

# LONGSHIELD INVESTMENT GROUP S.A.

## Financial Statements as at 31 December 2024

prepared according to Norm no. 39/2015 for the approval of Accounting Regulations in accordance with the International Financial Reporting Standards, applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority of the Financial Instrument and Investment Sector and according to the International Financial Reporting Standards as adopted by the European Union

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The Independent Auditor's Report

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# The Statement of Profit or Loss and Other Comprehensive Income

for the financial year ended 31 December 2024

In RON

	Note	2024	2023
Gross dividend income	6	94,182,204	82,513,919
Interest income calculated using the effective interest method	7	8,219,918	6,581,063
Other operating income		7,219	12,265
Net gain/(Net loss) from exchange rate differences		1,493,419	(348,116)
Net gain on financial assets at fair value through profit or loss	8	36,127,258	187,959,686
<b>Total income</b>		<b>140,030,018</b>	<b>276,718,817</b>
Administration fees	22	(43,042,727)	(50,226,268)
Expenses on the remuneration of the members of the Board of Shareholders' Representatives and staff salaries	22	(451,854)	(449,905)
Net impairment adjustments for other assets	14	1,056,506	(920,478)
Other operating expenses	9	(5,083,827)	(4,170,567)
<b>Total operating expenses</b>		<b>(47,521,902)</b>	<b>(55,767,218)</b>
<b>Profit before tax</b>		<b>92,508,116</b>	<b>220,951,599</b>
Income tax	10	(5,658,856)	(8,148,578)
<b>Net profit for the period</b>		<b>86,849,260</b>	<b>212,803,021</b>
<b>Other comprehensive income</b>			
<b>Items that cannot be reclassified as profit or loss</b>			
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax		153,122,182	162,769,881
Income tax related to financial assets at fair value through other comprehensive income	10	(245,275)	-
<b>Other comprehensive income</b>		<b>152,876,907</b>	<b>162,769,881</b>
<b>Total comprehensive income for the period</b>		<b>239,726,167</b>	<b>375,572,902</b>
<b>Earnings per share</b>			
Basic	19	0.114	0.280
Diluted	19	0.114	0.280

The financial statements were authorised for issue by the Board of Directors on 21 March 2025 and were signed on its behalf by SAI Muntenia Invest S.A., the administrator of Longshield Investment Group S.A., by:

ADMINISTRATOR,  
SAI MUNTENIA INVEST S.A.  
Sergiu MIHAILOV  
Deputy General Manager

PREPARED BY,  
SAI MUNTENIA INVEST S.A.  
Irina MIHALCEA  
Chief Accountant

The notes on pages 7 to 65 are an integral part of the Financial Statements.

# The Statement of Financial Postion

*as at 31 December 2024*

<i>In RON</i>	<i>Note</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
			<b>Restated</b>
<b>Assets</b>			
Cash and cash equivalents	<i>11</i>	65,414,241	46,871,575
Deposits with banks	<i>12</i>	106,975,692	159,986,022
Financial assets at fair value through profit or loss	<i>13 a)</i> <i>23</i>	1,165,702,124	1,083,470,993
Financial assets at fair value through other comprehensive income	<i>13 b)</i> <i>23</i>	1,230,669,391	1,036,654,658
Financial assets at amortized cost	<i>13 c)</i>	1,257,442	-
Other assets	<i>14</i>	12,103,419	2,708,399
<b>Total assets</b>		<b>2,582,122,309</b>	<b>2,329,691,647</b>
<b>Liabilities</b>			
Dividends payable	<i>15</i>	567,056	567,056
Deferred tax liabilities	<i>16</i>	99,360,198	71,444,815
Other liabilities	<i>17</i>	8,476,877	23,687,765
<b>Total liabilities</b>		<b>108,404,131</b>	<b>95,699,636</b>
<b>Equity</b>			
Share capital	<i>18 a)</i>	833,686,928	859,471,059
Own shares	<i>18 e)</i>	-	(38,175,588)
Retained earnings		1,150,075,221	1,068,612,366
Reserves on financial assets at fair value through other comprehensive income	<i>18 b)</i>	489,956,029	344,084,174
<b>Total equity</b>		<b>2,473,718,178</b>	<b>2,233,992,011</b>
<b>Total liabilities and equity</b>		<b>2,582,122,309</b>	<b>2,329,691,647</b>

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# The Statement of Changes in Equity

for the financial year ended 31 December 2024

In RON

	Share capital	Own shares	Reserves on financial assets at fair value through other comprehensive income	Retained earnings	Total
<b>Balance as at 31 December 2023</b>	<b>859,471,059</b>	<b>(38,175,588)</b>	<b>344,084,174</b>	<b>1,068,612,366</b>	<b>2,233,992,011</b>
<b>Comprehensive income</b>					
<i>Profit for the financial year</i>	-	-	-	86,849,260	86,849,260
<i>Other comprehensive income</i>					
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax*)	-	-	153,122,182	-	153,122,182
Fair value reserve for financial assets at fair value through other comprehensive income transferred to retained earnings	-	-	(7,250,327)	7,250,327	-
Income tax related to financial assets at fair value through other comprehensive income				(245,275)	(245,275)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>145,871,855</b>	<b>93,854,312</b>	<b>239,726,167</b>
<b>Transactions with shareholders, recognised directly in equity</b>					
Prescribed dividends	-	-	-	-	-
Share capital decrease	(25,784,131)	38,175,588	-	(12,391,457)	-
Own shares redeemed	-	-	-	-	-
<b>Total transactions with shareholders, recognised directly in equity</b>	<b>(25,784,131)</b>	<b>38,175,588</b>	<b>-</b>	<b>(12,391,457)</b>	<b>-</b>
<b>Balance as at 31 December 2024</b>	<b>833,686,928</b>	<b>-</b>	<b>489,956,029</b>	<b>1,150,075,221</b>	<b>2,473,718,178</b>

\*) Reserves from the revaluation at fair value of financial assets at fair value through other comprehensive income shall not be re-classified as profit or loss.

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# The Statement of Changes in Equity (continued)

for the financial year ended on 31 December 2024

In RON

	Share capital	Own shares	Reserves on financial assets at fair value through other comprehensive income Restated	Retained earnings Restated	Total Restated
<b>Balance as at 31 December 2022</b>	<b>859,471,059</b>	<b>(38,175,588)</b>	<b>213,107,162</b>	<b>824,016,476</b>	<b>1,858,419,109</b>
<b>Comprehensive income</b>					
<i>Profit for the period</i>	-	-	-	212,803,021	212,803,021
<i>Other comprehensive income</i>					-
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax*)	-	-	162,769,881	-	162,769,881
Fair value reserve for financial assets at fair value through other comprehensive income transferred to retained earnings	-	-	(31,792,869)	31,792,869	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>130,977,012</b>	<b>244,595,890</b>	<b>375,572,902</b>
<b>Transactions with shareholders, recognised directly in equity</b>					
Prescribed dividends	-	-	-	-	-
Share capital decrease	-	-	-	-	-
Own shares redeemed	-	-	-	-	-
<b>Total transactions with shareholders, recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 December 2023</b>	<b>859,471,059</b>	<b>(38,175,588)</b>	<b>344,084,174</b>	<b>1,068,612,366</b>	<b>2,233,992,011</b>

\*) Reserves from the revaluation at fair value of financial assets at fair value through other comprehensive income shall not be re-classified as profit or loss.

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**The Statement of Cash Flows**  
*for the financial year ended 31 December 2024*

<i>In RON</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>			
Profit/(Loss) before tax		92,508,116	220,951,599
<i>Adjustments:</i>			
(Reversals)/Establishments of impairment of other assets	14	(1,056,506)	920,478
(Net gain)/Net loss on financial assets at fair value through profit or loss	8	(36,127,258)	(187,959,686)
Gross dividend income	6	(94,182,204)	(82,513,919)
Interest income	7	(8,219,918)	(6,581,063)
(Net gain)/Net loss from exchange rate differences		(1,493,419)	348,116
Interest expenses related to the lease contract liability	14i)	664	1,171
Adjustments for suppliers – accruals and other adjustments		7,617,644	21,681,417
<b>Changes in assets and liabilities related to operating activities</b>			
Net (payments)/ receipts of financial assets at fair value through profit or loss		(46,309,372)	41,817,620
Net (payments)/ receipts of financial assets at fair value through other comprehensive income		(14,133,455)	24,265,799
(Payments)/Receipts from financial assets measured at amortised cost		(1,244,000)	-
(Payments)/ receipts of other assets		(10,717,303)	1,934,998
(Payments)/ receipts of other liabilities		(22,465,922)	(47,502,460)
Net change in deposits with a maturity of more than 3 months and less than a year	12	52,644,521	(54,440,768)
Dividends received		92,081,041	77,031,268
Interest received		8,701,652	6,018,252
Income tax paid		(545,799)	-
<b>Net cash from operating activities</b>		<b>17,058,482</b>	<b>15,972,822</b>
<b>Investment activities</b>			
Payments for purchases of tangible and intangible assets		-	(417)
<b>Net cash used in investment activities</b>		<b>-</b>	<b>(417)</b>
<b>Financing activities</b>			
Payments related to the lease contract liability, including interest	14i)	(10,388)	(10,324)
<b>Net cash used in financing activities</b>		<b>(10,388)</b>	<b>(10,324)</b>
<b>Net increase in cash and cash equivalents</b>		<b>17,048,094</b>	<b>15,962,081</b>
Effect of exchange rate changes on cash and cash equivalents		1,494,572	(358,292)
Cash and cash equivalents as at 1 January		46,871,575	31,267,786
<b>Cash and cash equivalents as at 31 December</b>		<b>65,414,241</b>	<b>46,871,575</b>

# **The Statement of Cash Flows**

*for the financial year ended 31 December 2024*

**The cash and cash equivalents as at 31 December include:**

<i>In RON</i>	<i>Note</i>	<b>2024</b>	<b>2023</b>
Petty cash		1,309	1,309
Cash at bank		1,739,977	20,764,322
Bank deposits with the initial maturity less than 3 months		63,531,454	25,880,220
Related receivables		141,501	225,724
<b>Cash and cash equivalents</b>	<b>11</b>	<b><u>65,414,241</u></b>	<b><u>46,871,575</u></b>

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# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 1. The reporting entity

Longshield Investment Group S.A., formerly called SIF Muntenia S.A., ("the Company") is a collective investment undertaking established in 1996 through the reorganisation and transformation of Fondul Proprietății Private IV Muntenia, pursuant to Law no. 133/1996 for the transformation of Private Property Funds into financial investment companies, being classified as another collective investment undertaking (non-UCITS) according to Law no. 297/2004 on the capital market. Longshield Investment Group SA, formerly called SIF Muntenia S.A., is operating in Romania according to the provisions of the Companies Law no. 31/1990, Law no. 297/2004 on the capital market and Law no. 24/2017 on issuers of financial instruments and market operations. Under Authorisation no. 151/09.07.2021, the Financial Supervisory Authority authorised the Company as an Alternative Investment Fund intended for Retail Investors (AIFRI).

The name Longshield Investment Group S.A was authorised by the Financial Supervisory Authority under Authorisation no. 36/22.03.2024 who authorised the changes made to the Articles of Incorporation of SIF Muntenia S.A., in accordance with the Decision of the Company Shareholders' Extraordinary General Meeting no. 4 of 03.02.2024, following the change of the Company's name from Societatea de Investitii Financiare Muntenia S.A. to Longshield Investment Group S.A.

The Company registered office is in 46-48 Serghei Vasilievici Rahmaninov St., the ground floor, room 2, District 2, Bucharest, Romania.

The sole scope of activity of the Company concerns the nature of other collective investment undertaking (non-UCITS) of the fund, the Company carrying out activities such as:

- Performing 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;
- Other ancillary and adjacent activities, in accordance with regulations in force.

The Company operates on the basis of a management contract concluded with Societatea de Administrare a Investițiilor Muntenia Invest S.A., certified as an Alternative Investment Fund Manager (AIFM) under number PJR08.AFIAA/400002/15.11.2024. According to the provisions of art. 3(2) of Law no. 74/2015, as subsequently amended and supplemented, AIFM means any legal person whose main activity is the management of one or more alternative investment funds.

The Company shares have been listed on the Bucharest Stock Exchange, in the premium category, under code SIF4, since 1 November 1999.

The records of the shares and shareholders are kept according to the law by Depozitarul Central S.A. of Bucharest. The asset depositing services are provided by BRD – Groupe Société Générale S.A. – a company authorised by the Financial Supervisory Authority (FSA).

## 2. Basis of preparation

### (a) Declaration of conformity

The financial statements have been prepared according to the provisions of FSA Norm no. 39/28 December 2015 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards, applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority in the Financial Instrument and Investment Sector, as subsequently amended and supplemented ("FSA Norm no. 39/2015"). Within the meaning of the FSA Norm no. 39/2015, the International Financial Reporting Standards are those adopted according to the procedure provided for by Regulation (EC) no. 1606/2002 ("IFRS adopted by the European Union").

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## **2. Basis of preparation (continued)**

### **(a) Declaration of conformity (continued)**

The financial statements have been prepared in accordance with requirements laid down by IFRS adopted by the European Union.

The Company's financial statements have been prepared, approved and will be made available to the public in electronic format on the Company's website: [www.longshield.ro](http://www.longshield.ro)

These financial statements have been prepared on a going concern basis, which implies that the Company will continue as a going concern, without any significant reduction thereof, in the foreseeable future.

The Company meets the criteria for classification as an investment entity in accordance with the provisions of IFRS 10 "Consolidated Financial Statements".

The criteria for classification as an investment entity were analysed in 2024 given that the Company has more than one investment, obtains funds from more than one investor, has investors who are not related parties and has equity interests in investment held that it measures substantially at fair value. The Company's purpose is to invest in funds obtained in order to make gains and/or income from investment. The analysis also took into account the following aspects:

- The communication of the Company business objectives to investors;
- Exit (divestiture) strategies for the investments held by the Company;
- Activities carried out by the Company with its subsidiaries;
- Fair value measurement of the Company's investments.

As an investment entity, the Company has different exit strategies for different types or portfolios of investment, including a realistic time frame for divestiture.

The Administrator's exit strategies are developed over a time horizon between 3 and 5 years, depending on the specifics of the entities in which it has invested, as well as the market in which they operate, aiming to maximise the value of its own shares.

The application of this exception from consolidation means that an investment entity does not have to consolidate its subsidiaries or to apply IFRS 3 "Business Combinations" when it gains control of another entity. On the other hand, it has to evaluate an investment in a subsidiary at fair value through profit or loss according to IFRS 9 "Financial Instruments".

### **(b) Presentation of the financial statements**

The Company has adopted a presentation based on liquidity in the statement of its financial position and a presentation of income and expenses according to the nature thereof in the statement of profit or loss and other comprehensive income, considering that these presentation methods provide information that is credible and more relevant than the information that would have been presented based on other methods allowed by IAS 1.

### **(c) Basis of measurement**

The financial statements are prepared on the fair value basis for financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income.

Other financial assets and liabilities, as well as non-financial assets and liabilities are presented at amortised cost, revalued amount or historical cost.

The methods used to measure fair value are presented in Note 3(e)(iv) and Note 5.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## **2. Basis of preparation (continued)**

### **(d) Functional and presentation currency**

The Company management deems the functional currency, as defined by IAS 21 “The Effects of Changes in Foreign Exchange Rates”, to be the Romanian Leu (RON). The financial statements are prepared and presented in RON, rounded off to the nearest RON, a currency which the Company management has chosen as the presentation currency. The Romanian Leu is the functional currency because this is the currency of the economic environment in which it operates, namely on Romanian territory. The financial assets and liabilities held by the Company are mostly expressed in this currency, the sale and purchase prices of goods and services are expressed and settled in RON, the funds generated/used from/in the operating, financing and investment activities are in RON.

### **(e) Use of estimates and judgments**

The preparation of the financial statements according to IFRS adopted by the European Union involves the use by the management of estimates, judgments and assumptions that affect the application of accounting policies, as well as the reported value of assets, liabilities, income and expenses. The judgments and assumptions associated with these estimates are based on historical experience, as well as other factors deemed to be reasonable in the context of these estimates. The results of these estimates form the basis for the judgments about the book values of assets and liabilities that cannot be obtained from other sources of information. The results obtained may differ from the estimated values.

The judgments and assumptions underlying them are reviewed regularly. Accounting estimate revisions are recognised during the period when the estimate is revised, if the revision only affects that period, or during the period when the estimate is revised and future periods, if the revision affects both the current and future periods.

Judgments by the management in the application of IFRS that have a major effect on financial statements, as well as estimates involving a major risk of a material adjustment during the coming year are presented in Note 4 and Note 5.

### **(f) Changes in accounting policies – significant information regarding accounting policies**

The Company also adopted the document “Presentation of Accounting Policies (Amendments to IAS 1 and Statement 2 regarding IFRS practice)” as of 1 January 2023. Although the amendments did not lead to changes in the accounting policies in this regard, they did have an impact on the information regarding accounting policies presented in the financial statements.

The amendments provide for the presentation of “significant” accounting policies. The amendments also provide guidance on the application of the significance in the presentation of accounting policies.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 2. Basis of preparation (continued)

### (g) The impact of the Russian-Ukrainian military conflict and other international events and trends on the Company's financial position and performance

Inflation remains an economic factor that affects the entire Romanian economy, but mainly final consumers. The Board of Directors of the NBR (National Bank of Romania) analysed the Inflation Report, the February 2025 edition, and according to the current forecast, the annual inflation rate will experience a pronounced fluctuation in the first half of 2025 - against the background of the two-way base effects that will manifest themselves over this time horizon, and in the second half it will decrease on a higher trajectory than the one in the previous projection, remaining above the 2.5% target until the end of 2025.

The NBR kept the monetary policy interest rate unchanged in February 2025 at 6.5%, a level that was also maintained at the monetary policy meetings in January 2025 and November 2024.

The development of the military aggression in Ukraine and the associated sanctions generate considerable uncertainties and risks regarding the outlook of economic activity, implicitly the medium-term evolution of inflation, through the greater effects exerted on the purchasing power and confidence of consumers, as well as on the activity of companies. The peace negotiations that began in February 2025 are ongoing, and their impact on the Company's activity is difficult to quantify. The Company has no investment or exposures in the area of the military conflict in Ukraine.

At the same time, the conflict in the Middle East represents a major source of geopolitical risk, as a consequence, the confidence of companies and of the population regarding future developments could diminish, and international trade could be disrupted. In January 2025 began the first phase of the agreement between Israel and Hamas, namely the release of prisoners. The Company has no investment or exposures in the Middle East.

Also, the absorption and use of European funds are conditioned on the achievement of strict targets and milestones, which are essential for achieving the necessary structural reforms, but also for counterbalancing, at least partially, the contractionary effects of geopolitical conflicts (energy transition).

The Administrator identified the main risks and uncertainties to which the Company is exposed, these being mainly related to the market risk, through the volatility of quotations on the entire capital market and implicitly of the financial instruments held in the Company's portfolio. Another potential risk is that of contagion, in relation to the activities carried out by most of the entities in which the Company holds shares, with the probability of a decrease in the fair value of the financial assets. We note that the risks presented are not exclusively incident to the Company, but they affect the entire European financial market.

However, the Administrator of the Company believes that the continuity of its activity will not be affected.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 3. Material accounting policies

The material accounting policies set out below have been consistently applied to all periods presented in these financial statements.

### (a) Subsidiaries and associates

Subsidiaries are entities under the control of the Company. Control exists if, and only if, the Company wholly has the following: authority over the investee, exposure or rights to the variable earnings based on its participation in the investee and the ability to use its authority over the investee to influence the amount of the investor's earnings.

When assessing control, potential or convertible voting rights that may be exercised at that time are also taken into account.

If the Company has shareholdings classified as financial assets at fair value through other comprehensive income and it acquires control through a phased acquisition, the Company reclassifies the shareholding from financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss. Changes in fair value previously recognised in other comprehensive income are derecognised on the same basis as if the shareholding had been assigned, i.e. under retained earnings.

Associates are companies within which the Company can exert significant influence, but not control over their financial and operating policies. As of 31 December 2024, the Company has not identified shareholdings that meet the criteria for classification as an associate.

The Company measures investment in subsidiaries and associates at fair value through profit or loss in accordance with IFRS 9 "Financial Instruments".

### (b) Foreign currency transactions

Transactions in foreign currency are recorded in RON at the official exchange rate of the transaction settlement date. Monetary assets and liabilities recorded in foreign currencies by the preparation of the statement of the financial position are converted into the functional currency at the exchange rate of that day.

Gains or losses from their settlement and from the conversion using the exchange rate at the end of the financial period of monetary assets and liabilities in foreign currencies are recognised under profit or loss.

Conversion differences in relation to non-monetary items such as shareholdings at fair value through profit or loss are presented as gains or losses from fair value. Foreign exchange differences related to non-monetary financial assets, denominated in foreign currency and classified at fair value through other comprehensive income, are reflected in a separate reserve account.

The exchange rates of the main foreign currencies were:

Currency	31 December 2024	31 December 2023	Variation
Euro (EUR)	1: RON 4.9741	1: RON 4.9746	-0.01%
US Dollar (USD)	1: RON 4.7768	1: RON 4.4958	6.25%

### (c) Accounting for the effect of hyperinflation

According to IAS 29, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy should be presented in the current unit of measurement at the end of the reporting period (non-monetary items are restated using a general price index of the date of acquisition or contribution).

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 3. Material accounting policies (continued)

### (c) Accounting for the effect of hyperinflation (continued)

According to IAS 29, an economy is deemed to be hyperinflationary if, in addition to other factors, the cumulative inflation rate over a three-year period exceeds 100%. The continuous decrease of the inflation rate and other factors related to the characteristics of the Romanian economic environment indicate that the economy whose functional currency has been adopted by the Company has ceased to be hyperinflationary, with effect on the financial periods from 1 January 2004. Thus, the provisions of IAS 29 were adopted in the preparation of the financial statements until 31 December 2003, and these financial statements are affected by the application of IAS 29 primarily by the adjustment applied to the share capital.

### (d) Cash and cash equivalents

Cash and cash equivalents include: cash, cash at bank and deposits with banks with an original maturity of less than 90 days (excluding frozen deposits).

### (e) Financial assets and liabilities

#### (i) Classification

The Company classifies financial instruments held according to IFRS 9 "Financial Instruments" into the following categories:

##### *Financial assets measured at amortised cost*

A financial asset is measured at *amortised cost* if it meets both conditions set out below and is not designated as measured at fair value through profit or loss:

- It is held within a business model whose objective is to keep assets for the collection of contractual cash flows; and
- Its contractual terms generate, on certain dates, cash flows that are only payments of the principal and interest related to the outstanding principal amount.

##### *Financial assets at fair value through other comprehensive income*

A financial asset is measured at *fair value through other comprehensive income* only if it meets both conditions listed below and is not designated at fair value through profit or loss:

- It is held within a business model whose objective is achieved both by collecting contractual cash flows and by selling financial assets; and
- Its contractual terms generate, on certain dates, cash flows which represent only payments of the principal and interest related to the outstanding principal amount.

Upon initial recognition of an investment in equity instruments not held for trading, the Company may irrevocably choose to present subsequent changes in fair value under other comprehensive income. This option applies to each instrument, as appropriate.

##### *Financial assets at fair value through profit or loss*

All financial assets not classified as measured at amortised cost or at fair value through other comprehensive income, as described above, shall be measured at *fair value through profit or loss*. Moreover, on initial recognition, the Company may irrevocably designate a financial asset, which in fact meets the requirements for measurement at amortised cost or fair value through other comprehensive income, to be measured at fair value through profit or loss if this eliminates or significantly reduces an accounting inconsistency that would arise if it were done otherwise.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## **3. Material accounting policies (continued)**

### **(e) Financial assets and liabilities (continued)**

#### ***(ii) Recognition***

Financial assets and financial liabilities are recognised on the date when the Company becomes a contracting party to the terms of such instrument. Financial assets and liabilities are measured on the initial recognition at fair value.

#### ***(iii) Offsets***

Financial assets and liabilities are offset, and the net result is presented in the statement of the financial position only when there is a legal right of set-off and the intention is to settle them on a net basis or to realise the asset and settle the debt simultaneously.

Income and expenses are presented on a net basis only when permitted by accounting standards or for the profit and loss arising from the gains and losses on trading activity.

#### ***(iv) Measurement***

##### ***Measurement at amortised cost***

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured after the initial recognition, less the principal payments, plus or minus the accumulated depreciation up to that point using the effective interest method, less the reductions related to impairment losses. This category includes cash and cash equivalents, bank deposits, receivables and payables.

##### ***Fair value measurement***

Fair value is the price that would have been received on the sale of an asset or that would have been paid for the transfer of a liability in a regulated transaction between participants in the market or, in the absence of the main market, on the most advantageous market for that asset or liability as of the valuation date.

The Company measures the fair value of a financial instrument using the prices quoted in an active market for that instrument. A financial instrument has an active market if quoted prices are available quickly and regularly for that instrument. See Note 5.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## **3. Material accounting policies (continued)**

### **(e) Financial assets and liabilities (continued)**

The market price used to determine the fair value is the closing price of the market on the last trading day.

In the absence of a price quotation in an active market, the Company uses valuation techniques based on updated cashflow analysis and other valuation methods commonly used by market participants, making the most of market information, relying as little as possible on Company-specific information. The Company uses valuation techniques that maximise the use of observable data and minimise the use of unobservable data.

The value resulting from the use of a valuation model is adjusted for a number of factors, seeing as valuation techniques do not reliably reflect all the factors considered by market participants when concluding a transaction. Adjustments are recorded to reflect risk patterns, differences in selling and buying quotes, liquidity risks and other factors. See Note 5.

Fund units are measured at the net asset value per unit, calculated by the fund administrator using closing quotes for the financial instruments held by the funds. If the Company notices that the net asset value per unit is not representative of the fair value, it uses public information on the fund holdings (financial statements, audit reports, the portfolio structure, etc.), and obtains a corrected NAVU with any adjustments deemed necessary to the net asset value following the analysis of the aforementioned public information. See Note 5.

Bonds at fair value through profit or loss are valued using a valuation model that takes into account the closing quote published by Bloomberg for these instruments, as well as an adjustment factor that takes into account mainly the liquidity risk in the market of the instrument. See Note 13 a).

#### **(v) The identification and measurement of the impairment**

##### *Financial assets measured at amortised cost*

The expected credit loss represents the difference between all contractual cashflows due to the Company and all cashflows which the Company expects to receive, discounted at the original effective interest rate.

A financial asset or group of financial assets is impaired as a result of the credit risk if one or more events have occurred with a negative impact on the expected future cashflows of the assets.

The Company assesses whether the credit risk for a financial asset has increased significantly since the initial recognition based on the information available, at no cost or unreasonable effort, which is an indicator of significant increases in the credit risk since the initial recognition.

Depending on the credit risk, the Company recognises expected credit losses, as follows:

- a) For financial assets, other than purchased or issued financial assets impaired due to a credit risk, for which the credit risk has increased significantly since initial recognition, or are in default, the expected loss is measured at an amount equal to the expected losses over the entire lifetime of said asset;
- b) For financial assets, other than purchased or issued financial assets impaired due to a credit risk, for which the credit risk has not increased significantly since initial recognition, the expected loss is measured at the level of the expected losses for 12 months.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 3. Material accounting policies (continued)

### (e) Financial assets and liabilities (continued)

#### (vi) The identification and measurement of the impairment

#### (vii) Financial assets measured at amortised cost

The impairment gain or loss is determined as the difference between the book value of the financial asset and the present value of future cashflows using the effective interest rate of the financial asset at the original time.

#### (vi) Derecognition

The Company derecognises a financial asset when the rights to receive cashflows from that financial asset expire or when the Company has transferred the rights to receive the contractual cash flows related to that financial asset in a transaction in which it has significantly transferred all the risks and benefits of the property right.

Any interest in transferred financial assets held by the Company or created for the Company is recognised separately as an asset or a liability.

The Company derecognises a financial liability when the contractual obligations are discharged or cancelled or expire.

#### (vii) Gains and losses on disposal

The gain or loss on the disposal of a financial asset or a financial liability measured at fair value through profit or loss is recognised under the current profit or loss.

Upon the derecognition of the equity instruments designated in the category of financial assets measured at fair value through other comprehensive income, cumulative gains or losses representing valuation gains or losses recorded under revaluation reserves recognised in Other comprehensive income are transferred to retained earnings (the profit carried forward representing the net realised surplus – IFRS 9).

A gain or a loss related to a financial asset that is measured at amortised cost is recognised under current profit or loss when the asset is derecognised.

#### (viii) Reclassification

Equity instruments designated at fair value through other comprehensive income upon initial recognition may not be reclassified.

#### (viii) Reclassification (continued)

For debt instruments, reclassification is mandatory when the Company changes its business model related to the management of financial assets. These reclassifications are expected to have a very low frequency.

Reclassifications are applied prospectively, from the date of the reclassification on the first day of the reporting period following the change in the business model. The entity does not restate previously recognised gains, losses (including impairment gains or losses) or interests.

### (f) The share capital

Ordinary shares are recognised under the share capital.

Redeemed own shares are recognised directly under equity at the redemption price. When the entity redeems its own shares, those shares will be deducted from equity. The entity's own shares will not be recognised as a financial asset, regardless of the reason for which they were redeemed (IAS 32.AG36).

Gains or losses related to the issue, redemption, sale, free transfer or cancellation of the Company's equity instruments are recognised through profit or loss.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## **3. Material accounting policies (continued)**

### **(g) Provisions for risks and expenses**

Provisions are recognised in the statement of the financial position when a liability arises for the Company related to a past event and the consumption of economic resources is likely to be necessary in the future to settle such liability, and a reasonable estimate of the amount of the liability can be made.

In order to determine the provision, future cash flows are discounted using a pre-tax discount rate that reflects current market conditions and the risks specific to that liability.

### **(h) Interest income and interest expenses**

For financial assets measured at amortised cost, interest income and expenses are recognised under profit or loss using the effective interest rate method. The effective interest rate is the rate that accurately discounts payments and receipts in cash expected in the future over the expected life of the financial asset or liability (or, where applicable, over a shorter period) to the book value of that financial asset or liability. The amount of the interest related to the liability arising from the lease agreement is determined using a discount rate that can be the interest rate of the agreement or the lessee's marginal borrowing rate and is recognised under profit or loss.

For financial assets at fair value through profit or loss, interest income is recognised under profit or loss as part of the "Net gain/(Net loss) on financial assets at fair value through profit or loss".

### **(i) Dividend income**

Dividend income is recognised under profit or loss on the date when the right to receive such income is established.

In the case of dividends received in the form of shares, as an alternative to payment in cash, dividend income is recognised at the level of the cash that would have been received, corresponding to the increase of the related shareholding. The Company does not record dividend income related to shares received free of charge when they are proportionally distributed to all shareholders.

Dividend income is recorded on a gross basis that includes dividend tax, which is recognised as a current income tax expense.

### **(j) Employee benefits**

#### **(i) Short-term benefits**

Liabilities related to short-term employee benefits are not discounted and are recognised in the statement of profit or loss and other comprehensive income as the related service is provided.

Short-term employee benefits include salaries and bonuses. Short-term employee benefits are recognised as an expense when the services are provided. A provision is recognised for amounts expected to be paid as cash bonuses in the short term provided that the Company currently has a legal or implied obligation to pay those amounts as a result of past services provided by the employees and if that obligation can be reliably estimated.

#### **(ii) Defined contribution plans**

All Company employees are insured and have the legal obligation to contribute (through social contributions) to the Romanian State pension system (a defined State contribution plan).

The Company is not involved in any independent pension system and, consequently, has no other obligations in this respect. The Company is not involved in any other post-retirement benefit system. The Company has no obligation to provide subsequent services to former or current employees.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 3. Material accounting policies (continued)

### (j) Employee benefits (continued)

#### (iii) *Long-term employee benefits*

The Company net liability in respect of long-term service related benefits is the amount of future benefits which employees have earned in return for services rendered by them during the current and prior periods.

The Company has no obligation to grant benefits to employees at the time of their retirement.

### (k) Profit tax

The profit tax for the year includes the current tax and the deferred tax. The current profit tax includes the tax on dividend income recognised on a gross basis.

The profit tax is recognised in the statement of the profit or loss and other comprehensive income if the tax relates to capital items.

The current tax is the tax payable on the profit earned during the current period, determined on the basis of percentages applied by the date of the statement of the financial position and all adjustments related to previous periods.

The deferred tax is determined for any temporary differences occurring between the tax base for calculating the tax on assets and liabilities and their book value used for reporting in the financial statements.

The deferred tax is not recognised for the following temporary differences: the initial recognition of the goodwill, the initial recognition of assets and liabilities resulting from transactions that are not business combinations and do not affect the accounting or the tax profits and differences resulting from investment in subsidiaries, provided that they are not reversed in the near future. The deferred tax is calculated based on the tax rates expected to be applicable to temporary differences upon their reversal, based on laws in force as of the reporting date or issued by the reporting date and which will enter into force thereafter.

Deferred tax assets and liabilities are only offset if there is a legal right to offset current tax liabilities and assets and if they relate to the tax collected by the same tax authority for the same entity subject to tax and the Company intends, to settle the current tax assets and settle the liabilities simultaneously.

The deferred tax asset is only recognised if it is likely to earn future profits that can be used to cover the tax loss. The relevant asset is revised at the end of each financial period and is reduced to the extent that the related tax benefit is unlikely to materialise.

The tax result is determined on the basis of income and expense items in the Profit or Loss Statement plus items similar to income and minus items similar to expenses recorded under retained earnings, as a result of the application of IFRS 9.

For financial periods ended 31 December 2024 and 31 December 2023, the profit tax rate was 16%. The income from the valuation/revaluation/sale/assignment of shareholdings in a Romanian legal entity or in a foreign legal entity located in a state with which Romania has concluded a double taxation treaty is non-taxable income if, by the time of the valuation/revaluation/sale/assignment, inclusive, the Company holds at least 10% of the share capital of the legal entity where it has the shareholdings for an uninterrupted period of one year.

The tax rate related to taxable dividend income for the financial periods ended 31 December 2024 and 31 December 2023 is 8%. The dividend tax is established by applying a tax rate to the gross dividend paid to a Romanian legal entity. Dividends received from a Romanian legal entity are non-taxable income if, by the payment of the dividends, the Company holds at least 10% of the share capital of the legal entity where it has the shareholdings for an uninterrupted period of one year.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## **3. Material accounting policies (continued)**

### **(l) Earnings per share**

The Company presents the basic and diluted earnings per share for ordinary shares. The basic earnings per share are determined by dividing the profit or loss attributable to ordinary Company shareholders by the weighted average number of ordinary shares related to the reporting period. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares with the dilution effects generated by potential ordinary shares.

### **(m) Dividends to be distributed**

Dividends are treated as a distribution of the profit during the period in which they were declared and approved by the Shareholders' General Meeting. Dividends not collected for three years, after the expiration of the limitation period, are registered directly under equity, and are assimilated to contributions from shareholders, based on a decision of the Shareholders' General Meeting.

### **(n) Subsequent events**

Events that occur after the balance sheet date may provide additional information about the reporting period compared to that known at the balance sheet date. If the annual financial statements have not been approved, they must be adjusted to also reflect the additional information, if said information relates to circumstances (events, transactions, etc.) that existed at the balance sheet date.

Events subsequent to the balance sheet date are those events, favourable or unfavourable, that occur between the balance sheet date and the date on which the annual financial statements are approved. Events subsequent to the balance sheet date include all events that occur up to the date the annual financial statements are approved, even if those events occur after the public disclosure of financial information.

There can be two types of events subsequent to the balance sheet date identified:

- those that prove the circumstances that existed at the balance sheet date. These events subsequent to the balance sheet date led to the adjustment of the annual financial statements; and
- those that provide indications of circumstances arising after the balance sheet date. These events subsequent to the balance sheet date do not lead to the adjustment of the annual financial statements.

### **(o) Related parties**

A related party is a person or an entity that is related to the entity preparing its financial statements (the reporting entity).

- (a) A person or a close member of that person's family is related to a reporting entity if such person:
  - i) Has control or joint control over the reporting entity;
  - ii) Has significant influence on the reporting entity; or
  - iii) Is a member of the key management staff of the reporting entity or of a parent company of the reporting entity.
- (b) A company is related to a reporting entity if it meets one of the following conditions:
  - i) The entity and the reporting entity are members of the same group (i.e. each parent company, subsidiary or member subsidiary is connected with the other entities);
  - ii) One entity is an associate or a joint venture of the other entity (or an associate or a joint venture of a member of the group which also includes the other entity);
  - iii) Both entities are joint ventures of the same third party;
  - iv) One entity is a joint venture of a third party, and the other entity is an associate of that third party;
  - v) The entity is a post-employment benefit plan in favour of employees of the reporting entity or of an entity connected with the reporting entity. If the reporting entity itself is such a plan, the employers funding the plan are also connected with the reporting entity;
  - vi) The entity is controlled or jointly controlled by a person identified under point (a);
  - vii) The person identified under point (a)(i) has significant influence on the entity or is part of the key staff managing the entity (or managing a parent company of that entity);

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## **3. Material accounting policies (continued)**

### **(o) Related parties (continued)**

viii) The entity or any member of a group which includes it provides services related to the key staff managing the reporting entity or the parent company of the reporting entity.

Related party transactions are a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether or not a price is charged.

The Company activity is not organised by activity components and, therefore, there are no reportable segments.

Financial assets such as capital instruments, which the Company holds, are shares issued by companies operating in different business sectors. For the exposure by business sector, see Note 4.

### **(p) Adopting new or revised Standards and interpretations**

#### **New IFRS accounting standards and amendments to existing standards that are effective for periods after 1 January 2024**

The amendments to the existing standards issued by the International Accounting Standard Board (“IASB”) and not adopted by the European Union (“EU”) by 20 January 2025 presented below are effective for the current reporting period, being mandatory for the reporting periods as of or after 1 January 2024.

Adopting them, if they were applicable to the Company, did not have a significant impact on the information to be provided or on the amounts reported in these financial statements.

<b>Standard</b>	<b>Amendments</b>
Amendments to IAS 21  (date of entry into force set by the IASB: 1 January 2025. Earlier application is allowed.)	<i>Lack of spot exchange rate for foreign exchange transactions.</i> The standard imposes additional disclosure requirements to help users measure the impact of using an estimated exchange rate on the financial statements.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 3. Material accounting policies (continued)

### (p) Adopting new or revised Standards and interpretations (continued)

**New IFRS accounting standards and amendments to existing standards that are effective for periods after 1 January 2024**

Standard	Amendments
Amendments to IFRS 9 and IFRS 7 Amendments to the classification and measurement of financial instruments  (In force for annual reporting periods as of 1 January 2026. Earlier application is allowed.)	<i>Settlement of liabilities through electronic payment systems.</i> Amendments to IFRS 9 clarify when a financial asset or financial liability is recognised and derecognised. The Company recognises/derecognises financial assets and financial liabilities on the trade date. The Company has applied the exception.  <i>Classification of financial assets with ESG-related characteristics.</i> The amendments introduce an additional SPPI test for financial assets with contingent characteristics that are not directly related to a change in the underlying credit risks or costs.  <i>Contractually linked instruments (CLI) and non-refund items.</i> The amendments clarify the key features of CLI and how they differ from financial assets with non-refund items.  <i>Information on investment in equity instruments.</i> The amendments required additional information for investment in equity instruments that are measured at fair value through other comprehensive income.
IFRS 18 Presentation and Disclosure of Financial Statements  (In force for annual reporting periods as of 1 January 2027 or after this date. Earlier application is allowed.)	<i>A more structured statement of profit or loss.</i> IFRS 18 introduces newly defined subtotals for “operating profit” and “profit or loss before financing and income tax” and a requirement for all income and expenses to be allocated between three new distinct categories, based on a company’s primary business activities: operating, investing and financing.  <i>Management performance measures - Published and subject to audit.</i> IFRS 18 also imposed that certain “non-GAAP” measures be reported in the financial statements. Companies must explain in a single note to the financial statements why the measure provides useful information, how to calculate, and its reconciliation to a value determined in accordance with the IFRS accounting standards.  <i>Greater disaggregation of information.</i> Companies are discouraged from labelling information as “other” and are required to disclose more information if they continue to do so.  <i>Other amendments applicable to primary financial statements.</i> IFRS 18 establishes the operating profit as the starting point for the indirect method of presenting cash flows from operating activities and removes the option to classify cash flows from interest and dividends as operating activities in the cash flow statement (this differs for entities with specific core activities). It also requires goodwill to be presented as a new line item in the balance sheet.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 3. Material accounting policies (continued)

### (p) Adopting new or revised Standards and interpretations (continued)

**New IFRS accounting standards and amendments to existing standards issued and adopted by the EU but not yet in force**

Standard	Amendments
IFRS 19 Subsidiaries without public disclosures (In force for annual reporting periods as of 1 January 2027 or after this date. Earlier application is allowed.)	IFRS 19 allows eligible subsidiaries to apply the IFRS accounting standards with the reduced disclosure requirements of IFRS 19.  A subsidiary that applies IFRS 19 must clearly indicate in its explicit and unreserved statement of compliance with the IFRS accounting standards that IFRS 19 has been adopted.
	The Company is not affected by the entry into force of IFRS 19.
Amendments to IFRS 9  (In force for annual reporting periods as of 1 January 2026 or after this date.)	Amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when liabilities arising from lease contracts are derecognised in accordance with IFRS 9, the difference between the book value and the consideration paid is recognised in profit or loss.
Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture  (Date of entry into force deferred indefinitely)	The amendments clarify that in a transaction involving an associate or joint venture, the degree of recognition of gains or losses depends on whether the assets sold or contributed to it constitutes a business.

The Company anticipates that the adoption of these new standards and amendments to existing standards, if applicable to the Company, will not have a significant impact on its financial statements in future periods.

## 4. The management of significant risks

The investment activity leads to the Company exposure to a variety of risks associated with the financial instruments held and the financial markets in which it operates. The main risks to which the Company is exposed are:

- The market risk (the price risk, the interest rate risk and the currency risk);
- The credit risk;
- The liquidity risk;
- The tax related risk;
- The operational risk.

The overall risk management strategy aims at maximising the Company profit by reference to the level of risk to which it is exposed and at minimising any potential adverse variations in the Company financial performance.

The Company uses a variety of policies and procedures to manage and measure the types of risk to which it is exposed. These policies and procedures are presented in the subchapter dedicated to each type of risk.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 4. The management of significant risks (continued)

### (a) The market risk

The market risk is defined as the risk of incurring a loss or not obtaining the expected profit as a result of fluctuations in prices, interest rates and exchange rates.

The Company is exposed to the following market risk categories:

#### (i) The price risk

The Company is exposed to the risk associated with changes in the price of financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

The Board of Directors of SAI Muntenia Invest S.A. also meets its role of monitoring the market risk management framework by approving trading limits.

#### *Shares*

As at 31 December 2024, the Company has shares at fair value through profit or loss in companies operating in various business sectors, as follows:

<i>In RON</i>	<b>Total of which:</b>	<b>Level 1</b>	<b>Level 3</b>	<b>%</b>
Financial, non-banking activities	89,962,809	-	89,962,809	10.68
Real estate, rentals and other services	135,926,703	-	135,926,703	16.14
Wholesale trade, retail trade, tourism and restaurants	114,723,286	114,723,286	-	13.62
Building material industry	56,838,451	-	56,838,451	6.75
Agriculture, livestock farming, fishing	12,951,690	12,744,449	207,241	1.54
Manufacture of fabricated metal products	40,137,765	38,438,178	1,699,587	4.77
Pharmaceutical and medical industry	363,589,638	363,589,638	-	43.18
Other	28,086,183	-	28,086,183	3.33
<b>TOTAL</b>	<b>842,216,525</b>	<b>529,495,551</b>	<b>312,720,974</b>	<b>100</b>

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (i) The price risk (continued)

*Shares (continued)*

As at 31 December 2023-Restated, the Company has shares at fair value through profit or loss in companies operating in various business sectors, as follows:

<i>In RON</i>	<b>Total of which:</b>	<b>Level 1</b>	<b>Level 3</b>	<b>%</b>
Financial, non-banking activities	20,076,001	-	20,076,001	2.70
Real estate, rentals and other services	98,413,753	-	98,413,753	13.22
Wholesale trade, retail trade, tourism and restaurants	113,022,828	73,887,971	39,134,857	15.19
Building material industry	55,181,391	-	55,181,391	7.41
Agriculture, livestock farming, fishing	385,619	-	385,619	0.05
Manufacture of fabricated metal products	25,406,660	25,406,660	-	3.41
Pharmaceutical and medical industry	418,782,610	418,782,610	-	56.28
Other	13,034,177	-	13,034,177	1.75
<b>TOTAL</b>	<b>744,303,039</b>	<b>518,077,241</b>	<b>226,225,798</b>	<b>100</b>

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (i) The price risk (continued)

A positive change of 10% in the prices of financial assets at fair value through profit or loss would lead to an increase in the profit net of profit tax, as at 31 December 2024, by RON 84,221,653 (as at 31 December 2023: RON 71,889,638), and a negative change of 10% would have an equal net impact of the opposite sign.

For the sensitivity analysis regarding the fair value of shares classified as Level 3, please see Note 5. The fair value sensitivity analysis for the portfolio of shares measured at fair value through other comprehensive income is presented below.

As at 31 December 2024, the Company has shares at fair value through other comprehensive income in companies operating in various business sectors, as follows:

<i>In RON</i>	<b>Total of which:</b>	<b>Nivel 1</b>	<b>Nivel 2</b>	<b>Nivel 3</b>	<b>%</b>
Financial, banking activities	920,406,292	913,087,017	-	7,319,275	74.79
Real estate, rentals and other services	48,055,652	12,777,500	24,440,824	10,837,328	3.90
Wholesale trade, retail trade, tourism and restaurants	2,626,047	-	407,309	2,218,738	0.21
Building material industry	18,210,723	13,813,998	-	4,396,725	1.48
Manufacture of fabricated metal products	8,130,618	1,926,659	-	6,203,959	0.66
Pharmaceutical and medical industry	1,050,860	-	-	1,050,860	0.09
Energy industry	211,748,806	211,748,806	-	-	17.21
Mining industry	3,100,493	-	669,358	2,431,135	0.25
Others	17,339,900	15,073,984	211,538	2,054,378	1.41
<b>TOTAL</b>	<b>1,230,669,391</b>	<b>1,168,427,964</b>	<b>25,729,029</b>	<b>36,512,398</b>	<b>100</b>

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (i) The price risk (continued)

##### Shares

As at 31 December 2023-Restated, the Company has shares at fair value through other comprehensive income in companies operating in various business sectors, as follows:

In RON	Total of which:	Nivel 1	Nivel 2	Nivel 3	%
Financial, banking activities	756,285,323	749,451,925	-	6,833,398	72.95
Real estate, rentals and other services	48,478,411	17,686,750	26,017,052	4,774,609	4.68
Wholesale trade, retail trade, tourism and restaurants	2,716,212	-	-	2,716,212	0.26
Building material industry	16,812,007	10,988,408	922,383	4,901,216	1.62
Agriculture, livestock farming, fishing	-	-	-	-	-
Manufacture of fabricated metal products	12,035,957	2,241,432	1,143,664	8,650,861	1.16
Pharmaceutical and medical industry	1,307,335	-	-	1,307,335	0.13
Energy industry	168,695,898	168,695,898	-	-	16.27
Mining industry	2,606,408	663,328	-	1,943,080	0.25
Others	27,717,107	20,447,394	798,007	6,471,706	2.67
<b>TOTAL</b>	<b>1,036,654,658</b>	<b>970,175,135</b>	<b>28,881,106</b>	<b>37,598,417</b>	<b>100</b>

A positive change of 10% in the prices of financial assets at fair value through other comprehensive income would lead to an increase in equity, net of profit tax, as at 31 December 2024, by RON 104,515,029 (as at 31 December 2023: RON 90,772,422), and a negative change of 10% would have an equal net impact of the opposite sign.

Out of the total shares with active market held by the Company, as at 31 December 2024, 57% (as at 31 December 2023: 53%) accounted for investment in companies that were part of the BET index of the Bucharest Stock Exchange, an index weighted by the stock market capitalisation and created to reflect the overall trend of the prices of the twenty most liquid shares (as at 31 December 2023: twenty shares) traded on the Bucharest Stock Exchange.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (i) The price risk (continued)

##### Shares

As at 31 December 2024, in the Company portfolio, the following ten shareholdings can be deemed to exhibit significant exposure, in a total amount of RON 1,150,760,593 (as at 31 December 2023: RON 953,952,922), accounting for 93.51% (as at 31 December 2023: 89.82%) of all financial assets at fair value through other comprehensive income:

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
		<b>Restated</b>
Banca Transilvania S.A.	662,305,032	512,904,071
BRD - Groupe Société Générale S.A.	104,597,819	100,557,560
OMV Petrom Sa	99,880,432	80,932,733
Lion Capital S.A.	73,382,302	66,687,776
S.N.G.N. Romgaz-S.A.	59,107,276	60,749,507
Infinity Capital Investments S.A.	56,628,000	44,460,000
S.P.E.E.H. Hidroelectrica S.A. *)	42,273,000	16,000,000
Unirea Shopping Center Sa of Bucharest	22,598,870	20,984,665
The Bucharest Stock Exchange	16,173,864	23,583,200
Macofil S.A. *)	13,813,998	10,988,408
<b>Total</b>	<b>1,150,760,593</b>	<b>937,847,920</b>
Other shares measured at fair value through other comprehensive income	79,908,798	98,806,738
<b>Total</b>	<b>1,230,669,391</b>	<b>1,036,654,658</b>

\*) As at 31 December 2023, the shares held with Macofil S.A. of Bucharest and S.P.E.E.H. Hidroelectrica S.A. were not part of the top ten shareholdings.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (i) The price risk (continued)

##### *Unit Funds*

The unit funds held by the Company as at 31 December 2024 are exposed to the price risk by having in turn investment with varying degrees of risk (bank deposits, bonds, other fixed income instruments, shares, etc).

<i>In RON</i>	<b>Total of which:</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
FII Multicapital Invest	18,945,057	-	18,945,057	-
FII BET-FI Index Invest	5,558,188	-	5,558,188	-
FDI Star Next	3,473,932	3,473,932	-	-
FII Active Plus	62,156,903	-	62,156,903	-
FII Star Value	27,764,006	-	27,764,006	-
FDI Active Dinamic	2,937,215	2,937,215	-	-
FII Optim Invest	39,288,826	-	39,288,826	-
FIA Certinvest Acțiuni	46,439,011	-	46,439,011	-
FIA Romania Strategy Fund	45,363,920	-	45,363,920	-
FIA Muntenia Trust	6,397,917	-	6,397,917	-
FIA cu Capital Privat Agricultural Fund	1,025,389	-	-	1,025,389
<b>Total</b>	<b>259,350,364</b>	<b>6,411,147</b>	<b>251,913,828</b>	<b>1,025,389</b>

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (i) The price risk (continued)

##### *Unit funds*

The unit funds held by the Company as at 31 December 2023 are exposed to the price risk by having in turn investment with varying degrees of risk (bank deposits, bonds, other fixed income instruments, shares, etc).

<i>In RON</i>	<b>Total of which:</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
FII Multicapital Invest	15,762,219	-	15,762,219	-
FII BET-FI Index Invest	6,945,661	-	6,945,661	-
FDI Star Next	3,112,834	3,112,834	-	-
FDI Prosper Invest	2,306,592	2,306,592	-	-
FII Active Plus	67,281,421	-	67,281,421	-
FII Star Value	18,466,204	-	18,466,204	-
FDI Active Dinamic	21,764,123	21,764,123	-	-
FII Optim Invest	33,291,563	-	33,291,563	-
FIA Certinvest Acțiuni	36,743,041	-	36,743,041	-
FIA Romania Strategy Fund	38,176,320	-	38,176,320	-
FIA Muntenia Trust	5,862,380	-	5,862,380	-
FIA cu Capital Privat Agricultural Fund	951,733	-	-	951,733
<b>Total</b>	<b>250,664,091</b>	<b>27,183,548</b>	<b>222,528,810</b>	<b>951,733</b>

For accounting policies and for the classification by fair value hierarchy levels, see Note 5.

A positive change of 10% in the value of these unit funds would lead to an impact in profit or loss, net of profit tax, as at 31 December 2024, by RON 21,785,431 (as at 31 December 2023: RON 21,055,784), and a negative change of 10% would have an equal net impact of the opposite sign.

##### *Bonds*

The bonds held by the Company with OPUS Chartered Issuances S.A., classified as financial assets at fair value through profit or loss, amounting to RON 64,135,235 (as at 31 December 2023: bonds held by the Company with OPUS Chartered Issuances S.A. amounting to RON 88,503,863), classified as Level 3 of the fair value hierarchy, are also exposed to the price risk.

The bonds issued by OPUS Chartered Issuances S.A. are instruments with an unprotected principal, listed on the Frankfurt Stock Exchange (Open Market - Freiverkehr) and with an annual interest coupon. The issuer has used the amounts attracted by the issuance of the bonds for the acquisition of a sub-portfolio of shares traded on the Bucharest Stock Exchange. The Company measures these financial instruments on a monthly basis according to the quotes taken from the Bloomberg platform. The changes in the quotes listed on the Bloomberg platform reflect the changes in the prices recorded on the Bucharest Stock Exchange for the underlying shares.

A positive change of 10% in the prices of these bonds would lead to an impact on profit or loss, net of profit tax, as at 31 December 2024 of RON 5,357,193 (as at 31 December 2023: RON 7,557,773), and a negative change of 10% would have an equal net impact of the opposite sign.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (ii) *The interest rate risk*

##### **The IBOR Reform**

As part of the IBOR reform and in accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, certain existing reference rates (IBORs: Interbank Offered Rates) will be replaced by alternative risk-free rates. For European Union countries, this reform led to the reformation of the EURIBOR calculation method and the replacement of most interest rates by LIBOR and EONIA (the Euro Overnight Index Average) as at 1 January 2022.

The Company is not affected by this Regulation, the financial assets and liabilities measured at amortised cost bear fixed interest, unrelated to the reference rates.

As at 31 December 2024 and 31 December 2023, most Company assets and liabilities are not interest-bearing. As a result, the Company is not affected directly to a significant degree by the risk of interest rate fluctuations. Cash and cash equivalents are generally invested at short-term interest rates. However, the decline of market returns may affect the measurement value of Company assets.

The Company has an insignificant debt related to the restatement of the lease according to IFRS 16, denominated in euros, with a fixed marginal borrowing rate of 5%.

Bonds held with OPUS Chartered Issuances S.A. (“the issuer”) have interest that is paid annually, either in whole or in part (pro rata), depending on the extent to which the hedging instruments used by the issuer allow covering the amounts owed as interest, and their maturity was extended until September of 2026.

The Company does not use derivatives to protect itself from interest rate fluctuations.

#### (iii) *The currency risk*

Currency risk is the risk of recording losses or not realising the expected profit due to unfavourable changes in the exchange rate. The Company is exposed to exchange rate fluctuations, but does not have a formalised currency risk hedging policy. Most Company financial assets and liabilities are denominated in the national currency, and the other currencies in which operations are carried out are the EUR or the USD.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (iii) The currency risk (continued)

The financial assets and liabilities in RON and other currencies as at 31 December 2024 and 31 December 2023 are presented in the tables below:

#### 31 December 2024

<i>In RON</i>	<b>Book value</b>	<b>RON</b>	<b>USD</b>	<b>EUR</b>
<b>Financial assets</b>				
Cash and cash equivalents	<b>65,414,241</b>	28,907,382	10,574,137	25,932,722
Deposits with banks	<b>106,975,692</b>	33,211,671	15,843,608	57,920,413
Financial assets at fair value through profit or loss	<b>1,165,702,124</b>	1,100,541,500	-	65,160,624
Financial assets at fair value through other comprehensive income	<b>1,230,669,391</b>	1,230,669,391	-	-
Financial assets measured at amortised cost	<b>1,257,442</b>	-	-	1,257,442
Other assets	<b>12,046,656.00</b>	12,046,656	-	-
<b>TOTAL</b>	<b><u>2,582,065,546</u></b>	<b><u>2,405,376,600</u></b>	<b><u>26,417,745</u></b>	<b><u>150,271,201</u></b>
<b>Financial liabilities</b>				
Dividends payable	<b>567,056</b>	567,056	-	-
Other liabilities	<b>8,476,877</b>	8,473,580	-	3,297
<b>TOTAL</b>	<b><u>9,043,933</u></b>	<b><u>9,040,636</u></b>	<b><u>-</u></b>	<b><u>3,297</u></b>

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (a) The market risk (continued)

#### (iii) The currency risk (continued)

#### 31 December 2023 Restated

In RON	Book value	RON	USD	EUR
<b>Financial assets</b>				
Cash and cash equivalents	<b>46,871,575</b>	46,860,596	1,867	9,112
Deposits with banks	<b>159,986,022</b>	68,244,172	23,786,140	67,955,710
Financial assets at fair value through profit or loss	<b>1,083,470,993</b>	994,015,397	-	89,455,596
Financial assets at fair value through other comprehensive income	<b>1,036,654,658</b>	1,036,654,658	-	-
Other assets	<b>2,648,623</b>	2,648,623	-	-
<b>TOTAL</b>	<b><u>2,329,631,871</u></b>	<b><u>2,148,423,446</u></b>	<b><u>23,788,007.00</u></b>	<b><u>157,420,418</u></b>
<b>Financial liabilities</b>				
Dividends payable	<b>567,056</b>	567,056	-	-
Other liabilities	<b>23,687,765</b>	23,673,944	-	13,821
<b>TOTAL</b>	<b><u>24,254,821</u></b>	<b><u>24,241,000</u></b>	<b><u>-</u></b>	<b><u>13,821</u></b>

The impact on the Company net profit of a change of  $\pm 5\%$  of the RON/EUR and RON/USD exchange rates as at 31 December 2024, all other variables remaining constant, is  $\pm$  RON 7,420,401 (as at 31 December 2023:  $\pm$  RON 7,610,173).

### (b) The credit risk

The credit risk represents the risk of recording losses or not achieving expected profits, as a result of the counterparty's failure to meet financial obligations. The Company is exposed to the credit risk for financial assets measured at amortised cost as a result of holdings in current accounts, bank deposits and receivables.

As at 31 December 2024, the Company tested whether the credit risk for financial assets at amortised cost had increased significantly since the initial recognition. The Company uses a simplified approach according to which it considers that the credit risk has not increased significantly since the initial recognition if the financial asset has a low credit risk as of the reporting date and has an external rating in the "investment grade" category. Based on the information available, it was concluded that no events causing a significant credit risk increase or default events had occurred.

The Company carried out an internal analysis regarding expected credit losses for financial assets measured at amortised cost, the conclusion of the analysis being that their impact is insignificant.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (b) The credit risk (continued)

Bank deposits are placed at fixed interest rates for the entire period. In the period ended 31 December 2024, the interest rates upon establishment for deposits in RON varied between 4.10% and 5.80%, for deposits in EUR they were between 2.00% and 3.20%, and for deposits in USD they were between 3.80% and 4.75%. As at 31 December 2024, a change of  $\pm 1$  percentage point in the interest rate for deposits has an impact on the Company's net profit of  $\pm$  RON 164,584 (as at 31 December 2023: RON 219,163).

The maximum Company credit risk exposure is in the amount of RON 249,781,301 as at 31 December 2024 (as at 31 December 2023: RON 298,008,774) and can be analysed as follows:

In RON	2024 rating	31 December 2024	31 December 2023
<i>Exposures from current accounts and deposits with banks (Note 11 and Note 12)</i>			
Banca Transilvania S.A.	BBB- Fitch	3,609	26,396,378
Libra Internet Bank S.A.	BB- Fitch	50,833	51,103
BRD - Groupe Société Générale S.A.	BBB+ Fitch	75,850	13,596
Credit Europe Bank S.A.	BB- Fitch	1,588,927	20,679,556
Exim Banca Românească S.A. *)	BBB- Fitch	61,148,210	70,163,597
Banca Comercială Intesa Sanpaolo Bank	BBB Fitch	7,192,405	5,365,184
ProCredit Bank S.A.	BBB- Fitch	12,083	10,427
CEC Bank S.A.	BB Fitch	86,969,994	73,229,657
Banca Comercială Română	BBB+ Fitch	15,346,713	10,946,790
<b>Total</b>		<b>172,388,624</b>	<b>206,856,288</b>

*Financial assets measured at amortised cost \*) (Note 13 c))*

S.N.G.N Romgaz S.A. bonds	1,243,525	-
Other bonds and the related interest	13,917	-
<b>Total</b>	<b>1,257,442</b>	<b>-</b>

\*) In the case of Exim Banca Românească S.A., it is assimilated to Romania's sovereign rating.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (b) The credit risk (continued)

OPUS Chartered Issuances S.A. does not have a rating issued by any rating agency. The bonds issued are instruments with unprotected principal, listed on the Frankfurt Stock Exchange (Open Market - Freiverkehr). The law governing the financial instrument is the German Bondholder/Debenture Act of 5 August 2009, whose main objective is the alignment of the law on German bondholders with international standards, in order to improve the capacity of bond restructuring outside insolvency proceedings. Thus, through holders' meetings, bondholders can vote as laid down in the above-mentioned law on a list of issues, primarily regarding bond restructuring. At maturity, for the repayment of the principal, the issuer sells the package of shares traded on the Bucharest Stock Exchange, shares included in the most liquid category. The Company's exposure to the credit risk for this financial instrument is RON 64,135,235 (as at 31 December 2023: RON 88,503,863)

<i>În LEI</i>	<b>31 decembrie</b>	<b>31 decembrie</b>
	<b>2024</b>	<b>2023</b>
<i>Sundry Debtors and Commercial Receivables</i>		
<i>(Note 14)</i>		
Consol S.A.	2.021.779	2.029.357
Banca Română de Scont S.A.	1.283.228	1.283.228
Autoritatea Administrării Activelor Statului	1.023.903	1.023.903
Siderca S.A	410.334	410.334
Dividends to be received	-	2.147.551
Other various debtors	12.450.266	2.000.266
Impairment of trade receivables and various debtors	<u>(5.189.510)</u>	<u>(6.246.016)</u>
<b>Total</b>	<b><u>12.000.000</u></b>	<b><u>2.648.623</u></b>

*Sundry debtors and trade receivables classified according to the maturity are:*

**31 December 2024**

	Sundry debtors unadjusted between 0-30 days from maturity date	Sundry debtors 100% adjusted for delays of more than 91 days from maturity date	Total receivables	Adjustment for receivable impairment	Net book value
Sundry debtors	-	5,189,510	5,189,510	(5,189,150)	-
Other sundry debtors	12,000,000	-	12,000,000	-	12,000,000
<b>Total</b>	<b><u>12,000,000</u></b>	<b><u>5,189,510</u></b>	<b><u>17,189,510</u></b>	<b><u>(5,189,510)</u></b>	<b><u>12,000,000</u></b>

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (b) The credit risk (continued)

**31 December 2023**

	Dividends receivable unadjusted with maturity between 0-60 days	Dividends receivable 50% adjustment for delay of 60-119 days from maturity date	Total receivables	Adjustment for receivable impairment	Net book value
Dividends receivable	1,098,623	1,048,928	2,147,551	(1,048,928)	1,098,623
<b>Total</b>	<b>1,098,623</b>	<b>1,048,928</b>	<b>2,147,551</b>	<b>(1,048,928)</b>	<b>1,098,623</b>

	Sundry debtors unadjusted between 0-30 days from maturity date	Sundry debtors 100% adjusted for delays of more than 91 days from maturity date	Total receivables	Adjustment for receivable impairment	Net book value
Sundry debtors	-	5,197,088	5,197,088	(5,197,088)	-
Other sundry debtors	1,550,000	-	1,550,000	-	1,550,000
<b>Total</b>	<b>1,550,000</b>	<b>5,197,088</b>	<b>6,747,088</b>	<b>(5,197,088)</b>	<b>1,550,000</b>

\*) The sundry debtors with overdue payments are Consol S.A., Banca Română de Scont S.A., the Authority for State Asset Management, Siderca S.A. The Company adjusted 100% of receivables for sundry debtors due to the fact that these are overdue for more than 365 days.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (c) The liquidity risk

The liquidity risk is the risk of recording losses or not achieving expected profits, resulting from the inability to meet short-term payment obligations at any time, without incurring excessive costs or losses that cannot be borne by the Company.

The structure of the assets and liabilities was analysed based on the remaining period from the date of the statement of the financial position to the contractual maturity date, both for the financial period ended 31 December 2024 and for the financial year ended 31 December 2023, as follows:

**31 December  
2024**

<i>In RON</i>	<b>Book value</b>	<b>Under 3 months</b>	<b>Between 3 and 12 months</b>	<b>Over a year</b>	<b>No predefined maturity</b>
<b>Financial assets</b>					
Cash and cash equivalents	<b>65,414,241</b>	65,412,932	-	-	1,309
Deposits with banks	<b>106,975,692</b>	-	106,975,692	-	-
Financial assets at fair value through profit or loss	<b>1,165,702,124</b>	-	-	64,135,235	1,101,566,889
Financial assets at fair value through other comprehensive income	<b>1,230,669,391</b>	-	-	-	1,230,669,391
Financial assets measured at amortised cost	<b>1,257,442</b>	13,917	-	1,243,525	-
Other assets	<b>12,046,656</b>	12,046,656	-	-	-
<b>Total financial assets</b>	<b>2,582,065,546</b>	<b>77,473,505</b>	<b>106,975,692</b>	<b>65,378,760</b>	<b>2,332,237,589</b>
<b>Financial liabilities</b>					
Dividends payable	<b>567,056</b>	-	-	-	567,056
Other liabilities	<b>8,476,877</b>	8,476,877	-	-	-
<b>Total financial liabilities</b>	<b>9,043,933</b>	<b>8,476,877</b>	<b>0</b>	<b>-</b>	<b>567,056</b>
<b>Liquidity surplus</b>	<b>2,573,021,613</b>	<b>68,996,628</b>	<b>106,975,692</b>	<b>65,378,760</b>	<b>2,331,670,533</b>

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 4. The management of significant risks (continued)

### (c) The liquidity risk (continued)

31 December

2023 Restated

In RON	Book value	Under 3 months	Between 3 and 12 months	Over a year	No predefined maturity
<b>Financial assets</b>					
Cash and cash equivalents	<b>46,871,575</b>	46,870,266	-	-	1,309
Deposits with banks	<b>159,986,022</b>	-	159,986,022	-	-
Financial assets at fair value through profit or loss	<b>1,083,470,993</b>	-	-	88,503,863	994,967,130
Financial assets at fair value through other comprehensive income	<b>1,036,654,658</b>	-	-	-	1,036,654,658
Other assets	<b>2,648,623</b>	2,648,623	-	-	-
<b>Total financial assets</b>	<b>2,329,631,871</b>	<b>49,518,889</b>	<b>159,986,022</b>	<b>88,503,863</b>	<b>2,031,623,097</b>
<b>Financial liabilities</b>					
Dividends payable	<b>567,056</b>	-	-	-	567,056
Other liabilities	<b>23,687,765</b>	23,676,289	7,911	3,565	-
<b>Total financial liabilities</b>	<b>24,254,821</b>	<b>23,676,289</b>	<b>7,911</b>	<b>3,565</b>	<b>567,056</b>
<b>Liquidity surplus</b>	<b>2,305,377,050</b>	<b>25,842,600</b>	<b>159,978,111</b>	<b>88,500,298</b>	<b>2,031,056,041</b>

### (d) The tax related risk

Romanian tax laws set out detailed and complex rules that have undergone several changes in recent years. The interpretation of the text and the practical procedures for implementing tax laws may vary, with the risk that certain transactions may be interpreted differently by tax authorities compared to the treatment applied by the Company.

From the point of view of the profit tax, there is a risk of a different interpretation given by the tax bodies to the implemented tax rules determined by the Accounting Regulations compliant with IFRS. The management's conclusion is that the tax treatments included in the financial statements represent the management's best estimate in accordance with the applicable tax provisions.

The Romanian Government has a number of agencies authorised to carry out audits (inspections) of companies operating on Romanian territory. These inspections are similar to tax audits in other countries, and may cover not only tax issues, but also other legal and regulatory issues of interest to these agencies. The Company may be subject to tax inspections as new tax regulations are issued.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 4. The management of significant risks (continued)

### (e) The operational risk

The operational risk is defined as the risk of recording losses or not achieving expected profits due to internal factors such as the inadequate conduct of internal activities, the existence of inadequate staff or systems or due to external factors such as economic conditions, changes in the capital market, technological advances. The operational risk is inherent in all Company activities.

The policies defined for operational risk management have taken into account all types of events that may generate significant risks and the ways in which they materialise, in order to eliminate or reduce losses of a financial or reputational nature.

### (f) Capital adequacy

In terms of capital adequacy, the policy from the management focuses on maintaining a sound capital base, in order to support the continuous development of the Company and achieve its investment objectives.

## 5. Accounting estimates and significant judgments

The management discusses the development, selection, presentation and application of material accounting policies and estimates. All these are approved during the meetings of the Board of Directors of SAI Muntenia Invest S.A.

These presentations supplement the information on financial risk management (see Note 4). The significant accounting judgments for the application of the Company accounting policies include:

### Key sources of estimate uncertainty

#### *Adjustments for the impairment of assets measured at amortised cost*

The assets recorded at amortised cost are measured for impairment according to the accounting policy described in Note 3(e)(v).

The measurement for impairment of receivables is performed individually and is based on the management's best estimate of the present value of cashflows expected to be received. In order to estimate these flows, the management makes certain estimates regarding the financial situation of the counterparty. Each asset is examined individually. The accuracy of the adjustments depends on the estimate of future cashflows for specific counterparties.

#### *The determination of the fair value of financial instruments*

The fair value of financial instruments not traded in an active market is determined using the valuation techniques described in the accounting policy of Note 3(e)(iv). For financial instruments that are rarely traded and for which there is no price transparency, the fair value is less objective and is determined using various levels of estimates regarding the liquidity, concentration, uncertainty of market factors, price assumptions and other risks that affect the financial instrument concerned.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 5. Accounting estimates and significant judgments (continued)

### *The fair value hierarchy*

The Company uses the following hierarchy of methods to calculate the fair value:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (e.g. prices, quoted prices in non-active markets) or indirectly (e.g. derived from prices)

**Level 3:** inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

This category includes all instruments for which the valuation technique includes elements not based on observable data for which the unobservable input parameters may have a significant effect on the valuation of the instrument. This category includes instruments valued on the basis of quoted prices for similar instruments for which adjustments based largely on unobservable data or estimates are required to reflect the difference between the two instruments.

### **Quoted shares and unit funds**

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices or prices quoted by intermediaries. The market price used to determine the fair value is the closing price of the market on the last trading day before the valuation date. These assets are classified as Level 1.

For holdings of shares that cannot meet the criteria defined for the “active market”, one shall examine whether the market where those shares are traded is one where orderly transactions could be carried out, in which case the last price resulting from an orderly transaction will be used. These assets are classified as Level 2. If these conditions are not met, they will be evaluated using the valuation models presented under “Unquoted shares and units” and will be classified as Level 3.

### **Unquoted shares and unit funds**

In order to estimate the fair value of the shares of an unquoted company, the Company uses valuation models that are usually derived from known valuation models: the market multiples method, the equity/share method corrected with a discount for lack of liquidity and a discount for lack of control. The valuation models require unobservable inputs to a larger extent, a higher degree of analysis and estimation by the management in order to determine the fair value. The analysis and estimation by the management are involved especially in the selection of the appropriate valuation model.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 5. Accounting estimates and significant judgments (continued)

*The fair value hierarchy (continued)*

### Unquoted shares and unit funds (continued)

The multiples method is based on a process where the fair value is obtained by comparison with similar companies for which information is available and by estimating the value of the valued company by using a conversion factor/multiplier (e.g., EV/EBITDA, P/Bv, EV/Sales), to which a discount for lack of liquidity (DLOM) is applied. The source of information for these multipliers is the database provided by Bloomberg, and the source of information for the discount for lack of liquidity is Stout Restricted Stock Study Companion Guide.

The equity/share method corrected with a discount for lack of liquidity and a discount for lack of control starts from the value of the net asset/share established by the issuer of the shares to which a discount for lack of liquidity and a discount for lack of control apply. The source of information for these discounts is Mergerstat Control Premium Study for the discount for lack of control and Stout Restricted Stock Study Companion Guide for the discount for lack of liquidity.

For shares held in subsidiaries, the fair value is the closing price for companies that have an active market or prices resulting from valuation reports prepared by independent external valuers. For determining the fair value, depending on the specific nature of the economic activity of the subsidiary, the independent valuers have used the income-based approach - the DCF method which is based on the principle that the value of an investment is determined by the current value of future cash flows and the asset-based approach - the Adjusted Net Asset method, and for real estate assets held by subsidiaries, the income-based approach – the income capitalisation method has been used.

Fund units are measured at the net asset value per unit calculated by the fund administrator. In measuring whether the net asset value per unit is representative of the fair value, the Company takes into account the following public information about the fund: financial statements, audit reports, the portfolio structure, the volume and level of activity of subscriptions or redemptions, whether the investment cannot be redeemed at the net asset value or whether there are also other uncertainties that increase the risk of the investment, if the frequency of calculating and publishing the net asset value per unit is reduced. Following an analysis of the abovementioned public information, the NAVU corrected with the adjustments deemed necessary for the net asset value is obtained.

The unit funds held with investment funds characterised by: frequent redemption periods, the lack of redemption fees or low fees, the possibility of redemption of any number of fund units, the daily publication of the unit value of the net asset are classified as Level 1 of the fair value hierarchy.

The unit funds held with investment funds characterised by: making the withdrawal for some funds conditional on a written notice given at least a certain number of calendar days prior to the submission of the redemption request or the possibility of redemption of a limited number of fund units and the lack of redemption fees are classified as Level 2 of the fair value hierarchy.

The unit funds held with investment funds characterised by the restriction of the possibility of redemption by: infrequent periods open for redemption or making the withdrawal for some funds conditional on a written notice given at least a certain number of calendar days prior to the redemption request and in some cases the charging of prohibitive redemption fees, if the above-mentioned notices are not given, of the low liquidity of the assets held by the investment fund, are classified as Level 3 of the fair value hierarchy.

### Bonds

Bonds at fair value through profit or loss are measured using a valuation model that takes into account Bloomberg's closing quote for these instruments, as well as an adjustment factor that mainly takes into account the liquidity risk in the market of the instrument. These assets are classified as Level 3.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 5. Accounting estimates and significant judgments (continued)

### *The fair value hierarchy (continued)*

The table below analyses the financial instruments recorded at fair value according to the valuation method.

#### **31 December 2024**

<i>In RON</i>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit or loss	535,906,698	251,913,828	377,881,598	1,165,702,124
Financial assets at fair value through other comprehensive income	1,168,427,964	25,729,029	36,512,398	1,230,669,391
	<b><u>1,704,334,662</u></b>	<b><u>277,642,857</u></b>	<b><u>414,393,996</u></b>	<b><u>2,396,371,515</u></b>

#### **31 December 2023**

##### **Restated**

<i>In RON</i>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit or loss	545,260,789	222,528,810	315,681,394	1,083,470,993
Financial assets at fair value through other comprehensive income	970,175,135	28,881,106	37,598,417	1,036,654,658
	<b><u>1,515,435,924</u></b>	<b><u>251,409,916</u></b>	<b><u>353,279,811</u></b>	<b><u>2,120,125,651</u></b>

For the financial period ended 31 December 2024, the Company presented financial assets at fair value through profit or loss on Level 3 of the fair value hierarchy, instruments held in bonds amounting to RON 64,135,235, unit funds amounting to RON 1,025,389 and shares held in nine companies whose fair value of RON 312,720,974 was determined using valuation models according to the ANEVAR Valuation Standards.

For the financial period ended 31 December 2024, the Company presented financial assets at fair value through other comprehensive income on Level 3 of the fair value hierarchy, shares held in several companies whose fair value of RON 36,512,398 was determined using internal valuation methods, based on valuation models according to ANEVAR Valuation Standards, approved by the Board of Directors, taking into account the credibility, quantity and quality of the information available.

For the financial year ended 31 December 2023, the Company presented financial assets at fair value through profit or loss on Level 3 of the fair value hierarchy, instruments held in bonds amounting to RON 88,503,863, closed-end unit funds amounting to RON 951,733 and shares held in ten companies whose fair value of RON 226,225,798 was determined using valuation models according to ANEVAR Valuation Standards.

For the financial year ended 31 December 2023, the Company presented financial assets at fair value through other comprehensive income on Level 3 of the fair value hierarchy, shares held in several companies whose fair value of RON 37,598,417 was determined using internal valuation methods, based on valuation models, approved by the Board of Directors, taking into account the credibility, quantity and quality of the information available.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 5. Accounting estimates and significant judgments (continued)

### *The fair value hierarchy (continued)*

For the valuation of financial assets at fair value representing shares held in subsidiaries, the main valuation technique used is the income-based approach, the DCF method. According to this method, the fair value of shares held within subsidiaries as at 31 December 2024 is RON 201,904,290 (as at 31 December 2023: RON 204,389,751).

The main assumptions used by independent valuers within the valuation model according to ANEVAR Valuation Standards as at 31 December 2024 and 31 December 2023, for financial assets at fair value – shares held within subsidiaries, together with the related values are presented in the table below:

<b>Assumptions used within the valuation model</b>	<b>Value of the indicator used in the valuation as at 31 December 2024</b>	<b>Value of the indicator used in the valuation as at 31 December 2023</b>
Annual change in the EBITDA margin	between 1.20% and 83.90%	between 0.10% and 50.60%
Perpetuity growth rate	2.50%	2.60%
Weighted average cost of capital (WACC)	9.98% - 14.23%	10.30% - 15.63%

Although the Company considers its own fair value estimates to be appropriate, the use of other methods or assumptions may lead to different fair value amounts. For fair values recognised following the use of a significant number of unobservable inputs (Level 3) by using the DCF method, changing one or more assumptions with other reasonable alternative assumptions would influence the statement of profit or loss and other comprehensive income as follows:

<b>Change in terms of the unobservable data used in the valuation</b>	<b>Impact on the profit or loss</b>	
	<b>31 December 24</b>	<b>31 December 2023</b>
Increase of EBITDA by 3%	5,211,055	6,339,401
Decrease of EBITDA by 3%	(3,738,322)	(6,337,898)
Increase of WACC by 0.5 pp	(3,253,718)	(5,813,226)
Decrease of WACC by 0.5 pp	5,140,065	6,453,686
Increase of the perpetuity growth rate by 0.5 pp	3,797,093	4,091,767
Decrease of the perpetuity growth rate by 0.5 pp	(2,028,916)	(3,668,435)

In the case of holdings of shares from four subsidiaries, the valuation technique using the asset-based approach – the Adjusted Net Asset method – was used to determine the fair value. According to this method, the fair value of the relevant shares as at 31 December 2024 is RON 110,816,684 (as at 31 December 2023: RON 21,836,047).

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 5. Accounting estimates and significant judgments (continued)

### *The fair value hierarchy (continued)*

Financial assets measured at fair value classified under Level 3 depending on the valuation method are presented below:

Financial assets	Fair value 31 December 2024	Main valuation technique	Unobservable inputs, value ranges	Relationship between unobservable inputs and fair value
Unlisted majority shareholdings	201,904,290	The income-based approach, the DCF method	Estimated EBITDA margin for each issuer between 1.20% and 83.90% Perpetual growth rate 2.5% Weighted average cost of capital (WACC) 9.98% - 14.23%	The higher the estimated EBITDA, the higher the fair value. The higher the long-term growth rate, the higher the fair value. The lower the weighted average cost of capital, the higher the fair value.
Unlisted majority shareholdings	110,816,684	Adjusted net asset, asset-based approach	Equity adjustment rate for each issuer between 0.01% and 9.80%	In estimating the value by applying this methodology, the balance sheet prepared on the basis of costs is replaced by the adjusted balance sheet in which adjustments were made to all balance sheet items that were necessary as a result of estimating their individual values by applying the appropriate valuation methods.
Unlisted or listed minority shareholdings without an active market	31,388,780	Net asset/share adjusted with discount for lack of liquidity and lack of control	The discount for lack of liquidity: between 5.70% and 16.1% The discount for lack of control: between 13.6% and 39.3%	The lower the discount for lack of liquidity, the higher the fair value. The lower the discount for lack of control, the higher the fair value.
Unlisted or listed minority shareholdings without an active market	5,123,618	Valuation by market multiples	The EV/SALES multiple value for each issuer is between 0.68 and 1.79 The EV/EBITDA multiple value for each issuer is between 6.63 and 9.7	The market comparison approach is based on a process in which the market value will be obtained by analysing transactions with similar and relevant enterprises, comparing these enterprises with the company being valued, and finally estimating the value of the company being valued by using a conversion factor - multiple. The higher the multiple value, the higher the fair value.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 5. Accounting estimates and significant judgments (continued)

*The fair value hierarchy (continued)*

*Reconciliation of the fair value measurements classified as Level 3 of the fair value hierarchy*

<i>In RON</i>	<b>Financial assets at fair value through profit or loss</b>	<b>Financial assets at fair value through other comprehensive income</b>
<b>1 January 2023</b>	<b>465,053,182</b>	<b>50,510,657</b>
Transfers to Level 3	-	-
Transfers from Level 3	(132,826,739)	(5,557,124)
Gains or losses for the period included in profit or loss	24,284,880	-
Gains or losses for the period included in other comprehensive income	-	4,575,088
Acquisitions, equity participations	7,618,188	-
Sales	(48,448,117)	(11,930,204)
<b>31 December 2023</b>	<b>315,681,394</b>	<b>37,598,417</b>
Transfers to Level 3	-	3,690,246
Transfers from Level 3	(39,134,857)	(916,428)
Gains or losses for the period included in profit or loss	44,027,904	-
Gains or losses for the period included in other comprehensive income	-	3,333,354
Acquisitions, equity participations	91,796,772	547,320
Sales	(34,489,615)	(7,740,511)
<b>31 December 2024</b>	<b>377,881,598</b>	<b>36,512,398</b>

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 5. Accounting estimates and significant judgments (continued)

### *The fair value hierarchy (continued)*

In 2023, out of the amount of RON 24,284,880, the net gains related to the derecognition of financial assets at fair value through profit or loss are equal to RON 1,640,423, and the gains resulting from changes in fair value related to the period are RON 22,644,457.

In 2024, out of the amount of RON 44,027,904, the net gains related to the derecognition of financial assets at fair value through profit or loss are equal to RON 497,810, and the gains resulting from changes in fair value related to the period are RON 43,530,094.

In 2023, financial assets at fair value through profit or loss that meet the conditions of an active market held with Unisem SA and Semrom Oltenia SA amounting to RON 34,130,913 were transferred from Level 3 and fund units amounting to RON 98,695,827 were transferred from Level 3 to Level 2. Throughout 2023, the shareholding held with Muntenia Medical Competences SA was sold for RON 46,821,959.

Throughout 2024, financial assets at fair value through profit or loss that meet active market conditions held with Bucur SA amounting to RON 39,134,857 were transferred from Level 3. Throughout 2024, purchases of financial assets at fair value through profit or loss were recorded at Finagrom SA, Voluthema Property Developer SA and Mătăsari Holding SA amounting to RON 91,796,772. In September 2024, were collected at maturity the bonds at fair value through profit or loss issued by OPUS Chartered Issuances S.A. amounting to RON 33,355,201.

### *The classification of financial assets and liabilities*

Company accounting policies provide the basis in order for the assets and liabilities to be included, at the outset, in various accounting categories. For the classification of assets and liabilities at fair value through profit or loss, the Company has determined that one or more criteria set out in Note 3(e)(i) have been met. Details regarding the classification of the Company financial assets and liabilities are given in Note 20.

### *The profit tax*

IAS 12 “Profit tax” in paragraph 34, requires an entity to recognise a deferred tax asset for unused tax losses to the extent that future taxable profits are likely to exist in relation to which the unused tax losses can be recovered.

The Company estimates the likelihood of future taxable profits taking into account the following criteria:

- The Company is likely to have taxable profits before the unused tax losses expire;
- The unused tax losses result from identifiable causes that have a minimal chance of reoccurring.

During the financial period ended 31 December 2024, the Company recorded a taxable profit (see Note 10 and Note 16).

The Company estimates that it will recover the tax loss of 2020 within the limitation period provided for by the Tax Code of seven years.

## 6. Dividend income

Dividend income is recorded at gross value. Dividend tax rates for the financial period ended 31 December 2024 were 8% and zero (for the financial period ended 31 December 2023: 8% and zero). Of the total dividend income as at 31 December 2024, non-taxable income was in the amount of RON 41,073,442 (as at 31 December 2023: RON 40,825,169 – non-taxable dividends). All dividend income comes from entities registered in Romania. During the financial period ended 31 December 2024, dividend income was received for financial assets measured at fair value through other comprehensive income of RON 53,294,091 (as at 31 December 2023: RON 43,565,967).

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 6. Dividend income (continued)

The breakdown of the dividend income by main counterparties is presented below:

<i>In RON</i>	<b>2024</b>	<b>2023</b>
Banca Transilvania S.A.	26,471,855	23,890,420
Biofarm S.A.	15,755,171	15,246,940
BRD - Groupe Société Générale S.A.	11,756,593	-
OMV Petrom S.A.	10,044,393	11,622,194
Unisem S.A.	6,346,345	1,518,388
CI-CO S.A.	5,353,727	3,208,285
Germina Agribusiness S.A.	4,668,569	8,207,665
Firos S.A.	3,209,757	3,998,118
Şantierul Naval Orsova SA	2,849,264	-
Voluthema Property Developer S.A.	2,506,152	1,098,623
S.P.E.E.H. Hidroelectrica S.A.	2,105,495	-
SNGN Romgaz S.A.	1,638,674	3,975,972
Bucur S.A. Bucuresti	-	2,037,920
Semrom Oltenia S.A.	-	1,587,445
ICPE S.A.	-	1,048,929
Bursa de Valori Bucureşti S.A.	559,023	464,402
Conpet S.A.	241,569	244,680
FII BET-FI Index Invest	199,128	995,640
Depozitarul Central S.A.	172,424	-
Macofil S.A.	169,535	627,909
SNTGN Transgaz S.A.	116,480	232,960
Aro Palace SA	-	836,510
Compania de Librării S.A.	-	464,167
Electromagnetica S.A.	-	301,374
Vrancart S.A.	-	263,269
Other	18,050	642,108
<b>Total</b>	<b><u>94,182,204</u></b>	<b><u>82,513,919</u></b>

## 7. Interest income calculated using the effective interest method

<i>In RON</i>	<b>2024</b>	<b>2023</b>
Interest income on deposits and current bank accounts	8,206,001	6,581,063
Interest income on financial assets measured at amortised cost	13,917	-
<b>Total</b>	<b><u>8,219,918</u></b>	<b><u>6,581,063</u></b>

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 8. Net gain/(Net loss) on financial assets at fair value through profit or loss

<i>In RON</i>	<b>2024</b>	<b>2023</b>
Net gain on financial assets at fair value through profit or loss - shares	1,161,080	142,624,746
Net gain on financial assets at fair value through profit or loss - bonds	10,120,987	6,650,237
Net gain on financial assets at fair value through profit or loss –unit funds	24,845,191	38,684,703
<b>Total</b>	<b><u>36,127,258</u></b>	<b><u>187,959,686</u></b>

For bonds measured at fair value through profit or loss, interest income is recognised under profit or loss as part of the fair value measurement.

## 9. Other operating expense

<i>In RON</i>	<b>2024</b>	<b>2023</b>
External services	1,497,516	1,381,432
Commissions and fees	2,592,213	2,123,174
Custody fees	512,146	418,529
Trading costs	156,502	1,305
Entertaining, promotion and advertising	271,482	178,743
Depreciation of the asset representing rights to use the underlying assets	7,482	8,285
Interest expenses related to the lease agreement liability	664	1,171
Other operating expenses	45,822	57,928
<b>Total</b>	<b><u>5,083,827</u></b>	<b><u>4,170,567</u></b>

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 10. Income tax

<i>In RON</i>	<b>2024</b>	<b>2023</b>
<b>Current profit tax</b>		
Current profit tax (16%)	253,869	-
Dividend tax (8%)	4,248,701	3,335,100
	<b>4,502,570</b>	<b>3,335,100</b>
<b>Deferred income tax</b>		
Financial assets at fair value through other comprehensive income	(468,589)	(18,268)
Impairment of other assets	169,041	(147,276)
Tax losses	1,455,834	4,979,022
	<b>1,156,286</b>	<b>4,813,478</b>
<b>Total tax recognised under profit for the period</b>	<b>5,658,856</b>	<b>8,148,578</b>

The reconciliation of pre-tax profit with the profit tax expense:

<i>In RON</i>	<b>2024</b>	<b>2023</b>
<b>Profit before tax</b>	<b>92,508,116</b>	<b>220,951,599</b>
<b>Tax according to the 16% statutory tax rate (2023: 16%)</b>	<b>14,801,299</b>	<b>35,352,256</b>
<b>Effect on the profit tax of:</b>		
Dividend tax rate	4,248,701	3,335,100
Items similar to income	306,593	3,342,304
Non-deductible expenses	27,138,212	10,361,281
Non-taxable income	(40,465,889)	(44,242,363)
Tax recognized in other comprehensive income	(245,274)	-
Amounts representing sponsorship within legal limits	(124,786)	-
<b>Income tax</b>	<b>5,658,856</b>	<b>8,148,578</b>

Non-taxable income is represented by dividend income, income from the valuation/revaluation/sale/assignment of financial assets valued at fair value through profit or loss held with a Romanian legal entity for which, as of the date of the valuation/revaluation/sale/assignment, the Company holds at least 10% of the share capital of the legal entity where it has financial assets for an uninterrupted period of one year.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 11. Cash and cash equivalents

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
Cash	1,309	1,309
Current accounts	1,739,977	20,764,322
Bank deposits with a maturity of less than 3 months	63,531,454	25,880,220
Related receivables	141,501	225,724
<b>Cash and cash equivalents</b>	<b>65,414,241</b>	<b>46,871,575</b>

Current accounts opened with banks are at the Company disposal at all times and are not restricted or encumbered.

## 12. Deposits with banks

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
Bank deposits with an initial maturity of over 3 months and less than 1 year (i)	106,345,019	158,989,540
Related receivables	630,673	996,482
<b>Total</b>	<b>106,975,692</b>	<b>159,986,022</b>

(i) Bank deposits are at the Company's disposal at all times and are not restricted or encumbered.

## 13. Financial assets

### a) Financial assets at fair value through profit or loss

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
		Restated
Bonds (i)	64,135,235	88,503,863
Shares (ii)	842,216,525	744,303,039
Unit funds (iii)	259,350,364	250,664,091
<b>Total</b>	<b>1,165,702,124</b>	<b>1,083,470,993</b>

(i) The Company holds 1,140 bonds issued by OPUS Chartered Issuances SA with a maturity of two years (extended maturity as of September of 2024), with an acquisition cost of RON 44,621,357, equivalent to EUR 10,000,080 and an annual interest of EUR 200.00 per bond which is paid by the issuer either in whole or in part (pro rata), depending on the extent to which the hedging instruments used by the issuer help cover the amounts owed as interest.

As at 31 December 2024, the Company valued these securities using a valuation model that took into account the closing quote published by Bloomberg, i.e. EUR 11,839/certificate (as at 31 December 2023: EUR 10,457.04/certificate), as well as an adjustment factor that mainly considered the liquidity risk on the instrument market. The aforementioned adjustment factor brought about the decrease in the fair value of these securities by RON 3,375,538 (as at 31 December 2023: RON 2,984,020).

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 13. Financial assets (continued)

### a) Financial assets at fair value through profit or loss (continued)

(i) In September 2024, bonds issued by OPUS Chartered Issuances SA matured and were collected principal and interest in the amount of RON 33,355,201, the equivalent of EUR 6,706,181.

The acquisition of these types of financial instruments is part of the investment policy of Longshield Investment Group S.A. to diversify the investment portfolio.

(ii) As at 31 December 2024, the fair value of the subsidiaries is RON 842,216,525 (as at 31 December 2023: RON 718,896,379). The fair value measurement of the shares was carried out by multiplying the number of shares held by the closing price of the last trading day of the reporting period or by obtaining values of the stake from valuation reports prepared by independent valuers.

(iii) As at 31 December 2024, the Company holds unit funds measured at fair value, of which: for open-end investment funds (Star Next, Prosper Invest, Active Dinamic, Muntenia Trust, Agricultural Fund) amounting to RON 13,834,453 (as at 31 December 2023: RON 33,997,662) and for closed-end investment funds/alternative investment funds (BET-FI Index Invest, Multicapital Invest, Active Plus, Star Value, Optim Invest, Certinvest Acțiuni and Romania Strategy Fund) amounting to RON 245,515,911 (as at 31 December 2023: RON 216,666,429).

### b) Financial assets at fair value through other comprehensive income

In RON	31 December 2024	31 December 2023 Restated
Shares measured at fair value (i)	1,230,669,391	1,036,654,658
<b>Total</b>	<b>1,230,669,391</b>	<b>1,036,654,658</b>

(i) The fair value was determined at the closing price of the last trading day of the reporting period or was determined using valuation models in accordance with ANEVAR Valuation Standards (see Note 5). As at 31 December 2024 and 31 December 2023, the category of shares measured at fair value mainly includes the value of the shares held with Banca Transilvania S.A., BRD - Groupe Société Générale S.A., OMV Petrom S.A., Lion Capital S.A., SNGN Romgaz S.A., Infinity Capital Investments S.A.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 13. Financial assets (continued)

### b) Financial assets at fair value through other comprehensive income (continued)

The main holdings in financial assets at fair value through other comprehensive income are presented in the table below:

In RON	31 December 2024	31 December 2023 Restated
Banca Transilvania S.A.	662,305,032	512,904,071
BRD - Groupe Société Générale S.A.	104,597,819	100,557,560
OMV Petrom SA	99,880,432	80,932,733
Lion Capital S.A.	73,382,302	66,687,776
S.N.G.N. Romgaz S.A.	59,107,276	60,749,507
Infinity Capital Investments S.A.	56,628,000	44,460,000
S.P.E.E.H. Hidroelectrica S.A. *)	42,273,000	16,000,000
Unirea Shopping Center Sa of Bucharest	22,598,870	20,984,665
The Bucharest Stock Exchange	16,173,864	23,583,200
Macofil S.A. *)	13,813,998	10,988,408
Other shares measured at fair value through other comprehensive income	79,908,798	98,806,738
<b>Total</b>	<b>1,230,669,391</b>	<b>1,036,654,658</b>

\*) As at 31 December 2023, the shares held with Macofil S.A. of Bucharest and S.P.E.E.H. Hidroelectrica S.A. were not part of the top ten shareholdings.

The movement of the financial assets at fair value through other comprehensive income during the financial period ended 31 December 2024 is presented in the table below:

In RON	Shares measured at fair value through other comprehensive income
<b>31 December 2023 Restated</b>	<b>1,036,654,658</b>
(Sales)/Net purchases during the period	14,133,455
Change in the fair value	179,881,278
<b>31 December 2024</b>	<b>1,230,669,391</b>

Throughout 2024, share purchases were carried out in two stages, therefore on 31 May 2024, the Company acquired control of Șantierul Naval Orșova S.A. Thus, on 30 June 2024, Șantierul Naval Orșova S.A. became the Company's subsidiary. (see Note 23)

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 13. Financial assets (continued)

### b) Financial assets at fair value through other comprehensive income (continued)

The movement of the financial assets at fair value through other comprehensive income during the financial period ended 31 December 2023 is presented in the table below:

<i>In RON</i>	<b>Shares measured at fair value through other comprehensive income</b>
<b>31 December 2022</b>	<b>888,016,951</b>
(Sales)/Net purchases during the period	(24,265,799)
Change in the fair value	198,310,166
Reclassification (i)	(25,406,660)
<b>31 December 2023 Restated</b>	<b>1,036,654,658</b>

(i) See Note 23.

### c) Financial assets measured at amortised cost

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
Corporate bonds - other currencies	1,257,442	-
<b>TOTAL</b>	<b>1,257,442</b>	<b>-</b>
<b>of which with maturity in more than a year:</b>		
Corporate bonds - other currencies	1,243,525	-

As at 31 December 2024, the Company owns quoted bonds issued by S.N.G.N. Romgaz S.A.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 14. Other assets

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
Sundry debtors	17,189,510	8,894,639
Dividends receivable	-	-
Current profit tax receivables	46,656	-
Assets representing rights to use underlying assets under a lease agreement	2,405	10,688
Other assets	54,358	49,088
Impairment of sundry debtors (see Note 4 b))	(5,189,510)	(6,246,016)
<b>Total</b>	<b>12,103,419</b>	<b>2,708,399</b>
<i>Of which with credit risk (Note 4 b)):</i>	12,000,000	2,648,623

The evolution of the impairment for sundry debtors and dividends receivable is as follows:

<i>In RON</i>	
<b>As at 1 January 2024</b>	<b>(6,246,016)</b>
(Establishment)/Reversal of adjustments for impairment of other assets	1,056,506
<b>As at 31 December 2024</b>	<b>(5,189,510)</b>

## 15. Dividends payable

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
Seized dividends payable related to 2011-2017 profits (i)	567,056	567,056
<b>Total dividends payable</b>	<b>567,056</b>	<b>567,056</b>

For dividends not claimed within three years of the declaration date, the Company Shareholders' General Meeting has approved their recording as equity (retained earnings).

(i) Seized dividends payable are dividends blocked as a result of seizures or insurance garnishments by 31 December 2024.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 16. Deferred profit tax liabilities

Deferred tax liabilities as at 31 December 2024 are generated by the items detailed in the table below:

In RON	Deferred profit tax 1 January 2024	Recognised	Recognised	31 December 2024		
		under Profit or loss	under Other comprehensive income	Deferred profit tax	Deferred profit tax receivable	Deferred profit tax liability
Financial assets at fair value through other comprehensive income	75,950,081	(468,589)	26,759,097	102,240,589	-	102,240,589
Adjustments for impairment and other provisions	(999,363)	169,041	-	(830,322)	(830,322)	-
Tax losses to be recovered	(3,505,903)	1,455,834	-	(2,050,069)	(2,050,069)	-
<b>Total</b>	<b>71,444,815</b>	<b>1,156,286</b>	<b>26,759,097</b>	<b>99,360,198</b>	<b>(2,880,391)</b>	<b>102,240,589</b>
<b>Deferred profit tax balance - liability</b>						<b>99,360,198</b>

Deferred tax liabilities as at 31 December 2023 are generated by the items detailed in the table below:

In RON	Deferred profit tax 1 January 2023	Recognised	Recognised	31 December 2023		
		under Profit or loss	under Other comprehensive income	Deferred profit tax	Deferred profit tax receivable	Deferred profit tax liability
Financial assets at fair value through other comprehensive income	40,428,064	(18,268)	35,540,285	75,950,081	-	75,950,081
Adjustments for impairment and other provisions	(852,087)	(147,276)	-	(999,363)	(999,363)	-
Tax losses to be recovered	(8,484,925)	4,979,022	-	(3,505,903)	(3,505,903)	-
<b>Total</b>	<b>31,091,052</b>	<b>4,813,478</b>	<b>35,540,285</b>	<b>71,444,815</b>	<b>(4,505,266)</b>	<b>75,950,081</b>
<b>Deferred profit tax balance - liability</b>						<b>71,444,815</b>

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 16. Deferred profit tax liabilities (continued)

The reconciliation of the tax bases and the liability with deferred income tax recognised under other comprehensive income is detailed as follows:

*In RON*

	<b>2024</b>		
	Before deferred profit tax	Deferred profit tax	Net of deferred profit tax
<b>Items that cannot be reclassified to profit or loss</b>			
Financial assets at fair value through other comprehensive income - change in revaluation reserves for holdings less than 10%	167,244,356	(26,759,097)	140,485,259
Financial assets at fair value through other comprehensive income - change in revaluation reserves for holdings greater than 10%, non-taxable	12,636,923	-	12,636,923
<b>Total</b>	<b>179,881,279</b>	<b>(26,759,097)</b>	<b>153,122,182</b>

*In RON*

	<b>2023</b>		
	Before deferred profit tax	Deferred profit tax	Net of deferred profit tax
<b>Items that cannot be reclassified to profit or loss</b>			
Financial assets at fair value through other comprehensive income - change in revaluation reserves for holdings less than 10%	222,126,779	(35,540,285)	186,586,494
Financial assets at fair value through other comprehensive income - change in revaluation reserves for holdings greater than 10%, non-taxable	(23,816,613)	-	(23,816,613)
<b>Total</b>	<b>198,310,166</b>	<b>(35,540,285)</b>	<b>162,769,881</b>

The balance of the deferred profit tax recognised directly by the decrease in equity as at 31 December 2024 is RON 96,972,632 (as at 31 December 2023: RON 70,213,535), and is generated entirely by financial assets at fair value through other comprehensive income, for financial assets held for a period shorter than one year and less than 10% of the issuer's share capital.

The Company has recognised a deferred tax asset for the tax loss recorded during the financial year ended 31 December 2020, because future profits are likely to be realised to cover the tax loss. Starting with the financial year 2024, the annual tax losses established through the profit tax statement, related to the years preceding the year 2024, remaining to be recovered on 31 December 2023, are recovered from the taxable profits made starting with 2024, within the limit of 70% of said taxable profits, for the period remaining to be recovered from the seven consecutive years following the year of recording said losses. As at 31 December 2024, the tax loss was partially recovered.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 17. Other liabilities

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
Suppliers - invoices to be received (i)	8,296,512	22,240,780
Fees and taxes	16,133	16,067
Domestic suppliers	159,030	622
Liabilities from lease agreement	3,297	13,821
Other liabilities	1,905	1,416,475
<b>Total</b>	<b>8,476,877</b>	<b>23,687,765</b>

(i) As at 31 December 2024, suppliers – invoices to be received primarily represent the liability related to the monthly administration fee and the performance fee of RON 7,610,681 (as at 31 December 2023: RON 21,672,737, liability related to the monthly administration fee and the performance fee).

(ii) During the financial year ended 31 December 2023, the Company recognised a liability of RON 457,000 to the company Apolodor S.A., as the buyer, representing a guarantee for participation in a bid for the purchase of shares issued by Apolodor S.A. The transaction of sale and purchase of shares issued Apolodor S.A. was completed in February of 2024.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 18. Capital and reserves

### (a) The share capital

The Company shareholding structure is as follows:

31 December 2024	Number of shareholders	Number of shares	Amount (RON)	(%)
Individuals	5,929,905	455,116,744	45,511,674	59.80
Legal persons	116	305,989,101	30,598,910	40.20
<b>Total</b>	<b>5,930,021</b>	<b>761,105,845</b>	<b>76,110,585</b>	<b>100</b>

31 December 2023	Number of shareholders	Number of shares	Amount (RON)	(%)
Individuals	5,932,543	457,527,847	45,752,785	58.31
Legal persons	119	327,117,354	32,711,735	41.69
<b>Total</b>	<b>5,932,662</b>	<b>784,645,201</b>	<b>78,464,520</b>	<b>100</b>

All shares are ordinary and have been subscribed and paid in full as at 31 December 2024. All shares have the same voting right and have a face value of RON 0.1/share. The number of shares authorised to be issued is equal to the number of issued shares.

The reconciliation of the share capital according to IFRS with the one according to the Articles of Incorporation is presented in the table below:

<i>In RON</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
Share capital according to the Articles of Incorporation	76,110,585	78,464,520
Hyperinflation effect - IAS 29	757,576,343	781,006,539
<b>Restated share capital</b>	<b>833,686,928</b>	<b>859,471,059</b>

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 18. Capital and reserves (continued)

### (b) Reserves from the revaluation of financial assets at fair value through other comprehensive income

This reserve includes the cumulative net changes in the fair values of financial assets at fair value through other comprehensive income from the date of the classification in this category to the date when they were derecognised.

The reserves from the revaluation of financial assets at fair value through other comprehensive income are recorded net of the related deferred tax. The amount of the deferred tax recognised directly through the decrease in equity is shown in Note 16.

Upon derecognising equity instruments designated within the category of financial assets at fair value through other comprehensive income (see Note 14(b)(i)) the gains/losses related to such instruments recognised in other comprehensive income are reclassified to retained earnings as a surplus earned from revaluation reserves.

During the period ended 31 December 2024, as a result of the application of accounting policies according to IFRS 9, detailed in Note 3(e)(vii), the Company recognised the net gain from the disposal of the financial assets under retained earnings. The net surplus obtained by the Company as a result of the disposal of the financial assets at fair value through other comprehensive income was in the amount of RON 9,767,310. Moreover, as a result of the disposal of the financial assets at fair value through profit or loss, the positive value of RON 764,353 was transferred from retained earnings to retained earnings representing the realised net surplus.

As at 31 December 2024, the retained earnings resulting from the adoption of IFRS 9 and IFRS 10 related to the financial assets owned by the Company amounted to RON 250,091,003, an amount restricted from distribution.

During the financial year ended 31 December 2023, as a result of the application of accounting policies according to IFRS 9, detailed in Note 3(e)(vii), the Company recognised the net gain from the disposal of the financial assets under retained earnings. The net surplus obtained by the Company as a result of the disposal of the financial assets at fair value through other comprehensive income was in the amount of RON 37,176,879. Moreover, as a result of the disposal of the financial assets at fair value through profit or loss, the amount of RON 14,088,347 was transferred from retained earnings to retained earnings representing the realised net surplus.

As at 31 December 2023, the retained earnings resulting from the adoption of IFRS 9 and IFRS 10 related to the financial assets owned by the Company amounted to RON 255,710,703.

The amounts recognised as reserves from the revaluation of financial assets at fair value through other comprehensive income will not be reclassified as profit or loss on the derecognition of these instruments.

### (c) Legal reserves

According to legal requirements, the Company sets up legal reserves in the amount of 5% of the legally recorded gross profit up to the level of 20% of the share capital according to the Instrument of Incorporation. The amount of the legal reserve as at 31 December 2024 is RON 15,222,116 (as at 31 December 2023 is RON 15,692,904). As a result of the decrease in share capital (see Note 19 (a)), the legal reserve decreased by RON 470,787, reaching the level of 20% of the decreased share capital, a value that was transferred under retained earnings.

Legal reserves may not be distributed to shareholders. The amount of the legal reserves was included in the statement of the financial position, on the row of the “Retained earnings”.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 18. Capital and reserves (continued)

### (d) Dividends

During the financial year ended 31 December 2024 and the financial year ended 31 December 2023, the Company did not distribute any dividends.

### (e) Own shares

During the financial year ended 31 December 2024, the Company did not implement share buyback programmes.

During the financial year ended 31 December 2024, the decrease in share capital was recorded by cancelling treasury shares acquired by the Company (see Note 19 (a)).

### (f) Profit allocation

The Company Administrator proposes to distribute the net profit as follows:

*In RON*

**31 December 2024**

<b>Net profit to be distributed:</b>	<b><u>86,849,260</u></b>
- other reserves	86,849,260

## 19. Earnings per share

The calculation of the basic earnings per share was performed based on the net profit and the weighted average number of ordinary shares:

*In RON*

**31 December 2024**

**31 Decembrie 2023**

Net profit	86,849,260	212,803,021
Weighted average number of ordinary shares	<u>761,105,845</u>	<u>761,105,845</u>
<b>Basic earnings per share</b>	<b><u>0.114</u></b>	<b><u>0.280</u></b>

The diluted earnings per share are equal to the basic earnings per share, as the Company has not recorded any potential ordinary shares.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 20. Financial assets and liabilities

### Accounting classifications and fair values

The table below summarises the book values and fair values of Company financial assets and liabilities as at 31 December 2024:

<i>In RON</i>	<b>Fair value through profit or loss</b>	<b>Fair value through other comprehensive income</b>	<b>Amortised cost</b>	<b>Total book value</b>	<b>Fair value</b>
Financial assets at fair value through profit or loss	1,165,702,124	-	-	<b>1,165,702,124</b>	<b>1,165,702,124</b>
Financial assets at fair value through other comprehensive income	-	1,230,669,391	-	<b>1,230,669,391</b>	<b>1,230,669,391</b>
Financial assets measured at amortised cost	-	-	1,257,442	<b>1,257,442</b>	<b>1,539,519</b>
Other financial assets	-	-	12,046,656	<b>12,046,656</b>	<b>12,046,656</b>
<b>Total financial assets</b>	<b>1,165,702,124</b>	<b>1,230,669,391</b>	<b>13,304,098</b>	<b>2,409,675,613</b>	<b>2,409,957,690</b>
Dividends payable	-	-	(567,056)	<b>(567,056)</b>	<b>(567,056)</b>
Other financial liabilities	-	-	(8,476,877)	<b>(8,476,877)</b>	<b>(8,476,877)</b>
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>(9,043,933)</b>	<b>(9,043,933)</b>	<b>(9,043,933)</b>

In order to estimate the fair value of the financial assets and liabilities measured at amortised cost, the Company has used the following estimates and has made the following significant judgments: for financial assets and liabilities items issued or held for very short periods, which are generally non-interest-bearing or fixed interest bearing, the Company has approximated the fair value at cost (as such, the valuation has been performed using Level 3 techniques).

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 20. Financial assets and liabilities (continued)

### Accounting classifications and fair values (continued)

The table below summarises the book values and fair values of Company financial assets and liabilities as at 31 December 2023 Restated:

<i>In RON</i>	<b>Fair value through profit or loss</b>	<b>Fair value through other comprehensive income</b>	<b>Amortised cost</b>	<b>Total book value</b>	<b>Fair value</b>
Financial assets at fair value through profit or loss	1,083,470,993	-	-	1,083,470,993	1,083,470,993
Financial assets at fair value through other comprehensive income	-	1,036,654,658	-	1,036,654,658	1,036,654,658
Other financial assets	-	-	2,648,623	2,648,623	2,648,623
<b>Total financial assets</b>	<b>1,083,470,993</b>	<b>1,036,654,658</b>	<b>2,648,623</b>	<b>2,122,774,274</b>	<b>2,122,774,274</b>
Dividends payable	-	-	(567,056)	(567,056)	(567,056)
Other financial liabilities	-	-	(23,687,765)	(23,687,765)	(23,687,765)
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>(24,254,821)</b>	<b>(24,254,821)</b>	<b>(24,254,821)</b>

In order to estimate the fair value of the financial assets and liabilities measured at amortised cost, the Company has used the following estimates and has made the following significant judgments: for financial liabilities items issued or held for very short periods, which are generally non-interest-bearing or fixed interest bearing, the Company has approximated the fair value at cost (as such, the valuation has been performed using Level 3 techniques).

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 21. Commitments and contingent liabilities

### (a) Legal proceedings

The Company is the subject of a number of legal proceedings resulting during the normal course of business. The Company management believes, based on consultations with its lawyers, that these proceedings will not have a significant adverse effect on the economic results and the financial position of the Company.

### (b) Environmental contingencies

Environmental regulations are evolving in Romania, and the Company did not register any liabilities as at 31 December 2024 and 31 December 2023 for any expected costs, including legal and consulting fees, site studies, the design and implementation of remedying plans with regard to environmental elements. The Company management does not believe the expenses associated with possible environmental problems to be significant.

### (c) Transfer pricing

Romanian tax laws have included rules on related party transfer pricing since 2000. The current legislative framework defines the arm's length principle for related party transactions, as well as the transfer pricing methods. As such, tax authorities are expected to initiate thorough transfer pricing checks to ensure that the tax result is not distorted by the effect of prices used in related party dealings. During the period ended 31 December 2024, the Company did not exceed the value level of related party transactions, stipulated by legal regulations in force, for the preparation of the transfer pricing documentation file.

## 22. Related party transactions and balances

During its activity, the Company identified the following parties engaged in special relations:

### (i) The Company management

The Company operates on the basis of a management contract concluded with Societatea de Administrare a Investițiilor Muntenia Invest S.A. The majority shareholder of Societatea de Administrare a Investițiilor Muntenia Invest S.A. is Lion Capital S.A. (the former SIF Banat-Crișana S.A.) holding 99.98% of the share capital as at 31 December 2024.

The Company has not identified an ultimate controlling parent company.

The transactions between the Company and the Administrator were as follows:

*In RON*

<i>Receivables and liabilities</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
Liabilities related to the administration fee	(7,610,681)	(21,672,737)
<i>Income and expenses</i>	<b>2024</b>	<b>2023</b>
Administration fees (i)	(43,042,727)	(50,226,268)

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 22. Related party transactions and balances (continued)

### (i) The Company management (continued)

(i) During the financial period ended 31 December 2024, the monthly administration fees and the performance commission are in amount to RON 43,042,727 (as at 31 December 2023, the monthly administration fees and the performance fee: RON 50,226,268), under the management contract concluded between the parties. The management contract concluded between Longshield Investment Group S.A. and Societatea de Administrare a Investițiilor Muntenia Invest SA was approved by the Longshield Investment Group SA Shareholder's Ordinary General Meeting of 23 April 2020.

The monthly administration fee is calculated as a percentage of the total assets certified by the depository bank for the last day of the month. The performance commission is due for the fulfilment of performance criteria and the achievement of objectives set annually by the Company Shareholders' General Meeting and is calculated as a percentage applied to the difference between the gross profit earned and the gross profit budgeted.

### Transactions with Company personnel:

Other transactions	2024	2023
Expenses related to salaries of Board of Shareholders' Representatives members, out of which:	440,472	440,472
- gross salaries paid to the members	430,776	430,776
- social security and social protection expenses	9,696	9,696
- number of members	3	3
Personnel salaries, of which:	11,382	9,433
- gross salaries paid or payable	11,130	9,226
- social security and social protection expenses	252	207
- number of employees	1	1

The Company has one employee and three members within the Board of Shareholders' Representatives as at 31 December 2024. The members of the Board of Shareholders' Representatives were elected within the Longshield Investment Group Shareholders' Ordinary General Meeting of 22 June 2022 for a four-year term.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 22. Related party transactions and balances (continued)

### (ii) Subsidiaries (companies within which Longshield Investment Group has control)

All Company subsidiaries as at 31 December 2024 and 31 December 2023 are based in Romania. For them, the Company shareholding percentage is not different from the percentage of the number of votes held.

The fair value of subsidiary shareholdings and the shareholding percentage are shown in the table below:

Name of the subsidiary	Fair value as at 31 December 2024	Fair value as at 31 December 2023	Shareholding percentage as at 31 December 2024	Shareholding percentage as at 31 December 2023
Avicola Bucureşti S.A.	207,241	385,619	89.97%	89.97%
Biofarm S.A.	363,589,638	418,782,610	51.68%	51.58%
Bucur S.A.	57,741,066	39,134,857	67.98%	67.98%
Casa de Bucovina - Club de Munte	17,411,525	11,887,869	73.98%	73.98%
CI-CO S.A.	45,264,062	43,455,212	97.34%	97.34%
Firos S.A.	52,787,424	51,495,955	99.69%	99.69%
Finagrom IFN SA	89,962,809	4,833,532	99.99%	99.90%
Germina Agribusiness S.A.	20,024,803	20,580,413	90.39%	90.68%
ICPE S.A.	28,086,183	11,659,750	50.32%	50.32%
ICPE Electric Motors S.R.L.	1,699,587	1,374,427	100.00%	100.00%
Mătăsari Holding S.A.	18,947,047	15,242,469	99.99%	90.67%
Mindo S.A.	4,051,027	3,685,436	98.02%	98.02%
Semrom Oltenia S.A.	12,744,449	18,474,512	88.69%	88.49%
Unisem S.A.	19,545,892	22,945,177	76.91%	76.91%
Voluthema Property Developer S.A.	71,715,594	54,958,541	99.97%	99.97%
Şantierul Naval Orşova S.A.*	38,438,178	-	47.06%	-
<b>Total</b>	<b>842,216,525</b>	<b>718,896,379</b>	<b>-</b>	<b>-</b>

\*) As at 31 May 2024, the Company acquired control within Şantierul Naval Orşova S.A., through purchases in stages.

### (iii) Company associates

As at 31 December 2024, the Company has no shareholdings within associates.

As at 31 December 2023, the Company has shareholdings within an associate, namely Şantierul Naval Orşova S.A..

### (iv) Transactions and balances with Company subsidiaries

The transactions concluded by the Company with parties engaged in special relations were carried out during the normal course of the activity. The Company has neither received, nor granted any guarantees in favour of any party engaged in special relations.

During 2024, dividend income from subsidiaries was recorded in the amount of RON 40,688,985 (as at 31 December 2023: RON 38,947,952). As at 31 December 2024, dividends due for 2024 have been collected in full. As at 31 December 2023, there were outstanding dividends to be collected from Voluthema Property Developer S.A. amounting to RON 1,098,623 and from ICPE S.A. amounting to RON 1,048,929.

# Notes to the Financial Statements

for the financial year ended 31 December 2024

## 22. Related party transactions and balances (continued)

### (iv) Transactions and balances with Company subsidiaries (continued)

The breakdown of dividend income from subsidiaries is presented below:

In RON	2024	2023
Biofarm S.A.	15,755,171	15,246,940
Unisem S.A.	6,346,345	1,518,388
CI-CO S.A.	5,353,727	3,208,285
Germina Agribusiness S.A.	4,668,569	8,207,665
Firos S.A.	3,209,757	3,998,118
Şantierul Naval Orşova SA	2,849,264	-
Voluthema Property Developer S.A.	2,506,152	1,098,623
Bucur S.A. Bucuresti	-	2,037,920
Semrom Oltenia S.A.	-	1,587,445
ICPE S.A.	-	1,048,929
<b>Total</b>	<b>40,688,985</b>	<b>37,952,312</b>

Receivables regarding dividends due from subsidiaries as at 31 December 2024 and 31 December 2023, are presented in the following table:

In RON	31 December 2024	31 December 2023
Voluthema Property Developer S.A.	-	1,098,623
ICPE S.A.	-	1,048,929
<b>Total</b>	<b>-</b>	<b>2,147,551</b>

## 23. Correction of accounting errors – Incorrect classification of financial assets

The Company incorrectly classified and presented in the Statement of Financial Position as at 31 December 2023 the shareholding held with Şantierul Naval Orşova SA (SNO) under financial assets at fair value through other comprehensive income, although the shareholding with SNO increased to 41.19% as of 14 November 2023.

Following the analysis carried out regarding the identification and monitoring of associates, the Company concluded that following the increase in the holding with SNO, the latter is an associate over which Longshield Investment Group SA (formerly called SIF Muntenia SA) exercises significant influence, namely has the ability to participate in making decisions regarding the entity's financial and operating policies, without exercising control or joint control over those policies, therefore the investment should have been classified as financial assets at fair value through profit or loss. The comparative statement of financial position was restated in relation to the approved financial statements for the period ended 31 December 2023, the shareholding held with SNO was reclassified from the row "Financial assets at fair value through other comprehensive income" to the row "Financial assets at fair value through profit or loss", with corresponding reclassification of the fair value adjustment from fair value reserve to retained earning.

# Notes to the Financial Statements

*for the financial year ended 31 December 2024*

## 23. Correction of accounting errors – Incorrect classification of financial assets (continued)

<i>In RON</i>	<b>31 December 2023</b> Restated	<b>Reclassifications</b>	<b>31 December 2023</b> Restated
Financial assets at fair value through profit or loss	1,058,064,333	25,406,660	1,083,470,993
Financial assets at fair value through other comprehensive income	1,062,061,318	(25,406,660)	1,036,654,658
<b>Total Assets</b>	<b>2,120,125,651</b>	-	<b>2,120,125,651</b>
 <i>In RON</i>	 <b>31 December 2023</b> Restated	 <b>Reclassifications</b>	 <b>31 December 2023</b> Restated
Retained earnings	1,070,950,729	(2,338,363)	1,068,612,366
Reserves from revaluation of financial assets at fair value through other comprehensive income	341,745,811	2,338,363	344,084,174
<b>Total equity</b>	<b>1,412,696,540</b>	-	<b>1,412,696,540</b>

The reclassification has no impact on the total assets, total liabilities, total equity of the Company as at 31 December 2023.

## 24. Events subsequent to the reporting period

- In January 2025, the Company subscribed to the share buyback programme carried out by the subsidiary ICPE SA of Bucharest for the buyback of the entire share package held of 2,996,939 shares. The amount received from the buyback was RON 28,126,273. According to IAS 10, this event falls within the definition of a non-adjusting event that occurred after the closing date.
- During the period 18 December 2024 - 10 January 2025, the LONG share buyback programme was carried out according to the Public Purchase Offer Document approved by the FSA under no. 1213/11.12.2024. The buyback price was RON 1.95/share, the object of the offer was 18,000,000 shares. The result of the public share purchase offer was finalised with the buyback of 16,362,000 shares, amounting to RON 31,905,900.
- On 24 February 2025, the Financial Supervisory Authority. By way of Authorisation no. 16/24.02.2025, Mr. Stefan Dumitru was authorised as CEO of S.A.I. Muntenia Invest S.A. for a term of office of 4 years starting with the date of authorisation and until 19.10.2028.

No other significant subsequent events have occurred up to the date of preparation of these financial statements.

ADMINISTRATOR,  
SAI MUNTEANIA INVEST S.A.  
Sergiu MIHAILOV  
Deputy General Manager

PREPARED BY,  
SAI MUNTEANIA INVEST S.A.  
Irina MIHALCEA  
Chief Accountant