

Newsletter - December, 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

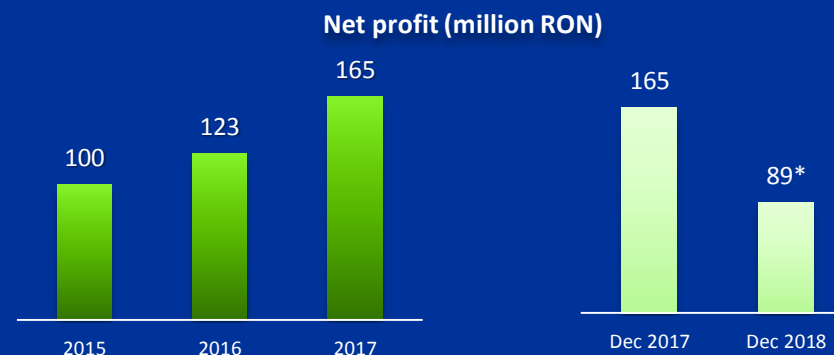
LEI: 254900Y1O0025N04US14

CONTACT

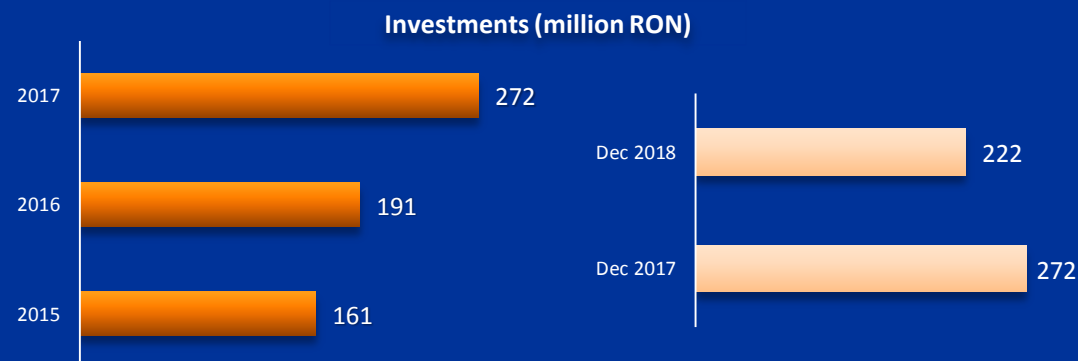
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SHAREHOLDERS	Residents	Non-residents	Total
	weight in share capital %	weight in share capital %	shareholders
Individuals	36.8	0.3	5,755,928
Corporate	48.6	14.3	201
TOTAL	85.4	14.6	5,756,129



* The net result recorded on December 31, 2018 is in the amount of 89 million lei, comprising of the net profit of 46 million lei and the net gain from the sale of assets reflected in the retained earnings of 43 million lei - accounting treatment in accordance with IFRS 9.



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	21,723,861
Market cap	1.223.920.445	262,424,247
Total Assets	1,844,750,556	395,538,188
Net Assets Value	1,725,815,275	370,036,938

*EUR/RON = 4.6639 (www.bnr.ro)

RON/share	Oct 2018	Nov 2018	Dec 2018
NAV/share**	1.9189	19360	1.7413
Price SIF2	1.1900	12800	1.2080
Discount %	38	34	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	71.7
• unlisted	11.1
Non – UCITS Securities (fund units)	11.5
Monetary instruments (deposits, cash)	4.1
Other assets	1.6

SECTOR EXPOSURE (share portfolio)	% of total assets
Financial	41.5
Energy	15.9
Manufacturing	9.5
Real estate	7.7
Pharmaceutical industry	2.3
Other	5.9

TOP COMPANIES	Weight > 1% of total assets
BANCA TRANSILVANIA	37.54
OMV PETROM	6.25
AEROSTAR	6.03
ROMGAZ	4.94
TRANSGAZ	4.70
PROFESSIONAL IMO PARTNERS	3.14
TESATORIILE REUNITE	2.37
SIF BANAT CRISANA	2.35
BIOFARM	2.10
STRAULESTI LAC ALFA	2.05
AGROLAND CAPITAL	1.85
AGROINTENS	1.78
MECANICA CEHLAU	1.32
SIF TRANSILVANIA	1.27
TOTAL	77.68

PERFORMANCE / RISK INDICATORS

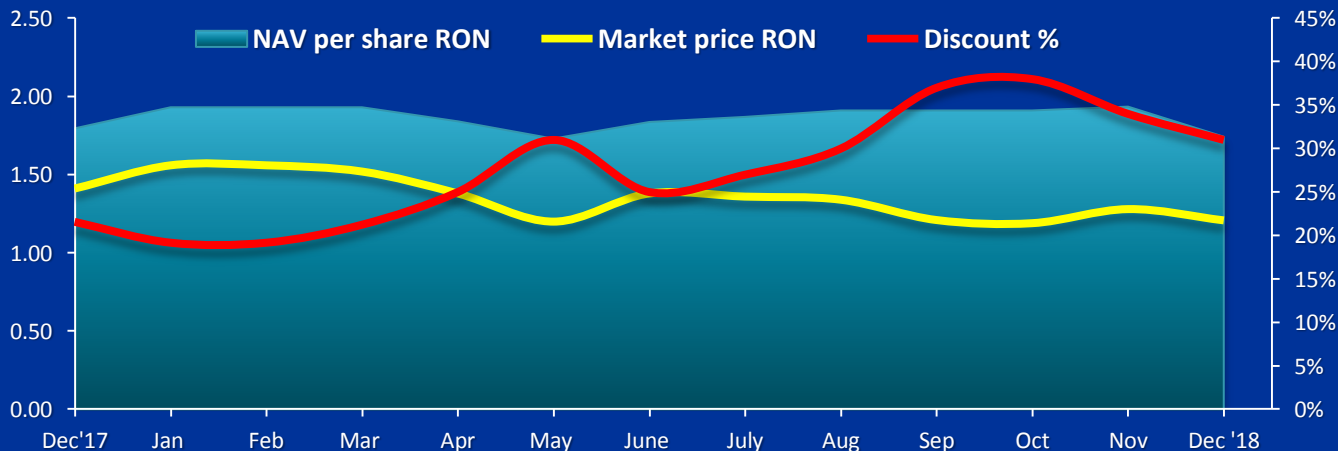
Returns: SIF2 NAV/share, SIF2 share, BET FI

Returns on Dec, 2018 (%)	SIF2 share	BET-FI	SIF2 NAV/share
1 M	-5.63	-5.45	-10.06
3 M	-0.17	-5.61	-8.79
6 M	-12.46	-8.09	-5.36
12 M	-14.33	-12.63	-3.14

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 (%)	27.41	14.40
Beta	1.42	1



- ✓ Exposure to the market risk quantified by SIRR: 15.17%
- ✓ 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
 - ✓ 88% of the apartments were sold by December 2018
 - ✓ 121 apartments completed by the end of 2018 – Reception by buyers in Q 1 2019



- "Veranda Mall"** Bucharest – indirect ownership 37%
- ✓ GLE – 67000 sqm; GLA – 27000 sqm
 - ✓ Occupancy rate – 97%
 - ✓ Expansion in progress – 6300 sqm – fitness, offices, commercial spaces (completed), 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 were 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.

