



SOCIETATEA DE INVESTIȚII FINANCIARE
T R A N S I L V A N I A S.A.

**QUARTERLY REPORT
AS AT 31 MARCH 2019**

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ANNEXES

- **INTERIM CONDENSED FINANCIAL STATEMENTS AS AT 31 MARCH 2019** prepared in accordance with Rule no. 39/2015 for the approval of the Accounting Regulations in compliance with I.F.R.S. applicable to entities authorized, regulated and supervised by F.S.A.
- **Statement of assets and liabilities as at 29.03.2019** prepared according to Annex no. 16 to F.S.A. Regulation no. 15/2004
- **Statement of investments as at 29.03.2019** prepared according to Annex no. 17 to F.S.A. Regulation no. 15/2004

ABOUT THE COMPANY

The quarterly report as at 31 March 2019 prepared in compliance with Law no. 297/2004, Law no. 24/2017, F.S.A. Regulation no. 5/2018 and R.N.S.C. (*Romanian National Securities Commission*) Regulation no. 15/2004, as further amended and supplemented, B.S.E. (*Bucharest Stock Exchange*) Rulebook and F.S.A. Rule no. 39/2015 for the approval of the Accounting Regulations in compliance with I.F.R.S. applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority from the Financial Instruments and Investments Sector.

Date of report: 15 May 2019

Company's name	Societatea de Investiții Financiare Transilvania S.A.
Registered office	Brasov, 2 Nicolae Iorga Street, Postal Code 500057
Telephone / Facsimile	0268 41 61 71 0268 47 32 15
Website	www.siftransilvania.ro
Sole Registration Code	3047687
Tax Identification Number	RO3047687
Trade Register Number	J 08/3306/1992
Registered with F.S.A. as	Other collective investment undertaking with a diversified investment policy under Attestation no. 258/14.12.2005;
Registered with the Securities Registration Office within F.S.A.	Registration Certificate no. 401/20.08.1999 and no. 401/12.07.2007 respectively
Registered with F.S.A. Register at Section 9	Closed-end investment companies - under PJR09SIIR/080004, under Attestation 146/06.03.2006
Registered with F.S.A. Register at Section 7 ¹	Alternative Investment Fund Managers, Subsection 3 – Alternative Investment Fund Managers authorized by F.S.A. (A.I.F.M.) under no. PJR07 ¹ A.I.F.M./080005
Subscribed and paid-in share capital	RON 218,428,666.40
Main characteristics of the securities issued by the company	Common, registered, indivisible, of equal value and dematerialized, issued at the nominal value of RON 0.10/share
Regulated market on which the issued securities are traded	PREMIUM category of the BUCHAREST STOCK EXCHANGE (market symbol: SIF3)

S.I.F. Transilvania is a two-tier company managed by an Executive Board which is controlled by a Supervisory Board.

The company's register of shareholders is kept under contract and as provided by law by the independent depository and registry company Depozitarul Central S.A. Bucharest.

The depository services with respect to the portfolio of financial instruments are provided by BRD Groupe Société Générale and the company's financial statements are audited by the (statutory) financial auditor Deloitte Audit S.R.L. Bucharest.

INTRODUCTION

Due to its specific scope of business, S.I.F. Transilvania is related to both the national economic and legislative context and the regional/global macroeconomic context, a number of events which occurred during the first quarter of 2019 having a direct or indirect impact on the Company's results and performance.

General macroeconomic context

At global level, in terms of macroeconomics, there were general trends/events which impacted the financial markets.

At local level, a number of events raised concerns and influenced the investors' perception of the national economic model's predictability.

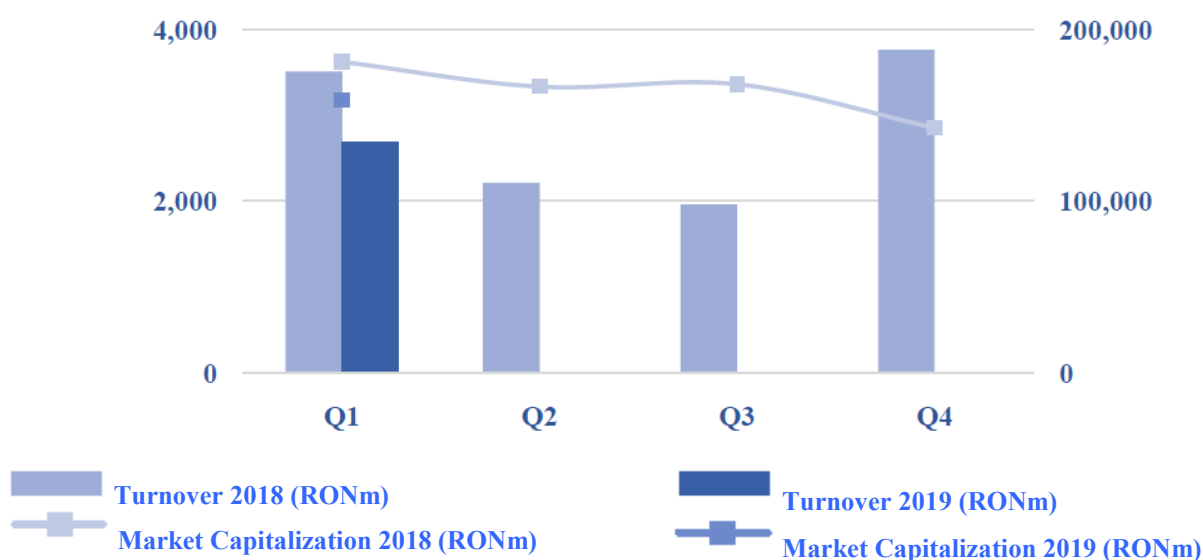
The existence in the public space of contradictory messages in relation to subjects of interest to the participants in the local capital market led to the lack of predictability concerning the stability of the macroeconomic indicators.

Romanian capital market context

During the first quarter of 2019, the performance of the shares quoted on the regulated market - a base segment of the Bucharest Stock Exchange - as compared to the performance recorded in the previous financial year, has revealed the following key aspects:

- ⇒ as compared to the similar period of the previous year, a decline was recorded in the value of transactions made in the first 3 months of the current year on B.S.E.'s regulated segment;
- ⇒ at the end of the reviewed period, the market capitalization of the regulated market was below that recorded during the similar period of 2018 (yoy decline); in comparison to the reference level recorded at the end of the previous year; the market capitalization at the end of the first quarter of the current year is slightly higher (ytd advance).

Performance of B.S.E.'s regulated market (2018 – 2019 Q1)

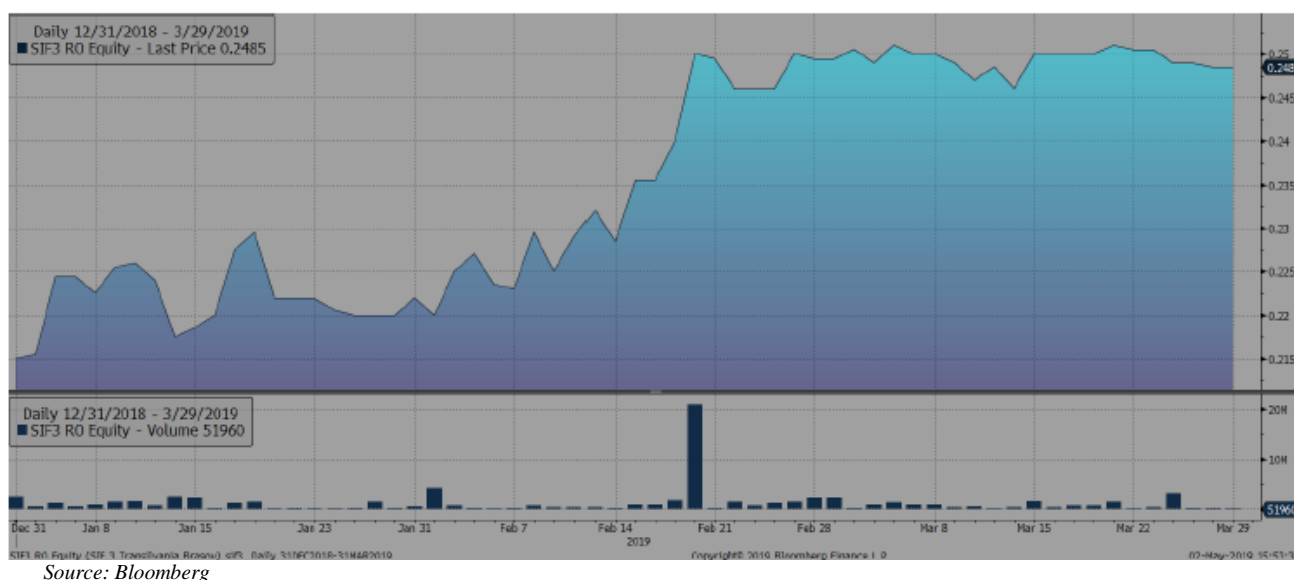


During the first quarter of 2019, the TOTAL RETURN trend (calculated in local currencies), recorded by the main index of the regulated market (BET), was ascending, materializing at the end of the period in a positive yield. During the entire reviewed period, the performance witnessed a gradual and partial recovery of the decline during the last part of the previous year.

PERFORMANCE OF S.I.F. TRANSILVANIA'S SHARES DURING THE FIRST QUARTER OF 2019

During the first 3 months of 2019, the SIF3 shares performance was characterized by the following trading milestones on the main market (BVB-REGS):

⇒	minimum closing quotation	RON 0.2155 /share
⇒	average quotation	RON 0.2396 /share
⇒	maximum closing quotation	RON 0.2510/ share
⇒	traded volume	72.8 million shares
⇒	number of trading sessions	61 sessions
⇒	daily average trading volume	1.2 million shares / session



For the SIF3 shares, the first quarter of 2019 ended in a closing quotation above the reference price of the period (closing of the trading session of 31/12/2018).

During the period, no registration data for dividend payments / cash distributions / other corporate events were recorded. Therefore, the aggregate yield is equal to that outlined in the previous chart.

REVIEW OF S.I.F. TRANSILVANIA’S ACTIVITY

General framework

S.I.F. Transilvania is a joint-stock company which operates as a closed-end financial investment company and is authorized as an Alternative Investment Fund Manager (A.I.F.M.) according to the provisions of Law no. 74/2015 on alternative investment fund managers, based on F.S.A. Authorization no. 40/15.02.2018. The company is authorized and supervised by the Financial Supervisory Authority, being classified under the category “Other collective investment undertakings (NON – UCITS) with a diversified investment policy”. The company is managed in a two tier system by an Executive Board supervised by a Supervisory Board. S.I.F. Transilvania’s shares are traded on Bucharest Stock Exchange – symbol SIF3, Main segment, Premium category.

S.I.F. Transilvania’s objective is to manage its portfolio investments, to permanently identify new investment opportunities and to ensure a reasonable dispersion of investment risks, so as to offer its shareholders the possibility of both achieving attractive yields and increasing their invested capital.

The company holds and manages an investment portfolio which mainly consists of shares, bonds and other financial instruments. Its share sub-portfolio includes both shares listed on Romanian capital markets and international stock exchanges and unlisted shares. S.I.F. Transilvania’s investment portfolio is diversified and includes both financial instruments that confer the right of control or of exercising significant influence over other entities, and other financial instruments.

Starting with the financial year of 2015, S.I.F. Transilvania has adopted the I.F.R.S. standards as accounting base in compliance with the requirements of F.S.A. Rule no. 39/2015.

I.F.R.S. 10.4 set out certain exceptions with respect to the preparation of the consolidated financial statements, among which the exception applicable to parent companies which are classified as “investment entities”. During the investment entity status reassessment process, S.I.F. Transilvania regularly reviews the extent to which the requirements concerning the classification as an investment entity are met. As of 1 January 2015, as a result of the reviews performed, S.I.F. Transilvania’s management has found that the company meets the requirements of the definition of an “investment entity” in compliance with I.F.R.S. 10.

Under these conditions, for the financial year of 2018, S.I.F. Transilvania prepared a single set of financial statements, i.e. separate financial statements in compliance with I.F.R.S.

Investment entity

I.F.R.S. 10 defines an investment entity as an entity that:

- i. obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- ii. commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both;
- iii. measures and evaluates the performance of substantially all of its investments on a fair value basis.

As of 1 January 2015, the Company's financial investments have been measured at their fair value. In the light of IFRS 9, since 1 January 2018, S.I.F. Transilvania has classified its investments in subsidiaries and associated entities, the bonds and fund units as financial instruments at fair value through profit or loss. The company's investments in other equity instruments (other than subsidiaries and associated entities) are classified as financial assets at fair value through other comprehensive income and/or financial assets at fair value through profit or loss.

S.I.F. Transilvania directly provides services related to the management of investments for its investors, having as main exclusive scope activities specific to closed-end investment companies. S.I.F. Transilvania does not provide investment related consultancy and administrative services, directly or indirectly through a subsidiary, to third parties and/or its investors.

S.I.F. Transilvania applies an exit strategy based on the permanent monitoring of the investments made under the approved investment programs and on the analysis of the current market developments, the attaining of higher yields and the achievement of the objectives defined under the annual revenue and expenditure budgets.

S.I.F. Transilvania presents to its existing and potential investors its strategy based on two documents which are discussed and approved by the General Meeting of Shareholders: the multiannual strategic guidelines and the annual investment program.

The company continuously monitors the investment portfolio's structure and performance and:

- i. publishes on monthly basis the statement of assets and liabilities (net assets – Annex no. 16 according to F.S.A. Regulation no. 15/2004);
- ii. calculates on monthly basis and publishes together with the quarterly/half-yearly/yearly reports the Statement of Assets (Detailed Statement of Investments – Annex no. 17 according to F.S.A. Regulation no. 15/2004).

Financial assets at fair value

According to the International Financial Reporting Standards, fair value means the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

According to IFRS 13, the levels of the fair value depending on the input data used in the measurement framework are defined as follows:

- Level 1 input data are (unadjusted) quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date;
- Level 2 input data are input data other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 input data are unobservable input data for the asset or liability.

The determination of the level of importance of input data within the process of fair value measurement requires the use of professional judgment, considering the specific factors, as a result of the complexity implied by the measurement of these investments and also of the reflection of the changes in fair value in the financial statements.

The process of fair value measurement in relation to the financial instruments held by S.I.F. Transilvania is carried out according to the internal procedure and related methodology.

Under the law, in February 2019 S.I.F. Transilvania reviewed the measurement policy and procedures approved and implemented at the company level, according to the national and European regulations.

As at 31 March 2019, the Company has in its portfolio financial assets measured at fair value classified under level 1 and level 3 in the fair value hierarchy, as follows:

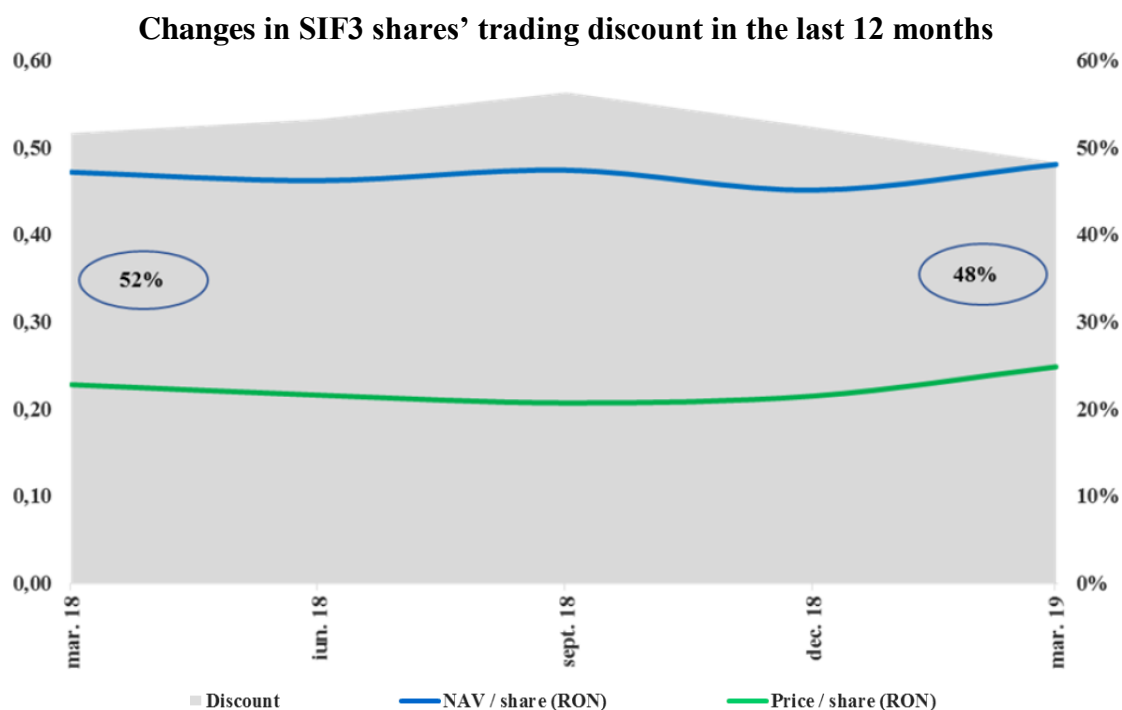
	-RON-			
Financial assets as at 31.03.2019	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income	438,683,819	-	23,768,649	462,452,468
Shares	438,683,819	-	23,768,649	462,452,468
Corporate bonds	-	-	-	-
Fund units	-	-	-	-
Financial assets at fair value through profit or loss	239,610,908	-	359,369,215	598,980,123
Shares	239,610,908	-	322,080,740	561,691,648
Corporate bonds	-	-	10,407,356	10,407,356
Fund units	-	-	26,881,119	26,881,119
Total financial assets at fair value as at 31.03.2019	678,294,727		383,137,864	1,061,432,591

The value of the portfolio using Level 1 input data represents approximately 64% of the total, and for the remaining 36% Level 3 input data are used.

Net assets

The Company's statement of assets and liabilities is prepared in RON for the end of the last business day of the month and, if applicable, for other dates as well. The Company's statement of assets and liabilities for a particular date is prepared and submitted in the form requested by F.S.A. (according to F.S.A. Regulations nos. 9/2014 and 15/2004). The net assets are calculated on monthly basis by the Company, certified by the depository BRD – Groupe Societe Generale S.A. Bucharest and submitted to F.S.A. and B.S.E. no later than the 15th day of the following month.

The monthly value of the Company's net assets is calculated as the difference between the total value of the assets held and the aggregate value of Company's liabilities and deferred income.



Source: S.I.F. Transilvania

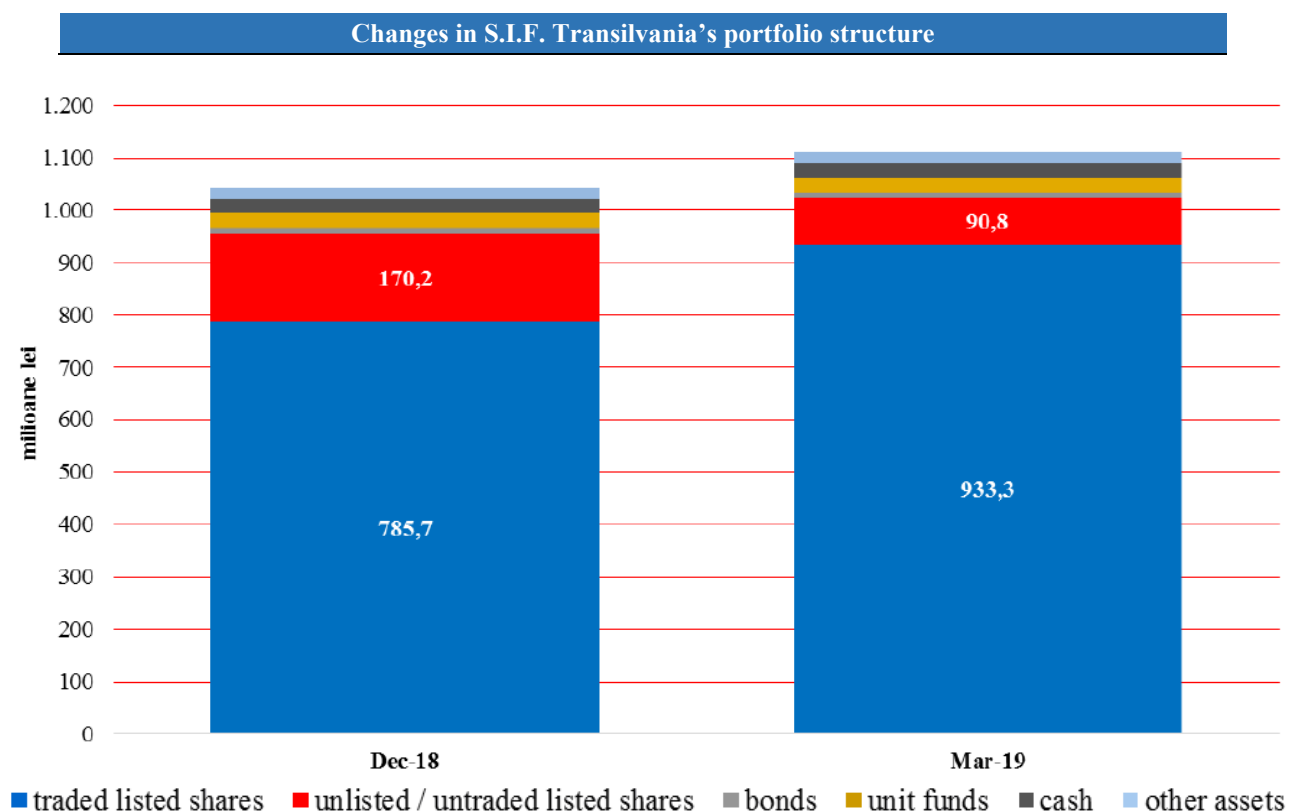
Key considerations on the performance of the financial instruments portfolio in the first quarter of 2019

- ❖ the ascending trend of the value of total assets, given the non-annualized growth rate of 6.4% for the first nine months of 2019;

Performance of S.I.F. Transilvania's portfolio components			
- RON million -	Dec.-18	trend	Mar.-19
total assets	1,043.3	↗	1,110.4
net asset	976.0	↗	1,036.8
no. of portfolio companies *	102	↘	100
financial instruments portfolio (incl. cash)	1,021.9	↗	1,090.0
financial instruments portfolio	995.1	↗	1,061.4
cash and cash equivalents	26.8	↗	28.6

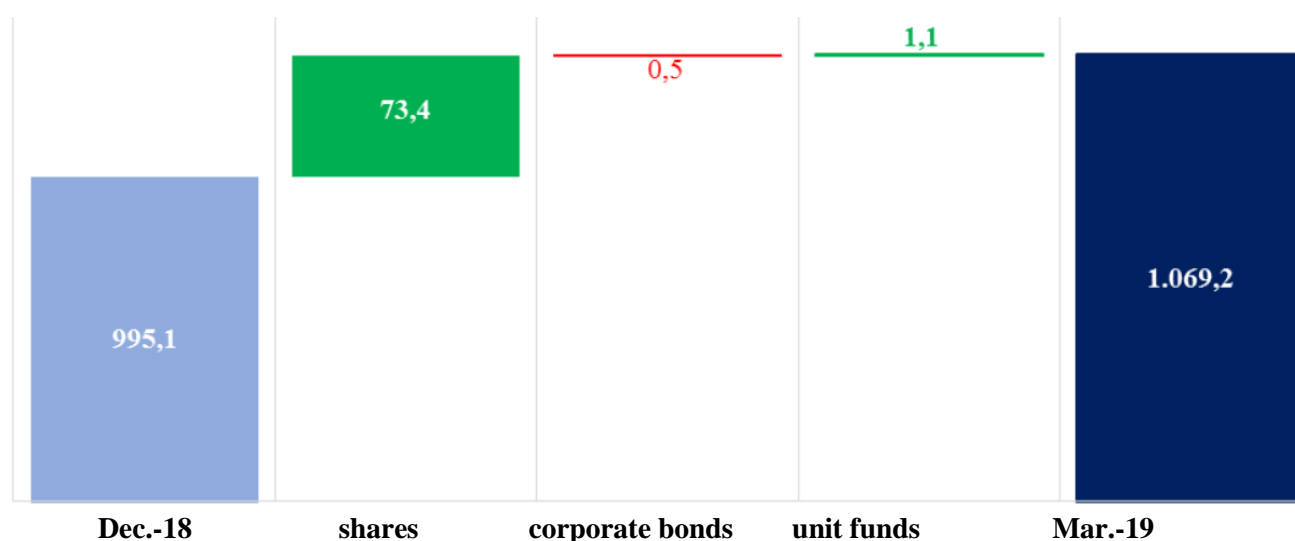
* including shares pending sale

Source: S.I.F. Transilvania, I.F.R.S. fair values, Annex no. 16 according to F.S.A. Regulation no. 15/2004, F.S.A. Regulation no. 9/2014



Source: S.I.F. Transilvania, Annex no. 16 according to F.S.A. Regulation no. 15/2004, F.S.A. Regulation no. 9/2014

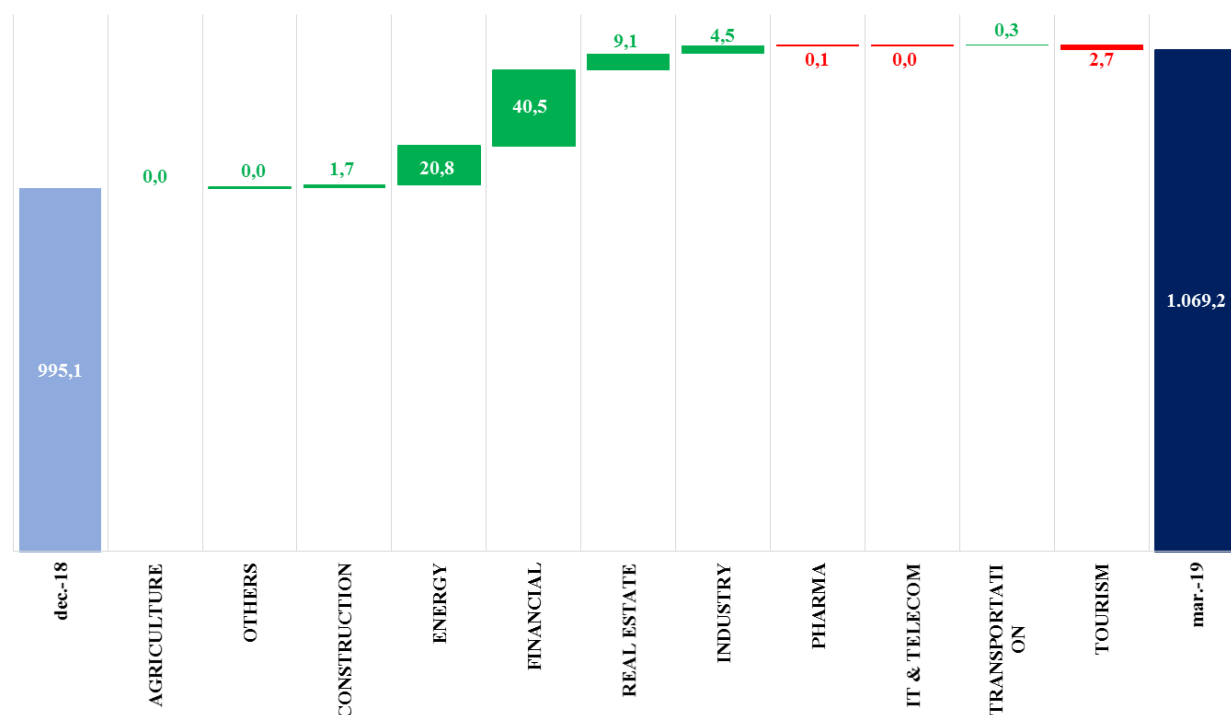
- ❖ analysis of the financial instruments portfolio variation (fair value + generated cash + attached receivables deducted from the fair value) – breakdown by financial instruments



Source: S.I.F. Transilvania

Note: The initial value (Dec.-18) of the financial instruments portfolio is calculated according to IFRS fair values. The final value (Mar.-19) of the financial instruments portfolio is calculated by adding to the IFRS fair values the contribution of each instrument resulted from the implementation of the investment program [generated cash / cash immobilized through sale/acquisition transactions, cashed dividends, cashed cash distributions, other cashed amounts (shares pending sale), attached receivables]. The amounts are expressed in RON million.

- ❖ analysis of the financial instruments portfolio variation (fair value + generated cash + attached receivables deducted from the fair value) – breakdown by activity sector

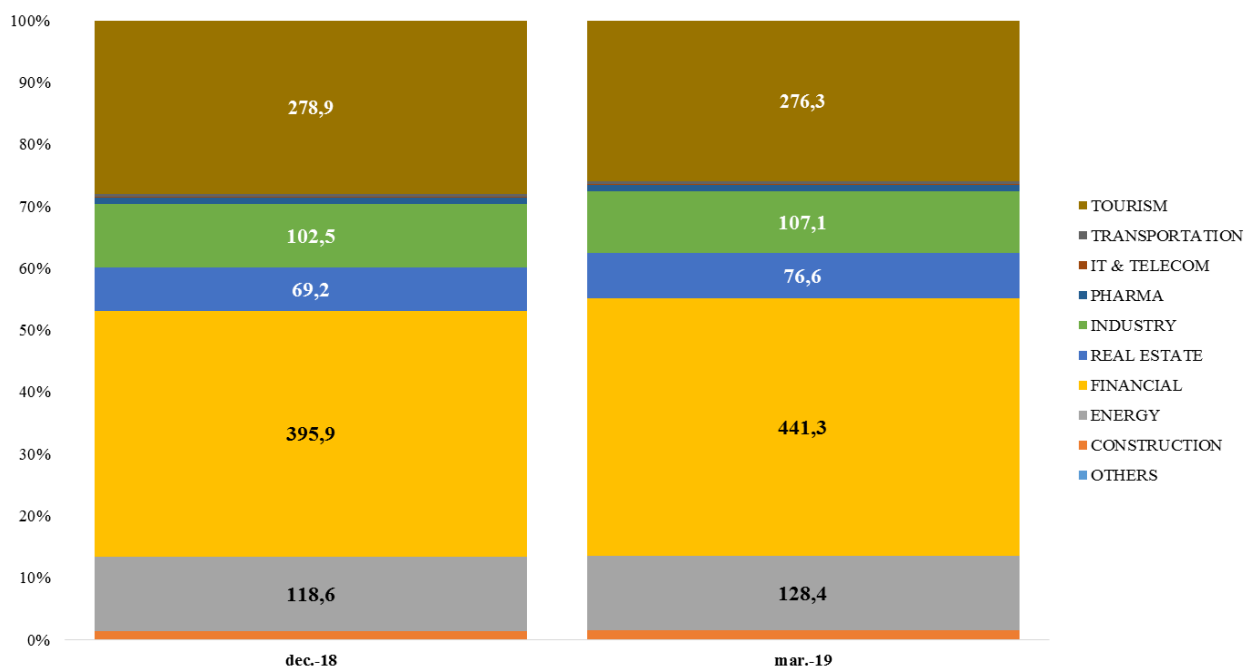


Source: S.I.F. Transilvania

Note: The initial value (Dec.-18) of the financial instruments portfolio is calculated according to IFRS fair values. The final value (Mar.-19) of the financial instruments portfolio is calculated by adding to the IFRS fair values the contribution of each sector resulted from the implementation of the investment program [generated cash / cash immobilized through sale/acquisition transactions, cashed dividends, cashed cash distributions, other cashed amounts (shares pending sale), attached receivables]. The amounts are expressed in RON million.

- the shares sub-portfolio has generated, at the managed asset value level, a net positive impact in a total amount of RON 73.4 million; the impact is determined based on the fair values recorded by the financial instruments portfolio at the reference date, the result of the transactions made with various financial instruments, the financial resources generated by such holdings (cashed dividends, cash involved in sale/acquisition operations), attached receivables (dividends to be cashed and deducted from the fair value of financial instruments);
- the financial and energy sectors record the most significant net positive adjustments (RON 40.5 million and RON 20.8 million, respectively); the energy sector recorded the most important contribution at the level of the aggregate treasury;
- at portfolio level, several sectors are recording net negative adjustments, however, such variations generate a low impact;
- ❖ the aggregate treasury (cash and cash equivalents) has increased by RON 1.8 million as compared to the beginning of 2018 following the implementation of the investment program;
- ❖ during the first three months of the financial year of 2019, the number of companies in the shares sub-portfolio managed by S.I.F. Transilvania has decreased; the analysis also takes into consideration the securities pending sale;

- ❖ at operational portfolio level, the investment structure is characterized by a bisectorial allocation (the tourism and financial sectors account for over 2/3 of it);



Source: S.I.F. Transilvania

Note: Fair values (expressed in RON, including shares pending sale)

Investment strategy

The 2019 Investment Program complies with S.I.F. Transilvania's Strategic Guidelines for 2017 – 2021, as approved by the shareholders.

By the way it is designed, the investment program remains a continuity element, being anchored in unitary multiannual strategic guidelines and consisting in the gradual engagement (conditioned by the general developments of the financial markets) of the action instruments required to be implemented in order to achieve the objectives undertaken.

By implementing the Investment Program, S.I.F. Transilvania maintains its commitment as concerns the acceleration of the portfolio restructuring process in order to meet the following objectives:

- ▶ to ensure the quality of the managed portfolio;
- ▶ to generate resources for an efficient and attractive remuneration of its shareholders;
- ▶ to ensure the structural balancing of the portfolio in terms of sectors, classes of assets, etc.;
- ▶ to improve portfolio liquidity through investments in financial instruments with a liquidity at least comparable with that of assets whose disinvestment provided the financial resources.

In the light of:

- the strategic guidelines approved for 2017 – 2021 by the General Meeting of Shareholders for closing the financial year 2016,
- maintaining S.I.F. Transilvania's status of investment entity which measures and evaluates the performance of its investments based on fair value,

S.I.F. Transilvania will align its investment objectives, lines of action and strategic shareholder remuneration guidelines to the existing and projected liquidity conditions.

The lines of action mentioned in the multiannual strategies constitute basic instruments for the continuous improvement of S.I.F. Transilvania's activity. As the portfolio restructuring based on sectorial and liquidity criteria generate additional financing resources, the overall objectives of the investment strategy migrate towards the area of effective management of diversifiable risks related to the managed portfolio.

The investment program's **funding sources** are used for the active management of the company's entire portfolio and are mainly based on the following components:

- ⇒ amounts attached to the existing shareholdings, which do not involve actual sale operations (dividends, coupons, cash distributions);
- ⇒ amounts resulting from speculative operations carried out with a view to benefiting from favorable market circumstances and developments;
- ⇒ amounts resulting from the active management of the company's portfolio, with details on the following components:
 - resources resulting from the portfolio restructuring process by accelerating the sale of shareholdings in unlisted companies or listed companies with low liquidity (according to the exit strategy defined at S.I.F. Transilvania level – a basic element of the process of classification as an investment entity);
 - sale of listed shareholdings with high liquidity, conditioned by the market circumstances and current funding requirements (according to the same exit strategy);
- ⇒ attracted funding sources permitted by the legislation in force and applicable to the sector in which S.I.F. Transilvania operates.

The **investments** targeted under the investment program, by the use of the own financing sources from the profit of the year 2018 and from the sources resulting from the sale of financial assets under the portfolio restructuring program, take into account:

- ⇒ the acquisition of listed shares with high liquidity in view of expanding the sub-portfolio of companies with attractive dividend policy and structural portfolio rebalancing from a sectoral perspective (mainly in the sectors of energy, utilities, banks);
- ⇒ the continued implementation of the process of developing and increasing the efficiency of portfolio companies by using the entire range of operations permitted under the applicable legislation, according to the commitments defined under the previous investment programs, aiming at developing and streamlining the activity of the companies or balancing the structure of the invested capital;
- ⇒ the performance of speculative transactions based on a wide range of financial instruments, as permitted under the capital market regulations, in order to take advantage of favorable market conditions and developments;

- ⇒ investments in companies which operate in fields with favorable perspectives and attractive profit margins;
- ⇒ the continued implementation of the process of structural rebalancing of the managed portfolio by diversifying the investments in financial instruments intended to optimize the estimated yield/undertaken risk ratio;
- ⇒ the development of operations based on financial instruments, as permitted under the capital market regulations, in order to implement a market risk management strategy.

Implementation of the investment program in the first quarter of 2019

The company has focused its investment efforts mainly on the acquisition of highly liquid financial instruments listed on the local regulated market.

Therefore, the investments made during the first three months of 2019 mainly involved acquisitions at the level of the portfolio classified as FVTPL, and acquisitions at the level of the portfolio classified as FVTOCI, aiming at consolidating shareholdings in issuers with a stable dividend policy: Banca Transilvania, Fondul Proprietatea and SIF Oltenia. No acquisitions have been made on foreign capital markets.

In line with the objective of restructuring the managed portfolio based on liquidity criteria and aiming at achieving the objective of investing in financial instruments with liquidity at least comparable to that of the assets whose disinvestment has provided the financial resources, no unquoted financial instruments were acquired during the reviewed period.

Disinvestments were mainly focused on marking speculative operations initiated in the previous quarters.

In the context of the multiannual strategic guidelines, the 2019 investment program and the exit strategy of S.I.F. Transilvania, the process of active management of the entire portfolio was continued. During the first three months of 2019, a series of sales were made from the sub-portfolio classified according to IFRS 9 as FVTPL, all such operations implying profits by reference to the closing prices for 2018 (profits which support the 2019 REB execution): Chevron Corp, OMV AG, OMV Petrom, S.N. Nuclearelectrica, S.I.F. Oltenia and ETFS 2X Daily Long Gold.

Portfolio management during January – March 2019

During January - March 2019, S.I.F. Transilvania has continued to implement the actions outlined in the 2017-2021 Strategic Guidelines with regard to the management of the portfolio, i.e.:

- ⇒ identification of the companies proposed for “exit”, especially of those whose shares are not admitted to trading on a regulated market or an alternative trading system;
- ⇒ monitoring and review of the activity of portfolio companies based on the financial results reported by the companies at the end of the financial year of 2018;
- ⇒ substantiation of the voting options exerted in the General Meetings of Shareholders for the closure of the financial year 2018 and the distribution of the net profit, based on the documents provided by the portfolio companies;

- ⇒ promotion of innovative and efficient management and administration systems (in the case of the companies in which S.I.F. Transilvania is a majority shareholder), including by establishing the performance criteria and objectives approved for 2019 for each and every company based on the specific nature of its activity, the value indicators defined under the Revenue and Expenditure Budget and the Investments Programs for 2019;
- ⇒ promotion of balanced dividend policies in the case of subsidiary companies, aimed at increasing S.I.F. Transilvania's income from dividends, without affecting their ability to generate profit in the future.

The actions concerning the continued restructuring and improvement of the portfolio managed by S.I.F. Transilvania are implemented based on an action plan approved by the Executive Board.

Changes in the portfolio structure by sectors (exclusive of shares pending sale)

Portfolio structure by sectors	2017		Q1 2018		2018		Q1 2019	
	No. of companies	%*	No. of companies	%*	No. of companies	%*	No. of companies	%*
Tourism	19	26.98	17	25.23	17	29.19	17	26.98
Real Estate	12	7.66	12	7.91	12	7.08	12	7.49
Financial	14	39.61	12	42.32	11	37.49	11	39.45
Industry	26	11.73	25	10.64	22	10.73	22	10.46
Energy	8	10.27	9	11.22	11	12.41	9	12.54
Transportation	3	0.42	3	0.37	3	0.37	3	0.37
Construction	9	1.62	9	1.39	9	1.41	9	1.48
Pharma	2	1.38	2	1.24	1	1.12	1	1.03
IT & Telecom	2	0.23	2	0.19	2	0.16	2	0.15
Agriculture & Fish Farming	9	0.00	7	0.00	7	0.00	7	0.00
Other sectors	7	0.10	5	0.09	5	0.05	5	0.05
Total	111	100	103	100	100	100	98	100

Source: S.I.F. Transilvania

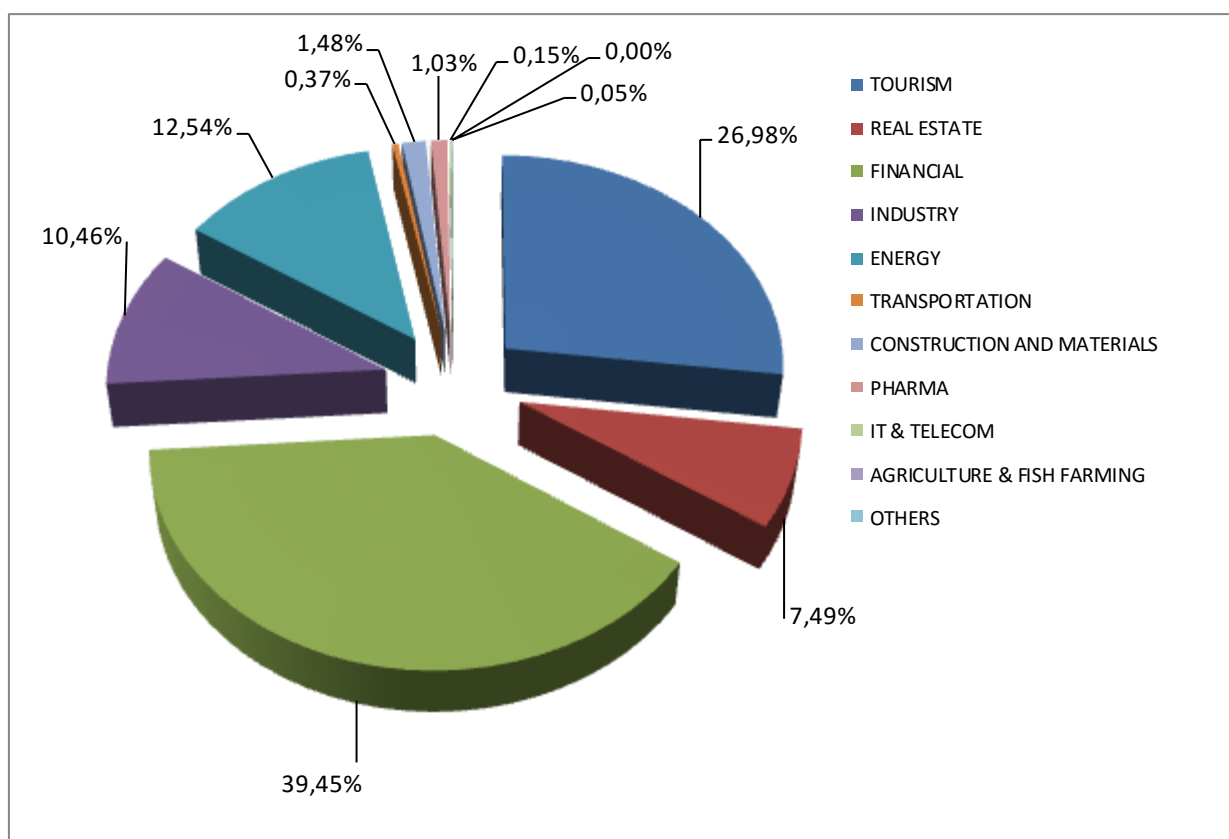
Note: * According to IFRS fair values, exclusive of shares pending sale

The number of companies in the portfolio significantly decreased (from 103 companies as at 30.03.2018 to 98 companies as at 31.03.2019), particularly in the following sectors: industry (decrease from 25 to 22) and financial and pharmaceuticals (1 company in each sector).

Between January and March 2019, the reduction in the number of companies has been achieved through the sale of shareholdings through various market operations aimed at closing speculative positions on the foreign market.

Compared to the data corresponding to the first quarter of 2018, there has been a decrease in the share of the *financial* sub-portfolio, an increase in the share of the *energy* and *tourism* sub-portfolios and a stabilization of the share of the *industry* and *real estate* sub-portfolios.

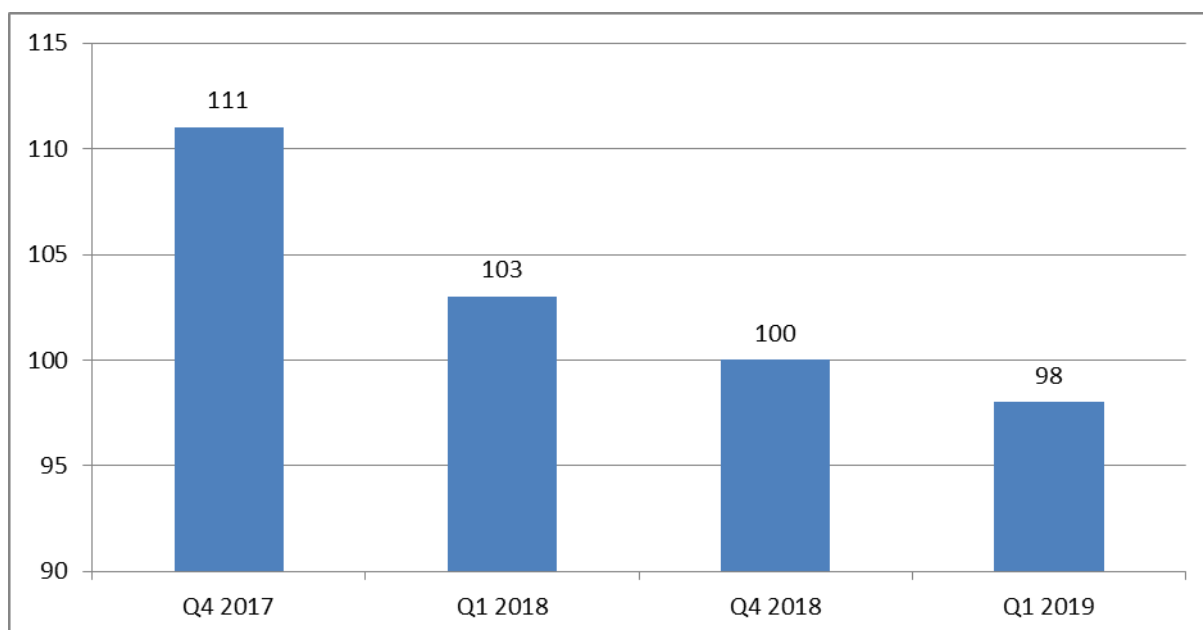
Portfolio structure by sectors as at 31.03.2019
(exclusive of shares pending sale)



Source: S.I.F. Transilvania

Note: According to IFRS fair values, exclusive of shares pending sale

Changes in the number of portfolio companies (exclusive of shares pending sale)



Source: S.I.F. Transilvania

The decrease in number of portfolio companies (31.03.2019 as compared to 31.03.2018, i.e. 98 companies as compared to 103 companies) was particularly caused by sale operations (3 companies), withdrawals (1 company) and the transfer of ownership over shares issued by an insolvent company (following a favorable court order) to the company S.I.F. Transilvania Project Management Company (1 company), as part of the share portfolio restructuring process.

Top 10 holdings

No.	Name	S.I.F. holding percentage	Weight in Total Assets*
1	BRD - GROUPE SOCIETE GENERALE S.A.	3.35%	27.31%
2	TURISM FELIX S.A.	63.20%	8.19%
3	S.N.G.N. ROMGAZ S.A.	0.51%	5.72%
4	FEPER S.A.	85.80%	4.58%
5	OMV PETROM S.A.	0.23%	4.25%
6	ARO PALACE S.A.	85.74%	3.96%
7	T.H.R. MAREA NEAGRĂ S.A.	77.71%	3.63%
8	FONDUL PROPRIETATEA S.A.	0.44%	3.27%
9	TURISM COVASNA S.A.	93.33%	2.62%
10	ROMRADIATOARE S.A.	76.51%	2.17%
	Top 10 holdings		65.70%
	Total financial instruments portfolio		95.59%

Source: S.I.F. Transilvania

*according to IFRS fair values (expressed in RON)

Corporate governance

S.I.F. Transilvania is a closed-end financial investment company incorporated under articles of incorporation and classified, according to F.S.A. regulations, under the category “*Other collective investment undertakings (NON-UCITS) with a diversified investment policy*”. S.I.F. Transilvania is also authorized by F.S.A. to act as an Alternative Investment Fund Manager (A.I.F.M.).

● Governance structures

S.I.F. Transilvania is a two-tier company managed by an Executive Board which carries out its duties under the control of a Supervisory Board.

On 31.03.2019, S.I.F. Transilvania’s Supervisory Board consisted of 6 members, i.e.: Mr. Stefan Szabo - President, Mr. Dumitru Carapiti – Vice-president, Mr. Gheorghe Lutac, Mr. Crinel-Valer Andanut and Mr. Nicolae Petria - members elected by the Ordinary General Meeting of Shareholders of 27.04.2018 and Mr. Marius Adrian Moldovan – member elected by the Ordinary General Meeting of Shareholders of 27.04.2018. The current members of the Supervisory Board were authorized by the F.S.A. under Authorization no. 241/10.10.2018.

The Ordinary General Meeting of Shareholders of 24.04.2019, whose agenda included the election of a member in the Supervisory Board so that the statutory number of 7 members would be achieved, was unable to elect a member due to the insufficient number of necessary votes.

The term of office of the current Supervisory Board members ends on 27.04.2021.

During the period between January and March 2019, three Supervisory Board meetings were held. The Supervisory Board’s activity is supported by the Audit Committee, Remuneration Committee, Risk Committee and Nomination Committee, whose structure may be consulted on the Company’s website.

In the first quarter of 2019, the Company’s management was ensured by the Executive Board with the following members: Mr. Mihai Fercala – Executive President/Chief Executive Officer, Mr. Iulian Stan – Executive Vice-president/Deputy CEO and Mr. Stefan Szitas – Member of the Executive Board/Director. The current membership of the Executive Board was endorsed by F.S.A. under Endorsement no. 352/23.05.2017. We note that, during the third quarter of 2019, twelve Executive Board meetings were held.

For more information on the Company’s corporate governance structures, please visit the Company’s website www.siftransilvania.ro, Section *About SIF Transilvania*.

● Corporate events

On 06.03.2019 the Extraordinary General Meeting of Shareholders took place and approved:

- the reduction of the share capital of S.I.F. Transilvania with the value of the shares redeemed by the company under the redemption program carried out in 2018 (21,842,867 shares, i.e. 1% of the share capital) and

- a new share redemption program, i.e. 163,900,000 shares representing 7.5% of the share capital, as follows: 32,842,800 shares (1.5% of the share capital) will be redeemed in cash and 131,057,200 shares (6% of the share capital) will be redeemed through their exchange with shares issued by COMCM S.A. (a company in which S.I.F. Transilvania holds 134,049,930 shares, i.e. 56.7247% of the share capital).

By the Current Report of 15.04.2019, S.I.F. Transilvania informed its shareholders that a shareholder of the company asked the Brașov Court to suspend the execution of Article 2 of the E.G.M.S. Resolution no. 1/06.03.2019 regarding the approval of the redemption program for own shares representing 7.5% of the share capital.

On 18.02.2019, S.I.F. Transilvania convened the Ordinary General Meeting of Shareholders for April 24/25, 2019, with the following agenda:

- the approval of the financial statements for the year 2018, prepared in accordance with the International Financial Reporting Standards (IFRS);
- the approval of the distribution of the net profit achieved in 2018 by destination and of the gross dividend per share in the amount of RON 0.0121 / share;
- the approval of the creation of a provision from profit for the payment of a variable remuneration to the employees, the members of the Executive Board and the Supervisory Board;
- the approval of the revenue and expenditure budget and of the investment program for 2019;
- the election of a member of the Supervisory Board and the appointment of the (statutory) financial auditor of the company.

The resolutions of the Ordinary General Meeting of Shareholders, which carried out its work on 24.04.2019, were communicated to the shareholders, the B.S.E. and the F.S.A. through the current Report of 24.04.2019.

By the current Report dated 17.01.2019, the company informed that through the Authorization no. 6/16.01.2019, the Financial Supervisory Authority authorized the new risk manager of the company.

By the current Report dated 07.03.2019, S.I.F. Transilvania informed its shareholders that it has carried out the annual review of the valuation policies and procedures approved and implemented at company level, according to the national and European regulations.

Relationship with shareholders and investors

During the first quarter of 2019, the Company has fulfilled its transparency, information and reporting related obligations, as set forth under the legal regulations and the B.S.E.'s Code of Corporate Governance.

In this respect, current reports and press releases were prepared and provided to the shareholders and investors and published on B.S.E.'s website, the F.S.A.'s website and the Company's website and in the media, where applicable. The reports and press releases were delivered at the same time in Romanian and English.

The Company was in permanent contact with the shareholders through the Shareholders Department, answering to their questions and requests, via mail (including e-mail), telephone and at the headquarters of the company. Moreover, the subscribed shareholders receive via e-mail a monthly newsletter with news on the company's activity, the structure of the managed portfolio, the performance of the SIF3 shares, the execution of the Revenue and Expenditure Budget, etc.

The representatives of the Shareholders Department can be contacted by:

- ✓ Telephone: 0268 401141, 0268 401157, 0800800112 (toll-free telephone line available during business days from 9⁰⁰ to 11⁰⁰)
- ✓ Fax: 0268 473215, 0268 473216
- ✓ E-mail: actionari@siftransilvania.ro, investitori@siftransilvania.ro.

The shareholders may also obtain information at the company's headquarters, the consultation hours being from Monday to Friday, during business days, from 11⁰⁰ to 13⁰⁰.

We note that, during the first quarter of 2019, the members of the Company's Executive Board have attended several capital market conferences and debates within which the activity and strategy of S.I.F. Transilvania were presented and promoted.

Shareholding structure as at 31.03.2019

As at 31.03.2019, according to the data received from Depozitarul Central S.A., S.I.F. Transilvania's shareholding structure was as follows:

	Number of shareholders	Number of shares held	% of share capital
Resident individuals	6,970,033	1,280,177,745	58.61
Resident legal entities	259	797,474,750	36.51
Total resident shareholders	6,970,292	2,077,652,495	95.12
Non-resident individuals	2,356	22,629,781	1.04
Non-resident legal entities	35	84,004,388	3.84
Total non-resident shareholders	2,391	106,634,169	4.88
TOTAL	6,972,683	2,184,286,664	100.00

• Shareholder Remuneration Policy

The shareholder remuneration policy targets the implementation of a mix of complementary instruments for remuneration and consolidation of invested capital, which includes distribution of dividends, own share redemption programs and consolidation of the nominal value of S.I.F. Transilvania's shares.

The S.I.F. Transilvania's dividend policy focuses on the increase of SIF3 shares' attractiveness by ensuring permanent balance between the remuneration of the company's shareholders and the financial resources required to implement the annual investment programs in line with the company's medium/long-term strategic objectives.

In order to increase the level of financing sources from the net profit that remain available to the company for developing investment programs and ensuring the sustainability of the company's business, in full agreement with the long-term interest of the shareholders, S.I.F. Transilvania aims to distribute cash dividends, but at a lower distribution rate.

As at 31.03.2019, the dividends for financial year 2017 (with gross value of RON 0.01 / share), the dividends for financial year 2016 (with gross value of RON 0.02 / share) and the dividends for financial year 2015 (with gross value of RON 0.02653 / share), which were not cashed in by the shareholders, were available for payment through the payment agent BRD - Groupe Société Générale.

The Ordinary General Meeting of Shareholders of 27.04.2019 approved the distribution of dividends from the net profit achieved during the financial year 2018, as follows:

- The gross dividend to be granted for a share held as at the record date is RON 0.0121 / share; the company will calculate and withhold the tax on dividends at the rates set forth under the laws in force at the payment date, tax that will be reported and transferred by the company to the State budget;
- The shareholders entitled to receive the dividends distributed from the net profit achieved in the financial year of 2018 are the shareholders registered in the consolidated shareholders register kept by Depozitarul Central as at 03.10.2019 - “Record Date” approved by the General Meeting of Shareholders (ex-date 02.10.2019);
- The dividends distributed from the profit achieved in the financial year 2018 is to be paid to the shareholders as of 24.10.2019 - “Payment Date”;
- The dividend payment related costs, irrespective of payment methods, will be incurred by the shareholders.

S.I.F. Transilvania will publish a press release in order to inform its shareholders about the ways the dividends for 2018 will be paid and on designated payment agent.

As concerns the implementation of programs for the redemption of own shares, the Company implemented during 22.02.2018 - 06.08.2018 the first redemption program under which it redeemed 21,842,867 shares with a nominal value of RON 0.10 / share, i.e. 1% of the share capital, in compliance with the E.G.M.S. Resolution no. 1/15.12.2017.

Moreover, the Extraordinary General Meeting of Shareholders of 06.03.2019 approved a new redemption program for its own shares, i.e. 163,900,000 shares, which represent 7.5% of the share capital.

● **Risk Management**

S.I.F. Transilvania has implemented at company level a risk management system that includes policies, procedures and measures for identifying, measuring and managing risks.

The Risk Management Policies and Procedures are an integral part of the “Policies and Procedures for the Operation of S.I.F. Transilvania as an A.I.F.M.”. According to the internal policies and procedures, the internal risk management system integrates competences and responsibilities across the entire organizational structure (Supervisory Board, Executive Board, Risk Management Department, Compliance Department, Internal Auditor, operational compartments).

Procedures for managing and monitoring all relevant risk categories (market risk, solvency risk, investment concentration risk, liquidity risk, operational risk) are in place at company level.

The risk analyses conducted for the first quarter of 2019 reveal S.I.F. Transilvania’s medium market risk profile, an appetite for medium risk and the compliance of the financial instruments portfolio structure with the requirements and limits provided by the legislation in force applicable to financial investment companies.

REVIEW OF THE FINANCIAL STATEMENTS

Economic and financial position

At the end of the first quarter of 2019, the company's financial and economic position is summarized as follows:

Statement of assets, liabilities and equity

-RON-

INDICATORS	BALANCE AT THE END OF THE PERIOD (RON)		
	31.03.2019	31.12.2018	30.09.2018
NON-CURRENT ASSETS			
Intangible assets	76,631	89,275	68,287
Tangible assets	13,103,214	13,235,003	13,671,118
Financial assets	1,061,432,591	995,056,814	1,066,327,549
TOTAL NON-CURRENT ASSETS	1,074,612,436	1,008,381,092	1,080,066,954
CURRENT ASSETS			
Inventories	68,009	76,057	72,609
Receivables	6,729,091	7,750,039	10,872,514
Short-term financial investments	-	-	-
Cash at bank and in hand	28,569,496	26,802,977	23,586,503
TOTAL CURRENT ASSETS	35,366,596	34,629,073	34,531,626
PREPAID EXPENSES	422,485	272,148	331,189
TOTAL ASSETS	1,110,401,517	1,043,282,313	1,114,929,769
LIABILITIES			
Liabilities due within less than one year (current liabilities)	36,698,032	38,263,751	39,387,724
Liabilities due within more than one year - total	36,876,664	29,031,026	46,887,704
TOTAL LIABILITIES	73,574,696	67,294,777	86,275,428
OTHER PROVISIONS	7,000,000	7,000,000	-
Tax provisions (registered in the reserves accounts)			
CAPITAL AND RESERVES			
Subscribed and paid-in share capital	218,428,666	218,428,666	218,428,666
Other equity	185,377,290	144,187,689	1,022,069
Revaluation reserve on financial investments measured at fair value through other comprehensive income	-	-	240,498,376
Revaluation reserve	11,136,860	11,136,860	11,631,997
Total reserves, of which:	517,635,668	517,635,668	475,293,955
Legal reserves	43,094,593	43,094,593	39,894,350
Own shares	(4,818,103)	(4,818,103)	-
Retained earnings	85,616,999	19,074,106	77,970,244
PROFIT/LOSS OF THE PERIOD	19,649,684	66,542,892	8,081,320
Profit distribution	(3,200,243)	(3,200,243)	(3,250,217)
TOTAL EQUITY	1,029,826,821	968,987,536	1,028,654,341
TOTAL LIABILITY	1,110,401,517	1,043,282,313	1,114,929,769

As at 31.03.2019, the company's **total assets** increased by RON 67.12 million as compared to the end of the previous year, as follows:

- **Non-current assets** increased by RON 66.23 million
- **Current assets** increased by RON 0.74 million, of which:
 - ✓ receivables decreased by RON 1.02 million;
 - ✓ cash at bank and in hand increased by RON 1.76 million.
- **Prepaid expenses** increased by RON 0.15 million.

The **liabilities** recorded at the end of the first quarter of 2019 amounted to RON 73.57 million, i.e. RON 6.28 million higher than those recorded at the end of the previous year.

Out of the **current liabilities**, outstanding as at 31.03.2019, RON 35.46 million (96.62%) represents dividends payable to shareholders.

The company has no loans, and the liabilities with maturities longer than 1 year are represented by the deferred tax calculated on the gain on the fair value differences of the assets available for sale (RON 36.88 million).

As compared to the end of the previous year, the Company's **equity** as at 31.03.2019 is higher by RON 60.84 million, the increase being mainly generated by the gain on the measurement at fair value of the financial assets in the portfolio.

Evolution of the net asset

The net asset, calculated based on the methodology described in the internal procedure compliant with F.S.A. Regulation no. 9/2014 (28.09.2018), as compared to the similar period from the previous year, had the following evolution:

INDICATORS	VALUE AS AT:		-RON-
	29 MARCH 2019	31 MARCH 2018	(%) Achievements 2019 / Achievements 2018
Total assets – calculated value	1,110,399,630	1,114,929,801	99.59
Total liabilities – calculated value	73,574,696	86,275,428	85.28
Calculated Net Asset	1,036,824,934	1,028,654,373	100.79
- RON - -RON / share-	0.4795	0.4719	101.61

Source: S.I.F. Transilvania

^{*)} Calculated according to the internal procedure compliant with F.S.A. Regulation no. 9/2014, procedure which may be consulted by visiting the Company's website: www.siftransilvania.ro.

Cash flows

During the first quarter of 2019, the Company recorded a positive cash flow. More details may be found in the Statement of Cash Flows.

Result of the year and execution of the Revenue and Expenditure Budget

- RON thousand-

INDICATORS	REB		Results Q1 2019	Execution degree % compared to:	
	2019	Q1 2019		REB 2019	REB Q1 2019
Dividend income	47,100	-	15	0.03	-
Interest income	500	125	261	52.20	208.46
Gain/Loss on financial assets at fair value through profit or loss	21,500	2,230	24,883	115.74	1,115.83
Other operating income	21,500	-	217	1.01	-
Net operating income	90,600	2,355	25,376	28.01	1,077.54
Personnel expenses	19,500	3,125	2,846	14.59	91.07
Commissions and fees	2,860	1,023	360	12.59	35.19
Other expenses	6,232	1,308	1,468	23.56	112.23
Profit before tax	62,008	(3,101)	20,702	33.39	-

Source: S.I.F. Transilvania

From the above data, it results that the **net operating income** recorded in the first quarter (cumulated as of the beginning of the financial year 2019) is RON 23.02 million higher than the net operating income provided in the Revenue and Expenditure Budget for the first three months of 2019 and it represents 28.01% of the net operating income provided in the Revenue and Expenditure Budget for the entire year 2019.

The **operating expenses** recorded in the first quarter of 2019 amount to RON 4.67 million, being RON 0.78 million lower than those provided in the Revenue and Expenditure Budget for the first 3 months of 2019, and representing 16.35% of those provided in the Budget approved for this year.

The **profit before tax** as at 31.03.2019 is of RON 20.70 million, higher than the amount provided in the Revenue and Expenditure Budget for the first quarter of 2019.

Other relevant elements

Presentation and review of the trends, matters, events or uncertainties which have or are likely to have an impact on the Company's liquidity as compared to the same period of the previous year.

At this time, we are not aware of any matters, events or uncertainties which have or are likely to have a negative significant impact on the Company's liquidity.

The financial statements provided for the first quarter of 2019 are condensed interim financial statements prepared for the activity performed by the Company based on the on-going concern principle.

Presentation and review of the effects of all capital expenses, current or anticipated, on the issuer's financial status (indicating the purpose and funding sources of such expenses) as compared to the same period of the previous year.

Both the expenses incurred by the Company during the first quarter of 2018 and the first quarter of 2019 and the expenses expected to be incurred during the following period were and will be funded from own sources.

Presentation and review of events, transactions, economic changes with significant impact on the income obtained from the main activity as compared to the corresponding period of the previous year.

The revenues and expenses recorded by the Company in the first quarter of 2019, as well as those expected to be generated during the following period, are and will be influenced by the performance of the capital market, as well as by the financial position and performance of the companies in S.I.F. Transilvania's portfolio.

Changes impacting the Company's capital and management

As at 31 March 2019, the subscribed and paid-in share capital amounts to RON 218,428,666.40, with 2,162,443,797 shares being issued and outstanding. The company has implemented a program for the redemption of its own shares, which was approved by the Extraordinary General Meeting of Shareholders of 15 December 2017, within the range of maximum 1% of the share capital – a program already completed.

Description of circumstances determining the Company's inability to comply with its financial obligations during the first quarter of 2019

The Company has permanently had the necessary liquidities available, which allowed it to comply with all of its financial obligations in a timely manner. At this time, there are no developments or events determining the Company's inability to comply with its due financial obligations.

Description of any changes in the rights of the holders of securities issued by the Company

As concerns the shareholders whose individual and/or joint holdings exceed the threshold of 5% of the Company's share capital, the Company examined the situation of the voting rights as at the reference date of the General Meeting of Shareholders called for April 2019, under the conditions provided in the applicable F.S.A. regulations.

Significant transactions/events during 01.01.2019 and 31.03.2019

During the period under review, the investments have been focused on acquisitions / sales on both the internal and external market.

**FINANCIAL AND ECONOMIC INDICATORS AS AT
31 MARCH 2019**

INDICATOR	CALCULATION METHOD	RESULT
Current liquidity ratio ¹⁾ (coefficient)	$\frac{\text{Current assets}}{\text{Current liabilities}}$	0.975
Indebtedness indicator ²⁾ (%)	$\frac{\text{Loan capital}}{\text{Equity}} \times 100$	N/A
Clients' debts rotation speed ³⁾ (days)	$\frac{\text{Average clients balance (total receivables)}}{\text{Turnover}} \times 90$	26 days
Non-current assets rotation speed ⁴⁾ (coefficient)	$\frac{\text{Turnover}}{\text{Non – current assets}}$	0.0237
Result per share (RON) ⁵⁾	$\frac{\text{Net profit /Net loss}}{\text{Number of shares}}$	0.009
Net asset per share, calculated according to F.S.A. Regulation 9/2014 (RON/share) ⁶⁾	$\frac{\text{Calculated asset value}}{\text{Number of shares}}$	0.4795

Source: S.I.F. Transilvania

Note: The indicators are calculated according to Annex no. 13 to F.S.A Regulation no. 5/2018.

¹⁾ This indicator guarantees the covering of the current liabilities from current assets.

²⁾ It reflects the effectiveness of credit risk management. S.I.F. Transilvania did not enter into any loan agreements.

³⁾ It reflects the Company's effectiveness in collecting its receivables, respectively the average number of days during which the debtors pay their debts to the Company. In the case of SIFs, turnover means the total net income from the current activity and in order to establish the average clients' balance all net receivables included in the balance sheet were calculated, the highest values being held by the debts resulting from dividends and related accessories, due and not collected.

⁴⁾ It reflects the effectiveness of the non-current assets management. In the total non-current assets registered under the Statement of Assets in the records, the weight of the shares measured at fair value and held in the portfolio companies in the total non-current assets is of 96.78%.

⁵⁾ Calculated by reference to the average weighted number of issued ordinary shares existing during the period, excluding the average number of redeemed shares held by S.I.F. Transilvania at the reporting date.

⁶⁾ Calculated by reference to the number of issued and outstanding ordinary shares.

Executive President /CEO
Ec. Mihai FERCALA, PhD

Member of the Executive Board/Director
Ec. Stefan SZITAS

SOCIETATEA DE INVESTIȚII FINANCIARE TRANSILVANIA SA

INTERIM CONDENSED FINANCIAL STATEMENTS AS AT 31 MARCH 2019

prepared in accordance with the Financial Supervisory Authority (F.S.A.) Rule no. 39/2015 approving the Accounting Regulations compliant with the International Financial Reporting Standards, applicable to the entities authorised, regulated and supervised by the F.S.A. from the Financial Investments and Instruments Sector

Unaudited

SOCIETATEA DE INVESTIȚII FINANCIARE TRANSILVANIA SA
FINANCIAL STATEMENTS AS AT 31 MARCH 2019

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SOCIETATEA DE INVESTITII FINANCIARE TRANSILVANIA SA
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019
(All amounts are expressed in RON, unless otherwise stated)

	Note	31 March 2019	31 December 2018
Cash and cash equivalents	11	28,569,496	26,802,977
Financial assets at fair value through profit or loss	12	598,980,123	581,844,961
Financial assets at fair value through other comprehensive income	13	462,452,468	413,211,853
Financial assets at depreciation cost	14	2,846,700	2,852,238
Other assets	15	910,195	731,273
Current income tax assets	10	3,462,690	4,514,733
Intangible assets	16	76,631	89,275
Property, plant and equipment	16	13,103,214	13,235,003
Total assets		1,110,401,517	1,043,282,313
Financial liabilities	17	35,807,574	36,899,852
Deferred income tax liabilities	10	36,876,664	29,031,026
Other liabilities	18	7,890,458	8,363,899
Total liabilities		80,574,696	74,294,777
Share capital	19	218,428,666	218,428,666
Retained earnings		102,066,440	82,416,756
Revaluation reserves on financial assets at fair value through other comprehensive income	20	185,377,290	144,187,689
Revaluation reserve for premises and equipment	21	11,136,860	11,136,860
Other reserves	22	517,635,668	517,635,668
Own shares	23	(4,818,103)	(4,818,103)
Total equity		1,029,826,821	968,987,536
Total liabilities and equity		1,110,401,517	1,043,282,313

The financial statements have been approved by the Executive Board and the Supervisory Board and have been signed by:

**Executive President/
CEO**
Ec. MIHAI FERCALĂ, PhD

**Member of the Executive Board/
Director**
Ec. ȘTEFAN SZITAS

Financial Manager
Ec. DIANA VEREȘ

SOCIETATEA DE INVESTIȚII FINANCIARE TRANSILVANIA SA
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS AT 31 MARCH 2019

(All amounts are expressed in RON, unless otherwise stated)

Description	Note	31 March 2019	31 March 2018
Dividend income	4	15,009	693,210
Interest income	5	260,571	285,746
Net gains on financial assets at fair value through profit or loss		24,883,186	11,942,400
Operating income	6	217,010	(22,371)
Total net income		25,375,776	12,898,985
Employees expense	7	(2,845,873)	(2,748,497)
Fees and commissions expense	8	(360,498)	(422,616)
Operating expenses	9	(1,467,678)	(1,448,137)
Profit before tax		20,701,727	8,279,735
Income tax	10	(1,052,043)	(198,415)
Net profit as at 31 March		19,649,684	8,081,320
Other comprehensive income:			
Net gain/loss on deferred tax, on revaluation of financial assets at fair value through other comprehensive income	20	41,189,601	40,133,044
Transfer of reserve, net of deferred tax, to retained earnings further to the sale of financial assets at fair value through other comprehensive income		-	-
Increases/(Decreases) in revaluation reserve of property, plant and equipment, net of deferred tax		-	-
Other comprehensive income as at 31 March – total		41,189,601	40,133,044
Total comprehensive income as at 31 March		60,839,285	48,214,364
Earnings per Share		0.0090	0.0037
Diluted Earnings per Share		0.0090	0.0037

The financial statements have been approved by the Executive Board and the Supervisory Board and have been signed by:

**Executive President/
CEO**
Ec. MIHAI FERCALĂ, PhD

**Member of the Executive Board/
Director**
Ec. ȘTEFAN SZITAS

Financial Manager
Ec. DIANA VEREȘ

SOCIETATEA DE INVESTIȚI FINANCIARE TRANSILVANIA SA
STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2019
(All amounts are expressed in RON, unless otherwise stated)

	Note	Share capital	Revaluation reserve for property, plant and equipment	Revaluation reserve for financial assets at fair value through other comprehensive income	Other reserves	Retained earnings	Own shares	Total
Balance as at 1 January 2019		218,428,666	11,136,860	144,187,689	517,635,668	82,416,755	(4,818,103)	968,987,536
Comprehensive income:								
Profit for Q1		-	-	-	-	19,649,684	-	19,649,684
Other comprehensive income:								
Net gain/loss on deferred tax, on revaluation of financial assets at fair value through other comprehensive income	20	-	-	41,189,601	-	-	-	41,189,601
Revaluation reserve on property, plant and equipment, net of deferred tax		-	-	-	-	-	-	-
Total comprehensive income for Q1			-	41,189,601	-	19,649,684	-	60,839,285
Legal reserve		-	-	-	-	-	-	-
Allocation of reserves from previous years' profits		-	-	-	-	-	-	-
Own shares redeemed		-	-	-	-	-	-	-
Dividends distribution		-	-	-	-	-	-	-
Balance as at 31 March 2019		218,428,666	11,136,860	185,377,290	517,635,668	102,066,440	(4,818,103)	1,029,826,821

The financial statements have been approved by the Executive Board and the Supervisory Board and have been signed by:

Executive President/CEO
Ec. MIHAI FERCALĂ, PhD

Member of the Executive Board/Director
Ec. ȘTEFAN SZITAS

Financial Manager
Ec. DIANA VEREȘ

SOCIETATEA DE INVESTIȚI FINANCIARE TRANSILVANIA SA
STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2019
(All amounts are expressed in RON, unless otherwise stated)

	Note	Share capital	Revaluation reserve for property, plant and equipment	Revaluation reserve for financial assets at fair value through other comprehensive income	Other reserves	Retained earnings	Other equity	Total
Balance as at 1 January 2018		218,428,666	11,631,997	200,365,332	475,293,955	60,987,788	-	966,707,738
Comprehensive income:								
Profit for Q1		-	-	-	-	8,081,320	-	8,081,320
Other comprehensive income:								
Net gain/(loss) on financial investments at fair value through other comprehensive income recognized during the year, net of deferred tax	20	-	-	40,133,044	-	-	-	40,133,044
Revaluation reserve on property, plant and equipment		-	-	-	-	-	-	-
Total comprehensive income for Q1		-	-	40,133,044	-	8,081,320	-	48,214,364
Legal reserve						-		
Allocation of reserves from previous years' profits		-	-	-	-	-	-	-
Allocation of reserves from changes in the accounting policies (IFRS 9)		-	-	-	-	11,894,438		11,894,438
Allocation of reserves from the sale of financial investments at fair value through other comprehensive income		-	-	-	-	2,859,870		2,859,870
Own shares redeemed		-	-	-	-	-	(1,022,069)	(1,022,069)
Dividends distribution		-	-	-	-	-	-	-
Balance as at 31 March 2018		218,428,666	11,631,997	240,498,376	475,293,955	83,823,416	(1,022,069)	1,028,654,341

The financial statements have been approved by the Executive Board and the Supervisory Board and have been signed by:

Executive President/CEO
Ec. MIHAI FERCALĂ, PhD

Member of the Executive Board/Director
Ec. ȘTEFAN SZITAS

Financial Manager
Ec. DIANA VEREȘ

SOCIETATEA DE INVESTIȚII FINANCIARE TRANSILVANIA SA
STATEMENT OF CASH FLOWS AS AT 31 MARCH 2019
(All amounts are expressed in RON, unless otherwise stated)

	31 March 2019	31 March 2018
Cash flows from operating activities, total out of which:	3,085,107	(10,024,212)
Receipt from clients	-	1,501,233
Payment towards suppliers and employees	(2,390,949)	(3,159,932)
Proceeds from sale of shares	13,427,927	14,748,205
Payments for purchasing shares and fund units, out of which:	(6,771,328)	(21,622,273)
- financial assets at fair value through profit or loss	(6,565,959)	(21,622,273)
- financial assets at fair value through other comprehensive income	(205,369)	-
Corporate income tax payments	-	-
Payments of other tax, contributions and other payments towards the state budget	(1,286,563)	(1,148,897)
Other receipts from operating activities	(158,457)	(379,153)
Interest received	150,403	124,962
Dividends received	14,900	3,839
Other receipts and payments from investment activities (including trading sales commission)	99,174	(92,196)
Cash flows from investing activities, total out of which:	-	(12,845)
Payments to purchase intangible and tangible assets	-	(12,845)
Proceeds from sales of tangible assets	-	-
Cash flows from financing activities, total out of which:	(1,318,588)	(2,782,335)
Dividends paid to shareholders (including dividend tax)	(1,318,588)	(1,760,266)
Payments for own shares redeemed	-	(1,022,069)
Net increase/(decrease) of cash and cash equivalents	1,766,519	(12,819,392)
Cash and cash equivalents at the beginning of the period	26,802,977	36,405,895
Cash and cash equivalents at the end of the period	28,569,496	23,586,503

The financial statements have been approved by the Executive Board and the Supervisory Board and have been signed by:

**Executive President/
CEO**
Ec. MIHAI FERCALĂ, PhD

**Member of the Executive Board/
Director**
Ec. ȘTEFAN SZITAS

Financial Manager
Ec. DIANA VEREȘ

SOCIETATEA DE INVESTIȚII FINANCIARE TRANSILVANIA SA
NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2019
(All amounts are expressed in RON, unless otherwise stated)

1. GENERAL INFORMATION

Societatea de Investiții Financiare Transilvania S.A. ("SIF Transilvania" or the "Company") is a collective investment undertaking established in 1996 in accordance with Law 133/1996 operating in Romania according to Law 31/1990 regarding trading companies and Law 297/2004 regarding capital markets.

The Company is a joint-stock company from a legal point of view and is an entity with unlimited period of functioning.

The Company has its headquarters in Brașov, 2 Nicolae Iorga Street, Postal Code 500057

Contact details of the Company are:

Phone: 0268-415529, 0268-416171, 0268-413752, 0268-473210, 0268-401132

Fax: 0268-473215, 0268-473216

Web page: www.siftransilvania.ro

E-mail: transif@transif.ro

Registration code with the Trade Registry: 3047687

Tax code: RO 3047687

Order number in the Trade Registry: J08/3306/1992

The Company is registered with the Bucharest National Securities Commission ("NSC"), currently known as the Financial Supervisory Authority ("FSA") as "other collective investment undertaking" having a diversified investment policy recorded through Certificate no. 258/14.12.2005 at NSC register under no. PJR09SIIR/080004 and at the Office of Securities from NSC with the register certificate no. 401/20.08.1999, respectively no. 401/12.07.2007. According to the Articles of Incorporation, the main activity of the Company is "Other financial service activities not elsewhere classified", NACE code: 6499. Registered with the FSA Registry in Section 7¹ – Alternative Investment Fund Managers, Sub-section 3 – Alternative investment fund Managers authorised by the FSA (A.F.I.A.A.) under no. PJR07¹ A.F.I.A.A./080005.

The Company performs its activity in Romania.

The regulated market on which the issued securities are traded is the Bucharest Stock Exchange (market symbol: SIF3).

At 31 March 2019, the share capital subscribed and paid-in, as registered with the Trade Register, is RON 218,428,666 (31 March 2018: RON 218,428,666) and is divided into 2,184,286,664 shares (31 March 2018: 2,184,286,664 shares).

Out of the total shares issued and outstanding as at 31 March 2019, the Company holds 21,842,867 own shares acquired under the buy-back programme approved by the EGMS of 15.12.2017.

The main characteristics of the shares issued by the Company are as follows: the shares are common, nominative, indivisible, of equal value and dematerialized securities, issued at the nominal value of RON 0.10 per share.

2. SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies applied for preparing these financial statements in accordance with IFRS are presented below.

These Financial Statements are prepared on a going concern basis.

2.1 Basis of preparation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("IFRS") and in accordance with Rule 39/28 December 2015 on the approval of the Accounting Regulations in compliance with the International Financial Reporting Standards, applicable to the entities authorised, regulated and supervised by the Financial Supervisory Authority ("F.S.A.") – Financial Instruments and Investments Sector ("Rule 39/2015").

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Starting with 1 January 2015, the Company applies the Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure in interests in other entities and IAS 27 - Consolidated and Separate Financial Statements (“Amendments”), being the date at which the classification criteria as investment entity were fulfilled.

The Amendments introduced an exception to the principle from IFRS 10 "Consolidated Financial Statements", under which all subsidiaries must be consolidated. The Amendments define an investment entity and provide that a parent company that is classified as an investment entity has to measure the subsidiaries at fair value through profit or loss instead of consolidating those subsidiaries in its consolidated financial statements, as such the Company no longer consolidates subsidiaries and associates.

2.2 Basis of measurement

The Company’s financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments at fair value through profit or loss, the available-for-sale financial assets recognised at fair value through other comprehensive income and for the fair value revaluation of land and buildings.

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue its activity in the foreseeable future as well. The Company’s management considers that the Company will continue to operate normally in the future and, consequently, the financial statements have been prepared on this basis.

2.3 Foreign currency translation

a) Functional and presentation currency

The functional currency is the Romanian Leu (“RON”). It represents the currency of the primary economic environment in which the Company performs its activity. The financial statements are prepared and presented in RON, unless otherwise stated.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities are translated into RON currency at the official exchange rate of the National Bank of Romania (“NBR”) at the end of the reporting period. The translation to the official exchange rate at the end of the reporting period is not applied to non-monetary assets and liabilities measured at historical cost.

The exchange rates of the main foreign currencies were:

Currency	29 March 2019	31 March 2018	Increase/ (decrease) (%)
Euro (EUR)	1: RON 4.7628	1: RON 4.6576	1.02
US Dollar (USD)	1: RON 4.2434	1: RON 3.7799	1.12

The foreign exchange differences resulted from the monetary and non-monetary items are reported as follows:

- As part of “Net gains /(losses) on unrealised FX differences” in “Other operating expenses” for the registered FX differences from revaluation of cash and cash equivalents in foreign currency;
- As part of “Net gains /(losses) on FX differences realised from transactions” recorded in “Other operating income”;
- As part of “Net gains /(losses) from financial assets at fair value through profit or loss” for the gains or losses from the revaluation of financial assets at fair value through profit or loss; and

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- d) As part of "Net gains/(losses) from financial assets at fair value through other comprehensive income, net of deferred tax" for the gains or losses on the revaluation of financial assets at fair value through other comprehensive income.

2.4 Use of estimates and judgements

The preparation of the financial statements in accordance with IFRS requires the use by the management of estimates, judgments and assumptions that affect the amounts recognised in the financial statements, as well as the value of the assets and liabilities reported the following year. Estimates and assumptions associated with these are based on historical experience and other factors deemed reasonable in light of the given circumstances, and the result of this considerations represents the basis for the judgements used when establishing the accounting value of the assets and liabilities for which no other valuation sources are available. The results obtained may differ from the value of the estimates.

Estimates and underlying assumptions are periodically reviewed. The revisions of accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period in which the estimate is revised and future periods if the revision affects both current period and following periods.

Change in estimates, in its nature, is not related to prior periods and is not a correction of errors.

As an exception to the presentation of the effect of a change in the estimate presented above, if these kinds of change give rise to changes in assets and liabilities or equity, the effect of changes will be presented by adjusting assets, liabilities or equity in the period of the change.

2.5 General consideration regarding the accounting policies applied

If a standard or interpretation specifically applies to a transaction, to another event or a condition, then the accounting policies applied to that element are considered selected through the application of the standard or of the respective interpretation, taking into account any implementation guidance issued by the International Accounting Standards Board ("IASB") for the standard or interpretation in question.

The change of an accounting policy is permitted only under one of the following conditions:

- the change is imposed by a standard or an interpretation;
- the change will provide more reliable and relevant information on the effects of transactions, events and conditions.

Any significant errors of the previous period identified with regards to the recognition, valuation, presentation or disclosure of financial statements elements must be corrected retroactively in the first financial statements that are authorized for issuance through:

- adjusting the comparatives for the previous period or periods in which the error was identified; or
- adjusting the initial balances of the assets, liabilities and equity, for the most distant period presented, if the error has occurred before the most distant period presented.

The Company has applied the Amendments starting with 1 January 2015, when after a thorough reanalysis of the criteria presented in the Amendments the management has concluded that the Company fulfils the definition stated by the standards for an investment entity. As such, the Company has modified the accounting policy regarding the investments in subsidiaries and associates, the valuation of these investments being performed at fair value through profit and loss. In accordance with IFRS 10.30, the change in accounting policies is applied prospectively since the date of the change.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 General consideration regarding the accounting policies applied (continued)

Subsidiaries and associates

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed or has rights to the variable benefits that can be obtained from the involvement of the Company in the activity of its subsidiary and when the Company has the possibility to influence such benefits through the control owned over the subsidiary.

The associates are those entities over which the Company has significant influence over the financial and operational policies but does not have control, or shared control. The significant influence is determined, in each reporting period, through the analysis of the shareholder structure of the entities in which the Company owns more than 20% from the voting rights, the analysis of the constitutive acts and also of the Company's capabilities to participate in the decision making process over the financial and operational policies of the respective entity.

However, where the Company holds less than 20% of the voting rights in an entity, but it is considered a significant shareholder and exercises significant influence through representation on the Board of Directors and through participation in policy decisions entity, then such entity shall be considered an associate.

The Company does not exercise significant influence on a number of companies where it holds from 20% to 50% of the voting rights. In this category fall companies where the Company's rights as minority shareholder are protective and the majority shareholder does not participate, or the group of shareholders that hold the majority of the shares in such entity act without considering the Company's opinions.

The investments in subsidiaries and associated entities as at 31 March 2019 are presented in Note 12.

2.6 Presentation of financial statements

The financial statements are presented in accordance with IAS 1 "Presentation of Financial Statements". The Company has adopted a presentation based on liquidity in the *Statement of financial position* and a presentation of the revenues and expenses according to their nature in the *Statement of profit or loss and other comprehensive income*, considering that these methods of presentation provide information that is more relevant than other methods allowed by IAS 1 "Presentation of financial statements".

2.7 New accounting pronouncements - based on IASB effective date

The Company will present in the Notes to the Annual Financial Statements the newly issued standards and interpretations compulsory for the financial year ended and how they affect the financial statements prepared for the respective financial year.

2.8 Accounting for the effect of hyperinflation

Up to 31 December 2003, Romania met the definition of a hyperinflationary economy as it is defined by the International Accounting Standard ("IAS") 29 "Financial Reporting in Hyperinflationary Economies". IAS 29 mentions that economies should be regarded as hyperinflationary if, among other factors, the cumulative inflation rate over a period of three years exceeds 100%. IAS 29 requires that financial statements prepared on a historical cost basis be adjusted to take into account the effects of inflation, for entities reporting in hyperinflationary economies.

The Company has used the general price index reported by the Statistics National Institute of Romania in the application of IAS 29 to restate the non-monetary items from the date of acquisition or contribution.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Starting with 1 January 2004, the Romania's economy ceased to meet the criteria of hyperinflationary economy. Accordingly, starting with 1 January 2004, the Company ceased to apply IAS 29. Because of this change, the carrying amounts of assets expressed in the RON currency at 31 December 2003 formed the basis for the respective assets from 1 January 2004 onwards. The Company has restated its share capital in accordance with the requirements of IAS 29.

The General Meeting of Shareholders of 28 April 2016 decided to cancel the hyperinflation effect reserve and transfer the amount to retained earnings, according to Rule 39, Section 5.1, art. 74 par. 4.

2.9 Financial assets and liabilities

(i) Classification

a) Financial assets at fair value through profit or loss

The Company classifies its investments in subsidiaries and associates and the financial instruments acquired mainly for active and frequent trading, the corporate bonds and the fund units as financial assets at fair value through profit or loss.

The Company deems financial assets at fair value through profit or loss at initial recognition those financial instruments that are not classified as held for trading but are managed, and their performance is measured on a fair value basis, in accordance with the Company's investment strategy.

The Company's policy requires the Investment Manager and the Executive Board to evaluate the information about these financial assets on a fair value basis together with other related financial information.

b) Financial assets at amortised cost

Financial assets and liabilities are measured at amortised cost using the effective interest method less impairment losses (for financial assets). Financial assets and liabilities at amortised cost include cash and current accounts, deposits with banks, dividends to be received, bonds, debts to shareholders, amounts owed to service providers and other receivables and payables.

The amortised cost of a financial asset or liability is the amount at which the asset or the financial liability is measured at the time of initial recognition, minus principal payments, plus or minus cumulative depreciation, determined by the effective interest method, of any difference between the amount initially recognized and the maturity value less any impairment losses.

A financial asset is measured at amortised cost if both of the following conditions are met:

- (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities at amortised cost are recognized at the time of initial recognition and are not attributable to a trading activity.

Financial assets at amortised cost are tested for impairment in accordance with IFRS 9.

For this purpose, these instruments are classified in Stage 1, Stage 2 or Stage 3, depending on their absolute or relative credit quality in terms of initial payments. Therefore:

Stage 1: includes (i) newly recognized exposures; (ii) exposures for which credit risk has not materially deteriorated since initial recognition; (iii) low credit risk exposures (reduced credit risk relief).

Stage 2: includes exposures that, although performing, have experienced a significant deterioration in credit risk since initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets and liabilities (continued)

Stage 3: includes impaired credit exposures.

For Stage 1 exposures, depreciation is equal to the expected loss calculated over a time horizon of up to one year. For Stage 2 or 3 exposures, the depreciation is equal to the expected loss calculated over a time horizon corresponding to the full duration of the exposure.

As regards bank deposits and amortised cost bonds, the Company has opted to apply the low credit risk relief in full compliance with IFRS 9.

The Company defined as "non-performing" exposures the receivables that meet one or both of the following criteria:

- exposures for which the Company estimates that it is unlikely that the debtor will fully pay its obligations regardless of the exposure value and the number of days for which the exposure is delayed;
- unpaid amounts

c) Financial assets at fair value through other comprehensive income

The Company's investments in equity instruments other than those classified as financial assets at fair value through profit or loss, are classified as financial assets at fair value through other comprehensive income. The method used to derecognise each category of financial asset at fair value through other comprehensive income is "first in, first out", given the measurement and evaluation of the Company's performance at fair value.

The available-for-sale financial assets are measured at fair value through other comprehensive income.

Dividends received from entities in which the Company holds shares are recognized in profit or loss account of the year when the Company has the right to receive dividends and it is probable that these will be collected.

All the other elements regarding changes in the fair value are recognized in other comprehensive income for the year until the investment is derecognized or depreciated, when the accumulated gain or loss is reclassified from other comprehensive income to a retained earnings account for the year.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is the price in an active market. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The Company believes that the accurate determination of the fair value is an essential requirement for presenting information that is useful to the investors and the Company's key personnel for proper decision-making purposes. In order to achieve this, a methodology was put in place to estimate the fair value of the financial instruments in compliance with the Asset Valuation Standards and the International Financial Reporting Standards on estimating the fair value (IFRS 13 "Fair value measurement").

The methodology was established separately for:

- a) Equity investments (shares held in companies);
- b) Corporate bonds; and
- c) Fund units.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets and liabilities (continued)

(i) *Classification (continued)*

c) *Financial assets at fair value through other comprehensive income (continued)*

Fair value measurements are analysed by level in the fair value hierarchy as follows:

- (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities,
- (ii) level two measurements are valuations techniques using all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and
- (iii) level three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period.

(ii) *Amortised cost measurement*

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the "effective interest method" of any difference between that initial amount and the amount payable at maturity, minus any reduction for impairment losses.

Accrued interest includes amortisation of transaction costs deferred at initial recognition and of any premium or discount to maturity amount using the effective interest method.

Accrued interest income and accrued interest expense, including both accrued coupon and depreciation discount or premium (including fees deferred at origination, if any), are not presented separately and are included in the carrying values of related items in the statement of financial position.

(iii) *Recognition*

Financial assets and financial liabilities are initially recognised at fair value plus directly attributable transaction costs, for the financial assets and financial liabilities not carried at fair value through profit or loss.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs.

The Company initially recognises bank deposits on the date that they are originated. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognised on the settlement date.

(iv) *Derecognition*

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Company fully derecognises a financial liability when its contractual obligations are discharged or cancelled or have expired.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets and liabilities (continued)

(v) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts, and there is an intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Such a right of set off (a) must not be contingent on a future event and (b) must be legally enforceable in all of the following circumstances:

- (i) in the normal course of business,
- (ii) the event of default and
- (iii) the event of insolvency or bankruptcy.

2.10 Premises and equipment

(i) Recognition and measurement

The premises and equipment are presented at their revalued value less accumulated depreciation and provision for impairment losses. Capital expenditure on property and equipment under construction is capitalized and depreciated once the assets enter into use.

Premises and equipment are subject to revaluation with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. If there is no market based evidence of fair value, fair value is estimated using an income approach. Increases in the carrying amount arising on revaluation are credited to other comprehensive income and increase the revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised in other comprehensive income and decrease the previously recognised revaluation surplus in equity while all other decreases are charged to profit or loss for the year.

The revaluation reserve for premises and equipment included in equity is transferred directly to retained earnings when the revaluation surplus is realised on the retirement or disposal of the asset.

Upon revaluation of premises and equipment, accumulated depreciation at the date of revaluation is treated as follows: accumulated depreciation at the date of revaluation is eliminated from the gross carrying amount of the asset and the gross carrying amount after the recording of revaluation is equal to its revalued amount; this method is used when a detailed valuation of the land and building portfolio is performed.

The revaluation of premises and equipment is made at fair value, which is determined based on valuations made by authorised external valuers.

The latest revaluation of the Company's land and buildings was performed by REVALTEX SRL (independent valuer – ANEVAR member), which resulted in an increased revaluation reserve by RON 3,029,268, namely 31.13%.

Gains and/or losses from de-recognition of tangible assets is determined as difference between revenues from sales of tangible assets and the expenses with their disposal and are recognized in profit or loss for the year (within other operating income or expenses).

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Premises and equipment (continued)

(ii) Subsequent costs

The amounts paid or payable, generated by the repairs and daily maintenance costs of the tangible assets owned, are recorded as expense, according to the accrual accounting principle, accordingly changing the Company's profit or loss account of the period.

The amounts paid or to be paid, generated by activities that lead to an increase in the value and/or the useful life of the asset, through the upgrade of the tangible assets owned, and also the activities that lead to a significant increase in the technical parameters which increase the potential of obtaining future economic benefits are capitalised in the value of the tangible assets (increasing the accounting value of that asset).

(iii) Depreciation

The depreciation expense for each reporting period is recorded in the profit and loss account.

Depreciation is calculated using the accounting value (acquisition cost or revalued value) using the straight line depreciation method, on the entire useful life of the asset (starting with the date of commissioning) and is recorded as expense on a monthly basis.

Depreciation of an asset begins when the asset is available for use, when it is in the location and condition necessary for it to operate in the manner intended by management. The depreciation of an asset ceases at the earlier of the date the asset is classified as held for sale (or included in a disposal group that is classified as held for sale), in accordance with IFRS 5 *"Non-current assets held for sale and discontinued operations"* and the date that the asset is derecognised.

Each part of an item of tangible asset that presents a significant cost to the total cost of that item, shall be depreciated separately.

Depreciation methods and useful lives are established at each reporting date.

Land is not depreciated.

Categories

Years

Buildings	50
Other equipment, furniture and other tangible assets	up to 12
Vehicles	up to 6

A tangible asset must be derecognised:

- a) upon sale; or
- b) when no future economic benefit is expected from its use or disposal.

The gain or loss that results from the derecognition of a tangible asset is included in the profit or loss account when the item is derecognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Intangible assets

Intangible assets include software and licences.

Intangible assets acquired by the Company are initially valued at cost. Cost is represented either by the amount of cash or cash equivalents paid, or the fair value of other consideration given, to acquire the asset at the time of its acquisition.

For measurement subsequent to initial recognition, the Company applies the cost model, meaning that intangible assets are carried at cost less accumulated amortisation and impairment losses.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life for software is between 1 and 3 years and licenses are amortised on the validity period, using the straight line method.

2.12 Impairment of non-financial assets

At each balance sheet date, the Company must verify if there are indications of asset impairment. Where such indication exists, the Company estimates the asset's recoverable amount as the greater of its value in use and its fair value less any associated costs incurred to sell the asset.

2.13 Cash and cash equivalents

Cash and cash equivalents consist of petty cash and cash at banks, including short-term deposits. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

For the purposes of preparing the statement of cash flows, cash and cash equivalents include petty cash, current bank accounts, including deposits with original maturity up to 3 months, cash in transit, other short-term investments that are convertible into cash at any time and that are subject to an insignificant risk of change in value and overdraft facilities as well as their accompanying receivables.

2.14 Trade receivables

Trade receivables are included in the category of financial assets.

Trade receivables are carried at original invoice amount less any allowance (impairment adjustment) created for doubtful debts. The amount of impairment adjustment (adjusting for impairment) is calculated as the difference between the carrying amount and the recoverable amount.

2.15 Provisions

Provisions for risks and charges are non-financial liabilities with uncertain maturity or amount.

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated.

2.16 Contingent liabilities and contingent assets

Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes, unless the possibility of an outflow of economic benefits is remote.

Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Dividends payable (at amortised cost)

The Company records a liability to pay dividends in the year when the allocation of the profit for dividend distribution is approved by the General Meeting of Shareholders.

Dividends payable recognized in the statement of financial position are financial liabilities. Financial liability is extinguished either by paying the amounts owed or when the obligation expires after the 3 years period from the distribution date for collecting the dividends is prescribed in accordance with Romanian law, if the shareholders have not collected the amounts at which they are entitled. As such, financial liability represented by the dividends payable which prescribes after fulfilment of the statutory period of 3 years from the distribution date, is directly reversed in profit or loss and is included in "Other operating income".

2.18 Share capital

Ordinary shares are classified as equity. Share capital has been restated to reflect the impact of IAS 29 up to 1 January 2004 when Romania ceased to be a hyperinflationary economy (Note 19).

The General Meeting of Shareholders of 28 April 2016 approved to cancel the amount of RON 669,806,471 which represent hyperinflation effect and to transfer it to retained earnings, according to Rule 39/2015.

2.19 Trade liabilities and other liabilities

Trade liabilities are recognised when the counterparty has performed its obligations under the contract and are carried at amortised cost.

2.20 Employee benefits

Short-term benefits

Employee short-term benefits include salaries, bonuses and social security contributions. Employee short-term benefits are recognised as an expense when services are rendered.

In the normal course of business, the Company makes payments to the public pension, health care and unemployment systems. All employees of the Company are members of the State pension plan and have the legal obligation to contribute to the state scheme (through social contributions). All the contributions due by the Company are recognised in the profit or loss account of the year when the expenses are incurred.

According to the Articles of incorporation and the collective labour agreement, in addition to salaries and other rights under contract, the directors/members of the Supervisory Board, managers with mandate contract/members of the Executive Board and the Company's employees have the right to receive bonuses and incentives from the employees profit participation fund. The Company includes these benefits in the short term benefits.

The Company does not operate any other pension scheme and, consequently, has no obligation in respect of pensions.

2.21 Income tax expense

The current income tax includes both the current income tax and deferred income tax. Income tax is recognised in profit or loss or in equity if the tax is related to equity components.

Current income tax is the tax payable on the taxable profits of the period, determined using the tax rates available at the balance sheet date and any adjustments related to prior periods.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Deferred tax

The deferred tax is determined using the balance sheet method, using the temporary differences arising between the tax base for calculating the tax for assets and liabilities and their carrying amount. The deferred tax is calculated using the tax rates that are expected to be applied to temporary differences when achieving the carrying amount of assets and liabilities, as it is specified in the laws in force at the reporting date.

Deferred tax receivables are recognized to the extent that will be obtained future probable taxable profits sufficient to allow the existence of these claims. Deferred tax receivables are reduced accordingly if it is considered that is not probable to obtain a related tax benefit. The main temporary differences arise from movements in the fair value and impairment of financial assets at fair value through other comprehensive income. The Company registers deferred tax liabilities from holdings classified as financial assets at fair value through other comprehensive income and from reserves from revaluation of tangible assets.

As at 31 March 2019, the tax rate used to calculate the current and deferred tax was 16% (31 December 2018: 16%).

2.23 Income recognition

The revenues recorded by the Company are accounted for by their nature (operational, financial), on an accrual basis.

Revenues are measured at the fair value of the consideration received or receivable. When the result of a transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognized only to the extent of the expenses recognized that are recoverable.

2.24 Interest income and interest expense

Interest income and interest expenses corresponding to financial instruments are recognised in profit or loss using the effective interest method based on accrual basis. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or expense over the relevant period.

The effective interest rate is the rate that exactly discounts the estimated future cash flows payable or receivable during the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. In order to calculate the effective interest rate, the Company estimates the cash flows, considering all contractual terms of the financial instrument, but does not account for future credit losses. The calculation includes all fees paid or received between the parties that are part of the effective interest rate, transaction costs, and all other premiums or discounts.

2.25 Dividend income

Dividends on equity instruments are recognised in the income statement as "*Dividend income*" when the Company's right to receive payment is established.

2.26 Gains less losses from sale of financial instruments

- a) Gains less losses from financial assets at fair value through profit or loss

Gains less losses from financial assets at fair value through profit or loss include both changes in fair value of financial instruments resulting from marking to market and the income from the sale of these financial instruments.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 Gains less losses from sale of financial instruments (continued)

- b) Gains less losses from disposal of financial assets at fair value through other comprehensive income

Gains less losses from disposal of financial assets at fair value through other comprehensive income include the revaluation reserve of financial assets at fair value through other comprehensive income recycled in profit or loss upon disposal of investments.

Income on the sale /assignment of investments held will be recognised at the date when the property right is transferred from seller to buyer, using the account value at the transaction date.

2.27 Comparatives

Where necessary, corresponding figures have been adjusted to conform to the presentation of the current year IFRS amounts.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events believed to be reasonable under the circumstances. In addition to experience and historical information, the Company also considers in evaluating these effects the current conditions in the financial industry.

3.1 Investment entity classification

The Company applied the amendments to IFRS 10, IFRS 12 and IAS 27 from 1 January 2015, and when after consideration of the criteria mentioned in the amendments, the Company's management concluded that the Company qualifies for classification as an investment entity.

The Company re-assessed in 2018 the investment entity criteria and concluded that it still meets these criteria, since the Company:

- a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- c) measures and evaluates the performance of substantially all of its investments on a fair value basis.

In addition, the Company has other characteristics specific to an investment entity, as follows:

(a) Services related to investments

The Company is a joint stock company, which operates as a closed-end financial investment company, providing direct services related to managing investments for its investors, its main business activities are exclusively connected with providing activities specific to the closed-end investment companies.

The Company does not provide advisory services and investment support or administrative services directly or through a subsidiary, to third parties and/or its investors.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

3.1 Investment entity classification (continued)

(b) Business purpose

The Company's scope is to carry out business activities specific to its object and to obtain profit to be distributed to shareholders and/or to own sources to finance necessary and appropriate investments, permitted by the activity object and legal provisions.

The annual strategic guidelines and the investment program approved by the Annual General Meeting of Shareholders are public information presented on the official website of the Company and can be consulted anytime by third parties and/or potential investors in order to support their investment decisions in the Company.

The Company's objective is the management of the investment portfolio and the permanent identification of investment opportunities ensuring a reasonable level of the investment risk dispersion in order to offer its shareholders the opportunity to obtain attractive performance while increasing capital invested.

(c) Exit strategy

Starting with 1 January 2015, the Company applies an exit strategy based on continuous monitoring of the investments made under the approved investment programs and on continuous analysis of current market conditions, aiming to identify the optimal exit moments so as to achieve the objectives set by the annual revenue and expenditure budgets, respectively to achieve aggregate higher yields.

The Company applies an exit strategy adapted to the specificity of each investment category, which is determined based on the following elements: the strategy applied, the investment time horizon and the triggering factors of the exit transaction.

(d) Fair value measurement

Starting with 1 January 2015, all the financial investments of the Company are measured at fair value. For investments in subsidiaries and associates, including the corporate bonds issued by these, which are owned by the Company, are classified at fair value through profit or loss. Other investments in shares, bonds and fund units are classified as financial assets at fair value through other comprehensive income and as of 1 January 2018, further to the application of IFRS 9, they are classified as financial assets at fair value through other comprehensive income.

The fair value of the financial instruments held by SIF Transilvania is estimated using the internal procedure and related methodology.

(i) Implications following the classification of the Company as an investment entity

A company that is an investment entity is not required to consolidate any of its subsidiaries, except for those subsidiaries that provide services related to investment activities.

Due to the above, the Company changed its accounting policy regarding investments in subsidiaries and associates, measuring them at fair value through profit or loss starting 1 January 2015.

When a company becomes an investment entity, the change of its status should be accounted for as a deconsolidation adjustment over its subsidiaries as they were presented in the previously prepared IFRS consolidated financial statements prepared.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

3.1 Investment entity classification (continued)

(d) *Fair value measurement (continued)*

(i) *Implications following the classification of the Company as an investment entity (continued)*

As a result, at 1 January 2015, the Company classified its investments in subsidiaries and associates as financial instruments held at fair value through profit or loss and recognised the difference between their fair value as at 1 January 2015 and their carrying amounts from the consolidated financial statements in accordance with IFRS for the year ended 31 December 2014 in the statement of profit or loss of the financial year ended 31 December 2015 as a deconsolidation adjustment.

Due to the fact that on 31 December 2014 the Company has not consolidated the subsidiaries and associates in accordance with IFRS 10 "Consolidated Financial Statements", the Company used the accounting values from the individual financial statements in accordance with IFRS for the year ended 31 December 2014 in order to determine the deconsolidation adjustment.

(ii) *Disclosures related to investment entity classification*

For each unconsolidated subsidiary, an investment entity shall disclose the following information: the subsidiary's name, the principal place of business and the proportion of ownership interest held by the investment entity.

If, during the reporting period, an investment entity or any of its subsidiaries has provided financial or other support to an unconsolidated subsidiary (e.g. purchase of assets or instruments issued by the respective subsidiary), the entity shall disclose the type and amount of support provided to each unconsolidated subsidiary and the reasons for providing such support.

4. DIVIDEND INCOME

The dividend income recorded by the Company at 31 March 2019, compared to 31 March 2018, is as follows:

Entity	31 March 2019	%	31 March 2018	%
CRISTIANA SA	-	-	682,675	98.48
Others	15,009	100.00	10,535	1.52
Total	15,009	100.00	693,210	100.00

5. INTEREST INCOME

	31 March 2019	31 March 2018
Interest income from bank deposits	91,370	66,447
Interest income from corporate bonds	169,201	219,299
Total	260,571	285,746

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6. OPERATING INCOME

	31 March 2019	31 March 2018
Gains on realised FX differences from transactions	132,094	(22,372)
Other operating income	84,916	1
Total	217,010	(22,371)

7. EMPLOYEE EXPENSES

	31 March 2019	31 March 2018
Salary expense	2,783,250	2,688,093
Social contribution expense	62,623	60,404
Total	2,845,873	2,748,497

8. FEES AND COMMISSIONS EXPENSE

	31 March 2019	31 March 2018
Commission for the net asset owed to FSA	231,769	237,671
Depository commission	86,601	105,715
Transaction costs	32,901	69,919
Financial services costs	3,977	4,061
Other fees and commissions	5,250	5,250
Total	360,498	422,616

9. OPERATING EXPENSES

	31 March 2019	31 March 2018
Legal expenses	79,210	165,591
Other tax expenses (i)	281,048	294,868
Depreciation and amortization expenses	144,433	168,862
Statutory audit and advisory expenses	188,958	259,469
Postal and telecommunication charges	126,089	20,371
Consumable materials expense	52,134	42,812
Insurance premium charges	39,292	44,954
Utilities expense	43,878	36,572
Travel expenses	20,884	15,320
Protocol, donation and sponsorship expenses	49,332	27,100
Rent	30,194	17,593
Maintenance and repairs expenses	10,993	7,687
Net gains/losses from unrealised FX differences	(343)	215
Other expenses (iii)	401,576	346,723
Total	1,467,678	1,448,137

(i) Other tax expenses line include local taxes for buildings, vehicles, land, as well as VAT collected on invoices from suppliers.

(ii) Other expenses line includes system maintenance services, security, archiving and translation services etc.

10. CURRENT INCOME TAX AND DEFERRED TAX

The differences between regulations issued by the Romanian Ministry of Finance and the accounting rules applied in preparing these financial statements give rise to temporary differences between the carrying value and fiscal value of certain assets and liabilities.

The deferred tax will be calculated in case of temporary differences using the tax rate applicable at the date of such differences.

Income tax (expense) / credit recorded in profit or loss for the period comprises the following:

	<u>31 March 2019</u>	<u>31 March 2018</u>
Current income tax expense	1,052,043	198,415
Deferred tax income		-
Total	<u>1,052,043</u>	<u>198,415</u>

a) Corporate income tax reconciliation

	<u>31 March 2019</u>
Profit before tax	<u>20,701,727</u>
Tax expense at the statutory rate of 16%	3,312,276
Tax effect of non-deductible expenses	1,668,774
Other	(43,035)
Tax effect of non-taxable income	(3,885,972)
Tax effect of deductible legal reserve	-
Income tax for the current period	1,052,043
	<u>31 March 2019</u>
Income tax receivable as at 1 January 2019	4,514,733
Income tax payable in the current year	<u>(1,052,043)</u>
Income tax receivable as at 31 March 2019	<u>3,462,690</u>

b) Deferred taxes analysed by source of temporary difference

Differences between IFRS and statutory taxation regulations in Romania give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences is detailed below.

	<u>1 January 2019</u>	<u>Reversat în alte elemente ale rezultatului global</u>	<u>31 March 2019</u>
Tax effect of deductible/(taxable) temporary differences			
Fair valuation of available-for-sale financial assets (Note 20)	(27,464,322)	(7,845,638)	(35,309,960)
Fair valuation of tangible assets (Note 21)	(1,566,704)	-	(1,566,704)
Net deferred tax liability	<u>(29,031,026)</u>	<u>(7,845,638)</u>	<u>(36,876,664)</u>

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11. CASH AND CASH EQUIVALENTS

	31 March 2019	31 December 2018
Current accounts at banks, in RON	539,932	1,350,400
Current accounts at banks, in foreign currency	9,519,558	4,526,236
Bank deposits, in RON	18,499,612	20,916,788
Petty cash	10,394	9,553
Total	28,569,496	26,802,977

Cash and cash equivalents presented in the Statement of financial position as at 31 March 2019 and 31 December 2018 are neither past due, nor impaired.

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition: cash in hand and non-restricted deposits at banks.

The bank deposits as at 31 March 2019 and 31 December 2018 have a contractual maturity of up to 1 month.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Due to the classification of the Company as an investment entity, all its investments in subsidiaries and associates have been classified as financial assets at fair value through profit or loss and as such the Company has recognised them at fair value starting with 1 January 2015. For the financial year 2015, the fair value differences that were recognised in the previous years as reserve for investment securities available for sale were derecognised as effect of deconsolidation.

Starting 1 January 2018, following the adoption of IFRS 9, the Company reclassified the fund units, the corporate bonds and some of the financial assets classified prior to 1 January 2018 as available for sale as financial assets at fair value through profit or loss.

The structure of the financial assets at fair value through profit or loss as at 31 March 2019, compared to 31 December 2018, is presented as follows:

	31 March 2019	31 December 2018
Shares quoted on Romanian markets, of which:	503,310,018	484,400,088
- <i>quoted on the BSE</i>	238,381,180	234,404,375
- <i>quoted on alternative markets (AeRO)</i>	264,928,838	249,995,714
Shares quoted on international markets	3,240,477	4,707,300
Unquoted shares	55,141,154	53,582,934
Corporate bonds issued by Romanian entities	10,407,356	10,932,862
Quoted fund units	1,209,429	3,459,952
Unquoted fund units	25,671,689	24,761,825
Total	598,980,123	581,844,961

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12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The investments in subsidiaries as at 31 March 2019 are as follows:

Entity	Fair value as at 31 March 2019	Type of market	%	Voting rights %
S.I.F. TRANSILVANIA PROJECT MANAGEMENT COMPANY SA	277,320	unquoted	99.998	99.998
CRISTIANA SA	23,646,065	unquoted	99.80	99.80
TERRACOTTA STAR SA	0	unquoted	97.48	97.48
ORGANE DE ASAMBLARE SA	0	AeRO	95.70	95.70
TURISM COVASNA SA	29,024,183	AeRO	93.33	95.15
TRATAMENT BALNEAR BUZIAS SA	12,260,848	AeRO	91.87	91.87
SEMBRAZ SA	825,797	AeRO	90.97	90.97
INTERNATIONAL TRADE&LOGISTIC CENTER SA	5,049,581	unquoted	87.30	87.30
FEPER SA	50,876,168	AeRO	85.80	96.83
ARO-PALACE SA	43,973,625	AeRO	85.74	85.74
MECANICA CODLEA SA	4,782,414	AeRO	81.07	81.07
TURISM, HOTELURI, RESTAURANTE MAREA NEAGRA SA	40,312,845	BVB	77.71	77.71
ROMRADIATOARE SA BRASOV	24,124,950	AeRO	76.51	76.51
TUSNAD SA	16,764,727	AeRO	76.41	76.41
GRUP BIANCA TRANS SA	3,695,524	unquoted	70.85	70.85
UTILAJ GREU SA	3,765,233	AeRO	70.39	70.39
GASTRONOM SA	10,783,143	AeRO	70.29	70.29
TRANSILVANIA LEASING SI CREDIT IFN SA BRASOV	16,321,663	AeRO	68.51	68.51
TURISM FELIX SA	90,937,910	BVB	63.20	63.20
COMCM SA CONSTANTA	2,010,749	BVB	56.73	56.73
VIROLA-INDEPENDENTA SIBIU	8,819,030	AeRO	53.62	53.62
CASA ALBA INDEPENDENTA SIBIU	14,850,851	AeRO	53.35	53.35
INDEPENDENTA SA	1,243,948	AeRO	53.30	53.30
SIBAREX SA	0	unquoted	52.85	52.85
SANTIERUL NAVAL SA	15,877,781	BVB	50.00	50.00
Total	420,224,356			

All the Company's subsidiaries are incorporated in Romania.

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12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The investments in associates as at 31 March 2019 are as follows:

Entity	Fair value as at 31 March 2019	Type of market	%
CONCAS SA	11,768,006	Quoted	47.21
SIMEC SA	-	Quoted	45.78
NEPTUN-OLIMP SA	3,774,345	Quoted	41.19
APOLLO ESTIVAL 2002 SA	1,890,821	Unquoted	39.62
PRAHOVA ESTIVAL 2002 SA	284,390	Quoted	39.62
SERVICE NEPTUN 2002 SA	1,511,683	Quoted	39.62
TOMIS ESTIVAL 2002 SA	500,147	Unquoted	39.62
TURISM LOTUS FELIX SA	16,436,522	Unquoted	38.27
ROMAGRIBUZ VERGULEASA SA	-	Unquoted	37.30
TRANSILVANIA HOTELS & TRAVEL S.A.	-	Unquoted	37.01
HIDROMECHANICA SA	-	Unquoted	36.27
FELAM SA	-	Unquoted	36.22
TRANSIL SA	117,483	Unquoted	33.16
DORNA TURISM SA	4,286,186	Quoted	32.01
HARGHITA SA	-	Unquoted	31.42
SEMLACT SACELE SA	-	Unquoted	30.00
EMAILUL SA	4,552,179	Quoted	28.93
SOFT APLICATIV SI SERVICII SA	263,635	Unquoted	28.33
COMSIG SA	-	Unquoted	27.09
DUPLEX SA	335,467	Quoted	26.87
The Foundations FeederTHE FOUNDATIONS FEEDER	239,660	Unquoted	26.67
VERITAS PANCIU SA	-	Unquoted	26.33
LEGUME FRUCTE BUZAU S.A.	603,349	Unquoted	25.23
CNM PETROMIN SA CONSTANTA	-	Unquoted	23.83
FONDUL ROMAN DE GARANTARE A CREDITELOR PT.INTREPRINDERI	2,421,047	Unquoted	23.02
Total	48,894,920		

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12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The corporate bonds measured at fair value through profit or loss held by the Company as at 31 March 2019, as compared to 31 December 2018, are as follows:

Entity	Currency	No. of units 31 December 2018	No of units 31 March 2019	Fair value 31 December 2018	Fair value 31 March 2019
Organe de Asamblare SA	RON	2,200,000	2,200,000	-	-
Sibarex SA	RON	900,000	900,000	-	-
Banca Transilvania	EUR	688,362	688,362	2,080,693	2,093,670
Certinvest	RON	810	810	8,852,169	8,313,686
Total				10,932,862	10,407,356

At 31 March 2019 the Company owned corporate bonds issued by the following entities:

- *Organe de Asamblare SA Braşov* – corporate bonds with a total nominal value of RON 5.5 million. The bonds are unquoted, non-convertible into shares and issued at a nominal value of RON 2.50 per bond, with a maturity of 48 months (maturity date: 25 January 2017) and an annual interest rate represented by the variable interest of ROBOR 3 months plus 2.00%. Interest payments are made on an annual basis. At 31 March 2019, accrued interest related to these bonds is RON 835,189. The principal and interest must be repaid in full by the date of repayment, early repayment cannot be made without the written agreement of the owner. The bonds are secured by the assets from the patrimony of Organe de Asamblare. As a result of the issuer's bankruptcy starting August 2016, the collection of principal and interest due became unlikely, the fair value of such receivables as at 31 March 2019 being zero (31 December 2018: zero). Civil Decision no. 1345 / SIND of 15.11.2017 approved the Company's reorganization plan, which will span on a period of three years.
- *Sibarex SA* – bonds with a total nominal value of RON 2.25 million. The bonds are unquoted, non-convertible into shares, issued at a nominal value of RON 2.50 per bond, having a maturity period of 3 years (maturity date: 21 November 2016) and an annual interest rate resulting from the variable interest of ROBOR at 6 months plus 2.00%. Interest payments are made quarterly. As at 31 March 2019, accrued interest related to these bonds was RON 211,247. Principal and interest must be repaid in full by the repayment date or anticipated (partial or total) at the issuer's request. Given the Resolution of the Extraordinary General Meeting of Shareholders of the issuers dated 14.11.2016 on the company's dissolution followed by liquidation, the fair value of the bonds as at 31 March 2019 is zero (31 December 2018: zero). The bonds issued are secured with pledge without dispossession on the production equipment up to the value of bonds underwritten and paid and plus the entire period estimated interest. By Civil Decision no. 288/03.10.2017 the simplified procedure of bankruptcy and dissolution of the company was initiated.
- *Banca Transilvania* - the bonds are issued in EUR, are convertible, subordinated, unsecured, nominative and dematerialized. They are issued at a nominal value of EUR 0.60 per bond with a maturity of 7 years (maturity date: 25 May 2020) and with an annual interest rate resulting from the variable interest of EURIBOR at 6 months plus 6.25%. As at 31 March 2019, accrued interest related to these bonds is RON 24,975. Interest payments are made bi-annually on 15 January and 15 June. The bonds cannot be prepaid or redeemed before the redemption date. The unmatured bonds can be converted into shares.
- *S.A.I. Certinvest SA* – as at 31 March 2019, the bonds have a total nominal value of RON 8,100,000. The bonds are unquoted, non-convertible into shares and are issued at a nominal value of RON 10,000 per bond, with a maturity of 5 years (maturity date: 12 December 2019) and with a fixed interest rate of 7% per year, payable bi-annually. On 12 December 2018, RON 900,000 was received out of the principal (according to the addenda to the initial bond prospectus). As at 31 March 2019 the interest receivable on the principal is RON 166,216.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The fund units in the portfolio, carried at fair value through profit or loss, are as follows

Entity	31 March 2019		31 December 2018	
	Number	Number	Number	Fair value
Fondul Inchis de Investitii Multicapital Invest	4,934	11,564,556	4,934	11,195,147
Fond Inchis de Investitii Bet-Fi Index Invest	2,054	1,209,429	2,054	1,168,531
Fondul Inchis de Investitii Star Value	13,713	12,438,376	13,713	12,034,255
ETFS 2X Daily Long Gold	-	-	15,000	2,291,421
Fondul Deschis de Investitii OTP Real Estate& Construction	3,251	1,668,757	3,241	1,532,423
Total	23,952	26,881,118	38,942	28,221,777

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Starting with 1 January 2018, following the adoption of IFRS 9, the Company classifies as financial assets at fair value through other comprehensive income some of its financial assets classified prior to 1 January 2018 as financial assets available for sale.

They are measured at fair value as at 31 March 2019 and 31 December 2018.

The structure of the financial assets at fair value through other comprehensive income by asset type is the following:

	31 March 2019	31 December 2018
Shares quoted on Romanian markets, of which:	443,660,990	393,431,869
- quoted at BVB	438,683,819	388,327,951
- quoted at AeRo	4,977,171	5,103,918
Shares quoted on international markets	-	-
Unquoted shares	18,791,478	19,779,984
Corporate bonds	-	-
Quoted fund units	-	-
Unquoted fund units	-	-
Total	462,452,468	413,211,853

14. FINANCIAL ASSETS (AT AMORTISED COST)

Sundry debtors include mainly amounts arising from final court sentences. Sundry debtors are classified into Stage 1 (performing receivables) and Stage 3 (non-performing receivables). For Stage 3 sundry debtors, for which the collection is uncertain, the Company has calculated impairment adjustments. For stage 1 sundry debtors, the Company did not calculate an anticipated credit risk provision (according to IFRS 9) because it opted to apply the low credit risk exemption.

Financial assets (at amortised cost), not overdue and not impaired (Stage 1), are presented as follows:

	31 March 2019	31 December 2018
Other receivables	135,975	141,739
Intragroup receivables	-	-
Dividends receivable	10,836	10,610
Receivables from transfer of shares, of which:	2,699,889	2,699,889
- <i>Biroul de Turism și Tineret SA ("B.T.T.")</i>	2,699,889	2,699,889
Total	2,846,700	2,852,238

Financial assets (at amortised cost), overdue and impaired (Stage 3), are presented as follows:

31 March 2019	Receivables from group entities	Other receivables	Dividends receivable
Gross value	272,444	238,130	152,259
Impairment adjustments	(272,444)	(102,155)	(141,423)
Net value	-	135,975	10,836
31 December 2018	Receivables from group entities	Other receivables	Dividends receivable
Gross value	272,148	252,852	152,033
Impairment adjustments	(272,148)	(111,113)	(141,423)
Net value	-	141,739	10,610

15. OTHER ASSETS

	31 March 2019	31 December 2018
Consumables and other inventories	68,009	76,057
Prepayments	529,397	342,427
Other assets	312,789	312,789
Total	910,195	731,273

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16. TANGIBLE AND INTANGIBLE ASSETS

	Land and buildings	Plant and equipment	Fixtures, fittings and furniture	Licences	Other intangible assets	Total
Balance as at 1 January 2019						
Gross value	13,657,692	670,731	181,881	367,920	806,601	15,684,825
Accumulated depreciation	(776,061)	(405,664)	(93,577)	(310,508)	(774,737)	(2,360,547)
Net carrying value	12,881,631	265,067	88,304	57,412	31,864	13,324,278
Acquisitions	-	-	-	-	-	-
Disposals and transfers	-	-	-	-	-	-
Depreciation recorded during the year	(96,621)	(31,550)	(3,618)	(9,604)	(3,040)	(144,433)
Depreciation for the assets sold	-	-	-	-	-	-
Balance as at 31 March 2019						
Gross value	13,657,692	670,731	181,881	367,920	806,601	15,684,825
Accumulated depreciation	(872,682)	(437,214)	(97,195)	(320,112)	(777,777)	(2,504,980)
Net carrying value	12,785,010	233,517	84,686	47,808	28,824	13,179,845

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16. TANGIBLE AND INTANGIBLE ASSETS (CONTINUED)

	Land and buildings	Plant and equipment	Fixtures, fittings and furniture	Licences	Other intangible assets	Total
Balance as at 1 January 2018						
Gross value	13,657,692	640,183	170,114	364,712	771,671	15,604,372
Accumulated depreciation	(388,031)	(207,250)	(55,767)	(295,943)	(770,461)	(1,717,452)
Net carrying value	13,269,661	432,932	114,347	68,769	1,210	13,886,920
Acquisitions	-	12,863	-	8,485	-	21,348
Disposals and transfers	-	-	-	-	-	-
Depreciation recorded during the year	(97,007)	(51,290)	(10,389)	(10,056)	(121)	(168,863)
Depreciation for the assets sold	-	-	-	-	-	-
Balance as at 31 March 2018						
Gross value	13,657,692	653,046	170,114	373,197	771,671	15,625,720
Accumulated depreciation	(485,038)	(258,540)	(66,156)	(305,999)	(770,582)	(1,886,315)
Net carrying value	13,172,654	394,506	103,958	67,198	1,089	13,739,405

The Company has no restrictions on property titles. There are no cases of assets pledged as security for liabilities recorded. At the end of the first quarter of 2019 the Company did not record contractual obligations for the purchase of tangible assets.

The latest revaluation of land, buildings and other tangible assets owned by the Company was performed at 31 December 2016 and the revaluation differences were recorded in other comprehensive income.

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17. FINANCIAL LIABILITIES

	31 March 2019	31 December 2018
Trade payables	283,072	475,716
Dividend payables	35,455,486	36,341,578
Collections made in advance from third parties	69,016	69,016
Liabilities with related parties	-	13,542
Other payables	-	-
Total	35,807,574	36,899,852

18. OTHER LIABILITIES

	31 March 2019	31 December 2018
Salaries liabilities	436,184	458,105
Taxes payable	108,838	528,938
Social contributions owed to the state budget	345,436	376,856
Provisions for the benefits of employees, members of the Executive Board and Supervisory Board	7,000,000	7,000,000
Total	7,890,458	8,363,899

19. SHARE CAPITAL

The statutory share capital of the Company as at 31 March 2019 is RON 218,428,666, out of which RON 218,428,666 represents the subscribed and paid-in share capital (registered with the Trade Register).

The subscribed and paid-in share capital is divided in 2,162,443,797 shares.

The Company's shares are common, nominative, indivisible, of equal value and dematerialized, issued at nominal value of RON 0.10 per share.

	31 March 2019	31 December 2018
Share capital recorded at the Trade Register	218,428,666	218,428,666
Hyperinflation effect - IAS 29	-	-
Share capital according to IFRS	218,428,666	218,428,666

Shareholding structure as at 31 March 2019

Shareholders			Percentage out of total shares (%)
	Number	No. of shares held	
Resident shareholders	6,970,292	2,077,652,495	95.12
individuals	6,970,033	1,280,177,745	58.61
legal entities	259	797,474,750	36.51
Non-resident shareholders	2,391	106,634,169	4.88
individuals	2,356	22,629,781	1.04
legal entities	35	84,004,388	3.84
TOTAL	6,972,683	2,184,286,664	100.00
individuals	6,972,389	1,302,807,526	59.65
legal entities	294	881,479,138	40.35

20. FAIR VALUE REVALUATION RESERVE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The fair value revaluation reserve of financial assets at fair value through other comprehensive income is net of tax.

	31 March 2019	31 December 2018
Gross fair value revaluation reserve of financial assets measured at fair value through other comprehensive income	220,687,250	171,652,011
Deferred tax liabilities	(35,309,960)	(27,464,322)
Net reserve	185,377,290	144,187,689

This note shows the changes in the fair value revaluation reserve of financial assets at fair value through other comprehensive income.

21. REVALUATION RESERVE FOR PROPERTY, PLANT AND EQUIPMENT

The last revaluation of the Company's tangible assets was performed at 31 December 2016 by REVALTEX SRL (independent valuer – ANEVAR member), which resulted in an increase in the revaluation reserve of RON 3,029,268, namely 31.13%.

The revaluation reserves cannot be distributed to shareholders as dividends.

	Gross	Deferred tax	Total net
Balance as at 1 January 2018	11,500,350	131,647	11,631,997
Transfer of the reserve to retained earnings	(6,923)	-	(6,923)
Revaluation differences	-	(488,214)	(488,214)
Balance as at 31 December 2018	11,493,427	(356,567)	11,136,860
Balance as at 1 January 2019	11,493,427	(356,567)	11,136,860
Transfer of the reserve to retained earnings	-	-	-
Revaluation differences	-	-	-
Balance as at 31 March 2019	11,493,427	(356,567)	11,136,860

22. OTHER RESERVES

Other reserves have been created as a result of the statutory profit allocation.

	31 March 2019	31 December 2018
Legal reserve	43,094,593	43,094,593
Reserve from previous years' profits	470,628,981	470,628,981
Other reserves	3,912,094	3,912,094
Total	517,635,668	517,635,668

23. OWN SHARES

During 22.02.2018 - 06.08.2018, the Company carried out a buy-back programme in accordance with the EGMS Resolution no. 1/15.12.2017, namely the buy-back of 21,842,867 own shares with a nominal value of RON 0.10 /share, representing maximum 1% of the share capital, within the limit of RON 6,989,717.44 allocated to this programme for the total number of shares mentioned above.

The buy-back programme was carried out through the financial services company WOOD & Company Financial Services that performed daily transactions on the market, with the following results:

1. Number of shares bought back – 21,842,867 (representing 1% of the share capital);
2. Average acquisition price – RON 0.2206 /share;
3. Total value of shares bought back – RON 4,818,103

As at 31 March 2019, the total number of own shares held by SIF Transilvania is 21,842,867, according to the EGMS Resolution no. 1/15.12.2017.

This note shows the value of the shares bought back as at 31 March 2019.

	31 March 2019	31 December 2018
Own share bought back	4,818,103	4,818,103
Total	4,818,103	4,818,103

24. TRANSACTIONS WITH RELATED PARTIES

Entities or persons are generally considered related parties if the parties are under common control, or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Subsidiaries and associates are presented in Note 12.

The transactions with related parties recorded as at 31 March 2019, compared to 31 March 2018, were as follows:

Expenses with subsidiaries	Transaction type	31 March 2019	31 March 2018
International Trade Center& Logistic	Renting services	6,169	6,088
Aro Palace S.A.	Hotel services	20,463	12,074
Cristiana	Renting services	40,596	38,132
Turism Felix S.A.	Hotel services	279	-
Total		67,507	56,294

Expenses with subsidiaries are included in the "Other operating expenses" line in the statement of profit or loss and other comprehensive income.

In the first quarter of 2019, the Company did not enter into transactions with members of the Executive Board, members of the Supervisory Board, its managers or employees.

24. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Expenses with associates	Transaction type	31 March 2019	31 March 2018
Turism Lotus Felix S.A.	Hotel services	2,677	-
Transilvania Hotels&Travel S.A.	Services	805	-
Total		3,482	-

Dividend income from subsidiaries as at 31 March 2019, as compared to 31 March 2018, is presented as follows:

Dividend income from subsidiaries	31 March 2019	31 March 2018
Cristiana SA Braşov	-	682,675
Total	-	682,675

Interest income related to the corporate bonds issued by related parties are included in the statement of profit and loss and other comprehensive income on the line "Interest income" and are presented as follows for 2018 and 2017:

Interest income from related parties	31 March 2019	31 March 2018
Feper SA	-	35,213
Total	-	35,213

25. PRESENTATION OF THE FINANCIAL INSTRUMENTS BY MEASUREMENT CATEGORIES

For the purposes of measurement, IFRS 9 "Financial Instruments" classifies financial assets and financial liabilities into the following categories: (a) loans and receivables measured at amortised cost; (b) financial assets measured at fair value through other comprehensive income; (c) financial assets at fair value through profit or loss; (d) financial liabilities measured at amortised cost or fair value. The following table provides a reconciliation of financial assets and financial liabilities with these measurement categories as at 31 March 2019:

	Loans and receivables	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial liabilities at amortised cost	Total
Cash and cash equivalents	28,569,496	-	-	-	28,569,496
Financial assets at fair value through other comprehensive income	-	462,452,468	-	-	462,452,468
Financial assets at fair value through profit or loss	-	-	598,980,123	-	598,980,123
Financial assets (at amortised cost)	2,846,700	-	-	-	2,846,700
Total financial assets	31,416,196	462,452,468	598,980,123	-	1,092,848,787
Financial liabilities (at amortised cost)	-	-	-	36,807,574	36,807,574
Total financial liabilities	-	-	-	36,807,574	36,807,574

25. PRESENTATION OF THE FINANCIAL INSTRUMENTS BY MEASUREMENT CATEGORIES (CONTINUED)

The table below presents a reconciliation of the financial assets and financial liabilities with the measurement categories as at 31 December 2018:

	Loans and receivables	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial liabilities at amortised cost	Total
Cash and cash equivalents	26,802,977	-	-	-	26,802,977
Financial assets at fair value through other comprehensive income	-	413,211,853	-	-	413,211,853
Financial assets at fair value through profit or loss	-	-	581,844,961	-	581,844,961
Financial assets (at amortised cost)	2,852,238	-	-	-	2,852,238
Total financial assets	29,655,215	413,211,853	581,844,961	-	1,024,712,029
Financial liabilities (at amortised cost)	-	-	-	36,899,852	36,899,852
Total financial liabilities	-	-	-	36,899,852	36,899,852

26. FINANCIAL ASSETS AND LIABILITIES FAIR VALUE

26.1 Hierarchy analysis of the fair value of financial instruments measured at fair value

According to IFRS 13, according to the input used in the valuation model, the fair value levels are defined as follows:

- Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 inputs: unobservable inputs for the asset or liability.

To estimate the fair value that uses Level 1 inputs, the Company uses the closing prices on the domestic and/or foreign regulated trading systems.

According to International Financial Reporting Standards, the fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Determining the significance level of the inputs in the fair value estimation process as a whole requires the use of professional judgement considering the specific factors due to the complexity of measuring such investments, as well as reflecting the fair value changes in the financial statements.

The fair value of the financial instruments held by S.I.F. Transilvania is estimated according to the valuation policy, related internal procedure and methodology.

The Company included the following financial instruments in the category of financial instruments whose estimated fair value uses Level 3 inputs in the fair value hierarchy:

- (i) Financial assets at fair value through other comprehensive income:
 - 1. Shares (participations in the share capital of issuers of less than 20% classified in this category);
- (ii) Financial assets at fair value through profit or loss :
 - 1. Shares (participations in the share capital of issuers of more than 20% and less than 20% classified in this category);
 - 2. Bonds and
 - 3. Fund units.

The methodology for estimating the fair value takes into account the structure of the portfolio of financial instruments managed by SIF Transilvania, as well as the specifics of the investments held.

The data and information used in the process of estimating the fair value will be based on reliable and relevant sources or database, information that is relevant at the reference date. The data and information will be obtained from independent sources, if possible and appropriate.

The models used in the process of estimating the fair value depend on the quality, quantity and reliability of the available data and information as well as the professional judgment.

For *shares* whose estimated fair value uses Level 3 inputs, the following approaches was considered:

- Market approach - comparison with transactions with shares issued by similar companies;
- Income approach - discounted cash flow method;
- Asset approach - adjusted net asset method.

26. FINANCIAL ASSETS AND LIABILITIES FAIR VALUE (CONTINUED)

26.1 Hierarchy analysis of the fair value of financial instruments measured at fair value (continued)

For *bonds* whose estimated fair value uses Level 3 inputs, the Income approach – discounted cash flow method was considered.

For *fund units* whose estimated fair value uses Level 3 inputs, the Asset approach – net asset method was considered.

As at 31 March 2019, the Company had financial assets measured at fair value classified on Level 1 and Level 3 in the fair value hierarchy, as follows:

FINANCIAL ASSETS	Level 1	Level 3	Total
Financial assets at fair value through other comprehensive income, out of which:	438,683,819	23,768,649	462,452,468
<i>Shares</i>	438,683,819	23,768,649	462,452,468
Financial assets at fair value through profit or loss, out of which:	239,610,908	359,369,215	598,980,123
<i>Shares</i>	239,610,908	322,080,740	561,691,648
<i>Fund units</i>	0	26,881,119	26,881,119
<i>Corporate bonds</i>	0	10,407,356	10,407,356
Total financial assets	678,294,727	383,137,864	1,061,432,591
NON-FINANCIAL ASSETS			
Property, plant and equipment	-	13,103,214	13,103,214
Total assets measured at fair value	678,294,727	396,241,078	1,074,535,805

During the first quarter of 2019, no transfers between the two levels took place.

26. FINANCIAL ASSETS AND LIABILITIES FAIR VALUE (CONTINUED)

26.1 Hierarchy analysis of the fair value of financial instruments measured at fair value (continued)

As at 31 December 2018, the Company had financial assets measured at fair value classified on Level 1 and Level 3 in the fair value hierarchy, as follows:

FINANCIAL ASSETS	Level 1	Level 3	Total
Financial assets at fair value through other comprehensive income, out of which:	388,327,951	24,883,902	413,211,853
<i>Shares</i>	<i>388,327,951</i>	<i>24,883,902</i>	<i>413,211,853</i>
Financial assets at fair value through profit or loss, out of which:	239,486,182	342,358,780	581,844,961
<i>Shares</i>	<i>237,194,761</i>	<i>305,495,562</i>	<i>542,690,322</i>
<i>Fund units</i>	<i>2,291,421</i>	<i>25,930,356</i>	<i>28,221,777</i>
<i>Corporate bonds</i>	<i>-</i>	<i>10,932,862</i>	<i>10,932,862</i>
Total financial assets	627,814,132	367,242,682	995,056,814
NON-FINANCIAL ASSETS			
Property, plant and equipment	-	13,235,503	13,235,503
Total assets measured at fair value	627,814,132	380,478,185	1,008,292,317

In 2018, there were transfers between the two levels for Fondul Inchis de Investitii BET-FI Index Invest.

26. FINANCIAL ASSETS AND LIABILITIES FAIR VALUE (CONTINUED)

26.1. Hierarchy analysis of the fair value of financial instruments measured at fair value (continued)

The Company has estimated the fair value of the investments in companies in bankruptcy, insolvency or reorganisation procedures as zero in accordance with the F.S.A. Regulation 9/2014 and the Company's internal procedures.

During the first quarter of 2019, the following movements in assets included in Level 3 took place:

	Shares	Bonds	Fund units	Total
Balance as at 1 January 2019	330,379,464	10,932,862	25,930,356	367,242,682
Acquisitions performed during Q1 2019	-	-	5,122	5,122
Sales during Q1 2019	-	-	-	-
Transfers from Level 3	-	-	-	-
Transfers to Level 3	-	-	-	-
Gain/(loss) recognised in:				
Net gain / (loss) from financial assets at fair value through other comprehensive income	(1,115,253)	-	-	(1,115,253)
Net gain / (loss) from financial assets at fair value through profit or loss	16,585,178	(525,506)	945,641	17,005,313
Balance as at 31 March 2019	345,849,389	10,407,356	26,881,119	383,137,864

26.2. Financial assets and liabilities not measured at fair value

The following table summarizes the fair values of those financial assets and liabilities that are not recognised at fair value in the statement of financial position of the Company. Purchase prices are used to estimate the fair values of assets and sales prices are applied for liabilities.

Assets and liabilities for which fair value is presented as at 31 March 2019:

	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and cash equivalents (i)	10,394	28,559,102	-	28,569,496
Financial assets (at amortised cost)	-	-	2,846,700	2,846,700
Total financial assets	10,394	28,559,102	2,846,700	31,416,196
Financial liabilities				
Financial liabilities (at amortised cost)	-	-	35,807,574	35,807,574
Total financial liabilities	-	-	35,807,574	35,807,574

(i) Cash and cash equivalents

Cash and cash equivalents include petty cash and current bank accounts and bank deposits with original maturity less than 3 months. The fair value of short-term deposits is equal to their accounting value.

27. FINANCIAL RISK MANAGEMENT

The risk management activity can be found in the Company's organizational structure and it encompasses both general and specific risks, as set forth in Law no. 297/2004, Law no. 74/2015 and NSC Regulation no. 15/2004, as further amended and supplemented.

The most important financial risks to which the Company is exposed are credit risk, liquidity risk and market risk. Market risk includes currency risk, interest rate risk and equity price risk. This note provides information regarding the Company's exposure to every risk mentioned above, the Company's objectives and policies the risk assessment and risk management processes.

27.1 Credit risk

Credit risk is the risk of a financial loss for the Company if a customer or counterparty of a financial instrument fails to meet its contractual obligations.

The main concentration to which the Company is exposed arises from the Company's investments in corporate bonds. The Company is also exposed to counterparty credit risk on cash and cash equivalents and other financial assets.

The maximum exposure to credit risk is represented by the carrying amounts of the financial assets recognized in the statement of financial position. The Company is not exposed to credit risk from off-balance sheet.

The credit risk related to investment activities is managed in compliance with the market risk management procedures. This risk is controlled both by the way of selecting the partners, by monitoring their activities and by monitoring the exposure limits.

Considering the fact that through its activity, the Company has long-term exposure in relation to its participation in financial and non-financial entities, the Company's management is permanently reviewing the risk the Company is exposed to by maintaining it at prudent and manageable level.

Thus, the Company's management uses from case to case, depending on the debtor/entity characteristics, appropriate instruments to reduce the credit risk and in the same time permanently monitors the debtor's financial evolution. As of today, the Company has not used derivatives in order to reduce the credit risk related to exposure to any debtor.

The maximum exposure to credit risk as at 31 March 2019 is the carrying amount of the financial assets as set out below:

	31 March 2019
Corporate bonds	10,407,356
Cash and cash equivalents	28,569,496
Other financial assets	2,846,700
Total	41,823,552

None of these financial assets is impaired or overdue.

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

27.2 Market risk and position risk

Market risk is the present or future risk of recording losses related to balance sheet and off-balance sheet due to adverse movements in market caused by changes in share prices, fluctuation of interest rates, exchange rates or price of goods. The Company's management sets the limits on the value of risk that may be accepted, which are monitored on a regular basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Position risk is associated with the financial instruments portfolio held by the Company with intention to benefit from positive evolution of prices of the financial assets or from potential dividends/coupons granted by entities. The Company is exposed to both general and specific position risk, due to short term investments made in bonds and quoted shares and fund units.

The Company's management permanently monitors the reduction to minimum of the possible adverse effects related to this financial risk, through an active policy of diversifying the investment portfolio and by using one or more technics of diminishing the risk depending on the dynamics of trading places or the evolution of the market prices of the financial instruments held by the Company.

27.3 Concentration risk

Concentration risk relates to all financial assets held by the Company regardless the holding period and, by diminishing this risk, the Company seeks to avoid large exposure against the same debtor/entity at the Company level.

The Company's policy on diversifying exposures is applied to the portfolio structure, the business model structure as well as to the structure of financial risks exposure. Thus, this diversifying policy implies: diversifying the portfolio by avoiding excessive exposures against the same debtor, issuer or geographical area; diversifying the business plan structure implies avoiding at Company's level excessive exposure against a specific type of business or sector; diversifying the structure of financial risks intends to avoid excessive exposure against a specific type of financial risk.

In order to reach this goal, starting 2014, the Company initiated a process of restructuring the portfolio and re-modelling the business policies. As at 31 March 2019, the portfolio recorded concentrations on the financial sector - as the main income-generating sector and on the tourism sector - due to the historical holdings of S.I.F. Transilvania. These sectors are included in the portfolio restructuring programmes, both through sales on the market and through the reduction of their weight in total portfolio by increasing the weight of other sectors in the total portfolio.

27.4 Currency risk

The Company is slightly exposed to exchange rate fluctuations, primarily in the case of shares acquired from foreign markets, foreign currency current accounts, receivables and liabilities in other currencies, as well as receivables and liabilities in RON, but which according to contracts are consolidated in relation to other currencies, usually EUR and/or USD.

The Company did not use and is not using at this time derivatives to protect itself from exchange rate fluctuations against other currencies as the capital requirements level related to this financial risk is insignificant.

By computing and monitoring foreign currency net position and foreign currency rate volatility, the Company is aiming to maintain a balance between foreign currency assets and liabilities against total assets and liabilities of the Company.

27 FINANCIAL RISK MANAGEMENT (CONTINUED)

27.4 Currency risk (continued)

The Company's financial assets and liabilities held in RON and in foreign currencies as at 31 March 2019 can be analysed as follows:

	RON	EUR	GBP	CAD	USD	Total
Financial assets						
Cash and cash equivalents	19,049,938	7,379,320	535	-	2,139,703	28,569,496
Financial assets at fair value through other comprehensive income	462,452,468	-	-	-	-	462,452,468
Financial assets at fair value through profit or loss	593,406,316	2,333,330	-	3,240,477	-	598,980,123
Financial assets (at amortised cost)	2,835,864	10,836	-	-	-	2,846,700
Total financial assets	1,077,744,586	9,723,486	535	3,240,477	2,139,703	1,092,848,787
Financial liabilities						
Financial liabilities (at amortised cost)	35,807,574	-	-	-	-	35,807,574
Total financial liabilities	35,807,574	-	-	-	-	35,807,574
Net foreign currency position	1,041,937,012	9,723,486	535	3,240,477	2,139,703	1,057,041,213

27.5 Interest rate risk

Interest rate risk is the current or future risk that profits and equity are negatively affected by adverse changes in interest rates. The Company's operational cash flows are affected by interest rates fluctuations, especially in the case of cash placed in bank deposits and corporate bonds.

Based on interest rate management strategy, the Company aims to optimize the gap between the assets and liabilities that are sensitive to interest rate fluctuation overall and on time horizon so as the impact of interest rate fluctuation on the net interest income is minimum, thus ensuring the risk impact is maintained within limits. The Company did not use and is not using at this date derivative financial instruments to protect against interest rate fluctuation.

The Company adopted risk management policies as well as a procedure on risk management, with a main focus on prudential diversification of the portfolio, in the context of both capital market regulator requirements and financial markets evolution.

The following table shows the annual interest rates obtained or offered by the Company for its interest-bearing assets and liabilities during the first quarter of 2019:

	RON		EUR	
	Interval Min	Max	Interval Min	Max
Financial assets				
Cash and cash equivalents	0.60	2.95	-	-
Financial assets at fair value through profit or loss	-	7.00	5.98	6.01

The following table presents a summary of the Company's exposure to interest rate risks, which includes the Company's assets and liabilities at the carrying amount, categorised by the most recent date between the date of interest rate change and the maturity date.

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

27.5 Interest rate risk (continued)

31 March 2019	< 1 month	1 month - 3 months	3 month - 1 year	1 year - 5 years	Non-interest bearing	Total
Financial assets						
Cash and cash equivalents	28,559,102	-	-	-	10,394	28,569,496
Financial assets at fair value through other comprehensive income	-	-	-	-	462,452,468	462,452,468
Financial assets at fair value through profit or loss	-	-	2,093,670	8,313,686	588,572,767	598,980,123
Financial assets (at amortised cost)	-	-	-	-	2,846,700	2,846,700
Total financial assets	28,559,102	-	2,093,670	8,313,686	1,053,882,329	1,092,848,787
Financial liabilities						
Financial liabilities (at amortised cost)	-	-	-	-	35,807,574	35,807,574
Total financial liabilities	-	-	-	-	35,807,574	35,807,574
Net position	28,559,102	-	2,093,670	8,313,686	1,018,074,755	1,057,041,213

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

27.6 Liquidity risk

Liquidity risk is the current or future risk that profits and equity are negatively affected by the inability of the Company to meet its obligations at maturity.

The main focus was placed on Company's ability to invest in liquid assets in a reasonable time frame, enabling the Company to face easier the challenges on the financial markets such as: high volatility, discrepancies between markets, reduced level of transactions on Bucharest Stock Exchange, inability of liquidity suppliers /market makers to perform their roles, etc.

The Company's strategy on liquidity risk management is focused on portfolio restructuring, so as the the most important weight in portfolio, both in terms of quantity and value, to be represented by assets with high liquidity.

The table below presents the financial liabilities as at 31 March 2019 according to their remaining contractual maturities. The amounts included in the table are undiscounted future cash flows. Undiscounted future cash flows are different to the amounts from the statement of financial position because the amount from the later represents discounted cash flows.

However, given that the Company's only financial liabilities are represented by trade payables, the undiscounted future cash flows are similar with the statement of financial position value of these items.

The table below presents an analysis of non-derivative financial assets at their book value and according to their contractual maturities. These financial assets are included in the maturity analysis according to the future expected sale day.

When the amount to be paid is not fix, the presented amount is determined based on the existing conditions at the end of the reporting period. The payments in foreign currency are translated using the exchange rate at the end of the reporting period.

SOCIETATEA DE INVESTIȚII FINANCIARE TRANSILVANIA SA
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(All amounts are expressed in RON, unless otherwise stated)

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

27.6 Liquidity risk (continued)

31 March 2019	< 1 month	1 month- 12 months	1 year – 5 years	> 5 years	No fixed maturity	Total
Financial assets						
Cash and cash equivalents	18,499,612	-	-	-	10,069,884	28,569,496
Financial assets at fair value through other comprehensive income	-	-	-	-	462,452,468	462,452,468
Financial assets at fair value through profit or loss	-	8,313,686	2,093,670	-	588,572,767	598,980,123
Financial assets (at amortised cost)	-	-	-	-	2,846,700	2,846,700
Total financial assets	18,499,612	8,313,686	2,093,670	-	1,063,941,819	1,092,848,787
Financial liabilities						
Financial liabilities (at amortised cost)	107,352	35,700,222	-	-	-	35,807,574
Total financial liabilities	107,352	35,700,222	-	-	-	35,807,574
Net liquidity impact	18,392,260	(27,386,536)	2,093,670	-	1,063,941,819	1,057,041,213

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

27.7 Business environment

In the past years, the European financial sector faced a significant public debt crisis, triggered by major fiscal imbalance and high public debt in several European countries. Current fears that deteriorating financial conditions could contribute to a further reduction at a later stage of the investor confidence, led to a joint effort of governments and central banks to adopt special measures to counter the vicious circle of increasing risk aversion to ensure the normal operation of the market.

The Company' debtors can also be affected by the liquidity crisis that could affect their ability to meet their current liabilities. The deterioration of the operating conditions of creditors is also affecting the management of cash flow forecasts and the assessment of the impairment of financial and non- financial assets. To the extent to which that information is available, the Company's management has reflected the revised estimates of future cash flows in its investment impairment policy.

27.8 Capital adequacy

As regards the financial risks to which it is exposed, SIF Transilvania applied in 2018 also a capital-based approach, according to EU Regulation no. 575/2013 on prudential requirements for credit institutions and investment firms. The impact of financial risks takes into account the size of the financial resources that are affected by the respective financial risks (resulting from dividing the level of the capital adequacy ratio by the minimum level required by law, i.e. 8%). The intention of SIF Transilvania is that the solvency ratio determined as a ratio between capital requirements for financial risks and own funds (financial resources) is at least three times the required minimum level (resulting in a minimum of 24% of the capital adequacy). As at 31 March 2019, SIF Transilvania registers a high level of capital adequacy ratio of 77.30%.

The own funds of SIF Transilvania as at 31 March 2019, calculated in accordance with the methodology laid down in EU Regulation no. 575/2013, were in amount of RON 601,562,662.57. The own funds of SIF Transilvania are Level 1 own funds, namely share capital, reserves, retained earnings, other comprehensive income, less the deductions provided by the same regulation.

28. CAPITAL MANAGEMENT

The Company's objectives related to capital management are to protect the Company's ability to continue as a going concern in order to provide added value for shareholders and benefits for other users of information regarding the Company's activity, as well as to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may opt to adjust the amount of dividends to be paid to shareholders, change the added value created for shareholders, issue new shares or sell assets to reduce debt. The amount of equity managed by the Company as at 31 March 2019 was RON 1,029,826,821 (31 March 2018: RON 1,028,654,341).

Consistent with others in the industry, the Company monitors the capital on net asset value basis. This value is calculated as a ratio between total assets and number of shares issued by the Company.

29. COMMITMENTS AND CONTINGENCIES

29.1 Legal actions

During 2019, the Company continued to be involved in a number of legal actions specific to the activity performed. The Company's management believes that these litigations will not have a material adverse effect on the economic and financial position of the Company as they are reflected in these financial statements. In the reporting period, the number of disputes in which the Company was engaged and the structure of these disputes were similar to those recorded in the previous year, predominant being the litigations for defending the corporate rights of the company and also litigations in which other rights of the Company are protected.

29.2 Contingent liabilities

As at 31 March 2019, the Company did not record contingent liabilities.

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30. SUBSEQUENT EVENTS

The Extraordinary General Meeting of Shareholders of SIF Transilvania of 6 March 2019 approved the reduction of the Company's share capital, according to art. 207(1) letter c) of Law no. 31/1990 by RON 2,184,286.70, from RON 218,428,666.40 to RON 216,244,379.70, due to the cancellation of 21,842,867 own shares acquired by the Company under the buy-back programme approved by the E.G.M.S. of 15.12.2017. The E.G.M.S. of 6 March 2019 also approved the transfer of RON 218,428.67 from account "Dividends to be distributed" to account "Other reserves - own financing sources out of profit. Following the reduction of the share capital, the share capital of SIF Transilvania will amount to RON 216,244,379.70, divided into 2,124,443,797 shares with a nominal value of RON 0.10 / share.

The Extraordinary General Meeting of Shareholders of 6 March 2019 also approved a buy-back programme under which the Company would buy back own shares for the purpose of reducing the share capital, in accordance with the applicable legal provisions, according to art. 207(1) letter c) corroborated with art. 104(1) letter a) of Law no. 31/1990, under the following conditions:

(i) *the size of the programme* - a maximum of 163,900,000 shares with a nominal value of RON 0.10 / share, representing a maximum of 7.5% of the share capital;

(ii) *share acquisition price* - the minimum price shall be equal to the market price of the shares of the Company on the Bucharest Stock Exchange at the time of the purchase and the maximum price will be RON 0.32 / share;

(iii) *the duration of the programme* - a period of maximum 4 months from the date of publication of the E.G.M.S. Resolution in the Official Gazette of Romania-Part IV;

(iv) *payment of redeemed shares* - from the sources provided by the law, i.e. 32,842,800 shares will be paid in cash from the available reserves (except legal reserves) included in the last approved annual financial statements and for 131,057,200 shares - securities from the Company's portfolio will be offered in exchange;

(v) *programme objective*: reduction of the share capital by 163,900,000 shares, representing 7.5% of the share capital

In accordance with the proposal to allocate the profit, included on the agenda of the General Meeting of Shareholders of 24 April 2019, the Company allocated the net profit achieved in 2018 as follows:

No.	Destination	Amount (RON)
1.	Legal reserves	3,200,243
2.	Dividends	26.165.570 (RON 0.0121 /share)
3.	Other reserves – own financing sources from profit	37,177,079
	TOTAL profit, achieved and allocated	66,542,892

The gross dividend for one share held at the record date is RON 0.0121/share, representing a yield of 5.58% by reference to SIF3 shares average trading price on BVB – REGS between 01.01.2018 and 31.12.2018.

The Company registered no other subsequent events that require adjustments or presentation in the financial statements.

This is a translation of the original document which was prepared in Romanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of this document takes precedence over this translation.



According to the F.S.A. Regulation no. 9/2014

Certified by BRD - Groupe Société Générale S.A. Bucharest

STATEMENT OF ASSETS AND LIABILITIES OF S.I.F. TRANSILVANIA			
as of March 29, 2019 - recalculated			
		RON	% of total assets
1	NON-CURRENT ASSETS, of which:	156,995,202	14.14
1.1	Intangible Assets	76,631	0.01
1.2	Tangible Assets	13,103,214	1.18
1.3	Financial Non-Current Assets, of which:	143,815,357	12.95
1.3.1	Listed Shares	35,885,753	3.23
1.3.2	Unlisted Shares	73,648,414	6.63
1.3.3	Government Securities	0	0.00
1.3.4	Certificates of Deposit	0	0.00
1.3.5	Bank Deposits (Guarantees)	4,211	0.00
1.3.6	Municipal Bonds	0	0.00
1.3.7	Corporate Bonds (including Accrued Interest)	10,254,546	0.92
1.3.8	Newly Issued Securities	0	0.00
1.3.9	UCITS and/or non-UCITS Equity Securities	24,002,933	2.16
1.3.10	Other Non-Current Financial Assets - Total, of which:	19,500	0.00
1.3.10.1	Shares and Bonds from subscription to public offerings, share capital increases and bond issues (subscribed amount)	0	0.00
1.3.10.2	Shares from dividend capitalization (valued amount)	0	0.00
1.3.10.3	Shares Receivable (valued amount)	0	0.00
1.3.10.4	Other Non-Current Financial Assets	19,500	0.00

2	CURRENT ASSETS, of which:	952,981,943	85.82
2.1	Inventory	68,009	0.01
2.2	Receivables- Total, of which:	6,683,118	0.60
2.2.1.	Bills of Exchange Receivable	0	0.00
2.2.2.	Dividends or Other Receivable Rights	2,699,889	0.24
2.2.3.	Amounts Receivable from the sale of shares with settlement date in the next month	0	0.00
2.2.4.	Other Receivables	3,983,229	0.36
2.3	Cash and Cash Equivalentents	10,069,257	0.91
2.4	Short-term Financial Investments, of which:	886,354,783	79.82
2.4.1	Listed Shares	836,637,448	75.35
2.4.2	Unlisted Shares	0	0.00
2.4.3	Municipal Bonds	0	0.00
2.4.4	Corporate Bonds	0	0.00
2.4.5	UCITS and/or non-UCITS Equity Securities	49,717,335	4.48
2.4.6	Preference Rights	0	0.00
2.5	Newly Issued Securities	0	0.00
2.6	Government Securities	0	0.00
2.7	Bank Deposits	18,497,602	1.67
2.8	Certificates of Deposit	0	0.00
2.9	Other Current Assets	31,309,174	2.82
3	Derivatives	0	0.00
4	Prepaid Expenses	422,485	0.04
5	TOTAL ASSETS	1,110,399,630	100.00
6	TOTAL LIABILITIES, of which:	73,574,696	
6.1	Debenture Loans	0	
6.2	Amounts Owed to Credit and Leasing Institutions	0	
6.3	Advance Payments from Customers	69,016	

6.4	Trade Liabilities	20,609	
6.5	Bills of Exchange Payable	0	
6.6	Amounts Owed to Group Companies	0	
6.7	Amounts Owed related to Participation Interests	0	
6.8	Other Liabilities-Total, of which:	73,485,071	
6.8.1	Dividends Payable	35,455,486	
6.8.2	Amounts Subscribed and not paid-in to share capital increases and bond issues	0	
6.8.3	Amounts Payable for Acquisition of Shares with settlement date in the next month	0	
6.8.4	Other Liabilities	38,029,585	
7	PROVISIONS FOR EXPENSES AND TAXES	7,000,000	
8	DEFERRED INCOME, of which:	0	
8.1	Investment Subsidies	0	
8.2	Deferred income	0	
9	SHAREHOLDERS' EQUITY, of which:	1,029,826,821	
9.1	Subscribed and Paid-in Share Capital	218,428,666	
9.2	Changes in the Fair Value of non-monetary financial assets measured at fair value through other comprehensive income	185,377,290	
9.3	Premium related to Capital	0	
9.4	Revaluation Differences	11,136,860	
9.5	Reserves	517,635,668	
9.6	Retained Earnings	85,616,999	
9.6.1	Retained Earnings (including from the application of IFRS 9)	19,074,106	
9.6.2	Retained Earnings- Profit Carried Forward	66,542,893	
9.7	Profit (loss) for the Period	19,649,684	
9.8	Profit Appropriation (to be deducted)	-3,200,243	
9.9	Own shares	-4,818,103	
10	Total Liabilities and Shareholders' Equity	1,110,401,517	

11	NET ASSET VALUE	1,036,824,934	
12	NUMBER OF SHARES ISSUED AND OUTSTANDING **	2,162,443,797	
13	NET ASSET VALUE PER SHARE (RON/share)	0.4795	
14	Number of Companies in Portfolio- total, of which:	98	
14.1	Companies Admitted to trading on a Regulated Market	25	
14.2	Companies Admitted to trading on an Alternative Trading System	31	
14.3	Companies not Admitted to Trading	42	
15	Number of Companies for which Financial Statements have not been available*	0	
16	Number of Investment Funds in which the Company holds Fund Units- total, of which:	4	
16.1	Number of Open-End Investment Funds in which the Company holds Fund Units	1	
16.2	Number of Closed-End Investment Funds in which the Company holds Fund Units	3	

* These companies are included in NAV at nil value.

** According to art. 123 par. (3) of the F.S.A. Regulation no. 9/2014 regarding the NAV per share calculation, this position represents: "the number of shares issued and outstanding as at such date, excluding own shares redeemed by the Company"

Note: The methodology for the calculation of the net asset value is available on the Company's website: www.siftransilvania.ro – "Rules and methods regarding the valuation of S.I.F. Transilvania's financial assets".

EXECUTIVE PRESIDENT/ CEO

Mihai FERCALA

**MEMBER OF THE EXECUTIVE BOARD/
DIRECTOR**

Ştefan SZITAS

FINANCIAL MANAGER,

Diana VERES

PORTFOLIO MANAGEMENT DIVISION

MANAGER,

Sorin Ion RADULESCU

**Certified by the Depository
Company**

**BRD-Groupe Société
Générale S.A. Bucharest**
Director Claudia IONESCU

This is a translation of the "Statement of assets and liabilities of SIF Transilvania as at 29.03.2019" which was prepared in Romanian. In case of discrepancies between the Romanian version and the English version, the Romanian version shall prevail.

**According to Annex no. 17
to the N.S.C. Regulation no. 15/2004**

REPORT AS AT 29 MARCH 2019 Statement of Assets - recalculated

RON 1,043,282,311 Total Assets (Annex 16) = RON 1,110,399,630

RON 975,987,534 Net Assets (Annex 16) = RON 1,036,824,934

Item		Beginning of the reporting period				End of the reporting period				Differences
		% of net assets	% of total assets	Currency - (equivalent in RON)	RON	% of net assets	% of total assets	Currency - (equivalent in RON)	RON	RON
1	2	3	4	5	6	7	8	9	10	11
I.	Total assets	106.90	100.00	13,750,907	1,029,531,404	107.10	100.00	15,001,963	1,095,397,668	67,117,319
1.	Securities and money market instruments, of which:	88.76	83.03	4,707,300	861,531,298	84.15	78.58	3,240,479	869,282,722	6,284,604
1.1.	Securities and money market instruments admitted or traded on a regulated market in Romania, of which:	88.27	82.58	-	861,531,298	83.84	78.29	-	869,282,722	7,751,424
1.1.1.	- shares	88.27	82.58	-	861,531,298	83.84	78.29	-	869,282,722	7,751,424
1.1.2.	- bonds	-	-	-	-	-	-	-	-	-
1.2.	Securities and money market instruments admitted or traded on a regulated market in a member state, of which:	0.07	0.07	713,577	-	-	-	-	-	-713,577

1.2.1.	- shares	0.07	0.07	713,577	-	-	-	-	-	-	-713,577
1.2.2.	- bonds	-	-	-	-	-	-	-	-	-	-
1.3.	Securities and money market instruments admitted to a stock exchange in a non-member state or negotiated on another regulated market in a non-member state	0.41	0.38	3,993,723	-	0.31	0.29	3,240,479	-	-	-753,244
1.3.1.	- shares	0.41	0.38	3,993,723	-	0.31	0.29	3,240,479	-	-	-753,244
1.3.2.	- bonds	-	-	-	-	-	-	-	-	-	-
2.	Newly issued securities	-	-	-	-	-	-	-	-	-	-
3.	Other securities and money market instruments referred to in art. 187 indent a), of which:	8.52	7.97	2,215,340	80,970,430	8.09	7.56	2,231,091	81,671,869	-	717,190
3.1.	- securities: unlisted shares	7.49	7.00	234,682	72,844,022	7.10	6.63	239,655	73,408,759	-	569,710
3.2.	- unlisted bonds	1.04	0.97	1,980,658	8,126,408	0.99	0.92	1,991,436	8,263,110	-	147,480
4.	Bank deposits, of which:	2.14	2.00	-	20,916,788	1.78	1.67	-	18,497,602	-	-2,419,186
4.1.	bank deposits held at credit institutions in Romania, total, of which:	2.14	2.00	-	20,916,788	1.78	1.67	-	18,497,602	-	-2,419,186
4.1.1.	- bank deposits in RON	2.14	2.00	-	20,916,788	1.78	1.67	-	18,497,602	-	-2,419,186
5.	Derivatives traded on a regulated market	-	-	-	-	-	-	-	-	-	-
6.	Current bank accounts and cash, total, of which:	0.60	0.56	4,526,236	1,359,953	0.97	0.91	9,519,558	549,700	-	4,183,068
6.1.	in RON	0.14	0.13	-	1,359,953	0.05	0.05	-	549,700	-	-810,254
6.2.	in USD, equivalent in RON	0.07	0.06	651,797	-	0.21	0.19	2,139,703	-	-	1,487,905
6.3.	in EUR, equivalent in RON	0.40	0.37	3,873,938	-	0.71	0.66	7,379,320	-	-	3,505,383
6.4.	in GBP, equivalent in RON	0.00	0.00	501	-	0.00	0.00	535	-	-	33

7.	Money market instruments, other than those traded on a regulated market, in accordance with article 101 paragraph (1) indent g) of Law no. 297/2004 - Government securities	0.00	0.00	-	0	0.00	0.00	-	0	0
8.	Equity securities held with NON-UCITS/ UCITS, total, of which:	7.55	7.07	2,291,421	71,438,676	7.11	6.64	-	73,720,267	-9,830
8.1.	Shares listed on BSE	4.66	4.36	-	45,508,320	4.52	4.22	-	46,839,149	1,330,829
8.2.	Fund units – Investment Funds	2.89	2.71	2,291,421	25,930,356	2.59	2.42	-	26,881,119	-1,340,658
9.	Other assets (amounts in transit, amounts at distributors, amounts at financial investment service firms, tangible and intangible assets, receivables, etc.)	-0.68	-0.64	10,610	-6,685,740	4.99	4.65	10,835	51,675,508	58,361,473

Net Asset Value per Share

Item	29.03.2019	30.03.2018	Differences
Net Asset Value	1,036,824,934	1,028,654,373	8,170,561
Number of shares issued and outstanding^{**)}	2,162,443,797	2,179,937,294	-17,493,497
Net Asset Value per share (RON/share)	0.4795	0.4719	0.0076

**) According to art. 123, paragraph (3) of the F.S.A. Regulation no. 9/2014 regarding the NAV /share calculation, this position represents: "number of shares issued and outstanding as at such date, excluding own shares repurchased by the Company".

Detailed Statement of Investments

Securities admitted or traded on a regulated market in Romania

No.	Issuer	Symbol	Date of last trading session	No. of shares held	Nominal value RON/share	Share value RON/share	Total value - RON -	Weight in the issuer's share capital %	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %
Securities and money market instruments admitted or traded on a regulated market in Romania										
1	ALUMIL ROM INDUSTRY BUCURESTI	ALU	29/03/2019	323,367	0.2000	0.6850	221,506.40	1.035	0.02	0.02
2	ANTIBIOTICE	ATB	29/03/2019	21,907,119	0.1000	0.4810	10,537,324.24	3.263	0.95	1.02
3	ARMAX GAZ SA	ARAX	30/06/2017	88,135	10.0000	0.0000	0.00	1.435	0.00	0.00
4	ARO-PALACE SA	ARO	18/03/2019	345,704,600	0.1000	0.1800	62,226,828.00	85.740	5.60	6.00
5	BANCA BRD - GROUPE SOCIETE GENERALE SA BUCURESTI	BRD	29/03/2019	23,324,920	1.0000	13.0000	303,223,960.00	3.347	27.31	29.25
6	BANCA TRANSILVANIA SA	TLV	29/03/2019	9,069,373	1.0000	2.0750	18,818,948.98	0.188	1.69	1.82
7	BIROUL DE TURISM PENTRU TINERET (BTT) SA	BIBU	27/02/2019	576,540	2.5000	0.0000	0.00	10.644	0.00	0.00
8	BURSA DE VALORI BUCURESTI SA	BVB	29/03/2019	681,769	10.0000	21.9000	14,930,741.10	8.470	1.34	1.44
9	CASA ALBA INDEPENDENTA SIBIU	CAIN	26/02/2019	782,468	2.5000	20.2000	15,805,853.60	53.348	1.42	1.52
10	CASA DE BUCOVINA-CLUB DE MUNTE SA	BCM	29/03/2019	6,434,481	0.1000	0.0665	427,892.99	3.845	0.04	0.04
11	COCOR SA	COCR	20/03/2019	30,911	40.0000	69.0000	2,132,859.00	10.246	0.19	0.21
12	COMCM SA CONSTANTA	CMCM	01/09/2014	134,049,930	0.1000	0.1569	21,032,434.02	56.725	1.89	2.03
13	COMPA SA SIBIU	CMP	29/03/2019	3,353,936	0.1000	0.7500	2,515,452.00	1.533	0.23	0.24
14	CONCAS SA	CONK	17/10/2013	336,756	2.5000	34.9452	11,768,005.77	47.207	1.06	1.14
15	CONDMAG BRASOV	COMI	29/03/2019	19,000,000	0.1000	0.0150	285,000.00	4.982	0.03	0.03
16	CONPET SA PLOIESTI	COTE	29/03/2019	12,552	3.3000	79.5000	997,884.00	0.145	0.09	0.10

17	DIGI Communications N.V.	DIGI	29/03/2019	50,000	0.0100	25.3500	1,267,500.00	0.146	0.11	0.12
18	DORNA TURISM SA	DOIS	25/02/2019	455,793	2.5000	2.9000	1,321,799.70	32.014	0.12	0.13
19	DUPLEX SA	DUPX	06/07/2017	32,772	2.5000	10.2364	335,467.30	26.867	0.03	0.03
20	ELECTROMAGNETICA S.A.	ELMA	29/03/2019	5,426,452	0.1000	0.1370	743,423.92	0.803	0.07	0.07
21	EMAILUL SA	EMAI	21/03/2019	729,551	2.5000	12.8000	9,338,252.80	28.926	0.84	0.90
22	FEPER SA	FEP	06/03/2019	312,123,729	0.1000	0.1000	31,212,372.90	85.800	2.81	3.01
23	GASTRONOM SA	GAOY	28/03/2019	215,453	2.5000	50.0000	10,772,650.00	70.288	0.97	1.04
24	INDEPENDENTA SA	INTA	05/03/2019	1,530,636	2.5000	3.9800	6,091,931.28	53.301	0.55	0.59
25	LEGMAS SA	LGMS	19/09/2012	175,429	2.5000	0.7295	127,975.46	7.276	0.01	0.01
26	LIDO SA	LIDO	19/03/2019	409,710	0.1000	0.6100	249,923.10	3.309	0.02	0.02
27	MECANICA CODLEA SA	MEOY	21/03/2019	60,156,150	0.1000	0.0630	3,789,837.45	81.072	0.34	0.37
28	MECON SA	MECP	21/03/2019	58,966	11.6000	6.0000	353,796.00	12.284	0.03	0.03
29	NEPTUN-OLIMP SA	NEOL	28/03/2019	30,194,757	0.1000	0.2980	8,998,037.59	41.185	0.81	0.87
30	OIL TERMINAL	OIL	29/03/2019	8,249,697	0.1000	0.1358	1,120,308.85	1.416	0.10	0.11
31	OMV PETROM SA BUCURESTI	SNP	29/03/2019	132,218,486	0.1000	0.3570	47,201,999.50	0.233	4.25	4.55
32	ORGANE DE ASAMBLARE SA	ORAS	28/12/2018	129,845,110	0.1000	0.0000	0.00	95.697	0.00	0.00
33	PRAHOVA ESTIVAL 2002 SA	PRAH	09/02/2017	1,288,584	0.1000	0.2207	284,390.49	39.624	0.03	0.03
34	PROSPECTIUNI SA BUCURESTI	PRSN	29/03/2019	41,129,011	0.1000	0.0665	2,735,079.23	5.728	0.25	0.26
35	ROMRADIATOARE SA BRASOV	RRD	18/02/2019	11,477,141	1.6300	0.4220	4,843,353.50	76.514	0.44	0.47
36	S.N. NUCLEARELECTRICA	SNN	29/03/2019	1,260,478	10.0000	9.7300	12,264,450.94	0.418	1.10	1.18
37	S.N.G.N. ROMGAZ S.A.	SNG	29/03/2019	1,961,857	1.0000	32.3500	63,466,073.95	0.509	5.72	6.12
38	SANTIERUL NAVAL CONSTANTA SA	SNC	28/03/2019	471,605	2.5000	1.4000	660,247.00	0.726	0.06	0.06
39	SANTIERUL NAVAL SA	SNO	29/03/2019	5,711,432	2.5000	2.7800	15,877,780.96	50.000	1.43	1.53
40	SEMBRAZ SA	SEBZ	08/03/2017	719,900	2.0000	1.1471	825,797.29	90.968	0.07	0.08
41	SERVICE NEPTUN 2002 SA	SECE	22/09/2017	3,610,420	0.1000	0.4187	1,511,682.85	39.624	0.14	0.15
42	SIMEC SA	SIMI	18/12/2017	197,044	2.5000	0.0000	0.00	45.775	0.00	0.00

43	SOCIETATEA ENERGETICA ELECTRICA SA	EL	29/03/2019	303,360	10.0000	11.0400	3,349,094.40	0.088	0.30	0.32
44	TRANSILVANIA LEASING SI CREDIT IFN SA BRASOV	TSLA	29/03/2019	353,282,752	0.1000	0.0205	7,242,296.42	68.507	0.65	0.70
45	TRATAMENT BALNEAR BUZIAS SA	BALN	05/03/2019	145,615,772	0.1000	0.0410	5,970,246.65	91.871	0.54	0.58
46	TURISM COVASNA SA	TUAA	21/03/2019	439,760,355	0.1000	0.0360	15,831,372.78	93.326	1.43	1.53
47	TURISM FELIX SA	TUFE	14/03/2019	313,579,000	0.1000	0.2900	90,937,910.00	63.203	8.19	8.77
48	TURISM, HOTELURI, RESTAURANTE MAREA NEAGRA SA	EFO	29/03/2019	449,920,140	0.1000	0.0896	40,312,844.54	77.713	3.63	3.89
49	TUSNAD SA	TSND	19/03/2019	230,601,476	0.1000	0.0450	10,377,066.42	76.408	0.93	1.00
50	UTILAJ GREU SA	UTGR	27/03/2019	476,226	2.5000	2.5000	1,190,565.00	70.387	0.11	0.11
51	VIOLA-INDEPENDENTA SIBIU	VIRO	27/02/2019	74,307	2.5000	50.5000	3,752,503.50	53.616	0.34	0.36
TOTAL Securities and money market instruments admitted or traded on a regulated market in Romania							869,282,722		78.29	83.84
UCITS/NON-UCITS equity securities										
1	FONDUL PROPRIETATEA SA	FP	29/03/2019	39,744,087	0.5200	0.9150	36.365.839.61	0.437	3.28	3.51
2	SOCIETATEA DE INVESTITII FINANCIARE OLTENIA S.A.	SIF5	29/03/2019	4,999,193	0.1000	2.0950	10,473,309.34	0.862	0.94	1.01
TOTAL UCITS/NON-UCITS equity securities							46,839,149		4.22	4.52
TOTAL SHARES							916,121,871		82.50	88.36

includes both the shares presented in Chapter I row 1.1. and the shares presented in Chapter I row 8.1.

Securities admitted or traded on a regulated market in a member state

No.	Issuer	Symbol	Date of last trading session	No. of shares held	Nominal value	Share value	Total value	Weight in the issuer's share capital %	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %
	TOTAL SHARES								0,00	0,00

Securities admitted or traded on a regulated market in a non-member state

No.	Issuer	Symbol	Date of last trading session	No. of shares held	Nominal value	Share value	Total value	Weight in the issuer's share capital %	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %
1	AGNICO EAGLE MINES Ltd.	AEM	29/03/2019	5,000	1.0000	183.5902	917,951.00	0.000	0.08	0.09
2	ELDORADO GOLD CORP.	EGO	29/03/2019	20,000	5.0000	19.4966	389,932.00	0.010	0.04	0.04
3	GOLDCORP INC.	GG	29/03/2019	40,000	1.0000	48.3149	1,932,596.00	0.010	0.17	0.19
	TOTAL SHARES						3,240,479.00		0.29	0.31

Money market instruments admitted or traded on a regulated market in Romania

No.	Issuer	Instrument symbol / series	Date of last trading session	Number	Instrument value	Total value	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %

Money market instruments admitted or traded on a regulated market in a member state

No.	Issuer	Instrument symbol / series	Date of last trading session	Number	Instrument value	Total value	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %

Money market instruments admitted or traded on a regulated market in a non-member state

No.	Issuer	Instrument symbol / series	Date of last trading session	Number	Instrument value	Total value	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %

Instruments referred to in art. 187, indent a)

No.	Issuer	No. of shares/bonds held	Acquisition date ¹⁾	Maturity date	Acquisition price RON/share ²⁾ (RON/bond)	Share (bond) value (RON or equivalent RON)	Total value RON ³⁾ or equivalent RON	Weight in the issuer's share capital %	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %
TOTAL SHARES, of which:							73,648,414		6.63	7.10
1	AGRIAS SA CASTELU CT	39,098	01.11.1996		0.0000	0.0000	0.00	8.71	0.00	0.00
2	APOLLO ESTIVAL 2002 SA CT	2,350,890	31.07.2002		0.8043	0.8043	1,890,820.83	39.62	0.17	0.18
3	ARCOM S.A. BUCURESTI BU	667	27.07.2007		0.0000	0.0000	0.00	0.19	0.00	0.00
4	BANCA DE EXPORT IMPORT A ROMANIEI SA EXIMBANK BU	414,740	01.11.1996		1.9057	1.9057	790,370.02	0.31	0.07	0.08
5	CNM PETROMIN SA CONSTANTA CT	5,358,861	01.11.1996		0.0000	0.0000	0.00	23.83	0.00	0.00
6	COMSIG SA MS	29,304	01.11.1996		0.0000	0.0000	0.00	27.09	0.00	0.00

7	CONTINENTAL HOTELS SA BUCURESTI BU	2,729,171	31.12.1997		5.4799	5.4799	14,955,584.16	9.30	1.35	1.44
8	CRISTIANA SA BV	153,410	01.11.1996		154.1364	154.1364	23,646,065.12	99.80	2.13	2.28
9	DEPOZITARUL CENTRAL SA BUCURESTI BU	10,128,748	12.08.1999		0.0292	0.0292	295,759.44	4.00	0.03	0.03
10	DIVERSIS SA VN	11,149	01.11.1996		0.0000	0.0000	0.00	6.68	0.00	0.00
11	ENERGO SA BV	317,061	01.11.1996		0.0000	0.0000	0.00	15.00	0.00	0.00
12	FELAM SA SB	374,907	01.11.1996		0.0000	0.0000	0.00	36.22	0.00	0.00
13	FERMIT SA BZ	151,468	01.11.1996		12.1440	12.1440	1,839,427.39	16.37	0.17	0.18
14	FONDUL ROMAN DE GARANTARE A CREDITELOR PT.INTREPRI BU	3,697,948	21.12.2006		0.6547	0.6547	2,421,046.56	23.02	0.22	0.23
15	GRUP BIANCA TRANS SA BV	7,694,200	31.07.2006		0.4803	0.4803	3,695,524.26	70.84	0.33	0.36
16	HARGHITA SA HR	45,633	01.11.1996		0.0000	0.0000	0.00	31.42	0.00	0.00
17	HIDROMECHANICA SA BV	1,170,304	01.11.1996		0.0000	0.0000	0.00	36.27	0.00	0.00
18	ICIM SA BV	29,748	01.11.1996		0.0000	0.0000	0.00	3.59	0.00	0.00
19	INTERNATIONAL TRADE&LOGISTIC CENTER SA BV	81,708,428	01.11.1996		0.0618	0.0618	5,049,580.85	87.30	0.45	0.49
20	IRUCOM SA HR	6,269	01.11.1996		2.0832	2.0832	13,059.58	17.41	0.00	0.00
21	LEGUME FRUCTE BUZAU S.A. BZ	207,822	01.11.1996		2.9032	2.9032	603,348.83	25.23	0.05	0.06
22	MECANICA SA SB	422,503	01.11.1996		0.0000	0.0000	0.00	10.89	0.00	0.00
23	NEVOCECA SA NEGRU VODA CT	75,343	01.11.1996		0.0000	0.0000	0.00	13.63	0.00	0.00
24	REUTCOM UTB SA BV	2,134,920	23.02.2000		0.0314	0.0314	67,036.49	8.99	0.01	0.01
25	ROMAGRIBUZ SA RAMNICU SARAT BZ	83,146	01.11.1996		0.0000	0.0000	0.00	7.88	0.00	0.00
26	ROMAGRIBUZ VERGULEASA SA BZ	280,631	01.11.1996		0.0000	0.0000	0.00	37.30	0.00	0.00
27	S.I.F. TRANSILVANIA PROJECT MANAGEMENT COMPANY SA BV	44,999	26.03.2014		6.1628	6.1628	277,319.84	100.00	0.02	0.03
28	SEMLACT SACELE SA CT	98,660	01.11.1996		0.0000	0.0000	0.00	30.00	0.00	0.00
29	SIBAREX SA VN	1,215,711	01.11.1996		0.0000	0.0000	0.00	52.85	0.00	0.00

30	SIMARO-SIB SA SB	20,732	31.03.1998		0.0000	0.0000	0.00	10.02	0.00	0.00
31	SIRETUL PASCANI IS	17,116,533	23.03.2004		0.0000	0.0000	0.00	10.78	0.00	0.00
32	SOCIETATEA DE INVESTITII CERTINVEST IMM S.A. B1	1,125	11.11.2014		72.4453	72.4453	81,500.96	15.63	0.01	0.01
33	SOFT APLICATIV SI SERVICII SA SB	47,728	01.11.1996		5.5237	5.5237	263,635.15	28.33	0.02	0.03
34	TERRACOTTA STAR SA CV	2,209,017	01.11.1996		0.0000	0.0000	0.00	97.48	0.00	0.00
35	TOMIS ESTIVAL 2002 SA CT	522,893	31.07.2002		0.9565	0.9565	500,147.15	39.62	0.05	0.05
36	TRANSIL SA IL	16,857	01.11.1996		6.9694	6.9694	117,483.18	33.16	0.01	0.01
37	TRANSILVANIA ESTIVAL 2002 SA CT	3,589,861	31.07.2002		0.1294	0.1294	464,528.01	11.14	0.04	0.04
38	TRANSILVANIA HOTELS & TRAVEL S.A. BU	1,123,180	01.11.1996		0.0000	0.0000	0.00	37.01	0.00	0.00
39	TURISM LOTUS FELIX SA BH	484,853,142	09.12.2009		0.0339	0.0339	16,436,521.51	38.27	1.48	1.59
40	The Foundations Feeder AA	124,000	23.02.2015		1.9327	1.9327	239,654.80	26.67	0.02	0.02
41	VERITAS PANCIU SA VN	656,693	01.11.1996		0.0000	0.0000	0.00	26.33	0.00	0.00
42	VITIVINICOLA BASARABI SA CT	342,580	01.11.1996		0.0000	0.0000	0.00	10.86	0.00	0.00
TOTAL BONDS, of which:							10,254,546		0.92	0.99
1	BANCA TRANSILVANIA SA	688,362	22.05.2013	22.05.2020	2.6079	2.8930	1,991,436		0.18	0.19
	TOTAL BANCA TRANSILVANIA SA	688,362					1,991,436		0.18	0.19
2	S.A.I. CERTINVEST S.A.	810	12.12.2014	12.12.2019	10,000.0000	10,201.3699	8,263,110		0.74	0.80
	TOTAL S.A.I. CERTINVEST S.A.	810					8,263,110		0.74	0.80
TOTAL Instruments referred to in art. 187, indent a) (total shares + total bonds)							83,902,960		7.56	8.09

*) For all the companies in the portfolio on the date of S.I.F. Transilvania's setting up (through reorganization of the former F.P.P. III Transilvania, according to Law no. 133/1996), the acquisition date is considered 1 November 1996; for all the other companies, the acquisition date is considered the date of first acquisition (irrespective of whether the stock existing on the reporting date was acquired through several acquisitions). In the case of bonds, the acquisition date is the payment date of the amount subscribed.

**) "Acquisition price" represents the average acquisition price for the securities in portfolio on the reporting date.

***) In the case of bonds, the total value includes the interest accrued up to the reporting date

Bonds or other traded debt securities issued or guaranteed by the State or by central public administration authorities

No.	Series and number of issue	No. of securities	Acquisition date	Maturity date	Initial value	Daily increase	Accrued interest	Discounted value	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %	Intermediary bank

Bonds or other traded debt securities issued or guaranteed by the State or by central public administration authorities

No.	Issuer	No. of securities	Acquisition date	Maturity date	Initial value	Daily increase	Accrued interest	Discounted value	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %

Bank deposits

No.	Bank name	Currency	Set-up date	Maturity*	Initial value		Daily interest		Accrued interest		Discounted value		Weight in the SIF total assets %	Weight in the SIF net assets %
					Currency	RON	Currency	RON	Currency	RON	Currency	RON		
1	BANCA BRD - GROUPE SOCIETE GENERALE SA BUCURESTI	RON	26.03.2019	02.04.2019		3,000,000		116.67		700		3,000,700	0.27	0.29
2	BANCA BRD - GROUPE SOCIETE GENERALE SA BUCURESTI	RON	29.03.2019	01.04.2019		5,531,241		76.82		230		5,531,471	0.50	0.53
	TOTAL BANCA BRD - GROUPE SOCIETE GENERALE SA BUCURESTI	RON				8,531,241				930		8,532,171	0.77	0.82
1	BANCA TRANSILVANIA SA	RON	21.03.2019	22.04.2019		2,001,800		79.62		876		2,002,676	0.18	0.19
	TOTAL BANCA TRANSILVANIA SA	RON				2,001,800				876		2,002,676	0.18	0.19
1	ING BANK	RON	29.03.2019	01.04.2019		1,683,000		18.70		56		1,683,056	0.15	0.16

	TOTAL ING BANK	RON				1,683,000				56		1,683,056	0.15	0.16
1	OTP BANK ROMANIA SA	RON	07.03.2019	08.04.2019		3,047,660		192.04		4,801		3,052,461	0.27	0.29
	TOTAL OTP BANK ROMANIA SA	RON				3,047,660				4,801		3,052,461	0.27	0.29
1	UNICREDIT TIRIAC BANK	RON	29.03.2019	05.04.2019		3,227,000		79.18		238		3,227,238	0.29	0.31
	TOTAL UNICREDIT TIRIAC BANK	RON				3,227,000				238		3,227,238	0.29	0.31
TOTAL DEPOSITS IN RON						18,490,701				6,901		18,497,602	1.67	1.78
GRAND TOTAL DEPOSITS						18,490,701				6,901		18,497,602	1.67	1.78

* Maturity date represents the last day of the deposit (the amount being available in the current account the next day).

Fund units held in investment funds

No.	Issuer	No. of fund units	Acquisition date	Acquisition price	Value /fund unit - RON or equivalent RON-	Total value	Weight in the issuer's share capital %	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %
1	OTP Real Estate & Construction	3,251	14.12.2018	513.2327	513.2327	1,668,757	30.27	0.15	0.16
	Subtotal open-end funds					1,668,757		0.15	0.16
1	FOND INCHIS DE INVESTITII BET-FI INDEX INVEST	2,054	01.09.2014	588.8166	588.8166	1,209,429	14.84	0.11	0.12
2	FONDUL INCHIS DE INVESTITII MULTICAPITAL INVEST	4,934	14.11.2012	2,343.8500	2,343.8500	11,564,556	29.55	1.04	1.12
3	FONDUL INCHIS DE INVESTITII STAR VALUE	13,713	07.08.2015	907.0500	907.0500	12,438,377	27.61	1.12	1.20
	Subtotal closed-end funds					25,212,362		2.27	2.43
TOTAL Fund units						26,881,119		2.42	2.59

Securities pending the sale according to Law no. 151/2014

No.	Issuer	Symbol	Date of last trading session	No. of shares held	Nominal value	Share value	Total value	Weight in the issuer's share capital %	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %
1	METALICA MEDGIDIA SA			19,875	2.5000	0.0000	0.00	6.667	0.00	0.00
2	VULTURUL SA			2,105,276	1.0000	0.2660	560,003.42	7.127	0.05	0.05
	TOTAL ACTIUNI						560,003		0.05	0.05

Money market instruments referred to in art. 187 indent a)

No.	Issuer	Acquisition date	Maturity	Initial value	Daily increase	Discounted value	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %

Newly issued securities

No.	Issuer	Symbol	Date of last trading session	No. of shares held	Nominal value	Share value	Total value	Weight in the issuer's share capital %	Weight in the S.I.F. total assets %	Weight in the S.I.F. net assets %
	TOTAL									

NAV and NAV/share in the last 3 years

	31.03.2017	31.03.2018	29.03.2019
Net Asset Value	944,577,737,00	1,028,654,373,00	1,036,824,934,00
Net Asset Value per share (RON/share)	0.4324	0.4719	0.4795

Executive President / CEO,
Mihai FERCALA

Member of the Executive Board/Director,
Stefan SZITAS

Financial Manager,
Diana VERES

Portfolio Management Division
Manager,
Sorin Ion RADULESCU