



S.C. Turism Felix S.A. Baile Felix
417500, Baile Felix, Sânmartin commune, Bihor county, Romania
Trade Register no.: J05/132/1991
Tax Code: RO 108526
Subscribed and paid-up share capital: 49,130,670.90 lei



Management
System
ISO 9001:2015

www.tuv.com
ID 9105069261

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PRESENTATION OF THE COMPANY TURISM FELIX

Background and evolution

Turism Felix S.A. was established on 15.10.1990 on the structure of the former Complex of Hotels and Restaurants (CHR). The company operates as a joint-stock company in accordance with Law no. 31/1990, republished, with subsequent amendments and additions, and Government Decision 1041/1990, and has an unlimited duration.

Between 1997-2005, FPS, respectively APAPS, transferred to SIF Transilvania and SIF Oltenia the entire shareholding in the share capital of Turism Felix S.A.

Turism Felix S.A. is a publicly owned company, according to the terminology provided in Law 297/2004 on the capital market.

Between 1997 and 2006, the company's shares were traded on the RASDAQ stock market under the symbol "TUF". On 19.02.2007, the company was admitted to trading on the regulated market administered by the Bucharest Stock Exchange S.A.

In line with the company's strategy, the share capital has been increased on several occasions, and currently amounts to 49.130.670,60 lei, consisting of 491.306.706 shares with a nominal value of 0,1 lei/share.

The company's main activity, according to the NACE classification, is hotels and similar accommodation facilities - NACE code 5510, consisting of spa treatment, accommodation, catering and recreation, domestic and international tourism, exploitation of thermal mineral water sources and their distribution.

In addition to its core business, Turism Felix also carries out activities such as:

- renting of land and premises for various commercial or service activities on the basis of contracts with third parties;
- the redistribution of utilities (cold water, hot water, thermal agent) to individuals and legal entities in Baile Felix, on a contract basis, according to the tariffs approved by the National Regulatory Authority for Public Utilities or other authorities in the field.

Administration of the company

The company is managed on a unitary basis by a **Board of Directors** consisting of 5 members elected by the general meeting of shareholders. The current members of the Board of

Directors were elected by the Ordinary General Meeting of Shareholders (O.G.M.S.) on 19.04.2021 for a four-year term of office, from 19.04.2021 to 18.04.2025.

The composition of the Board of Directors is as follows: Mr. Marius-Adrian Moldovan - President, Mr. Nicolae Petria - Vice-President, Mr. Cristian Buşu - member, Mr. Radu Cătălin Petrea - member and Mrs. Mihaela Susan - member.

The Board of Directors has full powers in taking any management and administration decisions -according to the rule of business judgment- adopted in order to achieve the company's object of activity, apart from those that the law expressly gives to the general meeting of shareholders.

The rights and obligations of the administrators and of the company relating to the management activity are established under the conditions and within the limits of the law, by a management contract whose content is approved by the O.G.M.S.

The Board of Directors has two advisory committees, the Audit Committee and the Nomination and Remuneration Committee, which are responsible for conducting investigations and making recommendations to the Board. The Committees operate in accordance with their own Organisational and Operational Regulations.

The Board of Directors has delegated part of the management of the company to a **Managing Director** and a **Deputy Managing Director**. The relationship between the directors and the company is governed by the commercial mandate contract.

The Directors working under mandate contracts are Mr. Florian Serac - General Director and Mr Laurenţiu Butuc - Deputy General Director.

The contract of office of the Managing Director was concluded for a period of 4 years, starting from 05.04.2019, and that of the Deputy Managing Director - for a period of 2 years, starting from 01.06.2021, the mandates can be renewed for further periods of 4 and 2 years respectively, based on the decision of the Board of Directors.

The General Director is responsible for taking all measures relating to the day-to-day management of the company, within the limits of its object of activity and in compliance with the exclusive powers reserved by law or by the articles of association to the Board of Directors and the General Meeting of Shareholders.

Information on the company's directors and officers can be found at www.felixspa.com, Corporate Governance section.

Shareholders of the company

Turism Felix is a wholly privately owned company with SIF Transilvania and SIF Oltenia as significant shareholders, the remaining shareholders being individuals and legal entities. The records of the shareholders and the shares held by them are kept by the Central Depository.

Shareholder structure as of 17.09.2021

Shareholder	Shares held	Percent
S.I.F. Transilvania Brasov, Brasov county	313.208.036	63,7500 %
S.I.F. Oltenia Craiova, Dolj county	143.752.429	29,2592 %
Natural persons	28.910.752	5,8845 %
Legal entities	5.435.492	1,1063 %
TOTAL	491.306.709	100 %

Source: Central Depository, consolidated shareholder structure as of 17.09.2021

Natural resources of Baile Felix resort

Since 1995 until today, the natural resources of Baile Felix resort have been developed by Turism Felix, the company being the only one responsible for the exploitation activities of the thermal mineral water reserves, based on the concession license of the right to exploit thermal waters granted by the National Agency for Mineral Resources for a period of 20 years, with the possibility of extension for successive periods of 5 years.

The perimeter of the exploitation of thermo-mineral water resources and reserves covers the entire Felix and Băile 1 Mai area.

The company assigns the right to operate to other entities on the basis of delivery contracts concluded with them, as long as their activities do not affect its own operating activities.

The miraculous effects of the thermal waters of the Felix Baths have been known since the time of the Roman Empire. Tradition has it that around 1095 King Ladislaus, travelling through these lands, discovered the thermal springs with miraculous effects.

The earliest evidence of the existence of these baths dates back to 1221, from the time of the Abbey of Hevius de Magno-Varadina, which lasted on these sites until the time of the Turks. One of the first pools built hundreds of years ago can still be seen today. A thriving resort developed around the first thermal spring, attracting tourists from all over Europe.

In recognition of its therapeutic qualities, the waters of this resort were awarded the gold medal and diploma of honour at the 1896 World Exhibition in Paris.

The Felix Baths have a unique bioclimate with a perfectly balanced humidity, which induces a state of relaxation and refreshment in the human body. Even in the hot season you can feel a certain kind of breeze generated by the influence of winds from the Austrian Alps, which bring with them Mediterranean currents. The breeze activates heat absorption mechanisms and enhances the effects of the thermal water.

Unique in the world, the thermal waters of Baile Felix are the most appreciated curative waters in the region. The thermal water is so pure that it can be consumed as drinking water. The spring temperatures of 40-49°C and the concentration of salts of just over 1g per litre give these waters miraculous properties for most locomotor disorders, classifying them as trace mineral waters.

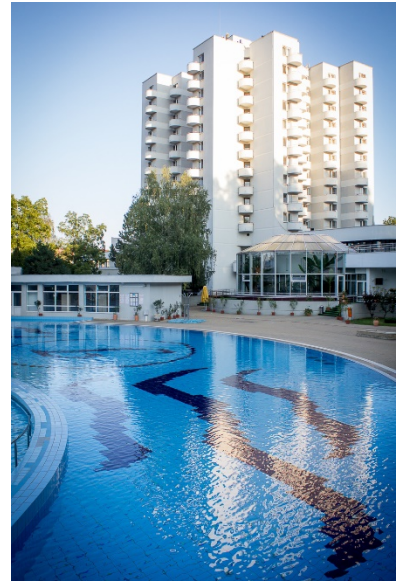
Overview of the company structure and description of the portfolio units

The main accommodation, catering and treatment capacities of Turism Felix consist of:

- a **four-star complex (International)** with a total capacity of 340 accommodation places, 535 catering places, 600 swimming pool places, 400 spa treatment places, 650 swimming pool places, and other facilities

Hotel International****

Hotel International**** is the first hotel in Romania to receive the EUROESPA - med logo, which certifies that it meets the standards of the European Spa Association (ESPA) regarding the general infrastructure of therapies, hygiene and safety of tourists.



- **three three-star hotel complexes (Termal, Nufărul and Poienița)** with a total capacity of 750 accommodation places, 1,258 catering places, 700 spa treatment places and other facilities



Thermal Hotel***



Nufărul Hotel ***



Poienița Hotel ***

- **three two-star hotel complexes (Mureș, Someș and Unirea)** with a total capacity of 1,286 accommodation places, 1,000 catering places, 1,100 spa treatment places, 300 swimming pool places and other facilities.



Mures Hotel **

- **three pools (Apollo, Felix and Venus)** and the **Dark Club** with a capacity of 300 seats.



Apollo Felix Pool

In total, the company has 2,376 accommodation places, 2,892 catering places and five treatment centers that can perform up to 8,300 procedures per day, conference rooms with a capacity of 1,100 seats, leisure facilities: outdoor swimming pools and spas, mini aqua park, clubs, sports fields, fitness rooms, wellness centers, etc.

For accommodation services the company owns 7 hotels (International, Termal, Nufărul, Poienița, Mureș, Someș, Unirea), in single, double, triple rooms or apartments - total approx. 2,376 places, of which two (Someș and Unirea) are currently in conservation.

For meal services, the company has seven category I restaurants (International, Termal, Nufărul, Poienița, Mureș, Someș, Unirea), each with 1-3 lounges and terraces set up for this purpose. Also in the food service sector, we should mention the day bars in the hotel complexes, as well as the buffet and buffet-restaurant areas in the Apollo - Felix Complex.

The most popular leisure services throughout the year are the services offered by the Apollo Leisure Complex, which include indoor and outdoor thermal pools, playgrounds and a wellness centre.

From May to September, the services of Felix Beach are added to these - thermal and swimming pools (cold water), children's pool, mini aqua-park (water slide with five lanes), beach volleyball and mini-football fields, and since 2010 the Venus Beach in Baile 1 Mai resort has been in operation, currently undergoing a modernization process.

Turism Felix also holds a 30.33% stake in the share capital of **Turism Lotus Felix S.A.**, which owns the only five-star spa resort in Romania (Lotus Therm SPA & Luxury Resort), located in Baile Felix and which was inaugurated in October 2015.



Lotus Therm SPA & Luxury Resort

The hotel has a capacity of 180 rooms and suites and is the most spectacular hotel in the western region of the country. Services and therapies offered: Tecar therapy, hydrotherapy, mud wraps and baths, paraffin, electrotherapy, hydrokinetic therapy/ kinetotherapy, indoor pools with thermal water for treatment, Finnish dry sauna/ wet sauna, ice fountain, cosmetics/ massage. Built and designed to the highest standards, Aqua Park Felixarium includes 10 indoor pools with retractable dome, 4 outdoor pools, playground, gold SPA, waterfall bar, yammi grill, tiki bar. The complex includes 3 conference and event halls equipped with modern technology

with a capacity of 450 seats, a restaurant with a capacity of 180 seats that can also be used as a wedding hall.

In carrying out its core business, **spa tourism**, Turism Felix offers packages of services generally consisting of spa treatment, accommodation and meals.

The service packages offered are different, depending on the specific target audience. The basic treatment remains the classic balneological, balneophysical and medical rehabilitation treatment, but at the same time the prophylaxis and wellness/wellness programmes are increasingly important.

To provide medical services, Turism Felix has **five treatment centres (International, Thermal, Poienița, Mureș and Unirea)**. Treatment procedures include hydrotherapy, kinesitherapy, stretching, electrotherapy, aerosol inhalation, thermotherapy, aromatherapy, massage therapy, etc., as recommended by the doctor.

On the borderline between medical and leisure services are the services of the **wellness centres in the International, Thermal and Apollo complexes**, where you can enjoy aromatic relaxation baths, jacuzzi, massage, sauna, solarium, salt room and fitness/strength rooms.

Market share held

Turism Felix is an important player on the Romanian spa tourism market.

The company's market share in spa tourism in Romania in 2020 was 6.50% (in terms of number of tourists), higher than in the previous year, when it was 6.19%.

In terms of overnight stays (tourist days), the company had a share of 7.82% in 2020, down from 7.88% in the previous year, when it held 7.88% of the local spa tourism market.

The accommodation capacity in operation owned by the company represents 6.25% of the total existing accommodation capacity in Romania in the spa segment.

Market shares are calculated on the basis of available statistical data provided by the National Institute of Statistics through the Statistical Brief - Tourism in Romania 2020, which presents statistical information for 2018-2020.

The **priority objective of Tourism Felix** is the development of the technical and material base, the rehabilitation and modernization of the existing one, through a coherent and consistent investment program, in conditions of a real protection of the environment.

In order to achieve this goal, Turism Felix has made the following investments in tourism infrastructure in recent years:

- Construction of a new thermal mineral water pool at the International Hotel;
- Modernization of interior finishes and plumbing in bathrooms room Hotel International
- Works for the development of the recreation area, re-compartment of the basement, extension of the ground floor and construction of a covered terrace at Poienița Hotel;
- Modernization of the kitchen of Poienița Restaurant (refurbishment, electrical installations, plumbing including fittings);
- Modernization of outdoor swimming pool Mures Hotel;

- Modernization of interior finishes, plumbing and electrical installations in apartments Nufarul Hotel;
- Rehabilitation and relocation of primary heating networks.

For the year 2021, the company plans to carry out investments totalling 8.45 million lei, aimed at improving the environment and the conditions for recreation and treatment within the framework of modernization works at the International Complex, Thermal Complex, Nufărul Complex, Poienița Complex, Mureș Complex, Apollo Spa, Felix Spa, as well as improvements to the Administrative Office, the Household Group, wells, boreholes and thermal points, the company's external networks and construction works at the Venus Spa 1 Mai Baths.

Economic and financial situation as at 30.06.2021

The main elements of the simplified balance sheet as at 30.06.2021 compared to the previous year are as follows:

- lei

ASSETS	Reporting period		
	30.06.2020	01.01.2021	30.06.2021
Intangible assets	469.088	411.578	335.223
Tangible fixed assets	178.827.329	196.458.163	195.204.371
Land	68.747.325	80.257.512	80.257.512
Construction	79.990.005	96.563.340	93.974.712
Technical installations and machinery	4.607.481	5.070.356	4.441.131
Other plant, machinery and furniture	991.928	840.467	657.757
Real estate investments	294.576	348.490	315.121
Tangible fixed assets in course of construction	15.941.337	5.422.541	5.803.758
Advances on tangible fixed assets	8.254.678	7.955.457	9.754.380
Shares held in the assoc. and joint accounts	39.820.673	11.528.606	11.528.606
Financial fixed assets	39.820.673	11.528.606	11.528.606
Total fixed assets	219.117.090	208.398.347	207.068.200
Stocks	1.816.696	1.472.276	1.782.897

(continued)

- lei

Raw materials, consumables	1.405.050	1.211.515	1.234.762
Goods	411.647	260.761	532.378
Claims	7.726.868	6.050.239	8.031.269
Trade receivables	4.448.602	3.563.529	6.140.821
Advances paid	2.176	0	19.499
Other claims	3.276.089	2.486.710	1.870.949
Short-term investments	2.482.282	1.542.551	1.686.697
House and bank accounts	6.870.862	6.002.594	6.920.124
Total current assets	18.896.708	15.067.660	18.420.986
Accruals and similar accounts	270.917	169.000	371.023
TOTAL ASSETS	238.352.797	223.635.007	225.860.209

LIABILITIES	Reporting period		
	30.06.2020	01.01.2021	30.06.2021
TOTAL CAPITAL	207.027.904	195.098.528	196.947.870
TOTAL SHAREHOLDERS' EQUITY	207.027.904	195.098.528	196.947.870
CAPITAL	49.614.946	49.614.946	49.614.946
Subscribed and paid-up capital	49.614.946	49.614.946	49.614.946
OTHER EQUITY ITEMS	0	-38.708.593	-38.532.673
REVALUATION RESERVES	74.844.024	93.395.358	92.295.858
RESERVE	67.699.249	67.705.942	68.179.736
Legal reserves	5.410.374	5.417.067	5.434.669
Other reserves	62.288.875	62.288.875	62.745.067
TREASURY SHARES	41.788	1.978.887	1.978.887
RETAINED EARNINGS	1.260.131	24.613.570	25.713.070
Repl. res., except repl. res. from first add. of IAS 29	1.260.131	24.613.570	25.713.070
PERIOD RESULT	-8.952.580	462.885	1.673.422
Profit sharing	0	6.693	17.602
PROVISIONS	121.300	390.677	363.174
DEBTS - TERM GREATER THAN ONE YEAR	1.314.034	11.805.934	11.609.942

Amounts due to credit institutions	0	0	0
Other payables, incl. tax and insurance data. social security	1.314.034	11.805.934	11.609.942
DEBTS - TERM UP TO ONE YEAR	24.895.485	13.299.007	12.094.811
Amounts due to credit institutions, convertible	1.802.022	2.688.135	1.065.122
Advances received on orders	926	0	0
Trade debts - suppliers	12.066.432	5.671.197	4.821.492
Other payables, incl. tax and insurance data. social security	11.026.105	4.939.675	4.821.492

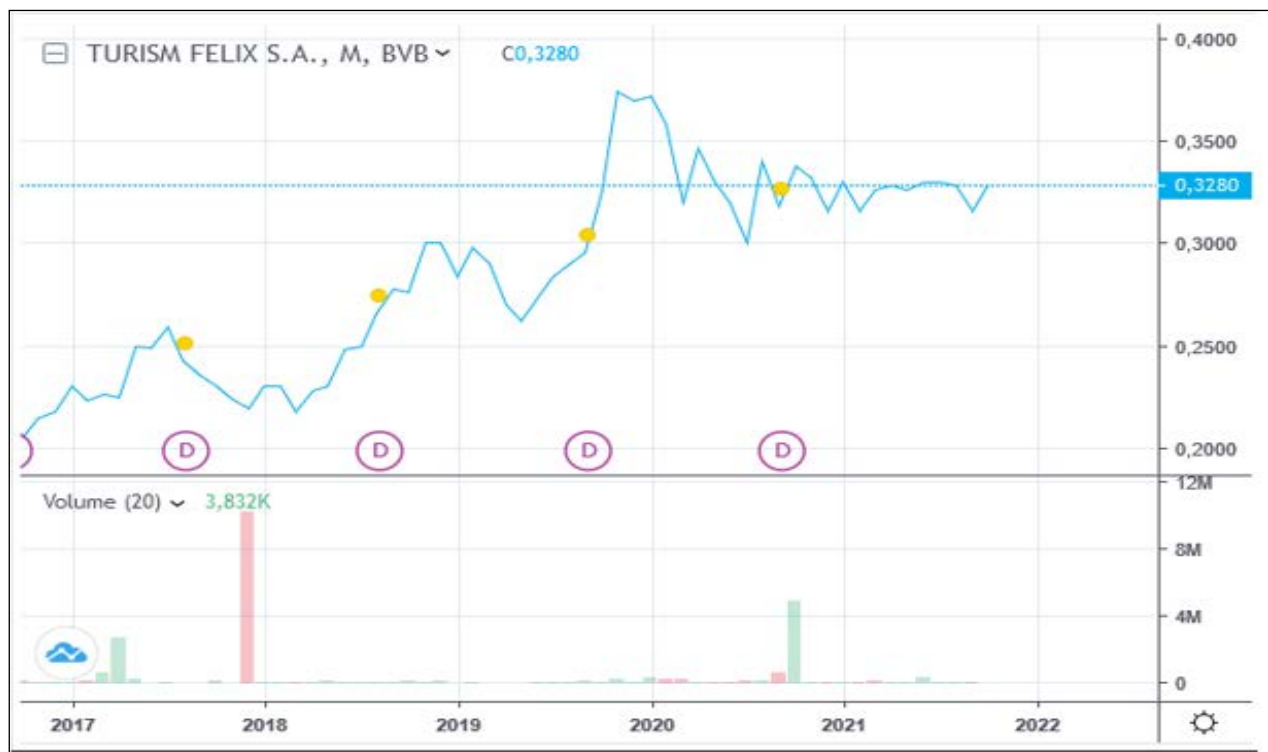
Accruals and similar accounts	4.925.992	3.040.861	4.844.412
TOTAL LIABILITIES	238.352.797	223.635.007	225.860.209

STATEMENT OF INCOME AND EXPENDITURE	Reporting period		
	30.06.2020	01.01.2021	30.06.2021
Net turnover	13.907.012	53.825.459	30.134.527
Operating revenue - Total	14.368.156	54.355.610	32.988.488
Value adjustments on intangible assets, property, plant and equipment, investment property and biological assets valued at cost	3.072.502	6.552.004	3.972.951
Operating expenses - Total	23.225.230	52.987.906	31.352.577
Operating result	-8.857.074	1.367.704	1.635.911
Interest income	1.872	3.313	142
Financial income - Total	44.856	193.846	170.825
Interest-related expenditure	12.780	33.397	41.654
Financial expenses - Total	12.990	907.895	51.850
Financial result	31.866	-714.049	118.975
Total income	14.413.012	54.549.456	33.159.313
Total expenditure	23.238.220	53.895.801	31.404.427
Gross result	-8.825.208	653.655	1.754.886
Net result	-8.952.580	462.885	1.673.422
Average number of employees	730	727	695

Main economic and financial indicators as at 30.06.2021

Indicator name	Calculation method	Values	Result
Current liquidity indicator	Current assets / Current liabilities	18.420.986 / 12.094.811	1,52
Debt ratio indicator	Borrowed capital / Equity x 100	1.065.122 / 196.947.870 x 100	0,54
Debt ratio indicator	Borrowed capital / Capital employed x 100	1.065.122 / 198.012.992 x 100	0,53
Flow rate - customers	Average customer balance / Turnover x 181	5.193.357 / 30.134.527 x 181	31.19 (no. of days)
Turnover speed of fixed assets	Turnover / Fixed assets	30.134.527 / 207.068.200	0.15 (no. of times)

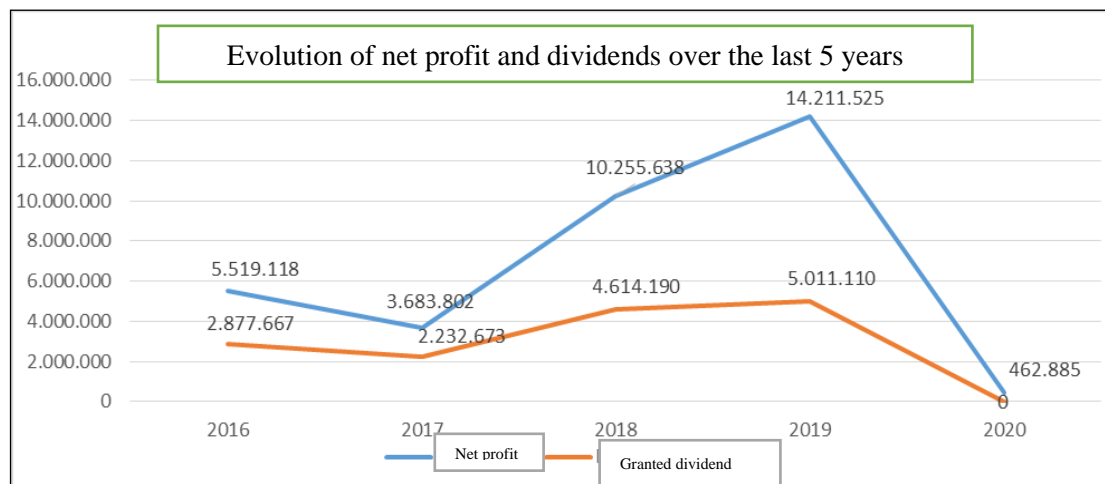
TUFE share price evolution over the last 5 years



Evolution of net profit and dividends over the last 5 years

During the period 2016-2020, the company's policy regarding the distribution of net profit has been to maintain a balance between remunerating shareholders through dividends and the need to finance new investments from reinvested profits, with net profit being distributed in this way:

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The company's communication with shareholders and investors shall be carried out through the persons specifically designated for this purpose, who shall provide shareholders and investors with the information necessary for the best possible exercise of their status as shareholders, i.e. for the decision to invest in shares issued by the company.

The persons designated for **relations with shareholders and investors** can be contacted as follows: telephone: 0259/318.338 ext. 224 and e-mail: investitori@turismfelix.ro.