

Newsletter October 2022



Transilvania
Investments



News

- Transilvania Investments published on November 11, 2022 the financial results for the third quarter of 2022. As at September 30, 2022, the Company recorded a **net profit of RON 55.07 million**, down by 0.66% compared to the profit of the corresponding period in 2021. At the end of the third quarter of 2022, the net operating income amounted to RON 73.27 million, decreasing by 4.80% compared to 30.09.2021, while the operational expenses, worth RON 20.37 million, are RON 0.23 million higher than their value at the end of Q3 2021. The Company remains focused on increasing the portfolio efficiency, maximizing the returns and developing new investment lines. The Quarterly report as at 30.09.2022 is available on the Company's website www.transilvaniainvestments.ro, *Investor Relations* section.
- During the last year, Transilvania Investments carried out an extensive analysis of the assets held in tourism sector, with the ultimate goal of defining the long-term investment strategy in this sector and maximizing the investment returns. The Company decided to concentrate resources for a part of the current portfolio, with other assets to be put up for sale or leased. Therefore, the following nine hotels in the patrimony of THR Marea Neagră will be auctioned off in the next period: Diana, Venus, Minerva, Jupiter, Bran Brad Bega Complex in Eforie Nord and Capitol and Măgura in Eforie Sud. The hotels are placed on or in close proximity to the beaches and are mainly intended for family tourism. The hotels owns more than 1,000 rooms, classified as 2, 3 or 4*. The proposal will be discussed on November 29(30), 2022 in the General Meeting of Shareholders of THR Marea Neagră, a company in which Transilvania Investments holds 78.6% of the shares.



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- The public consultation for the **urban reintegration of the Casa Albă Independenta Sibiu industrial site** has come to an end. The fourth and last meeting, which took place on November 2, 2022, was attended by residents from the immediate vicinity, urban planners, architects and representatives of local public institutions. On this occasion, the results of the survey were centralized and presented, and the development strategy was initiated, which foresees the integration of the former industrial platform into an area with mixed functions, by reintegrating the existing buildings and creating public spaces adapted to different users and predominated by zones with pedestrian access. The developed concept seeks the economic and socio-cultural sustainability, which would offer a new attractive complementary area in the center of Sibiu. The industrial site regeneration has been started at the initiative of Transilvania Investments, which owns the majority stake in the company Casa Albă Independenta S.A.
- Investments in the financial sector continue to hold a **strategic place in the portfolio managed** by Transilvania Investments. In this context, the Company increased its ownership in Transilvania Leasing and Credit IFN S.A. Braşov (symbol TSLA), from 68.64% to 93.49%, this being the only leasing company in TRANSI portfolio. This autumn, Transilvania Leasing and Credit IFN S.A. celebrated 25 years of activity. The anniversary event took place on Friday, October 21st, in Braşov. More details are available here: <https://transilvaniainvestments.ro/en/transilvania-leasing-and-credit-ifn-a-successful-company-from-transilvania-investments-portfolio/>



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In focus

- Carrying on the process of defining **a new business strategy for the portfolio companies**, with a focus on the tourism and leisure sector, which holds an important share in the portfolio managed by Transilvania Investments. We aim to develop plans to streamline the management of the companies acting in this sector, so that the increased interest in the domestic tourism is maximized.
- Monitoring by the Business Development Department of **a series of projects of the companies in Transilvania Investments' portfolio**, financed by own investment programs and by accessing programs financed from various funds such as: non-reimbursable funds, National Recovery and Resilience Plan, grants, state aid schemes, PPP programs etc.
- Approaching with much more agility and vision the opportunities offered by the national and international market, so as to maximize the returns offered to investors. We are focused on developing the area of private equity and venture capital investments and, in this respect, we seek to identify new projects, from various fields of activity, either in developed companies or in new companies.
- Carrying on the expanding of the company's team of professionals. Transilvania Investments aims to complement the existing expertise in the company with people with a fresh vision, for positions such as **head of portfolio management department, financial analyst, business development specialist and system administrator**.



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Key Indicators

	October 2022 (RON)	October 2022 (EUR)
Market capitalization	596,834,488	121,453,468
Total Assets	1,370,793,162	278,951,011
Net Asset Value	1,303,687,449	265,295,262
NAV per share*	0.6070	0.1235
Price / share	0.2760	0.0562
Discount	55%	

Average share price** (RON)	0.2917
Max.** (RON)	0.3500
Min.** (RON)	0.2400
Standard deviation** (RON)	0.0300
Share price as at 31.10.2022 (RON)	0.2760
Total number of issued shares	2,162,443,797

**January – October 2022, closing prices, REGS market

* The number of shares considered in the NAVPS calculation (2,147,834,963) has resulted by deducting from the total number of issued shares, the shares acquired by the Company under the Tender Offer, run in December 2021 and the buy-back program launched in August 2022 (according to the applicable regulations).

The **VaR indicator** (20 days, 1 year historical method, 99% confidence level) as at 31.10.2022 for the portfolio of shares listed on a regulated market is 11.08%, complying with the internally-set limit corresponding to a medium risk appetite (max. 25%).



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Top 5 portfolio companies on the regulated market as at 31.10.2022

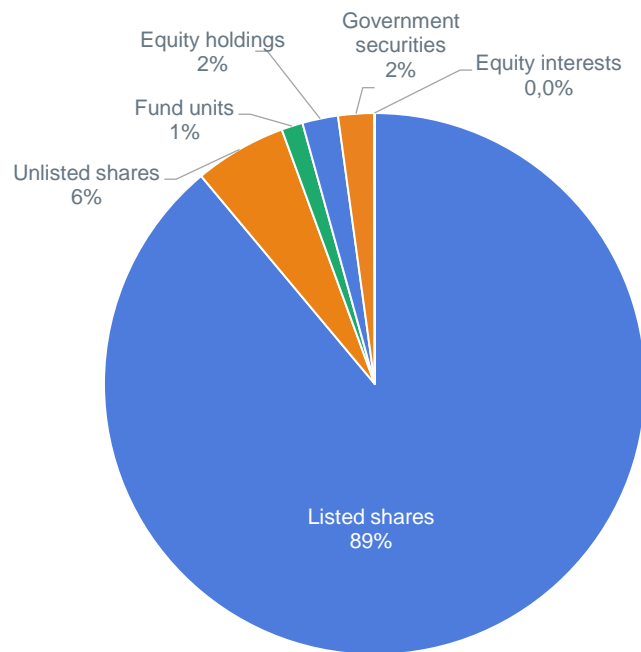
No.	Company	% of NAV
1	Banca Transilvania, Cluj-Napoca	14.3%
2	BRD – Groupe Société Générale, Bucharest	13.9%
3	Turism, Hoteluri, Restaurante Marea Neagră, Mangalia	6.8%
4	Turism Felix, Băile Felix	6.3%
5	OMV Petrom, Bucharest	6.3%
	Total	47.6%



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Financial Instruments

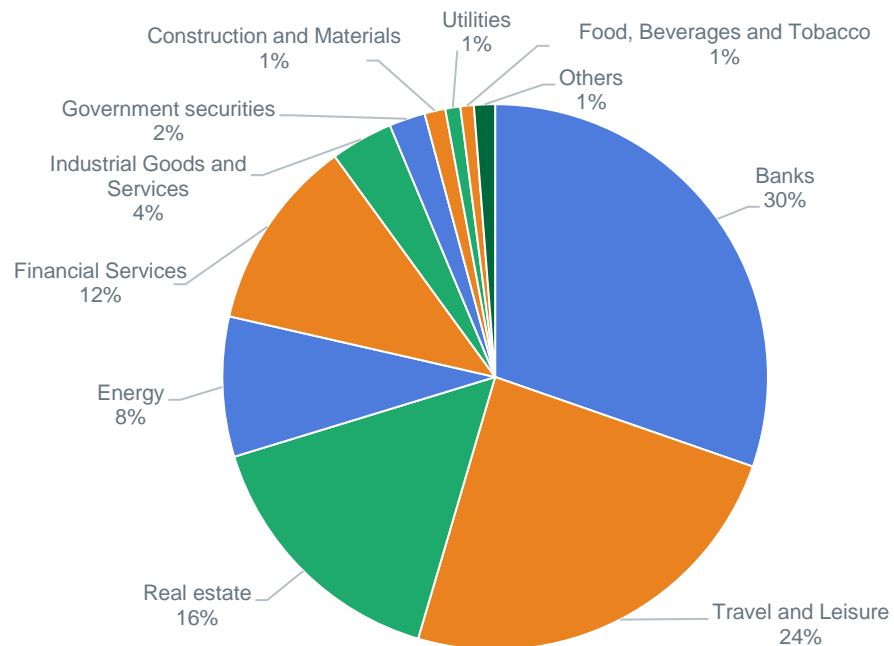
at 31.10.2022



Value of financial instrument portfolio: RON 1,299,008,008

Breakdown by sectors*

at 31.10.2022



Percentages represent the weight of the respective category in the value of the financial instrument portfolio.

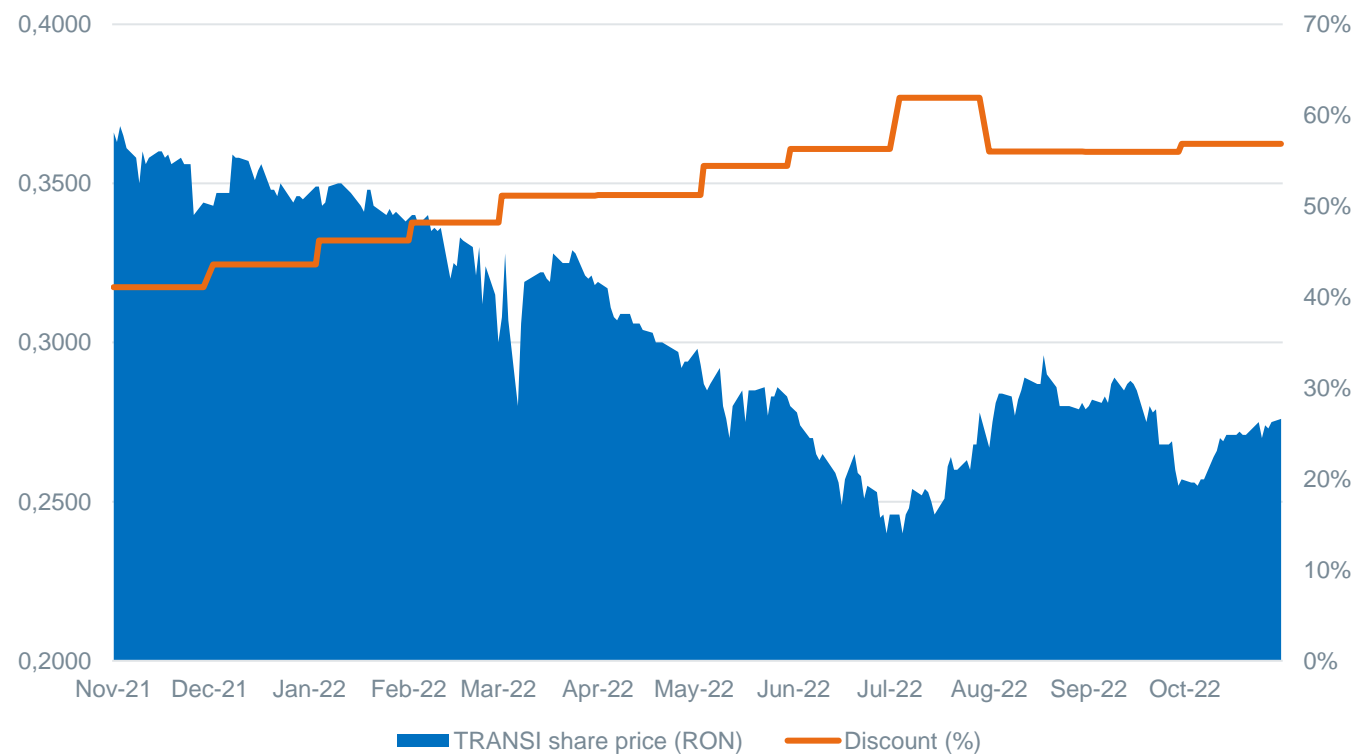
*Classification according to Industry Classification Benchmark (ICB) system developed by FTSE Russell

Disclaimer: Transilvania Investments' Strategy and Investment Policy Statement complies with the prudential principles provided for by Law no. 243/2019 on the regulation of alternative investment funds. The above information regarding the portfolio is calculated based on NAV (Net Asset Value). The price of shares and the income generated by the investment in shares may fluctuate and there is the possibility of not recovering the invested amount. Company's past performance is no guarantee of future performance. Transilvania Investments provides quarterly, half yearly and annual reports, and publishes them on its website at [www.transilvaniainvestments.ro/Investor Relations](http://www.transilvaniainvestments.ro/Investor%20Relations) section. This material is a brief summary destined to existing shareholders and will not form the basis for making investment decisions.



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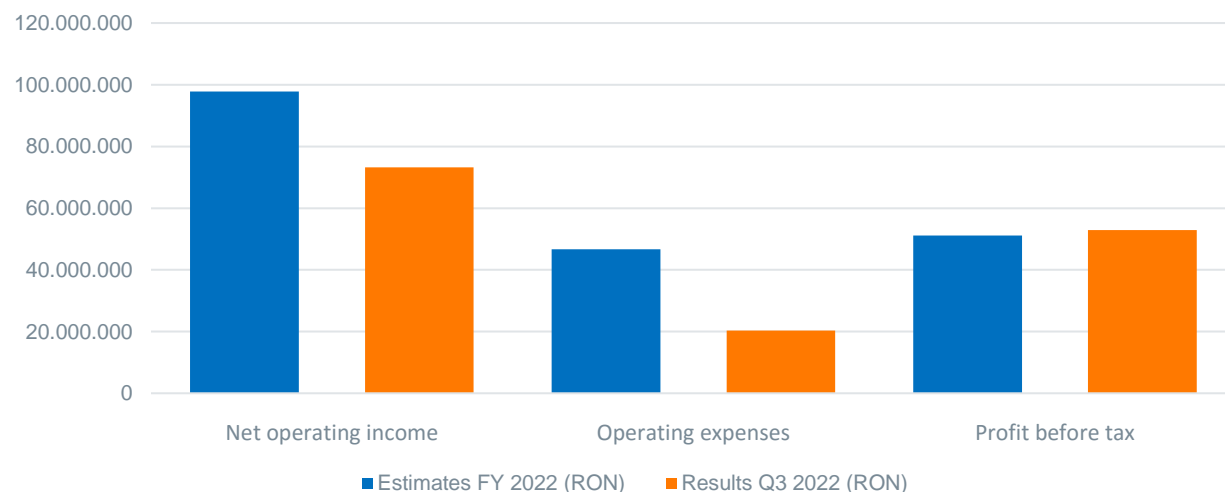
TRANSI Shares – price and discount



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Execution of the Revenue and Expenditure Budget for FY 2022

Indicator	Estimates FY 2022 (RON)	Results Q3 2022 (RON)
Net operating income	97,850,000	73,272,732
Operating expenses	(46,660,000)	(20,371,896)
Profit before tax	51,190,000	52,900,836
Net profit as at 30.09.2022	-	55,068,755



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About the Company

Transilvania Investments Alliance is an Alternative Investment Fund Manager (A.I.F.M.) and a Retail Investor Alternative Investment Fund (R.I.A.I.F.), of closed-end type, diversified, set up as an investment company, self-managed, authorized by the F.S.A.

The Fund Rules, the Simplified Prospectus and the Key Investor Information Document are available on the website www.transilvaniainvestments.ro, section *Corporate Governance*.

The Company manages an **investment portfolio** which has a main exposure on the Romanian capital market, mainly on listed shares of companies from **Banks, Travel and Leisure, Real-Estate and Energy** sectors. The Company also invests in units issued by UCITS, units/shares of alternative investment funds, in non-listed securities and money market instruments.

Transilvania Investments Alliance is managed in a two-tier management system by an Executive Board which carries out its activity under the control of the Supervisory Board.

The shares issued by the Company are traded on the Bucharest Stock Exchange (B.S.E. symbol: **TRANSI**; ISIN: ROSIFCACNOR8; Bloomberg: TRANSI RO; Reuters: TRANSI.BX), Main segment, Premium category and they are included in BET-FI, BET-XT, BET-XT-TR and BET-BK indices.

TRANSI shares are held by resident individuals (49.74%), non-resident individuals (0.58%), resident legal entities (47.99%) and non-resident legal entities (1.69%), as at 31.10.2022.



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CONTACT

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