



SIF BANAT-CRIȘANA

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CURRENT REPORT

according to Regulation no. 5/2018
and Law no. 24/2017 on issuers of financial instruments and market operations

Report date: March 18, 2019

Issuer **Societatea de Investiții Financiare Banat-Crișana SA (SIF Banat-Crișana)** | Registered office **35A Calea Victoriei, Arad 310158, Romania** | Phone **+40257 304 438** | Fax **+40257 250 165** | Webpage **www.sif1.ro** | Email **sifbc@sif1.ro** | Tax Identification Code **RO2761040** | Trade Register Number **J02 / 1898 / 02.09.1992** | Number In ASF AFIAA Register **PJR07.1AFIAA / 020007 / 09.03.2018** | Legal Entity Identifier (LEI) **254900GAQ2XT8DPA7274** | Subscribed and paid-up share capital **RON 51,746,072.40** | Regulated market on which the issued securities are traded: **Bucharest Stock Exchange (BVB) Premium category (symbol: SIF1)**

Important event to be reported:

Convening notice for the ordinary general meeting of shareholders and the extraordinary general meeting of shareholders

The following is an English translation of the Convening Notice for the General Meeting of the Shareholders of SIF Banat-Crișana. The company provides this translation for shareholders' reference and convenience. If the English version of this Convening Notice differs from the Romanian version, the latter prevails.

CONVENING NOTICE

The Board of Directors of Societatea de Investiții Financiare Banat-Crișana S.A. (hereinafter "SIF Banat-Crișana" or "the Company"), registered with the Trade Register Office of Arad Court under number Arad J02/1898/1992 and in the ASF Register under number PJR07.1AFIAA / 020007 / 09.03.2018, having the Unique Registration Code 2761040 and the subscribed and paid-up share capital of RON 51,746,072.40, gathered in the meeting held on March 15, 2019, convenes, pursuant to art. 117 of Law no. 31/1990, the **Ordinary General Meeting of Shareholders (OGM)** for April 22, 2019, at 10:00 hours and the **Extraordinary General Meeting of Shareholders (EGM)** for April 22, 2019 at 12:00 hours, at the company's headquarters in Arad, 35A Calea Victoriei.

Company's share capital consists of 517,460,724 nominative shares, with nominal value of RON 0.10 dematerialized and indivisible, each share giving the right to one vote in the general meeting of shareholders, except for the shares for which voting right is suspended as per art. 286¹ par. (1) and (2) of Law no. 297/2004 and art. 105 par. (2) of Law no. 31/1990.

Only the persons registered as shareholders of the Company in the register of shareholders kept by Depozitarul Central S.A. at the end of office on April 9, 2019 (considered as the reference date) have the right to participate and vote at the general meeting of shareholders.

The ordinary general meeting of shareholders will have the following items on the agenda:

1. Approval of the separate financial statements for 2018 financial year, based on the discussions and the reports presented by the Board of Directors, the Chairman of the Board and the financial auditor;
2. Approval of appropriation of the net profit for the financial year 2018, as per the proposals of the Board of Directors, in one of two options:

Option I:

Appropriation of the net profit for the financial year 2018, in the amount of **RON 77,186,227** on the following destinations:

- **Dividends RON 26,903,295.54, representing a gross dividend of RON 0.052 /share,**

Approval of the date of October 11, 2019 as the dividend **payment date**. The distribution of dividends to shareholders will be made in accordance with the legal provisions and the payment costs will be borne by the shareholders of the net dividend amount.

- **Other reserves RON 50,282,931.46.**

In case of the approval of this distribution of profit, it becomes obsolete and it is removed from the agenda of the EGM convened for April 22 (23), 2019, the proposal for the approval a buyback program for the reduction of company's share capital (Program I), included on item 1 of the agenda of the said meeting.

Option II:

Approval of appropriation of the entire net profit for the year 2018, in the amount of RON 77,186,227 to Other Reserves, to support a buyback program.

From its own financing sources as provided by law, the Company will conduct a buyback program for 15,000,000 shares, to reduce the share capital by the cancelation of the repurchased shares.

The buyback program will be conducted in accordance with the applicable legal provisions, having the following main characteristics:

- Minimum price per share: RON 0.1;
- Maximum price per share: RON 4.38;
- Duration of the program: maximum 18 months from the date of publication of the resolution in the Official Gazette of Romania Part IV.

In case of the approval of this distribution of profit, it will be submitted for the approval of the EGM convened for April 22 (23), 2019 the resolution of item 1 on the agenda of this general meeting regarding the execution of the buyback program for the reduction of company's share capital (Program I).

3. Approval of the consolidated financial statements for 2018 financial year, based on the discussions and the reports presented by the Board of Directors, the Chairman of the Board and the financial auditor;
4. Approval of the discharge from liability of the Board of Directors for the financial year 2018;
5. Approval of the Budget of revenues and expenses and Activity Program for the financial year 2019;
6. Approval of the remuneration due to the members of the Board of Directors for the financial year 2019;
7. Approval of the general limits of all additional remunerations for the Board of Directors the general limits of directors' remuneration;
8. Approval of September 20, 2019 as the record date (September 19, 2019 as the ex-date) in accordance with the provisions of Art. 86 par. 1 of Law no. 24/2017 and ASF Regulation no. 5/2018.

The extraordinary general meeting of shareholders will have the following items on the agenda:

1. Approval of Company's carrying out a buyback program ("Program I"). Program I is to be executed only if the ordinary general meeting of shareholders convened for April 22 (23), 2019 approves the allocation of the entire net profit for the financial year 2018, in the amount of **RON 77,186,227**, to "Other reserves", for own financing sources, to support the repurchase of company's own shares. Program I shall be carried out in compliance with applicable legal provisions and having the following main features:

- (i) The purpose of Program I: The Company will repurchase shares under the Program to reduce its share capital.
- (ii) The maximum number of shares that may be repurchased: 15,000,000 shares at most;
- (iii) The minimum price per share: RON 0.1;
- (iv) The maximum price per share: RON 4.38;
- (v) Program Duration: a maximum of 18 months after publication of the decision in the Official Gazette of Romania, Part IV;
- (vi) The shares acquired under the Program I will be paid from sources permitted by law.

Besides its main characteristics, Program I will also include other requirements provided by law and which are not listed above. The acquisition of shares under Program I will be done through all market operations allowed by law, which may include public tender offers initiated by the Company, in accordance with the law. In order to implement the Program I, the Board will be empowered to take all necessary measures and fulfil all formalities required, in compliance with the above-mentioned requirements.

2. Approval of Company's carrying out a buyback program ("Program II") to be executed in compliance with applicable legal provisions and having the following features:

- (i) The purpose of Program II: The Company will repurchase shares under the Program II for the distribution free of charge to members of the Company's management (administrators, executive directors) in order to build their loyalty and to reward their activity in the Company, according to performance criteria to be determined by the Board of Directors.
- (ii) The maximum number of shares that may be repurchased: 880,000 shares at most;
- (iii) The minimum price per share: RON 0.1;
- (iv) The maximum price per share: RON 4.38;
- (v) Program Duration: a maximum of 18 months after publication of the decision in the Official Gazette of Romania, Part IV;
- (vi) The shares acquired under the Program II will be paid from sources permitted by law.

Besides its main characteristics, Program II will also include other requirements provided by law and which are not listed above. The acquisition of shares under Program II will be done through all market operations allowed by law, which may include public tender offers initiated by the Company, in accordance with the law. In order to implement the Program II, the Board will be empowered to take all necessary measures and fulfil all formalities required, in compliance with the above-mentioned requirements.

3. Approval of using the shares purchased under Buyback Program II for their distribution free of charge to members of the company's management (administrators, executive directors) in a "Stock Option Plan", in compliance with applicable law. The Board of Directors of the company is empowered to take all necessary measures and to fulfill all the formalities required for the approval and implementation of the "Stock Option Plan".

4. Approval of May 15, 2019 as the record date (May 14, 2019 as the ex-date) in accordance with the provisions of art. 86 par. 1 of Law no. 24/2017 and ASF Regulation no. 5/2018.

Pursuant to the provisions of Article 117¹, paragraph (1) of Law no. 31/1990, of Art. 92 par. (3) of Law no. 24/2017 and Art. 189 of ASF Regulation no. 5/2018, one or several shareholders representing, individually or jointly, at least 5% of the Company's share capital, may request the Company's Board of Directors the introduction of additional items on the agenda of the general meeting and/or the presentation of draft resolutions for the items included or proposed to be included on the agenda of the general meeting, provided that:

(i). In case of shareholders natural persons, the requests must be accompanied by copies of the shareholders' identity documents and the statement attesting the shareholder's capacity and the numbers of shares held, issued by Depozitarul Central SA or, where appropriate, by the intermediaries defined under art. 2, par. (1) pt. 20 of Law no. 24/2017, providing custodian services;

(ii). In the case of legal person shareholders, their requests must be accompanied by:

- the original or a true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 3 months as from the date of the publication of the general meeting's convening notice, allowing the identification thereof in the Company's registry of shareholders kept by Depozitarul Central SA;
- the capacity of legal representative shall be proven with the document attesting the record of the information concerning the legal representative at Depozitarul central, issued by Depozitarul Central or, such is the case, by the intermediaries defined as per Art. 2, par. (1) pt. 20 of Law no. 20/2017, providing custodian services.

If the shareholders' registry does not contain data on the matter of the capacity as legal representative, then this capacity is proven by means of a findings certificate issued by the Trade Register, presented in original or a true copy thereof, or any other document in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, the document being no older than 3 months as from the date of the publication of the general meeting's convening notice, attesting the capacity of legal representative;

- the documents attesting the legal representative capacity drafted in a foreign language other than English shall be accompanied by their translation into Romanian or English, performed by a certified translator.

- the statement attesting the shareholder's capacity and the number of shares held, issued by Depozitarul Central SA or, where appropriate, by the intermediaries defined under art. 2, par. (1) pt. 20 of Law no. 24/2017, providing custodian services.

(iii). Are accompanied by a justification and/or a draft resolution proposed for adoption.

(iv). Are sent and registered at the Company's headquarters in Arad, 35A Calea Victoriei, by electronic means, with an attached extended electronic signature, or by any type of courier service, with proof of delivery, by no later than April 4, 2019, 16:00 hours (Romanian time), in original, signed and, if the case, stamped by the shareholders or shareholders' legal representative. The same identification requirements mentioned above shall also be applicable to the legal representative of the shareholders addressing questions regarding the items on the agenda of the general meeting.

Shareholders have the right to submit questions to the Company, in writing form sent and registered at the Company's headquarters in Arad, 35A Calea Victoriei, by electronic means, with an attached extended electronic signature, or by any type of courier service, with proof of delivery, no later than April 20, 2019, 16:00 hours (Romanian time), in original, signed and, if the case, stamped by the shareholders or their legal representatives. The company may respond during the general meeting or by posting the response on its website in the "Frequently Asked Questions" section if the requested information is of public information nature, is not found in the informative materials for the agenda of the general meeting or in the periodical reports of the company; and do not interfere with the Company's commercial interests.

Shareholders may exercise their voting right directly, through a representative, or by correspondence.

Shareholders may enter and attend the shareholders' general meeting after proving their identity, in the case of natural persons by presenting the identity card or, in the case of shareholders legal entities, and natural persons shareholders that are represented, by presenting the empowerment given to the individuals they are represented by, observing the applicable laws in the matter, the provisions of this convening notice and the procedures approved by the company's board of directors.

In the case of shareholders legal entities or bodies without legal personality, the capacity of legal representative is ascertained from the shareholders' list as at the reference date issued by Depozitarul Central SA. However, if the shareholders' registry as at the reference has no data reflecting the legal representative capacity, then this capacity is proven by means of a findings certificate issued by the Trade Register, presented in original or a true copy thereof, or any other document, presented in original or a true copy thereof, issued by a competent authority of the state where the shareholder is duly incorporated, attesting the capacity of legal representative.

The documents attesting the capacity of legal representative of the shareholders legal entities have to be issued no more than 3 months before the date of the publication of the convening notice for the shareholder's general meeting.

The documents attesting the legal representative capacity prepared in a foreign language other than English shall be accompanied by their translation into Romanian or English performed by a certified translator.

Shareholders lacking legal capacity as well as legal entities may be represented by their legal representatives, which in their turn may appoint others by a proxy (empowerment).

Shareholders may be represented in the general meeting by other persons, by special empowerment or by a general empowerment.

For this type of voting, the special empowerment forms (in Romanian or English) must be used, compliant to the provisions of applicable legislation, made available by the company's Board of Directors, or a general empowerment drawn up pursuant to the provisions of Law no. 24/2017 and ASF Regulation no. 5/2018. Shareholders legal entities or unincorporated entities participating in the general meeting by someone other than their legal representative must use a special empowerment or a general empowerment, complying with the above stated requirements.

The special empowerment forms will be available in Romanian and English starting March 22, 2019 at the company's headquarters, the company's branch office at the addresses presented herein and on company's website, www.sif1.ro.

Shareholders shall fill in and sign the special empowerment forms in three counterparts: one for the shareholder, one for the representative, and one for the company. The document for the company, filled in and signed by the shareholders shall be personally lodged or sent:

- by any type of courier service - the special empowerment form in original, accompanied by the necessary documents, to company's headquarters in Arad, 35A Calea Victoriei, so that it can be registered by the company no later than April 20, 2019, 10:00 hours (Romanian time), subject to losing the voting right in case of default. Shareholder's signature on the special empowerment must be notarized by a notary public (special empowerments legalized outside Romania will carry an apostille/ legalized Apostille / super legalization).
- by e-mail - with extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at aga@sif1.ro no later than April 20, 2019, 10:00 hours (Romanian time), subject to losing the voting right in case of default.

The company will accept a general empowerment to participate and vote in the general meeting of shareholders, given by a shareholder, as a client, to an intermediary as defined in Art. 2 par. (1) pt. 20 of Law no. 24/2017, or to a lawyer, without requesting additional documents relating to such shareholder if the general empowerment complies with the provisions of Art. 205 of ASF Regulation no. 5/2018, is signed by such shareholder and is accompanied by an affidavit given by the legal representative of the intermediary or by the lawyer to whom it was granted the power of representation by the general empowerment, showing that:

(i) the empowerment is granted by such shareholder, as a client, to his/her intermediary or, where appropriate, to the lawyer;

(ii) the general empowerment is signed by the shareholder, including the attachment of extended electronic signature, if necessary.

The affidavit given by the legal representative of the intermediary or by the lawyer to whom it was granted the power of representation by empowerment must be submitted to the company in original, signed and, where appropriate, stamped, together with the general empowerment form no later than 48 hours before the general meeting of shareholders (April 20, 2019, 10:00 hours Romanian time), in case of its first use.

Shareholders may grant an empowerment generally valid for a period not exceeding three years, allowing the designated representative to vote on all issues discussed in the general meeting of shareholders provided that the general empowerment is being given by the shareholder, as a client, to an intermediary as defined in art. 2 par. (1) pt. 20 of Law no. 24/2017, or to a lawyer.

Shareholders may not be represented at the general meeting of shareholders, based on a general empowerment, by a person who is in a conflict of interest, pursuant to art. 92 par. (15) of Law no. 24/2017.

General empowerment shall be submitted to the company 48 hours before the general meeting (no later than April 20, 2019, 10:00 hours Romanian time), in copy, including the statement of compliance with the original, under the representative's signature.

Before submitting the special or general empowerments, shareholders may notify the company about the appointment of a representative, by sending an e-mail to aga@sif1.ro.

Shareholders have the option to vote by correspondence prior to the general meeting of shareholders, by using the correspondence voting forms provided by the company.

The forms for the vote by correspondence shall be available in Romanian and English, beginning March 22, 2019, at company's headquarters, company's branch office at the addresses presented herein and on company's website, www.sif1.ro.

Subject to losing the voting right in case of default, the form for the vote by correspondence duly filled in and signed by the shareholders, together with all accompanying documents, shall be sent to company's headquarters in Arad, 35A Calea Victoriei, to be registered no later than April 20, 2019, 10:00 hours (Romanian time), either:

- by any courier service, the correspondence voting form in original, printed on paper, in which case the shareholder's signature on the voting form must be legalized by a notary public (the correspondence voting forms legalized outside Romania shall be endorsed with an apostille / super legalization);

- by e-mail - with the extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at aga@sif1.ro.

To send the special empowerment forms, the correspondence voting forms and the accompanying documents by post or any type of courier services, the following requirements shall be observed:

- the special empowerment or the correspondence voting form, duly filled in and signed by the shareholder with the shareholder's signature legalized by a notary public, shall be inserted into an envelope writing on it clearly and with capital letters: "Special empowerment / correspondence voting form – name, surname / corporate name of the shareholder";
- the above mentioned envelope, together with the rest of the accompanying documents shall be sent to the company in an envelope having clearly written with capital letters "PENTRU AGA" / "FOR GMS".

If a shareholder voted by sending a correspondence voting form, but then attends the general meeting either personally or through a representative, the vote cast by correspondence shall be annulled. In this case, only the direct vote or the vote expressed through the representative shall be taken into consideration.

If the person representing the shareholder by personal participation in the general meeting is other than the person which has cast his vote by correspondence, then for the validity of his/her vote, will present at the meeting a written revocation signed by the shareholder or by the representative who cast his vote by correspondence. This is not necessary if the shareholder or his/her legal representative is present at the general meeting.

The Board of Directors of the Company will provide a detailed procedure for direct vote, vote by special / general empowerment, or voting by correspondence, and the documents necessary to be submitted by the shareholders in order to exercise their vote in each manner. This mandatory procedure will be available for inspection at company's headquarters office, branch office and on company's website beginning March 19, 2019.

Shall be considered null the special/general empowerments forms and correspondence voting forms non-compliant as per the time for their transmittal to the company as mentioned in the Convening Notice and those not complying with the legal and statutory provisions and the procedure established by the Board of Directors.

If a shareholder is represented by a credit institution providing custody services, this may vote in the general meeting of shareholders based on the voting instructions received by electronic means of communication, without the need for a special or general empowerment granted by the shareholder. The custodians shall vote in the general meeting of shareholders exclusively in accordance with, and within the limits of, the instructions received from their clients as shareholders at the reference date. In such circumstances, in order to be able to participate and vote in the general meeting, the credit institution providing custody services submits to the Company a statement on its own responsibility given by the legal representative of the credit institution, stating that:

- i) in clear, the name of the shareholder on whose behalf the credit institution attends and votes in the general meeting of shareholders;
- ii) the credit institution provides custody services for that shareholder;

Subject to losing the voting right, the voting documents together with all the accompanying documents shall be sent to the headquarters of the company in Arad, Calea Victoriei, nr. 35A to be registered until April 20, 2019, 10:00 hours, in original, by any courier service or by e-mail, at aga@sif1.ro, with embedded extended electronic signature as per Law no. 455/2001 on electronic signature.

In case there will be requests for the amendment of the agenda of the meeting and the agenda will be published in a revised form, the special empowerment forms and the correspondence voting forms will be updated and made available to shareholders beginning April 5, 2019.

Beginning March 19, 2019, the annual report of the Board of Directors and the separate financial statements, included on the agenda, will be made available for the shareholders at Company's headquarters on working days between 14:00 and 16:00 hours (Romanian time).

Starting March 22, 2019, all the informative materials for the agenda and draft resolutions of the meeting will be available for the shareholders at Company's headquarters on working days between 14:00 and 16:00 hours (Romanian time).

All the informative materials for the general meeting will be available on Company's website www.sif1.ro, as well as at SIF Banat-Crișana's headquarters office in Arad, and company's Bucharest branch office, at the following addresses:

- Headquarters, Arad, 35A Calea Victoriei, tel: +40257 304 438
- Bucharest branch, 175 Calea Floreasca, sector 1, 7th floor, room A1, tel: +4021 311 16 47

Should the conditions for validity are not met on the first call, **The Ordinary General Meeting of Shareholders (OGM)** is convened for April 23, 2019 at 10:00 (Romanian time) and **The Extraordinary General Meeting of Shareholders (EGM)** is convened for April 23, 2019, at 12:00 (Romanian time), with the same agenda and at the same venue.

Chairman of the Board of Directors
Bogdan-Alexandru DRĂGOI

Compliance Officer, Eugen Cristea