



Half year report

as of June, 30 2023



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Notes

The Directors' consolidated report herein presents the half year condensed standalone and consolidated financial statements of the Bucharest Stock Exchange, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and in compliance with the rules and regulations of the Financial Supervisory Authority (FSA). The financial results as of 30 June 2023 are not audited.

The financial figures presented in the executive management commentary which are expressed in million RON are rounded off to the nearest integer and may result in small reconciliation differences.

Entities included in the consolidation process: Bucharest Stock Exchange, Central Depository, CCP.RO Bucharest.

Disclaimer

This English language report is a convenience translation of the Romanian language "*Raport semestrial întocmit la data de 30 Iunie 2023*". The Romanian version of the report is the official document.

Executive summary

Key events in Q2 2023

3 financing rounds raising EUR 1.4 bn

- ✓ Fidelis bonds → 600 mn EUR (record)
- ✓ Bucharest Municipality Bonds → 110 mn EUR
- ✓ BCR green eurobonds → 700 mn EUR

Other significant developments

- Hidroelectrica IPO started on June 23rd
- Index committee approves Hidroelectrica index inclusion in the first trading day

Key figures for H1 2023

BVB Standalone

Financial results influenced by the volumes traded in a market waiting for the Hidroelectrica IPO.

In June 2023, BVB paid the 2022 dividends in amount of RON 10.40 mn.

A new "All-time high" reached by BVB share on June 30, 2023 of RON 50 (+79% y/y).

Operating revenues of RON 13 mn, variation of -29% y/y, base effect determined by high volatility and significant volumes traded in H1 2022, while in H1 2023 market liquidity remained low in expectation of Hidroelectrica IPO.

Operating expenses of RON 11.24 mn, +7% y/y impact of inflation increase in the main categories of expenses, especially those related to maintaining authorized activities at an optimal level, the increase being still under the 2023 inflation rate, of 10.3%.

Net profit of RON 3.72 mn, down from RON 9,10 mn vs H1 2022, direct impact from the evolution of variable trading revenues.

Significant events in Q3 2023

Hidroelectrica IPO took place at BVB between June 23 and July 4, 2023, was successfully concluded in July and generated revenue from offers in amount of RON 12.53 mn, which will be included in the financial results of the 3rd quarter of 2023.

Low volumes ahead of Hidroelectrica IPO

As of June 30, 2023:

BET index: **12,483.35** +7.03% YTD

BET-TR index: **24,949.28** +9.98% YTD

Total traded 1H 2023: 8.3bn RON (-38% vs 1H 2022).

- Two more issuers, Nuclearelectrica and One United Properties included in the MSCI Frontier indices.

BVB Group

Results influenced by the evolution of the capital market and Group projects – Central Counterparty project from Romania (CCP.RO) enters in a new stage of authorization and implementation.

Operating revenues of RON 25.71 mn, decrease of 16%, influenced by the evolution recorded by the trading segment, while the post-trading and registry segments recorded an increase of 5% y/y.

CCP.RO did not record operating revenues.

Operating expenses of RON 25.55 mn, increase of 15% y/y, generated by new costs related to the entry into the authorization and implementation stage of the Central Counterparty project together with the impact from inflation increase, with influence on the personnel expenses and other operating expenses, on all Group's business segments.

Net profit of RON 3.35 mn, down from RON 8.76 mn in H1 2022 directly influenced by the operating result evolution while the financial result increased by 82%.

Expectations for Q3 2023

Hidroelectrica IPO success pushing the interest towards the market and the traded volumes to record highs.

Romania's weights in FTSE Emerging and MSCI Frontier to increase based on Hidroelectrica fast admission.

On May 26, 2023, the General Meeting of Shareholders of CCP.RO approved the increase in share capital by the amount of RON 3.875 mn. The process is in progress.

Financial and operating highlights

Standalone and consolidated financial performance for the first semester of the year 2023 (RON mn, unless otherwise stated)

	BVB Standalone			GROUP		
	H1 2023	H1 2022	Change (%)	H1 2023	H1 2022	Change (%)
Operating revenue	13.00	18.35	-29%	25.71	30.47	-16%
Operating expenses	<u>(11.24)</u>	<u>(10.53)</u>	<u>7%</u>	<u>(25.55)</u>	<u>(22.26)</u>	<u>15%</u>
Operating profit	1.76	7.82	-77%	0.16	8.21	-98%
<i>Operating margin</i>	<i>14%</i>	<i>43%</i>		<i>1%</i>	<i>27%</i>	
Net financial revenue/(expenses)	<u>2.23</u>	<u>2.53</u>	<u>-12%</u>	<u>3.56</u>	<u>1.96</u>	<u>82%</u>
Profit before tax	<u>4.00</u>	<u>10.35</u>	<u>-61%</u>	<u>3.72</u>	<u>10.17</u>	<u>-63%</u>
Net profit for the period	3.72	9.10	-59%	3.35	8.76	-62%
<i>Net margin</i>	<i>29%</i>	<i>50%</i>		<i>13%</i>	<i>29%</i>	
EPS attributable to owners (RON/share)**	0.4624	1.1302	-59%	0.4056	1.0600	-62%
<i>Return on equity</i>	<i>3%</i>	<i>8%</i>		<i>2%</i>	<i>6%</i>	

** Consolidated attributable profit and consolidated earnings per share are information presented in accordance with the requirements of International Financial Reporting Standards (IFRS) and do not represent the basis for granting BVB dividends.

The proposal for the distribution of BVB's profit in the form of dividends is made from the net profit of the Bucharest Stock Exchange SA (BVB individual) according to the dividend policy published on the BVB website, in the "Investor Relations" section.

Standalone and consolidated financial performance for the second quarter of the year 2023 (RON mn, unless otherwise stated)

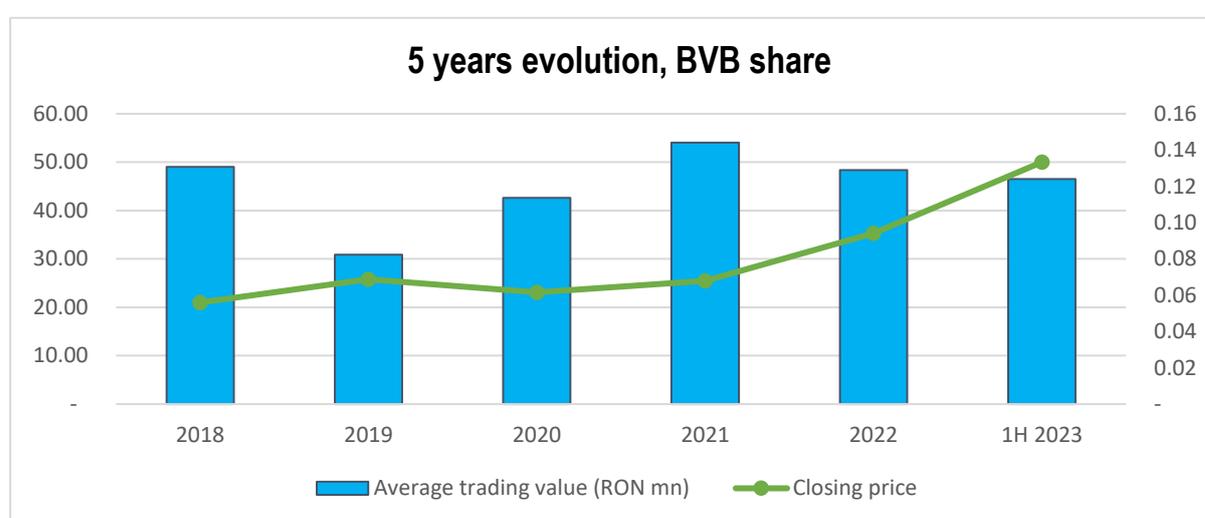
	BVB Standalone			GROUP		
	Q2 2023	Q2 2022	Change (%)	Q2 2023	Q2 2022	Change (%)
Operating revenue	5.85	8.49	-31%	12.85	14.87	-14%
Operating expenses	(5.77)	(5.56)	4%	(13.66)	(12.34)	11%
Operating profit	0.08	2.93	94%	(0.81)	2.53	-
<i>Operating margin</i>	<i>1%</i>	<i>35%</i>		<i>-6%</i>	<i>17%</i>	
Net financial revenue/(expenses)	2.06	2.24	-8%	2.42	1.24	96%
Profit before tax	2.14	5.17	-59%	1.61	3.77	-57%
Net profit for the period	2.19	4.71	-53%	1.59	3.32	-52%
<i>Net margin</i>	<i>37%</i>	<i>55%</i>		<i>13%</i>	<i>22%</i>	
EPS attributable to owners (RON/share)**	0.2722	0.5846	-53%	0.1790	0.4155	-57%
<i>Return on equity</i>	<i>2%</i>	<i>4%</i>		<i>1%</i>	<i>2%</i>	

Standalone and consolidated financial position (RON mn, unless otherwise stated)

	BVB Standalone			BVB GROUP		
	30 June 2023	31 Dec. 2022	Change (%)	30 June 2023	31 Dec. 2022	Change (%)
Total assets, out of which:	115.81	121.29	-5%	192.18	198.01	-3%
Investments in associated entities	67.74	67.74	0%	-	-	-
<i>Trade receivables and other receivables</i>	<i>4.93</i>	<i>5.22</i>	<i>-6%</i>	<i>6.68</i>	<i>9.84</i>	<i>-32%</i>
<i>Cash & cash equivalents</i>	<i>5.38</i>	<i>1.63</i>	<i>230%</i>	<i>14.68</i>	<i>33.31</i>	<i>-56%</i>
<i>Bank deposits</i>	<i>9.78</i>	<i>5.60</i>	<i>75%</i>	<i>59.09</i>	<i>33.05</i>	<i>79%</i>
<i>Financial assets at amortized cost</i>	<i>17.39</i>	<i>30.69</i>	<i>-43%</i>	<i>66.21</i>	<i>78.75</i>	<i>-16%</i>
<i>Restricted financial assets at amortized cost</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>22.32</i>	<i>22.15</i>	<i>1%</i>
Payables, out of which:	10.27	9.35	10%	45.02	43.78	3%
<i>Trade and other payables</i>	<i>4.41</i>	<i>4.43</i>	<i>0%</i>	<i>32.79</i>	<i>32.44</i>	<i>1%</i>
Equity, out of which:	105.54	111.94	-6%	147.16	154.23	-5%
<i>Total shareholders' equity attributable to the owners of the Company</i>	<i>105.54</i>	<i>111.94</i>	<i>-6%</i>	<i>102.78</i>	<i>109.31</i>	<i>-6%</i>
<i>Non-controlling interests</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>44.38</i>	<i>44.92</i>	<i>-1%</i>

Share statistics for BVB as parent company (RON, unless otherwise stated)

Share statistics for BVB as parent company	H1 2023	H1 2022	Change (%)	Q2 2023	Q2 2022	Change (%)
Closing price (e-o-p)	50.00	28.00	79%	50.00	28.00	79%
Weighted average price	43.80	26.07	68%	46.70	27.84	68%
High (intraday)	50.00	29.90	67%	50.00	28.00	67%
Low (intraday)	35.60	22.70	57%	44.50	27.00	65%
Total trading value (RON mn)	15.26	16.74	-9%	6.97	5.66	23%
Average trading value (RON mn)	0.12	0.13	-8%	0.12	0.1	25%



Operating highlights, trading segment (RON mn, all markets)

Transaction value	H1 2023	H1 2022	Change (%)	Q2 2023	Q2 2022	Change (%)
Shares, units, rights	4,422	7,961	-44%	1,980	2,590	-24%
<i>Out of, Shares traded on regulated market, without offers</i>	3,779	5,879	-36%	1,852	1,798	3%
Certificates	284	554	-49%	127	251	-49%
Fixed-income investments	<u>3,888</u>	<u>5,580</u>	<u>-30%</u>	<u>3,769</u>	<u>4,894</u>	<u>-23%</u>
Total	8,594	14,095	-39%	5,877	7,735	-24%
Avg. daily value (shares, without initial public offers) *	30.72	47.41	-35%	30.87	29.47	5%
Avg. daily value (shares, including initial public offers)*	34.40	60.78	-43%	31.66	40.57	-22%

*Value for the Regulated market

Operating indicators, post-trading and registry segments

	H1 2023	H1 2022	Change (%)	Q2 2023	Q2 2022	Change (%)
No. companies with registry contract at CSD	780	869	-10%	780	869	-10%
No. procedures resulted from issuers' corporate events	477	445	7%	477	445	7%
<u>Local settlement</u>	11.20	22.67	-51%	5.78	10.14	-43%
Value of trades settled on net basis (RON bn)	0.87	1.30	-33%	0.50	0.55	-9%
Value of trades settled on gross basis (RON bn)						
<u>Settlements through T2S platform (euro)</u>	510	370	38%	493.67	313.77	57%
Value of trades settled on gross basis (EUR mn)						
	65.99	64.30	3%	65.99	64.06	3%
Avg. monthly portfolio managed by custodians (RON bn)	780	869	-10%	780	869	-10%

Analysis of the standalone and consolidated results for the second quarter and for the first semester of the year 2023

Macroeconomic and financial markets evolution in the second quarter of 2023

The second quarter of 2023 was marked further by persistently high inflation both globally and locally, despite the downward trend in the inflation rate given the slowdown in the global economy.

At the local level, the latest figures regarding Romania's GDP dynamics showed an economic growth in the first quarter of 2023 of only 2.4%, year-over-year, an evolution below the analysts' expectations and a pronounced deceleration compared to the previous quarter, driven by the unfavorable impact of the changes in inventories.

The unemployment rate increased compared to the previous quarter, reaching the level of 5.8%, though the labor market remaining robust. Inflation continued to remain at an exceptionally high level, at the 10.25% level in June, but significantly lower compared to the previous months. The decrease is mainly due to the economic slowdown, the decrease in international raw materials prices, as well as due to the base effect. Despite the ongoing downward trend in inflation, over the medium term it is expected for it to remain significantly above the target level of the central bank, which will continue to put pressure on monetary policy.

During the two monetary policy meetings from April and May, the Board of Governors of the NBR decided on both occasions to maintain the monetary policy rate at the 7% level. Most likely, we have already witnessed the peak level of interest rates for this economic cycle, which could be encouraging for economic activity, however this will largely depend on how quickly inflation returns to an acceptable level for the monetary policy.

The EUR/RON exchange rate increased in the second quarter, fluctuating on average around 4.95 RON/EUR. In terms of the USD/RON exchange rate, it continued its correction compared to the previous quarter, reaching an average level of 4.54 RON/USD.

Despite the high inflation and restrictive monetary policies globally, equity markets continued their recovery trend in the second quarter amid signs that inflation is on a downward trend and result of financial results published by the companies that came above expectations. Romania's BET index registered an increase of 3.1%, while the BET-TR index which includes dividends increased by 5.9%, outperforming the developed markets from the European Union. In the USA, the S&P 500 index rose by 8.3%, while in the UK, FTSE 100 depreciated by 1.3%. In the Eurozone, the German DAX index registered a positive performance of 3.3%, while the MSCI Emerging Markets index fluctuated only slightly by -0.1%.

Analysis of the main standalone and Group financial indicators for the second quarter of the year 2023

Operating revenues BVB standalone* in Q2 2023 decreased by 31% compared to Q2 2022, from RON 8.49 mn to RON 5.85 mn, determined by lower trading revenues, from both regular transactions, as well as from offers, following significant volumes traded during Q1 2022 influenced by the outbreak of the conflict in Ukraine, respectively higher public offers held in H1 2022, while in the first semester of 2023, the capital market was in a state of expectation for the Hidroelectrica IPO.

Q2 2023 vs Q1 2023: operating revenues decreased by 18%, as in Q1 2023 there were larger public offers carried out.

Operating revenues Central Depository (DC)* in Q2 2023: 8% advance compared to Q2 2022 up to the value of RON 6.96 mn, generated by both business segments, post-trading, +5%, in amount of 4.03 mn, result of the increase in value of the portfolios managed by the custodians, as well as the registry segment, +12%, up to the value of RON 3.02 mn, following the indexation of some of the tariffs including the maintenance tariff for both participants and for issuers.

Q2 2023 vs Q1 2023: 17% increase, mainly generated by the advance of income from the registry segment (+45%), generated by income from dividend distributions made in Q2 2023 (+ RON 300 thousand).

CCP.RO did not record operating revenues in Q2 2023.

- **Consolidated operating revenues BVB Group** in Q2 2023 of RON 12.85 mn, decrease of 14% (Q2 2022 – RON 14.87 mn), influenced by trading segment evolution, partially compensated by the growth in post-trading and registry segments.

Operating expenses, BVB standalone* a slight increase of 4% compared to Q2 2022 up to RON 5.77 mn, the 21% advance recorded on Other operating expenses, influenced by the increase in inflation, but also result of higher marketing and promotion expenses in Q2 2023, was netted-off by the lower third-party services expenses.

Q2 2023 vs Q1 2023: slight increase of 6% generated by the higher marketing and promotion expenses compared to the previous quarter, following the "Become an Investor" campaign carried out with the scope of increasing the number of investors, as well as to promote BVB ongoing projects, mainly, "Made in Romania".

Operating expenses, Central Depository (DC)* in Q2 2023 amount to RON 5.87 mn, slight increase of 2% compared to Q2 2022.

Q2 2023 vs Q1 2023: Compared to the previous quarter, operating expenses increased by 20%, the increase being mainly due to the implementation of the Remuneration policy starting from April 2023.

Operating expenses, CCP.RO* in Q2 2023 amount to RON 1.98 mn, an increase of 74% compared to Q2 2022, influenced by new expenses generated by the entry of CCP.RO into a new stage within the process authorization and implementation (consultancy, IT audit services, data communication expenses, ASF authorization fees), as well as higher personnel expenses due to the increase in the average number of employees, together with the implementation of the Remuneration policy for CCP.RO employees and management starting April 2023.

Q2 2023 vs Q1 2023: Operating expenses increased 13%.

- **Consolidated operating expenses in Q2 2023** increased by 11% compared to Q2 2022 to the amount of RON 13.66 mn, mainly generated by the advance of new expenses generated by the authorization and implementation of the CCP activity, as well as other personnel expenses at the Group level determined by the adjustment and indexation of salaries in April 2023.

Q2 2023 vs Q1 2023: increase of 15% or RON 1.77 mn, mainly generated by the advance of personnel expenses at Group level.

Operating profit, BVB standalone* in amount of RON 81 thousand, down from RON 2.93 mn, direct impact from the variation in operating revenues, amplified by the increase in operating expenses.

- **Consolidated operating profit BVB Group in Q2 2023:** loss in amount of RON 811 thousand compared to a profit of RON 2.53 mn achieved in Q2 2022, level influenced by both the evolution of revenues in the trading segment and consolidated operating expenses, mainly, from CCP.RO subsidiary which is in the authorization and implementation process.

Net financial income, BVB standalone* in Q2 2023 decreased by 8% to the value of RON 2.06 mn from RON 2.24 mn in Q2 2022, dividends income from the Central Depository and lower unrealized income from revaluation compared to the previous year, covered the increase in interest income and other financial income generated the positive impact from the decrease in CDS (Credit Default Swap) rate used in the provision for expected credit losses calculation, recorded according to IFRS9.

- **Consolidated net financial income in Q2 2023**, increase of 96% up to the value of RON 2.42 mn compared to RON 1.24 mn in Q2 2022, generated by interest income result of the increase in the investment portfolio average yield, together with other financial income generated by the positive impact of the decrease in the CDS (Credit Default Swap) rate used in the calculation of the provision for expected credit losses, carried out according to IFRS9.

Net profit, BVB standalone * in Q2 2023 in amount of RON 2.19 mn, down from RON 4.71 mn, being directly influenced by the evolution of the operating result.

Q2 2023 vs Q1 2023: Net profit increases by 43%, influenced by the advance of financial result, which covered operating profit decrease.

Net profit, Central Depository (DC)* in Q2 2023: 64% increase up to the value of RON 1.47 mn compared to RON 0.89 mn in Q2 2022 supported by the positive evolution of both the operating and financial results compared to Q2 2022.

Net loss, CCP.RO * in Q2 2023 in amount of RON 0.67 mn, an improved level compared to Q2 2022 (RON 0.75 mn), negative evolution of the operating result was covered by the increase in the financial result.

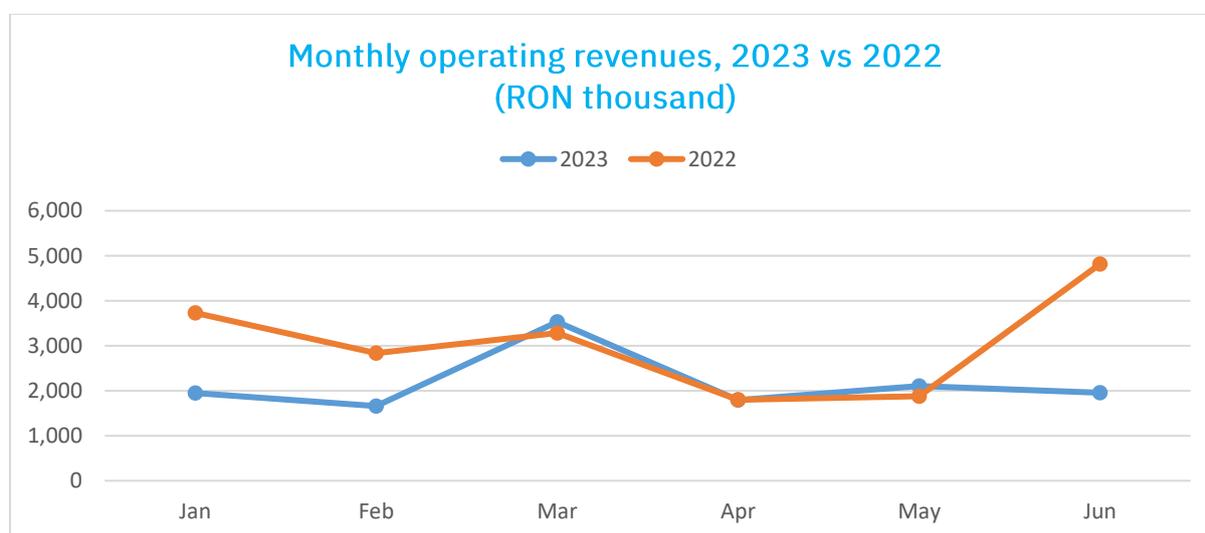
- **Consolidated net profit BVB Group in Q2 2023** in amount of RON 1.59 mn, -52% y/y (RON 3.32 mn in Q2 2022), being directly influenced by the evolution of the operating result.

Q2 2023 vs Q1 2023: 10% decrease, directly influenced by the evolution of the operating result.

Evolution analysis of the main standalone and Group financial indicators for the first semester of the year 2023

Operating revenues BVB standalone* in H1 2023 are in amount of RON 13 mn, decrease of 29% compared to H1 2022 (RON 18.35 mn), due to increased volatility and significant volumes traded in Q1 2022 as a result of the outbreak of the conflict in Ukraine, as well as higher public offers made in S1 2022, while in S1 2023 traded volumes were at a low level in the context of market expectative for the Hidroelectrica IPO.

The decrease was partly offset by the 27% increase of market data revenues, that reached the value of RON 1.94 mn, generated by the growth in the number of real-time data end users, by attracting new data clients, as well as due to the new pricing plan applied starting January 1st 2023, together with the increase in issuers maintaining fees revenues (+9% y/y) as a result of 2022 inflation rate indexation (13.8%), as well as the higher revenues from participant admission fees compared to the previous period



Operating revenues, BVB standalone*, (RON mn)

	<u>H1</u> <u>2023</u>	<u>H1</u> <u>2022</u>	<u>% din total</u> <u>2023</u>	<u>Var.</u> <u>abs</u>	<u>% Var</u>
Operating revenues	7.66	13.88	59%	-6.21	-45%
Revenues from Trading fees, out of which:					
Revenues from Regulated market	5.11	8.05	39%	-2.93	-36%
Revenues from Offers, Regulated market	1.98	4.66	15%	-2.68	-58%
Revenues from structured products	0.31	0.61	2%	-0.30	-49%
Revenues from ATS	0.26	0.57	2%	-0.31	-54%
Issuers admission & maintenance fees	2.42	2.22	19%	0.20	9%
Revenues from data vending	1.94	1.52	15%	0.41	27%
Other revenues	0.98	0.73	8%	0.25	34%
Total operating revenues	13.00	18.35	100%	-5.36	-29%

* including intra-group transactions

Operating revenues Central Depository (DC)* in H1 2023 are in amount of RON 12.90 mn, +5% y/y, mainly result of the increase of some tariffs including the issuers maintaining fee, while the settlement revenues remained relatively constant compared to the previous period.

*Revenues from post-trading segment * (DC)*, in H1 2023: RON 7.84 mn, similar level compared to the previous period, the reduction in local settlement revenues from the BVB markets, influenced by the values traded at the BVB, covered the increase in admission revenues and maintaining participants as a result of higher revenues from the commission for maintaining the quality of the participant - the percentage component, following the increase in the commission for retail government securities. This segment represents 61% of DC's operating revenues.

*Revenues from registry segment * (DC)* in H1 2023 recorded a 14% y/y increase, up to the value of RON 5.04 mn, due to the advance of issuers operations revenues by 25%, result of the increase of some of the fees, including the maintaining rate for issuers, but also an increase in revenues for the holders of financial instruments by approximately 27%, as a result of the increase in the number of services requested by the holders.

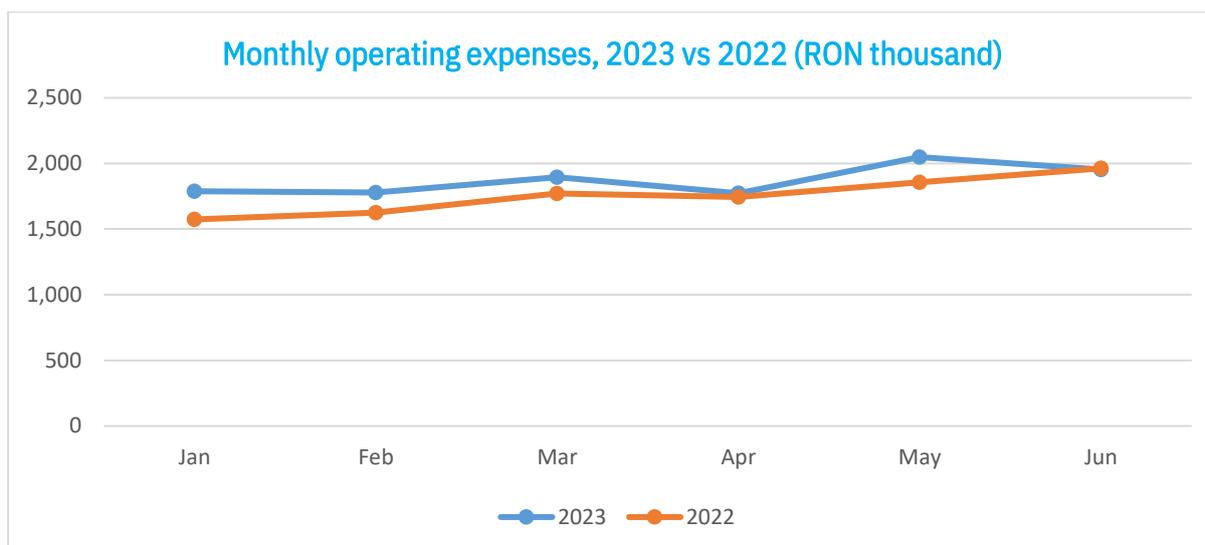
CCP.RO Bucharest did not record operating revenues in the first semester of 2023.

- **Consolidated operating revenues BVB Group in H1 2023**, 16% decrease to the value of RON 25.71 mn compared to RON 30.47 mn in H1 2022, generated by the evolution of trading revenues recorded in the trading segment.

Operating expenses, BVB standalone* in H1 2023: 7% increase compared to 1H 2022 up to the value of RON 11.24 mn, mainly influenced by:

- The advance of personnel expenses by 6% y/y, up to the value of RON 5.93 mn, following annual indexation of salaries according to the Remuneration Policy applied starting from April 2023, while the expenses with bonuses and SOP accruals were at a lower level, in line with the current year result.
- Decrease in *third-party services expenses* by 19% y/y, to the value of RON 1.31 mn, based on the lower business development expenses and consulting services compared to S1 2022.
- Higher *other operating expenses* by 21% y/y up to the value of RON 3.99 mn, base effect from the price increases due to inflation, together with the advance of expenses with depreciation of fixed assets and annual headquarters rent indexation, of marketing and promotion expenses following the campaigns carried out aimed to promote BVB projects and increase the number of investors.

* including intra-group transactions



Operating expenses BVB Standalone* (RON mn)

Operating expenses	H1 2023	H1 2022	Abs. Var.	Var %
Personnel expenses and Director's fees	<u>5.93</u>	<u>5.60</u>	<u>0.33</u>	<u>6%</u>
Services provided by third parties, out of which:	<u>1.31</u>	<u>1.63</u>	<u>-0.32</u>	<u>-19%</u>
<i>Commissions and fees (legal, audit)</i>	0.33	0.35	-0.03	-8%
<i>Third party services-on events and promotion</i>	0.72	0.86	-0.15	-17%
<i>Third party services-business development projects</i>	0.27	0.41	-0.14	-35%
Other operating expenses, out of which:	<u>3.99</u>	<u>3.30</u>	<u>0.69</u>	<u>21%</u>
<i>Utilities and other rentals</i>	0.62	0.44	0.17	39%
<i>Amortization and depreciation of fixed assets and right of use assets</i>	1.24	1.07	0.17	16%
<i>Consumables and stationery expenses</i>	0.04	0.13	-0.09	-68%
<i>Marketing, protocol and travel expenses</i>	0.92	0.62	0.30	49%
<i>Sponsorship expenses</i>	0.19	0.16	0.04	23%
Total Operating expenses	<u>11.24</u>	<u>10.53</u>	<u>0.70</u>	<u>7%</u>

Operating expenses, Central Depository (DC)* in H1 2023 are in amount of RON 10.76 mn, +11% y/y, increase generated by the advance of third parties expenses (+32% y/y), impact from the inflation increase, but also as a result of higher expenses for IT maintenance, archiving services, as well as 11% increase in personnel expenses following the indexation and annual adjustment of salaries according to the Remuneration Policy starting in April 2023.

The increase is also amplified by the advance of other operating expenses (+8% y/y), impact from the inflation increase, but also result of higher IT maintenance expenses and fixed assets depreciation.

Operating expenses, CCP.RO* in H1 2023 – RON 3.74 mn, increase of 68% or RON 1.52 mn compared to H1 2022, determined by the advance of third parties services expenses, such as consultancy for the implementation Central Counterparty and SWIFT network use services, as well as other operating expenses, mainly expenses with ASF authorization fees, rent expenses, depreciation and telecommunications - private data connections expenses.

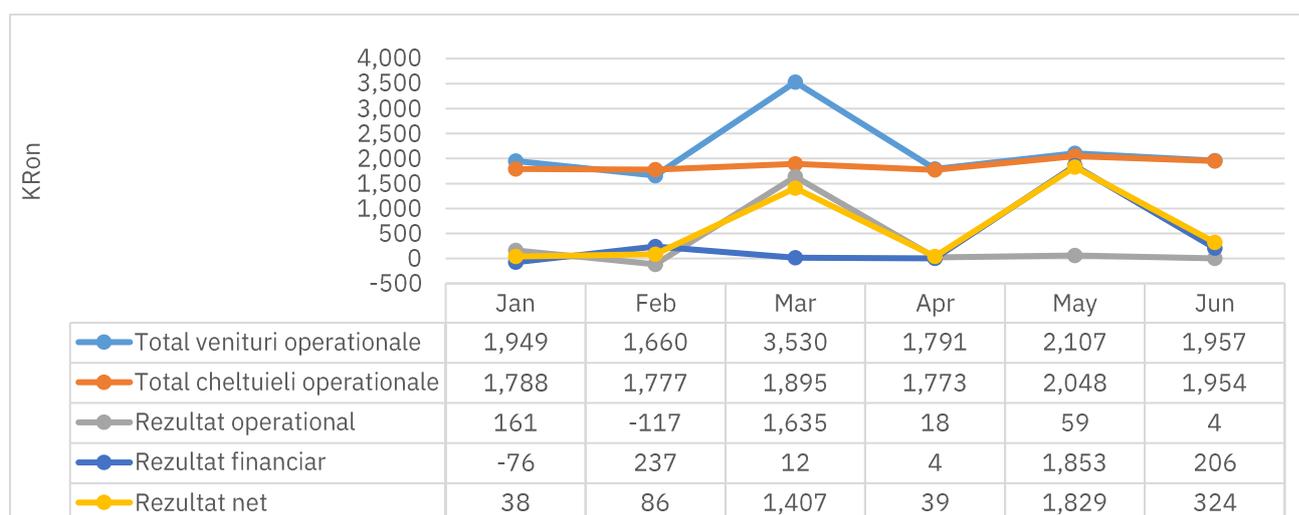
* including intra-group transactions

Consolidated operating expenses in H1 2023, 15% y/y increase up to the value of RON 25.55 mn, being influenced by:

- Consolidated personnel expenses higher by 14% or RON 1.71 mn, up to the value of RON 14.24 mn, following annual implementation of the Remuneration Policy - indexation and adjustment to the market level, applied starting April 2023, but also due to increase in the average number of employees (in the case of CCP.RO)
- 10% advance of third parties services expenses up to RON 3.19 mn, mainly due to consultancy and SWIFT services recorded in CCP.RO.
- Increase of 19% or RON 1.29 mn of other operating expenses up to the value of RON 8.13 mn, result of the new expenses recorded by CCP.RO in the authorization and implementation process of the, advance of fixed assets depreciation expenses, IT maintenance, as well as higher administrative expenses (hq rent, utilities), negative impact from the inflation increase

Operating profit, BVB standalone * of RON 1.76 mn, -77% compared to S1 2022 (RON 7.82 mn), with an operating margin of 14%, a level directly influenced by the evolution of variable operating revenues.

Monthly evolution, BVB standalone* (thousand RON)



Operating profit, Central Depository (DC) * in H1 2023 of RON 2.14 mn, -18% compared to H1 2022, with an operating margin of 17%, the result of the increase in operating expenses, superior to the evolution of operating income.

Operating loss of CCP.RO * in H1 2023 is RON 3.74 mn, increase of 68% y/y (RON 2.23 mn in S1 2022), a similar evolution to that of operating expenses considering that the company does not record operational revenues, being in the authorization process.

- **Consolidated operating profit** in H1 2023 of RON 160 thousand compared to RON 8.21 mn in the previous period, an evolution generated by the decrease in trading segment operating revenues and advance of consolidated operating expenses.

* Including intra-group transactions

Net financial income, BVB standalone* of RON 2.23 mn, a decrease of 12% compared to H1 2022, mainly generated by lower unrealized income from exchange rate differences, following the appreciation of the RON exchange rate vs USD and dividend income from the Central Depository (- 9%) compared to the previous period, decrease partially compensated by the advance of interest income and other financial income generated by the positive impact from the decrease in CDS (Credit Default Swap) rate used in the calculation of provision from expected credit losses, recognized according to IFRS9.

Net financial income, Central Depository (DC) * + 95% y/y, up to the value of RON 0.96 mn, generated by the 78% increase in interest income compared to the previous period, result of the higher interest rates on the financial investments, together with the other financial income generated by the positive impact from the decrease in CDS (Credit Default Swap) rate used in the calculation of provision from expected credit losses, recognized according to IFRS9.

Net financial income, CCP.RO in H1 2023, increase of 274% y/y up to the value of RON 1.77 mn, mainly determined by higher interest income compared to the previous period following the increase in the average yield of the investment portfolio, together with higher other financial income as well as unrealized income from exchange rate differences.

- **Consolidated net financial income in H1 2023** of RON 3.56 mn, 82% increase compared to H1 2022 determined by the increase in interest income following a higher level of interest rates, as well as increase in other financial income.

Net profit, BVB standalone * in H1 2023 in amount of RON 3.72 mn, down from RON 9.10 mn in H1 2022, 29% net margin, directly influenced by the evolution of the operating result.

Net profit, Central Depository (DC) of RON 2.63 mn, constant level compared to H1 2022, the decrease in the operating result was covered by the increase in the financial result.

Net loss, CCP.RO * in H1 2023 of RON 1.60 mn, up 9% compared to the previous period (H1 2022: RON 1.47 mn) influenced by the evolution of the operating loss, partially compensated by the increase in the result financial.

Consolidated net profit BVB Group in H1 2023 in amount of RON 3.35 mn, -62% y/y (RON 8.76 mn in H1 2022), being directly influenced by the evolution of the operating result, partially compensated by the increase in the financial result.

* Including intra-group transactions

Review of BVB standalone* financial position at the end of the first semester of 2023

Total assets as of June 30, 2023 are in amount of RON 115.81 mn, 5% decrease compared to December 31, 2022 (RON 121.29 mn).

Fixed assets have a value of RON 94.97 mn, similar level compared to December 2022.

Current assets as of June 30, 2023 decreased by 21% compared to the beginning of the year, reaching the value of RON 20.84 mn, influenced by lower financial investments following the payment of 2022 dividends made in June, in amount of RON 10.40 mn.

Total liabilities reach the value of RON 10.27 mn, 10% increase compared to December 31, 2022 (RON 9.35 mn), mainly due to the increase in deferred income, following the recognition of issuers maintaining fee for the entire year 2023.

Equity, has a slight decrease of 6% compared to December 31, 2022, to the value of RON 105.54 mn, influenced by the current result recorded and the impact of dividends distribution from the 2022 result according to the AGM Decision of April 26, 2023.

Review of the consolidated financial position at the end of the first semester of 2023

Total assets as of June 30, 2023, -3% compared to December 31, 2022, in amount of RON 192.18 mn, consisting of:

Fixed assets in amount of RON 72.52 mn, -6% compared to the beginning of the year, influenced by the decrease of financial assets by reaching maturity and use the available cash for dividends payment, in the case of BVB, and bank deposits.

Current assets in amount of RON 119.66 mn, -1% compared to the beginning of the year.

The total liabilities of the Group as of June 30, 2023 are mainly short-term, reaching the amount of 45.02 mn, +3% compared to December 31, 2022 (RON 43.78 mn), influenced by the increase in deferred income.

43% of total debts are represented by dividends payments held on behalf of clients by Central Depository, in amount of RON 19.14 mn, and 7% represent guarantee, compensation and margin funds for the settlement of transactions, in amount of RON 3,20 mn.

Equity as of June 30, 2023 in amount of RON 47.16 mn, -5% compared to the beginning of the year, mainly influenced by the decrease in the retained earnings result, following dividends, in the case of BVB and DC.

On May 26, 2023, the General Meeting of Shareholders of CCP.RO approved the increase in share capital by the amount of RON 3.875 mn. As of June 30, 2023, the process is in progress, the cash contribution for share capital increase was partially paid.

Condensed standalone and consolidated interim financial statements as at and for the six months period ended 30 June 2023

Prepared in accordance with
International Financial Reporting Standards
as adopted by the European Union

Condensed standalone and consolidated income statement and statement of comprehensive income

All amounts are indicated in RON, unless otherwise stated

	BVB standalone		BVB Group	
	Six months period ended			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
Revenues from services	12,654,995	18,062,120	25,343,116	30,029,205
Other revenues	<u>339,918</u>	<u>288,901</u>	<u>369,361</u>	<u>441,032</u>
Operating revenue	12,994,913	18,351,021	25,712,477	30,470,237
Personnel expenses and Directors' fees	(5,929,622)	(5,601,242)	(14,238,407)	(12,526,299)
Third- party services expenses	(1,312,534)	(1,629,871)	(3,190,017)	(2,898,881)
Other operating expenses	<u>(3,993,099)</u>	<u>(3,300,340)</u>	<u>(8,125,232)</u>	<u>(6,833,067)</u>
Operating profit	<u>1,759,658</u>	<u>7,819,568</u>	<u>158,821</u>	<u>8,211,990</u>
Net financial revenues/(expenses)	2,235,823	2,529,751	3,564,904	1,962,620
Profit before tax	<u>3,995,481</u>	<u>10,349,319</u>	<u>3,723,725</u>	<u>10,174,610</u>
Corporate income tax expense	<u>(273,203)</u>	<u>(1,252,046)</u>	<u>(369,344)</u>	<u>(1,412,172)</u>
Profit for the period	3,722,278	9,097,273	3,354,381	8,762,437
Profit attributable to:	<u>3,722,278</u>	<u>9,097,273</u>	<u>3,354,381</u>	<u>8,762,437</u>
Non-controlling interests	-	-	89,465	230,641
Owners of the Company	<u>3,722,278</u>	<u>9,097,273</u>	<u>3,264,916</u>	<u>8,531,796</u>
Profit for the period	<u>3,722,278</u>	<u>9,097,273</u>	<u>3,354,381</u>	<u>8,762,437</u>
Earnings per share				
Earnings per share – base/diluted (RON)	0.4624	1.1302	0.4056	1.0600

The notes on pages 27 to 36 are an integral part of the condensed consolidated financial statements.

Chairman	CEO,	CFO,
Radu Hanga	Adrian Tănase	Virgil Adrian Stroia

All amounts are indicated in RON, unless otherwise stated

	BVB standalone		BVB Group	
	Three months period ended			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
Revenues from services	5,697,412	8,286,677	12,674,415	14,552,461
Other revenues	<u>158,109</u>	<u>207,742</u>	<u>178,791</u>	<u>314,045</u>
Operating revenue	5,855,521	8,494,418	12,853,206	14,866,506
Personnel expenses and Directors' fees	(2,991,050)	(2,896,015)	(7,729,047)	(7,037,171)
Third- party services expenses	(693,118)	(941,414)	(1,797,262)	(1,682,141)
Other operating expenses	<u>(2,090,414)</u>	<u>(1,725,069)</u>	<u>(4,137,595)</u>	<u>(3,615,689)</u>
Operating profit	<u>80,939</u>	<u>2,931,920</u>	<u>(810,698)</u>	<u>2,531,505</u>
Net financial revenues/(expenses)	2,062,820	2,237,292	2,420,879	1,235,259
Profit before tax	<u>2,143,759</u>	<u>5,169,213</u>	<u>1,610,181</u>	<u>3,766,764</u>
Corporate income tax expense	<u>47,452</u>	<u>(463,598)</u>	<u>(17,756)</u>	<u>(448,413)</u>
Profit for the period	<u>2,191,211</u>	<u>4,705,615</u>	<u>1,592,424</u>	<u>3,318,350</u>
Profit attributable to:				
Non-controlling interests	-	-	151,780	(26,394)
Owners of the Company	<u>2,191,211</u>	<u>4,705,615</u>	<u>1,440,644</u>	<u>3,344,744</u>
Profit for the period	<u>2,191,211</u>	<u>4,705,615</u>	<u>1,592,424</u>	<u>3,318,350</u>
Earnings per share				
Earnings per share – base/diluted (RON)	0.2722	0.5846	0.1790	0.4155

The notes on pages 27 to 36 are an integral part of the condensed consolidated financial statements.

Chairman

CEO,

CFO,

Radu Hanga

Adrian Tănase

Virgil Adrian Stroia

Condensed standalone and consolidated statement of financial position

All amounts are indicated in RON, unless otherwise stated

	BVB standalone		BVB Group	
	30 June 2023	31 Dec. 2022	30 June 2023	31 Dec. 2022
	Unaudited	Audited	Unaudited	Audited
Non-current assets				
Tangible assets	5,100,161	5,276,255	8,956,500	8,679,773
Intangible assets	1,763,543	1,533,668	5,968,792	4,559,157
Right-of-use assets	2,968,270	2,968,222	4,460,338	4,819,904
Deferred tax receivables	-	-	2,349,945	1,976,856
Financial assets at amortized cost	17,392,710	17,297,417	50,785,523	57,501,111
Investments in associated entities	67,743,735	67,743,735	-	-
Total Non-current assets	94,968,419	94,819,297	72,521,098	77,536,801
Current assets				
Trade and other receivables	4,934,059	5,223,733	6,678,467	9,844,887
Prepayments	744,174	619,492	1,476,252	870,502
Bank deposits	9,783,558	5,650,562	59,087,448	33,052,253
Restricted bank deposits covering the guarantee fund and the margin	-	-	3,180,673	3,087,625
Other financial assets at amortized cost	-	13,397,434	15,419,675	21,247,852
Cash and cash equivalents	5,380,770	1,628,318	14,677,819	33,309,069
Other restricted assets at amortized cost	-	-	19,137,705	19,062,207
Total current assets	20,842,561	26,473,539	119,658,039	120,474,395
Total assets	115,810,980	121,292,836	192,179,137	198,582,500
Equity				
Share capital	80,492,460	80,492,460	80,492,460	80,492,460
Treasury shares and Share-base benefits	91,017	(75,528)	419,635	(75,528)
Share premiums	6,303,263	6,303,263	6,297,386	6,297,386
Legal reserve	10,997,781	10,798,007	13,324,301	12,969,425
Revaluation reserve	1,748,513	1,748,513	3,385,355	3,385,355
Retained earnings	5,907,332	12,675,674	(1,137,997)	6,242,878
Total shareholders' equity attributable to the owners of the Company	105,540,366	111,942,389	102,781,140	109,311,976
Non-controlling interests	-	-	44,378,029	44,915,398
Total shareholders' equity	105,540,366	111,942,389	147,159,169	154,227,374

Condensed standalone and consolidated statement of financial position (continued)

All amounts are indicated in RON, unless otherwise stated

	BVB standalone		BVB Group	
	30 June 2023	31 Dec. 2022	30 June 2023	31 Dec. 2022
	Unaudited	Audited	Unaudited	Audited
Liabilities				
Operating lease liabilities	<u>2,003,387</u>	<u>2,178,409</u>	<u>2,677,710</u>	<u>3,103,995</u>
Total non-current liabilities	<u>2,003,387</u>	<u>2,178,409</u>	<u>2,677,710</u>	<u>3,103,995</u>
Trade and other payables	4,411,013	4,428,738	32,786,564	32,437,892
Deferred income	2,801,497	1,612,834	2,850,734	1,648,237
Operating lease liabilities	1,102,169	948,605	2,051,722	2,057,984
Current corporate income tax payables	(47,452)	181,861	210,954	315,203
Provisions	-	-	1,237,332	1,146,332
Guarantee and clearing funds and settlement operation margin	-	-	3,204,952	3,074,179
Total current liabilities	<u>8,267,226</u>	<u>7,172,037</u>	<u>42,342,258</u>	<u>40,679,827</u>
Total liabilities	<u>10,270,615</u>	<u>9,350,447</u>	<u>45,019,968</u>	<u>43,783,822</u>
Total liabilities and equity	<u>115,810,980</u>	<u>121,292,836</u>	<u>192,179,137</u>	<u>198,011,196</u>

The notes on pages 27 to 36 are an integral part of the condensed consolidated financial statements.

Chairman	CEO,	CFO,
Radu Hanga	Adrian Tănase	Virgil Adrian Stroia

Condensed standalone statement of changes in equity

All amounts are indicated in RON, unless otherwise stated

Unaudited	Share capital	Share premiums	Treasury shares and Share-base benefits	Retained earnings	Revaluation reserve	Legal reserve	Total shareholders' equity
Balance as at 1 January 2023	<u>80,492,460</u>	<u>6,303,263</u>	<u>(75,528)</u>	<u>12,675,674</u>	<u>1,748,513</u>	<u>10,798,007</u>	<u>111,942,389</u>
Comprehensive income for the year							
Profit or loss	-	-	-	3,722,278	-	-	3,722,278
Other items of comprehensive income							
Legal reserve increase	-	-	-	(199,774)	=	199,774	-
Total other items of comprehensive income	=	=	=	(199,774)	=	199,774	-
Total comprehensive income for the year	-	-	-	<u>3,522,504</u>	-	<u>199,774</u>	<u>3,722,278</u>
Contributions by and distributions to owners of the Company							
Benefits granted to employees settled in shares	-	-	261,000	-	-	-	261,000
Losses as effect of granting shares for free-SOP	-	-	(94,455)	94,455	-	-	=
Dividend paid to BVB shareholders	=	=	-	(10,385,301)	=	=	<u>(10,385,301)</u>
Total contributions by and distributions to owners of the Company	-	-	<u>166,545</u>	<u>(10,290,846)</u>	=	=	<u>(10,124,301)</u>
Total transactions with owners	-	-	<u>166,545</u>	<u>(10,290,846)</u>	=	=	<u>(10,124,301)</u>
Balance as at 30 June 2023	<u>80,492,460</u>	<u>6,303,263</u>	<u>91,017</u>	<u>5,907,332</u>	<u>1,748,513</u>	<u>10,997,781</u>	<u>105,540,366</u>

Condensed standalone statement of changes in equity (continue)

All amounts are indicated in RON, unless otherwise stated

Unaudited	Share capital	Share premiums	Treasury shares and Share-base benefits	Retained earnings	Revaluation reserve	Legal reserve	Total shareholders' equity
Balance as at 1 January 2022	<u>80,492,460</u>	<u>6,303,263</u>	<u>110,096</u>	<u>9,933,606</u>	<u>1,748,513</u>	<u>10,160,680</u>	<u>108,748,618</u>
Comprehensive income for the year							
Profit or loss	-	-	-	11,035,706	-	-	11,035,706
Other items of comprehensive income							
Legal reserve increase	-	-	-	(637,327)	-	637,327	-
Total other items of comprehensive income	-	-	-	<u>(637,327)</u>	-	<u>637,327</u>	-
Total comprehensive income for the year	-	-	-	<u>10,398,379</u>	-	<u>637,327</u>	<u>11,035,706</u>
Contributions by and distributions to owners of the Company							
Acquisition of treasury shares	-	-	(1,074,170)	-	-	-	(1,074,170)
Benefits granted to employees settled in shares	-	-	914,303	-	-	-	914,303
Losses as effect of granting shares for free within SOP	-	-	(25,757)	25,757	-	-	-
Dividend paid to BVB shareholders	-	-	-	(7,682,067)	-	-	(7,682,067)
Total contributions by and distributions to owners of the Company	-	-	(185,624)	(7,656,310)	-	-	(7,841,934)
Total transactions with owners	-	-	(185,624)	(7,656,310)	-	-	(7,841,934)
Balance as at 31 December 2022	<u>80,492,460</u>	<u>6,303,263</u>	<u>(75,528)</u>	<u>12,675,674</u>	<u>1,748,513</u>	<u>10,798,007</u>	<u>111,942,389</u>

Condensed consolidated statement of changes in equity

All amounts are indicated in RON, unless otherwise stated

Unaudited	Share capital	Share premiums	Treasury shares and Share-base benefits	Retained earnings	Revaluation reserve	Legal attributable to reserve	Total shareholders	Non- controlling interests	Total shareholders' equity
Balance as at 1 January 2023	<u>0,492,460</u>	<u>6,297,386</u>	<u>(75,528)</u>	<u>6,242,878</u>	<u>3,385,355</u>	<u>12,969,425</u>	<u>109,311,976</u>	<u>44,915,398</u>	<u>154,227,374</u>
Comprehensive income for the year									
Profit or loss	-	-	-	3,264,916	-	-	3,264,916	89,465	3,354,381
Other items of comprehensive income									
Legal reserve increase	-	-	-	(354,876)	-	354,876	-	-	-
Total other items of comprehensive income	=	=	=	<u>(354,876)</u>	=	<u>354,876</u>	=	=	=
Total comprehensive income for the year	-	-	-	2,910,041	-	354,876	3,264,916	89,465	3,354,381
Contributions by and distributions to owners of the Company									
Benefits granted to employees settled in shares	-	-	589,618	-	-	-	589,618	-	589,618
Losses/gains as effect of granting shares for free within SOP	-	-	(94,455)	94,455	-	-	-	-	-
Dividend paid to BVB shareholders	=	=	-	<u>(10,385,370)</u>	=	=	<u>(10,385,370)</u>	-	<u>(10,385,370)</u>
Total contributions by and distributions to owners of the Company	-	=	495,163	(10,290,915)	=	=	(9,795,752)	=	(9,795,752)
Dividend paid to minority shareholders	-	-	-	-	-	-	-	(626,834)	(626,834)
Total changes in interests in subsidiaries	-	=	=	=	=	=	=	(626,834)	(626,834)
Total transactions with owners	=	=	495,163	(10,290,915)	=	=	(9,795,752)	(626,834)	(10,422,586)
Balance as at 30 June 2023	<u>0,492,460</u>	<u>6,297,386</u>	<u>419,635</u>	<u>(1,137,996)</u>	<u>3,385,355</u>	<u>13,324,301</u>	<u>102,781,140</u>	<u>44,378,029</u>	<u>147,159,169</u>

Condensed consolidated statement of changes in equity (continued)

All amounts are indicated in RON, unless otherwise stated

Unaudited	Treasury shares			Retained earnings	Revaluation reserve	Legal reserve	Total attributable to shareholders	Non-controlling interests	Total shareholders' equity
	Share capital	Share and Share-base premiums	Share-base benefits						
Balance as at 1 January 2022	<u>80,492,460</u>	<u>6,297,386</u>	<u>110,096</u>	<u>3,796,970</u>	<u>3,385,355</u>	<u>12,076,959</u>	<u>106,159,226</u>	<u>39,166,248</u>	<u>145,325,474</u>
Comprehensive income for the year									
Profit or loss	-	-	-	10,627,396	-	-	10,627,396	(196,405)	10,430,992
Other items of comprehensive income									
Legal reserve increase	-	-	-	(892,466)	-	892,466	-	-	-
Total other items of comprehensive income	-	-	-	<u>(892,466)</u>	-	<u>892,466</u>	-	-	-
Total comprehensive income for the year	-	-	-	<u>9,734,930</u>	-	<u>892,466</u>	<u>10,627,396</u>	<u>(196,405)</u>	<u>10,430,992</u>
Contributions by and distributions to owners of the Company									
Acquisition of treasury shares	-	-	(1,074,170)	-	-	-	(1,074,170)	-	(1,074,170)
Benefits granted to employees settled in shares	-	-	914,303	-	-	-	914,303	-	914,303
Losses/gains as effect of granting shares for free within SOP	-	-	(25,757)	25,757	-	-	-	-	-
Dividend paid to BVB shareholders	-	-	0	(7,682,022)	-	-	(7,682,022)	-	(7,682,022)
Total contributions by and distributions to owners of the Company	-	-	<u>(185,624)</u>	<u>(7,656,265)</u>	-	-	<u>(7,841,889)</u>	-	<u>(7,841,889)</u>
Dividend paid to minority shareholders	-	-	-	-	-	-	-	(687,202)	(687,202)
Change in retain earnings of minority interests	-	-	-	367,243	-	-	367,243	(367,243)	-
Share capital increase of minority interests	-	-	-	-	-	-	-	7,000,000	7,000,000
Total changes in interests in subsidiaries	-	-	-	<u>367,243</u>	-	-	<u>367,243</u>	<u>5,945,555</u>	<u>6,312,798</u>
Total transactions with owners	-	-	<u>(185,624)</u>	<u>(7,289,022)</u>	-	-	<u>(7,474,646)</u>	<u>5,945,555</u>	<u>(1,529,091)</u>
Balance as at 31 December 2022	<u>80,492,460</u>	<u>6,297,386</u>	<u>(75,528)</u>	<u>6,242,878</u>	<u>3,385,355</u>	<u>12,969,425</u>	<u>109,311,976</u>	<u>44,915,398</u>	<u>154,227,374</u>

Condensed individual and consolidated statement of cash flows

All amounts are indicated in RON, unless otherwise stated

	BVB standalone		Group	
	Six months period ended			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
Fluxuri de trezorerie din activități de exploatare				
Profit for the year	3,722,278	9,097,273	3,354,381	8,762,437
Adjustments to remove non-cash items and reclassifications:				
Depreciation of fixed assets	1,243,293	1,073,931	2,925,908	2,645,724
Net interest income	(767,407)	(520,155)	(2,932,028)	(1,540,603)
Dividends income	(1,398,115)	(1,532,490)	-	-
Loss from impairment of uncollected receivables	(1,978)	4,000	90,011	98,344
Net expenses/(revenue) with receivables adjustment	(5,383)	(21,143)	91,000	84,500
Provisions for litigations		-	(102,938)	(74,435)
Corporate income tax expense – reclassification	273,205	1,252,046	369,344	1,412,172
(Revenues)/Expenses with Expected credit losses IFRS 9	(197,913)	(27,187)	(705,732)	(28,856)
Expense with employees' benefits settled in shares	<u>261,000</u>	<u>483,443</u>	<u>261,000</u>	<u>483,443</u>
Cash flows used in operating activities	3,128,979	9,809,717	3,350,946	11,842,724
Change in trade and other receivables	1,695,151	(2,867,220)	4,012,471	(5,191,696)
Change in prepayments	(124,682)	6,701	(605,750)	(442,289)
Change in trade and other payables, including amounts due for dividends payment to clients	(188,282)	193,184	(1,020,092)	2,670,088
Change in deferred income	1,188,663	828,986	1,202,497	847,275
Changes in guarantee and clearing funds and the margin	<u>(502,518)</u>	<u>(1,201,018)</u>	<u>(846,681)</u>	<u>(1,653,335)</u>
Corporate income tax paid	5,197,312	6,770,349	6,224,163	8,131,781
Net cash from operating activities				
Cash flows from investing activities				
Interest received	1,162,709	1,204,735	2,562,281	1,840,204
Dividends received	-	-	-	-
(Payments) for acquisitions of financial assets	(875,169)	(11,280,052)	(6,725,584)	(19,538,069)
Proceeds from sales/maturation of financial assets	13,976,506	11,322,217	20,270,541	21,493,635
Change in bank deposits balance	(4,167,821)	1,976,005	(26,055,007)	(19,004,044)
Acquisition of tangible and intangible assets	<u>(788,217)</u>	<u>(994,572)</u>	<u>(3,461,310)</u>	<u>(1,355,953)</u>
Net cash from investing activities	9,308,008	2,228,334	(13,409,078)	(16,564,227)

Condensed consolidated statement of cash flows (continued)

All amounts are indicated in RON, unless otherwise stated

	BVB standalone		Group	
	Three months period ended			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flows from financing activities				
Dividends paid shareholders of the parent	(10,222,393)	(7,574,654)	(10,222,393)	(7,574,654)
Dividends paid to the minority interests	-	-	-	-
Principal elements of operating lease payments, including interests	(530,364)	(449,530)	(1,223,942)	(1,084,828)
Acquisition of treasury shares	-	(1,074,170)	-	(1,074,170)
Net cash used in financing activities	(10,752,756)	(9,098,353)	(11,446,335)	(9,733,651)
Net increase / (decrease) in cash and cash equivalents	3,752,564	(99,670)	(18,631,250)	(18,166,097)
Cash and cash equivalents beginning of the period	<u>1,628,206</u>	<u>3,149,786</u>	<u>33,309,069</u>	<u>32,746,712</u>
Cash and cash equivalents end of period	5,380,770	3,050,116	14,677,819	14,580,615

The notes on pages 27 to 36 are an integral part of the condensed consolidated financial statements.

Chairman

CEO,

CFO,

Radu Hanga

Adrian Tănase

Virgil Adrian Stroia

Notes to the condensed consolidated financial statements

All amounts are indicated in RON, unless otherwise stated

1. General information

Identification data

34-36 Carol I Blvd., floors 13-14, District 2, Bucharest

Address

J40/12328/2005

Trade Register No

17777754

Sole Registration Code

The Bucharest Stock Exchange (BVB) was established on 21 June 1995 as a public non-profit institution, based on the Decision of the National Securities Commission (NSC) no. 20/1995 and in July 2005 it became a joint stock company.

BVB is the leading exchange in Romania and operates several markets:

- The Regulated Market where financial instruments such as shares and rights issued by international and Romanian entities, debt instruments (corporate, municipality and government bonds issued by Romanian entities and international corporate bonds), UCITs (shares and fund units), structured products, tradable UCITS (ETFs) are traded.
- SMT/AeRO Market, designed for start-ups and SMEs, launched on 25 February 2015; separate sections of the alternative trading system are available for trading foreign stocks listed on other markets.

Main activity

Administration of financial markets

CAEN code 6611

BVB's operating revenues are generated mainly from the trading of all the listed financial instruments, from fees charged to issuers for the admittance and maintenance to the trading system, as well as from data vending to various users.

Share tickers

BVB

BVB.RO (Bloomberg)

BBG000BBWMN3

(Bloomberg [BBGID](#))

ROBVB.BX (Reuters)

ROBVAACNORO (ISIN)

Since 8 June 2010, BVB is a listed company on its own spot regulated market and is included in the Premium Tier. The company's share capital consists of 8,049,246 shares with a nominal value of RON 10.

In accordance with the provisions of article 136 paragraph 5 of Law no. 126/2018 on financial instruments, no shareholder of a market operator can hold, directly or indirectly, more than 20% of the total voting rights.

At the end of June 2023, there were no shareholders holding stakes exceeding this threshold.

BVB is included in indices focused on listed stock exchanges and other trading venues (FTSE Mondo Visione Exchanges Index and Dow Jones Global Exchanges Index), FTSE Russell Indices for Emerging Markets (FTSE Global Micro Cap), as well as in local market indices: BET and its total return version BET-TR, BET-XT and BET-XT-TR, BET-BK, BET Plus.

Subsidiaries

BVB is the parent company of BVB Group, which includes the following subsidiaries:

- Central Depository (Depozitarul Central), 69.04% owned by BVB, performs clearing / settlement operations for transactions with securities carried out at BVB and keeps the register of shareholders.
- CCP.RO Bucharest, 54.72% owned by BVB, was registered at the Trade Register on November 4, 2019 and aims to ensure the role of central counterparty in the derivative transactions market. The effective launch of the operations is estimated to last up to 24 months, taking into account the authorization process by the FSA in accordance with EMIR rules.

On December 30, 2022 was officially recorded the share capital increase of CCP RO from RON 79.8 mn to RON 86.8 mn , following the receipt of capital contribution of RON 7 mn by the new shareholder Societatea Energetică ELECTRICA S A .

Thus, BVB's ownership in the CCP.RO subsidiary decreased from 59.52% to 54.72%.

The consolidated financial statements of BVB for the six months period ended 30 June 2023 include the financial information of the Company and its subsidiaries, except for the Corporate Governance Institute, an entity considered by BVB management as insignificant for inclusion in the Group's consolidated financial statements and reports.

2. Basis of preparation

The interim condensed consolidated financial statements for the three months period ended 31 March 2023 have been prepared in accordance with IAS 34, 'Interim financial reporting'. They do not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards. These interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2022, which have been prepared in accordance with IFRSs.

In the condensed consolidated financial statements, subsidiaries – those companies in which the Group, directly or indirectly, holds more than half of the voting rights or which have the power to exercise control over operations – are fully consolidated.

3. Accounting policies

The accounting policies and methods of computation followed in these condensed consolidated financial statements are consistent with those used in the most recent annual financial statements, prepared for the year ended 31 December 2022.

Taxes on income in the interim periods are accrued using the tax rate and calculation methodology that would be applicable to expected total annual profit or loss.

4. Estimates

The preparation of standalone condensed quarterly financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual standalone financial statements for the year ended 31 December 2022.

5. Financial risk management and financial instruments

5.1 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The consolidated condensed financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the company's annual financial statements as of 31 December 2022.

There have been no changes in risk management or in any risk management policies since the year end.

5.2 Liquidity risk

Compared to year end, there was no material change in the company's liquidity position.

5.3 Fair value estimation

The various levels at which the company measures the fair value of financial instruments have been defined as follows:

- Quoted prices (unadjusted) in active markets for similar instruments (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the financial instrument, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the financial instrument that are not based on observable market data (that is, unobservable inputs) (Level 3).

During the reporting period there have been no significant changes in carrying amounts and fair values of the main categories of assets and liabilities, as compared to 31 December 2022.

5.4 Fair value of financial assets and liabilities measured at amortized cost

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Other current financial assets
- Cash and cash equivalents
- Trade and other payables

6. Segment reporting

The segment information is reported by the Group's activities. Intra-group transactions are conducted under normal market conditions. Segment assets and payables include both items directly attributable to these segments and items that may be allocated using a reasonable basis.

The Group's activity consists of the following main business segments:

- Capital markets - trading (securities and financial instruments transactions on regulated markets and alternative trading systems)
- Post-trading services (services provided after a transaction is completed and the bank account is debited, and the securities are transferred to the portfolio).
- Registry services (storage and updating of the registry of stakeholders for the listed companies)
- CCP.RO – future Central Counterparty

The companies in the Group have been organized by segments as follows: BVB represents the "trading services" segment, the activity of the Central Depository is divided between the "post-trading services" segment and the "registry services" segment according to the share of the related revenues, while the CCP.RO Bucharest is present separately.

The Group's revenues, expenses and operating profit for the first six months of the year 2023 are shown below, by segment:

H1 2023	Trading services	Post-trading services	Registry services	CCP.RO	Group
Revenues from clients outside the Group	12,831,522	7,836,818	5,044,136	-	25,712,477
Revenues from intra-group transactions*	163,391	-	17,688	-	181,079
Operating expenses	(11,235,254)	(5,847,184)	(4,727,627)	(3,743,591)	(25,553,656)
- out of which Personnel expenses and Director's fees	(5,929,619)	(3,331,944)	(2,793,377)	(2,183,467)	(14,238,407)
Operating profit	1,596,269	1,989,634	316,509	(3,743,591)	158,821
Net financial income /(expenses)	837,708	571,871	387,412	1,767,913	3,564,903
Profit before tax	2,433,976	2,561,505	703,921	(1,975,677)	3,723,725
Corporate income tax	(273,205)	(356,600)	(112,627)	373,089	(369,344)
Net profit	2,160,771	2,204,905	591,294	(1,602,589)	3,354,381

* eliminated on consolidation

Starting end of 2022, a more accurate allocation of the post-trading and registry segments expenses was performed, in the first phase, the direct costs of the settlement and registry departments were considered, then the indirect expenses were allocated based on the revenues realized by each of the segment.

The Group's revenues, expenses and operating profit for the first six months of 2022 are shown below, by segment:

H1 2022	Trading services	Post-trading services	Registry services	CCP.RO	Group
Revenues from clients outside the Group	18,191,022	7,836,608	4,442,607	-	30,470,237
Revenues from intra-group transactions*	160,000	6,095	4,815	-	170,911
Operating expenses	(10,531,453)	(5,999,772)	(3,511,548)	(2,215,474)	(22,258,247)
out of which Personnel expenses and Director's fees	(5,601,242)	(3,434,613)	(2,064,573)	(1,425,871)	(12,526,299)
Operating profit	7,659,568	1,836,836	931,060	(2,215,473)	8,211,990
Net financial income /(expenses)	997,261	309,608	182,855	472,896	1,962,620
Pre-tax profit	8,656,829	2,146,444	1,113,914	(1,742,577)	10,174,610
Corporate income tax	(1,252,046)	(293,756)	(147,664)	281,294	(1,412,172)
Net profit	7,404,783	1,852,688	966,250	(1,461,283)	8,762,437

* eliminated on consolidation

The Group's assets and payables and capital expenses are presented below, by segment:

H1 2023	Trading services	Post-trading services	Registry services	CCP.RO	Group
Assets	46,568,146	26,252,300	40,366,496	78,992,194	192,179,136
Liabilities	10,270,614	5,979,677	23,946,588	4,823,089	45,019,968
Capital expenditures	789,708	601,310	379,202	1,580,449	3,350,669

4Q 2022	Trading services	Post-trading services	Registry services	CCP.RO	Group
Assets	53,485,474	30,945,305	32,607,747	81,543,974	198,582,500
Liabilities	9,350,447	6,684,927	21,976,167	5,772,281	43,783,822
Capital expenditures	1,836,888	1,223,960	712,455	767,483	4,540,785

7. Operating expenses

The operating expenses include the following:

7.1 Personnel expenses and Director's fees

	H1 2023	H1 2022
Personnel expenses and Director's fees, including contributions and taxes	13,718,444	11,920,113
Accrued expenses for personnel and Director's (SOP & bonuses)	<u>519,963</u>	<u>606,186</u>
Total	14,238,407	12,526,299

7.2 Services provided by third parties

	H1 2023	H1 2022
Business consulting services	294,503	230,817
Financial, IT and internal audit services	317,468	320,010
Commissions & fees (legal, contributions, etc.)	347,204	315,056
Promotion activities of BVB Group	271,174	273,364
Services provided by third party for business development	268,521	413,100
Other third parties services	<u>1,691,147</u>	<u>1,346,534</u>
Total	3,190,017	2,898,881

Within the category of "Other Third-party services" expenses are included, mainly, archiving services, consultancy services related to the Group's ongoing projects, payroll services and other services related to the operating activity.

Within the category "Other services provided by third parties " are included archiving services, Swift network usage services, payroll services, as well as other services related to the operating activity.

7.3 Other operating expenses

	H1 2023	H1 2022
Office utilities and other rent	1,245,743	751,025
Tangible asset depreciation	963,215	786,218
Intangible asset amortization	811,733	783,059
Right of use assets depreciation	1,150,960	1,076,447
Costs related to FSA fees and other taxes	1,099,909	756,869
Consumables	104,818	185,948
IT maintenance and service	938,803	1,125,250
Insurance for professional equipment, etc.	166,834	162,366
Protocol	276,177	188,371
Marketing and advertising	532,572	331,473
Transport of goods and personnel	246,592	168,609
Post and telecommunications	258,212	182,631
Bank charges	39,533	43,735
Loss from non-paying customers	90,011	98,344
Expenses / (Revenue) from provisions for litigation	91,000	84,500
Net expenses/(income) from adjustment of receivables	(102,938)	(74,435)
Other expenses	<u>212,057</u>	<u>182,658</u>
Total	8,125,232	6,833,067

8. Financial income and financial costs

Financial income and expenses recognized in profit or loss account include:

	H1 2023	H1 2022
Net Interest income from financial assets	2,932,028	1,540,603
(Net loss)/Net gain from exchange rate differences	57,839	562,828
Interest expense with lease contracts IFRS 16 and other financial expenses	(130,695)	(169,668)
Net expected credit losses (IFRS 9)	<u>705,733</u>	<u>28,857</u>
Net financial income	3,564,904	1,962,620

9. Income taxes

The **current income tax expense** is recognized based on the annual income tax rate and calculation methodology for the full financial year. The tax rate used for the period ended June 30, 2023 is 16% (the tax rate for the year ended June 30, 2022 was also 16%).

Deferred income tax income was calculated for temporary deductible differences resulting from the investment in the CCP.RO subsidiary and is based on the loss recorded by CCP.RO in the current year. The recognized temporary differences are estimated to be deducted from the taxable profit obtained in the following years. The legal annual tax rate used for the period ended June 30, 2023 is 16% (the legal tax rate for the year ended June 30, 2022 was also 16%).

9.1 Income Tax expense

Income Tax expense presented in the consolidated Income Statement is comprised of:

	H1 2023	H1 2022
Current income tax expense	742,433	1,693,466
Revenue from the deferred Income tax	<u>(373,089)</u>	<u>(281,294)</u>
Total	369,344	1,412,172

10. Dividends

The General Meeting of BVB Shareholders from April 26, 2023, approved the proposal for the distribution of the statutory net profit for 2022 of the Bucharest Stock Exchange, in the amount of RON 11,035,706, as follows: the amount of RON 637,327 for the legal reserve, and the remaining amount in the form gross dividends, Thus, the amount to be distributed in 2023 in the form of gross dividends related to 2022 is RON 10,398,379. The dividends payment date approved by GMS was June 27, 2023.

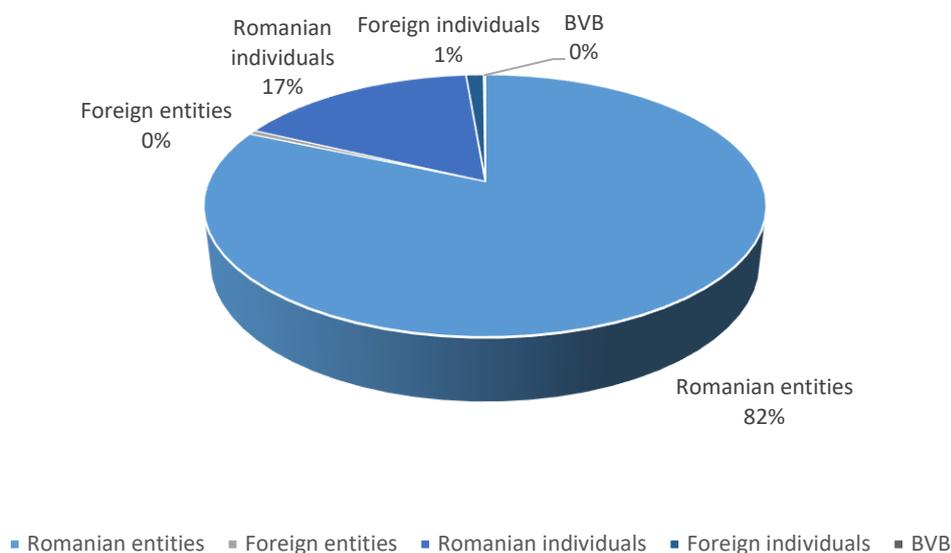
The General Meeting of the Central Depository Shareholders was set for May 25, 2023 with the proposal for the distribution of the statutory net profit of 2022, in amount of RON 4,305,178, as follows: the amount of RON 255,139 for legal reserve, 50% from the remaining amount of RON 4,050,039, respectively the amount of RON 2,025,020 to be distributed for capitalization in other reserves and the rest, the amount of RON 2,025,019 in the form of dividends. The payment of dividends is to be made within 90 days from the date of the GMS.

11. Share capital

As of June 30, 2023, BVB had a share capital amounting to RON 80,492,460 divided into 8,049,246 shares with a nominal value of RON 10/share, dematerialized, with the same voting rights, divided into the following categories:

	Number of shares	% of the share capital
Legal entities, of which:	<u>6,611,129</u>	<u>82.13%</u>
Romanian	6,567,781	81.59%
Foreign	43,348	0.54%
Individuals, of which:	<u>1,428,273</u>	<u>17.74%</u>
Romanian	1,331,492	16.54%
Foreign	96,781	1.20%
Bucharest Stock Exchange	<u>9,844</u>	<u>0.12%</u>
Total	<u>8,049,246</u>	<u>100.00%</u>

BVB Shareholders Structure as of June 30, 2023



In accordance with the provisions of the article 136, paragraph 5 of law no. 1226/2018 on financial instruments, a shareholder of a market operator cannot own directly or indirectly more than 20% of the total voting rights.

As of June 30, 2023, there were no shareholders holding stakes exceeding this threshold.

12. Contingent liabilities

In order to comply with the obligations assumed in the headquarters rental agreement concluded on March 20, 2023 with Complex Multifunctional Victoria SA, the Board of Governors approved on May 24, 2023 through the Resolution no. 47, for BVB to obtain a letter of bank guarantee by concluding a credit agreement with Banca Comerciala Romana (BCR) based on which the letter of bank guarantee and the mortgage agreement on the accounts opened at BCR should be issued.

Thus, on June 13, 2023, a Credit Agreement was concluded with Banca Comerciala Romana (BCR) for the issuance of a letter of bank guarantee in the amount of EUR 495,000 and a mortgage agreement on the accounts opened at BCR.

13. Aspects to be mentioned

On May 26, 2023, the General Meeting of Shareholders of CCP.RO approved the increase in share capital by the amount of RON 3.875 mn. As of June 30, 2023, the process is in progress, the cash contribution for share capital increase was partially paid.

14. Significant events to report

In February 2022, an armed conflict broke out between Russia and Ukraine, which affected the economies of the two countries and resulted, among other things, in a significant flow of refugees from Ukraine to neighboring countries (including Romania), as well as a series of sanctions imposed by the international community on Russia and Belarus and some of the companies of Russian origin. The medium and long-term impact of this conflict and the sanctions imposed on Russia cannot be anticipated at this moment with sufficient accuracy.

At the current date of the interim financial statements, the conflict is still ongoing. Taking into account that the Company does not have activities significantly dependent on the area in conflict or affected by sanctions (especially Russia, Ukraine, Belarus), neither in terms of purchases, nor sales or investments, we consider that the ability of the Company to continue its activity in the foreseeable future it will not be significantly affected, although there are still uncertainties related to the evolution of the conflict and the potential impact on the countries in the vicinity of the conflict zone and the global economy.

15. Subsequent events

On July 4th, 2023, Hidroelectrica (H2O) successfully completed the largest initial public offering (IPO) ever made on the Bucharest Stock Exchange (BVB), operation that attracted a total of RON 9.28 billion and which had a significant impact at the BVB level, generating revenues from public offers in July in the amount of RON 12.53 mn.

Hidroelectrica was listed on July 12, 2023 on the BVB's Regulated Market and in the first trading days significant trading volumes were achieved, with a direct impact on BVB's trading revenues.

Statement of responsible persons

This statement concerns the extent to which the consolidated financial reporting of Bursa de Valori București S.A., prepared as of June 30, 2023, correctly presents, from all material points of view, the consolidated financial position of Bursa de Valori București S.A. as of June 30, 2023 and the result of its operations concluded on this date in accordance with the requirements of the Romanian accounting rules, namely the Accounting Law no. 82/1991, republished and the Norm of the Financial Supervision Authority no. 39/2015 for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the FSA in the Financial Instruments and Investments Sector. We assume responsibility for the faithful presentation of financial reports in accordance with the legal regulations mentioned above. We confirm to our knowledge that the half-yearly financial-accounting report has been prepared in accordance with the International Financial Reporting Standards, the accounting policies used being in accordance with them and providing a correct and true picture of the assets, liabilities, financial position, profit and loss account and loss and that the consolidated report of the Board of Directors includes a correct analysis of the company's development and performance, as well as a description of the main risks and uncertainties specific to the activity carried out.

Chairman
Radu Hanga

CEO,
Adrian Tănase

CFO,
Virgil Stroia

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Financial reports availability

Financial reports are available in our Investor Relations section on our corporate website at this [link](#)

Earnings conference calls

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