approved by the General Assembly of Shareholders of SIF MUNTENIA SA.
2) The duration of the mandate of the director of SIF MUNTENIA SA is 4 years.
3) SIF Muntenia SA will pay a monthly management fee calculated according to the stipulations of the Management Contract, within the maximum limit approved by the company's General Assembly of Shareholders. Depending on the way in which SAI MUNTENIA INVEST SA meets the performance criteria and yearly objectives set by the General Assembly of Shareholders, SIF MUNTENIA SA will pay SAI MUNTENIA INVEST SA a performance fee calculated in accordance with the provisions of the Management Contract.
4) SAI MUNTENIA INVEST SA must make public, via the website www.sifmuntenia.ro, the remuneration policy.
5) The remuneration policy will be compatible with the business strategy, objectives, values

and interests of SIF MUNTENIA SA, as well as with the interests of its investors, including measures to avoid conflicts of interest.

Art. 14 Calculating the net asset value of SIF MUNTENIA SA

1) SIF MUNTENIA SA's net asset value will be calculated in accordance with the legislation in force.

2) The value of the net asset (NPV) of SIF MUNTENIA SA is calculated monthly, for the last working day of each month according to the provisions of the applicable legal regulations and of the "Rules" of SIF MUNTENIA SA.

3) The net asset value per share (NAV per SHARE) will be equal to the NAV divided by the number of shares issued and in use (no. of Sh.).

The calculation formula of NAV per SHARE is: NAV / no. of Sh.

Where:

Number of issued AND in use shares (no. of Sh.) = the total number of issued shares - treasury shares - the number of shares related to deposit certificates or certificates of interest for own shares redeemed and held at the reporting date.

4) NAV and NAV per SHARE will be calculated by the director of SIF MUNTENIA SA and will be certified by the Depositary of SIF MUNTENIA SA within a maximum of 15 calendar days from the end of the month for which the NAV is determined.

5) NAV and NAV per SHARE will be made public by the director of SIF MUNTENIA SA on the website www.sifmuntenia.ro and through the information dissemination system of the Bucharest Stock Exchange.

6) SIF MUNTENIA SA has the following obligations in relation to the rules regarding the valuation of SIF MUNTENIA SA'S assets:

a. to publish these rules on the www.sifmuntenia.ro website.
b. to notify the FSA on any changes to these rules at least 30 days prior to the date of the first net asset value calculated using the amended rules.
c. to notify the investors in connection with any modification of the above-mentioned rules through a current report that will be made public on the www.sifmuntenia.ro website and through the information dissemination system of the Bucharest Stock Exchange.

7) The investment policy of SIF MUNTENIA SA will be set in accordance with the type of alternative investment fund in which SIF MUNTENIA SA falls, mentioned above in art. 1 para. 2 of these Articles of Incorporation.

8) SAI MUNTENIA INVEST SA will ensure that the valuation rules of the assets of SIF MUNTENIA SA comply with the applicable legal provisions in force.

9) The investments of SIF MUNTENIA SA will be made only in the categories of assets allowed by the legal provisions in force, in compliance with the investment policy as it was presented in the SIF MUNTENIA SA "Rules".

10) SAI MUNTENIA INVEST SA has the obligation to include in the SIF MUNTENIA SA "Rules" a detailed presentation of the investment policy and of the valuation rules of the assets of SIF MUNTENIA SA.

Art. 15 SIF MUNTENIA SA depository contract

1) SAI Muntenia Invest SA must conclude a depository contract with a depository authorized by FSA.

2) The activities performed by the depository shall be in accordance with the legal provisions and the FSA regulations in force and will be mentioned under the depositary contract.

3) The conditions for replacing the depositary, as well as the rules for ensuring the protection of shareholders in such situations, will be provided in the SIF MUNTENIA SA "Rules" , in compliance with the legal provisions in force.

Art. 16 Dissolution and liquidation of SIF MUNTENIA SA

1) The "Company" shall be dissolved in the cases stipulated by law. In the event of dissolution, the Company will be liquidated. The liquidation of the fund will take place on the expiration date of its duration, if the shareholders have not decided to extend it.

2) The liquidation follows the procedure provided by law. After completion, the liquidators will require the de-registration of the company from the Trade Register.

Art. 17 Disputes

1) The Company's disputes with natural or legal entities fall under the jurisdiction of the Romanian courts. These disputes can be solved via arbitration as well.

Art. 18 Miscellaneous

1) These Articles of Incorporation are supplemented by the legal provisions on companies - common law - and by the special legal provisions in the capital market field.

2) The terms of these Articles of Incorporation shall be deemed modified by law if any subsequent legislation appears that removes or restricts the limitations expressly provided at present for alternative financial investment companies where SIF MUNTENIA SA falls, as mentioned above in art. 1 para. 2 of these Articles of Incorporation.

Art. 19 Amendments

1) Any amendments brought to these Articles of Incorporation will be subject to the prior approval of the General Assembly of Shareholders and the FSA.

Prepared in 4 copies, today, 08.01.2021.

SIF MUNTENIA SA
represented by director
SAI MUNTENIA INVEST SA

Nicușor Marian BUICĂ

General Manager

ARTICLES OF INCORPORATION
of Societatea de Investiţii Financiare Muntenia SA

Art. 1 Company name, legal form, headquarters and duration

(1). The denomination of the company is "Societatea de Investiţii Financiare Muntenia S.A." hereinafter referred to as SIF MUNTENIA SA. In all documents issued by SIF MUNTENIA SA, the identification data and the information requested by applicable law will be mentioned.

(2). The legal form of SIF MUNTENIA SA (hereinafter referred to as "the Company") is that of joint stock company, Romanian legal person, organized in the form of a private law, classified according to the applicable regulations as an externally managed Alternative Investment Fund of the type of investment companies - FIAS, category Alternative investment fund for retail investors - FIAIR, with a diversified, closed-ended, externally managed investment policy.

(3). SIF MUNTENIA SA will operate in compliance with the provisions of the legislation on the capital market, of the Companies Law 31/1990, republished with subsequent amendments and completions and, of these Articles of Incorporation, of the Rules of SIF MUNTENIA SA (referred to as "Rules" in these Articles of Incorporation) and of the Simplified Prospectus of SIF MUNTENIA SA (called "Prospectus" in these Articles of Incorporation).

(4). The company will operate on the basis of a management contract that will be concluded with the Investment Management Company Muntenia-Invest S.A.

(5). The registered office of the "Company" is in Bucharest, 46-48 Serghei Vasilievici Rachmaninov, ground floor, room. 2, district 2, code 020199. The General Assembly of Shareholders may decide to change the headquarters of SIF MUNTENIA SA in any other place in Romania. SIF MUNTENIA SA will be able to set up subsidiaries, branches, agencies, representations, as well as offices, both in the country and abroad, in compliance with the legal requirements and these Articles of Incorporation, regarding authorization and publicity.

(6). The duration of operation of the "Company" is 100 years. Shareholders have the right to extend the life of the "Company" before its expiration, by decision of the General Assembly of Shareholders.

Art. 2 Company's object of activity

(1). The main domain of activity of SIF MUNTENIA SA is financial service activities, except insurance and pension funding, NACE code 64, and the main object of activity is " Trusts, funds and similar financial entities" NACE CODE – 6430

(2). SIF MUNTENIA SA will be able to carry out the following activities:

a) making financial investments in order to maximize the value of its own shares in accordance with the regulations in force;

b) management of the investment portfolio and the exercise of all rights associated with the instruments in which it invests;

c) risk management

d) other auxiliary and adjacent activities in accordance with the regulations in force

Art. 3 Share capital and shares

(1). The subscribed and fully paid share capital amounts to 78.464.520,10 lei divided into 784.645.201 nominal shares, of 0.1 lei each. Each share entitles to one vote at the Shareholders

General Meeting.

(2). The shares of the “Company” are registered, of equal values, issued in dematerialized form and grant equal rights and obligations to their holders. The nominal value of a share is 0.1 lei. The shares are indivisible, and the “Company” recognizes a single representative for the exercise of the rights resulting from an action. The distribution of profits and losses shall be made equally for each action.

(3). The increase of the share capital will be made, in accordance with the law: a) by issuing new shares in exchange for cash contributions; b) by incorporating the reserves, except for the legal reserves and the reserves constituted from the revaluation of the patrimony, as well as of the benefits or of the issue premiums.

(4). The reduction of the share capital is made under the conditions provided by law.

(5). The share capital can be reduced by: a) reducing the number of shares; b) reduction of the nominal value of the shares; and c) other procedures provided by law.

(6). If SAI MUNTENIA INVEST SA finds that following the losses the value of the net assets, determined as the difference between the total assets and debts of SIF MUNTENIA SA, represents less than half of the value of the subscribed share capital, SAI MUNTENIA INVEST SA has the obligation to summon the General Assembly of Shareholders, which will decide whether SIF MUNTENIA SA should be dissolved. If the General Assembly of Shareholders does not approve the dissolution, then SIF MUNTENIA SA is obliged to reduce the share capital by an amount at least equal to that of the losses by the end of the financial year following the one in which the losses were recorded, which could not be covered by reserves, if during this period the net assets have not been reconstituted to the level of a value at least equal to half of the share capital.

(7). The reduction of the share capital will be achieved only after a period of two months from the date of publication in the Official Gazette of Romania, Part IV, of the decision of the General Assembly of Shareholders.

(8). Investors entitled to receive dividends or benefit from the effects of the decisions of the General Assembly of Shareholders are those registered in the register of shareholders kept according to the law by Depozitarul Central SA on the date set by the General Assembly of Shareholders, in accordance with regulations.

(9). The distribution of dividends will be made in compliance with the legal regulations in force and the FSA regulations.

Art. 4 Shareholders

(1). The quality of shareholder of the “Company” is attested by an account statement issued by Depozitarul Central SA, the entity that keeps the records of the shareholders.

Art. 5 Trade, issue, buy back and cancellation of shares

(1). The shares of SIF MUNTENIA SA are negotiable and transferable under the conditions provided by the legislation in force.

(2). The trading of the shares issued by SIF MUNTENIA SA will be done only on a regulated market.

(3). The trading of the shares of SIF MUNTENIA SA is subject to the regulations applicable to the regulated market on which these shares are traded.

(4). The "Company" may issue new shares in compliance with legal regulations in order to increase the share capital.

(5). The "Company" may redeem its own shares in compliance with the legal provisions

applicable in the case of redemption of shares. The "Company" cannot accept redemption requests made by investors for the shares they hold, before the start of the liquidation phase of the fund, directly or indirectly, from the AIF's assets, according to the regulations applicable to alternative closed-end investment funds.

(6). The "Company" may cancel the issued shares only in the cases provided for by the applicable legislation.

Art. 6 The General Assembly of Shareholders

(1). The General Assembly of Shareholders is the supreme governing body of SIF Muntenia SA and is entitled to decide on all matters under its competence according to law and these Articles of Incorporation.

(2). The General Assembly of Shareholders may be ordinary or extraordinary.

(3). The General Assembly of Shareholders is held at least once a year within the period specified by the legal provisions in force.

(4). In addition to debating other issues included on the agenda, the Ordinary The General Assembly of Shareholders must:

a) discuss, approve or amend the yearly financial statements based on the reports of the Director of SAI MUNTENIA INVEST SA and of the financial auditor;

b) to set the value of the amount to be distributed as dividends according to legal provisions;

c) to appoint and revoke the members of the Shareholders' Representatives Council;

d) to appoint the external director according to legal provisions and to revoke the mandate granted to it;

e) to approve the management contract to be concluded with the external administrator;

f) to appoint and and revoke the financial auditor and to set the minimum duration of the financial audit contract;

g) to determine the remuneration of the members of the Shareholders' Representatives Council;

h) to rule on the management of the company;

i) to set the revenue and expenses budget and the management strategy for the following financial year;

j) to decide on pledging, leasing or de-registration of one or several units of SIF MUNTENIA SA

(5). In order to validate the deliberations of the Ordinary General Assembly of Shareholders of SIF MUNTENIA SA the presence of the shareholders holding at least one fourth of the total voting rights is required. Decisions are implemented when the shareholders holding the majority of the votes cast have voted “in favour”.

(6). If, after the first summoning, the Ordinary General Assembly of Shareholders cannot be held because the quorum and / or validity conditions set out in the above paragraph are not met, the Assembly held after the second summon shall deliberate on the issues listed on the agenda of the first Assembly, regardless of the percentage of the share capital of SIF MUNTENIA SA represented by the shareholders attending the Assembly personally / by a representative. In such a case, the Ordinary General Assembly of Shareholders shall adopt valid decisions via a majority of the votes cast.

(7). The Extraordinary General Assembly of Shareholders shall be summoned whenever needed and, unless the applicable law provides otherwise, will adopt resolutions on the following matters:

a. changing the legal form of SIF Muntenia SA;
b. SIF Muntenia SA relocation;
c. changing SIF Muntenia’s object of activity;
d. setting up or closing subsidiaries of SIF Muntenia SA;
e. extending the operation duration of SIF Muntenia SA before expiring;

f. increasing the share capital;
g. issuing bonds;
h. reducing the share capital or increasing it by issuing new shares, according to legal provisions in force;
i. merger with other companies or divisions of SIF Muntenia SA;
j. anticipated dissolution of SIF Muntenia SA;
k. conversion of shares from one class to another;
l. conversion of a category of bonds to another category of bonds or into shares;
m. acquisition by SIF Muntenia SA of its own shares, either directly or through persons acting in their own name but on its behalf;
n. consolidating or splitting the nominal value of the share;
o. any other additions and amendments to the Articles of Incorporation or any other decisions in force under this document require the approval of the Extraordinary General Assembly of Shareholders;

(8). The Extraordinary General Assembly delegated to the Director of SAI MUNTENIA INVEST SA the exercise of its attributions for setting up or dissolving branches, representative offices, agencies or other such units with no legal personality.

(9). In order to validate the deliberations of the Extraordinary General Assembly of Shareholders, the presence of shareholders holding at least one quarter of the total number of voting rights is required at the first summon and at subsequent summons, the presence of shareholders representing at least one fifth of the total number of voting rights is required. Decisions are taken via the majority of the votes held by the shareholders that are either present or represented. The decision to change the main object of activity of the company, to reduce or increase the share capital, to change the legal form, to merge, divide or dissolve the company is taken by a majority of at least two thirds of the voting rights held by the shareholders that are either present or represented.

(10). The General Assembly of Shareholders is summoned by SAI MUNTENIA INVEST SA, in compliance with the provisions of Law 31/1990 republished, with subsequent completions and additions, the legislation in force and of the FSA regulations.

(11). The General Assembly is summoned by publishing an announcement in the Official Gazette and in one of the widely circulated newspapers in the locality where the “Company” is located, in accordance with the provisions of the legislation in force. The convocation will include the place and date of the Assembly, as well as the agenda, with the explicit mention of all the issues that will be subject to the debates of the Assembly. If the agenda includes the appointment of the sole director and / or the members of the Shareholders' Representatives Council, the notice shall state that the list includes information on the name, registered office, place of residence and professional qualification, as appropriate, of the proposed legal entities or natural persons for the position of sole director / member of the Shareholders' Representatives Council, are available to shareholders, and can be consulted and completed by them.

(12). The General Assembly of Shareholders will be summoned by SAI MUNTENIA INVEST SA whenever issues arise that are within the competence of the General Assembly of Shareholders. SAI MUNTENIA INVEST SA must summon the General Assembly of Shareholders at the request of the shareholders with shares representing at least 5% of the share capital of SIF MUNTENIA SA, upon the request of the FSA or in the event of a final and irrevocable court decision summoning SIF MUNTENIA SA’s General Assembly of Shareholders.

(13). The right to participate in the General Assembly of Shareholders is held by the shareholders

registered in the shareholders' register compiled for the reference date set by SAI Muntenia Invest SA.

(14). Participation in the General Assembly of Shareholders will be done directly or through representatives appointed in accordance with the legal provisions in force. The shareholders of SIF MUNTENIA SA may also vote by correspondence according to legal provisions in force and the procedures approved by SAI Muntenia Invest SA. SIF MUNTENIA SA shall allow its shareholders to participate in the General Assembly by using electronic means of data transmission. The electronic means of data transmission that can be used by shareholders to participate in the General Assembly of Shareholders as well as the procedures for identifying shareholders who will participate in the General Assembly of Shareholders with the use of electronic means of data transmission will be presented in the summoning of the General Assembly Shareholders.

(15). Each share gives the right to one vote. Shareholders or those representing a group of shareholders are entitled to vote in accordance with the law.

(16). Decisions shall be implemented by open vote. The secret vote is mandatory when appointing or revoking members of the Shareholders' Representative Council, appointing or revoking the Administrator as well as when appointing or revoking the financial auditor and when making decisions related to the liability of the members of the administration, management and control bodies of the "Company".

(17). SAI Muntenia Invest SA and members of the Board of Directors of SAI Muntenia Invest SA cannot vote on the grounds of the shares they hold, neither personally nor through representatives, when discharging their company property or for issue where the person or their work is in question.

(18). A shareholder who, in a certain operation, has an interest contrary to that of the company, will have to abstain from deliberating on said operation. A shareholder who fails to observe this provision is liable for damages produced to the Company, if, without this vote, the required majority would have not been met.

(19). The decisions of the General Assembly of Shareholders, taken in compliance with the law and these Articles of Incorporation, are binding for all shareholders, including for those who did not attend the meeting or who voted against said decision.

(20). The General Assembly of Shareholders is chaired by the permanent representative appointed by the Director of SAI MUNTENIA INVEST SA and registered at the National Trade Registry Office as a representative of SIF MUNTENIA SA., Respectively the General Manager of SAI MUNTENIA INVEST SA or, in his absence, the Manager of the Corporate Management unit of SAI MUNTENIA INVEST SA.

(21). The General Assembly of Shareholders shall elect from the present shareholders one to three secretaries, who will check the attendance of shareholders, indicating the share capital represented by each of them and all the formalities required by law and by the Articles of Incorporation for holding the General Assembly.

(22). The expenses incurred by organizing and conducting the General Assemblies of Shareholders shall be borne by SIF Muntenia SA, these expenses being considered incurred in the interest of SIF Muntenia SA and its shareholders.

Art. 7 Shareholders' Representatives Council

1) The Shareholders' Representative Council is a body representing the interests of SIF MUNTENIA SA's shareholders in relation with SAI MUNTENIA INVEST SA, on the basis of a budget approved by the General Assembly of Shareholders of SIF MUNTENIA SA.

2) The General Assembly of Shareholders of SIF MUNTENIA SA shall elect a Shareholders'

Representative Council consisting of 3 members, for a four-year term, with the possibility to be re-elected.

3) Individuals that can apply for a place in the Shareholders' Representatives Council of SIF Muntenia SA must fulfill the following conditions:

a) they are not employees or directors of a closed-end fund (SAI) / alternative investment fund manager (AIFM) or another financial investment company and do not have any contractual relationship with SIF Muntenia SA or with the AIFM of SIF Muntenia SA;

b) they must not have any convictions as a result of a final court decision for fraudulent management, breach of trust, forgery, fraud, embezzlement, perjury, offering or receiving bribes;

c) they must be graduates of a higher education institution, at least BA level;

d) they must have at least five years experience in banking and finance, capital markets and managing of a firm or in higher education;

e) they must not hold, directly or together with his/her spouse or relatives up to the third degree or in-laws up to the second degree, more than 5% of the share capital of the depositary with which SIF Muntenia SA has concluded a depository contract;

f) they must not have been sanctioned by a financial market regulator with a ban on the exercise of professional activities;

g) they must not be incomplatible in any way, as provided by the applicable legal provisions or by these Articles of Incorporation

4) SIF MUNTENIA SA's Shareholders Representative Council has the following duties:

a) represents SIF MUNTENIA SA in relation to SAI MUNTENIA INVEST SA;
b) negotiates and concludes the management contract;
c) monitors the observance of the contractual clauses and the commitments undertaken by SAI MUNTENIA INVEST SA through the management contract and the management program approved by the General Assembly of Shareholders of SIF MUNTENIA SA;
d) analyses the periodical reports drawn up by SAI MUNTENIA INVEST SA regarding the performance of its duties on:

- the management of SIF MUNTENIA SA;
- exercising the rights conferred by holding securities from the portfolio of SIF MUNTENIA SA;
- defending the rights and interests of SIF MUNTENIA SA before law courts, arbitration courts and any other bodies with jurisdictional and administrative power;

e) calls for measures to be taken to place the activity of SAI MUNTENIA INVEST within the provisions of the management contract, the FSA Regulations, the yearly management programs, the income and expenditure budgets approved by the General Assembly of Shareholders of SIF MUNTENIA SA and the applicable legislation;
f) verifies the conclusion of the contract with the financial auditor in accordance with the decision of the General Meeting of the Shareholders of SIF MUNTENIA SA;
g) verifies the preparation of the yearly financial statements of SAI MUNTENIA INVEST SA and the profit distribution proposals to be submitted to the approval of the General Assembly of Shareholders of SIF MUNTENIA SA;
h) checks if the annual program regarding the management of the portfolio of SIF MUNTENIA SA was drafted;
i) checks the draft of the Budget of Revenues and Expenditures report of SIF MUNTENIA SA, in order to present it at the General Assembly of Shareholders of SIF MUNTENIA SA;
j) checks if the half-yearly and quarterly reports of SAI MUNTENIA INVEST SA were drafted in accordance with the legal provisions and the FSA regulations;

k) checks if the materials to be presented in the General Assembly of Shareholders of SIF MUNTENIA SA were drafted;
l) checks the conclusion of the storage contract, respectively of the contract with the Central Depository.

Art. 8 Financial reports, financial audit and internal audit of SIF MUNTENIA SA

1) The financial year of SIF MUNTENIA SA starts on January 1 and ends on December 31 of each year.
2) The yearly financial statements, the yearly report of SAI MUNTENIA INVEST SA, as well as the proposal regarding the distribution of the profit are made available to the shareholders at least 30 days before the date of the General Assembly of Shareholders.
3) The net profit will be distributed according to the approval of the Ordinary General Assembly of Shareholders and the legal provisions in force, including in the case provided by art. 67 of Companies Law no. 31/1990, with the application of the specific legislation;
4) SIF MUNTENIA SA has legal reserves and other reserves, in accordance with the law.
5) Dividends are distributed among shareholders in correspondence to the number of shares held
6) The payment of dividends due to shareholders is made by SIF MUNTENIA SA, in accordance with the law.
7) If a loss of net assets is found, the General Assembly of Shareholders will analyse the causes and will decide accordingly in compliance with the legal provisions.
8) The yearly and half-yearly financial statements of SIF MUNTENIA SA will be audited by a financial auditor who meets the conditions provided by the legislation in force and by the ASF regulations.
9) The financial audit will be performed in accordance with an audit agreement concluded by SAI MUNTENIA INVEST SA.
10) The specific internal audit services of SIF MUNTENIA SA will be provided in compliance with the legal provisions in force.

Art. 9 Loans

1) SIF MUNTENIA SA may borrow funds provided that it complies with the legal provisions in force and with the FSA regulations.

Art. 10 Reporting

1) SIF Muntenia SA will ensure for all shareholders equal access to information on its operation in accordance with the FSA regulations.
2) SIF Muntenia SA will comply with the reporting requirements established by FSA regulations and by market regulations where the shares are traded.
3) SIF Muntenia SA will draft, make available to the public, submit to the FSA and the market operator quarterly, half yearly and yearly reports. The reports will be made available to investors in accordance with the FSA regulations.

Art. 11 Authorised investments

1) SIF MUNTENIA SA will make investments in compliance with the legal provisions and the FSA regulations regarding the alternative investment funds classified according to art. 1 para. 2 of these Articles of Incorporation.

Art. 12 Prudential rules regarding the investment policy

1) The investment policy and prudential rules are set by SAI MUNTENIA INVEST SA and will be regulated in the "Rules" and in the "Prospectus" of SIF MUNTENIA SA, in compliance with the investment limitations provided by the applicable legal regulations in force.

2) The prudential rules regarding the investment policy of SIF MUNTENIA SA will comply with the applicable legal regulations.

3) Subject to the restrictions set out by these Articles of Incorporation, the Management Contract and the applicable legislation in force, all decisions regarding the acquisition, sale and exercise of all rights and obligations in relation to the assets of SIF MUNTENIA SA will be exercised by SAI MUNTENIA INVEST SA.

4) SIF MUNTENIA SA has the following obligations:

a. To publish the prudential rules regarding the investment policy on the website www.sifmuntenia.ro;

b. To notify the FSA on any changes regarding the prudential rules regarding the investment policy;

c. To notify the investors in connection with any modification of the prudential rules regarding the investment policy through a current report that will be made public through the website www.sifmuntenia.ro and through the information dissemination system of the Bucharest Stock Exchange.

Art. 13 SIF MUNTENIA SA Management

1) SIF MUNTENIA SA is managed on the grounds of a Management Contract concluded with SAI MUNTENIA INVEST SA, AIFM registered in the FSA Register under no. PJR07.1AFIAI/400005/21.12.2017, approved by the General Assembly of Shareholders of SIF MUNTENIA SA.

2) The duration of the mandate of the director of SIF MUNTENIA SA is 4 years.

3) SIF Muntenia SA will pay a monthly management fee calculated according to the stipulations of the Management Contract, within the maximum limit approved by the company's General Assembly of Shareholders. Depending on the way in which SAI MUNTENIA INVEST SA meets the performance criteria and yearly objectives set by the General Assembly of Shareholders, SIF MUNTENIA SA will pay SAI MUNTENIA INVEST SA a performance fee calculated in accordance with the provisions of the Management Contract.

4) SAI MUNTENIA INVEST SA must make public, via the website www.sifmuntenia.ro, the remuneration policy.

5) The remuneration policy will be compatible with the business strategy, objectives, values and interests of SIF MUNTENIA SA, as well as with the interests of its investors, including measures to avoid conflicts of interest.

Art. 14 Calculating the net asset value of SIF MUNTENIA SA

1) SIF MUNTENIA SA's net asset value will be calculated in accordance with the legislation in force.

2) The value of the net asset (NPV) of SIF MUNTENIA SA is calculated monthly, for the last working day of each month according to the provisions of the applicable legal regulations and of the "Rules" of SIF MUNTENIA SA.

3) The net asset value per share (NAV per SHARE) will be equal to the NAV divided by the number of shares issued and in use (no. of Sh.).

The calculation formula of NAV per SHARE is: NAV / no. of Sh.

Where:
Number of issued AND in use shares (no. of Sh.) = the total number of issued shares - treasury shares - the number of shares related to deposit certificates or certificates of interest for own shares redeemed and held at the reporting date.

4) NAV and NAV per SHARE will be calculated by the director of SIF MUNTENIA SA and will be certified by the Depositary of SIF MUNTENIA SA within a maximum of 15 calendar days from the end of the month for which the NAV is determined.

5) NAV and NAV per SHARE will be made public by the director of SIF MUNTENIA SA on the website www.sifmuntenia.ro and through the information dissemination system of the Bucharest Stock Exchange.

6) SIF MUNTENIA SA has the following obligations in relation to the rules regarding the valuation of SIF MUNTENIA SA'S assets:

a. to publish these rules on the www.sifmuntenia.ro website.
b. to notify the FSA on any changes to these rules at least 30 days prior to the date of the first net asset value calculated using the amended rules.
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1) The Company's disputes with natural or legal entities fall under the jurisdiction of the

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Prepared in 4 copies, today, 20.01.2021.

SIF MUNTENIA SA
represented by director
SAI MUNTENIA INVEST SA

Nicușor Marian BUICĂ

General Manager

ARTICLES OF INCORPORATION
of Societatea de Investiţii Financiare Muntenia SA

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(1). The denomination of the company is "Societatea de Investiţii Financiare Muntenia S.A." hereinafter referred to as SIF MUNTENIA SA. In all documents issued by SIF MUNTENIA SA, the identification data and the information requested by applicable law will be mentioned.

(2). The legal form of SIF MUNTENIA SA (hereinafter referred to as "the Company") is that of joint stock company, Romanian legal person, organized in the form of a private law, classified according to the applicable regulations as an externally managed Alternative Investment Fund of the type of investment companies - FIAS, category Alternative investment fund for retail investors - FIAIR, with a diversified, closed-ended, externally managed investment policy.

(3). SIF MUNTENIA SA will operate in compliance with the provisions of the legislation on the capital market, of the Companies Law 31/1990, republished with subsequent amendments and completions and, of these Articles of Incorporation, of the Rules of SIF MUNTENIA SA (referred to as "Rules" in these Articles of Incorporation) and of the Simplified Prospectus of SIF MUNTENIA SA (called "Prospectus" in these Articles of Incorporation).

(4). The company will operate on the basis of a management contract that will be concluded with the Investment Management Company Muntenia-Invest S.A.

(5). The registered office of the "Company" is in Bucharest, 46-48 Serghei Vasilievici Rachmaninov, ground floor, room. 2, district 2, code 020199. The General Assembly of Shareholders may decide to change the headquarters of SIF MUNTENIA SA in any other place in Romania. SIF MUNTENIA SA will be able to set up subsidiaries, branches, agencies, representations, as well as offices, both in the country and abroad, in compliance with the legal requirements and these Articles of Incorporation, regarding authorization and publicity.

(6). The duration of operation of the "Company" is 100 years. Shareholders have the right to extend the life of the "Company" before its expiration, by decision of the General Assembly of Shareholders.

Art. 2 Company's object of activity

(1). The main domain of activity of SIF MUNTENIA SA is financial service activities, except insurance and pension funding, NACE code 64, and the main object of activity is " Trusts, funds and similar financial entities" NACE CODE – 6430

(2). SIF MUNTENIA SA will be able to carry out the following activities:

a) making financial investments in order to maximize the value of its own shares in accordance with the regulations in force;

b) management of the investment portfolio and the exercise of all rights associated with the instruments in which it invests;

c) risk management

d) other auxiliary and adjacent activities in accordance with the regulations in force

Art. 3 Share capital and shares

(1). The subscribed and fully paid share capital amounts to 78.464.520,10 lei divided into 784.645.201 nominal shares, of 0.1 lei each. Each share entitles to one vote at the Shareholders General Meeting.

(2). The shares of the "Company" are registered, of equal values, issued in dematerialized form and grant equal rights and obligations to their holders. The nominal value of a share is 0.1 lei. The shares are indivisible, and the "Company" recognizes a single representative for the exercise of the rights resulting from an action. The distribution of profits and losses shall be made equally for each action.

(3). The increase of the share capital will be made, in accordance with the law: a) by issuing new shares in exchange for cash contributions; b) by incorporating the reserves, except for the legal reserves and the reserves constituted from the revaluation of the patrimony, as well as of the benefits or of the issue premiums.

(4). The reduction of the share capital is made under the conditions provided by law.

(5). The share capital can be reduced by: a) reducing the number of shares; b) reduction of the nominal value of the shares; and c) other procedures provided by law.

(6). If SAI MUNTENIA INVEST SA finds that following the losses the value of the net assets, determined as the difference between the total assets and debts of SIF MUNTENIA SA, represents less than half of the value of the subscribed share capital, SAI MUNTENIA INVEST SA has the obligation to summon the General Assembly of Shareholders, which will decide whether SIF MUNTENIA SA should be dissolved. If the General Assembly of Shareholders does not approve the dissolution, then SIF MUNTENIA SA is obliged to reduce the share capital by an amount at least equal to that of the losses by the end of the financial year following the one in which the losses were recorded, which could not be covered by reserves, if during this period the net assets have not been reconstituted to the level of a value at least equal to half of the share capital.

(7). The reduction of the share capital will be achieved only after a period of two months from the date of publication in the Official Gazette of Romania, Part IV, of the decision of the General Assembly of Shareholders.

(8). Investors entitled to receive dividends or benefit from the effects of the decisions of the General Assembly of Shareholders are those registered in the register of shareholders kept according to the law by Depozitarul Central SA on the date set by the General Assembly of Shareholders, in accordance with regulations.

(9). The distribution of dividends will be made in compliance with the legal regulations in force and the FSA regulations.

Art. 4 Shareholders

(1). The quality of shareholder of the "Company" is attested by an account statement issued by Depozitarul Central SA, the entity that keeps the records of the shareholders.

Art. 5 Trade, issue, buy back and cancellation of shares

(1). The shares of SIF MUNTENIA SA are negotiable and transferable under the conditions provided by the legislation in force.

(2). The trading of the shares issued by SIF MUNTENIA SA will be done only on a regulated market.

(3). The trading of the shares of SIF MUNTENIA SA is subject to the regulations applicable

to the regulated market on which these shares are traded.

(4). The "Company" may issue new shares in compliance with legal regulations in order to increase the share capital.

(5). The "Company" may redeem its own shares in compliance with the legal provisions applicable in the case of redemption of shares. The "Company" cannot accept redemption requests made by investors for the shares they hold, before the start of the liquidation phase of the fund, directly or indirectly, from the AIF's assets, according to the regulations applicable to alternative closed-end investment funds.

(6). The "Company" may cancel the issued shares only in the cases provided for by the applicable legislation.

Art. 6 The General Assembly of Shareholders

(1). The General Assembly of Shareholders is the supreme governing body of SIF Muntenia SA and is entitled to decide on all matters under its competence according to law and these Articles of Incorporation.

(2). The General Assembly of Shareholders may be ordinary or extraordinary.

(3). The General Assembly of Shareholders is held at least once a year within the period specified by the legal provisions in force.

(4). In addition to debating other issues included on the agenda, the Ordinary The General Assembly of Shareholders must:

a) discuss, approve or amend the yearly financial statements based on the reports of the Director of SAI MUNTENIA INVEST SA and of the financial auditor;

b) to set the value of the amount to be distributed as dividends according to legal provisions;

c) to appoint and revoke the members of the Shareholders' Representatives Council;

d) to appoint the external director according to legal provisions and to revoke the mandate granted to it;

e) to approve the management contract to be concluded with the external administrator;

f) to appoint and and revoke the financial auditor and to set the minimum duration of the financial audit contract;

g) to determine the remuneration of the members of the Shareholders' Representatives Council;

h) to rule on the management of the company;

i) to set the revenue and expenses budget and the management strategy for the following financial year;

j) to decide on pledging, leasing or de-registration of one or several units of SIF MUNTENIA SA

(5). In order to validate the deliberations of the Ordinary General Assembly of Shareholders of SIF MUNTENIA SA the presence of the shareholders holding at least one fourth of the total voting rights is required. Decisions are implemented when the shareholders holding the majority of the votes cast have voted “in favour”.

(6). If, after the first summoning, the Ordinary General Assembly of Shareholders cannot be held because the quorum and / or validity conditions set out in the above paragraph are not met, the Assembly held after the second summon shall deliberate on the issues listed on the agenda of the first Assembly, regardless of the percentage of the share capital of SIF MUNTENIA SA represented by the shareholders attending the Assembly personally / by a representative. In such a case, the Ordinary General Assembly of Shareholders shall adopt valid decisions via a majority of the votes cast.

(7). The Extraordinary General Assembly of Shareholders shall be summoned whenever needed and, unless the applicable law provides otherwise, will adopt resolutions on the following matters:

a. changing the legal form of SIF Muntenia SA;
b. SIF Muntenia SA relocation;
c. changing SIF Muntenia's object of activity;
d. setting up or closing subsidiaries of SIF Muntenia SA;
e. extending the operation duration of SIF Muntenia SA before expiring;
f. increasing the share capital;
g. issuing bonds;
h. reducing the share capital or increasing it by issuing new shares, according to legal provisions in force;
i. merger with other companies or divisions of SIF Muntenia SA;
j. anticipated dissolution of SIF Muntenia SA;
k. conversion of shares from one class to another;
l. conversion of a category of bonds to another category of bonds or into shares;
m. acquisition by SIF Muntenia SA of its own shares, either directly or through persons acting in their own name but on its behalf;
n. consolidating or splitting the nominal value of the share;
o. any other additions and amendments to the Articles of Incorporation or any other decisions in force under this document require the approval of the Extraordinary General Assembly of Shareholders;

(8). The Extraordinary General Assembly delegated to the Director of SAI MUNTENIA INVEST SA the exercise of its attributions for setting up or dissolving branches, representative offices, agencies or other such units with no legal personality.

(9). In order to validate the deliberations of the Extraordinary General Assembly of Shareholders, the presence of shareholders holding at least one quarter of the total number of voting rights is required at the first summon and at subsequent summons, the presence of shareholders representing at least one fifth of the total number of voting rights is required. Decisions are taken via the majority of the votes held by the shareholders that are either present or represented. The decision to change the main object of activity of the company, to reduce or increase the share capital, to change the legal form, to merge, divide or dissolve the company is taken by a majority of at least two thirds of the voting rights held by the shareholders that are either present or represented.

(10). The General Assembly of Shareholders is summoned by SAI MUNTENIA INVEST SA, in compliance with the provisions of Law 31/1990 republished, with subsequent completions and additions, the legislation in force and of the FSA regulations.

(11). The General Assembly is summoned by publishing an announcement in the Official Gazette and in one of the widely circulated newspapers in the locality where the "Company" is located, in accordance with the provisions of the legislation in force. The convocation will include the place and date of the Assembly, as well as the agenda, with the explicit mention of all the issues that will be subject to the debates of the Assembly. If the agenda includes the appointment of the sole director and / or the members of the Shareholders' Representatives Council, the notice shall state that the list includes information on the name, registered office, place of residence and professional qualification, as appropriate, of the proposed legal entities or natural persons for the position of sole director / member of the Shareholders' Representatives Council, are available to shareholders, and can be consulted and completed by them.

(12). The General Assembly of Shareholders will be summoned by SAI MUNTENIA INVEST SA whenever issues arise that are within the competence of the General Assembly of Shareholders. SAI MUNTENIA INVEST SA must summon the General Assembly of Shareholders at the request of the shareholders with shares representing at least 5% of the share capital of SIF MUNTENIA SA, upon the request of the FSA or in the event of a final and irrevocable court decision summoning SIF MUNTENIA SA's General Assembly of Shareholders.

(13). The right to participate in the General Assembly of Shareholders is held by the shareholders registered in the shareholders' register compiled for the reference date set by SAI Muntenia Invest SA.

(14). Participation in the General Assembly of Shareholders will be done directly or through representatives appointed in accordance with the legal provisions in force. The shareholders of SIF MUNTENIA SA may also vote by correspondence according to legal provisions in force and the procedures approved by SAI Muntenia Invest SA. SIF MUNTENIA SA shall allow its shareholders to participate in the General Assembly by using electronic means of data transmission. The electronic means of data transmission that can be used by shareholders to participate in the General Assembly of Shareholders as well as the procedures for identifying shareholders who will participate in the General Assembly of Shareholders with the use of electronic means of data transmission will be presented in the summoning of the General Assembly Shareholders.

(15). Each share gives the right to one vote. Shareholders or those representing a group of shareholders are entitled to vote in accordance with the law.

(16). Decisions shall be implemented by open vote. The secret vote is mandatory when appointing or revoking members of the Shareholders' Representative Council, appointing or revoking the Administrator as well as when appointing or revoking the financial auditor and when making decisions related to the liability of the members of the administration, management and control bodies of the "Company".

(17). SAI Muntenia Invest SA and members of the Board of Directors of SAI Muntenia Invest SA cannot vote on the grounds of the shares they hold, neither personally nor through representatives, when discharging their company property or for issue where the person or their work is in question.

(18). A shareholder who, in a certain operation, has an interest contrary to that of the company, will have to abstain from deliberating on said operation. A shareholder who fails to observe this provision is liable for damages produced to the Company, if, without this vote, the required majority would have not been met.

(19). The decisions of the General Assembly of Shareholders, taken in compliance with the law and these Articles of Incorporation, are binding for all shareholders, including for those who did not attend the meeting or who voted against said decision.

(20). The General Assembly of Shareholders is chaired by the permanent representative appointed by the Director of SAI MUNTENIA INVEST SA and registered at the National Trade Registry Office as a representative of SIF MUNTENIA SA., Respectively the General Manager of SAI MUNTENIA INVEST SA or, in his absence, the Manager of the Corporate Management unit of SAI MUNTENIA INVEST SA.

(21). The General Assembly of Shareholders shall elect from the present shareholders one to three secretaries, who will check the attendance of shareholders, indicating the share capital represented by each of them and all the formalities required by law and by the Articles of Incorporation for holding the General Assembly.

(22). The expenses incurred by organizing and conducting the General Assemblies of Shareholders

shall be borne by SIF Muntenia SA, these expenses being considered incurred in the interest of SIF Muntenia SA and its shareholders.

Art. 7 Shareholders' Representatives Council

1) The Shareholders' Representative Council is a body representing the interests of SIF MUNTENIA SA's shareholders in relation with SAI MUNTENIA INVEST SA, on the basis of a budget approved by the General Assembly of Shareholders of SIF MUNTENIA SA.

2) The General Assembly of Shareholders of SIF MUNTENIA SA shall elect a Shareholders' Representative Council consisting of 3 members, for a four-year term, with the possibility to be re-elected.

3) Individuals that can apply for a place in the Shareholders' Representatives Council of SIF Muntenia SA must fulfill the following conditions:

a) they are not employees or directors of a closed-end fund (SAI) / alternative investment fund manager (AIFM) or another financial investment company and do not have any contractual relationship with SIF Muntenia SA or with the AIFM of SIF Muntenia SA;

b) they must not have any convictions as a result of a final court decision for fraudulent management, breach of trust, forgery, fraud, embezzlement, perjury, offering or receiving bribes;

c) they must be graduates of a higher education institution, at least BA level;

d) they must have at least five years experience in banking and finance, capital markets and managing of a firm or in higher education;

e) they must not hold, directly or together with his/her spouse or relatives up to the third degree or in-laws up to the second degree, more than 5% of the share capital of the depositary with which SIF Muntenia SA has concluded a depository contract;

f) they must not have been sanctioned by a financial market regulator with a ban on the exercise of professional activities;

g) they must not be incomplatible in any way, as provided by the applicable legal provisions or by these Articles of Incorporation

4) SIF MUNTENIA SA's Shareholders Representative Council has the following duties:

a) represents SIF MUNTENIA SA in relation to SAI MUNTENIA INVEST SA;
b) negotiates and concludes the management contract;
c) monitors the observance of the contractual clauses and the commitments undertaken by SAI MUNTENIA INVEST SA through the management contract and the management program approved by the General Assembly of Shareholders of SIF MUNTENIA SA;
d) analyses the periodical reports drawn up by SAI MUNTENIA INVEST SA regarding the performance of its duties on:

- the management of SIF MUNTENIA SA;
- exercising the rights conferred by holding securities from the portfolio of SIF MUNTENIA SA;
- defending the rights and interests of SIF MUNTENIA SA before law courts, arbitration courts and any other bodies with jurisdictional and administrative power;

e) calls for measures to be taken to place the activity of SAI MUNTENIA INVEST within the provisions of the management contract, the FSA Regulations, the yearly management programs, the income and expenditure budgets approved by the General Assembly of Shareholders of SIF MUNTENIA SA and the applicable legislation;

f) verifies the conclusion of the contract with the financial auditor in accordance with the decision of the General Meeting of the Shareholders of SIF MUNTENIA SA;
g) verifies the preparation of the yearly financial statements of SAI MUNTENIA INVEST SA and the profit distribution proposals to be submitted to the approval of the General Assembly of Shareholders of SIF MUNTENIA SA;
h) checks if the annual program regarding the management of the portfolio of SIF MUNTENIA SA was drafted;
i) checks the draft of the Budget of Revenues and Expenditures report of SIF MUNTENIA SA, in order to present it at the General Assembly of Shareholders of SIF MUNTENIA SA;
j) checks if the half-yearly and quarterly reports of SAI MUNTENIA INVEST SA were drafted in accordance with the legal provisions and the FSA regulations;
k) checks if the materials to be presented in the General Assembly of Shareholders of SIF MUNTENIA SA were drafted;
l) checks the conclusion of the storage contract, respectively of the contract with the Central Depository.

Art. 8 Financial reports, financial audit and internal audit of SIF MUNTENIA SA

1) The financial year of SIF MUNTENIA SA starts on January 1 and ends on December 31 of each year.
2) The yearly financial statements, the yearly report of SAI MUNTENIA INVEST SA, as well as the proposal regarding the distribution of the profit are made available to the shareholders at least 30 days before the date of the General Assembly of Shareholders.
3) The net profit will be distributed according to the approval of the Ordinary General Assembly of Shareholders and the legal provisions in force, including in the case provided by art. 67 of Companies Law no. 31/1990, with the application of the specific legislation;
4) SIF MUNTENIA SA has legal reserves and other reserves, in accordance with the law.
5) Dividends are distributed among shareholders in correspondence to the number of shares held
6) The payment of dividends due to shareholders is made by SIF MUNTENIA SA, in accordance with the law.
7) If a loss of net assets is found, the General Assembly of Shareholders will analyse the causes and will decide accordingly in compliance with the legal provisions.
8) The annual financial statements of SIF MUNTENIA SA will be audited by a financial auditor who meets the conditions provided by the legislation in force and by the ASF regulations.
9) The financial audit will be performed in accordance with an audit agreement concluded by SAI MUNTENIA INVEST SA.
10) The specific internal audit services of SIF MUNTENIA SA will be provided in compliance with the legal provisions in force.

Art. 9 Loans

1) SIF MUNTENIA SA may borrow funds provided that it complies with the legal provisions in force and with the FSA regulations.

Art. 10 Reporting

1) SIF Muntenia SA will ensure for all shareholders equal access to information on its operation in accordance with the FSA regulations.
2) SIF Muntenia SA will comply with the reporting requirements established by FSA

regulations and by market regulations where the shares are traded.

3) SIF Muntenia SA will draft, make available to the public, submit to the FSA and the market operator quarterly, half yearly and yearly reports. The reports will be made available to investors in accordance with the FSA regulations.

Art. 11 Authorised investments

1) SIF MUNTENIA SA will make investments in compliance with the legal provisions and the FSA regulations regarding the alternative investment funds classified according to art. 1 para. 2 of these Articles of Incorporation.

Art. 12 Prudential rules regarding the investment policy

1) The investment policy and prudential rules are set by SAI MUNTENIA INVEST SA and will be regulated in the "Rules" and in the "Prospectus" of SIF MUNTENIA SA, in compliance with the investment limitations provided by the applicable legal regulations in force.

2) The prudential rules regarding the investment policy of SIF MUNTENIA SA will comply with the applicable legal regulations.

3) Subject to the restrictions set out by these Articles of Incorporation, the Management Contract and the applicable legislation in force, all decisions regarding the acquisition, sale and exercise of all rights and obligations in relation to the assets of SIF MUNTENIA SA will be exercised by SAI MUNTENIA INVEST SA.

4) SIF MUNTENIA SA has the following obligations:

a. To publish the prudential rules regarding the investment policy on the website www.sifmuntenia.ro;

b. To notify the FSA on any changes regarding the prudential rules regarding the investment policy;

c. To notify the investors in connection with any modification of the prudential rules regarding the investment policy through a current report that will be made public through the website www.sifmuntenia.ro and through the information dissemination system of the Bucharest Stock Exchange.

Art. 13 SIF MUNTENIA SA Management

1) SIF MUNTENIA SA is managed on the grounds of a Management Contract concluded with SAI MUNTENIA INVEST SA, AIFM registered in the FSA Register under no. PJR07.1AFIAI/400005/21.12.2017, approved by the General Assembly of Shareholders of SIF MUNTENIA SA.

2) The duration of the mandate of the director of SIF MUNTENIA SA is 4 years.

3) SIF Muntenia SA will pay a monthly management fee calculated according to the stipulations of the Management Contract, within the maximum limit approved by the company's General Assembly of Shareholders. Depending on the way in which SAI MUNTENIA INVEST SA meets the performance criteria and yearly objectives set by the General Assembly of Shareholders, SIF MUNTENIA SA will pay SAI MUNTENIA INVEST SA a performance fee calculated in accordance with the provisions of the Management Contract.

4) SAI MUNTENIA INVEST SA must make public, via the website www.sifmuntenia.ro, the remuneration policy.

5) The remuneration policy will be compatible with the business strategy, objectives, values and interests of SIF MUNTENIA SA, as well as with the interests of its investors, including

measures to avoid conflicts of interest.

Art. 14 Calculating the net asset value of SIF MUNTENIA SA

1) SIF MUNTENIA SA's net asset value will be calculated in accordance with the legislation in force.

2) The net asset value (NAV) of SIF MUNTENIA SA is calculated on a monthly basis, according to the applicable legal provisions.

3) The net asset value per share (NAV per SHARE) will be equal to the NAV divided by the number of shares issued and in use (no. of Sh.).

The calculation formula of NAV per SHARE is: NAV / no. of Sh.

Where:

Number of issued AND in use shares (no. of Sh.) = the total number of issued shares - treasury shares - the number of shares related to deposit certificates or certificates of interest for own shares redeemed and held at the reporting date.

4) NAV and NAV per SHARE will be calculated by the director of SIF MUNTENIA SA and will be certified by the Depositary of SIF MUNTENIA SA within a maximum of 15 calendar days from the end of the month for which the NAV is determined.

5) NAV and NAV per SHARE will be made public by the director of SIF MUNTENIA SA on the website www.sifmuntenia.ro and through the information dissemination system of the Bucharest Stock Exchange.

6) SIF MUNTENIA SA has the following obligations in relation to the rules regarding the valuation of SIF MUNTENIA SA'S assets:

a. to publish these rules on the www.sifmuntenia.ro website.
b. to notify the FSA on any changes to these rules at least 30 days prior to the date of the first net asset value calculated using the amended rules.
c. to notify the investors in connection with any modification of the above-mentioned rules through a current report that will be made public on the www.sifmuntenia.ro website and through the information dissemination system of the Bucharest Stock Exchange.

7) The investment policy of SIF MUNTENIA SA will be set in accordance with the type of alternative investment fund in which SIF MUNTENIA SA falls, mentioned above in art. 1 para. 2 of these Articles of Incorporation.

8) SAI MUNTENIA INVEST SA will ensure that the valuation rules of the assets of SIF MUNTENIA SA comply with the applicable legal provisions in force.

9) The investments of SIF MUNTENIA SA will be made only in the categories of assets allowed by the legal provisions in force, in compliance with the investment policy as it was presented in the SIF MUNTENIA SA "Rules".

10) SAI MUNTENIA INVEST SA has the obligation to include in the SIF MUNTENIA SA "Rules" a detailed presentation of the investment policy and of the valuation rules of the assets of SIF MUNTENIA SA.

Art. 15 SIF MUNTENIA SA depository contract

1) SAI Muntenia Invest SA must conclude a depository contract with a depository authorized by FSA.

2) The activities performed by the depository shall be in accordance with the legal provisions and the FSA regulations in force and will be mentioned under the depositary contract.

3) The conditions for replacing the depositary, as well as the rules for ensuring the protection of shareholders in such situations, will be provided in the SIF MUNTENIA SA "Rules" , in compliance

with the legal provisions in force.

Art. 16 Dissolution and liquidation of SIF MUNTENIA SA

1) The "Company" shall be dissolved in the cases stipulated by law. In the event of dissolution, the Company will be liquidated. The liquidation of the fund will take place on the expiration date of its duration, if the shareholders have not decided to extend it.

2) The liquidation follows the procedure provided by law. After completion, the liquidators will require the de-registration of the company from the Trade Register.

Art. 17 Disputes

1) The Company's disputes with natural or legal entities fall under the jurisdiction of the Romanian courts. These disputes can be solved via arbitration as well.

Art. 18 Miscellaneous

1) These Articles of Incorporation are supplemented by the legal provisions on companies - common law - and by the special legal provisions in the capital market field.

2) The terms of these Articles of Incorporation shall be deemed modified by law if any subsequent legislation appears that removes or restricts the limitations expressly provided at present for alternative financial investment companies where SIF MUNTENIA SA falls, as mentioned above in art. 1 para. 2 of these Articles of Incorporation.

Art. 19 Amendments

1) Any amendments brought to these Articles of Incorporation will be subject to the prior approval of the General Assembly of Shareholders and the FSA.

Prepared in 4 copies, today, 22.10.2021.

SIF MUNTENIA SA
represented by director
SAI MUNTENIA INVEST SA

Nicușor Marian BUICĂ

General Manager

SIF MUNTENIA
SOCIETATE DE INVESTIȚII FINANCIARE
ADMINISTRATĂ DE S.A.I. MUNTENIA INVEST SA

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Annex to the annual Report of SAI Muntenia Invest S.A. on the management of SIF Muntenia S.A. during 2021 financial exercise

Statement on the application of corporate governance principles
for SIF MUNTENIA S.A.
(According to the Annex to the FSA Regulation No. 2/2016, as subsequently amended and supplemented)
updated December 2021

No. crt.	Rules for the application of the principles of corporate governance	Compliance		If NOT - explain
		YES	N0	
1.	The regulated entity defined in its articles of incorporation the basic responsibilities of the Board on the implementation and compliance with the principles of corporate governance.		NO	SIF Muntenia S.A. is managed by SAI Muntenia Invest S.A. according to the provisions of the special legislation. SAI Muntenia Invest S.A. takes over the functions of corporate governance, and in the articles of incorporation of the company, the Shareholders' Representatives Council has specific attributions
2.	The internal policies and/or internal regulations lay down the corporate governance structures, functions, competences and responsibilities of the Board and the executive management/senior management	YES		By the Administrator SAI Muntenia Invest S.A.
3.	The annual financial statements of the regulated entity is accompanied by the annual report of the Remuneration Committee and an explanatory note that describes the relevant events in connection with the application of the principles of corporate governance, occurring over the financial year.	Yes		By the Administrator SAI Muntenia Invest S.A.
4.	The regulated entity has a communication strategy with the parties concerned to ensure proper information.	YES		By the Administrator SAI Muntenia Invest S.A.
5.	The structure of the Board assures, as appropriate, a balance between executive and non-executive members so that no person or small group of persons influences the decision-making process.	YES		By the Administrator SAI Muntenia Invest S.A.
6.	The Board is convened at least every three months to monitor the performance of the regulated entity's activity.	YES		Both the Shareholders Representatives Council and the Board of Directors of SAI Muntenia Invest S.A.
7.	The Board or the executive management/ senior management, as appropriate, regularly reviews the policies on the financial reporting, internal control and risk management system adopted by the regulated entity.	YES		By the Administrator SAI Muntenia Invest S.A.
8.	In its activity, the Board has the support of a remuneration committee that issues recommendations.	DA		By the Administrator SAI Muntenia Invest S.A.
9.	The Remuneration Committee submits to the council annual reports about its activity.	DA		By the Administrator SAI Muntenia Invest S.A.
10.	In fulfilling its duties, the Board is assisted by other consultative	YES		By the Administrator

	committees that issue recommendations on various topics subject to decision-making process.			SAI Muntenia Invest S.A.
11.	The consultative committees submit to the Board materials/ reports on the topics entrusted by it.	YES		Through the Administrator SAI Muntenia Invest S.A.
12.	In the internal procedures/ policies/ regulations of the regulated entity regulated entity there are provisions for the selection of applications for the persons of the executive management/ senior management, appointment of new persons or renewal of the existing mandates.	YES		By the Administrator SAI Muntenia Invest S.A.
13.	The regulated entity ensures the professional training of the executive management/ senior management so that it efficiently performs its tasks.	YES		By the Administrator SAI Muntenia Invest S.A.
14.	Key functions are established so as to be adequate to the organizational structure of the regulated entity compliant with the applicable regulations.	YES		By the Administrator SAI Muntenia Invest S.A.
15.	The Board regularly reviews the efficiency and update of the internal control system of the regulated entity to ensure a rigorous management of the risks to which the regulated entity is exposed.	YES		By the Administrator SAI Muntenia Invest S.A.
16.	The audit committee makes recommendations to the Board on the selection, appointment and replacement of the financial auditor, and on the terms and conditions of its remuneration.	YES		By the Administrator SAI Muntenia Invest S.A.
17.	The Board reviews at least once a year and ensures that the remuneration policies are consistent with an efficient risk management.	YES		By the Administrator SAI Muntenia Invest S.A.
18.	The remuneration policy of the regulated entity is set out in the internal regulations regarding the implementation and compliance with the principles of corporate governance.	YES		By the Administrator SAI Muntenia Invest S.A.
19.	The Board has adopted a procedure for the identification and proper settlement of any conflict of interest.	YES		By the Administrator SAI Muntenia Invest S.A.
20.	The executive management/ senior management, as appropriate, informs the Board about potential or consumed conflict of interest in which they could be / is involved and does not participate in the decision-making process which is related to the state of conflict, if these structures or persons are involved in the respective state of conflict.	YES		By the Administrator SAI Muntenia Invest S.A.
21.	The Board analyses at least once a year the efficiency of the risk management system of the regulated entity.	YES		By the Administrator SAI Muntenia Invest S.A.
22.	The regulated entity has procedures for the identification, assessment and management of the significant risks to which it is, or it is likely to be, exposed.	YES		By the Administrator SAI Muntenia Invest S.A.
23.	The regulated entity has in place clear action plans for business continuity and for any emergency situations.	YES		By the Administrator SAI Muntenia Invest S.A.
24.	The branch Board applies internal governance principles and policies similar to those of the parent company, unless there are other legal requirements that lead to the establishment of own policies.		NO	Not the case (SIF Muntenia S.A. is not a subsidiary.)

SIF Muntenia S.A.
By its Administrator
SAI Muntenia Invest S.A.

Nicușor Marian BUICĂ,

General Director

SIF MUNTENIA
SOCIETATE DE INVESTIȚII FINANCIARE
ADMINISTRATĂ DE S.A.I. MUNTENIA INVEST SA

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Annex to the annual Report of SAI Muntenia Invest S.A. on the management of SIF Muntenia S.A. during 2021 financial exercise

Status of compliance with the provisions of the new Corporate Governance Code of the BSE on 31 December 2021

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
SECTION A – RESPONSIBILITIES			
A.1. All companies should have internal regulation of the Board which includes terms of reference/responsibilities for Board and key management functions of the company, applying, among others, the General Principles of Section A.	X		SIF Muntenia S.A. is managed by SAI Muntenia Invest S.A., an investment management company that operates in compliance with the provisions of the general and special legislation for investment management companies. The activity of SAI Muntenia Invest S.A. is carried out under the supervision of the FSA and in compliance with the Internal Rules and Procedures that have been notified to the FSA. SAI Muntenia Invest S.A. took over the corporate governance obligations for SIF Muntenia S.A. within its own activity. The below references to the Board of Directors, the Audit Committee and the Nomination and Remuneration Committee apply to the Board of Directors, the Audit Committee and the Nomination and Remuneration Committee of SAI Muntenia Invest S.A.
A.2. Provisions for the management of conflict of interest should be included in Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise, and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quorate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	X		SAI Muntenia Invest S.A. has no holdings that enter into conflict of interest with SIF Muntenia S.A. The members of the Board of Directors of SAI Muntenia Invest S.A. can take over their attributions only after obtaining the FSA authorization. The documentation submitted to the FSA by each member of the Board of Directors, in order to obtain the approval, includes statements from which possible conflicts of interest result.
A.3. The Board of Directors should have at least five members.		X	SIF Muntenia S.A. is managed by a legal entity, investment management company, regulated entity, authorized and supervised by the FSA, according to the legislation applicable to the capital market.
A.4. The majority of the members of the Board of Directors should be non-executive Not less than two non-executive members of the Board of Directors should be independent, in the case of Premium Tier Companies. Each member of the Board of Directors should submit a	X		

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by demonstrating the ground on which he/she is considered independent in character and judgement.			
A.5. A Board member's other relatively permanent professional commitments and engagements, including executive and non-executive Board positions in companies and not-for-profit institutions, should be disclosed to shareholders and to potential investors before appointment and during his/her mandate.	X		
A.6. Any member of the Board should submit to the Board, information on any relationship with a shareholder who holds directly or indirectly, shares representing more than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.	X		
A.7. The company should appoint a Board secretary responsible for supporting the work of the Board	X		
A.8. The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.	X		
A.9. The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (in person and in absentia) and a report of the Board and committees on their activities.	X		The information will be presented in the annual report that will be presented to the General Meeting of Shareholders.
A.10. The corporate governance statement should contain information on the precise number of the independent members of the Board of Directors.	X		The information will be presented in the annual report that will be presented to the General Meeting of Shareholders.
A.11. The Board of Premium Tier companies should set up a nomination	X		

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
committee formed of non-executives, which will lead the process for Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent.			
SECTION B – RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM			
B.1 The Board should set up an audit committee, and at least one member should be an independent non-executive. In the case of Premium Tier companies, the audit committee should be composed of at least three members and the majority of the audit committee should be independent.		X	The Audit Committee of the Administrator is composed of two independent non-executive members of the Board of Directors of SAI Muntenia Invest S.A.
B.2. The audit committee should be chaired by an independent non-executive member.	X		
B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control.	X		
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and their submission of relevant reports to the Board.	X		
B.5. The audit committee should review conflicts of interests in transactions of the company and its subsidiaries with related parties.	X		
B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.	X		
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	X		
B.8. Whenever the Code mentions reviews or analysis to be exercised by the	X		

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
Audit Committee, these should be followed by cyclical (at least annual), or ad-hoc reports to be submitted to the Board afterwards.			
B.9. No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties.	X		
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the Board's audit committee, and fairly disclosed to the shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.	X		
B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by retaining an independent third-party entity.	X		
B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the audit committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, it should report directly to the chief executive officer.	X		
SECTION C – FAIR REWARDS AND MOTIVATION			
C.1. The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period under review. Any essential change of the remuneration policy should be published on the corporate website in due time.	X		The Remuneration Policy of SAI Muntenia Invest S.A. for the services provided as Administrator of SIF Muntenia S.A. is presented under art. 13 of the Articles of Incorporation of SIF Muntenia S.A., in the annual report and also on the company website www.sifmuntenia.ro Details about the Nomination and Remuneration Committee and its attributions can be found in the Corporate Governance section, within the annual report, as well as in the Corporate Governance Regulation of SIF Muntenia S.A.
SECTION D – BUILDING VALUE THROUGH INVESTORS' RELATIONS			
D.1. The company should have an Investor Relations function - indicated, by	X		

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
person (s) responsible or an organizational unit, to the general public. In addition to information required by legal provisions, the company should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:			
D.1.1. Principal corporate regulations: the articles of association, general shareholders' meeting procedures;	X		
D.1.2. Professional CVs of the members of its governing bodies, a Board member's other professional commitments, including executive and non-executive Board positions in companies and not-for-profit institutions;	X		
D.1.3. Current reports and periodic reports (quarterly, semi-annual and annual reports) – at least as provided at item D.8 – including current reports with detailed information related to non-compliance with the present Code;	X		.
D.1.4. Information related to general meetings of shareholders: the agenda and supporting materials;	X		
D.1.5. Information on corporate events;	X		
D.1.6. The name and contact data of a person who should be able to provide knowledgeable information on request;	X		
D.1.7. Corporate presentations (e.g. IR presentations, quarterly results presentations, etc.), financial statements (quarterly, semi-annual, annual), auditor reports and annual reports.	X		
D.2. A company should have an annual dividend distribution or policy or other benefits to the shareholders. The annual dividend distribution policy to the shareholders should be published on the corporate website.	X		
D.3. A company should have adopted a policy with respect to forecasts, whether they are distributed or not. The policy should provide for the	X		

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
frequency, period envisaged, and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast policy should be published on the corporate website.			
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	X		
D.5. The external auditors should attend the shareholders' meetings when their reports are presented there.	X		
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.	X		
D . 7. Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairman of the Board. Accredited journalists may also participate in the general meeting of shareholders, unless the Chairman of the Board decides otherwise.	X		
D.8. The quarterly and semi-annual financial reports should include information in both Romanian and English regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms.	X		
D.9. A company should organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the company website at the time of the meetings/conference calls.		X	Due to the Covid 19 pandemic, respectively to the restrictions imposed by the authorities regarding the movement of persons, the Company could not organize meetings in 2021. During 2022, following the abolition of restrictions on the movement of persons, society is considering developing a policy on how to organize meetings and teleconferences with analysts and investors.
D.10. If a company supports various forms of artistic and cultural expression,		X	During 2021, the Administrator SAI Muntenia Invest S.A. sponsored various actions related to financial assistance in

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company part of its business mission and development strategy, it should publish the policy guiding its activity in this area.			education and financial support for medical treatment, especially for children. The Company does not have a policy of supporting various forms of artistic and cultural expression, sporting activities, educational or scientific activities, but it is considering the opportunity to draw up of such a policy.

SIF Muntenia S.A.
By its Administrator
S.A.I. Muntenia Invest S.A.

Nicușor Marian BUICĂ,

General Director

SIF MUNTENIA
SOCIETATE DE INVESTIȚII FINANCIARE
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Annex to the annual Report of SAI Muntenia Invest S.A. on the management of SIF Muntenia S.A. during 2021 financial exercise

REMUNERATION REPORT
2021

Indicators/gross amounts	Amounts related to the activity carried out in the year subject to reporting (2021) RON	Amounts actually paid during the year subject to reporting (2021) RON	Amounts payable during the year of submission of the reporting (2022 estimated) or deferred* RON	Number of beneficiaries
1. Remuneration granted to all SAI/AFIA staff (including outsourced positions)	7,695,715	7,581,860	8,130,266	
Fixed remuneration	6,212,646	6,098,791	6,530,266	44
Variable remuneration excluding performance fees, of which:	1,483,069	1,483,069	1,600,000	40
- cash	1,483,069	1,483,069	1,600,000	40
- other forms (separately indicating each category)	-	-	-	
Variable remuneration representing performance fees	-	-	-	
2. Remuneration granted to the SAI/AFIA identified staff (including outsourced positions)**	6,488,326	6,441,166	6,624,446	
A. Member of the Board of Directors (CA)/Supervisory Board (CS), of which	1,128,227	1,128,227	1,130,536	3
Fixed remuneration	820,536	820,536	820,536	3
Variable remuneration excluding performance fees, of which:	307,691	307,691	310,000	3
- cash	307,691	307,691	310,000	3
- other forms (separately indicating each category)	-	-	-	
Variable remuneration representing performance fees	-	-	-	
B. Managers/Managing Board members, of which:	2,078,628	2,078,628	2,021,960	3
Fixed remuneration	1,403,409	1,403,409	1,382,460	3
Variable remuneration excluding performance fees, of which:	675,219	675,219	639,500	3
- cash	675,219	675,219	639,500	3
- other forms (separately indicating each category)	-	-	-	

Indicators/gross amounts	Amounts related to the activity carried out in the year subject to reporting (2021) RON	Amounts actually paid during the year subject to reporting (2021) RON	Amounts payable during the year of submission of the reporting (2022 estimated) or deferred* RON	Number of beneficiaries
Variable remuneration representing performance fees	-	-	-	
C. Positions with control duties (expressly indicating all positions included in this category)* **	2,033,090	2,018,296	2,022,049	6
Fixed remuneration	1,467,239	1,452,445	1,483,464	6
Variable remuneration excluding performance fees, of which:	565,851	565,851	538,585	6
- cash	565,851	565,851	538,585	6
- other forms (separately indicating each category)	-	-	-	
Variable remuneration representing performance fees	-	-		
D. Other positions than those indicated in letters A-C above, included in the category of identified staff (expressly indicating all positions included in this category)** **	1,248,381	1,216,015	1,449,901	6
Fixed remuneration	1,100,551	1,068,185	1,255,200	6
Variable remuneration excluding performance fees, of which:	147,830	147,830	194,701	6
- cash	147,830	147,830	194,701	6
- other forms (separately indicating each category)	-	-	-	
Variable remuneration representing performance fees	-	-	-	

* see the provisions of art. 34^2(1)(p) and (q) of Government Emergency Ordinance no. 32/2012, those of section 1(n) of Annex 1 to Law no. 74/2015, respectively;
** related to the category of ***identified staff*** established at the level of each SAI/AFIA taking into account the definition retained in the ESMA/2013/232 and ESMA/2016/575 guidelines;
*** related, basically, *to the control positions* represented by the compliance officer and the risk manager, but in which, according to the ESMA guidelines mentioned above, each SAI/AFIA may also include other positions (for example, *the Chief Financial Officer (CFO), as far as who is responsible for preparing the financial statements*);
**** see the above mentions related to the *identified staff*.

SIF Muntenia S.A. by its administrator
S.A.I Muntenia Invest S.A.

Nicușor Marian BUICĂ
General Director

Annex to the Annual Report of SAI Muntenia Invest S.A. regarding remunerations during 2021 financial exercise

Indicators/gross amounts	Amounts related to the activity carried out in the year subject to reporting (2021) - RON	Amounts actually paid during the year subject to reporting (2021) - RON	Amounts payable during the year of submission of the reporting (2022 estimated) or deferred* - RON	Number of beneficiaries
1. Remuneration granted to all SAI/AFIA staff (including outsourced positions [1)])	7,695,715	7,581,860	8,130,266	
Fixed remuneration	6,212,646	6,098,791	6,530,266	44
Variable [2)] remuneration excluding performance fees, of which:	1,483,069	1,483,069	1,600,000	40
- cash	1,483,069	1,483,069	1,600,000	40
- other forms (separately indicating each category) [3)]	-	-	-	
Variable [2)] remuneration representing performance fees	-	-	-	
2. Remuneration granted to the SAI/AFIA identified staff (including outsourced positions)**	6,488,326	6,441,166	6,624,446	
A. Member of the Board of Directors (CA)/Supervisory Board (CS), of which	1,128,227	1,128,227	1,130,536	3
Fixed remuneration	820,536	820,536	820,536	3
Variable [2)] remuneration excluding performance fees, of which:	307,691	307,691	310,000	3
- cash	307,691	307,691	310,000	3
- other forms (separately indicating each category) [3)]	-	-	-	
Variable [2)] remuneration representing performance fees	-	-	-	
B. Managers/Managing Board members, of which:	2,078,628	2,078,628	2,021,960	3
Fixed remuneration	1,403,409	1,403,409	1,382,460	3
Variable [2)] remuneration excluding performance fees, of which:	675,219	675,219	639,500	3
- cash	675,219	675,219	639,500	3
- other forms (separately indicating each category) [3)]	-	-	-	
Variable [2)] remuneration representing performance fees	-	-	-	

Indicators/gross amounts	Amounts related to the activity carried out in the year subject to reporting (2021) - RON	Amounts actually paid during the year subject to reporting (2021) - RON	Amounts payable during the year of submission of the reporting (2022 estimated) or deferred* - RON	Number of beneficiaries
C. Positions with control duties (expressly indicating all positions included in this category)* **	2,033,090	2,018,296	2,022,049	6
Fixed remuneration	1,467,239	1,452,445	1,483,464	6
Variable [2)] *remuneration excluding performance fees, of which:*	565,851	565,851	538,585	6
- cash	565,851	565,851	538,585	6
- other forms (separately indicating each category) [3)]	-	-	-	
Variable [2)] *remuneration representing performance fees*	-	-		
D. Other positions than those indicated in letters A-C above, included in the category of identified staff (expressly indicating all positions included in this category)** **	1,248,381	1,216,015	1,449,901	6
Fixed remuneration	1,100,551	1,068,185	1,255,200	6
Variable [2)] *remuneration excluding performance fees, of which:*	147,830	147,830	194,701	6
- cash	147,830	147,830	194,701	6
- other forms (separately indicating each category) [3)]	-	-	-	
Variable [2)] *remuneration representing performance fees*	-	-	-	

* see the provisions of art. 34^2(1)(p) and (q) of Government Emergency Ordinance no. 32/2012, those of section 1(n) of Annex 1 to Law no. 74/2015, respectively;
** related to the category of ***identified staff*** established at the level of each SAI/AFIA taking into account the definition retained in the ESMA/2013/232 and ESMA/2016/575 guidelines;
*** related, basically, *to the control positions* represented by the compliance officer and the risk manager, but in which, according to the ESMA guidelines mentioned above, each SAI/AFIA may also include other positions (for example, *the Chief Financial Officer (CFO), as far as who is responsible for preparing the financial statements*);
**** see the above mentions related to the *identified staff*.

[1)] In the category of outsourced functions within SAI Muntenia Invest S.A. enters the position of internal auditor according to the service contract no. 1175/65796/15.11.2016.
[2)] The variable remunerations are additional remunerations that are an occasional component of the total annual remuneration, that may or may not be given, not being guaranteed and are granted only if they are sustainable depending on the Company's financial position.
[3)] The company does not grant other forms of variable remuneration.

Mention: The remuneration received by SAI Muntenia Invest S.A. for the administration of SIF Muntenia S.A. is presented in the “Annual remuneration report of SIF Muntenia SA for 2021” according to art. 107 of Law 24/2017.

Nicușor Marian BUICĂ
General Director