



Nr. 327/14.01.2019

To: **Bucharest Stock Exchange**
Financial Supervisory Authority
- Financial Instruments and Investments Sector

CURRENT REPORT
according to Law no. 24/2017 and F.S.A. Regulation no. 5/2018
Report date: 14.01.2019

S.I.F. Transilvania S.A.
Headquarters: 2, Nicolae Iorga Street, Brasov 500057
Telephone: +40 268 415529, 416171; Fax: +40 268 473215, 473216
Tax registration code: RO3047687
Order number in the Trade Register: J08/3306/92
Registration number in the NSC Register: PJR 09 SIIR/080004
LEI Code (Legal Entity Identifier): 254900E2IL36VM93H128
Subscribed and paid-in share capital: RON 218,428,666.40
Regulated market on which the issued securities are traded: Bucharest Stock Exchange (ticker: SIF3)

Important event to be reported: Convening of the Extraordinary General Meeting of Shareholders

The Company's Executive Board decided in the meeting of **14.01.2019** to convene **the Extraordinary General Meeting of S.I.F. Transilvania shareholders**, according to the following **Convening Notice**:

The Executive Board
of Societatea de Investitii Financiare Transilvania S.A.,

headquartered in Braşov, 2 Nicolae Iorga Street, Braşov County (hereinafter referred to as "*the Company's headquarters*"), registered with the Trade Register Office attached to the Braşov Tribunal under no. J08/3306/1992, with Fiscal Registration Code RO3047687 (hereinafter referred to as "*the Company*"), hereby convenes the **Extraordinary General Meeting of Shareholders** (hereinafter referred to as "*EGMS*") for **06.03.2019**, at **10:00 a.m.**

The meeting will take place in Braşov, 27 Eroilor Boulevard, at Aro Palace Hotel - Europe Hall.

If the conditions of validity are not met on the first convening date, the EGMS is convened for **07.03.2019**, at 10:00 a.m., at the same venue and with the same agenda.

The convening is carried out in compliance with the provisions of Law 297/2004 *on capital market*, as further amended and supplemented (hereinafter referred to as "*Law 297/2004*"), Law 24/2017 *on issuers of financial instruments and market operations* (hereinafter referred to as "*Law 24/2017*"), the NSC/FSA regulations issued for the enforcement of the above-mentioned laws, Law 31/1990 *on companies*, republished in 2004, as further amended and supplemented (hereinafter referred to as "*Law 31/1990*") and the Company's Articles of Incorporation.

The Company's share capital consists of 2,184,286,664 registered and indivisible shares, of equal value, issued in dematerialized form. Each share grants the right to one vote in the general meeting of shareholders, except for the shares whose voting right is suspended according to article

105 of Law 31/1990 – respectively those shares acquired under the share buy-back program approved by the EGMS of 15.12.2017 and according to article 286¹ paragraphs (1) and (2) of Law 297/2004. The information regarding the number of shares with suspended voting rights will be made public on the Company's website no later than the date of the general meeting, by posting the FSA decision regarding the suspension of the exercise of voting rights, issued, if applicable, according to the NSC Instruction 6/2012.

The shareholders entitled to attend and vote in the general meeting of shareholders are those who will be registered in the Shareholders' Register at the end of **04.02.2019**, set as the **reference date**.

I. The Extraordinary General Meeting of Shareholders will have the following agenda:

1. Election of the meeting secretariat comprised of two members, namely Mrs. Mihaela Susan and Mrs. Simona Moldval, identified with the data available at the Company's headquarters; Mrs. Mihaela Susan is to be elected as the meeting secretary in charge with drafting the EGMS minutes;

2. Election of the Committee for counting the votes expressed in the EGMS meeting, comprised of three members, namely: Mr. Mielu Dobrin, Mr. Florian Serac and Mr. Lucian Ionescu, identified with the data available at the Company's headquarters. The proposed persons are S.I.F. Transilvania shareholders;

3. (1) Approval of the reduction of SIF Transilvania's share capital, according to art. 207 para. (1) letter c) of Law 31/1990 by RON 2,184,286.70, from RON 218,428,666.40 to RON 216,244,379.70, as a result of the cancelation of 21,842,867 own shares acquired by the Company under the buy-back program approved by the EGMS of 15.12.2017 and approval of the transfer of RON 218,428.67 from the payable dividend account to the other reserves account - own sources of financing constituted from profit, amounts related to the own shares of the Company acquired under the share buy-back program approved by the EGMS of 15.12.2017.

(2) After the share capital reduction, SIF Transilvania's share capital will worth RON 216,244,379.70, being divided into 2,162,443,797 shares with a value of RON 0.10 /share. Article 7 of Articles of Incorporation changes as a result of the reduction of the share capital and will have the following content:

"Art. 7 - The subscribed and paid-in share capital is worth RON 216,244,379.70 and is divided into 2,162,443,797 registered shares."

4. (1) Approval of a buy-back program of the Company's own shares in order to reduce the share capital, in accordance with the applicable legal provisions, according to article 207 paragraph (1) letter c) corroborated with article 104 paragraph (1) letter a) of Law 31/1990, under the following conditions:

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

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

(iii) *duration of the program* - maximum 4 months from the publishing date of the EGMS resolution in the Official Gazette of Romania, Part IV;

(iv) *payment of the bought-back shares* – from the reserves provided by the law, namely 32,842,800 shares will be paid in cash from the available reserves (except for legal reserves) recorded 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) *destination of the program* – reduction of the share capital by 163,900,000 shares, representing 7.5% from the share capital.

(2) Authorization of the Executive Board to carry out the buy-back program through a public tender offer, with the proper application of article 56 of the FSA Regulation 5/2018.

5. Approval of **26.03.2019** as the **record date** (ex-date **25.03.2019**), in accordance with the applicable legal provisions, for the identification of the shareholders who are subjected to the effects of the EGMS resolutions;

6. Empowerment of Mr. Mihai FERCALĂ- Executive President/CEO to sign the EGMS Resolution, to draft and sign the updated Articles of Incorporation giving the texts a new numbering and to carry out the formalities for the publication and registration thereof.

II. Adding new items to the EGMS agenda. Requirements. Deadline. One or more shareholders representing individually or jointly at least 5% of the share capital, under article 92 of Law 24/2017, has/have the right: **(i)** to add items to the agenda of the general meeting provided that each item is accompanied by a justification or by a draft resolution proposed for approval by the general meeting and **(ii)** to present draft resolutions for the items added or proposed to be added to the agenda of the general meeting.

The request to supplement the agenda formulated by shareholders must fall within the legal powers of the EGMS and meet the following conditions:

- (i) the request shall be made only in written, no later than **31.01.2019**, 10:00 a.m. by submitting the documents in original at the Company's headquarters or by sending them by email at siftransilvania@siftransilvania.ro with an incorporated extended electronic signature (according to Law 455/2001 *on electronic signature*);
- (ii) the capacity as shareholder, in the case of natural persons and the capacity as legal representative, in the case of legal entities or entities without legal personality shall be established on the basis of the list of shareholders received by the company from the central depository (Depozitarul Central) or on the basis of the documents issued by the central depository or by the participants providing custody services, respectively the account statement indicating the capacity as shareholder and the number of shares held and the documents attesting the registration of the information on the legal representative at the central depository or at the respective participants, as the case may be;
- (iii) each new item proposed to be added to the agenda shall be accompanied by a justification or by a draft resolution submitted to the EGMS for approval.

If the exercise of the right to add new items to the agenda determines the change of the EGMS agenda that has already been communicated to shareholders, the Company will make available a new agenda using the same procedure as the one used for the initial agenda, before the reference date set for this EGMS meeting, in such a way that the entitled shareholders are notified of this change.

The documents presented by shareholders in a foreign language (except for the identity documents and documents drafted in English) shall be accompanied by a translation into Romanian or English carried out by a certified translator.

III. Documents pertaining to the EGMS

The materials referring the items on the agenda, the voting procedure by representation, by correspondence, including by electronic means, established by the Executive Board and the draft resolution of the general meeting will be available as of 31.01.2019 on working days , from 9⁰⁰ to 15⁰⁰ at the Company's headquarters, or on its website www.siftransilvania.ro, at the "EGMS March 2019" section. The shareholders may obtain from the Company's headquarters, upon request and at the expense, copies of the documents referring to the items on the agenda or may list them on the Company's website.

IV. Voting by correspondence. Powers of attorney. Participation at the EGMS. The shareholders registered in the Shareholders' Register on the reference date may attend the EGMS in person or may be represented by other persons, based on a special or general power of attorney, or they may vote by correspondence or by electronic means, according to the procedures to be published on the Company's website, under the "EGMS March 2019" section.

(i) Voting by correspondence. The shareholders registered in the Shareholders' Register on the reference date may vote by correspondence before the general meeting by using *correspondence ballots* forms, in accordance with article 92 of Law 24/2017.

The correspondence ballots forms for the shareholders holding at least 1,000 shares will be mailed by the Company to the addresses mentioned in the Shareholders' Register starting on 11.02.2019. The correspondence ballots forms for the shareholders holding less than 1,000 shares will be available as of 01.02.2019, on working days, from 9:00 a.m. to 14:00 p.m., at the Company's headquarters and at the Bucharest branch office, at the addresses mentioned at the end of the convening notice herein.

The shareholders registered in the Shareholders' Register on the reference date may also vote before the general meeting by electronic means, by accessing the Company's website www.siftransilvania.ro, the "Electronic Voting" section.

The procedure for voting by correspondence, including by electronic means, drafted by the Executive Board, will be presented in the informative materials that will be made available to the shareholders on the Company's website, under the "EGMS March 2019" section.

(ii) Powers of attorney. The shareholders registered in the Shareholders' Register on the reference date may be represented at the EGMS by another person based on a *Special Power of Attorney*. A shareholder may designate a single person to represent them and an alternate representative for the situations where the designated representative is unable to fulfill their mandate. A shareholder is allowed to grant a Special Power of Attorney to a single representative.

The special powers of attorney forms valid for the EGMS will be available at the Company's headquarters and at the Bucharest branch office starting on 01.02.2019, on working days, from 9:00 a.m. to 15:00 p.m.

The shareholders representation in the general meeting by other persons can also be made on the basis of a *General Power of Attorney*, accompanied by a Declaration on own responsibility given by the legal representative of the intermediary (defined according to article 2, paragraph (1) entry 20 of Law 24/2017) or by the attorney who was granted the power of attorney, under the applicable legal provisions and the EGMS procedure. The general power of attorney is granted by the shareholder for the entire holding on the reference date and is submitted to the Company until the deadline mentioned below, in copy, with the mention *according to the original* under the signature of the representative.

(iii) Exercising the voting right by correspondence or by proxy. The correspondence ballots, the special powers of attorney and the general powers of attorney, accompanied by the documents requested according to the procedures, shall be submitted/sent at the Company's headquarters, on working days (from Monday-Friday, from 9:00 a.m. to 15:00 p.m.) or by email at siftransilvania@siftransilvania.ro as an electronically signed document with an extended electronic signature, according to Law no. 455/2001 *on the electronic signature*, until 04.03.2019, (registration date at the Company's Registry office or postmark date of arrival in Braşov) under the sanction of losing the right to vote by correspondence or by proxy in the general meeting convened by the notice herein, according to legal provisions.

The revocation of a special/general power of attorney can be made in written, by any of the means of designation and shall be sent to the Company's headquarters until 04.03.2019, 12:00 (noon).

The special/general powers of attorney bearing a later date (registered with the Company until the deadline of 04.03.2019, 12:00 (noon)) have as effect the revocation of the previously issued powers of attorney.

(iv) Attending the EGMS. The natural persons are permitted to attend the meeting by simply demonstrating their identity.

The legal persons and the entities without legal personality may attend the general meeting through their legal representative. The capacity as legal representative is acknowledged as mentioned in Chapter II above.

The direct participation of the shareholder at the EGMS, in person or through their legal representative, removes any other voting option previously sent, only the vote expressed in person or through the legal representative being considered.

V. Shareholders' questions. Each shareholder has the right to ask questions pertaining to the items on the agenda of the general meeting, the deadline for exercising this right being 04.03.2019. The Company may answer the questions also by posting the answer on its website, under the "FAQ" section or during the general meeting provided that the requested information complies with the public information character and it cannot be found in the documents related to the agenda or in the institutional reports disseminated by the Company.

The shareholders' questions shall be sent in written, by submitting the documents in original to the Company's headquarters or by email at siftransilvania@siftransilvania.ro with an incorporated extended electronic signature (according to Law 455/2001 *on electronic signature*) clearly referenced "For the EGMS of 6/7 March 2019".

The capacity as shareholder (natural person or legal representative of the legal entity) shall be ascertained on the basis of the Shareholders' Register as at the reference date, based on the identity document or, prior to the receipt of the Shareholders' Register, according to Chapter III above.

VI. Suspension of the voting rights. In the case of persons exceeding the holding limit of 5% of the Company's share capital and /or acting in concert, the exercise of the voting right for the shares exceeding the legal limit shall be suspended, by a *pro-rata* limitation of the holdings as of the reference date.

The person voting both as a shareholder and a representative of other shareholders, with a number of shares cumulatively exceeding the threshold of 5% of the Company's share capital may be subjected to the verification procedure regarding the concerted action, in accordance with the applicable special regulations.

VII. Addresses of the Company's headquarters and branch office:

Headquarters - Braşov, 2, Nicolae Iorga Street, postal code 500057, Braşov County, tel. 0268/41.55.29; 41.61.71, fax 0268/47.32.15; 47.32.16;

Bucuresti Branch office – Bucuresti, 35, Maria Rosetti Street, postal code 020482, tel. 021/212.12.70, fax 021/212.12.71.

President of the Executive Board,
Ec. Mihai Fercală, PhD

Vice President of the Executive Board,
Ec. Iulian Stan, PhD

Member of the Executive Board
Ec. Ştefan Szitas

Marcus Valeriu Marin
Compliance Officer

Disclaimer: The document herein is an English translation of the Convening Notice for the Extraordinary General Meeting of Shareholders of SIF Transilvania to be held on 6/7 March 2019. The Company provides this translation for your reference and convenience only, and without any warranty as to its accuracy. In case of discrepancies between the Romanian version and the English version, the Romanian version shall prevail.