



No. 6561 /19.10.2020

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

**CURRENT REPORT**

**According to the Law no. 24/2017 and the F.S.A. Regulation no. 5/2018**

**Report date: 19.10.2020**

S.I.F. Transilvania S.A.

Headquarters: 2, Nicolae Iorga Street, Brasov 500057

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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 Ordinary and Extraordinary General Meetings of Shareholders**

The Company's Executive Board decided in the meeting of 19.10.2020 to convene **the Ordinary and Extraordinary General Meetings of SIF Transilvania's 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:

(i) the **Ordinary General Meeting of Shareholders** (hereinafter referred to as "OGMS") on **04.12.2020, 10:00 a.m.**;

(ii) the **Extraordinary General Meeting of Shareholders** (hereinafter referred to as "EGMS") on **04.12.2020, 1:00 p.m.**;

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

Should the validity conditions not be met on the first convening date, the OGMS/EGMS is/are convened on **05.12.2020**, with the same agenda, time and venue.

The convening is carried out in compliance with the provisions of Law 24/2017 *on issuers of financial instruments and market operations* (hereinafter referred to as "Law 24/2017"), the F.S.A. regulations issued for the enforcement of the above-mentioned law, 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 2,162,443,797 registered and indivisible shares, of equal value, issued in a dematerialized form, each share granting the right to one vote in the general meeting of shareholders.

The shareholders entitled to attend and vote in the general meetings of shareholders are those who will be registered in the Shareholders' Register at the end of **16.11.2020**, set as the **reference date** for the general meetings of shareholders.

**I. The agenda of the general meetings will be as follows:**

**(i) The Ordinary General Meeting of Shareholders** will have the following agenda:

1. Election of the meeting secretariat comprised of two members, namely Mrs. Simona Modval and Mrs. Mihaela Susan, shareholders for which the full identification information is available at the Company's headquarters, in charge of verifying the shareholders attendance, fulfilling the formalities required by law and the Articles of Incorporation for the carrying-out of the general meeting, counting the votes expressed during the general meeting and drafting the meeting minutes;

2. Election of the Company's Supervisory Board, consisting of 5 members, for a 4-year mandate, starting from the date of authorization of the Board composition by the Financial Supervisory Authority;

3. Approval of the management contract template to be concluded between SIF Transilvania and the Supervisory Board members;

4. Finding of the termination of the mandate of the Supervisory Board members in office as at the general meeting date, not elected by the general meeting, from the date of authorization by the FSA of the Supervisory Board members elected during this general meeting of shareholders, and approval of an indemnity to be granted to each member of the Supervisory Board in office as at the OGMS date, not elected in the new Supervisory Board, equal to the value of the indemnities that could have been cashed until the end of the mandate, respectively an indemnity calculated for the period between the date of authorization by the FSA of the Board members elected in this meeting and 27.04.2021;

5. Approval of the Company's development strategy for 2020 – 2024;

6. Approval of the Company's Investment Policy Statement for 2020 – 2024;

7. Approval of **18.12.2020** as the record date (*ex-date* **17.12.2020**), in accordance with the applicable legal provisions, for the identification of the shareholders who are subjected to the effects of the resolutions adopted;

8. Authorization of Mr. Marius Adrian Moldovan, Executive President/CEO, to sign the Resolution of the Ordinary General Meeting of Shareholders, to carry out the formalities for the publication and registration thereof and to sign the management contract with the Supervisory Board members.

**(ii) The Extraordinary General Meeting of Shareholders** will have the following agenda:

1. Election of the meeting secretariat comprised of two members, namely Mrs. Simona Moldval and Mrs. Mihaela Susan, shareholders for which the full identification information is available at the Company's headquarters, in charge of verifying the shareholders attendance, fulfilling the formalities required by law and the Articles of Incorporation for the carrying-out of the general meeting, counting the votes expressed during the general meeting and drafting the meeting minutes;

2. Informing of the shareholders regarding the amendments made by the FSA, through Authorization no. 145/19.08.2020, to the provisions of art. 9 para. (7), art. 14 para. (10), art. 15 para. (1), art. 17 para. (1), art. 17 para. (5), art. 17 para. (6) and art. 25 para. (4) of the Articles of Incorporation, amended through the EGMS Resolution no. 1/29.06.2020 of SIF Transilvania;

3. Approval of the amendment and supplementation of the Company's Articles of Incorporation at the request of the FSA and at the initiative of the Executive Board and the Supervisory Board, as follows:

**(i) art. 1 para. (1) is amended and will have the following wording:**

"(1) The Company name is Societatea de Investiții Financiare Transilvania S.A., abbreviated as S.I.F. Transilvania. All documents, invoices, notices, publications and other documents issued by the Company shall contain the following information: the Company name, followed by the words „societate pe actiuni” (joint-stock company) or by the acronym “S.A.”, the subscribed and paid-in share capital, the registration number with the Trade Register and the year of registration, the fiscal code, the Company headquarters and the mention that the Company is self-managed in a two-tier system.”;

**(ii) art. 2 para. (1) and (3) are amended and will have the following wording:**

"(1) S.I.F. Transilvania is a Romanian legal entity, organized as a joint-stock company (S.A.). The Company is listed on the Bucharest Stock Exchange and the trading of shares is subject to the rules applicable to the regulated market and the closed-end alternative investment funds.

...  
(3) The Company is managed in a two-tier system.”

**(iii) after para. (1) of art. 2, a new paragraph is included, para. (1<sup>1</sup>), with the following wording:**

"(1<sup>1</sup>) S.I.F. Transilvania is a Retail Investor Alternative Investment Fund (R.I.A.I.F.), of closed-end type, diversified, set up as an investment company, self-managed. The Company is also authorized as an Alternative Investment Fund Manager (A.I.F.M.).”

**(iv) art. 3 para. (1) is amended and will have the following wording:**

"(1) The Company's headquarters is located in Brasov, 2 Nicolae Iorga Street, Brasov County, Romania.”

**(v) art. 4 para. (1) is amended and will have the following wording:**

"(1) The duration of the Company is 49 years, calculated from the date of authorization by the F.S.A. of this change. The shareholders have the right to change the duration of the Company before its expiration, through Resolution of the Extraordinary General Meeting of Shareholders.”

**(vi) within art. 4, a new paragraph is included, para. (2), with the following wording:**

"(2) The Company shall not comply with the requests for redemption of shares made by investors for the shares they hold before the start of the liquidation phase of the fund, directly or indirectly, from the fund's assets, in accordance with the legal provisions.”

**(vii) art. 5 is amended and will have the following wording:**

“art. 5 - The Company's purpose is to increase the value of the capital invested through an efficient administration and management of its own assets.”

**(viii) art. 6 para. (1), (3) and (4) are amended and will have the following wording:**

"(1) The Company's main field of activity is NACE Code 649 - Other financial service activities, except insurance and pension funding and the main activity is NACE Code 6499 - Other financial service activities not elsewhere classified.”

...  
(3) The main activities performed by the Company are:

- (i) portfolio management;
- (ii) risk management.”

(4) SIF Transilvania may perform, within the collective management, other activities such as:

a) entity management:

- (i) legal and accounting services of the fund;
- (ii) requests for information from customers;
- (iii) valuation and pricing, including tax refunds;

- (iv) control of compliance with applicable legislation;
- (v) income distribution;
- (vi) issuance of equity securities;
- (vii) settlement of contracts, including issuance of certificates;
- (viii) record keeping.

b) activities related to the fund assets, namely services required to fulfil the responsibilities in respect to AIFM's management, infrastructures management, real estate management, consulting provided to entities on capital structure, industrial strategy and related issues, consulting and services on mergers and acquisitions of entities, as well as other services related to the management of AIF and companies and of other assets in which it has invested."

**(ix) para. (2) of art. 6 is removed.**

**(x) para. (1) and (4) of art. 8 are amended and will have the following wording:**

"(1) The identification data of each shareholder, its contribution to the share capital, the number of shares and the percentage of the total share capital held are those recorded in the Shareholders' Register kept by Depozitarul Central S.A. Bucharest.

...

(4) The Executive Board is entitled to decide the increase of the share capital by the incorporation of some statutory reserves and other reserves, set up in compliance with the legal provisions and the resolutions of the general meetings of shareholders, to the extent it deems such decision as being necessary and appropriate, only with the endorsement of the Supervisory Board."

**(xi) para. (1), (2) and (3) of art. 9 are amended and will have the following wording:**

"(1) The shares issued by the Company are registered, indivisible, of equal value and dematerialized.

(2) The capacity as shareholder of the Company and the number of shares held shall be certified through an account statement, issued and certified by Depozitarul Central S.A. or, as appropriate, by the participants providing custody services as defined by the lawful provisions in force.

(3) Any change occurred in the legal situation of the Company's shareholders for various reasons shall be communicated by the interested person to Depozitarul Central S.A. The changes in the shareholders' legal situation which are not communicated and registered in the records of Depozitarul Central S.A. shall not be enforceable against S.I.F. Transilvania."

**(xii) para. (1), (3) and (4) of art. 10 are amended and will have the following wording:**

"(1) The Company's shareholders are or will be natural persons, legal persons or entities without legal personality who acquired or will acquire the status of owner of one or several shares issued by the Company, including in ideal pro rata quota, and who recorded their acquired right in the shareholders' register kept by Depozitarul Central S.A.

...

(3) Each shareholder is entitled to dividends proportionally to its participation to the share capital. The value of dividends and the term in which they are to be paid to the shareholders will be established by resolution of the general meeting of shareholders. S.I.F. Transilvania, as a dividend paying company, deducts from the amount to be paid as dividends the expenses related to the payment. The payment of dividends and of any other amounts due to the holders of securities issued by S.I.F. Transilvania will be carried out through Depozitarul Central S.A. and the participants in the clearing-settlement and the registry system, according to the law.

(4) The right to dividends and other rights derived from the capacity as shareholder may be exercised by the persons registered in the shareholders' register at the date established by resolution of the general meeting of shareholders, in accordance with the lawful provisions in force. Dividends not collected by shareholders are prescribed in accordance with the legal provisions in force."

**(xiii) art. 12 is amended and will have the following wording:**

“Art. 12 - No shareholder, regardless of the share of the capital held, has the right to put its own interests above the Company’s interests, so that their votes in the general meetings, as well as any other actions they undertake in relation to the Company, will be deemed to be legitimate or illegitimate also in the light of the fulfilment of such fundamental obligation.”

**(xiv) art. 13 is amended and will have the following wording:**

“Art. 13 - It is contrary to the law and to this Articles of Incorporation, as well as to the Company's priority interest, to abusively use (contrary to the purpose provided for or allowed by the law) the capacity as shareholder, member of the Supervisory Board or Executive Board or employee of the Company, by performing disloyal or fraudulent deeds whose objective is to harm or damage the rights related to the securities and other financial instruments issued by the Company and held by such persons. Shareholders must exercise the rights granted by these securities in good faith, observing the legitimate rights and interests of the other holders and the priority interest of the Company, otherwise, they are liable for damages.”

**(xv) para. (1), (2), (4), (8) and (9) of art. 14 are amended and will have the following wording:**

„(1) The supreme deliberation and decision-making body of the Company is the General Meeting of Shareholders which operates in accordance with to the provisions of Law and this Articles of Incorporation.

“(2) Each shareholder is entitled to participate and vote in any of the Company's general meetings of shareholders in person, by proxy or by correspondence or electronic means, according to the legal provisions and the F.S.A. regulations issued for the enforcement of law. The Executive Board shall issue regulations regarding the voting procedures by proxy, correspondence or electronic means so as to ensure the possibility of exercising of the voting right, in accordance with the lawful provisions in force. The vote by correspondence shall be performed at the shareholder’s expense. Any form of influencing the shareholders’ vote, as well as any form of rewarding the attendance of the shareholders at the general meetings is forbidden.

...

(4) The general meetings of shareholders are Ordinary and Extraordinary. The quorum required for organizing and conducting general meetings of shareholders and the majority required for adopting resolutions are those provided for by the legal provisions in force. The works of the general meetings of shareholders may take place, at the proposal of the Executive Board mentioned in the convening notice, at a location in the city of the headquarters, different from the headquarters. In order to adopt the decision on the withdrawal from trading, the presence of shareholders holding 2/3 of the voting rights is required, the decision being adopted with a majority of 3/4 of the shareholders present or represented.

...

(8) The convening of the general meetings of shareholders shall be carried out by the Executive Board that shall take the necessary measures to publish the convening notice in the Official Gazette of Romania- Part IV, in a widely circulated newspaper in the locality of the Company’s headquarters, in a daily national newspaper and on the Company’s website. The convening notice of the general meeting of shareholders shall be sent to the F.S.A. and to the Market Operator on which the Company's shares are traded.

(9) In the convening notices of the general meeting of shareholders, the Executive Board shall communicate the information required by law. They will also establish the deadline by which the shareholders may send their vote by proxy, correspondence and/or electronic means, should these rights be used, for each item subjected to approval.”

**(xvi) after para. (8) of art. 14, a new paragraph is included, para. (8<sup>1</sup>), with the following wording:**

“(8<sup>1</sup>) The convening notice, as well as all documents and information regarding the issues submitted to shareholders for information or approval shall be made available to them at the Company’s headquarters at least 30 days before the general meeting and shall be published on the

Company's website for the free access of shareholders to information. Upon request, copies of such documents shall be issued to shareholders."

**(xvii) after para. (10) of art. 14, a new paragraph is included, para. (11), with the following wording:**

"(11) S.I.F. Transilvania may allow its shareholders to participate and vote in the general meetings through electronic means of data transmission provided for by the procedures on the conducting and organizing of the general meetings."

**(xviii) indent (vii) of para. (5) of art. 15 is amended and will have the following wording:**

"(vii) analyses the adequacy, efficiency and updating of the internal control - compliance system so as to ensure its independence from the operational and support structures within the Company that they control and monitor;"

**(xix) para. (2) of art. 16 is amended and will have the following wording:**

"(2) The monthly remuneration of the members of the Supervisory Board shall be equal to 2.0 gross average salaries at the Company level for each member of the Board, 2.5 gross average salaries at the Company level for the vice-president and 3.0 gross average salaries at the Company level for the president. The additional remuneration of the members of the Supervisory Board who are also part of the advisory committees of the Supervisory Board shall be 10% of the individual monthly remuneration, regardless of the number of committees they are part of. Should the members of the Supervisory Board not participate in the works of the board meetings, neither by physical presence nor by proxy, for a period longer than three months, they are no longer entitled to the monthly remuneration for a period equal to the period in which they did not participate in the board meetings. The variable remuneration, corresponding to the previous year, will be reduced pro-rata, corresponding to the period in which they have not received the fixed remuneration."

**(xx) para. (1), (2), (3) and (8) of art. 17 are amended and will have the following wording:**

"(1) The Supervisory Board shall meet at least once every 3 months, in ordinary meetings, upon the convening of the President.

(2) The convening notice of the Supervisory Board meeting shall be sent to the Board members in good time before the meeting. This term and the functioning of the Board shall be established by the Regulation on the Organization and Functioning of the Supervisory Board, with the observance of the legislation in force."

(3) The members of the Supervisory Board shall exercise their mandate personally, loyally and in the Company's interest. By way of exception, a member of the Supervisory Board may represent in the board meetings only one absent member, based on a special power of attorney, valid only for a specific meeting of the Supervisory Board. The power of attorney is valid and takes effect provided that it is sent to the Company and to the other board members, by the Board Secretary, minimum 2 working days prior to the meeting date."

.....

(8) The Supervisory Board may establish advisory committees consisting of at least two members, in charge with carrying out investigations and making recommendations to the Board. The establishment of the Audit Committee, Risk Committee, Remuneration Committee and Nomination Committee is mandatory.

**(xxi) after para. (1) of art. 17, a new paragraph is included, para. (1<sup>1</sup>), with the following wording:**

(1<sup>1</sup>) The Supervisory Board may be convened in extraordinary meeting also upon the motivated request of at least two of its members or upon the request of the Executive Board, whenever such convening is necessary. The date, time and venue of the meeting shall be mentioned in the convening request made by at least two members of the Supervisory Board or by the Executive Board. The meeting agenda shall be proposed by the authors of the convening request. The President of the Supervisory

Board shall convene the meeting in maximum 3 days from the date of registration of the request with the Company and the meeting shall take place in maximum 15 days from the convocation. Should the President not comply with the request to convene the extraordinary meeting made by at least two members of the Supervisory Board or by the Executive Board, the meeting shall be deemed legally convened through the convening request submitted by the members of the Supervisory Board or by the Executive Board and shall be held at the date, time and venue proposed in the convening request. The Regulation on the Organization and Functioning of the Supervisory Board may regulate shorter deadlines for convening and conducting extraordinary meetings of the Supervisory Board, justified by the urgency of the situations occurred.”

**(xxii) para. (2), (5), (8), (9) and (13) of art. 19 are amended and will have the following wording:**

“(2) The members of the Executive Board shall meet the conditions provided for by para. (1) of art. 15 of this Articles of Incorporation, shall have an experience of minimum five years in the investment management or capital market field and shall conclude a professional liability insurance amounting to the RON equivalent of Euro 300,000. The insurance premiums shall be incurred by the Company.

...

(5) The Executive Board shall be able to conclude legal acts on behalf of the Company, regarding acquisition, disposal, exchange, bank loan/credit or warranty of goods, whose value does not exceed, individually or cumulatively, during a financial year, 20% of the total fixed assets of the Company, less receivables.

(8) The members of the Executive Board may be revoked at any time by the Supervisory Board. If the revocation incurs without just cause, the members of the Executive Board are entitled to damages established in accordance with the management agreement concluded by them with the Company. The damages to be paid to the Executive President/Chief Executive Officer, as a result of revocation without just cause, are equivalent to the allowances due until the end of his mandate, without exceeding 12 fixed monthly allowances, and the damages to be paid to the Executive Vice-President/Deputy Chief Executive Officer and the Member of the Executive Board/Director, as a result of revocation without just cause, are equivalent to the allowances due until the end of their mandate, without exceeding 6 fixed monthly allowances.

(9) The employment and dismissal of the persons with management responsibilities who hold such position under labour agreements shall be carried out by the Chief Executive Officer, upon the prior approval by the Executive Board, and for the other employees, the Chief Executive Officer is solely responsible for making such decision. The remuneration of the Company's personnel, irrespective of their position, shall be established by negotiations between the Chief Executive Officer and such personnel, according to the terms of the collective labour agreement, the wage grid approved by the Executive Board and the legal provisions.

...

(13) At least two members of the Executive Board shall be present so as the decisions are valid. The Executive Board decisions shall be adopted by the vote of the majority of the members present or represented at the respective meeting of the Executive Board.”

**(xxiii) para. (10) of art. 19 is removed.**

**(xxiv) para. (2) of art. 21 is amended and will have the following wording:**

“(2) The operations stipulated by the previous paragraph shall be carried out by a financial auditor - natural person or legal person, member of the Romanian Chamber of Financial Auditors, whose appointment and duration of mandate are established by the ordinary general meeting of shareholders. The financial auditor’s activity shall be carried out in accordance with the legal provisions in force and the applicable professional norms, under service-rendering contracts, approved by the Executive Board with the endorsement by the Supervisory Board.”

**(xxv) para. (5) of art. 22 is amended and will have the following wording:**

“(5) The rules on the valuation of the Company’s assets are established with the observance of the principles provided for by the national and European legislation in force, and their detailed presentation as well as the investment policy of S.I.F. Transilvania are included in the Fund Rules.”

**(xxvi) after para. (5) of art. 22, four new paragraphs are included, para. (5<sup>1</sup>) - (5<sup>4</sup>), with the following wording:**

“(5<sup>1</sup>) The net asset value (NAV) and the net asset value per share (NAVPS) of S.I.F. Transilvania are calculated by the Company on a monthly basis, for the last working day of each month, in accordance with the provisions of the applicable legal regulations and the operating documents of the Company.

(5<sup>2</sup>) The net asset value and the net asset value per share are certified by the depository of the Company’s assets, based on the instructions and documents sent by S.I.F. Transilvania.

(5<sup>3</sup>) S.I.F. Transilvania shall make NAV and NAVPS public on its website [www.siftransilvania.ro](http://www.siftransilvania.ro) and through the information dissemination system of the Bucharest Stock Exchange.

(5<sup>4</sup>) S.I.F. Transilvania has the following obligations in relation to the rules on the valuation of its assets:

- a) to publish the updated valuation rules on the website [www.siftransilvania.ro](http://www.siftransilvania.ro);
- b) to notify the F.S.A. on any changes to the valuation rules at least 30 days before application;
- c) to notify the investors on any changes to the above mentioned rules through a current report that shall be made public on the website [www.siftransilvania.ro](http://www.siftransilvania.ro) and through the information dissemination system of the Bucharest Stock Exchange.”

**(xxvii) para.(6) of art. 22 is removed.**

**(xxviii) art. 23 is amended and will have the following wording:**

“Art. 23 - Within 15 days of the general meeting of shareholders held for the approval of the financial statements, the Executive Board members shall submit a copy of the annual financial statements, accompanied by the reports of the Executive Board, the Supervisory Board and the financial auditor to the Trade Register Office, the F.S.A. and to the other institutions provided by applicable legal regulations.”

**(xxix) within art. 24, two new paragraphs are included, para. (3) and (4), with the following wording:**

“(3) The Company shall be able to acquire and hold assets only under the conditions provided for by the legislation in force. The investment policy and the prudential rules are established by S.I.F. Transilvania and they will be regulated in the Investment Policy Statement, with the observance of the investment limits provided for by the applicable legal regulations in force and the Fund Rules.

(4) S.I.F. Transilvania has the following obligations in relation to the prudential rules regarding the investment policy of the Company:

- a) to publish the updated prudential rules regarding the investment policy on the website [www.siftransilvania.ro](http://www.siftransilvania.ro);
- b) to notify the F.S.A. on any changes to the prudential rules regarding the investment policy;
- c) to notify the investors on any changes to the prudential rules regarding the investment policy through a current report that shall be made public on the website [www.siftransilvania.ro](http://www.siftransilvania.ro) and through the information dissemination system of the Bucharest Stock Exchange.”

**(xxx) para. (2), (3) and (5) of art. 25 are amended and will have the following wording:**

“(2) The Company's profit or loss shall be determined on a monthly basis, cumulated from the beginning of each financial year, being annually subjected to the approval of the general meeting of shareholders.



(3) The shareholders' participation to profit and loss shall be proportional with share of capital held by each shareholder, according to the terms stipulated by this Articles of Incorporation and the legal norms in force.

...

(5) The distribution per destinations of the annual net profit shall be decided by the general meetings of shareholders, taking into account the limitations provided by this Articles of Incorporation, the financing needs of the Company and the amount of the variable remuneration paid by the Company.”

**(xxxi) after para. (5) of art. 25, new five paragraphs are included, para. (6) - (10), with the following wording:**

“(6) S.I.F. Transilvania establishes and applies a remuneration policy approved by the Supervisory Board. The remuneration policy is compatible with the solid and effective risk management and promotes such type of management, without encouraging risk-taking that does not comply with the risk profile, fund rules and the Articles of Incorporation of S.I.F. Transilvania. The Company’s remuneration policy is compliant with the business strategy and the long-term objectives and interests and includes measures to prevent conflicts of interests.

(7) The variable remuneration shall be granted with the observance of the following general limitations: the total variable remuneration shall not exceed 0.60% of total assets plus a maximum of 5% of Profit (Operating profit + Net gain from transactions recognized in retained earnings).

(8) The variable remuneration of the members of the Supervisory Board shall be approved by the General Meeting of Shareholders.

(9) The variable remuneration of the members of the Executive Board shall be approved by the General Meeting of Shareholders.

(10) The variable remuneration of the persons holding key-functions shall be approved by the Supervisory Board and the variable remuneration of the staff identified by the remuneration policy shall be approved by the Executive Board.”

**(xxxii) para. (1) of art. 26 is amended and will have the following wording:**

“(1) The Company personnel shall be employed in accordance with the internal regulations and legal provisions, based on individual labour agreements, concluded based on negotiations, with the observance of the provisions of the collective labour agreement. The rights and obligations of the Company personnel are established by the individual labour agreement, the Company's organization and operating regulations and by the collective labour agreement, approved by the Executive Board.”

**(xxxiii) after para. (3) of art. 26, a new paragraph is included, para. (4), with the following wording:**

“(4) The personnel remuneration consists of the basic remuneration (tariff salary) and may also include other benefits stipulated by the collective labour agreement.”

**(xxxiv) art. 27 is amended and will have the following wording:**

“Art. 27 - The situations of incompatibility for the natural persons that are part of the management are regulated by the express provisions of the legislation in force.”

**(xxxv) para.(4) of art. 28 is removed.**

**(xxxvi) para (1) and (2) of art. 32 are amended and will have the following wording:**

“(1) The provisions of this Articles of Incorporation may be amended by the extraordinary general meeting of shareholders and/or by the Executive Board, in the situations provided by law, in compliance with the legal provisions and the conditions of form and publicity provided by law.

(2) Any amendment to and/or supplementation of this Articles of Incorporation shall be valid only if adopted by the extraordinary general meeting of shareholders and/or by the Executive Board, as

the case may be, in compliance with all substantive and formal requirements provided by the legislation in force.”

**(xxxvii) para (3) of art. 32 is removed.**

**(xxxviii) art. 33 is amended and will have the following wording:**

“Art. 33 - This Articles of Incorporation shall be supplemented by the lawful provisions in force applicable to S.I.F. Transilvania. Should subsequent to the approval of this Articles of Incorporation new applicable normative acts, whose provisions are imperative, are issued and adopted, the provisions of this document shall be deemed amended accordingly.”

**4.** Approval of a buy-back programme of the Company’s own shares, in compliance with the applicable legal provisions, under the following conditions:

(i) *size of the programme* - maximum 10,443,797 shares with a nominal value of RON 0.10/share, representing maximum 0,48296% of the share capital;

(ii) *acquisition price of the shares* – the minimum price will be equal to the market price on the Bucharest Stock Exchange of the Company’s shares at the time of the acquisition and the maximum price will be RON 0.46 /share;

(iii) *duration of the programme* - maximum 12 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 available reserves (except for legal reserves) recorded in the last approved annual financial statements;

(v) *destination of the programme*: free distribution of 10,443,797 shares to the Supervisory Board members, Executive Board members and the identified staff, within a Stock Option Plan, in compliance with the Company’s remuneration policy.

**5.** Authorization of the Executive Board to carry out the buy-back programme;

**6.** Ratification of the Resolution no. 1/08.10.2020 of the Executive Board on the approval of the loan agreement for the amount of RON 40 million, concluded on 12.10.2020 with Banca Transilvania S.A., due on 11.10.2021, exclusively used for the payment of dividends to shareholders;

**7.** Approval of **18.12.2020** as record date (*ex-date* 17.12.2020), according to the applicable legal provisions, for the identification of the shareholders who are subjected to the effects of the resolutions adopted;

**8.** Authorization of Mr. Marius Adrian Moldovan, Executive President/CEO, to sign the Resolution of the Extraordinary General Meeting of Shareholders, to draw up and sign the Articles of Incorporation, updated with the changes approved through this EGMS Resolution and to carry out the formalities for the publication and registration thereof. When updating the Articles of Incorporation, the paragraphs will be renumbered.

**II.** In accordance with article 153<sup>6</sup> paragraph (2) of Law 31/1990, the candidates for the position of member of the Supervisory Board shall be nominated by the current members of the Supervisory Board or by the shareholders, with the observance of the minimum conditions that must be fulfilled by the nominated persons, provided for by the FSA Regulation no. 1/2019. The eligibility conditions that must be fulfilled by the candidates for the position of member of the Supervisory Board and the content of the application file will be available on the Company’s website [www.siftransilvania.ro](http://www.siftransilvania.ro), under the “OGMS December 2020” section, starting on 30.10.2020.

The application files of the nominated candidates shall be submitted to the Executive Board of SIF Transilvania, at the Company's headquarters, in two counterparts, during the period 09.11.2020 - 12.11.2020, between 9:00 a.m. and 4:00 p.m. and they shall be registered at the Registry office of SIF Transilvania in the chronological order of their submission. Only candidates whose application files are complete and contain the documents specifically mentioned in the list published on the Company’s website will be included on the ballot papers, in the chronological order of their registration.

The persons elected as members of the Supervisory Board by the general meeting of shareholders will exercise their prerogatives only after their approval by the FSA as a member of the Supervisory Board.

The information on the name, residence and professional qualification of the persons nominated for the position of member of the Supervisory Board will be made available to the shareholders on the Company's website.

**III. Adding new items to the OGMS/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 meetings, provided that each item is accompanied by a justification or by a draft resolution proposed for approval of 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 the shareholders must fall within the legal powers of the OGMS/EGMS and meet the following conditions:

**(i)** the request shall be made only in written, until 04.11.2020, 10:00 a.m, by submitting the original documents to the Company's headquarters or by sending them by e-mail at [siftransilvania@siftransilvania.ro](mailto: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 ascertained based on the List of shareholders received by the Company from Depozitarul Central S.A. or based on the documents issued by Depozitarul Central S.A. 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 regarding the legal representative with Depozitarul Central S.A. or 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 and by a draft resolution submitted to the OGMS/EGMS for approval.

Should the exercise of the right to add new items to the agenda determine the change of the OGMS/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 in respect to the initial agenda, before the reference date set for this OGMS/EGMS, in such a way that the entitled shareholders are notified of this change.

The documents submitted 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.

#### **IV. Documents pertaining to the OGMS/EGMS**

Starting on 02.11.2020, the Company will make available at its headquarters and on its website, under the sections dedicated to the general meetings, the documents pertaining to the general meetings, except for the materials for which different dates are established by this convening notice; the result of the preliminary assessment of the candidates for the position of member of the Supervisory Board will be available on 16.11.2020.

The shareholders may obtain from the Company's headquarters, upon request and for a fee, copies of the documents pertaining to the items included on the agenda, or they can print them from the Company's website, the "OGMS December 2020" and "EGMS December 2020" sections.

#### **V. Voting by correspondence. Powers of attorney. Attending the OGMS/EGMS.**

The physical participation at the OGMS/EGMS works, or through an authorized representative, will be possible to the extent that, by reference to the epidemiological context existing on the date of the general meetings, such participation is allowed; should the public meetings are not be allowed or

there are restrictions regarding their organization, the Executive Board recommends that the shareholders vote by correspondence or by electronic means.

The shareholders registered in the Shareholders' Register on the reference date may vote in the OGMS/EGMS by correspondence or by electronic means, in accordance with the procedures that will be published on the Company's website, under the "OGMS December 2020" and "EGMS December 2020" sections.

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

The ballot papers forms will be available at the Company's headquarters and on its website starting on 02.11.2020.

The shareholders registered in the Shareholders' Register on the reference date may also vote before the general meetings by electronic means until 02.12.2020, by accessing the Company's website [www.siftransilvania.ro](http://www.siftransilvania.ro), the "Electronic Voting" section.

The procedure for voting by correspondence, including by electronic means, as established by the Executive Board, will be presented in the information materials that will be made available to the shareholders on the Company's website, under the "OGMS December 2020" and "EGMS December 2020" sections.

**(ii) Exercising the voting right by correspondence.** The ballot papers, accompanied by the documents requested according to the procedures, shall be sent by e-mail at [siftransilvania@siftransilvania.ro](mailto:siftransilvania@siftransilvania.ro) as an electronically signed document with an extended electronic signature, according to Law no. 455/2001 on the electronic signature, or they shall be submitted/send to the Company's headquarters on working days (Monday-Friday, from 9:00 a.m. to 3:00 p.m.), until 02.12.2020, 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 in the general meetings convened by this notice, according to the legal provisions.

**(iii) Powers of attorney.** The shareholders registered in the Shareholders' Register on the reference date may be represented at the general meetings 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 general meetings will be available at the Company's headquarters starting on 02.11.2020, on working days, from 9:00 a.m. to 3:00 p.m.

The shareholders representation in the general meetings 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 general meetings procedure. The general power of attorney shall be granted by the shareholder for the entire holding on the reference date and submitted to the Company until the deadline mentioned below, in copy, with the mention *according to the original* under the signature of the representative.

**(iv) Exercising the voting right through authorized representatives.** The special powers of attorney and the general powers of attorney, accompanied by the documents requested according to the procedures, shall be submitted/send at the Company's headquarters, on working days (Monday-Friday, from 9:00 a.m. to 3:00 p.m.) or shall be sent by email at [siftransilvania@siftransilvania.ro](mailto:siftransilvania@siftransilvania.ro) as an electronically signed document with an extended electronic signature, according to Law no. 455/2001 *on the electronic signature*, until 02.12.2020 (registration date at the Company's Registry office or postmark date of arrival in Braşov) under the sanction of losing the right to vote through the authorized representative in the general meetings convened by this notice, 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 02.12.2020, 12:00 (noon).

The special/general powers of attorney bearing a later date (registered with the Company until 02.12.2020, 12:00 (noon) have as an effect the revocation of the previously issued powers of attorney.

**(v) Attending the general meetings.** The natural persons are permitted to attend the meetings by simply demonstrating their identity.

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

Direct participation of the shareholder at the general meetings, 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.

**VI. Shareholders' questions.** Each shareholder has the right to ask questions pertaining to the items on the agenda of the general meetings until 02.12.2020. The Company may answer the questions also by posting the answer on its website, under the "FAQ" section or during the general meetings, provided that the requested information complies with the public information character and cannot be found in the documents pertaining to the agenda or in the reports published by the Company.

The shareholders' questions shall be sent in written, by submitting the documents in original copy to the Company's headquarters or by e-mail at [siftransilvania@siftransilvania.ro](mailto:siftransilvania@siftransilvania.ro) with an incorporated extended electronic signature (according to Law 455/2001 *on electronic signature*) clearly referenced „For OGMS or EGMS of 04(05).12.2020”.

The capacity as shareholder (natural person or legal representative of the legal person) 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.

**President of the Executive Board**  
**Marius Adrian MOLDOVAN**

**Vice President of the Executive Board**  
**Radu-Claudiu ROȘCA**

**Member of the Executive Board/Director**  
**Tony-Cristian RĂDUȚĂ-GIB**

**Compliance Officer**  
**Loredna-Floriana BASTON**

*Disclaimer: The document herein is an English translation of the Convening Notice for the Ordinary and Extraordinary General Meetings of Shareholders of SIF Transilvania to be held on December 4/5, 2020. 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.*