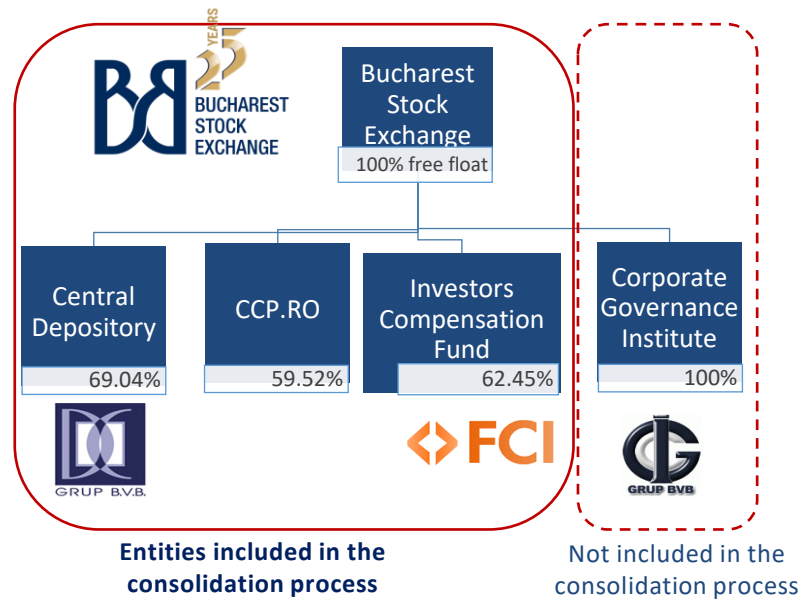


Quarterly results presentation Q1 2021

May 13, 2021

BVB Group and the operated markets



Segments within BVB Group:

- **Trading segment** – Bucharest Stock Exchange
- **Post-trading segment** - Clearing & settlement services of the Central Depository
- **Registry segment** – Registry activities of the Central Depository
- **Other services** – Activities of the Investors Compensation Fund and CCP.RO Bucharest

Markets operated by BVB



Main Market

Listed companies:
79 domestic and 3 foreign

Domestic market cap:
EUR 23.9 bn

Total market cap:
EUR 36.4 bn

Instruments:
shares, rights, corporate and municipal bonds, government securities, structured products, fund units, tradable UCITS (ETFs), warrants



ATS

Listed companies:
288 domestic and 2 foreign

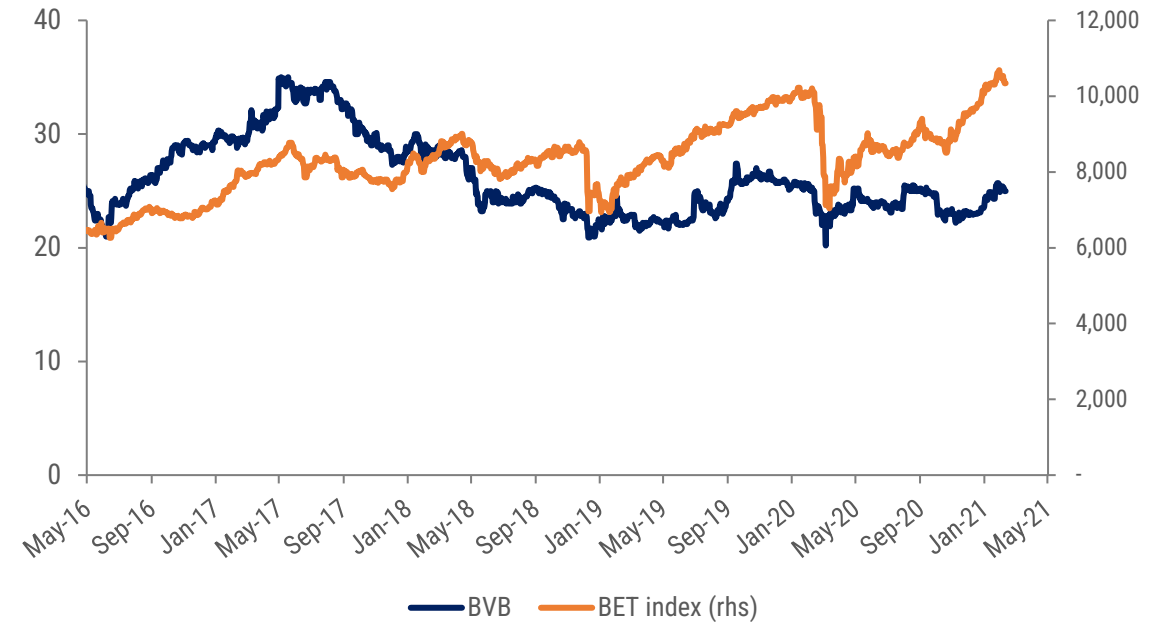
Total market cap:
EUR 2.3 bn

Instruments:
shares, rights, bonds

Bucharest Stock Exchange (BVB)

Indicator	BVB
ISIN	ROBVBAACNORO
Refinitiv	ROBVB.BX
Bloomberg	BVB.RO
Share price (March 31, 2021)	EUR 5.03 / RON 24.6
Market Cap (March 31, 2021)	EUR 40.4 mn/ RON 198 mn
No. of outstanding shares	8,049,246
ADT 12TM	RON 0.14 mn
P/E (price as of March 2021, 12TM EPS)	46x*
P/BV (price as of March 2021)	1.31x*
Dividend Yield	4.3%
52 wk Low - High	19.00 – 26.70
Turnover velocity (12 TM)	16.5%

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 Transilvania, NN Group N.V., Aegon Pensions



Shareholding structure as of March 2021:

- Romanian institutional investors – 74.44%
- Foreign institutional investors – 1.82%
- Romanian private investors – 21.58%
- Foreign private investors – 1.59%
- Bucharest Stock Exchange – 0.57%

Highlights - Key topics

Primary Markets



Record quarter in terms of new listings

- Aero Market: 4 share listings and 5 bond listings
- Regulated market: 2 corporate bond listings and an additional series from the Govt bonds Fidelis program

Very **solid pipeline on the Aero** market

Two **main market IPOs** in the final stages

Law related to State Assets sales is in the final stages of being abrogated by the Parliament

Performance



New historic high set by the BET index on March 16 @ 10,844.45 points. The BET index continued its rise at the end of Q1 2021, the value recorded at the end of March being 11,189.60 points, + 14.11% compared to the beginning of the year.

Volumes

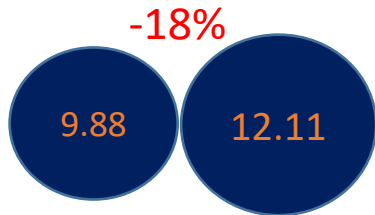


Total volumes up 35% y/y thanks to 80x increase y/y in bond volumes. **Share trading volumes down 23% y/y** due to:

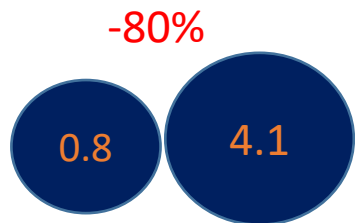
- Very high benchmark set in Q1 2020 by the Covid related liquidity spike
- Lack of big-ticket offers. During Q1 2020 there were two significant buy-back offers and one buy-out offer

Highlights – Q1 Financials

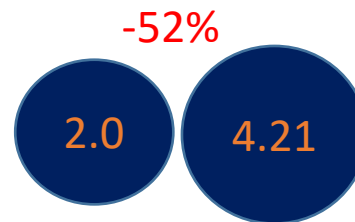
Consolidated Q1 21 vs Q1 20 (RON mn)



Operating revenues

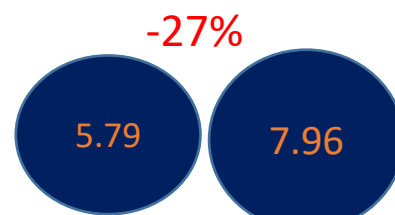


Operating profit

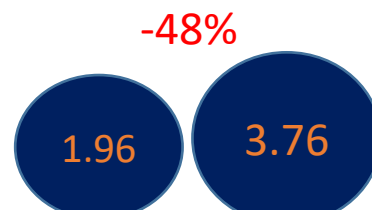


Net profit

Individual Q1 21 vs Q1 20 (RON mn)



Operating revenues



Operating profit



Net profit

The decline is solely caused by to decrease in share trading volumes and lack of significant size offers in Q1, -23% y/y share trading volumes, translating into a 32% fall in trading fees

Costs under control, 13% rise in consolidated op. costs at group level due low base effect at CCP level. Op. costs at individual level down 9% y/y

Lower trading fees partially offset by rise in non-trading revenues at individual level:

- Listing fees up 69% y/y
- Data vending revenues up 79% y/y

Revenues related to Aero market up 5x y/y

Other developments

CCP.RO



- Progress of the implementation phase inline with expectations

Targets and guidance maintained

- Q3 2021 - submission of the authorization documentation
- H2 2022 – start of revenue generating operations

Projects



Significant projects finalized in Q1 / early Q2

- Made in Romania – expected to generate additional long-term interest for stock exchange financing
- BVB Research Hub – making research available to individual investors and increasing issuer visibility
- Exchange Live – market data portal for retail investors

Key financial highlights

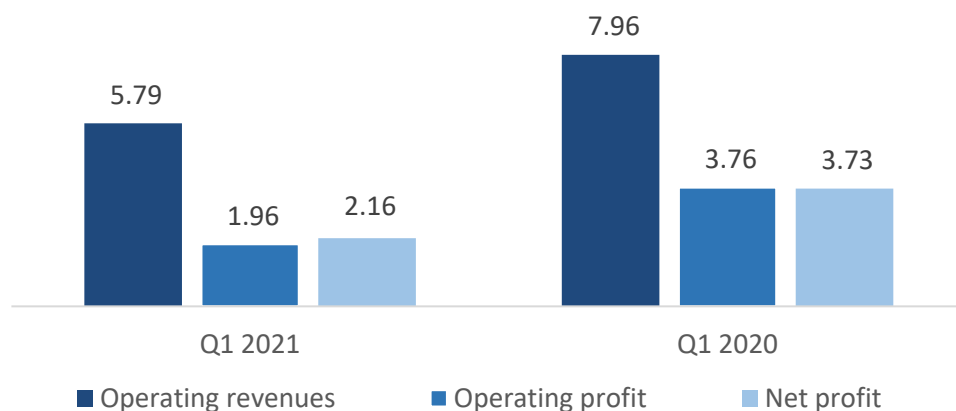
Financial performance, BVB individual and BVB Group (RON mn, unless otherwise stated)

	BVB individual			Group		
	Q1 2021	Q1 2020	Change (%)	Q1 2021	Q1 2020	Change (%)
Operating revenues	5.79	7.96	-27%	9.88	12.11	-18%
Operating expenses	<u>(3.82)</u>	<u>(4.20)</u>	<u>-9%</u>	<u>(9.07)</u>	<u>(8.02)</u>	<u>13%</u>
Operating profit	1.96	3.76	-48%	0.81	4.09	-80%
<i>Operating margin</i>	34%	47%		8%	34%	
Net financial revenue/(expenses)	<u>0.63</u>	<u>0.55</u>	14%	<u>1.62</u>	<u>0.78</u>	108%
Profit before tax	<u>2.59</u>	<u>4.31</u>	<u>-40%</u>	<u>2.44</u>	<u>4.88</u>	<u>-50%</u>
Profit from continue operations	2.16	3.73	-42%	2.04	4.21	-51%
Profit/(loss) from discontinued operations	=	=	=	<u>(0.01)</u>	=	100%
Profit for the period	2.16	3.73	-42%	2.03	4.21	-52%
<i>Net margin</i>	37%	47%		21%	35%	
EPS attributable to owners (RON/share)	0.2686	0.4637	-42%	0.2666	0.5064	-47%
<i>Return on equity</i>	2%	3%		1%	3%	

* The financial results for Q1 2021 are prepared in accordance with IFRS and are not audited.

Analysis of the financial results – BVB individual

**Main financial indicators, Q1 21 vs. Q1 2020
(RON mn)**



- **Operating income** decreased by 27%, up to RON 5.79 mn, mainly due to lower trading revenues by 32%, out of which revenues from public offers - shares decreased by RON 1.30 mn, while revenues from transactions on the AERO market increased by RON 0.30 mn. Also, as a basic effect of the overall decrease are “one-off” revenues recorded in Q1 2020 from intra-group re-invoicing.

The increase in revenues from the maintenance and sale of stock exchange data partially offset the decrease in revenues from trading.

- **Operating expenses** decreased by 9%, up to RON 3.82 mn, mainly due to the decrease of personnel expenses and expenses provided by third parties, mainly consulting, in Q1 2020 being recorded one-off expenses related to the CCP.RO project.

- **Operating profit** down to RON 1.96 mn, -48% compared to Q1 2020, with an operating margin of 34%, due to the decrease of revenues by 27%, while operating expenses decreased by 9%.

- **Net financial income** increase of 14% up to RON 0.63 mn, mainly due to income from unrealized exchange rate differences, following the appreciation of EUR and USD vs RON, having a favorable impact on the value of investments denominated in foreign currency.

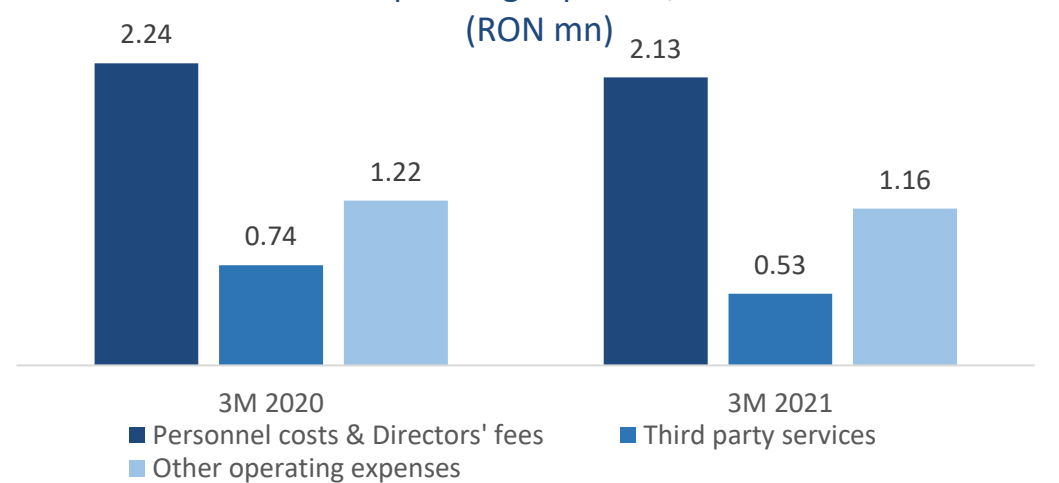
- **Net profit** down to RON 2.16 mn lei, -42% from RON 3.73 mn in Q1 2020, with a net margin of 37%.

* The financial results for Q1 2021 are prepared in accordance with IFRS and are not audited.

*includes intra-group transactions

Analysis of operating expenses - BVB Individual

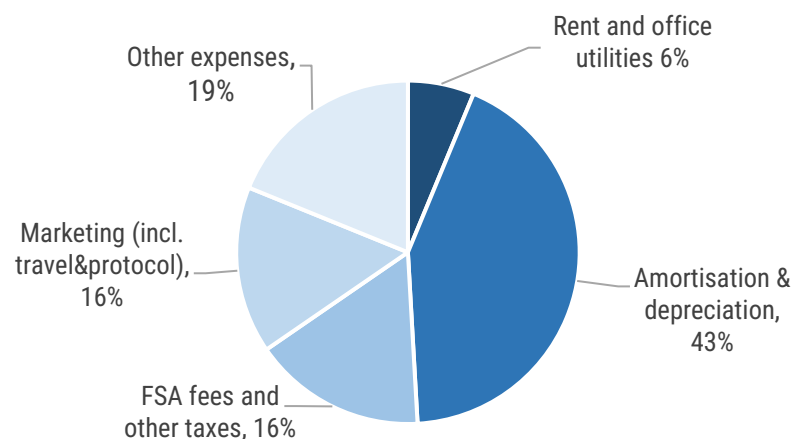
Breakdown of operating expenses, Q1 21 vs. Q1 20



Operating expenses decrease of 9%, respectively RON 0.38 mn from 4.2 to RON 3.82 mn.

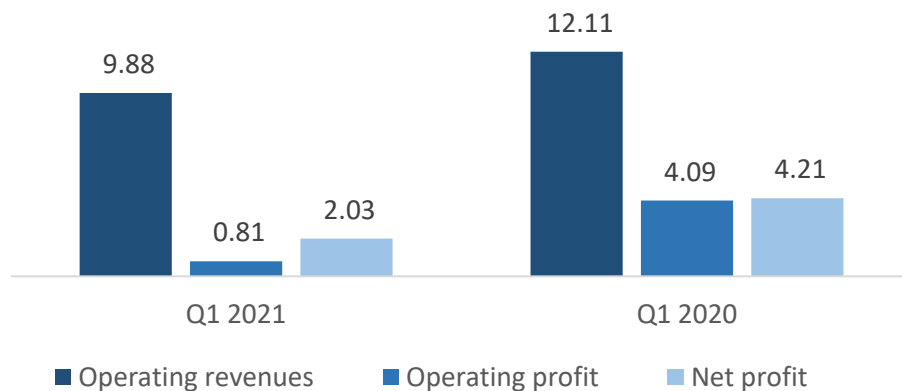
- **Personnel expenses** are in amount of RON 2.13 mn, decrease by 5% compared to Q1 2020, as a result of the reduction of monthly estimates for SOPs and bonuses, which will be recorded in the following quarters / Q4 after the performance review, partially offset by expenses with higher CA Remunerations in Q1 2021 (in Feb 2020 no expenses with CA remunerations were recorded).
- **Expenses with services provided by third parties** are in the amount of RON 0.53 mn, decrease by 29% compared to Q1 2020, generated by lower consulting expenses due to the “one-off” expenditure for the CCP.RO project recorded in Q1 2020, partially offset by higher expenses related to projects in progress aimed to promote and increase issuers visibility and expenses with legal advice for BVB projects and debt recovery
- **Other operating expenses**, decrease of 5%, up to RON 1.16 mn, as a result of lower expenses with provisions for uncollected receivables and depreciation expenses, while the marketing expenses increased as a result of intensified efforts to promote BVB in digital media

Other operating expenses, Q1 21 (%)

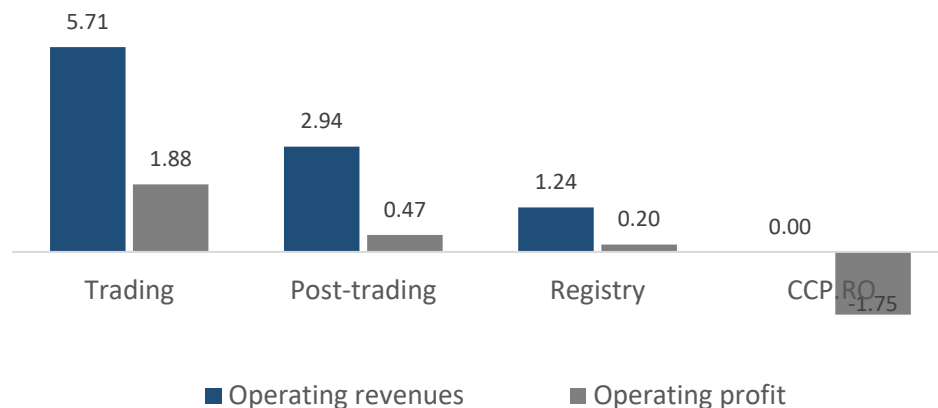


Analysis of the consolidated results - BVB Group

Main financial indicators, Q1 21 vs. Q1 2020
(RON mn)



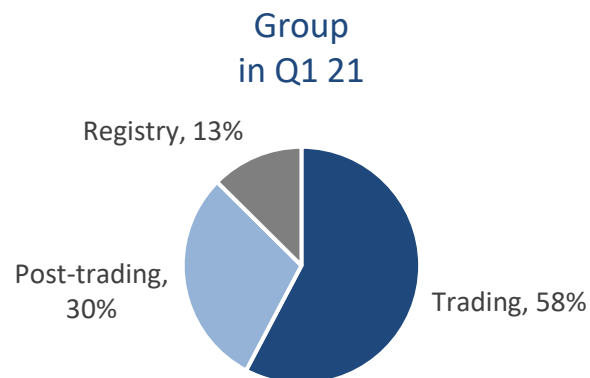
Distribution of operating revenues and result, by segment, Q1 21 (RON mn)



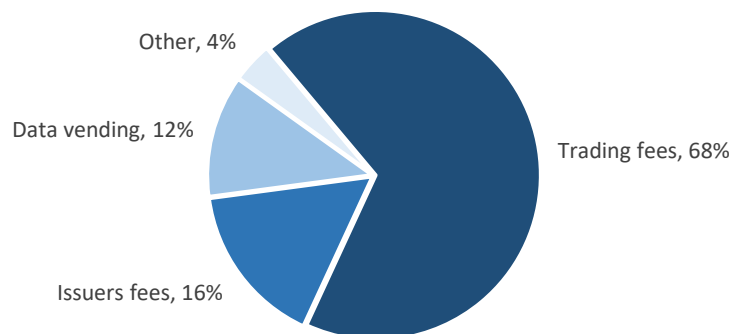
- **The consolidated operating revenues** decrease of 18% or RON 2.23 mn, up to RON 9.88 mn (Q1 2020: RON 12.11 mn), following the reduction of trading revenues, effect of the significant volume of transactions recorded in March 2020
- **Consolidated operating expenses**, + 13%, respectively RON 1.05 mn, up to RON 9.07 mn mainly, as a result of the advance of expenses generated by the activity of the CCP.RO subsidiary, CCP.RO started its operations in the second half of 2020 (impact in 2021 of +1.55 mn lei), increase partially offset by the reduction of personnel and services expenses provided by third parties on the trading segment (impact -0, 32 mn lei)
- **Consolidated operating profit of RON 0.81 mn**, decrease of 80%, generated by the decrease of operating revenues, respectively of trading revenues, as well as by the advance of operational expenses consolidated.
- **Consolidated net financial income** doubled compared to Q1 2020, up to RON 1.62 mn, mainly due to the recording of a gain from unrealized exchange rate differences from revaluation of financial instruments in foreign currency of RON 0.98 mn vs. RON 0.01 mn in Q1 2020, effect of the appreciation of EUR and USD vs RON,
- **Consolidated net profit of RON 2.03 mn**, down 52% and is generated, mainly, by the trading segment of the Group

Analysis of the Group trading segment revenues (1/2)

Breakdown of operating revenues of BVB



Breakdown of the Group trading segment revenues in Q1 2021 (%)



Trading segment revenues

Trading segment revenues –represent 58% from the Group’s operating income and decreased of 27%, up to RON 5.79 mn, mainly due to lower trading revenues by 32%, out of which revenues from public offering shares decreased by RON 1.30 mn

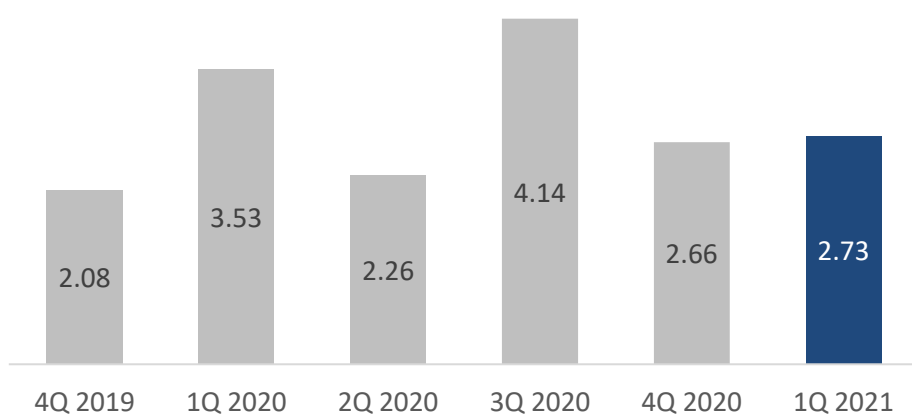
- **Trading revenues, regulated market**, excluding offers -20% compared to Q1 2020, from RON 4.3 mn to RON 3.45 mn.
- The trading activity at BVB on the regulated stock market recorded a decrease of 18%, reaching the level of 2.44 billion lei.
- **Trading revenues from public offers** on the regulated market, decrease of 91% (from RON 1.4 mn to RON 0.13 mn), influenced by the decrease of the value of secondary public offers on the stock market following the listing in Q1 2020 of 7 public offers totaling RON 328 mn
- **Trading revenues from the AERO market** increased over 5 times, up to RON 0.35 mn, effect of the new listings carried out; represents 6% of the total trading income

Trends in trading activity

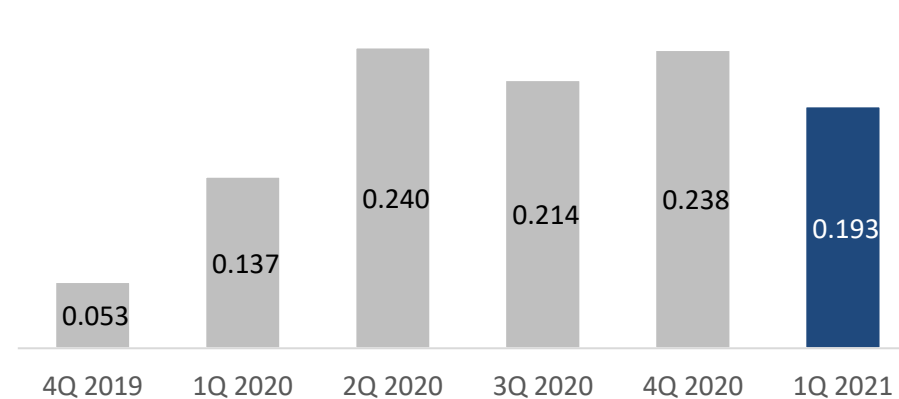
- Market value of all the companies listed on the Main Market of BVB reached RON 179.49 bn (EUR 36.45 bn) increase of 16% compared to year end 2020

Analysis of the Group trading segment revenues (2/2)

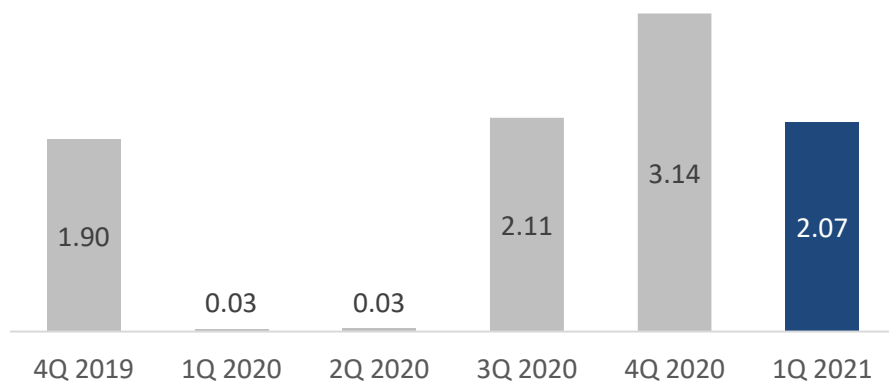
Trading value for shares, rights and units (RON bn)



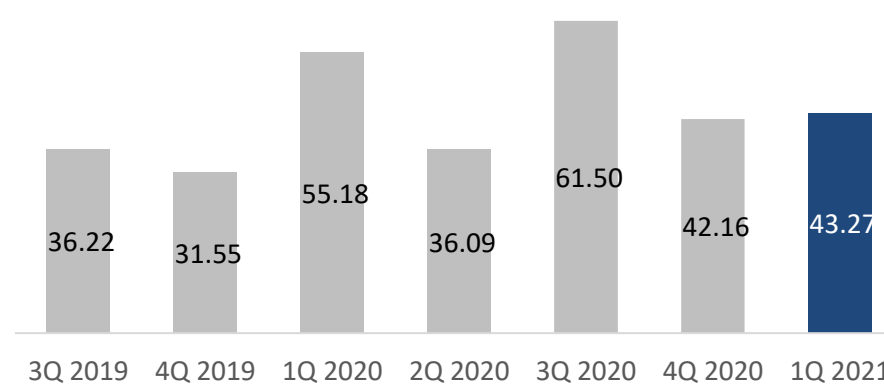
Trading value for certificates (RON bn)



Trading value, fixed-income instruments (RON bn)

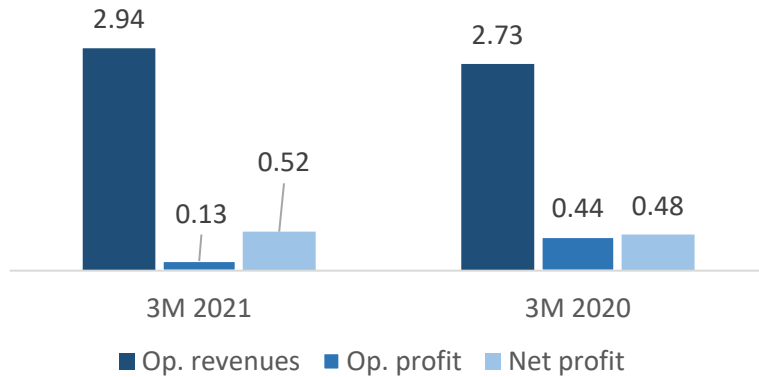


Average trading value, shares - regulated market (RON mn/day)

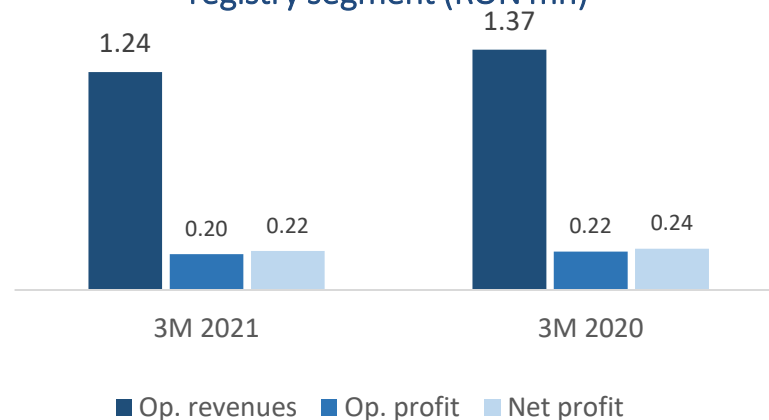


Analysis of the Group post-trading and registry segment revenues

Operating revenues and profit, Group post-trading segment (RON mn)



Operating revenues and profit, Group registry segment (RON mn)



Post-trading segment revenues

- Revenues related to the post-trading segment (DC) + 9% (from RON 2.72 mn to RON 2.95 mn) due to the increase of revenues from maintaining the quality of custodian in the Central Depository's system following the increase in value portfolios managed by custodians, while settlement revenues decreased by 4% compared to Q1 2020 influenced by the decrease in values traded on BVB.

Represent 30% of Group's operating revenues

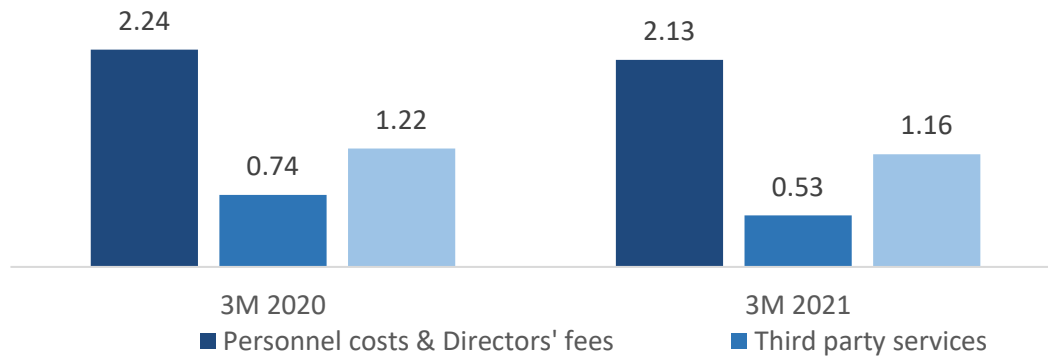
Registry segment revenues

- Revenues related to the registry segment (DC) decreased by 11%, from RON 1.38 mn to RON 1.22 mn, mainly due to the registration of "one-off" revenues in Q1 2020.

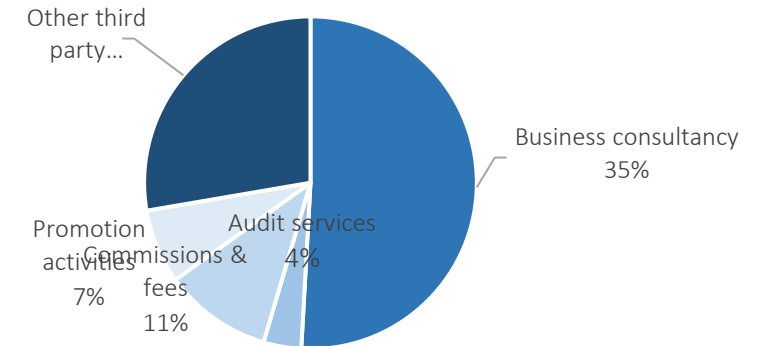
Represent 13 % of Group's operating revenues

Analysis of operating expenses - BVB Group

Breakdown of operating expenses, Q1 21 vs. Q1 20 (RON mn)



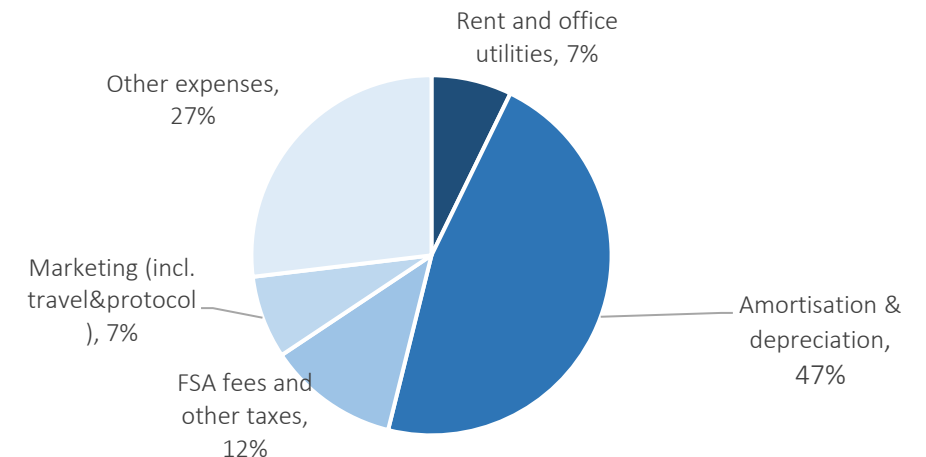
Third party services, Q1 21 (%)



Consolidated operating expenses as of Q1 2021, + 13%, respectively RON 1.05 mn, from RON 8.02 mn to RON 9.07 mn, mainly due to:

- The advance of 8%, respectively RON 0.37 mn of the **consolidated personnel expenses**, generated by personnel expenses of the new subsidiary CCP.RO in amount of RON 0.66 mn (RON 75 thousand in 2020), while BVB recorded a reduction in SOP and Bonus expenses as a result of the reduction in SOP estimates and annual bonuses, which will be recorded in the following quarters / Q4 based on the results obtained
- The increase of the **expenses with the services provided by third parties** by 45%, respectively RON 0.53 mn, from RON 1.16 mn to RON 1.68 mn as a result of the consulting services registered by CCP.RO within the contract with CC&G (performed starting with the second half of 2020) + RON 0.86 mn, an increase partially offset by the reduction of other consulting expenses that were either “one off” in Q1 2020 or have not yet been realized.
- The advance of 6% of **other operational expenses** up to the value of RON 2.66 mn, increase attributable mainly to the new subsidiary CCP.RO as a result of the registration of expenses with depreciation of fixed assets used by the company, put into use in December 2020, as well as projects initiated by BVB in the area of marketing and promotion in order to increase the visibility of issuers and the capital market.

Other operating expenses, Q1 21(%)



Overview of the financial position

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

	BVB individual		GROUP	
	Mar 2021	Dec 2020	Mar 2021	Dec 2020
Non-current assets	97.63	99.40	101.31	82.38
Current assets	23.15	13.53	115.67	129.07
Total assets	120.78	112.93	216.98	211.45
Shareholders' equity attributable to owners of the Company	110.84	108.68	110.18	108.04
Minority interest	-	-	40.70	40.82
Total liabilities	9.94	4.25	66.10	62.6
Total equity and liabilities	120.78	112.93	216.98	211.45

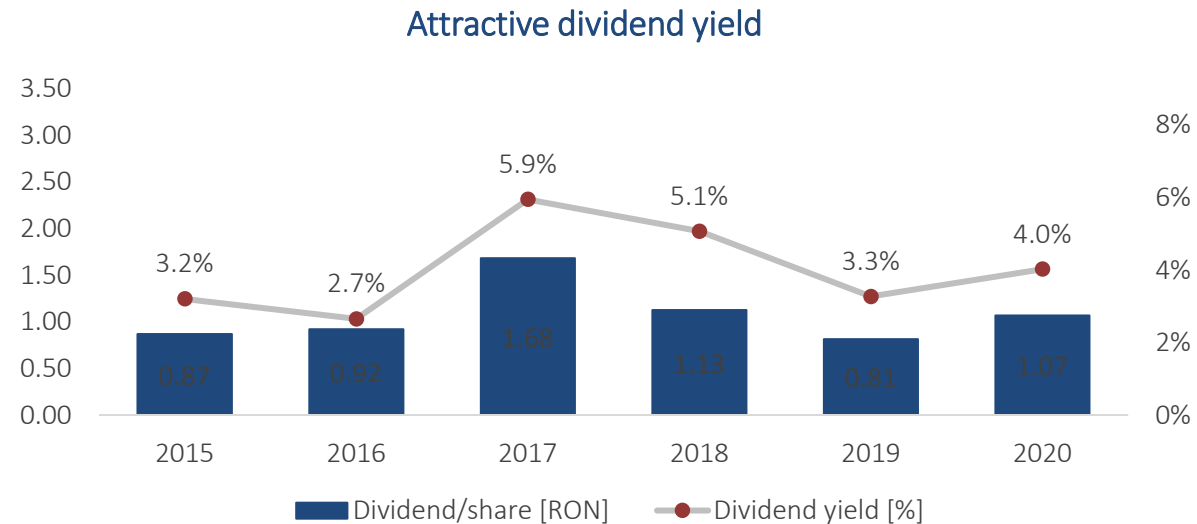
Analysis of BVB Individual financial position

- **Total assets** + 7% or RON 7.83 mn compared to December 2020, up to RON 120.78 mn, influenced by the increase of current assets, out of which government securities with maturity less than 1 year, acquired during the year or reclassified from fixed assets, as well as the establishment of bank deposits with a maturity of less than 90 days financial assets with a maturity of less than one year
- **Total liabilities** in amount of RON 9.94 mn, + 134% compared to the value as of December 31, 2020 (4.25 mn lei), mainly due to the increase of long-term leasing liabilities due to the recognition of the liability from rights of use related to the headquarters rental, according to IFRS 16, as well as the increase of current debts generated by deferred income, as a result of the increase of the tariffs for issuers (invoiced annually) and of the debt with the estimated profit tax.
- **Equity** value close to the one at the beginning of the year, respectively RON 110.84 mn, + 2%, influenced by the recognition of the current profit in Q1 2021 and the related legal reserve.

Analysis of consolidated financial position

- **Total assets** + 3% or RON 5.53 mn compared to December 2020, up to RON 216.98 mn, influenced by the increase of fixed assets with a higher level than the decrease of current assets
 - **Fixed assets**, + 23% compared to the beginning of the year, from RON 82.38 mn to RON 101.31 mn, mainly due to the acquisition of government securities, as well as the recognition of rights of use related to the renewal of the headquarters lease, according to IFRS 16.
 - **Current assets**, -10% compared to the beginning of the year, from 129.06 mn lei to 115.67 mn lei, mainly due to the acquisition of government securities with maturities less than 1 year and bank deposits with lower maturity than 90 days
- **Total liabilities** of the Group mainly short-term, in amount of RON 66.1 mn, + 6% compared to 2020 year end value of RON 62.6 mn, mainly due to the increase of debt of long-term leasing following the recognition of the liability from rights of use related to the headquarters lease contract of BVB, according to IFRS 16.
- **Shareholder's equity** has a value close to the one at the beginning of the year, respectively 150.88 mn lei, influenced by the recognition of a current result for Q1 2021 and the related legal reserve

Overview of the financial position



Note: Dividend yields are calculated using the price on the corresponding ex-dates, except for 2020, where the closing price as of May 11, 2021 (GSM date) was used.

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

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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