

## Evolution analysis of the main standalone and Group financial indicators for the first nine months of the year 2023

**Operating revenues BVB standalone\*** in 9M 2023 reached the level of RON 36.86 mn, 50% increase or RON 12.32 mn compared to the previous period (9M 2022 – RON 24.54 mn) determined by the trading revenues evolution, mainly of those from offers following the successful completion of Hidroelectrica IPO, which generated an impact of RON 12.53 mn in revenues, but also from shares regular transactions, starting from July, impact of H2O listing on trading activity.

The increase was sustained by the *27% increase of market data revenues*, that reached the value of RON 2.96 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 1<sup>st</sup> 2023, together with the increase in *issuers maintaining fees revenues* up to RON 3.75 mn (+12% y/y), result of 2022 inflation rate indexation (13.8%), as well as *higher revenues from participant admission fees* compared to the previous period

**Operating revenues Central Depository (DC)\*** in 9M 2023 have increased 27% or RON 4.89 mn up to RON 23.28 mn, mainly due to the revenues resulting from the H2O IPO associated services together with the increase in some tariffs starting from February 2023, especially the maintaining tariff for issuers.

*Revenues from post-trading segment \* (DC)*, in 9M 2023 reached the value of RON 15.28 mn, 33% or RON 3.83 mn increase compared to the previous period, due to the revenues resulted from the transactions settlement with H2O shares and revenues from the maintaining commission for participants - the percentage component, influenced, by the increase in the value of the portfolios managed by the custodian agencies with the value of H2O shares and by the increase in the commission for retail government securities.

This segment represents 67 % of DC's operating revenues.

*Revenues from registry segment \* (DC)* in 9M 2023 recorded a 15% y/y increase, up to the value of RON 7.98 mn, due to the advance of revenues from operations provided for issuers of financial instruments by approximately 15%, result of the increase of some tariffs, including the maintaining tariff for issuers.

This segment represents 33 % of DC's operating revenues.

**CCP.RO Bucharest** is in authorization process, thus it did not record operating revenues in the first 9 months of 2023.

**Consolidated operating revenues BVB Group** in 9M 2023, at a record level of RON 59.89 mn, 40% or RON 18 mn increase compared to the previous period, mainly generated by the evolution of trading revenues recorded in the segment trading, also supported by the advance recorded on the post-trading and registry segments.

**Operating expenses, BVB standalone\*** in 9M 2023: 19% increase compared to 9M 2022 up to the value of RON 18.62 mn, mainly influenced by:

- The advance of personnel expenses by 18% or RON 1.55 mn y/y, up to the value of RON 10.03 mn, following annual indexation of salaries according to the Remuneration Policy applied starting from Q2 2023, as well as of accruals expenses for variable remuneration and staff retention (bonuses and free shares through SOP) higher compared to the previous period, in line with the current year's result and staff retention policy.
- Higher *other operating expenses* by 28% y/y up to the value of RON 6.38 mn, base effect from the price increases due to inflation, advance of expenses with depreciation of fixed assets and right-of-use assets, of utility expenses, as well as of marketing and promotion as a result of the campaigns carried out in order to promote the capital market and increase the number of investors. The increase was amplified by the effect of additional expenses generated by the listing of Hidroelectrica, such as marketing & promotion expenses, FSA taxes, personnel expenses.

**Operating expenses, Central Depository (DC)\*** in 9M 2023 are in amount of RON 16.57 mn, +13% y/y, increase generated by the advance of third-party services expenses (+19% y/y), such as IT maintenance and archiving services, as well as 14% higher personnel expenses following the indexation and annual adjustment of salaries according to the Remuneration Policy starting from Q2 2023.

**Operating expenses, CCP.RO\*** in 9M 2023 – RON 5.42 mn, increase of 60% or RON 2.04 mn compared to 9M 2022, mainly influenced by the advance of personnel expenses +RON 1.1 mn, following the annual indexation but also the increase in the number of employees, third parties services expenses (IT audit services and services using the SWIFT network) together with other operating expenses, such as FSA authorization fees, rent, depreciation and telecommunications expenses.

**Consolidated operating expenses** in 9M 2023, 20% y/y increase up to the value of RON 40.35 mn, being influenced by:

- Consolidated personnel expenses higher by 20% or RON 3.83 mn, up to the value of RON 22.67 mn, determined by the annual implementation of the Remuneration Policy - indexation and adjustment to the market level implemented starting from April 2023, by performance bonuses and SOP accruals expenses, as well as the increase in the average number of employees (in the case of CCP.RO)
- 14% advance of third parties services expenses up to RON 4.98 mn, mainly due to consulting services for the implementation of the Central Counterparty and SWIFT network user services recorded by CCP.RO, as well as higher IT maintenance expenses recorded by DC.
- Increase of 23% or RON 2.35 mn of other operating expenses up to the value of RON 12.67 mn, base effect of the inflation increase, amplified by new expenses recorded by CCP.RO and additional expenses caused by the listing of Hidroelectrica and of campaigns and events carried out with the aim of promoting the capital market and increasing the number of investors, as well as higher administrative expenses (depreciation of fixed assets, headquarters rent, utilities).

**Operating profit, BVB standalone \*** of 9M 2023 is at a record level of RON 18,24 mn, 107% or RON 9.41 mn higher compared to 9M 2022 ( RON 8.82 mn), with an operating margin of 49%, a level directly influenced by the evolution of trading revenues.

**Operating profit, Central Depository (DC)** \* in 9M 2023 of RON 6.72 mn, RON 3 mn higher compared to the previous period, with an operating margin of 29%, result of the operating revenues increase that exceeded the advance of operating expenses

**Operating loss of CCP.RO** \* in 9M 2023 is RON 5.42 mn, increase of 60% y/y (RON 3.38 mn in 9M 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 9M 2023 reached the value of RON 19.54 mn, by 10.4 mn higher compared to the previous period, a level directly influenced by the revenues achieved in the trading segment, also supported by the positive evolution of revenues of the post trading and registry segments.

**Net financial income, BVB standalone\*** in 9M 2023 in amount of RON 2.69 mn, a decrease of 17% compared to 9M 2022, generated by lower unrealized income from exchange rate differences, following the appreciation of RON vs. USD rate with an adverse impact on the investments portfolio in USD, as well as the dividends income from the Central Depository 9% lower compared to the previous period. The decrease was mitigated by higher interest income and 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, recognized according to IFRS9.

**Net financial income, Central Depository (DC)** \* in 9M 2023 increase of 66% or RON 0.6 mn y/y, up to the value of RON 1.50 mn, generated by 44% increase in interest income compared to the previous period, result of the increase in financial investments interest rates, together with the 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 financial income, CCP.RO** in 9M 2023 increases by RON 1.8 mn, up to RON 2.54 mn mainly determined by higher interest income compared to the previous period determined the increase in the average yield of the investment portfolio, the increase in financial income, the positive impact of the decrease in the CDS rate, as well as the unrealized income from exchange rate differences.

**Consolidated net financial income** in 9M 2023 of RON 5.32 mn, 59% increase compared to 9M 2022 determined by the increase in net interest income, as well as increase in other financial income.

**Net profit, BVB standalone \*** in 9M 2023 at a record level in amount of RON 18.27 mn, by RON 7.8 mn higher (+74% y/y) compared to the previous period, with a net margin of 50%, directly influenced by the evolution of the operating result, respectively the level of trading revenues.

**Net profit, Central Depository (DC)** in 9M 2023 of RON 6.98 mn, by RON 3.05 mn higher compared to the previous period, with a net margin of 30%, directly influenced by the evolution of the operating result, respectively the level of post trading segment revenues.

**Net loss, CCP.RO** \* in 9M 2023 of RON 2.36 mn, up 7% compared to the previous period influenced by the operating loss evolution, partially compensated by the increase in the financial result.

**Consolidated net profit BVB Group** in 9M 2023 had a significant increase reaching the value of RON 21.50 mn, double compared to the previous period (RON 10.72 mn in 9M 2022), being directly influenced by the evolution of the operating result, amplified by the increase in the financial result.

\* including intra-group transactions