

Newsletter - November, 2018



SIF MOLDOVA
SOCIETATE DE INVESTITII FINANCIARE

STRATEGIC OBJECTIVES

- ✓ Achieving higher value and higher quality for the assets under management by increasing the asset management's efficiency
- ✓ Increasing the speed and efficacy of the rebalancing and optimization processes of the portfolio.
- ✓ Investments in new companies of private-equity type in order to improve the portfolio performance.

TYPE OF THE INVESTMENT COMPANY

SIF Moldova SA is classified as an Alternative Investment Fund Manager (AIFM) authorized by the Financial Supervisory Authority under no. 20 of January 23, 2018.

MANAGEMENT

The company is self-managed in unitary system, by a Board.

Executive management:

Claudiu Doros - CEO

Catalin Iancu - Deputy CEO

(ASF Opinion no. 400, 401,402 /July 13, 2017)

IDENTIFICATION DATA

ASF Register No.: PJR071AFIAA/040002

Bucharest Stock Exchange: SIF2; ISIN: ROSIFBACNOR0

Bloomberg: BBGID BGG00OBMN5F5; Reuters: SIF2.BX

LEI: 254900Y100025N04US14

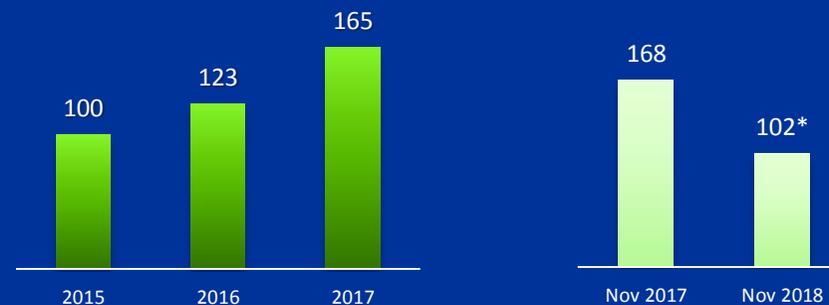
CONTACT

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SHAREHOLDERS	Residents	Non-residents	Total
	weight in share capital %	weight in share capital %	shareholders
Individuals	36.9	0.3	5,756,215
Corporate	48.6	14.2	197
TOTAL	85.5	14.5	5,756,412

Net profit (million RON)



* The net result at November 29, 2018 is RON 102 mn, composed of net profit (RON 59 mn) and net gain on disposal of assets reflected in retained earnings (RON 43 mn) - accounting treatment according to IFRS 9

Investments (million RON)



Assets under management



VALUES / STRUCTURE

Number of shares	1,013,179,176	
	RON	EUR*
Fair value	0,1	0,02
Share Capital	101.317.917	21.760.721
Market cap	1.296.869.345	278.537.230
Total Assets	2.067.155.085	443.976.608
Net Assets Value	1.918.794.075	412.112.129

*EUR/RON = 4.6560 (www.bnr.ro)

RON/share	Sep 2018	Oct 2018	Nov 2018
NAV/share**	1.9092	1,9189	1,9360
Price SIF2	1.2100	1,1900	1,2800
Discount %	37	38	34

** The number of shares used in the calculation of the NAV/share (991,113,939) has resulted by decreasing, from the total number of shares, the shares acquired under the ongoing buyback program (according to the applicable regulations).

ASSETS STRUCTURE	% of total assets
Shares, of which	82,8
• listed	72,8
• unlisted	10,0
Non – UCITS Securities (fond units)	10,8
Monetary instruments (deposits, cash)	5,0
Other assets	1,4

SECTOR EXPOSURE (share portfolio)	% of total assets
Financial	42,7
Energy	16,7
Manufacturing	8,2
Real estate	6,9
Pharmaceutical industry	2,2
Other	6,1

TOP COMPANIES	Weight > 1% of total assets
BANCA TRANSILVANIA	38,86
OMV PETROM	6,61
AEROSTAR	5,54
ROMGAZ	5,40
TRANSGAZ	4,73
PROFESSIONAL IMO PARTNERS	2,96
TESATORIILE REUNITE	2,81
SIF BANAT CRISANA	2,13
BIOFARM	2,11
STRAULESTI LAC ALFA	1,88
AGROLAND CAPITAL	1,65
AGROINTENS	1,59
MECANICA CEHLAU	1,10
SIF TRANSILVANIA	1,07
TOTAL	78,44

PERFORMANCE / RISK INDICATORS

Returns: SIF2 NAV/share, SIF2 share, BET FI

Returns on Nov, 2018 (%)	SIF2 share	BET-FI	SIF2 NAV/share
1 M	7,56	1,80	0,89
3 M	-4,48	-4,66	1,33
6 M	6,67	-0,73	11,57
12 M	-5,88	-4,77	13,94

The price series and the historical NAV/share series taken into account at the calculation of the yield/risk indicators are adjusted with the corporate events of the issuers.

Risk Analysis (1Y, daily series): SIF2 share / BET-FI

Indicator	SIF2 share	BET-FI
Annualized volatility (%)	24,94	11,44
Beta	1,61	1



- ✓ Exposure to the market risk quantified by SIRR: 13.94%
- ✓ The Synthetic Indicator of Risk and Return (SIRR) calculated based on annualized volatility of the monthly NAV from the last 3 years of activity, places SIF Moldova portfolio in the medium risk category (currently is classified in the 5th class; 5th in December 31, 2017).

Investment projects - "private equity" approach

SIF Moldova Group



- "Baba Novac Residence"** Bucharest - ownership 100%
- ✓ 6 blocks, 363 apartments - completion 2019
 - ✓ 85% of the apartments were sold by November 2018
 - ✓ 121 apartments completed by the end of 2018 – Reception by buyers in Q 1 2019



- "Veranda Mall"** Bucharest - ownership 37%
- ✓ GLE – 67000 sqm; GLA – 27000 sqm
 - ✓ Occupancy rate – 97%
 - ✓ Expansion in progress – 6300 sqm – fitness, offices, commercial spaces (completion in Q4 2018) , cinema (completion in Q2 2019)



- "Atria Urban Resort"** Bucharest – ownership 50%
- ✓ The project is a phased out development of 1400 apartments on an area of approximately 9 ha, in 4 stages
 - ✓ Positioning – North West of Bucharest
 - ✓ Phase 1 under construction; 30% of the apartments – sold



- "Blueberries Farm"** - developed by Agrintens SA, ownership 100%
- ✓ In exploitation and under preparation - 67 ha
 - ✓ It is aimed to reach an area of 84 ha by 2020



- Mecanica Ceahlau** - Piatra Neamt - ownership: 73 %

- ✓ Manufactures and sells agricultural machines. Its portfolio includes more than 20 product groups for agriculture (for working the soil, seeding, crop maintenance);
- ✓ The company is a distributor of STEYR and PROJET machinery.
- ✓ Development strategy:
 - development of new equipment and products for Romanian market
 - export to neighboring countries

