



**BUCHAREST
STOCK
EXCHANGE**

BVB 1Q22

Quarterly Results

Own the future. Invest in it.



Bucharest Stock Exchange (BVB) Stock

Indicator	BVB
ISIN	ROBVBAACNORO
Refinitiv	ROBVB.BX
Bloomberg	BVB.RO
Share price (Mar 31, 2022)	EUR 5.6 / RON 27.8
Market Cap (Mar 31, 2022)	EUR 45 mn/ RON 223 mn
No. of outstanding shares	8,049,246
ADT 12TM	RON 0.15 mn
P/E (price as of Mar 2022, 12TM EPS)	26x
P/BV (price as of Mar 2022)	2x
Dividend Yield	3.4%
52 wk Low - High	22.70 – 29.90
Turnover velocity (12 TM)	16%

BVB vs BET Index (5 years)



100% free-float, listed on its own floor since 2010
20% ownership threshold, majority institutional shareholders



Significant investors > 5%: SIF Banat Crisana & SIF Muntenia, SIF Transilvania, NN Group N.V., Aegon Pensions, SIF Oltenia

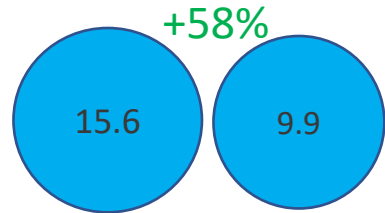


Shareholding structure as of Dec 2021:
 Romanian institutional investors – 77,75%
 Foreign institutional investors – 1.10%
 Romanian private investors – 18.81%
 Foreign private investors – 1.66%
 Bucharest Stock Exchange – 0.68%

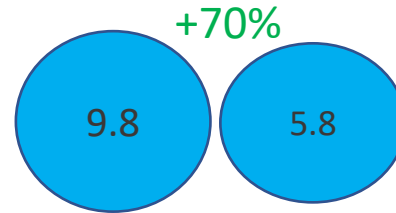
Highlights – Q1 Financials

Consolidated Q1 22 vs Q1 21 (RON mn)

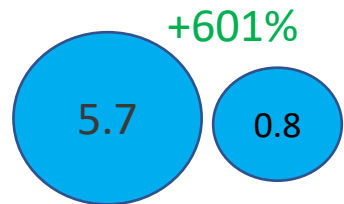
Standalone Q1 22 vs Q1 21 (RON mn)



Operating revenues



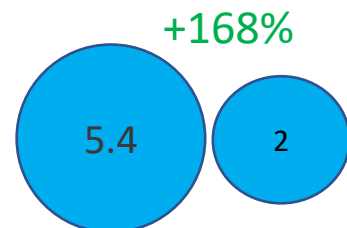
Operating revenues



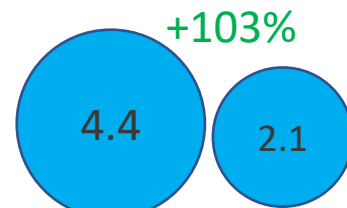
Operating profit



Operating profit



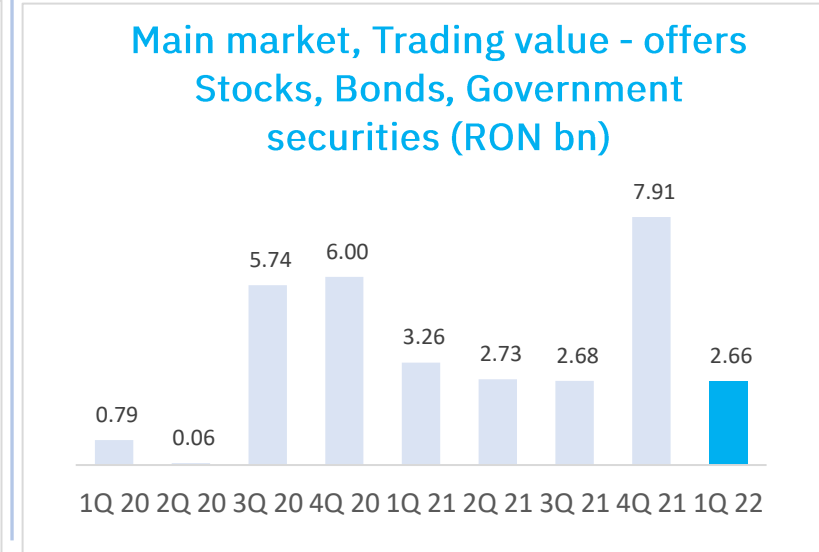
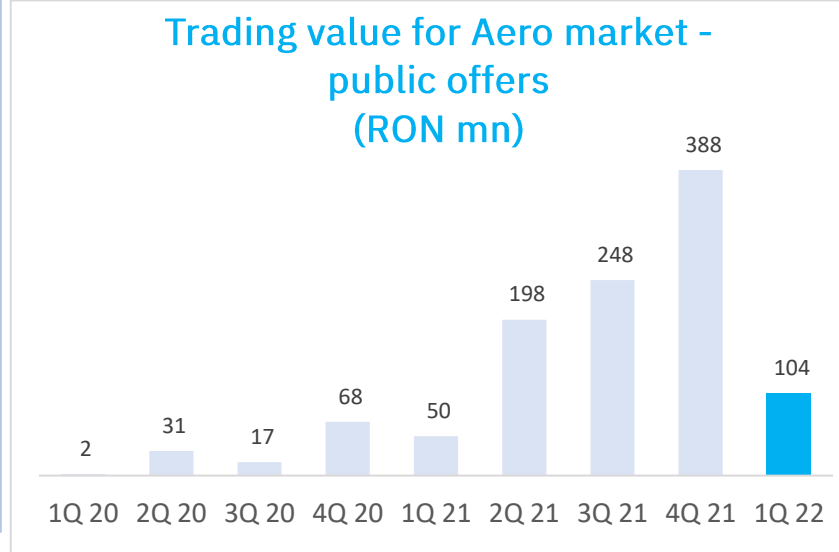
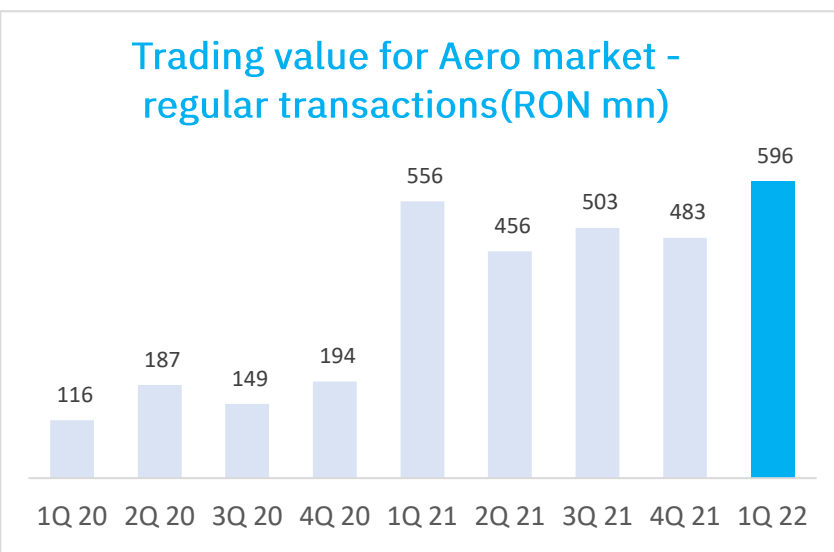
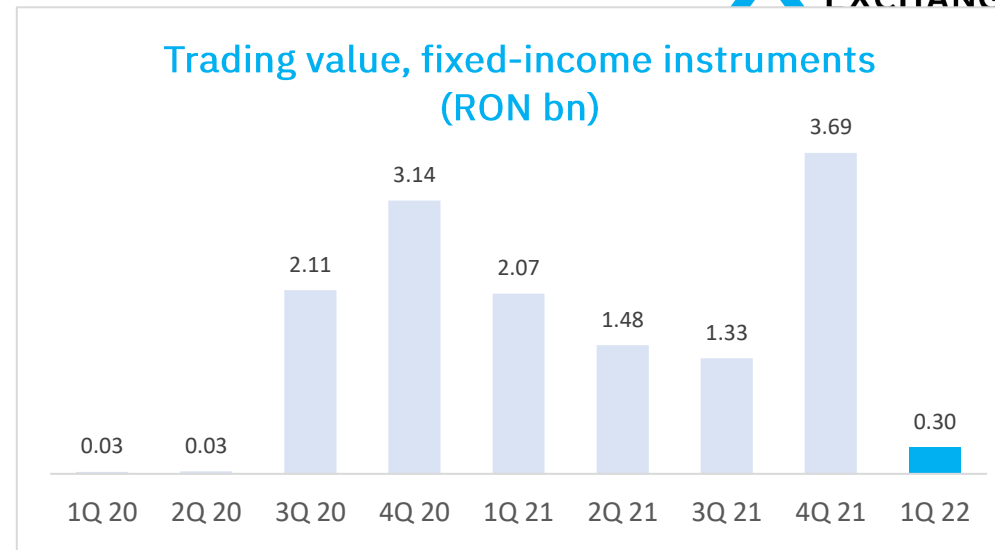
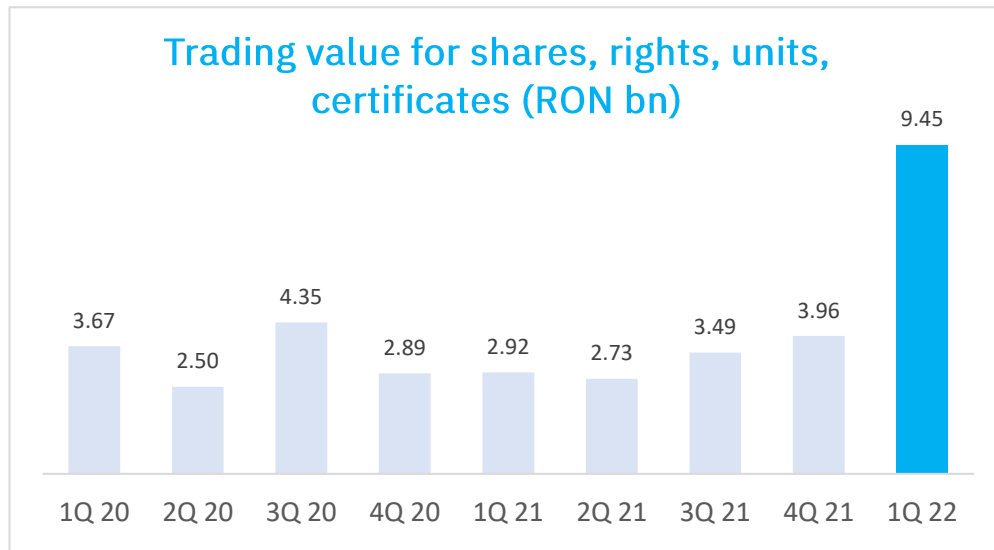
Net profit



Net profit

- + Group level revenues at 34% of FY21, Net profit 14% above FY 21
- + 95% increase in trading revenues inline with the rise in equity trading volumes (+97% y/y)
- + Central Depository revenues +39% y/y, driven by 79% increase in settlement fees.
- Consolidated expenses up 9% y/y due to increase in personnel expenses: rise in the number of employees, SOP cost and remuneration policy (inflation adjustments), partially offset by lower consulting costs at CCP

Analysis of the Group trading segment revenues



Updates

Primary markets



Hidroelectrica shareholders approve listing on BVB. Expected in Q4 22 / Q1 23.
7 new equity listings (EUR 21.3mn) and 4 bond issuances on AeRO market.

War / macro impact



Very low direct exposure of Romanian issuers to Russia & Ukraine.
BET index down 6.4% YTD while BET-TR is down 4.44%.
Market well supported by retail & pension funds dip buying.

CCP



Ongoing discussions with local regulator on technical aspects.
Authorization expected in Q4 2022, start of operations in Q1 2023.

FTSE



MedLife included in FTSE all-cap indices.
WINE, COTE, IMP and SFG became part of FTSE Micro Cap universe.

Others



BVB published the first ESG scores on BVB Research portal and ESG guidelines in collaboration with EBRD.
Launch of new edition of Made in Romania program.

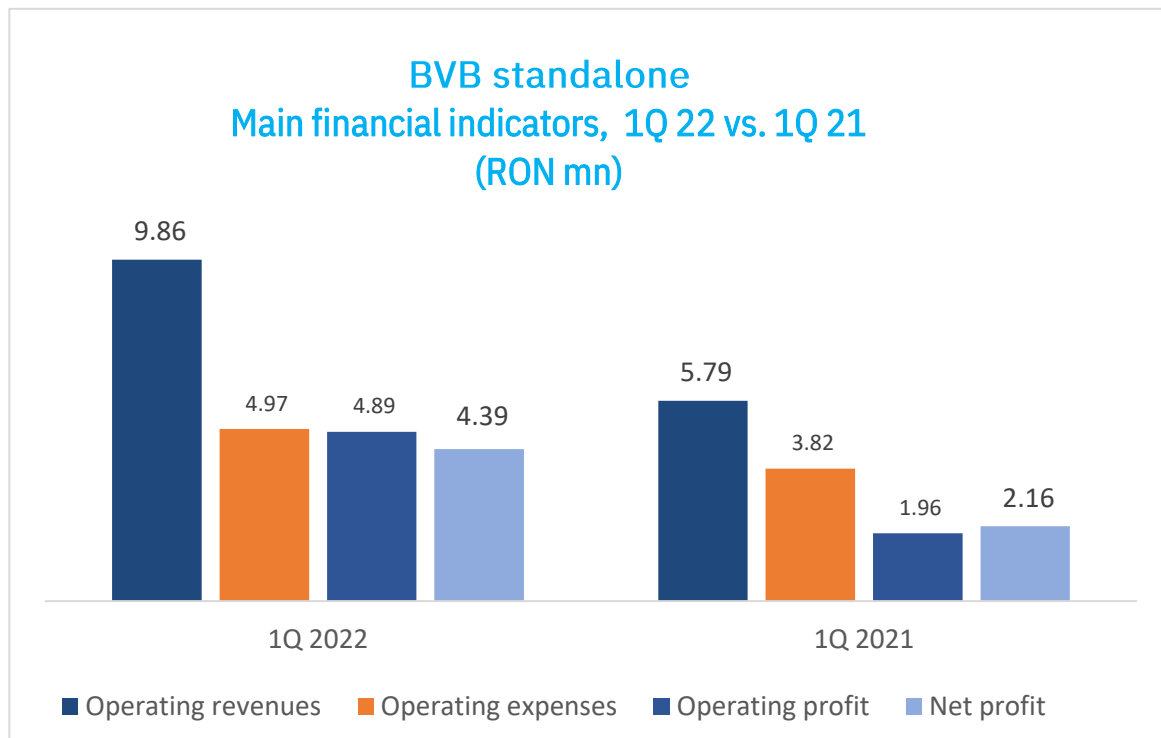
1Q 2022 key financial highlights

Financial performance, BVB standalone and BVB Group (RON mn, unless otherwise stated)

<i>Quarterly results</i>	BVB standalone			Group		
	3M 2022	3M 2021	Change (%)	3M 2022	3M 2021	Change (%)
Operating revenues	9.86	5.79	70%	15.60	9.88	58%
Operating expenses	<u>(4.97)</u>	<u>(3.82)</u>	<u>30%</u>	<u>(9.92)</u>	<u>(9.07)</u>	<u>9%</u>
Operating profit	4.89	1.96	149%	5.68	0.81	601%
<i>Operating margin</i>	<i>50%</i>	<i>34%</i>		<i>36%</i>	<i>8%</i>	
Net financial revenue/(expenses)	<u>0.29</u>	<u>0.63</u>	<u>-54%</u>	<u>0.73</u>	<u>1.62</u>	<u>-55%</u>
Profit before tax	<u>5.18</u>	<u>2.59</u>	<u>100%</u>	<u>6.41</u>	<u>2.44</u>	<u>163%</u>
Profit for the period	4.39	2.16	103%	5.44	2.03	168%
<i>Net margin</i>	<i>45%</i>	<i>37%</i>		<i>35%</i>	<i>21%</i>	
EPS attributable to owners (RON/share)	0.5456	0.2686	103%	0.6444	0.2666	142%
<i>Return on equity</i>	<i>4%</i>	<i>2%</i>		<i>4%</i>	<i>1%</i>	

* The financial results for 3M 2022 are prepared in accordance with IFRS and not audited.

Analysis of the quarterly financial results - BVB standalone



Operating income* of RON 9.86 mn, significant increase of 70% compared to 1Q 21, influenced by double value of trading revenues, amid increased volatility, but also due to a better representativeness of Romania in emerging markets indices. Positive impact, also from the public offers revenues following the impact of the offer to sell OMV Petrom shares which generated an income of RON 1.32 mn. Revenues from issuers taxes increased by 20%, amid the update of tariffs with the inflation rate, and market data revenues increased by + 12%, compared to Q1 2021.

Operating expenses* of RON 4.97 mn, 30% increase vs 1Q 21 mainly driven by advance of personnel expenses and other operating expenses.

Operating profit* +149% compared to 1Q21 up to RON 4.89 mn with an improved operating margin of 50% from 34%, directly influenced by the advance of operating income.

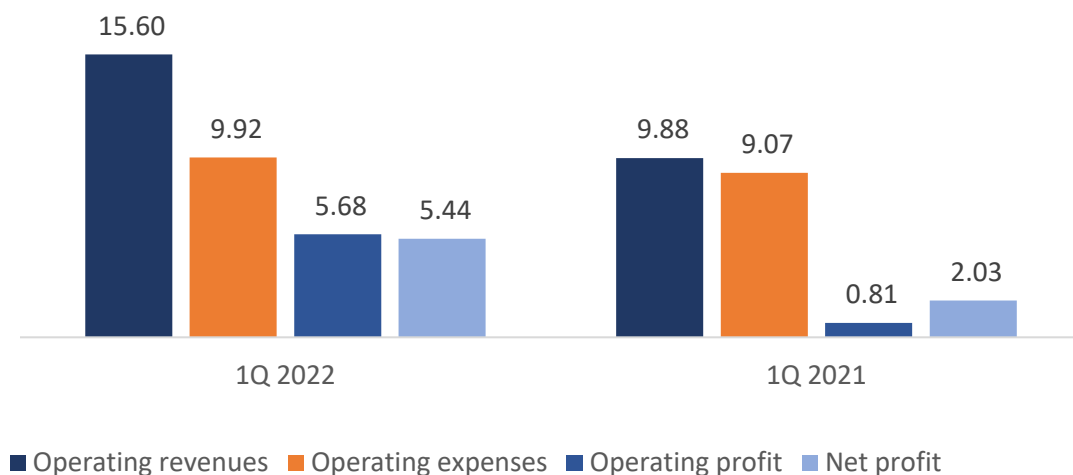
Net financial income* of RON 0.3 mn, down 54% compared to Q1 21, influenced by a reduced forex gain generated by a more moderate increase in the rate of RON / USD exchange rate compared to 1Q 21.

Net profit* of RON 4.39 mn, + 103% vs 1Q 21, with a net margin of 45%, increasing from 37% in 1Q 21.

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Analysis of the quarterly financial results - BVB Group

BVB Group
Main financial indicators, 1Q 22 vs 1Q 21
(RON mn)



Operating income* - increase of 58% up to RON 15.60 mn vs 1Q 21, following the advance of 71% or RON 4.07 mn trading segment revenues, 39% increase of the post-trading segment as well as of the increase of 40% of the register segment.

Operating expenses* increase of 9% vs 1Q 21, up to RON 9.92 mn, mainly due to consolidated personnel expenses, influenced by the increase in the number of employees of BVB and CCP.RO and the annual application of the Remuneration Policy for BVB and DC (inflation indexation and other adjustments), together with other operating expenses, partially netted of by the decrease in third parties services generated by CCP.

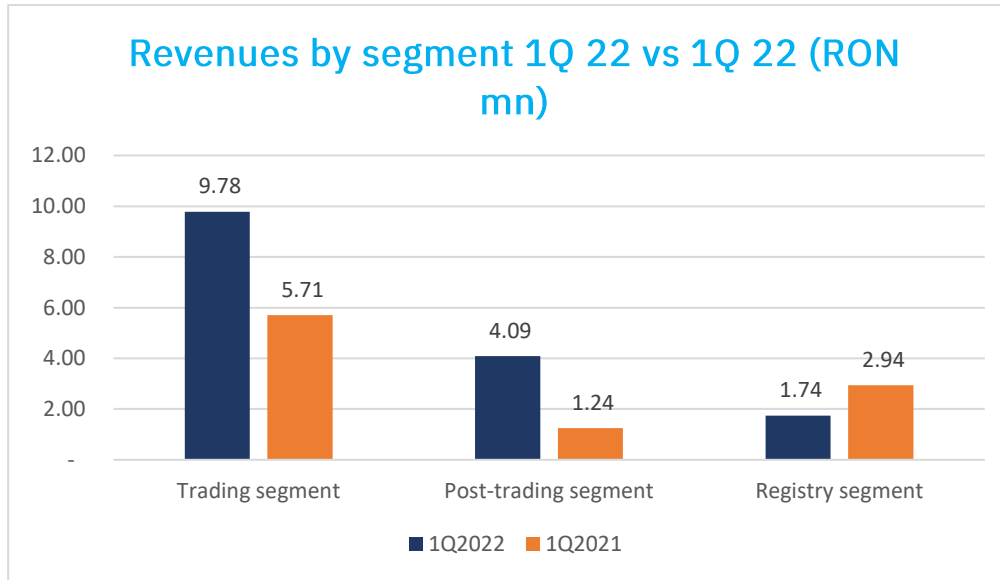
Operating profit* of RON 5.68 mn, a significant increase of almost RON 5 mn compared to 1Q 21, generated mainly by the advance of consolidated operating income, recorded on all segments of the Group.

Net financial income* of RON 0.73 mn, decrease of 55% vs 1Q 21, influenced by a reduced forex gain generated by more modest increase of the RON/EUR and RON/USD exchange rates in the first 3 months of the year 2022 vs. 1Q 21

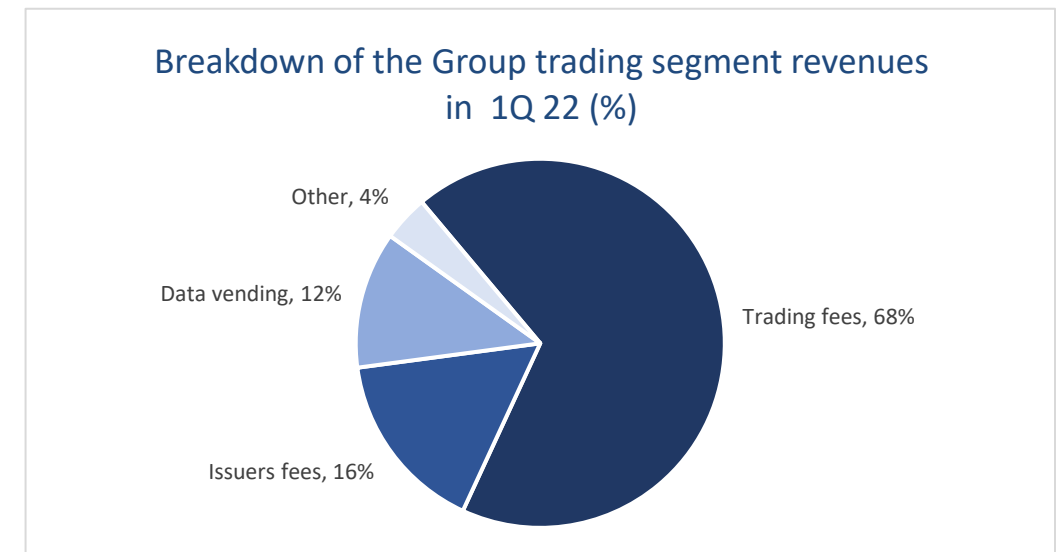
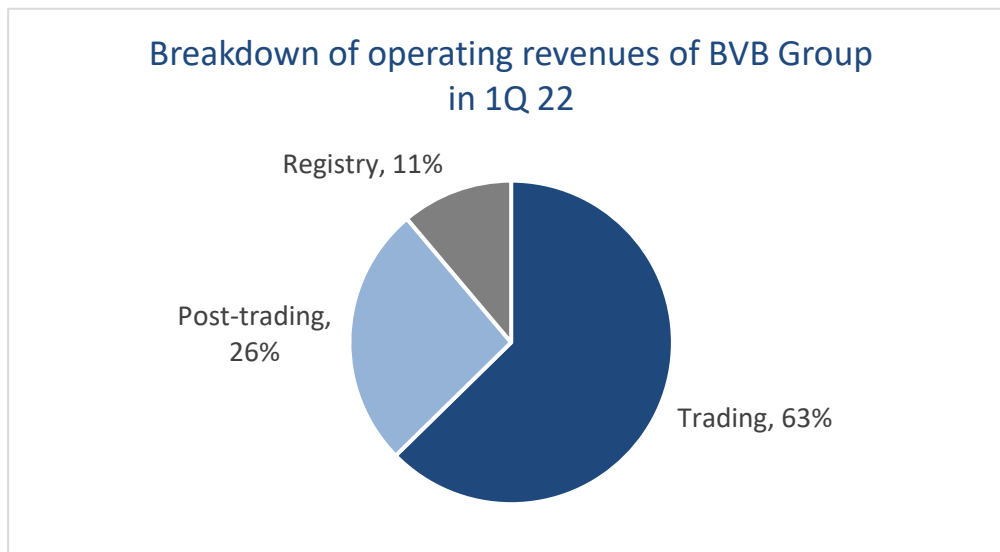
Net profit* - increase of 168% vs 1Q 21, up to RON 5.44 mn, being directly influenced by the positive evolution of the operating result, partially offset the decrease in the financial result.

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Analysis of the quarterly consolidated revenues - BVB Group



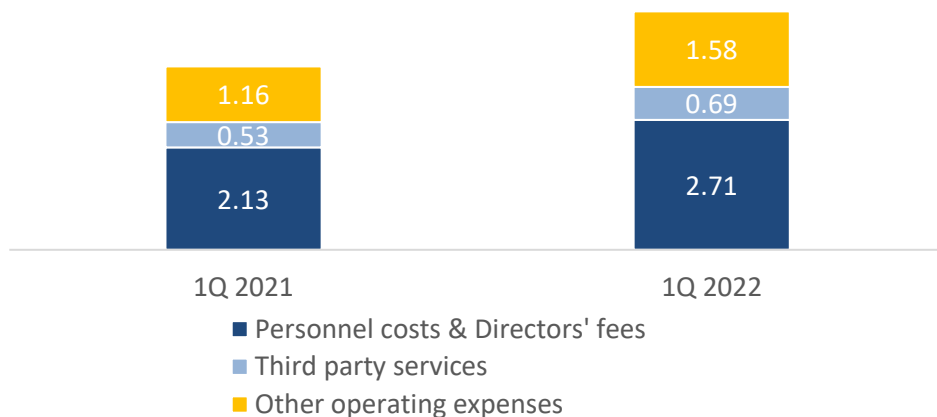
- Trading segment up 70% vs 1Q 21, following the advance of 95% of trading revenues
- Post-trading segment up 39% vs 1Q 21 to RON 4.09 mn, result of 27% advance of revenues from admission and maintenance participants, following the increase in commission and in value held by custodians while the revenues from local settlement in BVB markets have increased by 79% vs 1Q 21, being influenced by the values traded in BVB
- Registry segment up 40%, to the value of RON 1.74 mn, due to revenues from issuers of financial instruments following the increase in tariffs, but also due to higher revenues collected from the holders of financial instruments as a result of the increase in the number of services requested.



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Analysis of operating expenses – BVB standalone

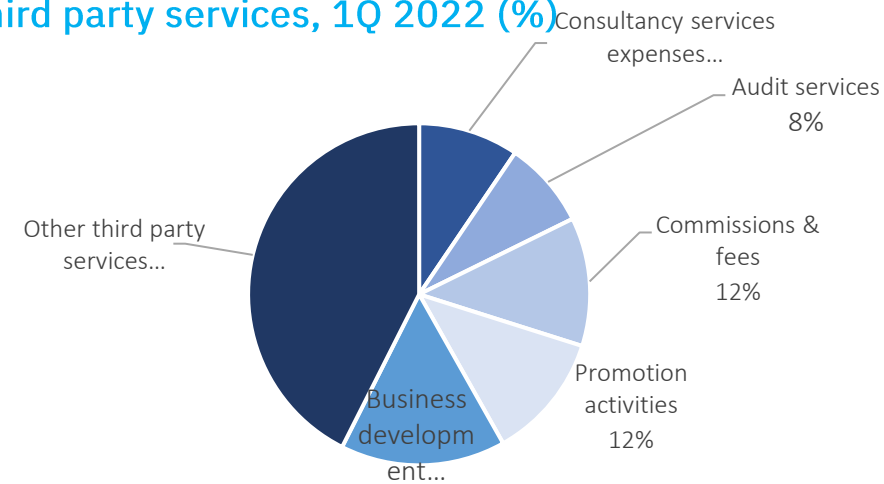
Breakdown of operating expenses,
1Q 22 vs. 1Q 21 (RON mn)



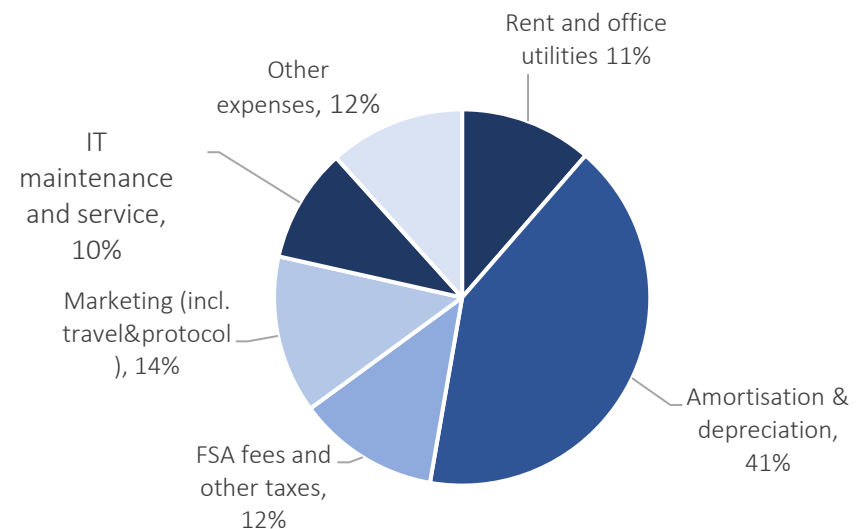
Operating expenses higher by 30% or RON 1.14 mn vs 1Q 21 up to RON 4.97 mn, mainly influenced by:

- **Increase of personnel expenses** following a higher numbers of employees and annual application of the Remuneration Policy (inflation rate indexation and adjustments due to the current context of the labor market);
- **Advance of other operating expenses** generated by the reduction of the positive impact from receivables adjustments, higher marketing and promotion expenses, stationery expenses, sponsorship expenses, but also due to administrative expenses increase, effect of rising inflation.

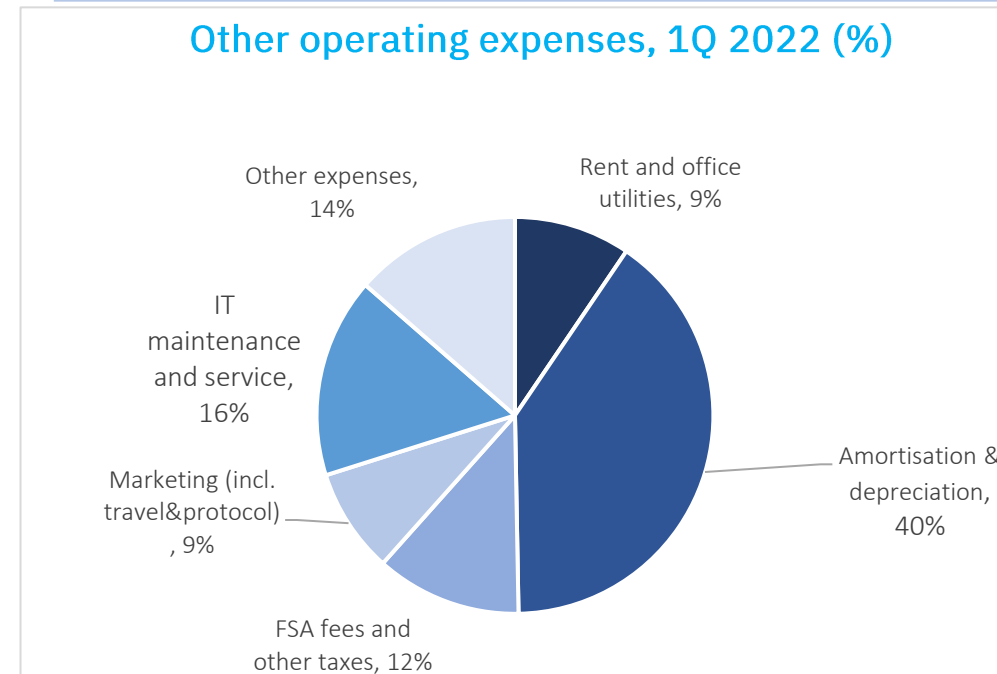
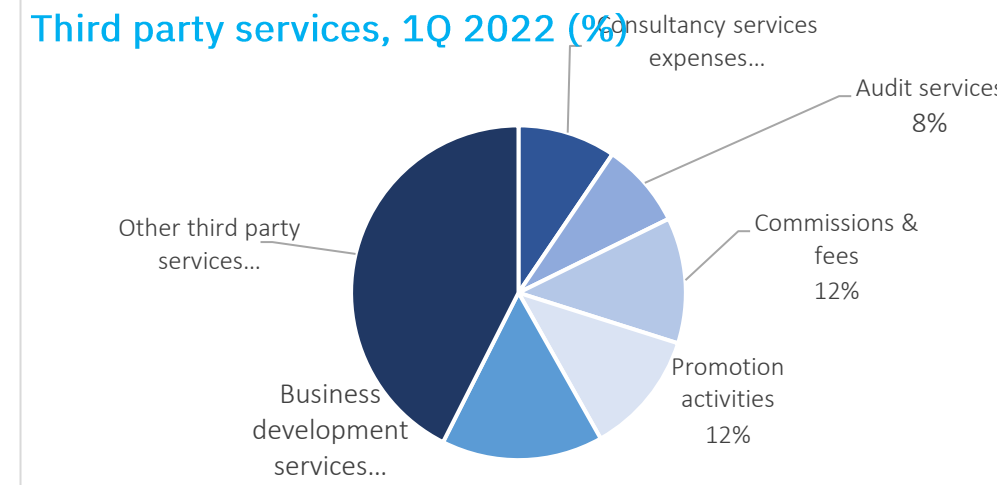
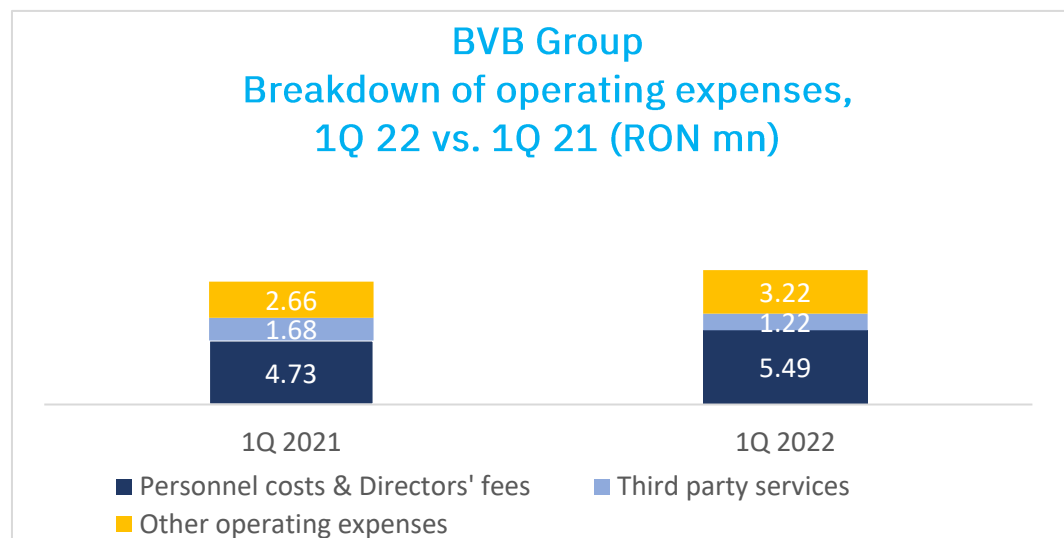
Third party services, 1Q 2022 (%)



Other operating expenses, 1Q 2022 (%)



Analysis of operating expenses – BVB Group



Operating expenses increase of 9% up to RON 9.92 mn, mainly due to:

- 16% advance or RON 0.76 mn of consolidated personnel expenses, influenced by the increase in the number of employees of BVB and CCP.RO and by the the annual application of the Remuneration Policy for BVB and DC (indexation and adjustment).
- Decrease of 28% of the expenses with third parties services, result of lower consulting services recorded by CCP.RO, following the capitalization of a part from the consultancy contract value into intangible assets.
- Advance of 21% or RON 0.55 mn of other operational expenses up to the value of RON 3.22 mn following the increase of the depreciation expenses related to the intangible and tangible fixed assets, of the expenses in the marketing and promotion area, as well as of administrative expenditure, effect of rising inflation.

Overview of the financial position – quarterly results

Financial position, BVB standalone and BVB Group (RON mn, unless otherwise stated)

	BVB standalone		GROUP	
	Mar 2022	Dec 2021	Mar 2022	Dec 2021
Non-current assets	103.18	96.78	79.13	70.76
Current assets	19.50	20.93	116.10	118.80
Total assets	122.68	117.72	195.23	189.56
Shareholders' equity attributable to owners of the Company	112.32	108.75	149.95	106.16
Minority interest	-	-	38.47	39.17
Total liabilities	10.35	8.96	45.28	44.24
Total equity and liabilities	122.68	117.72	195.23	189.56

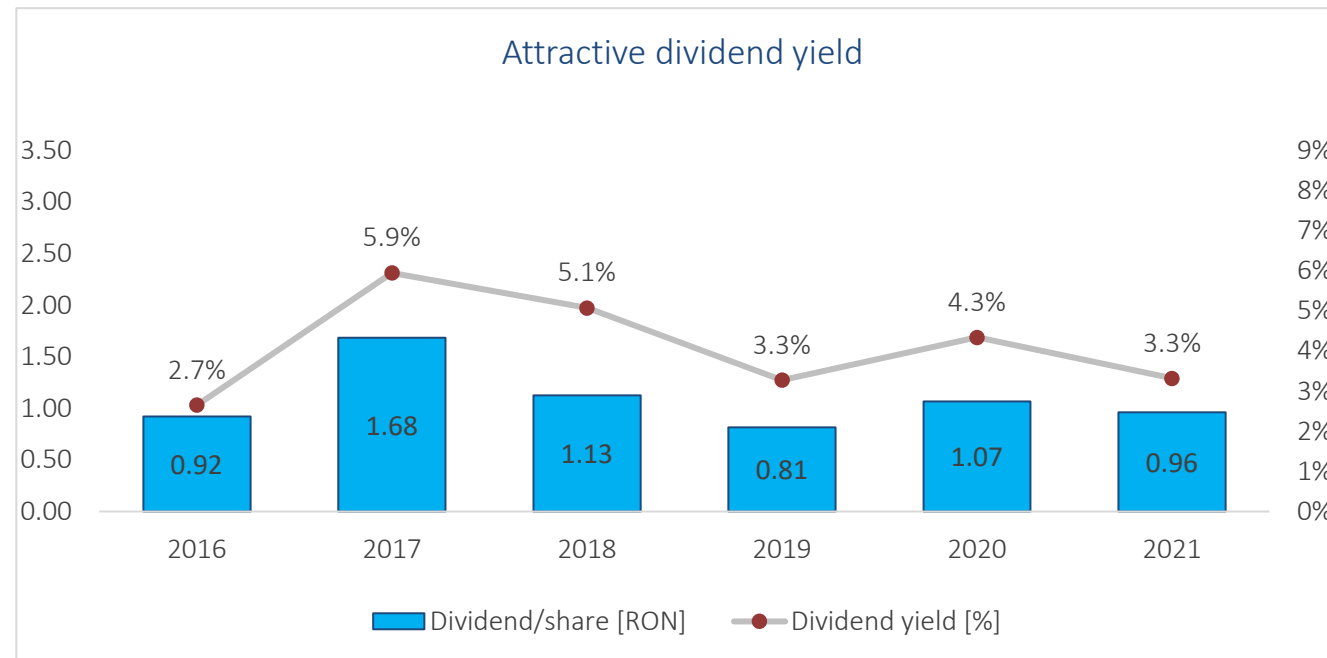
BVB Standalone

- **Total assets** – up by 4% vs Dec 21, due to the increase in financial instruments and bank deposits but also to receivables balance generated by higher trading revenues and issuers maintaining and admission revenues .
- **Total liabilities** increase of 15% compared to Dec 21, mainly due to the recognition of the deferred income from issuers maintaining taxes, collected for the entire year 2022, as well as the increase with the current profit tax liability.

BVB Group

- **Total assets** up 3% compared to Dec 21, up to the value of RON 195.23 mn, generated by the increase in financial instruments following the increase in cash generated in the trading segment.
- **Total liabilities** up 2% compared to Dec 20 mainly influenced by the increase the Group's deferred income.

Overview of the financial position



- **Stable dividend policy**, with a payout ratio of 100%, after legal reserves.
- The dividend policy is expected to remain unchanged.

Note: Dividend yields are calculated using the price on the corresponding ex-dates. The ex-date for 2021 dividends established through General Assembly is June 2, 2022. For this report, for the dividend yields calculation was used the share price from the date of General Assembly which is April 28, 2022.

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

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