



**Board of Directors'  
Report  
Q1 2021**



URS is a member of Registrar of Standards (Holdings) Ltd.

**Dear shareholders,**



„This year, still marked by the pandemic, we are, more than ever, attentive to the needs and challenges faced by our shareholders. We analyze how we serve their interests and how we can create more for them. Therefore, a more innovative strategic approach is needed, combined with analytical rigor to link professional knowledge and passion to generate profit. Creative and solid ideas are always needed to do something new, but also to generate long-term performance and stability.”

We hereby present you the results registered by EVERGENT Investments in Q1 2021 and objectives of the following period, in agreement with “2021 EVERGENT Investments’ Investment Strategy and Policy” approved by the General Meeting of Shareholders.

### **Financial Performance**

- ◆ **2,258 million lei** – assets under management (AUM), **25% higher** than Q1 2020
- ◆ **2,105 million lei** – net asset value, **22.7% higher** than Q1 2020
- ◆ **2,17 lei** – net asset value per share, **24% higher** than Q1 2020
- ◆ **1,42 lei/share**, **7% higher** than Q1 2020

In the first quarter of 2021 financial position and performance registered a significant increase amid the continuation of the upward trend of financial market quotations started in the last part of 2020, following their decrease at the start of COVID 19 pandemic.

- ◆ **31,5 million lei** – registered net result

Thus, the net result registered on 31<sup>st</sup> March 2021 is 31,5 mil. lei, being comprised of net profit of 19,3 mil. lei and net gain from the sale of financial assets reflected in retained earnings, of 12,2 mil. lei. This result represents 43% of the value approved by shareholders in the 2021 Budget for the entire year 2021.

- ◆ **22 million lei** equity investment value

Equity investments in Q1 2021 were of 22 million lei, representing 16% of the budget approved by shareholders for 2021.

### **Portfolio Structure**

Reported to the total value of managed assets, the listed shares portfolio holds the main weight, of 70,3%, while the weight of unlisted shares is 9,1%. The main sectors in the portfolio structure remain the financial sector 44,5% and energy sector 16,5 % in the total assets value.

### **Investment Strategy**

Our investment philosophy translates into constantly building, to capitalize on ideas and opportunities. EVERGENT Investments’ strategy has the objective of generating long-term performance through investment policies customized for each of the managed portfolios.

So we aim:

- ◆ **Increase** of investments in PRIVATE EQUITY portfolio – especially in agribusiness and real-estate;

- ◆ *Performance increase* for FINANCIAL and ENERGY-INDUSTRIAL portfolios, through their management, these being the main generators of income and sources for new investments.
- ◆ *Capitalization of SELL portfolio* – selling the historical stock portfolio. Thus, the number of participations decreased by 9 compared to Q1 2020.

Private equity type investments contribute to the increase of managed assets profitability and ensure the compensation of the risk generated by the high volatility of listed title prices in the portfolio.

We allocate our resources and attention to a concentrated private equity portfolio. We have a fundamental analysis process that identifies resilient business models with substantial long-term profit, consequently we implement a strategy customized to each project.

- ✓ **“Blueberry Farm Extension” Project** (100% owned through Agointens SA) – we are market leaders in blueberry production, with a planted area of 86 ha.



- ✓ **“Veranda Mall” Project** (37% indirect holding through Professional Imo Partners SA and Nord SA) – we have completed the extension stage by 6.300 square meters, with an area dedicated to the commercial galleries and a multiplex Cinema equipped with 12 cinema halls, the rentable area reaching around 34.000 square meters



**“Atria Urban Resort” Real-estate program** (50% holding through Straulesti Lac Alfa SA) – targets the 4-stage building of a residential complex that includes 1.381 apartments, located in the NV area of Bucharest Municipality, near Colosseum Retail Park with easy access to the northern area of the capital city. On the reporting date, Stage 1 of construction (160 apartments) is completed, 97% of Stage 1 apartments have been sold.. The 2nd stage started in December 2019 and preliminary contracts have been entered for around 45% of the apartments. At present we are running the planning phase for the 3rd Stage (338 apartments).

Project



Stage 1 (completed)



Stage 2 (running)



Stage 2 (running)



- ✓ **Iasi real-estate project** (100% owned through Agroland Capital SA) - We have purchased assets belonging to IASITEX SA company, namely around 2,83 hectares of land and an administrative building (GF+8) with a built area of 4.600 square meters, located in the center of Iasi municipality. Our detailed analysis and projections targeted both the quality and location of the purchased assets as well as the significant real estate development potential of Iasi Municipality. The process of elaborating the urban planning documentation is in progress.



- ✓ **"Baba Novac Residence"** Real-estate project (100% owned through Tesatoriile Reunite SA) - was successfully completed, with an exit value of 35 million euros.



*Yours sincerely,*

Claudiu Doros  
CEO and President

## **Contents**

### **1. Activity analysis.**

- 1.1. Evolutions. Objectives. Performances.
- 1.2. Portfolios. Strategies. Results.
  - 1.2.1. ENERGY – INDUSTRIAL Portfolio
  - 1.2.2. FINANCIAL Portfolio
  - 1.2.3. PRIVATE EQUITY Portfolio. EVERGENT Investments Group.
  - 1.2.4. SELL Portfolio
  - 1.2.5. Implementation status for 2021 Investment Program.

### **2. Financial Position and Performance**

- 2.1. Comprehensive income. Management expenses. Financial position.
- 2.2. Performance indicators
- 2.3. Achievement degree of Income and expenditure budget

### **3. EVER share on BSE**

### **4. Risk Management.**

- 4.1. EVERGENT Investments' risk profile.
- 4.2. Main risks that EVERGENT Investments is exposed to.

### **5. Internal Audit**

### **6. Compliance**

### **7. Legal assistance, consultancy and representation activity**

### **8. Corporate governance**

- 8.1. Relationship with investors. Dividend Policy
- 8.2. Human Resource management
- 8.3. Social responsibility

### **9. Subsequent events**

#### *Annex:*

1. Annex 1 Net Asset Statement on 31.03.2021
  - Annex 1.1. Statement of assets and liabilities of EVERGENT Investments (FSA Reg. No. 15/2004 - A16)
  - Annex 1.2. Detailed assets and investments statement of EVERGENT Investments (FSA Reg. no. 15/2004- A17)
2. Annex 2 Simplified interim individual financial statements as of March 31, 2021, prepared in accordance with IAS 34 Interim Financial Reporting and applying FSA Norm no. 39/2015 regarding the approval of the accounting regulations compliant with IFRS
3. Annex 3 Litigations Statement 31.03.2021
4. Annex 4 BSE, FSA Reports – Q1 2021

*Quarterly report in accordance with:* Law no. 24/2017 on the issuers of financial instruments and market operations; FSA regulation no. 5/2018 on the issuers of financial instruments and market operations. Accounting regulations in accordance with the International Financial Reporting Standards applicable to entities authorized, regulated and supervised by FSA.

*Report date:* 14<sup>th</sup> May 2021

*Issuer name:* EVERGENT Investments SA

*Headquarters:* 94 C Pictor Aman St, Bacau

*Tel./fax/e-mail:* 0234576740 / 0234570062 / office@evergent.ro

*Tax identification code:* 2816642

*Trade Registry no.:* JO4/2400/92

*LEI:* 254900Y1O0025N04US14

*Subscribed and paid-up capital:* 98.947.918 lei

*No. of issued shares:* 989.479.176

*Nominal value:* 0,1 lei/share

*Shareholding structure:* 100% private

*Free float:* 100%

*FSA Registry no.:* PJR07<sup>1</sup>AFIAA/040002

*Regulated market on which issued equities are traded:* Bucharest Stock Exchange, Premium category

*International identifiers:* Bucharest Stock Exchange: EVER; ISIN: ROSIFBACNORo; Bloomberg FIGI: BBG000BMN556; Reuters RIC: ROEVER.BX

## Field of activity

### TYPE OF INVESTMENT COMPANY

*EVERGENT Investments is an AIFM positioned mainly on Romanian market, as a closed fund with investments mainly in shares, with an average risk degree and temporary liquidity investments in fixed income*

**Legal framework** - EVERGENT Investments SA este incadrata in categoria Administrator de Fonduri de Investitii Alternative (AFIA) autorizata de Autoritatea de Supraveghere Financiara cu nr. 20/23.01.2018 si functioneaza cu respectarea prevederilor Legii 24/2017 privind emitentii de instrumente financiare si operatiuni de piata si Legii 31/1990 privind societatile si Legii nr.74/2015 privind administratorii de fonduri de investitii alternative

**Purpose** – increase of managed assets value.

The Company's **main field of activity** is financial investments.

**Its activity objects** consists in:

- administration and management of financial instruments, derivatives and other instruments qualified as such by the regulations of competent authorities;
- administration and management of shares/bonds and other rights derived from them in companies that are closed or not traded;
- risk management;
- other auxiliary and connected activities of collective management.

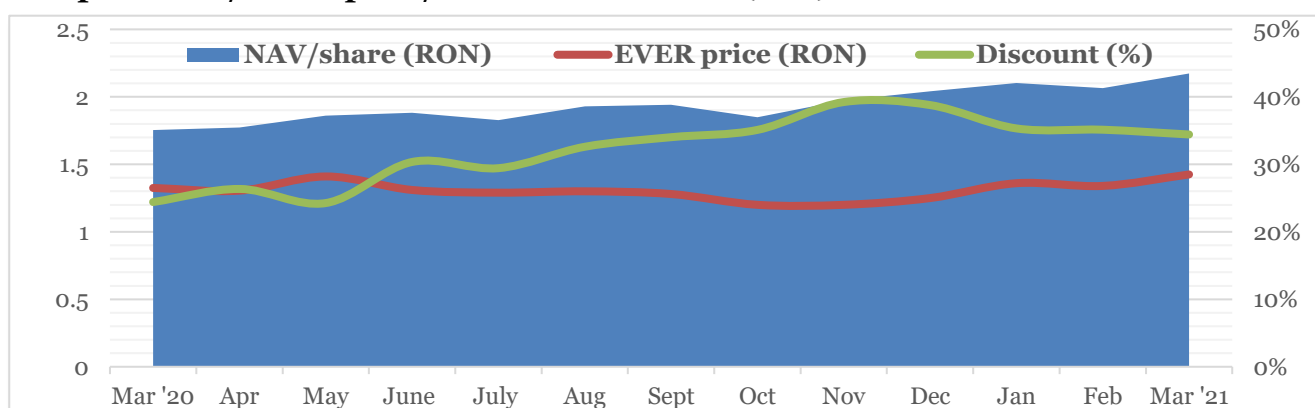
## 1. Activity analysis

### 1.1. Evolutions. Objectives. Performances.

#### Assets under management

Indicator	2019	Q1 2020	2020	Q1 2021	Q1 2021 / Q1 2020 %
Total assets (million lei)	2.361	1.804	2.137	<b>2.258</b>	+25,1
Net asset (million lei)	2.195	1.715	2.003	<b>2.105</b>	+22,7
NAV per share (lei)	2,23	1,75	2,04	<b>2,17</b>	+24
Market price (lei)	1,61	1,32	1,25	<b>1,42</b>	+7,5
Market price /NAV per share discount (%)	28	24	39	<b>34</b>	+10pp

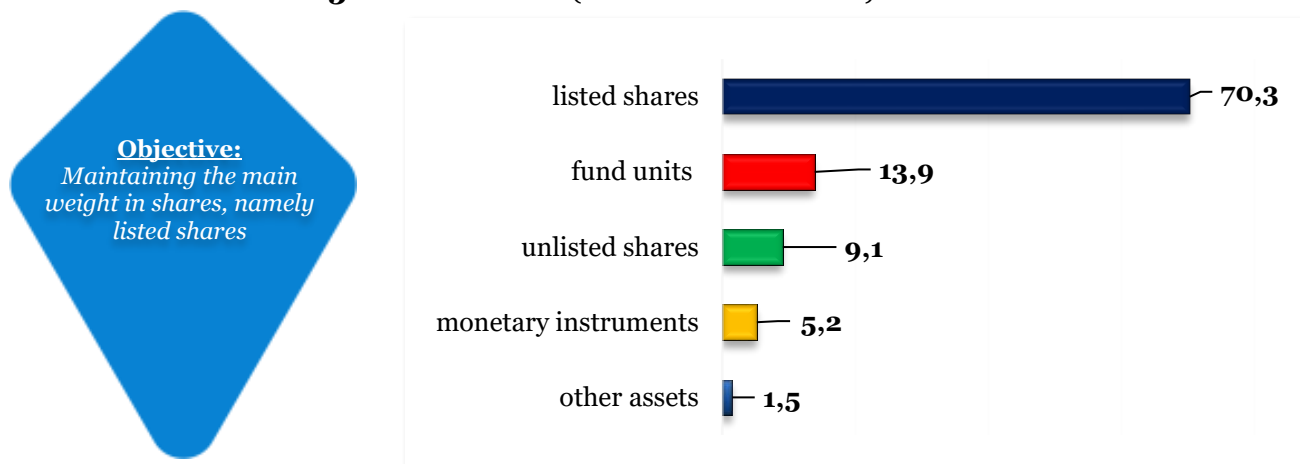
#### NAV per share / EVER price/ Discount Evolution (YoY)



#### Portfolio structure evolution

Assets structure (% of total assets value)	2019	Q1 2020	2020	Q1 2021	Q1 2021/Q1 2020 pp
Shares, of which:	81,4	81,6	80,0	79,4	-2,2
- listed	72,2	69,6	70,1	70,3	+0,7
- unlisted	9,2	12,0	9,9	9,1	-2,9
Non UCITS+UCITS (fund units)	12,5	14,0	14,0	13,9	-0,1
Monetary instruments (deposits, availabilities)	4,3	2,0	4,3	5,2	+3,2
Other assets	1,8	2,4	1,7	1,5	-0,9

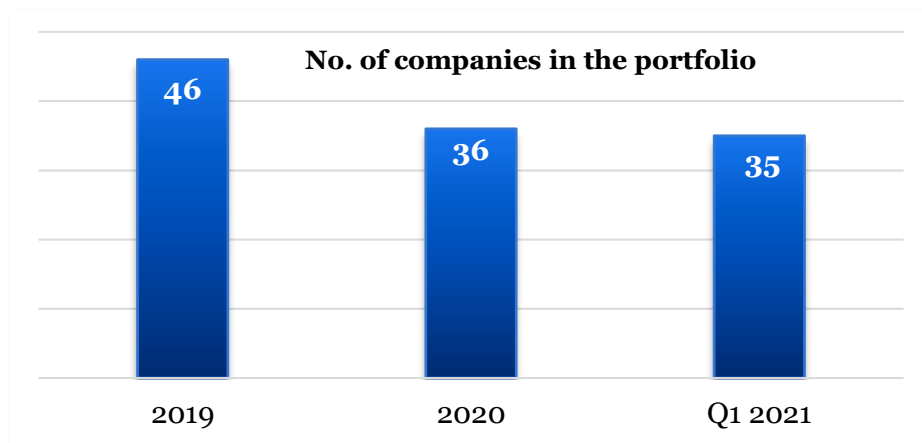
#### Portfolio structure – 31<sup>st</sup> March 2021 (% of total assets value)





## Evolution of the number of holdings

**Objective:**  
 Decrease in the number of holdings and increase of exposure/issuer, so that we can directly positively influence the portfolio

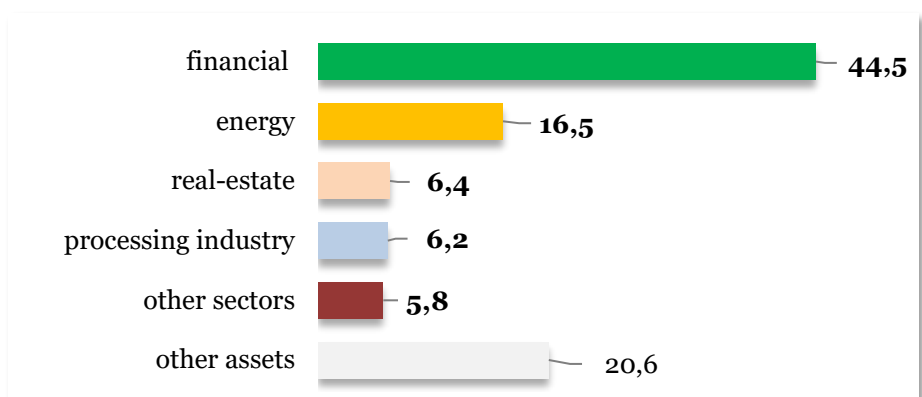


## Evolution of sectorial exposure

Sectorial exposure (% din val. totala active)	2019	Q1 2020	2020	Q1 2021	Q1 2021/Q1 2020 pp
Financial	45,4	43,0	44,4	44,5	+1,5
Energy	16,0	15,8	16,0	16,5	+0,7
Real-estate	6,4	7,5	6,9	6,4	-1,1
Processing industry	8,0	8,4	7,0	6,2	-2,2
Other sectors	5,6	6,9	5,7	5,8	-1,1

## Sectorial exposure – 31<sup>st</sup> March 2021 (% of total assets value)

**Objective:**  
 Maintaining the financial and energy sector with important weight in the portfolio



## Top companies/ holdings in the portfolio – 31<sup>st</sup> March 2021

TOP COMPANIES IN THE PORTFOLIO	> 1% of total assets value	% holding in the issuer's share capital
BANCA TRANSILVANIA	39,0	6,40
ROMGAZ	11,1	1,96
AEROSTAR	4,2	15,05
BRD	3,2	0,64
PROFESSIONAL IMO PARTNERS	2,8	31,42
OMV PETROM	2,2	0,20
NUCLEARELECTRICA	2,0	0,58
AGROINTENS	2,0	100
TESATORIILE REUNITE	1,9	100
STRAULESTI LAC ALFA	1,9	50,00
AGROLAND CAPITAL	1,7	100
SIF TRANSILVANIA	1,6	4,98
TRANSGAZ	1,1	0,74
<b>TOTAL</b>	<b>74,7</b>	

## Comparative evolution within the sector Q1 2021 / Q1 2020

EVERGENT Investments ranks first for capitalization in the sector it activates in, with 1,41 mld. lei, an increase by 6% in comparison to the same period in 2020, this after the decrease of the number of EVER shares from 1.002.179.176 to 989.479.176, following the share capital lowering. At the same time, EVERGENT Investments continues to register the lowest price to NAV per share discount, namely 34%.

mil lei	SIF1	EVERGENT Investments	SIF3	SIF4	SIF5
<b>Net asset 31.03.2021</b>	<b>3,082.08</b>	<b>2,105.99</b>	<b>1,244.00</b>	<b>1,758.43</b>	<b>2,086.04</b>
Net asset 31.03.2020	2,255.99	1,715.25	1,017.38	1,300.75	1,681.63
NAV evolution for 21/20%	36.62	22.78	22.28	35.19	24.05
<b>liquidities 31.03.2021*</b>	<b>198.29</b>	<b>116.62</b>	<b>79.34</b>	<b>67.61</b>	<b>30.35</b>
liquidities 31.03.2020*	121.43	36.15	24.97	45.21	11.07
Liquidities evolution 21/20%	63.30	222.55	217.73	49.53	174.26
<b>Short-term investments 31.03.2021</b>	<b>1,624.12</b>	<b>1,622.88</b>	<b>1,123.10</b>	<b>1,380.13</b>	<b>1,907.64</b>
Short-term investments 31.03.2020	1,261.61	1,282.70	965.98	939.48	1,488.01
Short term investments evolution for 21/20%	28.73	26.52	16.27	46.90	28.20
<b>Net result 31.03.2021</b>	<b>94.76</b>	<b>19.30</b>	<b>20.41</b>	<b>93.87</b>	<b>1.06</b>
Net result 31.03.2020	-72.58	-72.17	-103.31	-79.76	3.71
<b>Capitalization 31.03.2021</b>	<b>1,283.40</b>	<b>1,410.01</b>	<b>748.21</b>	<b>737.57</b>	<b>973.81</b>
Capitalization 31.03.2020	1,200.51	1,327.89	646.57	476.15	1,148.73
Capitalization evolution 21/20%	6.90	6.18	15.72	54.90	-15.23
<b>NAV per share 31.03.2021</b>	<b>5.9899</b>	<b>2.1730</b>	<b>0.5753</b>	<b>2.2411</b>	<b>3.9951</b>
Price 31.03.2021	2.490	1.425	0.346	0.940	1.865
<b>Price / NAV per share discount 31.03.2021</b>	<b>-58.4</b>	<b>-34.4</b>	<b>-39.9</b>	<b>-58.1</b>	<b>-53.3</b>
Price / NAV per share discount 31.03.2020	-47.1	-24.4	-36.5	-64.4	-31.7
<b>DIVIDEND 2020 GMS proposal</b>	<b>0</b>	<b>0.043</b>	<b>0</b>	<b>0</b>	<b>0.05</b>
DY%	0.00	3.02	0.00	0.00	2.68
<b>Current no. of shares</b>	<b>515,422,363</b>	<b>989,479,176</b>	<b>2,162,443,797</b>	<b>784,645,201</b>	<b>522,149,143</b>
<b>No. of shares Q1 2020</b>	<b>517,460,724</b>	<b>1,002,179,176</b>	<b>2,162,443,797</b>	<b>807,036,515</b>	<b>580,165,714</b>

\*cash, deposits, government securities

## 1.2. Portfolios. Strategies. Results.

EVERGENT- Investments has four portfolios: FINANCIAL, ENERGY - INDUSTRIAL, SELL and PRIVATE EQUITY. The management of portfolio holdings was made on the lines of the multiannual coordinates and 2021 Activity Program, namely:

- *Increase* for Private-Equity portfolio - “private equity” type approach within existent majority holdings (real estate, agriculture, other sectors)
- *Recalibration* for the Financial-Bank and Energy-Industrial portfolios – listed portfolios that offer liquidity to EVERGENT Investments, representing the main income and sources generators for new investments.
- *Restructure* for SELL portfolio – continuation of the restructure/ sale of “historic” shares portfolio.

### Context

In April 2021, S&P, Fitch and Moody’s maintained BBB- and Baa3 ratings and the negative outlook unchanged, while S&P maintained BBB- rating, but revised its perspective from negative to stable based on the reduction of tax risks.

BET-BK index has had one of the best evolutions in Europe in the first three months of 2021. The capital market structure has had a reverse effect than that in 2020, the high weight of the financial, utilities and energy sectors contributing to the higher performance of the index.

Yields of BSE indices on 31.03.2021:

BSE indices	Evolution 1 month %	Evolution 3 months %	Evolution 6 months %
BET	9,68	14,11	24,23
BET-BK	7,41	14,75	25,88
BET-FI	4,55	12,86	15,61
BET-NG	5,99	15,92	22,11
BET-TR	9,71	14,16	25,00
BET-XT	8,48	13,67	22,27
BET-XT-TR	8,51	13,72	23,56
BET Plus	9,65	14,15	23,99
ROTX	9,37	14,15	29,54

### 1.2.1. FINANCIAL – BANK SECTOR

The financial-bank sector is the main investment pillar of EVERGENT Investments, representing on 31.03.2021, 44,5% of total assets, in comparison to 43% on 31.03.2020.

2020 was marked by the coronavirus (COVID-19) pandemic and the deep economic contraction thereafter. For 2021, the main challenges for the bank sector are connected to the evolution of the pandemic and the credit volume is expected to increase in 2021 both on the retail and companies segment, in the context of economic recovery.

Banks in the Euro area started the year with comfortable liquidity reserves. It is expected that in 2021 Romania have one of the strongest recoveries, namely 6%, according to the most recent IMF forecasts.

The Romanian bank system entered this crisis with solid capital and liquidity, as well as a strong operational capacity. This demonstrated its resistance to the pandemic, an evolution caused by both a very good financial position, and the implementation of a relaxed mix of economic measures without precedence.

The bank system is well capitalized, reflected by the adequacy rate of capital of 23,2% at the end of December 2020 (22,0% at the end of December 2019).

In the context of the COVID-19 pandemic, Romania's National Bank reduces the interest rate from 2,5% in March of last year to 1,25% at present and used its entire set of instruments to supply liquidities to banks (resettlement of regular repo operations; purchase of state bonds on secondary market). It also allowed banks to use their additional capital buffers conditioned by a restriction regarding dividend distribution and temporarily depart from the minimum benchmark of liquidities coverage ratio.

ROBOR levels on three and six months' maturity closed 2020 at 03%, namely 2,10%, lower by 36,2%, namely 35,2% in comparison to the values at the end of 2019. This evolution was caused by the money relaxation measures implemented by BNR after the occurrence of the pandemic.

Starting in the first part of 2020 and in the first quarter of 2021 corporate crediting revived following the application of SMI Invest program.

In Q1 2021 private credit increased in average by around 5,7% an/an.

**BANCA TRANSILVANIA (TLV)** – will continue to remain the main stability and increase pillar of EVERGENT portfolio.

Banca Transilvania is one of the two listed companies that qualified Romania for the status emerging market from border market and was included in FTSE Global Equities indices.

The spectacular results registered in the first quarter of 2021 support Banca Transilvania role as the main pillar of economy re-launch in 2021.

The net profit of Banca Transilvania on 31.03.2021, of 581 million lei, is twice as high as in the same period of 2020. In total, operating revenue reached 1.023 million lei at the end of the first quarter of 2021, 25,3% higher than in the same period of last year. In this context, operational efficiency is kept at a comfortable level of 48,35%, although under the 57,83% reported for the first three months of 2020. The bank has a robust capitalization with own capitals 19,6% higher in the first quarter of 2021 in comparison to the first quarter of 2020.

The bank has very well adapted to the new market conditions created by the pandemic and in 2021 it aim to increase the volume of IT investment for the digitalization and upgrade of bank processes. IT is estimated that in 2021 the bank's profitability will be influenced by the stability of the economic environment, the evolution of the economic crisis, the evolution of monetary policy interest with influence on ROBOR, as well as by the probability to register a credit risk cost lower than that at the end of 2020.

**BRD-SOCIETE GENERALE (BRD)** – has successfully adapted to the new context created by the sanitary crisis and managed to obtain a solid financial performance at the end of 2020.

The bank maintained a balanced structure of resources and placements at a comfortable liquidity level in the crisis period. Net credit/deposit indicators decreased by 57,6% on 31<sup>st</sup> December 2020 in comparison to 64,0% on 31<sup>st</sup> December 2019. The evolution was mainly caused by deposit increase.

The balance of net credits offered to clients slightly lowered in the annual dynamics (around -2% both on the bank and group level, leasing excluded) because of the lower performance of the large clients segments and a slight decrease of net credits on the retail segment in the context of the pandemic, partially compensated by the strong SME financing. The quality of the credit portfolio remained solid in 2020 as reflected by the low level of NPL rate (on bank level, non-performing credits, as per ABE definition) of 3% at the end of 2020 set in comparison to the end of 2019.

Equity increased in 2020 by 20% in comparison to 31<sup>st</sup> December 2019, the increase was caused by the positive reserves from the revaluation of liability instruments accounted at fair value (state titles).

For financial year 2020, given the recommendation of the regulating authority to limit dividend distribution to 20 base points from the level of level 1 equity, the issuer will distribute a gross dividend per share of 0,0749 RON, corresponding to a distribution rate of 5,49% of the Bank's net profit for 2020.

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**FINANCIAL INVESTMENT COMPANIES (SIFs)** – Holdings in SIFs represented 1,65% of total assets on 31.03.2021.

### 1.2.2. ENERGY-INDUSTRIAL PORTFOLIO

The weight of the energy sector in total assets on 31.03.2021 represented 21,2% in comparison to 20,3% on 31.03.2020.

EVERGENT Investments SA is interested to assign capital to projects in economic sectors that support the transition to a sustainable economy with low carbon emissions. For this purpose, we will try to identify the business segment that produce or supply goods and services that offer environment solutions. We consider that in this area can be included agriculture, industries producing renewable energy (hydro) or low gas emissions (nuclear energy or energy produced by modern turbines with combined cycles gas, that produce under half the carbon monoxide (CO<sub>2</sub>) in comparison with coal plants of similar sizes. Nuclear energy may have a resolvable effect on global warming, since energy demand is forecast to increase. During the nuclear fuel cycle, nuclear plants have very low greenhouse gas emissions in comparison to other energy production sources. In line with Romania's energy strategy, we think that gas and nuclear fuel are transition fuels vital for European economy, in order to reach neutrality targets by 2050.

**NUCLEARELECTRICA (SNN)**– deep paradigm changes in the energy structure, namely going from fossil fuels to electric energy consumption, place SNN on an ideal place for value recognition. Coupled with the massive investment plans for the increase of production for reactors 3 and 4, SNN will consolidate its business model with net profit margins of over 25% and dividend yield of over 6% on the average term.

Budgeted dividends are based on a payout of 68% between 2021 and 2023, equal to that in 2020.

Unit 1 and 2 are ranked first in the world after the combined use factor of the production capacity and operation. The strategy for the development of the 3<sup>rd</sup> and 4<sup>th</sup> reactors consists in the completion and commissioning of 2 CANDU 6 type units at CNE Cernavodă, with an installed capacity of 2 x 724 MWe. This strategy comprises 3 stages that are expected to last between 9 and 10.5 years.

The signing of an agreement between SNN and Romanian state regarding the contribution of each party within the projects is programmed to take place in the first stage, within 2 years from the strategic approval. Unit 3 is to be commissioned in 2030 and unit 4 in 2031.

The main influence element on the revenue from exploitation of SNN is the market price of electrical energy that is rising on centralized markets.

**ROMGAZ (SNG)** is very well ranked to benefit from the current context of clean energy context, on gas, driven by the liberalization of the energy market on 01.01.2021. The important investment program of ROMGAZ investments focused on the construction of gas turbines electric plants and the development of offshore production, included in Romania's electric strategy will develop the business model on the average run, while keeping a net profit above 25% and a dividend yield over 5%.

Operational indicators published in Q1 2021 offer indications of a consistent profit in the first three months of 2021 supported by the increase of gas sale volume by 14,1% and increase of gas price on centralized markets.

**OMV PETROM (SNP)** SNP revenue will increase in 2021, driven by the increase of upstream revenue due to the increase of Brent petrol and gas prices. Higher gas prices could boost the increase of gas tariffs, while the new BRUA pipe will increase the correlation of Romanian gas prices with those on CEGH, It is estimated that the refinery margin will increase in 2021. We think that profits in the natural gas area will increase based on the more favorable legislation and higher export opportunities. On the average term, the company's business model will offer net profit margins over 15% and a dividend yield over 7% in the context of the stated dividend policy.

SNP announced that, in case Romgaz received the 50% Exxon quote in Neptune Deep project, the partners agreed that SNP become the project operator. The previous project operator was Exxon. OMV Petrom has many years of experience in low depth offshore exploitation, but has no experience in deep offshore waters. This lack of experience of SNP will not cause problems for the project since OMV majority holder has an extensive offshore experience in the entire world and may support OMV Petrom wherever necessary.

For 2021, OMV Petrom forecasts that the average Brent oil price will oscillate between 60 - 65 USD/bbl (previous forecast: between 50 and 55 USD/bbl; 2020: 42 USD/bbl). Refining margins are estimated to be above 4 USD/bbl (2020: 2,9 USD/bbl).

Oil and electricity products are estimated to be over the level registered in 2020, while request for natural gas is estimated at a level similar to that in 2020.

**AEROSTAR (ARS)** is a leader in Romania for the manufacture of aviation products, a recognized supplier in the supply chain of several global programs. The finished products on which the parts, subsets and equipment manufactured by Aerostar are used are Airbus, Boeing, Bombardier, Dassault or Gulfstream planes. AEROSTAR is the main independent supplier of maintenance services in Romania and the region for Airbus 320 și Boeing 737. At the same time, it is a first-rank supplier for the Ministry of National Defense in the field of air, land and naval defense systems. The solidity of the business model represents a guarantee that the challenges the aeronautic and air transport fields are currently facing shall be overcome.

The long-term growth potential of the A&D industry remains strong. The return of the industry shall be in 2021 following the difficult 2020. Commercial passenger traffic started to slowly come through. In 2021 defense budgets will remain stable since defiance programs are gaining more importance given the current geopolitical context.

### 1.2.3. PRIVATE EQUITY Portfolio. EVERGENT Investments Group

On 31st March 2021 the assets of the 6 subsidiaries of EVERGENT Investment Groups registered a value of 180 mil lei, representing 7,97% of EVERGENT Investments' total assets.

The members of EVERGENT Investments' Group:

No.	Subsidiary name	EVERGENT Investments' direct holding – mother company %	Weight in total assets (%) March 31, 2021	Company type (closed/listed)	Activity
1	Agroland Capital SA Bacau	99,99	1,66	unlisted	Real estate – private equity portfolio
2	Tesatoriile Reunite SA Bucharest	99,99	1,93	unlisted	
3	Regal SA Galati	93,02	0,54	BVB-ATS (REGL)	
4	Mecanica Ceahlau SA Piatra Neamt	73,30	0,97	BVB-REGS (MECF)	Agriculture – private equity portfolio
5	Agrointens SA Bucharest	99,99	1,99	unlisted	
6	Casa SA Bacau	99,60	0,88	unlisted	Own and support for Evergent Investments
	<b>Total</b>		<b>7,97</b>		

According to EVERGENT Investments' *Investment Strategy and Policy* has an investment strategy to develop the PRIVATE EQUITY portfolio, characterized by:

- a) Implementation of project in different sectors of activity and business development on companies in EVERGENT Investments' historic portfolio.
- b) Investments in this portfolio represents a „private equity” type approach that involves **the development of existent majority holdings (real-estate, agricultural machines, agribusiness)** and offer average or long-term increase opportunities.

**Rules applied in compliance with AIFM legislation**

- ✓ Rules applied in compliance with AIFM legislation
- ✓ Private equity type investments through which control is obtained on unlisted companies is in the line with the multiannual investment strategies and legal risk and prudential limits of EVERGENT Investments, without representing the main investment policy.
- ✓ EVERGENT Investments is a shareholder with a holding of over 99% in all unlisted shares. In the selection of monitoring of investments in unlisted companies, EVERGENT Investments applies a high level of diligence, its staff holding the proper competencies and vocational skills for the investment field specific activities: financial, legal, commercial and technical activities, negotiation, conclusion of agreements and contracts.
- ✓ These assets are evaluated in compliance with the evaluation policies and procedures, their value being reported on a monthly basis.

The “private equity” type approach involves and active involvement in entrepreneurial projects, which leads to an increase of managed assets profitability and offers the possibility to compensate the risks of possible involutions of EVERGENT Investments' ownership interest in listed companies.

Part of the investments presented in the paragraphs below are in the development state, and other are going through the maturity stage of the business life cycle.

### 1.2.3.1. AGROINTENS SA – „BLUEBERRY FARM EXTENSION” project ([www.agrointens.ro](http://www.agrointens.ro))

Agrointens SA is a company whose activity consists in the exploitation and capitalization of blueberry farms.

**Project description:** the object of the project is the setup and development of blueberry farms. At present farms Vistea – Brasov county, Mandra – Brasov county and Popesti – Arges county are in different development stages. At the end of the reporting period, the planted area was 86 ha.

**EVERGENT Investments' investment:** 7,6 mil euro.

**Current status:**

*Operational:* the agricultural works of the seasons were carried out.

*Q1 Financial results 2021*

Indicators – Agrointens (thousand lei)	Budget 2021	Achieved Q1 2021	Achieved Q1 2021 / Budget 2021 (%)
<b>Total income</b>	12,049	998	8%
<b>Total expenses</b>	(12,490)	(1,532)	12%
<b>Net profit/(loss)</b>	(441)	(534)	n/a

The loss recorded is due to the seasonality of the activity.

### 1.2.3.2. AGROLAND CAPITAL SA – Iasi real estate project

**Premises:** The company was setup for the purpose of capitalizing on investment opportunities from the agri-business – real estate field for the purpose of generating value for the shareholders. We have purchased assets belonging to Iasitex SA Company, located in the central area of Iasi municipality, with significant real estate development potential, on all segments: residential, office and commercial:

- ✓ Held land of about 28.300 square meters;
- ✓ Administrative building (GF+8) with a built area of de 4.600 square meters.

**Status:**

- ✓ Pending the documentation to obtain the zonal urban plan for the multifunctional center (homes, offices, services) with the architecture company.

**Q1 2021 Financial Results**

Indicators – Agroland Capital (thousand lei)	Budget 2021	Achieved Q1 2021	Achieved Q1 2021 / Budget 2021 (%)
<b>Total income</b>	39	18	46%
<b>Total expenses</b>	(2,422)	(148)	6%
<b>Net profit/(loss)</b>	(2,383)	(130)	n/a

The loss was generated by operating expenses.

**1.2.3.3. CASA SA**

The company manages own real estate and those belonging to EVERGENT Investments and delivers real estate management services for property owned by EVERGENT Investments.

**Q1 2021 financial results**

Indicators – CASA SA (thousand lei)	Budget 2021	Achieved Q1 2021	Achieved Q1 2021 / Budget 2021 (%)
<b>Total revenue</b>	3,958	535	14%
<b>Total expenses</b>	(3,713)	(540)	15%
<b>Net profit/(Loss)</b>	245	(5)	n/a

The revenues obtained in the reporting period were affected by Covid 19 pandemic.

**1.2.3.4. MECANICA CEAHLAU SA**

The company manufactures agricultural equipment for land process and distributes (i) Steyer tractors, (ii) Project herbicide equipment and (iii) Stoll front loaders.

**Q1 Financial Results 2021**

Indicators – Mecanica Ceahlau (thousand lei)	Budget 2021	Achieved Q1 2021	Achieved Q1 2021 / Budget 2021 (%)
<b>Total revenue</b>	31,064	8,873	29%
<b>Total expenses (except income tax)</b>	(29,734)	8,317	28%
<b>Net profit/(Loss)</b>	980	283	29%

**1.2.3.5. REGAL SA**

On the reporting date, the Company has 5 commercial areas plus administrative headquarters with a built area of 2.200 square meters. The Company will continue to sell commercial spaces in accordance with the approved strategy.

**Q1 financial results 2021**

Indicators – REGAL (thousand lei)	Budget 2021	Achieved Q1 2021	Achieved Q1 2021 / Budget 2021 (%)
<b>Total income</b>	1,881	171	9%
<b>Total expenses (without income tax)</b>	(1,783)	(185)	10%
<b>Net profit/(loss)</b>	82	(14)	17%

The revenues obtained in the reporting period were affected by Covid 19 pandemic without endangering the continuation of the activity, but with effects on the company's profitability.

**1.2.3.7. TESATORIILE REUNITE SA**

**"BABA NOVAC RESIDENCE" Residential real-estate project**  
([www.babanovac-residence.ro](http://www.babanovac-residence.ro))

"Baba Novac Residence" Real estate project (100% holding through Tesatoriile Reunite SA)

✓ The project was completed.

**Q1 Financial Results 2021**

Indicators – Tesatoriile Reunite (thousand lei)	Budget 2021	Achieved Q1 2021	Achieved Q1 2021 / Budget 2021 (%)
<b>Total income</b>	2.190	1.718	78%
<b>Total expenses (except income tax)</b>	(9.194)	(2.575)	28%
<b>Net profit/(loss)</b>	(7,004)	(1.003)	n/a

\*\*\*



**Mention:** Private Equity portfolio also monitors the following companies:

- ✓ NORD SA (holding 18,19% of the share capital) and Professional Imo Partners SA (holding 31,42% of the share capital) which directly / indirectly participates to the implementation of the "**Veranda Mall**" project in Bucharest.
- ✓ STRAULESTI LAC ALFA SA (holding 50% of the share capital) which implements "**Atria Urban Resort**" project in Bucharest.

#### 1.2.2.8. "VERANDA MALL" trade center real-estate project

([www.verandamall.ro](http://www.verandamall.ro))

**Description:** the investment project consisted in the construction of the "VERANDA MALL" shopping center in Bucharest and its operation through the company Veranda Obor SA. The shopping center is a proximity mall, located in a heavily populated area with commercial traffic, Obor-Colentina. "VERANDA MALL" was opened on 27.10.2016.

**Project characteristics:** GLE (built area) cca. 67.000 square meters; GLA (rentable area) around 34.000 square meters following extension; no. of renting stores: 100; occupation degree: 97%

**Investment:** the value of EVERGENT Investments amounts to 14,3 mil euro. EVERGENT Investments indirectly holds in Veranda Obor SA an interest of around 37% through Professional Imo Partners SA (PPLI) and Nord SA (NORD), which are BSE listed companies – ATS segment.

**Current status** – due to the Covid-19 pandemic, the mall decreased its activity, each legislative change / provision on Covid-19 was reflected in the traffic registered in the mall, the most affected activities being the entertainment ones (cinema, playgrounds for children) and restaurants that registered decreases in revenues, later reflected in the decrease in the turnover of the shopping center.

#### 1.2.2.9. STRAULESTI LAC ALFA SA

##### "ATRIA URBAN RESORT" Residential real-estate project

([www.atriaresort.ro](http://www.atriaresort.ro))

EVERGENT Investments invests in "ATRIA URBAN RESORT" real-estate project, developed through Company STRAULESTI LAC ALFA SA. The project targets the building of 1.381 apartments, on 4 stages, on a land area of around 9 ha, located in the NW part of Bucharest municipality, in the vicinity of Colosseum Retail Park with quick access to Piata Victoriei and the Northern part of the capital city.

**Investment:** EVERGENT Investments is shareholder of Straulesti Lac Alfa SA, along with CityRing Property SRL and Mr. Liviu Lepadatu who also provides the management of the real estate project development. Total EVERGENT's investment is of 8,3 million euro. Project financing is provided both with own capital and bank loan, and the estimated project completion value is over 100 million euro..

#### Current status:

- ✓ Stage 1:
  - Includes a number of 160 apartments (studios, two and three rooms) completed at the end of 2019;
  - Sales status – 97% of the sale /preliminary sale contracts for apartments sales;
- ✓ Stage 2 (398 apartments):
  - Works started in December 2019;
  - Completion date: August 2021;
  - Preliminary sales-purchase contracts were concluded for around 45% of the apartments.
- ✓ Stage 3 (338 apartments) – design in progress.

#### Q1 2021 Financial Results

Indicators – Straulesti Lac Alfa (thousand lei)	Budget 2021	Achieved Q1 2021	Achieved Q1 2021 / Budget 2021 (%)
Total income	80,337	15,435	19%
Total expenses (except income tax)	(64,965)	(15,314)	24%
Net profit	15,372	121	1%

#### 1.2.4. “SELL” Portfolio

In order to reach investment objectives foreseen in EVERGENT Investments SA's Investment Strategy and Policy and 2021 Activity Program, the company continued to reduce the weight of SELL Portfolio, a portfolio selected based on liquidity criteria, low performance and growth potential. Thus, on 31<sup>st</sup> March 2021, the weight of the SELL portfolio was 0,93% of total assets value, in comparison to 1,67% on 31<sup>st</sup> March 2020, the main strategy applied being restructure through sale.

To the extent that the positions in this portfolio are sold, liquidities feed the investment need of EVERGENT Investments SA.

Up to 31<sup>st</sup> March 2021 the interest held by EVERGENT Investments SA in Compa SA Sibiu company was sold in full.

As part of EVERGENT Investment SA's strategy regarding Agricola International Company we started a share purchase program up to 10% of share capital.

We have actively participated to the General Meeting of Shareholders of companies in the portfolio, questions were sent to the Board of Directors of the companies in the portfolio, we have challenged resolutions of the general meetings of shareholders that affected the interests of minority shareholders, submitted convening requests/ requests to amend the agenda of the general meetings of shareholders.

#### 1.2.5. Implementation of 2021 Investment Program

EVERGENT Investments has analyzed and implemented investments *compliant with the directions and principles presented in 2021 Activity Program, approved by the shareholders (OGMS on 29<sup>th</sup> April 2021)*.

mil. lei	2021 Activity Program	Achieved in Q1 2021	% achievement Q1 2021
<b>Total investment program, of which assigned for:</b>	<b>140</b>	<b>22</b>	<b>16</b>
• FINANCIAL PORTFOLIO		10	
• ENERGY – INDUSTRY PORTFOLIO		12	

## 2. Financial position and performance

The condensed interim financial statements for the three months' period concluded on 31<sup>st</sup> March 2021 were prepared in accordance with IAS 34 "Interim financial reporting" and applying the provisions of Rule 39/2015 for the approval of accounting regulations compliant with the International Financial Reporting Standards ("IFRS"), applicable to entities authorized, regulated and supervised by FSA. Within the meaning of Norm 39/2015, IFRS represent the standards adopted according to the procedure foreseen by (CE) Regulation no. 1606/2002 of the European Parliament and Council of 19<sup>th</sup> July 2002 on the application of international accounting standards, with its later amendments and additions.

In the first quarter of 2021, financial performance and position registered a significant increase, based on the continuation of the rising trend of financial market quotes (including Bucharest Stock Exchange), started in the last part of 2020, following their decrease in the first half of the year at the start of the COVID 19 generated crisis.

### 2.1. Comprehensive income. Management Expenses. Financial position

#### ➤ Individual statements of comprehensive income:

(lei)	2019 (audited)	Q1 2020 (unaudited)	2020 (audited)	Q1 2021 (unaudited)
<b>Income</b>				
Dividend income	97.667.837	170.975	89.107.709	880.833
Interest income	4.221.743	905.013	2.913.568	766.966
Other operating income	2.237.211	372.433	1.082.041	280.869
Net gain/ (net loss) from the sale of FVTPL assets	79.182.413	(67.211.590)	(50.074.477)	27.356.362
Net gain from the sale of non-financial assets	-	-	191.429	(77.026)
Net gain/ (net loss) from the revaluation of property investment	632.131	-	(33.547)	
<b>Expenses</b>				
Expenses from assets impairment	(249.579)	(10.763)	(274.502)	
(Setup)/reversal of provisions for risks and expenses	2.196.967	-	239.144	(1.800)
Expenses with wages, indemnities and other similar expenses	(29.935.965)	(4.240.450)	(23.607.641)	(4.844.284)
Other operating expenses	(9.915.247)	(2.060.423)	(9.067.642)	(2.179.993)
<b>Operating profit /(loss)</b>	<b>146.037.511</b>	<b>(72.074.805)</b>	<b>10.476.082</b>	<b>22.181.927</b>
Expenses with leasing contract interest	(35.336)	(7.093)	(39.736)	(9.386)
<b>Profit /(loss) before tax</b>	<b>146.002.175</b>	<b>(72.081.898)</b>	<b>10.436.346</b>	<b>22.172.541</b>
Income tax	(18.632.548)	(85.808)	(4.609.320)	(2.875.258)
<b>Net profit / (loss)</b>	<b>127.369.627</b>	<b>(72.167.706)</b>	<b>5.827.026</b>	<b>19.297.283</b>
<b>Other comprehensive income elements</b>				
Other gain from the derecognition of financial assets at fair value through other comprehensive income elements	423.500	-	-	
Increase/ (decrease) of reserve from the revaluation of property, plant and equipment net of deferred tax	(140.859)	6.098	(170.598)	6.166
Net gain/ (Net loss) from the revaluation of FVOCI financial assets	341.465.711	(396.161.602)	(153.598.721)	98.925.539
<b>Other comprehensive income elements – elements that will not be reclassified in profit or loss</b>	<b>341.748.352</b>	<b>(396.155.504)</b>	<b>(153.769.319)</b>	<b>98.931.705</b>
Net gain/(net loss) from the revaluation of FVTOCI bonds	130.959	(73.054)	29.587	58.715
<b>Other comprehensive income elements – elements that will be reclassified in profit or loss</b>	<b>130.959</b>	<b>(73.054)</b>	<b>29.587</b>	<b>58.715</b>
<b>Other comprehensive income elements - Total</b>	<b>341.879.311</b>	<b>(396.228.558)</b>	<b>(153.739.732)</b>	<b>98.990.420</b>
<b>Total comprehensive income of the financial year / period</b>	<b>469.248.938</b>	<b>(468.396.263)</b>	<b>(147.912.706)</b>	<b>118.287.703</b>
<b>Basic and diluted earnings per share (net profit/ (net loss) per share</b>	<b>0,1290</b>	<b>(0,0737)</b>	<b>0,0059</b>	<b>0,0197</b>
<b>Basic and diluted earnings per share (including gain from the sale of FVTOCI financial assets)</b>	<b>0,2008</b>	<b>(0,0712)</b>	<b>0,0571</b>	<b>0,0322</b>

Net profit registered in the first quarter of 2021 was mainly caused by the net gain from financial assets at fair value through profit or loss (FVTPL), of 27,3 million lei, the largest part of it being net gain from the revaluation of fund units in the portfolio.

Comprehensive income was significantly influenced by net gain from the revaluation of financial assets measured at fair value through other comprehensive income (FVTOCI) registered in the first 3 months of 2021, of 98,9 mil. lei, caused mainly by the increase of listed shares in the portfolio, classified in this category (mainly Banca Transilvania, Nuclearelectrica and Romgaz).

Starting on January 1<sup>st</sup>, 2018 with the coming into force of IFRS 9 „Financial Instruments”, in case of shares, depending on their classification, the gain or loss from sale is reflected either in profit or loss (in case of FVTPL financial assets), or directly in Retained Earnings (in case of FVTOCI financial assets), while as in the previous period they were reflected in full in profit or loss, in accordance with IAS 39 „Financial Instrument: Recognition and Measurement”.

Consequently, the management considers the net result a performance indicators, including besides the Net Profit/(Net loss) the gain from the sale of FVTOCI financial assets.

(lei)	2019 (audited)	Q1 2020 (unaudited)	2020 (audited)	Q1 2021 (unaudited)
<b>Net profit</b>	127.369.627	(72.167.706)	5,827,026	19.297.283
Gain corresponding to the transfer of FVOCI* financial assets, net of tax, recycled in retained earnings	70.411.765	2.444.854	50.247.530	12.201.247
<b>Net result (including gain from the transfer of FVOCI financial assets)</b>	<b>197.781.392</b>	<b>(69.722.852)</b>	<b>56.074.556</b>	<b>31,498.530</b>

\* represents a reclassification from reserves from the revaluation of FVTOCI financial assets as a result carried forward

### ➤ Management Expenses

The monthly average percentage of management expenses represents 0,10% of total assets value.

**The monthly average percentage of management expenses represents 0,10 % of total assets value**, below the lower limit of commissions paid to management companies by investment funds (0,10% - 0,40%).

### Management expenses structure

<b>Management expenses (lei)</b>	<b>6.939.237</b>
<b>Expenses with wages, indemnities and assimilated, of which:</b>	<b>4.853.000</b>
- wages and indemnities, less profit share of employees and managers	4.740.796
- social contributions	103.488
- expenses for professional training	8.716
<b>Expenses for outsourced services and other operating expenses</b>	<b>1.914.946</b>
Energy and water expenses	140.644
Expenses for fuel and materials	30.647

**Management expenses** include expenses directly connected to the carrying out of current activity. In management expenses, the main weight of 70% is held by *expenses with salaries, allowances and assimilated* (wages, indemnities, expenses for social insurance and professional training for staff and managers). For more statements regarding expenses with wages, indemnities and assimilated expenses, divided into fixed and variable expenses, see explanatory note 6 to the Individual Financial Statements on 31<sup>st</sup> March 2021.

*Expenses regarding outsourced services and operational expenses* represent 27,6% of total management expenses and mainly include services for the monitoring of companies in the portfolio, professional consultancy, area and archive management, insurance, post expenses and subscriptions, rents, royalties, concession taxes, protocol expenses, travels, expenses with maintenance and repairs, other operating expenses.

➤ **Individual statement of financial position:**

(lei)	31 <sup>st</sup> December 2019 (audited)	Q1 2020 (unaudited)	31 <sup>st</sup> December 2020 (audited)	Q1 2021 (unaudited)
<b>Assets</b>				
<b>Cash and current accounts</b>	1.291.803	834.260	327.423	199.047
Bank deposits	97.115.086	35.369.722	85.057.575	116.744.332
Financial assets at fair value through profit or loss	389.164.163	343.981.428	364.462.371	379.841.923
Financial assets measured at fair value through other comprehensive income	1.830.970.481	1.393.001.254	1.643.409.645	1.721.168.083
Bonds at amortized cost	24.530.592	24.822.310	16.644.595	16.914.097
Bonds at fair value through other comprehensive income	3.942.270	3.936.150	3.802.401	3.947.836
Investment property	4.137.404	4.137.404	4.103.857	4.103.857
Intangible assets	58.092	52.453	368.884	388.122
Plant, property and equipment	7.907.094	7.975.830	7.503.594	7.388.630
Right-of-use assets	974.181	877.669	1.132.811	1.067.886
Other financial assets at amortized cost	3.861.629	983.679	8.104.606	1.602.868
Other assets	168.914	450.882	344.410	453.077
<b>Total assets</b>	<b>2.364.121.709</b>	<b>1.816.423.041</b>	<b>2.135.262.172</b>	<b>2.253.819.758</b>
<b>Liabilities</b>				
Lease liabilities	1.002.104	913.460	1.070.045	1.016.308
Dividends payable	31.036.100	30.862.629	35.818.292	35.584.528
Provisions for risks and expenses	368.488	368.488	129.344	131.144
Deferred tax liabilities	122.787.036	55.421.945	90.800.183	108.375.444
Current tax liabilities	7.912.060	-	4.171.854	5.681.296
Financial liabilities at amortized cost	1.016.121	414.150	944.439	1.399.064
Other liabilities	2.515.951	2.103.897	3.292.889	2.407.652
<b>Total liabilities</b>	<b>166.637.860</b>	<b>90.084.569</b>	<b>136.227.046</b>	<b>154.595.436</b>
<b>Equity</b>				
Share capital	521.004.761	521.004.761	514.402.388	514.402.388
Retained earnings	881.728.409	812.005.557	871.860.684	903.359.214
Reserves from the revaluation of property, plant and equipment	8.698.494	8.704.592	8.527.896	8.534.062
Reserves from the revaluation of financial assets at fair value through other comprehensive income	795.634.481	396.954.971	591.817.817	678.600.824
Treasury shares	(30.335.310)	(33.077.568)	(9.595.338)	(27.463.896)
Equity-based payments to employees	20.142.446	20.142.446	18.457.300	18.457.300
Other equity elements	610.568	603.713	3.564.379	3.334.430
Total equity	<b>2.197.483.849</b>	<b>1.726.338.472</b>	<b>1.999.035.126</b>	<b>2.099.224.322</b>
<b>Total liabilities and equity</b>	<b>2.364.121.709</b>	<b>1.816.423.041</b>	<b>2.135.262.172</b>	<b>2.253.819.758</b>

In the first three months of 2021, EVERGENT Investments' total assets increased by about 6%, mainly because of the significant increase of the FVTOCI financial assets value, caused by the price increase of listed shares in the portfolio, classified in this category and FVTPL financial assets caused mainly by the fair value increase of fund units.

The increase in total debt was largely determined by the increase of deferred tax liability corresponding to the reserve from the revaluation of FVTOCI financial assets that increased in Q1 2021. Deferred income tax was calculated and registered in accordance with IFRS provisions. .

## 2.2. Performance indicators

	2019	Q1 2020	2020	Q1 2021
Current liquidity indicator	11,6	11,4	10,4	11,1
Rotation speed of debits-clients	12	150	23	15
Rotation speed of intangible assets	0,10	0,001	0,06	0,017
Net profit / (net loss) per share (lei/share)	0,1290	(0,0737)	0,0059	0,0197
Earnings per basic share (lei/share)	0,2008	(0,0712)	0,0571	0,0322

**Specifications:**

- ✓ Current liquidity indicator = current assets/ current liabilities
- ✓ Rotation speed of debits-clients = average balance of claims/ turnover x no. of days for the reporting period.
- ✓ Rotation speed of non-current assets = revenue from current activity / non-current assets
- ✓ Earnings per basic share (lei/share) = (net profit +gain from the transfer of FVTOCI assets) / share number

**Note:**

(1) Turnover includes revenue from dividends, interest, other operating revenue and net gain from financial assets at fair value through profit or loss

(2) Earning per share, namely net profit per share have been calculated using the average number of shares in circulation (e.g. excluding redeemed shares and including shares assigned to employees and administrators within the Stock Option Plan program).

### 2.3. 2021 Budget Achievement Degree

million lei	Budgeted 2021	Achieved Q1 2021	Achievement degree %
<b>Total revenue</b>	63,6	29,2	46
<b>Financial revenue</b>	62,7	29,0	46
• Dividend income	31,4	0,9	3
• Income from bank deposits and bonds	2,9	0,8	26
• Gain from FVTPL financial assets	28,4	27,3	96
<b>Other operating income</b>	0,9	0,2	24
<b>Total expenses</b>	<b>(45,8)</b>	<b>(7,0)</b>	<b>15</b>
Financial expenses	(0,7)	(0,1)	16
• Expenses with transaction commissions	(0,7)	(0,1)	16
Current activity expenses	(45,1)	(6,9)	15
<b>Gross profit</b>	<b>17,8</b>	<b>22,2</b>	<b>125</b>
Income tax	(1,4)	(2,9)	211
<b>Net profit</b>	<b>16,4</b>	<b>19,3</b>	<b>118</b>
<b>Net gain from the sale of FVTOCI assets</b>	<b>57,5</b>	<b>12,2</b>	<b>21</b>
<b>Net result</b>	<b>73,9</b>	<b>31,5</b>	<b>43</b>

**Net result** registered in the first 3 months of 2021 represents 43% of the budgeted level for the entire 2021, mainly due to the net gain from FVTPL financial assets, that had a significant value in Q1 2021 (slightly under the budgeted level for this income category for the entire 2021), following the fair value increase of fund units investments.

Dividend income, through their nature are mainly registered starting in the second quarter of the year, when companies in the portfolio start to declare dividends, this is why the level of Q1 2021 is insignificant.

At the same time, expenses for current activities registered (main category of expenses) representing 15% of the total budgeted for 2021 were under the 25% level corresponding to the first 3 months.

### 3. EVER share

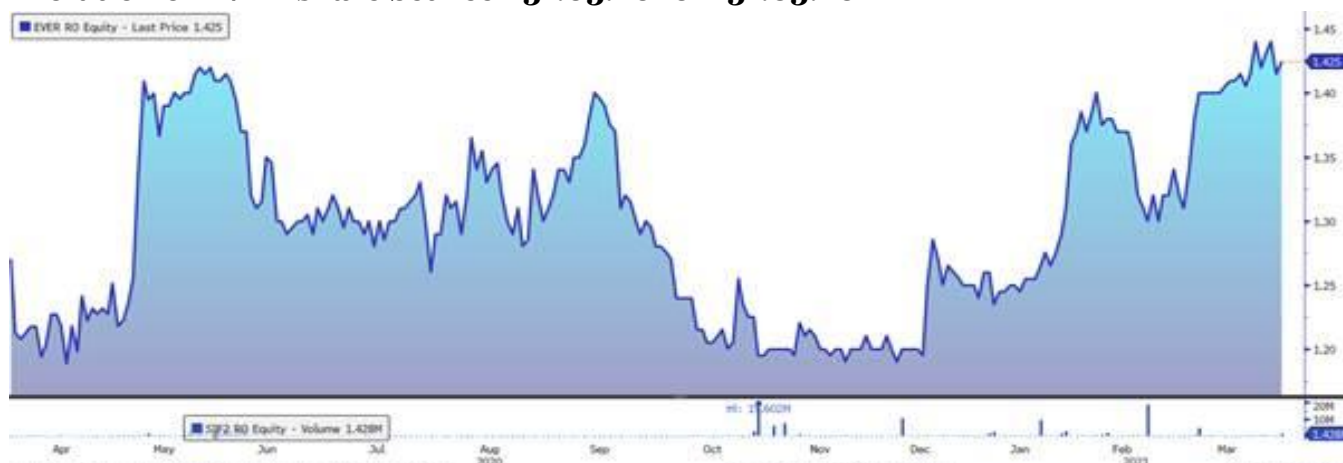
No. of shares: 989.479.176  
 Nominal value: 0,1 lei  
 Share capital: 98.947.918 lei  
 Capitalization: 1.410.007.826 lei  
 31.03.2021 (286 mil euro)

Price: 1,42 lei, EPS: 0,13 lei, PER:10,9 ; DIVY: 4,23 %  
 52 m: 1,19 lei; 52 M: 1,49 lei

Market on which EVER shares are traded: Bucharest Stock Exchange. *Premium* category, starting on 01.11.1999. Between November 1999 – March 28, 2021 they were traded under the SIF2 symbol.

The record of shares and shareholders is kept according to the law by Depozitarul Central SA.

#### Evolution of EVER share between 31.03.2020 – 31.03.2021



(Source: Bloomberg Finance)

Related information in the  
**Corporate Governance**  
**Code of**  
**EVERGENT Investments**  
 Ch.16 evaluation of the  
 company and EVER share  
 performance

#### Yields: EVER share, NAV/share EVER, BET-FI

Yields 31.03.2021 (%)	EVER share	BET-FI	NAV/share EVER
1 month	6,34	4,55	5,20
3 month	14,00	12,86	6,43
6 month	11,33	15,61	12,00
12 months	7,55	23,27	23,97

Note: The price series and historic NAVs taken into consideration for the calculation of yield/risk indicators are adjusted with issuers' corporate events.

#### Risk analysis (1Y. daily series): EVER share/BET-FI

Indicator	EVER share	BET-FI
Annualized volatility (%)*	23,18	14,04
Beta**	1,02	1,00

\* Volatility (12M) = annualized volatility

\*\* Beta = price sensitivity to market movements

## 4. Risk Management

EVERGENT Investments permanently sets and keeps operational the risk management position that is hierarchically and functionally independent from the activities that generate risk exposures and has access to all relevant information.

The risk management position is insured by the Risk Management Department which plays an important role in the defining of risk management policy, monitoring the abidance of the risks that the company is or could be subjected to the risk profile approved by the Board of Directors. EVERGENT Investments has adopted proper and efficient measures, processes and techniques for the identification, management and monitoring of the risks the company is or could be exposed to, at any given time.

**The objectives of the management structure** within the risk management policy are the prudential management of risks so as to prevent the negative impact that internal and external factors might have on the activity of the company leading to the failure to reach the objectives set, the occurrence of unplanned or uncontrolled losses, or the occurrence of negative effects. When setting the risk appetite and tolerance EVERGENT Investments takes into consideration all relevant risks it is subjected to due to the nature of its activity, the main influence being that of the **market risk**.

**The efficiency of the risk management system** is evaluated on a quarterly basis by Executive Management, the Audit Committee and Board of Directors and is carried out in compliance with the provisions of art. 45 FSA Reg. no.2 /2016 on the application of corporate government principles by entities authorized, regulated and supervised by FSA modified and completed by FSA Reg. no.9/13.08.2019.

Following the examination of:

- ✓ The risk management policy and measures, processes and techniques for risk management and measurement;
- ✓ Measures taken to remedy the deficiencies occurred in the running of the risk management process;
- ✓ Fulfillment of the risk management function;
- ✓ Measures meant to insure the functional and hierarchic separation of the risk management function,

The Board of Directors, in its meeting on 26.02.2021 concluded that the *risk management within the company in Q2 2020 was efficient and adequate given the nature of the activity and EVERGENT Investments' investment policy*.

Staff of the Risk Management Department:

1. Sonia Fechet – risk manager, department coordinator (FSA Reg. no.: PFR13<sup>2</sup>FARA/040050)
2. Elena Rebei – senior risk manager (FSA reg. no.: PFR13<sup>2</sup>FARA/040049)

### 4.1. Risk profile

**The risk profile** represents all exposures of EVERGENT Investments to real and potential risks. The risk profile of EVERGENT Investments on 31.03.2021 is the following:

The global risk profile taken on by EVERGENT Investments is average, corresponding to an average risk appetite.

Risk type	Assumed risk level	Risk level on 31.03.2021
Market risk	Average	Average
Issuer risk	Average	Low
Liquidity risk	Low	Low
Credit and counterparty risk	Average	Low
Operational risk	Average	Average

On 31<sup>st</sup> March 2021 the risk indicators calculated for the relevant risks that EVERGENT Investments is or could be exposed to **abide by** the tolerance limits, risk appetite and profile approved by the Board of Directors.



Between 01.01.2021-31.03.2021 there has been no exceeding the risk limits taken on through the risk profile.

**The main activities carried out between 01.01.2021 - 31.03.2021:**

- ✓ Annual revision of the risk management policy, profile and risk management procedures;
- ✓ Evaluation of the company's risk profile;
- ✓ Calculation of the risk indicators in compliance with the risk management procedures and analysis of the abidance by the approved risk tolerances;
- ✓ Risks analysis regarding the investments suggested by the departments with portfolio management function;
- ✓ Daily monitoring of the abidance by the prudential limits of the assets in the portfolio;
- ✓ Follow-up of the fulfillment of measures set through the annual risk-response plan and sheets for operational risk events reporting;
- ✓ Analysis of the abidance of asset categories by the risk classes, depending on their liquidity degree;
- ✓ Analysis and calculation of risk measures for institutional reporting (Annex IV to R.231/2013).
- ✓ Monitoring of the synthetic risk indicator (SRI) of EVERGENT Investments share.
- ✓ Preparation of policies regarding the integration of sustainability risks in the investment decision making process, for compliance with the provisions of (EU) Regulation no. 2088/2019 on information regarding durability in the financial services sector.

**4.2. Main risks that the company is exposed to.**

In its activity, EVERGENT Investments is exposed to various types of risks that are associated to the equity portfolio (shares, bonds) especially the portfolio of financial instruments traded on the capital market, this being the most important type of risks that the Company faces. The main risks that EVERGENT Investments is exposed to, are:

**1. Market risk**

Most of EVERGENT Investments' assets are subjected to market risk, defined as the modification potential of their market value. The risk may occur following the modification of share prices, interest rates, currency exchange rates and other relevant parameters. We distinguish three very different types of market risks:

- a) **Price risk** derives from market movements, assets exposed to it being financial assets such as shares and holding titles in open or closed investment funds. Since assets exposed to price risk hold a weight of around 93% of total managed assets on 31<sup>st</sup> March 2021, price risk is a relevant risk for EVERGENT Investments.
- b) **Currency risk** describes the risk that the value of investments in other currency than RON modify due to currency exchange rate modifications. Given the low weight of assets in other currency in total assets of EVERGENT Investments (0,41%), currency risk impact is insignificant.
- c) **Interest rate risk** refers to the possibility that investment in bonds – known as fixed income titles – suffer following unexpected modifications of the interest rate. Given the low weight of bonds in total assets of EVERGENT Investments (0,94%), the impact of interest rate risk is insignificant.

The main objective of the independent risk management function is to make sure that the business function optimizes the risk/reward relationship and does not expose EVERGENT Investments to unacceptable losses that do not correspond to its risk appetite. In order to reach this objective, market risk management defines and applies a framework that systematically identifies, evaluates, monitors and reports market risk so that higher management may make efficient decisions in due time regarding the methods to manage and lower it. The Risk Management Department identifies market risks through the active analysis of the portfolio and investment suggestions of the business function. Stress testing and scenario analysis play an important role in the management of market risk.

## 2. **Liquidity Risk**

Liquidity risk is the risk stemming from a potential incapacity to fulfill all payment obligations when these become due, or to fulfill them without excessive costs. The liquidity risk management framework has been an important factor in maintaining adequate liquidity and management of the liquidity profile in the first quarter of 2021.

The liquidity risk management framework is created to identify, measure and management the liquidity risk position. The Risk Management Department is responsible for the internal monitoring and reporting of liquidities. The liquidities management position provides a proper framework for the management of liquidities, taking into consideration the investment policy, liquidity risk profile and support obligations of EVERGENT Investments.

Liquidity reserves include cash and cash equivalents available, as well as very liquid equity. The minimum volume of liquidities reserves is constantly monitored and reported. Stress testing and scenario analysis play an important role in the management of liquidity risk.

## 3. **Issuer Risk**

Issuer risk results from exposures on shares held in entities in the portfolio and represent the current or future risk of value loss for a title in the portfolio, due either to the deterioration of its economic-financial status, or the business conditions (failure to function or lack of correlation of its internal activities according to its business plan), or to events, external trends or changes that could not have been known or prevented by the control system.

The issuer risk management framework is created to identify, measure and manage the issuer risk position. The Risk Management Department is responsible for the internal monitoring and reporting of issuer risk. The portfolio management function insures the proper framework for the management and monitoring of issuers in the portfolio.

## 4. **Credit and counterparty risk**

The counterparty risk is a risk associated to credit risk. Credit risk is the risk of causing a financial loss for the company, stemming from the uncertainty related to the capacity, ability or wish of the business partners to fulfill their contract obligations. Counterparty risk represents the risk that a counterparty in a transaction infringe on its contract obligation before the final settlement of the cash flows corresponding to the transactions.

The management framework for the credit and counterparty risk is created to identify, measure and manage the credit and counterparty risk position. The Risk Management Department is responsible for the monitoring and internal reporting of credit and counterparty risk. The portfolio management function provides a proper framework for the monitoring and management of assets in the portfolio that are exposed to credit and counterparty risk.

5. **Operational risk**, with subcategories: information technology (IT) risk, risk related to vocational responsibility, compliance risk, model risk, risk related to outsourced activities, risk related to money laundering and the financing of terrorism.

Operational risk is the risk of loss resulting from internal processes, inadequate individuals or systems or faulty systems, or external events. These include legal risk, but exclude business and reputation risk. The daily management of operational risk is the responsibility of all company departments. The risk management function manages a consistent application of operational risk management in the entire company. Through our annual operational risks self-evaluation model we aim to maintain a strict monitoring and high awareness of this risk.

To abide by the requirements of FSA Rule no.4/2018, the risk related to information technology (IT) is treated separately in the self-evaluation process of operational risks. Money laundering and terrorism financing risk (ML/TF) is evaluated in a distinct process corresponding to the activity for the prevention and fight against money laundering and the financing of terrorism, activity that is managed by the compliance officer ML/TF and appointed individuals ML/TF .

6. **Other risks**, with subcategories: regulation risk, systemic risk, strategic risk, reputation risk, conflict of interest risk, risk related to activities carried out by the company's subsidiaries, risks related to sustainability.

**7. The risk of EVERGENT Investments' assets failure to abide by the legal holding limits.**

On 31<sup>st</sup> March 2021, the assets in EVERGENT Investments' portfolio **abide by** the legal prudential limit. Between 01.01.2021-31.03.2021 there has been no exceeding of legal prudential limits.

**7.1 Limits regarding exposure level on assets category reported to total assets, in compliance with Net monthly asset report on 31.03.2021 – Law no.243/2019, art.35, line (2):**

**a) Securities and monetary market instruments issued by the same issuer**, with the exception of securities or monetary market instruments issued or guaranteed by a member state, local public authorities of the member state, a third state or international public bodies to which one or more member state belong – **allowed limit: 10% of assets**, limit that may be increased up to a **maximum 40%**, provided that the total value of equities held by FIAIR in each of the issuers it has holdings up to 40%, should not exceed 80% of total assets value:

Issuer name	Market value of asset category (FSA Reg no.9/2014) (lei)	Weight of total EVERGENT Investments assets (%)
Banca Transilvania	881.288.942	39,02
SNGN Romgaz	251.266.232	11,12
<b>Total</b>	<b>1.132.555.174</b>	<b>50,14</b>

Exposure on TLV issuer (**39,02%**), which **abides by** the maximum holding limit of 40% and is carefully monitored through daily holding monitoring mechanisms.

The two issuers that exceed 10% individually **do not** cumulatively **exceed** 80% of total assets.

**b) 1. Securities and money market instruments** issued by entities belonging to the same group - **allowed limit: 50% of assets**.

Group name	Market value of asset category (FSA Reg. no.9/2014) (lei)	Weight of total EVERGENT Investments assets (%)
<b>Straulesti Lac Alfa Group, of which:</b>	<b>59.850.364</b>	<b>2,65</b>
• Straulesti Lac Alfa shares	42.771.831	1,89
• Straulesti lac Alfa bonds	17.078.533	0,76
<b>BSE Group, of which:</b>	<b>9.481.286</b>	<b>0,42</b>
• Bucharest Stock Exchange shares	8.567.098	0,38
• Depozitarul Central shares	914.188	0,04

**b) 2. Securities and money market instruments** issued by entities belonging to the same group that EVERGENT Investments is part of - **allowed limit: 40% of assets**.

Name	Market value of assets category (FSA Reg. no.9/2014) (lei)	Weight of total EVERGENT Investments assets(%)
AGROINTENS shares	44.884.773	1,99
TESATORIILE REUNITE shares	43.548.706	1,93
AGROLAND CAPITAL shares	37.586.273	1,66
MECANICA CEAHLAU shares	21.806.349	0,97
CASA shares	19.969.293	0,88
REGAL shares	12.278.838	0,54
<b>TOTAL EVERGENT Investments Group</b>	<b>180.074.232</b>	<b>7,97</b>

**c) Exposure to a counterparty risk in a transaction with derived financial instruments traded outside regulated markets – allowed limit: 20% of assets**, irrespective of the transaction counterparty – *not the case*.

**d) Overall exposure to derivatives – allowed limit: not to exceed total assets value – not the case**.

**e) Value of current accounts and cash - allowed limit: 20% of assets**. The limit may be exceeded

up to maximum **50%** provided that the amounts come from the issue of equity securities, from investments that reached maturity, or from the sale of financial instruments in the portfolio, and that exceeding is not over 90 days. In net assets on 31.03.2021, the value of current accounts and cash is 194.113 lei, representing 0,01% of assets value.

**f) Bank deposits setup and held at the same bank – allowed limit: 30% of assets.**

Bank name	Deposits value (FSA Reg. no.9/2014) (lei)	Weight of total EVERGENT Investments' assets(%)
Eximbank	108.722.106	4,81
BRD-GSG	4.795.088	0,21
Banca Transilvania	3.230.981	0,14

**g) UCITS not allowed for trading within a trading place or on a third state stock exchange, issued by a single A.I.F. destined for retail investors– allowed limit: 20% din active.**

FIAIR Name	Market value of asset category (FSA Reg no.9/2014) (lei)	Weight of total EVERGENT Investments assets (%)
Fondul Privat Comercial	78.188.836	3,46
FII DCP Investitii	34.767.688	1,54
FII Multicapital Invest	19.964.933	0,88
FIA Hermes	11.705.802	0,52

**h) UCITS not allowed for trading in a trading place or on a third-country stock exchange, issued by a single AIF destined for professional investors – allowed limit: 10% of assets.**

FIAIP name	Market value of asset category (Reg ASF nr.9/2014) (lei)	Weight of total assets EVERGENT Investments (%)
FIA Alchemist	74.704.036	3,31
BT Invest 1	29.102.728	1,29
Fond Inchis de investitii Optim Invest	24.567.699	1,09
FIA Certinvest Actiuni	8.194.383	0,36

**i) 1. UCITS not allowed for trading in a trading place or on a stock exchange from a third country, issued by open-type AIF- allowed limit: 50% of assets.**

Name of open-type AIF	Market value of asset category (FSA Reg no.9/2014) (lei)	Weight of total EVERGENT Investments assets (%)
Fondul Privat Comercial	78.188.836	3,46
FIA Alchemist	74.704.036	3,31
FIA DCP Investitii	34.767.688	1,54
BT Invest 1	29.102.728	1,29
Fond Inchis de investitii Optim Invest	24.567.699	1,09
FII Multicapital Invest	19.964.933	0,88
FIA Hermes	11.705.802	0,52
FIA Certinvest Actiuni	8.194.383	0,36
<b>TOTAL open-type AIF</b>	<b>281.196.104</b>	<b>12,45</b>

**i) 2. Securities allowed for trading in a trading place or on a third country stock exchange, issued by other open-type AIF - the case of the Group to which EVERGENT Investments belongs – allowed limit: 40% of assets– not the case**

**j) 1. Securities issued by a single UCITS authorized by FSA or a competent national authority from another member state – allowed limit: 40% of assets.**

OPCVM name	Market value of asset category (FSA reg. no.9/2014) (lei)	Weight of total SIF Moldova assets (%)
FDI Piscator Equity Plus	13.176.278	0,58
FDI Transilvania	6.388.670	0,28
FDI Napoca	4.976.084	0,22
FDI Star Next	2.674.310	0,12
FDI Tehnoglobinvest	1.405.401	0,06
FDI Certinvest BET Index	1.128.680	0,05
FDI Star Focus	1.069.927	0,05
FDI Certinvest BET FI Index	1.004.061	0,04

**j) 2. Securities** issued by a single UCIT allowed for trading in a trading place in Romania, another member state or the stock exchange of a third party – **allowed limit: 40% of assets**

CUI name	Market value of asset category (FSA reg. no.9/2014) (lei)	Weight of total SIF Moldova assets (%)
SIF Transilvania	37.261.045	1,65

**k) Financial instruments loans**, the loan period cannot be longer than 12 calendar months, in compliance with FSA regulation regarding margin transactions and loan operations – **allowed limit: 20% of assets**, limit that may be increased up to 30%, with FSA approval, under the conditions set by FSA regulations- not the case

**l) 1. granting** cash loans, participation/subscription to syndicated loans in favor of a third party, - **only for entities from the group EVERGENT Investments is part of, setup as investment company**- **allowed limit: 10% of assets** - not the case;

**l) 2. Credit portfolios** issued by other financial or non-financial entities, purchased directly, in full or in part – only in the case of investments in *financial instruments issued by internationally recognized financial institutions, credit institution or financial non-banking institutions authorized by B.N.R. or other central banks from a member state or third party states*- not the case.

**m) Securities, instruments of monetary market not allowed for trading** in a trading location or stock exchange from a third state, *with the exception of state titles and bonds issued by the Ministry of Public Finance, as well as holdings acquired by that particular FIAIR through the law, in whose case no holding limit is allowed* – **allowed limit: 40% of assets**.

Asset type	Market value of asset category (FSA Reg. no.9/2014) (lei)	Weight of total EVERGENT Investments assets (%)
Shares held in close-type issuers (incl. amounts to collect following the withdrawal from closed-companies)	205.986.265	9,12
Unlisted bonds	17.078.533	0,76
<b>TOTAL</b>	<b>223.064.798</b>	<b>9,88</b>

**Note:** new investments in corporate bonds not allowed for trading will be made abiding by the conditions foreseen by art. 44 FSA Regulation no.7/2020; art.44 of FSA Regulation no.7/2020 does not apply in case the corporate bonds not allowed for trading are issued by a company in which EVERGENT Investments holds at least 51% of the share capital, in compliance with the corresponding FIAIR category.

**n) shares issued by limited liability companies**, regulated by Law no. 31/1990 republished with its later amendments and additions – **allowed limit: 20% of assets** –not the case.

**o) greenhouse gas emission certificate** as defined by art. 3 letter b) Government's Resolution no. 780/2006, with its later amendments and additions– **allowed limit: 10% of assets** – not the case.

#### **Other restrictions applicable to EVERGENT Investments:**

- ✓ It cannot make short sales, defined in accordance with the provisions of (EU) Regulation no. 236/2012 of the European Parliament and Council on 14<sup>th</sup> March 2021 on short selling and certain aspects of credit default swaps, other than for the purpose of risk coverage, namely hedging, in accordance with art.33 line (1) Law no.243/2019.
- ✓ Cannot swap financial instruments for cash or other financial instruments in the portfolio and does not use free transfers of illiquid assets in its investment portfolio to investors („redemption in kind”), in accordance with art.43, line (2) FSA Regulation no.7/2020.
- ✓ Cannot invest in money market instruments such as commercial papers, in accordance with art. 35 line (1), letter g) Law no.243/2019.

#### **7.2. Limits regarding the level of EVERGENT Investments' exposure to the issuers' share capital**

**a) Memorandum of Association of the Central Depository, Title III, Chapter I, art. 10 (1)** Company shareholders may not hold more than **5% of vote rights**, with the exception of market operator, that may hold up to 75% of vote rights with CNVM approval.

Issuer name	No. of shares held	Total no. of issuers' shares	Holding percentage in the issuer's share capital
Depozitarul Central (Regisco)	7.396.029	252.919.526	2,92

**b) Law no. 126/11.06.2018, art. 136 line (5)**

No shareholder of a market operator may hold, neither directly or jointly with the persons he/she acts in concerted manner, more than **20% of total vote rights**.

Issuer name	No. of shares held	Total no. of issuer's shares	Holdings percentage in the issuer's share capital (%)
Bursa de Valori Bucuresti	348.256	8.049.246	4,33

**c) Banca Transilvania's Memorandum of Association, art.11, item (b)**

No shareholder may hold 10% or more of the Bank's share capital, unless:

- (i) they have GMS approval
- (ii) they abide by the formalities requested by the law.

Issuer name	No. of held shares	Total no. of issuers' share	Holding percentage in the issuer's share capital (%)
Banca Transilvania	367.203.726	5.737.699.649	6,40

**7.3. Abidance by Law no.74/2015, art.2 line (2)** - On 31<sup>st</sup> March 2021, the value of assets managed by EVERGENT Investments and reported in compliance with "EVERGENT Investments' statement of assets and liabilities", were 2.258.760.801 lei. Their value in euro is 458.622.323, EVERGENT Investments being classified in the category of AIFM managing *assets of max. 500.000.000 euro, without the use of the leverage effect*.

The leverage effect means any method through which the company increases the exposure of the portfolio it manages, either through cash loan or securities, or through derivatives position or any other means.

The leverage effect indicator on 31.03.2021, calculated for institutional reporting purposes (foreseen in Annex IV EU Regulation no. 231/2013), is:

- ✓ 0,9814 (or 98,14%), according to the gross method approach (exposure represents the sun of company's positions/assets following the exclusion of cash and cash equivalents, that represent very liquid investments held in the basic currency, can be quickly converted into a known cash amount, are subjected to an insignificant risk of value change and supply a yield that does not exceed the rate of high-quality governmental bonds for three months, without taking into consideration hedging and compensation techniques).
- ✓ 1,00 (or 100,00%), according to engagement method (exposure is calculated without excluding cash and cash equivalents; we did not have to apply conversion methodology or compensation rules since there are no exposures on derivatives).

On 31<sup>st</sup> March 2021, **EVERGENT Investments has no assets acquired through the use of the leverage effect.**

Between 01.01.2021 - 31.03.2021 there have been no *financing operations through financial instruments* (SFT) and no *total return swap* (TRS) transactions, as defined by (EU) Regulation no. 2365/2015.

## 5. Internal Audit

The internal audit position is separate and independent from other functions and activities of EVERGENT Investments SA. The Internal Audit department is subordinate to the Board of Directors.

FSA notified financial auditors: Virginia Sofian, Gabriela Stelea

Internal audit is an independent activity of objective assurance and counseling, with the purpose of adding value and improving the company's operations. It helps the company in fulfill its objectives through a systematic and methodical approach that evaluates and improves the efficiency of the risk management, control and governance processes.

The internal audit activity is carried out by the internal audit department that is subordinated to the Board of Directors and from an administrative point of view it is subordinated to the General Manager. Through its positioning in the organization chart, direct access is insured and activity reporting on the level of the Audit Committee and Board of Directors, as well as the independence required in order to carry out the internal audit activity, for the purpose of the objective evaluation of the efficiency of processes and operations and submission of recommendations for their improvement.

Internal audit is exercised under the following forms:

- ✓ compliance (regularity) audit – that has the objective of verifying the compliance with applicable laws, regulations, policies and procedures;
- ✓ performance (operational) audit – that has the objective of verifying the quality and adequate nature of systems and procedures, critical analysis of organizational structure, the evaluation of method adequacy, resources and achievement of results in relation to the objectives set;
- ✓ audit of the corporate governance system, that has the objective of evaluating the way in which the management position is exercised in order to reach company objectives.

Internal auditors report to directors, Audit committee and the Board of Directors regarding the purpose, authority and responsibility of the internal audit activity, with respect to its plan or its compliance with the Ethics Code and standards. Reporting includes significant aspects regarding risks and control, aspects connected to governance and other aspects that require the attention of executive management and/or Board of Directors.

Internal audit function:

- ✓ sets, implements and maintains an audit plan for the examination and evaluation of the adequacy and efficiency of internal control systems and mechanisms and procedures of SIF MOLDOVA.
- ✓ issues recommendations based on the results of the activities carried out
- ✓ verifies the abidance by issued recommendations
- ✓ reports aspects connected to internal audit.

Internal audit activity is carried out in compliance with the International Standards for Internal Audit Practice (IAI), its compliance being supported by the results of quality insurance and improvement program, internal and external evaluations.

Once every 5 years, the internal audit activity is assessed by a qualified independent auditor. The latest external assessment was at the end of 2019 and the opinion of the auditor was that the internal audit function is in general compliant with IAI standards for the professional practice of internal audit, that is the highest rating offered by IAI and the approved Charter of the Internal Auditor, policies, procedures, laws and regulations applicable.

The internal audit activity maintains a multiannual plan that includes, on a time horizon of 3 years, all activities and processes that can be audited in EVERGENT Investments SA. The internal audit missions included in the multiannual plan are defined and selected based on the analysis of the risks associated with the auditable activities, for the purpose of prioritizing the internal audit missions on the forecast horizon. The internal audit plan is annually assessed and is consistent with the companies' objectives.

The internal audit plan and necessary resources are endorsed by the Audit Committee and approved by the Board of Directors. At the same time, the significant modifications that have subsequently occurred are presented for endorsement and approval. The plan is revised and adapted, if necessary as an answer to changes in business, risks, operations, programs company's systems and controls.

For each assurance mission a plan is prepared and documented, that takes the following into consideration:

- ✓ the objectives of the activity that is revised and means through which the activity is controlled;
- ✓ significant risks related to the activity and means through which the potential risk impact is kept at an acceptable level;
- ✓ the adequacy and efficiency of the risk management and control activities, regarding the control framework;
- ✓ the opportunities for the significant improvement of the risk management and control activity.

The plan of the mission includes the mission objectives, coverage area, calendar and resource assignment. The mission objectives reflect the result of the evaluation of risks related to the revised activities. At the same time, when preparing the objectives of the mission the probability of errors, irregularities, inconsistencies and other significant exposures are taken into consideration.

**Activities run by internal audit in Q1 2021, based on the internal audit plan, targeted:**

- ✓ audit of the activity of Agointens SA subsidiary;
- ✓ follow-up of the progresses registered in the implementation of internal audit recommendations under monitoring on 31.12.2020;
- ✓ verification of certain compliance aspects, at the request of the Board of Directors or directors;
- ✓ participation to work commissions/groups appointed by the Board of Directors or directors, to implement certain projects/ carry out certain activities.

Besides the activities presented, other **non-audit activities** were carried out, these included:

- ✓ strategic and annual planning of the internal audit activity;
- ✓ reporting on the internal audit activity;
- ✓ reporting to FSA on the implementation stage of recommendations made by the internal auditor, auditor of the IT system and Audit Committee;
- ✓ administrative activities.

**Proper measures were implemented to keep risks at an acceptable level.**

Internal auditors directly report to the Audit Committee and the Board of Directors its conclusions and suggestions regarding the significant improvement of internal controls.

Following the insurance missions run in the reporting period, internal audit has submitted recommendations for process improvement. Based on the conclusions and recommendations submitted by internal audit, executive management ordered proper measures for the management of the identified risks.

The objectives and purpose of each internal audit mission, opinions/ conclusions of internal auditors, recommendations and measure plan for the implementation of recommendation suggested or applied while running the audit mission have been included in the internal audit reports that have been presented to the Audit Committee and the Board of Directors.

At the same time, internal auditors report to directors, Audit Committee and Board of Directors regarding the purpose, authority, responsibility and performance of the internal audit activity in relation with the plan or regarding its compliance with the Ethics Code and standards.



Reporting includes significant aspects regarding risks and control, aspects connected to governance and other aspects that require the attention of executive management and/or Board of Directors.

Internal auditors follow the progresses registered in the implementation of recommendations and report to the management regarding the abidance by the terms set for implementation. At the same time, internal auditors monitor the setting of measures by the audited structures to finish recommendation implementation.

No situations were identified where the management decided not to take any measure to reduce the risks considered unacceptable for the company.

## 6. Compliance

EVERGENT Investments sets up and maintains a permanent and efficient compliance verification function that is independent and has the following responsibilities.

- a) periodically monitors and evaluates the adequacy and efficiency of measures, policies set according to applicable regulations and actions taken to remedy deficiencies regarding the company's abidance by its obligations.
- b) regularly monitors and verifies the application of legal provisions applicable to EVERGENT Investments' activity, internal regulations and procedures and acts according to its competencies in order to prevent and propose measures for the remedy of any infringement of the law, applicable regulation for the capital market or internal EVERGENT Investments' regulations and procedures by its staff, follows-up the implementation of its suggestions and recommendations;
- c) counsels and assists relevant individuals responsible for the carrying out of the activity in order for EVERGENT Investments to abide by its obligations it has based on incidental capital market legislation.

The internal control activity has been mainly run through **permanent control** with a **pro-active nature**, exercised through the constant supervision and monitoring of the activities subjected to internal control, in order to prevent the occurrence of legal or internal non-compliance, for an efficient increase of the internal control function. The main activities of the Compliance Department for Q1 2021 are specific for EVERGENT Investments' activity as AIFM (authorization no. 20/23.01.2018), defined by art. 51 Law 74/2015 and are approved by the Board of Directors in the 2021 Annual investigations plan.

With the mention that all objectives set in the investigations plan were fulfilled, the activity of the compliance officers consisted mainly in the running of the following **control activities** regarding the abidance by regulations applicable to EVERGENT Investments' activities:

1. Compliance status with legal norms concerning:
  - ✓ **Alternative Investment Funds**, by continuing to complete the documentation necessary for the authorization of EVERGENT Investments SA as **A.I.F.M. destined for retail investors, with diversified investment policy**.
  - ✓ **Information regarding sustainability in the field of financial services** ((EU Regulation 2019/2088 ): within the legal limit, 10<sup>th</sup> March, the documents foreseen by the law were prepared and submitted to FSA, namely published on the company's website.
2. Conditions that lay at the base of the **authorization/approval of the functioning conditions foreseen by art. 2, 4 and 6-10 Law 74/2015** (EVERGENT Investments' authorization as FSA certified AIFM no.20/23.01.2018) **and later modifications**- The revision process of the internal procedural process was continued and FSA was notified regarding the revision of the Remuneration Policy. *Conclusion: no incompliances ascertained.*
3. **Prudential rules** foreseen by art. 12 Law 74/2015 – *no non-compliances identified.*
4. **Remuneration policies** foreseen by art. 13 Law 74/2015 – *the abidance by the remuneration policy was verified on group level, including during the balance GMS of subsidiaries* – The abidance by the remuneration policy on entity and group level were verified, including in the balance GMS of subsidiaries. *Conclusion: no non-compliances identified.*
5. The provisions of art. 14 Law 74/2015 on the identification, prevention, management and monitoring of situations mentioned in art. 30-37 EU Reg. no. 231/2013 generating **conflicts of interest** – potential conflicts of interest situations corresponding to the type of conflicts of interest identified in EVERGENT Investments'/ EVERGENT Investments Group's activity were managed in accordance with the set regulations. *Conclusion: no conflict registered.*
6. Provisions of art. 18 Law 74/2015, lines (1), (3)-(9), (11), (12) on the **evaluation of AIF asset**-The net monthly asset was endorsed which includes the verification of the evaluation method for held assets. *Conclusion: no infringement of legal provisions identified.*
7. The provisions of art. 19 Law 74/2015, on the **delegation of the collective portfolio management activity or risk management** – *not the case.*
8. Provisions of art. 20 Law 74/2015, line (1)-(11) regarding the **agreement between the depository and AIFM** – *not the case.*

9. The **transparency and reporting** obligations foreseen by art. 21 and 23 namely the transparency obligations foreseen by art. 22 Law 74/2015.
- a) All mandatory reports and public releases, according to the best practices in the own Corporate Governance Code were endorsed by the Compliance Department from the point of view of the abidance by the legal framework and report content; the web page is constantly updated in the Romanian and English language, once information is made public.
  - b) In compliance with the provisions of art. 82 Law 24/2017 and art. 144 FSA Regulation no. 5/2018: contracts with subsidiaries were reported for H1 2020 and the Assurance report of financial auditor KPMG Audit SRL, on the abidance by the legal framework regarding contracts with subsidiaries was published.

*Conclusion: full prior verification, no non-compliances identified.*

10. Obligations pertaining to AIFM following the obtaining of **control over certain unlisted companies and issuers** foreseen by art. 25-29 Law 74/2015.
- a) Notifications were sent to FSA regarding the holding limits;
  - b) Information on the activity of subsidiaries was included in Q1 report of EVERGENT Investments.

*Conclusion: full prior verification – no inconsistencies noted.*

11. Abidance by EU (MAD, MAR) regulations regarding **market abuse** (privileged information, personal transactions).
- a) all individuals with access to privileged information were informed about the closed periods regarding SIF2 trading and the status was verified during these periods, according to internal procedures. *Conclusion: no non-compliances identified.*
  - b) BD was submitted the Reports on the abidance of EVERGENT Investment of legal and internal regulations regarding the preparation of: EGMS and OGMS on 28/29.01.2021 and 29/30<sup>th</sup> April 2021”, in the context of the COVID pandemic. *Conclusion: privileged information connected to the convening of GMS was properly managed.*
12. The management of complaints regarding SIF Moldova’s activity on the capital market – *Reports were made in compliance with FSA Reg. no. 9/2015; no complaints were registered in the analyzed period.*
13. Abidance by the legal and internal provisions for the organization and carrying out of the **General Meetings of Shareholders on 28/29.01.2021 and on 29/30.04.2021**, with the certification of the abidance by these obligations.
- a) Specific measures were adopted regarding the preparation of GMS in the context of the COVID-19 pandemic
  - b) BD was submitted the Reports on the “Abidance by EVERGENT Investments of legal and internal regulations regarding the preparation of EGMS and OGM on 28/29.01.2021 and 29/30<sup>th</sup> April 2021”.

*Conclusion: no non-compliances identified.*

14. Verification of the abidance by Norm no. 33/2017 on the organization of the archive activity at entities authorized/ certified, regulated and supervised by FSA – Usually, in the endorsement process for certain internal documents/operations the existence and keeping of document records in paper and electronic format are verified: *Conclusion: no non-compliances identified.*
15. **Obtaining FSA certifications /resolutions; Notifications to FSA:**
- ✓ Authorization of the modifications of the Memorandum of Association, in compliance with the resolution of the Extraordinary General Meeting of Shareholders no. 2 on 30<sup>th</sup> October 2020 on the change of the company name from “Societatea de Investitii Financiare Moldova” S.A. to “EVERGENT INVESTMENTS” S.A FSA authorization no. 21/01.03.2021
  - ✓ Authorization as members of the Board of Directors of EVERGENT Investments SA, in compliance with resolution no. 2 of the Ordinary General Meeting of Shareholders on 28<sup>th</sup> January 2021 of the following individuals: Ceocea Costel; Ciorcila Horia; Doros Liviu-Claudiu; Iancu Catalin-Jianu-Dan; Radu Octavian Claudiu, for a 4 years’ mandate starting on

5<sup>th</sup> April 2021. FSA authorization no. 49/30.03.2021

16. **Method of abiding by internal procedures**- Verification of the abidance by internal procedures regarded mainly:
- Internal compliance endorsement for all investment notes, work procedures, from the point of view of the abidance/reflectance of legal provisions and internal regulations;
  - Compliance endorsement for the running of the 2<sup>nd</sup> and 3<sup>rd</sup> stage of the treasury shares redemption program in compliance with EGMS no. 4/27.04.2020 (running period: stage II: 09.12.2020 – 03.03.2021, RC 08.12.2020 and 26.01.2021; 3<sup>rd</sup> stage- 29.03-07.05.2021; RC 26.03.2021)
  - Compliance endorsement for the running of the Public Purchase of treasury shares between 09<sup>th</sup> March – 22<sup>nd</sup> March 2021 with the purpose of reducing the share capital through the annulment of redeemed shares, in accordance with EGMS Resolution no. 4 on 27<sup>th</sup> April 2020. The offer was approved by FSA resolution no. 303 on 3<sup>rd</sup> March 2021
  - Reports submitted to BD regarding the implementation stage of BD and MC on 31.03.2021, approved by BD;

*Conclusion : no non-compliances identified following the verifications carried out.*

17. **Compliance of the investment of managed assets with capital market regulations, internal rules and procedures and Memorandum of Associations** - Internal compliance endorsements were issued for investment notes. *Conclusion: no infringement of legal provisions or internal regulations ascertained.*
18. Abidance by the internal procedures regarding ***“The supervision of the application of international sanctions on the capital market”*** – *monitoring of asfromania.ro website and sending notifications to the management structure, employees, if the case be.*
19. The **briefing** of EVERGENT Investments, the management structure and employees regarding the legal regimen applicable to the capital market, including norms under public consultation.

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Staff of the Compliance Department:

1. Michaela Puscas – compliance officer, department coordinator (FSA Reg. no.: PFR13<sup>1</sup>RCCO/04003)
2. Catalin Nicolaescu – compliance officer (FSA Reg. no.: PFR13<sup>1</sup>RCCO/04004)

The detailed responsibilities of each individual employed in the department are set. In case one of the individuals is missing, his/her attributions and responsibilities are immediately taken over by the other.

## 7

## Legal assistance, consultancy and representation

In 2021 the Legal Department follows the objectives set by the Company making sure that the rights and interests of the company are protected and achieved in compliance with applicable laws and regulations.

A legal act generating essential modifications that were completed in Q1 2021 was the resolution of the Extraordinary General Meeting of Shareholders on 30<sup>th</sup> October 2020 approving the change of the company name to EVERGENT Investments S.A. Thus, starting on 3<sup>rd</sup> March 2021 with full effects opposable to third parties, the Legal Department completed the registration of the modification occurred and all documents connected to this change.

### 7.1. Legal representation

In the reporting period, legal assistance and representation activity **focused on the submission, within the set court deadlines, of all defenses necessary in the 205 litigations entered on the specific records**, as well as the promotion of defense in litigations solved, when resolutions were adverse to us.

**The status of litigations in short, is the following (details in annex 3):**

#### Litigations where SIF Moldova is plaintiff:

- ✓ 156 files, of which: 138 files are litigations pending in various trial stages (of which 113 files are against AAAS) and 18 are completed.
- ✓ The value of litigations on the docket of courts: 60.234.493,66 lei (claims and insolvency procedure).

#### Litigations where SIF Moldova is respondent:

- ✓ 49 files of which: 44 files are litigations pending in different trial stages and 5 are completed.
- ✓ The value of litigations on the dockets of courts: 94.155,85 lei, namely 148.720,95 USD in files with object: various claims.

**Special attention is paid to files against AAAS Bucharest given the total value of the receivables from this institution and the files targeting the annulment of illegal GMS resolutions of companies in EVERGENT Investments' portfolio, four such actions being started in Q1 2021.**

In the litigations where our company is the defendant, positive solutions were obtained both in files with various objects and the enforcement challenges against AAAS. In all cases when the solution is in EVERGENT Investments SA's favor, the expenses incurred by the company for its defense are validated by the Court and the respondents are bound to pay to the extent set by the court.

### 7.2. Legal Consultancy

An important role is offered to legal consultancy, both within the Company and the **subsidiaries within EVERGENT Investments Group. Consultancy targets the entire activity of the Company, consultancy files being prepared for fields** such as: investment projects, revisions of legislative proposals, transactions, corporate operations, general meetings of shareholders.

At the end of Q1 2021, the legal consultancy activity includes a number of 53 consultancy files, 67 legitimacy notices on various legal documents such as contracts, addenda, resolutions, mandates, agreements and a number of 311 endorsement for orders to setup and/or cease payments regarding the payment of dividends to the shareholders.

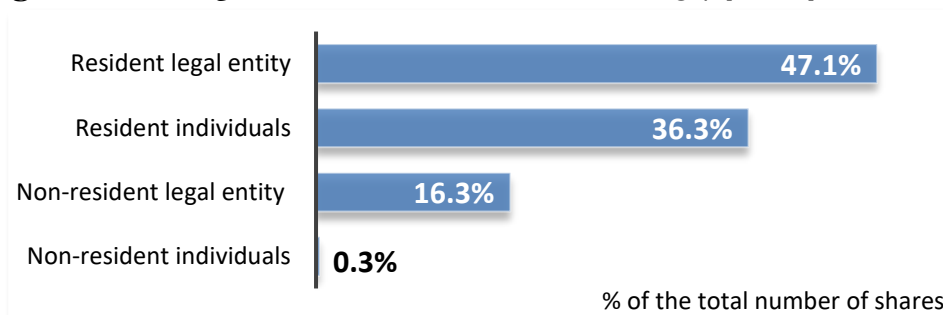
## 8. Corporate Governance

### 8.1. Relationship with investors. Dividend Policy

In the first quarter of 2021, we have abided by the **transparency, information and reporting requirements** through press releases, the publication of mandatory reports and the running of an ample correspondence with the shareholders. We have provided the shareholders/investors with additional data, some regular in nature (monthly newsletter), drafted in such a way so as to insure the up-to-date information on the company's performance.

According to the provisions of the "Corporate Governance Code", the regular and relevant information have been disseminated simultaneously, both in the Romanian and English language. An important component of the relationship with the shareholders is the direct communication activity: written correspondence (letters, e-mails); phone conversations.

#### Shareholding structure - Q1 2021 – No. of shareholders: 5.748.164



#### Dividend payment:

Dividend payments on 31.03.2021	2017 Dividend	2018 Dividend	2019 Dividend
	0,050 lei/share	0,0304 lei/share	0,06 lei/share
<b>Total dividend payable (lei)</b>	49.555.697	30.256.347	59.063.889
<b>Total paid (lei)</b>	37.272.225	22.531.441	43.601.826
<b>% Payment</b>	75,21	74,47	73,82

According to the resolutions of AGA EVERGENT Investments' EGMS on 29.04.2021:

- ✓ 2020 dividends, of **0,043 lei/share**, will be made available starting on **11.06.2021** (*payment date*), for shareholders registered in the Shareholders' Register on **19.05.2021**, *record date*, along with dividends for 2017, 2018 and 2019;
- ✓ 2017 dividends, set through the resolution of the Ordinary General Meeting of Shareholders no. 4 on 27.04.2018, uncollected by 02.10.2021 become outdated.

Dividend payment is made abiding by the provisions of Law no. 24/2017, art. 86 and FSA Regulation no. 5/2018, art. 177, and is made through the Central Depository, the participants and assigned payment agent, Banca Transilvania, for the shareholders that are entered in the shareholders' register of EVERGENT Investments on record date 19.05.2021, as follows:

1. In case a shareholder has **an equity account opened** at a broker, participant to the compensation – settlement system and register of the Central Depository, dividends are paid through bank transfer, to the participant's account, on payment date 11.06.2021.
2. In case a shareholder **does not have an equity account opened** at a participant, dividends are paid by the Central Depository in cash, through Banca Transilvania, or bank transfer, by request. For shareholders companies, payments are made by request, through bank transfer.

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**Completion of the second stage** of the own shares buyback program (with the modification of the characteristics communicated by the current report of January 26, 2021). The cumulative results of the operations are the following:

- ✓ Period: December 9, 2020 – March 3, 2021;
- ✓ Number of shares bought: 4.686.171;
- ✓ Average price: 1,2783 lei per share;
- ✓ Total value of shares: 5.990.177,98 lei;
- ✓ Percentage in the share capital of EVERGENT INVESTMENTS: 0,47%;
- ✓ Intermediary: BT Capital Partners.

**Carrying out the public offer to buy EVER shares** (current report of March 4, 2021)

By FSA Decision no. 303 of March 3, 2021, the public offer for the purchase of shares issued by EVERGENT Investments SA was approved, having the following main features:

- ✓ number of shares subject to the offer: 8,266,125, representing 0.84% of the share capital;
- ✓ purchase price: 1.6 lei/share;
- ✓ running period: March 9, 2021 – March 22, 2021;
- ✓ offer intermediary: BT CAPITAL PARTNERS S.A.;
- ✓ subscription places: according to the offer document displayed on the website [www.sifm.ro](http://www.sifm.ro).

The purpose of the program is to reduce the share capital by canceling the bought back shares, according to the EGMS Decision no. 4 of April 27, 2020.

**Completion of the third stage** of the share buyback program (current report May 7, 2021).

Cumulated results of operations carried out between March 29, 2021 - May 6, 2021:

- ✓ Number of shares bought: 2,600,000;
- ✓ Average price: 1.4261 lei per actiune;
- ✓ Total value of shares: 3,707,955.61 lei;
- ✓ Percentage in the share capital of EVERGENT Investments: 0.26%;
- ✓ Intermediary: BT Capital Partners.

**The operation is part of the EVERGENT Investments policy mix that includes buyback and cash dividend programs that ensure a higher return on the invested capital than other types of investments.**

## **8.2. Authorization of the Board of Directors of EVERGENT Investments SA**

*(Current report of March 31, 2021)*

Financial Supervision Authority authorized (authorization no. 49/30.03.2021) the following individuals as members of the Board of Directors of EVERGENT Investments SA, in compliance with Resolution no. 2 of the Ordinary General Meeting of Shareholders on 28<sup>th</sup> January 2021:

1. Ceocea Costel
2. Ciorcila Horia
3. Doros Liviu-Claudiu
4. Iancu Catalin-Jianu-Dan
5. Radu Octavian Claudiu

The mandate of the directors is 4 years, from 5<sup>th</sup> April 2021 until 5<sup>th</sup> April 2025.

## **8.3. Human Resource Management**

On the level of the executive, special attention is paid to human resources for the purpose of ensuring the continuity of professional training programs in order to maintain the expertise acquired over several years of specialization. The staff working in the following fields was included in the continuous training programs: investment analysis, asset evaluation, accounting, compliance, audit, risk management,

legal, corporate governance. The amount assigned in the reporting period for professional training and participation to conferences and seminars was 28 mii lei.

The staff was assessed for the activity carried out in 2020 both from the performance and specific knowledge perspective. The number of employees at the end of Q1 2021 is 37.

#### 8.4. Social Responsibility

EVERGENT Investments constantly carries out social responsibility activities in compliance with its own Corporate Governance Code, supporting either directly, or through specialized foundations/associations, fields such as: medical, educational, cultural, scientific, sporting, social, as well as various events of local or national interest. The value of sponsorships offered by EVERGENT Investments in the first three months of 2021 was 20.000 lei. The company uses the tax facilities connected to sponsorship activities.

#### 9. Events after the reporting date

##### Authorization of EVERGENT Investments management (Current report of April 6, 2021)

Financial Supervision Authority authorized (authorization no. 59/05.04.2021) the following individuals as directors of EVERGENT Investments SA, in accordance with the resolution of the Management Committee on 5<sup>th</sup> April 2021:

1. Doros Liviu-Claudiu
2. Iancu Catalin-Jianu-Dan

The board of Directors approved the appointing of the following individuals for the management structure: Doros Liviu-Claudiu, to exercise the position of President, CEO

1. Iancu Catalin-Jianu-Dan to exercise the position of vice-president, deputy CEO

The directors' mandate is 4 years, starting on 5<sup>th</sup> April 2021 until 5<sup>th</sup> April 2015.

##### Conducting the Extraordinary and Ordinary General Meetings of Shareholders on April 29, 2021. (Current report of 29.04.2021)

The extraordinary and ordinary general meetings of shareholders of EVERGENT Investments took place following the first convening, on 29<sup>th</sup> April 2021 at the company's headquarters from Bacau, 94C Pictor Aman street. All items on the agenda were debated and approved. The main adopted resolutions were:

- Approval of the reduction of EVERGENT Investments SA's share capital from 98.947.917,60 lei to 98.121.305,10 lei, in accordance with and motivated by EGMS Resolution no. 4 on 27.04.2020.
- Approval of the running of a treasury share redemption program ("Program 5") with the purpose of reducing the share capital through share annulment. The number of shares that can be redeemed is maximum 19.625.000 shares, and maximum price per share is 2 lei.
- Approval of the consolidated and individual financial statements for 2020.
- Approval of the gross dividend per share distribution of 0,043 lei/share, for shareholders registered on 19<sup>th</sup> May 2021 (ex-date 18<sup>th</sup> May 2021). Payment date is 11<sup>th</sup> June 2021.
- Approval of the activity program and income and expense budget for 2021.

Budget 2021 million lei	
<b>Total income</b>	63,6
<b>Total expense</b>	(45,8)
<b>Net profit</b>	16,4
<b>Net gain from the sale of FVTOCI assets</b>	57,5
<b>Net result</b>	73,9
<b>Investment program</b>	140



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*Annexes:*

1. Annex 1 Net asset statement on 31.03.2021

- Annex 1.1. Statement of assets and liabilities of EVERGENT Investments (FSA Reg. no. 15/2004-Annex 16)
- Annex 1.2. Statement of assets and detailed statement of investments of EVERGENT Investments (FSA Reg. no. 15/2004 – Annex 17)

2. Annex 2 Simplified interim individual financial statements as of March 31, 2021, prepared in accordance with IAS 34 Interim Financial Reporting and applying FSA Norm no. 39/2015 regarding the approval of the accounting regulations compliant with IFRS

3. Annex 3 Statement of litigations on 31.03.2021

4. Annex 4 BSE, FSA Reports Q1 2021

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*The Activity Report for Q1 2021 of the Board of Directors corresponding to the simplified interim individual financial statements as of March 31, 2021 was approved in the meeting of the Board of Directors on May 14, 2021.*

**Claudiu DOROS**  
**CEO and President**

**Mihaela MOLEAVIN**  
**Chief Financial Officer**

**Michaela PUSCAS**  
**Compliance Manager**