



LONGSHIELD

INVESTMENT GROUP

ANNUAL REPORT OF THE ADMINISTRATOR SAI MUNTENIA INVEST SA ON THE ACTIVITY OF LONGSHIELD INVESTMENT GROUP SA IN 2024

Prepared in accordance with Law 243/2019 on the regulation of alternative investment funds and for amending and supplementing of certain normative acts, Law 24/2017 on issuers of financial instruments and market operations, Law 74/2015 on alternative investment fund managers, FSA Regulation no. 7/2020 on the authorization and operation of alternative investment funds, FSA Regulation no. 5/2018 on issuers of financial instruments and market operations and Regulation no. 39/2015 for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the FSA in the Financial Instruments and Investments Sector.

Reporting date: 31.12.2024.

This report is a translation from its Romanian version. In case of any difference between the Romanian and the English versions, the Romanian version shall prevail

GENERAL INFORMATION

NAME	Longshield Investment Group ¹ SA
REGISTRATIONS	<ul style="list-style-type: none"> • Unique registration code 3168735 • Registered with the Trade Register under no. J40/27499/1992 • RON Code: 2549007DHG4WLBMAAO98 • Registered with the FSA register under no. PJR09FAIR/400005/09.07.2021 obtained based on the FSA Authorisation no. 151/09.07.2021 under which SIF MUNTENIA SA has been authorised as an Alternative Investment Fund intended for Retail Investors (AIFRI). SIF Muntenia SA was established according to the provisions of Law 133/1996 on the transformation of Private Property Funds into financial investment companies, called SIFs, and was later classified as another collective investment undertaking (non-UCITS) under Law 297/2004 on the capital market and reclassified as AIFRI according to the provisions of Law 243/2019. The fund has kept its object represented by the collective investment in transferable securities of the capital collected from the public.
SHARE CAPITAL	RON 76,110,584.5 - subscribed and paid-in share capital 761,105,845 - issued shares in circulation RON 0.1 – nominal value
SHARE FEATURES	Common, registered, indivisible, dematerialized
THE TRADING MARKET	The company is listed on the regulated market of the Bucharest Stock Exchange (BVB), main segment, premium category, symbol LONG (formerly SIF4) ²
NACE CLASSIFICATION	According to the classification of activities of the national economy (NACE), the Company activity has been classified as: Financial service activities, except insurance and pension funding (NACE code 64), and the main object of activity: Trusts, funds and similar financial entities (NACE code 6430).
THE SHAREHOLDING STRUCTURE	100% private
FREE - FLOAT	100%
DEPOSIT AND CUSTODY SERVICES	BRD Groupe Societe Generale SA
THE SHARES AND SHAREHOLDERS REGISTER	Depozitarul Central SA
THE FINANCIAL AUDITOR	KPMG Audit SRL
THE REGISTERED OFFICE	Romania, Bucharest, 46-48 Serghei Vasilievici Rahmaninov Street, ground floor, room 2, 2 nd District, code 020199 Phone: +40 213 873 210 Fax: +40 213 873 209 www.longshield.ro e-mail: sai@munteniainvest.ro



¹ The change of the company name from Societatea de Investitii Finantii Muntenia SA to Longshield Investment Group SA was authorized by the Financial Supervisory Authority according to Authorization no. 36/22.03.2024, being registered with the Trade Register on 11.06.2024

² Following the change of the company's name from Societatea de Investitii Finantii Muntenia SA to Longshield Investment Group SA, the stock symbol under which the Company's shares are traded was changed from SIF4 to LONG. As from 21.10.2024 the shares of Longshield Investment Group SA are traded on the Bucharest Stock Exchange under the stock symbol LONG.

TABLE OF CONTENTS

ABBREVIATIONS	2
THE APPLICABLE LEGISLATION	3
1 GENERAL INFORMATION	5
2 ECONOMIC FRAMEWORK	6
3 IMPORTANT EVENTS CONCERNING THE COMPANY'S ACTIVITY DURING 2024	12
4 ANALYZING THE COMPANY'S ACTIVITY	19
4.1 THE SHARE SUB-PORTFOLIO	24
4.2 SUBSIDIARIES/CONTROLLED COMPANIES	41
4.3 OTHER SUB-PORTFOLIOS	44
5 LITIGATIONS	46
6 RISK MANAGEMENT	47
7 SHARES ISSUED BY THE COMPANY	54
8 CORPORATE GOVERNANCE	56
9 FINANCIAL ACCOUNTING ASPECTS	88
10 EXECUTION OF REVENUE AND EXPENDITURE BUDGET	93
11 SUBSEQUENT EVENTS	94
12 2025 PROSPECTS	96
13 STRATEGIC PRIORITY OBJECTIVES FOR 2025	97
ANNEXES	98



LONGSHIELD
INVESTMENT GROUP

Annual Report of the Administrator prepared for December 31, 2024



ABBREVIATIONS

Alternative Investment Fund Manager	AFIM
Longshield Investment Group Shareholders' General Meeting	SGM
Longshield Investment Group Shareholders' Extraordinary General Meeting	SEGM
Longshield Investment Group Shareholders' Ordinary General Meeting	SOGM
Financial Supervisory Authority	FSA
The European Central Bank	ECB
The National Bank of Romania	NBR
BRD Groupe Societe Generale SA	The Depositary
The Bucharest Stock Exchange (regulated market)	BVB
The Board of Directors of SAI Muntenia Invest SA	BoD
Auxiliary market of the regular negotiation market in which deals are concluded, for which BVB establishes a minimum value of the transaction	The DEAL market
Alternative Investment Fund	AIF
Alternative Investment Fund intended for Retail Investors	AIFRI
International Monetary Fund	IMF
Gross domestic product	GDP
The main (regular) market of the Bucharest Stock Exchange	The REGS market
Return on Assets	ROA
Return on Equity	ROE
Romanian Interbank Bid Rate 1 month	ROBID.1M
SAI Muntenia Invest SA	The Administrator
Longshield Investment Group SA	The Company
Multilateral Trading Facility	MTF
International Financial Reporting Standards	IFRS
The European Union	EU
Certified net asset value	NAV
Certified net asset value per unit	NAVU
Value at Risk	VaR



THE APPLICABLE LEGISLATION

The Annual Report 2024 of Longshield Investment Group SA has been prepared in accordance with:

- Directive 2011/61/EU on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) no. 1060/2009 and (EU) no. 1095/2010 (Directive 2011/61/EU);
- Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings (Directive 2013/34/EU);
- Directive 2014/65/EU on markets in financial instruments and amending Directive 2004/39/EC;
- Regulation (EU) 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision (Regulation no. 231/2013);
- Regulation (EU) 2088/2019 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Regulation no. 2088/2019);
- Regulation (EU) no. 2365/2015 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) no. 648/2012 (Regulation no. 2365/2015);
- Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (Regulation no. 537/2014);
- Regulation (EU) no. 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) no. 236/2012 (Regulation no. 909/2014);
- Commission Delegated Regulation (EU) no. 565/2017 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organizational requirements and operating conditions applicable to investment firms and terms and definitions for the purposes of that Directive
- Law 243/2019 on the regulation of alternative investment funds and amending and supplementing certain normative acts (Law 243/2019);
- Law 24/2017 on issuers of financial instruments and market operations (Law 24/2017);
- Law 74/2015 on alternative investment fund managers (Law 74/2015);
- Law 126/2018 on markets in financial instruments (Law 126/2018);
- Law 31/1990 on companies (Law 31/1990);
- Law 129/2019 on preventing and combating money laundering and terrorist financing, as well as amending and supplementing certain normative acts, with subsequent amendments and supplements (Law 129/2019);
- FSA Regulation no. 9/2014 on the authorization and operation of investment management companies, undertakings for collective investment in transferable securities and depositaries of undertakings for collective investment in transferable securities (Regulation no. 9/2014);
- FSA Regulation no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);





- FSA Regulation no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- FSA Regulation no. 10/2015 on the management of alternative investment funds (Regulation no. 10/2015);
- FSA Regulation no. 2/2016 on the application of corporate governance principles by entities authorized, regulated and supervised by the FSA (Regulation no. 2/2016);
- FSA Regulation no. 1/2019 on the assessment and approval of members of the management structure and persons holding key positions in entities regulated by the FSA (Regulation no. 1/2019);
- FSA Regulation no. 13/2019 on establishing measures to prevent and combat money laundering and terrorist financing through the financial sectors supervised by the Financial Supervisory Authority (Regulation no. 13/2019);
- FSA Regulation no. 18/2022 amending and supplementing the FSA Regulation no. 13/2019 on establishing measures to prevent and combat money laundering and terrorist financing through the financial sectors supervised by the Financial Supervisory Authority (Regulation no. 18/2022);
- FSA Norm no. 39/2015 for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the FSA in the Financial Instruments and Investments Sector (Norm no. 39/2015);
- FSA Norm no. 13/2019 on the unitary framework for the conduct of statutory audit of entities authorized, regulated and supervised by the FSA (Norm no. 13/2019);
- FSA Norm no. 39/2020 on the application of the ESMA Guidelines on the simulation of liquidity stress tests in UCITS and AIFs (Norm no. 39/2020).



1 GENERAL INFORMATION

Longshield Investment Group SA (formerly known as SIF Muntenia SA), is a Romanian legal entity, incorporated as a joint-stock company with fully private capital. The operation of Longshield Investment Group SA is governed by the provisions of ordinary and special Romanian laws applicable to the capital market in Romania. Longshield Investment Group SA is enrolled with the register of the Financial Supervisory Authority in section 9 – AIF - Alternative Investment Funds, Subsection – Alternative Investment Funds intended for Retail Investors established in Romania (AIFRI) under no. PJR09FIAIR/400005. Longshield Investment Group SA was authorised as an AIFRI on 09 July 2021 under the FSA Authorisation no. 151/09.07.2021).³

During the reporting period, the Company was managed by SAI Muntenia Invest SA, on the basis of the management contract in force, approved by the Company's shareholders at the SOGM of April 23, 2020 and endorsed by FSA Notice No. 165/22.07.2020 and also in accordance with the relevant legislation. As a result of the decisions adopted by the Company's shareholders at the SOGM held on February 13, 2024, the four-year extension of the management contract concluded between the Company and SAI Muntenia Invest SA was approved, following the re-election of the sole administrator. The Company's depository is BRD-Groupe Société Générale SA.

The Company's priority strategic objectives for the year 2024, as approved by the SOGM on 29.04.2024 were:

- Continue to restructure the portfolio and manage it efficiently to ensure sustainable long-term growth;
- Continuing the investment process, with a focus on investments in Romania and listed shares.

The differentiated approach adopted by the Company for each of its shareholdings is designed to yield an aggregate return from dividend income and capital gains.

During 2024, there were no reorganizations, mergers or divisions of the Company.

Acquisitions and disposals of assets carried out by the Company in 2024, relate to transactions for the sale and purchase of financial securities. Details of these transactions are presented further in Chapter 4 of this Report.

During the period ended on December 31, 2024, the Company continued to qualify as an investment entity. There were no changes to the criteria for classification as an investment entity.

In the application of the Company's investment policy, the Administrator does not perform securities financing transactions (SFT) or use total return swap instruments as defined in Regulation (EU) no. 2015/2365.



³ https://bvb.ro/infocont/infocont21/SIF4_20210709150751_Raport-Anexa-RO.pdf



2 ECONOMIC FRAMEWORK

INTERNATIONAL ECONOMIC FRAMEWORK

Globally, financial stability challenges continued to see mixed developments in 2024. On the one hand, the disinflationary process continued in most economies, without generating a substantial soft landing, supporting risk appetite in global financial markets. On the other hand, the external environment continues to be characterized by subdued economic growth prospects, particularly in Europe, and a high degree of uncertainty, both as a result of escalating geopolitical tensions and intensifying armed conflicts, and against the backdrop of a major international election year, which is likely to affect the policy mix in the world's major economies, with potential implications for global financial conditions and international trade and capital flows. Risks to financial stability are amplified by a high level of indebtedness, both public and private, as well as the potential overpricing of financial assets in certain market segments.⁴

According to the International Monetary Fund⁵, the global economy remains stable, although the degree of resilience varies significantly between countries. Global GDP growth in the third quarter of 2024 was 0.1 percentage point below that forecast in the October 2024 WEO report⁶, after the release of disappointing data in some Asian and European economies. China's economic growth of 4.7% in annual terms was below expectations. Faster-than-expected growth in net exports only partly offset a sharper-than-expected slowdown in consumption, amid a delayed stabilization of the housing market and persistently low consumer confidence. India's economic growth also slowed more than expected, led by a sharper deceleration in industrial activity. In the euro area, growth continued to be modest (with Germany performing weaker than the other euro area countries), largely reflecting persistent weakness in manufacturing and goods exports, even as consumption picked up in line with the recovery in real incomes.

In Japan, production contracted slightly due to temporary supply chain disruptions. In contrast, the US economy maintained its momentum, growing by 2.7% year-on-year in the third quarter, supported by robust consumption.

Global disinflation continues, but there are signs that progress is stalling in some countries, and high inflation is persistent in a few cases. Global median sequential core inflation has been slightly above 2% in recent months.

ECB, in Economic Bulletin No. 8 of January 9, 2025⁷, states that the EU economy grew by 0.4% in the third quarter of 2024, exceeding expectations. The growth was mainly driven by an increase in consumption, partly reflecting one-off factors that boosted tourism over the summer, as well as inventory accumulation by companies. However, the latest information suggests that the pace of growth is slowing. Surveys indicate that manufacturing is still contracting and growth in the services sector is slowing. Companies are postponing investment because of weak demand and a highly uncertain outlook. Exports are also weak, and some European industries are struggling to remain competitive. The labor market remains resilient. Employment grew 0.2% in 3Q2024, again above expectations. The unemployment rate remained at its historical low of 6.3% in October. Meanwhile, labor demand continues to weaken. The job vacancy rate fell to 2.5% in the third quarter, 0.8 percentage point below its peak, and surveys also point to fewer jobs being created in the fourth quarter.

Annual inflation in the EU increased to 2.3% in November 2024 from 2.0% in October. The increase was expected and mainly reflected an upward base effect related to energy. Food price inflation eased slightly to 2.8% and services inflation to 3.9%. Goods inflation increased to 0.7%.

Domestic inflation, which closely tracks inflation in the services sector, fell slightly again in October. However, at 4.2%, it still remains elevated. This reflects strong wage pressures and the fact that some services prices are still adjusting with a lag to past inflation increases. However, core inflation is broadly on track with a sustainable return of inflation to target.

Thus, in 2024, the international economic framework was characterized by:

⁴ <https://www.bnr.ro/uploads/editor/1402949409.pdf>

⁵ <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

⁶ <https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>

⁷ <https://www.ecb.europa.eu/press/economic-bulletin/html/eb202408.en.html>



- The global economy continued to grow modestly in 2024, slowing compared to previous years due to persistent inflation and geopolitical uncertainties.
- The United States maintained moderate economic expansion, supported by domestic consumption and a resilient labor market.
- Europe faced greater challenges, including weak demand, high interest rates, and the impact of the war in Ukraine.
- China sought to revive its economy through stimulus measures but was affected by a persistent real estate crisis and declining exports.
- Trade, political, and military tensions, along with climate instability, continued to influence global markets, highlighting the need for adaptation and international cooperation.

DOMESTIC ECONOMIC FRAMEWORK

Domestically, during 2024, economic activity growth remained at moderate levels, mainly driven by consumption and to a relatively lesser extent by gross fixed capital formation, while the dynamics of net exports accentuated its contractionary influence. In the second quarter of this year, the pace of growth of economic activity decelerated to 0.9 percent in annual terms, with the significant increase in consumption (+4.7 percentage points contribution to GDP growth) being almost entirely offset by the development of net exports (-4.5 percentage points contribution to GDP growth). Compared with the first quarter of 2024, economic growth accelerated from a level of 0.1 percent.⁸

According to the data presented by the Ministry of Finance⁹, the execution of the consolidated general budget at the end of 2024 registered a deficit of 152.72 billion RON. Expressed as a percentage of GDP, the budget deficit increased by 3.04 percentage points, from 5.61% of GDP in 2023 to 8.65% of GDP in 2024. Revenues of the consolidated general budget increased by 10.4% compared to 2023, while expenditures increased in nominal terms by 19.1% compared to the previous year.

In total, Romania's GDP in 2024 recorded an increase of 9.97% compared to 2023 from 1,604,554 million RON to 1,764,500 million RON.

In the European context, Romania's quarterly economic growth was below the EU average (1 percent, Q2 2024), but above that of the euro area (0.7 percent), and at regional level it was outperformed by Hungary (1.5 percent), Bulgaria (2.3 percent) and Poland (4.4 percent), with the Czech Republic recording a similar evolution (0.9 percent).

In this context, the absorption of European funds becomes even more important, in particular those of the National Recovery and Resilience Plan (NRRP), through which Romania has allocated €13.6 billion in grants and 14.9 billion EUR in loans, equivalent to 8.8% of GDP.

The annual inflation rate in the last three months of 2024 rose more than anticipated, climbing to 5.14 percent in December from 4.62 percent in September. The advance since the end of the third quarter was mainly driven by the rise in fuel prices - mainly due to the significant appreciation of the US dollar on the international financial markets, and to a lesser extent by further increases in food prices, amid the severe drought in the summer of 2024 and the rise in some commodity prices. At the same time, the annual rate of adjusted CORE2 inflation interrupted its downward trend in the fourth quarter of 2024, remaining at 5.6 percent until December.

The annual inflation rate calculated on the basis of the harmonized index of consumer prices (HICP - the inflation indicator for EU Member States) rose in December to 5.5 percent, from 4.8 percent in September 2024. The average annual rate of

⁸ <https://www.bnr.ro/uploads/editor/1402949409.pdf>

⁹ <https://mfinante.gov.ro/domenii/bugetul-de-stat/informatii-executie-bugetara>



CPI inflation, however, fell to 5.6 percent in December from 6.1 percent in September 2024. In turn, the average annual rate of HICP inflation declined to 5.8 percent in December 2024 from 6.4 percent in September.¹⁰

In the labor market, the economy's payroll headcount resumed its monthly growth in September and continued to increase in October 2024 at a relatively brisk pace, and the BIM unemployment rate fell to 5.4 percent in October and 5.3 percent in November, after rising to an average of 5.6 percent in the third quarter.

The double-digit annual dynamics of nominal gross wages and especially unit labor costs in the industry declined in October, but remained elevated after rising to 16.7 percent and 18.6 percent, respectively, in the third quarter of 2024.

The main interbank money market rates recorded significant increases in the second half of November and remained relatively constant thereafter. Long-term government bond yields increased and prolonged their ascent until the last decade of December 2024.

The RON/EUR exchange rate remained relatively stable in November and December, on the higher level to which it had returned in the middle of the previous quarter. Against the US dollar, however, the RON continued to depreciate markedly in both months, given the pronounced strengthening of the US currency on international financial markets during this period.

On the basis of the assessments and data available at this moment, as well as in the context of high uncertainties, the Council of Administration of the NBR decided, in its meeting of January 15, 2025, to maintain the monetary policy interest rate at the level of 6.50 percent per annum. At the same time, it was decided to maintain the interest rate on the lending facility (Lombard) at 7.50 percent per annum and the interest rate on the deposit facility at 5.50 percent per annum. The Council of Administration of the NBR also decided to maintain the current levels of the minimum reserve ratios for credit institutions' liabilities in RON and foreign currency.

Regarding the number of newly established companies, data from the National Trade Register¹¹ show that 124,898 new registrations were registered in Romania in 2024, down by 14.63% compared to 2023. On the other hand, the number of companies that suspended their activity in 2024 was 18,716, up 14.58% compared to the previous year, while the number of companies that went into insolvency was 7,274, +9.38% compared to 2023 (2023: 6,650 companies).

CAPITAL MARKET

In order to outline the international context for equity markets, we present below the year-end 2024 annual dynamics of some representative indices. In the US, the S&P 500 index rose by 24.58%, while in the UK, the FTSE 100 appreciated by 5.69%. In the euro area, the German DAX index recorded a positive performance of 18.85%, while the MSCI Emerging Markets index gained 4%.

The performance of European equity markets stabilized in the second half of 2024, with the main EU indices (Euro Stoxx 50 and STOXX 600) registering +0.7% and -0.7% respectively at the end of December compared to the end of the second quarter of 2024. Macro-economic uncertainty and geopolitical tensions have had a significant impact on European equities. Globally, markets are up 5.3% in the second half of 2024 compared to end-June 2024, despite higher levels of volatility.

In August 2024, a spike in volatility caused by weaker-than-expected economic indicators in the US and the reversal of the **Yen carry trade** led to a temporary fall in prices. However, global equity indices recovered quickly in the following weeks.

¹⁰ <https://www.bnr.ro/24023-2025-01-15-hotararile-ca-al-bnr-pe-probleme-de-politica-monetara>

¹¹ <https://www.onrc.ro/index.php/ro/statistici>





Despite the positive global performance, equity markets continue to be characterized by nervousness and uncertainty about the future path of interest rates. On December 18, the CBOE Volatility Index (VIX) spiked again, driven by investor reactions to slower-than-expected projections for monetary policy easing in 2025.

The US market has continued to demonstrate strong growth (+8.4% in the second half of 2024), widening the gap with its EU counterparts. In addition, this divergence is also evident in price-to-earnings (P/E) ratios, where US values are significantly above historical averages, indicating a possible overvaluation. In contrast, EU firms' ratios have remained constant at long-term average levels. The difference is largely attributable to the strong performance of the "Magnificent Seven" group of technology stocks; without them, P/E ratios would be much less divergent.

ESMA-supervised markets¹² continued to be resilient in the second half of 2024, despite higher volatility than in the first half and significant ongoing geopolitical risks and uncertainties, including regarding the extent of possible further monetary policy easing. Overall, risks remain at elevated or very elevated levels. Political risks continue to increase, with considerable uncertainty in key EU Member States and internationally. Budget difficulties, looming public debt problems, trade conflicts and other major political controversies have the potential to destabilize financial markets.

The continued rise in equity markets and record levels of crypto-asset valuations, fueled by expectations of a deregulatory policy agenda, underscore concerns about a possible decoupling of financial markets from economic realities. Risks are compounded by the increased likelihood of technological disruptions, in particular from cyber and hybrid threats, which continue to intensify amid geopolitical tensions.

European equity valuations declined in Q4 2024, continuing the diverging performance trend between EU and US stock indices amid heightened economic policy uncertainty. Within the EU, considerable performance disparities persisted across sectors and countries. In fixed income markets, corporate bond spreads reached historically low levels, particularly in the high-yield (HY) segment.

The securities market for the period ahead presents a set of risks related to:

- Uncertainty about the possible discrepancy in the timing and level of monetary easing between the US and the EU could lead to market corrections.
- Heightened geopolitical risks and economic policy uncertainty increase the likelihood of market volatility.
- Corporate bond spreads are at historically low levels, including high-yield (HY) corporate bonds; there are concerns that **yield-seeking** and excessive risk-taking could lead to mispricing and a sharp repricing of risk as macroeconomic conditions change.
- Given the record valuations of the US stock market, there is a risk of disproportionate reactions to unexpected events amid persistent market jitters.



¹² https://www.esma.europa.eu/sites/default/files/2024-08/ESMA50-524821-3444_TRV_2_2024.pdf



The following table shows the evolution of the main equity market indices in the European Union, comparing the value on December 31, 2024 with the value on December 31, 2023:

No.	Country	Index	Value 12/31/2024	Value 12/31/2023	2024 - 2023
1	Cyprus	Cyprus Main Market	182.88	103.52	76.66%
2	Slovenia	Blue-Chip SBITOP	1,669.62	1,249.30	33.64%
3	Hungary	Budapest SE	79,326.66	60,620.01	30.86%
4	Czech Republic	PX	1,760.17	1,414.02	24.48%
5	Germany	DAX	19,909.14	16,751.64	18.85%
6	Croatia	CROBEX	3,191.15	2,727.54	17.00%
7	Bulgaria	BSE SOFIX	892.74	765.12	16.68%
8	Belgium	BEL 20	4,264.53	3,707.77	15.02%
9	Spain	IBEX 35	11,595.00	10,102.10	14.78%
10	Greece	Athens General Composite	1,469.67	1,293.14	13.65%
11	Italy	FTSE Italia all Share	36,390.81	32,479.11	12.04%
12	Netherlands	AEX	878.63	786.82	11.67%
13	Ireland	ISEQ Overall	9,757.27	8,760.36	11.38%
14	Romania	BET	16,720.75	15,371.11	8.78%
15	Austria	ATX	3,663.01	3,434.97	6.64%
16	Sweden	OMXS30	2,490.19	2,396.07	3.93%
17	Portugal	PSI 20	6,377.26	6,396.48	-0.30%
18	France	CAC 40	7,313.56	7,543.18	-3.04%
19	Finland	OMX Helsinki 25	4,315.87	4,515.97	-4.43%
20	Malta	IEM	3,766.70	3,959.39	-4.87%
21	Poland	WIG20	2,192.01	2,342.99	-6.44%
22	Denmark	OMXC20	2,102.38	2,283.53	-7.93%
23	Slovakia	SAX	295.04	334.74	-11.86%

Source: data are taken from investing.com website and processed by SAI Muntenia Invest SA

The data in the table above shows that the majority of the main indices of the European markets recorded increases in Q3 2024 compared to the end of 2023, with the exception of the last 5 positions, which recorded decreases ranging from 0.3% (Portugal - PSI 20) to 6.44% (Poland - WIG20). The best performing index in terms of its dynamics over the period was Cyprus Main Market (+76.66%), while at the opposite pole, with a decrease of 6.44%, was the WIG20 (Poland).

The BET index in Romania is ranked 14th, with an increase of 8.78% at 12/31/2024 compared to the end of 2023, while the BET-TR index (which includes both the price evolution of the most traded companies on the regulated market of the BVB and the dividends offered by them) increased by 16.5%.

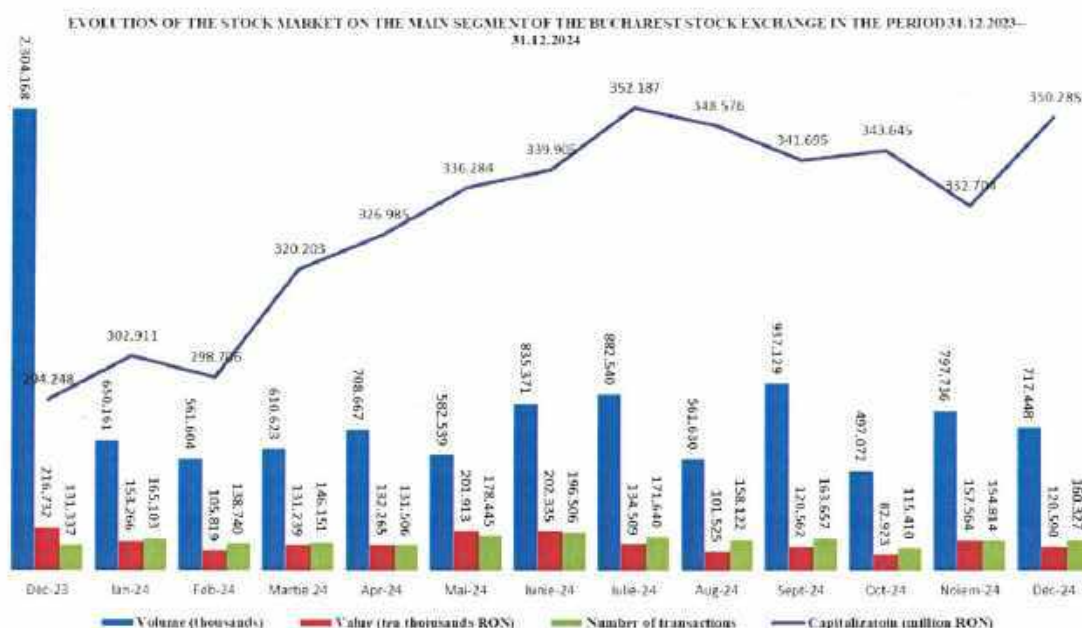
In its monthly report published in January¹³ 2025, FSA reports an increase of the market capitalization about 19% as of December 30, 2024 compared to the end of 2023. In December 2024, the top 3 companies traded on the BVB were: Banca Transilvania (TLV) with a 27% share of the total value traded during the period, OMV Petrom (SNP) with 14% and Hidroelectrica (H2O) with 9.6%.

¹³ <https://www.asfromania.ro/uploads/articole/attachments/67926a3124650441440482.pdf>





The chart below shows the performance of the equity market, by major segment, over the 12 months to 2024:



Source: data taken from the BVB website and processed by SAI Muntenia Invest SA

The total value of trades on both markets of the BVB and for all types of financial instruments realized during 2024 exceeded 37 billion RON (2023: 38.04 billion RON), of which 36.17 billion RON amounted to trades on the main market (2023: 37.45 billion RON).

The total value of trades on both markets of the BVB and for all types of financial instruments realized in 2023 and 2024 are shown below:

	Main market		SMT market		Total		% TOTAL 2024/2023
	2023	2024	2023	2024	2023	2024	
Shares	24.144.362.423	16.445.117.165	517.771.001	706.865.554	24.662.133.424	17.151.982.719	-30,45%
Bonds	12.590.707.445	18.490.625.993	56.437.890	134.066.723	12.647.145.335	18.624.692.716	47,26%
Entitlements	211.645	160.511.474	10.594.540	6.050.250	10.806.185	166.561.724	1441,36%
Fund units	107.414.525	467.224.302	15.705	179.433	107.430.230	467.403.735	335,08%
Certificates	612.080.830	607.208.449			612.080.830	607.208.449	-0,80%
TOTAL	37.454.778.891	36.170.689.407	584.821.159	847.163.984	38.039.598.027	37.017.851.367	-2,69%

Source: data taken from the BVB website and processed by SAI Muntenia Invest SA

Analysis of the data in the table shows large increases in trading on the BVB in bonds, fund units and rights. In total, however, the value of transactions decreased by 2.69%, while at the same time there was an increase in the total capitalized value on both markets on 12/31/2024 compared to 12/31/2023

	Capitalization		% TOTAL 2024/2023
	2023	2024	
Main Market	294,247,645,200	350,285,361,019	19.04%
SMT	14,855,467,632	13,370,486,799	-10.00%
Total	309.103.112.832	363.655.847.818	17.65%

Source: data taken from the BVB website and processed by SAI Muntenia Invest SA





3. IMPORTANT EVENTS CONCERNING THE COMPANY'S ACTIVITY DURING 2024

DECISIONS OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY'S SHAREHOLDERS OF FEBRUARY 3, 2024

At the General Meeting of Shareholders on February 3, 2024, convened by publication in the Official Gazette of Romania, Part IV, No. 5737/22.12.2023, in the Financial Gazette No. 6335/22.12.2023, on the company's website www.longshield.ro and on the company's page on the BVB website, convened at the first call, with the participation of shareholders holding 271,247,523 valid voting rights, representing 35.64% of the total voting rights and 34.57% of the Company's share capital on the reference date 16.01.2024, on the basis of the Law 31/1990 on companies and Law 24/2017, the FSA regulations in force and the provisions of the Company's Articles of Incorporation, with the fulfillment of the legal and statutory conditions for the validity of the convening, holding of the meeting and adoption of decisions, the following decisions were adopted:

- Approval of the election of the secretariat of the meeting consisting of two members. The persons selected are shareholders of SIF Muntenia SA;
- Approval of the election of the committee to count the votes cast by shareholders on the items on the agenda of the meeting;
- Approval of the revocation of the decision of the Extraordinary General Meeting of Shareholders no. 4 of 21.06.2023 published according to the Current Report no. 1479/124552 of 06/21/2023 on the BVB website;
- Approval of the change of the company name from Societatea de Investiții Financiare Muntenia - SA to Longshield Investment Group - SA and approval of the corresponding amendment to Art. (1) - (6) of the company's Articles of Incorporation, which reads as follows:

(1) The name of the company shall be "Longshield Investment Group - SA" hereinafter referred to as the "Company". In all documents issued by Longshield Investment Group - SA, the identification data and information required by the legislation in force shall be mentioned;

(2) The legal form of Longshield Investment Group - SA (hereinafter referred to as the "Company") is a joint-stock company, a Romanian legal entity under private law, classified under the applicable regulations as an Alternative Investment Fund of the type of investment companies - FIAS, category Alternative Investment Fund for Retail Investors - FIAIR, with a diversified investment policy, closed-end, externally managed;

(3) Longshield Investment Group - SA operates in compliance with the provisions of the capital market legislation, the Law 31/1990 on companies, republished with subsequent amendments and supplements, this Articles of Incorporation, the Rules of the "Company" (referred to as "Rules" in this Articles of Incorporation) and the Simplified Prospectus of the "Company" (referred to as "Prospectus" in this Articles of Incorporation);

(4) The Company operates based on a management contract concluded with the Investment Management Company Muntenia-Invest - SA;

(5) The registered office of the "Company" is located in Bucharest, 46-48 Serghei Vasilievich Rahmaninov Street, ground floor, room 2, 2nd District, code 020199. The Extraordinary General Meeting of Shareholders may decide to change the registered office of Longshield Investment Group - SA to any other place in Romania. Longshield Investment Group - SA may set up subsidiaries, branches, agencies, representative offices, as well as working points, both in the country and abroad, in compliance with the legal requirements and with the requirements of this Articles of Incorporation, regarding authorization and publicity;

(6) The duration of the "Company" shall be 100 years. The Shareholders shall have the right to extend the duration of the "Company" before its expiry by decision of the Extraordinary General Meeting of the Shareholders."

The new name shall be used in all documents, invoices, notices, publications and other such documents issued by the Company.

When updating the Articles of Incorporation, as a result of the approval of the new name of the company by the SEG, the phrase "Societatea de Investiții Financiare Muntenia - SA/SIF Muntenia - SA" is replaced by the phrase "Longshield Investment Group - SA" or the term "Company", as appropriate, depending on the context. The change of the name of the Company's website from "www.sifmuntenia.ro" to "www.longshield.ro" is approved. When updating the Articles of





Incorporation, as a consequence of the amendment to the Company's website, the reference "www.longshield.ro" shall be substituted for "www.sifmuntenia.ro" throughout the updated Articles of Incorporation;

- To approve the authorization of the legal representative of the Company, i.e. the Administrator of the Company, SAI Muntenia Invest - SA, through its legal representative, to carry out all necessary steps in order to implement the decisions on the change of name and amendment of the Articles of Incorporation of the Company, to sign the amended and updated form of the Articles of Incorporation and any other related documents, to represent the Company and to carry out all acts and formalities for publicizing, registering and implementing the decisions adopted by the SEGM at the Trade Register Office, FSA, the Depozitarul Central - SA and any other authorities, including, but not limited to: registration, publicity, enforceability and execution of the decisions, drafting, signing and transmitting all documents for this purpose, changing any other identification elements of the company, if any, (e.g.: changing the graphic layout of the logo, trademark, stock symbol, and any other such distinctive elements), performing all and any formalities required, before any competent authority, for the implementation of the decisions adopted by the SEGM;
- Approval of the date 02/23/2024 as the record date and 02/22/2024 as the ex-date, in accordance with the provisions of Art. 87 para. (1) of Law 24/2017 and FSA Regulation 5/2018.

DECISIONS OF THE ORDINARY GENERAL MEETING OF THE COMPANY'S SHAREHOLDERS OF FEBRUARY 13, 2024

At the SGM of February 13, 2024, convened by publication in the Official Gazette of Romania, Part IV, No. 159/12.01.2024 and No. 288/19.01.2024, in Ziarul Financiar No. 6341/12.01.2024, on the company's website www.longshield.ro and on the company's page on the BVB website, convened at the first call, with the participation of shareholders holding 271,726.926 valid voting rights, representing 35.70% of the total voting rights and 34.63% of the Company's share capital on the reference date 05.02.2024, on the basis of the Law 31/1990 on companies and Law 24/2017, the FSA regulations in force and the provisions of the Company's Articles of Incorporation, with the fulfillment of the legal and statutory conditions for the validity of the convening, holding of the meeting and adoption of decisions, the following decisions were adopted:

- Approval of the election of the secretariat of the meeting consisting of two members. The persons elected are shareholders of SIF Muntenia SA;
- Approval of the election of the committee to count the votes cast by shareholders on the items on the agenda of the meeting;
- Approval of the re-election as sole Administrator of the Company of SAI Muntenia Invest SA, with registered office in Bucharest, 46-48 Serghei Vasilievich Rahmaninov Street, ground floor, room 2, 2nd District, registered with the Trade Register under no. J40/3307/1997 and unique registration code 9415761, who will also act in the capacity of manager of alternative investment funds, for a term of office of 4 years, as of 04/24/2024 and until 04/24/2028;
- Approval of the remuneration due to the administrator SAI Muntenia Invest SA, for their mandate between 04/24/2024 - 04/24/2028 in the amount equal to the amount provided in the Management Contract concluded on 04/27/2020 between SIF Muntenia SA and SAI Muntenia Invest SA, respectively maintaining the amount provided for in the contract;
- Approval of the extension by 4 years of the Management Contract concluded on 04/27/2020 between SIF Muntenia SA and SAI Muntenia Invest SA, respectively the extension for the period 04/24/2024 - 04/24/2028, following the re-election of the sole Administrator and the conclusion of the addendum to the Management Contract amending the duration of the mentioned contract and updating it to the legal framework in force, in accordance with the content submitted in the documents and information materials of the meeting;
- Approval of the authorization of the President of the Council of Shareholders' Representatives of SIF Muntenia SA to sign the addendum to the Management Contract concluded on 04/27/2020 between SIF Muntenia SA and SAI Muntenia Invest SA, as approved and with the content presented in the documents and information materials of the meeting;
- Approval of the powers of the Company's manager and Mr. Buică Nicușor Marian, legal representative of the manager of SAI Muntenia Invest SA, to sign the decisions of the ordinary general meeting of the Company's shareholders and any other related documents, to represent the Company and to carry out all acts and formalities of publicity, registration and implementation of the decisions adopted by the ordinary general meeting of the Company's shareholders to any authorities or persons;
- Approval of 03/07/2024 as the record date and 03/06/2024 as the ex date, in accordance with the provisions of Art. 87 para. (1) of Law 24/2017 and FSA Regulation no. 5/2018.



AUTHORIZATION TO CHANGE THE COMPANY NAME TO LONGSHIELD INVESTMENT GROUP SA

In March 2024, SAI Muntenia Invest SA, the Company's Administrator, informed investors that, by Authorization no. 36/March 22, 2024, FSA authorized the amendments to the Articles of Incorporation of SIF Muntenia SA, in accordance with the SEGM Decision no. 4 of 02/03/2024, as a result of the change of the company's name from Societatea de Investiții Financiare Muntenia SA to LONGSHIELD INVESTMENT GROUP SA, the authorized name being in the process of registration with the Trade Register.

DECISIONS OF THE ORDINARY GENERAL MEETING OF THE COMPANY'S SHAREHOLDERS OF APRIL 29, 2024

At the SOGM of April 29, 2024, convened by publication in the Official Gazette of Romania, Part IV, no. 1502/26.03.2024, in the Financial Gazette no. 6393/March 26, 2024, on the company's website www.sifmuntenia.ro and on the BVB website, the statutory meeting was held on April 29, 2024, at the first convocation, in the presence of the shareholders holding 272,102,621 valid voting rights, representing 35.7510% of the total voting rights and 34.6784% of the Company's share capital, as of the reference date 04/16/2024, on the basis of Law 31/1990 on companies and Law 24/2017 on issuers of financial instruments and market operations, the FSA regulations in force and the provisions of the Company's Articles of Incorporation, with the fulfillment of the legal and statutory conditions for the validity of the convening, holding of the meeting and adoption of decisions, the following decisions were adopted:

- Approval of the election of the secretariat of the meeting consisting of two members. Each of the persons proposed shall be a shareholder of the Company;
- Approval of the election of the committee to count the votes cast by shareholders on the items on the agenda of the meeting. Each of the persons proposed shall be a shareholder of the Company;
- Approval of the company's annual financial statements for the financial year of 2023 based on the reports presented by the administrator SAI Muntenia Invest SA, the financial auditor Deloitte Audit SRL and the Board of Shareholders' Representatives;
- Approval to allocate the entire net profit for the financial year 2023 - in the amount of RON 212,803,021 - to "Other reserves";
- Approval of the management program of SIF Muntenia SA and the income and expenditure budget of the company for the financial year 2024;
- Approval of the Remuneration Report for the financial year 2023;
- Approval of the remuneration of the Board of Shareholders' Representatives for the financial year 2024;
- Approval of May 24, 2024 as the record date and May 23, 2024 as the ex-date, in accordance with the provisions of Art. 87 para. (1) of Law 24/2017 and FSA Regulation 5/2018.

For details on General Shareholders' Meetings, please visit the Company's website (www.longshield.ro), Investor Information / Corporate Events / General Shareholders' Meetings / 2024.

INFORMATION REGARDING THE UPDATE OF THE SIMPLIFIED PROSPECTUS OF SIF MUNTENIA SA

In April 2024, the Company, through its administrator SAI Muntenia Invest SA, informed investors/shareholders that the Simplified Prospectus of the Company, Alternative Investment Fund for Retail Investors (FIAIR) was updated with the data of KPMG Audit SRL, the financial auditor as of 05/01/2024, as well as with updated information in the sections on key information on the issuer, statutory auditors, administrative, management and supervisory bodies and main service providers of the FIA.

REGISTRATION OF THE NEW COMPANY NAME WITH THE TRADE REGISTER OFFICE

In June 2024, Longshield Investment Group SA, through its Administrator SAI Muntenia Invest SA, informed investors that, following the issuance, on 06/07/2024, by the Trade Register Office attached to Bucharest Court of the Certificate of recorded amendments issued on the basis of the Report no. 89402 of 06/06/2024, which was rectified by the Certificate



of Correction of Material Errors issued on 06/11/2024, on the basis of the Report no. 91218 of 06/10/2024, it was ordered to register the change of the company name from "Societatea de Investiții Financiare Muntenia S.A." to "Longshield Investment Group S.A.", on the basis of the Extraordinary General Meeting of Shareholders' Decision no. 4 of 02/03/2024 and the updated Articles of Incorporation in accordance with the Authorization no. 36/March 22, 2024 issued by the Financial Supervisory Authority.

At the same time, on 06/11/2024 the Certificate of incorporation series B no. 496969104 was issued to Longshield Investment Group S.A.

CHANGE OF SYMBOL FOR THE SHARES OF LONGSHIELD INVESTMENT GROUP SA FROM SIF4 TO LONG

In October 2024 the symbol for the shares of the issuer Longshield Investment Group SA was changed from SIF4 to LONG.

Thus, on 10/09/2024, the BVB, as the operator of the regulated market on which the issuer's shares are traded, published on its website, in the section related to the issuer, i.e. <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=SIF4>, a notice on "BVB technical specifications regarding the change of the symbol for the shares of the issuer LONGSHIELD INVESTMENT GROUP SA from SIF4 to LONG, considering that the symbol LONG will be used from 10/21/2024".

For this purpose, the issuer's shares were suspended from trading in the period October 17 - 18, 2024, the reason - change of trading symbol; starting from October 21, 2024 the new symbol of the issuer's shares of LONGSHIELD INVESTMENT GROUP SA will be LONG.

Thus, according to the information published by the BVB in the issuer's law, the technical operations carried out by the regulated market operator in the period 10/17/2024 to change the issuer's symbol from SIF4 to LONG were as follows:

- According to the BVB notice published on 10/17/2024 at 8:26:00: "Suspension of trading in the period October 17 - 18, 2024, reason - change of trading symbol; starting with 10/21/2024 the new symbol of the shares of the issuer LONGSHIELD INVESTMENT GROUP SA will be LONG";
- According to the BVB notice published on 10/21/2024 at 8:27:00: "Resumption of trading - 09:30 (pre-opening) - change of trading symbol of shares issuer LONGSHIELD INVESTMENT GROUP SA (former symbol SIF4)".

AUTHORIZATION OF AMENDMENTS TO THE ARTICLES OF INCORPORATION OF LONGSHIELD

On 11/18/2024, Longshield Investment Group SA, through its administrator SAI Muntenia Invest SA, informed the shareholders that the Financial Supervisory Authority, by Authorization no. 153/15.11.2024, authorized the amendments to the Articles of Incorporation of Longshield Investment Group SA in accordance with the Decisions of the Extraordinary General Meeting of the Company's Shareholders no. 3 and no. 5 of 06/21/2023.

The administrator of the company shall carry out all the necessary steps in order to submit to the Trade Register Office attached to the Bucharest Tribunal the application for registration in the Trade Register of the mentions regarding the updated Articles of Incorporation.

SUBMISSION OF THE TAKEOVER BID DOCUMENT

On 11/22/2024, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed the shareholders and investors that on 11/22/2024 the takeover bid document of shares issued by Longshield Investment Group SA was submitted to the Financial Supervisory Authority, through BRK Financial Grop as intermediary, together with the related documentation, in order to implement the Decision of the SEGM no. 6 of 06/21/2023.

The Administrator also recalled that, by the SEGM Decision no. 6 of 21.06.2023, the issuer's shareholders approved the execution of a share buyback program of a maximum of 18,000,000 own shares in order to reduce the share capital by canceling the repurchased shares.

Longshield Investment Group SA, through its Administrator, SAI Muntenia Invest SA, was to inform shareholders and investors about the full details of the public tender offer, after the approval of the public offer document by the ESA.





REGISTRATION OF THE ISSUER'S FINANCIAL INSTRUMENTS WITH THE FSA

On 11/26/2024, Longshield Investment Group SA, through its Administrator SAI Muntenia Invest SA, informed its shareholders and investors that the Financial Supervisory Authority has issued the Certificate of Registration of Financial Instruments no. AC - 5962 - 2/November 25, 2024 related to the decrease of the share capital approved pursuant to the Extraordinary General Shareholders' Meeting Decision no. 3 dated 06/21/2023, from RON 78,464,520.10 to RON 76,110,584.50, by canceling a number of 23,539,356 own shares acquired by the Company. As a result of this decrease, the Company's share capital amounts to RON 76,110,584.50, divided into 761,105,845 shares with a par value of RON 0.10/share.

At the same time, the operations for registering the decrease of the share capital of Longshield Investment Group SA with the Depozitarul Central SA were in progress.

RECORDING THE DECREASE IN THE ISSUER'S SHARE CAPITAL WITH THE DEPOZITARUL CENTRAL

On 11/27/2024, Longshield Investment Group SA, through its Administrator SAI Muntenia Invest SA, informed the shareholders and investors that, following the issuance by the Financial Supervisory Authority of the Registration Certificate of Financial Instruments no. AC - 5962 - 2/25.11.2024 related to the decrease of share capital approved by the Extraordinary General Meeting of Shareholders no. 3 of 06/21/2023, the share capital of the Depozitarul Central SA was decreased.

Following the registration of this operation, the share capital of Longshield Investment Group SA amounts to RON 76,110,584.50, corresponding to 761,105,845 shares with a par value of RON 0.10/share. The total number of voting rights is 761,105,845.

NOTIFICATION OF HOLDING THRESHOLD ABOVE 10%

On 11/28/2024, Longshield Investment Group SA, through its Administrator SAI Muntenia Invest SA, informed its shareholders and investors that on 11/28/2024 it received, pursuant to the provisions of Art. 71 para. (1) of the Law 24/2017 on issuers of financial instruments and market operations and pursuant to the Regulation no. 5/2018 on issuers of financial instruments and market operations, from the issuer Infinity Capital Investments SA, the notification of exceeding the threshold of 10% of the total voting rights. The notification is attached to this current report.

According to this notification, Infinity Capital Investments SA holds 10.2429% of the total voting rights of Longshield Investment Group SA.

TOTAL NUMBER OF ISSUED SHARES AND VOTING RIGHTS

On 12/02/2024, Longshield Investment Group SA, through its administrator SAI Muntenia Invest SA, informed the shareholders and investors, in the continuation of the current report of 11/27/2024, that on 11/27/2024 the Depozitarul Central SA has decreased the share capital of the company in accordance with the Decision of the Extraordinary General Meeting of Shareholders no. 3 of 06/21/2023.

Thus, the current share capital of Longshield Investment Group SA is RON 76,110,584.50, corresponding to a total of 761,105,845 issued shares and 761,105,845 voting rights associated with them.

APPROVAL OF THE TAKEOVER BID DOCUMENT FOR LONG SHARES

In December 2024, by FSA Decision no. 1213/11.12.2024, the document of the takeover bid for the shares issued by Longshield Investment Group SA, initiated by Longshield Investment Group SA, was approved, as follows:

- On 12/11/2024 at 13:19:00, the BVB, as operator of the regulated market on which the issuer's shares are traded, published on its website, in the section related to the issuer, namely <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=LONG>, the announcement on: "Suspension of trading - 13:18: according to art. 111 paragraph (1) letter d, Title II, BVB Code - regulated market operator - FSA request";
- On 12/11/2024 at 18:11:00, BVB published FSA Decision no. 1213/December 11, 2024 - approval of the takeover bid document for LONG;





- On 12/11/2024 at 18:15:00, the BVB published the notice regarding "Resumption of trading on 12/12/2024 - at 09:45 - according to the BVB Code - regulated market operator (Title II - art. 115 and Title III - art. 6) - FSA Decision no. 1213/December 11, 2024 - approval of the takeover bid document for LONG shares";
- On 12/12/2024 at 8:30:00, the BVB resumed the publication of the notice regarding "Resumption of trading on 12/12/2024 - at 09:45 - according to the BVB Code - regulated market operator (Title II - art. 115 and Title III - art. 6) - FSA Decision no. 1213/11.12.2024 - approval of the takeover bid document for LONG shares".

On 12/12/2024, Longshield Investment Group SA, through its Administrator SAI Muntenia Invest SA, informed, in accordance with the applicable legal provisions, the shareholders and investors that on 11.12.2024 the Financial Supervisory Authority issued Decision no. 1213/December 11, 2024 approving the takeover bid document for the shares issued by Longshield Investment Group SA, initiated by the issuer in accordance with the SEGM Decision no. 6 of 06/21/2023, an offer with the following characteristics:

- a) Number of shares subject to the offer: 18,000,000 shares, representing 2.3650% of the share capital;
- b) Par value: RON 0.10 /share;
- c) Purchase price: RON 1.95 /share;
- d) Running period: 12/18/2024 – 01/10/2025;
- e) Offer Intermediary: SSIF BRK Financial Group SA;
- f) Subscription seats: according to the information in the offer document.

On 12/13/2024 at 9:02:00 the documents related to the takeover bid for LONG shares were published.

NOTIFICATION OF HOLDING BELOW 5% THRESHOLD

On 12/20/2024, Longshield Investment Group SA, through its Administrator SAI Muntenia Invest SA, informed its shareholders and investors that on 12/20/2024 it received, pursuant to the provisions of Art. 71 para. (1) of Law 24/2017 on issuers of financial instruments and market operations and of Regulation no. 5/2018 on issuers of financial instruments and market operations, from Accuro Fund Solutions AG, the administrator of Romania Strategy Fund, the notification of the decrease below the 5% threshold.

ELECTION OF A MEMBER OF THE BOARD OF DIRECTORS OF SAI MUNTENIA INVEST SA

In April 2024, SAI Muntenia Invest SA, the Company's Administrator, informed investors that, at the meeting held on 04/08/2024, the SOGM of SAI Muntenia Invest SA decided to elect Mr Sergiu Mihailov as administrator for a new term of four years, starting from 10/05/2024 (the date of expiration of the current term of office). At the meeting of the FSA Board held on July 3, 2024, the request of SAI Muntenia Invest SA for the authorization of Mr Sergiu Mihailov as a member of the Board of Directors of the company was approved and published in the FSA Bulletin Activity in the period 07/01/2024 – 07/05/2024.¹⁴

AUTHORIZATION OF FSA MEMBER OF THE BOARD OF DIRECTORS OF SAI MUNTENIA INVEST SA

On 07/08/2024, SAI Muntenia Invest SA, the Company's Administrator, informed the investors that, by Authorization no. 72/July 5, 2024, the Financial Supervisory Authority authorized Mr Sergiu Mihailov as a member of the Board of Directors of SAI Muntenia Invest SA for a term of 4 (four) years, starting from 10/05/2024, in accordance with the Decision of the Ordinary General Meeting of Shareholders of 04/08/2024.

The composition of the Board of Directors of SAI Muntenia Invest SA, in the context of the above-mentioned authorization, is as follows:

1. Adrian Simionescu;
2. Dorina Teodora Mihailescu;
3. Sergiu Mihailov.

¹⁴ <https://www.asfromania.ro/uploads/articole/attachments/668e5c1d9fe80849660055.pdf>



REGISTRATION IN THE TRADE REGISTER OF THE PERSONS IN THE EFFECTIVE MANAGEMENT OF SAI MUNTENIA INVEST SA AS PERMANENT REPRESENTATIVES OF LONGSHIELD INVESTMENT GROUP SA, FOLLOWING GEO NO. 71/2024

On 07/18/2024, SAI Muntenia Invest SA, the administrator of Longshield Investment Group SA, informed its shareholders and investors that, in accordance with the provisions of Emergency Ordinance no. 71/2024 for amending and supplementing certain normative acts, as well as for establishing measures to prevent and combat advertising and aggressive communication techniques practiced by entities that are not entered in the Register of the Financial Supervisory Authority, the persons in the effective (executive) management of the Administrator are entered in the Trade Register as permanent representatives of Longshield Investment Group SA, within the meaning of art. 153¹³ para. (2) of the Law 31/1990 on companies.

CHANGES IN THE MANAGEMENT OF THE ISSUER

On 09/25/2024, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed the shareholders and investors that the request of Mr Nicusor Marian Buica regarding the termination of the contractual relations of mandate from the position of CEO of SAI Muntenia Invest SA, starting from 10/19/2024 for personal/family reasons, was registered with the company, and that the mandate of Mr Nicusor Marian Buica as CEO will automatically terminate from this date.

Mr Sergiu Mihailov, Director of Corporate Administration of SAI Muntenia Invest SA, director authorized by FSA in accordance with the legal provisions in force, was appointed as a temporary replacement of the CEO as of 10/19/2024, until the appointment by the Board of Directors and authorization by FSA of a person in the position of CEO of the company.

Subsequent to 10/19/2024 and until the authorization by the FSA of a person in the position of CEO, the executive management of SAI Muntenia Invest SA will be ensured by the two directors authorized by the FSA, in office.

CHANGES IN THE MANAGEMENT OF THE ISSUER

On 10/04/2024, Longshield Investment Group SA, through its Administrator, SAI Muntenia Invest SA, informed the shareholders and investors that Mr Ștefan Dumitru was appointed CEO of S.A.I. Muntenia Invest S.A. on the basis of the Decision of the Board of Directors no. 31/2/04.10.2024 and in accordance with the decision of the Ordinary General Meeting of Shareholders of S.A.I. Muntenia Invest S.A. of 10/03/2024. Mr Ștefan Dumitru was appointed CEO of S.A.I. Muntenia Invest S.A. for a 4-year term of office starting on 10/19/2024 and until 10/19/2028, and will exercise the duties related to the position only after obtaining the authorization decision issued by the Financial Supervisory Authority.

CHANGES IN THE MANAGEMENT OF THE ISSUER

On 10/28/2024, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed the shareholders and investors that on 10/25/2024 the Board of Directors approved the appointment of Mr Sergiu Mihailov as Corporate Administration Director of SAI Muntenia Invest SA for a new four-year term of office, starting from 01/24/2025 and until 01/24/2029. Mr Sergiu Mihailov will exercise his new four-year term of office as Corporate Administration Director only after obtaining the approval decision issued by the Financial Supervisory Authority.

AMENDMENTS CONCERNING THE PERMANENT REPRESENTATIVES OF LONGSHIELD INVESTMENT GROUP SA REGISTERED WITH THE TRADE REGISTER

On 11/11/2024, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed its shareholders and investors that, on 11/11/2024, the Trade Register Office informed the shareholders and investors that the amendment regarding the permanent representatives of Longshield Investment Group SA was notified by the Trade Register Office in accordance with art. 153¹³ of the Law 31/1990 on companies, in conjunction with the provisions of Emergency Ordinance No. 71/2024 amending and supplementing certain normative acts, as well as establishing measures to prevent and combat advertising and aggressive communication techniques practiced by entities that are not entered in the Register of the Financial Supervisory Authority. The amendment concerned the registration with the Trade Register of the withdrawal, as of 10/19/2024, of the right of Mr Nicușor Marian Buică to represent SAI Muntenia Invest SA in

relations with Longshield Investment Group SA. Mr Sergiu Mihailov - Corporate Administration Director and Mrs Cristina Gabriela Gagea - Investment Director, managers authorized by the Financial Supervisory Authority, maintain their capacity as permanent representatives of SAI Muntenia Invest SA in relations with Longshield Investment Group SA, in accordance with art. 153⁽¹³⁾ of the Law 31/1990 on companies.

AUTHORIZATION OF THE ADMINISTRATOR LONGSHIELD INVESTMENT GROUP SA AS A.F.I.A.A.

On 11/18/2024, SAI Muntenia Invest SA, the administrator of Longshield Investment Group SA, informed its shareholders and investors that the Financial Supervisory Authority, by Authorization no. 152/15.11.2024, authorized the Investment Management Company as an Alternative Investment Fund Manager (AIFM). Prior to this authorization, by Certificate No. 39/21.12.2017, the FSA certified the registration of SAI Muntenia invest SA as AIFM.

According to the Authorization no. 152/15.11.2024, the registration number of SAI Muntenia Invest SA in the Public Register of FSA in Section 8 - Alternative Investment Funds Managers, Subsection 1 - Alternative Investment Funds Managers authorized by FSA (AAIFM) is PJR08AFIAA/400002.

4. ANALYZING THE COMPANY'S ACTIVITY

The main operational and financial benchmarks of the Company's asset / share price evolutions over the period 2022-2024 are presented below:

in RON	2024	2023	2022
Total certified asset value (AT)	2,631,791,426	2,372,869,620	1,935,756,313
Net asset value (NAV)	2,522,100,225	2,277,169,984	1,854,569,500
Certified net asset value per unit (NAVU)	3.3137	2.9919	2.4367

Table no. 4.1. *Evolution of certified asset*

The value of assets certified by Depository is calculated in accordance with the valuation rules¹⁵ approved by the Administrator based on applicable legal regulations. The Company reported total certified asset value up 10.91% compared to the previous year-end and an increase of 35.96% compared to 2022. NAV increased by 10.76% compared to 12/31/2023 and increased by 35.99% compared to the same period of 2022.

in RON	2024	2023	2022
Closing price end period	1.930	1.515	1.200
Market capitalization (million RON)	1,468.93	1,153.08	913.33
Discount on net assets	41.76%	49.36%	50.75%

Table no. 4.2 *Evolution of LONG share*

The closing price of the Company's shares increased by 27.39% at year-end 2024 compared to year-end 2023, and by 60.83% compared to 12/31/2022. The total trading value of the Company's shares during 2024 amounted to RON 7,167,218 million, trading shares representing 0.60% of the number of issued and outstanding shares as at 31.12.2024. Of these, shares worth RON 5.69 million were traded on the Regular market and shares worth RON 1.48 million were traded on the Deals market. The average price of a share on 12/31/2024 was RON 1.5727 while on 12/29/2023 it was RON 1.495 and on 12/30/2022 it was RON 1.220.

¹⁵ <https://www.longshield.ro/investitii/activ-net/reguli-privind-evaluarea-activelor/>





in RON	2024	2023	2022
Total assets	2,582,122,309	2,329,691,647	1,939,605,922
Total liabilities	108,404,131	95,699,636	81,186,813
Total equity	2,473,718,178	2,233,992,011	1,858,419,109
Net profit/ (Net loss)	86,849,260	212,803,021	(33,221,299)

Table 4.3 Financial results

As of 12/31/2024, the main elements of the financial position showed increases compared to the same period last year. Total assets increased by 10.84%, representing a change of RON 252.43 million, liabilities increased by 13.28%, i.e. by RON 12.70 million, and equity by 10.73%, representing a value of RON 239.73 million.



ASSETS ALLOCATION

The investments made by the Company were within the limits permitted by the legislation in force in the Romanian capital market. The Company's portfolio is within the applicable legal limits and within the indicative limits defined by the Company's target portfolio, approved by the Management Programme of Longshield Investment Group SA for 2024.

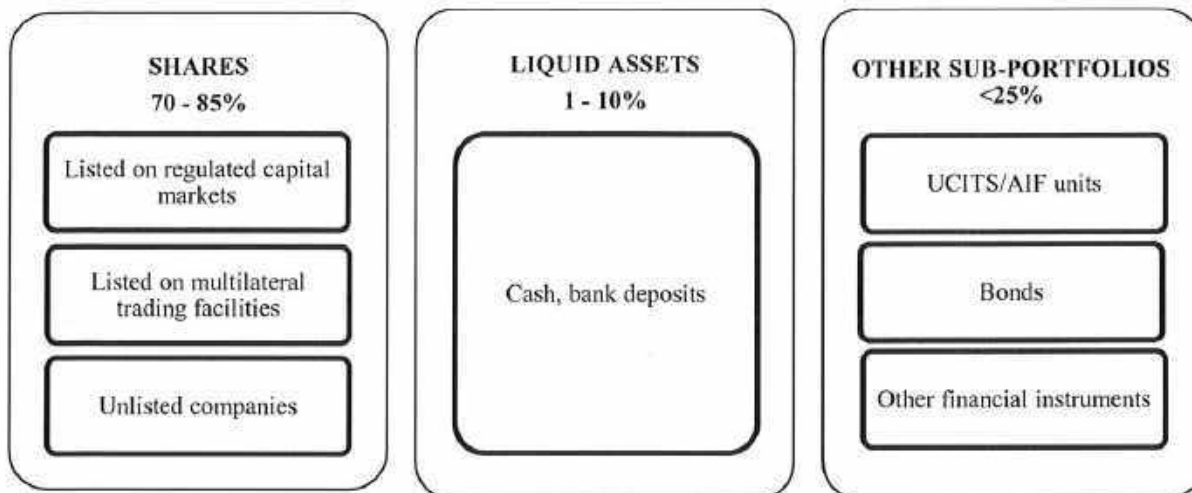


Chart no. 4.1. The target portfolio, for 2024, according to the Management Programme

The main sub-portfolios¹⁶ that make up the Company's portfolio are presented below, in value and percentage of total certified assets:

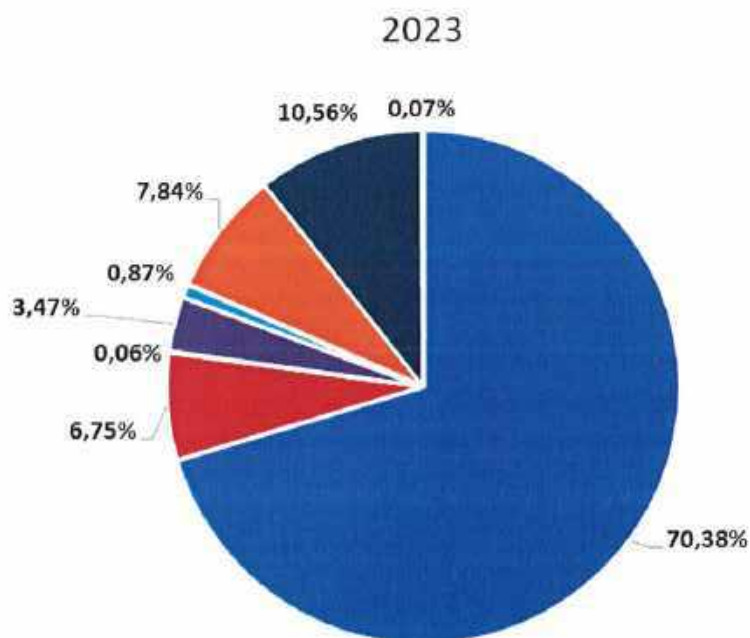
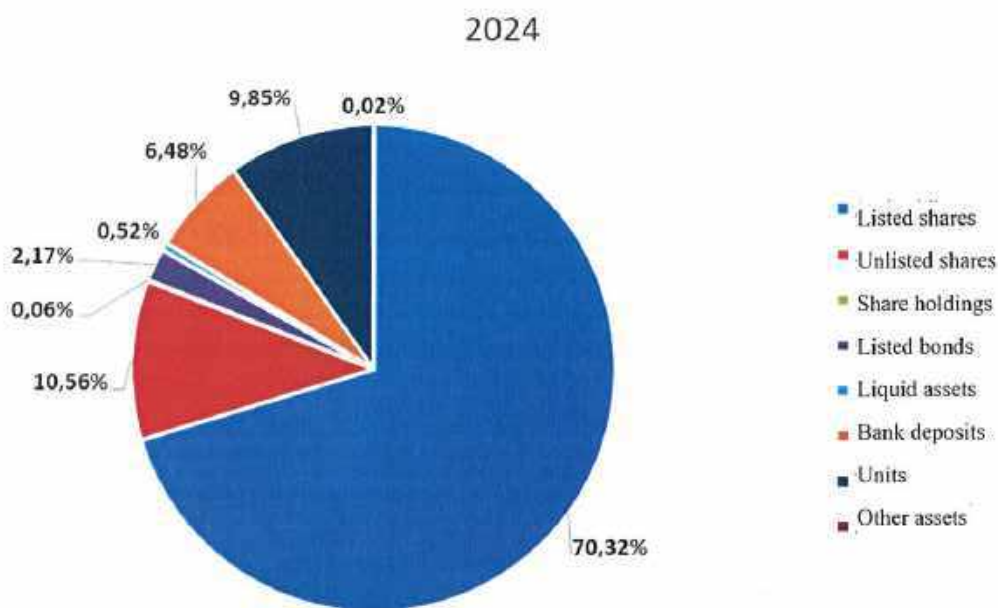
in RON / %	2024		2023		2022	
Listed shares	1,850,783,277	70.32%	1,669,981,296	70.4%	1,291,367,636	66.7%
Unlisted shares	277,808,846	10.56%	160,115,356	6.7%	211,813,440	10.9%
Shares	1,699,587	0.06%	1,374,427	0.1%	-	-
Listed bonds	57,157,076	2.17%	82,252,022	3.5%	81,900,851	4.2%
Liquid assets	13,731,873	0.52%	20,710,600	0.9%	7,593,814	0.4%
Bank deposits	170,648,427	6.48%	186,091,746	7.8%	131,997,151	6.8%
Units	259,350,364	9.85%	250,664,091	10.5%	210,984,517	10.9%
Other assets	611,976	0.02%	1,680,082	0.1%	98,904	0.01%
TOTAL ASSETS	2,631,791,426	100%	2,372,869,620	100%	1,935,756,313	100%

Table no. 4.4 Longshield Investment Group SA portfolio (value / percentage comparison)



¹⁶ The detailed statement of investments of Longshield Investment Group SA as of December 31, 2024, prepared in accordance with Annex No. 11 of Regulation No. 7/2020, is attached to this report.

THE ALLOCATION OF THE LONGSHIELD INVESTMENT GROUP PORTFOLIO ASSETS 2024 & 2023



The structure of the asset portfolio in 2024 is close by allocation principle to that in 2023. Listed shares have a weight of over 70% in 2024 and 2023. In 2024 in second place in Longshield Investment Group's portfolio structure are nonlisted shares being followed by units and bank deposits.

The liquidity of the portfolio, defined as the ratio of liquid assets plus bank deposits to total certified assets, was within the limits required for prudent liquidity risk management. ROBID 1M interest rates ranged from January 1 to December 31, 2024 between 5.23% and 5.75%. During the same reference period, the average interest rates on the Company's deposits were 5.24% for deposits made in RON, 3.00% for deposits in EUR and 4.36% for deposits made in USD. During 2024 the liquidity of the portfolio¹⁷ ranged between 5.99% and 9.30%, sufficient for current activity (operating expenditure and tax expenditure) and sources for investments.

The decision to invest in listed financial instruments that offer higher yields than the interest rates on bank deposits offered by Romanian credit institutions is responsible for keeping the liquidity low.

THE DEGREE OF LIQUIDITY OF LONGSHIELD INVESTMENT GROUP'S PORTFOLIO

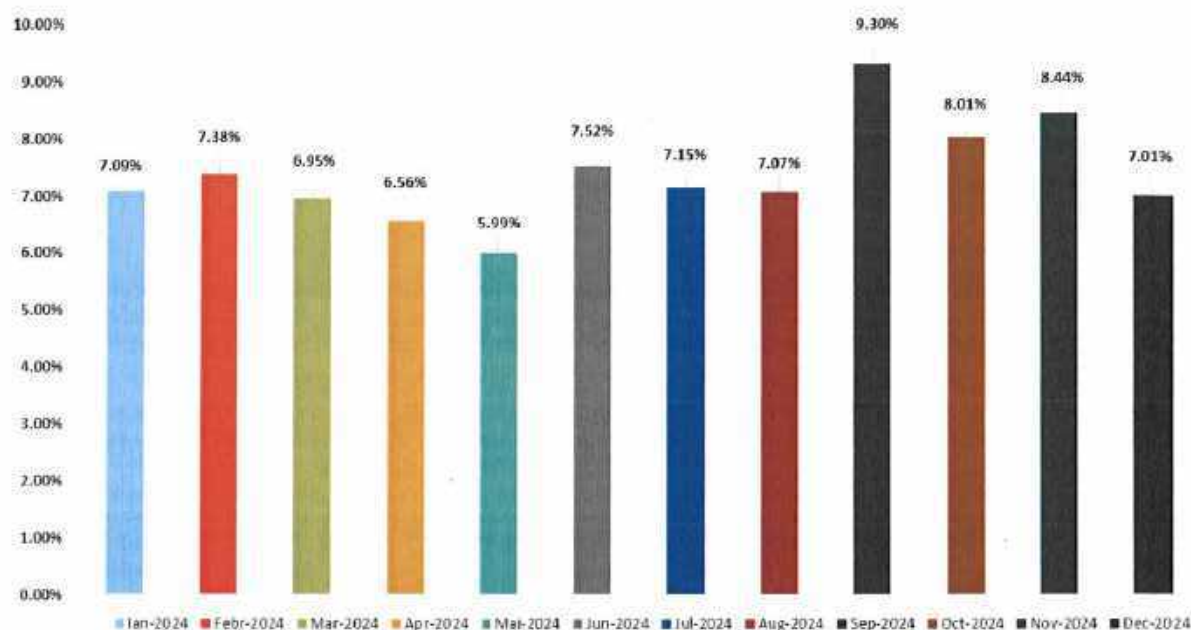


Chart no. 4.3 Degree of liquidity of the Company's portfolio for each month of 2024¹⁸

During 2024, the Company invested in financial instruments issued and traded in Romania. On December 31, 2024, the share of instruments not traded on the Romanian capital market (i.e. Opus Chartered Issuances SA bonds) represented 2.22% of the Company's certified net assets (12/31/2023: 3.61%; 12/31/2022: 4.41%;).

THE TOTAL ASSET AND THE CERTIFIED NET ASSET

The monthly values of the assets, certified by the depositary BRD-Groupe Societe Generale SA, have been published on the website www.longshield.ro and reported as required by law to the FSA - Financial Instruments and Services Sector and the BVB, no later than 15 calendar days after the end of the reporting month. The rules on the valuation of the assets in the Company's portfolio are submitted on the Company's website¹⁹. Changes to the valuation rules are communicated to investors and the FSA in accordance with the legal regulations in force.

¹⁷ Liquid assets (cash+deposits) / Certified total assets

¹⁸ According to Art. 3 para. (3) lit. (d) and Art. 24 of Directive 2011/61/EU and Annex IV of Regulation 231/2012

¹⁹ <https://www.longshield.ro/investitii/activ-net/reguli-privind-evaluarea-activelor/>



in RON	2024	2023	2022
Certified total assets	2,631,791,426	2,372,869,620	1,935,756,313
Total liabilities	109,689,866	95,699,636	81,186,813
Net assets	2,522,100,225	2,277,169,984	1,854,569,500
Net asset value per unit (NAVU)	3.3137	2,9918	2.4367
ECB EUR exchange rate ²⁰	4.9743	4,9756	4.9495
Certified total assets (EUR)	529,077,745	476,901,202	391,101,387
Certified net assets (EUR)	507,026,159	457,667,414	374,698,353

Table no. 4.5 Total assets and net assets (value comparison)

The chart below shows the evolution of the certified net assets between January and December 2024:

Evolution of Longshield Investment Group's net asset Jan-Dec 2024

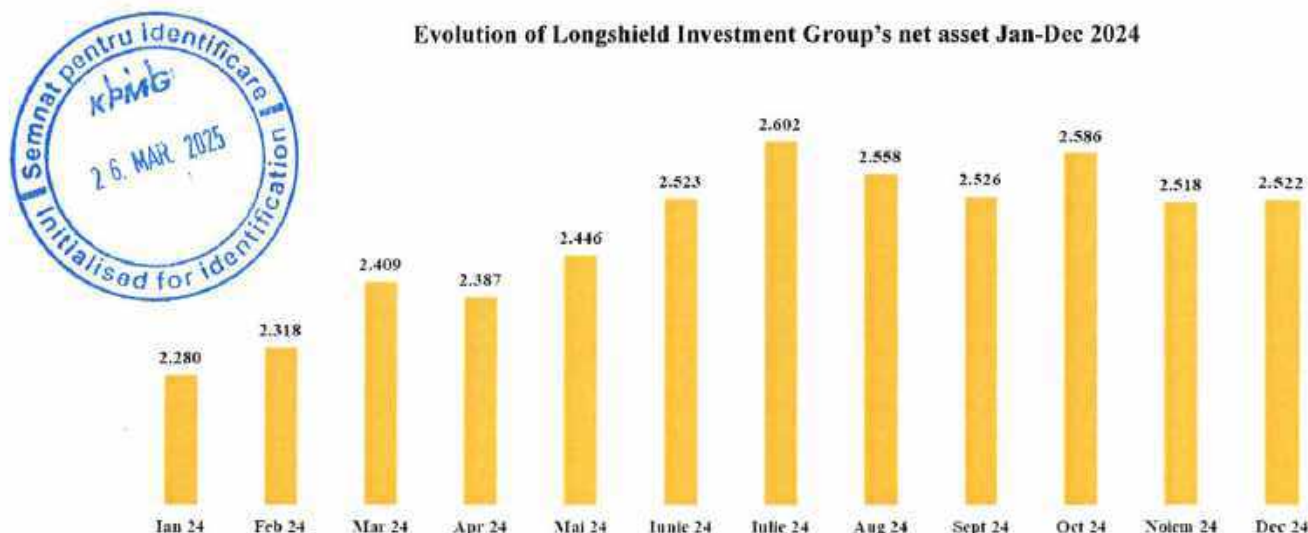


Chart no. 4.4 Evolution of NAV in the period January - December 2024 (million RON)

4.1 THE SHARE SUB-PORTFOLIO

Holdings in equity, especially if listed on regulated markets and multilateral trading facilities, continued being the most significant ones, both in terms of the value and in terms of the revenues in the Company portfolio.

The management of this sub-portfolio aimed at achieving the objectives presented in the Management Programme approved for 2024, within the limits of current economic conditions.

	2024	2023	2024/2023	
in RON			value	%
Listed shares	1,850,783,277	1,669,981,296	180,801,981	10.83
Unlisted shares	277,808,846	160,115,356	117,693,490	73.51
TOTAL	2,128,592,123	1,830,096,652	298,495,471	16.31

Table no. 4.6 Evolution of share sub-portfolio 2024/2023 comparison

²⁰ In accordance with ESMA Guidelines on reporting obligations under Articles 3(3)(d) and 24(1), (2) and (4) of the AIFMD, chapter XII, para. 59

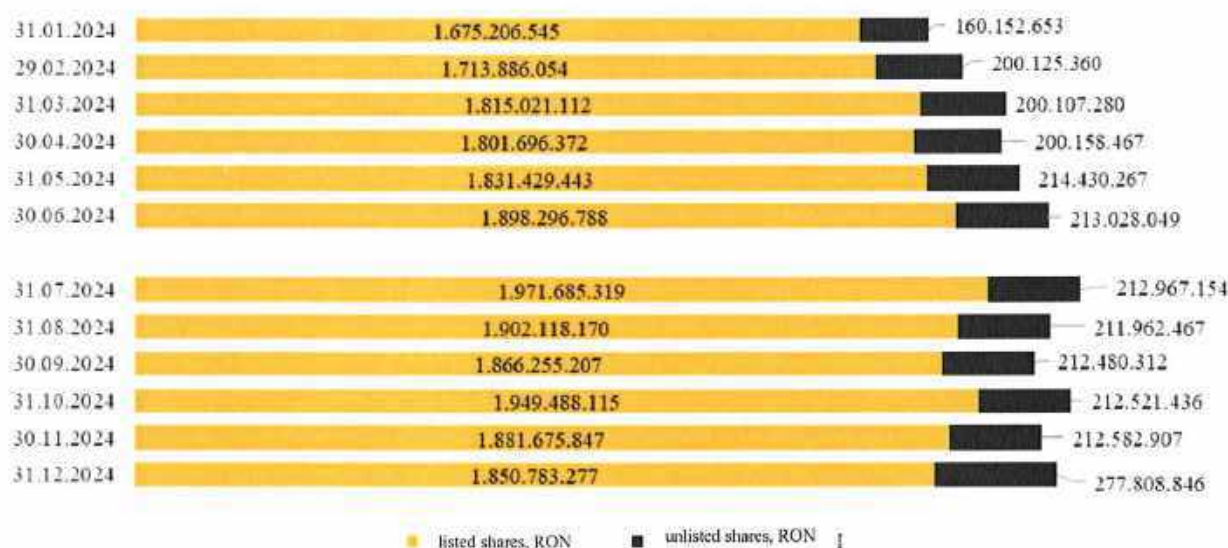
	2023	2022	2023/2022	
in RON			value	%
Listed shares	1,669,981,296	1,291,367,636	378,613,660	29.32
Unlisted shares	160,115,356	211,813,440	-51,698,084	-24.41
TOTAL	1,830,096,652	1,503,181,076	326,915,576	21.75

Table no. 4.7 Evolution of share sub-portfolio 2023/2022 comparison

The trends in the share sub-portfolio, when comparing the end of 2024 with the end of 2023, were the following:

- The total amount of listed shares on the regulated market of the BVB increased by 10.83%, i.e. by RON 180.80 million, as a result of the increase in the prices of the shares in the portfolio and the purchases made during the year;
- The total amount of unlisted shares increased by 73.51% compared to year-end 2023, mainly as a result of capital increase transactions during the 2024 financial year.

EVOLUTION OF SHARES PORTFOLIO IN 2024



TRANSACTIONS AND OTHER EVENTS IN SHARES SUB-PORTFOLIO

During 2024, the following sub-portfolio transactions were recorded:

- shares listed on the BVB Regulated Market were bought for RON 39.32 million (SPEEH Hidroelectrica SA, Șantierul Naval Orșova, Biofarm SA, Banca Transilvania);
- unlisted shares in Mătăsari Holding SA were bought for RON 0.80 million;
- listed shares were sold in the amount of RON 9.51 million (Germina Agribusiness S.A., Helios SA Astileu, 24 January SA Ploiesti, SSIF BRK Financial Group S.A., S.N.G.N. Romgaz-S.A. Medias, Societatea Energetica Electrica S.A.);
- were sold the entire stakes of unlisted shares worth RON 11.24 million held in Banca Comerciala Romana (BCR), Master SA Bucharest, Apolodor SA Bucharest;
- share capital increases with cash contributions totaling RON 92.28 million were recorded in the companies Finagrom IFN SA, CCP.RO Bucharest SA, Vrancart S.A. Adjud, Voluthema Property Developer SA, Alexandra Turism SA Bucharest;





- the share capital was increased free of charge by increasing the number of shares of Bucharest Stock Exchange, Banca Transilvania, S.N.G.N. Romgaz-S.A. Medias, increases for which the Company received 35.949, 3.162.851 and 10.349.523 shares, respectively;
- there was a decrease in the share capital by reducing the number of the issuer's shares in Compania Nationala De Transporturi Aeriene Romane TAROM SA Otopeni (666.278 shares);
- 148,009 shares of Marc Trust Consid SA Călărași, 388,840 shares of Muntenia Filipeștii de Pădure, 70,356 shares of Stimas SA Suceava were registered as deregistered;
- Gross dividend income from portfolio companies amounted to RON 94.18 million and dividends in the amount of RON 92.08 million were received.

We note that the share sales during 2024 complied with the exit strategies outlined in the Company's Management Programme approved pursuant to the SGM decision of 04/29/2024. Longshield Investment Group aims to streamline the equity portfolio and continue to invest in profitable companies so as to increase returns on invested capital and thereby maximize value created for shareholders.

In accordance with the exit strategies approved by the Company's shareholders as part of the 2024 Management Programme, the Administrator continued its portfolio restructuring activity by selling holdings in which the Company holds less than 49%, which have book losses, have not distributed dividends in recent years or do not have a transparent policy of communication with minority shareholders. Thus, at the end of 2024, the Company had 92 companies in its portfolio compared to 102 companies at the end of 2023.



THE STRUCTURE BY BUSINESS SECTORS

As can be seen in the chart below, shares in the financial-banking sector hold the largest share in the Company's sub-portfolio, i.e. 47% of the total sub-portfolio, followed by the pharmaceutical, petrochemicals sector with a share of 17%.

STRUCTURE OF THE EQUITY PORTFOLIO BY SECTOR OF ACTIVITY

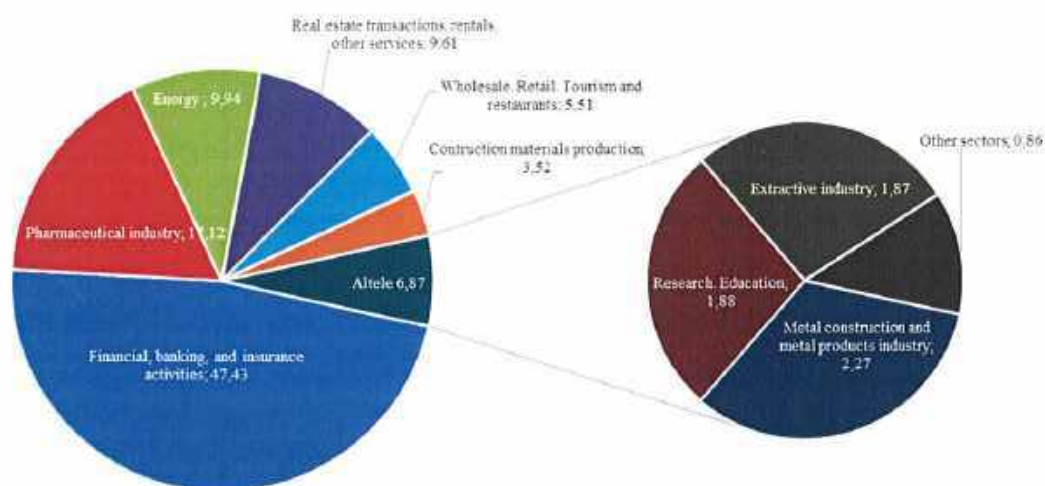


Chart: Main business sectors – shares (% in shares sub-portfolio, 92 issuers)



TOP 10 SHAREHOLDINGS WITHIN THE COMPANY PORTFOLIO

On December 31, 2024, the top 10 shareholdings, with a total value of RON 1,647.08 million, represent 62.58% of the Company's total assets (December 31, 2023: RON 1,458.51 million, or 61.47%).

	I	II	III	IV	V
1.	BANCA TRANSILVANIA	Financial-banking	662.31	26.26	2.68
2.	BIOFARM SA BUCURESTI	Pharmaceuticals industry	363.59	14.42	51.68
3.	BRD - GROUPE SOCIETE GENERALE	Financial-banking	104.60	4.15	0.81
4.	OMV PETROM SA	Energy-utilities	99.88	3.96	0.23
5.	FINAGROM IFN SA	Financial-banking	89.96	3.57	99.99
6.	LION CAPITAL SA	Financial-banking	73.38	2.91	5.07
7.	VOLUTHEMA PROPERTY DEVELOPER SA	Real estate, rentals	71.72	2.84	99.97
8.	CI-CO SA BUCURESTI	Real estate, rentals	64.80	2.57	97.34
9.	S.N.G.N. ROMGAZ-S.A. Medias	Energy industry	59.11	2.34	0.30
10.	BUCUR SA BUCURESTI	Wholesale and retail trade	57.74	2.29	67.98
TOTAL			1,647.08	65.31	

Table no. 4.8 Top 10 shareholdings on 12/31/2024

Key

I- Name

IV- % in the total assets of the Company

II- Field of activity

V- % of the entity's share capital held by the Company

III- Value of the shareholding, in MRON, as certified by the Depositary

Below, we submit the preliminary financial results for 2024 for companies that are required to report, and for those that are not required to report, we present the financial results for the first half of 2024.

1. Banca Transilvania SA

in MRON(individual)	2024 preliminary	2023	2022
Total assets	184,264	161,785	133,960
Net interest income	5,532	4,319	3,658
Net income from expenses and fees	1,268	1,106	998
Net profit	3,532	2,491	2,178
NPL (non-performing loans)	2.0%	2.0%	2.44%
Non-performing exposure total provision coverage ratio	206.0%	203.0%	195.0%

Table no. 4.8 Banca Transilvania SA financial results (value comparison)

At the level of the Bank²¹, total assets increased by 13.9% compared to the end of the previous year (22.4% at group level), mainly due to the increase in loans and advances to customers and financial assets at fair value through other comprehensive income. The integration of OTP Bank Romania had a positive impact on asset growth, contributing approximately 9.6 percentage points to the evolution of assets.

Total liabilities follow the same upward trend (+13.4% on an individual basis), amid of an increase in deposits from customers and loans from banks and other financial institutions. At the level of Banca Transilvania, equity increased by 20.2%, from RON 11,829 million to RON 14,219 million.

²¹ https://bvb.ro/infocont/infocont25/TI.V_20250228071408_Rezultate-financiare-preliminare-31-12-2024.pdf

The Bank's 2024 net income is 41.8% higher than the previous year, mainly due to higher net interest income (+28.1% on an individual basis).

As reported²², the cost/income ratio has improved to 45.4% (2023: 45.6%) and the solvency ratio (including profit for the first half of 2024) is 23.54%. Return on equity is 27.0% on an individual basis, above the banking sector average at December 2024 of 18.4%.

Important events

Through a press release²³ dated February 9, 2024, Banca Transilvania announced the signing of the transaction regarding the acquisition of 100% of the shares of OTP Bank Romania, as well as of other companies of the OTP Romania Group. The total transaction price amounted to EUR 347.5 million.

The Extraordinary General Meeting of Shareholders approved, on April 25, 2024²⁴, *inter alia*, the increase of the share capital by the amount of RON 1,182 million (incorporation of reserves constituted from the net profit of 2023), through the issuance of new shares with a par value of RON 10/share and the registration date of July 19, 2024. Following the share capital increase, Longshield Investment Group received 3,162,851 bonus shares on July 22, 2024.

The General Meeting of Shareholders approved on April 25, 2024, *inter alia*, the distribution of cash dividends totaling RON 1,000,000,000. The gross dividend was set at RON 1,252,100,033/share, and in June 2024, Longshield Investment Group received RON 24.35 million in dividends (2023: RON 21.98 million).

On May 28, 2024²⁵ BT Group announced that it has reached an agreement with BRD-Groupe Societe Generale and Societe Generale Assurances to acquire BRD Pensii (BRD Societate de Administrare a Fonduri de Pensii Private).

On June 27, 2024²⁶, Banca Transilvania announced that they have been notified that the shareholder European Bank for Reconstruction and Development (EBRD) has decided to initiate an offer for its stake in the issuer Banca Transilvania of up to 13.7 million TLV shares, representing 1.72% of the bank's share capital. Also on the same date²⁷, BT informed that, further to the notification dated 06/26/2024 to the shareholder EBRD, the offer for the stake it holds in TLV was finalized on 27.06.2024. The offer was fully subscribed, with EBRD continuing to hold 5.2% of the share capital of Banca Transilvania.

By a press release²⁸ dated 07/30/2024, Banca Transilvania informed investors that on 30.07.2024, the closing documents for the acquisition of the entire 100% stake held by OTP Bank Nyrt and Merkantil Bank Zrt in the share capital of OTP Bank Romania SA were signed, after obtaining the necessary approvals from the supervisory authorities. As part of the transaction, BT indirectly acquired, through its subsidiaries, also stakes in the share capital of the companies of the OTP Romania Group, namely OTP Leasing Romania IFN SA and all subsidiaries of OTP Bank Romania SA.

Banca Transilvania informs investors that Fitch Ratings has upgraded Banca Transilvania's rating from "BB+" to "BBB", with a stable outlook, on a long-term basis, according to its current report dated 11/20/2024.²⁹

On December 2, 2024³⁰, Banca Transilvania Group announced the first merger among the subsidiaries acquired this year from OTP Group, between BT Leasing and OTP Leasing.

The Extraordinary General Shareholders' Meeting approved³¹, on December 18, 2024, the merger by absorption between Banca Transilvania SA, as the absorbing company, and OTP Bank Romania SA and BT Building SRL, as the absorbed companies, in accordance with the terms and conditions set out in the merger plan. At the same time, the merger process, according to the information³² submitted by the Bank, will be completed on February 28, 2025.

Subsequent events

In a release dated March 3, 2024³³, BT announced the completion of the merger with OTP Bank Romania SA, reaching a market share of 23%. At the same time, Victoriabank, part of the BT Group, finalized the merger with BCR Chisinau.

²² https://bvb.ro/infocont/infocont25/TLV_20250228071434_Sinteza-informatii-financiare-31-12-2024.pdf

²³ https://bvb.ro/infocont/infocont24/TLV_20240209104612_Raport-curent-Moon.pdf

²⁴ https://bvb.ro/infocont/infocont24/TLV_20240425162047_raport-curent-HOTARARI-AGA-Aprilie-2024.pdf

²⁵ https://bvb.ro/infocont/infocont24/TLV_20240528163857_BT-comunicat-de-presa-Grupul-BT-cump-r-BRD-Pensii-28-05-20.pdf

²⁶ https://bvb.ro/infocont/infocont24/TLV_20240627105358_Raport-curent-oferta-actiuni-RO.pdf

²⁷ https://bvb.ro/infocont/infocont24/TLV_20240627140402_Raport-curent-finalizare-oferta-actiuni-RO.pdf

²⁸ https://bvb.ro/infocont/infocont24/TLV_20240730110918_Raport-curent-finalizare-tranzactie-OTP-RO.pdf

²⁹ https://bvb.ro/infocont/infocont24/TLV_20241120073935_Raport-curent-rating-RO.pdf

³⁰ https://bvb.ro/infocont/infocont24/TLV_20241202130314_BT-comunicat-de-presa-Fuziune-BT-Leasing---OTP-Leasing-2-12.pdf

³¹ https://bvb.ro/infocont/infocont24/TLV_20241218142317_raport-curent-HOTARARI-AGA-2024-clean.pdf

³² https://bvb.ro/infocont/infocont24/TLV_20241218145717_BT-comunicat-de-presa-Aprobare-fuziune-18-12-2024.pdf

³³ https://bvb.ro/infocont/infocont25/TLV_20250303111606_Grupul-BT-Comunicat-de-presa-Fuziune-BT---OTP-Bank-Romania.pdf

Non-financial reporting - ESG

Banca Transilvania SA presents detailed information on non-financial key performance indicators, objectives and sustainability strategy in the Sustainability Report, available on the company's website www.bancatransilvania.ro, Investor Relations section.

2. Biofarm SA

In MRON	2024 preliminary	2023	2022
Total assets	554.86	493.81	466.54
Total liabilities	76.60	59.40	86.48
Sales revenues	286.77	280.29	276.98
Net profit/(loss)	74.40	77.01	70.92

Table no. 4.9 Biofarm SA financial results (value comparison)

Biofarm SA operates mainly in the OTC (over-the-counter medicines) and food supplements market. Sales of Biofarm's products are mostly distributed to the retail segment.

According to the Biofarm SA Directors' Report for the third quarter of 2024³⁴, the share of the three categories of products manufactured by Biofarm SA in the company's turnover is as follows: over-the-counter (OTC) medicines have a share of 59%, food supplements (SN) have a share of 36%, and the share of prescription-only (RX) medicines is 5%.

According to the unaudited preliminary financial results as at 31.12.2024 unaudited³⁵, sales revenues in 2024 amounted to RON 286.77 million, an increase of 2.31% (RON 6.48 million) compared to 2023 revenues, while operating expenses increased by 3.32% (RON 6.81 million) at the end of 2024 (RON 211.86 million) compared to 2023 expenses (RON 205.05 million).

Thus, the company recorded a net profit of RON 74.40 million in 2024, 3.40% (RON 2.62 million) lower than in 2023.

Longshield Investment Group received dividends from Biofarm SA in 2024 amounting to RON 15.76 million (2023: RON 15.25 million).

Important events:

- At the SEGM of October 15, 2024³⁶, it was approved the extension of the term of signing the sale and purchase agreement on the sale of the building owned by BIOFARM - S.A. in 40-42 Iancu de Hunedoara Boulevard, 1st District, Bucharest, at the request of the promising buyer, the company Iancu de Hunedoara Residence - S.R.L., until April 13, 2026 at the latest.

3. BRD - Societe Generale Group

In MRON (individual)	2024 preliminary	2023	2022
Total assets	85,945	81,381	71,523
Net interest income	2,799	2,592	2,239
Net income from expenses and fees	772	719	719
Net profit	1,475	1,634	1,286
NPL (non-performing loans)	2.1%	1.9%	2.5%
Non-performing exposure total provision coverage ratio	77.8%	75.9%	76.5%

Table no. 4.10 BRD-Groupe Societe Generale financial results (value comparison)

³⁴ https://bvb.ro/infocont/infocont24/BIO_20241114183145_2024-09-30-Situatii-financiare.pdf

³⁵ https://bvb.ro/infocont/infocont25/BIO_20250228152251_2024-12-31-Rezultate-financiare-preliminare.pdf

³⁶ https://bvb.ro/infocont/infocont24/BIO_20241015150437_2024-10-15-Raport-Curent.pdf



At the end of 2024, the Bank's total assets increased by 5.6% compared to December 31, 2023 (5.5% percentage increase at Group level), mainly due to the increase in claims on credit institutions and assets measured at amortized cost, i.e. loans and advances to customers.

The total liabilities recorded by the bank at the end of 2024 increased by 5.5% compared to the end of 2023, mainly driven by interbank and customer deposits. BRD-Groupe Societe Generale BRD-Groupe Societe Generale's equity remained solid, up 6.6% y/y, with the same trend continuing for the Group's reported equity (+6.7%).

According to information provided by the bank³⁷, the cost/income ratio has increased only as a result of the new turnover tax (50.2% in 2024 compared to 49.4% in 2023). Excluding the impact of the tax, the cost/income ratio improved by more than 200 basis points to 47.0% in 2024 from 49.4% in 2023. The Bank's capital adequacy ratio is almost 23% at end-December 2024, excluding the impact of the new temporary regulatory treatments (implemented by art. 468 and art. 500a of CRR3 in July 2024), the banking sector average at 9 months 2024 is 24.95%.³⁸

The net profit, at individual level, decreased by 9.8% in 2024 compared to 2023 (-8.0% at Group level), mainly due to the net cost of risk (2024: -127.75 million RON vs. 2023: +47.92 million RON).

According to the SOGM decision dated 25.04.2024, Longshield Investment Group received dividends in the amount of RON 6.05 million (gross dividend of RON 1.1725/share) on June 6, 2024 and RON 4.76 million on January 26, 2024 (gross dividend of RON 0.9226/share, according to the SOGM decision dated 02/14/2023).

Important events

On April 4, 2024³⁹ BRD and IFC, a member of the World Bank Group, have entered into a landmark Synthetic Significant Risk Transfer (SRT) transaction that will free up capital with which BRD will accelerate the financing of sustainable impact projects in Romania. Under the transaction, IFC will provide a risk guarantee for a BRD portfolio of up to EUR 700 million comprising loans for Small and Medium Enterprises and financing for large corporates. The capital freed by the SRT transaction will enable the bank to lend up to EUR 315 million to finance climate-related initiatives and women-owned small businesses.

On April 25, 2024, at the Ordinary General Meeting of BRD-Groupe Societe-Generale Shareholders, the following were approved, *inter alia*:

- distribution as dividends of the amount of RON 817,117,030, representing 50% of the result for the year 2023 (the gross dividend is RON 1.17250 / share);
- the individual remuneration for non-independent non-executive directors for the year 2024, amounting to EUR 1,800/month (gross amount), the individual remuneration for independent non-executive directors for the year 2024, amounting to EUR 3,600/month (gross amount), including 19.9% for the transfer of contributions, as well as the general limits on directors' remuneration and directors' remuneration, up to a maximum of RON 22 million (gross amount).

According to the current report dated May 28, 2024⁴⁰, the bank informs investors that BRD and Societe Generale Assurances have reached an agreement with Banca Transilvania on the sale of the stakes that the two entities hold in BRD Societate de Administrare a Fondurilor de Pensii Private S.A., a company active in the pension fund management market, with a non-core activity for the Group in Romania.

Non-financial reporting - ESG

BRD-Groupe Societe General SA prepares a sustainability report in accordance with the requirements of the Romanian legislation on non-financial reporting, in conjunction with the requirements of the GRI35 (Global Reporting Initiative) Standards. The report is published on the company's website www.brd.ro, section Responsibility / World 9.



³⁷ https://bvb.ro/infocont/infocont25/BRD_20250206080036_BRD-Press-release---FY-2024-RO.pdf

³⁸ <https://www.bnro.ro/Indicatori-agregati-privind-institutiile-de-credit-3368-Mobile.aspx>

³⁹ https://bvb.ro/infocont/infocont24/BRD_20240404122114_Comunicat-de-presa---BRD-IFC-4-04-2024-RO.pdf

⁴⁰ https://bvb.ro/infocont/infocont24/BRD_20240528175425_BRD---Raport-curent-ro.pdf

4. OMV Petrom SA⁴¹

In MRON	2024 preliminary	2023	2022
Total assets	57,646	58,157	58,505
Sales revenues	35,765	38,808	61,344
Operating result	4,855	7,554	12,039
Net profit / (loss)	4,190	4,030	10,301

Table no. 4.11 OMV Petrom SA financial results (value comparison)

According to the preliminary consolidated financial statements as of December 31, 2024, the company's total assets decreased by 0.88% (RON 511 million) compared to the balance as of December 31, 2023. This variation was realized on the background of the decrease in current assets (RON 3,894 million), offset by the increase in non-current assets (RON 3,383 million).

The change in the fixed asset balance was primarily driven by an increase in intangible and tangible fixed assets as inflows during 2024 (including the impact from newly acquired subsidiaries) exceeded depreciation, net impairment adjustments and the decrease in decommissioning asset upon review.

The change in the current assets balance was mainly due to a decrease in cash and cash equivalents and a decrease in other financial assets as a result of a decrease in short-term investments, partly offset by an increase in other assets, in particular advances paid on tangible fixed assets and excise duty related amounts, as a result of legislative changes.

Revenues from sales decreased by 7.84% (RON 3,043 million) during 2024 compared to the revenues recorded in 2023. This variation was mainly due to lower commodity prices and lower volumes of natural gas sales, partially offset by higher volumes of electricity sales.

Operating income decreased during 2024 by 35.73% (RON 2,699 million) compared to 2023, mainly as a result of more difficult market conditions and impairment adjustments made in the Exploration and Production segment reported in the last quarter of 2024.

The Company has recorded a net profit during 2024 up by 3.97% (RON 160 million) compared to the net profit recorded during 2023.

During 2024, Longshield Investment Group SA received net dividends amounting to RON 9.24 million (2023: RON 10.69 million).

Important events :⁴²

- On May 10, 2024, OMV Petrom and Saint-Gobain Romania announced the signing of an agreement for the supply of electricity from renewable sources for all Saint-Gobain facilities nationwide. Based on this agreement, OMV Petrom will supply approximately 800 GWh of green energy to 14 Saint-Gobain sites in Romania over the next five years, thus contributing to the decarbonization goals. Deliveries will start in January 2026 and the energy will come from wind and photovoltaic sources.
- On May 31, 2024, OMV Petrom announced the completion of the acquisition of Renovatio Asset Management, the owner of the largest charging network for electric vehicles in Romania, with over 400 charging points and prospects to grow to approximately 650 charging points by 2026.
- On June 7, 2024, OMV Petrom announced the strengthening of its partnership with Renovatio through the acquisition of a 50% stake in three photovoltaic projects totaling 130 MW.
- On June 11, 2024, OMV Petrom announced that it will invest around EUR 750 million at Petrobrazi to transform the plant into the first major producer of sustainable fuels in the region. The company has made the final investment decision to build a SAF/HVO plant and to construct two plants for the production of green hydrogen to be used in the biofuels process.
- On June 27, 2024, OMV Petrom SA announced the conclusion of a supply contract with Expur S.A. for the purchase of pre-treated vegetable oil. The contract has been signed for a six-year period, with the possibility of extension for a further two years, with deliveries due to start in 2028. The pre-treated vegetable oil is the raw material for the production of renewable diesel oil (HVO - Hydrotreated Vegetable Oil) which will be processed in a new HVO/SAF plant at the Petrobrazi plant.

⁴¹ The data are taken from reports and information published on BVB

⁴² The data are taken from reports and information published on BVB



- On September 19, 2024, OMV Petrom started a new drilling campaign using a state-of-the-art automated drilling rig owned by Foraj Sonde Videle. The campaign is initially focused on several fields in Oltenia, Muntenia and Moldova, with plans to continue across OMV Petrom's portfolio.
- On September 30, 2024, OMV Petrom completed the acquisition of several photovoltaic park projects from the Danish company Jantzen Renewables ApS. The projects are to be developed in the county of Teleorman and are now at the "ready-to-build" stage. The installed capacity of these PV parks will be ~710 MW, being among the largest projects of this type and at this stage in South-Eastern Europe.
- On October 08, 2024, OMV Petrom SA announced the expansion of its natural gas supply activity in the Bulgarian market. Since October, industrial consumers in Bulgaria can benefit from OMV Petrom's offer.
- On October 10, 2024, OMV Petrom SA announced the completion of the acquisition of a 50% stake in Electrocentrale Borzești from RNV Infrastructure. It owns renewable energy projects with a capacity of around 1,000 MW, of which 950 MW wind and 50 MW photovoltaic.
- On November 11, 2024, OMV Petrom SA announced the signing of an EPCC - Engineering and Design, Procurement, Execution & Commissioning - contract for the Ișalnița project. The contract includes the construction of the photovoltaic park, the 110 kV substation for grid connection, as well as their operation and maintenance for a period of 2 years after commissioning.
- On November 18, 2024, OMV Petrom SA announced that Transocean Barents, the mobile semi-submersible offshore semi-submersible drilling mobile unit contracted for Neptun Deep, has arrived in Constanta. It was contracted for a minimum period of one and a half years, with integrated drilling services to be provided by Halliburton Romania.
- On November 18, 2024, OMV Petrom SA announced a strategic partnership with NewMed Energy Balkan, a subsidiary of NewMed Energy, to advance exploration efforts in the offshore Han Asparuh field in Bulgaria. NewMed Energy is Israel's leading joint venture in the exploration, development, production and sale of natural gas and condensate. The parties have signed an agreement under which OMV Petrom will transfer to NewMed Energy Balkan a 50% stake in the project, while retaining its role as operator. In return, NewMed Energy will bear a significant part of the costs of exploration and appraisal operations.

Subsequent events:

- On February 04, 2025, OMV Petrom SA announced the proposal of the Board of Directors of OMV Petrom S.A. for a basic gross dividend of RON 0.0444/share, based on the preliminary results for the financial year ended December 31, 2024.
- On February 04, 2025, OMV Petrom SA announced the start of construction works for the construction of a sustainable aviation fuels (SAF) and renewable diesel oil (HVO) production unit at the Petrobrazi refinery. The new unit will position OMV Petrom as the first major producer of sustainable fuels in South East Europe, with a capacity of 250,000 tons per year. The project involves a total investment of EUR 750 million, of which EUR 560 million for the construction of the SAF-HVO unit and EUR 190 million for two green hydrogen production plants.

Non-financial reporting - ESG

The OMV Group publishes an annual sustainability report in accordance with the Global Reporting Initiative (GRI) Core option. The report is available on the website: www.omvpetrom.com/ro.

5. Finagrom IFN SA

in MRON	2023
Total assets	4.75
Net income from interests	0.09
Other operating income	0.06
Net profit / (loss)	(0.40)

Table no. 4.12 *Finagrom IFN S.A. financial results (value comparison)*

Finagrom IFN SA was established in July 2023, in the form of a joint-stock company as a non-bank financial institution, with an initial capital of RON 5,005,000 and a total number of shares of 1,001, with a par value of RON 5,000 (Longshield Investment Group SA holding 99.99% of the company's share capital, i.e. 1,000 shares). Finagrom IFN SA was authorized and registered in the General Register of the National Bank of Romania in November 2023.

During 2024, Longshield Investment Group Investment Group SA capitalized the company with an amount of RON 85 million in order to support the lending activity of Finagrom IFN SA.



Finagrom IFN SA⁴³, a non-bank financial institution registered in the General Register of the NBR under number RG-PJR-41-110403/29.11.2023, aims to support the development of the agribusiness sector through production, trade and investment financing operations. The offer of products and services is structured and tailored according to the main market needs, being mainly oriented to the microfinance activity of the small and medium-sized farmers and cooperative farms segment.

Mission

Continuous optimization of products and services corresponding to the needs of financing the activity of farmers, so that, through the sustained development of business volume, to ensure shareholders a reasonable return on their investment efforts. In the context of the decreasing share of the agricultural sector in GDP in recent years, Finagrom IFN SA aims to become much more involved in supporting the growth of the agri sector, taking into account the huge potential that can attract investments aimed at modernization and automation of this segment.

Sustainable development

The objective of Finagrom IFN SA is to support the modernization of agricultural activities, through evolution and innovation, offering financial solutions adapted to this sector. The credit facilities are intended for farmers who want to offer a sustainable future to the farms they manage and to invest in their modernization and modernization. The company provides clients with the necessary funds to finance both current activities and investments to increase the productivity and efficiency of agribusiness companies - an area with huge potential for growth and investment in the coming years.

The major challenges faced by agriculture in recent years - including unfavorable climatic conditions, the lack of an efficient national irrigation system, the moratorium imposed by the Ministry of Agriculture until August 2025 (with the possibility of extension), competition from Ukrainian agriculture, the EU-MERCOSUR agreement, the absence of a national distribution network and the difficulty of developing it in a short timeframe - have had a significant impact on the agricultural sector, especially on small farmers, who are more vulnerable to these difficulties.

In this context, Finagrom IFN SA has decided to diversify its activity, turning to other sectors in order to adapt its business model and ensure sustainable growth.

The company thus aims to expand its business and offer its products and services in the real estate sector, which, while entailing significant financial exposures, at the same time offers solid guarantees, completed assets and predictable cash flows in the short and medium term.

6. Lion Capital SA

In MRON	2024 preliminary	2023	2022
Total assets	4,841	4,306	3,405.26
Income, of which:	230	166	174.92
Dividend income	194	152	166.19
Investment gain/(loss)	(21)	297	(47)
Net profit	162	417	95.47

Table no. 4.13 Lion Capital SA financial results (value comparison)

According to preliminary data published by Lion Capital⁴⁴, as of 12/31/2024, total assets increased by 12.4% compared to year-end 2023, mainly due to an increase in cash and cash equivalents and the value of financial assets measured at fair value through other comprehensive income (shares).

Dividend income in 2024 was 28.0% higher than in 2023 and interest income increased significantly from 5.8 million in 2023 to 30.4 million lei in 2024.

The net loss on investments amounted to RON 21 million, determined by the unfavorable evolution of the main listed issuers included in the category of financial assets at fair value through profit and loss (VNC and BIO), while the favorable evolution of the fair value of fund units contributed positively, mitigating the net loss.

⁴³ <https://www.finagrom.ro/index.aspx>

⁴⁴ https://bvb.ro/infocont/infocont25/LION_20250228153319_rezultate-preliminare-2024.pdf



The company's expenses amounted to RON 32.7 million, 18.9% higher than in 2023.

Corroborating the aforementioned, Lion Capital ended 2024 with a preliminary net profit of RON 162 million.

Important events

By the current report published on the BVB on 02/06/2024⁴⁵, the shareholders were informed about the free offer to the members of the management structure of 990,000 shares under a Stock Option Plan, based on the Decisions adopted by the SEGM on 04/27/2023; the transfer of shares will be made upon fulfillment of the conditions of the Stock Option Plan and the exercise of the option by each beneficiary, after the expiration of 12 months from the signing of the payment agreements.

On 02/19/2024 the sale and purchase agreement of the shareholding held by Lion Capital SA in the company Azuga Turism SA⁴⁶ was concluded, namely the sale of 786.882 shares for a minimum price of EUR 8,990,000, the buyer having paid an advance of EUR 1,500,000 upon signing of the contract. The difference in price will be paid by the buyer in three installments, the last installment to be paid on 03/31/2026, the buyer will also pay a 7% interest rate per annum.

By the current report published on the BVB on 03/15/2024⁴⁷, the shareholders were informed about the transfer free of charge to the members of the management structure of 990,000 LION shares for which they exercised their options under a Stock Option Plan adopted in accordance with the AGEA Decisions of 04/28/2023.

At the Extraordinary General Meeting on April 29, 2024, the shareholders approved⁴⁸, *inter alia*, the implementation of a share buy-back program ("Program 8") by the Company, with the objective of distributing shares free of charge to employees and management (directors, executives) of the Company for retention and reward based on performance criteria established by the Board of Directors.

The program provides for the repurchase of a maximum of 1,500,000 shares, at a minimum price of 0.1 lei/share and a maximum price of RON 8.2473 /share. The duration of the program is a maximum of 18 months from the publication of the decision in the Official Gazette, and the payment for the acquired shares will be made from the sources provided by law. The acquired shares will be used within a Stock Option Plan, according to the regulations in force.

FSA decision no. 957/September 19, 2024⁴⁹ approved the takeover bid document for shares issued by Lion Capital for the purpose of repurchase by Lion Capital SA of a maximum of 2,490,000 own shares representing 0.4906% of the share capital, in order to reduce the share capital, in accordance with AGEA decisions no. 4 dated April 27, 2023 and SEGM no. 3 dated April 3, 2024. The offer price was RON 2.90/share. A total of 5,635,848 shares, representing 1.1105% of the issuer's share capital, were tendered in the offer⁵⁰. The settlement was made through the Depozitarul Central on 10/11/2024, and following the closing of the offer, Lion Capital holds 2,490,000, representing 0.4906% of the share capital.

On 09/24/2024, Lion Capital informs⁵¹ that on September 23, 2024 the resignation of Mr Străuț Radu-Răzvan from all positions he holds in Lion Capital SA, as of September 30, 2024, was registered with the company

By the current report⁵² dated 09/26/2024 Lion Capital SA informs the investors that in the meeting of 25 September 2024, the Board of Directors of Lion Capital SA took note of the resignation of Mr Radu-Răzvan Străuț from the position of Director and Deputy General Manager and approved the appointment of Mr Rachid El Lakis as provisional Manager and Vice-Chairman of the Board of Directors of Lion Capital SA, and that the exercise of the mandate of Mr Rachid El Lakis will only effectively start after his authorization by the Financial Supervisory Authority.

The Ordinary General Meeting of Shareholders approved⁵³, on October 31, 2024, *inter alia*, the election of the following persons: Drăgoi Bogdan-Alexandru, El Lakis Rachid, Pfister Marcel Heinz, Marica Sorin as members of the Board of Directors of the company for a term of office of 4 years, starting from April 26, 2025 and until April 26, 2029, with the specification that the persons elected as directors will exercise the duties related to their office, only after the issuance of the authorization/approval decision by the Financial Supervisory Authority, in accordance with the applicable legal provisions.

⁴⁵<https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/LION-Document-informare-alocare-actiuni/3F0BB>

⁴⁶<https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/LION-Vanzare-actiuni-Azuga-Turism-S-A-/B34FD>

⁴⁷<https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/LION-Finalizare-Plan-de-plata-pe-baza-de-actiuni/2329B>

⁴⁸ https://bvb.ro/infocont/infocont24/LION_20240429144005_2024-04-29-RC-Hotarari-AGEA-29-aprilie-2024.pdf

⁴⁹ <https://www.bvb.ro/infocont/infocont24/LION190924.pdf>

⁵⁰ <https://www.bvb.ro/infocont/infocont24/Notificare%20rezultate%20OPC%20LION%202024..pdf>

⁵¹ https://bvb.ro/infocont/infocont24/LION_20240924085706_2024-09-24-RC-Modificare-structura-conducere.pdf

⁵² https://bvb.ro/infocont/infocont24/LION_20240926132027_2024-09-26-RC-Numire-administrator-provizoriu.pdf

⁵³ https://bvb.ro/infocont/infocont24/LION_20241031152740_2024-10-31-RC-Hotarari-SOGM -31-oct-2024.pdf



Lion Capital S.A. has informed⁵⁴ investors that at the meeting of the Board of Directors held on November 18, 2024 it was decided to revoke the Decision of the Board of Directors no. 3 of September 25, 2024, which approved the appointment of Mr Rachid El Lakis as provisional administrator and Vice-Chairman of the Board of Directors of Lion Capital S.A., on the seat that remained vacant on the Board of Directors following the resignation of Mr Radu Răzvan Străuț.

Further to the current report dated November 19, 2024, Lion Capital SA informed⁵⁵ investors that at its meeting held on November 18, 2024, the Board of Directors of Lion Capital SA approved the appointment of Mr. Rachid El Lakis as provisional administrator and Vice-Chairman of the Board of Directors of Lion Capital SA, with the exercise of the mandate of administrator by Mr. Rachid El Lakis to effectively start only after his authorization by the Financial Supervisory Authority in this position.

7. Voluthema Property Developer SA

In MRON	S1 2024	2023	2022
Total assets	84.92	78.30	74.95
Turnover	4.13	7.31	4.66
EBITDA	2.67	3.72	1.46
EBITDA margin	64.69%	50.87%	31.20%
Net profit / (loss)	2.03	2.66	0.91

Table no. 4.14 Voluthema Property Developer S.A. financial results (value comparison)

The company achieved a turnover of RON 4.13 million during the first half of 2024⁵⁶, 25.08% higher than the same period of 2023, on the back of increased revenues from rents and services rendered to customers.

The rental income in the amount of RON 3.81 million was higher by 26.58% compared to the values realized in the first semester of 2023 (3.00 million lei), being positively influenced by the entry of the office building "Floreasca Lake Office Building" in the real estate portfolio of the company and the increase in the occupancy rate of the Muntenia Business Center building.

The company realized other operating income in the amount of RON 2.45 million, representing re-invoicing of utilities, advertising and services, sales of fixed assets.

Operating expenses amounting to RON 4.56 million were higher by 87.9% compared to the expenses recorded in the first semester of 2023 (RON 2.42 million), as a result of expenses related to the sale/disposal of assets, as well as higher personnel expenses and external services.

The company recorded a net profit of RON 2.03 million in the first half of 2024, compared to a net profit of RON 1.08 million in the same period of the previous year.

Important events:

The SOGM meeting held on May 23, 2024 approved the distribution of a gross dividend of RON 0.3878/share, resulting from the net profit of 2023. In 2024, Longshield Investment Group received a net dividend in the amount of RON 2.51 million (2023: RON 1.09 million).

At the SEGM meeting on 12/02/2024, the shareholders approved the sale of the building - Muntenia Business Center, located at 16, Splaiul Unirii Street, 4th District, Bucharest, Romania, at a price of EUR 7.73 million.



⁵⁴ https://bvb.ro/infocont/infocont24/LION_20241119171217_2024-11-19-RC-revocare-hotarare-CA.pdf

⁵⁵ https://bvb.ro/infocont/infocont24/LION_20241128161258_2024-11-28-RC-numire-administrator-provizoriu.pdf

⁵⁶ data taken from information provided by the company, calculations SAI Muntenia Invest S.A.



8. CI-CO SA Bucharest⁵⁷



in MRON	S1 2024	2023	2022
Total assets	62.85	65.87	64.64
Turnover	7.68	13.63	11.04
EBITDA	2.89	4.95	3.04
EBITDA margin	37.60%	36.29%	27.56%
Net profit / (loss)	2.72	4.40	1.80

Table no. 4.15 CI - CO S.A. București financial results (value comparison)

On 06/30/2024, the company's total assets of RON 62.85 million decreased by 4.58% (RON 3.02 million) compared to the total assets recorded as at 31.12.2023 (RON 65.87 million). This variation was mainly due to the decrease in current assets by 34.98% (RON 2.69 million) and decrease in non-current assets by 0.75% (RON 0.43 million).

Turnover, recorded an increase of 17.13% (RON 1.12 million) in the first semester of 2024 compared to the turnover recorded for the same period of 2023 (RON 6.55 million) amid of the increase in revenues from the rental of premises and provision of services.

In the first semester of 2024, CI-CO SA realized a net profit of RON 2.72 million, 33.44% higher than the net profit obtained in the same period of 2023 (RON 2.04 million).

During 2024, Longshield Investment Group SA received net dividends amounting to RON 5.35 million (2023: RON 3.21 million).

Important events:

The Ordinary General Shareholders' Meeting of April 24, 2024⁵⁸ approved, mainly, the following items on the agenda: the financial statements for the year 2023, the distribution of a gross dividend of RON 2.0325 /share, the remuneration of the members of the Board of Directors, the extension of the mandate of the financial auditor.

Non-financial reporting - ESG

CI-CO SA does not publish sustainability reports.

9. S.N.G.N. Romgaz-SA Mediaș⁵⁹

in MRON	2024 preliminary	2023	2022
Total assets	19,961.4	16,465.6	14,328.1
Turnover	7,929.4	9,001.9	13,359.7
EBITDA	4,088.8	5,402.2	4,532.4
EBITDA margin	51.57%	60.01%	33.93%
Net profit / (loss)	3,219.4	2,812.1	2,546.7

Table no. 4.16 S.N.G.N. Romgaz S.A. financial results (value comparison)

The company's total assets increased by 21.23% (RON 3,495.8 million) as at 31.12.2024 compared to the balance on 12/31/2023. The change was achieved amid of the increase in non-current assets by 23.08% (RON 2,631.4 million - as a result of the investments made during 2024 for the Neptun Deep project), as well as on the back of the increase in current assets by 17.07% (RON 864.3 million).

Turnover decreased by 11.91% (RON 1,072.4 million) during 2024 compared to 2023. This variation was mainly due to the decrease in revenues from the sale of natural gas by 15.29% (RON 1,180.5 million) and the decrease in revenues from

⁵⁷ data taken from information provided by the company, calculations SAI Muntenia Invest S.A.

⁵⁸ https://bvb.ro/info/Raportari/CICO/CICO_20240423123736_RAPORT-CURRENT-Hotarari-SOGM -CI-CO-S-A-din-23-04-2024.pdf

⁵⁹ data taken from the reports and information published on the BVB



the sale of electricity by 7.72% (RON 31.4 million), respectively, while consolidated revenues from services increased by 42.99% (RON 87.2 million).

Total expenditure increased by 8.75% (398.26 million lei) in 2024 compared to total expenditure in 2023.

Compared to 2023, the Group recorded an increase in cost of goods sold expenses by 11.85% (RON 12.70 million), while personnel expenses also increased by 11.02% (RON 119.26 million).

In 2024, the expenditure related to taxes and duties increased by 22.10% (RON 330.70 million) compared to the previous year, mainly due to the increase in expenditure on additional income tax, which increased by RON 311.56 million (+35.01%), reaching the amount of RON 1,201.36 million.

With regard to royalties, including those related to the storage activity, there was a reduction of RON 7.75 million (-1.29%) compared to 2023. This decrease was due to legislative clarifications on the applicability of the increased level of royalties introduced in 2023. The Group has recalculated the royalty for the period October 27, 2023 - December 31, 2024, applying the reduced rates provided for in the concession agreements. Although the Group's production was 4% higher than the previous year, the royalty amount was lower.

Expenditure on greenhouse gas emission allowances decreased by 25.56% (RON 62.05 million) in 2024 compared to 2023, mainly due to the decrease in the purchase price of allowances, the average price was lower by about 21% compared to 2023, and to the purchase of about 14% less allowances.

The preliminary gross profit for the year 2024 is RON 3,605.5 million, down by 28.85% compared to the amount realized in 2023, RON 5,067.5 million.

The preliminary net profit for 2024 is RON 3,219.4 million, up 14.48% compared to the net profit of RON 2,812.1 million in 2023.

Although the preliminary gross profit for 2024 is lower than in 2023, the net profit showed an increase of 14.48%, driven by the elimination of the solidarity contribution from 2024. This tax change led to a significant reduction in corporate income tax, which amounted to RON 386 million in 2024 compared to RON 2,225.4 million in 2023.

In 2024, Longshield Investment Group SA received net dividends amounting to RON 1.51 million (2023: RON 3.66 million).

Important events⁶⁰

- On May 16, 2024 Romgaz informed its shareholders and investors that it has been registered with the Public Services Agency of the Republic of Moldova, in the State Register of Legal Entities, ROMGAZ Branch in Chisinau.
- On May 30, 2024 Romgaz informed shareholders and investors about the completion of the share capital increase. The Company's share capital was increased, through the incorporation of reserves representing own sources of financing, by the amount of RON 3,468,801,600, from RON 385,422,400 to RON 3,854,224,000, through the issuance of 3,468,801,600 new shares (including new underlying shares on the basis of which new global certificates of deposit are issued), with a nominal value of RON 1/share, each shareholder registered on the record date (May 29, 2024) being entitled to 9 free shares for each share held.
- On May 31, 2024 Romgaz informed its shareholders and investors about the conclusion of the Additional Deed no. 1/31.05.2024 to the Loan Agreement no. 42805/September 21, 2023, concluded between S.N.G.N. Romgaz S.A. and Romgaz Black Sea Limited through Romgaz Black Sea Limited Nassau (Bahamas), Bucharest Branch.
- On December 24, 2024 Romgaz informed its shareholders and investors about the Government Decision No. 1.489/21.11.2024 amending Government Decision No. 1.096/2013, approving the mechanism for the transitional free allocation of greenhouse gas emission allowances to electricity producers for the period 2013 - 2020, including the National Investment Plan (PN1). By H.G. no. 1.489/November 21, 2024 are extended: the deadline for the completion and commissioning of investments financed by non-refundable grants from the NIP account - until June 30, 2025, the deadline for the reimbursement of expenses related to investments - until December 31, 2025, as well as other related deadlines.

As a result, the Ministry of Energy submitted the Addendum no. 10 to the Financing Contract no. 4/December 7, 2017 for the investment "Combined cycle with gas turbines" - Iernut, signed by both parties, registered in S.N.G.N. Romgaz S.A. on December 23, 2024.

The purpose of the addendum is to modify the duration of the contract until December 31, 2025 for financing, and to modify the timetable for the implementation of the investment set out in the contract. The date of completion of the investment, confirmed by its commissioning, may not exceed June 30, 2025.


⁶⁰ data taken from the reports and information published on the BVB



Non-financial reporting - ESG

The Romgaz Group reports on ESG issues in its annual sustainability report, which is prepared in accordance with the GRI international non-financial reporting standards. The report is available on the Group's website: www.romgaz.ro.

10. Bucur SA⁶¹



in MRON	SI 2024	2023	2022
Total assets	129.67	117.27	114.26
Turnover	23.65	8.72	7.67
EBITDA	16.90	3.26	3.03
EBITDA margin	54.79%	37.36%	39.43%
Net profit / (loss)	12.96	(0.05)	2.32

Table no. 4.17 Bucur S.A. financial results (value comparison)

In the first semester of 2024⁶², Bucur SA recorded operating income in the amount of RON 34.31 million, 6 times higher than in the same period of 2023 (SI 2023: RON 5.49 million), mainly due to the income from the sale of apartments, parking spaces related to the real estate project Novum – Timișoara 56 - Corpul L.

Revenues from the rental of owned premises, in the amount of 4.35 million lei, were higher by 1.71% compared to the same period of 2023, as a result of the rental of premises in Industriilor, Militari and Rahova.

Operating expenses, amounting to RON 17.77 million, were 4 times higher than the expenses for the first semester of 2023 (RON 4.26 million), mainly due to the increase in expenses for goods and external services

In the first semester of 2024, Bucur SA realized a net profit in the amount of RON 12.96 million, compared to the net profit recorded in the first semester of 2022 of RON 1.31 million.

Important events:

- Through the release published on 02/27/2024 on the Bucharest Stock Exchange⁶³, the shareholders were informed about the conclusion of the exchange contract with Novum Business Invest SRL, whereby Bucur S.A. took possession of 50 apartments in Building L and 66 parking spaces, in exchange for the transfer of a surface of 5.861,88 sq.m. of land.
- The SEGM of April 30, 2024⁶⁴ approved the sale of the real estate asset - land and buildings, property of Bucur S.A., located in Bucharest, 5th District, Calea Rahovei, no. 198 (former no.196), in a competitive tender system, at the minimum starting price of EUR 4,350,000, net of VAT.
- In the current report dated 05/10/2024⁶⁵, the Board of Directors approved the Specifications regarding the sale by competitive tender with a call for bids of the real estate asset - land and buildings, property of Bucur S.A., located in Bucharest, 5th District, Calea Rahovei, no. 198 (former no.196), at the minimum starting price of EUR 4,350,000, net of VAT.
- In the current report dated 08/09/2024⁶⁶, the Sale-Purchase Agreement was signed, with the subject matter the transfer of ownership of the real estate asset (land and buildings), property of Bucur S.A., located in Bucharest, Sector 5, Calea Rahovei, no. 198 (former no.196).
- The SEGM on 09/24/2024⁶⁷ approved the purchase by Bucur S.A. of the real estate – urban land located in Bucharest, 1st District, 6-8 Siriului Street (former 7-15 Valea Morii), in the municipality of Bucharest, in the measured area of 1.050 sq.m.

Also, within the same SEGM it was approved the conclusion of a Sale-Purchase Agreement (assignment) of shares between Bucur S.A. and the shareholders holding shares representing 100% of the share capital of the company Centrul de Afaceri Nord S.R.L., with registered office in Bucharest, 6-8 Siriului Street, P floor, as owner of the

⁶¹ data taken from reports and information published on BVB, calculations SAI Muntenia Invest SA

⁶² https://bvb.ro/info/Raportari/BUCV/BUCV_20230809105511_Raport-semestru-I-2023.pdf

⁶³ <https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Contract-de-schimb-Proiect-imobiliar-B-dul-Timisoara-56/2381F>

⁶⁴ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Hotarari-AGA-E-30-04-2024/927B7>

⁶⁵ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Aprobare-caiet-de-sarcini-licitatie-vanzare-activ-imobiliar/69F01>

⁶⁶ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Vanzare-activ-Calea-Rahovei-nr-198/CF20D>

⁶⁷ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Hotarari-AGA-E-24-09-2024/ED47C>



building identified with cadastral number 202543-C1, consisting of a building with a basement + ground floor + 2 floors + attic, with a built area of 417 sq.m.

In addition, a maximum amount of EUR 3,000,000, net of VAT, was approved for the finalization of the Sale-Purchase Agreement for the following purposes:

- i. real estate purchase – *urban* land located in Bucharest, 1st District, 6-8 Siriului Street (former 7-15 Valea Morii).
 - ii. purchase of shares representing 100% of the share capital of Centrul de Afaceri Nord SRL.
- The SEGM held on October 24, 2024⁶⁸ approved the sale of the real estate - land and buildings - owned by Bucur S.A., located in Bucharest, 6th District, Timisoara 56B, as follows:
- *Urban* land of 10.716 sq.m (resulting from the dismemberment of a larger plot of 20,398 sq.m), together with existing buildings:
 - Warehouse building (5,587 square meters),
 - Cooling system + substation(148 sq.m).
 - Land of 1,385 sq.m, with a building of 43 sq.m representing social group).
 - Land of 982 sq.m.

Conditions of sale approved:

- The sale of the three buildings will be done as a unit, not separately.
 - Minimum selling price: EUR 7,000,000 + VAT.
 - Payment is possible:
 - a) In full when the contract is signed;
 - b) In installments over a maximum of 24 months, with a minimum down payment of EUR 500,000, interest of at least 8%/year, real estate mortgage and penalties for late payment.
- In the current report dated 10/25/2024⁶⁹, the company informs that on 10/25/2024, it was notified, by e-mail, by the company International Business Center Modern S.R.L. that International Business Center Modern S.R.L. has filed a summons to file a lawsuit against BUCUR S.A., compiling the subject matter of case no. 39987/3/2024 pending before the Bucharest Tribunal, Sixth Civil Section, for an action for annulment of decisions no. 2, 3, and 4 adopted at the SEGM of 09/24/2024
- In the current report dated 11/01/2024⁷⁰, the company informs that Sale-Purchase Agreements have been signed, whereby the company has acquired/purchased:
- 1.050 sq.m. of *urban* land located in Bucharest, 1st District, 6-8 Siriului Street, with cadastral number 202543.
 - 100% of the share capital of Centrul de Afaceri Nord S.R.L., the owner of a building (basement + ground floor + 2 floors + attic) of 417 sq.m. located on the same land.

The purchase price was EUR 3,000,000, net of VAT, which was paid in full upon signing the contract.

- In the current report dated 12/20/2024⁷¹ the company has entered into a Contract for the purpose of granting a loan, equivalent in LEI to the amount of EUR 800,000.
- In the current report dated 12/20/2024⁷², the Company informs that on 01/30/2025 the Company organizes the procedure for the sale of the real estate asset - land and buildings, property of Bucur S.A., located in Bucharest, 6th District, 56B Timișoara Boulevard, in competitive tender with a call for bids, at the minimum starting price of EUR 7,000,000, net of VAT.

Subsequent events:

- In the current report dated 01/16/2025⁷³, the Company informs that on 02/06/2025 the Company will organize a competitive tender with a call for the sale of a commercial space of 105.53 sqm, located in Bucharest, 3rd District, 14 Liviu Rebreanu Street, bldg. K, with the right of use over an undivided share of 24.32 sqm. The minimum starting price is EUR 420,000 (net of VAT).
- In the current report dated 02/26/2025⁷⁴, the company informs that it has concluded the Sale-Purchase Agreement of the real estate asset - land and buildings, located in Bucharest, 6th District, 56B Timișoara Boulevard, at the price of EUR 7,000,000, net of VAT.



⁶⁸ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Hotarari-AGA-E-24-10-2024/A47F7>

⁶⁹ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Litigiu/4FC36>

⁷⁰ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Cumparare-imobil-teren-si-parti-sociale/0A73F>

⁷¹ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Incheiere-Contract-de-imprumut/86857>

⁷² <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Licitatie-vanzare-activ-imobiliar/040B3>

⁷³ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Licitatie-vanzare-activ-imobiliar/C6EF3>

⁷⁴ <https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Vanzare-activ-B-dul-Timisoara-56B/1A389>

In the current report dated 02/27.2025⁷⁵, the company informs that it has concluded the Sale-Purchase Agreement of the real estate asset - located in 14 Liviu Rebreanu Street, bldg.K, 3rd District, Bucharest, at the price of EUR 420,000, net of VAT, the price being fully paid by the buyer on the date of signing the Sale-Purchase Agreement.

4.2 SUBSIDIARIES/CONTROLLED COMPANIES

Taking into account the definitions of "group"⁷⁶, "parent company"⁷⁷ and "subsidiaries"⁷⁸ submitted in Law 24/2017, we inform that the Company holds in its portfolio as at 12/31/2024 shareholdings representing over 50% of the share capital in 15 companies, all of which are operational. In the list of subsidiaries, Santierul Naval Orșova SA is also included, in which Longshield Investment Group has a 47.063% stake.

The evolution of the subsidiaries is constantly monitored, both in terms of results and of their position in the market in which they operate, so that the fair value does not have a negative influence on the annual result recorded by the Company.

Subsidiaries are monitored analytically with the objective of increasing their fair value by taking immediate action, especially in the event of failure to meet the indicators in the income and expense budgets approved by the entities' SGMs. The evolution of the subsidiaries is constantly monitored, both in terms of their results and their position in the market in which they operate, so that changes in their fair value do not adversely affect the annual result recorded by the Company.

Out of 16 subsidiaries as of December 31, 2024:

- Three subsidiaries are listed on the regulated market of the BVB: Biofarm SA (BIO), Casa de Bucovina Club de Munte SA (BCM); Orșova Shipyard (SNO);
- Six subsidiaries are listed on the BVB's multilateral trading facility: Bucur SA (BUCV), CI-CO SA (CICO), Mindo SA (MINO), Germina Agribusiness SA (SEOM), Semrom Oltenia SA (SEOL), Unisem SA (UNISEM)
- Seven subsidiaries are unlisted: Firos SA, Mătășari Holding SA (former name Fondul Român de Garantare a Creditelor pentru Întreprinzătorii Privati - IFN SA), Voluthema Property Developer SA, Avicola SA București, ICPE SA, ICPE Electric Motors SRL, Finagrom IFN SA.

In 2024, the Company received dividends from its subsidiaries amounting to RON 40.69 million, representing 44.19% of the total dividends received during the year.

On 12/31/2024 the net asset value of these subsidiaries, as certified by the Depositary, was RON 861.75 million (12/31/2023: RON 747.74 million) and the percentage of the Company's total assets was 32.74% (31.12.2023: 31.51%).

I	II	III	IV	V
BIOFARM SA BUCURESTI	Manufacture of pharmaceutical preparations	363.59	13.82	51.68
FINAGROM IFN SA	Other lending activities	89.96	3.42	99.99
VOLUTHEMA PROPERTY DEVELOPER SA	Renting and operating of own or leased real estate	71.72	2.72	99.97
CI-CO SA BUCURESTI	Renting and operating of own or leased real estate	64.80	2.46	97.34

⁷⁵ <https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/BUCV-Vanzare-activ-spatiu-comercial-Liviu-Rebreanu-nr-14/97571>

⁷⁶ a parent company and all its subsidiaries (Article 2, paragraph 1, point 12 of Law 24/2017)

⁷⁷ a company controlling one or more subsidiaries (Article 2, paragraph 1, item 40 of Law 24/2017)

⁷⁸ entity defined in accordance with Article 3 para. (1) item 25 of Law 126/2018 on Markets in Financial Instruments (Art. 2, paragraph 1, item 9 of Law 24/2017), i.e. an entity controlled by a parent company, including any subsidiary of the parent company that manages them



I	II	III	IV	V
BUCUR SA BUCURESTI	Non-specialised wholesale of food, beverages and tobacco	57.74	2.19	67.98
FIROS S.A BUCURESTI	Manufacture of mortar	52.79	2.01	99.69
ORSOVA SHIPYARD	Construction of ships and floating structures	38.44	1.46	47.06
ICPE SA BUCURESTI	Manufacture of electric motors, generators and transformers	28.09	1.07	50.32
GERMINA AGRIBUSINESS S.A.	Wholesale of grain, seeds, fodder and unmanufactured tobacco	20.02	0.76	90.39
UNISEM SA BUCURESTI	Wholesale of cereals, seeds, fodder and unmanufactured tobacco	19.55	0.74	76.91
MATASARI HOLDING S.A.	Renting and operating of own or leased real estate	18.95	0.72	99.99
CASA DE BUCOVINA-CLUB DE MUNTE S.A.	Hotels and other short-stay accommodation	17.41	0.66	73.98
SEMROM OLTENIA SA	Growing of cereals (except rice), leguminous plants and oil seeds	12.74	0.48	88.69
MINDO SA DOROHOI	Manufacture of mortar	4.05	0.15	98.02
ICPE ELECTRIC MOTORS S.R.L.	Manufacture of electric motors, generators and transformers	1.70	0.06	100.00
AVICOLA SA BUCURESTI	Raising of poultry	0.21	0.01	89.97
TOTAL		861.75	34.17%	

Table no. 4.19 List of subsidiaries of Longshield Investment Group Investment Group SA and their certified net asset value on 12/31/2024

Key

I- Name

IV- % of the total Company assets

II- Field of activity

V- % of the share capital of the entity held by the Company

III- Value of the shareholding, in MRON, as certified by the Depositary

According to art. 38(4) of Law 243/2019, in 2024, the assets in the Company portfolio that were measured using valuation methods in accordance with International Valuation Standards are:

Name	No. of shares	Date of the valuation	Value/ share	Value of the stake	Valuation method
1. Avicola SA Bucharest	385,837	10/31/2024	0.5371	207,241	The asset-based approach - the adjusted net asset method
2. Finagrom IFN SA	18,000	12/31/2024	4,997.9338	89,962,809	The asset-based approach - the adjusted net asset method
3. Firos SA	2,815,576	31.10.2024	18.7484	52,787,424	The income-based approach - the discounted cashflow method
4. ICPE Electric Motors SRL	10,000	10/31/2024	169.9587	1,699,587	The asset-based approach - the adjusted net asset method





Name	No. of shares	Date of the valuation	Value/ share	Value of the stake	Valuation method
5. ICPE SA	2,996,939	10/31/2024	9.3716	28,086,183	The income-based approach - the discounted cashflow method
6. Mătăsari Holding SA	16,064,609	10/31/2024	1.1794	18,947,047	The asset-based approach - the adjusted net asset method
7. Mindo SA	32,595,770	10/31/2024	0.1243	4,051,027	The income-based approach - the discounted cashflow method
8. Voluthema Property Developer SA	7,062,283	10/31/2024	10.1547	71,715,594	The income-based approach - the discounted cashflow method

Table no. 4.20 List of subsidiaries measured by valuation methods in line with International Valuation Standards on 12/31/2024

The valuation of Longshield Investment Group SA's shareholdings in the above-mentioned companies was carried out using the income-based approach – the discounted cashflow method, except Avicola SA Bucharest, Finagrom IFN SA, ICPE Electric Motors SRL and Mătăsari Holding SA, where the valuation was carried out using the asset-based approach – the adjusted net asset method.

SAI Muntenia Invest SA does not use leverage in the investment policy adopted in connection with the management of Longshield Investment Group SA.

The leverage and exposure value of Longshield Investment Group SA are calculated in accordance with the provisions of Regulation (EU) no. 231/2013, i.e. the gross method and the commitment method.

Method type	Leverage	Value of the exposure
The gross method	104.28%	2,630,059,553
The commitment method	104.35%	2,631,791,426

Table no. 4.21 Leverage and exposure in accordance with International Valuation Standards on 12/31/2024

RELATED PARTY TRANSACTIONS

In 2024, the Company did not carry out any related party transactions.



4.3 OTHER SUB-PORTFOLIOS

The developments in terms of the amount of other Company sub-portfolios in 2024 is presented in the chart below:

MAIN ELEMENTS DEVELOPMENT IN COMPANY'S PORTFOLIO IN 2024 (MILLION RON)

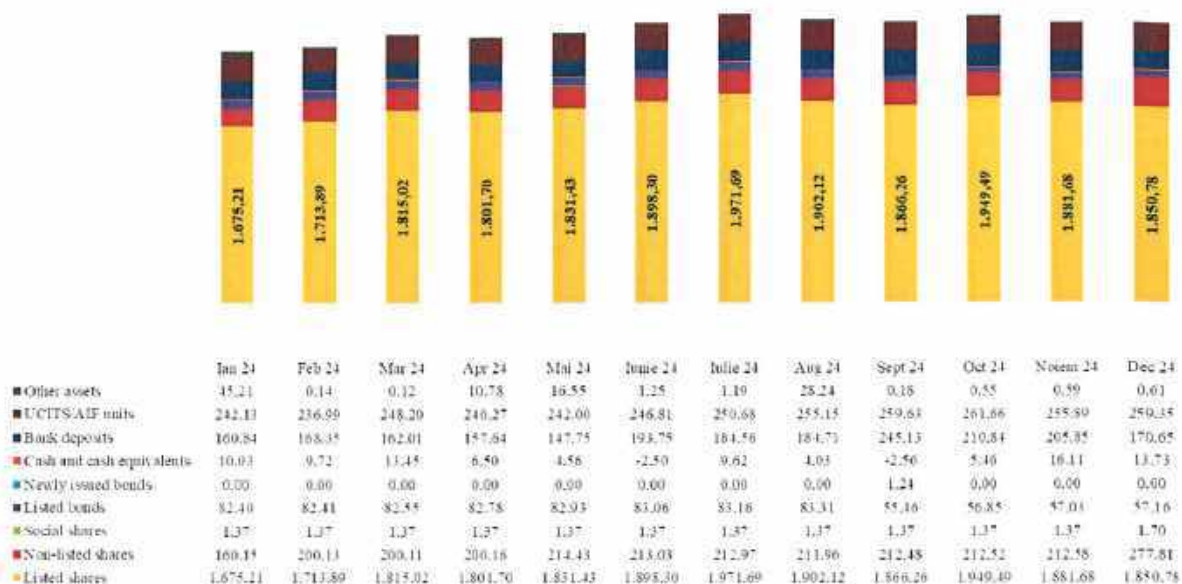


Chart no. 4.6 Value evolution of other sub-portfolios of the Company in 2024 (in million RON)

BANK DEPOSITS

The chart below shows the average monthly interest rate on the Company's deposits during 2024 compared to the one-month ROBID published by the NBR:

AVERAGE INTEREST DEVELOPMENT IN RON FOR DEPOSITS AND ROBID 1M

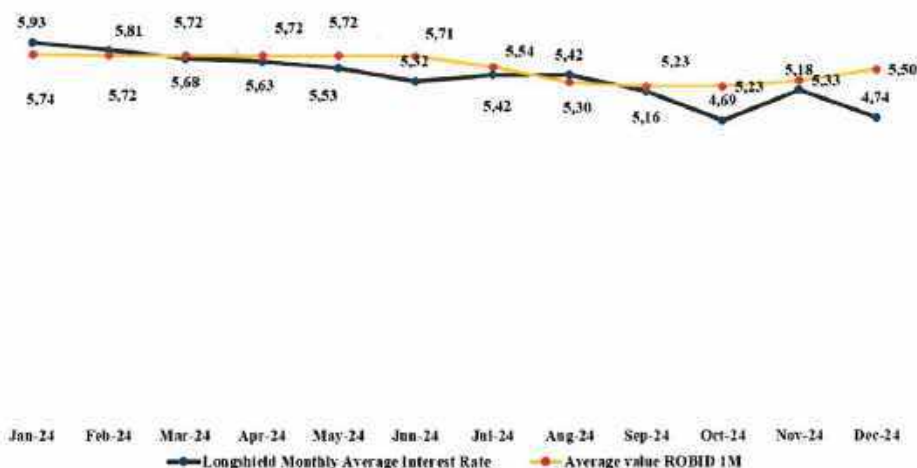


Chart no. 4.7 One-month ROBID (minimum 5.23%, maximum 5.75%) compared to the average monthly interest rate on the Company's deposits. Source: data extracted from the NBR website, Statistics section, processed by SAI Muntenia Invest SA



The average monthly interest rate shown in the above chart does not include the average interest rate on current accounts in RON, which in the period January - December 2024 was 1,59%.

In 2024, the average monthly interest rate on the deposits made by the Company was close to ROBID 1M (ROBID 1 month) for most of the year, with the difference widening in the last 3 months of the year. At the end of 2024, the Company had RON 170.65 million in bank deposits (total value of deposits for all currencies, i.e. RON, USD and EUR), representing 6.48% of total certified assets. The credit institutions where these deposits are constituted belong to well capitalized groups, both at domestic and European levels.

BONDS

The following bonds transactions took place during the reporting period:

- The package sale of 501 bonds, purchased in 2017, issued by Opus-Chartered Issuances S.A. for EUR 6.71 million.
- Purchase of 250 bonds issued by S.N.G.N. ROMGAZ-S.A. Medias in the amount of EUR 0.25 million.

The table below shows the status of the bonds as of December 31, 2024:

Issuer	Maturity	Issue date	Date of purchase	Number of bonds	Par value	Currency	Annual interest rate
Opus-Chartered Issuances SA	07/09/2026	02/09/2016	06/09/2016	1,140	10,000.00	EUR	2.00%
S.N.G.N. ROMGAZ-S.A. Medias	07/10/2029	07/10/2024	07/10/2024	250	1,000	EUR	4.75%

Table no. 4.23 The statement of current bonds on 12/31/2024

The total amount of bonds in the net assets on December 31, 2024 is RON 57,157,076.

FUND UNITS

As of December 31, 2024, the Company holds fund units in 11 investment funds (4 open-end investment funds and 7 closed-end investment funds).

Name	Quantity	NAVU	Value, RON	Currency
STAR VALUE	19,306.5700	1,438.0600	27,764,006	RON
FII MULTICAPITAL INVEST	4,337.0000	4,368.2400	18,945,057	RON
STAR NEXT	323,767.8700	10.7297	3,473,932	RON
ROMANIA STRATEGY FUND CLASS B	56,000.0000	810.0700	45,363,920	RON
FIA MUNTENIA TRUST	460.0000	13,908.5159	6,397,917	RON
CERTINVEST ACTIUNI	114.1944	406,666.1400	46,439,011	RON
FII OPTIM INVEST	2,782.4100	14,120.4300	39,288,826	RON
FII BET-FI INDEX INVEST	6,146.0000	904.3585	5,558,187	RON
Private Equity FIA Agricultural Fund	80.0000	2,576.8200	1,025,388	EUR
ACTIVE PLUS	4,096.4684	15,173.2900	62,156,903	RON
ACTIVE DINAMIC	504,069.9136	5.8270	2,937,215	RON
			259,350,364	

Table no. 4.25 The statement of fund units on 12/31/ 2024





In 2024, the following transactions in fund units were recorded:

- 2,434,406,9907 fund units of ACTIVE DINAMIC were sold for the amount of RON 17,435,540.42;
- 108,085.1149 fund units were sold to FDI PROSPER Invest in the amount of RON 2,479,666.45;
- 2,151.00 fund units were sold in FII BET-FI INDEX INVEST in the amount of 1,943,628.54 lei;
- 4,172.57 fund units of STAR VALUE funds were purchased for a total amount of RON 5,699,991.26.

At the end of 2024, the Company held fund units totaling RON 259,350,364, representing 9.85% of total certified asset, an increase of RON 8.69 million (+3.47%) compared to the end of 2023, when fund units totaling RON 250,664,091 were recorded.

THE SHARES SUB-PORTFOLIO

In 2024, Longshield Investment Group SA did not carry out any transactions in shares issued by companies regulated by the Law 31/1990 on companies.

On 12/31/2024, the shares held by Longshield Investment Group SA amounted to a total of RON 1,699,587.

5. LITIGATIONS

The Administrator shall ensure the defense, exercise and enforcement of the rights of the Company. In this scope, legal services are provided by legal advisers and lawyers.

In the records of the Special Situations Administration Department, as of December 31, 2024, there are a total of 22 court files, of which 14 files are related to disputes with professionals, 6 civil and 2 criminal. With regard to the 2 criminal litigations we note that in these files Longshield Investment Group is the plaintiff and the injured party respectively.

In most of the disputes, the Company acts as plaintiff or appellant, the subject matter of the litigations being the annulment/recognizing the absolute nullity of some of the decisions of the SGM of the entities in the Company's portfolio. Examples in this regard are the litigations with Unirea Shopping Center SA, Metalurgica SA, Alstom Transport SA and 24 Ianuarie SA. It should be noted that there are several litigations with some of the companies listed above.

A total of 14 cases relate to litigations with professionals in which Longshield Investment Group SA is the main plaintiff or intervener.

Some of these litigations have as object the annulment/ declaration of absolute nullity of some AGM decisions considered unlawful at companies in the Longshield Investment Group SA portfolio, such as Unirea Shopping Center, Metalurgica, Alstom Transport SA.

Another series of litigations in this category were those arising as a result of Law 151/2014 on the clarification of the legal status of shares traded on the RASDAQ market or on the unlisted securities market.

Longshield Investment Group SA is seeking to order the companies to pay the consideration for the shares owed as a result of the withdrawal requests and the determination of the price per share. Only the dispute with Timpuri Noi SA, a company that filed for bankruptcy on December 15, 2020, remains in this category. The company was entered in the creditor's estate and, as a result of the bankruptcy proceedings and the sale of the company's assets, on July 22, 2022, SIF Muntenia (Longshield Investment Group SA) fully collected the claim in the amount of RON 2,628,454.56, as it was registered in the consolidated list of creditors of the debtor Timpuri Noi SA. The file registered in the database at the moment is a claims file, suspended following the opening of the bankruptcy proceedings.

With regard to registered civil litigations, on 12/31/2024 they are 6, of which only 2 are the only ones that remained pending before courts in which SIF Muntenia (Longshield Investment Group SA) is called in guarantee (or the issuance of decisions for damages is requested), by companies in which SIF Muntenia was at some point in time a shareholder, in order to be obliged to pay sums of money in the event that the claims for the assets belonging to the respective companies

were admitted and the company obliged to return the goods from its assets. In all the cases, the exception of lack of legal standing of SIF Muntenia (Longshield Investment Group SA) was raised, arguing that, according to the legal provisions applicable in the matter, compensation can only be made by the State institutions involved, i.e. AVAS or the Romanian State through the Ministry of Finance. This solution was confirmed by the High Court of Cassation and Justice (ICCJ).

We make it clear that Longshield Investment Group SA has never been obliged to pay any sum of money in litigations with this subject matter.

The management of the Administrator will continue to take all necessary steps to defend the legitimate interests of the Company and its shareholders in all these litigations, in accordance with the legal provisions.

6. RISK MANAGEMENT

Risk management is the totality of activities aimed at identifying, quantifying, monitoring and controlling risks in order to ensure compliance with the principles of the general risk policy. The risk management system of the Company includes a set of analyses, diversification charts of the exposures of the financial instruments in the portfolio, together with the identification and assessment of financial risks, as well as proposals to mitigate the effects of risks related to the investment and general activities of the Administrator.

The Administrator has implemented in its organizational structure the permanent risk management function, which also covers risk management for the Company. Within this structure, procedures are implemented to guide the risk management activity in order to properly identify, assess, manage and monitor all relevant risks in accordance with the provisions of Articles 30-37 of Regulation (EU) no. 231/2013.

In 2024 there were no changes to the Risk Profile for the Company. The Risk Profile is defined in terms of the level of risk appetite associated with each significant risk category, based on the Company's risk tolerance and business strategy.

RISKS WITH MAJOR IMPLICATIONS

The main macroeconomic risks present in 2024 were geopolitical uncertainty, inflation, and social and political developments generated by electoral cycles in the European Union and Romania. These factors have important economic, financial, social and political implications.

Geopolitical risks remained elevated in 2024 due to the continuation of the war between Russia and Ukraine and the potential regional escalation of the conflict in the Middle East, with adverse implications for global commodity markets and supply chains. The evolution of these conflicts generates considerable uncertainties and risks to the outlook for economic activity, including the medium-term evolution of inflation, through the possible multi-pronged effects on purchasing power and consumer confidence, as well as on business activity, and through the potential for a more severe impact on the economy and risk perceptions on economic indicators. At this time, it is very difficult to predict an end to the military conflicts, even though a ceasefire has been signed between Israel and Hamas, which entered into force on January 19, 2025. With regard to the conflict in Ukraine, even if, with the installation of the Trump regime (January 20, 2025), an attempt will be made to establish peace in this territory, it is to be assumed that the economic war, generated in particular by sanctions, between Western Europe, USA and Russia will continue long after the ceasefire.

Inflation remained an economic factor affecting the entire Romanian economy, but mainly final consumers. The annual inflation rate stood at 5.6% in 2024, outside the range targeted by the NBR (2.5% +/- 1 percentage point). In connection with the decisions of the NBR's monetary policy meetings in 2024, it should be noted that the monetary policy rate started the year at 7% and underwent two minor corrections (of 25bp each) at the July and August meetings, ending the year at 6.5%. The possible easing of inflationary pressures will pave the way for a further loosening of monetary policy, so that the NBR will be able to start a new cycle of interest rate cuts starting in spring 2025.

The risks associated with the electoral cycles in the European Union and Romania have added an acceleration of political uncertainties, potentially creating uncertainty and instability for the Romanian economic environment. Political changes add uncertainty by their very nature, bringing volatility to the stock market during electoral periods.

It should also be noted that the implications and manifestations of the events described above require continuous monitoring and corrective measures adapted to crisis situations by the Administrator.

SIGNIFICANT RISKS

The risk management policy is based on a system of limits used to monitor and control risks. The share price movements in the portfolio did not lead to the risk limits being exceeded.

During 2024, the following categories of potential or existing risks to which the Company is exposed were analyzed and evaluated:

1. Market risk

The majority of Longshield Investment Group's assets are subject to market risk, defined as the risk of loss on income statement, balance sheet and off-balance sheet positions due to fluctuations in the prices at which the financial securities in the portfolio trade. These fluctuations are attributable to changes in market variables such as equity prices, interest rate movements or changes in foreign exchange rates, which could change the value of the financial instruments held

For the measurement and assessment of market risks, the VaR of the tradable sub-portfolio is calculated, an indicator that expresses the maximum potential loss, with a certain probability of error, expected in a given period of time, based on the premise that past price developments will determine the behavior of prices in the future. The VaR calculated was 1.66% with a probability of 99%, placing the Company within the low risk limits, in accordance with the Risk Profile.

2. Currency risk

Currency risk is the current or future risk of an adverse effect on profits and capital as a result of adverse movements in foreign exchange rates which could have an unfavorable effect on investments. It is determined by summing all investments exposed to currency risk and then reporting them as total assets. The currency risk of the Company's portfolio at the end of December 2024 was 6.40%. This is within the low risk range (3.51 - 7.00%) assumed in the risk profile.

3. Interest rate risk

Interest rate risk is the current or future risk of earnings and capital being adversely affected as a result of adverse changes in interest rates. Bank deposits held by the Company are interest-bearing assets generally invested at short-term interest rates and are not exposed to a major risk of change. The Company does not use derivatives to hedge against interest rate fluctuations.

4. Credit risk

Credit risk is the current or future risk of negative impact on profits and capital as a result of the debtor's failure to perform its contractual obligations, due to the inability, inability or unwillingness of the business partners to fulfill their contractual obligations.

The credit risk exposure on fund units was reduced by the following measures:

- Due diligence of the entities in which it invests so as to ensure that a sound and prudent investment strategy is in place, aligned with the Company's investment strategy;
- Monitor fund performance as well as the individual performance of the most significant investments;

- Monitor events that could indicate a decline in the value of the fund units, such as a decline in the market in which the fund is invested or in a sector of an industry corresponding to a significant sub-portfolio.

The exposure to credit risk related to equity securities arises mainly from the possibility of inability to meet obligations falling due as a result of the loss-making previous years, which have fully exhausted equity capital. For the Company, the Administrator's Risk Management Department calculates indicators that determine the value of exposures to the shares issued by listed and unlisted companies in the portfolio with a high level of bankruptcy risk, as a proportion of the value of equity. Thus, both the exposure ratio to listed issuers with high bankruptcy risk and the exposure ratio to unlisted issuers with high bankruptcy risk shall be within the limits set by the approved risk profile.

5. Concentration risk

Concentration risk is the risk arising from exposures to each counterparty, including central counterparties, groups of related counterparties and counterparties in the same economic sector, the same geographical region, or that perform the same activity, supply the same commodity or to the same issuer. It shall be analyzed using the ratio of the value of that exposure to the value of total assets, and shall be subject to predetermined limits. Concentration risk is broken down into six indicators which form part of the risk profile and are set out below. All these indicators fall within the assumed risk tolerance.

No.	Risk indicators	Risk appetite	Risk appetite range	Risk tolerance range	Current level	Risk tolerance compliance	Level of risk recorded
1	Unlisted securities/Total assets	Low	8.01 - 16%	0 - 24%	10.56%	Yes	Low
2	Holdings with the same issuer/Total assets	Low	12.01 - 24%	0 - 36%	25.17%	Yes	Medium
3	Holdings with issuers of the same group/Total assets	Low	15.01 - 30%	0 - 45%	25.17%	Yes	Low
4	Current accounts/Total assets	Very low	0 - 4%	0 - 8%	0.07%	Yes	Very low
5	Liquid assets with the same bank/Total assets	Very low	0 - 4,50%	0 - 9%	3,30%	Yes	Very low
6	Level of units issued by a single UCITS/Total assets	Very low	0 - 8%	0 - 16%	0,11%	Yes	Very low

Table no. 5.1: Risk indicators on 12/31/2024

6. Country risk

Country risk is the risk of exposure to losses determined by the economic, social and political conditions of the country of origin of the entity that issued the securities in the portfolio, or by the economic, social and political conditions of the country in which the capital markets on which they are traded operate. At the end of 2024, 93.60% of the Fund's total assets are invested in products denominated in RON, so it is necessary to analyze Romania's sovereign rating. It is currently ranked at the lower end of the "recommended for investment" category by all three main rating agencies (Moody's, Fitch and Standard & Poor's).

Fitch and Standard & Poor's have reconfirmed on December 18, 2024 and January 24, 2025, respectively, Romania's long-term foreign currency debt ratings at BBB-, but both agencies have lowered the outlook from stable to negative.



Romania's sovereign rating

The name of the rating agency	Latest action	Date	In foreign currency	In RON	Outlook
Standard and Poor's	Confirmation of rating and change of outlook	Jan. 2025	BBB-	BBB-	Negative
Fitch	Confirmation of rating and change of outlook	Dec. 2024	BBB-	BBB-	Negative
Moody's	Confirmation of rating and outlook	Nov. 2024	Baa3	Baa3	Stable

Table 5.2 The classification of Romania's country risk by the main rating agencies

For 2025, the rating agencies have planned the following ratings: S&P in April and October, Fitch in February and August and Moody's in March and September.

7. Counterparty risk

Counterparty risk is the risk that one party to a contract will fail to fulfill its contractual obligations, resulting in a loss for the other party; this risk arises mainly from OTC derivative transactions or transactions in the financing of financial instruments. Exposure to credit institution risk also arises mainly from relationships with institutions with which available cash is deposited. In order to manage this risk, the Administrator has chosen local credit institutions for the deposit of its cash on hand, the financial soundness of which it monitors on the basis of publicly available information.

The Company did not carry out in 2024 any transactions in derivative financial instruments, as defined in Section C points 4 -10 of Annex I to Directive 2004/39/EC of the European Parliament and of the Council of April 21, 2004 on markets in financial instruments, implemented by Articles 38 and 39 of Regulation no. 1287/2006 implementing Directive 2004/39/EC of the European Parliament and of the Council as regards record-keeping obligations for investment firms, transaction reporting, market transparency, admission of financial instruments to trading, and defined terms for the purposes of that Directive.

It also analyzes the possibility of insolvency of institutions providing services (such as asset custody services) or situations where trades are executed in shares/bonds issued by non-listed companies on a regulated market or a multilateral trading facility. According to the calculations, the results are within the parameters set in the risk profile. The lack of a portfolio of derivatives or pending (unsettled) trades places the Company in the very low risk zone.

8. Liquidity risk

Liquidity risk is the current or future risk of a negative impact on profits and capital resulting from the Company's inability to meet its obligations as they fall due. Liquidity risk is a relevant risk for the Company, as the closed-end structure results in relatively low prudential requirements with regard to liquidity (shareholders cannot request share buy-backs).

The Administrator's Risk Management Department monitors available liquidity in the form of cash and highly liquid assets against its short-term obligations. The main indicator for calculating liquidity is "*Liquid Assets/Average Monthly Expenditure*", which as of 12/31/2024 has a value of 40.62 and expresses that the Company can meet its current obligations from the liquid assets it holds. This indicator is categorized as very low risk according to the risk profile, which means that the amount of cash or cash equivalent is at least five times the amount of average monthly expenses.

Another liquidity indicator tracked is the grouping of assets into the liquidity bands specified in the Guidance on Reporting Obligations in accordance with Article 3, para. (3), let. (d) and Article 24, para. (1), (2) and (4) of AIFM - ESMA/2014/869 (118, 119), i.e. the percentage of the Company's portfolio that can be liquidated in each of the specified liquidity periods. In order to limit/avoid liquidity risk, the Administrator adopts a prudent cash outflow policy.

The liquidity bands are those set out in Regulation (EU) No 231/2013 as follows:

Percentage of the portfolio that can be liquidated within:						
0-1 day	2-7 days	8-30 days	31-90 days	91-180 days	181-365 days	over 365 days
0.03%	0.32%	2.01%	6.01%	6.52%	29.18%	55.93%

Table 5.3: *Liquidity bands*

For the Company, the percentages of assets falling within the liquidity bands in relation to total assets under management have been calculated. Portfolio positions have been assigned to one or more periods based on the time frame over which they could reasonably be liquidated at or close to book value, totaling 100%. Calculations for year-end 2024 show that the fund is categorized for four maturity bands as medium-risk, one band as high-risk (91-180 days), one band as very high-risk (2-7 days), and one band as very low-risk (181-365 days). In this chapter we can note that even though the Longshield Investment Group SA fund has a higher liquidity risk exposure component for certain maturities, the fund is not by its nature exposed to redemption requests. For this reason, the potential impact of the obligations assumed by the fund is very limited and they can be honored at any time. In other words, considering also the assumptions expressed in the Annual Liquidity Test, we are entitled to emphasize that Longshield Investment Group SA is a sufficiently liquid fund so that it can honor at any time the obligations resulting from the liabilities on the balance sheet.

9. Operational risk

Operational risk is the risk of loss resulting either from the use of inadequate or failed internal processes, people or systems or from external events and actions. Legal risk is also included within this risk category.

In 2024, the main macroeconomic risks present were geopolitical uncertainty, inflation, and social and political developments generated by electoral cycles in the European Union and Romania. These risk factors have been described under Risks with major implications.

The Administrator, throughout year 2024, has provided IT security protection through a proprietary architecture that integrates firewalls, data loss protection applications, intrusion prevention systems, anti-malware and anti-virus solutions. The Administrator's set of policies and procedures is tailored to maintain an optimal level of cybersecurity, thereby mitigating the risks generated by cybersecurity incidents.

In 2024, there were no reported risks of loss resulting from either the use of inadequate internal processes, people or systems or from internal processes, people or systems that did not perform their function properly or from external events.

10. Strategic risk

Strategic risk is the current or future risk of negative impact on profits and capital caused by a failure to respond to changes in the business environment, taking unfavorable business decisions or implementing them inadequately. In conditions of broad volatility in the capital market, there is a risk of failure to achieve the management plan as communicated to investors, as a result of not realizing the expected dividend income when preparing the income and expense budget, as well as the negative influence of the decrease in holdings measured at fair value through profit and loss. Macro influences may have an impact on the business of the Company's portfolio companies and consequently on investment activity.



11. Reputational risk

Reputational risk is the current or future risk of negative impact on profits and capital resulting from the unfavorable perception of the institution's image by customers, counterparties, shareholders, investors or supervisors.

The Company's press appearances are monitored on a daily basis, through a specialized PR firm, and communicated to the executive management of the Administrator and the BoD in order to take measures to manage potential situations, if necessary.

12. Systemic and contagion risk

Systemic and contagion risks are defined as the failure of an entity to meet its obligations arising from its participation in a system, or in the financial market, which leads to the failure of other participants to meet their obligations on time. This failure to meet obligations may cause significant liquidity or credit problems and, as a consequence, may jeopardize stability or confidence in the financial system.

The systemic and contagion risks include Russia's war against Ukraine and the confrontation between Israel and Hamas. The conflict between Israel and Hamas raises concerns that it could spread on a wider scale, involving other states in the region, such as Iran. Such regional players may generate concerns and possible other international economic consequences with effects that are difficult to quantify (oil crisis, energy crisis, crisis in freight and passenger transportation and related industries) or trigger a global liquidity crisis.

On the other hand, in the Longshield Investment Group portfolio, Banca Transilvania SA can be considered as an exposure that adds systemic risk, mainly due to the bank's size. Banca Transilvania is the Company's main holding, providing stability and growth to the portfolio. Banca Transilvania is currently the largest bank in the Romanian banking system, with over 20% market share in terms of assets. As a universal bank, it covers all customer segments and business lines in the financial sector. The bank's business model focuses on the small and medium-sized enterprise sector, entrepreneurship and individual customers.

For the permanent monitoring of the systemic risk generated by this exposure, the Company has access to and analyzes the assessments made by rating agencies and the public assessments made by the NBR. In relation to the rating assessments of Banca Transilvania, in 2024, the Bank has been rated by two international rating agencies, Moody's (Baa3, with positive outlook) and Fitch (from 'BB+' to 'BBB-', with stable outlook).

The stock (symbol TLV) has generated shareholder value year after year and is included in the FTSE Global Equities Index Series (since 2020), making it one of the most liquid issuers listed on the BVB. The company has an exposure to Banca Transilvania of 25.17% of the total assets certified by the custodian bank for 12/31/2024. With regard to this exposure, we consider that the analysis of the NBR's complex assessments, as well as the assessments made by the rating agencies, lead to a permanent monitoring of the systemic risk generated by this exposure.

13. Sustainability risks

Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material adverse effect on the value of the investment. Currently SAI Muntenia Invest SA does not take into account the negative effects of investment decisions on sustainability factors according to Art. 4 para. (1) let. (b) of EU Regulation 2019/2088 of 11/27/2019 on sustainability disclosures in the financial services sector as currently the investment policies of the funds under management consider making investments predominantly in financial products on the Romanian market, which do not offer a sufficiently diversified range of risk-adjusted investment opportunities that provide sufficient transparency on the impact of economic activities on sustainability factors, as defined in the applicable legislation.

THE COMPLIANCE OF ASSET CATEGORIES FROM PORTFOLIO WITHIN LEGAL HOLDING LIMITS

The holding limits for the Company's portfolio and the categories of assets in which the Company may invest are defined by the applicable legislation respectively:

- Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (AIFMD);
- Commission Delegated Regulation (EU) No 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, hereinafter referred to as Delegated Regulation (EU) No 231/2013;
- Law 243/2019;
- FSA Regulation no. 7/2020.

Based on the analysis performed, the Company's investment portfolio was in compliance with the requirements of the applicable legislation throughout 2024.

THE LEVERAGE

Leverage involves any method by which the Company increases the exposure of the portfolio it manages, whether through borrowing of cash or securities, derivative positions or any other means. Leverage shall be expressed as the ratio between the overall exposure of the securities portfolio (calculated both on a gross and on a commitment basis) and the net asset value.

It is the Administrator's policy not to use leverage in the management of the Company's portfolio, i.e. not to use methods to increase portfolio exposure. In 2024 there were no SFTs and no total return swap transactions as defined by EU Regulation 2365/2015.

STRESS TESTING

The stress test

In accordance with the Risk Management Policy and the laws on AIFM, regular stress testing in normal situations shall be carried out at least annually, on the date set in accordance with working procedures and notified to the Financial Supervisory Authority. In 2024, the Risk Management Division within the Administrator performed a stress test for the Company for 10/31/2024.

The purpose of this simulation was to obtain an estimate of the impact of a crisis situation on the Company's portfolio and the value of assets under management. The types of risk covered by this simulation were market risk and credit risk. As Longshield Investment Group SA is an AIF which does not issue units on a continuous basis and does not receive redemption requests, liquidity risk was not taken into account in order to honor such requests.

For the construction of the stress scenario, stress factors that could influence the portfolio were identified and approved, i.e. those events that, although relatively rare, could have a significant impact on the Company's assets. This stress-testing was two-pronged: a. Each category of financial instruments was analyzed with respect to its reaction to a shock separately, individually; b. All categories of financial instruments in the portfolio were tested to a simultaneous shock. In applying individual shocks, where possible, sensitivity analysis was performed on the portfolio.

As a conclusion of the test, we can mention that the Company has an important investment component exposed to the risk of share price decrease and also to credit risk. At the same time, the materialization of certain scenarios could lead to the limits set in the risk profile for certain indicators being exceeded. The sensitivity analyses carried out highlighted the decreases/increases in assets under management (both in absolute and percentage terms) as a function of the percentage changes in the parameters considered.

The liquidity test

In 2024, in accordance with the legislation in force⁷⁹, a liquidity test was carried out for the Company by simulating a series of conditions, the purpose of this simulation being to obtain an estimate of the impact of a liquidity crisis on the Company's assets, liabilities and overall liquidity. The risk addressed by this simulation is liquidity risk, which is the risk that a position cannot be sold, liquidated or closed with limited costs.

Although the Company has significant exposure to liquidity and share price downside risk, it is not, by its nature, exposed to redemption requests. For this reason, the potential impact of the obligations assumed by the Company is limited and they can be honored at any time. The results obtained emphasize that the Company has a significant liquidity base, so that it is able to honour its obligations arising from balance sheet liabilities. It should also be noted that the materialization of the scenarios taken into account will not lead to the exceeding of the holding limits, as specified in the legal regulations applicable to the Company's activity.

7. SHARES ISSUED BY THE COMPANY

THE SHARE CAPITAL

The subscribed and paid-in share capital is RON 76,110,584.5, divided into 761,105,845 common shares, with a nominal value of RON 0.1000 / share.

CHARACTERISTICS OF THE SHARES ISSUED BY THE COMPANY

The Company has issued only ordinary shares, each share entitling the holder to one vote at the General Meeting of Shareholders. The Company's shares are registered, of equal value, issued in dematerialized form and grant equal rights and obligations to their holders. The shares are indivisible and the Company recognizes a single representative for the exercise of the rights resulting from a share. The distribution of profits and the bearing of losses shall be made equally for each share.

The shares issued by the Company are listed on the regulated market of the BVB (symbol SIF4 and LONG starting with 21st of October 2024), main segment, in the Premium category, in accordance with the provisions of BVB Decision no. 200/1999 and are traded on this market since 11/01/1999.

The records of the Company's shares and shareholders are kept by Depozitarul Central SA, a company authorized by the FSA. The status of Longshield Investment Group shareholder is evidenced by a statement of account issued by the Depozitarul Central SA.

The shares are included in a series of indices calculated by the BVB, i.e. BET-FI⁸⁰ (the index that includes investment funds such as SIF and Fondul Proprietatea), BET-XT (the index that reflects the prices of the 25 most traded companies on the regulated market of the BVB, including financial investment companies, BET-XT-TR (the index that reflects both

⁷⁹ FSA Norm no. 39/2020 for the application of the ESMA Guidelines on the simulation of liquidity stress tests in UCITS and AIFs

⁸⁰ On 09/30/2024 the LONG weight in the index was 18.44%



the price evolution of the component companies and the dividends they pay. It is the total return version of the BET-XT index). BET-BK (the index was constructed to be used as a benchmark by fund administrators and other institutional investors, the calculation methodology reflects legal requirements and the investment limits of the funds)

The closing price of the Company's shares increased by 27.39% at year-end 2024 compared to year-end 2023, and by 60.83% compared to 12/31/2022. The total trading value of the Company's shares during 2024 amounted to RON 7,167,218 million, trading shares representing 0.60% of the number of issued and outstanding shares as at 31.12.2024. Of these, shares worth RON 5.69 million were traded on the Regular market and shares worth RON 1.48 million were traded on the Deals market. The average price of a share on 12.31.2024 was RON 1.5727 while on 12/29/2023 it was RON 1.495 and on 12/30/2022 it was RON 1.220.

In 2024, the share capital and the number of shares in circulation were decreased by the operation of cancellation following the share buyback. Thus, on 11/22/2024, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed the shareholders and investors that it had submitted to the Financial Supervisory Authority, through BRK Financial Grop as intermediary, the takeover bid document for the shares issued by Longshield Investment Group SA together with the related documentation, in order to carry out the SEGM Decision No. 6 dated 06/21/2023.⁸¹ On November 26, 2025, the Company informed⁸² about the issuance of the Certificate of Registration of Financial Instruments No. AC - 5962 - 2/November 25, 2024 related to the decrease of the share capital approved pursuant to the Decision of the Extraordinary General Meeting of Shareholders No. 3 dated 06/21/2023, from RON 78,464,520.10 to RON 76,110,584.50, by canceling a number of 23,539,356 own shares acquired by the Company. As a result of this decrease, the Company's share capital amounts to RON 76,110,584.50, divided into 761,105,845 shares with a par value of RON 0.10/share, which was registered with the Depozitarul Central on November 27, 2024.⁸³

The following table details the trading activities in shares of Longshield Investment Group during the period January - December 2024:

	REGS ⁸⁴	DEALS ⁸⁵
Number of transactions	4,016	1
Number of shares traded	3,557,317	1,000,000
Total value of transactions	5,687,218.40	1,480,000
% of total number of shares⁸⁶	0.47	0.19

Table 7.1 Longshield Investment Group in 2024



⁸¹ <https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/LONG-Notificare-depunere-la-ASF-a-Documentului-de-Oferata-Publica-de-Cumparare/F99BA>

⁸² <https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/LONG-Inregistrarea-instrumentelor-financiare-ale-emitentului-la-ASF-/67D63>

⁸³ <https://bvb.ro/FinancialInstruments/SelectedData/NewsItem/LONG-Inregistrarea-diminuarii-capitalului-social-la-Depozitarul-Central/937FE>

⁸⁴ BVB Main Market (Regular)

⁸⁵ Ancillary market to the Regular market, where Deal transactions are concluded, for which the BVB sets a minimum transaction value

⁸⁶ Traded and in circulation



Chart 7.1 The average trading price and the volume of transactions in REGS of Longshield Investment shares

COMPANY SHAREHOLDERS

The table below shows the summary structure of Company shareholders on December 31, 2024:

12/31/2024			
	Number of shareholders	Shares held	% held of total shares
Resident individuals	5,927,854	453,400,808	59.57
Non-resident individuals	2,051	1,715,936	0.23
Resident legal entities	107	254,528,386	33.44
Non-resident legal entities	9	51,460,715	6.76
TOTAL	5,930,021	761,105,845	100

Table no. 7.2 The shareholding structure on 12/31/2024

Source: Depozitarul Central SA

The rights of the Company's shareholders are protected in accordance with the legislation in force. The Company adheres to a policy of effective and active communication with its shareholders and ensures that all shareholders are treated fairly with regard to access to public information.⁸⁷

8. CORPORATE GOVERNANCE

The Administrator is committed to maintaining and developing the best practices in corporate governance, for ensuring an effective decision-making process that leads to the long-term viability of the business, to achieving Company objectives and to creating a sustainable value for all stakeholders.

The Administrator believes that compliance with the Corporate Governance Code of BVB ensures the accuracy and transparency of the Company's decision-making process and allows equal access for all shareholders to relevant

⁸⁷ <https://www.longshield.ro/despre-noi/guvernanta-corporativa/documente-la-zi/>



information, being a means of maintaining the Company's competitiveness in an environment which is increasingly affected by accelerated changes.

The Company's Rules of Corporate Governance present the corporate governance structures, the decision-making rules and procedures, the governance standards that ensure the application of the general management and control principles of the Company activity for the shareholders' benefit. The Rules can be checked on the Company website, under *Corporate Governance*.⁸⁸

The set of corporate governance rules defines the structure by means of which Company objectives are set, the means by which they can be achieved efficiently and transparently in dealings with the shareholders and for activity and performance monitoring.

Corporate Governance Structures

The administrator of the Company is carried out in a unitary system, in compliance with the provisions of the Law 31/1990 on companies and the Articles of Incorporation. In accordance with the Articles of Incorporation, the Company administrator is achieved under a Management Contract concluded with the Administrator.

During the periods between Shareholders' General Meetings (SGM), the Administrator's activity is supervised by the Board of Shareholders' Representatives (BoSR), a supervisory body consisting of three individuals elected by the SGM, for a four-year term of office. The duties and responsibilities of the BoSR are mentioned in the Company Articles of Incorporation.

The Shareholders' General Meeting

The Shareholders' General Meeting is the Company's supreme governing body.

General Meetings are ordinary and extraordinary. The SOGM shall meet at least once a year within four months of the end of the financial year. The SEGM shall be convened whenever necessary. The SOGM or the SEGM, as the case may be shall be convened by the Administrator's BoD, under the law, and based on the requests of shareholders representing at least 5% of the share capital, if the relevant request contains provisions falling within the duties of the meeting, or based on requests from the FSA.

The duties of the SGM are specified in the Instrument of Incorporation and comply with legal provisions in force. The updated Instrument of Incorporation is published on the Company website, www.longshield.ro, in the dedicated section. SGM Decisions are taken by open vote or secret ballot. The secret ballot is mandatory for the appointment of BoSR members or for their dismissal, for the appointment or dismissal of the Director, and for the appointment or dismissal of the financial auditor and for making decisions regarding the liability devolving on the members of the administrative bodies. SGM Decisions, taken in compliance with the law and the Articles of Incorporation, are binding on all shareholders, including those who do not attend the meeting or who vote against such decision.

The SGM is chaired by one of the permanent representatives appointed by the Administrator and registered with the Trade Register as a legal representative of the Company.

Shareholders' General Meetings (SGMs) are convened by the Administrator at least 30 days before the date set for them. The BoD of the Administrator approves procedures regarding the orderly and effective organisation and performance of SGM proceedings, in accordance with legal provisions and relevant FSA regulations. The procedures for participation and voting at the SGM are made available to shareholders at the headquarters of the Company and displayed on the Company website, together with the information and materials regarding the SGM: the Notice to attend the SGM,

⁸⁸ <https://www.longshield.ro/despre-noi/guvernanta-corporativa/documente-la-zi/>

informative materials and documents subject to SGM debates and approvals, special power of attorney forms and postal vote ballot papers, decisions taken by SGM and the result of the vote for each item on the agenda. The decisions taken within SGMs are reported to the FSA and BVB, and are published in a national daily newspaper and in the Official Journal, Part IV.

The Administrator uses its best efforts to ensure a fair treatment of all Company shareholders, regardless of the number of shares held, including non-resident shareholders, providing them with relevant and up-to-date information.

In 2024, the following Company SGMs took place:

1. SEGM held on February 03, 2024, the decisions are published in the current report of February 05, 2024, both on the BVB website and on the Company's website;
2. SOGM held on February 13, 2024, the decisions are published in the current report of February 14, 2024, both on the BVB website and on the Company's website;
3. SOGM held on April 29, 2024, the decisions are published in the current report of April 29, 2024, both on the BVB website and on the Company's website;

Current reports related to the Company Shareholders' General Meetings listed above are available, for consultation, on the Company website, namely www.longshield.ro, in the dedicated section and on the BVB website.

The Board of Shareholders' Representatives (BoSR)

The BoSR is a body that represents Company shareholders' interests in relation to the Administrator.

The BoSR mainly has the following duties:

- To represent the Company in relation to its Administrator;
- To negotiate and conclude the Management Contract;
- To monitor compliance with contractual clauses and commitments undertaken by the Administrator under the Management Contract and under the management programme approved by the Company SGM;
- To analyse the regular reports drawn up by the Administrator regarding the way in which it has exercised its duties in terms of:
 - The Company management;
 - The exercise of the rights granted by the holding of securities in the Company portfolio;
 - The defence of Company rights and interests before courts, arbitration courts, and any bodies with jurisdictional and administrative powers.
- To ask for actions designed to ensure compliance by the Administrator's activity with the provisions of the Management Contract, FSA regulations, annual management programmes, revenue and expenditure budgets approved by the Company SGM and the applicable laws;
- To verify the conclusion of the contract with the financial auditor according to the decision of the Company SGM;
- To verify the preparation of the annual financial statements by the Administrator and the proposals for the distribution of the profit to be submitted to the Company SGM for approval purposes;
- To verify the preparation of the annual programme regarding the management of the Company portfolio;
- To verify the preparation of the Company revenue and expenditure budget in order to submit it to the Company SGM;
- To verify the preparation by the Administrator of half-yearly and quarterly reports in accordance with legal provisions and FSA regulations;
- To verify the preparation of materials to be submitted to the Company SGM;
- To verify the conclusion of the Depositary Contract or the contract with Depozitarul Central.

According to the SOGM Decision of 06/22/2022, the composition of the Company Board of Shareholders' Representatives is as follows: Mr. Gioga Ștefan Dragoș, Mr. Pană Robert-Cosmin and Mr. Ștefan George-Alin. BoSR members were elected for a four-year term of office. Following the decision adopted at the meeting held on 08/10/2022,



BoSR members elected Mr. Ștefan Dragoș Gioga as Chairman of the BoSR. Mr. Ștefan Dragoș Gioga also held the position of Chairman of the BoSR during the previous term of office.

The Company Administrator

Throughout 2024, the Company was managed by SAI Muntenia Invest SA on the basis of the management contract endorsed by FSA through Opinion no. 165 / July 22, 2020, with a 4-year validity. SAI Muntenia Invest SA was re-elected as Administrator by the Shareholders' Ordinary General Meeting (SOGM) on February 13, 2024, for a period of 4 years from 04/24/2024 until 04/24/2028, by Addendum No. 2 to the management contract.

The Administrator is represented by the three members of the BoD and by permanent appointed representatives. The members of the BoD of the Administrator are elected by the SGM of the Administrator for a period of four years, with the possibility of being re-elected. The members of the BoD should cumulatively meet the general conditions provided for by the Law 31/1990 on companies and those applicable to entities regulated by the FSA. The members of the BoD of the Administrator are authorized by the FSA.

The BoD Chairman is elected by the SOGM of the Administrator. The structure and composition of the BoD are in accordance with the requirements of specific applicable laws, so that the Administrator should effectively meet its obligations. The structure of the BoD ensures a balance between executive and non-executive members, so that the decision-making process of the Board should not be dominated by any one person or small group of people.

The Administrator's obligations are regulated by provisions regarding the term of office and provisions specifically laid down in the Law 31/1990 on companies, as subsequently amended and supplemented, by capital market laws, by applicable FSA regulations, by provisions of the Instruments of Incorporation of the Administrator and of the Company, as well as provisions of the Management Contract.

There are no family agreements or arrangements by which SAI Muntenia Invest SA has been appointed as the Company Administrator.

The Administrator does not own shares within the Company or within other companies where the Company has control.

As at the time of preparation of this report, the Administrator has the following contractual obligations regarding the Company management:

- a) To manage the Company investment, and, in managing it, to carry out the following activities:
 - To exercise the rights arising from the ownership of financial instruments on behalf of the Company;
 - To purchase financial instruments on behalf of the Company, using its financial resources;
 - To trade financial instruments from the Company portfolio, on a temporary or permanent basis, either partially or fully, including those establishing real rights.
- b) To carry out activities regarding:
 - The legal and accounting services related to the Company management;
 - Market research;
 - The assessment of the Company portfolio and the determination of the value of financial instruments issued by the Company, including tax matters;
 - The monitoring of compliance with regulations in force;
 - The conclusion of a contract with a company that keeps records of holders of financial instruments issued by the Company;
 - The distribution of revenues due to Company shareholders;

- The issuance of Company shares;
- The keeping of Company records.

- c) To carry out specific activities regarding the marketing of financial instruments issued by the Company;
- d) To carry out any other activities regarding the Company management, in compliance with the provisions of laws in force.

The Administrator's main objectives are defined by the annual programmes regarding the Company management and are subject to approval by the SGM.

In 2024, the composition of the Administrator's BoD and its members' professional training were as follows:

Surname and first name	Position	Term of office validity*	Qualifications
Adrian Simionescu	Chairman	08/28/2025	PhD in Economics (PhD), the Faculty of International Economic Relations, the Bucharest Academy of Economic Studies; Bachelor of Laws, the Faculty of Law, the Bioterra University; BA in Economics, the Bucharest Academy of Economic Studies; MA in Quality and Crisis Management, the Bucharest Academy of Economic Studies; The CV can be checked here .
Dorina Teodora Mihailescu	Member	12/27/2025	The National University of Political Studies and Public Administration, the Faculty of Political Sciences; The National Defence College; The Bucharest Academy of Economic Studies, the Faculty of Commerce; The CV can be checked here .
Sergiu Mihailov	Member	10/05/2028	Bachelor of Laws, the Faculty of Law, the University of Bucharest; BA in Finance & Insurance, the Faculty of Economic Sciences, the West University of Timișoara; Member of the Association of Chartered Certified Accountants, the UK; Member of the Chamber of Financial Auditors of Romania and of the Chamber of Tax Consultants of Romania; The CV can be checked here . <u>In 2024, By Authorization no. 72/July 5, 2024, FSA authorized Mr. Sergiu Mihailov as a member of the Board of Directors for a term of 4 (four) years, starting 10/05/2024.</u>

* The expiration date for the authorization issued by the FSA.
 Table no. 8.1. *Composition of the Administrator's BoD*



Throughout 2024, the meetings of the BoD took place at the Administrator's headquarters. In 2024, the BoD had a number of 53 meetings⁸⁹, during which matters related to the proper operation of the Company and its prospects for development were analyzed.

The Management Contract concluded with SAI Muntenia Invest SA (the Administrator)

The price of the Management Contract concluded between the Company and the Administrator is represented by the administration fee, consisting of a monthly administration fee and a performance fee, determined and paid according to criteria presented in Chapter V of the Management Contract approved within the SOGM of April 23, 2020.

The administration fee consists of a monthly fee and an annual performance fee granted, where appropriate, subject to the conditions set out in the Management Contract:

- The monthly fee is calculated and paid on a monthly basis and is equal to 0.125% of the value of the total asset as certified by the Company Depositary for the last business day of the month;
- The annual performance fee is calculated at the end of the year and is paid after the approval by the SGM of the financial statements and is equal to 10% of the value by which the gross profit earned exceeds the gross profit provided for in the revenue and expenditure budget approved by the Company SGM for the year in which the profit was recorded.

The administration fee for the 2024 financial year amounted to RON 43.04 million, representing 1.74% of the average net assets and 1.67% of the average total assets of the Company in 2024.

The Company's remuneration policy

During the SOGM of April 28, 2021, the Company Remuneration Policy was approved, as prepared by the Administrator and endorsed by the BoSR of Longshield Investment Group SA, was approved in accordance with Law 24/ 2017.

The purpose of the Remuneration Policy is to establish corporate governance principles in terms of the remuneration for:

- The Fund Administrator,
 - The members of the BoSR,
- as provided for in the laws in force, as well as the Corporate Governance Code of the Bucharest Stock Exchange (BVB).

In order to promote the development of corporate governance subject to best practices and prudent management, also considering the fact that representatives of the Administrator are paid in accordance with the Remuneration Policy of the Administrator and Directive 2011/61/EU, Longshield Investment Group SA has to observe certain requirements underlying the application of corporate governance principles related to the remuneration of the executive/senior management, as follows:

- The Company Remuneration Policy has been prepared by the Administrator, but analyzed and endorsed by the BoSR so that it should match the business strategy, objectives and long-term interests of the Company and so that it should incorporate actions designed to prevent conflicts of interests;
- The BoSR ensures that all remuneration-related commitments are properly and responsibly structured and that remuneration policies allow and promote effective risk management without leading to risk-taking that exceeds the level of risk tolerance of the regulated entity;

⁸⁹ According to Section A - Responsibilities within the Status of Compliance with the Code of Corporate Governance of the Bucharest Stock Exchange

- The level of remuneration is established in close connection to the responsibilities and commitments related to the duties.

The Remuneration Policy of the Administrator Longshield Investment Group SA reflects sound remuneration principles, aligning its employees' personal objectives with the long-term interests of the Administrator and of Longshield Investment Group SA.

The remuneration of BoSR members

The net monthly remuneration of each BoSR member is RON 5,500 net and RON 10,000 net for the Chairman of the BoSR, as approved by the Company SGM.

The Company Remuneration Policy has been drafted based on the principle of avoiding conflicts of interests and includes actions that ensure a professional and responsible behaviour within Longshield Investment Group SA:

- The level of the remuneration for the Administrator and BoSR members is set in close connection with the responsibilities and commitments related to duties, in accordance with the provisions of the Management Contract and of the Mandate Contract;
- The shareholder who is also a members of the BoSR will not participate in the decision-making regarding the remuneration package and/or the Mandate Contract thereof;
- The elimination of any direct tie between the remuneration of relevant persons carrying out mainly one activity and the remuneration of other relevant persons carrying out mainly another activity, when the activities in question may give rise to a conflict of interests;
- The restriction on using the position held within Longshield Investment Group SA in the interests of people with whom there are kinship or other extra-professional relations within remuneration practices; in order to avoid conflicts of interests, the aim is to avoid appointing people to such positions, which is why each candidate to the position of BoSR member must provide a questionnaire on his/her independence which will be the basis of the independence analysis carried out by the BoSR.

The Remuneration of Longshield Investment Group SA employees

Longshield Investment Group SA has only one employee of its own with a fixed monthly remuneration related to the national minimum wage, on a part-time basis (2 hours/day, 10 hours/week), with duties specific to the cashier position. All other necessary services are provided by the Administrator of Longshield Investment Group SA through its own employees and contractors.

The Management Contract of the Administrator of Longshield Investment Group SA

The Management Contract of the Administrator of Longshield Investment Group SA was approved by shareholders within the SOGM of April 23, 2020 and its amount is represented by the administration fee, consisting of a monthly administration fee and a performance fee, if the criteria set out in Chapter V of the Management Contract are met.

The monthly administration fee is determined according to the following formula:

The monthly administration fee = $ATc \times C$

ATc - represents the amount of the total assets of Longshield Investment Group SA as certified by the Depositary for the last business day of the month

C - represents a percentage coefficient. Starting from the date of entry into force of such Contract, the value of this coefficient is 0.03 %

Depending on the way in which the Administrator meets the performance criteria and objectives established annually by the SGM of Longshield Investment Group SA through the Management Programme and the revenue and expenditure budget, Longshield Investment Group SA will pay a performance fee to the Administrator, in accordance with the provisions of the Articles of Incorporation of Longshield Investment Group SA, calculated as follows:

Performance fee = (Achieved gross profit – Budgeted gross profit) x 10%

The administration fee of the Administrator for the 2024 financial year totaled RON 43.04 million, of which the performance fee amounted to RON 4.32 million.

The remuneration of the employees of the Administrator SAI Muntenia Invest SA

The Board of Directors (BoD) of SAI Muntenia Invest SA appoints an advisory committee composed of two members whose role is to consult/assist the BoD in establishing and supervising remuneration policies and practices, as well as policies and practices for nominating and assessing people from the management structure, referred to as the Nomination and Remuneration Committee (NRC). NRC members are BoD members not holding executive positions within SAI Muntenia Invest SA.

The composition of NRC considers the fact that, at aggregate level, NRC should have sufficient professional skills and experience in terms of risk management and control activities, specifically with reference to the mechanism of aligning the remuneration structure with the risk and capital profiles of SAI Muntenia Invest SA or of the entities managed, respectively.

The Administrator's Remuneration Policy

The BoD has approved the remuneration policy to ensure that the remuneration of the Administrator's personnel promotes sound and effective risk management and does not encourage risk-taking contrary to the Company risk profile, rules or Articles of incorporation of the Company.

The Remuneration Policy and remuneration practices apply to the management of the Administrator and to categories of personnel whose professional activities have a significant impact on the Company risk profile and are subject to internal assessment at least annually, and changes to be made shall take into account the economic context, the Company activity, as well as its strategy and objectives.

The following prerequisites were taken into account in drawing up the Remuneration Policy:

- For management services, the Administrator obtains a monthly fee from managed entities and an annual performance commission, if applicable, according to the provisions of the Management Contract concluded with Longshield Investment Group SA;
- The principle of proportionality in relation to the various characteristics of the Administrator and of managed entities, as well as the principle of proportionality regarding the various categories of personnel of the Administrator (in accordance with chapter VII of the Guidelines on sound remuneration policies in line with AIFMD (03.07.2013/ESMA/2013/232) and chapter 7 of the Guidelines on sound remuneration policies in line with the UCITS Directive (14.10.2016/ESMA/2016/575);
- The BoD, within its supervisory role, adopts the remuneration policies and practices which it submits at least once a year to an independent internal assessment, based on which reviews can be made;
- The Remuneration Policy regarding the Administrator's personnel should not have a significant impact on the results obtained by the Administrator or by entities managed by it;
- The remuneration of people holding control positions shall be based on the fulfilment of objectives related to their positions, there being no direct correlation with the results of areas which they monitor and control;

- Personnel remuneration is based on a fixed component (the tariff salary) and an additional component (premiums or bonuses); the additional component is occasional and may be granted based on the results of the annual personnel assessment; the additional component is correlated with the Administrator's financial results and within the limits approved by the SGM in the Administrator's annual revenue and expenditure budget; other types of benefits (monetary and non-monetary ones) are part of the Administrator's general and non-discretionary policy and do not have any incentive effects in terms of risk-taking;
- The Administrator has a predictable remuneration policy that is easy to manage in terms of financial/operational risks managed by the Company. In this respect, the variable personnel remuneration is limited to a maximum ceiling, which relates to the Administrator's annual salary/remuneration fund, instead of other indicators, in order to eliminate the possibility of encouraging employees to take additional risks in achieving the objectives set.

The main principles underlying the Remuneration Policy:

- Pursuing the compatibility with the sound and effective risk management and promoting this type of management without encouraging risk-taking that is not in line with the risk profile, prospects, rules or Articles of Incorporation of entities managed;
- The compatibility with the business strategy, objectives, values and interests of the Administrator and of entities managed, as well as the interests of investors thereof, including actions for avoiding conflicts of interests.

The Remuneration Policy does not lead to conflicts of interests. Thus, the Administrator takes actions designed to avoid conflicts of interests, such as:

- The personnel is remunerated according to the results obtained by the Administrator, instead of according to the results obtained by entities managed. This way, excessive risk-taking in the management of the entities managed is not stimulated and, implicitly, the achievement of the objectives set out in the risk profile of the entities managed and of the Administrator, respectively, is ensured;
- The Risk Management Division monitors and assesses semi-annually whether total amounts granted as remuneration structures affect the risk profile of the Administrator and, as the case may be, submits proposals for compliance with the limits imposed by the risk profile of the Administrator to the Executive Management;
- The elimination of any direct tie between the remuneration of relevant people mainly carrying out a particular activity and the remuneration of other relevant people, or the earnings generated by them, mainly carrying out another activity, when the activities in question may give rise to a conflict of interests;
- BoD members who have an executive role within the Administrator shall not participate in the decision-making regarding their remuneration;
- Any situation that may cause a conflict of interests in the remuneration process shall be brought to the attention of those responsible according to the procedure of "Policies and Procedures in terms of Conflicts of Interests".

The structure of the remuneration for the Administrator's personnel

The personnel remuneration includes the basic remuneration (the basic pay) and may also include an additional remuneration or other monetary or non-monetary benefits.

The basic fixed remuneration (the salary): The net fixed remuneration of an employee may not exceed 2.5 times the maximum net salary at Company level as of the signing of the Employment Agreement or any Addendum amending the salary.

The fixed remuneration of management structure members is based on the following benchmarks:

- BoD members can have a maximum net fixed remuneration, which is 2.5 times the maximum net salary at Company level and is established under a Management/Mandate Contract, according to a SGM decision. Any amendment to BoD members' remuneration shall be approved by the SGM;

- Members appointed to the advisory committees of the BoD, as well as the Chairman of the BoD benefit from an additional net fixed remuneration representing 25% of their net fixed remuneration (for each committee);
- The CEO's net fixed remuneration may be at most eight times the maximum net salary at Company level and shall be approved by the BoD;
- The other members of the Executive Management may have a net fixed remuneration which is at most six times the maximum net salary at Company level and shall be approved by the BoD.

The level of the basic net fixed remuneration may be revised annually based on the results of the analysis and assessment of performance and/or market conditions (e.g., inflation, salary levels in the industry, etc), based on an approval from the relevant management structure, according to the Procedure on the decision-making process.

The additional remuneration means additional payments or allowances depending on performance or, in some cases, other contractual criteria.

The additional remuneration is an occasional component of the total annual remuneration that can only reward the performance of the Administrator's employees. Both financial and non-financial criteria are taken into account in the process of assessing individual performance. Employee assessment is carried out according to the Procedure on the assessment of the professional performance of the Administrator's employees. The assessment of Executive Management members is carried out by NRC based on annual reports regarding the activity carried out by them during the previous year by reference to the duties and responsibilities provided for in the Procedure on the decision-making process. BoD members may benefit from an additional annual remuneration subject to the approval of the SGM of the Administrator. BoD members' total additional remuneration may be set within the limit of a maximum of 5% of the Administrator's net profit recorded in the financial statements concluded during the previous financial year.

Other types of benefits

The Administrator's employees, the Executive Management and the BoD, as the case may be, additionally receive monetary and non-monetary benefits.

The remuneration for control positions

The Administrator shall ensure a level of the net fixed remuneration for personnel holding control positions so that it should be able to hire qualified and experienced staff in such positions. If the personnel holding the control positions receives additional remuneration, it will be based on achieving position-specific objectives and it will not be determined based on the performance criteria within the Administrator.

The remuneration structure of personnel with control roles shall be established in such a way as not to compromise the personnel's independence or to generate conflicts of interests in the current activity.

The identified personnel

The Administrator (through the Executive Management, with the involvement of Risk Management Division, the Compliance Division, the HR Division, and managers/officers within Company divisions) identifies and reviews the categories of staff whose professional activities have a significant impact on the risk profile of the Administrator and of managed entities, respectively, on an annual basis or whenever there are significant changes.

The following categories of personnel within the Administrator fall into the category of identified personnel, unless they are proven not to have a significant impact on the risk profile of the Administrator, or the entities managed by it:

- Executive and non-executive members of the governing body (BoD members and members of the Executive Management who are not part of the BoD, as the case may be);

- The personnel holding control positions (the Compliance Officer; the Representative of the Risk Management Division, the internal auditor);
- The personnel in charge of running the Divisions;
- Other risk-takers such as: personnel members whose professional activities – either separately or jointly, as members of a group (e.g. a unit or section of a department) – may have a significant influence on the risk profile of the Administrator or of the entities managed by it, including people who can conclude contracts/positions and make decisions that significantly affect the risk positions of the Administrator or of the entities managed by it;
- Other employees/people whose total remuneration falls within the same remuneration category as that of people in management positions and risk-takers.

In 2024, the remuneration was granted in compliance with remuneration principles as set out in the Remuneration Policy and remuneration practices in force of January 23, 2023 and in compliance with the legal provisions. The 2024 Remuneration Report of the Administrator is attached to the annual report.

Moreover, details regarding the remuneration of the Administrator's personnel are also provided in the BoD Report of the Administrator as at 12/31/2024, which can be found on the www.munteniainvest.ro website. Likewise, the Report of the Nomination and Remuneration Committee (NRC) is attached to the aforementioned report, as provided for in art. 49(2) of Regulation no. 2/2016.

Advisory Committees of the Administrator's BoD

The Audit Committee

The Audit Committee is a standing committee subordinated to the BoD. It assists the Administrator's BoD in fulfilling its responsibilities in the area of financial reporting, internal control and risk management and supports the BoD in monitoring the credibility and integrity of the financial information provided by the Company. The duties of the Audit Committee are detailed in the Company internal regulations.

The Audit Committee consists of independent non-executive members of the BoD and had the following composition in 2024: Mr. Adrian Simionescu (Chairman) and Mrs. Dorina Teodora Mihăilescu (Member).

In 2024, the Audit Committee held a total of 17 meetings at the Company's headquarters⁹⁰, during which the Audit Committee analyzed and adopted the measures required based on the exercise of its duties and responsibilities such as, but not limited to:

- Monitoring the financial reporting process, i.e. the annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) approved by the FSA Norm no. 39/2015;
- Monitoring the quarterly and 2024 H1 simplified interim financial statements;
- Analyzing service contracts;
- Analyzing risk reports on the management of significant risks;
- Monitoring the activity of the internal auditor;
- Monitoring and assessing the efficiency of the internal control and risk management system for 2024;
- Assessing and monitoring the independence of the audit company in accordance with relevant regulations in force.

The annual report of the Audit Committee for 2024 shall be submitted to the FSA on time, according to regulations in force.

⁹⁰ According to section A- Responsibilities of the Status of compliance with the provisions of the Corporate Governance Code of the Bucharest Stock Exchange



The Nomination and Remuneration Committee (NRC)

The NRC is a standing committee, with an advisory position, subordinated to the BoD, which operates within the Administrator's BoD, whose role is that of assisting the BoD in fulfilling its responsibilities regarding the nomination of candidates to management positions, as well as their assessment and remuneration. Moreover, the NRC recommends to the BoD the appointment or dismissal from office of personnel holding key and control positions within the Company, the level of remuneration, their rights and duties. NRC participates in the preparation and revision of remuneration policies applicable within the Administrator and at Company level. The duties of NRC are detailed in the Company Administrator Internal Regulations.

The NRC mainly has the following responsibilities:

- To assess the initial suitability of those proposed for the management structure and for key positions within the Administrator, in accordance with the provisions of FSA Regulation no. 1/2019;
- To continuously monitor the suitability of those in the management structure and those holding key positions within the Administrator in order to identify any relevant new facts, as well as cases requiring a reassessment of their suitability, according to the provisions of Regulation no. 1/2019;
- To prepare and recommend guidelines for the selection of BoD members/managers, including criteria for assessing their independence;
- To make recommendations to the BoD regarding the remuneration of members of the governing body, as well as personnel members with the highest level of remuneration within the Company;
- To monitor the implementation of and compliance with the Administrator's remuneration system;
- To assess the mechanisms in place so as to ensure that:
 - The remuneration system takes due account of all types of risks and the level of liquidity and assets managed;
 - The overall remuneration policy matches the strategy, objectives, values and professional interests of the Administrator and the entities managed by it, as well as the interests of the investors thereof.
- To directly supervise the remuneration of those holding risk management and internal control/compliance positions.

The NRC consists of two members elected from among non-executive directors, subject to the condition of independence provided for by the Law 31/1990 on companies. The status of Committee member shall not prevent members from participating in the activity of other Committees of the Board. The Committee shall meet at least once a year to draw up the annual report, as well as whenever it deems it appropriate.

The composition of the NRC in 2024: Mrs. Dorina Teodora Mihăilescu - Chairmen, Mr. Adrian Simionescu – Member.

In 2024, the NRC met⁹¹ 25 times Company headquarters, and during these meetings matters incumbent on the Committee were analyzed, such as:

- The monitoring of the individual adequacy of those assessed, i.e. members of the management structure and those holding key positions, throughout 2024;
- Moreover, while assessing and monitoring the individual adequacy of those holding positions within the management structure and those holding key positions within the Company, the NRC found that they had the knowledge, skills and professional experience and complied with the reputation, honesty, integrity and governance requirements set out in Regulation no. 1/2019, as necessary for the performance of duties specific to the positions held;
- The prior assessment of the adequacy of the nominees to the management structure and key positions for which the Administrator requests approval or which it notifies to the FSA, i.e. people with responsibilities in terms of preventing

⁹¹ According to section A- Responsibilities of the Status of compliance with the provisions of the Corporate Governance Code of the Bucharest Stock Exchange

and combating money laundering and terrorist financing (as a result of changes in terms of the Executive Management and people with responsibilities in terms of preventing and combating money laundering and terrorist financing)

At the end of 2024, the NRC reviewed the granting of the additional remuneration to employees and managers for the achievement of the objectives in 2024, in compliance with the remuneration policies applicable at Company level, and found that the performance-based remuneration was granted in a way that promoted an effective risk management and did not encourage excessive risk-taking.

The Executive Management

The Executive Management of the Administrator's activity is ensured in accordance with the provisions of legal regulations in force and the Administrator's Internal Regulations by three managers: the CEO, the Director of Corporate Administration and the Investment Director.

The Executive Management informs the BoD about the activity carried out between its regular meetings.

The Executive Management is empowered to run and manage the daily activity of the Administrator and may give rise to its liability within the limit of the mandate granted by the BoD. The Executive Management is liable to ensure compliance with work procedures set out in the Administrator's Internal Regulations.

In 2024, the Administrator's Executive Management was ensured by the following people, authorized by the FSA:

Surname and first name	Position	FSA authorization no.	Qualifications
Nicușor Marian Buică	CEO	307/December 21, 2017	Assistant Engineer, <i>Politehnica</i> University of Bucharest, Mechanical Track, Specialty: Materials and Defectoscopy; BA in Financial & Banking Management, the University of Craiova, the Faculty of Economic Sciences; MBA, City University, Washington State, the US; The CV including information on the professional experience is available, here . Mr. Nicușor Marian Buică held the position of CEO from 01/01/2024 to 10/18/2024.
Sergiu Mihailov	Corporate Administration Director	16/January 22, 2021	Bachelor of Laws, the Faculty of Law, the University of Bucharest; BA in Finance & Insurance, the Faculty of Economic Sciences, the West University of Timișoara; Member of the Association of Chartered Certified Accountants, the UK; Member of the Chamber of Financial Auditors of Romania and of the Chamber of Tax Consultants of Romania; The CV including information on the professional experience is available here . Mr. Sergiu Mihailov, Corporate Administration Director of SAI Muntenia Invest SA, was appointed as a temporary replacement of the CEO starting with 10/19/2024, until the appointment by the Board of Directors and the authorization by



Surname and first name	Position	FSA authorization no.	Qualifications
			FSA of a person in the position of CEO of the Company.
Cristina Gabriela Gagea	Investment Director	24/March 16, 2023	BA in Economics of Commerce, Tourism and Services, the Faculty of Commerce, the Bucharest Academy of Economic Studies; MA in Capital Market Transactions and Regulations, the Faculty of Finance, Insurance, Banking and Stock Exchanges, the Bucharest Academy of Economic Studies; She passed the Chartered Financial Analyst Level II exam; Authorized Valuer, ANEVAR full member, specialty: Evaluations of Enterprises, Goodwill and Other Intangible Assets; The CV including information on the professional experience is available here .

The participation of directors and administrators in the Company share capital as at 12/31/2024:

Name	Position	Number of LONG shares	% of the share capital
Adrian Simionescu	Non-Executive Director	-	-
Dorina Teodora Mihailescu	Non-Executive Director	38	0.000005%
Sergiu Mihailov	Administrator and Corporate Administration Director	-	-
Nicușor-Marian Buică	CEO	-	-
Cristina Gabriela Gagea	Investment Director	-	-

Table no. 8.2 Directors' and administrators' participation in the Company share capital as at 12/31/2024

There are no known agreements, arrangements or family ties for directors and managers between the relevant person and another person as a result of which that person has been appointed in that capacity.

Key positions

Within the Administrator, people holding key-positions are the ones whose duties have a significant influence on the achievement of strategic Company objectives, who are not part of the management structure, and fulfil the duties of:

- Risk assessment and management;
- Compliance;
- Internal audit;

Under the laws in force, in 2024, the Administrator had people appointed for the application of legal provisions for preventing and combating money laundering and terrorist financing (ML/TF) for the application of Law 129/2019.

The duties of key positions are assigned, according to specific laws applicable to the Company, to people with the necessary skills and professional experience. The Company applies internal procedures to assess the good repute and integrity for both its own personnel in key positions and for the personnel in outsourced key positions. The Company has

included provisions regarding the transmission of information required to fulfill the duties of key positions in internal procedures.

The Risk Management Function

The risk management function is functionally and hierarchically separate from business units, including portfolio management functions.

Risk management covers all activities aiming to identify, quantify, monitor and control risks, so as to ensure the observance of the principles of the general risk policy. Effective risk management is considered vital to achieving strategic objectives and to ensuring the quality of shareholders' benefits on an ongoing basis. In this context, the strategy for the management of significant risks provides the framework to identify, assess, monitor and control these risks, in order to maintain them at acceptable levels depending on the risk appetite and the ability to cover (absorb) these risks.

The risk management system and its effectiveness are monitored by the Executive Management, by the Audit Committee and by the BoD of the Administrator.

Within the Administrator, the person in charge of risk management is Mr. Valentin Vrînceanu. Under Authorization no. 158/August 2, 2017, Mr. Valentin Vrînceanu was authorized to the key-position of officer in charge of risk assessment and management (Risk Management Officer) within the Administrator (enrolled in the FSA Register under no. PFR132FARA/400016). The officer in charge of risk management has the necessary authority, and access to all relevant information and maintains regular contact with the Administrator and the BoD of the Administrator and has the responsibility to provide up-to-date data based on which immediate remedial actions can be taken, if necessary.

The risk management policies implemented include the procedures required to be able to assess the exposure to the market risk, the liquidity risk, the operational risk and the credit and counterparty risk, as well as the exposure to all other relevant risks that may have a significant level, taking into account investment objectives and strategies, management styles or methods for managing assets and which may directly affect shareholders' interests.

The Risk Management Policy comprehensively includes the measures designed to protect against potential conflicts of interests, the corrective measures taken, the reasons why such measures should lead, according to reasonable expectations, to the independent exercise of the risk management function and how the constant effectiveness of protection measures is to be ensured.

In 2024, risk management procedures applicable by the Risk Management Division were analyzed for review purposes. Following this process, out of the procedures applicable to the risk management activity which were analyzed, the Risk Management Policy of SAI Muntenia Invest SA, the Market Risk Procedure, the Operational Risk Management Procedure and the Operational Risk Self-assessment Procedure were amended.

The performance of the risk management function is regularly reviewed by the internal and external audit function, as well as the Audit Committee.

The Compliance Verification Function

The Administrator establishes and maintains in operation the compliance verification function which is exercised independently of other activities at all times. In the fulfilment of its duties, the Compliance Division reports to the BoD and notifies managers and has the main responsibilities listed below:

- Regularly monitoring and assessing the effectiveness and adequate implementation of established control measures and procedures, as well as the measures ordered to solve any situations of non-fulfilment of the Administrator's obligations;



- Providing advice and support to the relevant people responsible for carrying out the services and activities in order to comply with the requirements imposed on the Administrator according to legal provisions in force.

The Compliance Officer has carried out the activity thereof in accordance with the provisions of the 2024 Control Plan, approved by the Administrator's BoD, the provisions of the FSA Regulations no. 9/2014 and no. 10/2015, of the EU Regulation 231/2013 and internal regulations.

The Compliance Officer is subject to authorization by the FSA and is enrolled in the public register of the FSA. Authorization no. 723/March 23, 2006 authorized Mrs. Claudia Jianu in the key position of representative of the Compliance Division within the Administrator (enrolled in the FSA Register under no. PFR13RCCI/400091).

The activity carried out focused on checking compliance with the regulations in force specific to the capital market and/or internal procedures, ensuring the notification of the Company and the personnel of the legal regime of the capital market, endorsing documents submitted by the Administrator to the FSA for obtaining the authorizations provided for by FSA regulations, endorsing informative and advertising Company materials, and other activities in connection with the compliance by the Company and its personnel with laws in force specific to the capital market and internal regulations. Within the compliance verification activity, in 2024, the compliance with internal regulations and laws specific to the capital market was verified in terms of the activity related to:

- The compliance with transparency and reporting rules;
- The fulfilment of the Administrator's obligations relating to investment due diligence;
- The compliance with transparency and reporting rules regarding changes in the organization and operation documents and significant events;
- The compliance with legal provisions and internal procedures regarding the avoidance and/or management of conflicts of interests, the regime of inside information and personal transactions;
- The fulfilment of the Administrator's obligations regarding the registration of transactions;
- Checks related to the risk control system;
- The organization and conduct of the activity of handling requests.

The performance of the compliance verification function is regularly reviewed by the internal and external audit function, as well as the Audit Committee.

As a result of the actions of conformity control and verification, it was found that, within the activities subject to control, capital market laws and internal regulations and procedures were observed. On the basis of the control activities, proposals and recommendations were made to improve the activity and working procedures applicable to the Administrator.

Internal audit

Company activities are subject to regular internal audit for an independent assessment of operations carried out, the control and management processes and possible risk exposures for various business segments (asset security, compliance with regulations and contracts, operational and financial information integrity, etc.), and for issuing recommendations that may aim at improving the systems, controls and procedures for the purposes of streamlining and increasing the degree of effectiveness of the operations and of monitoring the proposed corrective actions and results obtained.

The internal audit is carried out under these forms: the assessment of management and control systems; the assessment of results regarding the objectives pursued and the examination of the actual impact; the provision of conformity for procedures and operations with legal rules.

The internal audit activity is an independent and objective activity that gives the Company assurance regarding the degree of control over operations and is carried out according to procedures developed for the purposes of carrying out the activity. For each internal audit mission, a detailed programmer is drawn up which includes the scope, objectives

resources allocated and the period of its conduct. The audit plan and the resources required for carrying out the activity are endorsed by the Audit Committee and approved by the BoD, and the aim is to include all activities and operations performed by the Company.

The internal audit aims at supporting the Company in identifying and assessing significant risks in order to provide an independent assessment of the risk management, control and management processes and in assisting the Company in maintaining an efficient and effective control system.

Within the Company, the internal audit function is separate and independent of other functions and activities.

This activity was outsourced by the Company to ANB Consulting SRL, according to the Internal Audit Contract no. 789/113385/November 4, 2021. The initial mandate of the internal auditor – ANB Consulting SRL was for a period of two years, starting on 01/01/2022 and ending on 12/31/2023. In November of 2023, Addendum no. 2496/126959/November 8, 2023 was concluded whereby the Parties agreed that the duration of the Internal Audit Contract was extended for a period of two years, until 12/31/2025.

In the case of the Administrator, the internal audit function is also separate and independent of other functions and activities.

This activity was outsourced by the Administrator to ANB Consulting SRL, according to the Internal Audit Service Contract no. 1004/113386/ November 4, 2021. The initial mandate of the internal auditor – ANB Consulting SRL was for a period of two years, starting on 01/01/2022 and ending on 12/31/2023. In November of 2023, Addendum no. 1036/126958/ November 8, 2023 to the Internal Audit Service Contract no. 1004/113386/November 4, 2021 was concluded whereby the Parties agreed that the duration of the Internal Audit Contract was extended until 12/31/2025.

The main activities and operations of the Company and the Administrator subject to internal audit in 2024 were as follows:

The Risk Management Division:

- The roles and responsibilities of the risk management team;
- Assessing the risk assessment methodology and models, as well as using the results of risk assessments in decision-making processes;
- Assessing the fulfilment of compliance criteria regarding risk management, in relation to applicable legal provisions and regulations;
- Analyzing the process of updating the risk assessment and the method of communication and query in the decision-making process;
- Analyzing process effectiveness and identifying opportunities for improvement;
- Using specific systems and applications, information processing automation opportunities;
- Assessing performance indicators of the Risk Management Division.

Investment Portfolio Management – the Investment Opportunity Analysis and Asset Investment Division:

- Organizing the Investment Opportunity Analysis and Asset Investment Division;
- The roles and responsibilities of the investment portfolio management team;
- Assessing the system for internal control of portfolio management;
- Determining the extent to which activities comply with the policies of the organization and protect its interests (exercising control/influence over controlled entities);
- Analyzing process effectiveness and identifying opportunities for improvement.



Regular reporting

- Organizing the Finance and Accounting Division in financial reports;
- The roles and responsibilities of the finance and accounting team and other structures involved in the process;
- The evaluation of the process and system of internal controls over financial reporting;
- Analyzing process effectiveness and identifying opportunities for improvement;
- Making effective use of division resources;
- Using specific systems and applications, opportunities to automate information processing;
- Checking regular reports.

IT infrastructure and Systems:

- The organization of the IT Division, in particular in terms of the coordination of activities of IT system and infrastructure (hardware and software) management;
- The roles and responsibilities of those involved in the management of IT activities;
- The verification of the development/review and implementation of IT policies;
- The analysis of the compliance and completeness of IT policies;
- The identification of opportunities for improvement;
- The monitoring of the implementation of recommendations to IT activities;
- The assessment of existing control systems in order to ensure information security;
- The effective use of the resources available to the division;
- The use of specific systems and applications, opportunities to automate information processing.



Compliance:

- The analysis of internal procedures and policies;
- The assessment of cross-departmental communication flows in case of compliance, integrity and fraud-related reports;
- The assessment of the process of updating internal procedures;
- The assessment of the adequacy of the structures with duties in terms of Compliance;
- The random check of compliance with procedures for a sample of transactions.

Remuneration Policy and Human Resources Division:

- The organization of the HR Division;
- The roles and responsibilities of those involved in the remuneration process and in the CRU area;
- The verification of the development, implementation and effects of the Company remuneration and human resources policy and practices;
- The assessment of internal controls over human resources and remuneration policies and processes;
- The verification of compliance and completeness of remuneration policies;
- The assessment of compliance with labor legislation;
- The verification of procedures for selection, recruitment, hiring of personnel and performance appraisal;
- The assessment of training and professional development programs;
- Monitoring the implementation of recommendations on remuneration and CRU activity;
- The assessment of existing control systems;
- Efficiency in the use of compartment resources;
- The analysis of process efficiency and identification of opportunities for improvement (e.g. automation, standardization, simplification).

The Operations Division:

- The organization of the Operations Division;
- The roles and responsibilities of the team within the Operations Division;
- The verification of activities carried out within the Operations function;
- The assessment of internal controls over trading processes;
- The assessment of how trading decisions are made;
- Using specific systems and applications;
- Analyzing process efficiency and identifying opportunities for improvement.

Also in 2024, the internal auditor prepared an Independent Audit Report on the observance of the compliance requirements imposed by Law 129/2019 and Implementing Rules. This audit mission consisted of testing the policies, internal rules, mechanisms and procedures applied by the Company under Law 129/2019 and the Implementing Rules approved by Order no. 37/March 2, 2021, issued by the President of the National Office for the Prevention and Combating of Money Laundering ("ONPCSB").

The internal auditor reports to the Audit Committee and to the BoD of the Administrator about the purpose of the audit activity, its results, conclusions, recommendations and proposals made. No significant situations have been identified that would require BoD intervention.

The Internal Audit believes the activities and operations carried out by the Company in 2024, which were subject to audit, to be in accordance with Company policies, programmers and management, in keeping with legal provisions and internal regulations.

The Audit Committee monitors and assesses how the internal auditor complies with contractual provisions. The Audit Committee informs the BoD of any deficiencies found in the performance of the Internal Audit Contract.

The internal audit activity is carried out in accordance with applicable legal requirements, internal Company rules and regulations and complies with the guidelines issued by CAFR and International Audit Standards issued by the Institute of Internal Auditors (IIA Global), respectively. International internal audit rules are based on the (conceptual) International Professional Practices Framework (IPPF), developed and published by the Institute of Internal Auditors (IIA Global).

The effectiveness of the control and risk management system is assessed by the Audit Committee based on reports received from the Risk Management and Compliance Divisions and from the internal auditor. Those reports include relevant and complete information on the main activities carried out by those divisions. Having reviewed the content of the reports presented by the key functions, the Audit Committee has concluded that, within the Administrator and the Company, respectively, there are procedures in place that allow the rapid identification of any situations potentially generating risks/nonconformities, but also mechanisms of action that allow their rapid and effective management.

The ability to monitor risks at all times, materialized in regular risk reports, as well as stress testing, by means of which crisis impact estimates are obtained, and also materialized in the due diligence at the time of the investment, leads to the conclusion that the risk management system within the Administrator/the Company is effective, and the measures adopted to monitor and control exposures to risks identified are appropriate and timely, and the recommendations and issues of concern are given the necessary attention.



The person designated for the prevention and combating of money laundering and terrorist financing (AML/CFT)⁹²

The person designated for the prevention and combating of money laundering and terrorist financing within the Administrator, in dealings with the National Office for the Prevention and Combating of Money Laundering and the FSA, has direct access in due time to the data and information required to perform the duties established by Law 129/2019 and has specific duties established based on a decision of the Executive Management and based on internal procedures.

The Administrator approves and implements internal policies and rules, internal control mechanisms and procedures for managing the risks of money laundering/terrorist financing, which ensure the establishment of the risk profile associated with the activity carried out, KYC and the submission of reports to the competent authorities.

The Administrator keeps the records (secondary or operational) and the records of all financial operations that are the subject of Law 129/2019 for a period of five years after the conclusion of the business relationship or after the performance of the occasional transaction, respectively, or even longer, at the request of the Office or other authorities, regardless of whether the relevant account has been closed or the customer relationship has ended, in an appropriate form. The records shall be sufficient to enable the reconstruction of the individual transaction, including the amount and type of currency, to provide evidence in court, if necessary. In fulfilling the duties established by Law 129/2019 and FSA Regulation no. 13/2019, the person responsible has direct access at all times to all the records drawn up by the Company in accordance with applicable legal provisions and checks customer records and draws up and keeps records of in-house reports and may be assisted by a support structure within the Administrator.

The persons in charge of the application of legal provisions for the prevention and punishment of money laundering **and the financing of terrorism (AML/CFT)** within SAI Muntenia Invest SA in 2024 were as follows:

- The AML/CFT Compliance Officer and the AML/CFT manager who was directly responsible (period 01/01/2024 – 10/18/2024): Mr. Nicușor Marian Buică, CEO;
- The AML/CFT Compliance Officer and the AML/CFT manager who was directly responsible (period 10/19/2024 – 12/31/2024): Mrs. Cristina Gabriela Gagea, Investment Director.

The person responsible for the application of the Government Emergency Ordinance no. 202/2008 regarding the application of international sanctions in 2024 was Mrs. Elena Daniela Topor, Legal Advisor.

Financial reporting

The financial statements for 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the FSA Norm no. 39/2015, which applies together with the Accounting Law 82/1991 (as republished and amended). In 2024, the financial audit services for Longshield Investment Group were provided by KPMG Audit SRL, appointed for the financial years 2024 - 2025 in accordance with the SOGM Decision dated 10/25/2023 and in accordance with the provisions of the "Audit Engagement Letter" No. 967/126779/31.10.2023. The contract is valid until 05/01/2026.

The audit fee for the financial statements as of December 31, 2024, amounts to 507,460 lei (including VAT of 81,023 lei), of which 203,043 lei has been paid.

The fees paid to the auditor, KPMG Audit SRL, for assurance services other than audits or reviews of historical financial information, amounted to 51,404 lei (including VAT of 8,207 lei).

⁹² Within the meaning of Regulation no. 13/2019 for implementing Law 129/2019, and the FSA Regulation no. 18/2022



On April 29, 2023, the Administrator published the Financial Statements as at December 31, 2023 in accordance with the FSA Norm No. 39/2015, audited by Deloitte Audit SRL and approved by the SOGM of April 29, 2023, accompanied by the Annual Report of the Manager and the Independent Auditor's Report.

On May 15, 2024, the Administrator published the Report on the management of SIF Muntenia SA (current name Longshield Investment Group SA) in the first quarter of 2024, as well as the unaudited Interim Financial Statements as at March 31, 2024 prepared in accordance with the FSA Norm no. 39/2015.

On August 30, 2024, the Administrator published the Report on the management of Longshield Investment Group SA for the first half of 2024, in accordance with the provisions of Law 24/2017, Regulation no. 15/2004, FSA Regulation no. 5/2018 and FSA Norm no. 39/2015, as well as the unaudited Interim Financial Statements as at June 30, 2024, prepared in accordance with the FSA Norm no. 39/2015.

On November 15, 2024, the Administrator published the Report on the management of Longshield Investment Group SA Management for the third quarter of 2024, in accordance with the provisions of Law 24/2017, Regulation no. 15/2004, FSA Regulation no. 5/2018 and FSA Norm no. 39/2015, as well as the unaudited Interim Financial Statements as at September 30, 2024, prepared in accordance with FSA Norm no. 39/2015.

Conflicts of Interests and Transactions in Financial Instruments of Relevant Persons

The Administrator has no holdings that entail a conflict of interests with the Company. BoD members and members of the Executive Management of the Administrator may only take up their duties after having obtained the relevant approval from the FSA.

The documentation submitted to the FSA by each BoD member and by each member of the Executive Management, in order to obtain the authorization, includes statements showing any potential conflicts of interests.

The Administrator establishes the main rules and measures which it may adopt in the decision-making process for the prevention and management of conflicts of interests and is responsible for implementing and observing the working procedure regarding the prevention and management of conflicts of interests.

In order to comply with legal provisions in force regarding the prevention and proper management of conflicts of interests, within the Administrator, there are a Risk Management Division and a Compliance Division, whose purpose is that of ensuring the prevention or proper management of situations with a possible negative impact on the Administrator and, implicitly, the entities managed, by using specific processes, mechanisms and techniques related to the prevention and management of conflicts of interests posing a significant risk of harm to investors.

Through the functional divisions with specific duties, through the reports prepared by them according to their duties, the BoD has access at all times to relevant information regarding potential conflicts of interests that affect or may affect the activity of the Administrator or the Company, and is also notified of any legal, material, operational and financial aspects that could have an impact.

Upon the occurrence of a conflict of interests among directors, they inform the BoD about it and refrain from debating and voting on those issues, in accordance with the relevant legal provisions; these situations are recorded in the minutes of the BoD meeting.

BoD members, the Executive Management or anyone with whom the Administrator/the Company has concluded an employment agreement, or a mandate/services contract may not use inside information related to the Company investment policy when carrying out transactions in financial instruments of one's own portfolio.



BoD members, members of the Executive Management for the Administrator and anyone with whom the Manager has concluded an employment agreement, or a mandate/services contract may not disseminate information regarding transactions which the Manager is going to carry out involving financial instruments included in the portfolio of managed entities.

In the case of all personal transactions carried out by the relevant persons within the Administrator, regardless of the financial instrument, all relevant persons shall provide the Manager with a report containing information on such transactions. These transactions shall be recorded in the register of personal transactions, together with any authorization or prohibition, notified to it by third parties, in connection with such transactions.

The Company fulfils institutional obligations of reporting and information, in the ways specified by FSA and BVB regulations, including by posting on the website and disseminating information on the fulfilment of these obligations in the specialized press.

The internal rules and procedures of the Administrator, as well as the Regulation on corporate governance include regulations on avoiding conflicts of interests in the Company management, rules of professional ethics to be observed by one's own employees so that the decisions taken by directors/the Executive Management and the implementation of such decisions, respectively, should be performed while respecting the interests of Company shareholders as a matter of priority.

The Regime of Corporate Information

The BoD has an effective system of communication and transmission of information, which prevents the disclosure of confidential information. To this end, the Administrator has adopted a procedure for ensuring the security, integrity and confidentiality of the information.

The management of information security is undertaken both by the management at the highest level and by managers of the functional structures of the Administrator. Everyone has the obligation to designate the responsibilities required by the security policy and procedures, to allocate and use the necessary resources efficiently, so as to ensure genuine protection for the data and information, as well as adequate control of the services. The responsibility for the protection and security of Company assets rests directly with the owners of these resources.

Company information and its infrastructure are secured against threats, such as mishandling or destruction, corruption, unauthorized access, unauthorized processing or suspicious transactions, unauthorized dissemination of customer-related information and other confidential information, accidental or deliberate errors.

These protection measures govern internal and external information and information systems and provide information management practices in accordance with domestic legal requirements and international best practices.

The securing of the information belonging to the Administrator/the Company and computer systems is of strategic and critical importance for the efficiency and continuity of the Administrator/Company activity. In this regard, the following principles are taken into account:

- The measures to protect IT resources are in accordance with business requirements, the level of risk exposure, the efficiency and the value of the resource;
- The implementation of information security is practical and achievable through a balance between the level of protection and efficiency;
- Information security starts from a process of managing incidents, threats and inherent risks;
- Employees, consultants, business partners and other related parties providing services to the Manager/Company shall ensure that their actions are in accordance with information security policies and applicable procedures.

The Division with duties in this regard draws up communications or current/regular reports that are available according to specific laws applicable to the Company, within the period of reporting of the information stated. The information disseminated to the public is complete, accurate, timely, so that objective investment decisions should be made

The Administrator constantly updates the “Investor’s Section” on the Company website.

Delegations / Outsourcing

For 2024 the Company had the following contracts in force:

- The Framework Contract no. 3220/104435/October 16, 2020, with Veridio SRL, an authorized value, regarding the preparation of valuation works and valuation-related activities, for a period of 36 months. Thus, this Contract ceased through the expiration of the term on 10/15/2023. Later, the Company concluded Framework Contract no. 2316/126490 of 10/16/2023 with Veridio SRL for the preparation of one or several valuation works and valuation-related activities;
- The Administrator concluded the Archiving Service Contract no. 1109/89395/December 5, 2018 on behalf of the Company, for a period of five years from the date of its signing, with Global Storage Solution SRL. Since the Contract ceased through the expiration of the term on 12/05/2023, Global Storage Solution SRL and SAI Muntenia Invest SA concluded an Addendum to Contract no. 1109/89395/December 5, 2018, whereby the duration of the Contract was extended by a period of five years, i.e. until 12/05/2028;
- The Company has also outsourced the internal audit activity to ANB Consulting SRL, in accordance with the Internal Audit Contract no. 789/113385/November 4, 2021 and Addendum no. 2496/126959/November 8, 2023 until 12/31/2025.

The Policy on the Annual Distribution of Dividends or Other Benefits to Shareholders⁹³

The dividend policy implemented by Longshield Investment Group SA aims at maintaining a balance between shareholders’ remuneration through dividends and the need to finance new investment using the profit obtained. Keeping this balance aims both at increasing the long-term investment attractiveness and at maintaining the potential for future development of the Company, ensuring the long-term sustainable profitability of the business, in the interest of increasing the value created for shareholders.

The determination of the method and share of distribution of the net profit is subject to the approval of the Shareholders’ General Meeting, and the proposal of the Company Administrator takes into account the sustainability, the macroeconomic context, as well as the market.

The remuneration of the shareholders of Longshield Investment Group SA is provided both through the dividend distribution policy and through the decision to reinvest the profit or to buy back securities, for the declared purpose of increasing the value of the shares.

In 2024, there were no dividend distributions to the shareholders.

Further details are presented on the Company website, in the dedicated section.

The Relationship with Shareholders and Capital Market Institutions

The sections on the relationship with investors on the Company website include up-to-date information on *corporate governance* and provide access to documents regulating Company governance. Governance-related information is

⁹³ The payment of dividends in accordance with applicable legal provisions is and will be performed by the Central Depository, and the payment agent designated by the Company is Banca Comercială Română SA



regularly reported through the corporate governance statement of the annual report and kept up to date at all times through current reports and the website. This section also shows the Forecast Policy and the Policy on the Distribution of Dividends or Other Benefits to Shareholders.

The obligations of transparency, reporting and information to shareholders and capital market institutions have been observed and ensured through press releases distributed in financial newspapers with national coverage, by publishing regular and constant reports of the information provided in the electronic system both on the www.longshield.ro website and in the electronic system of the capital market where Company shares are listed, by informing the FSA and by way of an activity of written and electronic correspondence with the shareholders, by means of the dedicated division of the Administrator.

At the start of each financial year, the Administrator notifies BVB of, and posts the financial schedule, according to regulations in force, on the Company website (www.longshield.ro).

At its headquarters, the Administrator holds and keeps a single register of petitions, in secure electronic format, where all petitions, as well as their status, date and handling method are recorded chronologically, in the order of receipt. Any investor in the entities managed by the Administrator may submit petitions, free of charge. Information on the procedure for handling petitions received from investors shall be made available to them, free of charge, at the headquarters of the Administrator and at <https://www.longshield.ro/informatii-pentru-investitori/petitii/>. Petitions may be sent to the headquarters of the Administrator using the following channels: post, fax, courier, directly to the general registry at the registered office or via email.

Sustainability-related Information

Legal and Regulatory Framework:

Longshield Investment Group S.A., through its administrator SAI Muntenia Invest S.A., takes into account the provisions of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector. While SAI Muntenia Invest S.A. identifies sustainability risks, it does not currently consider the negative effects of investment decisions on sustainability factors for Longshield Investment Group S.A., but commits to reassessing this position and informing investors of any future changes.

The assessment of sustainability risks is a complex process based on available data relating to environmental, social, and governance (ESG) factors. Given the reduced complexity of its activities and the diversified portfolio structure, the likelihood of a material ESG risk significantly affecting the net asset value is considered low.

Compliance and Best Practices:

- The company aims to align with FSA recommendations regarding the integration of ESG risks into the risk management framework.
- The administrator is monitoring the implementation of the sustainability reporting standards under Delegated Regulation (EU) 2023/2772, effective from 1 January 2024.
- It will comply with transparency requirements and provide non-financial disclosures within the legal deadlines in force.

Social Responsibility:

Longshield Investment Group is actively involved in corporate social responsibility initiatives, consistently supporting humanitarian, educational, cultural, scientific, and environmental causes, and contributing to the development of the communities in which it operates.



The Forecast Policy

Financial forecasts underlying the directions for action are made public to all Company shareholders and refer at least to considerations regarding the internal and external macroeconomic framework relevant for the structuring of management programmers and revenue and expenditure budgets of Longshield Investment Group SA which includes, but is not limited to:

- Forecasts on the developments and/or level of the main macroeconomic indicators (e.g. GDP, unemployment, inflation, etc.);
- Forecasts on the developments of specific economic sectors deemed to be relevant for the activity, the existing portfolio and the investment policy of Longshield Investment Group SA;
- Forecasts of the level and developments of specific financial indicators including but not limited to: the expected exchange rate, changes in the monetary policies of the National Bank of Romania, the developments of relevant stock market indices;
- Risks related to geopolitical instability, changes in the political class that affect the business environment (monetary, economic, tax, legal, infrastructure-related, etc.);
- Changes in the legislative framework applicable to the business field of Longshield Investment Group SA and its portfolio companies.

Analyses of the economic context, of global, national and regional trends generate the information support for forecasts that are presented as assumptions, developed on the basis of public data, with a significant degree of uncertainty, as future developments may be different from the expectations originally presented.

The information on the financial forecasts of Longshield Investment Group SA are subject to the corporate information system and its publication is achieved through annual, half-yearly or quarterly reports of Longshield Investment Group SA.

Any changes to the original assumptions underlying the forecasts and estimates used may result in adjustments thereof over the established horizon, without this process routinely leading to changes in the approved objectives, programmers or budgets.

The Management Programme and the revenue and expenditure budget proposed within this programme are published each year as part of the documentation subject to the approval of the Shareholders' General Meeting and are available on the Company website.⁹⁴

Forecast-related information refers to factors, trends, events, costs and related revenues that have influenced the result of the relevant period or may influence the results of subsequent reporting periods. The original assumptions underlying the development of the budget and the management programme are regularly re-examined by the Administrator and, if potential changes in the expected results are identified, the new assumptions are made public in the reports regarding the management of Longshield Investment Group SA.

The Involvement Policy and Principles in terms of Exercising Voting Rights for Managed Undertakings for Collective Investment⁹⁵

The Administrator applies the following Involvement Policy in terms of the investment of the UCIs which it manages, in accordance with the provisions of Law 158/2020, which requires fund managers to develop and provide unit holders/shareholders with information on the involvement policy, describing how shareholders' involvement is

⁹⁴ <https://www.longshield.ro/informatii-pentru-investitori/evenimente/adunari-generale-ale-actionarilor/2024-2/>

⁹⁵ http://www.munteniainvest.ro/doc/reguli/20210922/Politica%20de%20implicare_RO.pdf



incorporated into investment strategies, as well as the principles regarding the exercise of voting rights related to instruments held in the portfolios of managed UCIs.

The Administrator publishes information both on its website and in the annual report regarding its exercise of the voting right within SGM of issuers in which the UCIs under management hold shares, except for secret ballots according to legal provisions, ones where it does not hold a stake of at least 50%+1 of the voting rights, as well as ones undergoing insolvency proceedings.

The fund manager acts in the best interest of investors of the managed UCIs and in this regard it pursues a strategy of active involvement in dealings with companies in which it invests in order to improve their potential to create value in the medium and long term.

The Administrator distinguishes three levels of participation in the case of companies covered by the Involvement Policy. The qualification for one of these three levels of involvement is performed semi-annually on the basis of total assets of the UCIs under management.

These three levels of involvement are determined by the following criteria:

- ✓ The influence (the holding and/or share of voting rights) within the company; and
- ✓ The Company share within the portfolio of UCIs under management

	The share of the UCI portfolio – no more than 0.1%, inclusive, of the total assets, but not lower than RON 250,000	The share of the UCI portfolio – 0.1 to 5%, inclusive, of the total assets, but not lower than RON 250,000	The share of the UCI portfolio – over 5% of the total assets, but not lower than RON 250,000
Less than 10%, inclusive, of the Issuer's voting rights	No shareholder involvement	Basic shareholder involvement	Basic shareholder involvement
10 to 25%, inclusive, of the Issuer's voting rights	Basic shareholder involvement	Basic shareholder involvement	Basic shareholder involvement
Over 25% of the Issuer's voting rights	Key shareholders' involvement		

Table no. 8.3 Levels of participation for the investment of UCIs managed by SAI Muntenia SA

No shareholder involvement

In the case of investment in this category, the fund manager makes its investment decisions primarily on the basis of publicly available information and market analyses, and it is not involved in the operation and management of the company at operational or strategic level. The manager may decide to exercise its voting right if it believes that the exercise of such right may have a significant impact on the interests of investors in the managed UCIs. Since, in the case of companies belonging to this category, the vote of the fund manager is not of strategic importance, the fund manager will not provide information concerning these votes on its website.



**Basic shareholder involvement**

In the case of investment in this category, the fund manager appears in part as a financial investor and in part as a long-term strategic investor, making its investment decisions mainly based on publicly available information and market analyses, but not participating in the operation of the companies at operational level.

In general, the manager participates in the strategic decisions made within SGM, acting on behalf of the funds, exercising voting rights in person, by power of attorney or via electronic/postal votes. Since, in the case of companies belonging to this category, the vote of the fund manager is not (usually) of strategic importance, the manager will not provide information concerning such votes on its website.

The exercise of the voting right shall be prominently carried out in terms of issues that have a financial impact on the activity of companies/shareholders' interests. In current matters, without any financial impact on the activity of the company/shareholders' interests, if the Administrator assesses that it is in the Company's interest not to vote within the SGM, it may decide not to exercise the right to vote. If the fund Administrator believes that it is in investors' interest to vote for/against or to abstain from a decision subject to a vote, then it will act accordingly.

In making the decision to exercise the right to vote, the Administrator shall also take into account additional elements such as:

- ✓ The strategy behind the decision to invest in the relevant company (short-term investment versus long-term investment);
- ✓ The administrative or other related costs connected with the exercise of the right to vote;
- ✓ The percentage of the share capital/voting rights held;

Key shareholders' involvement

In the case of investments in this category, the fund Administrator acts in accordance with the principles detailed below:

a) The monitoring of the business pursued by companies within the UCI portfolio

As an integral part of the investment process, the Administrator carefully monitors and examines all issuers that fall within this category, according to the previously established classification. The analysis covers, *inter alia*, the strategy, the financial and non-financial performance and the risk, the capital structure, the social and environmental impact and corporate governance.

This may include the assessment of its own data and the issuers' market, taking into account the research conducted by analysts, discussions within individual and group meetings, the review of the competition.

In addition to the foregoing, the Administrator regularly monitors the financial data and other information published by companies from the portfolio of UCIs and additional information which is relevant to the company in question.

As part of the sustainability component, the objective is to identify potential risks, in particular with regard to environmental, social and corporate governance factors. The Administrator believes that these factors can have a significant impact on the performance of companies in the medium and long term.

b) The dialogue with companies involved in investment

The Administrator deems it crucial to have a dialogue with the companies in which the managed UCIs have investment, e.g. to influence the Company to improve its corporate governance practices, to ensure long-term value creation or in any other area of interest identified.

The Administrator normally engages in dialogues during meetings with the senior managers of the Company, during annual general meetings and other shareholder events.

- c) The exercise of voting and other rights related to shares of companies in the UCI portfolio
- d) The cooperation with other shareholders of companies from the UCI portfolio

The Administrator may cooperate with other shareholders of companies from the UCI portfolio to promote the best corporate governance, risk management, performance or adequacy of disclosed information. Such cooperation may not lead to a breach of any laws, regulatory requirements or recommendations or of the internal rules of the Administrator and shall ensure that all shareholders' rights are observed.

- e) The communication with relevant stakeholders of companies from the UCI portfolio

The Administrator may start a dialogue with the relevant stakeholders within companies from the UCI portfolio in order to get a clearer picture of the Company financial position and sustainability-related issues. It shall decide on the approach that best serves the interests of investors in the managed UCIs without violating any legislative act or internal regulation. Dialogues with company representatives may take place through direct or indirect contact, visits to the company headquarters, correspondence, conferences and teleconferencing. The relevant stakeholders include professional working groups, credit rating agencies, public authorities and non-governmental organizations.

In the event of potential conflicts of interests arising in the exercise of voting rights, the Administrator shall ensure that investors' interests are not affected. The rules on conflicts of interests set out in legal regulations and the internal procedures of the Administrator shall be taken into account.

1. BIOFARM SA⁹⁶

During the Ordinary General Meeting of Shareholders (OGMS) held on April 24, 2024, Longshield Investment Group SA, as shareholder, voted through its Administrator:

- in favor of the approval of the 2023 financial statements, profit distribution, and the granting of a gross dividend of 0.031 lei/share, with payment starting from September 6, 2024.
- for the approval of the discharge of liability for the administrators, the remuneration report, and the 2024 budget.
- A new external auditor was approved, and key dates regarding the shareholder structure were established.

During the Extraordinary General Meeting of Shareholders (EGMS) held on October 15, 2024, Longshield Investment Group SA, as shareholder, voted through its Administrator in favor of:

- the extension of the signing deadline for the sale-purchase agreement for the property located on Bd. Iancu de Hunedoara, until April 13, 2026, at the buyer's request.

2. BUCUR SA⁹⁷

During the OGMS held on April 25, 2024, Longshield Investment Group S.A., as shareholder, through its Administrator, approved:

- the complete annual financial statements for 2023 and the discharge of the administrators from liability;
- the proposal of SIF Muntenia regarding the remuneration of the Board of Directors' members and rejected the alternative proposal submitted by BUCUR S.A.'s Board;

⁹⁶ <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=BIO>

⁹⁷ <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=BUCV>



- the revenue and expenditure budget, as well as the investment and repair plan for 2024.

During the EGMS held on April 29, 2024, Longshield Investment Group S.A., as shareholder, approved through its Administrator:

- the sale by competitive public auction of the real estate asset (land and buildings) located in Bucharest, 198 Calea Rahovei, at a minimum starting price of EUR 4,350,000 (excluding VAT).

During the EGMS held on September 23, 2024, Longshield Investment Group S.A., as shareholder, voted through its Administrator in favor of:

- the acquisition of a 1,050 sqm urban land plot located in Bucharest, 6-8 Siriului Street, as well as the purchase of 100% of the shares in Centrul de Afaceri Nord S.R.L., owner of a building on the same site. The total transaction value shall not exceed EUR 3,000,000 (excluding VAT);
- was also approved the closure of the "Rahova Warehouse" work point and the update of the company's main object of activity within 3 months.

During the EGMS held on October 23, 2024, Longshield Investment Group S.A., as shareholder, voted through its Administrator in favor of:

- approving the sale of real estate assets through a unitary transaction involving several properties (land and buildings) owned by BUCUR S.A. located at 56B Timișoara Blvd., Bucharest, under pre-agreed terms, at a minimum total price of EUR 7,000,000 + VAT, with payment in full or in installments (up to 24 months), requiring a minimum down payment of EUR 500,000 and interest of at least 8% per year;
- approving the amendment of the Company's Articles of Association.

3. CASA DE BUCOVINA CLUB DE MUNTE SA⁹⁸

At the Extraordinary General Meeting of Shareholders (EGMS) held on April 9, 2024, Longshield Investment Group, as a shareholder, voted through its Administrator to:

- Approve the full transfer of the company's hotel and tourism activity, including assets, liabilities, contracts, and goods, to a third party through a business transfer agreement, for a minimum price of EUR 2,778,500 (excluding VAT), equivalent in RON at the exchange rate published by the National Bank of Romania on the transfer date.
- Approve the delegation to the Board of Directors of the authority to change the company's registered office, in accordance with Article 114 of Law No. 31/1990.

At the EGMS held on April 27, 2024, Longshield Investment Group, as a shareholder, approved through its Administrator:

- The annual financial statements for 2023 and the coverage of the net loss of RON 787,404.15 as proposed by the Board of Directors, as well as the discharge of the Board members from liability.
- The revenue and expenditure budget for 2024, the remuneration and professional liability insurance of the administrators, and the remuneration report for the previous year.
- The election of new Board members for a 4-year term starting April 28, 2024, the approval of their management contracts, and the mandate of the legal representative to sign the contracts.
- The transfer of RON 64,748 to reserves, representing unclaimed and prescribed dividends from the years 2015, 2016, 2017, and 2019.

4. CI-CO SA⁹⁹

At the Ordinary General Meeting of Shareholders (OGMS) held on April 23, 2024, Longshield Investment Group SA, as a shareholder, approved through its Administrator:

- the 2023 financial statements and the allocation of the net profit of 4,399,324.74 lei, as follows:
 - 151,721.87 lei to legal reserves,

⁹⁸ <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=BCM>

⁹⁹ <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=CICO>



- 4,245,693.60 lei for dividends,
- 1,909.27 lei to other reserves;
- the distribution of a gross dividend of 2.0325 lei/share, totalling 5,499,918.85 lei, derived from the 2023 net profit and retained earnings from previous years;
- the write-off of unclaimed dividends related to 2019, amounting to 17,789.74 lei, and their transfer to other income;
- Additionally, the following were approved:
 - the 2024 budget for revenues, expenses, and investments.
 - the discharge of liability for the administrators.
 - their fixed remuneration and performance bonus for 2023;
 - the extension of the auditor's mandate for SFAI Consultor Audit S.R.L. for 2024–2025, with an annual fee of EUR 6,000 (excluding VAT).

At the Extraordinary General Meeting of Shareholders (EGMS) held on July 30, 2024, Longshield Investment Group SA, as a shareholder, voted through its Administrator for the update of the identification details of the majority shareholder.

5. GERMINA AGRIBUSINESS SA¹⁰⁰

At the OGMS (Ordinary General Meeting of Shareholders) held on January 15, 2024, Longshield Investment Group SA, as shareholder, voted through its Administrator for the following:

- the dismissal of the auditor Contexpert Consulting S.R.L. and the appointment of Contexpert Audit & Advisory S.R.L. for the year 2023;
- the election of a new member of the Board of Directors for a mandate of 1 year and 8 months;
- the approval of the management contract, the remuneration of the board of directors (1,000 lei/month), and professional liability insurance (30,000 euros/administrator).

At the OGMS held on April 25, 2024, Longshield Investment Group SA, as shareholder, approved through its Administrator:

- the 2023 financial statements, the annual report, the 2024 budget, and the remuneration report.
- the distribution of the amount of 5,148,315 lei as dividends was approved, with a gross dividend of 0.3811 lei/share, payable starting from June 3, 2024;
- the discharge of liability of the directors, the extension of the mandate of the auditor Contexpert Audit & Advisory S.R.L. for 2024, as well as the remuneration and professional insurance of the members of the Board of Directors.
- An update was also presented regarding the sale of certain assets in 2023.

At the EGMS (Extraordinary General Meeting of Shareholders) held on December 17, 2024, Longshield Investment Group SA, as shareholder, voted through its Administrator for the update of the identification details of the majority shareholder.

6. MINDO SA¹⁰¹

At the Ordinary General Meeting of Shareholders (OGMS) held on April 18, 2024, Longshield Investment Group SA, in its capacity as shareholder, approved through its Administrator the following:

- the annual financial statements for 2023, as well as the allocation of the profit of 936,040 lei, as follows: 46,971 lei for legal reserves and 889,249 lei for other reserves.

¹⁰⁰ <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=SEOM>

¹⁰¹ <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=MINDO>



- the discharge of the Board of Directors, the revenue and expenditure budget, and the investment budget for 2024, as well as the remuneration of the administrators for the same year.
- the appointment of the financial auditor for 2024–2025.

At the OGMS held on December 5, 2024, Longshield Investment Group SA, in its capacity as shareholder, approved through its Administrator:

- The election of a new member of the Board of Directors for the period from December 6, 2024, to April 18, 2027.
- The management contract, remuneration, and professional liability insurance for the administrators for 2024.

7. SANTIERUL NAVAL ORSOVA¹⁰²

At the Ordinary General Meeting of Shareholders (OGMS) held on April 22, 2024, Longshield Investment Group SA, as a shareholder, approved through its Administrator the following:

- the 2023 financial statements, the allocation of the net profit of 3,453,687.23 lei (mainly for covering accounting losses), and the revaluation of assets in the “vessels” category.
- the 2024 Revenue and Expenditure Budget and Investment Program were approved, along with the remuneration report, discharge of liability for the administrators, and the registration of prescribed dividends for the year 2019 (67,446.42 lei).
- a new Board of Directors was elected for a 4-year term through cumulative voting.
- fixed remunerations, performance objectives, and the format of management contracts were approved.

At the Extraordinary General Meeting of Shareholders (EGMS) held on October 21, 2024, Longshield Investment Group SA, as a shareholder, approved through its Administrator:

- amendments to the Articles of Association, including clarifications regarding the powers of the general meetings, the procedure for convening, the extension of expired mandates, and the functioning of the Board of Directors.
- additionally, the distribution of dividends amounting to 6,054,147.07 lei, i.e. 0.53 lei gross per share, from reserves, was approved, following a reassessment of prior years' profit allocations.

8. SEMROM OLTENIA SA¹⁰³

At the Ordinary General Meeting of Shareholders (OGMS) held on April 24, 2024, Longshield Investment Group SA, in its capacity as shareholder, approved through its Administrator the following:

- The financial statements for the year 2023, the discharge of liability for the administrators, as well as the revenue and expenditure budget for 2024.
- The appointment of Audit Consulting S.R.L. as financial auditor for the 2024–2026 financial years.
- The approval of the remuneration and professional liability insurance for the members of the Board of Directors, along with the remuneration report for 2023.

At the Extraordinary General Meeting of Shareholders (EGMS) held on July 15, 2024, Longshield Investment Group SA, in its capacity as shareholder, approved through its Administrator the following:

- the amendment of the Articles of Association following the name change and majority shareholder change from SIF Muntenia S.A. to Longshield Investment Group S.A.
- the approval of the sale through public auction of three real estate assets (land and buildings) owned by the company:
 - Vâlcea branch – Drăgășani municipality, minimum price: EUR 180,000;

¹⁰² <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=SNO>

¹⁰³ <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=SEOL>



- Mehedinți branch – Șimian commune, minimum price: EUR 400,000;
- Teleorman branch – Alexandria municipality, minimum price: EUR 1,850,000.

9. UNISEM SA¹⁰⁴

At the Extraordinary General Meeting of Shareholders (EGMS) held on January 31, 2024, Longshield Investment Group SA approved, through its Administrator:

- the sale of the real estate asset (land and buildings) located in Iasi City, Str. Niciman no. 1, at a minimum price of EUR 850,000, via a competitive public auction.

At the Ordinary General Meeting of Shareholders (OGMS) held on April 24, 2024, Longshield Investment Group SA approved, through its Administrator:

- the 2023 financial statements, the annual report, the 2024 budget, and the remuneration report;
- the allocation of the 2023 net profit of RON 1,386,054.49 as follows:
 - RON 138,774 – legal reserve;
 - RON 1,247,280.49 – dividends
- an additional dividend distribution of RON 7,004,446.30 from reserves;
- gross dividend per share: RON 0.104550, with payment on May 31, 2024;
- discharge of the administrators for the financial year 2023;
- election of a new Board member (mandate 2024–2028), signing of the administration contract, and approval of the remuneration and professional liability insurance for the Board and the General Manager.

At the EGMS held on July 29, 2024, Longshield Investment Group SA approved, through its Administrator:

- the sale of three real estate assets owned by the company, via competitive public auction, as follows:
 - Buzău (land + buildings) – minimum price: EUR 425,000;
 - Lugoj (land + buildings) – minimum price: EUR 120,000;
 - Titu (commercial space) – minimum price: EUR 120,000.



¹⁰⁴ <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=UNISEM>

9. FINANCIAL ACCOUNTING ASPECTS

The Company prepared the financial statements as at 12/31/2024 in accordance with the FSA Norm no. 39/2015 for the approval of Accounting Regulations in line with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the FSA in the Financial Instrument and Investment Sector, with the subsequent amendments and supplements.

The financial statements as at 31.12.2024 have been audited by KPMG Audit SRL.

Below there is a summary of the Company financial statement as at December 31, 2024. For details, check the Notes to the Financial Statements as at December 31, 2024, attached hereto.

THE STATEMENT OF FINANCIAL POSITION

in RON	December 31, 2024	December 31, 2023
Assets		
Cash and cash equivalents	65,414,241	46,871,575
Deposits with banks	106,975,692	159,986,022
Financial assets at fair value through profit or loss	1,165,702,124	1,083,470,993
Financial assets at fair value through other comprehensive income	1,230,669,391	1,036,654,658
Financial assets at amortized costs	1,257,442	
Other assets	12,103,419	2,708,399
Total Assets	2,582,122,309	2,329,691,647
Liabilities		
Dividends payable	567,056	567,056
Deferred tax liabilities	99,360,198	71,444,815
Other liabilities	8,476,877	23,687,765
Total liabilities	108,404,131	95,699,636
Equity		
Share capital	833,686,928	859,471,059
Own shares	-	(38,175,588)
Retained earnings	1,150,075,221	1,068,612,366
Reserves on assets at fair value through other comprehensive income	489,956,029	344,084,174
Total equity	2,473,718,178	2,233,992,011
Total liabilities and equity	2,582,122,309	2,329,691,647

Table 9.1 The Statement of Financial position



The total asset value as at December 31, 2024 increased by RON 252.43 million, or 10.84%, compared to December 31, 2023.

The main changes in terms of assets as at 12/31/2024 compared to the end of 2023 are as follows:

- *The Cash and cash equivalents* have increased compared to 12/31/2023, by RON 18.54 million, which is due to the Administrator's decision, noting that the liquidity strategy of the Company's portfolio was respected (% total assets as at 12/31/2024 - 7.01%);
- *The financial assets at fair value through profit or loss* appreciated by RON 82.23 million, or 7.59%, compared to the value recorded at December 31, 2023, as a result of the increase in the value of assets belonging to this class and through acquisitions and share capital increases at subsidiaries.
- *The financial assets at fair value through other comprehensive income* increased by RON 194.01 million, or 18.72%, as a result of the recording of favorable fair value differences, in particular, on issuers traded on the regulated market or SMT. As at December 31, 2024, the stake held in Banca Transilvania SA represented 25.17% of the Company's total assets (December 31, 2023: 22.02%);
- *Financial assets carried at amortized cost* recorded a value of RON 1.26 million, compared to zero at the end of 2023, bonds issued by S.N.G.N. Romgaz SA were acquired.
- The increase in assets was negatively influenced by the decrease in bank deposits by MDL 53.01 million, respectively by 33.13%

The equity holds the largest share in the structure of liabilities. It increased by 10.73% compared to the end of the previous year, representing a change of RON 239.73 million, mainly thanks to the positive differences in the fair value of financial assets recorded in the category of *Financial assets at fair value through other comprehensive income* as at December 31, 2024 and retained earnings.

The difference in net assets according to accounting regulations/net assets certified by the Depositary

Since in the accounts the entries are according to the FSA Norm no. 39/2015 and valuation procedures approved by the Administrator, and the monthly net asset calculation is based on the requirements of the FSA Regulation no. 7/2020, the FSA Regulation no. 10/2015, the FSA Regulation no. 9/2014 and valuation rules approved by the Administrator, as at 31.12.2024 there are differences between the net asset value calculated according to accounting rules and the net asset value certified by the Depositary.

A summary of the differences between the net assets according to accounts and the certified net assets is presented below:

	Amount (in MRON)
Net assets according to accounts	2,473.72
Certified net assets according to FSA regulations	2,522.10
Differences, of which:	(48.38)
Fair value difference for the share sub-portfolio	(57.41)
Difference adjustment for depreciation and valuation OPUS	8.23
Difference in current income tax receivable	(0.50)
Difference in trade liabilities	(0.58)
Difference in deferred tax	1.86

Table no. 9.2 Differences between the certified net assets and the net assets according to accounts

THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

in RON	2024	2023
Gross dividend income	94,182,204	82,513,919
Interest income calculated using the effective interest method	8,219,918	6,581,063
Other operating income	7,219	12,265
Net gain/(Net loss) from exchange rate differences	1,493,419	(348,116)
Net gain on financial assets at fair value through profit or loss	36,127,258	187,959,686
Total income	140,030,018	276,718,817
Administration fees	(43,042,727)	(50,226,268)
Expenses on the remuneration of the members of the Board of Shareholders' Representatives and salaries	(451,854)	(449,905)
Net impairment adjustments for other assets	1,056,506	(920,478)
Other operating expenses	(5,083,827)	(4,170,567)
Total operational expenditure	(47,521,902)	(55,767,218)
Profit before tax	92,508,116	220,951,599
Income tax	(5,658,856)	(8,148,578)
Net profit for the period	86,849,260	212,803,021
Other comprehensive income		
Items that cannot be reclassified as profit or loss		
Fair value revaluation of financial assets at fair value through other comprehensive income, net of deferred tax	153,122,182	162,769,881
Income tax on financial assets at fair value through other comprehensive income	(245,275)	-
Other comprehensive income	152,876,907	162,769,881
Total comprehensive result for the period	239,726,167	375,572,902



Table 9.3 The Statement of profit or loss and other comprehensive income

The evolution of the main elements that make up the Statement of profit or loss and other comprehensive income is as follows:

- Dividend income increased, compared to the same period of the previous year, by RON 11.67 million, or by 14.14%;
- Interest income increased by RON 1.64 million (by 24.9%), driven by the increase in interest on deposits and current bank accounts;
- Investment gains are structured as follows:
 - Net foreign exchange gain of RON 1.49 million, compared to a loss of RON 0.35 million in the same period last year;
 - Net gain on financial assets at fair value through profit or loss amounting to RON 36.13 million compared to gain amounting to RON 187.96 million in the same period of 2023.

The combined effect of the aforementioned items is a positive net result in the amount of RON 86.85 million.

THE STATEMENT OF CASH FLOWS

When preparing the Statement of Cash Flow, one considered the following as cash and cash equivalents: the petty cash, the cash at bank, the deposits with an initial maturity shorter than 90 days.

in lei	2024	2023
Operating activities		
Profit/(Loss) before tax	92,508,116	220,951,599
<i>Adjustments:</i>		
(Reversals)/Adjustments for impairment of other assets	(1,056,506)	920,478
Net (gain) in financial assets at fair value through profit or loss	(36,127,258)	(187,959,686)
Gross dividend income	(94,182,204)	(82,513,919)
Interest income	(8,219,918)	(6,581,063)
Net foreign exchange (gain)/loss	(1,493,419)	348,116
Interest expenses related to debt related to leasing contract	664	1,171
Adjustments suppliersaccruals and other adjustments	7,617,644	21,681,417
Changes in assets and liabilities related to operating activities		
Net (payments)/receipts of financial assets at fair value through profit or loss	(46,309,372)	41,817,620
Net (payments)/receipts of financial assets at fair value through other comprehensive income	(14,133,455)	24,265,799
(Payments) from financial assets measured at amortized cost	(1,244,000)	-
(Payments)/Receipts of other assets	(10,717,303)	1,934,998
Net (payments) of other liabilities	(22,465,922)	(47,502,460)
Net placements in deposits with agreed maturity over 3 months and up to 1 year	52,644,521	(54,440,768)
Dividends received	92,081,041	77,031,268
Interest received	8,701,652	6,018,252
Income tax paid	(545,799)	-
Net cash from operating activities	17,058,482	15,972,822
Investment activities		
Payments for purchases of tangible and intangible assets		(417)
Net cash used in investing activities	-	(417)
Funding activities		
Lease debt payments, including interest	(10,388)	(10,324)
Net cash used in financing activities	(10,388)	(10,324)

Net increase in cash and cash equivalents	17,048,094	15,962,081
Effect of exchange rate changes on cash and cash equivalents	1,494,572	(358,292)
Cash and cash equivalents at January 1	46,871,575	31,267,786
Cash and cash equivalents at December 31	65,414,241	46,871,575

Table 9.4 The Statement of Cash Flows

Throughout 2024, the operating activity generated cash as a result of dividend receipts from portfolio companies and the sale of shares (details in the relevant chapters and the Notes to the annual Financial Statements as at December 31, 2024).

ECONOMIC AND FINANCIAL INDICATORS

Indicator	2024	2023	2022
Current ratio	2,29	3,11	2,75
Debt ratio	Not applicable	Not applicable	Not applicable
Non-current asset turnover ratio	0,1457	0,1755	0,1503
Net profit/certified net assets (%)	3,44	9,35	-
ROA (%)	3,36	9,13	-
ROE (%)	3,51	9,53	-

Table 9.5 Economic and financial indicators

The calculation method

Current ratio - Current assets/Current liabilities

Debt ratio - Borrowed capital/Equity x 100

Non-current asset turnover ratio - Turnover/Non-current assets (turnover = total (current) Company income).

ROA - Net profit/Total accounting assets (this is one of the main indicators of a company's profitability and measures the efficiency of use of the assets, in terms of profit earned, and shows how many units a unit invested in assets brings, in terms of profit).

ROE - Net profit/Equity (this is one of the most important indicators that measures a company's performance. This indicator is calculated as the ratio between the net profit obtained by the company and the equity, basically expressing the way in which and the efficiency with which shareholders have invested their money)





10. EXECUTION OF REVENUE AND EXPENDITURE BUDGET

The revenue and expenditure budget for the 2024 financial year was approved at the SOGM on April 29, 2024, by Decision No. 5.

The execution of the revenue and expenditure budget for the 2024 financial year is presented below:

in RON	B.V.C. 2024	Realized 2024	%
1. TOTAL REVENUES	85,100,000	102,409,341	120.34
1.1. Investment income	85,000,000	102,402,122	120.47
1.1.1 Gross dividend income	80,000,000	94,182,204	117.73
1.1.2 Interest income	5,000,000	8,219,918	164.40
1.2 Other revenues	100,000	7,219	7.22
TOTAL EXPENSES	40,050,000	48,578,408	121.29
2.1 Administration expenses	34,800,000	43,042,727	123.69
2.2 External expenses	3,800,000	4,126,158	108.58
2.3 Portfolio management expenses	900,000	947,445	105.27
2.4 BoSR expenses	500,000	462,078	92.42
2.5 Other expenses	50,000		
3. NET GAIN FROM THE VALUATION OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	0	38,677,183	0.00
4. GROSS PROFIT	45,050,000	92,508,115	205.35
5. Profit tax (current and deferred), including dividend income tax	0	5,658,856	0.00
6. NET PROFIT	0	86,849,260	0.00

Table no. 10.1 The execution of the revenue and expenditure budget in 2024

The total Company income registered in 2024 exceeded the budgeted value approved by shareholders by 20.34%.

Total expenses reached a level of 121.29% of the 2024 budgeted value and consisted mainly of the following subcategories:

- Administration expenses representing the fee collected by SAI Muntenia Invest SA, calculated according to the Management Contract in force between the Company and the Administrator:
 - The administration fee calculated and paid on a monthly basis is equal to 0.125% of the total asset value, as certified by the Company Depository for the last working day of the month. In 2024, the amount of this fee amounted to RON 38.72 million.
 - The performance commission calculated at the end of the year and paid after the approval of the financial statements by the Company SGM is equal to 10% of the amount by which the gross profit earned exceeds the gross profit provided for in the revenue and expenditure budget approved by SGM for the year for which the profit was recorded. In 2024, the amount of this fee was RON 4.32 million. The performance fee was not budgeted.

The administration fee of the Administrator for the 2024 financial year was in a total amount of RON 43.04 million, representing 1.74% of the average net assets and 1.67% of the average total assets of the Company in 2024.

- External expenses representing expenses relating to third party services, i.e. expenses relating to service providers: BRD – the depository (the fees are calculated as a percentage of the certified net assets, which increased in 2024),



FSA¹⁰⁵ fees and charges (the fees are calculated as a percentage of the certified net assets, which increased in 2024), the custodian, the Central Depository, the financial auditor of the Company, the internal auditor, expenses incurred for the relationship with investors, expenses incurred on mandatory advertising (which decreased in 2024 as there were fewer current reports and press releases published according to the applicable legal framework), payments to the Trade Register, consultancy expenses;

- Portfolio management expenses including SSIF transaction fees, expenses related to debt collection services, legal assistance expenses, expenses relating to valuation services performed by external valuers, etc.

The net gain on the measurement of assets at fair value through profit or loss was in the amount of RON 38.68 million as at December 31, 2024.

By combining the above-mentioned items, as at December 31, 2024, the Company registered a net profit of RON 86.85 million.

11. SUBSEQUENT EVENTS

APPROVAL OF THE CHANGE OF DIRECTOR OF SAI MUNTENIA INVEST SA, ACCORDING TO THE NEW ORGANIZATIONAL CHART

On 01/03/2025, SAI Muntenia Invest SA, the administrator of Longshield Investment Group SA, informed the shareholders and investors that on 03.01.2025, following the adoption and entry into force of the new organizational chart of the company, the Board of Directors approved the appointment of Mr. Sergiu Mihailov as Deputy CEO BoD, member of the executive management, a position he will occupy temporarily from 03/03/2025 to 01/23/2025.

The Administrator also recalled that, according to the information presented in the current report of Longshield Investment Group SA dated 10/28/2024, the Board of Directors approved on 10/25/2024 the appointment of Mr. Sergiu Mihailov (who previously held the position of Corporate Administration Administrator, member of the executive management) for a new four-year term of office, starting from 01/24/2025 and ending on 01/24/2029. Mr. Sergiu Mihailov was to exercise his new four-year term of office as Director of SAI Muntenia Invest SA only after obtaining the approval decision issued by the Financial Supervisory Authority.

RESULTS OF THE TAKEOVER BID

In January 2025, the results of the public takeover bid launched by Longshield Investment Group Group SA for 18,000,000 shares issued by the Company, through SSIF BRK Financial Group SA, were published, as follows:

On 01/14/2025 at 16:33:00, BVB, as the operator of the regulated market on which the issuer's shares are traded, published on its website, in the section related to the issuer, i.e. <https://www.bvb.ro/FinancialInstruments/Details/FinancialInstrumentsDetails.aspx?s=LONG>, the notification SSIF BRK Financial Group SA - results of the public offer for shares.

On 01/14/2025, Longshield Investment Group SA, through its administrator SAI Muntenia Invest SA, informed its shareholders and investors that on 01/10/2025 the public tender offer for the shares issued by Longshield Investment Group SA, launched by Longshield Investment Group SA, was closed.

The results of the offer are as follows:

1. Longshield Investment Group SA
2. Names of the offeror and the intermediary: Bidder - Longshield Investment Group SA; Bid Intermediary - SSIF BRK Financial Group SA
3. FSA Decision No. 1213/11.12.2024
4. Offer period: 12/18/2024 – 01/10/2025

¹⁰⁵ According to FSA Regulation no. 16/2014 on the revenues of the Financial Supervisory Authority



5. Number and percentage of securities tendered in the offer: 16,362,000 shares, representing 90.90% of the number of shares being offered.
6. Number of securities purchased and total amount paid: 16,362,000 shares, total value of RON 31,905,900
7. Date and method of settlement of the public offer transaction: 01/15/2025, through the Central Depository system
8. Percentage held by the offeror following the closing of the offer: the offeror Longshield Investment Group holds 16,362,000 shares, representing 2.15% of the share capital of the issuer Longshield Investment Group SA.

CHANGES IN THE MANAGEMENT OF THE ISSUER'S ADMINISTRATOR

On 01/27/2025, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed the shareholders and investors in addition to the current report dated 01/03/2025, that on 01/24/2025 the term of office of Mr. Sergiu Mihailov as Deputy CEO (member of the executive management) ended by expiry of his term of office. The Administrator recalled that, according to the information presented in the current report of Longshield Investment Group SA dated 10/28/2024, Mr. Sergiu Mihailov, appointed as a Director for a new term of four years as of 01/24/2025, was in the process of being approved by the Financial Supervisory Authority.

At the same time, according to the information presented in the current report of Longshield Investment Group SA dated 10/04/2024, Mr. Ștefan Dumitru, elected as Managing Director for a 4-year term of office starting 10/19/2024, is in the process of being authorized by the Financial Supervisory Authority.

As a result of the situation presented above, the Board of Directors of SAI Muntenia Invest SA has established that, as of 01/24/2025, the current activity of the company, until the authorization of the CEO and/or the Deputy CEO by the Financial Supervisory Authority, will be ensured by the Board of Directors, according to the continuity plan, by the heads of the departments involved in the company's activity, within the limits of their duties, under the coordination of Mr. Adrian Simionescu - Chairman of the Board of Directors.

FSA AUTHORIZATION NO. 13/04.02.2025 - AUTHORIZATION OF THE ISSUER'S CEO

On 02/04/2025, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed its shareholders and investors that, by Authorization no. 13/February 4, 2025, the Financial Supervisory Authority has authorized Mr. Sergiu Mihailov as Deputy CEO of the Investment Management Company Muntenia Invest SA for a term of office of 4 (four) years, starting from 01/24/2025 and until 01/24/2029, in accordance with the Decisions of the Board of Directors dated 10/25/2024 and 01/03/2025.

The composition of the executive management of SAI Muntenia Invest SA, in the mandate in the context of the authorization mentioned above, is as follows:

- Mr. Sergiu Mihailov
- Mrs. Cristina Gabriela Gagea

Mr. Sergiu Mihailov, Deputy CEO, was still appointed as temporary replacement of the CEO of the Company, until the authorization by the FSA of Mr. Ștefan Dumitru in the position of CEO.

FSA AUTHORIZATION NO. 16/24.02.2025 - AUTHORIZATION OF THE ISSUER'S ADMINISTRATOR

On 02/25/2025, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed its shareholders and investors that, by Authorization no. 16/February 24, 2025, the Financial Supervisory Authority authorized the changes occurred in the organization and functioning of the Investment Management Company Muntenia Invest SA as a result of the change in the composition of the management by appointing Mr. Ștefan Dumitru as Administrator of the Company, in accordance with the Decision of the Shareholders' Ordinary General Meeting dated 10/03/2024 and the Decision of the Board of Directors dated 10/04/2024. Mr. Ștefan Dumitru performs the duties related to the position of CEO of SAI Muntenia Invest SA.

The current composition of the executive management of the Administrator Longshield Investment Group SA, in the mandate in the context of the above-mentioned authorization, is as follows:

- Mr. Ștefan Dumitru
- Mr. Sergiu Mihailov
- Mrs. Cristina Gabriela Gagea



AMENDMENTS REGARDING THE PERMANENT REPRESENTATIVES OF LONGSHIELD INVESTMENT GROUP SA REGISTERED WITH THE TRADE REGISTER

On 03/04/2025, SAI Muntenia Invest SA, the Administrator of Longshield Investment Group SA, informed the shareholders and investors that, on 13.03.2025, the Trade Register Office notified the registration of the amendment regarding the permanent representatives of the administrator in relation to Longshield Investment Group SA in accordance with art. 153¹³ of the *Law 31/1990 on companies*, in conjunction with the provisions of *Emergency Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for amending and supplementing the Law 297/2004 on Capital Market*, as amended and supplemented. The amendment concerns the registration with the Trade Register of the composition of the management of the issuer's Administrator following Authorization no. 16/February 24, 2025 issued by the Financial Supervisory Authority, i.e. the appointment of Mr. Ștefan Dumitru as CEO.

Mr. Sergiu Mihailov - Deputy CEO and Mrs. Cristina Gabriela Gagea - Investment Director, managers authorized by the Financial Supervisory Authority, continue to hold the capacity of permanent representatives of SAI Muntenia Invest SA in relation with Longshield Investment Group SA, in accordance with art. 153⁽¹³⁾ of the *Law 31/1990 on companies*.

12. 2025 PROSPECTS

Global economic growth is projected by the IMF¹⁰⁶ at 3.3% in both 2025 and 2026, below the 2000–2019 average of 3.7%. Global inflation is expected to decline to 4.2% in 2025 and 3.5% in 2026, returning to target levels more quickly in advanced economies:

- United States: Strong growth estimated at 2.7% in 2025 (revised upward by 0.5 pp compared to the previous forecast), supported by a robust labor market and accelerated investment. In 2026, growth is expected to return to its potential level.
- Euro Area: Growth is projected at 1.0% in 2025 (revised downward by 0.2 pp), followed by 1.4% in 2026. Political uncertainty and weakness in the manufacturing sector are constraining recovery.
- China: Growth estimated at 4.6% in 2025, slightly revised upward due to fiscal stimulus and carry-over effects.
- Emerging Markets: Stable forecasts, with persistent risks related to trade and capital flows.

Romania:

The European Commission forecasts¹⁰⁷ a gradual acceleration of real GDP to 2.5% in 2025 and 2.9% in 2026, supported by investments (including EU funds), private consumption, and external demand. Inflation is expected to slow gradually but remain above 3.5% in 2025. The unemployment rate is expected to decline.

The budget deficit is projected to remain elevated, at around 8% of GDP in 2025–2026, while public debt is expected to rise toward 60% of GDP.

Global Risks:

- Geopolitical tensions (e.g., Ukraine, Middle East) may disrupt trade and fuel price spikes in energy and food markets.
- Protectionist policies or excessive deregulation in the U.S. could undermine market stability and increase volatility.
- A loose fiscal policy in the U.S. may provide short-term stimulus but would likely require painful long-term adjustments.
- Renewed inflationary pressures could prompt interest rate hikes and further monetary policy divergence, increasing fiscal, financial, and external vulnerabilities.

¹⁰⁶ <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

¹⁰⁷ https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/romania/economic-forecast-romania_en

- Lower migration to the U.S. could create labor market imbalances and upward pressure on wages and prices.
- The prolongation of trade, military, and political tensions and conflicts may increase capital risk and have a greater impact on the international economy.

Potential Opportunities:

- Structural reforms and new trade agreements could boost investment and sustainable medium-term growth.
- Measures to increase labor force participation, support innovation, and improve resource allocation efficiency could raise the global growth potential.

Resolution of military conflicts in Ukraine and the Middle East could enhance trade, stimulate demand, reduce prices, and contribute to lower interest rates.

13. STRATEGIC PRIORITY OBJECTIVES FOR 2025

The priority strategic objectives and directions of action for 2025 will be presented in detail in the *Management Program and the Revenue and Expenditure Budget of Longshield Investment Group SA for 2025*, which will be submitted to the approval of the shareholders.

Summary:

- The investment strategy aims for the Company's portfolio to have well-defined characteristics of a balanced fund, combining assets (different types of financial instruments) with the potential to increase the value of assets under management and investment income. The Company's strategy and portfolio are in line with the requirements of the European regulations on alternative investment funds.
- The Administrator does not invest in derivative financial instruments (traded on regulated markets, organized trading facilities (OTFs) or over the counter/ OTC) on behalf of itself or the Company and does not use leverage in the investment policy adopted in connection with the management of the Company.

The Company's financial objective is to manage its asset portfolio in a financially efficient manner, capable of ensuring a steady flow of income, preservation and medium to long-term growth of capital, with the aim of increasing shareholder value and maximizing returns on invested capital.

PRIORITY STRATEGIC OBJECTIVES FOR 2025

- Continue to restructure the portfolio and manage it efficiently to ensure sustainable long-term growth;
- Continuing the investment process, with a focus on investments in Romania and listed shares.





ANNEXES

- Financial statements as at December 31, 2024 prepared in accordance with the provisions of FSA Regulation no. 39/28 December 2015, as amended and supplemented, which include:
 - Statement of financial position,
 - Statement of profit or loss and other comprehensive income,
 - Statement of changes in equity,
 - Statement of Cash flows,
 - Notes to the financial statements;
- Detailed statement of Longshield Investment Group SA's investments as at December 31, 2024, prepared in accordance with Annex No. 11 of Regulation No. 7/2020;
- Statement of responsibility for preparing the financial statements as at December 31, 2024;
- Statement on the application of corporate governance principles for Longshield Investment Group SA (in accordance with the Annex to FSA Regulation no. 2/2016 as amended and supplemented);
- Status of compliance with the BVB Corporate Governance Code as at December 31, 2024;
- Remuneration report of SAI Muntenia Invest SA for the 2024 financial year according to the Remuneration Policy.
- The updated Articles of Association of Longshield Investment Group SA, in accordance with FSA Authorization no. 36/22.03.2024;
- The updated Articles of Association of Longshield Investment Group SA, in accordance with FSA Authorization no. 153/15.11.2024

Longshield Investment Group SA by way of its
Administrator
SAI Muntenia Invest SA

Deputy General Manager,
Sergiu MIHAILOV



Longshield Investment Group SA by way of
its Administrator
SAI Muntenia Invest SA

Chief Accountant,
Irina MIHALCEA



LONGSHIELD INVESTMENT GROUP S.A.

Financial Statements as at 31 December 2024

prepared according to Norm no. 39/2015 for the approval of
Accounting Regulations in accordance with the International
Financial Reporting Standards, applicable to entities
authorised, regulated and supervised by the Financial
Supervisory Authority of the Financial Instrument and
Investment Sector and according to the International
Financial Reporting Standards as adopted by the European
Union

Table of Contents

The Independent Auditor's Report

Financial Statements

The Statement of Profit or Loss and Other Comprehensive Income	1
The Statement of Financial Position	2
The Statement of Changes in Equity	3 – 4
The Statement of Cash Flows	5 – 6
Notes to the Financial Statements	7 – 65

The Statement of Profit or Loss and Other Comprehensive Income

for the financial year ended 31 December 2024

In RON

	Note	2024	2023
Gross dividend income	6	94,182,204	82,513,919
Interest income calculated using the effective interest method	7	8,219,918	6,581,063
Other operating income		7,219	12,265
Net gain/(Net loss) from exchange rate differences		1,493,419	(348,116)
Net gain on financial assets at fair value through profit or loss	8	36,127,258	187,959,686
Total income		140,030,018	276,718,817
Administration fees	22	(43,042,727)	(50,226,268)
Expenses on the remuneration of the members of the Board of Shareholders' Representatives and staff salaries	22	(451,854)	(449,905)
Net impairment adjustments for other assets	14	1,056,506	(920,478)
Other operating expenses	9	(5,083,827)	(4,170,567)
Total operating expenses		(47,521,902)	(55,767,218)
Profit before tax		92,508,116	220,951,599
Income tax	10	(5,658,856)	(8,148,578)
Net profit for the period		86,849,260	212,803,021
Other comprehensive income			
Items that cannot be reclassified as profit or loss			
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax		153,122,182	162,769,881
Income tax related to financial assets at fair value through other comprehensive income	10	(245,275)	-
Other comprehensive income		152,876,907	162,769,881
Total comprehensive income for the period		239,726,167	375,572,902
Earnings per share			
Basic	19	0.114	0.280
Diluted	19	0.114	0.280

The financial statements were authorised for issue by the Board of Directors on 21 March 2025 and were signed on its behalf by SAI Muntenia Invest S.A., the administrator of Longshield Investment Group S.A., by:

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Sergiu MIHAILOV
Deputy General Manager



PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

The notes on pages 7 to 65 are an integral part of the Financial Statements.



The Statement of Financial Position

as at 31 December 2024

<i>In RON</i>	<i>Note</i>	31 December 2024	31 December 2023 Restated
Assets			
Cash and cash equivalents	11	65,414,241	46,871,575
Deposits with banks	12	106,975,692	159,986,022
Financial assets at fair value through profit or loss	13 a) 23	1,165,702,124	1,083,470,993
Financial assets at fair value through other comprehensive income	13 b) 23	1,230,669,391	1,036,654,658
Financial assets at amortized cost	13 c)	1,257,442	-
Other assets	14	12,103,419	2,708,399
Total assets		2,582,122,309	2,329,691,647
Liabilities			
Dividends payable	15	567,056	567,056
Deferred tax liabilities	16	99,360,198	71,444,815
Other liabilities	17	8,476,877	23,687,765
Total liabilities		108,404,131	95,699,636
Equity			
Share capital	18 a)	833,686,928	859,471,059
Own shares	18 e)	-	(38,175,588)
Retained earnings		1,150,075,221	1,068,612,366
Reserves on financial assets at fair value through other comprehensive income	18 b)	489,956,029	344,084,174
Total equity		2,473,718,178	2,233,992,011
Total liabilities and equity		2,582,122,309	2,329,691,647

The financial statements were authorised for issue by the Board of Directors on 21 March 2025 and were signed on its behalf by SAI Muntenia Invest S.A., the administrator of Longshield Investment Group S.A., by:

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Sergiu MIHAILOV
Deputy General Manager

Sergiu Mihailov



PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

Irina Mihalcea

The notes on pages 7 to 65 are an integral part of the Financial Statements.



The Statement of Changes in Equity

for the financial year ended 31 December 2024

In RON

	Share capital	Own shares	Reserves on financial assets at fair value through other comprehensive income	Retained earnings	Total
Balance as at 31 December 2023	859,471,059	(38,175,588)	344,084,174	1,068,612,366	2,233,992,011
Comprehensive income					
<i>Profit for the financial year</i>	-	-	-	86,849,260	86,849,260
<i>Other comprehensive income</i>					
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax*)	-	-	153,122,182	-	153,122,182
Fair value reserve for financial assets at fair value through other comprehensive income transferred to retained earnings	-	-	(7,250,327)	7,250,327	-
Income tax related to financial assets at fair value through other comprehensive income	-	-	-	(245,275)	(245,275)
Total comprehensive income for the period	-	-	145,871,855	93,854,312	239,726,167
Transactions with shareholders, recognised directly in equity					
Prescribed dividends	-	-	-	-	-
Share capital decrease	(25,784,131)	38,175,588	-	(12,391,457)	-
Own shares redeemed	-	-	-	-	-
Total transactions with shareholders, recognised directly in equity	(25,784,131)	38,175,588	-	(12,391,457)	-
Balance as at 31 December 2024	833,686,928	-	489,956,029	1,150,075,221	2,473,718,178

*) Reserves from the revaluation at fair value of financial assets at fair value through other comprehensive income shall not be re-classified as profit or loss.

ADMINISTRATOR,

SAI MUNTENIA INVEST S.A.

Sergiu MIHAILOV

Deputy General Manager

Sergiu Mihailov



PREPARED BY,

SAI MUNTENIA INVEST S.A.

Irina MIHALCEA

Chief Accountant

Irina Mihalcea

The notes on pages 7 to 65 are an integral part of the Financial Statements.

The Statement of Changes in Equity (continued)

for the financial year ended on 31 December 2024

In RON

	Share capital	Own shares	Reserves on financial assets at fair value through other comprehensive income Restated	Retained earnings Restated	Total Restated
Balance as at 31 December 2022	859,471,059	(38,175,588)	213,107,162	824,016,476	1,858,419,109
Comprehensive income					
<i>Profit for the period</i>	-	-	-	212,803,021	212,803,021
<i>Other comprehensive income</i>					-
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax*)	-	-	162,769,881	-	162,769,881
Fair value reserve for financial assets at fair value through other comprehensive income transferred to retained earnings	-	-	(31,792,869)	31,792,869	-
Total comprehensive income for the period	-	-	130,977,012	244,595,890	375,572,902
Transactions with shareholders, recognised directly in equity					
Prescribed dividends	-	-	-	-	-
Share capital decrease	-	-	-	-	-
Own shares redeemed	-	-	-	-	-
Total transactions with shareholders, recognised directly in equity	-	-	-	-	-
Balance as at 31 December 2023	859,471,059	(38,175,588)	344,084,174	1,068,612,366	2,233,992,011

*) Reserves from the revaluation at fair value of financial assets at fair value through other comprehensive income shall not be re-classified as profit or loss.

ADMINISTRATOR,,
SAI MUNTENIA INVEST S.A.
Sergiu MIHAILOV
Deputy General Manager

Sergiu Mihailov



PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant

Irina Mihalcea



The notes on pages 7 to 65 are an integral part of the Financial Statements.

The Statement of Cash Flows

for the financial year ended 31 December 2024

<i>In RON</i>	<i>Note</i>	2024	2023
Operating activities			
Profit/(Loss) before tax		92,508,116	220,951,599
<i>Adjustments:</i>			
(Reversals)/Establishments of impairment of other assets	14	(1,056,506)	920,478
(Net gain)/Net loss on financial assets at fair value through profit or loss	8	(36,127,258)	(187,959,686)
Gross dividend income	6	(94,182,204)	(82,513,919)
Interest income	7	(8,219,918)	(6,581,063)
(Net gain)/Net loss from exchange rate differences		(1,493,419)	348,116
Interest expenses related to the lease contract liability	14i)	664	1,171
Adjustments for suppliers – accruals and other adjustments		7,617,644	21,681,417
Changes in assets and liabilities related to operating activities			
Net (payments)/ receipts of financial assets at fair value through profit or loss		(46,309,372)	41,817,620
Net (payments)/ receipts of financial assets at fair value through other comprehensive income		(14,133,455)	24,265,799
(Payments)/Receipts from financial assets measured at amortised cost		(1,244,000)	-
(Payments)/ receipts of other assets		(10,717,303)	1,934,998
(Payments)/ receipts of other liabilities		(22,465,922)	(47,502,460)
Net change in deposits with a maturity of more than 3 months and less than a year	12	52,644,521	(54,440,768)
Dividends received		92,081,041	77,031,268
Interest received		8,701,652	6,018,252
Income tax paid		(545,799)	-
Net cash from operating activities		17,058,482	15,972,822
Investment activities			
Payments for purchases of tangible and intangible assets		-	(417)
Net cash used in investment activities		-	(417)
Financing activities			
Payments related to the lease contract liability, including interest	14i)	(10,388)	(10,324)
Net cash used in financing activities		(10,388)	(10,324)
Net increase in cash and cash equivalents		17,048,094	15,962,081
Effect of exchange rate changes on cash and cash equivalents		1,494,572	(358,292)
Cash and cash equivalents as at 1 January		46,871,575	31,267,786
Cash and cash equivalents as at 31 December		65,414,241	46,871,575



The Statement of Cash Flows

for the financial year ended 31 December 2024

The cash and cash equivalents as at 31 December include:

<i>In RON</i>	<i>Note</i>	2024	2023
Petty cash		1,309	1,309
Cash at bank		1,739,977	20,764,322
Bank deposits with the initial maturity less than 3 months		63,531,454	25,880,220
Related receivables		141,501	225,724
Cash and cash equivalents	11	65,414,241	46,871,575

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Sergiu MIHAILOV
Deputy General Manager



PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant



The notes on pages 7 to 65 are an integral part of the Financial Statements.





Notes to the Financial Statements

for the financial year ended 31 December 2024

1. The reporting entity

Longshield Investment Group S.A., formerly called SIF Muntenia S.A., ("the Company") is a collective investment undertaking established in 1996 through the reorganisation and transformation of Fondul Proprietății Private IV Muntenia, pursuant to Law no. 133/1996 for the transformation of Private Property Funds into financial investment companies, being classified as another collective investment undertaking (non-UCITS) according to Law no. 297/2004 on the capital market. Longshield Investment Group SA, formerly called SIF Muntenia S.A., is operating in Romania according to the provisions of the Companies Law no. 31/1990, Law no. 297/2004 on the capital market and Law no. 24/2017 on issuers of financial instruments and market operations. Under Authorisation no. 151/09.07.2021, the Financial Supervisory Authority authorised the Company as an Alternative Investment Fund intended for Retail Investors (AIFRI).

The name Longshield Investment Group S.A was authorised by the Financial Supervisory Authority under Authorisation no. 36/22.03.2024 who authorised the changes made to the Articles of Incorporation of SIF Muntenia S.A., in accordance with the Decision of the Company Shareholders' Extraordinary General Meeting no. 4 of 03.02.2024, following the change of the Company's name from Societatea de Investiții Financiare Muntenia S.A. to Longshield Investment Group S.A.

The Company registered office is in 46-48 Serghei Vasilievici Rahmaninov St., the ground floor, room 2, District 2, Bucharest, Romania.

The sole scope of activity of the Company concerns the nature of other collective investment undertaking (non-UCITS) of the fund, the Company carrying out activities such as:

- Performing financial investment, in order to maximise the value of its own shares, in accordance with the regulations in force;
- Managing the investment portfolio and exercising all rights associated with the instruments in which it invests;
- Managing risks;
- Other ancillary and adjacent activities, in accordance with regulations in force.

The Company operates on the basis of a management contract concluded with Societatea de Administrare a Investițiilor Muntenia Invest S.A., certified as an Alternative Investment Fund Manager (AIFM) under number PJR08.AFIAA/400002/15.11.2024. According to the provisions of art. 3(2) of Law no. 74/2015, as subsequently amended and supplemented, AIFM means any legal person whose main activity is the management of one or more alternative investment funds.

The Company shares have been listed on the Bucharest Stock Exchange, in the premium category, under code SIF4, since 1 November 1999.

The records of the shares and shareholders are kept according to the law by Depozitarul Central S.A. of Bucharest. The asset depositing services are provided by BRD – Groupe Société Générale S.A. – a company authorised by the Financial Supervisory Authority (FSA).

2. Basis of preparation

(a) Declaration of conformity

The financial statements have been prepared according to the provisions of FSA Norm no. 39/28 December 2015 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards, applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority in the Financial Instrument and Investment Sector, as subsequently amended and supplemented ("FSA Norm no. 39/2015"). Within the meaning of the FSA Norm no. 39/2015, the International Financial Reporting Standards are those adopted according to the procedure provided for by Regulation (EC) no. 1606/2002 ("IFRS adopted by the European Union").

Notes to the Financial Statements

for the financial year ended 31 December 2024



2. Basis of preparation (continued)

(a) Declaration of conformity (continued)

The financial statements have been prepared in accordance with requirements laid down by IFRS adopted by the European Union.

The Company's financial statements have been prepared, approved and will be made available to the public in electronic format on the Company's website: www.longshield.ro

These financial statements have been prepared on a going concern basis, which implies that the Company will continue as a going concern, without any significant reduction thereof, in the foreseeable future.

The Company meets the criteria for classification as an investment entity in accordance with the provisions of IFRS 10 "Consolidated Financial Statements".

The criteria for classification as an investment entity were analysed in 2024 given that the Company has more than one investment, obtains funds from more than one investor, has investors who are not related parties and has equity interests in investment held that it measures substantially at fair value. The Company's purpose is to invest in funds obtained in order to make gains and/or income from investment. The analysis also took into account the following aspects:

- The communication of the Company business objectives to investors;
- Exit (divestiture) strategies for the investments held by the Company;
- Activities carried out by the Company with its subsidiaries;
- Fair value measurement of the Company's investments.

As an investment entity, the Company has different exit strategies for different types or portfolios of investment, including a realistic time frame for divestiture.

The Administrator's exit strategies are developed over a time horizon between 3 and 5 years, depending on the specifics of the entities in which it has invested, as well as the market in which they operate, aiming to maximise the value of its own shares.

The application of this exception from consolidation means that an investment entity does not have to consolidate its subsidiaries or to apply IFRS 3 "Business Combinations" when it gains control of another entity. On the other hand, it has to evaluate an investment in a subsidiary at fair value through profit or loss according to IFRS 9 "Financial Instruments".

(b) Presentation of the financial statements

The Company has adopted a presentation based on liquidity in the statement of its financial position and a presentation of income and expenses according to the nature thereof in the statement of profit or loss and other comprehensive income, considering that these presentation methods provide information that is credible and more relevant than the information that would have been presented based on other methods allowed by IAS 1.

(c) Basis of measurement

The financial statements are prepared on the fair value basis for financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income.

Other financial assets and liabilities, as well as non-financial assets and liabilities are presented at amortised cost, revalued amount or historical cost.

The methods used to measure fair value are presented in Note 3(e)(iv) and Note 5.

Notes to the Financial Statements

for the financial year ended 31 December 2024

2. Basis of preparation (continued)

(d) Functional and presentation currency

The Company management deems the functional currency, as defined by IAS 21 "The Effects of Changes in Foreign Exchange Rates", to be the Romanian Leu (RON). The financial statements are prepared and presented in RON, rounded off to the nearest RON, a currency which the Company management has chosen as the presentation currency. The Romanian Leu is the functional currency because this is the currency of the economic environment in which it operates, namely on Romanian territory. The financial assets and liabilities held by the Company are mostly expressed in this currency, the sale and purchase prices of goods and services are expressed and settled in RON, the funds generated/used from/in the operating, financing and investment activities are in RON.

(e) Use of estimates and judgments

The preparation of the financial statements according to IFRS adopted by the European Union involves the use by the management of estimates, judgments and assumptions that affect the application of accounting policies, as well as the reported value of assets, liabilities, income and expenses. The judgments and assumptions associated with these estimates are based on historical experience, as well as other factors deemed to be reasonable in the context of these estimates. The results of these estimates form the basis for the judgments about the book values of assets and liabilities that cannot be obtained from other sources of information. The results obtained may differ from the estimated values.

The judgments and assumptions underlying them are reviewed regularly. Accounting estimate revisions are recognised during the period when the estimate is revised, if the revision only affects that period, or during the period when the estimate is revised and future periods, if the revision affects both the current and future periods.

Judgments by the management in the application of IFRS that have a major effect on financial statements, as well as estimates involving a major risk of a material adjustment during the coming year are presented in Note 4 and Note 5.

(f) Changes in accounting policies – significant information regarding accounting policies

The Company also adopted the document "Presentation of Accounting Policies (Amendments to IAS 1 and Statement 2 regarding IFRS practice)" as of 1 January 2023. Although the amendments did not lead to changes in the accounting policies in this regard, they did have an impact on the information regarding accounting policies presented in the financial statements.

The amendments provide for the presentation of "significant" accounting policies. The amendments also provide guidance on the application of the significance in the presentation of accounting policies.



Notes to the Financial Statements

for the financial year ended 31 December 2024

2. Basis of preparation (continued)

(g) The impact of the Russian-Ukrainian military conflict and other international events and trends on the Company's financial position and performance

Inflation remains an economic factor that affects the entire Romanian economy, but mainly final consumers. The Board of Directors of the NBR (National Bank of Romania) analysed the Inflation Report, the February 2025 edition, and according to the current forecast, the annual inflation rate will experience a pronounced fluctuation in the first half of 2025 - against the background of the two-way base effects that will manifest themselves over this time horizon, and in the second half it will decrease on a higher trajectory than the one in the previous projection, remaining above the 2.5% target until the end of 2025.

The NBR kept the monetary policy interest rate unchanged in February 2025 at 6.5%, a level that was also maintained at the monetary policy meetings in January 2025 and November 2024.

The development of the military aggression in Ukraine and the associated sanctions generate considerable uncertainties and risks regarding the outlook of economic activity, implicitly the medium-term evolution of inflation, through the greater effects exerted on the purchasing power and confidence of consumers, as well as on the activity of companies. The peace negotiations that began in February 2025 are ongoing, and their impact on the Company's activity is difficult to quantify. The Company has no investment or exposures in the area of the military conflict in Ukraine.

At the same time, the conflict in the Middle East represents a major source of geopolitical risk, as a consequence, the confidence of companies and of the population regarding future developments could diminish, and international trade could be disrupted. In January 2025 began the first phase of the agreement between Israel and Hamas, namely the release of prisoners. The Company has no investment or exposures in the Middle East.

Also, the absorption and use of European funds are conditioned on the achievement of strict targets and milestones, which are essential for achieving the necessary structural reforms, but also for counterbalancing, at least partially, the contractionary effects of geopolitical conflicts (energy transition).

The Administrator identified the main risks and uncertainties to which the Company is exposed, these being mainly related to the market risk, through the volatility of quotations on the entire capital market and implicitly of the financial instruments held in the Company's portfolio. Another potential risk is that of contagion, in relation to the activities carried out by most of the entities in which the Company holds shares, with the probability of a decrease in the fair value of the financial assets. We note that the risks presented are not exclusively incident to the Company, but they affect the entire European financial market.

However, the Administrator of the Company believes that the continuity of its activity will not be affected.



Notes to the Financial Statements

for the financial year ended 31 December 2024



3. Material accounting policies

The material accounting policies set out below have been consistently applied to all periods presented in these financial statements.

(a) Subsidiaries and associates

Subsidiaries are entities under the control of the Company. Control exists if, and only if, the Company wholly has the following: authority over the investee, exposure or rights to the variable earnings based on its participation in the investee and the ability to use its authority over the investee to influence the amount of the investor's earnings.

When assessing control, potential or convertible voting rights that may be exercised at that time are also taken into account.

If the Company has shareholdings classified as financial assets at fair value through other comprehensive income and it acquires control through a phased acquisition, the Company reclassifies the shareholding from financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss. Changes in fair value previously recognised in other comprehensive income are derecognised on the same basis as if the shareholding had been assigned, i.e. under retained earnings.

Associates are companies within which the Company can exert significant influence, but not control over their financial and operating policies. As of 31 December 2024, the Company has not identified shareholdings that meet the criteria for classification as an associate.

The Company measures investment in subsidiaries and associates at fair value through profit or loss in accordance with IFRS 9 "Financial Instruments".

(b) Foreign currency transactions

Transactions in foreign currency are recorded in RON at the official exchange rate of the transaction settlement date. Monetary assets and liabilities recorded in foreign currencies by the preparation of the statement of the financial position are converted into the functional currency at the exchange rate of that day.

Gains or losses from their settlement and from the conversion using the exchange rate at the end of the financial period of monetary assets and liabilities in foreign currencies are recognised under profit or loss.

Conversion differences in relation to non-monetary items such as shareholdings at fair value through profit or loss are presented as gains or losses from fair value. Foreign exchange differences related to non-monetary financial assets, denominated in foreign currency and classified at fair value through other comprehensive income, are reflected in a separate reserve account.

The exchange rates of the main foreign currencies were:

Currency	31 December 2024	31 December 2023	Variation
Euro (EUR)	1: RON 4.9741	1: RON 4.9746	-0.01%
US Dollar (USD)	1: RON 4.7768	1: RON 4.4958	6.25%

(c) Accounting for the effect of hyperinflation

According to IAS 29, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy should be presented in the current unit of measurement at the end of the reporting period (non-monetary items are restated using a general price index of the date of acquisition or contribution).

Notes to the Financial Statements

for the financial year ended 31 December 2024



3. Material accounting policies (continued)

(c) Accounting for the effect of hyperinflation (continued)

According to IAS 29, an economy is deemed to be hyperinflationary if, in addition to other factors, the cumulative inflation rate over a three-year period exceeds 100%. The continuous decrease of the inflation rate and other factors related to the characteristics of the Romanian economic environment indicate that the economy whose functional currency has been adopted by the Company has ceased to be hyperinflationary, with effect on the financial periods from 1 January 2004. Thus, the provisions of IAS 29 were adopted in the preparation of the financial statements until 31 December 2003, and these financial statements are affected by the application of IAS 29 primarily by the adjustment applied to the share capital.

(d) Cash and cash equivalents

Cash and cash equivalents include: cash, cash at bank and deposits with banks with an original maturity of less than 90 days (excluding frozen deposits).

(e) Financial assets and liabilities

(i) Classification

The Company classifies financial instruments held according to IFRS 9 "Financial Instruments" into the following categories:

Financial assets measured at amortised cost

A financial asset is measured at *amortised cost* if it meets both conditions set out below and is not designated as measured at fair value through profit or loss:

- It is held within a business model whose objective is to keep assets for the collection of contractual cash flows; and
- Its contractual terms generate, on certain dates, cash flows that are only payments of the principal and interest related to the outstanding principal amount.

Financial assets at fair value through other comprehensive income

A financial asset is measured at *fair value through other comprehensive income* only if it meets both conditions listed below and is not designated at fair value through profit or loss:

- It is held within a business model whose objective is achieved both by collecting contractual cash flows and by selling financial assets; and
- Its contractual terms generate, on certain dates, cash flows which represent only payments of the principal and interest related to the outstanding principal amount.

Upon initial recognition of an investment in equity instruments not held for trading, the Company may irrevocably choose to present subsequent changes in fair value under other comprehensive income. This option applies to each instrument, as appropriate.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or at fair value through other comprehensive income, as described above, shall be measured at *fair value through profit or loss*. Moreover, on initial recognition, the Company may irrevocably designate a financial asset, which in fact meets the requirements for measurement at amortised cost or fair value through other comprehensive income, to be measured at fair value through profit or loss if this eliminates or significantly reduces an accounting inconsistency that would arise if it were done otherwise.

Notes to the Financial Statements

for the financial year ended 31 December 2024

3. Material accounting policies (continued)

(e) Financial assets and liabilities (continued)

(ii) Recognition

Financial assets and financial liabilities are recognised on the date when the Company becomes a contracting party to the terms of such instrument. Financial assets and liabilities are measured on the initial recognition at fair value.

(iii) Offsets

Financial assets and liabilities are offset, and the net result is presented in the statement of the financial position only when there is a legal right of set-off and the intention is to settle them on a net basis or to realise the asset and settle the debt simultaneously.

Income and expenses are presented on a net basis only when permitted by accounting standards or for the profit and loss arising from the gains and losses on trading activity.

(iv) Measurement

Measurement at amortised cost

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured after the initial recognition, less the principal payments, plus or minus the accumulated depreciation up to that point using the effective interest method, less the reductions related to impairment losses. This category includes cash and cash equivalents, bank deposits, receivables and payables.

Fair value measurement

Fair value is the price that would have been received on the sale of an asset or that would have been paid for the transfer of a liability in a regulated transaction between participants in the market or, in the absence of the main market, on the most advantageous market for that asset or liability as of the valuation date.

The Company measures the fair value of a financial instrument using the prices quoted in an active market for that instrument. A financial instrument has an active market if quoted prices are available quickly and regularly for that instrument. See Note 5.



Notes to the Financial Statements

for the financial year ended 31 December 2024

3. Material accounting policies (continued)

(e) Financial assets and liabilities (continued)

The market price used to determine the fair value is the closing price of the market on the last trading day.

In the absence of a price quotation in an active market, the Company uses valuation techniques based on updated cashflow analysis and other valuation methods commonly used by market participants, making the most of market information, relying as little as possible on Company-specific information. The Company uses valuation techniques that maximise the use of observable data and minimise the use of unobservable data.

The value resulting from the use of a valuation model is adjusted for a number of factors, seeing as valuation techniques do not reliably reflect all the factors considered by market participants when concluding a transaction. Adjustments are recorded to reflect risk patterns, differences in selling and buying quotes, liquidity risks and other factors. See Note 5.

Fund units are measured at the net asset value per unit, calculated by the fund administrator using closing quotes for the financial instruments held by the funds. If the Company notices that the net asset value per unit is not representative of the fair value, it uses public information on the fund holdings (financial statements, audit reports, the portfolio structure, etc.), and obtains a corrected NAVU with any adjustments deemed necessary to the net asset value following the analysis of the aforementioned public information. See Note 5.

Bonds at fair value through profit or loss are valued using a valuation model that takes into account the closing quote published by Bloomberg for these instruments, as well as an adjustment factor that takes into account mainly the liquidity risk in the market of the instrument. See Note 13 a).

(v) The identification and measurement of the impairment

Financial assets measured at amortised cost

The expected credit loss represents the difference between all contractual cashflows due to the Company and all cashflows which the Company expects to receive, discounted at the original effective interest rate.

A financial asset or group of financial assets is impaired as a result of the credit risk if one or more events have occurred with a negative impact on the expected future cashflows of the assets.

The Company assesses whether the credit risk for a financial asset has increased significantly since the initial recognition based on the information available, at no cost or unreasonable effort, which is an indicator of significant increases in the credit risk since the initial recognition.

Depending on the credit risk, the Company recognises expected credit losses, as follows:

- a) For financial assets, other than purchased or issued financial assets impaired due to a credit risk, for which the credit risk has increased significantly since initial recognition, or are in default, the expected loss is measured at an amount equal to the expected losses over the entire lifetime of said asset;
- b) For financial assets, other than purchased or issued financial assets impaired due to a credit risk, for which the credit risk has not increased significantly since initial recognition, the expected loss is measured at the level of the expected losses for 12 months.



Notes to the Financial Statements

for the financial year ended 31 December 2024



3. Material accounting policies (continued)

(e) Financial assets and liabilities (continued)

(vi) The identification and measurement of the impairment

(vii) Financial assets measured at amortised cost

The impairment gain or loss is determined as the difference between the book value of the financial asset and the present value of future cashflows using the effective interest rate of the financial asset at the original time.

(vi) Derecognition

The Company derecognises a financial asset when the rights to receive cashflows from that financial asset expire or when the Company has transferred the rights to receive the contractual cash flows related to that financial asset in a transaction in which it has significantly transferred all the risks and benefits of the property right.

Any interest in transferred financial assets held by the Company or created for the Company is recognised separately as an asset or a liability.

The Company derecognises a financial liability when the contractual obligations are discharged or cancelled or expire.

(vii) Gains and losses on disposal

The gain or loss on the disposal of a financial asset or a financial liability measured at fair value through profit or loss is recognised under the current profit or loss.

Upon the derecognition of the equity instruments designated in the category of financial assets measured at fair value through other comprehensive income, cumulative gains or losses representing valuation gains or losses recorded under revaluation reserves recognised in Other comprehensive income are transferred to retained earnings (the profit carried forward representing the net realised surplus – IFRS 9).

A gain or a loss related to a financial asset that is measured at amortised cost is recognised under current profit or loss when the asset is derecognised.

(viii) Reclassification

Equity instruments designated at fair value through other comprehensive income upon initial recognition may not be reclassified.

(viii) Reclassification (continued)

For debt instruments, reclassification is mandatory when the Company changes its business model related to the management of financial assets. These reclassifications are expected to have a very low frequency.

Reclassifications are applied prospectively, from the date of the reclassification on the first day of the reporting period following the change in the business model. The entity does not restate previously recognised gains, losses (including impairment gains or losses) or interests.

(f) The share capital

Ordinary shares are recognised under the share capital.

Redeemed own shares are recognised directly under equity at the redemption price. When the entity redeems its own shares, those shares will be deducted from equity. The entity's own shares will not be recognised as a financial asset, regardless of the reason for which they were redeemed (IAS 32.AG36).

Gains or losses related to the issue, redemption, sale, free transfer or cancellation of the Company's equity instruments are recognised through profit or loss.

Notes to the Financial Statements

for the financial year ended 31 December 2024



3. Material accounting policies (continued)

(g) Provisions for risks and expenses

Provisions are recognised in the statement of the financial position when a liability arises for the Company related to a past event and the consumption of economic resources is likely to be necessary in the future to settle such liability, and a reasonable estimate of the amount of the liability can be made.

In order to determine the provision, future cash flows are discounted using a pre-tax discount rate that reflects current market conditions and the risks specific to that liability.

(h) Interest income and interest expenses

For financial assets measured at amortised cost, interest income and expenses are recognised under profit or loss using the effective interest rate method. The effective interest rate is the rate that accurately discounts payments and receipts in cash expected in the future over the expected life of the financial asset or liability (or, where applicable, over a shorter period) to the book value of that financial asset or liability. The amount of the interest related to the liability arising from the lease agreement is determined using a discount rate that can be the interest rate of the agreement or the lessee's marginal borrowing rate and is recognised under profit or loss.

For financial assets at fair value through profit or loss, interest income is recognised under profit or loss as part of the "Net gain/(Net loss) on financial assets at fair value through profit or loss".

(i) Dividend income

Dividend income is recognised under profit or loss on the date when the right to receive such income is established.

In the case of dividends received in the form of shares, as an alternative to payment in cash, dividend income is recognised at the level of the cash that would have been received, corresponding to the increase of the related shareholding. The Company does not record dividend income related to shares received free of charge when they are proportionally distributed to all shareholders.

Dividend income is recorded on a gross basis that includes dividend tax, which is recognised as a current income tax expense.

(j) Employee benefits

(i) Short-term benefits

Liabilities related to short-term employee benefits are not discounted and are recognised in the statement of profit or loss and other comprehensive income as the related service is provided.

Short-term employee benefits include salaries and bonuses. Short-term employee benefits are recognised as an expense when the services are provided. A provision is recognised for amounts expected to be paid as cash bonuses in the short term provided that the Company currently has a legal or implied obligation to pay those amounts as a result of past services provided by the employees and if that obligation can be reliably estimated.

(ii) Defined contribution plans

All Company employees are insured and have the legal obligation to contribute (through social contributions) to the Romanian State pension system (a defined State contribution plan).

The Company is not involved in any independent pension system and, consequently, has no other obligations in this respect. The Company is not involved in any other post-retirement benefit system. The Company has no obligation to provide subsequent services to former or current employees.

Notes to the Financial Statements

for the financial year ended 31 December 2024



3. Material accounting policies (continued)

(j) Employee benefits (continued)

(iii) Long-term employee benefits

The Company net liability in respect of long-term service related benefits is the amount of future benefits which employees have earned in return for services rendered by them during the current and prior periods.

The Company has no obligation to grant benefits to employees at the time of their retirement.

(k) Profit tax

The profit tax for the year includes the current tax and the deferred tax. The current profit tax includes the tax on dividend income recognised on a gross basis.

The profit tax is recognised in the statement of the profit or loss and other comprehensive income if the tax relates to capital items.

The current tax is the tax payable on the profit earned during the current period, determined on the basis of percentages applied by the date of the statement of the financial position and all adjustments related to previous periods.

The deferred tax is determined for any temporary differences occurring between the tax base for calculating the tax on assets and liabilities and their book value used for reporting in the financial statements.

The deferred tax is not recognised for the following temporary differences: the initial recognition of the goodwill, the initial recognition of assets and liabilities resulting from transactions that are not business combinations and do not affect the accounting or the tax profits and differences resulting from investment in subsidiaries, provided that they are not reversed in the near future. The deferred tax is calculated based on the tax rates expected to be applicable to temporary differences upon their reversal, based on laws in force as of the reporting date or issued by the reporting date and which will enter into force thereafter.

Deferred tax assets and liabilities are only offset if there is a legal right to offset current tax liabilities and assets and if they relate to the tax collected by the same tax authority for the same entity subject to tax and the Company intends, to settle the current tax assets and settle the liabilities simultaneously.

The deferred tax asset is only recognised if it is likely to earn future profits that can be used to cover the tax loss. The relevant asset is revised at the end of each financial period and is reduced to the extent that the related tax benefit is unlikely to materialise.

The tax result is determined on the basis of income and expense items in the Profit or Loss Statement plus items similar to income and minus items similar to expenses recorded under retained earnings, as a result of the application of IFRS 9.

For financial periods ended 31 December 2024 and 31 December 2023, the profit tax rate was 16%. The income from the valuation/revaluation/sale/assignment of shareholdings in a Romanian legal entity or in a foreign legal entity located in a state with which Romania has concluded a double taxation treaty is non-taxable income if, by the time of the valuation/revaluation/sale/assignment, inclusive, the Company holds at least 10% of the share capital of the legal entity where it has the shareholdings for an uninterrupted period of one year.

The tax rate related to taxable dividend income for the financial periods ended 31 December 2024 and 31 December 2023 is 8%. The dividend tax is established by applying a tax rate to the gross dividend paid to a Romanian legal entity. Dividends received from a Romanian legal entity are non-taxable income if, by the payment of the dividends, the Company holds at least 10% of the share capital of the legal entity where it has the shareholdings for an uninterrupted period of one year.

Notes to the Financial Statements

for the financial year ended 31 December 2024



3. Material accounting policies (continued)

(l) Earnings per share

The Company presents the basic and diluted earnings per share for ordinary shares. The basic earnings per share are determined by dividing the profit or loss attributable to ordinary Company shareholders by the weighted average number of ordinary shares related to the reporting period. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares with the dilution effects generated by potential ordinary shares.

(m) Dividends to be distributed

Dividends are treated as a distribution of the profit during the period in which they were declared and approved by the Shareholders' General Meeting. Dividends not collected for three years, after the expiration of the limitation period, are registered directly under equity, and are assimilated to contributions from shareholders, based on a decision of the Shareholders' General Meeting.

(n) Subsequent events

Events that occur after the balance sheet date may provide additional information about the reporting period compared to that known at the balance sheet date. If the annual financial statements have not been approved, they must be adjusted to also reflect the additional information, if said information relates to circumstances (events, transactions, etc.) that existed at the balance sheet date.

Events subsequent to the balance sheet date are those events, favourable or unfavourable, that occur between the balance sheet date and the date on which the annual financial statements are approved. Events subsequent to the balance sheet date include all events that occur up to the date the annual financial statements are approved, even if those events occur after the public disclosure of financial information.

There can be two types of events subsequent to the balance sheet date identified:

- those that prove the circumstances that existed at the balance sheet date. These events subsequent to the balance sheet date led to the adjustment of the annual financial statements; and
- those that provide indications of circumstances arising after the balance sheet date. These events subsequent to the balance sheet date do not lead to the adjustment of the annual financial statements.

(o) Related parties

A related party is a person or an entity that is related to the entity preparing its financial statements (the reporting entity).

(a) A person or a close member of that person's family is related to a reporting entity if such person:

- i) Has control or joint control over the reporting entity;
- ii) Has significant influence on the reporting entity; or
- iii) Is a member of the key management staff of the reporting entity or of a parent company of the reporting entity.

(b) A company is related to a reporting entity if it meets one of the following conditions:

- i) The entity and the reporting entity are members of the same group (i.e. each parent company, subsidiary or member subsidiary is connected with the other entities);
- ii) One entity is an associate or a joint venture of the other entity (or an associate or a joint venture of a member of the group which also includes the other entity);
- iii) Both entities are joint ventures of the same third party;
- iv) One entity is a joint venture of a third party, and the other entity is an associate of that third party;
- v) The entity is a post-employment benefit plan in favour of employees of the reporting entity or of an entity connected with the reporting entity. If the reporting entity itself is such a plan, the employers funding the plan are also connected with the reporting entity;
- vi) The entity is controlled or jointly controlled by a person identified under point (a);
- vii) The person identified under point (a)(i) has significant influence on the entity or is part of the key staff managing the entity (or managing a parent company of that entity);

Notes to the Financial Statements

for the financial year ended 31 December 2024

3. Material accounting policies (continued)

(o) Related parties (continued)

viii) The entity or any member of a group which includes it provides services related to the key staff managing the reporting entity or the parent company of the reporting entity.

Related party transactions are a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether or not a price is charged.

The Company activity is not organised by activity components and, therefore, there are no reportable segments.

Financial assets such as capital instruments, which the Company holds, are shares issued by companies operating in different business sectors. For the exposure by business sector, see Note 4.

(p) Adopting new or revised Standards and interpretations

New IFRS accounting standards and amendments to existing standards that are effective for periods after 1 January 2024

The amendments to the existing standards issued by the International Accounting Standard Board ("IASB") and not adopted by the European Union ("EU") by 20 January 2025 presented below are effective for the current reporting period, being mandatory for the reporting periods as of or after 1 January 2024.

Adopting them, if they were applicable to the Company, did not have a significant impact on the information to be provided or on the amounts reported in these financial statements.

Standard	Amendments
Amendments to IAS 21 (date of entry into force set by the IASB: 1 January 2025. Earlier application is allowed.)	<i>Lack of spot exchange rate for foreign exchange transactions.</i> The standard imposes additional disclosure requirements to help users measure the impact of using an estimated exchange rate on the financial statements.



Notes to the Financial Statements

for the financial year ended 31 December 2024



3. Material accounting policies (continued)

(p) Adopting new or revised Standards and interpretations (continued)

New IFRS accounting standards and amendments to existing standards that are effective for periods after 1 January 2024

Standard	Amendments
Amendments to IFRS 9 and IFRS 7 Amendments to the classification and measurement of financial instruments (In force for annual reporting periods as of 1 January 2026. Earlier application is allowed.)	<p><i>Settlement of liabilities through electronic payment systems.</i> Amendments to IFRS 9 clarify when a financial asset or financial liability is recognised and derecognised. The Company recognises/derecognises financial assets and financial liabilities on the trade date. The Company has applied the exception.</p> <p><i>Classification of financial assets with ESG-related characteristics.</i> The amendments introduce an additional SPPI test for financial assets with contingent characteristics that are not directly related to a change in the underlying credit risks or costs.</p> <p><i>Contractually linked instruments (CLI) and non-refund items.</i> The amendments clarify the key features of CLI and how they differ from financial assets with non-refund items.</p> <p><i>Information on investment in equity instruments.</i> The amendments required additional information for investment in equity instruments that are measured at fair value through other comprehensive income.</p>
IFRS 18 Presentation and Disclosure of Financial Statements (In force for annual reporting periods as of 1 January 2027 or after this date. Earlier application is allowed.)	<p><i>A more structured statement of profit or loss.</i> IFRS 18 introduces newly defined subtotals for “operating profit” and “profit or loss before financing and income tax” and a requirement for all income and expenses to be allocated between three new distinct categories, based on a company’s primary business activities: operating, investing and financing.</p> <p><i>Management performance measures - Published and subject to audit.</i> IFRS 18 also imposed that certain “non-GAAP” measures be reported in the financial statements. Companies must explain in a single note to the financial statements why the measure provides useful information, how to calculate, and its reconciliation to a value determined in accordance with the IFRS accounting standards.</p> <p><i>Greater disaggregation of information.</i> Companies are discouraged from labelling information as “other” and are required to disclose more information if they continue to do so.</p> <p><i>Other amendments applicable to primary financial statements.</i> IFRS 18 establishes the operating profit as the starting point for the indirect method of presenting cash flows from operating activities and removes the option to classify cash flows from interest and dividends as operating activities in the cash flow statement (this differs for entities with specific core activities). It also requires goodwill to be presented as a new line item in the balance sheet.</p>

Notes to the Financial Statements

for the financial year ended 31 December 2024



3. Material accounting policies (continued)

(p) Adopting new or revised Standards and interpretations (continued)

New IFRS accounting standards and amendments to existing standards issued and adopted by the EU but not yet in force

Standard	Amendments
IFRS 19 Subsidiaries without public disclosures (In force for annual reporting periods as of 1 January 2027 or after this date. Earlier application is allowed.)	<p>IFRS 19 allows eligible subsidiaries to apply the IFRS accounting standards with the reduced disclosure requirements of IFRS 19.</p> <p>A subsidiary that applies IFRS 19 must clearly indicate in its explicit and unreserved statement of compliance with the IFRS accounting standards that IFRS 19 has been adopted.</p> <p>The Company is not affected by the entry into force of IFRS 19.</p>
Amendments to IFRS 9 (In force for annual reporting periods as of 1 January 2026 or after this date.)	<p>Amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when liabilities arising from lease contracts are derecognised in accordance with IFRS 9, the difference between the book value and the consideration paid is recognised in profit or loss.</p>
Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture (Date of entry into force deferred indefinitely)	<p>The amendments clarify that in a transaction involving an associate or joint venture, the degree of recognition of gains or losses depends on whether the assets sold or contributed to it constitutes a business.</p>

The Company anticipates that the adoption of these new standards and amendments to existing standards, if applicable to the Company, will not have a significant impact on its financial statements in future periods.

4. The management of significant risks

The investment activity leads to the Company exposure to a variety of risks associated with the financial instruments held and the financial markets in which it operates. The main risks to which the Company is exposed are:

- The market risk (the price risk, the interest rate risk and the currency risk);
- The credit risk;
- The liquidity risk;
- The tax related risk;
- The operational risk.

The overall risk management strategy aims at maximising the Company profit by reference to the level of risk to which it is exposed and at minimising any potential adverse variations in the Company financial performance.

The Company uses a variety of policies and procedures to manage and measure the types of risk to which it is exposed. These policies and procedures are presented in the subchapter dedicated to each type of risk.

Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(a) The market risk

The market risk is defined as the risk of incurring a loss or not obtaining the expected profit as a result of fluctuations in prices, interest rates and exchange rates.

The Company is exposed to the following market risk categories:

(i) The price risk

The Company is exposed to the risk associated with changes in the price of financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

The Board of Directors of SAI Muntenia Invest S.A. also meets its role of monitoring the market risk management framework by approving trading limits.

Shares

As at 31 December 2024, the Company has shares at fair value through profit or loss in companies operating in various business sectors, as follows:

<i>In RON</i>	Total of which:	Level 1	Level 3	%
Financial, non-banking activities	89,962,809	-	89,962,809	10.68
Real estate, rentals and other services	135,926,703	-	135,926,703	16.14
Wholesale trade, retail trade, tourism and restaurants	114,723,286	114,723,286	-	13.62
Building material industry	56,838,451	-	56,838,451	6.75
Agriculture, livestock farming, fishing	12,951,690	12,744,449	207,241	1.54
Manufacture of fabricated metal products	40,137,765	38,438,178	1,699,587	4.77
Pharmaceutical and medical industry	363,589,638	363,589,638	-	43.18
Other	28,086,183	-	28,086,183	3.33
TOTAL	842,216,525	529,495,551	312,720,974	100



Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(a) The market risk (continued)

(i) The price risk (continued)

Shares (continued)

As at 31 December 2023-Restated, the Company has shares at fair value through profit or loss in companies operating in various business sectors, as follows:

<i>In RON</i>	Total of which:	Level 1	Level 3	%
Financial, non-banking activities	20,076,001	-	20,076,001	2.70
Real estate, rentals and other services	98,413,753	-	98,413,753	13.22
Wholesale trade, retail trade, tourism and restaurants	113,022,828	73,887,971	39,134,857	15.19
Building material industry	55,181,391	-	55,181,391	7.41
Agriculture, livestock farming, fishing	385,619	-	385,619	0.05
Manufacture of fabricated metal products	25,406,660	25,406,660	-	3.41
Pharmaceutical and medical industry	418,782,610	418,782,610	-	56.28
Other	13,034,177	-	13,034,177	1.75
TOTAL	744,303,039	518,077,241	226,225,798	100



Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(a) The market risk (continued)

(i) The price risk (continued)

A positive change of 10% in the prices of financial assets at fair value through profit or loss would lead to an increase in the profit net of profit tax, as at 31 December 2024, by RON 84,221,653 (as at 31 December 2023: RON 71,889,638), and a negative change of 10% would have an equal net impact of the opposite sign.

For the sensitivity analysis regarding the fair value of shares classified as Level 3, please see Note 5. The fair value sensitivity analysis for the portfolio of shares measured at fair value through other comprehensive income is presented below.

As at 31 December 2024, the Company has shares at fair value through other comprehensive income in companies operating in various business sectors, as follows:

<i>In RON</i>	Total of which:	Nivel 1	Nivel 2	Nivel 3	%
Financial, banking activities	920,406,292	913,087,017	-	7,319,275	74.79
Real estate, rentals and other services	48,055,652	12,777,500	24,440,824	10,837,328	3.90
Wholesale trade, retail trade, tourism and restaurants	2,626,047	-	407,309	2,218,738	0.21
Building material industry	18,210,723	13,813,998	-	4,396,725	1.48
Manufacture of fabricated metal products	8,130,618	1,926,659	-	6,203,959	0.66
Pharmaceutical and medical industry	1,050,860	-	-	1,050,860	0.09
Energy industry	211,748,806	211,748,806	-	-	17.21
Mining industry	3,100,493	-	669,358	2,431,135	0.25
Others	17,339,900	15,073,984	211,538	2,054,378	1.41
TOTAL	1,230,669,391	1,168,427,964	25,729,029	36,512,398	100



Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(a) The market risk (continued)

(i) The price risk (continued)

Shares

As at 31 December 2023-Restated, the Company has shares at fair value through other comprehensive income in companies operating in various business sectors, as follows:

<i>In RON</i>	Total of which:	Nivel 1	Nivel 2	Nivel 3	%
Financial, banking activities	756,285,323	749,451,925	-	6,833,398	72.95
Real estate, rentals and other services	48,478,411	17,686,750	26,017,052	4,774,609	4.68
Wholesale trade, retail trade, tourism and restaurants	2,716,212	-	-	2,716,212	0.26
Building material industry	16,812,007	10,988,408	922,383	4,901,216	1.62
Agriculture, livestock farming, fishing	-	-	-	-	-
Manufacture of fabricated metal products	12,035,957	2,241,432	1,143,664	8,650,861	1.16
Pharmaceutical and medical industry	1,307,335	-	-	1,307,335	0.13
Energy industry	168,695,898	168,695,898	-	-	16.27
Mining industry	2,606,408	663,328	-	1,943,080	0.25
Others	27,717,107	20,447,394	798,007	6,471,706	2.67
TOTAL	1,036,654,658	970,175,135	28,881,106	37,598,417	100

A positive change of 10% in the prices of financial assets at fair value through other comprehensive income would lead to an increase in equity, net of profit tax, as at 31 December 2024, by RON 104,515,029 (as at 31 December 2023: RON 90,772,422), and a negative change of 10% would have an equal net impact of the opposite sign.

Out of the total shares with active market held by the Company, as at 31 December 2024, 57% (as at 31 December 2023: 53%) accounted for investment in companies that were part of the BET index of the Bucharest Stock Exchange, an index weighted by the stock market capitalisation and created to reflect the overall trend of the prices of the twenty most liquid shares (as at 31 December 2023: twenty shares) traded on the Bucharest Stock Exchange.



Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(a) The market risk (continued)

(i) The price risk (continued)

Shares

As at 31 December 2024, in the Company portfolio, the following ten shareholdings can be deemed to exhibit significant exposure, in a total amount of RON 1,150,760,593 (as at 31 December 2023: RON 933,952,922), accounting for 93.51% (as at 31 December 2023: 89.82%) of all financial assets at fair value through other comprehensive income:

<i>In RON</i>	31 December 2024	31 December 2023 Restated
Banca Transilvania S.A.	662,305,032	512,904,071
BRD - Groupe Société Générale S.A.	104,597,819	100,557,560
OMV Petrom Sa	99,880,432	80,932,733
Lion Capital S.A.	73,382,302	66,687,776
S.N.G.N. Romgaz-S.A.	59,107,276	60,749,507
Infinity Capital Investments S.A.	56,628,000	44,460,000
S.P.E.E.H. Hidroelectrica S.A. *)	42,273,000	16,000,000
Unirea Shopping Center Sa of Bucharest	22,598,870	20,984,665
The Bucharest Stock Exchange	16,173,864	23,583,200
Macofil S.A. *)	13,813,998	10,988,408
Total	1,150,760,593	937,847,920
Other shares measured at fair value through other comprehensive income	79,908,798	98,806,738
Total	1,230,669,391	1,036,654,658

*) As at 31 December 2023, the shares held with Macofil S.A. of Bucharest and S.P.E.E.H. Hidroelectrica S.A. were not part of the top ten shareholdings.



Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(a) The market risk (continued)

(i) The price risk (continued)

Unit Funds

The unit funds held by the Company as at 31 December 2024 are exposed to the price risk by having in turn investment with varying degrees of risk (bank deposits, bonds, other fixed income instruments, shares, etc).

<i>In RON</i>	Total of which:	Level 1	Level 2	Level 3
FII Multicapital Invest	18,945,057	-	18,945,057	-
FII BET-FI Index Invest	5,558,188	-	5,558,188	-
FDI Star Next	3,473,932	3,473,932	-	-
FII Active Plus	62,156,903	-	62,156,903	-
FII Star Value	27,764,006	-	27,764,006	-
FDI Active Dinamic	2,937,215	2,937,215	-	-
FII Optim Invest	39,288,826	-	39,288,826	-
FIA Certinvest Acțiuni	46,439,011	-	46,439,011	-
FIA Romania Strategy Fund	45,363,920	-	45,363,920	-
FIA Muntenia Trust	6,397,917	-	6,397,917	-
FIA cu Capital Privat Agricultural Fund	1,025,389	-	-	1,025,389
Total	259,350,364	6,411,147	251,913,828	1,025,389



Notes to the Financial Statements

for the financial year ended 31 December 2024



4. The management of significant risks (continued)

(a) The market risk (continued)

(i) The price risk (continued)

Unit funds

The unit funds held by the Company as at 31 December 2023 are exposed to the price risk by having in turn investment with varying degrees of risk (bank deposits, bonds, other fixed income instruments, shares, etc).

<i>In RON</i>	Total of which:	Level 1	Level 2	Level 3
FII Multicapital Invest	15,762,219	-	15,762,219	-
FII BET-FI Index Invest	6,945,661	-	6,945,661	-
FDI Star Next	3,112,834	3,112,834	-	-
FDI Prosper Invest	2,306,592	2,306,592	-	-
FII Active Plus	67,281,421	-	67,281,421	-
FII Star Value	18,466,204	-	18,466,204	-
FDI Active Dinamic	21,764,123	21,764,123	-	-
FII Optim Invest	33,291,563	-	33,291,563	-
FIA Certinvest Acțiuni	36,743,041	-	36,743,041	-
FIA Romania Strategy Fund	38,176,320	-	38,176,320	-
FIA Muntenia Trust	5,862,380	-	5,862,380	-
FIA cu Capital Privat Agricultural Fund	951,733	-	-	951,733
Total	250,664,091	27,183,548	222,528,810	951,733

For accounting policies and for the classification by fair value hierarchy levels, see Note 5.

A positive change of 10% in the value of these unit funds would lead to an impact in profit or loss, net of profit tax, as at 31 December 2024, by RON 21,785,431 (as at 31 December 2023: RON 21,055,784), and a negative change of 10% would have an equal net impact of the opposite sign.

Bonds

The bonds held by the Company with OPUS Chartered Issuances S.A., classified as financial assets at fair value through profit or loss, amounting to RON 64,135,235 (as at 31 December 2023: bonds held by the Company with OPUS Chartered Issuances S.A. amounting to RON 88,503,863), classified as Level 3 of the fair value hierarchy, are also exposed to the price risk.

The bonds issued by OPUS Chartered Issuances S.A. are instruments with an unprotected principal, listed on the Frankfurt Stock Exchange (Open Market - Freiverkehr) and with an annual interest coupon. The issuer has used the amounts attracted by the issuance of the bonds for the acquisition of a sub-portfolio of shares traded on the Bucharest Stock Exchange. The Company measures these financial instruments on a monthly basis according to the quotes taken from the Bloomberg platform. The changes in the quotes listed on the Bloomberg platform reflect the changes in the prices recorded on the Bucharest Stock Exchange for the underlying shares.

A positive change of 10% in the prices of these bonds would lead to an impact on profit or loss, net of profit tax, as at 31 December 2024 of RON 5,357,193 (as at 31 December 2023: RON 7,557,773), and a negative change of 10% would have an equal net impact of the opposite sign.

Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(a) The market risk (continued)

(ii) The interest rate risk

The IBOR Reform

As part of the IBOR reform and in accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, certain existing reference rates (IBORs: Interbank Offered Rates) will be replaced by alternative risk-free rates. For European Union countries, this reform led to the reformation of the EURIBOR calculation method and the replacement of most interest rates by LIBOR and EONIA (the Euro Overnight Index Average) as at 1 January 2022.

The Company is not affected by this Regulation, the financial assets and liabilities measured at amortised cost bear fixed interest, unrelated to the reference rates.

As at 31 December 2024 and 31 December 2023, most Company assets and liabilities are not interest-bearing. As a result, the Company is not affected directly to a significant degree by the risk of interest rate fluctuations. Cash and cash equivalents are generally invested at short-term interest rates. However, the decline of market returns may affect the measurement value of Company assets.

The Company has an insignificant debt related to the restatement of the lease according to IFRS 16, denominated in euros, with a fixed marginal borrowing rate of 5%.

Bonds held with OPUS Chartered Issuances S.A. ("the issuer") have interest that is paid annually, either in whole or in part (pro rata), depending on the extent to which the hedging instruments used by the issuer allow covering the amounts owed as interest, and their maturity was extended until September of 2026.

The Company does not use derivatives to protect itself from interest rate fluctuations.

(iii) The currency risk

Currency risk is the risk of recording losses or not realising the expected profit due to unfavourable changes in the exchange rate. The Company is exposed to exchange rate fluctuations, but does not have a formalised currency risk hedging policy. Most Company financial assets and liabilities are denominated in the national currency, and the other currencies in which operations are carried out are the EUR or the USD.



Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(a) The market risk (continued)

(iii) The currency risk (continued)

The financial assets and liabilities in RON and other currencies as at 31 December 2024 and 31 December 2023 are presented in the tables below:

31 December 2024

<i>In RON</i>	Book value	RON	USD	EUR
Financial assets				
Cash and cash equivalents	65,414,241	28,907,382	10,574,137	25,932,722
Deposits with banks	106,975,692	33,211,671	15,843,608	57,920,413
Financial assets at fair value through profit or loss	1,165,702,124	1,100,541,500	-	65,160,624
Financial assets at fair value through other comprehensive income	1,230,669,391	1,230,669,391	-	-
Financial assets measured at amortised cost	1,257,442	-	-	1,257,442
Other assets	12,046,656.00	12,046,656	-	-
TOTAL	2,582,065,546	2,405,376,600	26,417,745	150,271,201
Financial liabilities				
Dividends payable	567,056	567,056	-	-
Other liabilities	8,476,877	8,473,580	-	3,297
TOTAL	9,043,933	9,040,636	-	3,297



Notes to the Financial Statements

for the financial year ended 31 December 2024



4. The management of significant risks (continued)

(a) The market risk (continued)

(iii) The currency risk (continued)

31 December 2023 Restated

<i>In RON</i>	Book value	RON	USD	EUR
Financial assets				
Cash and cash equivalents	46,871,575	46,860,596	1,867	9,112
Deposits with banks	159,986,022	68,244,172	23,786,140	67,955,710
Financial assets at fair value through profit or loss	1,083,470,993	994,015,397	-	89,455,596
Financial assets at fair value through other comprehensive income	1,036,654,658	1,036,654,658	-	-
Other assets	2,648,623	2,648,623	-	-
TOTAL	2,329,631,871	2,148,423,446	23,788,007.00	157,420,418
Financial liabilities				
Dividends payable	567,056	567,056	-	-
Other liabilities	23,687,765	23,673,944	-	13,821
TOTAL	24,254,821	24,241,000	-	13,821

The impact on the Company net profit of a change of $\pm 5\%$ of the RON/EUR and RON/USD exchange rates as at 31 December 2024, all other variables remaining constant, is \pm RON 7,420,401 (as at 31 December 2023: \pm RON 7,610,173).

(b) The credit risk

The credit risk represents the risk of recording losses or not achieving expected profits, as a result of the counterparty's failure to meet financial obligations. The Company is exposed to the credit risk for financial assets measured at amortised cost as a result of holdings in current accounts, bank deposits and receivables.

As at 31 December 2024, the Company tested whether the credit risk for financial assets at amortised cost had increased significantly since the initial recognition. The Company uses a simplified approach according to which it considers that the credit risk has not increased significantly since the initial recognition if the financial asset has a low credit risk as of the reporting date and has an external rating in the "investment grade" category. Based on the information available, it was concluded that no events causing a significant credit risk increase or default events had occurred.

The Company carried out an internal analysis regarding expected credit losses for financial assets measured at amortised cost, the conclusion of the analysis being that their impact is insignificant.

Notes to the Financial Statements

for the financial year ended 31 December 2024



4. The management of significant risks (continued)

(b) The credit risk (continued)

Bank deposits are placed at fixed interest rates for the entire period. In the period ended 31 December 2024, the interest rates upon establishment for deposits in RON varied between 4.10% and 5.80%, for deposits in EUR they were between 2.00% and 3.20%, and for deposits in USD they were between 3.80% and 4.75%. As at 31 December 2024, a change of ± 1 percentage point in the interest rate for deposits has an impact on the Company's net profit of \pm RON 164,584 (as at 31 December 2023: RON 219,163).

The maximum Company credit risk exposure is in the amount of RON 249,781,301 as at 31 December 2024 (as at 31 December 2023: RON 298,008,774) and can be analysed as follows:

<i>In RON</i>	2024 rating	31 December 2024	31 December 2023
<i>Exposures from current accounts and deposits with banks (Note 11 and Note 12)</i>			
Banca Transilvania S.A.	BBB- Fitch	3,609	26,396,378
Libra Internet Bank S.A.	BB- Fitch	50,833	51,103
BRD - Groupe Société Générale S.A.	BBB+ Fitch	75,850	13,596
Credit Europe Bank S.A.	BB- Fitch	1,588,927	20,679,556
Exim Banca Românească S.A.)	BBB- Fitch	61,148,210	70,163,597
Banca Comercială Intesa Sanpaolo Bank	BBB Fitch	7,192,405	5,365,184
ProCredit Bank S.A.	BBB- Fitch	12,083	10,427
CEC Bank S.A.	BB Fitch	86,969,994	73,229,657
Banca Comercială Română	BBB+ Fitch	15,346,713	10,946,790
Total		172,388,624	206,856,288

*Financial assets measured at amortised cost *) (Note 13 c))*

S.N.G.N Romgaz S.A. bonds	1,243,525	-
Other bonds and the related interest	13,917	-
Total	1,257,442	-

*) In the case of Exim Banca Românească S.A., it is assimilated to Romania's sovereign rating.

Notes to the Financial Statements

for the financial year ended 31 December 2024



4. The management of significant risks (continued)

(b) The credit risk (continued)

OPUS Chartered Issuances S.A. does not have a rating issued by any rating agency. The bonds issued are instruments with unprotected principal, listed on the Frankfurt Stock Exchange (Open Market - Freiverkehr). The law governing the financial instrument is the German Bondholder/Debenture Act of 5 August 2009, whose main objective is the alignment of the law on German bondholders with international standards, in order to improve the capacity of bond restructuring outside insolvency proceedings. Thus, through holders' meetings, bondholders can vote as laid down in the above-mentioned law on a list of issues, primarily regarding bond restructuring. At maturity, for the repayment of the principal, the issuer sells the package of shares traded on the Bucharest Stock Exchange, shares included in the most liquid category. The Company's exposure to the credit risk for this financial instrument is RON 64,135,235 (as at 31 December 2023: RON 88,503,863)

<i>În LEI</i>	31 decembrie 2024	31 decembrie 2023
<i>Sundry Debtors and Commercial Receivables (Note 14)</i>		
Consol S.A.	2.021.779	2.029.357
Banca Română de Scont S.A.	1.283.228	1.283.228
Autoritatea Administrării Activelor Statului	1.023.903	1.023.903
Siderca S.A.	410.334	410.334
Dividends to be received	-	2.147.551
Other various debtors	12.450.266	2.000.266
Impairment of trade receivables and various debtors	(5.189.510)	(6.246.016)
Total	12.000.000	2.648.623

Sundry debtors and trade receivables classified according to the maturity are:

31 December 2024

	Sundry debtors unadjusted between 0-30 days from maturity date	Sundry debtors 100% adjusted for delays of more than 91 days from maturity date	Total receivables	Adjustment for receivable impairment	Net book value
Sundry debtors	-	5,189,510	5,189,510	(5,189,150)	-
Other sundry debtors	12,000,000	-	12,000,000	-	12,000,000
Total	12,000,000	5,189,510	17,189,510	(5,189,510)	12,000,000

Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(b) The credit risk (continued)

31 December 2023

	Dividends receivable unadjusted with maturity between 0-60 days	Dividends receivable 50% adjustment for delay of 60- 119 days from maturity date	Total receivables	Adjustment for receivable impairment	Net book value
Dividends receivable	1,098,623	1,048,928	2,147,551	(1,048,928)	1,098,623
Total	1,098,623	1,048,928	2,147,551	(1,048,928)	1,098,623

	Sundry debtors unadjusted between 0-30 days from maturity date	Sundry debtors 100% adjusted for delays of more than 91 days from maturity date	Total receivables	Adjustment for receivable impairment	Net book value
Sundry debtors	-	5,197,088	5,197,088	(5,197,088)	-
Other sundry debtors	1,550,000	-	1,550,000	-	1,550,000
Total	1,550,000	5,197,088	6,747,088	(5,197,088)	1,550,000

*) The sundry debtors with overdue payments are Consol S.A., Banca Română de Scont S.A., the Authority for State Asset Management, Siderca S.A. The Company adjusted 100% of receivables for sundry debtors due to the fact that these are overdue for more than 365 days.



Notes to the Financial Statements

for the financial year ended 31 December 2024



4. The management of significant risks (continued)

(c) The liquidity risk

The liquidity risk is the risk of recording losses or not achieving expected profits, resulting from the inability to meet short-term payment obligations at any time, without incurring excessive costs or losses that cannot be borne by the Company.

The structure of the assets and liabilities was analysed based on the remaining period from the date of the statement of the financial position to the contractual maturity date, both for the financial period ended 31 December 2024 and for the financial year ended 31 December 2023, as follows:

31 December
2024

<i>In RON</i>	Book value	Under 3 months	Between 3 and 12 months	Over a year	No predefined maturity
Financial assets					
Cash and cash equivalents	65,414,241	65,412,932	-	-	1,309
Deposits with banks	106,975,692	-	106,975,692	-	-
Financial assets at fair value through profit or loss	1,165,702,124	-	-	64,135,235	1,101,566,889
Financial assets at fair value through other comprehensive income	1,230,669,391	-	-	-	1,230,669,391
Financial assets measured at amortised cost	1,257,442	13,917	-	1,243,525	-
Other assets	12,046,656	12,046,656	-	-	-
Total financial assets	2,582,065,546	77,473,505	106,975,692	65,378,760	2,332,237,589
Financial liabilities					
Dividends payable	567,056	-	-	-	567,056
Other liabilities	8,476,877	8,476,877	-	-	-
Total financial liabilities	9,043,933	8,476,877	0	-	567,056
Liquidity surplus	2,573,021,613	68,996,628	106,975,692	65,378,760	2,331,670,533

Notes to the Financial Statements

for the financial year ended 31 December 2024



4. The management of significant risks (continued)

(c) The liquidity risk (continued)

31 December

2023 Restated

In RON

	Book value	Under 3 months	Between 3 and 12 months	Over a year	No predefined maturity
Financial assets					
Cash and cash equivalents	46,871,575	46,870,266	-	-	1,309
Deposits with banks	159,986,022	-	159,986,022	-	-
Financial assets at fair value through profit or loss	1,083,470,993	-	-	88,503,863	994,967,130
Financial assets at fair value through other comprehensive income	1,036,654,658	-	-	-	1,036,654,658
Other assets	2,648,623	2,648,623	-	-	-
Total financial assets	2,329,631,871	49,518,889	159,986,022	88,503,863	2,031,623,097
Financial liabilities					
Dividends payable	567,056	-	-	-	567,056
Other liabilities	23,687,765	23,676,289	7,911	3,565	-
Total financial liabilities	24,254,821	23,676,289	7,911	3,565	567,056
Liquidity surplus	2,305,377,050	25,842,600	159,978,111	88,500,298	2,031,056,041

(d) The tax related risk

Romanian tax laws set out detailed and complex rules that have undergone several changes in recent years. The interpretation of the text and the practical procedures for implementing tax laws may vary, with the risk that certain transactions may be interpreted differently by tax authorities compared to the treatment applied by the Company.

From the point of view of the profit tax, there is a risk of a different interpretation given by the tax bodies to the implemented tax rules determined by the Accounting Regulations compliant with IFRS. The management's conclusion is that the tax treatments included in the financial statements represent the management's best estimate in accordance with the applicable tax provisions.

The Romanian Government has a number of agencies authorised to carry out audits (inspections) of companies operating on Romanian territory. These inspections are similar to tax audits in other countries, and may cover not only tax issues, but also other legal and regulatory issues of interest to these agencies. The Company may be subject to tax inspections as new tax regulations are issued.

Notes to the Financial Statements

for the financial year ended 31 December 2024

4. The management of significant risks (continued)

(e) The operational risk

The operational risk is defined as the risk of recording losses or not achieving expected profits due to internal factors such as the inadequate conduct of internal activities, the existence of inadequate staff or systems or due to external factors such as economic conditions, changes in the capital market, technological advances. The operational risk is inherent in all Company activities.

The policies defined for operational risk management have taken into account all types of events that may generate significant risks and the ways in which they materialise, in order to eliminate or reduce losses of a financial or reputational nature.

(f) Capital adequacy

In terms of capital adequacy, the policy from the management focuses on maintaining a sound capital base, in order to support the continuous development of the Company and achieve its investment objectives.

5. Accounting estimates and significant judgments

The management discusses the development, selection, presentation and application of material accounting policies and estimates. All these are approved during the meetings of the Board of Directors of SAI Muntenia Invest S.A.

These presentations supplement the information on financial risk management (see Note 4). The significant accounting judgments for the application of the Company accounting policies include:

Key sources of estimate uncertainty

Adjustments for the impairment of assets measured at amortised cost

The assets recorded at amortised cost are measured for impairment according to the accounting policy described in Note 3(e)(v).

The measurement for impairment of receivables is performed individually and is based on the management's best estimate of the present value of cashflows expected to be received. In order to estimate these flows, the management makes certain estimates regarding the financial situation of the counterparty. Each asset is examined individually. The accuracy of the adjustments depends on the estimate of future cashflows for specific counterparties.

The determination of the fair value of financial instruments

The fair value of financial instruments not traded in an active market is determined using the valuation techniques described in the accounting policy of Note 3(e)(iv). For financial instruments that are rarely traded and for which there is no price transparency, the fair value is less objective and is determined using various levels of estimates regarding the liquidity, concentration, uncertainty of market factors, price assumptions and other risks that affect the financial instrument concerned.



Notes to the Financial Statements

for the financial year ended 31 December 2024

5. Accounting estimates and significant judgments (continued)

The fair value hierarchy

The Company uses the following hierarchy of methods to calculate the fair value:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (e.g. prices, quoted prices in non-active markets) or indirectly (e.g. derived from prices)

Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs). This category includes all instruments for which the valuation technique includes elements not based on observable data for which the unobservable input parameters may have a significant effect on the valuation of the instrument. This category includes instruments valued on the basis of quoted prices for similar instruments for which adjustments based largely on unobservable data or estimates are required to reflect the difference between the two instruments.

Quoted shares and unit funds

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices or prices quoted by intermediaries. The market price used to determine the fair value is the closing price of the market on the last trading day before the valuation date. These assets are classified as Level 1.

For holdings of shares that cannot meet the criteria defined for the “active market”, one shall examine whether the market where those shares are traded is one where orderly transactions could be carried out, in which case the last price resulting from an orderly transaction will be used. These assets are classified as Level 2. If these conditions are not met, they will be evaluated using the valuation models presented under “Unquoted shares and units” and will be classified as Level 3.

Unquoted shares and unit funds

In order to estimate the fair value of the shares of an unquoted company, the Company uses valuation models that are usually derived from known valuation models: the market multiples method, the equity/share method corrected with a discount for lack of liquidity and a discount for lack of control. The valuation models require unobservable inputs to a larger extent, a higher degree of analysis and estimation by the management in order to determine the fair value. The analysis and estimation by the management are involved especially in the selection of the appropriate valuation model.



Notes to the Financial Statements

for the financial year ended 31 December 2024



5. Accounting estimates and significant judgments (continued)

The fair value hierarchy (continued)

Unquoted shares and unit funds (continued)

The multiples method is based on a process where the fair value is obtained by comparison with similar companies for which information is available and by estimating the value of the valued company by using a conversion factor/multiplier (e.g., EV/EBITDA, P/Bv, EV/Sales), to which a discount for lack of liquidity (DLOM) is applied. The source of information for these multipliers is the database provided by Bloomberg, and the source of information for the discount for lack of liquidity is Stout Restricted Stock Study Companion Guide.

The equity/share method corrected with a discount for lack of liquidity and a discount for lack of control starts from the value of the net asset/share established by the issuer of the shares to which a discount for lack of liquidity and a discount for lack of control apply. The source of information for these discounts is Mergerstat Control Premium Study for the discount for lack of control and Stout Restricted Stock Study Companion Guide for the discount for lack of liquidity.

For shares held in subsidiaries, the fair value is the closing price for companies that have an active market or prices resulting from valuation reports prepared by independent external valuers. For determining the fair value, depending on the specific nature of the economic activity of the subsidiary, the independent valuers have used the income-based approach - the DCF method which is based on the principle that the value of an investment is determined by the current value of future cash flows and the asset-based approach - the Adjusted Net Asset method, and for real estate assets held by subsidiaries, the income-based approach - the income capitalisation method has been used.

Fund units are measured at the net asset value per unit calculated by the fund administrator. In measuring whether the net asset value per unit is representative of the fair value, the Company takes into account the following public information about the fund: financial statements, audit reports, the portfolio structure, the volume and level of activity of subscriptions or redemptions, whether the investment cannot be redeemed at the net asset value or whether there are also other uncertainties that increase the risk of the investment, if the frequency of calculating and publishing the net asset value per unit is reduced. Following an analysis of the abovementioned public information, the NAVU corrected with the adjustments deemed necessary for the net asset value is obtained.

The unit funds held with investment funds characterised by: frequent redemption periods, the lack of redemption fees or low fees, the possibility of redemption of any number of fund units, the daily publication of the unit value of the net asset are classified as Level 1 of the fair value hierarchy.

The unit funds held with investment funds characterised by: making the withdrawal for some funds conditional on a written notice given at least a certain number of calendar days prior to the submission of the redemption request or the possibility of redemption of a limited number of fund units and the lack of redemption fees are classified as Level 2 of the fair value hierarchy.

The unit funds held with investment funds characterised by the restriction of the possibility of redemption by: infrequent periods open for redemption or making the withdrawal for some funds conditional on a written notice given at least a certain number of calendar days prior to the redemption request and in some cases the charging of prohibitive redemption fees, if the above-mentioned notices are not given, of the low liquidity of the assets held by the investment fund, are classified as Level 3 of the fair value hierarchy.

Bonds

Bonds at fair value through profit or loss are measured using a valuation model that takes into account Bloomberg's closing quote for these instruments, as well as an adjustment factor that mainly takes into account the liquidity risk in the market of the instrument. These assets are classified as Level 3.

Notes to the Financial Statements

for the financial year ended 31 December 2024

5. Accounting estimates and significant judgments (continued)

The fair value hierarchy (continued)

The table below analyses the financial instruments recorded at fair value according to the valuation method.

31 December 2024

<i>In RON</i>	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	535,906,698	251,913,828	377,881,598	1,165,702,124
Financial assets at fair value through other comprehensive income	1,168,427,964	25,729,029	36,512,398	1,230,669,391
	<u>1,704,334,662</u>	<u>277,642,857</u>	<u>414,393,996</u>	<u>2,396,371,515</u>

31 December 2023

Restated

<i>In RON</i>	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	545,260,789	222,528,810	315,681,394	1,083,470,993
Financial assets at fair value through other comprehensive income	970,175,135	28,881,106	37,598,417	1,036,654,658
	<u>1,515,435,924</u>	<u>251,409,916</u>	<u>353,279,811</u>	<u>2,120,125,651</u>

For the financial period ended 31 December 2024, the Company presented financial assets at fair value through profit or loss on Level 3 of the fair value hierarchy, instruments held in bonds amounting to RON 64,135,235, unit funds amounting to RON 1,025,389 and shares held in nine companies whose fair value of RON 312,720,974 was determined using valuation models according to the ANEVAR Valuation Standards.

For the financial period ended 31 December 2024, the Company presented financial assets at fair value through other comprehensive income on Level 3 of the fair value hierarchy, shares held in several companies whose fair value of RON 36,512,398 was determined using internal valuation methods, based on valuation models according to ANEVAR Valuation Standards, approved by the Board of Directors, taking into account the credibility, quantity and quality of the information available.

For the financial year ended 31 December 2023, the Company presented financial assets at fair value through profit or loss on Level 3 of the fair value hierarchy, instruments held in bonds amounting to RON 88,503,863, closed-end unit funds amounting to RON 951,733 and shares held in ten companies whose fair value of RON 226,225,798 was determined using valuation models according to ANEVAR Valuation Standards.

For the financial year ended 31 December 2023, the Company presented financial assets at fair value through other comprehensive income on Level 3 of the fair value hierarchy, shares held in several companies whose fair value of RON 37,598,417 was determined using internal valuation methods, based on valuation models, approved by the Board of Directors, taking into account the credibility, quantity and quality of the information available.



Notes to the Financial Statements

for the financial year ended 31 December 2024

5. Accounting estimates and significant judgments (continued)

The fair value hierarchy (continued)

For the valuation of financial assets at fair value representing shares held in subsidiaries, the main valuation technique used is the income-based approach, the DCF method. According to this method, the fair value of shares held within subsidiaries as at 31 December 2024 is RON 201,904,290 (as at 31 December 2023: RON 204,389,751).

The main assumptions used by independent valuers within the valuation model according to ANEVAR Valuation Standards as at 31 December 2024 and 31 December 2023, for financial assets at fair value – shares held within subsidiaries, together with the related values are presented in the table below:

Assumptions used within the valuation model	Value of the indicator used in the valuation as at 31 December 2024	Value of the indicator used in the valuation as at 31 December 2023
Annual change in the EBITDA margin	between 1.20% and 83.90%	between 0.10% and 50.60%
Perpetuity growth rate	2.50%	2.60%
Weighted average cost of capital (WACC)	9.98% - 14.23%	10.30% - 15.63%

Although the Company considers its own fair value estimates to be appropriate, the use of other methods or assumptions may lead to different fair value amounts. For fair values recognised following the use of a significant number of unobservable inputs (Level 3) by using the DCF method, changing one or more assumptions with other reasonable alternative assumptions would influence the statement of profit or loss and other comprehensive income as follows:

Change in terms of the unobservable data used in the valuation	Impact on the profit or loss	
	31 December 24	31 December 2023
Increase of EBITDA by 3%	5,211,055	6,339,401
Decrease of EBITDA by 3%	(3,738,322)	(6,337,898)
Increase of WACC by 0.5 pp	(3,253,718)	(5,813,226)
Decrease of WACC by 0.5 pp	5,140,065	6,453,686
Increase of the perpetuity growth rate by 0.5 pp	3,797,093	4,091,767
Decrease of the perpetuity growth rate by 0.5 pp	(2,028,916)	(3,668,435)

In the case of holdings of shares from four subsidiaries, the valuation technique using the asset-based approach – the Adjusted Net Asset method – was used to determine the fair value. According to this method, the fair value of the relevant shares as at 31 December 2024 is RON 110,816,684 (as at 31 December 2023: RON 21,836,047).



Notes to the Financial Statements

for the financial year ended 31 December 2024



5. Accounting estimates and significant judgments (continued)

The fair value hierarchy (continued)

Financial assets measured at fair value classified under Level 3 depending on the valuation method are presented below:

Financial assets	Fair value 31 December 2024	Main valuation technique	Unobservable inputs, value ranges	Relationship between unobservable inputs and fair value
Unlisted majority shareholdings	201,904,290	The income-based approach, the DCF method	Estimated EBITDA margin for each issuer between 1.20% and 83.90% Perpetual growth rate 2.5% Weighted average cost of capital (WACC) 9.98% - 14.23%	The higher the estimated EBITDA, the higher the fair value. The higher the long-term growth rate, the higher the fair value. The lower the weighted average cost of capital, the higher the fair value.
Unlisted majority shareholdings	110,816,684	Adjusted net asset, asset-based approach	Equity adjustment rate for each issuer between 0.01% and 9.80%	In estimating the value by applying this methodology, the balance sheet prepared on the basis of costs is replaced by the adjusted balance sheet in which adjustments were made to all balance sheet items that were necessary as a result of estimating their individual values by applying the appropriate valuation methods.
Unlisted or listed minority shareholdings without an active market	31,388,780	Net asset/share adjusted with discount for lack of liquidity and lack of control	The discount for lack of liquidity: between 5.70% and 16.1% The discount for lack of control: between 13.6% and 39.3%	The lower the discount for lack of liquidity, the higher the fair value. The lower the discount for lack of control, the higher the fair value.
Unlisted or listed minority shareholdings without an active market	5,123,618	Valuation by market multiples	The EV/SALES multiple value for each issuer is between 0.68 and 1.79 The EV/EBITDA multiple value for each issuer is between 6.63 and 9.7	The market comparison approach is based on a process in which the market value will be obtained by analysing transactions with similar and relevant enterprises, comparing these enterprises with the company being valued, and finally estimating the value of the company being valued by using a conversion factor - multiple. The higher the multiple value, the higher the fair value.

Notes to the Financial Statements

for the financial year ended 31 December 2024

5. Accounting estimates and significant judgments (continued)

The fair value hierarchy (continued)

Reconciliation of the fair value measurements classified as Level 3 of the fair value hierarchy

In RON	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income
1 January 2023	465,053,182	50,510,657
Transfers to Level 3	-	-
Transfers from Level 3	(132,826,739)	(5,557,124)
Gains or losses for the period included in profit or loss	24,284,880	-
Gains or losses for the period included in other comprehensive income	-	4,575,088
Acquisitions, equity participations	7,618,188	-
Sales	(48,448,117)	(11,930,204)
31 December 2023	315,681,394	37,598,417
Transfers to Level 3	-	3,690,246
Transfers from Level 3	(39,134,857)	(916,428)
Gains or losses for the period included in profit or loss	44,027,904	-
Gains or losses for the period included in other comprehensive income	-	3,333,354
Acquisitions, equity participations	91,796,772	547,320
Sales	(34,489,615)	(7,740,511)
31 December 2024	377,881,598	36,512,398



Notes to the Financial Statements

for the financial year ended 31 December 2024



5. Accounting estimates and significant judgments (continued)

The fair value hierarchy (continued)

In 2023, out of the amount of RON 24,284,880, the net gains related to the derecognition of financial assets at fair value through profit or loss are equal to RON 1,640,423, and the gains resulting from changes in fair value related to the period are RON 22,644,457.

In 2024, out of the amount of RON 44,027,904, the net gains related to the derecognition of financial assets at fair value through profit or loss are equal to RON 497,810, and the gains resulting from changes in fair value related to the period are RON 43,530,094.

In 2023, financial assets at fair value through profit or loss that meet the conditions of an active market held with Unisem SA and Semrom Oltenia SA amounting to RON 34,130,913 were transferred from Level 3 and fund units amounting to RON 98,695,827 were transferred from Level 3 to Level 2. Throughout 2023, the shareholding held with Muntenia Medical Competences SA was sold for RON 46,821,959.

Throughout 2024, financial assets at fair value through profit or loss that meet active market conditions held with Bucur SA amounting to RON 39,134,857 were transferred from Level 3. Throughout 2024, purchases of financial assets at fair value through profit or loss were recorded at Finagrom SA, Voluthema Property Developer SA and Mătășari Holding SA amounting to RON 91,796,772. In September 2024, were collected at maturity the bonds at fair value through profit or loss issued by OPUS Chartered Issuances S.A. amounting to RON 33,355,201.

The classification of financial assets and liabilities

Company accounting policies provide the basis in order for the assets and liabilities to be included, at the outset, in various accounting categories. For the classification of assets and liabilities at fair value through profit or loss, the Company has determined that one or more criteria set out in Note 3(e)(i) have been met. Details regarding the classification of the Company financial assets and liabilities are given in Note 20.

The profit tax

IAS 12 "Profit tax" in paragraph 34, requires an entity to recognise a deferred tax asset for unused tax losses to the extent that future taxable profits are likely to exist in relation to which the unused tax losses can be recovered.

The Company estimates the likelihood of future taxable profits taking into account the following criteria:

- The Company is likely to have taxable profits before the unused tax losses expire;
- The unused tax losses result from identifiable causes that have a minimal chance of reoccurring.

During the financial period ended 31 December 2024, the Company recorded a taxable profit (see Note 10 and Note 16).

The Company estimates that it will recover the tax loss of 2020 within the limitation period provided for by the Tax Code of seven years.

6. Dividend income

Dividend income is recorded at gross value. Dividend tax rates for the financial period ended 31 December 2024 were 8% and zero (for the financial period ended 31 December 2023: 8% and zero). Of the total dividend income as at 31 December 2024, non-taxable income was in the amount of RON 41,073,442 (as at 31 December 2023: RON 40,825,169 – non-taxable dividends). All dividend income comes from entities registered in Romania. During the financial period ended 31 December 2024, dividend income was received for financial assets measured at fair value through other comprehensive income of RON 53,294,091 (as at 31 December 2023: RON 43,565,967).

Notes to the Financial Statements

for the financial year ended 31 December 2024

6. Dividend income (continued)

The breakdown of the dividend income by main counterparties is presented below:

<i>In RON</i>	2024	2023
Banca Transilvania S.A.	26,471,855	23,890,420
Biofarm S.A.	15,755,171	15,246,940
BRD - Groupe Société Générale S.A.	11,756,593	-
OMV Petrom S.A.	10,044,393	11,622,194
Unisem S.A.	6,346,345	1,518,388
CI-CO S.A.	5,353,727	3,208,285
Germina Agribusiness S.A.	4,668,569	8,207,665
Firos S.A.	3,209,757	3,998,118
Şantierul Naval Orşova SA	2,849,264	-
Voluthema Property Developer S.A.	2,506,152	1,098,623
S.P.E.E.H. Hidroelectrica S.A.	2,105,495	-
SNGN Romgaz S.A.	1,638,674	3,975,972
Bucur S.A. Bucuresti	-	2,037,920
Semrom Oltenia S.A.	-	1,587,445
ICPE S.A.	-	1,048,929
Bursa de Valori Bucureşti S.A.	559,023	464,402
Conpet S.A.	241,569	244,680
FII BET-FI Index Invest	199,128	995,640
Depozitarul Central S.A.	172,424	-
Macofil S.A.	169,535	627,909
SNIGN Transgaz S.A.	116,480	232,960
Aro Palace SA	-	836,510
Compania de Librării S.A.	-	464,167
Electromagnetica S.A.	-	301,374
Vrancart S.A.	-	263,269
Other	18,050	642,108
Total	94,182,204	82,513,919



7. Interest income calculated using the effective interest method

<i>In RON</i>	2024	2023
Interest income on deposits and current bank accounts	8,206,001	6,581,063
Interest income on financial assets measured at amortised cost	13,917	-
Total	8,219,918	6,581,063

Notes to the Financial Statements

for the financial year ended 31 December 2024

8. Net gain/(Net loss) on financial assets at fair value through profit or loss

<i>In RON</i>	2024	2023
Net gain on financial assets at fair value through profit or loss - shares	1,161,080	142,624,746
Net gain on financial assets at fair value through profit or loss - bonds	10,120,987	6,650,237
Net gain on financial assets at fair value through profit or loss - unit funds	24,845,191	38,684,703
Total	36,127,258	187,959,686

For bonds measured at fair value through profit or loss, interest income is recognised under profit or loss as part of the fair value measurement.

9. Other operating expense

<i>In RON</i>	2024	2023
External services	1,497,516	1,381,432
Commissions and fees	2,592,213	2,123,174
Custody fees	512,146	418,529
Trading costs	156,502	1,305
Entertaining, promotion and advertising	271,482	178,743
Depreciation of the asset representing rights to use the underlying assets	7,482	8,285
Interest expenses related to the lease agreement liability	664	1,171
Other operating expenses	45,822	57,928
Total	5,083,827	4,170,567



Notes to the Financial Statements

for the financial year ended 31 December 2024

10. Income tax

<i>In RON</i>	2024	2023
Current profit tax		
Current profit tax (16%)	253,869	-
Dividend tax (8%)	4,248,701	3,335,100
	<u>4,502,570</u>	<u>3,335,100</u>
Deferred income tax		
Financial assets at fair value through other comprehensive income	(468,589)	(18,268)
Impairment of other assets	169,041	(147,276)
Tax losses	1,455,834	4,979,022
	<u>1,156,286</u>	<u>4,813,478</u>
Total tax recognised under profit for the period	<u>5,658,856</u>	<u>8,148,578</u>

The reconciliation of pre-tax profit with the profit tax expense:

<i>In RON</i>	2024	2023
Profit before tax	92,508,116	220,951,599
Tax according to the 16% statutory tax rate (2023: 16%)	14,801,299	35,352,256
Effect on the profit tax of:		
Dividend tax rate	4,248,701	3,335,100
Items similar to income	306,593	3,342,304
Non-deductible expenses	27,138,212	10,361,281
Non-taxable income	(40,465,889)	(44,242,363)
Tax recognized in other comprehensive income	(245,274)	-
Amounts representing sponsorship within legal limits	(124,786)	-
Income tax	<u>5,658,856</u>	<u>8,148,578</u>

Non-taxable income is represented by dividend income, income from the valuation/revaluation/sale/assignment of financial assets valued at fair value through profit or loss held with a Romanian legal entity for which, as of the date of the valuation/revaluation/sale/assignment, the Company holds at least 10% of the share capital of the legal entity where it has financial assets for an uninterrupted period of one year.



Notes to the Financial Statements

for the financial year ended 31 December 2024

11. Cash and cash equivalents

<i>In RON</i>	31 December 2024	31 December 2023
Cash	1,309	1,309
Current accounts	1,739,977	20,764,322
Bank deposits with a maturity of less than 3 months	63,531,454	25,880,220
Related receivables	141,501	225,724
Cash and cash equivalents	65,414,241	46,871,575

Current accounts opened with banks are at the Company disposal at all times and are not restricted or encumbered.

12. Deposits with banks

<i>In RON</i>	31 December 2024	31 December 2023
Bank deposits with an initial maturity of over 3 months and less than 1 year (i)	106,345,019	158,989,540
Related receivables	630,673	996,482
Total	106,975,692	159,986,022

(i) Bank deposits are at the Company's disposal at all times and are not restricted or encumbered.

13. Financial assets

a) Financial assets at fair value through profit or loss

<i>In RON</i>	31 December 2024	31 December 2023 Restated
Bonds (i)	64,135,235	88,503,863
Shares (ii)	842,216,525	744,303,039
Unit funds (iii)	259,350,364	250,664,091
Total	1,165,702,124	1,083,470,993



(i) The Company holds 1,140 bonds issued by OPUS Chartered Issuances SA with a maturity of two years (extended maturity as of September of 2024), with an acquisition cost of RON 44,621,357, equivalent to EUR 10,000,080 and an annual interest of EUR 200.00 per bond which is paid by the issuer either in whole or in part (pro rata), depending on the extent to which the hedging instruments used by the issuer help cover the amounts owed as interest.

As at 31 December 2024, the Company valued these securities using a valuation model that took into account the closing quote published by Bloomberg, i.e. EUR 11,839/certificate (as at 31 December 2023: EUR 10,457.04/certificate), as well as an adjustment factor that mainly considered the liquidity risk on the instrument market. The aforementioned adjustment factor brought about the decrease in the fair value of these securities by RON 3,375,538 (as at 31 December 2023: RON 2,984,020).

Notes to the Financial Statements

for the financial year ended 31 December 2024

13. Financial assets (continued)

a) Financial assets at fair value through profit or loss (continued)

(i) In September 2024, bonds issued by OPUS Chartered Issuances SA matured and were collected principal and interest in the amount of RON 33,355,201, the equivalent of EUR 6,706,181.

The acquisition of these types of financial instruments is part of the investment policy of Longshield Investment Group S.A. to diversify the investment portfolio.

(ii) As at 31 December 2024, the fair value of the subsidiaries is RON 842,216,525 (as at 31 December 2023: RON 718,896,379). The fair value measurement of the shares was carried out by multiplying the number of shares held by the closing price of the last trading day of the reporting period or by obtaining values of the stake from valuation reports prepared by independent valuers.

(iii) As at 31 December 2024, the Company holds unit funds measured at fair value, of which: for open-end investment funds (Star Next, Prosper Invest, Active Dinamic, Muntenia Trust, Agricultural Fund) amounting to RON 13,834,453 (as at 31 December 2023: RON 33,997,662) and for closed-end investment funds/alternative investment funds (BET-FI Index Invest, Multicapital Invest, Active Plus, Star Value, Optim Invest, Certinvest Acțiuni and Romania Strategy Fund) amounting to RON 245,515,911 (as at 31 December 2023: RON 216,666,429).

b) Financial assets at fair value through other comprehensive income

In RON	31 December 2024	31 December 2023 Restated
Shares measured at fair value (i)	1,230,669,391	1,036,654,658
Total	1,230,669,391	1,036,654,658

(i) The fair value was determined at the closing price of the last trading day of the reporting period or was determined using valuation models in accordance with ANEVAR Valuation Standards (see Note 5). As at 31 December 2024 and 31 December 2023, the category of shares measured at fair value mainly includes the value of the shares held with Banca Transilvania S.A., BRD - Groupe Société Générale S.A., OMV Petrom S.A., Lion Capital S.A., SNGN Romgaz S.A., Infinity Capital Investments S.A.



Notes to the Financial Statements

for the financial year ended 31 December 2024



13. Financial assets (continued)

b) Financial assets at fair value through other comprehensive income (continued)

The main holdings in financial assets at fair value through other comprehensive income are presented in the table below:

<i>In RON</i>	31 December 2024	31 December 2023 Restated
Banca Transilvania S.A.	662,305,032	512,904,071
BRD - Groupe Société Générale S.A.	104,597,819	100,557,560
OMV Petrom SA	99,880,432	80,932,733
Lion Capital S.A.	73,382,302	66,687,776
S.N.G.N. Romgaz S.A.	59,107,276	60,749,507
Infinity Capital Investments S.A.	56,628,000	44,460,000
S.P.E.E.H. Hidroelectrica S.A. *)	42,273,000	16,000,000
Unirea Shopping Center Sa of Bucharest	22,598,870	20,984,665
The Bucharest Stock Exchange	16,173,864	23,583,200
Macofil S.A. *)	13,813,998	10,988,408
Other shares measured at fair value through other comprehensive income	79,908,798	98,806,738
Total	1,230,669,391	1,036,654,658

*) As at 31 December 2023, the shares held with Macofil S.A. of Bucharest and S.P.E.E.H. Hidroelectrica S.A. were not part of the top ten shareholdings.

The movement of the financial assets at fair value through other comprehensive income during the financial period ended 31 December 2024 is presented in the table below:

<i>In RON</i>	Shares measured at fair value through other comprehensive income
31 December 2023 Restated	1,036,654,658
(Sales)/Net purchases during the period	14,133,455
Change in the fair value	179,881,278
31 December 2024	1,230,669,391

Throughout 2024, share purchases were carried out in two stages, therefore on 31 May 2024, the Company acquired control of Șantierul Naval Orșova S.A. Thus, on 30 June 2024, Șantierul Naval Orșova S.A. became the Company's subsidiary. (see Note 23)

Notes to the Financial Statements

for the financial year ended 31 December 2024

13. Financial assets (continued)

b) Financial assets at fair value through other comprehensive income (continued)

The movement of the financial assets at fair value through other comprehensive income during the financial period ended 31 December 2023 is presented in the table below:

<i>In RON</i>	Shares measured at fair value through other comprehensive income
31 December 2022	888,016,951
(Sales)/Net purchases during the period	(24,265,799)
Change in the fair value	198,310,166
Reclassification (i)	(25,406,660)
31 December 2023 Restated	1,036,654,658

(i) See Note 23.

c) Financial assets measured at amortised cost

<i>In RON</i>	31 December 2024	31 December 2023
Corporate bonds - other currencies	1,257,442	-
TOTAL	1,257,442	-
of which with maturity in more than a year:		
Corporate bonds - other currencies	1,243,525	-

As at 31 December 2024, the Company owns quoted bonds issued by S.N.G.N. Romgaz S.A.



Notes to the Financial Statements

for the financial year ended 31 December 2024

14. Other assets

<i>In RON</i>	31 December 2024	31 December 2023
Sundry debtors	17,189,510	8,894,639
Dividends receivable	-	-
Current profit tax receivables	46,656	-
Assets representing rights to use underlying assets under a lease agreement	2,405	10,688
Other assets	54,358	49,088
Impairment of sundry debtors (see Note 4 b))	(5,189,510)	(6,246,016)
Total	12,103,419	2,708,399
<i>Of which with credit risk (Note 4 b)):</i>	12,000,000	2,648,623

The evolution of the impairment for sundry debtors and dividends receivable is as follows:

<i>In RON</i>	
As at 1 January 2024	(6,246,016)
(Establishment)/Reversal of adjustments for impairment of other assets	1,056,506
As at 31 December 2024	(5,189,510)

15. Dividends payable

<i>In RON</i>	31 December 2024	31 December 2023
Seized dividends payable related to 2011-2017 profits (i)	567,056	567,056
Total dividends payable	567,056	567,056

For dividends not claimed within three years of the declaration date, the Company Shareholders' General Meeting has approved their recording as equity (retained earnings).

(i) Seized dividends payable are dividends blocked as a result of seizures or insurance garnishments by 31 December 2024.



Notes to the Financial Statements

for the financial year ended 31 December 2024

16. Deferred profit tax liabilities

Deferred tax liabilities as at 31 December 2024 are generated by the items detailed in the table below:

In RON	Deferred profit tax 1 January 2024	Recognised under Profit or loss	Recognised under Other comprehensive income	31 December 2024		
				Deferred profit tax	Deferred profit tax receivable	Deferred profit tax liability
Financial assets at fair value through other comprehensive income	75,950,081	(468,589)	26,759,097	102,240,589	-	102,240,589
Adjustments for impairment and other provisions	(999,363)	169,041	-	(830,322)	(830,322)	-
Tax losses to be recovered	(3,505,903)	1,455,834	-	(2,050,069)	(2,050,069)	-
Total	71,444,815	1,156,286	26,759,097	99,360,198	(2,880,391)	102,240,589

Deferred profit tax balance - liability

99,360,198

Deferred tax liabilities as at 31 December 2023 are generated by the items detailed in the table below:

In RON	Deferred profit tax 1 January 2023	Recognised under Profit or loss	Recognised under Other comprehensive income	31 December 2023		
				Deferred profit tax	Deferred profit tax receivable	Deferred profit tax liability
Financial assets at fair value through other comprehensive income	40,428,064	(18,268)	35,540,285	75,950,081	-	75,950,081
Adjustments for impairment and other provisions	(852,087)	(147,276)	-	(999,363)	(999,363)	-
Tax losses to be recovered	(8,484,925)	4,979,022	-	(3,505,903)	(3,505,903)	-
Total	31,091,052	4,813,478	35,540,285	71,444,815	(4,505,266)	75,950,081

Deferred profit tax balance - liability

71,444,815



Notes to the Financial Statements

for the financial year ended 31 December 2024

16. Deferred profit tax liabilities (continued)

The reconciliation of the tax bases and the liability with deferred income tax recognised under other comprehensive income is detailed as follows:

In RON

	2024		
	Before deferred profit tax	Deferred profit tax	Net of deferred profit tax
Items that cannot be reclassified to profit or loss			
Financial assets at fair value through other comprehensive income - change in revaluation reserves for holdings less than 10%	167,244,356	(26,759,097)	140,485,259
Financial assets at fair value through other comprehensive income - change in revaluation reserves for holdings greater than 10%, non-taxable	12,636,923	-	12,636,923
Total	179,881,279	(26,759,097)	153,122,182

In RON

	2023		
	Before deferred profit tax	Deferred profit tax	Net of deferred profit tax
Items that cannot be reclassified to profit or loss			
Financial assets at fair value through other comprehensive income - change in revaluation reserves for holdings less than 10%	222,126,779	(35,540,285)	186,586,494
Financial assets at fair value through other comprehensive income - change in revaluation reserves for holdings greater than 10%, non-taxable	(23,816,613)	-	(23,816,613)
Total	198,310,166	(35,540,285)	162,769,881

The balance of the deferred profit tax recognised directly by the decrease in equity as at 31 December 2024 is RON 96,972,632 (as at 31 December 2023: RON 70,213,535), and is generated entirely by financial assets at fair value through other comprehensive income, for financial assets held for a period shorter than one year and less than 10% of the issuer's share capital.

The Company has recognised a deferred tax asset for the tax loss recorded during the financial year ended 31 December 2020, because future profits are likely to be realised to cover the tax loss. Starting with the financial year 2024, the annual tax losses established through the profit tax statement, related to the years preceding the year 2024, remaining to be recovered on 31 December 2023, are recovered from the taxable profits made starting with 2024, within the limit of 70% of said taxable profits, for the period remaining to be recovered from the seven consecutive years following the year of recording said losses. As at 31 December 2024, the tax loss was partially recovered.



Notes to the Financial Statements

for the financial year ended 31 December 2024

17. Other liabilities

<i>In RON</i>	31 December 2024	31 December 2023
Suppliers - invoices to be received (i)	8,296,512	22,240,780
Fees and taxes	16,133	16,067
Domestic suppliers	159,030	622
Liabilities from lease agreement	3,297	13,821
Other liabilities	1,905	1,416,475
Total	8,476,877	23,687,765

(i) As at 31 December 2024, suppliers – invoices to be received primarily represent the liability related to the monthly administration fee and the performance fee of RON 7,610,681 (as at 31 December 2023: RON 21,672,737, liability related to the monthly administration fee and the performance fee).

(ii) During the financial year ended 31 December 2023, the Company recognised a liability of RON 457,000 to the company Apolodor S.A., as the buyer, representing a guarantee for participation in a bid for the purchase of shares issued by Apolodor S.A. The transaction of sale and purchase of shares issued Apolodor S.A. was completed in February of 2024.



Notes to the Financial Statements

for the financial year ended 31 December 2024

18. Capital and reserves

(a) The share capital

The Company shareholding structure is as follows:

31 December 2024	Number of shareholders	Number of shares	Amount (RON)	(%)
Individuals	5,929,905	455,116,744	45,511,674	59.80
Legal persons	116	305,989,101	30,598,910	40.20
Total	5,930,021	761,105,845	76,110,585	100

31 December 2023	Number of shareholders	Number of shares	Amount (RON)	(%)
Individuals	5,932,543	457,527,847	45,752,785	58.31
Legal persons	119	327,117,354	32,711,735	41.69
Total	5,932,662	784,645,201	78,464,520	100

All shares are ordinary and have been subscribed and paid in full as at 31 December 2024. All shares have the same voting right and have a face value of RON 0.1/share. The number of shares authorised to be issued is equal to the number of issued shares.

The reconciliation of the share capital according to IFRS with the one according to the Articles of Incorporation is presented in the table below:

In RON	31 December 2024	31 December 2023
Share capital according to the Articles of Incorporation	76,110,585	78,464,520
Hyperinflation effect - IAS 29	757,576,343	781,006,539
Restated share capital	833,686,928	859,471,059



Notes to the Financial Statements

for the financial year ended 31 December 2024

18. Capital and reserves (continued)

(b) Reserves from the revaluation of financial assets at fair value through other comprehensive income

This reserve includes the cumulative net changes in the fair values of financial assets at fair value through other comprehensive income from the date of the classification in this category to the date when they were derecognised.

The reserves from the revaluation of financial assets at fair value through other comprehensive income are recorded net of the related deferred tax. The amount of the deferred tax recognised directly through the decrease in equity is shown in Note 16.

Upon derecognising equity instruments designated within the category of financial assets at fair value through other comprehensive income (see Note 14(b)(i)) the gains/losses related to such instruments recognised in other comprehensive income are reclassified to retained earnings as a surplus earned from revaluation reserves.

During the period ended 31 December 2024, as a result of the application of accounting policies according to IFRS 9, detailed in Note 3(e)(vii), the Company recognised the net gain from the disposal of the financial assets under retained earnings. The net surplus obtained by the Company as a result of the disposal of the financial assets at fair value through other comprehensive income was in the amount of RON 9,767,310. Moreover, as a result of the disposal of the financial assets at fair value through profit or loss, the positive value of RON 764,353 was transferred from retained earnings to retained earnings representing the realised net surplus.

As at 31 December 2024, the retained earnings resulting from the adoption of IFRS 9 and IFRS 10 related to the financial assets owned by the Company amounted to RON 250,091,003, an amount restricted from distribution.

During the financial year ended 31 December 2023, as a result of the application of accounting policies according to IFRS 9, detailed in Note 3(e)(vii), the Company recognised the net gain from the disposal of the financial assets under retained earnings. The net surplus obtained by the Company as a result of the disposal of the financial assets at fair value through other comprehensive income was in the amount of RON 37,176,879. Moreover, as a result of the disposal of the financial assets at fair value through profit or loss, the amount of RON 14,088,347 was transferred from retained earnings to retained earnings representing the realised net surplus.

As at 31 December 2023, the retained earnings resulting from the adoption of IFRS 9 and IFRS 10 related to the financial assets owned by the Company amounted to RON 255,710,703.

The amounts recognised as reserves from the revaluation of financial assets at fair value through other comprehensive income will not be reclassified as profit or loss on the derecognition of these instruments.

(c) Legal reserves

According to legal requirements, the Company sets up legal reserves in the amount of 5% of the legally recorded gross profit up to the level of 20% of the share capital according to the Instrument of Incorporation. The amount of the legal reserve as at 31 December 2024 is RON 15,222,116 (as at 31 December 2023 is RON 15,692,904). As a result of the decrease in share capital (see Note 19 (a)), the legal reserve decreased by RON 470,787, reaching the level of 20% of the decreased share capital, a value that was transferred under retained earnings.

Legal reserves may not be distributed to shareholders. The amount of the legal reserves was included in the statement of the financial position, on the row of the "Retained earnings".



Notes to the Financial Statements

for the financial year ended 31 December 2024

18. Capital and reserves (continued)

(d) Dividends

During the financial year ended 31 December 2024 and the financial year ended 31 December 2023, the Company did not distribute any dividends.

(e) Own shares

During the financial year ended 31 December 2024, the Company did not implement share buyback programmes.

During the financial year ended 31 December 2024, the decrease in share capital was recorded by cancelling treasury shares acquired by the Company (see Note 19 (a)).

(f) Profit allocation

The Company Administrator proposes to distribute the net profit as follows:

<i>In RON</i>	31 December 2024
Net profit to be distributed:	86,849,260
- other reserves	86,849,260

19. Earnings per share

The calculation of the basic earnings per share was performed based on the net profit and the weighted average number of ordinary shares:

<i>In RON</i>	31 December 2024	31 Decembrie 2023
Net profit	86,849,260	212,803,021
Weighted average number of ordinary shares	761,105,845	761,105,845
Basic earnings per share	0.114	0.280

The diluted earnings per share are equal to the basic earnings per share, as the Company has not recorded any potential ordinary shares.



Notes to the Financial Statements

for the financial year ended 31 December 2024

20. Financial assets and liabilities

Accounting classifications and fair values

The table below summarises the book values and fair values of Company financial assets and liabilities as at 31 December 2024:

<i>In RON</i>	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total book value	Fair value
Financial assets at fair value through profit or loss	1,165,702,124	-	-	1,165,702,124	1,165,702,124
Financial assets at fair value through other comprehensive income	-	1,230,669,391	-	1,230,669,391	1,230,669,391
Financial assets measured at amortised cost	-	-	1,257,442	1,257,442	1,539,519
Other financial assets	-	-	12,046,656	12,046,656	12,046,656
Total financial assets	1,165,702,124	1,230,669,391	13,304,098	2,409,675,613	2,409,957,690
Dividends payable	-	-	(567,056)	(567,056)	(567,056)
Other financial liabilities	-	-	(8,476,877)	(8,476,877)	(8,476,877)
Total financial liabilities	-	-	(9,043,933)	(9,043,933)	(9,043,933)

In order to estimate the fair value of the financial assets and liabilities measured at amortised cost, the Company has used the following estimates and has made the following significant judgments: for financial assets and liabilities items issued or held for very short periods, which are generally non-interest-bearing or fixed interest bearing, the Company has approximated the fair value at cost (as such, the valuation has been performed using Level 3 techniques).



Notes to the Financial Statements

for the financial year ended 31 December 2024

20. Financial assets and liabilities (continued)

Accounting classifications and fair values (continued)

The table below summarises the book values and fair values of Company financial assets and liabilities as at 31 December 2023 Restated:

<i>In RON</i>	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total book value	Fair value
Financial assets at fair value through profit or loss	1,083,470,993	-	-	1,083,470,993	1,083,470,993
Financial assets at fair value through other comprehensive income	-	1,036,654,658	-	1,036,654,658	1,036,654,658
Other financial assets	-	-	2,648,623	2,648,623	2,648,623
Total financial assets	1,083,470,993	1,036,654,658	2,648,623	2,122,774,274	2,122,774,274
Dividends payable	-	-	(567,056)	(567,056)	(567,056)
Other financial liabilities	-	-	(23,687,765)	(23,687,765)	(23,687,765)
Total financial liabilities	-	-	(24,254,821)	(24,254,821)	(24,254,821)

In order to estimate the fair value of the financial assets and liabilities measured at amortised cost, the Company has used the following estimates and has made the following significant judgments: for financial liabilities items issued or held for very short periods, which are generally non-interest-bearing or fixed interest bearing, the Company has approximated the fair value at cost (as such, the valuation has been performed using Level 3 techniques).



Notes to the Financial Statements

for the financial year ended 31 December 2024



21. Commitments and contingent liabilities

(a) Legal proceedings

The Company is the subject of a number of legal proceedings resulting during the normal course of business. The Company management believes, based on consultations with its lawyers, that these proceedings will not have a significant adverse effect on the economic results and the financial position of the Company.

(b) Environmental contingencies

Environmental regulations are evolving in Romania, and the Company did not register any liabilities as at 31 December 2024 and 31 December 2023 for any expected costs, including legal and consulting fees, site studies, the design and implementation of remedying plans with regard to environmental elements. The Company management does not believe the expenses associated with possible environmental problems to be significant.

(c) Transfer pricing

Romanian tax laws have included rules on related party transfer pricing since 2000. The current legislative framework defines the arm's length principle for related party transactions, as well as the transfer pricing methods. As such, tax authorities are expected to initiate thorough transfer pricing checks to ensure that the tax result is not distorted by the effect of prices used in related party dealings. During the period ended 31 December 2024, the Company did not exceed the value level of related party transactions, stipulated by legal regulations in force, for the preparation of the transfer pricing documentation file.

22. Related party transactions and balances

During its activity, the Company identified the following parties engaged in special relations:

(i) The Company management

The Company operates on the basis of a management contract concluded with Societatea de Administrare a Investițiilor Muntenia Invest S.A. The majority shareholder of Societatea de Administrare a Investițiilor Muntenia Invest S.A. is Lion Capital S.A. (the former SIF Banat-Crișana S.A.) holding 99.98% of the share capital as at 31 December 2024.

The Company has not identified an ultimate controlling parent company.

The transactions between the Company and the Administrator were as follows:

In RON

<i>Receivables and liabilities</i>	31 December 2024	31 December 2023
Liabilities related to the administration fee	(7,610,681)	(21,672,737)
<i>Income and expenses</i>	2024	2023
Administration fees (i)	(43,042,727)	(50,226,268)

Notes to the Financial Statements

for the financial year ended 31 December 2024

22. Related party transactions and balances (continued)

(i) The Company management (continued)

(i) During the financial period ended 31 December 2024, the monthly administration fees and the performance commission are in amount to RON 43,042,727 (as at 31 December 2023, the monthly administration fees and the performance fee: RON 50,226,268), under the management contract concluded between the parties. The management contract concluded between Longshield Investment Group S.A. and Societatea de Administrare a Investițiilor Muntenia Invest SA was approved by the Longshield Investment Group SA Shareholder's Ordinary General Meeting of 23 April 2020.

The monthly administration fee is calculated as a percentage of the total assets certified by the depository bank for the last day of the month. The performance commission is due for the fulfilment of performance criteria and the achievement of objectives set annually by the Company Shareholders' General Meeting and is calculated as a percentage applied to the difference between the gross profit earned and the gross profit budgeted.

Transactions with Company personnel:

Other transactions	2024	2023
Expenses related to salaries of Board of Shareholders' Representatives members, out of which:	440,472	440,472
- gross salaries paid to the members	430,776	430,776
- social security and social protection expenses	9,696	9,696
- number of members	3	3
Personnel salaries, of which:	11,382	9,433
- gross salaries paid or payable	11,130	9,226
- social security and social protection expenses	252	207
- number of employees	1	1

The Company has one employee and three members within the Board of Shareholders' Representatives as at 31 December 2024. The members of the Board of Shareholders' Representatives were elected within the Longshield Investment Group Shareholders' Ordinary General Meeting of 22 June 2022 for a four-year term.



Notes to the Financial Statements

for the financial year ended 31 December 2024



22. Related party transactions and balances (continued)

(ii) Subsidiaries (companies within which Longshield Investment Group has control)

All Company subsidiaries as at 31 December 2024 and 31 December 2023 are based in Romania. For them, the Company shareholding percentage is not different from the percentage of the number of votes held.

The fair value of subsidiary shareholdings and the shareholding percentage are shown in the table below:

Name of the subsidiary	Fair value as at 31 December 2024	Fair value as at 31 December 2023	Shareholding percentage as at 31 December 2024	Shareholding percentage as at 31 December 2023
Avicola București S.A.	207,241	385,619	89.97%	89.97%
Biofarm S.A.	363,589,638	418,782,610	51.68%	51.58%
Bucur S.A.	57,741,066	39,134,857	67.98%	67.98%
Casa de Bucovina - Club de Munte	17,411,525	11,887,869	73.98%	73.98%
CI-CO S.A.	45,264,062	43,455,212	97.34%	97.34%
Firos S.A.	52,787,424	51,495,955	99.69%	99.69%
Finagrom IFN SA	89,962,809	4,833,532	99.99%	99.90%
Germina Agribusiness S.A.	20,024,803	20,580,413	90.39%	90.68%
ICPE S.A.	28,086,183	11,659,750	50.32%	50.32%
ICPE Electric Motors S.R.L.	1,699,587	1,374,427	100.00%	100.00%
Mătășari Holding S.A.	18,947,047	15,242,469	99.99%	90.67%
Mindo S.A.	4,051,027	3,685,436	98.02%	98.02%
Semrom Oltenia S.A.	12,744,449	18,474,512	88.69%	88.49%
Unisem S.A.	19,545,892	22,945,177	76.91%	76.91%
Voluthema Property Developer S.A.	71,715,594	54,958,541	99.97%	99.97%
Șantierul Naval Orșova S.A. *)	38,438,178	-	47.06%	-
Total	842,216,525	718,896,379	-	-

*) As at 31 May 2024, the Company acquired control within Șantierul Naval Orșova S.A., through purchases in stages.

(iii) Company associates

As at 31 December 2024, the Company has no shareholdings within associates.

As at 31 December 2023, the Company has shareholdings within an associate, namely Șantierul Naval Orșova S.A..

(iv) Transactions and balances with Company subsidiaries

The transactions concluded by the Company with parties engaged in special relations were carried out during the normal course of the activity. The Company has neither received, nor granted any guarantees in favour of any party engaged in special relations.

During 2024, dividend income from subsidiaries was recorded in the amount of RON 40,688,985 (as at 31 December 2023: RON 38,947,952). As at 31 December 2024, dividends due for 2024 have been collected in full. As at 31 December 2023, there were outstanding dividends to be collected from Voluthema Property Developer S.A. amounting to RON 1,098,623 and from ICPE S.A. amounting to RON 1,048,929.

Notes to the Financial Statements

for the financial year ended 31 December 2024



22. Related party transactions and balances (continued)

(iv) Transactions and balances with Company subsidiaries (continued)

The breakdown of dividend income from subsidiaries is presented below:

<i>In RON</i>	2024	2023
Biofarm S.A.	15,755,171	15,246,940
Unisem S.A.	6,346,345	1,518,388
CI-CO S.A.	5,353,727	3,208,285
Germina Agribusiness S.A.	4,668,569	8,207,665
Firos S.A.	3,209,757	3,998,118
Şantierul Naval Orşova SA	2,849,264	-
Voluthema Property Developer S.A.	2,506,152	1,098,623
Bucur S.A. Bucuresti	-	2,037,920
Semrom Oltenia S.A.	-	1,587,445
ICPE S.A.	-	1,048,929
Total	40,688,985	37,952,312

Receivables regarding dividends due from subsidiaries as at 31 December 2024 and 31 December 2023, are presented in the following table:

<i>In RON</i>	31 December 2024	31 December 2023
Voluthema Property Developer S.A.	-	1,098,623
ICPE S.A.	-	1,048,929
Total	-	2,147,551

23. Correction of accounting errors – Incorrect classification of financial assets

The Company incorrectly classified and presented in the Statement of Financial Position as at 31 December 2023 the shareholding held with Şantierul Naval Orşova SA (SNO) under financial assets at fair value through other comprehensive income, although the shareholding with SNO increased to 41.19% as of 14 November 2023.

Following the analysis carried out regarding the identification and monitoring of associates, the Company concluded that following the increase in the holding with SNO, the latter is an associate over which Longshield Investment Group SA (formerly called SIF Muntenia SA) exercises significant influence, namely has the ability to participate in making decisions regarding the entity's financial and operating policies, without exercising control or joint control over those policies, therefore the investment should have been classified as financial assets at fair value through profit or loss. The comparative statement of financial position was restated in relation to the approved financial statements for the period ended 31 December 2023, the shareholding held with SNO was reclassified from the row "Financial assets at fair value through other comprehensive income" to the row "Financial assets at fair value through profit or loss", with corresponding reclassification of the fair value adjustment from fair value reserve to retained earning.

Notes to the Financial Statements

for the financial year ended 31 December 2024

23. Correction of accounting errors – Incorrect classification of financial assets (continued)

<i>In RON</i>	31 December 2023 Restated	Reclassifications	31 December 2023 Restated
Financial assets at fair value through profit or loss	1,058,064,333	25,406,660	1,083,470,993
Financial assets at fair value through other comprehensive income	1,062,061,318	(25,406,660)	1,036,654,658
Total Assets	2,120,125,651	-	2,120,125,651

<i>In RON</i>	31 December 2023 Restated	Reclassifications	31 December 2023 Restated
Retained earnings	1,070,950,729	(2,338,363)	1,068,612,366
Reserves from revaluation of financial assets at fair value through other comprehensive income	341,745,811	2,338,363	344,084,174
Total equity	1,412,696,540	-	1,412,696,540

The reclassification has no impact on the total assets, total liabilities, total equity of the Company as at 31 December 2023.

24. Events subsequent to the reporting period

- In January 2025, the Company subscribed to the share buyback programme carried out by the subsidiary ICPE SA of Bucharest for the buyback of the entire share package held of 2,996,939 shares. The amount received from the buyback was RON 28,126,273. According to IAS 10, this event falls within the definition of a non-adjusting event that occurred after the closing date.
- During the period 18 December 2024 - 10 January 2025, the LONG share buyback programme was carried out according to the Public Purchase Offer Document approved by the FSA under no. 1213/11.12.2024. The buyback price was RON 1.95/share, the object of the offer was 18,000,000 shares. The result of the public share purchase offer was finalised with the buyback of 16,362,000 shares, amounting to RON 31,905,900.
- On 24 February 2025, the Financial Supervisory Authority. By way of Authorisation no. 16/24.02.2025, Mr. Stefan Dumitru was authorised as CEO of S.A.I. Muntenia Invest S.A. for a term of office of 4 years starting with the date of authorisation and until 19.10.2028.

No other significant subsequent events have occurred up to the date of preparation of these financial statements.

ADMINISTRATOR,
SAI MUNTENIA INVEST S.A.
Sergiu MIHAILOV
Deputy General Manager



PREPARED BY,
SAI MUNTENIA INVEST S.A.
Irina MIHALCEA
Chief Accountant





LONGSHIELD

INVESTMENT GROUP



nr. 46-48, sector 2, cod 020199
Telefon: +40 213 873 210
Fax: +40 213 873 209
Email: sai@munteniainvest.ro
www.longshield.ro

Annex 11

DETAILED STATEMENT OF INVESTMENTS AS AT 31.12.2024 AS COMPARED TO 31.12.2023

No.	Item denomination	Currency	Beginning of the reporting period (31.12.2023)				End of the reporting period (31.12.2024)				Differences
			% of net asset	% of total asset	Currency	LEI	% of net asset	% of total asset	Currency	LEI	
1	I. Total asset	RON	104,207	100,000	0,00	2.372.869.619,85	104,349	100,000	0,00	2.631.791.426,18	258.921.806,33
2	I.1. Securities and money market instruments of which:	RON	73,339	70,378	0,00	1.669.981.295,95	73,383	70,324	0,00	1.850.783.277,06	180.801.981,11
3	I.1.1. Securities and money market instruments admitted or traded within a trading place in Romania, of which:	RON	73,339	70,378	0,00	1.669.981.295,95	73,383	70,324	0,00	1.850.783.277,06	180.801.981,11
4	I.1.1.1. Shares listed on BSE	RON	56,522	54,240	0,00	1.287.055.529,88	56,795	54,428	0,00	1.432.434.137,33	145.378.607,45
5	I.1.1.2. AIF listed on BSE	RON	4,881	4,684	0,00	111.147.775,84	5,155	4,940	0,00	130.010.301,60	18.862.525,76
6	I.1.1.3. Shares listed on ATS	RON	11,386	10,927	0,00	259.278.319,72	10,559	10,119	0,00	266.302.178,00	7.023.858,28
7	I.1.1.4. Listed shares, but not traded during the last 30 days	RON	0,549	0,527	0,00	12.499.670,51	0,874	0,837	0,00	22.036.660,13	9.536.989,62
8	I.1.1.5. Shares listed and suspended for trading for more than 30 days	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
9	I.1.1.6. Listed municipal bonds	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
10	I.1.1.7. Listed corporate bonds	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
11	I.1.1.8. Listed municipal bonds and not traded during the last 30 days	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
12	I.1.1.9. Listed corporate bonds and not traded during the last 30 days	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00



13	I.1.2. securities and money market instruments admitted or traded within a trading place in another Member State	RON	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
14	I.1.2.1 Listed corporate bonds	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
15	I.1.3. securities and money market instruments admitted to the official share of a stock exchange from a third state, which operates regularly and is recognized and open to the public, approved by the ASF, of which	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
16	I.1. Securities and money market instruments of which:	EUR	3,612	3,466	16.534.399,18	82.252.022,18	2,266	2,172	11.490.938,35	57.157.076,47	-25.094.945,71
17	I.1.2. securities and money market instruments admitted or traded within a trading place in another Member State	EUR	3,612	3,466	16.534.399,18	82.252.022,18	2,266	2,172	11.490.938,35	57.157.076,47	-25.094.945,71
18	I.1.2.1 Listed corporate bonds	EUR	3,612	3,466	16.534.399,18	82.252.022,18	2,266	2,172	11.490.938,35	57.157.076,47	-25.094.945,71
19	I.2. newly issued securities	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
20	I.3. other securities and money market instruments of which	RON	7,032	6,748	0,00	160.115.355,75	11,015	10,556	0,00	277.808.846,28	117.693.490,53
21	I.3.1. Unlisted shares (closed)	RON	7,032	6,748	0,00	160.115.355,75	11,015	10,556	0,00	277.808.846,28	117.693.490,53
22	I.3.2. Unlisted municipal bonds	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
23	I.3.3. Unlisted corporate bonds	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
24	I.4. Bank deposits, of which:	RON	4,143	3,976	0,00	94.349.895,66	2,395	2,295	0,00	60.396.408,28	-33.953.487,38
25	I.4.1. bank deposits with credit institutions in Romania;	RON	4,143	3,976	0,00	94.349.895,66	2,395	2,295	0,00	60.396.408,28	-33.953.487,38
26	I.4.2. bank deposits with credit institutions in a Member State;	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
27	I.4.3. bank deposits with credit institutions in a third country;	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00



28	I.4. Bank deposits, of which:	EUR	2,984	2,864	13.660.537,62	67.955.710,44	3,324	3,186	16.855.227,83	83.839.588,73	15.883.878,29
29	I.4.1. . bank deposits with credit institutions in Romania;	EUR	2,984	2,864	13.660.537,62	67.955.710,44	3,324	3,186	16.855.227,83	83.839.588,73	15.883.878,29
30	I.4. Bank deposits, of which:	USD	1,045	1,002	5.290.746,82	23.786.139,54	1,047	1,004	5.529.314,70	26.412.430,47	2.626.290,93
31	I.4.1. . bank deposits with credit institutions in Romania;	USD	1,045	1,002	5.290.746,82	23.786.139,54	1,047	1,004	5.529.314,70	26.412.430,47	2.626.290,93
32	I.5. Derivative financial instruments traded on a regulated market	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
33	I.6. Current accounts and cash	RON	0,909	0,872	0,00	20.699.621,69	0,068	0,065	0,00	1.722.439,63	-18.977.182,06
34	I.6. Current accounts and cash	EUR	0,000	0,000	1.830,52	9.106,10	0,000	0,000	1.361,09	6.770,20	-2.335,90
35	I.6. Current accounts and cash	GBP	0,000	0,000	1,00	5,72	0,000	0,000	1,00	6,00	0,28
36	I.6. Current accounts and cash	USD	0,000	0,000	415,26	1.866,92	0,000	0,000	556,26	2.657,14	790,22
37	I.7. Money market instruments, other than those traded on a regulated market, according to art. 82 letter g) of the E.G.O no. 32/2012 - Repo type contracts on securities	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
38	I.8. AIF / UCITS participation titles	RON	10,966	10,524	0,00	249.712.358,31	10,242	9,816	0,00	258.324.975,05	8.612.616,74
39	I.8. AIF / UCITS participation titles	EUR	0,042	0,040	191.318,40	951.732,51	0,041	0,039	206.145,60	1.025.388,83	73.656,32
40	I.9. Dividends or other receivables	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
41	I.9.1 Shares distributed with cash contribution	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
42	I.9.2 Bonus shares	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
43	I.9.3 Dividends	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
44	I.9.4 Preference / allocation rights	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00



45	I.9.5 Amounts to be received following the decrease of the share capital	RON	0,000	0,000	0,000	0,000	0,000	0,000	0,00	0,00	0,00
46	I.10. Equity interests	RON	0,060	0,058	0,00	1.374.427,00	0,067	0,065	0,00	1.699.587,00	325.160,00
47	I.11. Other assets (amounts in transit, amounts at distributors, amounts at brokers, tangible and intangible assets, receivables, etc.)	RON	0,074	0,071	0,00	1.680.082,08	0,500	0,479	0,00	12.611.975,04	10.931.892,96
48	II. Total liabilities	RON	4,207	4,037	0,00	95.794.701,80	4,349	4,168	0,00	109.691.201,06	13.896.499,26
49	II.1. Expenses for payment of commissions due to AIFM	RON	0,953	0,914	0,00	21.693.043,59	0,279	0,267	0,00	7.039.619,73	-14.653.423,86
50	II.2. Expenses for payment of commissions due to the depositary	RON	0,002	0,001	0,00	34.676,12	0,001	0,001	0,00	37.772,53	3.096,41
51	II.3. Expenses with commissions due to intermediaries	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
52	II.4. Expenses with running commissions and other banking services	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
53	II.5. Interest expenses	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
54	II.6. Issue expenses	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
55	II.7. Expenses for paying the commissions/tariffs due to the FSA	RON	0,008	0,008	0,00	179.984,06	0,008	0,007	0,00	196.417,18	16.433,12
56	II.8. Financial auditing expenses	RON	0,000	0,000	0,00	0,00	0,012	0,012	0,00	304.417,46	304.417,46
57	II.9. Other approved expenses	RON	3,245	3,114	0,00	73.886.998,03	4,049	3,880	0,00	102.111.638,73	28.224.640,70
58	II.10. Buy-back payable	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	0,00	0,00
59	II.11.	RON	0,000	0,000	0,00	0,00	0,000	0,000	0,00	1.335,43	1.335,43
60	III. Net asset value (I-II)	RON	100,000	95,963	0,00	2.277.074.918,05	100,000	95,832	0,00	2.522.100.225,12	245.025.307,07

Net asset value per share statement

Item denomination	Current period (31.12.2024)	Corresponding period of the previous year (31.12.2023)	Differences
Net Asset Value	2.522.100.225,11	2.277.074.918,05	245.025.307,06
Number of issued shares, of which:	761.105.845,00	761.105.845,00	0,00
- natural persons	455.116.744	457.527.847	-2.411.103
- legal persons	305.989.101	303.577.998	2.411.103
Net asset value per share	3,3137	2,9918	0,3219
Number of investors, of which:	5.930.021	5.932.661	-2.640
- natural persons	5.929.905	5.932.543	-2.638
- legal persons	116	118	-2

DETAILED STATEMENT OF INVESTMENTS AT 31.12.2024

I. Securities admitted or traded within a trading place in Romania

1. Shares traded during the last 30 trading days (business days)

No. crt.	Issuer	Share symbol	Date of the last trading session	Number of shares owned	Nominal value	Share value	Total value	Share in the share capital of the issuer	Share in the total assets of the AIFR
					lei	lei	lei	%	%
1	BANCA TRANSILVANIA	TLV	30.12.2024	24.529.816	10,0000	27,0000	662.305.032,00	2,675	25.166
2	BIOFARM SA BUCURESTI	BIO	30.12.2024	509.229.185	0,1000	0,7140	363.589.638,09	51,679	13.815
3	BRD - GROUPE SOCIETE GENERALE	BRD	30.12.2024	5.611.471	1,0000	18,6400	104.597.819,44	0,805	3.974
4	BUCUR SA BUCURESTI	BUCV	30.12.2024	56.608.888	0,1000	1,0200	57.741.065,76	67,978	2.194



5	BURSA DE VALORI BUCURESTI	BVB	30.12.2024	395.449	10,0000	40,9000	16.173.864,10	4,466	0.615
6	CASA DE BUCOVINA-CLUB DE MUNTE S.A.	BCM	27.12.2024	120.079.482	0,1000	0,1450	17.411.524,89	73,977	0.662
7	CI-CO SA BUCURESTI	CICO	27.12.2024	2.634.060	2,5000	24,6000	64.797.876,00	97,342	2.462
8	COMPANIA ENERGOPETROL SA CAMPINA	ENP	16.12.2024	160.256	2,5000	1,0500	168.268,80	7,915	0.006
9	COMREP SA PLOIESTI	COTN	18.12.2024	120.605	2,5000	5,5000	663.327,50	17,178	0.025
10	COMTURIST SA BUCURESTI	COUT	04.12.2024	16.693	2,5000	27,2000	454.049,60	9,867	0.017
11	CONPET SA PLOIESTI	COTE	30.12.2024	35.596	3,3000	75,4000	2.683.938,40	0,411	0.102
12	GERMINA AGRIBUSINESS S.A.	SEOM	30.12.2024	12.210.246	0,1000	1,6400	20.024.803,44	90,385	0.761
13	IMPACT DEVELOPER & CONTRACTOR	IMP	30.12.2024	67.250.000	0,2500	0,1900	12.777.500,00	2,844	0.486
14	INFINITY CAPITAL INVESTMENTS SA	INFINITY	30.12.2024	23.400.000	0,1000	2,4200	56.628.000,00	4,926	2.152
15	INOX SA	INOX	30.12.2024	225.676	2,5000	0,9400	212.135,44	3,522	0.008
16	IOR SA BUCURESTI	IORB	17.12.2024	7.327.025	0,1000	0,2340	1.714.523,85	1,014	0.065
17	LION CAPITAL SA	LION	30.12.2024	25.748.176	0,1000	2,8500	73.382.301,60	5,073	2.788
18	MACOFIL SA TIRGU JIU	MACO	30.12.2024	627.909	4,1000	22,0000	13.813.998,00	17,377	0.525
19	OMV PETROM SA	SNP	30.12.2024	140.875.080	0,1000	0,7090	99.880.431,72	0,226	3.795
20	PRIMCOM SA BUCURESTI	PRIB	27.12.2024	177.111	0,1000	9,0000	1.593.999,00	14,466	0.061
21	PROSPECTIUNI SA BUCURESTI	PRSN	30.12.2024	84.917.900	0,1000	0,1160	9.850.476,40	11,826	0.374
22	S.N.G.N. ROMGAZ-S.A. Medias	SNG	30.12.2024	11.499.470	1,0000	5,1400	59.107.275,80	0,298	2.246
23	S.P.E.E.H. HIDROELECTRICA S.A.	H2O	30.12.2024	346.500	10,0000	122,0000	42.273.000,00	0,077	1.606
24	SANTIERUL NAVAL ORSOVA	SNO	30.12.2024	5.375.969	2,5000	7,1500	38.438.178,35	47,063	1.461
25	SEMROM OLTENIA SA	SEOL	19.12.2024	9.879.418	0,1000	1,2900	12.744.449,22	88,694	0.484
26	SOCIETATEA NATIONALA DE TRANSPORT GAZE NATURALE "TRANSGAZ" SA	TGN	30.12.2024	332.800	10,0000	23,4500	7.804.160,00	0,177	0.297
27	STICLOVAL SA VALENII DE MUNTE	STOZ	29.11.2024	884.478	2,5000	44,2000	39.093.927,60	34,933	1.485
28	UNIREA SHOPPING CENTER SA BUCURESTI	SCDM	20.12.2024	322.841	2,5000	74,5000	24.051.654,50	11,876	0.914
29	UNISEM SA BUCURESTI	UNISEM	23.12.2024	60.701.527	0,1000	0,3220	19.545.891,69	76,909	0.743
30	VRANCART S.A. ADJUD	VNC	30.12.2024	44.455.368	0,1000	0,1175	5.223.505,74	2,212	0.198
TOTAL							1.828.746.616,93		69,487



2. Shares not traded during the last 30 trading days (business days)

No. crt.	Issuer	Share symbol	Date of the last trading session	Number of shares owned	Nominal value	Share value	Total value	Share in the share capital of the issuer	Share in the total assets of the AIFR
					lei	lei	lei	%	%
1	COCOR SA BUCURESTI	COCR	16.10.2024	30.206	40,0000	284,8479	8.604.115,25	10,012	0.327
2	COMCEREAL SA BUCURESTI	CMIL	08.11.2023	143.589	2,5000	4,5180	648.737,14	11,589	0.025
3	DIASFIN SA BUCURESTI	DIAS	10.07.2024	42.314	2,5000	39,7628	1.682.524,23	18,604	0.064
4	GEROM SA BUZAU	GROB	21.10.2016	742.591	1,3100	0,0000	0,00	3,823	0.000
5	INSTITUTUL DE CERCETARI IN TRANSPORTURI - INCERTRANS SA BUCURESTI	INCT	09.10.2024	270.392	2,5000	4,2686	1.154.206,79	22,759	0.044
6	METALURGICA SA BUCURESTI	MECA	21.09.2021	34.127	2,5000	13,1410	448.463,85	8,906	0.017
* 7	MINDO SA DOROHOI	MINO	12.11.2024	32.595.770	0,1000	0,1243	4.051.027,00	98,018	0.154
8	ROMAERO SA BUCURESTI	RORX	17.01.2024	1.614.693	2,5000	0,0000	0,00	23,241	0.000
9	SINTER REF SA AZUGA	SIEP	27.05.1997	790.462	2,5000	5,5622	4.396.725,41	19,401	0.167
10	SINTOFARM SA BUCURESTI	SINT	30.10.2024	502.180	2,5000	2,0926	1.050.860,45	13,007	0.040
TOTAL							22.036.660,13		0,838

* The evaluation of companies from Longshield Investment Group's portfolio for which evaluation reports were prepared in accordance with the international evaluation standards was performed using income approach - the discounted cash-flows method.

3. Shares not traded during the last 30 trading days (business days) for which the financial statements are not obtained within 90 days from the legal submission dates

Not applicable

4. Preference rights / allocation rights

Not applicable

5. Bonds admitted to trading issued or guaranteed by local public administration authorities / corporate bonds

Not applicable



6. Bonds admitted to trading issued or guaranteed by central public administration authorities

Not applicable

7. Other securities admitted to trading on a regulated market

Not applicable

8. Amounts under settlement for securities admitted or traded within a trading place in Romania

Not applicable



II. Securities admitted or traded on within a trading place in another Member State

1. Shares traded during the last 30 trading days (business days)

Not applicable

2. Bonds admitted to trading issued or guaranteed by local public administration authorities, corporate bonds

Issuer	ISIN Code	Date of the last trading session	No. of bonds owned	Purchase date	Coupon date	Coupon maturity date	Initial value	Daily increase	Cumulative interest	Discount / premium cumulative	Market price	NBR foreign exchange rate	Total value	Share in total bonds issue	Share in the total assets of the AIFR
							foreign currency	foreign currency	foreign currency	foreign currency	foreign currency	lei	lei	%	%
Bonds in EUR															
Opus-Chartered Issuances S.A.	DE000A185GT6		1.140	30.08.2016	05.09.2024	05.09.2025	8.772,00	624,66	73.709,59	1.399.920,00		4,9741	55.900.973,19	2,272	2,124
S.N.G.N. ROMGAZ-S.A. Medias	XS2914558593		250	30.09.2024	07.10.2024	07.10.2025	998,87	32,53	2.797,95	282,50		4,9741	1.256.103,28	0,050	0,048
Total bonds in EUR													57.157.076,47		2,172
TOTAL													57.157.076,47		2,172

3. Bonds admitted to trading issued or guaranteed by central public administration authorities

Not applicable

4. Other securities admitted to trading within a trading place in another Member State

Not applicable

5. Amounts under settlement for securities admitted or traded within a trading place in another Member State

Not applicable

III. Securities admitted or traded on a stock exchange from a third state

1. Shares traded during the last 30 trading days (business days)

Not applicable

2. Bonds admitted to trading issued or guaranteed by local public administration authorities, corporate bonds, traded during the last 30 days

Not applicable

3. Other securities admitted to trading on a stock exchange from a third state

Not applicable

4. Amounts under settlement for securities admitted or traded on a stock exchange from a third state

Not applicable

IV. Money market instruments admitted or traded on a regulated market in Romania

Not applicable

Amounts under settlement for money market instruments admitted or traded on a regulated market in Romania

Not applicable

V. Money market instruments admitted or traded within a trading place in another Member State

Not applicable

Amounts under settlement for money market instruments admitted or traded within a trading place in another Member State

Not applicable

VI. Money market instruments admitted or traded on a stock exchange from a third state



Not applicable

Amounts under settlement for money market instruments admitted or traded on a stock exchange from a third state
 Not applicable

VII. Newly issued securities

1. Newly issued shares

Not applicable

2. Newly issued bonds

Not applicable

3. Preference rights (after registration with the central depository, prior to admission to trading)

Not applicable



VIII. Other securities and money market instruments

VIII.1 Other securities

1. Shares not admitted to trading

No. crt.	Issuer	No. of shares owned	Nominal value	Share value	Total value	Share in the issuer's share capital / total bonds of an issuer	Share in the total assets of the AIFR
			lei		lei	%	%
1	AGAM INVESTITII S.A.	80.000	2,1000	27,9152	2.233.212,60	3,600	0,085
2	AGROEXPORT SA CONSTANTA	203.045	2,5000	0,0000	0,00	18,529	0,000
3	AGROIND UNIREA SA MANASTIREA	187.098	2,5000	0,0000	0,00	18,804	0,000
4	AGROSEM SA TIMISOARA	834	2,5000	0,0000	0,00	0,044	0,000
5	ALEXANDRA TURISM SA BUCURESTI	10.921	2,5000	0,6004	6.556,96	1,551	0,000

6	ALSTOM TRANSPORT SA BUCURESTI	20.775	10,0000	187,8690	3.902.977,81	2,180	0,148
* 7	AVICOLA SA BUCURESTI	385.837	2,5000	0,5371	207.241,00	89,970	0,008
8	BRAIFOR SA STEFANESTI	1.016	2,5000	18,9311	19.234,02	0,969	0,001
9	CCP.RO Bucharest SA	197.232	10,0000	5,4358	1.072.110,61	1,669	0,041
10	COMPAN SA	1.430.288	2,5000	0,0000	0,00	72,711	0,000
11	COMPANIA NATIONALA DE TRANSPORTURI AERIENE ROMANE TAROM SA OTOPENI	86.517	2,5000	0,0000	0,00	0,083	0,000
12	CONTOR GROUP SA	3.839.316	0,1000	0,0000	0,00	1,981	0,000
13	DEPOZITARUL CENTRAL SA	10.584.609	0,1000	0,1121	1.186.757,49	4,185	0,045
14	ENERGOCONSTRUCTIA SA BUCURESTI	136.045	5,6000	0,0000	0,00	1,766	0,000
15	EUROTEST SA BUCURESTI	74.888	2,5000	11,8558	887.853,90	30,000	0,034
16	EXIM BANCA ROMANEASCA S.A.	564.870	6,0000	8,9585	5.060.407,16	0,439	0,192
* 17	FINAGROM IFN SA	18.000	5.000,0000	4.997,9338	89.962.809,00	99,994	3,418
* 18	FIROS S.A BUCURESTI	2.815.576	2,5000	18,7484	52.787.424,00	99,685	2,006
19	HIDROJET SA BREAZA	291.387	2,5000	0,0000	0,00	8,986	0,000
20	I.C.T.C.M. SA BUCURESTI	119.750	2,5000	0,0000	0,00	30,000	0,000
* 21	ICPE SA BUCURESTI	2.996.939	2,5000	9,3716	28.086.183,00	50,315	1,067
22	INDUSTRIALEXPORT SA BUCURESTI	80.000	12,0000	0,0000	0,00	3,600	0,000
23	ISORAST TECHNOLOGY SA	778.563	10,0000	0,0000	0,00	25,000	0,000
* 24	MATASARI HOLDING S.A.	16.064.609	1,0000	1,1794	18.947.047,00	99,994	0,720
25	RAFINARIA SA DARMANESTI	45.059	2,5000	0,0000	0,00	1,136	0,000
26	RAFO SA ONESTI	4.453	0,2600	0,0000	0,00	0,001	0,000
27	ROM VIAL SA BUCURESTI	400	2,5000	0,0000	0,00	0,764	0,000
28	ROMSUINTEST SA PERIS	6.155.903	2,5000	0,0000	0,00	40,046	0,000
29	RULMENTI SA BIRLAD	58.893	2,7500	1,6541	97.413,49	0,147	0,004
30	SANEVIT SA ARAD	45.282	0,1000	0,0000	0,00	0,759	0,000
31	SEMINA S.A ALBESTI	3.254.150	2,5000	0,0000	0,00	70,027	0,000
32	TURNATORIA CENTRALA -ORION SA CIMPINA	332.300	2,5000	0,0000	0,00	22,893	0,000
33	UPETROLAM SA BUCURESTI	38.873	4,0000	1,8671	72.580,01	1,131	0,003
34	VALEA CU PESTI SA	230.781	2,5000	6,7746	1.563.444,22	24,806	0,059



* 35	VOLUTHEMA PROPERTY DEVELOPER SA	7.062.283	10,0000	10,1547	71.715.594,00	99,966	2,725
36	WORLD TRADE CENTER SA BUCURESTI	26.746	78,7800	0,0000	0,00	2,677	0,000
TOTAL					277.808.846,28		10,556

* The evaluation of companies from Longshield Investment Group's portfolio for which evaluation reports were prepared in accordance with the international evaluation standards was performed using income approach - the discounted cash-flows method, except for AVICOLA SA BUCURESTI FINAGROM IFN SA MATASARI HOLDING S.A. where the valuation was performed using asset approach - the adjusted net asset method.

2. Shares traded on systems other than regulated markets

Not applicable

3. Shares not admitted to trading valued at zero value (lack of updated financial statements submitted to the Trade Register)

No.crt.	Issuer	No. of shares owned	Nominal value	Share value	Total value	Share in the issuer's share capital / total bonds of an issuer	Share in the total assets of the AIFR
			lei		lei	%	%
1	ALUNIS SA BUCURESTI	2.653	2,5000	0,0000	0,00	1,962	0,000
2	BANCA INTERNATIONALA A RELIGIILOR SA BUC	690.743	1,0000	0,0000	0,00	3,454	0,000
3	BUCHAREST FILM STUDIOS SA	806.372	2,5000	0,0000	0,00	0,700	0,000
4	BUENO PANDURI SA BUCURESTI	107.900	2,5000	0,0000	0,00	9,939	0,000
5	CONCORDIA A4 SA BUCURESTI	296.185	2,5000	0,0000	0,00	32,550	0,000
6	CONTRANSIMEX SA BUCURESTI	26.588	11,7517	0,0000	0,00	10,000	0,000
7	CORMORAN - PROD IMPEX	30.632	100,0000	0,0000	0,00	24,528	0,000
8	ELECTRONUM SA BUCURESTI	8	100,0000	0,0000	0,00	0,440	0,000
9	HORTICOLA SA BUCURESTI	51.845	2,5000	0,0000	0,00	1,224	0,000
10	INSTITUTUL NATIONAL DE STICLA SA BUCURES	124.654	2,5000	0,0000	0,00	24,228	0,000
11	PROED SA BUCURESTI	134.450	1,0000	0,0000	0,00	10,628	0,000
12	ROMSIT SA BUCURESTI	75.739	0,1000	0,0000	0,00	10,728	0,000
13	SIDERCA SA CALARASI	3.676.136	2,5000	0,0000	0,00	18,383	0,000
14	VULCAN SA BUCURESTI	2.119.143	2,5000	0,0000	0,00	7,130	0,000



15	ZECASIN SA BUCURESTI	15.921	15,3000	0,0000	0,00	11,620	0,000
TOTAL					0,00		0,000

4. Bonds not admitted to trading

Not applicable

5. Amounts under settlement for shares traded on other systems than regulated markets

Not applicable

VIII.2. Other money market instruments mentioned

1. Commercial papers

Not applicable



IX. Bank accounts and cash balance

1. Lei bank accounts and cash balance

No. crt.	Bank denomination	Current value	Share in the total assets of the AIFR
		lei	%
1	BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA - RO88WBANXXXXXXXXXXXXXXXXXX	356,42	0,000
2	BANCA COMERCIALA ROMANA (BCR) Sucursala UNIREA - RO81RNCBXXXXXXXXXXXXXXXXXX	1.809,74	0,000
3	BANCA TRANSILVANIA Sucursala SMB - RO91BTRLXXXXXXXXXXXXXXXXXX	542,18	0,000
4	BRD - GROUPE SOCIETE GENERALE Sucursala MARI CLIENTI CORPORATIVI - RO59BRDEXXXXXXXXXXXXXXXXXX	67.487,63	0,003
5	BRD - GROUPE SOCIETE GENERALE Sucursala MARI CLIENTI CORPORATIVI - RO81BRDEXXXXXXXXXXXXXXXXXX	3.565,60	0,000
6	CEC BANK - RO09CECEXXXXXXXXXXXXXXXXXX	2.838,56	0,000
7	CREDIT EUROPE BANK - RO20FNNBXXXXXXXXXXXXXXXXXX	1.579.536,72	0,060

8	CREDIT EUROPE BANK - RO47FNNBXXXXXXXXXXXXXXX	0,00	0,000
9	EXIM BANCA ROMANEASCA S.A. - RO66BRMAXXXXXXXXXXXXXXX	2.105,14	0,000
10	LIBRA INTERNET BANK Sucursala FUNDENI - RO41BRELXXXXXXXXXXXXXXX	50.833,12	0,002
11	LONGSHIELD INVESTMENT GROUP S.A. - Casa	1.303,49	0,000
12	PROCREDIT BANK S.A. - RO49MIROXXXXXXXXXXXXXXX	1.490,32	0,000
13	PROCREDIT BANK S.A. - RO86MIROXXXXXXXXXXXXXXX	10.570,71	0,000
TOTAL		1.722.439,63	0,065



2. Foreign currency bank accounts and cash balance

No. crt.	Bank denomination	Current value	NBR foreign exchange rate	Updated value in lei	Share in the total assets of the AIFR
		foreign currency			%
EUR bank accounts and cash balance					
1	BANCA TRANSILVANIA Sucursala SMB - RO40BTRLXXXXXXXXXXXXXXX	616,39	4,9741	3.065,99	0,000
2	BRD - GROUPE SOCIETE GENERALE Sucursala MARI CLIENTI CORPORATIVI - RO06BRDEXXXXXXXXXXXXXXX	647,41	4,9741	3.220,28	0,000
3	CEC BANK - RO19CECEXXXXXXXXXXXXXXX	13,21	4,9741	65,71	0,000
4	EXIM BANCA ROMANEASCA S.A. - RO77BRMAXXXXXXXXXXXXXXX	84,08	4,9741	418,22	0,000
5	LONGSHIELD INVESTMENT GROUP S.A. - Casa	0,00	4,9741	0,00	0,000
GBP bank accounts and cash balance					
1	LONGSHIELD INVESTMENT GROUP S.A. - Casa	1,00	5,9951	6,00	0,000
USD bank accounts and cash balance					
1	BRD - GROUPE SOCIETE GENERALE Sucursala MARI CLIENTI CORPORATIVI - RO04BRDEXXXXXXXXXXXXXXX	329,91	4,7768	1.575,91	0,000
2	EXIM BANCA ROMANEASCA S.A. - RO37BRMAXXXXXXXXXXXXXXX	226,35	4,7768	1.081,23	0,000
3	LONGSHIELD INVESTMENT GROUP S.A. - Casa	0,00	4,7768	0,00	0,000

TOTAL	9.433,34	0,000
-------	----------	-------

X. Bank deposits by distinct categories: set up at credit institutions in Romania / in another Member State / in a third country

1. Bank deposits in lei

No. crt.	Bank denomination	Deposit date	Maturity date	Initial value	Daily increase	Cumulative interest	Total value	Share in the total assets of the AIFR
				lei	lei	lei	lei	%
1	EXIM BANCA ROMANEASCA S.A.	12.11.2024	17.02.2025	5.046.000,00	749,89	37.494,58	5.083.494,58	0,193
2	EXIM BANCA ROMANEASCA S.A.	20.11.2024	21.01.2025	6.361.500,00	927,72	38.964,19	6.400.464,19	0,243
3	EXIM BANCA ROMANEASCA S.A.	10.12.2024	08.01.2025	5.422.500,00	783,25	17.231,50	5.439.731,50	0,207
4	BANCA COMERCIALA ROMANA (BCR)	05.11.2024	06.02.2025	5.092.000,00	721,37	41.117,90	5.133.117,90	0,195
5	BANCA COMERCIALA INTESA SANPAOLO ROMANIA SA	03.10.2024	13.01.2025	7.098.000,00	1.044,98	94.048,50	7.192.048,50	0,273
6	CEC BANK	30.10.2024	04.02.2025	5.289.000,00	736,99	46.430,48	5.335.430,48	0,203
7	CEC BANK	06.11.2024	11.02.2025	5.091.700,00	695,59	38.952,90	5.130.652,90	0,195
8	CEC BANK	11.11.2024	13.02.2025	5.300.000,00	724,04	36.926,23	5.336.926,23	0,203
9	CEC BANK	09.12.2024	08.01.2025	5.117.000,00	685,06	15.756,45	5.132.756,45	0,195
10	BANCA COMERCIALA ROMANA (BCR)	09.12.2024	08.01.2025	10.177.000,00	1.512,42	34.785,55	10.211.785,55	0,388
TOTAL							60.396.408,28	2,295

2. Bank deposits in foreign currency



No. crt.	Bank denomination	Deposit date	Maturity date	Initial value	Daily increase	Cumulative interest	NBR foreign exchange rate	Total value	Share in the total assets of the AIFR
				foreign currency	foreign currency	foreign currency	lei	lei	%
Deposits in EUR									
1	CEC BANK	10.10.2024	15.01.2025	2.116.600,00	173,49	14.399,82	4,9741	10.599.806,20	0,403
2	CEC BANK	18.12.2024	13.01.2025	2.013.950,00	115,55	1.617,76	4,9741	10.025.635,61	0,381
3	EXIM BANCA ROMANEASCA S.A.	25.11.2024	26.02.2025	3.046.150,00	245,38	9.079,22	4,9741	15.197.015,66	0,577
4	EXIM BANCA ROMANEASCA S.A.	18.12.2024	13.01.2025	524.500,00	33,51	469,14	4,9741	2.611.248,98	0,099
5	CEC BANK	19.12.2024	13.01.2025	2.668.300,00	153,10	1.990,29	4,9741	13.282.290,93	0,505
6	CEC BANK	21.10.2024	22.01.2025	2.118.600,00	167,87	12.086,44	4,9741	10.598.247,42	0,403
7	CEC BANK	04.12.2024	05.03.2025	4.318.400,00	324,47	9.085,16	4,9741	21.525.343,93	0,818
Deposits in USD									
1	EXIM BANCA ROMANEASCA S.A.	19.12.2024	13.01.2025	2.209.500,00	233,23	3.031,93	4,7768	10.568.822,50	0,402
2	EXIM BANCA ROMANEASCA S.A.	28.10.2024	30.01.2025	3.293.000,00	365,89	23.782,78	4,7768	15.843.607,97	0,602
TOTAL								110.252.019,20	4,190

XI. Derivative financial instruments traded on a regulated market

- on distinct categories: within a trading place in Romania/in another Member State/on a stock exchange from a third state

1. Futures

Not applicable

2. Options

Not applicable

3. Amounts under settlement for derivative financial instruments traded on a regulated market

Not applicable



XII. Derivative financial instruments traded outside regulated markets

1. Forwards
Not applicable

2. SWAPs
- valued according to the quotation
Not applicable

- valued according to the determination of the present value of the payments within the contract
Not applicable

3. Contracts for difference
Not applicable

4. Other derivative contracts on securities, currencies, interest or return rates or other derivative instruments, financial indices or financial indicators / other derivative contracts on goods that must be settled in cash or may be settled in cash at the request of one of the parties
Not applicable



XIII. Money market instruments, other than those traded on a regulated market, according to art. 35 align (1) letter g) of the Law no. 243/2019
Not applicable

XIV. Participation titles in UCITS and/or AIFs

1. Participation titles in lei

No. crt.	Fund denomination	Last trading session date	No. of fund units owned	Fund unit value (NAV per SHARE)	Market price	Total value	Share in total participation titles of UCITS/AIFs	Share in the total assets of the AIFR
				lei	lei	lei	%	%
1	ACTIVE DINAMIC		504.069,913600	5,8270		2.937.215,39	78,66	0,112
2	ACTIVE PLUS		4.096,468400	15.173,2900		62.156.903,01	42,37	2,362

3	FII BET-FI INDEX INVEST	6.146,000000	904,3585	5.558.187,34	71,44	0,211
4	FII OPTIM INVEST	2.782,410000	14.120,4300	39.288.825,64	41,12	1,493
5	STAR VALUE	19.306,570000	1.438,0600	27.764.006,05	48,40	1,055
6	FIA MUNTENIA TRUST	460,000000	13.908,5159	6.397.917,31	92,00	0,243
7	ROMANIA STRATEGY FUND CLASS B	56.000,000000	810,0700	45.363.920,00	49,12	1,724
8	STAR NEXT	323.767,870000	10,7297	3.473.932,11	18,21	0,132
9	FII MULTICAPITAL INVEST	4.337,000000	4.368,2400	18.945.056,88	82,32	0,720
10	CERTINVEST ACTIUNI	114,194438	406.666,1400	46.439.011,31	22,04	1,765
TOTAL				258.324.975,04		9,817



2. Participation titles in foreign currency

No. crt.	Fund denomination	Last trading session date	No. of fund units owned	Fund unit value (NAV per SHARE)	Market price	NBR foreign exchange rate	Total value	Share in total participation titles of UCITS/AIFs	Share in the total assets of the AIFR
				foreign currency	foreign currency	lei	lei	%	%
Participation titles in EUR									
1	FIA cu capital privat Agricultural Fund		80,000000	2.576,8200		4,9741	1.025.388,83	23,53	0,039

Total participation titles in EUR		1.025.388,83		0,039
Total		1.025.388,83		0,039

3. Amounts under settlement for participation titles denominated in lei

Not applicable

4. Amounts under settlement for participation titles denominated in foreign currency

Not applicable

XV. Dividends or other rights receivables

1. Dividend receivables

Not applicable

2. Amounts to be received following the withdrawal from the company

Not applicable

3. Shares distributed without cash consideration

Not applicable

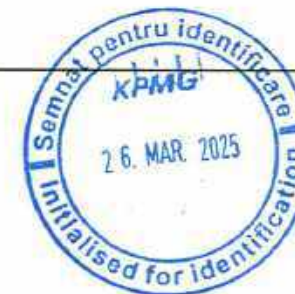
4. Shares distributed with cash consideration

Not applicable

5. Amount to be paid for shares distributed with cash consideration

Not applicable





6. Preference rights (before admission to trading and after the trading period)

Not applicable

7. Amounts to be received following the decrease of the share capital

Not applicable

16. Equity interests

No.	Issuer	No. of equity interests	Acquisition date	Unit value	Valued amount	Date of last valuation	Weight in RIAIF's total assets
				RON	RON		%
*1	ICPE ELECTRIC MOTORS S.R.L.	10,000	16.03.2023	169.9587	1,699,587.00	31.12.2024	0.065
TOTAL					1,699,587.00		0.065

* The evaluation of companies from Longshield Investment Group's portfolio for which evaluation reports were prepared in accordance with the international evaluation standards was performed using asset approach - the adjusted net asset method.

Evolution of net assets and NAV per SHARE in the last 3 reporting periods

	31.12.2024	31.12.2023	31.12.2022
Net Asset	2.522.100.225,11	2.277.074.918,05	1.854.569.500,07
Net asset value per share	3,3137	2,9918	2,4367

The leverage level and the exposure value of Longshield Investment Group calculated according to the provisions of Regulation (EU) No. 231/2013

Method type	Leverage	Exposure value
Gross method	104,28%	2.630.059.553,20
Commitment method	104,35%	2.631.791.426,17



SAI Muntenia Invest SA does not use leverage in the investment policy adopted in the management of Longshield Investment Group.

Statement of responsibility for the preparation of the financial statements

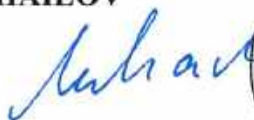
In accordance with Article 10, paragraph (1) of the Accounting Law no. 82/1991, republished, as subsequently amended and supplemented, the responsibility for organizing and conducting the accounting is the responsibility of the administrator, the authorizing officer or other person who has the obligation to manage the respective unit.

As administrator of Longshield Investment Group S.A., according to the provisions of the Article 30 of the Accounting Law no. 82/1991, republished, as subsequently amended and supplemented and Regulation no.5/2018 regarding issuers of financial instruments and market operations, article 223, letter A, paragraph (1), letter c), I assume the responsibility for the preparation of the annual financial statements and confirm that:

- a) the accounting policies used in the preparation of the annual financial statements as at 31 December 2024 are in accordance with the Financial Supervisory Authority Norm no. 39/2015 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, applicable to the entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector, as subsequently amended and supplemented;
- b) the annual financial statements as at 31 December 2024 provide a true view of the financial position, financial performance and other information regarding the activity carried out by Longshield Investment Group S.A.;
- c) Longshield Investment Group S.A. carries out its activity under conditions of continuity;
- d) the annual report of SAI MUNTENIA INVEST S.A. regarding the administration of Longshield Investment Group S.A. in the year 2024 includes a correct analysis of the development and performance of Longshield Investment Group S.A., as well as a description of the main risks and uncertainties specific to the activity carried out.

SAI MUNTENIA INVEST S.A.
Administrator of
LONGSHIELD INVESTMENT GROUP S.A.

Deputy General Manager
Sergiu MIHAILOV



Annex to the annual Report of SAI Muntenia Invest S.A. on the management of Longshield Investment Group S.A. during 2024 financial exercise

Statement on the application of corporate governance principles
 for Longshield Investment Group S.A.
 (According to the Annex to the FSA Regulation No. 2/2016, as subsequently amended and supplemented)
 Updated December 2024

No. crt.	Rules for the application of the principles of corporate governance	Compliance		If NOT - explain
		YES	NO	
1.	The regulated entity defined in its articles of incorporation the basic responsibilities of the Board on the implementation and compliance with the principles of corporate governance.		NO	Longshield Investment Group S.A. is managed by SAI Muntenia Invest S.A. according to the provisions of the special legislation. SAI Muntenia Invest S.A. takes over the functions of corporate governance, and in the articles of incorporation of the company, the Shareholders' Representatives Council has specific attributions
2.	The internal policies and/or internal regulations lay down the corporate governance structures, functions, competences and responsibilities of the Board and the executive management/senior management	YES		By the Administrator SAI Muntenia Invest S.A.
3.	The annual financial statements of the regulated entity is accompanied by the annual report of the Remuneration Committee and an explanatory note that describes the relevant events in connection with the application of the principles of corporate governance, occurring over the financial year.	YES		By the Administrator SAI Muntenia Invest S.A.
4.	The regulated entity has a communication strategy with the parties concerned to ensure proper information.	YES		By the Administrator SAI Muntenia Invest S.A.
5.	The structure of the Board assures, as appropriate, a balance between executive and non-executive members so that no person or small group of persons influences the decision-making process.	YES		By the Administrator SAI Muntenia Invest S.A.
6.	The Board is convened at least every three months to monitor the performance of the regulated entity's activity.	YES		Both the Shareholders Representatives Council and the Board of Directors of SAI Muntenia Invest S.A.



7.	The Board or the executive management/ senior management, as appropriate, regularly reviews the policies on the financial reporting, internal control and risk management system adopted by the regulated entity.	YES	By the Administrator SAI Muntenia Invest S.A.
8.	In its activity, the Board has the support of a remuneration committee that issues recommendations.	YES	By the Administrator SAI Muntenia Invest S.A.
9.	The Remuneration Committee submits to the council annual reports about its activity.	YES	By the Administrator SAI Muntenia Invest S.A.
10.	In fulfilling its duties, the Board is assisted by other consultative committees that issue recommendations on various topics subject to decision-making process.	YES	By the Administrator SAI Muntenia Invest S.A.
11.	The consultative committees submit to the Board materials/ reports on the topics entrusted by it.	YES	Through the Administrator SAI Muntenia Invest S.A.
12.	In the internal procedures/ policies/ regulations of the regulated entity regulated entity there are provisions for the selection of applications for the persons of the executive management/ senior management, appointment of new persons or renewal of the existing mandates.	YES	By the Administrator SAI Muntenia Invest S.A.
13.	The regulated entity ensures the professional training of the executive management/ senior management so that it efficiently performs its tasks.	YES	By the Administrator SAI Muntenia Invest S.A.
14.	Key functions are established so as to be adequate to the organizational structure of the regulated entity compliant with the applicable regulations.	YES	By the Administrator SAI Muntenia Invest S.A.
15.	The Board regularly reviews the efficiency and update of the internal control system of the regulated entity to ensure a rigorous management of the risks to which the regulated entity is exposed.	YES	By the Administrator SAI Muntenia Invest S.A.
16.	The audit committee makes recommendations to the Board on the selection, appointment and replacement of the financial auditor, and on the terms and conditions of its remuneration.	YES	By the Administrator SAI Muntenia Invest S.A.
17.	The Board reviews at least once a year and ensures that the remuneration policies are consistent with an efficient risk management.	YES	By the Administrator SAI Muntenia Invest S.A.
18.	The remuneration policy of the regulated entity is set out in the internal regulations regarding the implementation and compliance with the principles of corporate governance.	YES	By the Administrator SAI Muntenia Invest S.A.
19.	The Board has adopted a procedure for the identification and proper settlement of any conflict of interest.	YES	By the Administrator SAI Muntenia Invest S.A.
20.	The executive management/ senior management, as appropriate, informs the Board about potential or consumed conflict of interest in which they could be / is involved and does not participate in the decision-making process which is related to the state of conflict, if these structures or persons are involved in the respective state of conflict.	YES	By the Administrator SAI Muntenia Invest S.A.



LONGSHIELD

INVESTMENT GROUP

București, Str. S.V. Rahmaninov
nr. 46-48, sector 2, cod 020199
Telefon: +40 213 873 210
Fax: +40 213 873 209
Email: sai@munteniainvest.ro
www.longshield.ro

21.	The Board analyses at least once a year the efficiency of the risk management system of the regulated entity.	YES		By the Administrator SAI Muntenia Invest S.A.
22.	The regulated entity has procedures for the identification, assessment and management of the significant risks to which it is, or it is likely to be, exposed.	YES		By the Administrator SAI Muntenia Invest S.A.
23.	The regulated entity has in place clear action plans for business continuity and for any emergency situations.	YES		By the Administrator SAI Muntenia Invest S.A.
24.	The branch Board applies internal governance principles and policies similar to those of the parent company, unless there are other legal requirements that lead to the establishment of own policies.		NO	Not the case (Longshield Investment Group S.A. is not a subsidiary.)

Longshield Investment Group S.A.
By its Administrator
S.A.I. Muntenia Invest S.A.

Sergiu MIHAILOV,
Deputy General Manager




LONGSHIELD INVESTMENT GROUP S.A. Autorizată prin Autorizația ASF nr. 151/09.07.2021, înscrisă în Registrul A.S.F. cu nr. PJR09FIAIR/400005/09.07.2021

Capital social: 78.464.520,10 LEI, înregistrată la ORC: J40/27499/1992, CUI: 3168735, Cont bancar: RO59BRDE450SV00951424500 B.R.D. - G.S.G., Cod LEI (Legal Identity Identifier) 2549007DHG4WLBMAO98

Administrată de S.A.I. MUNTENIA INVEST S.A., Autorizată prin Decizia C.N.V.M. nr. D 6924/17.07.1997, Reautorizată prin Decizia C.N.V.M. nr. 110/13.01.2004, înscrisă în Registrul A.S.F. cu nr. PJR05SAIR/400006/13.01.2004, înregistrată ca administrator de fonduri alternative (A.F.I.A.) conform Atestatului A.S.F. nr. 39/21.07.2017, înscrisă în Registrul A.S.F. cu nr. PJR071AFIAI/400005/21.12.2017

Annex to the annual Report of SAI Muntenia Invest S.A. on the management of Longshield Investment Group S.A. during 2024 financial exercise

Status of compliance with the provisions of the new Corporate Governance Code of the BSE on 31 December 2024


BSE CGC provisions	Complies	Does not comply or partially complies	Observations
SECTION A – RESPONSIBILITIES			
A.1. All companies should have internal regulation of the Board which includes terms of reference/responsibilities for Board and key management functions of the company, applying, among others, the General Principles of Section A. 	X		Longshield Investment Group S.A. is managed by SAI Muntenia Invest S.A., an investment management company that operates in compliance with the provisions of the general and special legislation for investment management companies. The activity of SAI Muntenia Invest S.A. is carried out under the supervision of the FSA and in compliance with the Internal Rules and Procedures that have been notified to the FSA. SAI Muntenia Invest S.A. took over the corporate governance obligations for Longshield Investment Group S.A. within its own activity. The below references to the Board of Directors, the Audit Committee and the Nomination and Remuneration Committee apply to the Board of Directors, the Audit Committee and the Nomination and Remuneration Committee of SAI Muntenia Invest S.A.
A.2. Provisions for the management of conflict of interest should be included in Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise, and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quorate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	X		SAI Muntenia Invest S.A. has no holdings that enter into conflict of interest with Longshield Investment Group S.A. The members of the Board of Directors of SAI Muntenia Invest S.A. can take over their attributions only after obtaining the FSA authorization. The documentation submitted to the FSA by each member of the Board of Directors, in order to obtain the approval, includes statements from which possible conflicts of interest result.
A.3. The Board of Directors should have at least five members.		X	Longshield Investment Group S.A. is managed by a legal entity, investment management company, regulated entity, authorized and supervised by the FSA, according to the legislation applicable to the capital market.

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
A.4. The majority of the members of the Board of Directors should be non-executive Not less than two non-executive members of the Board of Directors should be independent, in the case of Premium Tier Companies. Each member of the Board of Directors should submit a declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by demonstrating the ground on which he/she is considered independent in character and judgement.	X		
A.5. A Board member's other relatively permanent professional commitments and engagements, including executive and non-executive Board positions in companies and not-for-profit institutions, should be disclosed to shareholders and to potential investors before appointment and during his/her mandate.	X		
A.6. Any member of the Board should submit to the Board, information on any relationship with a shareholder who holds directly or indirectly, shares representing more than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.	X		
A.7. The company should appoint a Board secretary responsible for supporting the work of the Board	X		
A.8. The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.	X		



BSE CGC provisions	Complies	Does not comply or partially complies	Observations
A.9. The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (in person and in absentia) and a report of the Board and committees on their activities.	X		The information will be presented in the annual report that will be presented to the General Meeting of Shareholders.
A.10. The corporate governance statement should contain information on the precise number of the independent members of the Board of Directors.	X		The information will be presented in the annual report that will be presented to the General Meeting of Shareholders.
A.11. The Board of Premium Tier companies should set up a nomination committee formed of non-executives, which will lead the process for Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent.	X		
SECTION B – RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM			
B.1 The Board should set up an audit committee, and at least one member should be an independent non-executive. In the case of Premium Tier companies, the audit committee should be composed of at least three members and the majority of the audit committee should be independent.		X	The Audit Committee of the Administrator is composed of two independent non-executive members of the Board of Directors of SAI Muntenia Invest S.A.
B.2. The audit committee should be chaired by an independent non-executive member.	X		
B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control.	X		
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and their submission of relevant reports to the Board.	X		
B.5. The audit committee should review conflicts of interests in transactions of the company and its subsidiaries with related parties.	X		



BSE CGC provisions	Complies	Does not comply or partially complies	Observations
B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.	X		
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	X		
B.8. Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by cyclical (at least annual), or ad-hoc reports to be submitted to the Board afterwards.	X		
B.9. No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties.	X		
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the Board's audit committee, and fairly disclosed to the shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.	X		
B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by retaining an independent third-party entity.	X		
B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the audit committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, it should report directly to the chief executive officer.	X		

BSE CGC provisions	Complies	Does not comply or partially complies	Observations
SECTION C – FAIR REWARDS AND MOTIVATION			
<p>C.1. The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period under review. Any essential change of the remuneration policy should be published on the corporate website in due time.</p>	X		<p>The Remuneration Policy of SAI Muntenia Invest S.A. for the services provided as Administrator of Longshield Investment Group S.A. is presented under art. 13 of the Articles of Incorporation of Longshield Investment Group S.A., in the annual report and also on the company website www.longshield.ro. Details about the Nomination and Remuneration Committee and its attributions can be found in the Corporate Governance section, within the annual report, as well as in the Corporate Governance Regulation of Longshield Investment Group S.A.</p>
SECTION D – BUILDING VALUE THROUGH INVESTORS' RELATIONS			
<p>D.1. The company should have an Investor Relations function - indicated, by person (s) responsible or an organizational unit, to the general public. In addition to information required by legal provisions, the company should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:</p>	X		
<p>D.1.1. Principal corporate regulations: the articles of association, general shareholders' meeting procedures;</p>	X		
<p>D.1.2. Professional CVs of the members of its governing bodies, a Board member's other professional commitments, including executive and non-executive Board positions in companies and not-for-profit institutions;</p>	X		
<p>D.1.3. Current reports and periodic reports (quarterly, semi-annual and annual reports) – at least as provided at item D.8 – including current reports with detailed information related to non-compliance with the present Code;</p>	X		
<p>D.1.4. Information related to general meetings of shareholders: the agenda and supporting materials;</p>	X		
<p>D.1.5. Information on corporate events;</p>	X		



BSE CGC provisions	Complies	Does not comply or partially complies	Observations
D.1.6. The name and contact data of a person who should be able to provide knowledgeable information on request;	X		
D.1.7. Corporate presentations (e.g. IR presentations, quarterly results presentations, etc.), financial statements (quarterly, semi-annual, annual), auditor reports and annual reports.	X		
D.2. A company should have an annual dividend distribution or policy or other benefits to the shareholders. The annual dividend distribution policy to the shareholders should be published on the corporate website.	X		
D.3. A company should have adopted a policy with respect to forecasts, whether they are distributed or not. The policy should provide for the frequency, period envisaged, and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast policy should be published on the corporate website.	X		
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	X		
D.5. The external auditors should attend the shareholders' meetings when their reports are presented there.	X		
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.	X		
D.7. Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairman of the Board. Accredited journalists may also participate in the general meeting of shareholders, unless the Chairman of the Board decides otherwise.	X		



BSE CGC provisions	Complies	Does not comply or partially complies	Observations
D.8. The quarterly and semi-annual financial reports should include information in both Romanian and English regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms.	X		
D.9. A company should organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the company website at the time of the meetings/conference calls.		X	Company is considering developing a policy on how to organize meetings and teleconferences with analysts and investors.
D.10. If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company part of its business mission and development strategy, it should publish the policy guiding its activity in this area.		X	The Company does not have a policy of supporting various forms of artistic and cultural expression, sporting activities, educational or scientific activities, but it is considering the opportunity to draw up of such a policy.

Longshield Investment Group S.A.

By its Administrator

S.A.I. Muntenia Invest S.A..

Sergiu Mihailov,

Deputy General Manager



Annex to the Annual Report of SAI Muntenia Invest S.A. regarding remunerations during 2024 financial exercise

Indicators/gross amounts	Amounts related to the activity carried out in the year subject to reporting (2024) - RON	Amounts actually paid during the year subject to reporting (2024) - RON	Amounts payable during the year of submission of the reporting (2025 estimated) or deferred* - RON	Number of beneficiaries
1. Remuneration granted to all SAI/AFIA staff (including outsourced positions¹⁾)	11.924.215	11.789.578	14.283.831	
<i>Fixed remuneration</i>	7.694.789	7.560.152	9.518.521	39
<i>Variable ²⁾ remuneration excluding performance fees, of which:</i>	4.229.426	4.229.426	4.765.310	
- cash	4.229.426	4.229.426	4.765.310	38
- other forms (separately indicating each category) ³⁾	-	-	-	
<i>Variable remuneration representing performance fees</i>	-	-	-	
2. Remuneration granted to the SAI/AFIA identified staff** (including outsourced positions)	8.480.227	8.414.769	10.331.161	
A. Member of the Board of Directors (CA)/Supervisory Board (CS), of which:	1.230.791	1.230.791	1.231.294	3
<i>Fixed remuneration</i>	820.536	820.536	820.536	3
<i>Variable ²⁾ remuneration excluding performance fees, of which:</i>	410.255	410.255	410.758	3
- cash	410.255	410.255	410.578	3
- other forms (separately indicating each category) ³⁾	-	-	-	
<i>Variable ²⁾ remuneration representing performance fees</i>	-	-	-	
B. Managers/Managing Board members, of which:	5.586.071	5.586.071	6.954.256	3
<i>Fixed remuneration</i>	2.389.489	2.389.489	3.587.479	3
<i>Variable ²⁾ remuneration excluding performance fees, of which:</i>	3.196.582	3.196.582	3.366.777	3
- cash	3.196.582	3.196.582	3.366.777	3
- other forms (separately indicating each category) ³⁾	-	-	-	
<i>Variable ²⁾ remuneration representing performance fees</i>	-	-	-	
C. Positions with control duties (expressly indicating all positions included in this category)***	630.045	585.394	705.586	3



Indicators/gross amounts	Amounts related to the activity carried out in the year subject to reporting (2024) - RON	Amounts actually paid during the year subject to reporting (2024) - RON	Amounts payable during the year of submission of the reporting (2025 estimated) or deferred* - RON	Number of beneficiaries
<i>Fixed remuneration</i>	567.654	523.003	614.886	3
<i>Variable ²⁾ remuneration excluding performance fees, of which:</i>	62.391	62.391	90.700	2
- cash	62.391	62.391	90.700	2
- other forms (separately indicating each category) ³⁾	-	-	-	
<i>Variable ²⁾ remuneration representing performance fees</i>	-	-	-	
D. Other positions than those indicated in letters A-C above, included in the category of identified staff (expressly indicating all positions included in this category)****	1.033.320	1.012.513	1.080.800	5
<i>Fixed remuneration</i>	869.904	849.097	926.400	5
<i>Variable ²⁾ remuneration excluding performance fees, of which:</i>	163.416	163.416	154.400	5
- cash	163.416	163.416	154.400	5
- other forms (separately indicating each category) ³⁾	-	-	-	
<i>Variable ²⁾ remuneration representing performance fees</i>	-	-	-	

* see the provisions of art. 34b(1)(p) and (q) of Government Emergency Ordinance no. 32/2012, those of section 1(n) of Annex 1 to Law no. 74/2015, respectively;

** related to the category of *identified personnel* established at the level of each SAI/AFIA taking into account the definition retained in the ESMA/2013/232 and ESMA/2016/575 guidelines;

*** related to the *control positions* represented by the compliance officer, the risk manager and the internal auditor;

**** see the above mentions related to the *identified personnel*. Within SAI Muntenia Invest SA, this category include the functions corresponding to department managers.

1) In the category of outsourced functions within SAI Muntenia Invest S.A. enters the position of internal auditor according to the service contract no. 1004/113386/04.11.2021 and addendum no. 1, registered under no. 1036/126958/08.11.2023.

2) SAI Muntenia Invest SA gives additional remuneration, which is an occasional component of the total annual remuneration, which may or may not be given, not being guaranteed and is granted only if it is sustainable according to the financial situation of SAI Muntenia Invest SA.

3) SAI Muntenia Invest SA does not grant variable remuneration.

Mențiune: The remuneration received by SAI Muntenia Invest S.A. for the administration of Longshield Investment Group SA (former name SIF Muntenia SA) is presented in the "Annual remuneration report of Longshield Investment Group S.A. for 2024" according to art. 107 of Law 24/2017.

Sergiu MIHAILOV,
Deputy General Manager





ARTICLES OF INCORPORATION of the Company LONGSHIELD INVESTMENT GROUP S.A.

Art. 1 Company name, legal form, headquarters and duration

- (1). The denomination of the company is "**LONGSHIELD INVESTMENT GROUP S.A.**". In all documents issued by **LONGSHIELD INVESTMENT GROUP S.A.**, the identification data and the information requested by applicable law will be mentioned.
- (2). The legal form of **LONGSHIELD INVESTMENT GROUP S.A.** (hereinafter referred to as "the Company") is that of joint stock company, Romanian legal person, organized in the form of a private law, classified according to the applicable regulations as an externally managed Alternative Investment Fund of the type of investment companies - FIAS, category Alternative investment fund for retail investors - FIAIR, with a diversified, closed-ended, externally managed investment policy.
- (3). **LONGSHIELD INVESTMENT GROUP S.A.** will operate in compliance with the provisions of the legislation on the capital market, of the Companies Law 31/1990, republished with subsequent amendments and completions and, of these Articles of Incorporation, of the Rules of "the Company" (referred to as "Rules" in these Articles of Incorporation) and of the Simplified Prospectus of "The Company" (called "Prospectus" in these Articles of Incorporation).
- (4). The company will operate on the basis of a management contract that will be concluded with the Investment Management Company Muntenia-Invest S.A.
- (5). The registered office of the "Company" is in Bucharest, 46-48 Serghei Vasilievici Rachmaninov, ground floor, room. 2, district 2, code 020199. The General Assembly of Shareholders may decide to change the headquarters of **LONGSHIELD INVESTMENT GROUP S.A.** SA in any other place in Romania. **LONGSHIELD INVESTMENT GROUP S.A.** will be able to set up subsidiaries, branches, agencies, representations, as well as offices, both in the country and abroad, in compliance with the legal requirements and these Articles of Incorporation, regarding authorization and publicity.
- (6). The duration of operation of the "Company" is 100 years. Shareholders have the right to extend the life of the "Company" before its expiration, by decision of the General Assembly of Shareholders.

Art. 2 Company's object of activity

- (1). The main domain of activity: financial service activities, except insurance and pension funding, NACE code 64, and the main object of activity is "Trusts, funds and similar financial entities" NACE CODE – 6430
- (2). **LONGSHIELD INVESTMENT GROUP S.A.** will be able to carry out the following activities:
 - a) making financial investments in order to maximize the value of its own shares in accordance with the regulations in force;
 - b) management of the investment portfolio and the exercise of all rights associated with the instruments in which it invests;
 - c) risk management
 - d) other auxiliary and adjacent activities in accordance with the regulations in force

Art. 3 Share capital and shares

- (1). The subscribed and fully paid share capital amounts to 78.464.520,10 lei divided into 784.645.201 nominal shares, of 0.1 lei each. Each share entitles to one vote at the Shareholders General Meeting.
- (2). The shares of the “Company” are registered, of equal values, issued in dematerialized form and grant equal rights and obligations to their holders. The nominal value of a share is 0.1 lei. The shares are indivisible, and the “Company” recognizes a single representative for the exercise of the rights resulting from an action. The distribution of profits and losses shall be made equally for each action.
- (3). The increase of the share capital will be made, in accordance with the law: a) by issuing new shares in exchange for cash contributions; b) by incorporating the reserves, except for the legal reserves and the reserves constituted from the revaluation of the patrimony, as well as of the benefits or of the issue premiums.
- (4). The reduction of the share capital is made under the conditions provided by law.
- (5). The share capital can be reduced by: a) reducing the number of shares; b) reduction of the nominal value of the shares; and c) other procedures provided by law.
- (6). If SAI MUNTENIA INVEST SA finds that following the losses the value of the net assets, determined as the difference between the total assets and debts of **LONGSHIELD INVESTMENT GROUP S.A.**, represents less than half of the value of the subscribed share capital, SAI MUNTENIA INVEST SA has the obligation to summon the General Assembly of Shareholders, which will decide whether the “Company” should be dissolved. If the General Assembly of Shareholders does not approve the dissolution, then **LONGSHIELD INVESTMENT GROUP S.A.** is obliged to reduce the share capital by an amount at least equal to that of the losses by the end of the financial year following the one in which the losses were recorded, which could not be covered by reserves, if during this period the net assets have not been reconstituted to the level of a value at least equal to half of the share capital.
- (7). The reduction of the share capital will be achieved only after a period of two months from the date of publication in the Official Gazette of Romania, Part IV, of the decision of the General Assembly of Shareholders.
- (8). Investors entitled to receive dividends or benefit from the effects of the decisions of the General Assembly of Shareholders are those registered in the register of shareholders kept according to the law by Depozitarul Central SA on the date set by the General Assembly of Shareholders, in accordance with regulations.
- (9). The distribution of dividends will be made in compliance with the legal regulations in force and the FSA regulations.

Art. 4 Shareholders

- (1). The quality of shareholder of the “Company” is attested by an account statement issued by Depozitarul Central SA, the entity that keeps the records of the shareholders.

Art. 5 Trade, issue, buy back and cancellation of shares

- (1). The shares of **LONGSHIELD INVESTMENT GROUP S.A.** are negotiable and transferable under the conditions provided by the legislation in force.
- (2). The trading of the shares issued by the “Company” will be done only on a regulated market.
- (3). The trading of the shares of the “Company” is subject to the regulations applicable to the regulated market on which these shares are traded.

- (4). The "Company" may issue new shares in compliance with legal regulations in order to increase the share capital.
- (5). The "Company" may redeem its own shares in compliance with the legal provisions applicable in the case of redemption of shares. The "Company" cannot accept redemption requests made by investors for the shares they hold, before the start of the liquidation phase of the fund, directly or indirectly, from the AIF's assets, according to the regulations applicable to alternative closed-end investment funds.
- (6). The "Company" may cancel the issued shares only in the cases provided for by the applicable legislation.

Art. 6 The General Assembly of Shareholders

- (1). The General Assembly of Shareholders is the supreme governing body of **LONGSHIELD INVESTMENT GROUP S.A.** and is entitled to decide on all matters under its competence according to law and these Articles of Incorporation.
- (2). The General Assembly of Shareholders may be ordinary or extraordinary.
- (3). The General Assembly of Shareholders is held at least once a year within the period specified by the legal provisions in force.
- (4). In addition to debating other issues included on the agenda, the Ordinary The General Assembly of Shareholders must:
 - a) discuss, approve or amend the yearly financial statements based on the reports of the Manager SAI MUNTENIA INVEST SA and of the financial auditor;
 - b) to set the value of the amount to be distributed as dividends according to legal provisions;
 - c) to appoint and revoke the members of the Shareholders' Representatives Council;
 - d) to appoint the external manager according to legal provisions and to revoke the mandate granted to it;
 - e) to approve the management contract to be concluded with the external administrator;
 - f) to appoint and and revoke the financial auditor and to set the minimum duration of the financial audit contract;
 - g) to determine the remuneration of the members of the Shareholders' Representatives Council;
 - h) to rule on the management of the company;
 - i) to set the revenue and expenses budget and the management strategy for the following financial year;
 - j) to decide on pledging, leasing or de-registration of one or several units of the "Company";
- (5). In order to validate the deliberations of the Ordinary General Assembly of Shareholders of **LONGSHIELD INVESTMENT GROUP S.A.** the presence of the shareholders holding at least one fourth of the total voting rights is required. Decisions are implemented when the shareholders holding the majority of the votes cast have voted "in favour".
- (6). If, after the first summoning, the Ordinary General Assembly of Shareholders cannot be held because the quorum and / or validity conditions set out in the above paragraph are not met, the Assembly held after the second summon shall deliberate on the issues listed on the agenda of the first Assembly, regardless of the percentage of the share capital of the "Company" represented by the shareholders attending the Assembly personally / by a representative. In such a case, the Ordinary General Assembly of Shareholders shall adopt valid decisions via a majority of the votes cast.
- (7). The Extraordinary General Assembly of Shareholders shall be summoned whenever needed and, unless the applicable law provides otherwise, will adopt resolutions on the following matters:
 - a. changing the legal form of the "Company";
 - b. the "Company" relocation;
 - c. changing the "Company"'s object of activity;
 - d. setting up or closing subsidiaries of the "Company";

- e. extending the operation duration of the “Company” before expiring;
- f. increasing the share capital;
- g. issuing bonds;
- h. reducing the share capital or increasing it by issuing new shares, according to legal provisions in force;
- i. merger with other companies or divisions of **LONGSHIELD INVESTMENT GROUP S.A.**;
- j. anticipated dissolution of the “Company”;
- k. conversion of shares from one class to another;
- l. conversion of a category of bonds to another category of bonds or into shares;
- m. acquisition by the “Company” of its own shares, either directly or through persons acting in their own name but on its behalf;
- n. consolidating or splitting the nominal value of the share;
- o. any other additions and amendments to the Articles of Incorporation or any other decisions in force under this document require the approval of the Extraordinary General Assembly of Shareholders;

(8). The Extraordinary General Assembly delegated to the Manager SAI MUNTENIA INVEST SA the exercise of its attributions for setting up or dissolving branches, representative offices, agencies or other such units with no legal personality.

(9). In order to validate the deliberations of the Extraordinary General Assembly of Shareholders, the presence of shareholders holding at least one quarter of the total number of voting rights is required at the first summon and at subsequent summons, the presence of shareholders representing at least one fifth of the total number of voting rights is required. Decisions are taken via the majority of the votes held by the shareholders that are either present or represented. The decision to change the main object of activity of the company, to reduce or increase the share capital, to change the legal form, to merge, divide or dissolve the company is taken by a majority of at least two thirds of the voting rights held by the shareholders that are either present or represented.

(10). The General Assembly of Shareholders is summoned by SAI MUNTENIA INVEST SA, in compliance with the provisions of Law 31/1990 republished, with subsequent completions and additions, the legislation in force and of the FSA regulations.

(11). The General Assembly is summoned by publishing an announcement in the Official Gazette and in one of the widely circulated newspapers in the locality where the “Company” is located, in accordance with the provisions of the legislation in force. The convocation will include the place and date of the Assembly, as well as the agenda, with the explicit mention of all the issues that will be subject to the debates of the Assembly. If the agenda includes the appointment of the sole manager and / or the members of the Shareholders' Representatives Council, the notice shall state that the list includes information on the name, registered office, place of residence and professional qualification, as appropriate, of the proposed legal entities or natural persons for the position of sole manager / member of the Shareholders' Representatives Council, are available to shareholders, and can be consulted and completed by them.

(12). The General Assembly of Shareholders will be summoned by SAI MUNTENIA INVEST SA whenever issues arise that are within the competence of the General Assembly of Shareholders. SAI MUNTENIA INVEST SA must summon the General Assembly of Shareholders at the request of the shareholders with shares representing at least 5% of the share capital of the “Company”, upon the request of the FSA or in the event of a final and irrevocable court decision summoning **LONGSHIELD INVESTMENT GROUP S.A.**'s General Assembly of Shareholders.

(13). The right to participate in the General Assembly of Shareholders is held by the shareholders

registered in the shareholders' register compiled for the reference date set by SAI Muntenia Invest SA.

(14). Participation in the General Assembly of Shareholders will be done directly or through representatives appointed in accordance with the legal provisions in force. The shareholders of **LONGSHIELD INVESTMENT GROUP S.A.** may also vote by correspondence according to legal provisions in force and the procedures approved by SAI Muntenia Invest SA. **LONGSHIELD INVESTMENT GROUP S.A.** shall allow its shareholders to participate in the General Assembly by using electronic means of data transmission. The electronic means of data transmission that can be used by shareholders to participate in the General Assembly of Shareholders as well as the procedures for identifying shareholders who will participate in the General Assembly of Shareholders with the use of electronic means of data transmission will be presented in the summoning of the General Assembly Shareholders.

(15). Each share gives the right to one vote. Shareholders or those representing a group of shareholders are entitled to vote in accordance with the law.

(16). Decisions shall be implemented by open vote. The secret vote is mandatory when appointing or revoking members of the Shareholders' Representative Council, appointing or revoking the Administrator as well as when appointing or revoking the financial auditor and when making decisions related to the liability of the members of the administration, management and control bodies of the "Company".

(17). SAI Muntenia Invest SA and members of the Board of Directors of SAI Muntenia Invest SA cannot vote on the grounds of the shares they hold, neither personally nor through representatives, when discharging their company property or for issue where the person or their work is in question.

(18). A shareholder who, in a certain operation, has an interest contrary to that of the company, will have to abstain from deliberating on said operation. A shareholder who fails to observe this provision is liable for damages produced to the Company, if, without this vote, the required majority would have not been met.

(19). The decisions of the General Assembly of Shareholders, taken in compliance with the law and these Articles of Incorporation, are binding for all shareholders, including for those who did not attend the meeting or who voted against said decision.

(20). The General Assembly of Shareholders is chaired by the permanent representative appointed by the Manager SAI MUNTENIA INVEST SA and registered at the National Trade Registry Office as a representative of **LONGSHIELD INVESTMENT GROUP S.A.**, respectively the General Manager of SAI MUNTENIA INVEST SA or, in his absence, the Corporate Management Director of SAI MUNTENIA INVEST SA.

(21). The General Assembly of Shareholders shall elect from the present shareholders one to three secretaries, who will check the attendance of shareholders, indicating the share capital represented by each of them and all the formalities required by law and by the Articles of Incorporation for holding the General Assembly.

(22). The expenses incurred by organizing and conducting the General Assemblies of Shareholders shall be borne by **LONGSHIELD INVESTMENT GROUP S.A.**, these expenses being considered incurred in the interest of the "Company" and its shareholders.

Art. 7 Shareholders' Representatives Council

(1). The Shareholders' Representative Council is a body representing the interests of **LONGSHIELD INVESTMENT GROUP S.A.**'s shareholders in relation with SAI MUNTENIA INVEST SA, on the basis of a budget approved by the General Assembly of Shareholders of the "Company".

- (2). The General Assembly of Shareholders of the “Company” shall elect a Shareholders’ Representative Council consisting of 3 members, for a four-year term, with the possibility to be re-elected.
- (3). Individuals that can apply for a place in the Shareholders’ Representatives Council of **LONGSHIELD INVESTMENT GROUP S.A.** must fulfill the following conditions:
- a) they are not employees or directors of a closed-end fund (SAI) / alternative investment fund manager (AIFM) or another financial investment company and do not have any contractual relationship with the “Company” or with the AIFM of the “Company”;
 - b) they must not have any convictions as a result of a final court decision for fraudulent management, breach of trust, forgery, fraud, embezzlement, perjury, offering or receiving bribes;
 - c) they must be graduates of a higher education institution, at least BA level;
 - d) they must have at least five years experience in banking and finance, capital markets and managing of a firm or in higher education;
 - e) they must not hold, directly or together with his/her spouse or relatives up to the third degree or in-laws up to the second degree, more than 5% of the share capital of the depository with which the “Company” has concluded a depository contract;
 - f) they must not have been sanctioned by a financial market regulator with a ban on the exercise of professional activities;
 - g) they must not be incompatible in any way, as provided by the applicable legal provisions or by these Articles of Incorporation
- (4). **LONGSHIELD INVESTMENT GROUP S.A.**’s Shareholders Representative Council has the following duties:
- a) represents the “Company” in relation to SAI MUNTENIA INVEST SA;
 - b) negotiates and concludes the management contract;
 - c) monitors the observance of the contractual clauses and the commitments undertaken by SAI MUNTENIA INVEST SA through the management contract and the management program approved by the General Assembly of Shareholders of the “Company”;
 - d) analyses the periodical reports drawn up by SAI MUNTENIA INVEST SA regarding the performance of its duties on:
 - the management of the “Company”;
 - exercising the rights conferred by holding securities from the portfolio of the “Company”;
 - defending the rights and interests of the “Company” before law courts, arbitration courts and any other bodies with jurisdictional and administrative power;
 - e) calls for measures to be taken to place the activity of SAI MUNTENIA INVEST within the provisions of the management contract, the FSA Regulations, the yearly management programs, the income and expenditure budgets approved by the General Assembly of Shareholders of the “Company” and the applicable legislation;
 - f) verifies the conclusion of the contract with the financial auditor in accordance with the decision of the General Meeting of the Shareholders of the “Company”;
 - g) verifies the preparation of the yearly financial statements of SAI MUNTENIA INVEST SA and the profit distribution proposals to be submitted to the approval of the General Assembly of Shareholders of the “Company”;
 - h) checks if the annual program regarding the management of the portfolio of the “Company” was drafted;
 - i) checks the draft of the Budget of Revenues and Expenditures report of the “Company”, in order to present it at the General Assembly of Shareholders of the “Company”;
 - j) checks if the half-yearly and quarterly reports of SAI MUNTENIA INVEST SA were drafted in accordance with the legal provisions and the FSA regulations;

- k) checks if the materials to be presented in the General Assembly of Shareholders of the “Company” were drafted;
- l) checks the conclusion of the storage contract, respectively of the contract with the Central Depository.

Art. 8 Financial reports, financial audit and internal audit of LONGSHIELD INVESTMENT GROUP S.A.

- (1). The financial year of the “Company” starts on January 1 and ends on December 31 of each year.
- (2). The yearly financial statements, the yearly report of SAI MUNTENIA INVEST SA, as well as the proposal regarding the distribution of the profit are made available to the shareholders at least 30 days before the date of the General Assembly of Shareholders.
- (3). The net profit will be distributed according to the approval of the Ordinary General Assembly of Shareholders and the legal provisions in force, including in the case provided by art. 67 of Companies Law no. 31/1990, with the application of the specific legislation;
- (4). **LONGSHIELD INVESTMENT GROUP S.A.** has legal reserves and other reserves, in accordance with the law.
- (5). Dividends are distributed among shareholders in correspondence to the number of shares held
- (6). The payment of dividends due to shareholders is made by the “Company”, in accordance with the law.
- (7). If a loss of net assets is found, the General Assembly of Shareholders will analyse the causes and will decide accordingly in compliance with the legal provisions.
- (8). The annual financial statements of the “Company” will be audited by a financial auditor who meets the conditions provided by the legislation in force and by the ASF regulations.
- (9). The financial audit will be performed in accordance with an audit agreement concluded by SAI MUNTENIA INVEST SA.
- (10). The specific internal audit services of the “Company” will be provided in compliance with the legal provisions in force.

Art. 9 Loans

- (1). The “Company” may borrow funds provided that it complies with the legal provisions in force and with the FSA regulations.

Art. 10 Reporting

- (1). The “Company” will ensure for all shareholders equal access to information on its operation in accordance with the FSA regulations.
- (2). The “Company” will comply with the reporting requirements established by FSA regulations and by market regulations where the shares are traded.
- (3). The “Company” will draft, make available to the public, submit to the FSA and the market operator quarterly, half yearly and yearly reports. The reports will be made available to investors in accordance with the FSA regulations.

Art. 11 Authorised investments

- (1). The “Company” will make investments in compliance with the legal provisions and the FSA regulations regarding the alternative investment funds classified according to art. 1 para. 2 of these Articles of Incorporation.

Art. 12 Prudential rules regarding the investment policy

- (1). The investment policy and prudential rules are set by SAI MUNTENIA INVEST SA and will be regulated in the “Rules” and in the “Prospectus” of the “Company”, in compliance with the investment limitations provided by the applicable legal regulations in force.
- (2). The prudential rules regarding the investment policy of the “Company” will comply with the applicable legal regulations.
- (3). Subject to the restrictions set out by these Articles of Incorporation, the Management Contract and the applicable legislation in force, all decisions regarding the acquisition, sale and exercise of all rights and obligations in relation to the assets of the “Company” will be exercised by SAI MUNTENIA INVEST SA.
- (4). SAI MUNTENIA INVEST SA has the following obligations:
 - a. To publish the prudential rules regarding the investment policy on the website „www.longshield.ro”;
 - b. To notify the FSA on any changes regarding the prudential rules regarding the investment policy;
 - c. To notify the investors in connection with any modification of the prudential rules regarding the investment policy through a current report that will be made public through the website “www.longshield.ro” and through the information dissemination system of the Bucharest Stock Exchange.

Art. 13 The Management of LONGSHIELD INVESTMENT GROUP S.A.

- (1). The management of the “Company” is carried out on the basis of a Management Contract concluded with SAI MUNTENIA INVEST SA, AIFM registered in the FSA Register under no. PJR07.1AFIAI/400005/21.12.2017, approved by the General Assembly of Shareholders of the “Company”.
- (2). The duration of the mandate of the manager of the “Company” is 4 years.
- (3). The “Company” will pay a monthly management fee calculated according to the stipulations of the Management Contract, within the maximum limit approved by the company’s General Assembly of Shareholders. Depending on the way in which SAI MUNTENIA INVEST SA meets the performance criteria and yearly objectives set by the General Assembly of Shareholders, the “Company” will pay SAI MUNTENIA INVEST SA a performance fee calculated in accordance with the provisions of the Management Contract.
- (4). SAI MUNTENIA INVEST SA must make public, via the website www.sifmuntenia.ro, the remuneration policy.
- (5). The remuneration policy will be compatible with the business strategy, objectives, values and interests of the “Company”, as well as with the interests of its investors, including measures to avoid conflicts of interest.

Art. 14 Calculating the net asset value of LONGSHIELD INVESTMENT GROUP S.A.

- (1). The “Company” ’s net asset value will be calculated in accordance with the legislation in force.
- (2). The net asset value (NAV) of the “Company” is calculated on a monthly basis, according to the applicable legal provisions.
- (3). The net asset value per share (NAV per SHARE) will be equal to the NAV divided by the number of shares issued and in use (no. of Sh.).

The calculation formula of NAV per SHARE is: $\text{NAV} / \text{no. of Sh.}$

Where:

Number of issued AND in use shares (no. of Sh.) = the total number of issued shares - treasury shares - the number of shares related to deposit certificates or certificates of interest for own shares redeemed and held at the reporting date.

- (4). NAV and NAV per SHARE will be calculated by SAI MUNTENIA INVEST SA and will be certified by the Depositary of the “Company” within a maximum of 15 calendar days from the end of the month for which the NAV is determined.
- (5). NAV and NAV per SHARE will be made public by SAI MUNTENIA INVEST SA on the website „www.longshield.ro” and through the information dissemination system of the Bucharest Stock Exchange.
- (6). SAI MUNTENIA INVEST SA has the following obligations in relation to the rules regarding the valuation of the “Company”’s assets:
 - a. to publish these rules on the „www.longshield.ro” website.
 - b. to notify the FSA on any changes to these rules at least 30 days prior to the date of the first net asset value calculated using the amended rules.
 - c. to notify the investors in connection with any modification of the above-mentioned rules through a current report that will be made public on the „www.longshield.ro” website and through the information dissemination system of the Bucharest Stock Exchange.
- (7). The investment policy of the “Company” will be set in accordance with the type of alternative investment fund in which the “Company” falls, mentioned above in art. 1 para. 2 of these Articles of Incorporation.
- (8). SAI MUNTENIA INVEST SA will ensure that the valuation rules of the assets of the “Company” comply with the applicable legal provisions in force.
- (9). The investments of the “Company” will be made only in the categories of assets allowed by the legal provisions in force, in compliance with the investment policy as it was presented in the “Company” “Rules”.
- (10). SAI MUNTENIA INVEST SA has the obligation to include in the “Company” “Rules” a detailed presentation of the investment policy and of the valuation rules of the assets of the “Company” .

Art. 15 LONGSHIELD INVESTMENT GROUP S.A.depositary contract

- (1). SAI Muntenia Invest SA must conclude a depositary contract with a depositary authorized by FSA.
- (2). The activities performed by the depositary shall be in accordance with the legal provisions and the FSA regulations in force and will be mentioned under the depositary contract.
- (3). The conditions for replacing the depositary, as well as the rules for ensuring the protection of shareholders in such situations, will be provided in the the “Company” “Rules”, in compliance with the legal provisions in force.

Art. 16 Dissolution and liquidation of LONGSHIELD INVESTMENT GROUP S.A.

- (1). The “Company” shall be dissolved in the cases stipulated by law. In the event of dissolution, the Company will be liquidated. The liquidation of the fund will take place on the expiration date of its duration, if the shareholders have not decided to extend it.
- (2). The liquidation follows the procedure provided by law. After completion, the liquidators will require the de-registration of the company from the Trade Register.

Art. 17 Disputes

- (1). The Company’s disputes with natural or legal entities fall under the jurisdiction of the Romanian courts. These disputes can be solved via arbitration as well.

Art. 18 Miscellaneous

- (1). These Articles of Incorporation are supplemented by the legal provisions on companies - common law - and by the special legal provisions in the capital market field.
- (2). The terms of these Articles of Incorporation shall be deemed modified by law if any subsequent legislation appears that removes or restricts the limitations expressly provided at present for alternative financial investment companies where **LONGSHIELD INVESTMENT GROUP S.A.** falls, as mentioned above in art. 1 para. 2 of these Articles of Incorporation.

Art. 19 Amendments

- (1). Any amendments brought to these Articles of Incorporation will be subject to the prior approval of the General Assembly of Shareholders and the FSA.

Prepared in 4 copies, today 04.03.2024.

LONGSHIELD INVESTMENT GROUP SA
represented by Manager
SAI MUNTENIA INVEST SA

Nicușor Marian BUICĂ
General Manager

ARTICLES OF INCORPORATION of the Company LONGSHIELD INVESTMENT GROUP S.A.

Art. 1 Company name, legal form, headquarters and duration

- (1). The denomination of the company is "**LONGSHIELD INVESTMENT GROUP S.A.**". In all documents issued by **LONGSHIELD INVESTMENT GROUP S.A.**, the identification data and the information requested by applicable law will be mentioned.
- (2). The legal form of **LONGSHIELD INVESTMENT GROUP S.A.** (hereinafter referred to as "the Company") is that of joint stock company, Romanian legal person, organized in the form of a private law, classified according to the applicable regulations as an externally managed Alternative Investment Fund of the type of investment companies - FIAS, category Alternative investment fund for retail investors - FIAIR, with a diversified, closed-ended, externally managed investment policy.
- (3). **LONGSHIELD INVESTMENT GROUP S.A.** will operate in compliance with the provisions of the legislation on the capital market, of the Companies Law 31/1990, republished with subsequent amendments and completions and, of these Articles of Incorporation, of the Rules of "the Company" (referred to as "Rules" in these Articles of Incorporation) and of the Simplified Prospectus of "The Company" (called "Prospectus" in these Articles of Incorporation).
- (4). The company will operate on the basis of a management contract that will be concluded with the Investment Management Company Muntenia-Invest S.A.
- (5). The registered office of the "Company" is in Bucharest, 46-48 Serghei Vasilievici Rachmaninov, ground floor, room. 2, district 2, code 020199. The General Assembly of Shareholders may decide to change the headquarters of **LONGSHIELD INVESTMENT GROUP S.A.** SA in any other place in Romania. **LONGSHIELD INVESTMENT GROUP S.A.** will be able to set up subsidiaries, branches, agencies, representations, as well as offices, both in the country and abroad, in compliance with the legal requirements and these Articles of Incorporation, regarding authorization and publicity.
- (6). The duration of operation of the "Company" is 100 years. Shareholders have the right to extend the life of the "Company" before its expiration, by decision of the General Assembly of Shareholders.

Art. 2 Company's object of activity

- (1). The main domain of activity: financial service activities, except insurance and pension funding, NACE code 64, and the main object of activity is "Trusts, funds and similar financial entities" NACE CODE – 6430
- (2). **LONGSHIELD INVESTMENT GROUP S.A.** will be able to carry out the following activities:
 - a) making financial investments in order to maximize the value of its own shares in accordance with the regulations in force;
 - b) management of the investment portfolio and the exercise of all rights associated with the instruments in which it invests;
 - c) risk management
 - d) other auxiliary and adjacent activities in accordance with the regulations in force

Art. 3 Share capital and shares

- (1). The subscribed and fully paid share capital amounts to 76,110,584,5 lei divided into 761,105,845 nominal shares, of 0.1 lei each. Each share entitles to one vote at the Shareholders General Meeting.
- (2). The shares of the “Company” are registered, of equal values, issued in dematerialized form and grant equal rights and obligations to their holders. The nominal value of a share is 0.1 lei. The shares are indivisible, and the “Company” recognizes a single representative for the exercise of the rights resulting from an action. The distribution of profits and losses shall be made equally for each action.
- (3). The increase of the share capital will be made, in accordance with the law: a) by issuing new shares in exchange for cash contributions; b) by incorporating the reserves, except for the legal reserves and the reserves constituted from the revaluation of the patrimony, as well as of the benefits or of the issue premiums.
- (4). The reduction of the share capital is made under the conditions provided by law.
- (5). The share capital can be reduced by: a) reducing the number of shares; b) reduction of the nominal value of the shares; and c) other procedures provided by law.
- (6). If SAI MUNTENIA INVEST SA finds that following the losses the value of the net assets, determined as the difference between the total assets and debts of **LONGSHIELD INVESTMENT GROUP S.A.**, represents less than half of the value of the subscribed share capital, SAI MUNTENIA INVEST SA has the obligation to summon the General Assembly of Shareholders, which will decide whether the “Company” should be dissolved. If the General Assembly of Shareholders does not approve the dissolution, then **LONGSHIELD INVESTMENT GROUP S.A.** is obliged to reduce the share capital by an amount at least equal to that of the losses by the end of the financial year following the one in which the losses were recorded, which could not be covered by reserves, if during this period the net assets have not been reconstituted to the level of a value at least equal to half of the share capital.
- (7). The reduction of the share capital will be achieved only after a period of two months from the date of publication in the Official Gazette of Romania, Part IV, of the decision of the General Assembly of Shareholders.
- (8). Investors entitled to receive dividends or benefit from the effects of the decisions of the General Assembly of Shareholders are those registered in the register of shareholders kept according to the law by Depozitarul Central SA on the date set by the General Assembly of Shareholders, in accordance with regulations.
- (9). The distribution of dividends will be made in compliance with the legal regulations in force and the FSA regulations.

Art. 4 Shareholders

- (1). The quality of shareholder of the “Company” is attested by an account statement issued by Depozitarul Central SA, the entity that keeps the records of the shareholders.

Art. 5 Trade, issue, buy back and cancellation of shares

- (1). The shares of **LONGSHIELD INVESTMENT GROUP S.A.** are negotiable and transferable under the conditions provided by the legislation in force.
- (2). The trading of the shares issued by the “Company” will be done only on a regulated market.
- (3). The trading of the shares of the “Company” is subject to the regulations applicable to the regulated market on which these shares are traded.

- (4). The "Company" may issue new shares in compliance with legal regulations in order to increase the share capital.
- (5). The "Company" may redeem its own shares in compliance with the legal provisions applicable in the case of redemption of shares. The "Company" cannot accept redemption requests made by investors for the shares they hold, before the start of the liquidation phase of the fund, directly or indirectly, from the AIF's assets, according to the regulations applicable to alternative closed-end investment funds.
- (6). The "Company" may cancel the issued shares only in the cases provided for by the applicable legislation.

Art. 6 The General Assembly of Shareholders

- (1). The General Assembly of Shareholders is the supreme governing body of **LONGSHIELD INVESTMENT GROUP S.A.** and is entitled to decide on all matters under its competence according to law and these Articles of Incorporation.
- (2). The General Assembly of Shareholders may be ordinary or extraordinary.
- (3). The General Assembly of Shareholders is held at least once a year within the period specified by the legal provisions in force.
- (4). In addition to debating other issues included on the agenda, the Ordinary The General Assembly of Shareholders must:
 - a) discuss, approve or amend the yearly financial statements based on the reports of the Manager SAI MUNTENIA INVEST SA and of the financial auditor;
 - b) to set the value of the amount to be distributed as dividends according to legal provisions;
 - c) to appoint and revoke the members of the Shareholders' Representatives Council;
 - d) to appoint the external manager according to legal provisions and to revoke the mandate granted to it;
 - e) to approve the management contract to be concluded with the external administrator;
 - f) to appoint and and revoke the financial auditor and to set the minimum duration of the financial audit contract;
 - g) to determine the remuneration of the members of the Shareholders' Representatives Council;
 - h) to rule on the management of the company;
 - i) to set the revenue and expenses budget and the management strategy for the following financial year;
 - j) to decide on pledging, leasing or de-registration of one or several units of the "Company";
- (5). In order to validate the deliberations of the Ordinary General Assembly of Shareholders of **LONGSHIELD INVESTMENT GROUP S.A.** the presence of the shareholders holding at least one fourth of the total voting rights is required. Decisions are implemented when the shareholders holding the majority of the votes cast have voted "in favour".
- (6). If, after the first summoning, the Ordinary General Assembly of Shareholders cannot be held because the quorum and / or validity conditions set out in the above paragraph are not met, the Assembly held after the second summon shall deliberate on the issues listed on the agenda of the first Assembly, regardless of the percentage of the share capital of the "Company" represented by the shareholders attending the Assembly personally / by a representative. In such a case, the Ordinary General Assembly of Shareholders shall adopt valid decisions via a majority of the votes cast.
- (7). The Extraordinary General Assembly of Shareholders shall be summoned whenever needed and, unless the applicable law provides otherwise, will adopt resolutions on the following matters:
 - a. changing the legal form of the "Company";
 - b. the "Company" relocation;
 - c. changing the "Company"'s object of activity;
 - d. setting up or closing subsidiaries of the "Company";

- e. extending the operation duration of the “Company” before expiring;
- f. increasing the share capital;
- g. issuing bonds;
- h. reducing the share capital or increasing it by issuing new shares, according to legal provisions in force;
- i. merger with other companies or divisions of **LONGSHIELD INVESTMENT GROUP S.A.**;
- j. anticipated dissolution of the “Company”;
- k. conversion of shares from one class to another;
- l. conversion of a category of bonds to another category of bonds or into shares;
- m. acquisition by the “Company” of its own shares, either directly or through persons acting in their own name but on its behalf;
- n. consolidating or splitting the nominal value of the share;
- o. any other additions and amendments to the Articles of Incorporation or any other decisions in force under this document require the approval of the Extraordinary General Assembly of Shareholders;

(8). The Extraordinary General Assembly delegated to the Manager SAI MUNTENIA INVEST SA the exercise of its attributions for setting up or dissolving branches, representative offices, agencies or other such units with no legal personality.

(9). In order to validate the deliberations of the Extraordinary General Assembly of Shareholders, the presence of shareholders holding at least one quarter of the total number of voting rights is required at the first summon and at subsequent summons, the presence of shareholders representing at least one fifth of the total number of voting rights is required. Decisions are taken via the majority of the votes held by the shareholders that are either present or represented. The decision to change the main object of activity of the company, to reduce or increase the share capital, to change the legal form, to merge, divide or dissolve the company is taken by a majority of at least two thirds of the voting rights held by the shareholders that are either present or represented.

(10). The General Assembly of Shareholders is summoned by SAI MUNTENIA INVEST SA, in compliance with the provisions of Law 31/1990 republished, with subsequent completions and additions, the legislation in force and of the FSA regulations.

(11). The General Assembly is summoned by publishing an announcement in the Official Gazette and in one of the widely circulated newspapers in the locality where the “Company” is located, in accordance with the provisions of the legislation in force. The convocation will include the place and date of the Assembly, as well as the agenda, with the explicit mention of all the issues that will be subject to the debates of the Assembly. If the agenda includes the appointment of the sole manager and / or the members of the Shareholders' Representatives Council, the notice shall state that the list includes information on the name, registered office, place of residence and professional qualification, as appropriate, of the proposed legal entities or natural persons for the position of sole manager / member of the Shareholders' Representatives Council, are available to shareholders, and can be consulted and completed by them.

(12). The General Assembly of Shareholders will be summoned by SAI MUNTENIA INVEST SA whenever issues arise that are within the competence of the General Assembly of Shareholders. SAI MUNTENIA INVEST SA must summon the General Assembly of Shareholders at the request of the shareholders with shares representing at least 5% of the share capital of the “Company”, upon the request of the FSA or in the event of a final and irrevocable court decision summoning **LONGSHIELD INVESTMENT GROUP S.A.**'s General Assembly of Shareholders.

(13). The right to participate in the General Assembly of Shareholders is held by the shareholders

registered in the shareholders' register compiled for the reference date set by SAI Muntenia Invest SA.

(14). Participation in the General Assembly of Shareholders will be done directly or through representatives appointed in accordance with the legal provisions in force. The shareholders of **LONGSHIELD INVESTMENT GROUP S.A.** may also vote by correspondence according to legal provisions in force and the procedures approved by SAI Muntenia Invest SA. **LONGSHIELD INVESTMENT GROUP S.A.** shall allow its shareholders to participate in the General Assembly by using electronic means of data transmission. The electronic means of data transmission that can be used by shareholders to participate in the General Assembly of Shareholders as well as the procedures for identifying shareholders who will participate in the General Assembly of Shareholders with the use of electronic means of data transmission will be presented in the summoning of the General Assembly Shareholders.

(15). Each share gives the right to a vote. For each decision adopted, the Shareholders' General Meeting shall determine at least the number of shares for which valid votes have been cast, the share of the share capital represented by those votes, the total number of votes validly cast, as well as the number of votes 'for' and 'against' each decision and, where appropriate, the number of abstentions. The 'abstention' position adopted by a shareholder regarding any of the items on the agenda of a general meeting of shareholders represents a vote expressed. The company will include in the convener of the general meeting of shareholders mentions regarding the qualification of the abstaining position adopted by the shareholder as a vote expressed if the legal provisions establish the requirement of such mentions.

(16). Decisions shall be implemented by open vote. The secret vote is mandatory when appointing or revoking members of the Shareholders' Representative Council, appointing or revoking the Administrator as well as when appointing or revoking the financial auditor and when making decisions related to the liability of the members of the administration, management and control bodies of the "Company".

(17). SAI Muntenia Invest SA and members of the Board of Directors of SAI Muntenia Invest SA cannot vote on the grounds of the shares they hold, neither personally nor through representatives, when discharging their company property or for issue where the person or their work is in question.

(18). A shareholder who, in a certain operation, has an interest contrary to that of the company, will have to abstain from deliberating on said operation. A shareholder who fails to observe this provision is liable for damages produced to the Company, if, without this vote, the required majority would have not been met.

(19). The decisions of the General Assembly of Shareholders, taken in compliance with the law and these Articles of Incorporation, are binding for all shareholders, including for those who did not attend the meeting or who voted against said decision.

(20). The General Assembly of Shareholders is chaired by the permanent representative appointed by the Manager SAI MUNTENIA INVEST SA and registered at the National Trade Registry Office as a representative of **LONGSHIELD INVESTMENT GROUP S.A.**, respectively the General Manager of SAI MUNTENIA INVEST SA or, in his absence, the Corporate Management Director of SAI MUNTENIA INVEST SA.

(21). The General Assembly of Shareholders shall elect from the present shareholders one to three secretaries, who will check the attendance of shareholders, indicating the share capital represented by each of them and all the formalities required by law and by the Articles of Incorporation for holding the General Assembly.

(22). The expenses incurred by organizing and conducting the General Assemblies of Shareholders shall be borne by **LONGSHIELD INVESTMENT GROUP S.A.**, these expenses being considered incurred in the interest of the "Company" and its shareholders.

Art. 7 Shareholders' Representatives Council

- (1). The Shareholders' Representative Council is a body representing the interests of **LONGSHIELD INVESTMENT GROUP S.A.**'s shareholders in relation with SAI MUNTENIA INVEST SA, on the basis of a budget approved by the General Assembly of Shareholders of the "Company".
- (2). The General Assembly of Shareholders of the "Company" shall elect a Shareholders' Representative Council consisting of 3 members, for a four-year term, with the possibility to be re-elected.
- (3). Individuals that can apply for a place in the Shareholders' Representatives Council of **LONGSHIELD INVESTMENT GROUP S.A.** must fulfill the following conditions:
 - a) they are not employees or directors of a closed-end fund (SAI) / alternative investment fund manager (AIFM) or another financial investment company and do not have any contractual relationship with the "Company" or with the AIFM of the "Company";
 - b) they must not have any convictions as a result of a final court decision for fraudulent management, breach of trust, forgery, fraud, embezzlement, perjury, offering or receiving bribes;
 - c) they must be graduates of a higher education institution, at least BA level;
 - d) they must have at least five years experience in banking and finance, capital markets and managing of a firm or in higher education;
 - e) they must not hold, directly or together with his/her spouse or relatives up to the third degree or in-laws up to the second degree, more than 5% of the share capital of the depository with which the "Company" has concluded a depository contract;
 - f) they must not have been sanctioned by a financial market regulator with a ban on the exercise of professional activities;
 - g) they must not be incompatible in any way, as provided by the applicable legal provisions or by these Articles of Incorporation
- (4). **LONGSHIELD INVESTMENT GROUP S.A.**'s Shareholders Representative Council has the following duties:
 - a) represents the "Company" in relation to SAI MUNTENIA INVEST SA;
 - b) negotiates and concludes the management contract;
 - c) monitors the observance of the contractual clauses and the commitments undertaken by SAI MUNTENIA INVEST SA through the management contract and the management program approved by the General Assembly of Shareholders of the "Company";
 - d) analyses the periodical reports drawn up by SAI MUNTENIA INVEST SA regarding the performance of its duties on:
 - the management of the "Company";
 - exercising the rights conferred by holding securities from the portfolio of the "Company";
 - defending the rights and interests of the "Company" before law courts, arbitration courts and any other bodies with jurisdictional and administrative power;
 - e) calls for measures to be taken to place the activity of SAI MUNTENIA INVEST within the provisions of the management contract, the FSA Regulations, the yearly management programs, the income and expenditure budgets approved by the General Assembly of Shareholders of the "Company" and the applicable legislation;
 - f) verifies the conclusion of the contract with the financial auditor in accordance with the decision of the General Meeting of the Shareholders of the "Company";
 - g) verifies the preparation of the yearly financial statements of SAI MUNTENIA INVEST SA and the profit distribution proposals to be submitted to the approval of the General Assembly of Shareholders of the "Company";

- h) checks if the annual program regarding the management of the portfolio of the “Company” was drafted;
- i) checks the draft of the Budget of Revenues and Expenditures report of the “Company”, in order to present it at the General Assembly of Shareholders of the “Company”;
- j) checks if the half-yearly and quarterly reports of SAI MUNTENIA INVEST SA were drafted in accordance with the legal provisions and the FSA regulations;
- k) checks if the materials to be presented in the General Assembly of Shareholders of the “Company” were drafted;
- l) checks the conclusion of the storage contract, respectively of the contract with the Central Depository.

Art. 8 Financial reports, financial audit and internal audit of LONGSHIELD INVESTMENT GROUP S.A.

- (1). The financial year of the “Company” starts on January 1 and ends on December 31 of each year.
- (2). The yearly financial statements, the yearly report of SAI MUNTENIA INVEST SA, as well as the proposal regarding the distribution of the profit are made available to the shareholders at least 30 days before the date of the General Assembly of Shareholders.
- (3). The net profit will be distributed according to the approval of the Ordinary General Assembly of Shareholders and the legal provisions in force, including in the case provided by art. 67 of Companies Law no. 31/1990, with the application of the specific legislation;
- (4). **LONGSHIELD INVESTMENT GROUP S.A.** has legal reserves and other reserves, in accordance with the law.
- (5). Dividends are distributed among shareholders in correspondence to the number of shares held
- (6). The payment of dividends due to shareholders is made by the “Company”, in accordance with the law.
- (7). If a loss of net assets is found, the General Assembly of Shareholders will analyse the causes and will decide accordingly in compliance with the legal provisions.
- (8). The annual financial statements of the “Company” will be audited by a financial auditor who meets the conditions provided by the legislation in force and by the ASF regulations.
- (9). The financial audit will be performed in accordance with an audit agreement concluded by SAI MUNTENIA INVEST SA.
- (10). The specific internal audit services of the “Company” will be provided in compliance with the legal provisions in force.

Art. 9 Loans

- (1). The “Company” may borrow funds provided that it complies with the legal provisions in force and with the FSA regulations.

Art. 10 Reporting

- (1). The “Company” will ensure for all shareholders equal access to information on its operation in accordance with the FSA regulations.
- (2). The “Company” will comply with the reporting requirements established by FSA regulations and by market regulations where the shares are traded.
- (3). The “Company” will draft, make available to the public, submit to the FSA and the market operator quarterly, half yearly and yearly reports. The reports will be made available to investors in accordance with the FSA regulations.

Art. 11 Authorised investments

- (1). The “Company” will make investments in compliance with the legal provisions and the FSA regulations regarding the alternative investment funds classified according to art. 1 para. 2 of these Articles of Incorporation.

Art. 12 Prudential rules regarding the investment policy

- (1). The investment policy and prudential rules are set by SAI MUNTENIA INVEST SA and will be regulated in the “Rules” and in the “Prospectus” of the “Company”, in compliance with the investment limitations provided by the applicable legal regulations in force.
- (2). The prudential rules regarding the investment policy of the “Company” will comply with the applicable legal regulations.
- (3). Subject to the restrictions set out by these Articles of Incorporation, the Management Contract and the applicable legislation in force, all decisions regarding the acquisition, sale and exercise of all rights and obligations in relation to the assets of the “Company” will be exercised by SAI MUNTENIA INVEST SA.
- (4). SAI MUNTENIA INVEST SA has the following obligations:
 - a. To publish the prudential rules regarding the investment policy on the website „www.longshield.ro”;
 - b. To notify the FSA on any changes regarding the prudential rules regarding the investment policy;
 - c. To notify the investors in connection with any modification of the prudential rules regarding the investment policy through a current report that will be made public through the website “www.longshield.ro” and through the information dissemination system of the Bucharest Stock Exchange.

Art. 13 The Management of LONGSHIELD INVESTMENT GROUP S.A.

- (1). The management of the “Company” is carried out on the basis of a Management Contract concluded with SAI MUNTENIA INVEST SA, AIFM registered in the FSA Register under no. PJR07.1AFIAI/400005/21.12.2017, approved by the General Assembly of Shareholders of the “Company”.
- (2). The duration of the mandate of the manager of the “Company” is 4 years.
- (3). The “Company” will pay a monthly management fee calculated according to the stipulations of the Management Contract, within the maximum limit approved by the company’s General Assembly of Shareholders. Depending on the way in which SAI MUNTENIA INVEST SA meets the performance criteria and yearly objectives set by the General Assembly of Shareholders, the “Company” will pay SAI MUNTENIA INVEST SA a performance fee calculated in accordance with the provisions of the Management Contract.
- (4). SAI MUNTENIA INVEST SA must make public, via the website www.sifmuntenia.ro, the remuneration policy.
- (5). The remuneration policy will be compatible with the business strategy, objectives, values and interests of the “Company”, as well as with the interests of its investors, including measures to avoid conflicts of interest.

Art. 14 Calculating the net asset value of LONGSHIELD INVESTMENT GROUP S.A.

- (1). The “Company” ’s net asset value will be calculated in accordance with the legislation in force.
- (2). The net asset value (NAV) of the “Company” is calculated on a monthly basis, according

to the applicable legal provisions.

- (3). The net asset value per share (NAV per SHARE) will be equal to the NAV divided by the number of shares issued and in use (no. of Sh.).

The calculation formula of NAV per SHARE is: $NAV / \text{no. of Sh.}$

Where:

Number of issued AND in use shares (no. of Sh.) = the total number of issued shares - treasury shares - the number of shares related to deposit certificates or certificates of interest for own shares redeemed and held at the reporting date.

- (4). NAV and NAV per SHARE will be calculated by SAI MUNTENIA INVEST SA and will be certified by the Depositary of the “Company” within a maximum of 15 calendar days from the end of the month for which the NAV is determined.
- (5). NAV and NAV per SHARE will be made public by SAI MUNTENIA INVEST SA on the website „www.longshield.ro” and through the information dissemination system of the Bucharest Stock Exchange.
- (6). SAI MUNTENIA INVEST SA has the following obligations in relation to the rules regarding the valuation of the “Company”’s assets:
- a. to publish these rules on the „www.longshield.ro” website.
 - b. to notify the FSA on any changes to these rules at least 30 days prior to the date of the first net asset value calculated using the amended rules.
 - c. to notify the investors in connection with any modification of the above-mentioned rules through a current report that will be made public on the „www.longshield.ro” website and through the information dissemination system of the Bucharest Stock Exchange.
- (7). The investment policy of the “Company” will be set in accordance with the type of alternative investment fund in which the “Company” falls, mentioned above in art. 1 para. 2 of these Articles of Incorporation.
- (8). SAI MUNTENIA INVEST SA will ensure that the valuation rules of the assets of the “Company” comply with the applicable legal provisions in force.
- (9). The investments of the “Company” will be made only in the categories of assets allowed by the legal provisions in force, in compliance with the investment policy as it was presented in the “Company” “Rules”.
- (10). SAI MUNTENIA INVEST SA has the obligation to include in the “Company” “Rules” a detailed presentation of the investment policy and of the valuation rules of the assets of the “Company” .

Art. 15 LONGSHIELD INVESTMENT GROUP S.A.depositary contract

- (1). SAI Muntenia Invest SA must conclude a depositary contract with a depositary authorized by FSA.
- (2). The activities performed by the depositary shall be in accordance with the legal provisions and the FSA regulations in force and will be mentioned under the depositary contract.
- (3). The conditions for replacing the depositary, as well as the rules for ensuring the protection of shareholders in such situations, will be provided in the the “Company” “Rules”, in compliance with the legal provisions in force.

Art. 16 Dissolution and liquidation of LONGSHIELD INVESTMENT GROUP S.A.

- (1). The “Company” shall be dissolved in the cases stipulated by law. In the event of dissolution, the Company will be liquidated. The liquidation of the fund will take place on the expiration date of its duration, if the shareholders have not decided to extend it.
- (2). The liquidation follows the procedure provided by law. After completion, the liquidators

will require the de-registration of the company from the Trade Register.

Art. 17 Disputes

- (1). The Company's disputes with natural or legal entities fall under the jurisdiction of the Romanian courts. These disputes can be solved via arbitration as well.

Art. 18 Miscellaneous

- (1). These Articles of Incorporation are supplemented by the legal provisions on companies - common law - and by the special legal provisions in the capital market field.
- (2). The terms of these Articles of Incorporation shall be deemed modified by law if any subsequent legislation appears that removes or restricts the limitations expressly provided at present for alternative financial investment companies where **LONGSHIELD INVESTMENT GROUP S.A.** falls, as mentioned above in art. 1 para. 2 of these Articles of Incorporation.

Art. 19 Amendments

- (1). Any amendments brought to these Articles of Incorporation will be subject to the prior approval of the General Assembly of Shareholders and the FSA.

Prepared in 4 copies, today 07.10.2024.

LONGSHIELD INVESTMENT GROUP SA
represented by Manager
SAI MUNTENIA INVEST SA

Nicușor Marian BUICĂ
General Manager