

Analysis of the main stand-alone and Group financial indicators for the year 2023

Operating revenues BVB stand-alone* in 2023 exceeded the level of RON 50 mn, (EUR 10 mn), an increase of 55% or RON 17.85 mn compared to the previous period (2022 – RON 32.70 mn) generated by the 73% increase in trading revenues, impact from the H2O listing, including in the liquidity level from the market.

In 2023, an advance of 25% y/y of market data revenues was recorded, up to the value of RON 4.02 mn, generated by the increase in the number of real-time data end users, by attracting new data customers, as well as a result of the implementation of the new tariff plan valid from January 1, 2023.

Revenues from issuers maintaining fees increased in 2023 up to the value of RON 5.03 mn (+10% y/y), result of the indexation of trading maintaining tariffs with the inflation rate of 2022.

Operating revenues Central Depository (DC)* in 2023 increased by 32% or RON 7.92 mn, up to the value of RON 32.58 mn, mainly due to the revenues resulting from the services associated with the H2O initial public offer, but also to the increase of some tariffs starting from 01.02.2023.

*Revenues from post-trading segment * (DC)*, in 2023 - RON 22.30 mn, increase of 44% or RON 6.86 mn compared to the previous period, due to the evolution of the settlement revenues from H2O shares transactions as well as participants maintaining revenues - the percentage component, influenced, in particular, by the increase in the value of the portfolios managed by the custodian agencies with the value of H2O shares and by the increase in the commission for retail government securities. This segment represents 67 % of DC's operating revenues.

*Revenues from registry segment * (DC)* in 2023 recorded an increase of 13% y/y, up to the value of RON 10.26 mn, due to higher revenues from operations provided for issuers of financial instruments of about 15%, as a result of the increase of some tariffs, including the issuers maintaining tariffs. This segment represents 32 % of DC's operating revenues.

CCP.RO Bucharest is in authorization process, thus it did not record operating revenues in 2023.

Consolidated operating revenues BVB Group in 2023, record level of RON 82.79 mn, increase of 46% or RON 26.24 mn compared to the previous period, mainly generated by a significant event, H2O listing, with direct impact on the evolution of revenues both on the trading and post-trading segments.

Operating expenses, BVB stand-alone* in 2023: 22% increase compared to 2022 up to the value of RON 27.97 mn, mainly influenced by:

- Advance of personnel expenses by 18% or RON 2.2 mn y/y, up to the value of RON 14.36 mn, following the indexation and annual adjustment of salaries, according to the Remuneration Policy, applied starting from Q2 2023, as well as the performance bonuses estimated expenses, to be granted in BVB free shares according to the Share Grant Plan (SOP), in line with current year result, 2023 budget fulfillment and staff retention policy.

- Higher *other operating expenses* by 42% y/y or RON 3.05 mn up to the value of RON 10.3 mn, base effect from the significant increase in the prices of goods and services necessary for maintaining the authorized operating activities in optimal conditions, as well as higher assets depreciation costs.

Marketing and promotion expenses have increased due to campaigns carried out in order to promote the capital market, new listings (H2O) and to increase the number of investors.

Other increases were recorded in right-of-use assets depreciation expense, result of the recognition according to IFRS of the new lease agreement for the new headquarters of BVB, as well as higher tax expense related to trading revenues evolution.

Operating expenses, Central Depository (DC)* in 2023 - RON 24.21 mn, +17% y/y or RON 3.55 mn, increase generated by *other operating expenses advance of RON 1.22 mn*, base effect from the inflation increase with impact on administrative and depreciation expenses, as well as from additional, one-off expenses, from the headquarters relocation, *third party services expenses + RON 0.81 mn*, as well as *personnel expenses higher by RON 1.52 mn*, result of the indexation and annual adjustment of salaries according to the Remuneration Policy starting from Q2 2023, bonuses estimates and free shares through SOP carried out in line with the current year's results and the realization of the 2023 budget.

Operating expenses, CCP.RO* in 2023 – RON 7.59 mn, increase of 50% or RON 2.54 mn compared to 2022, mainly influenced by the advance of personnel expenses +RON 1.51 mn, based on a higher number of employees, of the indexation and annual adjustment of salaries according to the Remuneration Policy, as well as of the estimates for the unused vacation days related to the current year. The increase is amplified by the advance of other operating expenses, namely FSA fees for CCP authorization, with rents, depreciation of fixed assets and ROU Assets and telecommunications.

Consolidated operating expenses in 2023 increased of 24% y/y up to the value of RON 59.43 mn, being influenced by the increase in expenses at the individual level.

Operating profit, BVB stand-alone * in 2023 reached the value of RON 22.58 mn, +129% or RON 12.73 mn higher compared to 2022 (RON 9.85 mn), with an operating margin of 45 %, level directly influenced by the evolution of trading revenues.

Operating profit, Central Depository (DC) * in 2023 of RON 8.37 mn, higher by RON 4.38 mn compared to previous period, with an operating margin of 26%, result of the increase in operating revenues exceeding operating expenses advance.

Operating loss of CCP.RO * in 2023 is RON 7.59 mn, increase of 50% y/y (RON 5.04 mn in 2022), a similar evolution to that of operating expenses considering that the company does not record operating revenues being in the authorization process.

Consolidated operating profit in 2023 reached the value of RON 23.36 mn, +166% or RON 14.57 mn higher compared to the previous period, a level directly influenced by the revenues achieved in the trading segment, amplified by the positive evolution of the revenues of the post trading and registry segments.

Net financial income, BVB stand-alone* in 2023 of RON 2.72 mn, the increase in interest income generated by investments in Ron, Euro and USD was compensated by lower net income from exchange rate differences, the decrease in dividends income from Depozitarul Central as well as higher leasing interest expenses, result of the new headquarters lease agreement.

Net financial income, Central Depository (DC)* in 2023 an increase of 82% or RON 0.92 mn y/y, up to the value of RON 2.03 mn, generated by 72% higher interest income compared to the previous period, result of the interest rates, by increase in other financial income, while leasing interest expenses increased result of the new headquarters lease agreement.

Net financial income, CCP.RO in 2023 is 3x higher or RON 2.08 mn, up to the value of RON 3.11 mn mainly determined by higher net interest income compared to the previous period, increase in other financial income, the positive impact of the decrease in the CDS rate, as well as the unrealized income from exchange rate differences.

Consolidated net financial income in 2023 of RON 6.47 mn, increase of 84% compared to 2022 determined by the increase in interest income, as well as higher financial income.

Net profit, BVB stand-alone* in 2023 increases significantly up to the value of RON 21.99 mn, double compared to the previous period, with a net margin of 44%, directly influenced by the evolution of the operating result, respectively the level of trading revenues.

Net profit, Central Depository (DC)* in 2023 of RON 8.77 mn, double, by RON 4.31 mn higher compared to the previous period, with a net margin of 27%, directly influenced by the evolution of the operating result, respectively the level of revenues of post-trading segment.

Net loss, CCP.RO * in 2023 of RON 3.75 mn, up 11% compared to the previous period influenced by the evolution of the operational loss, partially compensated by the increase in the financial result.

Consolidated net profit BVB Group in 2023 had a significant increase, reaching the level of RON 25.62 mn (approx. EUR 5 mn), with 146% or RON 15.19 mn higher compared to 2022 (RON 10.43 mn in 2022), being directly influenced by the evolution of the operating result, amplified by the increase in the financial result.

* including intra-group transactions