



Preliminary report

as of 31 December 2021



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Notes

The Directors' consolidated report herein presents the interim condensed 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 31 December 2021 are being 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, Investors Compensation Fund, CCP.RO Bucharest.

Disclaimer

This English language report is a convenience translation of the Romanian language "*Raport preliminar întocmit la data de 31 Decembrie 2021*". The Romanian version of the report is the official document.

Executive summary

Key events

Main market

The 3rd IPO of the year – Aquila → **EUR 74 mn**
Two new rounds of Govt bonds under Fidelis program → around **EUR 409 mn**.

Five corporate bonds issues → **315.3 mil. EUR**

Strong momentum for AeRO market listings

3 share listings → over **EUR 18 mn** raised

5 bond listings → around **EUR 15.3 mn**



Strong price performance



As of Dec 31, 2021:

BET index: **13,061.32** +33,2% YTD

BET-TR index: **23,113.93**, +40% YTD

Total traded 2021: **RON 20 bn** (+9,5% vs 2020).

AeRO market – **RON 1,625 mn**, +250% y/y

One United Properties and TTS shares are added into FTSE EM universe in December 2021.

BVB launches the BET AeRO index in October 2021.

BVB launches a new brand identity in October 2021, followed by an awareness media campaign.

Key figures – Q4 and year 2021

BVB Individual

Operating income – RON 8.20 mn in Q4 21, + **29% vs. Q4 20**

Year 2021 – RON 26.60 mn, similar level vs 2020 based on the fixed taxes revenues increase (issuers maintenance fees and sale of stock exchange data). Except of intra-group one-off revenues from 2020, **the increase was 4%**.

Operating expenses in Q4 21- RON 5.77 mn, same level vs. Q4 20

Year 2021- RON 19.28 mn, increase of 9% vs. 2020, impact of new projects carried out aimed to promote BVB and the capital market development.

Operating income - profit of RON 2.43 mn in Q4 21 **increase almost 4 times** vs. Q4 20.

Year 2021- Profit of RON 7.33 mn, decrease of 18%, generated by the evolution of operational expenses, the level of 2020 being affected by the COVID pandemic 19.

Net profit – RON 2.37 mn in Q4 21, 7X increase vs. Q4 20

Year 2021- RON 7.90 mn, down 13%, with a net margin of 30%.

BVB Group

Results influenced by ongoing projects at the level of the BVB Group, mainly the Central Counterparty project.

Operating revenues -RON 13.43 mn, + 27% Q4 21 vs Q4 20
Year 2021 – RON 46.11 mn, an increase of 9% vs. 2020, generated by post-trading and register segments revenues.

Operating expenses of RON 12.74 mn, + 3% vs. Q4 20

Year 2021 – RON 43.75 mn, + 19% vs 2020 generated by CCP.RO expenses (12 months 2021 vs. approx. 4 months 2020) and of the Group's new projects carried-out, level of 2020 being affected by the COVID pandemic 19.

Operating result - profit of RON 0.69 mn in Q4 21 vs. loss of RON 1.71 mn in Q4 20.

Year 2021 - profit of RON 2.36 mn, down 57% vs. 2020, influenced by the evolution of operational expenses.

Net profit in Q4 21 of RON 1.20 mn vs. loss of RON 1.65 mn in Q4 20.

2021 – RON 5.02 mn, down 20% vs 2020.

Expectations for Q1 2022

Primary markets are expected to keep their momentum, particularly on the AeRO segment.

Significant projects such as ESG and BVB Research will reach critical milestones.

The volatility and the liquidity are expected to rise due to the global macroeconomic situation.

On August 27, 2021, the value of the shares held by BVB in the Investors' Compensation Fund in the amount of RON 0.2 mn was collected. Starting with this date, FCI SA ceased to be BVB subsidiary.

Thus, **FCI was eliminated from the preliminary consolidated financial results** as of December 31, 2021.

Financial and operating highlights

Individual and consolidated financial performance – for the year 2021 (RON mn, unless otherwise stated)

	BVB Individual			GROUP		
	2021 (prelim.)	2020 (prelim.)	Change (%)	2021 (prelim.)	2020 (prelim.)	Change (%)
Operating revenue	26.60	26.66	0%	46.11	42.24	9%
Operating expenses	<u>(19.28)</u>	<u>(17.71)</u>	<u>9%</u>	<u>(43.75)</u>	<u>(36.76)</u>	<u>19%</u>
Operating profit	7.33	8.95	-18%	2.36	5.47	-57%
<i>Operating margin</i>	<i>28%</i>	<i>34%</i>		<i>5%</i>	<i>13%</i>	
Net financial revenue/(expenses)	2.06	1.62	27%	3.72	1.89	97%
Profit before tax	<u>9.39</u>	<u>10.57</u>	<u>-11%</u>	<u>6.08</u>	<u>7.36</u>	<u>-17%</u>
Profit for the period	7.90	9.12	-13%	5.02	6.26	-20%
<i>Net margin</i>	<i>30%</i>	<i>34%</i>		<i>11%</i>	<i>15%</i>	
EPS attributable to owners (RON/share)**	0.9817	1.1329	-13%	0.7680	0.8805	-13%
<i>Return on equity</i>	<i>7%</i>	<i>8%</i>		<i>3%</i>	<i>4%</i>	

** Consolidated attributable profit and consolidated earnings per share are information that is 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.

Individual and consolidated financial performance – 4th Quarter, 2021 (RON mn, unless otherwise stated)

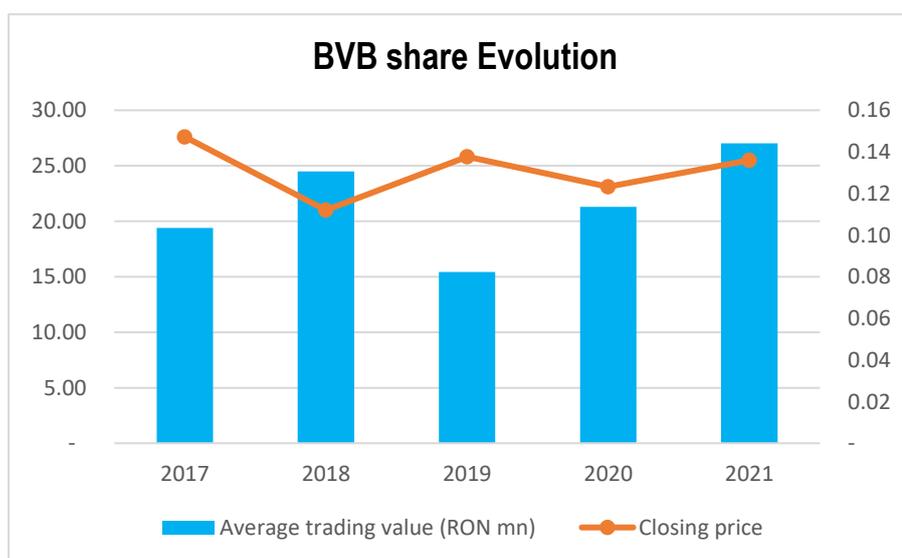
	BVB Individual			GROUP		
	Q4 2021	Q4 2020	Change (%)	Q4 2021	Q4 2020	Change (%)
Operating revenue	8.20	6.35	29%	13.43	10.61	27%
Operating expenses	<u>(5.77)</u>	<u>(5.71)</u>	<u>1%</u>	<u>(12.74)</u>	<u>(12.32)</u>	<u>3%</u>
Operating profit	2.43	0.64	279%	0.69	(1.71)	-
<i>Operating margin</i>	<i>30%</i>	<i>10%</i>		<i>5%</i>	<i>-16%</i>	
Net financial revenue/(expenses)	0.35	(0.22)	=	0.77	(0.33)	-
Profit before tax	<u>2.78</u>	<u>0.42</u>	<u>561%</u>	<u>1.46</u>	<u>(2.05)</u>	<u>-</u>
Profit for the period	2.37	0.35	571%	1.20	(1.65)	-
<i>Net margin</i>	<i>29%</i>	<i>6%</i>		<i>9%</i>	<i>-16%</i>	
EPS attributable to owners (RON/share)**	0.2950	0.4440	571%	0.2118	(0.1062)	-
<i>Return on equity</i>	<i>2%</i>	<i>0%</i>		<i>1%</i>	<i>-1%</i>	

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

	BVB individual			GROUP		
	31 Dec. 2021	31 Dec. 2020	Change (%)	31 Dec. 2021	31 Dec. 2020	Change (%)
Total assets, out of which:	117.62	112.93	4%	189.05	211.45	-11%
<i>Cash & cash equivalents</i>	3.15	2.15	46%	33.06	6.57	403%
<i>Financial assets at amortized cost</i>	30.38	31.66	-4%	91.29	121	-25%
<i>Restricted financial assets at amortized cost</i>	-	-	-	24.05	49.51	-51%
Payables, out of which:	8.96	4.25	111%	43.77	62.60	-30%
<i>Trade and other payables</i>	3.57	2.63	36%	31.66	34.98	-9%
Equity, out of which:	108.66	108.68	0%	145.28	148.85	-2%
<i>Total shareholders' equity attributable to the owners of the Company</i>	108.66	108.68	0%	106.10	108.03	-2%
<i>Non-controlling interests</i>	-	-	-	39.18	40.82	-2%

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

	2021	2020	Variație (%)	Q4 2021	Q4 2020	Variație (%)
Closing price (e-o-p)	25.50	23.10	10%	25.50	23.10	10%
Weighted average price	24.81	23.14	7%	25.14	22.78	10%
High (intraday)	26.90	26.70	1%	25.50	24.90	2%
Low (intraday)	23.10	19.00	22%	24.60	22.20	11%
Total trading value (RON mn)	36.33	28.28	28%	10.46	12.45	-16%
Average trading value (RON mn)	0.14	0.11	27%	0.17	0.20	-17%



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

Transaction value	2021	2020	Change (%)	Q4 2021	Q4 2020	Change (%)
Shares, units, rights	12,325	12,586	-2%	3,709	2,656	40%
<i>Out of, Shares traded on regulated market, without offers</i>	<i>10,057</i>	<i>10,849</i>	<i>-7%</i>	<i>2,851</i>	<i>2,388</i>	<i>19%</i>
Certificates	871	829	5%	254	238	7%
Fixed-income investments	<u>8,437</u>	<u>5,310</u>	<u>59%</u>	<u>3,656</u>	<u>3,143</u>	<u>16%</u>
Total	21,633	18,725	16%	7,619	6,037	26%
Avg. daily value (shares, without initial public offers) *	39.59	43.22	-8%	44.54	37.91	17%
Avg. daily value (shares, including initial public offers)*	43.63	50.14	-13%	51.70	42.16	23%

*Value for the Regulated market

Operating indicators, post-trading and registry segments

	2021	2020	Change (%)	Q4 2021	Q4 2020	Change (%)
No. companies with registry contract at CSD	875	857	2%	875	857	2%
No. procedures resulted from issuers' corporate events	708	630	12%	420	506	-17%
<u>Local settlement</u>						
Value of trades settled on net basis (RON bn)	31,90	29,81	7%	11,32	7,73	46%
Value of trades settled on gross basis (RON bn)	2,37	3,11	-24%	0,75	0,62	22%
<u>Settlements through T2S platform (euro)</u>						
Value of trades settled on gross basis (EUR mn)	738,26	549,48	34%	217,38	352,64	-38%
Avg. monthly portfolio managed by custodians (RON bn)	56,81	43,95	29%	60,92	44,44	37%

Analysis of the individual and consolidated results for the 4th quarter and for the year 2021

Macroeconomic and financial markets evolution in the 3rd quarter of 2021

The latest figures on the Romania's GDP dynamics have shown an economic growth of 7.4% for the third quarter, year-over-year, which points to an economic growth of 7.5% for the entire year 2021. This would represent the highest economic growth in the EU.

The unemployment rate has remained unchanged at the 5.2% level, while the labor market managed to create new jobs, an evolution expected to continue in the following period. Inflation has continued to increase, reaching 8.2% in December 2021 and the expectations are that, over the medium term, it will remain above the target level interval set by the central bank, which will continue to put pressure on the monetary policy.

In the fourth quarter, NBR's Board of Governors has decided to increase the key interest rate from 1.25% to 1.75%, an attempt to temper the price increases. Also, NBR has noted the persistence of uncertainties and risks from the area of commodity prices, especially energy and food prices, as well as from blockages in production and supply chains, which could accelerate inflation at a global level.

The EUR/RON exchange rate continued to slightly increase in the fourth quarter of the year, fluctuating, on average, around the 4.95 level. In terms of the USD/RON exchange rate, this has significantly risen to an average of 4.33, amid anticipations of a more restrictive monetary policy from the FED in the next period to fight inflation.

In the fourth quarter of 2021, financial markets have registered, overall, a positive evolution. Thus, Romania's BET index has increased by 3.3%, closing the year with a 33% return, outperforming most of the eurozone indices. In the USA, the S&P 500 index has increased by 10.7%, while in the UK, FTSE 100 has risen by 4.2%. Similarly, the German index DAX has registered a positive performance of 4.1%, while the MSCI Emerging Market index fell by 1.7%, largely due to the appreciation of the US dollar and the tensions in the Chinese real estate market.

Review of the individual and consolidated financial results for the 4th quarter of 2021

BVB Individual operating income* in Q4 2021 increased by 29% compared to Q4 2020, from RON 6.35 mn to RON 8.20 mn, following a 31% increase in trading revenues on the main market, both regular transactions and public offers, amplified by the advance of sale of stock exchange data (+ 107%) and maintenance fees to issuers (+ 85%) revenues.

Compared to Q3 2021, operating revenues increased by 22% due to the 24% advance in trading revenues, sale of stock exchange data revenues, as well as revenues from IT services provided to third parties.

Central Depository (DC) revenues * in Q4 2021: + 34% or RON 1.41 mn compared to Q4 2020 up to the value of RON 5.53 mn, increase generated by the advance of revenues both from the post-trading and register segment, especially from the income from admission and retention of following the increase of commission for maintaining the quality of participant, as well as higher portfolio value managed by custodians.

CCP.RO did not register revenues in Q4 2021.

- **Consolidated operating income of the BVB Group** in Q4 2021, increase of 27% up to the value of 13.43 mn (RON 10.61 mn in Q4 2020), generated by the 24% advance or RON 2.21 mn of the post-trading and registry segments revenues and of 29% or RON 1.85 mn of operating revenues from the trading segment.

Compared to Q3 2021, the consolidated operating income increased by 14%, generated by higher revenues in both, trading segment (+27%) and post-trading and register segment (+ 9%).

Operating expenses, BVB individually * Q4 2021 - increase of 1% compared to Q4 2020 up to RON 5.77 mn following the advance of expenses with services provided by third parties, related to business development and promotion projects carried out within BVB (BVB Research Hub , Rebranding BVB).

Compared to Q3 2021, there is an increase of 22% or RON 1.04 mn generated by the BVB Rebranding project carried out in October and November, as well as by the advance of personnel expenses due to the recognition in December of the unpaid leave provision for the year 2021.

Operating expenses, DC individually * in Q4 2021 - increase of 21% or RON 0.92 mn compared to Q4 2020, up to the value of RON 5.23 mn amid the increase in personnel expenses result of the annual implementation remuneration policy, IT services (new digitization projects) as well as higher IT depreciation and maintenance costs, as a result of upgrades performed.

Operating expenses, individual CCP.RO in Q4 2021: RON 2.03 mn, decrease of 6% compared to Q4 2020, due to lower consulting expenses.

- **Consolidated operating expenses** in Q4 2021 increase of 3% compared to Q4 2020 up to RON 12.74 mn generated mainly by the advance of other operating expenses (+ RON 0.92 mn), in view of the new projects carried out at Group level, but also by the consultancy services provided by CC&G for the CCP.RO authorization.

Compared to Q3 2021, there is an increase of 14% or RON 1.55 mn, generated by higher operating expenses, result of the new projects carried out at Group level, as well as increase of personnel expenses.

- **Consolidated operating profit of the BVB Group** in Q4 2021 – RON 0.69 mn, compared to a loss of RON 1.71 mn realized in Q4 2020, mainly influenced by the improvement of the profitability of the trading segment (RON 2.43 mn in Q4 2021 vs RON 0.64 mn in Q4 2020).
- **Consolidated net financial revenues** in Q4 2021 of RON 0.77 mn compared to expenses of RON 0.33 mn in Q4 2020, due to the increase of the RON / USD and RON / EUR exchange rates with a favorable impact on all segments of the Group.

Net profit, individual BVB in Q4 2021 – RON 2.37 mn, increase by almost 7 times compared to Q4 2020, being directly influenced by the evolution of the operating result and the financial result.

Compared to the previous quarter, net profit increased by 22%, influenced by the evolution of operating income (+ 23%).

Net profit, individual DC in Q4 2021 – RON 0.31 mn compared to a loss of RON 0.13 mn in Q4 2020 due to the increase in operating income.

Net loss, individual CCP.RO * in Q4 2021 amounting to RON 1.49 mn, decrease from RON 1.78 mn in Q4 2020, influenced mainly by the evolution of the financial result.

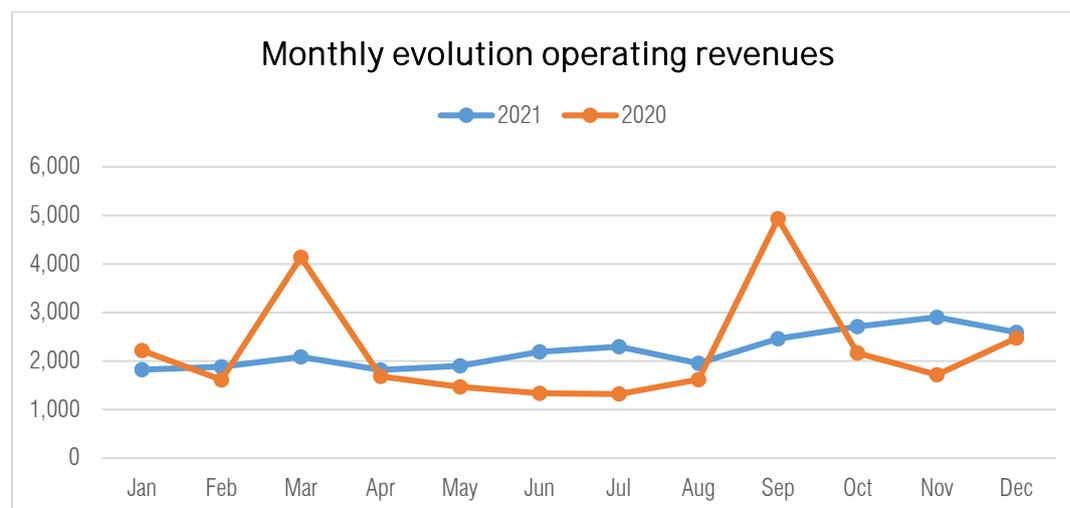
Consolidated net profit of the BVB Group in Q4 2021 - RON 1.20 mn, compared to a loss of 1.65 mn in Q4 2020, generated by both the significant improvement of the operating result and of the financial result.

Compared to the previous quarter, the favorable evolution is maintained, resulting in an increase of 7%.

Review of the individual and consolidated financial results for the year 2021

Operating income BVB individual* of RON 26.60 mn, similar level compared to the previous period (12M 2020: RON 26.66 mn), advance of revenues from admission and maintenance of issuers (+ 78%) and from the sale of stock exchange data (+ 85%), is partially covered by the 10% decrease in trading revenues, out of which the share transaction revenues - main market (-9%) and public offers revenues, (-49%), while revenues on the Aero market increased 4 times. The decrease in other revenues is based on the “one-off” revenues invoiced to CCP.RO (RON -0.97 mn) in 2020. Except for these “one-off” revenues, the increase in operating revenues would be 4%.

Monthly operating revenues, BVB individual, 12M 2021 vs.12M 2020 (thousand RON)



Operating revenues, BVB individual, 2021 vs 2020 (thousand RON), including intra group transactions

Operating revenues	2021 (prelim)	2020 (prelim)	% from total 2021	Abs. Change	%
Revenues from Trading fees, out of which:	<u>18.07</u>	<u>20.11</u>	<u>68%</u>	<u>-2.04</u>	<u>-10%</u>
<i>Revenues from Regulated market</i>	13.26	14.64	50%	-1.38	-9%
<i>Revenues from Offers, Regulated market</i>	2.10	4.11	8%	-2.01	-49%
<i>Revenues from structured products</i>	0.96	0.91	4%	0.05	5%
<i>Revenues from ATS</i>	1.74	0.44	7%	1.30	295%
Issuers admission & maintenance fees	4.22	2.37	16%	1.85	78%
Revenues from data vending	2.91	1.57	11%	1.33	85%
Other revenues	<u>1.41</u>	<u>2.61</u>	<u>5%</u>	<u>-1.20</u>	<u>-46%</u>
Total operating revenues	26.60	26.66	100%	-0.05	0%

Revenues Central Depository (DC) Individual* + 26% or RON 4.08 mn in 12M 2021 vs 12M 2020, from RON 15.97 mn to 20.05 mn.

*Revenues related to the post-trading segment * (DC)* + 21% in 12M 2021 vs 12m 2020 (from RON 10.78 mn to RON 13.06 mn), result of the advance of 26% of revenues from admission and maintenance participants, following the increase in commission for maintaining the participant quality, amplified by the increase of the value of the portfolios managed by the custodians (+RON 1.82 mn). Revenues from T2S settlement operations increased by 60% (+ RON 0.16 mn), while settlement revenues from BVB markets increased by 12% compared to 12M 2020, being influenced by the values traded on BVB. These revenues represent 65% of operating income.

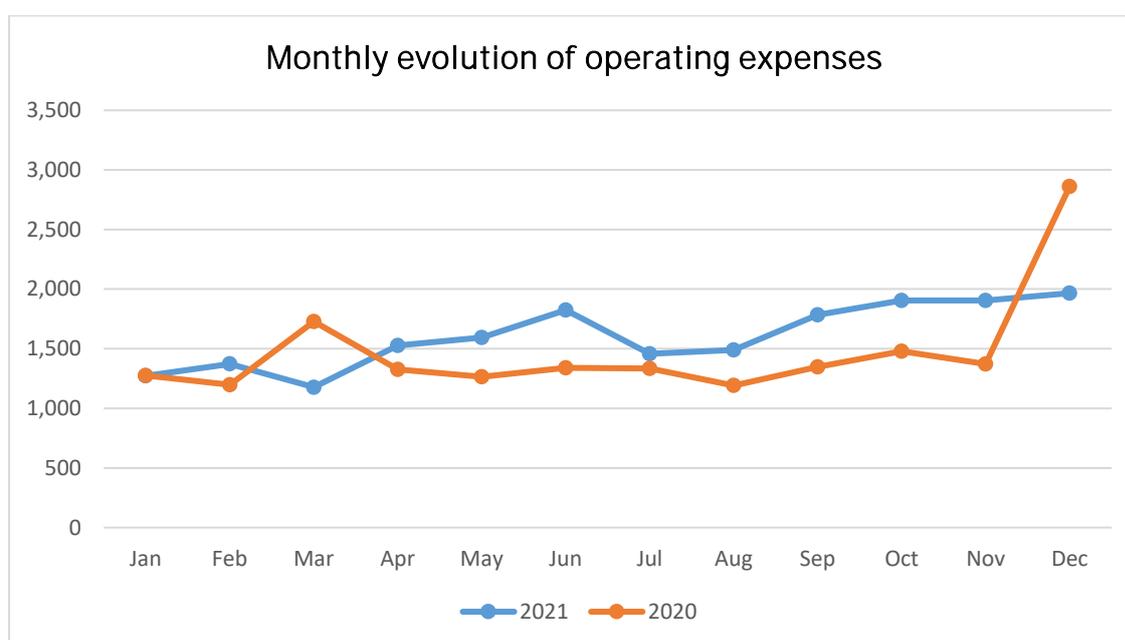
Revenues related to the registry segment * (DC) in 12M 2021, + 37%, from RON 5.08 mn to RON 6.99 mn, the increase was influenced by the provision of one-off services (RON 1 mn 12M 2021 compared to RON 0.51 mn in 12L 2020) but also following the increase of some tariffs, including the maintenance tariff for issuers. These revenues represent 35% of operating income.

CCP.RO Bucharest did not register operating income in 2021.

- **The consolidated operating revenues of the BVB Group** - RON 46.11 mn, increase of 9% or RON 3.87 mn lei compared to the previous period (12M 2020: RON 42.24 mn), generated mainly by the advance of 26% or RON 4.08 mn of the post-trading segment of the Group.

Operating expenses, individual BVB* in 12M 2021, RON 19.28 mn, + 9% or RON 1.57 mn (12M 2020: RON 17.71 mn) growth generated mainly by new business development and promotion projects of BVB and the market of capital, with a focus on the promotion of issuers, the most important being the BVB Research HUB & ESG project, as well as the BVB Rebranding project, an increase partially offset by a decrease in expenses, mainly consulting, in Q1 2020 off for the Central Counterpart project.

BVB Individual monthly operating expenses, 12M 2021 vs 12M 2020 (thousand RON)



* Including intra-group transactions

Operating expenses BVB Individual, 2021 vs 2020 (mn RON)

	2021 (prelim)	2020	Abs. Var.	Var %
Operating expenses	10,24	10,08	0,16	2%
Personnel expenses and Director's fees	10,24	10,08	0,16	2%
Services provided by third parties, out of which:	2,83	2,20	0,63	28%
<i>Third party services-on business development projects</i>	1,28	0,44	0,84	193%
Other operating expenses, out of which:	6,21	5,43	0,78	14%
<i>Office utilities and other rents</i>	0,76	0,62	0,14	23%
<i>Amortization and depreciation of fixed assets and right of use assets</i>	1,97	2,31	-0,35	-15%
<i>Marketing, protocol and travel expenses</i>	1,65	0,72	0,93	130%
<i>IT maintenance expenses</i>	0,70	0,48	0,22	46%
Total Operating expenses	19,28	17,71	1,57	9%

* including intra-group transactions

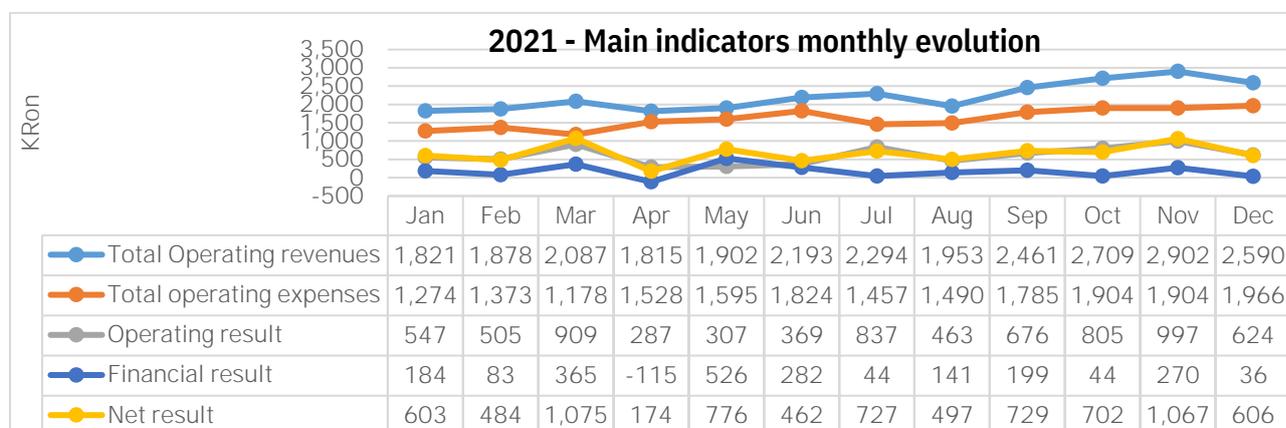
Operating expenses, DC individual* in 12M 2021, + 16%, from RON 15.31 mn to RON 17.69 mn, increase generated by the advance of 9% of personnel expenses up to the value of RON 9.33 mn, due to the annual implementation remuneration policy as well as other operating expenses, especially depreciation expenses, additional maintenance costs generated by upgrades to current systems, higher audit expenses and provisions for litigation recorded at the end of the period.

Operating expenses, individual CCP.RO*, CCP.RO * in 12M 2021 – RON 7.33 mn, compared to RON 4.22 mn in 12M 2020, an increase of 74% or RON 3.12 mn and are based on: personnel expenses and remunerations amounting RON 2.86 mn, + 131% or RON 1.24 mn compared to 12M 2020, as a result of the increase in the number of employees, expenses with services provided by third parties (CC&G consultancy) – RON 3.58 mn and other operational expenses - RON 0.89 mn, representing depreciation expenses, rents and utilities.

- **Consolidated operating expenses** – 12M 2021, + 19%, respectively RON 6.99 mn, from RON 36.76 mn to RON 43.75 mn, mainly due to:
 - The advance of 10% or RON 1.98 mn up to the value of RON 22.42 mn of the consolidated personnel expenses, following the personnel expenses increase of RON 1.62 mn related to the subsidiary CCP.RO (the average number of employees in 2021 was 8, and in 2020 was 3).
 - Increase of third party services expenses by from RON 5.26 mn to RON 7.98 mn, + 46%, as a result of the consulting services from CCP.RO within the contract with CC&G (concluded starting with the second part of 2020) + RON 1.12 mn, together with the advance of expenses resulted from the implementation of projects carried out at Group level, including the ones from BVB aimed to promote BVB, issuers and the capital market.
 - The advance of 21% or RON 2.29 mn of other operational expenses up to the value of RON 13.35 mn following the increase of: depreciation expenses related to intangible and tangible fixed assets, projects initiated in the area of marketing with the purpose of increasing the visibility of BVB, issuers and the capital market and other expenses attributable to CCP.RO.

Operating profit, individual BVB * - 12M 2021, RON 7.33 mn, -18% compared to 12M 2020 (RON 8.95 mn), with an operating margin of 28%, due to the advance of operating expenses by 9%.

Monthly evolution, BVB individual 12M 2021 (thousand RON)



* Including intra-group transactions

Operating profit, individual DC * - 12M 2021– increase of almost 3 times up to the value of RON 2.36 mn (12M 2020: RON 0.66 mn), with an operating margin of 12%, as a result of the advance in operating income by 26% while operating expenses increased 16%.

Operational loss of individual CCP.RO * - in 12M 2021 of RON 7.33 mn, similar evolution to that of operational expenses considering that the company does not record operating revenues.

- **Consolidated operating profit of BVB Group** in 12M 2021 of RON 2.36 mn, down from RON 5.47 mn in 12M 2020, generated mainly by the advance of 19% of the consolidated operating expenses, as a result of expenses generated by CCP.RO, higher than the 9% increase of operating revenues.

Net financial income, individual BVB in 12M 2021 was RON 2.06 mn (12L 2020: RON 1.62 mn lei), + 27%, generated by Forex gain vs. Forex loss in 12M 2020.

Net financial income, individual DC * - increase of 42% up to the value of RON 0.46 mn.

Net financial income, individual CCP.RO * of RON 1.77 mn, +RON 0.7 mn compared to the value recorded in 12LM 2020 (RON 1.07 mn) amid the increase of the RON / EUR exchange rate which generated a Forex for the company's Euro investments.

- **Consolidated net financial income** in 12M 2021, + 97% compared to 12M 2020, from RON 1.89 mn to RON 3.72 mn, result of a gain from unrealized exchange rate differences from the revaluation of financial instruments in foreign currency of RON 1.46 mn vs loss of RON 0.35 mn in 12M 2020.

Net profit, individual BVB * 12M 2021, RON 7.90 mn, -13% from RON 9.12 mn in 12M 2020, with a net margin of 30%.

Net profit, individual DC * in 12M 2021 of RON 2.37 mn, + 168% compared to the similar period of 2020 (12M 2020: RON 0.88 mn), result of the positive impact generated by the improved operating result, as well as the financial result.

Net loss, individual CCP.RO * - in 12M 2021 of RON 4.67 mn (12M 2020: RON 2.70 mn) amid higher operating loss, partially covered by the financial profit improvement.

- **Consolidated net profit of the BVB Group** – 12M 2021, -20%, from RON 6.26 mn to RON 5.02 mn, being directly influenced by the decrease in the operating result, a decrease partially offset by the positive evolution of the financial result.

* includes intra-group transactions

Review of BVB individual financial position at the end of 2021

Total assets as of December 31, 2021, RON 117.62 mn, increase of 4% compared to December 2020 (RON 112.93 mn)

Fixed assets, -3% compared to the beginning of the year, from RON 99.4 mn to RON 96.78 mn, mainly due to the reclassification of some financial assets with a maturity of less than one year into current assets or the maturity of others, decrease compensated by the registration of right-of-use assets, related to the renewal of the lease of the headquarters, according to IFRS 16.

Current assets, + 54% compared to the beginning of the year, from RON 13.53 mn to RON 20.84 mn lei, mainly due to investments in government securities with maturities of less than 1 year, as well as deposits with banks and cash, following the maturation of some financial assets.

Total liabilities amount to RON 8.96 mn, + 111% compared to the value as of December 31, 2020 (RON 4.25 mn), mainly following the recognition of the debt related to long-term and short-term premises lease agreements, according to IFRS 16, of the increase of the commercial debts following the new projects implemented and the current profit tax liability.

Equity, similar level compared to December 31, 2020, respectively RON 108.66 mn.

Review of the consolidated financial position as of the end of 2021

Total assets decrease of 11% or RON 22.93 mn compared to December 2020, to the value of RON 189.05 mn, influenced by the deconsolidation of the Investor Compensation Fund SA, result of the status change in legal person of public law (impact RON -20.56 mn). Except of this elimination, the level of assets remained constant compared to the end of 2020.

Fixed assets, -15% compared to the beginning of the year, from RON 82.38 mn to RON 70.41 mn, decrease mainly due to the elimination of financial assets held by FCI following its deconsolidation (impact RON -11.23 mn) but also the transfer of financial assets with a maturity of less than one year in current assets or the maturity of others, a decrease partially offset by the recognition of rights-of-use assets related to the renewal of the BVB headquarters lease, according to IFRS 16.

Current assets, -8% compared to the beginning of the year, from RON 129.06 mn to RON 118.64 mn, mainly due to the elimination of financial assets held by FCI (impact of RON -9.33 mn).

The total debts of the Group are mainly short-term, as of December 31, 2021 amounting RON 43.77 mn, -30% compared to the value as of December 31, 2020 of RON 62.6 mn, mainly due to the reduction of the related debt of guarantee, compensation and margin funds for the settlement of transactions with RON 19.66 mn following the deconsolidation of FCI.

48% of the total debts are represented by the dividends held for payment on behalf of the clients by the Central Depository, amounting RON 20.76 mn, and guarantee, compensation and margin funds for the settlement of transactions, amounting to RON 2.85 mn, represent 7%.

Equity, -2% compared to the beginning of the year, respectively RON 145.28 mn, decrease influenced by the lower current year result, of the related legal reserve, as well as by the reduction of the carried forward result related to FCI deconsolidation.

**Condensed individual and consolidated
preliminary financial statements as at and for the
period ended
31 December 2021**

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 individual		BVB Grup	
	Period ended			
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
	Unaudited	Audited	Unaudited	Audited
Revenues from services	26,281,738	25,620,436	45,729,969	42,070,432
Other revenues	<u>322,610</u>	<u>1,037,109</u>	<u>378,086</u>	<u>164,880</u>
Operating revenue	26,604,348	26,657,545	46,108,055	42,235,312
Personnel expenses and Directors' fees	(10,237,382)	(10,080,007)	(22,421,487)	(20,444,776)
Expenses with services provided by third parties i	(2,827,603)	(2,201,590)	(7,980,562)	(5,257,854)
Other operating expenses	<u>(6,212,568)</u>	<u>(5,430,472)</u>	<u>(13,346,899)</u>	<u>(11,059,304)</u>
Operating profit	<u>7,326,795</u>	<u>8,945,476</u>	<u>2,359,107</u>	<u>5,473,378</u>
Net financial revenues/(expenses)	2,059,753	1,620,790	3,719,949	1,888,345
Profit before tax	<u>9,386,548</u>	<u>10,566,266</u>	<u>6,079,056</u>	<u>7,361,723</u>
Corporate income tax expense	<u>(1,484,737)</u>	<u>(1,447,570)</u>	<u>(1,054,730)</u>	<u>(1,100,763)</u>
Profit from continuing operations	<u>7,901,812</u>	<u>9,118,697</u>	<u>5,024,326</u>	<u>6,260,960</u>
Profit from discontinued operations	-	-	-	-
Profit for the period	<u>7,901,812</u>	<u>9,118,697</u>	<u>5,024,326</u>	<u>6,260,960</u>
Profit attributable to:				
Non-controlling interests	-	-	(1,157,171)	(826,498)
Owners of the Company	<u>7,901,812</u>	<u>8,764,819</u>	<u>6,181,497</u>	<u>7,087,458</u>
Profit for the period	<u>7,901,812</u>	<u>8,764,819</u>	<u>5,024,326</u>	<u>6,260,960</u>
Earnings per share				
Earnings per share – base/diluted (RON)	0.9817	1.1329	0.7680	0.8805

The notes on pages 25 to 32 are an integral part of these condensed consolidated financial statements.

CEO,
Adrian Tănase

CFO,
Virgil Stroia

	BVB individual		BVB Group	
	Three months period ended			
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
	Unaudited	Audited	Unaudited	Audited
Revenues from services	8,091,354	6,330,569	13,314,555	10,508,572
Other revenues	<u>109,447</u>	<u>21,120</u>	<u>117,054</u>	<u>98,741</u>
Operating revenue	8,200,801	6,351,689	13,431,609	10,607,313
Personnel expenses and Directors' fees	(3,146,774)	(3,419,735)	(6,531,177)	(6,727,966)
Expenses with services provided by third parties	(597,196)	(606,230)	(2,002,619)	(2,302,700)
Other operating expenses	(2,030,551)	(1,685,767)	(4,210,683)	(3,288,855)
Operating profit	<u>2,426,280</u>	<u>639,957</u>	<u>687,130</u>	<u>(1,712,208)</u>
Net financial revenues/(expenses)	349,154	(220,101)	773,499	(333,438)
Profit before tax	<u>2,775,434</u>	<u>419,856</u>	<u>1,460,629</u>	<u>(2,045,646)</u>
Corporate income tax expense	<u>(400,699)</u>	<u>(65,978)</u>	<u>(261,869)</u>	<u>399,501</u>
Profit from continuing operations	2,374,735	353,878	1,198,759	(1,646,145)
Profit from discontinued operations	-	-	-	-
Profit for the period	<u>2,374,735</u>	<u>353,878</u>	<u>1,198,759</u>	<u>(1,646,145)</u>
Profit attributable to:				
Non-controlling interests	-	-	(505,878)	(791,305)
Owners of the Company	<u>2,374,735</u>	<u>353,878</u>	<u>1,704,637</u>	<u>(854,839)</u>
Profit for the period	<u>2,374,735</u>	<u>353,878</u>	<u>1,198,759</u>	<u>(1,646,145)</u>
Earnings per share				
Earnings per share – base/diluted (RON)	0.2950	0.4440	0.2118	(0.1062)

The notes on pages 25 to 32 are an integral part of these condensed consolidated financial statements.

CEO,
Adrian Tănase

CFO,
Virgil Stroia

Condensed standalone and consolidated statement of financial position

All amounts are indicated in RON, unless otherwise stated

	BVB individual		BVB Group	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
	Unaudited	Audited	Unaudited	Audited
Non-current assets				
Tangible assets	5,170,026	5,227,206	7,301,625	7,831,658
Intangible assets	1,096,889	698,119	3,656,771	3,833,508
				3,444,534
Right-of-use assets	3,481,098	318,962	6,406,691	
Deferred tax receivables	-	-	1,340,204	447,274
Restricted financial assets covering the guarantee and clearing funds and the margin at amortized cost	-	-	-	10,633,264
Financial assets at amortized cost	19,291,177	25,196,892	51,700,401	56,193,974
Investments in associated entities	<u>67,743,735</u>	<u>67,958,775</u>	-	-
Total Non-current assets	<u>96,782,925</u>	<u>99,399,954</u>	<u>70,405,692</u>	<u>82,384,212</u>
Current assets				
Trade and other receivables	2,770,957	2,409,740	7,213,990	6,334,596
Prepayments	637,781	473,980	847,220	661,178
Bank deposits	3,191,526	2,032,195	13,883,018	11,812,510
Restricted bank deposits covering the guarantee fund and the margin	-	-	2,982,942	2,935,165
Restricted financial assets covering the guarantee and clearing funds and the margin at amortized cost	-	-	(22,528)	9,076,333
Other financial assets at amortized cost	11,089,859	6,465,962	39,594,235	64,804,480
Cash and cash equivalents	3,149,786	2,151,776	33,059,330	6,573,308
Other restricted assets at amortized cost	-	-	21,086,422	26,868,213
Total current assets	<u>20,839,909</u>	<u>13,533,653</u>	<u>118,644,629</u>	<u>129,065,783</u>
Total assets	<u>117,622,834</u>	<u>112,933,607</u>	<u>189,050,321</u>	<u>211,449,995</u>
Equity				
Share capital	80,492,460	80,492,460	80,492,460	80,492,459
Treasury shares and Share-base benefits	330,356	(246,950)	330,356	(246,950)
Share premiums	6,303,263	6,303,263	6,297,386	6,303,263
Legal reserve	10,144,849	9,675,522	12,061,682	11,519,745
Revaluation reserve	1,748,513	1,748,513	3,385,355	3,385,355
Retained earnings	<u>9,644,689</u>	<u>10,706,592</u>	<u>3,530,072</u>	<u>6,584,133</u>
Total shareholders' equity attributable to the owners of the Company	<u>108,664,130</u>	<u>108,679,400</u>	<u>106,097,311</u>	<u>108,038,005</u>
Non-controlling interests		-	39,180,625	40,816,355
Total shareholders' equity	<u>108,664,130</u>	<u>108,679,400</u>	<u>145,277,936</u>	<u>148,854,360</u>

Condensed standalone and consolidated statement of financial position (continued)

All amounts are indicated in RON, unless otherwise stated

	BVB individual		BVB Group	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
	Unaudited	Audited	Unaudited	Audited
Liabilities				
Operating lease liabilities	<u>3,377,953</u>	<u>124,724</u>	<u>5,302,226</u>	<u>2,396,387</u>
Total non-current liabilities	<u>3,377,953</u>	<u>124,724</u>	<u>5,302,226</u>	<u>2,396,387</u>
Trade and other payables	3,569,542	2,627,133	31,664,527	34,983,651
Deferred income	1,381,369	1,221,319	1,401,234	1,321,204
Operating lease liabilities	229,140	215,054	1,460,180	1,230,875
Current corporate income tax payables	400,699	65,978	546,374	44,413
Provisions	-	-	542,519	-
Guarantee and clearing funds and settlement operation margin	-	-	2,855,325	22,619,105
Total current liabilities	<u>5,580,751</u>	<u>4,129,483</u>	<u>38,470,159</u>	<u>60,199,248</u>
Total liabilities	<u>8,958,704</u>	<u>4,254,208</u>	<u>43,772,385</u>	<u>62,595,635</u>
Total liabilities and equity	<u>117,622,834</u>	<u>112,933,607</u>	<u>189,050,321</u>	<u>211,449,995</u>

The notes on pages 25 to 32 are an integral part of these condensed consolidated financial statements.

CEO,
Adrian Tănase

CFO,
Virgil 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 attributable to Non-controlling shareholders	Non-controlling interests	Total shareholders' equity
Balance as at 1 January 2021	<u>80,492,459</u>	<u>6,303,263</u>	<u>(246,950)</u>	<u>10,706,592</u>	<u>1,748,513</u>	<u>9,675,522</u>	<u>108,679,400</u>	=	<u>108,679,400</u>
Comprehensive income for the year									
Profit or loss	-	-	-	7,901,812	-	-	7,901,812	-	7,901,812
Other items of comprehensive income									
Legal reserve increase	-	-	-	(469,327)	-	469,327	-	-	-
Total other items of comprehensive income	=	=	=	<u>(469,327)</u>	=	<u>469,327</u>	-	-	-
Total comprehensive income for the year	-	-	-	<u>7,432,485</u>	-	<u>469,327</u>	<u>7,901,812</u>	=	<u>7,901,812</u>
Contributions by and distributions to owners of the Company									
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-
Benefits granted to employees settled in shares	-	-	656,907	-	-	-	656,907	-	656,907
Losses as effect of granting shares for free within SOP	-	-	(79,602)	79,602	-	-	-	-	-
Dividend paid to BVB shareholders	=	=	-	<u>(8,573,989)</u>	=	=	<u>(8,573,989)</u>	=	<u>(8,573,989)</u>
Total contributions by and distributions to owners of the Company	-	-	577,305	(8,494,387)	-	-	(7,917,082)	-	(7,917,082)
Total transactions with owners	-	-	577,305	(8,494,387)	-	-	(7,917,082)	-	(7,917,082)
Balance as at 31 December 2021	<u>80,492,459</u>	<u>6,303,263</u>	<u>330,355</u>	<u>9,644,690</u>	<u>1,748,513</u>	<u>10,144,849</u>	<u>108,664,130</u>	=	<u>108,664,130</u>

Condensed standalone statement of changes in equity (continue)

All amounts are indicated in RON, unless otherwise stated

Audited	Share capital	Treasury shares Share and Share-base premiums benefits	Retained earnings	Revaluation reserve	Legal reserve	Total attributable to Non-controlling shareholders interests	Total shareholders' equity		
Balance as at 1 January 2020	<u>80,492,460</u>	<u>6,303,263</u>	<u>54,429</u>	<u>8,701,526</u>	<u>1,748,513</u>	<u>9,147,209</u>	<u>106,447,399</u>	=	<u>106,447,399</u>
Comprehensive income for the year									
Profit or loss	-	-	-	9,118,697	-	-	9,118,697	-	9,118,697
Other items of comprehensive income									
Legal reserve increase	-	-	-	(528,313)	-	528,313	-	-	-
Total other items of comprehensive income	=	=	=	(528,313)	=	528,313	-	-	-
Total comprehensive income for the year	-	-	-	<u>8,590,384</u>	=	<u>528,313</u>	<u>9,118,697</u>	=	<u>2,028,921</u>
Contributions by and distributions to owners of the Company									
Acquisition of treasury shares	-	-	(1,389,119)	-	-	-	(1,389,119)	-	(1,389,119)
Benefits granted to employees settled in shares	-	-	1,061,879	-	-	-	1,061,879	-	1,061,879
Losses as effect of granting shares for free within SOP	-	-	25,862	(25,862)	-	-	-	-	-
Dividend paid to BVB shareholders	=	=	-	(6,559,457)	-	-	(6,559,457)	-	(6,559,457)
Total contributions by and distributions to owners of the Company	-	-	<u>(301,379)</u>	<u>(6,585,318)</u>	=	=	<u>(6,886,697)</u>	=	<u>(6,886,697)</u>
Total transactions with owners	=	=	<u>(301,379)</u>	<u>(6,585,318)</u>	=	=	<u>(6,886,697)</u>	-	<u>(6,886,697)</u>
Balance as at 31 December 2020	<u>80,492,459</u>	<u>6,303,263</u>	<u>(246,950)</u>	<u>10,706,592</u>	<u>1,748,513</u>	<u>9,675,522</u>	<u>108,679,400</u>	=	<u>108,679,400</u>

Condensed consolidated statement of changes in equity

All amounts are indicated in RON, unless otherwise stated

Unaudited	Share capital	Treasury shares		Retained earnings	Revaluation reserve	Legal reserve	Total		Total shareholders' equity
		Share and Share-base premiums	Share-base benefits				attributable to Non-controlling shareholders	interests	
Balance as at 1 January 2021	<u>80,492,459</u>	<u>6,303,263</u>	<u>(246,950)</u>	<u>6,584,133</u>	<u>3,385,355</u>	<u>11,519,745</u>	<u>108,038,004</u>	<u>40,816,355</u>	<u>148,854,359</u>
Comprehensive income for the year									
Profit or loss	-	-	-	6,181,497	-	-	6,181,497	(1,157,171)	5,024,326
Other items of comprehensive income									
Legal reserve increase	-	-	-	(610,807)	-	610,807	-	-	-
Total other items of comprehensive income	-	-	-	<u>(610,807)</u>	-	<u>610,807</u>	-	-	-
Total comprehensive income for the year	-	-	-	<u>5,570,690</u>	-	<u>610,807</u>	<u>6,181,497</u>	<u>(1,157,171)</u>	<u>5,024,326</u>
Contributions by and distributions to owners of the Company									
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-
Benefits granted to employees settled in shares	-	-	656,907	-	-	-	656,907	-	656,907
Losses as effect of granting shares for free within SOP	-	-	(79,601)	79,601	-	-	-	-	-
Dividend paid to BVB shareholders	-	-	-	(8,573,989)	-	-	(8,573,989)	-	(8,573,989)
Increase/decrease in subsidiaries	-	<u>(5,877)</u>	-	<u>(130,362)</u>	-	<u>(68,870)</u>	<u>(205,109)</u>	<u>(48,426)</u>	<u>(253,535)</u>
Total contributions by and distributions to owners of the Company	-	<u>(5,877)</u>	<u>577,305</u>	<u>(8,624,748)</u>	-	<u>(68,870)</u>	<u>(8,122,190)</u>	<u>(48,426)</u>	<u>(8,170,616)</u>
Dividend paid to minority shareholders	-	-	-	-	-	-	-	(258,044)	(258,044)
Decrease in non-controlling interests	-	-	-	-	-	-	-	(172,089)	(172,089)
Total changes in interests in subsidiaries	-	-	-	-	-	-	-	<u>(430,134)</u>	<u>(430,134)</u>
Total transactions with owners	-	<u>(5,877)</u>	<u>577,305</u>	<u>(8,624,748)</u>	-	<u>(68,870)</u>	<u>(8,122,190)</u>	<u>(478,560)</u>	<u>(8,600,750)</u>
Balance as at 31 December 2021	<u>80,492,459</u>	<u>6,297,386</u>	<u>330,356</u>	<u>3,530,072</u>	<u>3,385,355</u>	<u>12,061,682</u>	<u>106,097,311</u>	<u>39,180,625</u>	<u>145,277,936</u>

Condensed consolidated statement of changes in equity (continued)

All amounts are indicated in RON, unless otherwise stated

Audited	Share capital	Share premiums	Treasury shares and Share-base benefits	Retained earnings	Revaluation reserve	Legal reserve	Total attributable to shareholders	Non-controlling interests	Total shareholders' equity
Balance as at 1 January 2020	<u>80,492,460</u>	<u>6,303,263</u>	<u>54,429</u>	<u>6,662,611</u>	<u>3,385,355</u>	<u>10,942,276</u>	<u>107,840,393</u>	<u>42,108,675</u>	<u>149,949,068</u>
Comprehensive income for the year									
Profit or loss	-	-	-	7,087,458	-	-	7,087,458	(826,499)	6,260,959
Other items of comprehensive income									
Legal reserve increase	-	-	-	(577,468)	-	577,468	-	-	-
Total other items of comprehensive income	-	-	-	<u>(577,468)</u>	-	<u>577,468</u>	-	-	-
Total comprehensive income for the year	-	-	-	<u>6,509,990</u>	-	<u>577,468</u>	<u>7,087,458</u>	<u>(826,499)</u>	<u>6,260,959</u>
Contributions by and distributions to owners of the Company									
Acquisition of treasury shares	-	-	(1,389,119)	-	-	-	(1,389,119)	-	(1,389,119)
Benefits granted to employees settled in shares	-	-	1,061,879	-	-	-	1,061,879	-	1,061,879
Losses as effect of granting shares for free within SOP	-	-	25,862	(25,862)	-	-	0	-	0
Dividend paid to BVB shareholders	-	-	-	<u>(6,559,424)</u>	-	-	<u>(6,559,424)</u>	-	<u>(6,559,424)</u>
Total contributions by and distributions to owners of the Company	-	-	<u>(301,379)</u>	<u>(6,585,286)</u>	-	-	<u>(6,886,664)</u>	-	<u>(6,886,664)</u>
Reclassification of non-controlling interests	-	-	-	(2,253)	-	-	(2,253)	2,253	0
Dividend paid to minority shareholders	-	-	-	-	-	-	0	(464,529)	(464,529)
Changes in retained earnings - subsidiaries	-	-	-	(929)	-	-	(929)	(546)	(1,475)
Decrease in non-controlling interests	-	-	-	-	-	-	0	(3,000)	(3,000)
Total changes in interests in subsidiaries	-	-	-	<u>(3,182)</u>	-	-	<u>(3,182)</u>	<u>(465,822)</u>	<u>(469,004)</u>
Total transactions with owners	-	-	<u>(301,379)</u>	<u>(6,588,468)</u>	-	-	<u>(6,889,847)</u>	<u>(465,822)</u>	<u>(7,355,669)</u>
Balance as at 31 December 2020	<u>80,492,459</u>	<u>6,303,263</u>	<u>(246,950)</u>	<u>6,584,133</u>	<u>3,385,355</u>	<u>11,519,745</u>	<u>108,038,005</u>	<u>40,816,355</u>	<u>148,854,360</u>

Condensed individual and consolidated statement of cash flows

All amounts are indicated in RON, unless otherwise stated

	BVB individual		Group	
	Twelve months period ended			
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
	Unaudited	Audited	Unaudited	Audited
Fluxuri de trezorerie din activități de exploatare				
Profit for the year	7,901,812	9,118,697	5,024,326	6,260,960
Adjustments to remove non-cash items and reclassifications:				
Depreciation of fixed assets	1,968,701	2,313,886	4,993,523	4,901,345
Net interest income	(964,638)	(1,114,832)	(2,575,022)	(3,253,689)
Dividends income	(575,453)	(1,035,918)	-	-
Loss from impairment of uncollected receivables	20,941	-	104,600	81,229
Net expenses/(revenue) with receivables adjustment	(342,139)	81,025	(394,538)	80,540
Provisions for litigations	-	-	542,519	-
Corporate income tax expense – reclassification	1,484,737	1,447,570	1,054,730	1,100,763
Income from the production of intangible assets	(456,963)	-	(456,963)	(402,698)
(Revenues)/Expenses with Expected credit losses IFRS 9	(9,285)	182,690	(27,655)	687,327
Expense with employees' benefits settled in shares	<u>656,907</u>	<u>1,061,879</u>	<u>656,907</u>	<u>1,061,879</u>
Cash flows used in operating activities	9,684,620	12,054,997	8,922,427	10,621,800
Change in trade and other receivables	(29,717)	(1,017,123)	4,781,564	6,561,270
Change in prepayments	(163,801)	(154,279)	(200,661)	(201,071)
Change in trade and other payables, including amounts due for dividends payment to clients	903,136	59,692	(3,288,331)	(6,314,564)
Change in deferred income	160,051	431,135	80,029	420,100
Changes in guarantee and clearing funds and the margin	-	-	(81,986)	2,334,073
Corporate income tax paid	<u>(1,150,016)</u>	<u>(1,376,532)</u>	<u>(1,445,699)</u>	<u>(1,513,504)</u>
Net cash from operating activities	9,404,272	9,997,891	8,767,343	11,908,103
Cash flows from investing activities				
Interest received	1,711,175	1,667,111	4,763,089	3,623,974
Interest received from assets covering the guarantee and clearing funds and margin	-	-	22,528	734,582
Dividends received	575,453	1,035,918	-	-
(Payments) for acquisitions of financial assets	(7,798,111)	(14,003,575)	(52,022,331)	(112,386,105)
Proceeds from sales/maturation of financial assets	8,332,375	6,801,488	79,521,871	24,015,598
Change in bank deposits balance	(1,159,331)	4,506,636	(2,087,848)	10,993,566
Acquisition of tangible and intangible assets	(979,970)	(1,167,573)	(1,779,033)	(3,796,241)
Change in held for sale assets	<u>215,040</u>	-	<u>215,040</u>	-
Net cash from investing activities	896,630	(1,159,996)	28,633,316	(76,814,626)

Condensed consolidated statement of cash flows (continued)

All amounts are indicated in RON, unless otherwise stated

	BVB individual		Group	
	Twelve months period ended			
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
	Unaudited	Audited	Unaudited	Audited
Cash flows from financing activities				
Dividends paid shareholders of the parent	(8,534,715)	(6,454,296)	(8,534,715)	(6,454,296)
Dividends paid to the minority interests	-	-	(258,101)	(464,431)
Principal elements of operating lease payments, including interests	(768,177)	(834,895)	(1,918,826)	(1,921,934)
Reimbursement of share capital to the minority interests			-	(3,000)
Acquisition of treasury shares	-	(1,389,119)	-	(1,389,119)
Net cash used in financing activities	(9,302,892)	(8,678,310)	(10,714,523)	(10,232,781)
Net increase / (decrease) in cash and cash equivalents	998,010	159,585	26,686,136	(75,139,303)
Cash and cash equivalents 1 January	<u>2,151,776</u>	<u>1,992,192</u>	<u>6,373,194</u>	<u>81,712,611</u>
Cash and cash equivalents December 31	3,149,786	2,151,776	33,059,330	6,573,308

The notes on pages 25 to 32 are an integral part of these condensed consolidated financial statements.

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)

ROBVBAACNORO (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 March 2021, 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), 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, 59.52% 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.

The consolidated financial statements of BVB for the twelve months period ended 31 December 2021 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 period ended 31 December 2021 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 2020, which have been prepared in accordance with IFRSs.

In the preliminary 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 2020.

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 preliminary 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, income 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 2020.

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 preliminary 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 2020.

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 2020.

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)
- Services of the FCI and other services - related to the investors compensation scheme and other services.

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 Investors Compensation Fund (FCI) and CCP.RO Bucharest are part of the services segment "FCI services and other services".

The Group's revenues, expenses and operating profit for the first nine months of 2021 are shown below, by segment:

12M 2021	Trading services	Post-trading services	Registry services	CCP.RO	Group
Revenues from clients outside the Group	26,071,432	13,052,634	6,983,989	-	46,108,055
Revenues from intra-group transactions*	532,916	11,703	4,071	-	548,690
Operating expenses	(19,261,779)	(11,264,356)	(5,892,094)	(7,330,719)	(43,748,948)
- out of which Personnel expenses and Director's fees	(10,237,382)	(6,100,245)	(3,225,599)	(2,858,261)	(22,421,487)
Operating profit	<u>6,809,653</u>	<u>1,788,278</u>	<u>1,091,895</u>	<u>(7,330,719)</u>	<u>2,359,107</u>
Net financial income /(expenses)	1,484,301	319,774	146,799	1,769,075	3,719,949
Profit before tax	8,293,955	2,108,051	1,238,694	(5,561,644)	6,079,056
Corporate income tax	(1,484,737)	(300,152)	(162,770)	892,930	(1,054,730)
Profit from continuing operations	6,809,218	1,807,899	1,075,923	(4,668,714)	5,024,326
Profit from discontinued operations	-	-	-	-	-
Net profit	6,809,218	1,807,899	1,075,923	(4,668,714)	5,024,326

* eliminated on consolidation

The Group's revenues, expenses and operating profit for the first nine months of 2020 are shown below, by segment:

12M 2020	Trading services	Post-trading services	Registry services	CCP,RO and FCI	Group
Revenues from clients outside the Group	25,371,095	10,778,486	5,082,150	1,003,581	42,235,312
<i>Revenues from intra-group transactions*</i>	<i>1,286,450</i>	<i>73,105</i>	<i>35,851</i>	<i>-</i>	<i>1,395,407</i>
Operating expenses	(17,712,068)	(10,210,569)	(4,783,396)	(4,055,902)	(36,761,935)
<i>- out of which Personnel expenses and Director's fees</i>	<i>(10,080,007)</i>	<i>(5,806,655)</i>	<i>(2,716,650)</i>	<i>(1,841,464)</i>	<i>(20,444,776)</i>
Operating profit	7,659,027	567,917	298,755	(3,052,321)	5,473,378
Net financial income /(expenses)	584,872	217,065	110,409	975,999	1,888,345
Pre-tax profit	8,243,899	784,981	409,164	(2,076,322)	7,361,722
Corporate income tax	(1,447,570)	(63,729)	(36,738)	447,274	(1,100,763)
Profit from continuing operations	6,796,329	721,252	372,426	(1,629,048)	6,260,960
Profit from discontinued operation	-	-	-	-	-
Net profit	6,796,329	721,252	372,426	(1,629,048)	6,260,960

* eliminated on consolidation

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

Q4 2021	Trading services	Post-trading services	Registry services	CCP,RO	Group
Assets	49,815,439	27,571,510	34,078,920	77,584,452	189,050,321
Liabilities	8,958,703	5,660,348	23,748,820	5,404,514	43,772,385
Capital expenditures	1,437,181	434,587	230,609	133,866	2,236,243

Q4 2020	Trading services	Post-trading services	Registry services	CCP,RO and FCI	Group
Assets	44,714,703	26,895,277	38,756,624	101,083,391	211,449,995
Liabilities	4,254,208	5,456,545	29,272,621	23,612,261	62,595,635
Capital expenditures	1,170,810	1,201,038	566,672	1,187,272	4,125,792

7. Operating expenses

The operating expenses include the following:

7.1 Personnel expenses and Director's fees

	2021	2020
Personnel expenses and Director's fees, including contributions and taxes	21,640,830	19,190,849
Estimated expenses for personnel and Director's (SOP & bonuses)	<u>780,657</u>	<u>1,253,927</u>
Total	<u>22,421,487</u>	<u>20,444,776</u>

7.2 Services provided by third parties

	2021	2020
Business consulting services	3,446,624	1,811,256
Financial, IT and internal audit services	408,956	298,156
Commissions & fees (legal, contributions, etc.)	596,264	644,984
Promotion activities of BVB Group	1,279,156	436,068
Services provided by third parties for business purposes	<u>2,249,561</u>	<u>2,067,390</u>
Total	<u>7,980,562</u>	<u>5,257,854</u>

Within the category of expenditures "Business consultancy services", are included the expenditures related to the CCP Project.

7.3 Other operating expenses

	2021	2020
Office utilities and other rent	1,441,032	1,190,377
Tangible asset depreciation	1,468,852	1,662,857
Intangible asset amortization	1,436,228	1,247,650
Right of use assets depreciation	2,088,443	1,990,837
Costs related to FSA fees and other taxes	1,507,627	1,219,559
Consumables	347,194	333,187
IT maintenance and service	2,004,929	1,606,372
Insurance for professional equipment, etc.	317,979	233,756
Protocol	350,410	246,536
Marketing and advertising	1,195,125	426,031
Transport of goods and personnel	246,458	164,640
Post and telecommunications	339,012	255,059
Bank charges	71,750	76,672
Loss from non-paying customers	104,600	81,229
Expenses / (Revenue) from provisions for litigation	542,519	-
Net expenses/(income) from adjustment of receivables	(394,538)	80,540
Other expenses	<u>279,279</u>	<u>244,003</u>
Total	<u>13,346,899</u>	<u>11,059,304</u>

8. Financial income and financial costs

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

	2021	2020
Net Interest income from financial assets	2,575,022	3,253,689
(Net loss)/Net gain from exchange rate differences	1,461,851	(354,101)
Interest expense with lease contracts IFRS 16 and other financial expenses	(344,580)	(219,772)
Net expected credit losses (IFRS 9)	<u>27,656</u>	<u>(791,472)</u>
Net financial income	3,719,949	1,888,345

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 31 December 2021 is 16% (the tax rate for the year ended 31 December 2020 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 financial year ended 31 December 2021 is 16% (the legal tax rate for the year ended December 31, 2020 was also 16%).

9.1 Income Tax expense

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

	2021	2020
Current Income tax expense	1,947,660	1,548,037
Revenue from the Deferred Income tax	<u>(892,930)</u>	<u>(447,274)</u>
Total	1,054,730	1,100,763

10. Dividends

The General Meeting of BVB Shareholders from April 19, 2021, approved the proposal for the distribution of the statutory net profit for 2020 of the Bucharest Stock Exchange, in the amount of RON 9,118,697, as follows: the amount of RON 528,313 for the legal reserve, and the rest in the form of gross dividends. Thus, the amount to be distributed in 2021 in the form of gross dividends related to 2020 is RON 8,590,384. The payment date set by the GMS was June 22, 2021.

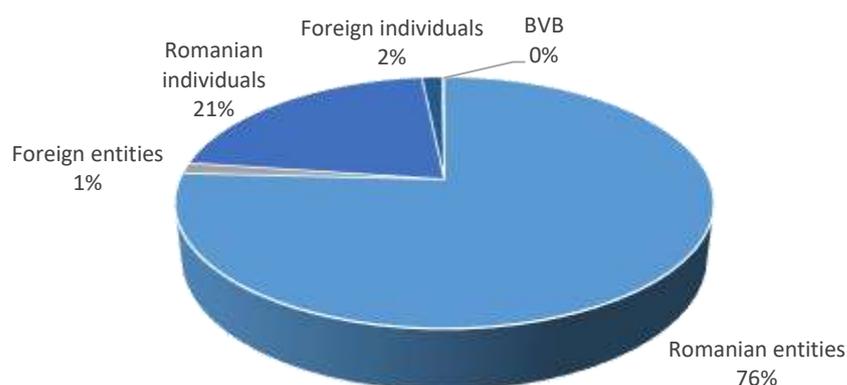
The General Assembly of the Central Depository from 26.05.2021 approved the proposal for the distribution of the statutory net profit for 2020, in the amount of RON 882,635, as follows: the amount of RON 49,154 for the legal reserve, and the remaining RON 833,481 in the form of dividends. The payment of dividends is to be made within 180 days from the GMS date, provided that until the payment date, the term until which the dividends distribution of dividends is avoided will not be extended, in the existing pandemic context, according to the recommendation issued by CNSM and ESRB. The dividends were paid in October 2021.

11. Share capital

As of 31 December 2021, 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>6.213.246</u>	<u>77.19%</u>
Romanian	6.100.544	75,79%
Foreign	112.702	1,40%
Individuals, of which:	<u>1.822.546</u>	<u>22.64%</u>
Romanian	1.706.264	21,20%
Foreign	116.282	1,44%
Bucharest Stock Exchange	<u>13.454</u>	<u>0,17%</u>
Total	<u>8.049.246</u>	<u>100,00%</u>

BVB Shareholders Structure as of December 31, 2021



■ Romanian entities ■ Foreign entities ■ Romanian individuals ■ Foreign individuals ■ BVB

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 31 December 2021, there were no shareholders holding stakes exceeding this threshold.

12. Subsequent events

No subsequent events to report.

13. Economic and financial ratios according to FSA Reg. 5 / 2018

Ratio	Calculation method	Value
1. Liquidity ¹⁾	Current assets / Current liabilities	3,08
2. Gearing ²⁾	Borrowed capital / Total equity x 100	0,04
3. Receivable turnover ³⁾	Average receivables / Turnover x 270	40
4. Asset turnover	Turnover / Non-current assets ⁴⁾	0,65

1) Provides the guarantee to cover current debts from current assets. The recommended acceptable value is about 2.

2) Explains the effectiveness of credit risk management, indicating potential financing, liquidity issues, with influences in meeting the commitments. Borrowed Capital = Loans over 1 year, Employed Capital = Borrowed Capital + Equity

3) Expresses the company's effectiveness in collecting its receivables, ie the number of days until the debtors pay their debts to the company.

4) Explains the effectiveness of non-current asset management by examining turnover (for financial investment companies the amount of current activity revenues) generated by a certain amount of non-current assets.

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CFO,
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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

Permanent replays of our recorded earnings conference calls and the related presentations are available [here](#)

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