



**LION CAPITAL**

# **QUARTERLY REPORT**

— AS OF SEPTEMBER 30, 2023 —

prepared pursuant to the provisions of  
Law no. 24/2017, Law no. 74/2015, Law no. 243/2019,  
ASF Regulation no. 10/2015, ASF Regulation no. 7/2020,  
ASF Regulation no. 5/2018, and ASF Norm no. 39/2015  
*this report is provided as a free translation from Romanian, which is  
the official and binding document*

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## 1. GENERAL INFORMATION

|                                   |   |
|-----------------------------------|---|
| CORPORATE NAME                    | <b>Lion Capital S.A.</b> (hereinafter referred to as “Lion Capital”, “the Fund” or “the Company”) <i>the new corporate name starting March 24, 2023, of SIF Banat-Crișana S.A.</i>  |
| COMPANY TYPE                      | <ul style="list-style-type: none"> <li>▪ joint stock company, Romanian legal entity</li> <li>▪ established as a self-managed investment company, authorized by the Financial Supervisory Authority as Alternative Investment Fund Manager (AIFM) - Authorization no. 78 / 09.03.2018, and as closed-ended alternative investment fund, diversified, addressed to retail investors (AIFRI) - Authorization no. 130 / 01.07.2021</li> </ul>   |
| SHARE CAPITAL                     | <ul style="list-style-type: none"> <li>▪ RON 50,751,005.60 – subscribed and paid-up capital</li> <li>▪ 507,510,056 shares issued; 506,520,056 outstanding as of 30.09.2023</li> <li>▪ RON 0.10 per share nominal value</li> </ul>   |
| REGISTRATIONS                     | <ul style="list-style-type: none"> <li>▪ Number in Trade Register J02/1898/1992</li> <li>▪ Tax Identification Code RO 2761040</li> <li>▪ Number in ASF AFIAA Register PJR07.1AFIAA / 020007 / 09.03.2018</li> <li>▪ Number in ASF FIAIR Register PJR09FIAIR / 020004 / 01.07.2021</li> <li>▪ Legal Entity Identifier (LEI) 254900GAQ2XT8DPA7274</li> </ul>  |
| MAIN ACTIVITY                     | <p>Main activity is, as per the classification of economic activities in the national economy (NACE): financial intermediation, except for insurance and pension funds (NACE code 64), and the main object of activity: Other financial intermediation n.c.a. (NACE code 6499):</p> <ul style="list-style-type: none"> <li>▪ portfolio management</li> <li>▪ risk management</li> <li>▪ other activities carried out within the collective management of an investment fund, allowed by the legislation in force</li> </ul> |
| TRADING MARKET                    | The company is listed since November 1, 1999, on the regulated market of Bucharest Stock Exchange (BVB) – Premium category<br>Symbol <b>LION</b> (starting May 15, 2023; prior: SIF1)   |
| FINANCIAL AUDITOR                 | <b>Deloitte Audit S.R.L.</b>  |
| DEPOSITARY BANK                   | <b>Banca Comercială Română (BCR)</b>  |
| SHARES AND SHAREHOLDERS' REGISTRY | <b>Depozitarul Central S.A. Bucharest</b>   |
| HEADQUARTERS                      | <b>Arad</b> , 35A Calea Victoriei 310158, Romania<br>TEL +40257 304 438 FAX +40257 250 165<br>EMAIL office@lion-capital.ro WEB www.lion-capital.ro  |
| BRANCH OFFICE                     | <b>Lion Capital Arad-Bucharest Branch-Rahmaninov</b><br>46-48 S. V. Rahmaninov Str., 3rd floor, sector 2, 020199, Bucharest   |

**CONTACT Investor Relations:** email [investitori@lion-capital.ro](mailto:investitori@lion-capital.ro) tel +40257 304 446

## 2. MAIN FINANCIAL AND OPERATIONAL INFORMATION

| <b>MAIN BALANCE SHEET ITEMS [RONm]</b> |                   |                   |                   |
|--|-------------------|-------------------|-------------------|
|  | <b>30.09.2022</b> | <b>31.12.2022</b> | <b>30.09.2023</b> |
| Total assets, of which                 | 3,129.30          | 3,405.26          | 3,986.70          |
| Total financial assets                 | 3,094.11          | 3,374.95          | 3,904.96          |
| Equity (own capital)                   | 2,996.07          | 3,242.85          | 3,789.54          |
| Total liabilities                      | 133.23            | 162.41            | 197.16            |

| <b>FINANCIAL PERFORMANCE [RONm]</b> |                   |                   |                   |
|-------------------------------------|-------------------|-------------------|-------------------|
|                                     | <b>30.09.2022</b> | <b>31.12.2022</b> | <b>30.09.2023</b> |
| Income                              | 172.51            | 174.92            | 118.53            |
| Gain/(Loss) on investment           | (143.13)          | (47.40)           | 152.90            |
| Expenses                            | 14.45             | 24.39             | 16.24             |
| Gross profit / (Loss)               | 14.93             | 103.12            | 255.18            |
| Net profit / (Loss)                 | 7.27              | 95.47             | 242.93            |

| <b>PERFORMANCE OF SHARES AND NET ASSET</b> |                   |                   |                   |
|--|-------------------|-------------------|-------------------|
|  | <b>30.09.2022</b> | <b>31.12.2022</b> | <b>30.09.2023</b> |
| Share price (end of period, RON)           | 2.4500            | 2.4300            | 2.5400            |
| NAV/S* (RON)                               | 5.8902            | 6.3817            | 7.5234            |
| Accounting net asset / share (RON)         | 5.9035            | 6.3897            | 7.4815            |
| Nominal value of share (RON)               | 0.1               | 0.1               | 0.1               |
| Number of shares issued                    | 515,422,363       | 507,510,056       | 507,510,056       |
| Number of outstanding shares               | 507,510,056       | 507,510,056       | 506,520,056       |

\* calculated acc. to ASF regulations

| <b>OPERATIONAL DATA</b>       |                   |                   |                   |
|-------------------------------|-------------------|-------------------|-------------------|
|                               | <b>30.09.2022</b> | <b>31.12.2022</b> | <b>30.09.2023</b> |
| Number of permanent employees | 32                | 32                | 31                |
| Branch offices                | 1                 | 1                 | 1                 |

| <b>SHAREHOLDING STRUCTURE as of September 30, 2023</b> |                        |             |
|--|------------------------|-------------|
|  | number of shareholders | holdings    |
| Romanian individuals                                   | 5,736,317              | 39.09%      |
| Non-resident individuals                               | 2,142                  | 1.27%       |
| Romanian legal entities                                | 107                    | 43.84%      |
| Lion Capital*  | 1                      | 0.19%       |
| Non-resident legal entities                            | 21                     | 15.61%      |
| <b>TOTAL</b>   | <b>5,738,586</b>       | <b>100%</b> |

\* treasury shares, repurchased in 2023

### 3. PORTFOLIO AS OF SEPTEMBER 30, 2023

#### Investment objective and policy

Lion Capital's investment strategy on the long term aims to maximize the portfolio performance, to enhance the value of the assets under management and the investment income.

The Fund's objective is the efficient management of a diversified portfolio of quality assets, capable of providing a steady stream of income, preserving, and growing medium to long-term capital, with the aim of increasing value for shareholders and achieving optimal returns on invested capital.

Strategic asset allocations and occasional rebalancing are based on evaluations of existing holdings and investment opportunities, within the context of the current market and economic conditions.

Lion Capital's investments, as AIFRI, are exclusively carried out within the assets and limits regulated by *Law no. 243/2019 on the regulation of alternative investment funds and for amending and supplementing certain normative acts*.

Throughout Q3 2023 Lion Capital had under management a diversified portfolio, consisting of the following main categories of financial instruments: equities, bonds, and fund units. The Fund applies an exit strategy tailored to the specific nature of each investment, defined based on long-term investment strategy and objectives, as well as the conditions (triggering) of the exit transaction.

The individual approach to each participation aims to achieve an overall aggregate return, composed of both dividend income and capital gains.

Considering the shift in perception regarding the nature of inflation from transitory to persistent, we aim to maintain exposure to companies and/or financial instruments that benefit from such an environment.

The main directions of portfolio management are aligned with the objectives approved by shareholders, focusing on:

- calibration of the portfolio on financial assets / instruments that benefit from an inflationary context
- continuing portfolio restructuring by reducing minority interests that do not fit the Fund's investment strategy
- consolidation of strategic interest portfolio
- maintaining a diversified portfolio of assets under management
- implementing SFDR (Sustainable Finance Disclosure Regulation)
- strengthening the risk management system.

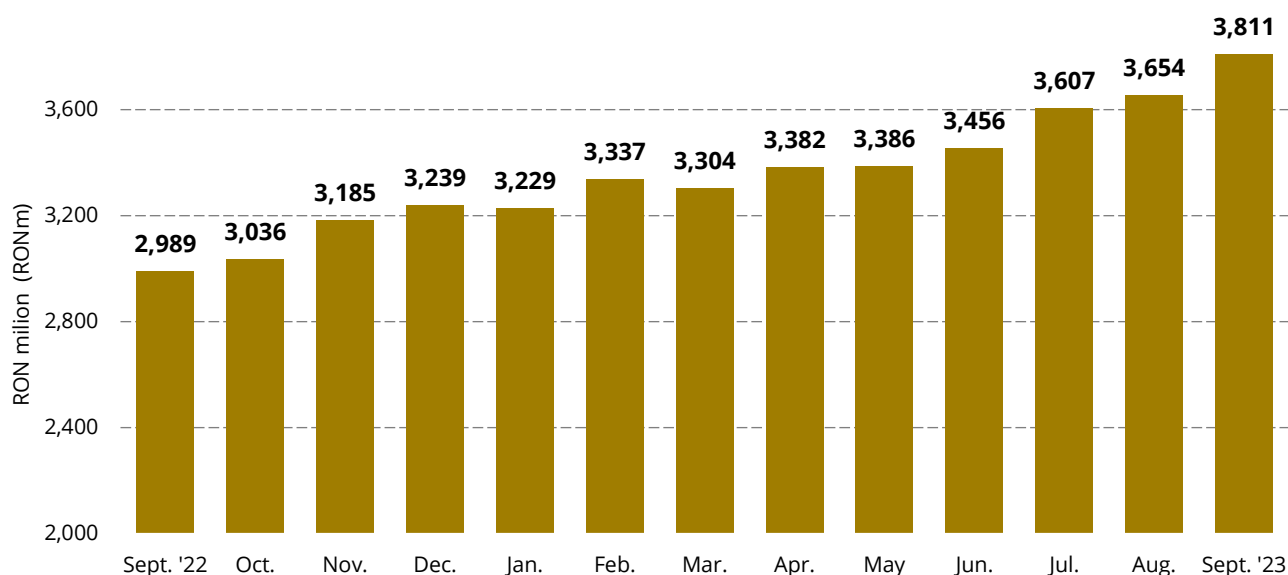
In the investment process, Lion Capital recognizes that global sustainability challenges, including climate change, resource scarcity and human rights, are critically important, and must be addressed. In this sense, to provide long-term value to the investments made, Lion Capital analyses the sustainability risk of issuers with respect to the criteria applied to determine whether an economic activity qualifies as sustainable and contributes substantially to one or more of the sustainability objectives.

Both the *Policy on integrating ESG risks in the investment decision-making process* as well as the *Statement prepared in accordance with the provisions of art. 4 (1) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector* are available for consultation on Company's website, [www.lion-capital.ro](http://www.lion-capital.ro), in the *Corporate Governance* section.

## The Progress of Net Asset Value

Lion Capital's net asset value (NAV) was of **RON 3,810.74m** as of the end of 3Q 2023, up 17.66% vs. RON 3,238.77m, the value recorded as of 2022-year end. Net asset value per share (NAV/S) was of **RON 7.5234** as of September 30, 2023, 17.89% higher than the value recorded for December 31, 2022: RON 6.3817/share.

NET ASSET VALUE SEPTEMBER 2022 - SEPTEMBER 2023



The calculation of NAV and NAV/S is performed by Lion Capital with a monthly frequency, the values being certified by the depository bank Banca Comercială Română (BCR).

The monthly reports on NAV have been communicated to the Bucharest Stock Exchange and the Financial Supervisory Authority - Financial Instruments and Investments Sector, published on the website of Lion Capital, [www.lion-capital.ro](http://www.lion-capital.ro), within the regulated terms.

### The methodology for calculating the net asset value

During the reporting period, the calculation of net asset value was made in accordance with the provisions of *Law no. 243/2019 on alternative investment funds, amending and supplementing certain normative acts* and of the *ASF Regulation no. 7/2020 on the authorization and operation of alternative investment funds* with subsequent amendments and additions. The reporting formats of the *statement of assets and liabilities*, and the *detailed statement of investments*, related to the reporting period comply with the content established by annex no. 10, respectively annex no. 11 to *ASF Regulation no. 7/2020*, with subsequent amendments and additions.

According to ASF Regulation no. 7/2020, the net asset value of an AIFRI established as an investment company is determined as the difference between the total value of the assets and the sum of the accrued expenses and deferred income. Both current and non-current liabilities (including deferred income tax) are included in the calculation of the total value of liabilities, as well as established provisions. In accordance with these regulations, starting with July 1, 2021, following the authorization of the Company as AIFRI (ro: FIAIR), the company calculated the net asset value by adding the deferred profit tax (non-current debt) to the total liabilities.

The statement of Lion Capital's assets and liabilities as of September 30, 2023, prepared as per the provisions of annex 10 to Regulation no. 7/2020 is presented as annex to this report.

Throughout the reporting period, the valuation of assets for the calculation of net asset value was carried out in accordance with the regulations issued by the Financial Supervisory Authority, the

provisions of ASF Regulation no. 10/2015 and of ASF Regulation no. 9/2014 (art. 113-122), with subsequent amendments and completions.

As per these regulations:

- Financial instruments admitted to trading or traded in the last 30 trading days on a regulated market or in systems other than regulated markets, including in an alternative trading system in Romania, from a Member State or a non-member, are measured:

- a) At the closing price of the market segment considered as the main market or the reference price provided in trading systems other than regulated markets including alternative systems by the operator of that trading system for the day for which the calculation is made;
- b) By way of exception from the provisions of letter a) above, in the case of joint stock companies admitted to trading on a regulated market or a multilateral trading system with a liquidity considered by Lion Capital, based on a judgment of prudential value in relation to the active market defined by International Financial Reporting Standard 13 - Fair value measurement (IFRS 13), as irrelevant for the application of the marking to market valuation method, the shares of those companies will be measured in the assets of Lion Capital in accordance with the evaluation standards in force, according to the law, based on an evaluation report.

The Company maintained this valuation method throughout the first three quarters of 2023 for the following portfolio companies: SIF Imobiliare PLC (symbol SIFI), SIF Hoteluri SA (symbol CAOR), and IAMU SA (symbol IAMU). The analysis carried out by the company revealed that for the issuers SIF Imobiliare, SIF Hoteluri and IAMU, the active market criteria are not met, as during 2022 transactions representing less than 1% of the issuer's share capital were recorded, the total number of transactions being less than 50 (in the last 12 months), their frequency being insufficient to meet the criterion of providing reliable price information on an ongoing basis.

- Securities not admitted to trading on a regulated market or not traded in the last 30 trading days are valued at the book (accounting) value per share resulting from the last annual financial statements, respectively the value of equity included in the monthly reports to BNR (National Bank of Romania) for credit institutions.

- In the case of joint stock companies not admitted to trading in a regulated market or alternative system, in which Lion Capital holds more than 33% of the share capital, those shares are measured in Lion Capital's net asset exclusively in accordance with the international standards evaluation based on an evaluation report, updated at least annually. These companies are presented in a separate annex under the *Detailed Statement of Investments*.

- Fixed income financial instruments are measured using the method based on the daily recognition of interest and amortization of the discount / premium for the period passed from the date of the investment.

- The shares of companies in insolvency, judicial liquidation or reorganization proceedings are valued at zero until the procedure is completed.

- The values of non-portfolio items taken into account in the calculation of net assets are in accordance with International Financial Reporting Standards ("IFRS").

In accordance with the provisions of ASF Regulation no. 10/2015 (art. 19) and EU Regulation 231/2013 (art. 69-70), on February 28, 2023, the Company informed the investors upon maintaining the evaluation policies and methods used for the evaluation of financial assets.

The valuation methods applied by the Company to evaluate the financial assets in the portfolio are presented on Company's website, [www.lion-capital.ro](http://www.lion-capital.ro), in the operating documents as AIFRI, namely Simplified Prospectus, Rules of the Fund in the section *Corporate Governance* › AIFRI, and in the section *Portfolio Management* › Net Asset › *Valuation of Lion Capital's assets*.

## Portfolio Structure

The asset allocation strategy aims to maximize the portfolio performance under the regulated prudential requirements.

The investment limits and restrictions incidental to the operations carried out by Lion Capital during 2023 complied with the applicable legal provisions, established by Law no. 243/2019 on the regulation of alternative investment funds, given that in accordance with the provisions of this law Lion Capital is classified as a Closed, Diversified Alternative Investment Fund addressed to Retail Investors (AIFRI).

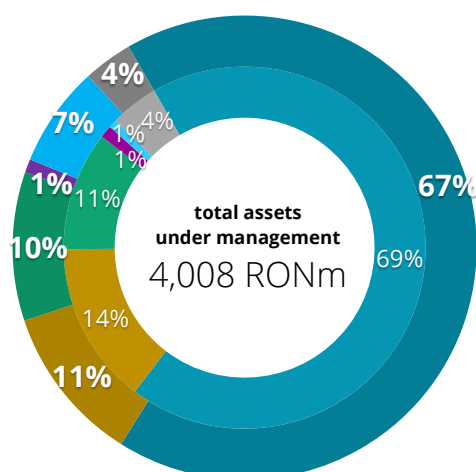
The detailed statement of Lion Capital's investments as of September 30, 2023, prepared pursuant to Annex 11 of Regulation no. 7/2020, is presented as annex to this report.

Total value of assets under Lion Capital's management as of September 30, 2023, was of **RON 4,008m**, 17.84% higher than the value recorded as of December 31, 2022, viz. RON 3.401m.

The value of the stock portfolio (listed and unlisted shares) accounted for **78.24%** of Lion Capital's total assets as of September 30, 2023, amounting to **RON 3,136m**. At the end of 3Q 2023, Lion Capital held *majority stakes* - over 50% of the issuer's share capital - in 12 companies, with a total value of RON 1,109.79m, representing 35.39% of stock portfolio value.

### ASSETS UNDER MANAGEMENT as of September 30, 2023

breakdown on classes (weight on total assets)



#### ■ listed shares

value **2,695.97 RONm**  
(31.12.2022: 2,336.59 RONm)

#### ■ unlisted shares

value **439.61 RONm**  
(31.12.2022: 492.84 RONm)

#### ■ unlisted fund units

value **415.80 RONm**  
(31.12.2022: 362.94 RONm)

#### ■ corporate bonds

value **37.45 RONm**  
(31.12.2022: 37.58 RONm)

#### ■ bank deposits + cash available

value **282.01 RONm**  
(31.12.2022: 26.61 RONm)

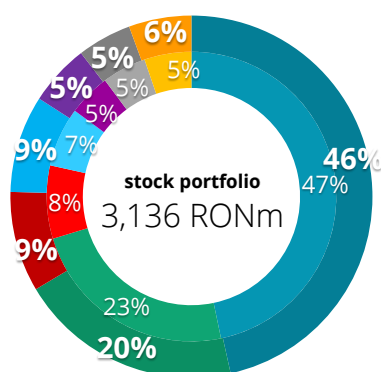
#### ■ receivables and other assets

value **137.05 RONm**  
(31.12.2022: 144.62 RONm)

*Note: values calculated as of September 30, 2023 (the outer ring), and December 31, 2022 (the inner ring), as per ASF Regulations no. 9/2014, no. 10/2015, and no. 7/2020*



## STOCK PORTFOLIO - breakdown by sector

■ **banking - financial**

stakes in **12** companies, worth **1,458.74 RONm**  
(31.12.2022: 13 companies, worth 1,322 RONm)

■ **commerce - real-estate**

stakes in **10** companies, worth **624.86 RONm**  
(31.12.2022: 12 companies, worth 667.07 RONm)

■ **pharmaceuticals**

stakes in **1** company, worth **280.99 RONm**  
(31.12.2022: 2 companies, worth 231.07 RONm)

■ **energy - utilities**

stakes in **6** companies, worth **272.43 RONm**  
(31.12.2022: 5 companies, worth 187.75 RONm)

■ **hospitality (hotels and restaurants)**

stakes in **3** companies, worth **171.19 RONm**  
(31.12.2022: 4 companies, worth 133.52 RONm)

■ **cardboard and paper**

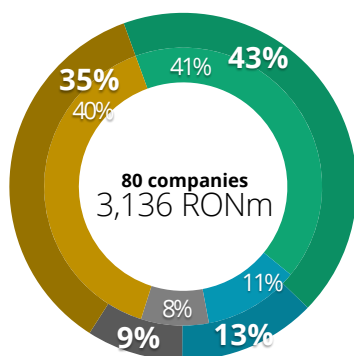
stakes in **4** companies, worth **152.05 RONm**  
(31.12.2022: 4 companies, worth 139.47 RONm)

■ **other industries and activities**

stakes in **44** companies, worth **175.31 RONm**  
(31.12.2022: 52 companies, worth 148.55 RONm)

*Note: percentages in the chart represent the stake of the category in the stock portfolio; values calculated as of September 30, 2023 (the outer ring), and December 31, 2022 (the inner ring), as per ASF Regulations no. 9/2014, no. 10/2015, and no. 7/2020*

## STOCK PORTFOLIO - breakdown by stake held

■ **up to 5%**

stakes in **26** companies, worth **1,342.83 RONm**  
(31.12.2022: 29 companies, worth 1,173.25 RONm)

■ **5-33%**

stakes in **39** companies, worth **401.96 RONm**  
(31.12.2022: 47 companies, worth 314.33 RONm)

■ **33-50%**

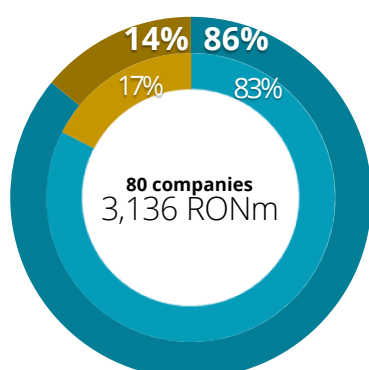
stakes in **3** companies, worth **280.99 RONm**  
(31.12.2022: 3 companies, worth 223.05 RONm)

■ **over 50%**

majority stakes in **12** companies, worth **1,109.79 RONm**  
(31.12.2022: 13 companies, worth 1,118.81 RONm)

*Note: percentages in the chart represent the stake of the category in the stock portfolio; values calculated as of September 30, 2023 (the outer ring), and December 31, 2022 (the inner ring), as per ASF Regulations no. 9/2014, n., 10/2015, and no. 7/2020*

## STOCK PORTFOLIO - breakdown on liquidity



■ listed companies

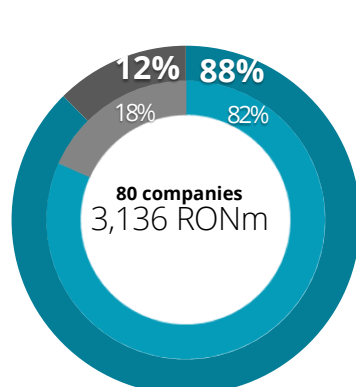
**2,695.96 RONm** (31.12.2022: 2,336.59 RONm) value of shareholdings in **27** companies (31.12.2022: 32)

■ unlisted companies

**439.61 RONm** (31.12.2022: 492.83 RONm) value of shareholdings in **53** companies (31.12.2022: 60)

*Note: percentages in the chart represent the stake of the category in the stock portfolio; values calculated as of September 30, 2023 (the outer ring), and December 31, 2022 (the inner ring), as per ASF Regulations no. 9/2014, no. 10/2015, and no. 7/2020*

## STOCK PORTFOLIO - geographical exposure



■ Romania

**2,746.42 RONm** (31.12.2022: 2,313.10 RONm) value of shareholdings in **78** companies (31.12.2022: 90)

■ foreign markets

**389.16 RONm** (31.12.2022: 516.33 RONm) value of shareholdings in **2** companies (31.12.2022: 2): Austria (1 company – Erste Bank), Cyprus (1 company – SIF Imobiliare)

*Note: percentages in the chart represent the stake of the category in the stock portfolio; values calculated as of September 30, 2023 (the outer ring), and December 31, 2022 (the inner ring), as per ASF Regulations no. 9/2014, no. 10/2015, and no. 7/2020*

The first three sectors having significant weights in the total asset structure are the banking sector, investment management, and real estate sector, collectively accounting for 64.30% of the total assets under management (AUM). The exposure to the banking sector remains substantial, with issuers from the banking sector and financial instruments issued (e.g., equity instruments, deposits, and current accounts) standing for 34.53% of AUM as of September 30, 2023. The recorded growth is attributed to both the rise in stock prices of the issuers in the banking sector, and the collected due dividends.

Diversifying the investment allocation by increasing exposure to other sectors (with smaller weights or sectors without exposure) remains a goal of the Fund to mitigate concentration risk of the portfolio.

## TOP 10 COMPANIES IN LION CAPITAL PORTFOLIO as of September 30, 2023

| Company (symbol)                    | Sector                  | Stake  | Value of holding* [RON] | % of NAV      |
|-------------------------------------|-------------------------|--------|-------------------------|---------------|
| 1 Banca Transilvania (TLV)          | banking - financial     | 4.78%  | 843,120,768             | 22.12%        |
| 2 SIF Imobiliare Plc (SIFI)         | real estate             | 99.99% | 348,341,981             | 9.14%         |
| 3 Biofarm (BIO)                     | pharmaceuticals         | 36.75% | 280,986,952             | 7.37%         |
| 4 SIF1 IMGB                         | real estate             | 99.92% | 267,259,986             | 7.01%         |
| 5 SIF Muntenia (SIF4)               | financial (AIF)         | 17.93% | 218,731,859             | 5.74%         |
| 6 BRD Groupe Société Générale (BRD) | banking - financial     | 1.95%  | 212,674,063             | 5.58%         |
| 7 OMV Petrom (SNP)                  | energy - utilities      | 0.57%  | 202,396,287             | 5.31%         |
| 8 Vrancart (VNC)                    | cardboard and paper     | 75.50% | 151,738,296             | 3.98%         |
| 9 SIF Hoteluri (CAOR)               | hospitality             | 98.99% | 93,216,162              | 2.45%         |
| 10 IAMU S.A. Blaj (IAMU)            | machinery and equipment | 96.53% | 86,684,983              | 2.27%         |
| <b>TOTAL</b>                        |                         |        | <b>2,705,151,337</b>    | <b>70.99%</b> |

\* calculated pursuant to ASF Reg. no. 9/2014, no. 10/2015, no. 2/2018

## 4. THE SHARES ISSUED BY LION CAPITAL

### CHARACTERISTICS OF THE SHARES ISSUED BY LION CAPITAL

|  |  |
|--|--|
| Total number of issued shares (September 30, 2023) | <b>507,510,056</b>   |
| Outstanding shares (September 30, 2023)            | <b>506,520,056</b>   |
| Nominal value                                      | <b>RON 0.1000 / share</b>  |
| Type of shares                                     | <b>common, ordinary, registered, dematerialized, indivisible</b>   |
| Trading market                                     | <b>Regulated spot market of Bucharest Stock Exchange (BVB or BSE), Premium category, listed since November 1, 1999</b> |
| Trading venue (MIC)                                | <b>XBSE</b>  |
| BVB (BSE) symbol (ticker)                          | <b>LION</b> (starting May 15, 2023; prior: SIF1)   |
| ISIN   | <b>ROSIFAACNOR2</b>  |
| FIGI ID  | <b>BBG000BMN2P1</b>  |
| Part of indices                                    | <b>BVB (BSE) indices: BET-FI • BET-XT • BET-XT-TR • BET-BK • BET-XT-TRN</b>  |

The shares issued by the Company grant equal rights to all shareholders.

Since its establishment, the Company has not issued bonds or other debt securities.

The shares issued by the Company are freely traded on the regulated market of the Bucharest Stock Exchange, in accordance with the rules established by the market operator, and any individual can acquire shares issued by the Company.

Romanian legislation imposes certain restrictions on the acquisition of shares issued by the Company, as follows:

- The Company is authorized as an Alternative Investment Fund Manager (AIFM), and the provisions of Regulation no. 3/2016 regarding the criteria and procedure for the prudential assessment of acquisitions and increases in holdings in entities regulated by the Financial Supervisory Authority apply, regulation applicable to potential acquirers and significant shareholders within the alternative investment fund managers.
- According to the Regulation, the acquisition of qualified participations in the Company is subject to the approval of the Financial Supervisory Authority. For the purposes of the regulation, a qualified participation means a direct or indirect holding of voting rights or capital in the Company, representing at least 10% of these, or allowing for the exercise of significant influence over the management of the Company.
- For the purposes of the regulation, a potential acquirer is considered to exercise significant influence when their holdings, although below the 10% threshold, enable them to exert significant influence over the management of the Company, such as having a representative on the board of directors. Holdings below 10% are subject to approval requirements, on a case-by-case basis, depending on the Company's shareholding structure and the specific involvement of the acquirer in its management.
- The shares of the Company are listed on the regulated market of the Bucharest Stock Exchange, and the provisions of Law no. 24/2017 regarding issuers of financial instruments and market operations apply in terms of the obligation to conduct a mandatory takeover bid in case the 33% voting rights threshold is reached.

On January 4, 2023, the Company received notifications under Article 71 paragraph (1) of Law 24/2017, regarding the exceeding of the 5% of total voting rights in Lion Capital by the shareholder SIF Muntenia S.A. (5.0734%) and the shareholder Opus - Chartered Issuances S.A. (5.07717%). The Company informed its shareholders about this event in accordance with legal provisions, and the current report was made available on the Company's website and the Bucharest Stock Exchange's website on January 5, 2023.

## LION shares on the Bucharest Stock Exchange (BVB/BSE)

Until the session of May 10, 2023, the stock symbol of the shares issued by the Fund was SIF1, and starting from the session of May 15, 2023, Lion Capital shares are traded on the Bucharest Stock Exchange under the stock symbol LION.

In the third quarter of 2023, the liquidity of LION stock rose, although it was significantly lower compared to the similar period in 2022, with a total of 6,552,484 shares traded in 2023, representing 1.291% of the total issued shares, with a total value of RON 15,962,199. On the DEAL and POF markets, transactions involving 2,179,329 shares were carried out, totalling RON 5,460,976.

Out of the 187 trading days, 71 days saw positive changes (maximum +5.81% on September 18), and 70 days experienced negative variations (minimum -2.86% on June 21).

The highest closing price at which the LION share was traded in 2023 was of RON 2.5500 per share, in the session of September 18, while the lowest closing price was of RON 2.3400 per share, in the session of June 28. The trading range between the highest and lowest during the period was 9%. The average price during the period was of RON 2.4361 per share.

LION stock price rose +3.67% YtD during this period, while the BET-BK index surged +17.75% and the BET-FI index +6.06% until September 30, 2023.

As of September 30, 2023, the market capitalization for LION stock was of RON 1,289.075m for all the issued shares, and when calculated for the outstanding shares, it was of RON 1,286.56m, values calculated at the closing price.

### **Bucharest Stock Exchange (BVB) indices including LION shares**

BET-FI • BET-BK • BET-XT • BET-XT-TR • BET-XT-TRN

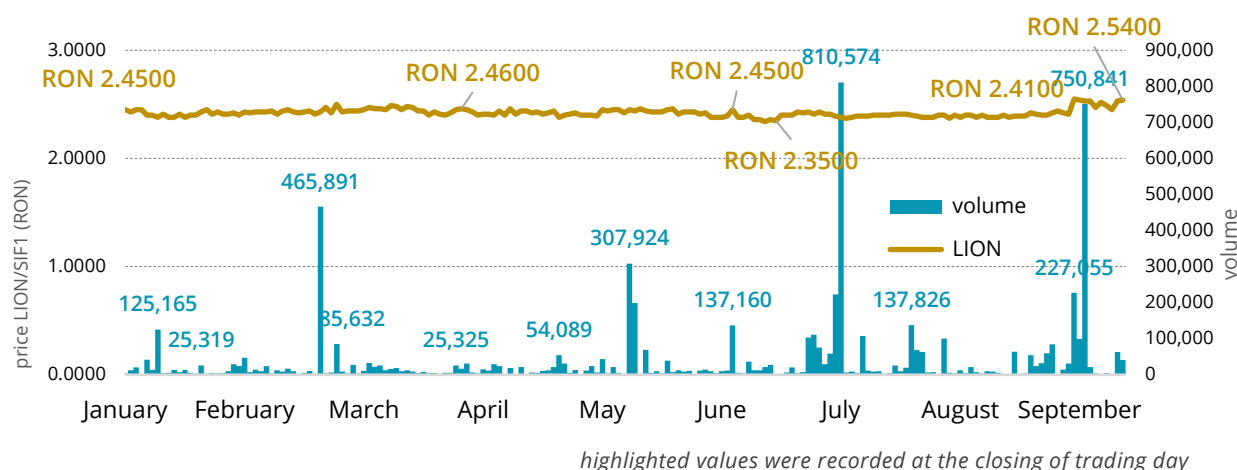
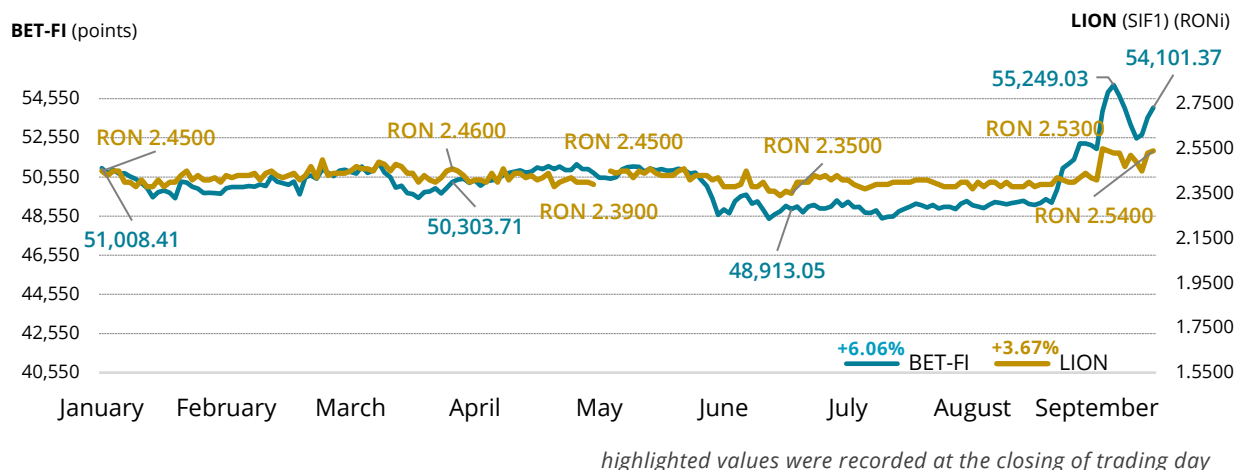
BET-FI (BUCHAREST EXCHANGE TRADING – INVESTMENT FUNDS) is the first sectorial index of BVB and reflects the overall trend of prices of financial investment funds traded on the BVB regulated market. Change of BET-FI until September 30, 2023: +6.06%. Weight of LION in BET-FI: 17.08% (September 2023).

BET-BK (BUCHAREST EXCHANGE TRADING BENCHMARK INDEX) is a price index weighted by the free-float capitalization of the most liquid companies listed on the regulated market of BVB, which can be used as a benchmark by fund managers, and other institutional investors, the calculation methodology reflecting the legal requirements and the investment limits of funds. Change of BET-BK until September 30, 2023: +17.75%. Weight of LION in BET-BK: 1.91% (September 2023).

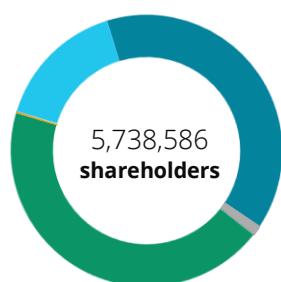
BET-XT (BUCHAREST EXCHANGE TRADING EXTENDED INDEX) is a blue-chip index and reflects the evolution of the prices of the 25 most liquid stocks traded in the regulated market, including the alternative investment funds, the maximum weight of a ticker in the index being of 15%. Change of BET-XT until September 30, 2023: +18.10%. Weight of LION in BET-XT: 2.09% (September 2023).

BET-XT-TR (BUCHAREST EXCHANGE TRADING EXTENDED TOTAL RETURN) is the total return version of BET-XT index, which includes the 25 most traded Romanian companies listed on BVB, tracking the price changes of its constituent companies, and is adjusted to also reflect the dividends paid by them. Performance of BET-XT-TR until September 30, 2023: +23.84%. Weight of LION in BET-XT-TR: 2.05% (September 2023).

BET-XT-TRN (BUCHAREST EXCHANGE TRADING EXTENDED NET TOTAL RETURN) is the net total return version of market reference index BET. BET-TRN tracks the price performance of its constituent companies and is adjusted to reflect the reinvestment of the net dividends paid by them. Performance of BET-XT-TR until September 30, 2023: +21.88%. Weight of LION in BET-XT-TR: 2.05% (September 2023).

**LION (SIF1) PRICE AND VOLUME IN 2023****LION (SIF1) vs. BET-FI PERFORMANCE DURING 2023**

As of September 30, 2023, Lion Capital has 5,738,586 shareholders, according to the data provided by Depozitarul Central SA Bucharest, the company keeping the shareholders registry. Lion Capital holds 990,000 treasury shares, acquired under the public tender offer carried out between February 16 and March 1, 2023, based on the buyback programs approved by EGM Resolutions no. 3 of October 11, 2021, and no. 5 of April 28, 2022.

**SHAREHOLDERS' STRUCTURE**  
 as pe holdings as of September 30, 2023


|  |  |
|--|--|
| 39,09%   | 1,27%  |
| Romanian individuals<br>(5,736,317 shareholders) | non-resident individuals<br>(2,142 shareholders) |
| 43,84%   | 15,61%   |
| Romanian legal entities<br>(107 shareholders)    | non-resident legal entities<br>(19 shareholders) |
| 0,19%  |  |
| Lion Capital<br>(0,99 m treasury stock)          |  |

The Ordinary General Meeting of Shareholders on April 27, 2023, approved the allocation of the net profit related to the financial year 2022, in the amount of RON 95,467,148, to *Other reserves*, as own sources of financing, without a distribution of dividends.

## 5. MANAGEMENT OF SIGNIFICANT RISKS

### Risk management

Risk management involves verifying the available input data for their assessment as well as complying with the risk limits established by the procedures and the global risk profile. The result of the monitoring is materialized through the periodic reports issued by the Risk Management Department and subject to the information of the senior management (Board and executive directors).

The person in charge of risk management analyses the investment proposals prepared by the Investment Managers to ensure that the risks associated with each investment position and their overall effect on the portfolio correspond to the investment objectives and the risk profile approved by the Board of Directors.

In 2023, the Board of Directors intensifies its focus on monitoring the Fund's exposure to risks, by advocating cautious conduct and implementing preventive measures to mitigate or manage specific risks.

### Main risks for the Fund

The significant financial risks to which Lion Capital as AIFRI is exposed are **market risk** (that includes the subcategories: price / position risk, interest rate risk, currency risk and concentration risk, **liquidity risk, credit and counterparty risk, operational risk**, (that includes the subcategories: risk related to technical resources / IT systems, professional risk, model / process risk, risk associated with outsourced activities, money laundering and terrorist financing risk), **sustainability risk**, and **other risks** (that include the subcategories: reputational risk, strategic risk, regulatory risk, taxation risk, the risk related to the economic context).

The Fund's exposure to each of the mentioned risks is presented in Note 4 of the *Financial Statements*.

In the analysis of risks and their materialization potential, all significant interests of the Fund were structured according to relevant portfolios of financial instruments in 3 classes of instruments as follows: (i) capital instruments: listed shares, unlisted shares; (ii) debt instruments: government bonds, municipal bonds, corporate bonds, bank deposits (placements), fund units issued by AIF, (iii) derivative instruments for the purpose of risk reduction / hedging / risk management (no such instruments in the portfolio as of September 30, 2023).

For the risks associated with each class of instruments mentioned, the rules of identification, evaluation and monitoring described in the specific approved risk procedures shall apply.

#### a) Market risk

The Fund is exposed to the risk that the fair value of the financial instruments held fluctuate following the changes in market prices caused either by factors specific to the activity of issuers or by factors impacting all instruments traded on the market. PROXI-85 risk portfolio, a reference for price risk in the traded stock portfolio, is analysed compared to the total risk of the BET-BK index as a forecast of future volatilities.

The market value of PROXI-85 increased in 2023 by approx. RON 340m (+17%) while the portfolio risk decreased compared to the end of 2022, VaR as a percentage of the PROXI-85 portfolio exposure decreased below the 10% level. On 30.09.2023 VaR for the PROXI-85 portfolio was 9.08% of the market value of RON 2,329m. Tracking-error, which indicates active management and represents the risk for the part of the PROXI-85 portfolio different from the BET-BK reference index, was of 5.55% and the *Expected shortfall (Conditional VaR)*, which indicates the potential loss of the portfolio in cases extremes of exceeding the 99% confidence level, was 11.12%, down vs. the data at the end of 2022.

Regarding interest-bearing financial instruments, the Fund's policy is to invest in generally short-term financial instruments, thus partially reducing both the fluctuation risk and the risk of maturity differences (not having debts with maturities of more than 1 year).

The fund is subject to exposure to changes in fair value or future cash flows due to fluctuations in the prevailing levels of market interest rates (ROBOR 3M and EURIBOR 3M). The portfolio of assets and debt instruments includes the bonds issued by Vrancart SA in RON and the loan granted to SIF SPV TWO in EURO (financial asset), the weight of these exposures in the total asset decreased to 1.73% after the repayment of a tranche of the loan granted. Both the bonds and the loan granted fall within the remaining maturity range of up to 5 years.

No derivative financial instruments were used to hedge interest rate fluctuations.

The value of the exposure of the Fund's portfolio to currency risk (financial instruments and assets denominated in euros: shares, loan granted to the subsidiary, as well as monetary instruments: deposits and current accounts) hold a weight of 14.96% of total assets as of September 2023, the exposure limit to currency risk, complying with the established by the global risk profile for a medium-high currency risk appetite.

No exchange rate derivative transactions were carried out during the financial year presented.

The Fund's exposure diversification policy applies to the structure of the portfolio, to the structure of the business model, as well as to the structure of exposures to financial risks.

The first 3 sectors with important weights in the structure of the total assets are the banking sector, investment management and the real estate sector and they weigh 64.30% of the total assets, decreasing from 67.61% of the total assets in December 2022. The exposure to the banking sector remains important, issuers from the banking sector and financial instruments issued (capital instruments, deposits, and current accounts) have a weight of 34.53% in TA on 30.09.2023. The increase is mainly due to the appreciation of quotes from banking issuers and collecting the due dividends.

Diversifying the investment allocation by increasing exposure to other sectors (with lower weights or sectors without exposure) remains an objective of the Fund to reduce portfolio concentration risk.

## **b) Liquidity risk**

The Fund maintains a level of liquidity appropriate to its underlying obligations, based on an assessment of the relative liquidity of the assets on the market, prudently considering the period required for liquidation and the price or value at which those assets can be liquidated, as well as their sensitivity to market risks or other market factors. In the liquidity risk management process, the liquidity of the portfolio of financial instruments is separately analysed from the liquidity risk associated with payment obligations.

The liquidity profile of the stock portfolio is largely influenced by the liquidity of the market on which they are quoted, only 10 companies in the portfolio, quoted on the BVB, meeting the liquidity criteria for daily trades.

The liquidity risk related to the Fund's payment obligations is low, as current liabilities can be immediately covered by the balance of current accounts and short-term deposits. The assessment of the immediate net LCR indicator as of September 30, 2023, is of 15.62, which indicates a higher value of assets compared to the value of current liabilities.

To limit / avoid liquidity risk, the company will permanently adopt a prudential policy regarding cash outflows.

## **c) Credit risk**

The Fund is exposed to credit and counterparty risk as a result of investments made in bonds issued by companies, current accounts and bank deposits, and other receivables. The credit risk is also



lowered by placing the funds of the Fund in several banks, the placements being established at the first banking institutions in the system, with a rating similar or close to the country rating (BBB+ and BB+, confirmed by the rating agencies in 2023).

Credit risk management is carried out by closely and constantly monitoring credit risk exposures so that the Fund does not suffer losses as a result of credit concentration in a certain sector or field of activity.

The evaluation of the counterparty's credit risk indicators depending on the exposure on unlisted or unrated issuers, representing 1.73% of total assets, and depending on the exposure on activity sectors, representing 7.04% of total assets, reveals an expected loss of 0.568% of the exposure value.

No transactions were carried out with derivative financial instruments (quoted or OTC), so the Fund is not subject to counterparty risk.

#### **d) Operational risk**

The company's objective is to manage operational risk in such a way as to lead to the limitation of financial losses, not to damage its reputation, to achieve its investment objective and to generate benefits for investors.

The risk limits for the sub-categories of operational risk (legal, professional, process/model and associated with outsourced activities) are established as a result of the assessment of the risk indicator (KRI), the appetite for operational risk being medium.

For the year 2023, based on the value of assets under management as of the last business day of the previous year, Lion Capital was classified by ASF in the medium risk category for the risks generated by IT systems. In March 2023, the internal assessment of operational risks generated by IT systems was carried out in accordance with ASF Norm no. 4/2018 for the year 2022.

Until September 30, 2023, there were no operational risk incidents generated by IT systems. Between March 14 and June 22, 2023, the mandatory periodic audit of IT systems was carried out according to ASF Norm no. 4 / 2018, the final audit report being presented to the Board of Directors and ASF.

There were no operational expenses associated with operational risks, the approved operational risk tolerance being 1% of NAV within the global risk profile for a medium level risk appetite.

#### **Risk of money laundering and terrorist financing (ML/TF)**

The Company makes sure that it takes appropriate measures to identify and assess the risks related to money laundering and terrorist financing, considering the risk factors, including those relating to customers, countries or geographical areas, products, services, transactions, or distribution channels, in proportion to the nature and size of its activity. The assessment of ML / TF risks associated with the clientele of the Company is performed both at the initiation of a business relationship and after the transaction, if during it one of the risk factors changes.

Following the ML/TF risk assessment for the current reporting period, it resulted that all business partners have an inherently low risk (score obtained between 0-5 points). Simplified customer due diligence and normal business relationship monitoring measures have been applied. The total residual risk remaining after internal controls have been applied to inherent risk leads to the conclusion that Lion Capital's exposure to ML/FT risk is low and within the appetite and limits approved by the Board of Directors.

#### **e) Other risks the Company is exposed to**

The internal assessment of other types of risks not included in the main categories (market, credit, liquidity, operational) consists in their qualitative assessment depending on the impact it could cause on the income, expenses, and value of Fund's assets.

Lion Capital adopts the necessary measures for the sustainability and development of the company in the conditions existing on the financial market, by monitoring cash flows and the adequacy of investment policies.

Avoiding risks and mitigating their effects are ensured by the Company through an investment policy that complies with the prudential rules imposed by the applicable legal provisions and regulations in force.

There were no violations of the risk limits at the level of the global risk profile during the reporting period.

Through risk management, both through prior verification of investments and through ex-post monitoring, the Company ensures that the portfolio management is within the appropriate risk parameters.

Internal mechanisms to ensure monitoring of exposure limits

Lion Capital has implemented an internal regulatory framework that defines the processes of monitoring, verification and reporting of investment limits according to the provisions of art. 35 par. (2) of AIF Law 243/2019, approved by the Board of Directors.

### **Periodic monitoring and reporting**

The verification and reporting of compliance with the investment limits is performed monthly, together with the calculation and reporting of the statement of Fund's assets and liabilities, to the senior management and the operational offices. At the request of the depositary bank BCR, this is also sent to them for double verification.

### **Prior verification at the time of investment**

The person responsible for risk management analyses the investment proposals prepared by the Investment Managers to ensure that the risks associated with each investment position and their overall effect on the portfolio correspond to the investment objectives and risk profile approved by the Board.

The risk opinion, in which the investment proposals are analysed and are verified both the compliance with the holding limits specified by art. 35 par. (2) of Law 243/2019 as well as the investment risk limits defined by the global risk profile, together with the Investment Report constitute the documents based on which the investments are approved according to the Decision and Signature Competencies within the Company.

Exposures higher than 10% on instruments issued by the same issuer are on Banca Transilvania SA (largest weight of 21.04% in TA) and SIF Imobiliare PLC (weight of 8.69% in TA). These holdings together represent an exposure of 29.73% of the TA, without exceeding the upper limit of 80%.

On 30.09.2023, the Fund holds a total of 9,878,329 shares issued by Depozitarul Central, a stake of 3.9057% of the share capital of the issuer, a total of 142,500 shares issued by the Central Counterparty CCP.RO, a stake of 1.7857% in the share capital of the issuer.

As of 30.09.2023, Lion Capital holds a total of 410,637 shares issued by the market operator Bucharest Stock Exchange (BSE or BVB), a stake of 5.1016% in the share capital of the issuer.

**Throughout the reporting period, the assets portfolio of Lion Capital complied with the legal provisions in force regarding the permitted investments and the holding limits specified by Law 243/2019, Law 24/2017 and ASF Regulation no. 3/2016.**

Leverage

By the Simplified Prospectus and the Rules of the Fund, Lion Capital as a AIFRI, has stipulated that it does not substantially (continuously and consistently) use the leverage effect, defined as any method

by which the AIFM increases the exposure of an AIF it manages either by loan of cash or securities, or by positions of derivative financial instruments or by any other means, in the process of portfolio management, respectively the methods used to increase the portfolio exposure will comply with the average risk profile decided.

By the Risk Management Policy and the Authorization Documents as AIFRI, Lion Capital ensures that its overall exposure to derivative financial instruments in the portfolio under management does not exceed the total value of its assets, Lion Capital will not use financing operations through financial instruments and will not invest in Total Return Swap instruments as defined by Regulation (EU) no. 2365/2015. The Fund may not make short sales, defined according to the provisions of Regulation (EU) no. 236/2012 aspects of credit risk swaps, other than for the purpose of hedging (risks).

In 2023, Lion Capital did not use leverage for its portfolio under management, not having the tools to generate such an effect. As of September 30, 2023, the leverage indicator by the gross method had the value of 96.761%, and by the commitment method 100%.

#### Sustainability Risk – implementing SFDR

According to EU Regulation 2019/2088 on sustainability related information in the financial services sector (Sustainable Finance Disclosure Regulation or SFDR), financial market participants are required to publish information on the integration of ESG risks and opportunities in their investment decisions.

Awareness and application of ESG (environmental, social, governance) criteria in investment and business become essential in the context of risks caused by climate change, adopting, and implementing ESG criteria in investment and business can help minimize these risks and improve long-term performance.

The Fund's strategy regarding the integration of sustainability risk in the investment decision-making process focuses on the objectives of sustainable development, the financial instruments of the issuers for which there is exposure, or the investment is intended being subject to the sustainability testing process based on ESG criteria.

By investing in companies that also perform well in terms of ESG, the Fund will be able to benefit from long-term competitive advantages, reduced risks of decline and strengthened reputation. Good corporate governance enables higher profits, lower expenses, and more innovation. It also reduces volatility by reducing financial risks and lowering funding costs. Companies that adhere to the principles of sustainable development and social and environmental standards will be able to provide high-quality products and services, which in turn will increase customer loyalty and employee motivation.

The fund continuously analyses and evaluates the issuers in the portfolio on ESG criteria based on available ESG scores and their non-financial reports.

Moreover, the qualitative assessment of the sustainability risk at the organizational level will be carried forward, based on the analysis of the impact of the asset management activity on the environment, and the improvement of measures for the management of social aspects, diversity, and sustainable governance.

## 6. SIGNIFICANT EVENTS DURING 3Q 2023

Convening the Ordinary General Meeting of Shareholders for October 26 (27), 2023

On September 18, 2023, the Board of Directors of the company convened, pursuant to Art. 117 of Law no. 31/1990, the Ordinary General Meeting of Shareholders ("OGM") for October 26 (27), 2023, at the company's headquarters in Arad.

The main topic on the agenda of the meeting is the *appointment of the financial auditor, setting the duration of the financial audit contract, and authorizing the Board of Directors to negotiate and conclude the audit contract.*

Starting from September 26, 2023, the informative materials related to the topics on the agenda, the draft resolutions to be approved by the general meeting, and voting forms were made available to shareholders, accessible on the internet at [www.lion-capital.ro](http://www.lion-capital.ro), as well as at the Lion Capital headquarters in Arad and at the branch office in Bucharest.

## 7. FINANCIAL POSITION AND RESULTS AS OF SEPTEMBER 30, 2023

Lion Capital has prepared the financial statements as of September 30, 2023, pursuant 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, operating in the Financial Instruments and Investments Sector.

The accounting report prepared as of September 30, 2023, has not been audited by the financial auditor, as it is not a legal or statutory requirement.

The following present the main elements of the financial position and results of the Company as of September 30, 2023:

Condensed statement of financial position - extract

| <b>Separate statement of financial position - extract</b>                  |                      |                      |
|--|----------------------|----------------------|
| <i>denominated in RON</i>  | <b>30/09/2023</b>    | <b>31/12/2022</b>    |
| <b>Assets</b>  |                      |                      |
| Cash and cash equivalents  | 282,018,531          | 26,615,152           |
| Financial assets at fair value through profit and loss (FVTPL)             | 1,759,573,464        | 1,723,810,844        |
| Financial assets at fair value through other comprehensive income (FVTOCI) | 1,863,366,058        | 1,624,523,020        |
| Investment property and tangible assets (property, plant, and equipment)   | 16,518,047           | 16,674,856           |
| Other assets   | 65,227,124           | 13,639,280           |
| <b>Total assets</b>  | <b>3,986,703,224</b> | <b>3,405,263,152</b> |
| <b>Liabilities</b>   |                      |                      |
| Equity   | 3,789,539,984        | 3,242,853,185        |
| <b>Total liabilities</b>   | <b>3,986,703,224</b> | <b>3,405,263,152</b> |

The **total asset value** held as of September 30, 2023, was of RON 3,986.7m, an increase of 17.1% compared to the value of assets at the end of 2022.

The main equity components evolved as follows during the period:

- **Cash and cash equivalents** have significantly increased compared to the level recorded at the end of 2022, as a result of the sales of shares conducted in the first three quarters of 2023, and the dividends collected from portfolio companies.

- **Financial assets at fair value through profit and loss**, amounting to RON 1,759.6m, have increased by RON 35.8m since December 31, 2022, due to the recording of fair value differences for fund units, subsidiaries, and associated entities, as of September 30, 2023. The fair value increase offset the decrease in the volume of these assets following the partial repayment of a loan granted to a subsidiary, and the sale of a subsidiary.

- **Financial assets at fair value through other comprehensive income**, totalling RON 1,863.4 m, are RON 238.9m higher vs. the level recorded on December 31, 2022, as a result of favourable fair value differences of the financial asset portfolio as of September 30, 2023. This growth offset the outflows of shares (sales) in the first 9 months of 2023.

- **Other assets** category underwent a significant increase compared to the beginning of the period, mainly due to the amounts contributed for the increase in the share capital of Vrancart (RON 37.8m) and the due dividends from the portfolio companies (RON 24.5m).

- **Liabilities** have increased compared to the beginning of the period, primarily due to the recognition of deferred tax related to favourable fair value differences resulting from the assessment of shares.

- **Equity** has increased by 16.9% compared to the level recorded on December 31, 2022, mainly due to the favourable fair value differences related to the securities portfolio, recorded in both the

elements of gain/loss on investment and in other comprehensive income as of September 30, 2023, as well as due to the income from dividends due at that date.

Condensed statement of profit and loss and other comprehensive income - extract

| <b>Separate statement of profit and loss and other comprehensive income - extract</b> |                    |                      |
|---|--------------------|----------------------|
| <i>denominated in RON</i>   | <b>30/09/2023</b>  | <b>30/09/2022</b>    |
| <b>Income</b>   |                    |                      |
| Dividend income   | 108,793,770        | 166,177,167          |
| Interest income   | 9,650,192          | 5,749,773            |
| Other operating revenues  | 82,965             | 580,858              |
| <b>Gain / (Loss) on investment</b>  |                    |                      |
| Gain/(Loss) from foreign exchange differences   | 1,094,446          | (193,502)            |
| Gain / (Loss) on financial assets at fair value through profit and loss               | 151,807,034        | (142,932,553)        |
| <b>Expenses</b>   |                    |                      |
| Commissions expenses  | (3,640,546)        | (3,218,439)          |
| Other operating expenses  | (12,602,625)       | (11,232,354)         |
| <b>Profit / (Loss) before tax</b>   | <b>255,185,236</b> | <b>14,930,950</b>    |
| Income tax  | (12,254,238)       | (7,660,691)          |
| <b>Net Profit / (Loss)</b>  | <b>242,930,998</b> | <b>7,270,260</b>     |
| <b>Other comprehensive income</b>   | <b>306,868,236</b> | <b>(398,335,133)</b> |
| <b>Total comprehensive income for the period</b>                                      | <b>549,799,234</b> | <b>(391,064,873)</b> |

The progress of **income** with significant weight is as follows:

- **Dividend income** as of September 30, 2023, is inferior vs. the corresponding period of the previous year, primarily due to non-uniform approaches regarding dividend distribution by the management of the banking issuers in Lion Capital's portfolio. Thus, only the shareholders of Erste Group Bank AG approved the distribution of dividends in May 2023, and the shareholders of Banca Transilvania, based on the GMS resolution of September 2023, approved the distribution of dividends in November 2023.

- **Interest income** is significantly higher than the income recorded in the same period of the previous year, with the higher volume attributable to both the increased level of interest rates in the market and the asset structure.

**The gain/(loss) on investments** had the following evolution:

- **The net result from foreign exchange differences** as of September 30, 2023, is favourable, primarily related to the holdings in foreign currency.

- **Gain/(Loss) on financial assets at fair value through profit and loss (FVTPL)** is favourable, amounting to RON 151.8m, vs. a loss of RON 142.9m on September 30, 2022. The net gain is the result of the fair value measurement as of September 30, 2023, of the shares held in subsidiaries and associated entities and of the fund units.

**Expenses** incurred as of September 30, 2023, exceed those of the corresponding period of 2022, with increases recorded in both commission expenses and operational expenses.

**The net profit** recorded as of September 30, 2023, amounting to RON 242.9m, is mainly the result of the fair value measurement of the aforementioned holdings and the realized dividend income. The realized profit significantly surpasses that of the corresponding period in the previous year.

**Total comprehensive income** as of September 30, 2023, is positive, amounting to RON 549.8m, and is the result of the recognition within other comprehensive income of the increase in fair value, compared to the end of 2022, of the portfolio of financial assets classified in the FVTOCI category (Fair Value Through Other Comprehensive Income - primarily participations in the financial sector and extractive industry).

## Financial Ratios as of September 30, 2023

| Ratio   | Calculation method                         | Result as at 30.09.2023 |
|---|--|-------------------------|
| <b>1. Current liquidity ratio</b> <sup>1)</sup>       | Current assets/Current liabilities         | 12.4                    |
|   | Debt / Equity x 100                        | not applicable          |
| <b>2. Debt to equity ratio</b> <sup>2)</sup>          | Debt / Capital employed x 100              | not applicable          |
| <b>3. Accounts receivables turnover</b> <sup>3)</sup> | Average clients' accounts / Turnover x 270 | 39                      |
| <b>4. Non-current assets turnover</b> <sup>4)</sup>   | Turnover / Non-current assets              | 0.0746                  |

<sup>1)</sup> **Current liquidity ratio** provides the guarantee of covering current liabilities from current assets. The acceptable recommended value is approximately 2, and the recorded value at the end of the first nine months of 2023 was of 12.4. This is due to the high level of current assets as of September 30, 2023, as there were significant amounts of liquidity in bank accounts and deposits.

<sup>2)</sup> **Debt to equity ratio** indicates the effectiveness of the credit risk management, revealing potential financing or liquidity issues, with impact on fulfilling the assumed commitments. The Company had no loans as of September 30, 2023, and therefore this indicator is zero.

<sup>3)</sup> **The accounts-receivable turnover** indicates the effectiveness of the company in collecting its receivables, respectively the number of days until the debtors pay their debt to the company.

For the turnover, the company's income and gains as of September 30, 2023, were used.

Turnover ratio calculated as of September 30, 2023, was of 39 days.

<sup>4)</sup> **Non-current assets turnover** measures the efficiency of management of the non-current assets, by examining the value of the turnover (the value of income and gain) generated by a certain portion of non-current assets. In determining the ratio, the gross value of financial assets was considered. As of September 30, 2023, this ratio has a value of 0.0746.

## 8. EVENTS AFTER THE REPORTING PERIOD

### Changes in the company's leadership

By means of the current report dated October 2, 2023, Lion Capital S.A. informed the investors that, effective from October 1, 2023, the Deputy General Director position of held within the company based on the delegation of authority contract by Ms. Teodora Sferdian has ceased, as per the mutual agreement of the parties.

The termination of the mandate contract has occurred due to Ms. Teodora Sferdian's request for resignation from the position, citing strictly personal reasons.

### Resolutions of the Ordinary General Meeting of Shareholders of October 26, 2023

The Ordinary General Meeting of Lion Capital's Shareholders ("OGM") held on October 26, 2023, at the first call, approved by Resolution no. 3, the appointment of Deloitte Audit S.R.L. as financial auditor, extending the current mandate for a period of 2 (two) years, and authorized the board of directors to negotiate and conclude the audit contract with the object of auditing the separate and consolidated financial statements for the financial years ended on December 31, 2024, and December 31, 2025, which will enter into force after the approval of the ASF, in accordance with the provisions of art. 21 par. a) of ASF Norm no. 13/2019 on the uniform framework for the conduct of the statutory audit of entities authorized, regulated and supervised by the Financial Supervisory Authority.



## 9. ANNEXES

- Annex 1**    **Condensed interim separate financial statements** as of September 30, 2023, prepared pursuant to the ASF 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, operating in the Financial Instruments and Investments Sector – unaudited
- Annex 2**    **Net asset statement** as of September 30, 2023, prepared pursuant to Annex 10 of Regulation no. 7/2020
- Annex 3**    **Detailed statement of investments** as of September 30, 2023, pursuant to Annex 11 of Regulation no. 7/2020

The quarterly report prepared as of September 30, 2023, was approved by the Board of Directors of Lion Capital in the meeting held on November 15, 2023.

**Bogdan-Alexandru DRĂGOI**  
Chairman and CEO

**Lion Capital S.A.**

**Condensed interim separate financial statements  
as of September 30, 2023**

prepared in accordance with 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, operating in the Financial Instruments and Investments Sector

**unaudited**

*FREE TRANSLATION  
from Romanian, which is the official and binding version*

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## **Condensed interim financial statements**

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Condensed statement of profit and loss and other comprehensive income as of September 30, 2023

Denominated in RON

|   | Note | September 30, 2023 | September 30, 2022   |
|---|------|--------------------|----------------------|
| <b>Income</b>   |      |                    |                      |
| Dividend income   | 5    | 108,793,770        | 166,177,167          |
| Interest income (assets at amortized cost, assets at FVTOCI)            | 6    | 2,590,594          | 2,506,695            |
| Interest income (assets at FVTPL)                                       | 6    | 7,059,598          | 3,243,078            |
| Other operating revenues  |      | 82,965             | 580,858              |
| <b>Gain/(Loss) on investment</b>  |      |                    |                      |
| Gain/(Loss) on investment property                                      |      | -                  | -                    |
| Gain/(Loss) on foreign exchange differences                             |      | 1,094,446          | (193,502)            |
| Gain/(Loss) on financial assets at FVTPL                                | 7    | 151,807,034        | (142,932,553)        |
| <b>Expenses</b>   |      |                    |                      |
| Commissions expenses  | 8    | (3,640,546)        | (3,218,439)          |
| Other operating expenses  | 9    | (12,602,625)       | (11,232,354)         |
| <b>Profit/(Loss) before tax</b>   |      | <b>255,185,236</b> | <b>14,930,950</b>    |
| Income tax  | 10   | (12,254,238)       | (7,660,691)          |
| <b>Net profit/(loss) for the period</b>                                 |      | <b>242,930,998</b> | <b>7,270,260</b>     |
| <b>Other comprehensive income</b>                                       |      |                    |                      |
| <b>Items that are or could be transferred to profit and loss</b>        |      |                    |                      |
| Amounts that could be transferred to profit and loss (debt instruments) |      | -                  | (65,892)             |
| <b>Items that are or could be transferred to retained earnings</b>      |      |                    |                      |
| Change of fair value related to financial assets measured through OCI   |      | 357,252,918        | (469,171,609)        |
| Effect of income tax  |      | (50,384,682)       | 70,902,368           |
| <b>Other comprehensive income</b>                                       |      | <b>306,868,236</b> | <b>(398,335,133)</b> |
| <b>Total comprehensive income for the period</b>                        |      | <b>549,799,234</b> | <b>(391,064,873)</b> |
| <b>Earnings per share</b>   |      |                    |                      |
| Basic   |      | 0.4794             | 0.0143               |
| Diluted   |      | 0.4794             | 0.0143               |

The condensed interim financial statements were approved by the Board of Directors on November 15, 2023, and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman and CEO

Bogdan-Victor Dușu  
CFO

Condensed statement of financial position as of September 30, 2023

Denominated in RON

|   | Note   | September 30, 2023   | December 31, 2022    |
|---|--------|----------------------|----------------------|
| <b>Assets</b>   |        |                      |                      |
| Cash and cash equivalents   | 11     | 282,018,531          | 26,615,152           |
| Other financial assets  | 14     | 64,735,801           | 12,834,480           |
| Other assets  |        | 201,192              | 328,155              |
| Financial assets at fair value through profit and loss (FVTPL)                      | 12     | 1,759,573,464        | 1,723,810,844        |
| Financial assets at fair value through other comprehensive income (FVTOCI) (shares) | 13     | 1,863,366,058        | 1,624,523,020        |
| Assets representing rights to use the underlying assets under leasing contract      |        | 290,131              | 476,645              |
| Investment property   | 15     | 12,963,376           | 12,963,376           |
| Tangible assets (items of property, plant, and equipment)                           |        | 3,554,671            | 3,711,480            |
| <b>Total assets</b>   |        | <b>3,986,703,224</b> | <b>3,405,263,152</b> |
| <b>Liabilities</b>  |        |                      |                      |
| Payable dividends   |        | 9,914,133            | 10,042,310           |
| Other financial liabilities   | 16     | 18,037,888           | 15,038,374           |
| Other deferred liabilities and revenues   |        | 15,870               | 251,682              |
| Liabilities on leasing contract   |        | 328,846              | 530,880              |
| Liability on deferred income tax  | 17     | 168,866,503          | 136,546,721          |
| <b>Total liabilities</b>  |        | <b>197,163,240</b>   | <b>162,409,967</b>   |
| <b>Equity (own capital)</b>   |        |                      |                      |
| Share capital   | 18     | 50,751,006           | 50,751,006           |
| Treasury shares   | 18     | (2,494,800)          | -                    |
| Losses from the share buyback   |        | (31,973)             | -                    |
| Benefits granted in equity instruments  |        | 1,414,875            | 2,000,537            |
| Other reserves  | 18     | 1,699,567,035        | 1,604,099,887        |
| Reserves from the revaluation of tangible assets                                    |        | 1,176,569            | 1,176,569            |
| Legal reserves  | 18     | 10,150,201           | 10,150,201           |
| Reserves from revaluation of financial assets designated at FVTOCI                  | 13, 18 | 980,168,718          | 741,827,359          |
| Retained earnings   | 18     | 1,048,838,353        | 832,847,626          |
| <b>Total equity (own capital)</b>   |        | <b>3,789,539,984</b> | <b>3,242,853,185</b> |
| <b>Total liabilities and equity</b>   |        | <b>3,986,703,224</b> | <b>3,405,263,152</b> |

The condensed interim financial statements were approved by the Board of Directors on November 15, 2023, and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman and CEO

Bogdan-Victor Dușu  
CFO

Condensed Statement of Changes in Equity as of September 30, 2023

Denominated in RON

|   | Share capital     | Treasury shares    | Losses on share buyback | Legal reserves    | Reserves from the revaluation of financial assets at fair value through other comprehensive income | Reserves from revaluation of tangible assets | Benefits granted in equity instruments | Other reserves       | Retained earnings    | Total                |
|---|-------------------|--------------------|-------------------------|-------------------|--|--|--|----------------------|----------------------|----------------------|
| <b>Balance on January 1, 2023</b>   | <b>50,751,006</b> | -                  | -                       | <b>10,150,201</b> | <b>741,827,359</b>   | <b>1,176,569</b>                             | <b>2,000,537</b>                       | <b>1,604,099,887</b> | <b>832,847,626</b>   | <b>3,242,853,185</b> |
| Profit/(Loss) for the period  | -                 | -                  | -                       | -                 | -  | -  | -                                      | -                    | 242,930,998          | 242,930,998          |
| Reserve from revaluation of financial assets transferred to profit and loss   | -                 | -                  | -                       | -                 | -  | -  | -                                      | -                    | -                    | -                    |
| Reserve from revaluation of financial assets transferred to retained earnings | -                 | -                  | -                       | -                 | (82,273,976)   | -  | -                                      | -                    | 82,273,976           | -                    |
| Change in reserve   | -                 | -                  | -                       | -                 | 357,252,918  | -  | -                                      | -                    | -                    | 357,252,918          |
| Revaluation of tangible assets  | -                 | -                  | -                       | -                 | -  | -  | -                                      | -                    | -                    | -                    |
| Related deferred tax  | -                 | -                  | -                       | -                 | (36,637,583)   | -  | -                                      | -                    | (13,747,099)         | (50,384,682)         |
| <b>Total comprehensive income for the period</b>                              | -                 | -                  | -                       | -                 | <b>238,341,359</b>   | -  | -                                      | -                    | <b>311,457,875</b>   | <b>549,799,234</b>   |
| Other reserves – own sources  | -                 | -                  | -                       | -                 | -  | -  | -                                      | 95,467,148           | (95,467,148)         | -                    |
| Change of granted benefits  | -                 | 2,217,600          | 28,420                  | -                 | -  | -  | (585,662)                              | -                    | -                    | 1,660,358            |
| Share buyback   | -                 | (4,712,400)        | (60,393)                | -                 | -  | -  | -                                      | -                    | -                    | (4,772,793)          |
| <b>Total transactions with shareholders recognized directly in equity</b>     | -                 | <b>(2,494,800)</b> | <b>(31,973)</b>         | -                 | -  | -  | <b>(585,662)</b>                       | <b>95,467,148</b>    | <b>(95,467,148)</b>  | <b>(3,112,435)</b>   |
| <b>Balance on September 30, 2023</b>  | <b>50,751,006</b> | <b>(2,494,800)</b> | <b>(31,973)</b>         | <b>10,150,201</b> | <b>980,168,718</b>   | <b>1,176,569</b>                             | <b>1,414,875</b>                       | <b>1,699,567,035</b> | <b>1,048,838,353</b> | <b>3,789,539,984</b> |

The condensed interim financial statements were approved by the Board of Directors on November 15, 2023, and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman and CEO

Bogdan-Victor Dușu  
CFO

Condensed Statement of Changes in Equity as of September 30, 2023

| <i>Denominated in RON</i>   | Share capital     | Treasury shares     | Losses on share buyback | Legal reserves    | Reserves from the revaluation of financial assets at fair value through other comprehensive income | Reserves from revaluation of tangible assets | Benefits granted in equity instruments | Other reserves       | Accumulated profit   | Total                |
|---|-------------------|---------------------|-------------------------|-------------------|--|--|--|----------------------|----------------------|----------------------|
| <b>Balance on January 1, 2022</b>   | <b>51,542,236</b> | <b>(21,363,229)</b> | <b>(330,998)</b>        | <b>10,308,447</b> | <b>984,425,325</b>   | <b>1,176,569</b>                             | <b>-</b>                               | <b>1,249,578,037</b> | <b>1,140,789,898</b> | <b>3,416,126,285</b> |
| Profit/(Loss) for the period  | -                 | -                   | -                       | -                 | -  | -  | -                                      | -                    | 7,270,260            | 7,270,260            |
| Reserve from revaluation of financial assets transferred to profit and loss   | -                 | -                   | -                       | -                 | -  | -  | -                                      | -                    | -                    | -                    |
| Reserve from revaluation of financial assets transferred to retained earnings | -                 | -                   | -                       | -                 | (2,092,626)  | -  | -                                      | -                    | 2,092,626            | -                    |
| Change in reserve   | -                 | -                   | -                       | -                 | (469,250,051)  | -  | -                                      | -                    | -                    | (469,250,051)        |
| Revaluation of tangible assets  | -                 | -                   | -                       | -                 | -  | -  | -                                      | -                    | -                    | -                    |
| Related deferred tax  | -                 | -                   | -                       | -                 | 70,553,913   | -  | -                                      | -                    | 361,006              | 70,914,919           |
| <b>Total comprehensive income for the period</b>                              | <b>-</b>          | <b>-</b>            | <b>-</b>                | <b>-</b>          | <b>(400,788,765)</b>   | <b>-</b>                                     | <b>-</b>                               | <b>-</b>             | <b>9,723,892</b>     | <b>(391,064,873)</b> |
| Other reserves – own sources  | -                 | -                   | -                       | -                 | -  | -  | -                                      | 356,550,501          | (356,550,501)        | -                    |
| Payable dividends for 2020  | -                 | -                   | -                       | -                 | -  | -  | -                                      | -                    | (30,450,603)         | (30,450,603)         |
| Lapsed dividends  | -                 | -                   | -                       | -                 | -  | -  | -                                      | -                    | -                    | -                    |
| Change of granted benefits  | -                 | -                   | -                       | -                 | -  | -  | 1,454,936                              | -                    | -                    | 1,454,936            |
| Cancellation of treasury shares   | -                 | -                   | -                       | -                 | -  | -  | -                                      | -                    | -                    | -                    |
| <b>Total transactions with shareholders recognized directly in equity</b>     | <b>-</b>          | <b>-</b>            | <b>-</b>                | <b>-</b>          | <b>-</b>   | <b>-</b>                                     | <b>1,454,936</b>                       | <b>356,550,501</b>   | <b>(387,001,104)</b> | <b>(28,995,667)</b>  |
| <b>Balance on September 30, 2022</b>  | <b>51,542,236</b> | <b>(21,363,229)</b> | <b>(330,998)</b>        | <b>10,308,447</b> | <b>583,636,560</b>   | <b>1,176,569</b>                             | <b>1,454,936</b>                       | <b>1,606,128,538</b> | <b>763,512,686</b>   | <b>2,996,065,745</b> |

The condensed interim financial statements were approved by the Board of Directors on November 15, 2023, and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman and CEO

Bogdan-Victor Dușu  
CFO

Condensed cash flow statement as of September 30, 2023

Denominated in RON

|   | Note | September 30, 2023  | September 30, 2022  |
|---|------|---------------------|---------------------|
| <b>Operating activities</b>   |      |                     |                     |
| Net profit/(Loss) for the period  |      | 242,930,998         | 7,270,260           |
| <i>Adjustments for:</i>   |      |                     |                     |
| Depreciation of tangible and intangible assets  |      | 396,176             | 408,921             |
| (Gain)/Loss from financial assets at fair value through profit and loss                                       | 7    | (151,807,034)       | 142,932,553         |
| Dividend income   | 5    | (108,793,770)       | (166,177,167)       |
| Interest income   | 6    | (9,650,192)         | (5,749,773)         |
| Expenses on interest on leasing contract  |      | 18,162              | 29,699              |
| Expenses/(Income) on foreign exchange differences financial, assets and financial liabilities, other expenses |      | (157,326)           | (567,359)           |
| Benefits granted in equity instruments  |      | 1,570,342           | 1,454,936           |
| Income tax  | 10   | 12,254,238          | 7,660,691           |
| <b>Changes in operating assets and liabilities related to operating activities</b>                            |      |                     |                     |
| Change in other assets (claims, etc.)   |      | 247,652             | (1,395,504)         |
| Change in other financial liabilities   |      | (2,876,531)         | 2,156,617           |
| Income tax paid   |      | (3,060,457)         | -                   |
| <b>Net cash used in operating activities</b>  |      | <b>(18,927,742)</b> | <b>(11,976,126)</b> |
| <b>Investment activities</b>  |      |                     |                     |
| Payments for acquisition of financial assets measured at FVTOCI (shares, bonds)                               | 13   | (23,595,886)        | (295,099,463)       |
| Proceeds from sales of financial assets measured at FVTOCI (shares, bonds)                                    | 13   | 142,005,765         | 3,186,540           |
| (Placements) / Proceeds from term deposits greater than three months  |      | -                   | 79,198,863          |
| Proceeds from sale/repurchase of assets at FVTPL (shares, fund units, bonds, loan)                            |      | 128,740,454         | 27,193,910          |
| Payments for purchase of assets at FVTPL (shares, fund units, bonds)  |      | (56,689,483)        | (657,463)           |
| Proceeds from sale of tangible assets and investment property   |      | -                   | -                   |
| Payments for purchases of tangible assets   |      | (30,668)            | (13,386)            |
| Dividends collected   |      | 79,405,274          | 154,218,099         |
| Interest collected  |      | 9,618,185           | 3,943,122           |
| <b>Net cash from investment activities</b>  |      | <b>279,453,641</b>  | <b>(28,029,778)</b> |
| <b>Financing activities</b>   |      |                     |                     |
| Payments related to leasing   |      | (221,550)           | (221,545)           |
| Dividends paid  |      | (128,177)           | (19,138,030)        |
| Share buyback   |      | (4,772,793)         | -                   |
| <b>Net cash used in financing activities</b>  |      | <b>(5,122,520)</b>  | <b>(19,359,574)</b> |
| <b>Net increase / (Decrease) in cash and cash equivalents</b>   |      | <b>255,403,379</b>  | <b>(59,365,478)</b> |
| <b>Cash and cash equivalents on January 1</b>   |      | <b>26,615,152</b>   | <b>260,126,530</b>  |
| <b>Cash and cash equivalents at the end of the period</b>   |      | <b>282,018,531</b>  | <b>200,761,052</b>  |

The condensed interim financial statements were approved by the Board of Directors on November 15, 2023, and were signed on its behalf by:

Bogdan-Alexandru Drăgoi  
Chairman and CEO

Bogdan-Victor Dușu  
CFO



## 1. Reporting entity

Lion Capital ("the Company") was established based on Law no. 133/1996 by the reorganization and transformation of Fondul Proprietății Private (Private Ownership Fund) Banat-Crișana and it is a joint stock company operating under Law 31/1990. The company is established as a self-managed investment company, authorized by the Financial Supervisory Authority as an Alternative Investment Fund Manager (AIFM) - Authorization no. 78 / 09.03.2018, classified in accordance with the provisions of Law no. 243/2019 as a closed, diversified alternative investment fund, addressed to retail investors (AIFRI) (Ro: FIAIR). The Financial Supervisory Authority issued the Authorization no. 130/01.07.2021 authorizing the Company as Alternative Investment Fund addressed to Retail Investors (AIFRI).

The company changed its corporate name from Societatea de Investiții Financiare Banat-Crișana S.A. to **Lion Capital S.A.** starting with March 24, 2023.

The Company also prepares annual and half-yearly consolidated financial statements, as final parent-company for the entities in the Group.

Lion Capital is headquartered in Arad, 35A Calea Victoriei, Arad County, postal code 310158, tel.: +40257 304 438, fax: +40257 250 165. The registration number in the Trade Register Office is: J02/1898/1992, and the tax identification number is: RO 2761040.

The main activity of the company:

- portfolio management;
- risk management;
- other activities auxiliary and associated to the collective investment activity, in accordance with the regulations in force.

The Company's shares are listed on the Bucharest Stock Exchange since November 1st, 1999, and are traded on the regulated market, Premium category, with the stock symbol SIF1. Starting with May 15, 2023, the stock symbol is LION, formerly SIF1.

The depositary bank of the Company, starting November 28, 2019, is Banca Comercială Română (BCR), until that date being BRD - Groupe Société Générale (from January 29, 2014).

The company providing shareholders' registry services is Depozitarul Central SA Bucharest.

## 2. Basis of preparation

### (a) Statement of compliance

These condensed interim financial statements as of September 30, 2023, were prepared up in accordance with Norm no. 39/2015 for the approval of accounting regulations in accordance with the International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector (the Norm) and with the requirements of IAS 34 "Interim financial reporting" and must be read together with the separate financial statements for 2022.

In accordance with Regulation no. 1606/2002 of the European Parliament and of the Council of the European Union of July 19, 2002, as well as with Law no. 24/2017 on issuers of financial instruments and market operations from 2017, the Company has to prepare and submit to the Financial Supervisory Authority (ASF) annual consolidated financial statements, in accordance with IFRS, within 4 months from the end of the financial year financial. The company prepared and made public the consolidated financial statements for the financial year 2022.

Based on the requirements of Law no. 24/2017 and ASF Regulation no. 5/2018 regarding issuers of financial instruments and market operations, the Company has to prepare and publish consolidated interim financial statements for the first half of 2023 within 3 months from its completion. The Company has prepared and made public the financial statements as of June 30, 2023, on August 31 (separate) and September 29 (consolidated).

The business segments are reported in a manner compatible with internal reporting, analysed by the Company's main decision-maker (the Board of Directors), which is responsible for allocating resources and evaluating the performance of the operating segments. Reportable segments whose revenues, result or assets are ten or more percent of all segments are reported separately. The Company manages all activities as a single reportable business segment.

### (b) Presentation of the financial statements

The Company has adopted a presentation based on liquidity in the condensed interim statement of financial position and a presentation of income and expenses according to their nature in the interim

condensed statement of comprehensive income, considering that these methods of presentation provide information that is reliable and more relevant than the information presented on other methods allowed by IAS 1 "Presentation of financial statements".

**(c) Basis of measurement**

The condensed interim financial statements are prepared on a fair value basis convention, for the financial assets and liabilities, at fair value through profit and loss or by other comprehensive income.

Other financial assets and liabilities, as well as non-financial assets and liabilities, are stated at amortized cost, revaluated amount, or historical cost.

**(d) Functional and presentation currency**

The Company's management considers that the functional currency, as defined by IAS 21 "The effects of changes in Foreign Exchange Rates", is the Romanian Leu (RON or lei). The condensed interim financial statements are presented in RON, rounded to the nearest unit, which is the presentation currency chosen by the Company's management.

**(e) Use of estimates and judgements**

The preparation of the condensed interim financial statements pursuant to IFRS requires that management makes estimates, judgements, and assumptions that affect the application of accounting policies as well as the reported value of assets, liabilities, income, and expenses.

Such estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the given circumstances. The result of these estimates forms the basis of judgments used in assessing the carrying value of assets and liabilities for which no other evaluation sources are available. Actual results may differ from the estimated values.

The estimates and underlying assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period or if the period of the revision and future periods are affected the revision affects both current and future periods. Judgments made by the management in applying IFRS having a significant impact on the separate financial statements and the estimates that involve a significant risk of a material adjustment in the next year are presented in the *Notes to the condensed interim financial statements*.

**(f) Changes in the accounting policies**

The accounting policies adopted are consistent with those used in the previous year.

**3. Significant accounting policies - extract**

The accounting policies used in these condensed interim financial statements are the consistent with those of the separate financial statements prepared as of December 31, 2022.

**Assets and financial liabilities**

**Financial assets, as per IFRS 9, include the following:**

- investments in equity instruments (e.g. shares)
- investments in debt instruments (e.g. securities, bonds, loans)
- trade receivables and other receivables;
- cash and cash equivalents;
- interests in subsidiaries, associates, and joint ventures
- financial liabilities.

**(i) Classification**

Financial assets held are presented by the Company as per IFRS 9 "Financial Instruments" as financial assets and financial liabilities.

The Company presents the **financial assets** at amortized cost, at fair value through other comprehensive income, or at fair value through profit and loss on the basis of:

- (a) the entity's business model for the management of financial assets, and
- (b) the characteristics of the contractual cash flows of the financial asset.

**Business model**

- Represents the way an entity manages its financial assets to generate cash flows: *collecting, sale of assets, or both*;
- Determining it is factually realized considering: *the manner of assessment and reporting of its performance*, the existing *risks* and their *management*, respectively the way of *compensating the management* (based on the fair value or the cash flows associated with these investments);

*Business model for the shares held for which the option FVTOCI was selected at the date of transition or the date of initial recognition.*

- Effective management of a diversified portfolio of quality assets, able to ensure a constant flow of income, preservation, and medium-long term growth of capital, to increase value for shareholders and obtain the highest returns on invested capital.

The differentiated approach adopted by the Company for each of its holdings aims at the fruition of an aggregate yield, generated from dividend income and capital gain.

*Model of assets held for collecting*

- Managed to generate cash flows by collecting the principal and interest over the lifetime of the instrument;
- It is not necessary to hold them until maturity;
- There are categories of sales transactions that are compatible with this model: those due to credit risk increase, limited or insignificant value sales, or sales close to the maturity of the instruments;
- Interest income, gains or losses from depreciation or foreign exchange differences are recognized in profit and loss;
- The accounting of these assets (assuming that the SPPI criterion is also met and the fair value through profit and loss option has not been selected) is carried at amortized cost (using the effective interest method).

*Model of assets held for collecting and sale*

- Managed both to generate cash flows from collecting and by selling (all) the assets;
- Sales are of high frequency and value compared to the previous model, without specifying a certain threshold for fitting into this model;
- The purpose of these sales may be: managing current liquidity needs, maintaining a certain structure of returns or decisions to optimize the entity's balance sheet (relating the duration of financial assets with that of financial liabilities).
- The accounting of these assets (assuming that the SPPI criterion is also met and the fair value through profit and loss option has not been selected) is made at fair value through other comprehensive income (using the effective interest rate method, interest, gains or losses from impairment) and foreign exchange differences - in profit and loss / change in the fair value of these instruments - in other comprehensive income, amounts recognized in other comprehensive income are recycled through profit and loss on the derecognition of the asset).

*Other business model*

- Assets under management for the purpose of achieving cash flow from sales;
- Collecting cash flows associated with these investments is incidental, not the purpose of holding them;
- Assets whose performance is managed and reported on the basis of their fair value;
- Their accounting is at fair value through profit and loss account.

### **SPPI test**

It comprises criteria measuring to what extent the structure of the cash flows of a debt instrument classifies within the model of the base credit agreement (the interest reflects the value of money in time, credit risk associated with the principal, coverage of other risks and costs associated with lending and a profit margin).

There are some ratios indicating the case in which the debt instruments held should be measured at fair value through profit and loss:

- certain non-standard interest rate;
- presence of the leverage effect;
- certain hybrid instruments (including an incorporated derivative).

There are also ratios that, although they would require a registration at fair value, could comply, under certain circumstances, with the SPPI criterion and so the respective assets should be further accounted for at amortized cost:

- the existence of an anticipated reimbursement option or extension of the asset term;
- assets without recourse that should guarantee the debt reimbursement
- contractually bound instruments.

### **Financial assets measured at fair value through profit and loss (FVTPL)**

A financial asset must be measured at fair value through profit and loss, except if it is measured at amortized cost or at fair value through other comprehensive income.

### **Financial assets measured at fair value through other comprehensive income (FVTOCI)**

A financial asset, such as debt instruments, must be measured at fair value through other comprehensive income if both conditions presented below are met:

- a) the financial asset is held within a business model whose goal is achieved by collecting the contractual cash flows and the sale of financial assets and
- b) the contractual terms of the financial asset give rise, on certain dates, to cash flows that are exclusively payments of the principal and of the interest corresponding to the principal owed.

The company can make an irrevocable choice upon the initial recognition in case of certain investments in *equity instruments* that otherwise would have been measured at fair value through profit or loss to present the subsequent changes of fair value in other comprehensive income (according to pt. 5.7.5 and 5.7.6 of IFRS 9 – Financial Instruments).

### **Financial instruments measured at amortized cost**

A financial asset must be measured at amortized cost if both conditions below are met:

- (a) the financial asset is held within a business model whose goal is to hold financial assets to collect the contractual cash flows and
- (b) the contractual terms of the financial asset give rise, on certain dates, to cash flows that are exclusively payments of the principal and of the interest corresponding to the owed principal.

### **Financial liabilities**

Financial liabilities are measured at fair value through profit and loss (FVTPL) if they:

- meet the requirements of the definition of being “held for trading”;
- are designated within the FVTPL category at the initial recognition (if the specific requirements are met).

The other financial debts are measured at amortized cost.

### **(ii) Recognition**

The assets and liabilities are recognized on the date when the Company becomes a contractual party to the conditions of the respective instrument. When the Company recognizes a financial asset for the first time, it must classify it according to pt. 4.1.1 - 4.1.5 (at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income) of IFRS 9 and to assess it according to pt. 5.1.1-5.1.3. (a financial asset or financial liability is measured at fair value adding or subtracting the transaction costs, directly attributable to the acquisition or issue of the asset or liability).

### **(iii) Measurement**

After the initial recognition, the entity must measure (evaluate) the financial assets according to pt. 4.1.1 – 4.1.5 of IFRS 9 at:

- a) Amortized cost;
- b) Fair value through other comprehensive income; or
- c) Fair value through profit and loss.

After the initial recognition, the entity must measure the financial liabilities according to pt. 4.2.1-4.2.2 of IFRS 9. Thus, the Company will classify all financial liabilities at amortized cost, except for:

- a) the financial liabilities measured at fair value through profit and loss;
- b) the financial liabilities that appear when the transfer of a financial asset does not qualify for derecognition;
- c) financial collateral contracts valued at the highest value of the loss provision (Section 5.5 of IFRS 9) and the amount initially recognized less accumulated income (recognized under IFRS 15);
- d) commitments to provide a loan at an interest rate below the market value measured at the highest value of the loss provision (Section 5.5 of IFRS 9) and the amount initially recognized less accumulated income (recognized under IFRS 15)
- e) contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.

### **Measurement at amortized cost**

The amortized cost of a financial asset or of a financial liability is the value at which the financial asset or the financial liability is measured after the initial derecognition minus the reimbursement of principal, plus or minus the accumulated amortization using the effective interest method for each difference between the initial value and the value at due date, and minus any reduction for estimated credit losses.

The effective interest rate represents the rate that precisely updates the future proceeds in cash during the forecasted life of the financial instrument up to the level of the gross carrying amount of the financial asset or of the financial liability. For the calculation of the effective interest rate, the entity must estimate the cash flows considering all contractual conditions of the financial instrument but must not consider the future losses from the changes in credit risk. The calculation includes all commissions paid or cashed by the

contracting parties that make integral part of the effective interest rate, transaction costs and all the other premiums and discounts.

#### **Measurement at fair value**

Fair value represents the price that would be received upon the sale of an asset or paid to settle a debt within a transaction occurred under normal conditions between the participants in the main market, on the measurement date, or in the absence of the main market, on the most advantageous market to which the Company has access at that date.

The company measures the fair value of a financial instrument using the prices quoted on an active market for that instrument. A financial instrument has an active market if for that instrument quoted prices are readily available and regularly. The company measures the instruments quoted on the active markets using the closing price.

A financial instrument is considered as being quoted on an active market when the quoted prices are readily and regularly available from an exchange, dealer, broker, association within the industry, a service for establishing the prices or a regulatory agency, and these prices reflect the transactions occurring actually and regularly, performed under objective market conditions.

Within the category of shares quoted on an active market, all those shares admitted to trading on the Stock Exchange or on the alternative market having frequent transactions are included. The market price used to determine the fair value is the closing price of the market on the last trading day before the measurement date.

The fund units are measured according to the Unitary Net Asset Value, calculated by the fund administrator using the closing quotations for the quoted financial instruments.

Government securities (bonds) are measured based on the market quotation available on Bloomberg for the respective item, multiplied by the unit nominal value.

In the absence of a price quotation on an active market, the Company uses valuation techniques. The fair value of the financial assets not traded on an active market is determined by authorized valuers.

The valuation techniques include techniques based on the use of observable inputs, such as the quoted price of the identical element held by another party as asset, on a market that is not active, and for the assets for which the observable prices are not available, measurements techniques based on the analysis of the updated cash flows, and other measurement methods used regularly by the market participants. These include the method of comparisons with similar instruments for which there is an observable market price or the percentage method of the net assets of these companies adjusted with a discount for minority ownership and a discount for lack of liquidity, using at maximum the market information, being based at minimum on the specific company information. The Company uses evaluation techniques that maximize the use of observable data and minimize the use of non-observable data.

The valuation techniques are used consistently.

#### **(iv) Identification and measurement of value impairment**

The Company must recognize an adjustment for the forecasted losses from credit corresponding to a financial asset that is measured according to pt. 4.1.2 or 4.1.2A of IFRS 9 (debt instruments measured at amortized cost or at the fair value through other comprehensive income), a receivable resulting from a leasing agreement, a credit commitment, and a financial guarantee agreement.

The Company applies the impairment provisions for the recognition of the provision for losses corresponding to the assets measured at fair value through other comprehensive income (debt instruments that meet the criteria of pt. 4.1.2A of IFRS 9 – assets held to collect the cash flows and to sale, whose cash flows represent exclusively principal reimbursement or interest payments). The provision so determined is recognized considering other comprehensive income and does not reduce the carrying amount (book value) of the financial asset from the statement of the financial position.

On each reporting date, the Company measures the provision for losses related to a financial instrument as to reflect:

- The credit losses forecasted for a 12-month period, if the credit risk has not increased significantly as of the initial recognition;
- The credit losses forecasted during the entire life if the credit risk has increased significantly as of the initial recognition.

The Company recognizes in profit and loss, as gain or loss from impairment, the value of the forecasted, recognized, or reversed losses, required to adjust the provision for losses on the reporting date up to the level required by the provisions of IFRS 9.

The Company measures the expected credit losses of a financial instrument so that it represents:

- An impartial value, resulted from the weighting of more possible results depending on the probabilities related thereto;
- The time value of money;
- Reasonable information available at no cost or disproportionate effort at reporting date.

The Company may assume that the risk credit for a financial instrument has not increased significantly as of the initial recognition if the financial instrument is considered to have a low credit risk on the reporting date. A financial instrument is considered to have a low credit risk if:

- The debtor has a high capacity to meet the obligations associated with short-term contractual cash flow;
- Unfavourable changes in the business and the business environment may, but not necessarily, reduce the debtor's ability to meet its obligations.

In the assessment of low credit risk for issuers, no real collateral is considered. At the same time, financial instruments are not considered to be of low risk only because they have a lower risk than the other instruments issued by the debtor or in comparison with the credit risk prevailing in the geographical region or the jurisdiction in which it operates.

In the credit risk assessment, the company uses both external credit risk ratings and internal evaluations that are consistent with generally accepted definitions of credit risk.

#### **(v) Derecognition**

The Company derecognizes a financial asset when the rights to receive cash flows from that financial asset expires, or when the Company transferred the rights to receive the contractual cash flows corresponding to that financial asset in a transaction in which it significantly transferred all risks and benefits of the ownership right.

Any interest in the transferred financial assets retained by the Company or created for the Company is recognized separately as an asset or liability.

The Company derecognizes a financial liability when the contractual obligations ended or when the contractual obligations are cancelled or expire.

Derecognition of financial assets and liabilities is accounted for using the weighted average cost method. This method entails calculating the value of each item based on a weighted average of the value of similar items in stock at the beginning of the period and the value of similar items purchased during the period.

#### **(vi) Reclassifications**

If the Company reclassifies the financial assets according to pt. 4.4.1 of IFRS 9 (as an effect of changing the business model for the management of its financial assets), then all the affected financial assets will be reclassified. The financial liabilities (debts) cannot be reclassified after the initial recognition.

The Company applies the reclassification of financial assets prospectively as of the reclassification date. The possible earnings, losses, or interests previously recognized will not be restated.

If a reclassification occurs, the Company proceeds as follows:

- When reclassifying an asset from the amortized cost category to fair value through profit or loss, the fair value is determined at the date of reclassification. The difference between the amortized cost and the fair value is recognized in profit and loss;
- When reclassifying an asset from the fair value through profit and loss category to the amortized cost, the fair value at the date of reclassification becomes the new gross carrying amount;
- When reclassifying an asset from the amortized cost category to fair value through other comprehensive income, fair value is determined at the date of reclassification. The difference between the amortized cost and the fair value is recognized in other comprehensive income, without adjusting the effective interest rate or the expected loss from lending;
- When reclassifying an asset from the category of fair value through other comprehensive income to the amortized cost, the reclassification is carried at the fair value of the asset from the reclassification date. Amounts previously recognized in other comprehensive income are eliminated in relation to the fair value of the asset, without affecting the profit and loss account. The actual interest rate and the expected loss on credit are not adjusted as a reclassification effect;
- When reclassifying an asset from the fair value through profit and loss category to fair value through other comprehensive income, the asset continues to be measured at its fair value;

- When reclassifying an asset from fair value through other comprehensive income category to fair value through profit and loss, the financial asset continues to be measured at fair value. Amounts previously recognized in other comprehensive income are reclassified from equity to profit and loss as a reclassification adjustment (as per IAS1).

#### **(vii) Gains and losses**

Gains or losses resulting from a change in the fair value of a financial asset or of a financial liability that is not part of a hedging relationship are recognized as follows:

- a) The gains or losses generated by financial assets or financial liabilities classified as being measured at fair value through profit and loss are recognized in profit and loss;
- b) The gains or losses generated by a financial asset at fair value through other comprehensive income are recognized in other comprehensive income.

Gains on shares measured at fair value through other comprehensive income are recognized as follows:

- Changes in fair value (including exchange rate) in other comprehensive income
- Dividend income is recognized in profit and loss

Gains on debt instruments (bonds):

- Changes in fair value (including exchange rate) in other comprehensive income
- Interest income is recognized in profit and loss

When the asset is derecognized, the accumulated losses or gains previously recognized in other comprehensive income:

- are reclassified from equity in profit and loss, in the case of debt instruments;
- are transferred to retained earnings, in case of equity instruments (shares).

When the financial assets accounted for at amortized cost are impaired or derecognized, as well as through their amortization process, the Company recognizes a gain or a loss in the profit and loss account (income statement).

As regards the recognized financial assets using the settlement date accounting, no change of the fair value of the asset to be received during the period between the trading date and the settlement date is recognized for the assets carried at cost or at amortized cost (except for impairment losses). But for the assets accounted for at fair value, the change in fair value must be recognized in profit and loss or in equity, as the case may be.

#### **Other financial assets and liabilities**

Other financial assets and liabilities are measured at amortized cost using the effective interest method.

### **4. Management of significant risks**

The risk management activity can be found in the Company organizational structure, and it addresses both general and specific risks.

The most significant financial risks to which the Company is exposed to are the credit risk, the liquidity risk, and the market risk. The market risk includes the foreign currency risk, the interest rate risk, and the price risk of the equity instruments. This note provides information on the Company's exposure to each of the above-mentioned risks, the Company's objectives and policies, and the risk assessment and risk management processes.

The company uses various policies and procedures for managing and measuring the types of risk to which it is exposed. These policies and procedures are presented in the subchapter dedicated to each type of risk.

#### **4.1 Financial risks**

##### **(a) Market risk**

Market risk is the present or future risk of recording losses balance and off-balance sheet related due to adverse movements in market price (such as stock prices, interest rates, foreign exchange rates). Company's management sets the limits on the value of risk that may be accepted, which are regularly monitored. However, the use of this approach does not prevent losses outside these limits in the event of more significant market movements.

Position risk is associated with financial instruments portfolio held by the Company with intention to benefit from positive price movements of those financial assets or potential dividends/coupons issued by entities. The Company is exposed to general position risk as well as to the specific one, due to short term investments made in bonds, shares, and fund units.

The management has pursued and permanently aims to reduce to a minimum the possible adverse effects related to this financial risk, through an active procedure of diversifying prudently the investment portfolio and by using one or more technics of diminishing of the risk through trading activity or market prices evolution related to financial instruments held by the Company.

#### *Concentration risk*

Concentration risk concerns all assets held by the Company, regardless of the period of holding them, and mitigating this risk is intended the avoidance of a too large exposure on the same debtor/entity at Company level.

The management's policy of diversifying exposures is applied to the portfolio structure, business structure, as well as the structure of financial risks exposure. Thus, this diversifying policy implies avoiding excessive exposures on a single debtor, issuer, country, or geographical area; diversifying business structure pursues the avoidance at Company's level the excessive exposure against a specific type of business/sector; diversifying the structure of financial risks intends to avoid excessive exposure against a certain financial risk.

The market risk of equity instruments is mainly the result of shares measured at fair value through other comprehensive income and through profit and loss. Entities in which the Company holds shares operate in various industries.

The objective of market risk management is to control and manage market risk exposures in acceptable parameters to the extent that profitability is optimized.

The Company's strategy for managing market risk is driven by its investment objective, and the market risk is managed in accordance with its policies and procedures.

The Company is exposed to the following categories of market risk:

#### *(i) Equity (own capital) price risk*

Price risk is the risk of losses in both balance sheet and off-balance sheet positions due to changes in asset prices.

The Company is exposed to the risk of fair value of financial instruments fluctuation due to changes in market prices, whether caused by factors specific to the activity of its issuer or factors impacting all instruments traded in the market.

The Board of Directors monitors the market risk management, and the internal procedures require that when price risks are not consistent with the Company's investment policy and principles, the portfolio must be rebalanced.

A positive change of 10% in the price of financial assets at fair value through profit and loss (shares of subsidiaries, associates, fund units and corporate bonds) would lead to an increase in profit after tax by RON 165,474,764 (December 31, 2022: RON 154,210,928), a negative change of 10% having an equal net impact in the opposite direction.

A positive change of 10% in the prices of financial assets measured at fair value through other comprehensive income, investments in shares and corporate bonds, would lead to an increase in equity, net of tax, of RON 163,018,943 (December 31, 2022: RON 139,304,936), a negative change of 10% having an equal net impact in the opposite direction.

The company holds stakes in companies operating in various sectors. As of September 30, 2023, the Company mainly holds shares in companies in the banking-financial and insurance field, having a weight of 46.4% on the total portfolio, roughly the same as of December 31, 2022.

| in RON   | September 30, 2023   | %           | December 31, 2022    | %           |
|--|----------------------|-------------|----------------------|-------------|
| Financial intermediation and insurance               | 1,456,308,781        | 46.4%       | 1,320,286,502        | 46.7%       |
| Manufacturing industry                               | 815,640,139          | 26.0%       | 706,121,167          | 24.9%       |
| Hotels and restaurants                               | 171,188,469          | 5.5%        | 133,536,179          | 4.7%        |
| Wholesale and retail trade, repair of motor vehicles | 182,970              | 0.0%        | 39,160,957           | 1.4%        |
| Production and supply of energy, gas, water.         | 27,000,000           | 0.9%        | -                    | -           |
| Extractive industry                                  | 202,396,287          | 6.5%        | 149,134,107          | 5.3%        |
| Other activities                                     | 0                    | 0.0%        | 701,349              | 0.0%        |
| Financial services applicable to real estate         | 409,220,480          | 13.0%       | 425,284,860          | 15.0%       |
| Constructions  | 3,528,290            | 0.1%        | 3,277,721            | 0.1%        |
| Transportation and storage                           | 42,993,336           | 1.4%        | 38,232,508           | 1.4%        |
| Rental of real-estate                                | 8,782,038            | 0.3%        | 14,281,270           | 0.5%        |
| Agriculture, forestry, and fishing                   | 3,851                | 0.0%        | 151,925              | 0.0%        |
| <b>TOTAL</b>   | <b>3,137,244,641</b> | <b>100%</b> | <b>2,830,168,544</b> | <b>100%</b> |



The total value growth of the portfolio under management compared to the end of the previous year is due to the progress of capital markets during first nine months of 2023 and acquisitions made during the period.

As of September 30, 2023, and December 31, 2022, the Company holds fund units amounting to RON 415,803,252 (December 31, 2022: RON 362,939,797) in the closed end investment funds Active Plus, Optim Invest, Certinvest Shares, Star Value, and Romania Strategy Fund. The Company is exposed to price risk in terms of placements made with different risk degrees by these Investment Funds.

*(ii) Interest rate risk*

Interest rate risk is the risk that revenues or expenses, or the value of assets or liabilities of the Company fluctuate due to changes in market interest rates.

As regards the interest-bearing financial instruments: the interest rate risk consists of the risk of fluctuation recorded in the value of a financial instrument due to changes in interest rates and risk differences between the maturity of interest-bearing financial assets and interest-bearing liabilities. However, the interest rate risk may also affect the value of assets bearing fixed interest rates (e.g. bonds) so that an increase in interest rate on the market will determine a decrease in the value of future cash flows generated by them and may lead to their price reduction if it increases the preference of investors to place their funds in bank deposits or other instruments whose interest has grown, and vice versa - a reduction in interest rate on the market may increase the price of shares and bonds and will lead to an increase in the fair value of future cash flows.

With respect to the fixed interest-bearing assets or tradable assets, the Company is exposed to the risk that fair value of future cash flows related to financial instruments will fluctuate following the changes in market interest rates. However, most financial assets of the Company are in stable currencies whose interest rates are unlikely to vary significantly.

Thus, the Company will be subject to limited exposure to the fair value interest rate risk or to future cash flows due to fluctuations in the prevailing levels of market interest rates.

The Company does not use derivative financial instruments for protection against interest rate fluctuations.

The following table shows the annual interest rates earned by the Company for interest-bearing assets during first three quarters of 2023:

| Financial assets  | RON interval |      | EUR interval |      |
|---|--------------|------|--------------|------|
|   | Min          | Max  | Min          | Max  |
| Bank deposits   | 4.86         | 6.75 | -            | -    |
| Financial assets at fair value through profit and loss* | 8.44         | 10.2 | 5.63         | 7.08 |

\* In the financial assets at fair value through profit and loss are included bonds denominated in RON issued by a subsidiary and a loan denominated in euro granted to a subsidiary

The following table shows the annual interest rates earned by the Company for interest-bearing assets during the first nine months of 2022:

| Financial assets  | RON interval |      | EUR interval |      |
|---|--------------|------|--------------|------|
|   | Min          | Max  | Min          | Max  |
| Bank deposits   | 0.80         | 8.20 | 0.06         | 0.12 |
| Financial assets at fair value through profit and loss*             | 4.30         | 9.51 | -            | -    |
| Financial assets at fair value through other comprehensive income** | -            | -    | 5.75         | 5.75 |

\* In the financial assets at fair value through profit and loss are included bonds, denominated in RON issued by a subsidiary of Lion Capital

\*\* Corporate bonds are included in the financial assets at fair value through other items of comprehensive income

The following table presents a summary of Company's exposure to the interest rate risk. The table includes the Company's assets and liabilities at the carrying amounts (book value) classified by the most recent date of the change in the interest rate and the maturity date.

| <i>in RON</i>                               | September 30, 2023 | December 31, 2022  |
|---|--------------------|--------------------|
| Cash and cash equivalent*                   | 122,623,710        | 6,625,573          |
| Financial assets at FVTPL – corporate bonds | 37,612,296         | 37,612,296         |
| Financial assets at FVTOCI – loan granted   | 29,973,441         | 115,805,211        |
| <b>TOTAL</b>                                | <b>190,209,447</b> | <b>160,043,080</b> |

\* Within the cash equivalents short-term investments in bank deposits (maturity less than 3 months) are included

The impact on the Company's net profit (through interest income) of a change of  $\pm 1.00\%$  in the interest rate on variable interest rate assets and liabilities denominated in other currencies in conjunction with a change of  $\pm 1.00\%$  in the interest rate related to the assets and liabilities bearing variable interest and expressed in RON is of RON 1,597,759 (December 31, 2022: RON +/-1,344,362).

For bonds recorded at fair value (level 1) held, a variation of +/- 5% of their market price determines a net impact in the amount of RON +/- 1,579,716 (December 31, 2022: RON +/- 1,579,716) in the profit and loss account.

*(iii) Currency risk*

Currency risk is the risk of loss or failure to achieve the estimated profit because of unfavourable exchange rate fluctuations. The Company invests in financial instruments and performs transactions which are denominated in currencies other than the functional currency, thus being exposed to risks that the exchange rate of the national currency in relation to another currency might adversely affect the fair value or future cash flows of that share of financial assets and liabilities denominated in other currencies.

In the reporting periods the company conducted transactions in Romanian currency (RON) and in foreign currencies. The Company has not carried out any exchange rate derivative transaction during the financial years presented.

The Company's assets and liabilities in RON and foreign currencies on September 30, 2023, and December 31, 2022 can be analysed as follows:

*Financial assets exposed to foreign currency risk (in RON)  
in RON*

|   | September 30, 2023 | December 31, 2022  |
|---|--------------------|--------------------|
| Cash and cash equivalent  | 158,567,220        | 19,781,888         |
| Financial assets at FVTPL – (including assets held by investment funds) * | 32,245,497         | 126,798,355        |
| Financial assets at FVTOCI**  | 40,816,593         | 147,927,260        |
| <b>Total assets</b>   | <b>231,629,310</b> | <b>294,507,503</b> |
| Liabilities on leasing contract   | (328,845)          | (530,880)          |
| <b>Total liabilities</b>  | <b>(328,845)</b>   | <b>(530,880)</b>   |
| <b>Net financial assets</b>   | <b>231,300,465</b> | <b>293,976,623</b> |

\* Financial assets at fair value through profit or loss include euro bonds and foreign exchange holdings of closed-end investment funds, proportional to the Company's holding in their net assets.

\*\* Financial assets at fair value through other comprehensive income in EUR result include holdings held abroad, namely Austria - Erste Bank.

The following table presents the sensitivity of profit and loss as well as equity to possible changes at the end of the reporting period of the exchange rates in line with the reporting currency, consistently maintaining all other variables:

|                            | September 30, 2023 |               | December 31, 2022 |               |
|----------------------------|--------------------|---------------|-------------------|---------------|
|                            | Impact on P&L      | Impact on OCI | Impact on P&L     | Impact on OCI |
| 5% EUR increase (2022: 5%) | 8,000,323          | 1,714,297     | 6,134,073         | 6,212,945     |
| 5% EUR decrease (2022: 5%) | (8,000,323)        | (1,714,297)   | (6,134,073)       | (6,212,945)   |
| <b>Total</b>               | <b>-</b>           | <b>-</b>      | <b>-</b>          | <b>-</b>      |

**(b) Credit risk**

Credit risk is the risk that a counterparty of a financial instrument fails to meet their contractual obligations, or a financial engagement in which it has entered into a relationship with the Company, thus resulting in a loss for the Company. The Company is exposed to credit risk as a result of investments in bonds issued by trading companies (corporate bonds), current accounts and bank deposits and other receivables. The management of the Company closely and constantly monitors the exposure to credit risk so that it does not suffer losses as a result of the concentration of credit in a certain sector or field of activity.

As of September 30, 2023, and December 31, 2022, the Company did not have any real collaterals as insurance, nor any other improvements in the credit rating.

As of September 30, 2023, and December 31, 2022, the Company did not record any outstanding financial assets, for which it had not recorded any impairment adjustments.

Below are presented the financial assets with exposure to credit risk:

| September 30, 2023              | Current accounts   | Bank deposits      | Loan granted      | Bonds (measured at FVTPL) | Other financial assets | Total              |
|---------------------------------|--------------------|--------------------|-------------------|---------------------------|------------------------|--------------------|
| <i>Current and not impaired</i> |                    |                    |                   |                           |                        |                    |
| Rating AAA to A-                |                    |                    |                   |                           |                        |                    |
| BBB+                            | 158,519,317        | 623,710            |                   |                           |                        | 159,143,027        |
| BBB                             | 20,401             | -                  |                   |                           |                        | 20,401             |
| BBB-                            | 1,819              | -                  |                   |                           |                        | 1,819              |
| BB+                             | 507,232            | 122,000,000        |                   |                           |                        | 122,507,232        |
| BB                              | 2,854              |                    |                   |                           |                        | 2,854              |
| NR                              |                    |                    | 31,699,521        | 38,192,109                | 64,735,801             | 134,627,431        |
| <b>TOTAL</b>                    | <b>159,051,623</b> | <b>122,623,710</b> | <b>31,699,521</b> | <b>38,192,109</b>         | <b>64,735,801</b>      | <b>416,302,763</b> |

| December 31, 2022 | Current accounts  | Bank deposits    | Bonds (measured at FVOCI) | Bonds (measured at FVTPL) | Other financial assets | Total              |
|-------------------|-------------------|------------------|---------------------------|---------------------------|------------------------|--------------------|
| Rating AAA to A-  |                   |                  |                           |                           |                        |                    |
| BBB+              | 19,739,379        | 1,045,573        |                           |                           |                        | 20,784,953         |
| BBB               | 21,282            | -                |                           |                           |                        | 21,282             |
| BBB-              | 2,123             | -                |                           |                           |                        | 2,123              |
| BB+               | 208,844           | 5,580,000        |                           |                           |                        | 5,788,844          |
| BB                | 3,491             |                  |                           |                           |                        | 3,491              |
| Baa2              |                   |                  |                           |                           |                        | -                  |
| NR                |                   |                  | 116,912,505               | 38,313,018                | 12,834,480             | 168,060,003        |
| <b>TOTAL</b>      | <b>19,975,119</b> | <b>6,625,573</b> | <b>116,912,505</b>        | <b>38,313,018</b>         | <b>12,834,480</b>      | <b>194,660,696</b> |

The Company's maximum exposure to credit risk is of RON 416,302,763 as of September 30, 2023 (December 31, 2022: RON 194,660,696) and can be analysed as follows:

|                               | Credit rating |                               |       | Sept. 30, 2023     | December 31, 2022 |
|-------------------------------|---------------|-------------------------------|-------|--------------------|-------------------|
| BRD - Groupe Société Générale | BBB+          | BRD - Groupe Société Générale | Fitch | 14,428,353         | 14,394,427        |
| Banca Transilvania            | BB+           | Banca Transilvania            | Fitch | 122,507,232        | 5,788,844         |
| Banca Comercială Română       | BBB+          | Banca Comercială Română       | Fitch | 144,714,674        | 6,390,525         |
| CEC Bank                      | BB            | CEC Bank                      | Fitch | 2,854              | 3,491             |
| Exim Bank                     | BBB-          | Exim Bank Romania             | Fitch | 1,819              | 2,123             |
| Intesa Sanpaolo Romania*      | BBB           | Intesa Sanpaolo Italia        | Fitch | 20,051             | 20,847            |
| UniCredit Tiriac              | BBB           | UniCredit Tiriac              | Fitch | 350                | 435               |
| <b>TOTAL (Note 11)</b>        |               |                               |       | <b>281,675,333</b> | <b>26,600,693</b> |

\* For banks for which there is no rating, the parent company's rating was considered

The cash and cash equivalent, and bank deposits are not past due and are not impaired. The corporate bonds are not past due and are not impaired.

The Company's exposure to credit and counterparty risk through corporate bonds held as of September 30, 2023, is presented in the following table:

| Issuer       |     | Quantity | Nominal value | Interest rate | Value as of June 30, 2023 (RON) | Maturity |
|--------------|-----|----------|---------------|---------------|---------------------------------|----------|
| Vrancart SA* | RON | 368,748  | 100.00        | 8.44%         | 37,612,296                      | 2024     |
| Total        |     |          |               |               | 37,612,296                      |          |

\* variable interest rate (related to the most recent coupon)

The Company's exposure to credit and counterparty risk through corporate bonds held as of December 31, 2022, is presented in the following table:

| Issuer       | Quantity | Nominal value | Interest rate | Value as of December 31, 2022 (RON) | Maturity   |      |
|--------------|----------|---------------|---------------|-------------------------------------|------------|------|
| Vrancart SA* | RON      | 368,748       | 100.00        | 10.20%                              | 37,612,296 | 2024 |
| Total        |          |               |               | 37,612,296                          |            |      |

\* variable interest rate (related to the most recent coupon)

### (c) Liquidity risk

Liquidity risk is the risk that the Company faces difficulties in meeting obligations arising from short-term financial liabilities that are settled by payment in cash or other financial means, or the risk that such obligations are settled in an unfavourable manner for the Company.

The company monitors the progress of its liquidity levels to be able to meet its payment obligations at due date, and constantly analyses its assets and liabilities, based on the remaining period to the contractual maturities.

In the current economic context, the Company's management has adopted a prudent policy of monetary investments management, maintaining a weight of available liquidity in total assets allowing at any time the coverage of any outstanding payment obligations and a liquidity reserve to provide the financing of any attractive investment opportunities.

The breakdown of assets and liabilities was analysed based on the remaining period from the balance sheet date to contractual maturity date, both as of September 30, 2023, and December 31, 2022, as follows:

in RON

|                                    | Book value           | Less than 3 months | 3 to 12 months     | Over 1 year       | No fixed maturity    |
|------------------------------------|----------------------|--------------------|--------------------|-------------------|----------------------|
| <b>September 30, 2023</b>          |                      |                    |                    |                   |                      |
| <b>Financial assets</b>            |                      |                    |                    |                   |                      |
| Cash and cash equivalents          | 282,018,531          | 282,018,531        |                    |                   |                      |
| Bank deposits                      | -                    | -                  |                    |                   |                      |
| Financial assets at FVTPL          | 1,759,573,464        | 579,813            | 69,311,817         |                   | 1,689,681,834        |
| Financial assets at FVTOCI         | 1,863,366,058        | -                  |                    | -                 | 1,863,366,058        |
| Other financial assets             | 65,453,278           | 65,453,278         | -                  | -                 | -                    |
| <b>Total financial assets</b>      | <b>3,970,411,331</b> | <b>348,051,622</b> | <b>69,311,817</b>  | <b>-</b>          | <b>3,553,047,892</b> |
| <b>Financial liabilities</b>       |                      |                    |                    |                   |                      |
| Dividends payable                  | 9,914,133            | 9,914,133          | -                  | -                 |                      |
| Other financial liabilities        | 18,037,889           | 18,037,889         | -                  | -                 |                      |
| Liabilities on leasing contract    | 328,845              | 70,346             | 217,228            | 41,272            |                      |
| <b>Total financial liabilities</b> | <b>28,280,867</b>    | <b>28,022,367</b>  | <b>217,228</b>     | <b>41,272</b>     |                      |
| <b>Liquidity surplus</b>           | <b>3,942,130,464</b> | <b>320,029,255</b> | <b>69,094,589</b>  | <b>(41,272)</b>   | <b>3,553,047,892</b> |
| <b>December 31, 2022</b>           |                      |                    |                    |                   |                      |
| <b>Financial assets</b>            |                      |                    |                    |                   |                      |
| Cash and cash equivalent           | 26,615,152           | 26,615,152         | -                  | -                 |                      |
| Bank deposits                      | -                    |                    |                    | -                 |                      |
| Financial assets at FVTPL          | 1,723,810,844        | 700,722            | 116,912,505        | 37,612,296        | 1,568,585,321        |
| Financial assets at FVTOCI         | 1,624,523,020        | -                  |                    | -                 | 1,624,523,020        |
| Other financial assets             | 13,551,957           | 13,551,957         | -                  | -                 |                      |
| <b>Total financial assets</b>      | <b>3,388,500,973</b> | <b>40,867,831</b>  | <b>116,912,505</b> | <b>37,612,296</b> | <b>3,193,108,341</b> |
| <b>Financial liabilities</b>       |                      |                    |                    |                   |                      |
| Dividends payable                  | 10,042,310           | 10,042,310         | -                  | -                 |                      |
| Other financial liabilities        | 15,038,374           | 15,038,374         | -                  | -                 |                      |
| Liabilities on leasing contract    | 530,880              | 67,048             | 206,746            | 257,087           |                      |
| <b>Total financial liabilities</b> | <b>25,611,564</b>    | <b>25,147,732</b>  | <b>206,746</b>     | <b>257,087</b>    |                      |
| <b>Liquidity surplus</b>           | <b>3,362,889,409</b> | <b>15,720,099</b>  | <b>116,705,760</b> | <b>37,355,210</b> | <b>3,193,108,341</b> |

#### 4.2 Other risks

By the nature of the business object, the Company is exposed to various types associated to financial instruments and to market on which it invests. The main types of risks the Company is exposed to are:

- taxation risk;
- economic environment risk;
- operational risk.

The risk management has in view the maximization of Company's profit in relation to the risk level it is exposed to.

The Company uses various management and measurement policies and procedures for the risk types it is exposed to. These policies and procedures are presented in the subchapter dedicated to each type of risk.

##### (a) Taxation risk

Starting with 1 January 2007, following Romania's accession to the European Union, the Company had to comply with the EU regulations and, therefore, prepared to implement changes brought by the European legislation. The Company has implemented these changes, but their implementation remains open to tax audit for 5 years.

Interpretation of texts and practical implementation of the procedures of the new applicable tax regulations could vary and there is a risk that in some cases the tax authorities might adopt a position different from that of the Company.

In terms of income tax there is a risk of different interpretation by the tax authorities to accounting treatments that were determined by the transition to IFRS as an accounting basis.

In addition, the Romanian Government has several agencies authorized to conduct audits (controls) of companies operating in Romania. These controls are similar to tax audits in other countries and may extend not only to tax matters but also to other legal and regulatory issues of interest to these agencies. The Company may be subject to tax audits as new tax regulations are issued.

#### **(b) Economic environment risk**

Lion Capital's management cannot predict all the effects of the international economic developments with an impact on the financial sector in Romania but has confidence in that in the first nine months of 2023 has adopted the necessary measures for the Company's sustainability and development under the present state of the financial market by monitoring its cash flows and adapting its investment policies.

Risk avoidance and mitigation of their effects are ensured by the company through an investment policy complying with the prudential rules imposed by the applicable laws and regulations in force.

Lion Capital has adopted risk management policies through which risks are actively managed, by implementing specific risk identification, evaluation, measurement, and control procedures meant to provide reasonable assurance with respect to the achievement of the Company's objectives, thus seeking a consistent balance between risk and expected profit.

The risk management aims at: (i) identifying and assessing significant risks with major impact in achieving the target investment and developing activities to counter the risk identified; (ii) adapting the risk management policies to the developments in the financial capital market, monitoring performance and improving risk management procedures; (iii) reviewing investment decisions in line with the development of the capital and money market; (iv) compliance with the legislation in force.

Geopolitical tensions over the past 12 months and increased supply insecurity in the energy sector have led to significant increases in oil and natural gas prices in 2022. Aggressive measures adopted by the main central banks (Federal Reserve, European Central Bank, etc.) for tempering inflation and the uncertainties regarding the short-term and medium-term impact of these measures on the macroeconomic evolution have led to high volatility among the main capital markets. The lack of visibility regarding the attitude of central banks to these externalities, the necessary level of successive increases in interest rates and their impact on global demand represent the main challenges in managing the asset portfolio in 2023 as well.

#### **(c) Operational risk**

Operational risk is the risk of direct or indirect loss resulting from deficiencies or weaknesses in procedures, personnel, the Company's internal systems, or from external events that can have an impact on its operations. Operational risks arise from all the Company's activities.

The Company's objective is to manage the operational risk so as to limit financial loss, not damage its reputation and achieve the investment objective of generating benefits for investors.

The primary responsibility for implementation and development of control over the operational risk lies with the Board of Directors. This responsibility is supported by the development of general standards of operational risk management, which includes controls and processes at service providers and service engagements with service providers.

#### **(d) Capital adequacy**

The management's policy with respect to capital adequacy focuses on maintaining a sound capital base to support the ongoing development of the Company and attain the investment objectives.

The Company's equity includes the share capital, various types of reserves and the retained earnings. Equity amounted to RON 3,789,539,984 as of September 30, 2023 (RON 3,242,853,185 as of December 31, 2022).

### **5. Dividend income**

As per IFRS 9, and since the Company has opted to measure shareholdings through other comprehensive income, dividends from these shareholdings are recognized as income unless they are a substantially recovery of the cost of investment.

Dividend income is recorded as gross value. The tax rate for dividends from companies was of 0, 8% and 27.5% (2022: 0, 5% and 27.5%). The breakdown of dividend income on the main counterparties is shown in the table below:

| <i>denominated in RON</i>                  | September 30, 2023 | September 30, 2022 | Measurement |
|--|--------------------|--------------------|-------------|
| SAI Muntenia Invest                        | 29,994,000         | 17,996,400         | FVTOCI      |
| SNP Petrom                                 | 29,294,199         | 15,492,985         | FVTOCI      |
| SIF Imobiliare                             | 12,031,798         | 11,959,384         | FVTPL       |
| Biofarm                                    | 10,862,898         | 8,690,318          | FVTPL       |
| Vrancart                                   | 9,086,125          | 3,816,173          | FVTPL       |
| Erste Bank                                 | 7,503,480          | 7,916,320          | FVTOCI      |
| IAMU                                       | 3,861,240          | 4,985,279          | FVTPL       |
| Conpet                                     | 3,868,165          | 4,098,765          | FVTOCI      |
| SIFI Cj Logistic                           | 915,365            | 53,396             | FVTPL       |
| Azuga Turism                               | 763,276            | 989,347            | FVTPL       |
| Bursa de Valori București                  | 530,461            | 393,883            | FVTOCI      |
| Others                                     | 82,763             | 400,110            | FVTOCI      |
| BRD  | -                  | 50,396,401         | FVTOCI      |
| Banca Transilvania                         | -                  | 38,214,355         | FVTOCI      |
| Infinity Capital Investments (SIF Oltenia) | -                  | 774,050            | FVTOCI      |
| <b>Total</b>                               | <b>108,793,769</b> | <b>166,177,167</b> |             |
| FVTOCI                                     | 71,273,068         | 135,683,269        |             |
| FVTPL                                      | 37,520,701         | 30,493,897         |             |

*FVTPL = financial assets at fair value through profit and loss | FVTOCI = financial assets at fair value through other comprehensive income*

## 6. Interest income

### Interest income (assets at amortized cost, assets at FVTOCI)

| <i>denominated in RON</i>   | September 30, 2023 | September 30, 2022 |
|---|--------------------|--------------------|
| Interest income on bank deposits and current accounts                                   | 2,590,594          | 2,283,378          |
| Interest income on assets measured through other comprehensive income (corporate bonds) | -                  | 223,317            |
|   | <b>2,590,594</b>   | <b>2,506,695</b>   |

### Interest income (assets at FVTPL)

| <i>denominated in RON</i>                                    | September 30, 2023 | September 30, 2022 |
|--|--------------------|--------------------|
| Interest income on corporate bonds                           | 2,474,421          | 1,835,469          |
| Interest income related to the transfer of financial assets* | 548,948            | 1,407,609          |
| Interest income related to a loan agreement                  | 4,036,229          | -                  |
|  | <b>7,059,598</b>   | <b>3,243,078</b>   |

\* The amount represents the financing component extracted from the total value of the contract for the transfer of the stake in Central S.A., according to the contractual clauses agreed by the parties

## 7. Profit/(Loss) on measurement of assets through profit and loss

| <i>denominated in RON</i>  | Sept. 30, 2023     | Sept. 30, 2022       |
|--|--------------------|----------------------|
| Profit / (Loss) from measurement/transfer of fund units                          | 52,863,455         | (12,099,039)         |
| Profit / (Loss) from measurement / sale of shares in subsidiaries and associates | 98,943,579         | (130,833,514)        |
| <b>Total</b>   | <b>151,807,034</b> | <b>(142,932,553)</b> |

As of September 30, 2023, and September 30, 2022, the Company measured the investments held in fund units, the shares held in subsidiaries and associates, and the bonds held, through the profit and loss account, resulting a total increase of RON 151.8m (September 30, 2022: decrease amounting to RON 142.9m).

## 8. Fees and commissions expenses

| <i>denominated in RON</i>                   | September 30, 2023 | September 30, 2022 |
|---|--------------------|--------------------|
| Financial Supervisory Authority commissions | 2,398,811          | 2,287,698          |
| Depository (bank) fees                      | 742,610            | 736,229            |
| Commissions due for transactions            | 241,746            | 6,545              |
| Registry fees                               | 209,099            | 143,342            |
| Other fees and commissions                  | 48,280             | 44,625             |
| <b>Total</b>                                | <b>3,640,546</b>   | <b>3,218,439</b>   |

## 9. Other operating expenses

| <i>denominated in RON</i>  | September 30, 2023 | September 30, 2022 |
|--|--------------------|--------------------|
| Expenses on other taxes, fees, and assimilated payments  | 100,194            | 96,571             |
| Expenses on salaries and other personnel expenses (i)  | 9,843,449          | 8,857,944          |
| Depreciation expenses  | 209,663            | 222,408            |
| Expenses on external services  | 2,244,644          | 1,839,218          |
| Expenses on interest and depreciation of assets with the right to use under the leasing contract | 204,675            | 216,212            |
| <b>Total</b>   | <b>12,602,625</b>  | <b>11,232,354</b>  |

(i)

*denominated in RON*

|  | September 30, 2023 | September 30, 2022 |
|--|--------------------|--------------------|
| Expenses on salaries                           | 7,600,170          | 6,974,982          |
| Stock Option Plan expenses                     | 1,570,342          | 1,454,936          |
| Expenditure on insurance and social protection | 287,846            | 279,076            |
| Other personnel expenses                       | 385,091            | 148,950            |
| <b>Total</b>                                   | <b>9,843,449</b>   | <b>8,857,944</b>   |

In other operating expenses are included personnel expenses, expenses on taxes and fees, depreciation expenses and other expenses on external services.

In the period ended on September 30, 2023, the average number of employees was of 31 (September 30, 2022: 31), and the actual number of employees recorded at the end of the reporting period was of 31 (September 30, 2022: 32).

The company makes payments to institutions of the Romanian State in the account of the pensions of its employees. All employees are members of the pension plan of the Romanian State. The company does not operate any other pension scheme or post-retirement benefits and, consequently, has no other obligations concerning pensions. Furthermore, the Company is not bound to provide additional benefits to employees after their retirement.

## 10. Income tax

*denominated in RON*

|   | September 30, 2023 | September 30, 2022 |
|---|--------------------|--------------------|
| <b>Current income tax</b>                                   |                    |                    |
| Current income tax (16%)                                    | 7,415,506          | -                  |
| Tax on dividend (0%, 8%, 27.5%)                             | 4,838,732          | 7,660,691          |
| <b>Expense on / (income from) deferred tax</b>              |                    |                    |
| Financial assets at FVTOCI                                  | -                  | -                  |
| Financial assets at FVTPL                                   | -                  | -                  |
| Tangible assets / Investment property                       | -                  | -                  |
| <b>Total income tax recognized in result for the period</b> | <b>12,254,238</b>  | <b>7,660,691</b>   |

The effective tax rate used to calculate the deferred tax of the Company was of 16%.

Reconciliation of profit before tax with expense on income tax in the profit and loss account:

| <i>denominated in RON</i>                                       | September 30, 2023 | September 30, 2022 |
|---|--------------------|--------------------|
| <b>Profit before tax</b>  | <b>255,185,236</b> | <b>14,930,950</b>  |
| <b>Tax under statutory tax rate of 16% (2022: 16%)</b>          | <b>40,829,638</b>  | <b>2,388,952</b>   |
| <b>Income tax effect of:</b>                                    |                    |                    |
| Tax on dividend (0%, 8%, 27.5%)                                 | 4,838,732          | 7,660,691          |
| Non-deductible expenses and similar items                       | 10,017,071         | 29,984,349         |
| Non-taxable revenues  | (41,288,803)       | (33,779,414)       |
| Revenue related items   | 19,194,333         | -                  |
| Expenses related items  | (950,834)          | (167,059)          |
| Recoverable tax loss  | (1,614,775)        | 1,803,470          |
| Deferred tax  | -                  | -                  |
| Amounts of sponsorship within legal limits and other deductions | (706,224)          | (403,316)          |
| Tax recognized in retained earnings                             | (18,064,900)       | 173,018            |
| <b>Income tax</b>   | <b>12,254,238</b>  | <b>7,660,691</b>   |

## 11. Cash and cash equivalents

*denominated in RON*

|  | September 30, 2023 | December 31, 2022 |
|--|--------------------|-------------------|
| Petty cash and other valuables   | 7,903              | 3,350             |
| Current accounts in banks  | 159,051,623        | 19,975,119        |
| Deposits in banks with initial maturity of less than 3 months (including interest) | 122,959,006        | 6,636,683         |
| <b>Cash and cash equivalents with maturity less than 3 months</b>                  | <b>282,018,531</b> | <b>26,615,152</b> |

Current bank accounts and bank deposits are permanently available to the Company and are not restricted.

## 12. Financial assets measured at fair value through profit and loss account

| <i>denominated in RON</i>                     | September 30, 2023   | December 31, 2022    |
|---|----------------------|----------------------|
| Shares  | 1,273,878,582        | 1,205,645,523        |
| Fund units                                    | 415,803,252          | 362,939,797          |
| Loan granted                                  | 31,699,521           | 116,912,505          |
| Corporate bonds (including attached interest) | 38,192,110           | 38,313,018           |
| <b>Total</b>                                  | <b>1,759,573,464</b> | <b>1,723,810,844</b> |

As the Company met the classification criteria as an “investment entity”, it measures all its subsidiaries at fair value through profit and loss, except for subsidiaries providing investment-related services, that will further be consolidated.

The movement of the financial assets measured at fair value through profit and loss account as of September 30, 2023, is presented in the next table:

| <i>denominated in RON</i>                                     | <b>Shares</b>        | <b>Fund units</b>  | <b>Loans granted</b> | <b>Corporate bonds</b> | <b>Total</b>         |
|---|----------------------|--------------------|----------------------|------------------------|----------------------|
| <b>January 1, 2023</b>  | <b>1,205,645,522</b> | <b>362,939,797</b> | <b>116,912,505</b>   | <b>38,313,018</b>      | <b>1,723,810,844</b> |
| Acquisitions  | 18,842,890           |                    |                      |                        | 18,842,890           |
| Sales / Restitutions  | (49,553,410)         |                    | (86,065,648)         |                        | (135,619,058)        |
| Change in interest receivable                                 | -                    | -                  | 603,968              | (120,908)              | 483,060              |
| Change in fair value (including foreign exchange differences) | 98,943,579           | 52,863,455         | 248,695              |                        | 152,055,729          |
| <b>September 30, 2023</b>                                     | <b>1,273,878,582</b> | <b>415,803,252</b> | <b>31,699,521</b>    | <b>38,192,110</b>      | <b>1,759,573,464</b> |

The share acquisitions amounting to RON 18.8m include the value of the IAMU shares acquired.

The share sales position, amounting to RON 49.5m, includes the sale of the stake held in Central SA Cluj and the value received due to the reduction of the share capital at Napomar SA Cluj.

As of September 30, 2023, the holdings in subsidiaries and associated entities were measured at fair value, resulting in a favourable difference of RON 98.9 million RON (vs. the value as of December 31, 2022).

The fair value measurement of the fund units as of September 30, 2023, generated a favourable difference of RON 52.9m (vs. the value as of December 31, 2022).

During the first 9 months of 2023, a partial repayment of the loan granted (including the related interest) to a subsidiary was made.

The movement of financial assets measured at fair value through profit and loss account in 2022 is presented in the following table:

| <i>denominated in RON</i>                                     | <b>Shares</b>        | <b>Fund units</b>  | <b>Loans granted</b> | <b>Corporate bonds</b> | <b>Total</b>         |
|---|----------------------|--------------------|----------------------|------------------------|----------------------|
| <b>January 1, 2022</b>  | <b>1,273,327,647</b> | <b>369,180,263</b> | <b>-</b>             | <b>37,907,699</b>      | <b>1,680,415,609</b> |
| Acquisitions  | 657,463              | -                  | 115,000,000          | -                      | 115,657,463          |
| Sales   | (27,193,910)         | -                  |                      |                        | (27,193,910)         |
| Change in interest receivable                                 | -                    | -                  | 1,103,608            | 405,320                | 1,508,928            |
| Change in fair value (including foreign exchange differences) | (41,145,678)         | (6,240,466)        | 808,897              | -                      | (46,577,247)         |
| <b>December 31, 2022</b>                                      | <b>1,205,645,522</b> | <b>362,939,797</b> | <b>116,912,505</b>   | <b>38,313,018</b>      | <b>1,723,810,844</b> |

Acquisitions made during 2022 include shares in Vrancart S.A., following the participation in the share capital increase with cash contribution, and acquisitions on Bucharest Stock Exchange.

Sales of shares represent the value of the stake held in Gaz Vest SA, sold in full.

The amount of RON 115m represents the loan granted during 2022 to the company SIF Spv Two SA, to pay the award price for the acquisition by transfer of assets of the “Belvedere Cigarette Factory” in the auction organized in the insolvency procedure of Interagro S.A.

### 13. Financial assets measured at fair value through other comprehensive income

The movement of financial assets measured at fair value through other comprehensive income during first nine months of 2023 is presented in the table below:

| <i>denominated in RON</i> | <b>Shares *</b>      |
|---------------------------|----------------------|
| <b>January 1, 2023</b>    | <b>1,624,523,020</b> |
| Acquisitions              | 23,595,886           |
| Sales                     | (142,005,765)        |
| Change in fair value      | 357,252,918          |
| <b>September 30, 2023</b> | <b>1,863,366,059</b> |

\* the option to measure at fair value through other comprehensive income was exercised at initial recognition

Acquisitions of shares amounting to RON 23.6m represent the shares of Hidroelectrica.

Sales of shares amounting to RON 142m mainly include the sale of Erste Bank and stakes held in Antibiotice, Argus, Comelf, Urbana, Anteco, IFB Finwest, and others. The amount transferred to retained earnings related to these is of RON 82.3m.

The movement of financial assets measured at fair value through other comprehensive income in 2022 is presented in the table below:



|   |                      |                          |
|---|----------------------|--------------------------|
| <i>denominated in RON</i>                                     | <b>Shares *</b>      | <b>Corporate bonds**</b> |
| <b>January 1, 2022</b>  | <b>1,554,069,140</b> | <b>5,283,259</b>         |
| Acquisitions  | 357,288,563          |                          |
| Sales   | (3,213,710)          | (5,164,320)              |
| Change of interest receivable                                 |                      | (9,822)                  |
| Change in fair value (including foreign exchange differences) | (283,620,973)        | (109,118)                |
| <b>December 31, 2022</b>                                      | <b>1,624,523,020</b> | <b>-</b>                 |

\* the option to measure at fair value through other comprehensive income was exercised at initial recognition

\*\* SPPI tested and recognized as held to collect and sale

Purchases of shares in 2022, in the total amount of RON 357.3m, mainly include the acquisition of SIF Muntenia, OMV Petrom, CH Intercontinental SA Bucharest, SIF Oltenia and Impact SA shares.

The sales of shares, in the amount of RON 3.2m, mainly include exits from the companies Reva, Transgex and Prospectiuni. Net result from transactions, amounting to RON 2.1m, was transferred to retained earnings.

The bond redemptions include the value of Impact bonds collected upon maturity (December 2022).

The Company employs the following hierarchy of methods to measure fair value:

- Level 1: quoted market price on an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs: quoted market prices in active markets for similar instruments; valuation techniques where all significant inputs are directly or indirectly observable from market statistics.
- Level 3: Valuation techniques largely based on unobservable elements.

The fair value of financial assets and liabilities that are traded in active markets are based on quoted market prices or on prices quoted by intermediaries (brokers).

The fair value of the financial instruments for which there is no active market (Level 3) is determined by external appraisers using techniques based on the present net value, the discounted cash flow method, the method of comparisons with similar instruments for which there is an observable market price. Valuation techniques are used consistently, there are no changes in their application.

An analysis of the financial instruments and investment property recognized at fair value according to the valuation method is presented in the following table:

|  |                      |                      |                      |
|--|----------------------|----------------------|----------------------|
| <b>September 30, 2023</b>                |                      |                      |                      |
| <i>denominated in RON</i>                | <b>Level 1</b>       | <b>Level 3</b>       | <b>Total</b>         |
| Financial assets at FVTPL - shares       | 432,725,247          | 841,153,335          | 1,273,878,583        |
| Financial assets at FVTPL - fund units   | 415,803,252          | -                    | 415,803,252          |
| Financial assets at FVTPL - loan granted | -                    | 31,699,521           | 31,699,521           |
| Financial assets at FVTPL - bonds        | 38,192,109           |                      | 38,192,109           |
| Financial assets at FVTOCI - shares      | 1,726,069,547        | 137,296,512          | 1,863,366,059        |
| Investment property                      |                      | 12,963,376           | 12,963,376           |
| Land and buildings                       |                      | 3,246,040            | 3,246,040            |
| <b>TOTAL</b>                             | <b>2,612,790,156</b> | <b>1,026,358,784</b> | <b>3,639,148,940</b> |

|  |                      |                      |                      |
|--|----------------------|----------------------|----------------------|
| <b>December 31, 2022</b>                 |                      |                      |                      |
| <i>denominated in RON</i>                | <b>Level 1</b>       | <b>Level 3</b>       | <b>Total</b>         |
| Financial assets at FVTPL - shares       | 362,069,218          | 843,576,306          | 1,205,645,523        |
| Financial assets at FVTPL - fund units   | 362,939,797          | -                    | 362,939,797          |
| Financial assets at FVTPL - loan granted | -                    | 116,912,505          | 116,912,505          |
| Financial assets at FVTPL - bonds        | 38,313,018           | -                    | 38,313,018           |
| Financial assets at FVTOCI - shares      | 1,468,597,487        | 155,925,533          | 1,624,523,020        |
| Investment property                      |                      | 12,963,376           | 12,963,376           |
| Land and buildings                       |                      | 3,342,887            | 3,342,887            |
| <b>TOTAL</b>                             | <b>2,231,919,521</b> | <b>1,132,720,607</b> | <b>3,364,640,128</b> |

No transfers between the levels of fair value were made during the first nine months of 2023.

#### 14. Other financial assets

|  |                           |                          |
|--|---------------------------|--------------------------|
| <i>denominated in RON</i>                      | <b>September 30, 2023</b> | <b>December 31, 2022</b> |
| Sundry debtors                                 | 63,803,602                | 5,297,290                |
| Other financial assets                         | 1,649,676                 | 8,254,666                |
| Allowance for the impairment of sundry debtors | (717,477)                 | (717,477)                |
| <b>Total</b>                                   | <b>64,735,801</b>         | <b>12,834,480</b>        |

As of September 30, 2023, the sundry debtors position mainly includes receivable dividends from portfolio companies amounting to RON 24.5m and the amount of RON 37.8m transferred for participation in the share capital increase at the company Vrancart (an operation that is currently underway).

## 15. Investment property

| <i>denominated in RON</i>              | September 30, 2023 | December 31, 2022 |
|--|--------------------|-------------------|
| <b>Balance as of January 1</b>         | <b>12,963,376</b>  | <b>12,953,334</b> |
| Inflows                                | -                  | -                 |
| Outflows                               | -                  | -                 |
| Change of fair value – gain/(loss)     | -                  | 10,042            |
| <b>Balance as of the end of period</b> | <b>12,963,376</b>  | <b>12,963,376</b> |

## 16. Other financial liabilities

| <i>denominated in RON</i>                          | September 30, 2023 | December 31, 2022 |
|--|--------------------|-------------------|
| Liabilities to employees and related contributions | 875,163            | 2,760,306         |
| Taxes and dues                                     | 16,814,372         | 414,346           |
| Suppliers and creditors                            | 348,353            | 11,863,722        |
| <b>Total</b>                                       | <b>18,037,888</b>  | <b>15,038,374</b> |

## 17. Deferred tax liabilities

Deferred tax assets and liabilities on September 30, 2023, and December 31, 2022, are generated by the elements detailed in the following tables:

### September 30, 2023

| <i>denominated in RON</i>               | Assets | Liabilities          | Net                    |
|---|--------|----------------------|------------------------|
| Financial assets at FVOCI               | -      | 1,041,843,236        | (1,041,843,236)        |
| Tangible assets and investment property | -      | 13,572,403           | (13,572,403)           |
| <b>Total</b>                            |        | <b>1,055,415,639</b> | <b>(1,055,415,639)</b> |
| Net temporary differences - 16% rate    |        |                      | <b>(1,055,415,639)</b> |
| <b>Deferred tax liabilities</b>         |        |                      | <b>(168,866,503)</b>   |

### December 31, 2022

| <i>denominated in RON</i>               | Assets | Liabilities        | Net                  |
|---|--------|--------------------|----------------------|
| Financial assets at FVOCI               | -      | 839,844,596        | (839,844,596)        |
| Tangible assets and investment property | -      | 13,572,403         | (13,572,403)         |
| <b>Total</b>                            | -      | <b>853,416,999</b> | <b>(853,416,999)</b> |
| Net temporary differences - 16% rate    | -      | -                  | <b>(853,416,999)</b> |
| <b>Deferred tax liabilities</b>         | -      | -                  | <b>(136,546,721)</b> |

Deferred tax liabilities in balance on September 30, 2023, amounting to RON 168,866,503 (2022: RON 136,546,721) include:

- deferred income tax recognized directly through the decrease in equity amounting to RON 167,026,915 (2022: 130,389,332), being generated by reserves for financial assets measured at fair value through other comprehensive income (FVTOCI)
- the deferred tax related mainly to the differences from inflation of the financial assets and the impairment adjustments, amounting to RON 1,839,588 recognized in retained earnings (2022: RON 6,157,389).

## 18. Capital and reserves

### (a) Share capital

As of September 30, 2023, the share capital of Lion Capital amounts to RON 50,751,006, divided into 507,510,056 shares with the nominal value of RON 0.1 and it is the result of direct subscriptions to the share capital of the company, by the conversion into shares of the amounts due as dividends under Law no. 55/1995 and pursuant to Law no. 133/1996. As of September 30, 2023, the number of shareholders was of 5,738,586 (December 31, 2022: 5,741,164).

The shares issued by Lion Capital are traded on the Bucharest Stock Exchange since November 1999. The records of shares and shareholders is kept by Depozitarul Central S.A. Bucharest.

All shares are ordinary shares, were subscribed and fully paid as of September 30, 2023 and December 31, 2022. All shares have equal voting rights and a nominal value of RON 0.1/share. The number of shares authorized to be issued is equal to the shares issued.

The EGM of November 2, 2020, approved:

- the partial revocation of the Resolution of the Extraordinary General Meeting of Shareholders of April 22, 2019, published in the Official Gazette of Romania, Part IV, no. 2154 / 23.05.2019, namely of article 1 of this resolution, which approved the execution of a buyback program for a maximum of 15,000,000 shares;
- the execution of a Buyback ("Program 3") by the Company to reduce its share capital. The maximum number of shares that could be repurchased: 15,000,000 shares at most.

The EGM of October 11, 2021, approved:

- the execution of a buyback program ("Program 4"), for their distribution free of charge to the members of the Company's management (administrators, directors), to build their loyalty as well as to reward them for the activity carried out within the Company, according to the performance criteria to be determined by the Board of Directors. The maximum number of shares that could be repurchased: 880,000 shares at most. The distribution of shares is to be made under a "Share-based Payment Plan" of Stock Option Type, complying with the legal requirements in force. The Board of Directors of the Company approved in January 2022 the "Share-based Payment Plan", which was completed in March 2023.

The EGM of November 25, 2021, approved:

- the method of allocating the 8,792,307 treasury shares repurchased by the Company under the buyback programs previously approved by the general meeting of shareholders to reduce the share capital and for free distribution to members of the Company's management, programs carried out under a Public Tender Offer approved by the Financial Supervisory Authority by Decision no. 1166 / 22.09.2021, in the following variant: allocation of a number of 7,912,307 shares to reduce the Company's share capital and allocation of a number of 880,000 shares to be distributed free of charge to the members of the Company's management.

The EGM of April 28, 2022, approved:

- the reduction of Company's share capital from RON 51,542,236.3 to RON 50,751,005.6 following the cancellation of 7,912,307 treasury shares acquired by the company, in the buyback programs.
- the execution of a share buyback program ("Program 6") for the distribution free of charge to the members of the Company's management (administrators, directors), in order to gain their loyalty, as well as to reward them for the activity carried out within the Company, according to the performance criteria to be determined by the Board of Directors. The maximum number of shares that can be purchased in the buyback program is no more than 990,000 shares. The shares will be distributed within a "Share-based Payment Plan" of Stock Option Type, in compliance with the legislation in force. The Board of Directors of the Company approved in March 2023 the "Share-based Payment Plan", which is ongoing.

The EGM held on April 27, 2023, approved:

- a share buyback program ("Program 7") for the purpose of granting shares free of charge to members of the Company's management (administrators, directors) to enhance their commitment and reward their contributions to the Company, based on performance criteria to be determined by the Board of Directors. The maximum number of shares that can be repurchased is up to 990,000 shares. The shares will be granted under a "Stock Option Plan", in compliance with applicable laws and regulations.

| <i>denominated in RON</i> | <b>September 30, 2023</b> | <b>December 31, 2022</b> |
|---------------------------|---------------------------|--------------------------|
| Share capital             | 50,751,006                | 50,751,006               |
| <b>Total</b>              | <b>50,751,006</b>         | <b>50,751,006</b>        |

#### **(b) Retained earnings**

| <i>denominated in RON</i>  | <b>September 30, 2023</b> | <b>December 31, 2022</b> |
|--|---------------------------|--------------------------|
| Retained earnings from the transition to IAS and IFRS  | 422,323,709               | 422,323,709              |
| Retained earnings from application of IFRS 9 (including gain on transactions)                        | 381,363,395               | 312,836,518              |
| Result for the period  | 242,930,998               | 95,467,147               |
| Other amounts recognized in retained earnings (legal reserves, revaluation of tangible assets, etc.) | 2,220,251                 | 2,220,252                |
| <b>Total</b>   | <b>1,048,838,353</b>      | <b>832,847,626</b>       |

#### **(c) Other reserves**

| <i>denominated in RON</i>   | <b>September 30, 2023</b> | <b>December 31, 2022</b> |
|---|---------------------------|--------------------------|
| Reserves allotted from the net profit                             | 1,445,827,091             | 1,350,359,944            |
| Reserves set-up under Law no. 133/1996*                           | 145,486,088               | 145,486,088              |
| Reserves from lapsed dividends                                    | 88,420,910                | 88,420,910               |
| Reserves from exchange rate differences and investment facilities | 19,832,946                | 19,832,946               |
| <b>Total</b>  | <b>1,699,567,035</b>      | <b>1,604,099,887</b>     |

\* The reserve related to the initial portfolio was set-up under Law no. 133/1996, as the difference between the value of the contributed portfolio and the value of the share capital subscribed to the Company. Thus, these reserves are assimilated to a contribution premium and are not used in the sale of non-current financial assets.

**(d) Legal reserves**

Pursuant to the legal requirements, the Company set-up legal reserves in the amount of 5% of recorded profit according to applicable accounting standards up to 20% of the share capital as per the Articles of Association. The legal reserve as of September 30, 2023, amounts to RON 10,150,201 (December 31, 2022: RON 10,150,201). Legal reserves cannot be distributed to shareholders.

**(e) Differences from changes in fair value of financial assets measured through other comprehensive income**

This reserve comprises cumulative net changes in the fair values of financial assets measured through other comprehensive income from the date of their classification in this category to the date they have been derecognized or impaired.

Reserves are recorded net of related deferred tax. The amount of deferred tax recognized directly through impairment of equity is shown in Note 17.

The following table shows the reconciliation of net differences in the change in fair value for financial assets measured by other comprehensive income:

| <i>denominated in RON</i>   | <b>September 30, 2023</b> | <b>December 31, 2022</b> |
|---|---------------------------|--------------------------|
| Differences from changes in fair value of financial assets measured through other comprehensive income (shares) | 980,168,718               | 741,827,359              |
| <b>Total</b>  | <b>980,168,718</b>        | <b>741,827,359</b>       |

**(f) Dividends**

During the first nine months of 2023, there was no approval of a dividend distribution. In 2022 the shareholders of the Company approved the distribution of a gross dividend of RON 0.06/share from the profit for 2021 FY.

## 19. Earnings per share

The calculation of basic earnings per share was made based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares:

| <i>denominated in RON</i>                    | <b>September 30, 2023</b> | <b>September 30, 2022</b> |
|--|---------------------------|---------------------------|
| Profit attributable to ordinary shareholders | 242,930,998               | 7,270,260                 |
| Weighted average number of ordinary shares*  | 506,702,181               | 507,510,056               |
| <b>Basic earnings per share</b>              | <b>0.4794</b>             | <b>0.0143</b>             |

\* considering repurchased shares

Diluted earnings per share equals basic earnings per share, as the Company did not record potential ordinary shares.

## 20. Contingent assets and liabilities

**(a) Litigations in court**

As of September 30, 2023, the Company had 55 pending legal disputes in its records. The Company held an active legal status in 43 disputes, a passive legal status in 10 disputes, and intervened in 2 disputes.

In most of the disputes where the Company holds the plaintiff status, the subject of the litigation revolves around the annulment/declaration of nullity of resolutions passed by general shareholder meetings of portfolio companies or the insolvency proceedings of portfolio companies.

**(b) Other liabilities**

not the case

## 21. Related parties

The parties are considered related if one party has the ability to control the other party or to exercise a significant influence over its financial and operational decision making.

The Company has identified the following related parties in the course of business:

**Key management personnel***September 30, 2023*

- As of September 30, 2023, the Board of Directors of Lion Capital S.A. was comprised of 5 members: Bogdan-Alexandru Drăgoi - Chairman, Radu-Răzvan Străuț - Vice-Chairman, Sorin Marica, Marcel Pfister, and Ionel Marian Ciucioi.
- As of September 30, 2023, the members of the executive team of Lion Capital S.A: Bogdan-Alexandru Drăgoi – CEO (General Director), Radu-Răzvan Străuț - Deputy General Director, Teodora Sferdian - Deputy General Director, Laurențiu Riviș – Director.

*December 31, 2022*

- As of December 31, 2022, the Board of Directors of the Company was comprised of 5 members: Bogdan-Alexandru Drăgoi - Chairman, Radu-Răzvan Străuț - Vice-Chairman, Sorin Marica, Marcel Pfister, and Ionel Marian Ciucioi.
- As of December 31, 2022, the members of the executive team of the Company: Bogdan-Alexandru Drăgoi – CEO (General Director), Radu-Răzvan Străuț - Deputy General Director, Teodora Sferdian - Deputy General Director, and Laurențiu Riviș – Director.

During the period of the interim reporting, there were no transactions carried out and no advances and loans were granted to managers and administrators of the Company, except for work related travel advances.

The Company has not received and has not given guarantees in favour of any related party.

**Subsidiaries**

As of September 30, 2023, the Company held (directly and indirectly) majority stakes in 14 companies (December 31, 2022: 15). Following the classification of the Company as an investment entity, the subsidiaries providing investment services for the Company (SAI Muntenia Invest and Administrare Imobiliare) remained in the scope of consolidation, and the other subsidiaries were deconsolidated.

**Associated entities**

The number of entities in which the Company holds stakes between 20% and 50% of the share capital as of September 30, 2023, is of 15 (December 31, 2022: 16), of which:

- One entity (Biofarm SA Bucharest), in which the Company exercises significant influence (December 31, 2022: 1);
- 3 entities (December 31, 2022: 4) that do not qualify as associates, because the Company does not exercise significant influence in those companies;
- 11 entities (December 31, 2022: 11) in insolvency / liquidation / bankruptcy.

**Transactions with related parties during the interim reporting period:**

During the first nine months of 2023, the Company made the following transactions with affiliated parties:

|  | September 30, 2023 | September 30, 2022 |
|--|--------------------|--------------------|
| <b>Transactions by profit and loss</b>                   |                    |                    |
| <b>Dividend income, of which:</b>                        |                    |                    |
| SIF Imobiliare Plc                                       | 12,031,798         | 11,959,384         |
| Azuga Turism   | 763,276            | 989,347            |
| SAI Muntenia Invest                                      | 29,994,000         | 17,996,400         |
| Vrancart   | 9,086,125          | 3,816,173          |
| Biofarm  | 10,862,898         | 8,690,318          |
| IAMU Blaj  | 3,861,240          | 4,985,279          |
| <b>Total</b>   | <b>66,599,336</b>  | <b>48,436,901</b>  |
| <b>Interest income, of which</b>                         |                    |                    |
| Vrancart   | 2,474,421          | 1,835,469          |
| SIF SPV TWO  | 4,036,229          | -                  |
| <b>Total</b>   | <b>6,510,650</b>   | <b>1,835,469</b>   |
| <b>Other revenues</b>                                    |                    |                    |
| Silvana Cehu Silvaniei - additional liquidation proceeds | 72,694             | 565,284            |
| <b>Total</b>   | <b>72,694</b>      | <b>565,284</b>     |
| <b>Other expenses, of which:</b>                         |                    |                    |
| Administrare Imobiliare - rent and operating expenses    | 236,397            | 256,870            |
| <b>Total</b>   | <b>236,397</b>     | <b>176,487</b>     |

**Transactions by statement of financial position**

|  | <b>September 30, 2023</b> | <b>December 31, 2022</b> |
|--|---------------------------|--------------------------|
| <b>Other receivables, of which:</b>                          |                           |                          |
| Vrancart - bonds   | 37,612,296                | 37,612,296               |
| Vrancart - interest receivable                               | 579,813                   | 700,722                  |
| Vrancart - amount transferred for the share capital increase | 37,846,593                | -                        |
| SIF SPV TWO – principal of loan                              | 29,973,441                | 115,805,211              |
| SIF SPV TWO – interest receivable                            | 1,726,079                 | 1,107,295                |
| <b>Total</b>   | <b>107,738,223</b>        | <b>157,833,437</b>       |
| <b>Other liabilities, of which:</b>                          |                           |                          |
| Administrare Imobiliare                                      | -                         | 36                       |
| <b>Total</b>   | <b>-</b>                  | <b>36</b>                |

**22. Events after the interim period**

Not the case.

STATEMENT OF  
Lion Capital S.A. assets and liabilities  
AIFRI established by a constitutive act  
30.09.2023

Annex 10  
as per Reg. 7/2020

| ITEM   | VALUE (RON)          |
|--|----------------------|
| <b>1 Intangible assets</b>   | <b>48,984</b>        |
| <b>2 Tangible assets</b>   | <b>3,554,671</b>     |
| <b>3 Investment property</b>   | <b>12,963,376</b>    |
| <b>4 Biological assets</b>   | <b>-</b>             |
| <b>5 Assets representing rights to use the underlying assets in a leasing contract</b> | <b>290,132</b>       |
| <b>6 Financial assets</b>  | <b>3,588,837,289</b> |
| <b>6.1 Financial assets measured at amortized cost</b>                                 | <b>-</b>             |
| <b>6.2 Financial assets measured at fair value through profit and loss</b>             | <b>1,727,911,460</b> |
| <b>6.2.1 Shares</b>  | <b>1,274,653,595</b> |
| 6.2.1.1 Admitted to trading on a trading venue   | 962,690,131          |
| 6.2.1.2.1 in Romania   | 962,690,131          |
| 6.2.1.2.1.1 Traded in the last 30 trading days   | 434,447,005          |
| 6.2.1.2.1.2 Not traded in the last 30 trading days                                     | 528,243,126          |
| 6.2.1.2.2 in a Member State  | -                    |
| 6.2.1.2.3 in a third country   | -                    |
| 6.2.1.2 Not admitted to trading  | 311,963,464          |
| 6.2.1.2.1 in Romania   | 311,963,464          |
| 6.2.1.2.2 in a Member State  | -                    |
| 6.2.1.2.3 in a third country   | -                    |
| <b>6.2.2 Corporate bonds</b>   | <b>37,454,613</b>    |
| <b>6.2.2.1 Admitted to trading on a trading venue</b>                                  | <b>37,454,613</b>    |
| 6.2.2.1.1 in Romania   | 37,454,613           |
| 6.2.2.2.1.1 Traded in the last 30 trading days   | -                    |
| 6.2.2.2.1.2 Not traded in the last 30 trading days                                     | 37,454,613           |
| 6.2.2.1.2 in a Member State  | -                    |
| 6.2.2.1.3 in a third country   | -                    |
| <b>6.2.2.2 Not admitted to trading</b>   | <b>-</b>             |
| <b>6.2.3 Securities of AIF / UCITS</b>   | <b>415,803,252</b>   |
| <b>6.2.3.1 Shares</b>  | <b>-</b>             |
| <b>6.2.3.2 Fund units</b>  | <b>415,803,252</b>   |
| 6.2.3.2.1 Admitted to trading on a trading venue                                       | -                    |
| 6.2.3.2.2 Not admitted to trading  | 415,803,252          |
| 6.2.3.2.2.1 in Romania   | 376,780,272          |
| 6.2.3.2.2.2 in a Member State  | -                    |
| 6.2.3.2.2.3 in a third country   | 39,022,980           |
| <b>6.3 Financial assets measured at fair value through other comprehensive income</b>  | <b>1,860,925,828</b> |
| <b>6.3.1 Shares</b>  | <b>1,596,525,006</b> |
| 6.3.1.1 Admitted to trading on a trading venue   | 1,468,875,065        |
| 6.3.1.2.1 in Romania   | 1,428,058,472        |
| 6.3.1.2.1.1 Traded in the last 30 trading days   | 1,427,368,135        |
| 6.3.1.2.1.2 Not traded in the last 30 trading days                                     | 690,336              |
| 6.3.1.2.2 in a Member State  | 40,816,593           |
| 6.3.1.2.2.1 Traded in the last 30 trading days   | 40,816,593           |
| 6.3.1.2.2.2 Not traded in the last 30 trading days                                     | -                    |
| 6.3.1.2.3 in a third country   | -                    |
| 6.1.1.2.3.1 Traded in the last 30 trading days   | -                    |
| 6.1.1.2.3.2 Not traded in the last 30 trading days                                     | -                    |
| 6.3.1.2 Not admitted to trading  | 127,649,941          |
| 6.3.1.2.1 in Romania   | 127,649,941          |
| 6.3.1.2.2 in a Member State  | -                    |
| 6.3.1.2.3 in a third country   | -                    |
| <b>6.3.2 Corporate bonds</b>   | <b>-</b>             |
| 6.3.2.1 Admitted to trading on a trading venue   | -                    |
| 6.3.2.1.1 in Romania   | -                    |
| 6.3.2.2.1.1 Traded in the last 30 trading days   | -                    |
| 6.3.2.2.1.2 Not traded in the last 30 trading days                                     | -                    |
| 6.3.2.1.2 in a Member State  | -                    |
| 6.3.2.1.3 in a third country   | -                    |
| 6.3.2.2 Not admitted to trading  | -                    |
| <b>6.3.3 Securities of AIF / UCITS</b>   | <b>264,400,822</b>   |
| <b>6.3.3.1 Shares</b>  | <b>264,400,822</b>   |
| 6.3.3.1.1 Admitted to trading on a trading venue                                       | 264,400,822          |
| 6.3.3.1.1.1 in Romania   | 264,400,822          |
| 6.3.3.1.1.1.1 Traded in the last 30 trading days                                       | 264,400,822          |
| 6.3.3.1.1.1.2 Not traded in the last 30 trading days                                   | -                    |
| 6.3.3.1.1.2 in a Member State  | -                    |
| 6.3.3.1.1.3 in a third country   | -                    |
| 6.3.3.1.2 Not admitted to trading  | -                    |
| <b>6.3.3.2 Fund units</b>  | <b>-</b>             |
| <b>7 Cash available (cash and cash equivalent)</b>                                     | <b>159,052,361</b>   |
| <b>8 Bank deposits</b>   | <b>122,959,006</b>   |
| <b>9 Other assets:</b>   | <b>120,044,618</b>   |
| 9.1 Dividends or other receivables   | 87,606,403           |
| 9.2 Other assets   | 32,438,215           |
| 9.2.1 Loans granted subsidiaries   | 31,699,521           |
| <b>10 Accrued expenses</b>   | <b>152,207</b>       |
| <b>11 Total assets</b>   | <b>4,007,902,644</b> |
| <b>12 Total liabilities</b>  | <b>197,147,370</b>   |
| 12.1 Financial liabilities measured at amortized cost                                  | 28,280,867           |
| 12.2 Deferred income tax liabilities   | 168,866,503          |
| 12.3 Other liabilities   | -                    |
| <b>13 Provisions for risks and expenses</b>  | <b>-</b>             |
| <b>14 Deferred income</b>  | <b>15,870</b>        |
| <b>15 Equity, of which:</b>  | <b>3,789,539,984</b> |
| 15.1 Share capital   | 50,751,006           |
| 15.2 Items treated as equity   | 632,757,735          |
| 15.3 Other components of equity  | 981,583,593          |
| 15.4 Premium related to capital  | -                    |
| 15.5 Revaluation reserves  | 1,176,569            |
| 15.6 Reserves  | 3,669,906,839        |
| 15.7 Treasury shares*  | -2,526,773           |
| 15.8 Retained earnings   | 740,629,575          |
| 15.9 Retained earnings first-time adoption of IAS 29 (debtor account)                  | -2,527,669,558       |
| 15.10 Result for the period  | 242,930,998          |
| <b>16 Net Asset Value</b>  | <b>3,810,739,404</b> |
| <b>17 Number of outstanding shares**</b>   | <b>506,520,056</b>   |
| <b>18 Net Asset Value per Share</b>  | <b>7.5234</b>        |
| <b>19 Number of companies in the portfolio, of which:</b>                              | <b>80</b>            |
| 19.1 Companies admitted to trading on an EU trading venue                              | 27                   |
| 19.2 Companies admitted to trading on a stock exchange in a third country              | -                    |
| 19.3 Companies not admitted to trading   | 53                   |

NOTE

\* Value of treasury shares, repurchased under the PTO carried out between February 16 - March 1, 2023

\*\* As per Art. 123, par. (3) of ASF Regulation no. 9/2014, this position presents the number of shares issued by the company and outstanding as of the reporting date, on the basis of which the unit value of the net asset is calculated. Treasury shares at the reporting date are not included. As of the date of this report, out of the total of 507,510,056 issued shares, the company holds 990,000 own shares, repurchased under the PTO carried out between February 16 and March 1, 2023.

This statement is provided as a free translation from Romanian, which is the official and binding version

Lion Capital S.A.

Depository bank  
Banca Comercială Română

**ANNEX - according to art.38 par. (4) of Law 243/2019**

**Assets in Lion Capital portfolio evaluated using valuation methods in accordance with International Valuation Standards  
as of 30.09.2023**

| No.   | Name of the issuer         | Tax Identification Code | Symbol | No. of shares held | No./date of valuation report | RON / share | Total value | Valuation method                             |
|---|----------------------------|-------------------------|--------|--------------------|------------------------------|-------------|-------------|--|
| <b>Companies not admitted to trading where LC's stake is &gt; 33% of the share capital</b>  |                            |                         |        |                    |                              |             |             |  |
| 1   | AZUGA TURISM               | 28330211                |        | 786,882            | 1608/07.08.2023              | 23.2200     | 18,271,400  | income approach, discounted cash flow method |
| 2   | NAPOMAR                    | 199176                  |        | 10,256,241         | 2057/05.10.2023              | 1.8770      | 19,250,964  | income approach, discounted cash flow method |
| 3   | SAI MUNTENIA INVEST        | 9415761                 |        | 119,976            | 1596/07.08.2023              | 524.5833    | 62,937,406  | income approach, discounted cash flow method |
| 4   | SIF SPV TWO                | 40094500                |        | 119,988            | 1600/07.08.2023              | 59.8486     | 7,181,114   | asset approach, corrected Net Asset method   |
| 5   | Administrare Imobiliare SA | 20919450                |        | 16,049,741         | 1599/07.08.2023              | 3.4217      | 54,917,399  | asset approach, corrected Net Asset method   |
| 6   | SIF1 IMGB                  | 380430                  |        | 199,993            | 1067/11.05.2023              | 1336.3467   | 267,259,986 | asset approach, corrected Net Asset method   |
| <b>Companies admitted to trading with irrelevant liquidity for the application of the mark to market valuation method (according to Art.114 par. (4) of Reg.9 / 2014)</b> |                            |                         |        |                    |                              |             |             |  |
| 7   | SIF Imobiliare PLC         | HE323682                | SIFI   | 4,499,961          | 1598/07.08.2023              | 77.4100     | 348,341,981 | asset approach, corrected Net Asset method   |
| 8   | SIF Hoteluri               | 56150                   | CAOR   | 31,820,906         | 1597/07.08.2023              | 2.9294      | 93,216,162  | income approach, discounted cash flow method |
| 9   | IAMU                       | 1766830                 | IAMU   | 9,170,588          | 1594/07.08.2023              | 9.4525      | 86,684,983  | income approach, discounted cash flow method |

**Leverage and exposure calculated in accordance with the provisions of Regulation (EU) no. 231/2013**

| Method for calculating AIFRI exposure | Exposure value (RON) | Leverage (%) |
|---------------------------------------|----------------------|--------------|
| Gross method                          | 3,687,295,257        | 96.76%       |
| Commitment method                     | 3,810,739,404        | 100%         |

Lion Capital S.A.

**Certification of Depositary Bank,  
Banca Comercială Română**



| ITEM       |   | Beginning of the reporting period [31.08.2023] |                   |                    |                      | End of the reporting period [30.09.2023] |                   |                    |                      | Differences (RON)  |
|------------|---|--|-------------------|--------------------|----------------------|--|-------------------|--------------------|----------------------|--------------------|
|            |   | % of net asset                                 | % of total assets | Currency           | RON                  | % of net asset                           | % of total assets | Currency           | RON                  |                    |
| <b>I</b>   | <b>Total assets</b>   | <b>104.93</b>                                  | <b>100.00</b>     | <b>198,087,427</b> | <b>3,635,585,223</b> | <b>105.17</b>                            | <b>100.00</b>     | <b>199,383,813</b> | <b>3,808,518,831</b> | <b>174,229,994</b> |
| 1          | Securities and money market instruments, of which:  | 66.74  | 63.61             | 105,892,387        | 2,332,544,125        | 64.79                                    | 61.60             | 40,816,593         | 2,428,203,216        | 30,583,297         |
| 1.1        | Securities and money market instruments admitted or traded on a regulated   | 63.84  | 60.84             | -                  | 2,332,544,125        | 63.72                                    | 60.59             | -                  | 2,428,203,216        | 95,659,091         |
| 1.1.1      | shares  | 62.82  | 59.87             | -                  | 2,295,345,312        | 62.74                                    | 59.65             | -                  | 2,390,748,603        | 95,403,291         |
| 1.1.2      | other securities assimilated to these   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.1.3      | corporate bonds   | 1.02   | 0.97              | -                  | 37,198,813           | 0.98                                     | 0.93              | -                  | 37,454,613           | 255,800            |
| 1.1.4      | other debt securities   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.1.5      | other securities  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.1.6      | money market instruments  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.2        | Securities and money market instruments admitted or traded on a regulated market in a member state  | 2.90   | 2.76              | 105,892,386.60     | -                    | 1.07                                     | 1.02              | 40,816,593         | -                    | -65,075,794        |
| 1.2.1      | shares  | 2.90   | 2.76              | 105,892,387        | -                    | 1.07                                     | 1.02              | 40,816,593         | -                    | -65,075,794        |
| 1.2.2      | other securities assimilated to these   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.2.3      | corporate bonds   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.2.4      | other debt securities   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.2.5      | other securities  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.2.6      | money market instruments  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 1.3        | Securities and money market instruments admitted on a stock exchange in a third country or negotiated on another regulated market in a third country, that operates on a regular basis and is recognized and open to the public, approved by ASF, of which: | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 2          | Newly issued securities   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 3          | Other securities and money market instruments   | 12.27  | 11.70             | -                  | 448,483,208          | 11.54                                    | 10.97             | -                  | 439,613,405          | -8,869,803         |
| 4          | Bank deposits, of which:  | 2.84   | 2.71              | -                  | 103,815,174          | 3.23                                     | 3.07              | -                  | 122,959,006          | 19,143,832         |
| 4.1        | bank deposits with credit institutions in Romania;  | 2.84   | 2.71              | -                  | 103,815,174          | 3.23                                     | 3.07              | -                  | 122,959,006          | 19,143,832         |
| 4.2        | bank deposits with credit institutions in a Member State;   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 4.3        | bank deposits with credit institutions in a third country.  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 5          | Derivatives traded on a regulated market  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 6          | Current accounts and cash   | 2.54   | 2.42              | 92,195,040         | 472,716              | 4.17                                     | 3.97              | 158,567,220        | 485,141              | 66,384,605         |
| 7          | Money market instruments other than those traded on a regulated market, as referred to in Art. 82(g) of GEO no. 32/2012 - Repo contracts on securities  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 8          | Equity securities of AIF/UCITS (RO: FIA/OPCVM) of which:  | 17.16  | 16.35             | -                  | 626,891,490          | 17.85                                    | 16.97             | -                  | 680,204,075          | 53,312,584         |
| 8.1        | AIF shares  | -  | -                 | -                  | 236,829,960          | -  | -                 | -                  | 264,400,822          | 27,570,862         |
| 8.2        | UCITS fund units  | -  | -                 | -                  | 390,061,530          | -  | -                 | -                  | 415,803,252          | 25,741,723         |
| 9          | Dividends or other rights receivable  | 2.03   | 1.94              | -                  | 74,317,422           | 2.30                                     | 2.19              | -                  | 87,606,403           | 13,288,981         |
| 10         | Other assets (amounts in transit, amounts with distributors, with brokers, etc.).   | 1.34   | 1.28              | -                  | 49,061,088           | 1.30                                     | 1.23              | -                  | 49,447,585           | 386,497            |
| 10.1       | Loans granted to subsidiaries   | 0.86   | 0.82              | -                  | 31,313,510           | 0.83                                     | 0.79              | -                  | 31,699,521           | 386,011            |
| <b>II</b>  | <b>Total liabilities</b>  | <b>4.93</b>                                    | <b>4.70</b>       | <b>-</b>           | <b>180,006,565</b>   | <b>5.17</b>                              | <b>4.92</b>       | <b>-</b>           | <b>197,163,240</b>   | <b>17,156,675</b>  |
| 1          | Expenses for the payment of fees due to AIFM  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 2          | Expenses for the payment of fees due to depositary bank   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 3          | Expenses for the payment of fees due to intermediaries  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 4          | Expenses on turnover fees and other banking services  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 5          | Interest expenses   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 6          | Issuance expenses   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 7          | Expenses with the payment of commissions/fees due to ASF  | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 8          | Financial audit costs   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| 9          | Other approved expenses / liabilities   | 4.93   | 4.70              | -                  | 180,006,565          | 5.17                                     | 4.92              | -                  | 197,163,240          | 17,156,675         |
| 10         | Redemptions payable   | -  | -                 | -                  | -                    | -  | -                 | -                  | -                    | 0                  |
| <b>III</b> | <b>Net Asset Value (I-II)</b>   | <b>100.00</b>                                  | <b>95.30</b>      | <b>198,087,427</b> | <b>3,455,578,658</b> | <b>100.00</b>                            | <b>95.08</b>      | <b>199,383,813</b> | <b>3,611,355,591</b> | <b>157,073,319</b> |

Table 2

## Statement of net asset value per share 30.09.2023

RON

| ITEM                                      | Current period | Corresponding period of the previous year | Differences |
|---|----------------|---|-------------|
| Net Asset Value                           | 3,810,739,404  | 2,989,337,030                             | 821,402,374 |
| Number of fund units / shares outstanding | 506,520,056    | 507,510,056                               | -990,000    |
| Net asset value per share                 | 7.5234         | 5.8902                                    | 1.6332      |

Table 3

## DETAILED STATEMENT OF INVESTMENTS AS OF 30.09.2023

## 1. Securities admitted or traded on a regulated market in Romania

## 1. Shares traded in the last 30 trading days (business days)

| No.          | Issuer                        | Symbol | Date of last trading session | No. of shares held | Nominal value | Value of share |     | Total value          | Stake of issuer's share capital |         | Weight in AIFRI total assets |       |
|--------------|-------------------------------|--------|------------------------------|--------------------|---------------|----------------|-----|----------------------|---------------------------------|---------|------------------------------|-------|
|              |                               |        |                              |                    |               | RON            | RON |                      | RON                             | %       | RON                          | %     |
| 1            | BANCA TRANSILVANIA            | TLV    | 29.09.2023                   | 38,150,261         | 10.00         | 22.1000        |     | 843,120,768          |                                 | 4.7768  |                              | 21.04 |
| 2            | BIOFARM                       | BIO    | 29.09.2023                   | 362,096,587        | 0.10          | 0.7760         |     | 280,986,952          |                                 | 36.7471 |                              | 7.01  |
| 3            | BRD - GROUPE SOCIETE GENERALE | BRD    | 29.09.2023                   | 13,615,497         | 1.00          | 15.6200        |     | 212,674,063          |                                 | 1.9537  |                              | 5.31  |
| 4            | OMV PETROM                    | SNP    | 29.09.2023                   | 355,081,206        | 0.10          | 0.5700         |     | 202,396,287          |                                 | 0.5698  |                              | 5.05  |
| 5            | VRANCART                      | VNC    | 29.09.2023                   | 908,612,549        | 0.10          | 0.1670         |     | 151,738,296          |                                 | 75.5047 |                              | 3.79  |
| 6            | GRAND HOTEL BUCHAREST         | RCH    | 29.09.2023                   | 250,848,583        | 0.10          | 0.2980         |     | 59,701,969           |                                 | 30.0946 |                              | 1.48  |
| 7            | COMET                         | COTE   | 29.09.2023                   | 562,740            | 3.20          | 76.4000        |     | 42,593,336           |                                 | 6.5200  |                              | 1.07  |
| 8            | BURSA DE VALORI BUCURESTI     | BVB    | 29.09.2023                   | 410,637            | 10.00         | 65.8000        |     | 27,019,915           |                                 | 5.1016  |                              | 0.87  |
| 9            | S.P.E.E.H. HIDROELECTRICA     | H2O    | 29.09.2023                   | 225,000            | 10.00         | 120.0000       |     | 27,000,000           |                                 | 0.0500  |                              | 0.67  |
| 10           | IMPACT DEVELOPER & CONTRACTOR | IMP    | 29.09.2023                   | 21,700,000         | 0.25          | 0.2740         |     | 5,945,800            |                                 | 0.9173  |                              | 0.15  |
| 11           | SATURN                        | SATU   | 29.09.2023                   | 346,926            | 2.50          | 11.0000        |     | 3,816,186            |                                 | 17.5385 |                              | 0.10  |
| 12           | SIF CJ LOGISTIC               | CACU   | 29.09.2023                   | 54,486             | 2.50          | 31.6000        |     | 1,721,758            |                                 | 5.5275  |                              | 0.04  |
| 13           | ARCELORMITTAL HUNEDOARA       | SBC    | 14.09.2023                   | 5,901,254          | 0.10          | 0.2460         |     | 1,456,646            |                                 | 2.9820  |                              | 0.04  |
| 14           | SOMETRA                       | SOHR   | 20.09.2023                   | 72,444             | 2.50          | 6.5000         |     | 470,886              |                                 | 2.0840  |                              | 0.01  |
| 15           | UCM                           | UCM    | 15.09.2023                   | 1,055,768          | 0.10          | 0.4340         |     | 458,203              |                                 | 0.9604  |                              | 0.01  |
| 16           | PETROCAR                      | PTRC   | 29.09.2023                   | 11,852,163         | 0.50          | 0.0265         |     | 314,082              |                                 | 30.1767 |                              | 0.01  |
| <b>TOTAL</b> |                               |        |                              |                    |               |                |     | <b>1,861,815,140</b> |                                 |         | <b>46.45</b>                 |       |

## 2. Shares not traded in the last 30 trading days (working) or measured by valuation methods

| No.          | Issuer                         | Symbol | Date of last trading session | No. of shares held | Nominal value | Value of share |     | Total value           | Stake of in issuer's share capital |         | Weight in AIFRI total assets |      |
|--------------|--------------------------------|--------|------------------------------|--------------------|---------------|----------------|-----|-----------------------|------------------------------------|---------|------------------------------|------|
|              |                                |        |                              |                    |               | RON            | RON |                       | RON                                | %       | RON                          | %    |
| 1            | SIF IMOBILIARE                 | SIF    | 15.05.2023                   | 4,499,961          | 4.47          | 77.4100        |     | 348,341,981           |                                    | 99.9997 |                              | 8.69 |
| 2            | SIF HOTELURI                   | CADR   | 29.09.2023                   | 31,420,906         | 2.50          | 2.5294         |     | 93,216,162            |                                    | 98.9997 |                              | 2.39 |
| 3            | IAMU                           | IMU    | 29.09.2023                   | 9,170,588          | 2.50          | 9.4525         |     | 86,684,983            |                                    | 96.5310 |                              | 2.16 |
| 4            | PRIMA CONSTRUCT                | PCTM   | 20.07.2023                   | 90,685             | 2.50          | 5.4192         |     | 491,440               |                                    | 15.6969 |                              | 0.01 |
| 5            | INDUSTRIA SARMEI CAMPIA TURZII | INSI   | 26.04.2023                   | 4,604,082          | 0.10          | 0.0432         |     | 198,896               |                                    | 1.2497  |                              | 0.00 |
| 6            | ICSH                           | ICSH   | 26.03.2012                   | 84,500             | 2.50          | -              |     | -                     |                                    | 1.2891  |                              | -    |
| 7            | SIF UNITEH                     | UNIT   | 12.08.2020                   | 158,573            | 2.50          | -              |     | -                     |                                    | 36.3399 |                              | -    |
| 8            | TALC DOLOMITA                  | TALD   | 09.10.2015                   | 167,108            | 2.50          | -              |     | -                     |                                    | 7.8944  |                              | -    |
| <b>TOTAL</b> |                                |        |                              |                    |               |                |     | <b>528,933,462.61</b> |                                    |         | <b>13.20</b>                 |      |

## 3. Shares not traded in the last 30 trading days (working days) for which the financial statements are not obtained within 90 days from the legal date of submission

Not the case

## 4. Preference rights / allocation rights

Not the case

## 5. Bonds admitted to trading issued or guaranteed by authorities of local public administration / corporate bonds

| No.          | Issuer         | Bond symbol | Date of last trading session | No. of bonds held | Date of acquisition | Date of coupon | Date of coupon maturity | Initial value | Daily increase | Cumulative interest | Discount / Premium | Market price | Total value       | Weight in total issued bonds |      | Weight in AIFRI total assets |      |
|--------------|----------------|-------------|------------------------------|-------------------|---------------------|----------------|-------------------------|---------------|----------------|---------------------|--------------------|--------------|-------------------|------------------------------|------|------------------------------|------|
|              |                |             |                              |                   |                     |                |                         |               |                |                     |                    |              |                   | RON                          | %    | RON                          | %    |
| 1            | VRANCART ADIUD | VNC24       | 17.07.2023                   | 368,748           | 17.03.2017          | 25.07.2023     | 24.10.2023              | 36,874,800    | 8.527          | 579,813             | -                  | 102.00       | 37,454,613        |                              | 96.4 |                              | 0.93 |
| <b>TOTAL</b> |                |             |                              |                   |                     |                |                         |               |                |                     |                    |              | <b>37,454,613</b> |                              |      | <b>0.93</b>                  |      |

## 6. Bonds admitted to trading issued or guaranteed by central government authorities

Not the case

## 7. Other securities admitted to trading on a regulated market

Not the case

## 8. Amounts being settled for securities admitted or traded on a regulated market in Romania

| Issuer       | Type of security | Symbol | Value per unit | No. of traded securities | Total value | Stake of issuer's share capital/total bonds of a issuer | Weight in AIFRI total assets |          |
|--------------|------------------|--------|----------------|--------------------------|-------------|---|------------------------------|----------|
|              |                  |        |                |                          |             |   | RON                          | %        |
|              |                  |        | RON            |                          | RON         | %   |                              |          |
| <b>TOTAL</b> |                  |        |                |                          | <b>0</b>    |   |                              | <b>-</b> |

II. Securities admitted or traded on a regulated market in a Member State

1. Shares traded in the last 30 trading days (business days)

| Issuer              | ISIN code | Date of last trading session | No. of shares held | Nominal value*   | Value of share   | NBR currency rate EUR/RON | Total value       | Stake in issuer's share capital | Weight in AIFRI total assets |
|---------------------|-----------|------------------------------|--------------------|------------------|------------------|---------------------------|-------------------|---------------------------------|------------------------------|
|                     |           |                              |                    | foreign currency | foreign currency | RON                       | RON               | %                               | %                            |
| ERSTE GROUP BANK AG | EBS       | 29-Sep-23                    | 250,000            | 0                | 32.82            | 4.9746                    | 40,816,593        | 0.0582                          | 1.02                         |
| <b>TOTAL</b>        |           |                              |                    |                  |                  |                           | <b>40,816,593</b> |                                 | <b>1.02</b>                  |

2. Bonds admitted to trading issued or guaranteed by authorities of local public administration , corporate bonds

Not the case

3. Bonds admitted to trading issued or guaranteed by central government authorities

Not the case

4. Other securities admitted to trading on a regulated market of a Member State

Not the case

5. Amounts under settlement for securities admitted or traded on a regulated market in a Member State

Not the case

### **III. Securities admitted or traded on a regulated market in a third country**

**1. Shares traded during last 30 trading days (business days)**

**2. Bonds admitted to trading issued or guaranteed by authorities of local public administration, corporate bonds, traded during last 30 days**

**3. Othes securities admitted to trading on a regulated market in a third country**

**4. Amounts under settlement for securities admitted or traded on a regulated market in a third country**

Not the case

#### **IV. Money market instruments admitted or traded on a regulated market in Romania**

**Amounts under settlement for money market instruments admitted or traded on a regulated market in Romania**

Not the case

**V. Money market instruments admitted or traded on a regulated market in another Member State**

**Amounts under settlement for money market instruments admitted or traded on a regulated market in another Mem**

Not the case

**VI. Money market instruments admitted or traded on a regulated market in a third country**

**Amounts under settlement for money market instruments admitted or traded on a regulated market in a third country**

Not the case



## **VII. Newly issued securities**

### **1. Newly issued shares**

### **2. Newly issued bonds**

### **3. Preference rights (after registration to central dpository, before admitted to trading)**

Not the case

# VIII. Other securities and money market instruments

## VIII.1 Other securities

### 1. Shares not admitted to trading

| Nr. crt.     | Issuer                            | No. of shares held | Nominal value | Value of share | Total value        | Stake in issuer's share capital | Weight in AIFRI total assets |
|--------------|-----------------------------------|--------------------|---------------|----------------|--------------------|---------------------------------|------------------------------|
|              |                                   |                    | RON           | RON            | RON                | %                               | %                            |
| 1            | SIF 1 IMGB                        | 199,993            | 2.50          | 1,336.3467     | 267,259,986        | 100.00                          | 6.67                         |
| 2            | SAI MUNTENIA INVEST               | 119,976            | 10.00         | 524.5833       | 62,937,406         | 99.98                           | 1.57                         |
| 3            | ADMINISTRARE IMOBILIARE           | 16,049,741         | 2.50          | 3.4217         | 54,917,399         | 97.40                           | 1.37                         |
| 4            | NAPOMAR                           | 10,256,241         | 1.60          | 1.8770         | 19,250,964         | 99.43                           | 0.48                         |
| 5            | AZUGA TURISM                      | 786,882            | 17.50         | 23.2200        | 18,271,400         | 98.94                           | 0.46                         |
| 6            | SIF SPV TWO                       | 119,988            | 1.00          | 59.8486        | 7,181,114          | 99.99                           | 0.18                         |
| 7            | EXIM BANCA ROMANEASCA             | 414,740            | 6.00          | 12.6980        | 5,266,369          | 0.32                            | 0.13                         |
| 8            | DEPOZITARUL CENTRAL               | 9,878,329          | 0.10          | 0.1354         | 1,337,526          | 3.91                            | 0.03                         |
| 9            | CCP.RO BUCHAREST                  | 142,500            | 10.00         | 8.2086         | 1,169,726          | 1.57                            | 0.03                         |
| 10           | SPUMOTIM                          | 12,398             | 2.50          | 42.0811        | 521,721            | 3.99                            | 0.01                         |
| 11           | MOBIROM                           | 11,589             | 2.50          | 42.4998        | 492,530            | 9.03                            | 0.01                         |
| 12           | AMIS MOB                          | 12,607             | 2.50          | 30.9623        | 390,342            | 8.12                            | 0.01                         |
| 13           | FORESTIERA                        | 42,269             | 2.50          | 5.0593         | 213,852            | 25.75                           | 0.01                         |
| 14           | STREIUL                           | 9,344              | 2.50          | 21.7317        | 203,061            | 17.44                           | 0.01                         |
| 15           | APRO HOREA                        | 8,220              | 2.50          | 18.9719        | 155,949            | 13.54                           | 0.00                         |
| 16           | AUTODANUBIUS                      | 11,653             | 2.50          | 3.7811         | 44,061             | 14.04                           | 0.00                         |
| 17           | BANCA COMERCIALA ROMANA           | 1                  | 0.10          | 0.7100         | 1                  | -                               | 0.00                         |
| 18           | AGROINDUSTRIALA INEU              | 59,755             | 2.50          | 0.0000         | 0                  | 11.50                           | 0.00                         |
| 19           | AGROINDUSTRIALA NADLAC            | 66,406             | 2.50          | 0.0000         | 0                  | 30.00                           | 0.00                         |
| 20           | AGROPRODUCT RESITA                | 72,720             | 2.50          | 0.0000         | 0                  | 30.00                           | 0.00                         |
| 21           | ARCER                             | 83,213             | 2.50          | 0.0000         | 0                  | 19.70                           | 0.00                         |
| 22           | ARIO                              | 3,523,021          | 3.70          | 0.0000         | 0                  | 93.64                           | 0.00                         |
| 23           | AVERSA                            | 142,699            | 2.50          | 0.0000         | 0                  | 2.14                            | 0.00                         |
| 24           | BANCA INTERNATIONALA A RELIGIILOR | 186,849            | 1.00          | 0.0000         | 0                  | 0.93                            | 0.00                         |
| 25           | BRAFOR                            | 5,928,744          | 0.10          | 0.0000         | 0                  | 2.69                            | 0.00                         |
| 26           | COMAR                             | 40,601             | 2.50          | 0.0000         | 0                  | 34.94                           | 0.00                         |
| 27           | COMBINATUL DE UTILAJ GREU         | 409,572            | 4.00          | 0.0000         | 0                  | 5.02                            | 0.00                         |
| 28           | COMMIT                            | 10,543             | 2.50          | 0.0000         | 0                  | 28.97                           | 0.00                         |
| 29           | CONTOR GROUP                      | 2,900,049          | 0.10          | 0.0000         | 0                  | 1.50                            | 0.00                         |
| 30           | CUART                             | 4,516              | 2.50          | 0.0000         | 0                  | 3.40                            | 0.00                         |
| 31           | ELBAC                             | 8,299,560          | 0.10          | 0.0000         | 0                  | 32.45                           | 0.00                         |
| 32           | ERGOLEMN                          | 9,637              | 2.50          | 0.0000         | 0                  | 12.96                           | 0.00                         |
| 33           | EXFOR                             | 399,654            | 2.50          | 0.0000         | 0                  | 24.23                           | 0.00                         |
| 34           | FORTPRES - CUG                    | 103,523            | 2.50          | 0.0000         | 0                  | 1.36                            | 0.00                         |
| 35           | IFOR                              | 101,803            | 2.50          | 0.0000         | 0                  | 15.35                           | 0.00                         |
| 36           | IPEGM                             | 9,913              | 2.50          | 0.0000         | 0                  | 3.40                            | 0.00                         |
| 37           | LASPERESIA                        | 20                 | 2.50          | 0.0000         | 0                  | 1.95                            | 0.00                         |
| 38           | LEMN-MOL-FA                       | 37,146             | 2.00          | 0.0000         | 0                  | 13.02                           | 0.00                         |
| 39           | MEBIS                             | 346,637            | 2.50          | 0.0000         | 0                  | 26.78                           | 0.00                         |
| 40           | MINIERA CUART                     | 17,396             | 2.50          | 0.0000         | 0                  | 3.40                            | 0.00                         |
| 41           | MOPAL                             | 251,067            | 80.45         | 0.0000         | 0                  | 21.89                           | 0.00                         |
| 42           | PROIECT                           | 2,162              | 8.00          | 0.0000         | 0                  | 10.00                           | 0.00                         |
| 43           | ROSTRAMO                          | 434,501            | 2.50          | 0.0000         | 0                  | 10.04                           | 0.00                         |
| 44           | SANEVIT                           | 535,217            | 0.10          | 0.0000         | 0                  | 8.97                            | 0.00                         |
| 45           | SILVANA                           | 1,443,772          | 2.50          | 0.0000         | 0                  | 96.28                           | 0.00                         |
| 46           | SIMATEC                           | 42,886             | 2.50          | 0.0000         | 0                  | 18.82                           | 0.00                         |
| 47           | SOMES                             | 1,653,350          | 2.10          | 0.0000         | 0                  | 13.12                           | 0.00                         |
| 48           | TEHNOLOGIE MOBILA STIL            | 9,000              | 2.50          | 0.0000         | 0                  | 4.55                            | 0.00                         |
| 49           | TRANSILVANIA AIUD                 | 46,779             | 2.50          | 0.0000         | 0                  | 20.19                           | 0.00                         |
| 50           | TREMULA                           | 66,112             | 2.50          | 0.0000         | 0                  | 17.99                           | 0.00                         |
| 51           | TREMULA BRAILA                    | 17,465             | 2.50          | 0.0000         | 0                  | 13.46                           | 0.00                         |
| 52           | UZINA ARDEALUL                    | 55,593             | 2.50          | 0.0000         | 0                  | 29.51                           | 0.00                         |
| <b>TOTAL</b> |                                   |                    |               |                | <b>439,613,405</b> |                                 | <b>10.97</b>                 |

### 2. Shares traded under systems other than regulated markets

Not the case

### 3. Shares not admitted to trading valued at zero value (no updated financial statements submitted to the Trade Register)

| Issuer       | No. of shares held | Nominal value | Valuer per unit | Total value | Stake of issuer's share capital/total bonds of a issuer | Weight in AIFRI total assets |
|--------------|--------------------|---------------|-----------------|-------------|---|------------------------------|
| MOLIDUL      | 90,579             | 2.50          | 0.00            | 0.00        | 21.63   | 0.00                         |
| <b>TOTAL</b> |                    |               |                 | <b>0,00</b> |   | <b>0,000</b>                 |

### 4. Bonds not admitted to trading

Not the case

### 5. Amounts being settled for shares traded on a other systems than regulated market

Not the case

## VIII.2. Other money market instruments

### 1. Commercial papers

Not the case

IX.Current accounts and cash

1. Current accounts and cash, in RON

| No.          | Bank name                 | Present value     | Weight in total assets of AIFRI |
|--------------|---------------------------|-------------------|---------------------------------|
|              |                           | RON               | %                               |
| 1            | Banca TRANSILVANIA        | 457,319           | 0.01                            |
| 2            | Intesa SanPaolo           | 20,051            | 0.00                            |
| 3            | CEC Bank                  | 2,854             | 0.00                            |
| 4            | BRD-G.S.G                 | 2,009             | 0.00                            |
| 5            | Exim Banca Romaneasca     | 1,819             | 0.00                            |
| 6            | Unicredit Bank            | 350               | 0.00                            |
| 7            | Lion Capital - petty cash | 739               | 0.00                            |
| <b>TOTAL</b> |                           | <b>485,140.96</b> | <b>0.01</b>                     |

2. Current accounts and cash, demoninated in EURO

| No.          | Bank name               | Present value    | NBR exchange rate | Present value in RON  | Weight in total assets of AIFRI |
|--------------|-------------------------|------------------|-------------------|-----------------------|---------------------------------|
|              |                         | foreign currency |                   |                       | %                               |
| 1            | Banca Comercială Română | 28,965,115.95    | 4.9746            | 144,089,865.80        | 3.60                            |
| 2            | B.R.D-G.S.G             | 2,900,000.76     | 4.9746            | 14,426,343.78         | 0.36                            |
| 3            | Banca Transilvania      | 9,480.71         | 4.9746            | 47,162.74             | 0.00                            |
| <b>TOTAL</b> |                         |                  |                   | <b>158,563,372.33</b> | <b>3.96</b>                     |

3. Current accounts and cash, denominated in USD

| No.          | Bank name               | Present value    | NBR exchange rate | Present value in RON | Weight in total assets of AIFRI |
|--------------|-------------------------|------------------|-------------------|----------------------|---------------------------------|
|              |                         | foreign currency |                   |                      | %                               |
| 1            | Banca Transilvania      | 335.49           | 4.6864            | 1,572.24             | 0.00                            |
| 2            | Banca Comercială Română | 234.37           | 4.6864            | 1,098.35             | 0.00                            |
| <b>TOTAL</b> |                         |                  |                   | <b>2,670.59</b>      | <b>0.00</b>                     |

4. Current accounts and cash, denominated in GBP

| No.          | Bank name          | Present value    | NBR exchange rate | Present value in RON | Weight in total assets of AIFRI |
|--------------|--------------------|------------------|-------------------|----------------------|---------------------------------|
|              |                    | foreign currency |                   |                      | %                               |
| 1            | Banca TRANSILVANIA | 205.02           | 5.7433            | 1,177.49             | 0.00                            |
| <b>TOTAL</b> |                    |                  |                   | <b>1,177.49</b>      | <b>0.00</b>                     |

**X. Bank deposits by separate categories: set up at credit institutions in Romania / in another Member State / in a third country**

#### 1. Bank deposits denominated in RON

| 1. Bank deposits denominated in RON |                         |             |               |               |                |                  |             |                                 |
|-------------------------------------|-------------------------|-------------|---------------|---------------|----------------|------------------|-------------|---------------------------------|
| Nr. crt.                            | Denumire bancă          | Set up date | Maturity date | Initial value | Daily increase | Accrued interest | Total value | Weight in total assets of AIFRI |
|                                     |                         |             |               | RON           | RON            | RON              | RON         | %                               |
|                                     | Banca Transilvania      |             |               |               |                |                  |             |                                 |
| 1                                   |                         | 07/09/2023  | 05/10/2023    | 10,000,000    | 1,597.22       | 38,333.33        | 10,038,333  | 0.250463502                     |
| 2                                   |                         | 07/09/2023  | 05/10/2023    | 10,000,000    | 1,597.22       | 38,333.33        | 10,038,333  | 0.250463502                     |
| 3                                   |                         | 07/09/2023  | 05/10/2023    | 10,000,000    | 1,597.22       | 38,333.33        | 10,038,333  | 0.250463502                     |
| 4                                   |                         | 07/09/2023  | 05/10/2023    | 10,000,000    | 1,597.22       | 38,333.33        | 10,038,333  | 0.250463502                     |
| 5                                   |                         | 07/09/2023  | 05/10/2023    | 10,000,000    | 1,597.22       | 38,333.33        | 10,038,333  | 0.250463502                     |
| 6                                   |                         | 07/09/2023  | 05/10/2023    | 10,000,000    | 1,597.22       | 38,333.33        | 10,038,333  | 0.250463502                     |
| 7                                   |                         | 07/09/2023  | 05/10/2023    | 10,000,000    | 1,597.22       | 38,333.33        | 10,038,333  | 0.250463502                     |
| 8                                   |                         | 21/09/2023  | 12/10/2023    | 10,000,000    | 1,583.33       | 10,015,833       | 0.249902111 |                                 |
| 9                                   |                         | 21/09/2023  | 12/10/2023    | 3,000,000     | 475.00         | 4,750.00         | 3,004,750   | 0.074970633                     |
| 10                                  |                         | 21/09/2023  | 12/10/2023    | 4,000,000     | 633.33         | 6,333.33         | 4,006,333   | 0.099960845                     |
| 11                                  |                         | 21/09/2023  | 12/10/2023    | 5,000,000     | 791.67         | 7,916.67         | 5,007,917   | 0.124951056                     |
| 12                                  |                         | 21/09/2023  | 12/10/2023    | 5,000,000     | 791.67         | 7,916.67         | 5,007,917   | 0.124951056                     |
| 13                                  |                         | 21/09/2023  | 12/10/2023    | 1,000,000     | 158.33         | 1,583.33         | 1,001,583   | 0.024990211                     |
| 14                                  |                         | 21/09/2023  | 12/10/2023    | 10,000,000    | 1,583.33       | 15,833.33        | 10,015,833  | 0.249902111                     |
| 15                                  |                         | 28/09/2023  | 26/10/2023    | 10,000,000    | 1,597.22       | 4,791.67         | 10,004,792  | 0.249626614                     |
| 16                                  |                         | 28/09/2023  | 26/10/2023    | 4,000,000     | 638.89         | 1,916.67         | 4,001,917   | 0.099850646                     |
|                                     | Banca Comercială Română |             |               |               |                |                  |             |                                 |
| 1                                   |                         | 30/09/2023  | 01/10/2023    | 623,710       | 87.67          | 87.67            | 623,798     | 0.02                            |
|                                     | TOTAL                   |             |               |               |                |                  | 122,959,006 | 3.07                            |

## 2. Bank deposits denominated in foreign currency

[illegible]

## **XI. Derivatives traded on a regulated market**

### **1. Futures contracts**

### **2. Options**

### **3. Amounts under settlement for derivatives traded on a regulated market**

Not the case

## **XII. Derivatives traded outside regulated markets**

Not the case

**XIII. Money market instruments, other than those traded on a regulated market**

Not the case

XIV. Equity securities of UCITS/AIF

1. Equity securities denominated in RON

| No.               | Fund name                               | Date of last trading session | No. of securities held (shares/fund units) | Value of equity security (NAV/unit) | Market price | Total value        | Weight in UCITS/AIF's total equity securities | Weight in total assets of AIFRI |
|-------------------|---|------------------------------|--|-------------------------------------|--------------|--------------------|---|---------------------------------|
|                   |   |                              |  | RON                                 | RON          | RON                | %   | %                               |
| <b>Shares</b>     |   |                              |  |                                     |              |                    |   |                                 |
| 1                 | SIF MUNTENIA                            | 29.09.2023                   | 140,663,575                                |                                     | 1.5550       | 218,731,859        | 17.9270                                       | 5.46                            |
| 2                 | Infinity Capital Investments            | 29.09.2023                   | 25,801,674                                 |                                     | 1.7700       | 45,668,963         | 5.1603  | 1.14                            |
| <b>Fund units</b> |   |                              |  |                                     |              |                    |   |                                 |
| 1                 | Fondul Inchis de Investitii ACTIVE PLUS |                              | 15,050.2178                                | 15,495.7600                         |              | 233,214,563        | 77.9287                                       | 5.82                            |
| 2                 | FIA CERTINVEST Shares                   |                              | 307.6000                                   | 301,109.3900                        |              | 92,621,248         | 59.3654                                       | 2.31                            |
| 3                 | FIAIP OPTIM INVEST                      |                              | 3,494.6900                                 | 11,452.1600                         |              | 40,021,749         | 48.1472                                       | 1.00                            |
| 4                 | ROMANIA STRATEGY FUND Klasse B          |                              | 58,000.0000                                | 672.8100                            |              | 39,022,980         | 50.8772                                       | 0.97                            |
| 5                 | FIA STAR VALUE                          |                              | 9,382.0000                                 | 1,164.2200                          |              | 10,922,712         | 26.1228                                       | 0.27                            |
| <b>TOTAL</b>      |   |                              |  |                                     |              | <b>680,204,075</b> |   | <b>16.97</b>                    |

2. Equity securities denominated in foreign currency

Not the case

3. Amounts under settlement for equity securities denominated in RON

| Fund name | Market price | No. of securities traded | Total value | Weight in UCITS/AIF's total equity securities | Weight in total assets of AIFRI |
|-----------|--------------|--------------------------|-------------|---|---------------------------------|
|           | RON          |                          | RON         | %   | %                               |
|           |              |                          |             |   |                                 |
|           |              |                          |             |   |                                 |

4. Amounts under settlement for equity securities denominated in foreign currency

Not the case



**XV. Dividend or other receivable rights****1. Dividends receivable**

| No.          | Issuer        | Stock symbol | Ex-dividend date | No. of shares held | Gross dividend | Amount receivable | Weight in total assets of AIFRI |
|--------------|---------------|--------------|------------------|--------------------|----------------|-------------------|---------------------------------|
|              |               |              |                  |                    | RON            | RON               | %                               |
| 1            | GAZ VEST      |              | 01 07 2021       | 105,068            | 1,607,914      | 0.00              | 0.00                            |
| 2            | Azuga Turism  |              | 22 05 2023       | 786,882            | 763,276        | 763,275.54        | 0.02                            |
| 3            | SIF HOTELURI* | CAOR         | 06 06 2023       | 31,820,906         | 73,188,084     | 0.00              | 0.00                            |
| 4            | VRANCART      | VNC          | 12 09 2023       | 908,612,549        | 9,086,125      | 9,086,125.49      | 0.23                            |
| 5            | OMV PETROM    | SNP          | 27 09 2023       | 355,081,206        | 15,978,654     | 14,700,362.27     | 0.37                            |
| <b>TOTAL</b> |               |              |                  |                    |                | <b>24,549,763</b> | <b>0.61</b>                     |

\* Represents the amount due from the reduction of share capital through a decrease in nominal value. We note that the Bihor Trade Register Office initially rejected the application for registering the decrease in share capital. Currently, the company is continuing the procedures to implement the resolutions of the General Meeting of Shareholders adopted on March 9, 2023.

**2. Shares distributed without consideration in cash**

Not the case

**3. Shares distributed with consideration in cash**

| Issuer   | Share symbol | Ex-dividend date | No. of shares held | Share value | Total value*  | Weight in total assets of AIFRI |
|----------|--------------|------------------|--------------------|-------------|---------------|---------------------------------|
| VRANCART | VNCR04       | 45063            | 377584668          | 0.167       | 63,056,639.56 | 1.57                            |
|          |              |                  |                    |             | 63,056,640    | 1.57                            |

\* recalculated as per art.120, p.(1) of ASF Regulation no. 9/2014

**4. Amounts payable for shares distributed with consideration in cash**

Not the case

**5. Preference rights (prior to admission to trading and after the trading period)**

| Issuer of shares | Share symbol | Ex-dividend date | No. of preemptive rights | Theoretical value of preference rights | Total value |
|------------------|--------------|------------------|--------------------------|--|-------------|
|                  |              |                  |                          |  |             |
| <b>TOTAL</b>     |              |                  |                          | <b>0</b>                               | <b>0</b>    |

**Evolution of the net asset value and net asset value per share in the last reporting periods**

|                           | 30 09 2023    | 31 08 2023    | 31 07 2023    |
|---------------------------|---------------|---------------|---------------|
| Net asset value           | 3,810,739,404 | 3,653,666,085 | 3,606,877,488 |
| Net asset value per share | 7.5234        | 7.2133        | 7.1209        |

**Explanatory note:**

The valuation methods used for the financial instruments for which valuation methods have been chosen in accordance with the valuation standards in force, according to the law  
For the companies: IAMU, NAPOMAR, SAI MUNTENIA INVEST, CENTRAL, SIF HOTELURI, AZUGA TURISM income approach, discounted cash flow method was used;  
For the companies: SIF 1 IMGB, ADMINISTRARE IMOBILIARE, SIF IMOBILIARE, SIF SPV TWO the asset approach, the corrected Net Asset method was used

Leverage and exposure value as per Regulation (EU) no. 231/2013

| Method for calculating<br>AIFRI exposure | Exposure value<br>(RON) | Leverage<br>(%) |
|--|-------------------------|-----------------|
| Gross method                             | 3,468,759,225           | 91.03%          |
| Commitment method                        | 3,810,739,404           | 100%            |

Lion Capital S.A.

Certification of Depositary Bank,  
Banca Comercială Română

PRESS RELEASE

**Availability of Lion Capital's Quarterly Report as of September 30, 2023**

**November 15, 2023, Arad** | Lion Capital informs the investors that the quarterly report prepared as of September 30, 2023, pursuant to the provisions of Law no. 24/2017, Law no. 74/2015, Law no. 243/2019, ASF Regulation no. 10/2015, ASF Regulation no. 5/2018, ASF Regulation no. 7/2020, and ASF Norm no. 39/2015, is available to the public starting November 15, 2023, at 18:00 hours, at Company's headquarters and on Company's website at [www.lion-capital.ro](http://www.lion-capital.ro)

Note that the financial statements as of September 30, 2023, are not audited.

Further information can be obtained from Investor Relations Office, **tel/fax +40257 304 446**  
**+40257 250 165, e-mail [investitori@lion-capital.ro](mailto:investitori@lion-capital.ro)**

Chairman and CEO

**Bogdan-Alexandru Drăgoi**

Compliance Officer, Eugen Cristea