

TO: BUCHAREST STOCK EXCHANGE
 FINANCIAL SUPERVISORY AUTHORITY
 Financial Instruments and Investments Sector

Current Report according to: Law 24/2017, FSA Regulation 5/2018
 Report date: February 28, 2023
 Regulated market on which the issued securities are traded:
Bucharest Stock Exchange, Premium Category

No. 1082 of February 28, 2023

Unaudited separate preliminary financial results for the financial year 2022

EVERGENT Investments has drawn up the unaudited separate preliminary results for the financial year 2022, in compliance with the International Financial Reporting Standards (IFRS) adopted by the European Union and with the provisions of FSA Norm no. 39/2015 for the approval of the accounting regulations compliant with the International Financial Reporting Standards applicable to entities that are authorized, regulated and supervised by the Financial Supervisory Authority.

In 2022, EVERGENT Investments' net result exceeded the budgeted level by 83%.

The **net result**, in the amount of 117.9 million lei, is the main performance indicator of the Company and includes, along with the net profit of 82.8 million lei, the net gain of 35.1 million lei from the sale of the financial assets classified at the fair value through other comprehensive income (FVTOCI).

Although the year 2022 was marked by a series of events with a deep global impact on the capital markets, causing decreases in quotations on the Romanian capital market, the company's financial position registered a modest decrease.

The main items of the financial position and overall result are presented as follows:

RON	Variation 2022/2021 (%)	2022	2021
a. Financial position			
Total assets	-7	2,364,421,863	2,552,818,621
Total debts	-12	149,789,700	169,880,091
Total equities	-7	2,214,632,163	2,382,938,530
b. Comprehensive income			
Net profit	79	82,853,635	46,388,634
Other comprehensive income	-140	-167,466,644	414,776,482
Total comprehensive income for the period	-118	-84,613,009	461,165,116

The unaudited separate preliminary financial results for the financial year 2022 can be viewed at this [link](#).



The investors and analysts' conference call for the presentation of the 2022 preliminary financial results will take place on **March 2, 2023** at 14:00. The event attendance information is available on www.evergent.ro and www.bvb.ro.

The unaudited separate preliminary financial results may undergo changes, as a result of events subsequent to the reporting date and/or the financial auditor's recommendations.

Claudiu Doros
President and CEO

Gabriel Lupașcu
Compliance Officer

EVERGENT Investments S.A.

Unaudited separate preliminary financial results as of 31st December 2022

Prepared in accordance with Accounting Regulations compliant with the International Financial Reporting Standards applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority in the field of Financial Instruments and Investments, approved by Financial Supervisory Authority's Regulation no. 39/ 2015

*This report presents the preliminary, unaudited financial results of EVERGENT Investments on 31st December 2022, prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union, as well as Regulation no. 39/2015 issued by the Financial Supervisory Authority (FSA).
The presented financial results are preliminary and may be subject to change.*

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1. Company Presentation

EVERGENT Investments SA (the „**Company**”), is set up as a Romanian private-law legal entity, organized as a joint-stock company, classified according to applicable regulations as an Alternative Investment Fund of investment companies type, Retail Investor Alternative Investment Fund category - RIAIF, with a diversified investment policy, closed, self-managed.

The Company is authorized by the Financial Supervisory Authority (FSA) as an alternative investment fund manager, with *Certificate no. 20/23.01.2018*, and as an Retail Investor Alternative Investment Fund (RIAIF), with *Certificate no. 101/25.06.2021*.

The headquarters of the Company is located in Pictor Aman street, no. 94C, Bacău municipality, Bacău County, Romania.

According to its Memorandum of Association, the main object of activity of the company consists in:

- Portfolio management;
- Risk management;
- Other auxiliary activities related to collective administration activities permitted by the legislation in force.

The Company is self-managed under a one-tier system.

The shares issued by EVERGENT Investments SA have been listed at the Bucharest Stock Exchange (“BSE”), the primary market, Premium category, with ticker „EVER” since 29th March 2021 (before this date the shares of the Company were traded under ticker “SIF2” according to BSE resolution on November 1, 2011).

The shares and shareholders’ record is kept according to the law by Depozitarul Central S.A. Bucharest.

The assets deposit services are provided by BRD – Société Générale S.A., a company authorized by the National Securities Commission, whose attributions and prerogatives have been taken over by the FSA.

2. Evolution of the main financial position elements and preliminary results on 31st December 2022

In 2022, EVERGENT Investments' net result exceeded the budgeted level by 83%.

The net result of 117.9 million lei, is the Company's main performance indicator and it includes, along with the net profit, the net gain from the sale of financial assets measured at fair value through other comprehensive income (FVTOCI).

In 2022, the armed Russian-Ukrainian conflict and the effects of the general increase in interest rates as a result of the increase in monetary policy interest rate caused a drop in quotations on Bucharest Stock Exchange, with an impact on the value of assets in EVERGENT Investments' portfolio and implicitly on the position and financial performance of the Company.

(lei)	2022 (unaudited)	2021 (audited)
Net profit	82,853,635	46,388,634
Gain from the sale of FVTOCI financial assets*	35,081,104	102,908,216
Net result	117,934,739	149,296,850

* represents a reclassification from reserves from the revaluation of FVTOCI financial assets to retained earnings

Individual Statement of Comprehensive Income

In 2022, the Company's **net profit** was 82.9 million lei, significantly higher than that of the previous year.

Profit increase in 2022 compared to the previous year was mainly due to a higher level of **income from dividends** distributed by companies in the portfolio (higher than 120%), since in 2021 dividend distribution was negatively affected both by poorer results of companies in the previous year on the background of Covid-19 crisis, and by the caution manifested and/or restrictions imposed on them in this context.

Gain corresponding to the sale of FVTOCI financial assets, of 35.1 million lei, reflected in retained earnings was significantly lower than that in the previous year due to the decrease of BVB quotations during the year, therefore the decrease of capitalization opportunities.

Total operating expenses are comparable to those registered in the previous year.

Comprehensive income was also significantly influenced by the net loss from the revaluation of FVTOCI financial assets registered in 2022, of 168.2 million lei, caused mainly by the decrease of price for listed shares in the portfolio that are classified in this category.

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Individual statement of financial position

The final position was also directly influenced by the evolution of stock quotations in 2022.

On 31st December 2022, the value of the Company's **total assets** was 2.4 billion lei, a 7% decrease compared to the level of the previous year, a decrease reflected mainly in the decrease of **FVTOCI financial assets**, caused by the evolution of listed shares prices in the portfolio, classified in this category.

The liabilities level dropped by approximately 12%, a drop caused mainly by the lowering of **deferred tax liability** corresponding to the reserve from the revaluation of FVTOCI financial assets, that decreased in 2022. Deferred income tax was calculated and registered in accordance with IFRS provisions.

3. Individual statement for comprehensive income for the financial year ended on 31st December 2022

<i>In LEI</i>	2022 <i>(unaudited)</i>	2021 <i>(audited)</i>
Revenue		
Gross dividend revenue	120,777,371	54,656,711
Interest revenue	7,087,713	4,718,481
Other operating revenue	1,607,660	1,030,926
Net gain/(net loss) on financial assets at fair value through profit or loss	(474,436)	25,460,617
Net gain on the revaluation of property investments	798,078	143,329
Expenses		
Impairment loss on financial assets	2,332,072	3,895,437
Impairment (loss)/loss reversal on non-financial assets (Set-up)/reversal of provisions for risks and expenses	671	(28,989)
Expenses with wages, remuneration and other similar expenses	117,190	(1,620,399)
Other operating expenses	(28,773,429)	(29,426,547)
	(11,660,747)	(10,477,957)
Operating profit	91,812,143	48,351,609
Interest expense from lease liability contract	(95,436)	(42,218)
Profit before tax	91,716,707	48,309,391
Income tax	(8,863,072)	(1,920,757)
Net profit of the financial year	82,853,635	46,388,634
Other comprehensive income		
Reserve increase from the revaluation of property, plant and equipment, net of deferred tax	806,957	439,940
Net gain/(loss) from the revaluation of financial instruments at fair value through other comprehensive income (FVTOCI)	(168,168,297)	414,290,697
Other comprehensive income – elements that will not be reclassified in profit or loss	(167,361,340)	414,730,637
Net gain / (loss) from the revaluation of FVTOCI bonds	(105,304)	45,845
Other comprehensive income – elements that will be reclassified in profit or loss	(105,304)	45,845
Other comprehensive income elements - Total	(167,466,644)	414,776,482
Total comprehensive income of the financial year	(84,613,009)	461,165,116
Basic and diluted earnings per share (net profit per share)	0.0874	0.0477
Basic and diluted earnings per share (including gain from the sale of FVTOCI financial assets)	0.1244	0.1536

Claudiu Doros
CEO

Mihaela Moleavin
Finance director

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4. Individual statement of financial position on 31st December 2022

<i>In LEI</i>	31st December 2022 (unaudited)	31st December 2021 (audited)
Assets		
Cash and current accounts	788,781	267,380
Bank deposits with initial maturity within 3 months	104,971,764	157,466,639
Financial assets measured at fair value through profit or loss	333,619,756	381,215,357
Financial assets measured at fair value through other comprehensive income	1,875,688,529	1,952,286,731
Bonds at fair value through other comprehensive income	3,982,047	3,982,215
Bonds at amortized cost	17,550,535	34,171,645
Other financial assets at amortized cost	9,869,910	5,361,399
Other assets	497,055	1,579,222
Investment property	4,284,448	4,247,186
Plant, property and equipment	9,282,127	8,308,912
Right-of – use assets	3,474,536	3,570,975
Intangible assets	412,375	360,960
Total assets	<u>2,364,421,863</u>	<u>2,552,818,621</u>
Liabilities		
Lease liabilities	3,456,939	3,511,637
Dividends payable	42,633,808	34,036,742
Current income tax liabilities	5,370,896	-
Financial liabilities at amortized cost	2,871,103	1,833,601
Other liabilities	4,154,999	3,409,990
Provisions for risks and expenses	1,632,553	1,749,743
Deferred tax liabilities	89,669,402	125,338,378
Total liabilities	<u>149,789,700</u>	<u>169,880,091</u>
Equity		
Share capital	499,988,637	510,105,062
Retained earnings	1,018,427,444	981,801,980
Reserves from the revaluation of property, plant and equipment	9,774,793	8,967,836
Reserves from the revaluation of financial assets at fair value through other comprehensive income	699,891,438	903,246,143
Treasury shares	(38,991,230)	(41,119,507)
Equity-based payments to employees, directors and administrator	20,765,780	16,252,012
Other equity elements	4,775,301	3,685,004
Total equity	<u>2,214,632,163</u>	<u>2,382,938,530</u>
Total liabilities and equity	<u>2,364,421,863</u>	<u>2,552,818,621</u>

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