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PRESS RELEASE

The Ministry of Finance lists at BVB a new issue of FIDELIS government bonds, with 3 different maturities and a cumulative value of over RON 1bn

- **The Ministry of Finance raised RON 423.1mn and EUR 120.6mn through an issue of government securities dedicated to retail investors (FIDELIS), with three different maturities.**
- **Through the nine offers carried out in the last three years, the Ministry of Finance attracted RON 13.5bn (EUR 2.7bn) from retail investors.**
- **The government bonds can be traded on Bucharest Stock Exchange starting Thursday, September 22, transparently, through authorized intermediaries.**

The Ministry of Finance (MF) attracted RON 423.1mn and EUR 120.6mn, respectively (values amounting to just over RON 1bn – EUR 206.6mn) through the ninth primary offer for the sale of government securities dedicated to retail investors (FIDELIS) held in the last three years using Bucharest Stock Exchange (BVB) systems.

Thus, the value of the nine financing rounds carried out in the last three years on BVB by the Ministry of Finance reached RON 13.5bn (EUR 2.7bn).

'The 9th Fidelis Government Securities Offering, concluded on September 16, offered private investors a complementary alternative to other investments in fixed income instruments. With an emphasis on Romanians' confidence in the national currency, the Ministry of Finance launched securities denominated in lei with a maturity of 3 years and in euros with maturities of 1 and 2 years. The periodic primary offerings under the Fidelis Program are well received both by investors who have accessed these instruments before, but also attract new participants with each issue launched. Along with the diversification of existing instruments on the capital market, through this Program we ensure part of the



financial resources to cover the financing needs of the Romanian state for the current year’, stated Adrian Caciuc, Ministry of Finance.

‘We are pleased that the partnership between the Ministry of Finance, the intermediary consortium and the capital market has led to the successful conclusion of a new offering for the sale of Fidelis government securities. Already, we are talking about 2.7 billion euros, money that only natural persons have placed in these issues, which proves that the capital market is able to constantly support offers of important sizes. Investing in government bonds is a good alternative for Romanians who want a better return for their money but have not yet started investing in shares. In the context of the central banks’ fight with inflation, by raising key interest rates, which leads to the raising the costs of money, we see how more and more Romanians are looking for more profitable investments for their money. The stock market offers them a diversified palette of such investments and with varying degrees of risk, which can allow investors to protect their money from inflation, and in some cases even achieve returns above the level of inflation’, said Radu Hanga, Bucharest Stock Exchange President.

‘We see that the number of investors in the local capital market continues to grow, reaching more than 117,000 by middle of this year, and we want to offer everyone the widest possible range of tools to manage their portfolios as efficiently as possible and, at the same time, to make the investment process as easy as possible, from opening an account to paying taxes. Each IPO of Fidelis government securities has been successfully closed, which proves that the capital market is a viable financing channel for both entrepreneurial companies and the State, and investors can deploy significant amounts of money when they identify investment opportunities. We are convinced that investors will be even more interested in IPOs like those that Fondul Proprietatea intends to run for Hidroelectrica and Salrom, which will attract even larger amounts. The Romanian capital market has positioned itself very well this year compared to other markets in the region. We already have 13 companies in the FTSE Russell indices, the BET-TR index is the only index in the region in the green territory after the first 8 months of this year. The specifics of the listed companies and the announced IPOs add to the factors that make Romania more visible on the radars of international investors’, mentioned Adrian Tanase, Bucharest Stock Exchange CEO.

The intermediary syndicate of the offer includes [BT Capital Partners](#) (Lead Manager and Intermediary) & [Banca Transilvania](#) (Distribution Group), [Alpha Bank Romania](#), [Banca Comerciala Romana](#) and [BRD - Groupe Societe Generale](#).

'The uncertain macroeconomic, geopolitical and market context urges investors to advance with portfolio diversification and to access viable savings alternatives. This trend can be seen through the sustained success of the Fidelis issues, which shows at the same time that the capital is decreasing and the competition is fiercer between government securities dedicated to the population and bank deposits or listed shares. We believe that the main concern of the market in the current period is to preserve the capital, and for that the Fidelis program is an attractive option', said Daniela Secara, BT Capital Partners CEO.

'The last issue of government bonds within the Fidelis Program showed again that such financial instruments, with a relatively low degree of risk and attractive returns, are still of interest to retail investors seeking to diversify and optimize their portfolios, especially in a volatile geopolitical and economic context', said Nicoleta Ruxandescu, Alpha Bank Romania Investment and Capital Markets Unit Director.

'We are happy to see that government bonds have become a constant in the financial lives of our clients in recent years. The consistency with which the Ministry of Finance continues to issue quarterly within the Fidelis program is of great help in consolidating an investment culture among individuals. This consistency fits very well with the BCR objectives that aim to increase the level of education and financial intelligence in Romania', said Valentin Popovici, BCR Financial Markets Executive Director.

'The Fidelis T-bonds issues can no longer be considered as events in the market, but a regular presence, requested by a well-defined segment of investors, these instruments becoming indispensable to individual investors, especially due to the fact that they allow optimization of portfolio management investment decisions. Especially in the context of increasingly high volatility on financial markets, favored by a low visibility regarding the dynamics of mature and emerging economies, mostly in Europe, Fidelis T-bonds, tradable on the BSE, facilitate the possibility for investors to rebalance at any time of portfolios by reallocating positions between equities and different categories of fixed income instruments. We thus expect an increase in the representativeness of Fidelis T-bonds in the structure of financing instruments of the Romanian State, as well as a gradual increase in the weight of these instruments in the individual portfolios of active investors on the Romanian financial market', said Irina Neacsu, BRD - Groupe Societe Generale Corporate Finance Executive Director.

The details of the bonds are available in the table below:

Issue (ticker and ISIN)	Issue value	Number of bonds	Nominal value	Interest	Issue date	Maturity date
R2509A ISIN ROQ0Y1HFDGH1	RON	4,231,039	RON 100	8% p.a.	September 21, 2022	September 21, 2025
R2309AE ISIN ROXSAX8UZ153	RON	442,611	EUR 100	1.85% p.a.	September 21, 2022	September 21, 2023
R2409AE ISIN ROGVSPY8MH73	EUR	763,437	EUR 100	2.65% p.a.	September 21, 2022	September 21, 2024

The income obtained through the investment in FIDELIS government bonds, both from interest and from capital gains, is non-taxable. The minimum subscription threshold was RON 5,000, respectively EUR 1,000. Resident and non-resident individuals over the age of 18 up to the closing of the offer were able to invest in the issuance of FIDELIS government bonds.

Useful information about FIDELIS government bonds - questions and answers

Where can I find the bonds I bought in the offer?

If they were subscribed through a bank or brokerage company, without signing a financial investment services contract, the government bonds are registered in the records of the Central Securities Depository on behalf of the holder. If the government bonds have been purchased based on a financial investment services contract, through a bank or brokerage company authorized to trade on the Bucharest Stock Exchange, the government bonds are in the holder's trading account.

What do I do with government bonds?

They can be kept until maturity, or the holders can sell them or buy others in any trading session at BVB, through one of the intermediaries authorized (bank or brokerage company) to trade at BVB.

If the holders want to keep government bonds, they have two options:

- They will receive the interest annually, and at maturity the principal will be returned to a bank account sent to the Central Securities Depository, if the subscription was made through a bank or brokerage company, without signing a financial investment services contract.

- They can open a trading account at a bank or brokerage company, by signing a financial investment services contract and can transfer the government bonds from the Central Securities Depository to this trading account. In this case, the holders will have the government bonds in the investment account in which they will receive the annual coupon, and when the bonds will mature, the principal will be returned to them.

How can I sell or buy government bonds after the offer is closed?

The trades on the Bucharest Stock Exchange take place between buyers and sellers through the trading platform. In order to be able to buy or sell, investors must have a trading account with a bank or brokerage firm. Any holder of FIDELIS government bonds can trade government bonds starting with March 25th, 2020. The list of intermediaries authorized to trade on BVB is available [HERE](#).

Where can I see the current price of the bonds?

The price can be checked at any time on the Bucharest Stock Exchange website, www.bvb.ro, by entering the symbols below in the [Search] box on the main page:

[R2509A](#) - for 3-yr maturity government bonds denominated in RON

[R2309AE](#) - for 1-yr maturity government bonds denominated in EUR

[R2409AE](#) - for 2-yrs maturity government bonds denominated in EUR.

For additional information, please contact:

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