



BVB 3Q23

Quarterly Results

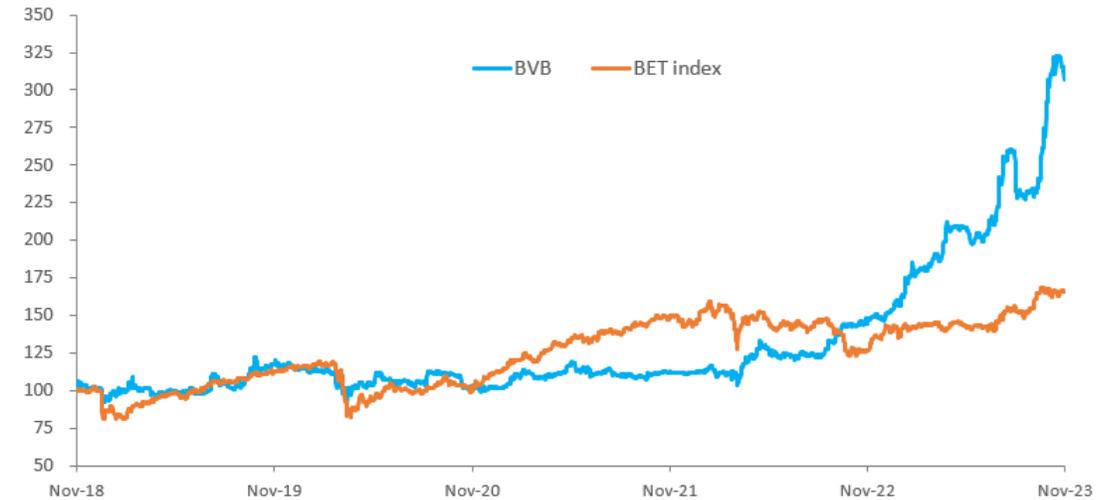
Own the future. Invest in it.



Bucharest Stock Exchange (BVB) Stock

Indicator	BVB
ISIN	ROBVBAACNORO
Refinitiv	ROBVB.BX
Bloomberg	BVB.RO
Share price (Sept 30, 2023)	EUR 10.1 / RON 65.8
Market Cap (Sept 30, 2023)	EUR 106 mn/ RON 530 mn
No. of outstanding shares	8,049,246
ADT 12TM	RON 0.23 mn
P/E (price as of Sept 2023, 12TM EPS)	27x
P/BV (price as of Sept 2023)	4.4x
Dividend Yield	2.7%
52 wk Low - High	35.6 – 68.6
Turnover velocity (12 TM)	11%

BVB vs BET index (5 years, rebased)



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



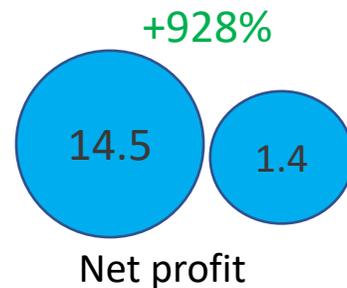
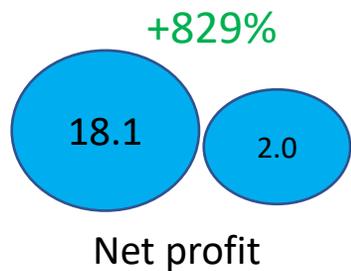
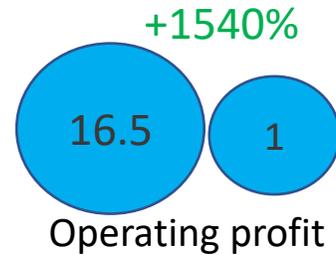
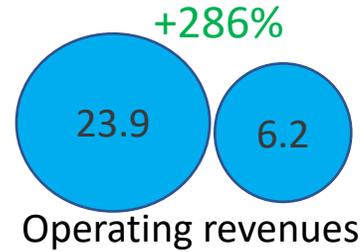
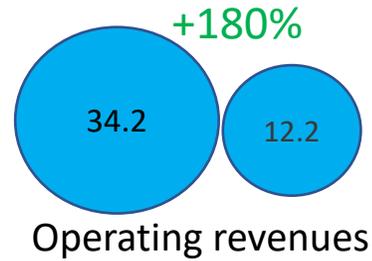
Shareholding structure as of Sept 2023:
Romanian institutional investors – 80.26%
Foreign institutional investors – 0.93%
Romanian private investors – 17.54%
Foreign private investors – 1.15%
Bucharest Stock Exchange – 0.12%

Number of shareholders: 5098, +25% q/q

Highlights – Q3 Financials

Consolidated Q3 23 vs Q3 22 (RON mn)

Standalone Q3 23 vs Q3 22 (RON mn)

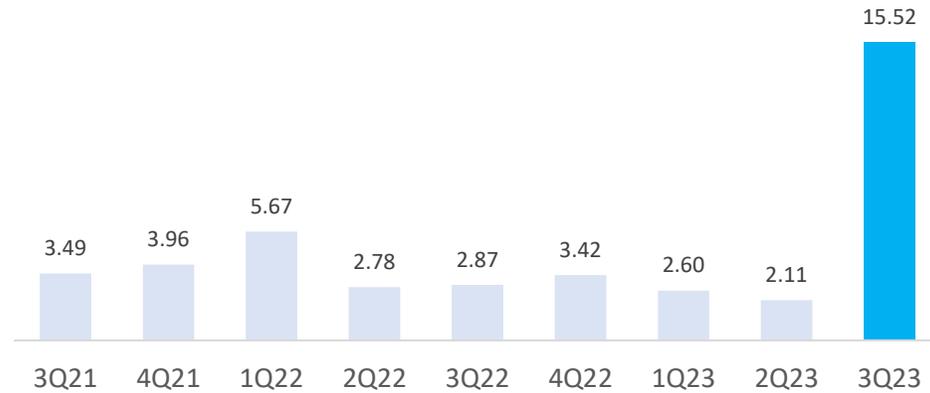


+ Record quarter driven by Hidroelectrica IPO. RON 12.5mn one-off public offer revenues and 2.7x higher equity turnover vs Q3 2022

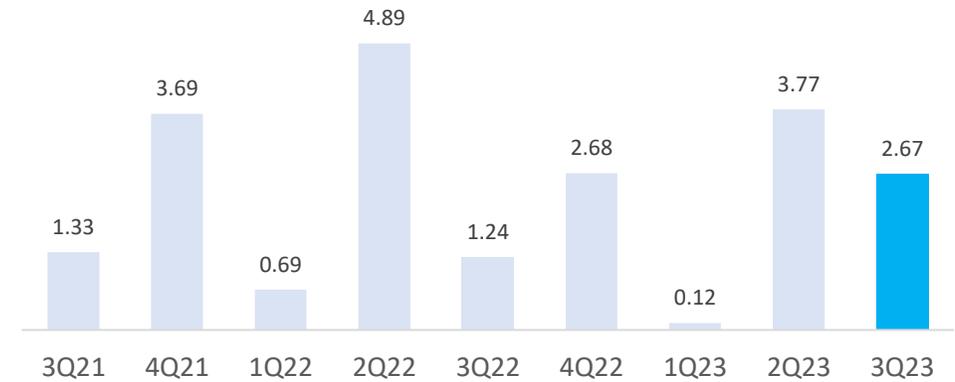
+ Post-trading (Central Depository) revenues also up 70% vs Q3 2022, due to increased activity associated with Hidroelectrica IPO

Trading evolution

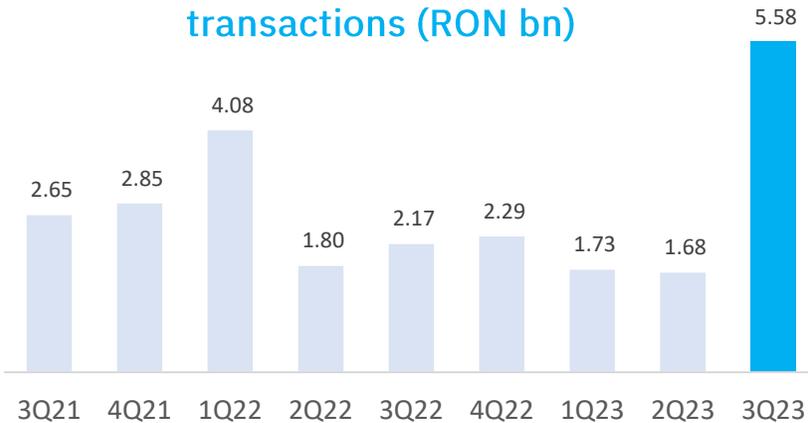
Trading value shares, rights, units, certificates (RON bn) all markets



Trading value, fixed-income instruments (RON bn)



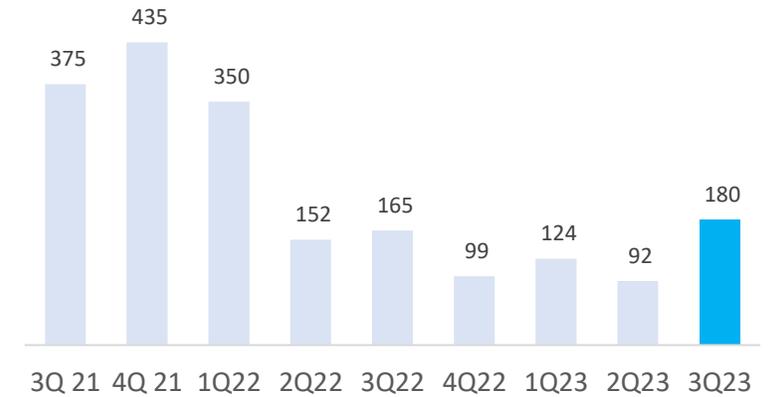
Main market
Trading value, shares-regular transactions (RON bn)



Main market
Trading value - offers
All securities (RON bn)



Aero market
Trading value (RON mn)



- Q3 trading volumes very promising from MSCI upgrade perspective. October traded volumes @ RON 1.36bn, 27% below Q3 average but significantly higher compared to H1 2023.
- Momentum stays strong with local indices decoupling and reaching historic highs in September. Significant dividends payments (FP, SNP, TLV) in Q3 and Q4 are supportive for next period.
- Mixed signals in terms of primary markets: issuer interest for listing is growing while investor interest appears to be selective and very demanding in terms of valuations
- CCP authorization and operationalization expected in H1 2024

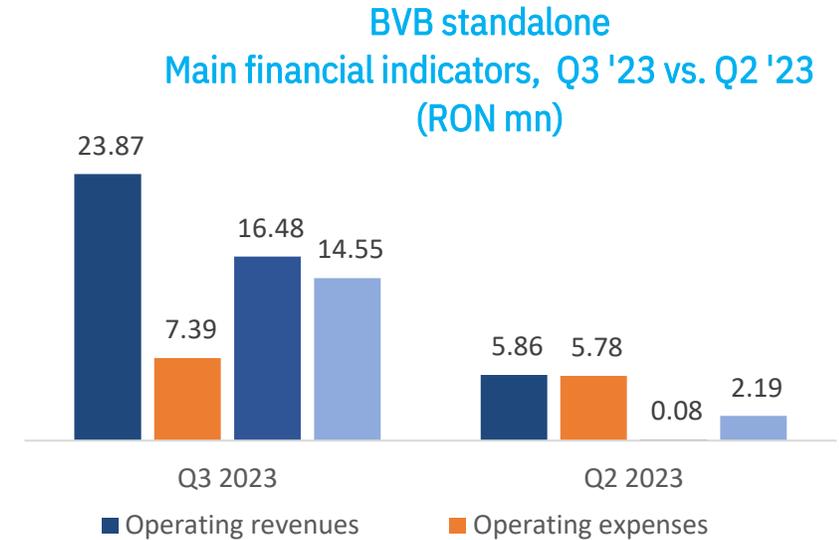
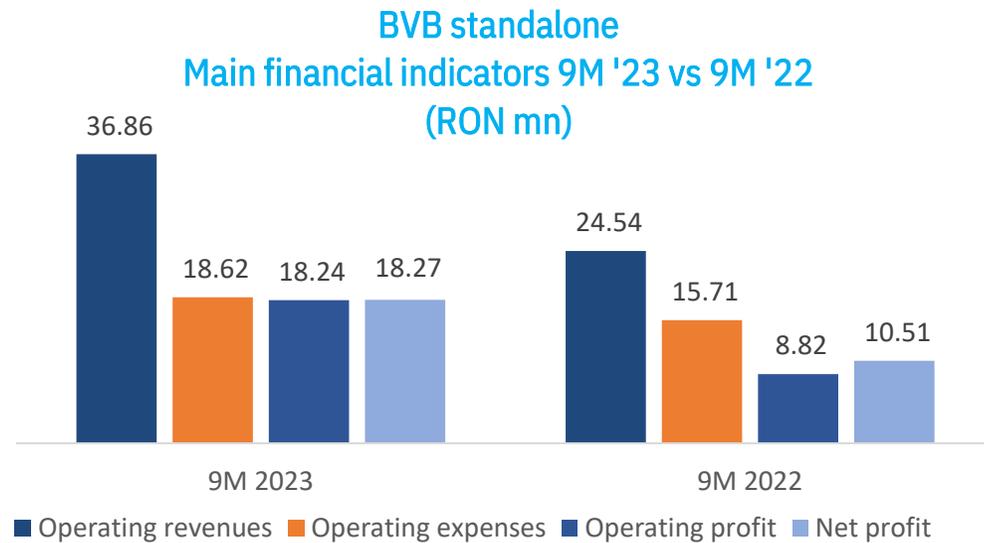
9M 2023 key financial highlights

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

9 months 2023 results	BVB standalone			Group		
	9M 2023	9M 2022	Change (%)	9M 2023	9M 2022	Change (%)
Operating revenue	36.86	24.54	50%	59.89	42.69	40%
Operating expenses	<u>(18.62)</u>	<u>(15.72)</u>	<u>19%</u>	<u>(40.35)</u>	<u>(33.55)</u>	<u>20%</u>
Operating profit	18.24	8.82	107%	19.54	9.14	114%
<i>Operating margin</i>	<i>49%</i>	<i>36%</i>		<i>33%</i>	<i>21%</i>	
Net financial revenue/(expenses)	<u>2.69</u>	<u>3.22</u>	<u>-17%</u>	<u>5.32</u>	<u>3.35</u>	<u>59%</u>
Profit before tax	<u>20.92</u>	<u>12.04</u>	<u>74%</u>	<u>24.86</u>	<u>12.49</u>	<u>99%</u>
Profit for the period	18.27	10.51	74%	21.50	10.72	101%
<i>Net margin</i>	<i>50%</i>	<i>43%</i>		<i>36%</i>	<i>25%</i>	
EPS attributable to owners (RON/share)	2.2699	1.3059	74%	2.5370	1.2905	101%
<i>Return on equity</i>	<i>15%</i>	<i>9%</i>		<i>13%</i>	<i>7%</i>	

* The financial results for 9M 2023 are prepared in accordance with IFRS and are not audited.

Analysis of YTD and quarterly financial results - BVB standalone



Operating revenues of RON 36.9 mn, 50% increase y/y, impact from Hidroelectrica IPO revenues of RON 12.53 mn, as well as from the significant volumes traded upon its listing. Increases recorded on the other business segments - market data revenues, + 27%, and issuers maintaining fees revenues by 12%.

Operating expenses* of RON 18.6 mn, +19%, base effect from inflation increase, as well as higher fixed & ROU assets depreciations and administrative expenses together with additional costs recorded in Q3 2023 related to H2O listing.

Operating profit* at an exceptional level of RON 18.24 mn, direct impact from the trading activity.

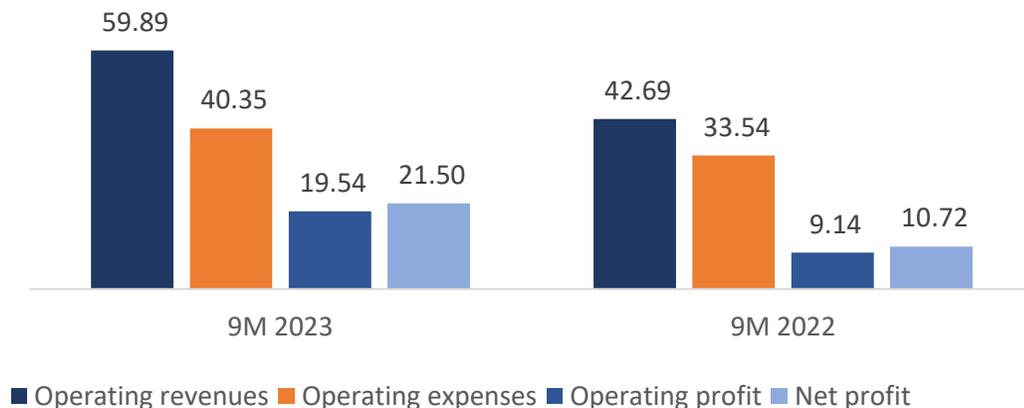
Net profit* of RON 18.27 mn, with a net margin of 50%.

Compared to Q2 2023, operating revenues increased 4x in Q3 2023, an exceptional level determined by the IPO H2O as well as the impact generated by H2O listing and FP special dividend on trading activity, while operating expenses had an advance of 8%, determined, mainly, by the additional expenses generated by the successful listing of H2O, together with marketing & events expenses aimed to promote the capital market and attract investors.

Net profit of Q3 23 at a record level of RON 14.6 mn

Analysis of YTD and quarterly financial results - BVB Group

BVB Group
Main financial indicators, 9M '23 vs 9M '22
(RON mn)



Operating revenues* of RON 59.9 mn, 40% or RON 17.2 mn increase y/y, direct impact from trading segment revenues, as well as post-trading and registry segments which increased by 27% or RON 4.9 mn.

Operating expenses* of RON 40.35 mn, + 20% y/y, generated by costs related to the new stage of authorization and operational set-up of CCP.RO, amplified by inflation impact, on all Group's business segments and additional costs related to H2O successful listing.

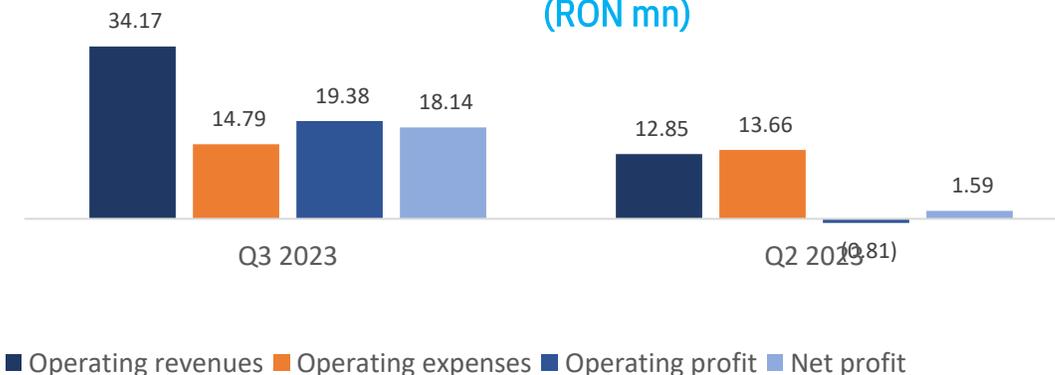
Operating Profit for the 9M 2023 at a record level of 19.54 mn (~ EUR 4 mn).

Financial result of RON 5.32 mn, increase of 59% y/y based on higher net interest income, together with the positive impact from other financial income.

Exceptional net profit* of RON 21.5 mn (~ EUR 4.3 mn), driven by both operating and financial results.

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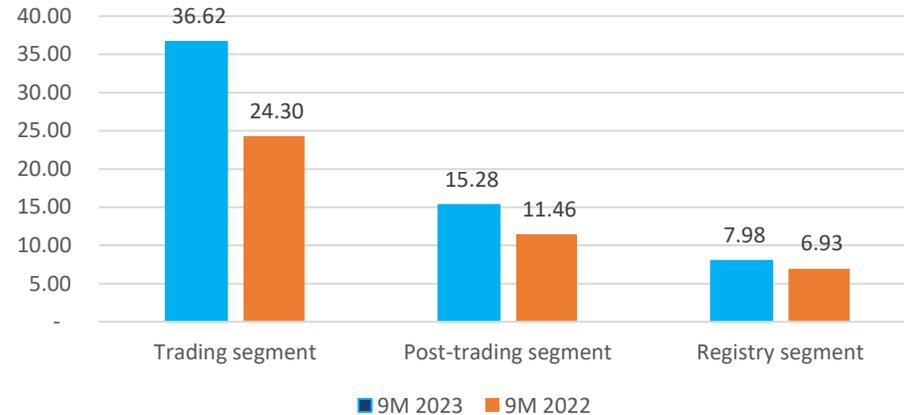
BVB Group
Main financial indicators, Q3 '23 vs. Q2 '23
(RON mn)



Operating revenues have increased by RON 21.3 mn compared to previous quarter, +165%, while expenses have a slight advance of 6%, resulting in a 10x or RON 16.55 mn increase in net result compared to the Q2 2023.

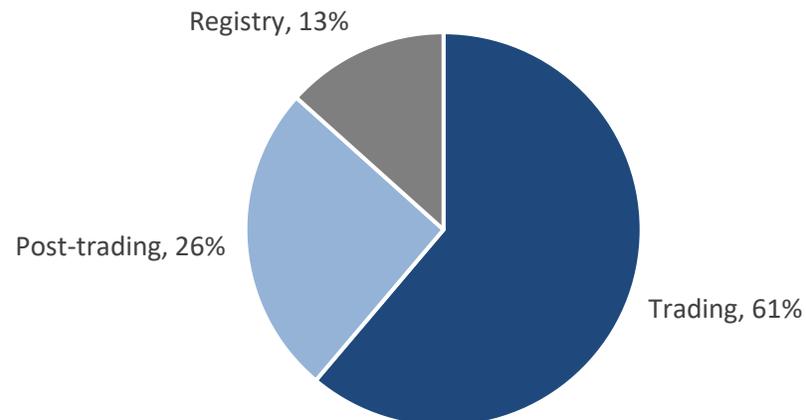
Analysis of the consolidated operating revenues - BVB Group

Revenues by segment 9M '23 vs 9M '22
(RON mn)

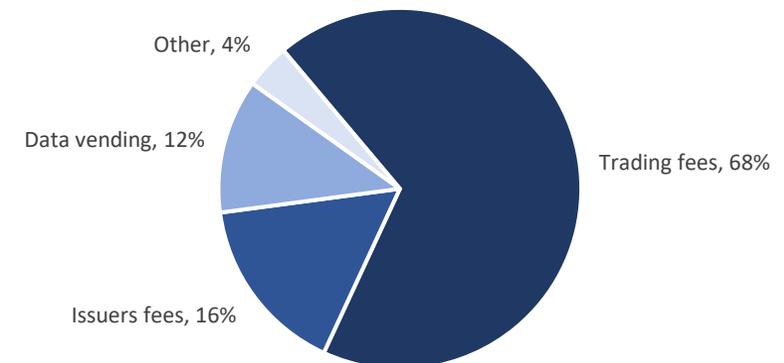


- Trading segment up 51% y/y, due to IPO Hidroelectrica finalized in July 2023, together with exceptional volumes traded in 3Q '23 upon H2O listing and special dividend granted by FP.
- Post-trading segment revenues in amount of RON 15.3 mn, 33% increase, mainly due to the revenues resulted from the transactions settlement with H2O shares
- Registry segment revenues of RON 8 mn, up 15% due to the increase in operations provided for issuers of financial instruments together with higher tariffs, including the maintaining tariff for issuers.

Operating revenues BVB Group, 9M 2023



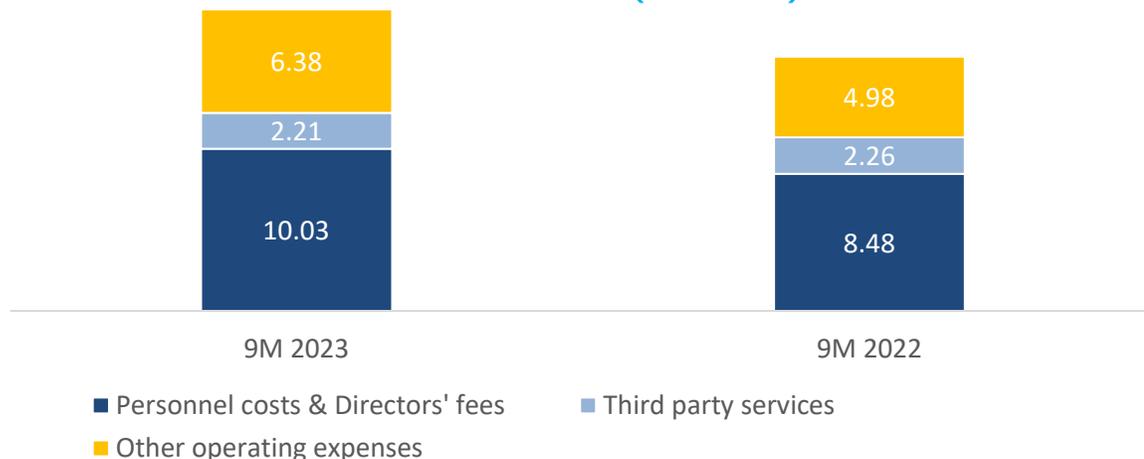
Trading segment revenues in 9M '23 (%)



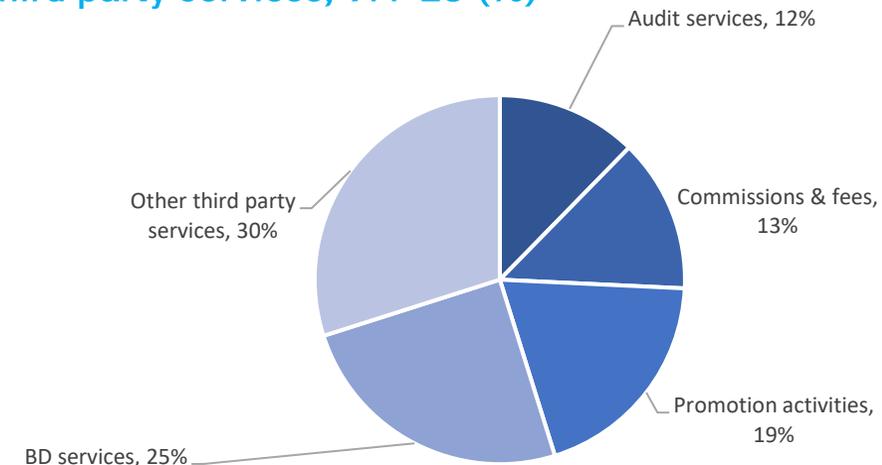
Analysis of operating expenses – BVB standalone

BVB standalone

Breakdown of operating expenses,
9M '23 vs. 9M '22 (RON mn)



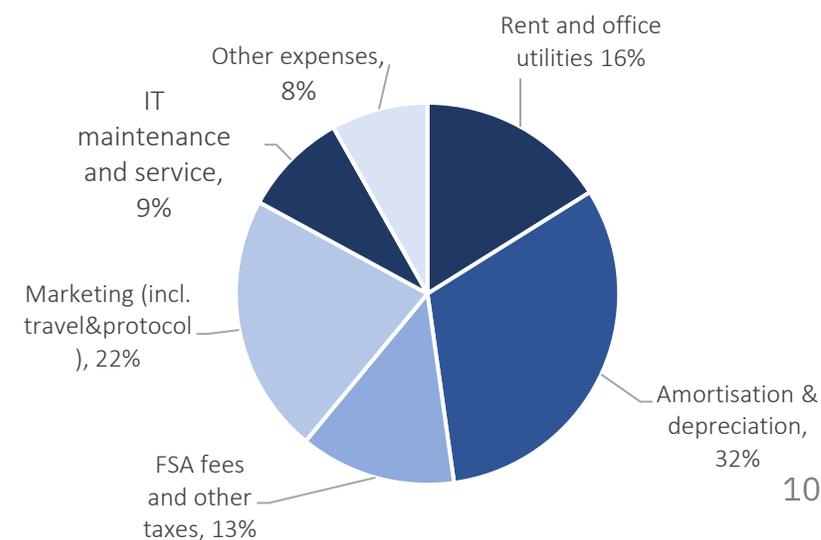
Third party services, 9M '23 (%)



Operating expenses increase of 19% y/y up to RON 18.62 mn, influenced by:

- **Increase in personnel expenses of 18% y/y, up to RON 10.03 mn** following the annual indexation acc. Remuneration Policy applied starting Q2 2023 and higher SOP and performance bonuses accruals in line, in line with the current year result and staff retention policy.
- **Advance of other operating expenses by 28% y/y up to RON 6.38 mn**, base effect from inflation increase, amplified by the increase in marketing, promotion&events expenses aimed to promote capital market and increase the number of investors, higher administrative expenses and fixed assets & ROU depreciation. Also, additional costs related to H2O listing, such as FSA taxes, marketing & events and personnel costs were recorded in Q3 23.

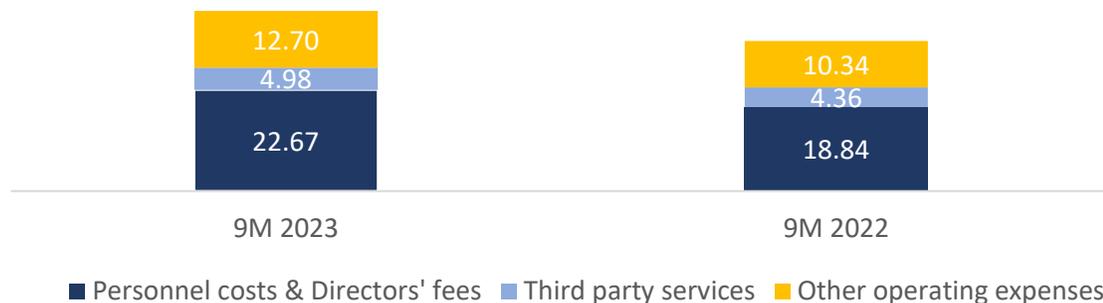
Other operating expenses, 9M '23 (%)



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Analysis of operating expenses – BVB Group

BVB Group Breakdown of operating expenses, 9M '23 vs. 9M '22 (RON mn)

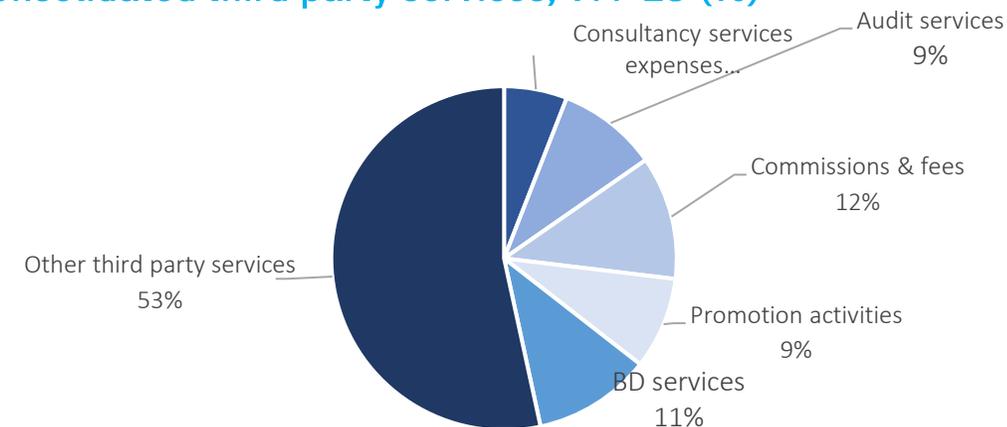


Consolidated operating expenses are up 20% y/y to the value of RON 40.35 mn, influenced by:

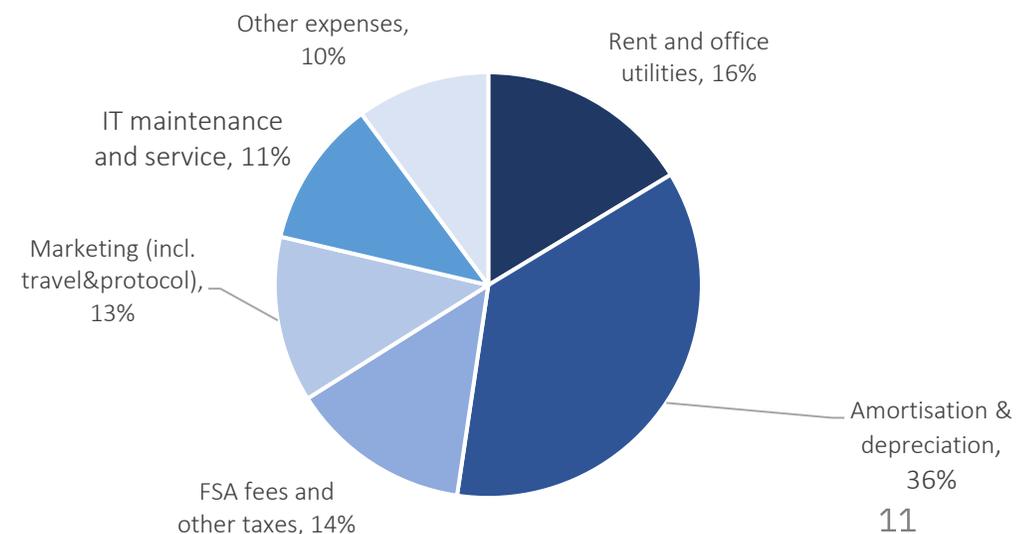
- 20% increase y/y of consolidated personnel expenses up to RON 22.67 mn, generated by the annual indexation acc. to Remuneration Policy performed in Q2 23, performance bonuses and SOP accruals expenses and a higher average number of employees in case of CCPRO.
- 14% increase in third party services expenses up to RON 4.98 mn, mainly result of consultancy services related to the implementation of the Central Counterparty and SWIFT network usage services recorded by CCP.RO, as well as higher IT maintenance expenses recorded by DC.
- 23% increase in other operating expenses up to RON 12.7 mn result of new expenses recorded by CCP. RO related to the authorization and operational set up of the Central Counterparty, increase in fixed & ROU assets depreciation expenses, as well as higher administrative expenses (head office rent, utilities), negative impact from inflation increase.

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Consolidated third party services, 9M '23 (%)



Consolidated other operating expenses, 9M '23 (%)



Overview of the financial position as of September 30, 2023

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

	BVB standalone		GROUP	
	Sep. 2023	Dec 2022	Sep. 2023	Dec 2022
Non-current assets	107.14	94.82	85.02	77.54
Current assets	35.57	26.47	151.16	120.47
Total assets	142.71	121.29	236.18	198.01
Shareholders' equity attributable to owners of the Company	121.22	111.94	121.34	109.31
Minority interests	-	-	49.08	44.92
Total liabilities	21.49	9.35	65.76	43.78
Total equity and liabilities	142.71	121.29	236.18	198.01

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BVB Standalone

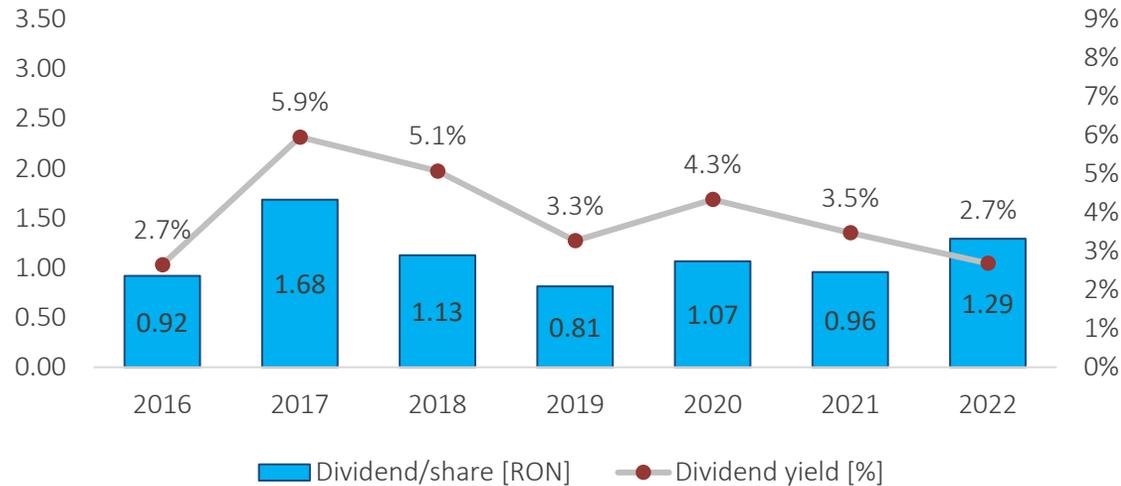
- Total assets – 18% increase vs Dec 22 up to 142.71 mn, mainly influenced by:
 - ✓ *Non-current assets* higher by RON 12.32 mn representing, mainly, tangible assets and the building improvements in progress together with recognition in ROU Assets of the lease agreement of RON 9.14 mn (EUR 1.85 mn), according to IFRS 16, for the new headquarter
 - ✓ *Current assets* increase by RON 9 mn mainly due to higher bank deposits and cash resulted from Q3 revenues receipts
- Total liabilities of RON 21.5 mn, RON 12 mn increase vs. Dec. '22, generated by the recognition of the lease liability (presented also in ROU Assets), as well as the current profit tax liability of RON 2.55 mn, paid in October.

BVB Group

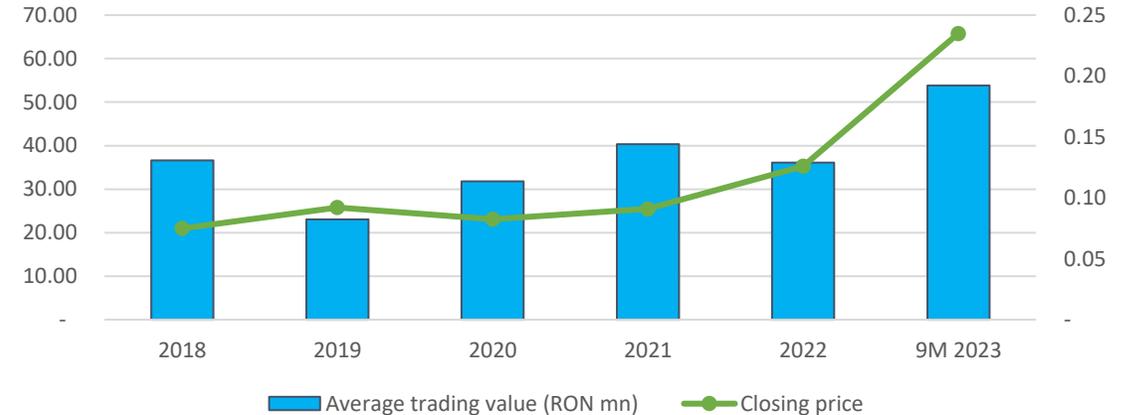
- Total assets - 19% increase vs Dec 22, influenced by the development recorded in trading segment, as well as due to increase in bank deposits and restricted assets +62%, due to coupons to be distributed on behalf of clients collected in September which were distributed in October.
- Total liabilities of RON 65.76 mn, +50% compared to the beginning of the year, influenced by the liabilities recorded in the trading segment, as well as the impact of dividends and coupons distributed on behalf of customers from DC.
- Equity of RON 170.42 mn, +10% compared to Dec. '22, influenced by the current year result, SOP benefits granted and increase in minority interests following CCP share capital increase of RON 3.875 mn.

Overview on BVB share

Attractive dividend yield



5 years evolution BVB share



- In June 2023, BVB paid the dividends distributed from the 2022 profit, in amount of RON 10.40 mn.
- BVB share closes the third quarter of 2023 by reaching a new “all time high” of RON 65.8 (+104% y/y), with a positive trend in October also
- **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

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

IR Contact:
Remus Danila
Head of IR and Business Development

ir@bvb.ro
M: +40 745 013 552
P: +40 21 307 95 07

Thank you

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