EXIT STRATEGY

an integral part of the Transilvania Investments Alliance Strategy 2024–2028

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

The **Exit Strategy** is an integral part of the **2024–2028 Strategy** and falls within the framework of the **2024–2028 Investment Policy Statement (IPS),** both approved by the shareholders during the General Meeting of April 22, 2024. In line with these documents, the Company aims to **restructure its historical portfolio of holdings** that have exhausted their growth potential, show limited prospects, or generate a risk-adjusted return below the efficiency expected from active portfolio management. As a minority or significant shareholder, the Company seeks to exit those holdings that lack investment potential or the real capacity to implement sustainable and efficient business models.

The Exit Strategy **is aligned with the Shareholders' Remuneration Policy**, which is built on a balance between direct remuneration, through dividend distributions, and indirect remuneration, through the reduction of the trading discount and the increase in the value of the invested capital. Since the 2015 financial year, the Company has applied IFRS as the basis of its accounting, in accordance with the requirements of ASF Regulation no. 39/2015, and following the analyses carried out, it has been determined that the Company meets the criteria of an **investment entity** under IFRS 10. This classification is reviewed annually by the Executive Board and communicated to the Supervisory Board. A defining element of an investment entity is the existence of an exit strategy for its portfolio, not necessarily for each individual investment, but for categories of investments, with a clearly defined timeframe for their realization.

The opportunity to adopt and implement an Exit Strategy arises from the profound transformations in the **economic and market environment**. In recent years, macroeconomic conditions have been marked by high inflation, volatility in financial markets, and significant shifts in the yield curve — all factors that have influenced the attractiveness and sustainability of certain existing investments. At the same time, consolidation trends have emerged in several sectors, while the profile of strategic investors has evolved, prompting a reassessment of how TIA can best capitalize on its holdings. From this perspective, the existence of an Exit Strategy provides a framework through which the Fund can adapt its investment policies to the new market realities, avoiding long-term exposure to low-relevance assets and reallocating capital toward opportunities with superior potential.

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Autorizată F.I.A.I.R.: Autorizație ASF nr. 150/09.07.2021
Cod LEI (Legal Entity Identifier): 254900E2IL36VM93H128
Capital social: 215 044 379,70 lei
Nr. Registru ASF: PJR071AFIAA/080005
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IBAN B.C.R. Brașov: RO08 RNCB 0053 0085 8144 0001
Societate administrată în sistem dualist

The Exit Strategy applicable to the equity sub-portfolio covers holdings in unlisted companies, companies traded on alternative trading systems, as well as listed companies on regulated markets where the Company holds significant stakes. The divestment of these holdings may be carried out through sales to strategic investors, private placements addressed to qualified investors, public offerings addressed to a broad investor base, or through special transactions and capital market operations. The purpose of this Strategy is not only to identify the companies from which the Company should initiate an exit, but also to **realign the portfolio structure with the medium- and long-term investment objectives**, namely increasing the Net Asset Value (NAV) by 6%, reducing the trading discount by 7%, and ensuring an efficient rotation of capital.

The definition of the Exit Strategy was based on an **updated internal methodology**, built on quantitative and qualitative indicators, which supports the process through an objective assessment of the portfolio companies, classifying them into the **core portfolio and the exit portfolio**. All holdings not included in the exit portfolio are categorized within the core portfolio, intended for medium- and long-term maintenance and development, as well as for active trading (including take profit/stop loss operations), in line with the Company's strategic objectives and fully aligned with the decision-making framework approved at the Entity level. This classification is designed to generate direct effects on the Net Asset Value, the trading discount, and the achievement of the KPIs assumed. By divesting companies with low potential, limited liquidity, or reputational risks, the Company secures **capital resources** that will be allocated either to share buyback and cancellation programs — positively impacting the per-share value for existing shareholders — or to additional investments in the companies retained in the portfolio, supporting their development and return potential. The use of resources released through this strategy will primarily target the financing of programs previously approved by shareholders. At the same time, the clarification and communication of this Exit Strategy enhances **transparency and investment discipline**, factors that can support the reduction of the trading discount and strengthen investor confidence.

The methodology for selecting companies under the Exit Strategy was built on **four main pillars**, each carrying an equal weight in the final score: financial performance and valuation outlook; strategic considerations (the company's relevance within the portfolio, alignment with the Fund's investment objectives, and development potential); attractiveness of the holding for strategic investors; and risk assessment (corporate governance, reputational risks, and other risk factors). The criteria associated with each pillar were defined to be objective, measurable, and comparable, allowing for aggregation into a final score that reflects in a balanced manner both the current performance and the outlook and risks of each holding. This approach ensures a rigorous and transparent selection process, providing a solid basis for the implementation of the Exit Strategy.

Although the methodology objectively identifies companies as candidates for the exit portfolio, there are situations where the additional acquisition of minority stakes may be deemed opportune, as the consolidation of the holding can facilitate the exit process. Any such initiative will be carried out through a documented process, based on the premise that larger stakes provide a higher degree of control, simplify the shareholder structure, and ease negotiations — thus justifying the payment of an acquisition premium and enabling the achievement of a higher price at the time of sale. Therefore, even for companies classified within the exit portfolio, the temporary accumulation of minority stakes may represent a way to maximize the value obtained and to enhance shareholder benefits. These actions will be explicitly detailed in the periodic information materials aimed at monitoring the implementation of this Strategy.

Through the implementation of this Exit Strategy, the Company optimizes its structure, focuses its exposure on the **business lines** defined by the 2024–2028 Strategy (tourism, real estate, active trading, and private equity), and creates the necessary premises for achieving the approved **performance objectives,** namely increasing the Net Asset Value (NAV) and reducing the trading discount. The consistent implementation of this Exit Strategy is a key element for the Company to meet the KPIs assumed for the end of the period (April 2028). By applying this Strategy, we estimate a level of NAV higher than that forecasted for the analysed horizon, without considering the deductions resulting from potential share buyback programs and/or dividend distributions. At the same time, the restructuring of the historical portfolio within a coherent and transparent framework strengthens the Company's position and ensures **active and efficient management** for the benefit of its investors.

The Exit Strategy is an essential instrument for the **accelerated restructuring of TIA's historical portfolio**, with the primary objective of divesting holdings that are non-performing and do not generate satisfactory returns for investors. In this way, the Company optimizes its portfolio structure by liquidating positions with no investment potential or limited growth prospects, as well as by realizing profits from investments that have reached maturity. The Strategy primarily targets assets that have reached their potential, underperforming assets, or assets lacking sustainable development prospects. Moreover, the Strategy has the potential to generate additional value in cases where divestments are executed at prices above fair value. At the same time, it avoids the need for significant additional investments that certain companies cannot support independently, and which would otherwise require external financing. Another benefit lies in reducing **opportunity costs** by reallocating resources toward investments with higher return potential and a more attractive risk profile.

The advantages of the Strategy include the release of **significant cash resources**, the enhancement of the Company's **liquidity profile**, and the assurance of financing capacity for the core portfolio, while also enabling shareholder remuneration. At the same time, by reducing the size of the portfolio, more efficient and rigorous management becomes possible, allowing TIA's management, directly or indirectly, to concentrate resources and expertise on a smaller number of investments with superior potential.

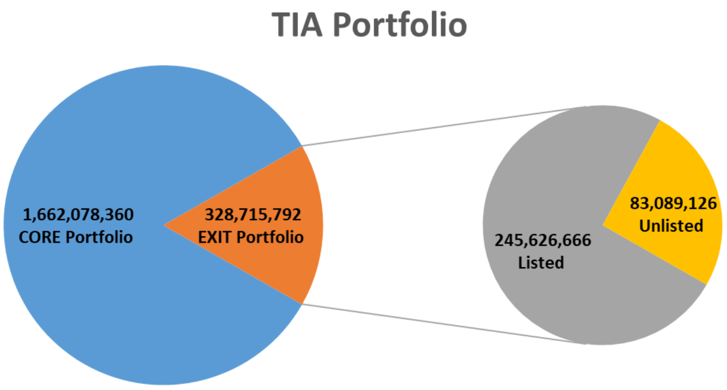
The Exit Strategy is fully aligned with the **Shareholders' Remuneration Policy**, implemented through share buyback programs and dividend distributions. In addition, shareholders benefit indirectly from the improvement in portfolio quality, which leads to an **increase in Net Asset Value (NAV)** and a **reduction in the trading discount**, thereby strengthening the premises for a superior valuation of their investment in TIA.

Considering the Company's investment objectives, as defined in the 2024–2028 Strategy and the Investment Policy Statement (IPS), namely the maximization of aggregate returns for current and potential shareholders, the Company reserves the right to partially or fully reduce, as well as to increase, its exposures classified as part of the core portfolio, in compliance with the applicable regulatory framework.

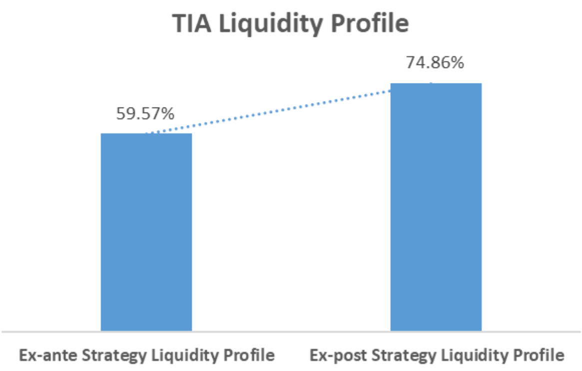
The primary objective of implementing this Strategy is to maximize the potential of each type of asset. In the process of divesting holdings, the minimum value will consider the **fair value** at which these are recorded in the Fund's assets, while for divestments involving the sale of assets related to such holdings, the price will be determined based on **independent valuation reports**.

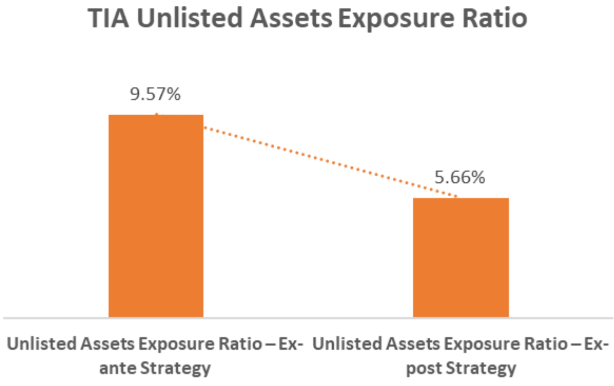
Impact of the Exit Strategy

The Exit Strategy involves holdings with a total fair value of RON 328.7 million. Its implementation entails a significant reduction in exposure to unlisted assets, given the structure of the companies classified under the Exit category.

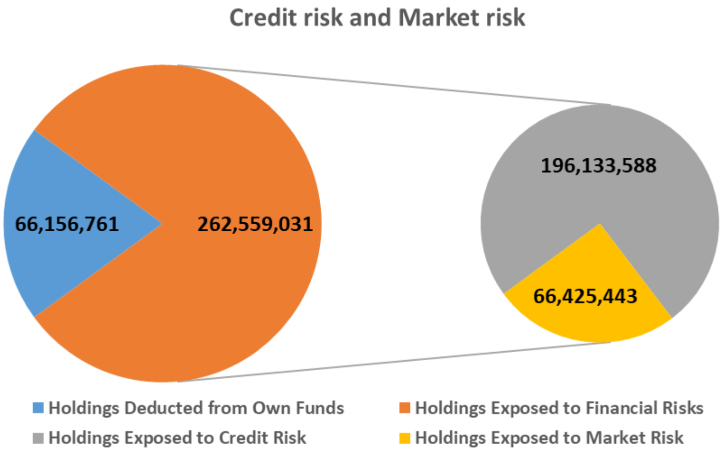


The **exposure rate** to unlisted assets is estimated to decrease to 5.66%, well below the 40% limit assumed under the risk profile and below the 9.57% level recorded as of June 30, 2025. The Strategy also enhances the **liquidity profile** of the aggregate portfolio, with the liquidity indicator reaching 75% compared to the 60% level calculated as of June 30, 2025.

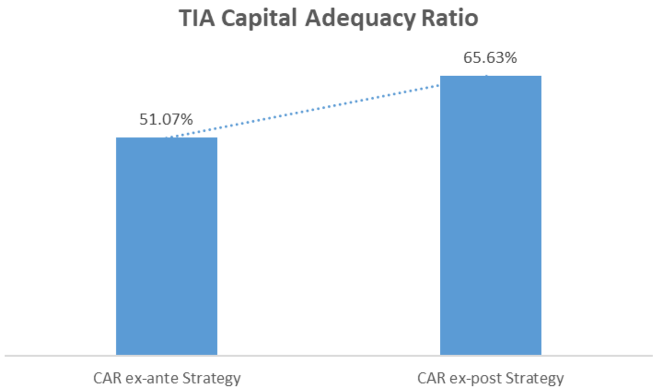




The Strategy involves holdings exposed to **credit risk and market risk**, namely investments that generate deductions from TIA's own funds.



Its implementation improves TIA's **capital adequacy ratio** by approximately 15 percentage points compared to the level reported as of June 30, 2025.



We note that the above estimates are based on fair values as of June 30, 2025, without considering any potential future use of the amounts released through the implementation of the Strategy.

Companies included in the Exit Strategy

TOURISM

APOLLO ESTIVAL 2002
CONTINENTAL HOTELS
DORNA TURISM
NEPTUN-OLIMP
TOMIS ESTIVAL 2002
TRATAMENT BUZIAS
THR MAREA NEAGRA
TUSNAD
TURISM COVASNA
TURISM LOTUS FELIX
BIROUL DE TURISM PENTRU TINERET

CONSTRUCTION AND BUILDING MATERIALS

ARCOM BUCURESTI
DUPLEX

AUTOMOBILES AND AUTO PARTS

FERMIT

INDUSTRIAL GOODS AND SERVICES

GRUP BIANCA TRANS
ROMRADIATOARE

CONSUMER DISCRETIONARY PRODUCTS AND SERVICES

EMAILUL

BANKS

TRANSILVANIA LEASING SI CREDIT IFN

FINANCIAL SERVICES

SOCIETATEA DE INV CERTINVEST IMM
NOVA TOURISM CONSORTIUM

TECHNOLOGY

SOFT APLICATIV
KOGNITIVE MANUFACTURING TECH S.R.L.

REAL ESTATE

COCOR
FEPER
MECANICA CODLEA
MECON
INTERNATIONAL TRADE&LOGISTIC CENTER SA
SEMBRAZ
SERVICE NEPTUN 2002