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

COMMUNIQUE
regarding the holding of Wirecard shares in SIF Transilvania's portfolio
on 30.06.2020

Given the articles published in the specialized press regarding the existence in SIF Transilvania's portfolio on 30.06.2020 of a number of 12,000 shares issued by the Wirecard company, we would like to provide the following clarification:

The acquisitions of Wirecard shares have been carried out starting with August 2019, at the end of 2019 SIF Transilvania holding in its portfolio a number of 9,000 Wirecard shares, at a closing price of EUR 107.50/share, representing 0.44% of SIF Transilvania's net assets.

On 25.03.2020, amid the depreciation of the Wirecard share, caused by the negative rumors circulating at that time regarding the company, SIF Transilvania's trading department, **under the leadership of the Executive Board consisting of Mr. Mihai Fercala, Mr. Stefan Szitas and Mr. Iulian Stan**, appreciated as opportune the purchase of an additional package of 3,000 shares, considering that the negative rumors regarding the said company were unfounded.

The new Executive Board of SIF Transilvania has analyzed the acquisitions of Wirecard shares carried out by the company, the premises taken into account for these successive acquisitions and the expected return at the time of the investment.

We present to our investors and shareholders **the outcome of this analysis**, in order to clarify the situation created around by the holding of Wirecard shares in SIF Transilvania's portfolio:

- SIF Transilvania's investment in Wirecard shares is a perfect example of lack of an investment vision, of a limited capacity to react to a dynamic environment, as well as the lack of understanding of the investing in companies in the technology field and their related risks, **shown by the former management team of SIF Transilvania.**
- The trading department, under the coordination of the former Executive Board, undertook excessive risks, under the generic name of speculative transactions, without having a predetermined trading profile regarding the expected return vs. the assumed risk and the holding period of speculative investments and, especially without understanding the particularities of the Wirecard issuer.
- Despite the early news and alerts in the international press regarding the Wirecard situation, SIF Transilvania's exposure on this investment was increased on 25.03.2020 by 33%, from 9,000 shares to 12,000 shares.

The new management team of SIF Transilvania, in order to avoid similar situations occurring in the future in respect to issuers from SIF Transilvania's portfolio, put a series of measures in place aimed at changing the procedures and the investment and trading flow, the preliminary investment analysis and the ongoing investment monitoring.

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Executive President/CEO

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Executive Vice President/Deputy CEO