

EVERGENT INVESTMENTS SA

**CONDENSED INTERIM SEPARATE FINANCIAL
STATEMENTS
FOR THE THREE MONTHS' PERIOD ENDED
ON 31st MARCH 2022**

Prepared in accordance with IAS 34 Interim Financial Reporting and with the application of Financial Supervisory Authority's („FSA”) Rule no. 39/2015 on the approval of accounting regulations compliant with the International Financial Reporting Standards applicable to entities authorized, regulated and supervised by FSA in the field of Financial Instruments and Investments

UNAUDITED

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CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME
FOR THE 3 MONTHS' PERIOD ENDED ON 31ST MARCH 2022
(all amounts are presented in Lei, unless otherwise stated)

In LEI

	Note	3 month's period ended on 31 st March 2022	3 month's period ended on 31 st March 2021
Revenue			
Gross dividend income	5	13.802.044	880.833
Interest income		1.553.826	766.966
Other operating revenue		243.777	280.869
Net gain/(net loss) on financial assets at fair value through profit or loss	6	(10.334.511)	27.356.362
Expenses			
(Impairment loss)/loss reversal on financial assets		2.330.902	(77.026)
(Impairment loss)/Loss reversal on non-financial assets impairment		671	-
(Set-up)/ Reversal of provisions for risks and expenses		52.200	(1.800)
Expenses with wages, remuneration and other similar expenses	7	(4.348.130)	(4.844.284)
Other operating expenses	8	(2.708.383)	(2.179.993)
Operating profit		592.396	22.181.927
Interest expense from lease liability contract		(23.641)	(9.386)
Profit before tax		568.755	22.172.541
Income tax	9	(603.758)	(2.875.258)
Net profit /(net loss) of the financial period		(35.003)	19.297.283
Other comprehensive income			
Increase/(Decrease) from revaluation of property, plant and equipment, net of deferred tax		7.176	6.166
Net gain/(loss) from the revaluation of financial instruments at fair value through other comprehensive income (FVTOCI)	11 d)	(28.125.569)	98.925.539
Other elements of comprehensive income – elements that will not be reclassified in profit or loss		(28.118.393)	98.931.705
Net gain from the revaluation of FVTOCI bonds	11 d)	2.551	58.715
Other comprehensive income- elements that will be reclassified in profit or loss		2.551	58.715
Other comprehensive income elements - Total		(28.115.842)	98.990.420
Total comprehensive income of the period		(28.150.845)	118.287.703
Basic and diluted earnings per share (net profit per share)	17	(0,0000)	0,0197
Result per share (including gain from the sale of FVTOCI financial assets)		0,0114	0,0322

The separate financial statements were approved by the Board of Directors on 13th May 2022 and signed on its behalf by:

Claudiu Doros
CEO

Mihaela Moleavin
Finance Director

CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
ON 31st MARCH 2022
(All amounts are presented in Lei, unless otherwise stated)

<i>In LEI</i>	<i>Note</i>	31st March 2022	31st December 2021
Assets			
Cash and current accounts		258.314	267.380
Bank deposits with initial maturity within 3 months	10	89.795.581	157.466.639
Financial assets measured at fair value through profit or loss	11 a)	375.880.846	381.215.357
Financial assets measured at fair value through other comprehensive income	11 b)	1.970.969.267	1.952.286.731
Bonds at fair value through other comprehensive income	11 e)	4.024.825	3.982.215
Bonds at amortized cost	11 e)	34.881.265	34.171.645
Other financial assets at amortized cost	12	19.207.589	5.361.399
Other assets		395.772	1.579.222
Investment property		4.247.186	4.247.186
Plant, property and equipment		8.456.219	8.308.912
Right-of-use asset		3.369.121	3.570.975
Intangible assets		338.605	360.960
Total assets		<u>2.511.824.590</u>	<u>2.552.818.621</u>
Liabilities			
Lease liabilities		3.314.451	3.511.637
Dividends payable	13	33.792.396	34.036.742
Current income tax liabilities		838.565	-
Financial liabilities at amortized cost		3.574.549	1.833.601
Other liabilities	14	2.960.909	3.409.990
Provisions for risks and expenses		1.697.543	1.749.743
Deferred tax liabilities	15	115.871.656	125.338.378
Total liabilities		<u>162.050.069</u>	<u>169.880.091</u>
Equity			
Share capital	16	510.105.062	510.105.062
Retained earnings		992.737.580	981.801.980
Reserves from the revaluation of property, plant and equipment		8.975.012	8.967.836
Reserves from the revaluation of financial assets at fair value through other comprehensive income	11 d)	864.152.522	903.246.143
Treasury shares	16 d)	(46.122.664)	(41.119.507)
Equity-based payments to employees, directors and administrators	16 e)	16.252.012	16.252.012
Total items of equity		3.674.997	3.685.004
Total equity		<u>2.349.774.521</u>	<u>2.382.938.530</u>
Total liabilities and equity		<u>2.511.824.590</u>	<u>2.552.818.621</u>

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CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS' PERIOD
ENDED ON 31st MARCH 2022

(all amounts are presented in Lei, unless otherwise stated)

In LEI

	Note	Share capital	Reserves from the revaluation of property, plant and equipment	Reserves from the revaluation of FVTOCI financial assets	Retained earnings	Treasury shares	Equity-based payments to employees, directors and administrators	Other equity elements	Total
Balance at 31st December 2021	16	510.105.062	8.967.836	903.246.143	981.801.980	(41.119.507)	16.252.012	3.685.004	2.382.938.530
Comprehensive income									
Loss of the period ended on 31st March 2022		-	-	-	(35.003)	-	-	-	(35.003)
Other comprehensive income									
Increases/(Decreases) of revaluation reserve on property, plant and equipment, net of deferred tax		-	7.176	-	-	-	-	-	7.176
Revaluation at fair value of FVTOCI equity instruments, net of deferred tax		-	-	(28.125.569)	-	-	-	-	(28.125.569)
Revaluation at fair value of FVTOCI bonds		-	-	2.551	-	-	-	-	2.551
Net gain, transferred to retained earnings, for the sale of FVTOCI equity instruments	11 d)	-	-	(10.970.603)	10.970.603	-	-	-	-
Total comprehensive income of the period		-	7.176	(39.093.621)	10.935.600	-	-	-	(28.150.845)
Transactions with shareholders directly recognized in equity									
Acquisition of treasury shares		-	-	-	-	(5.003.157)	-	(10.007)	(5.013.164)
Total transactions with shareholders directly recognized in equity		-	-	-	-	(5.003.157)	-	(10.007)	(5.013.164)
Balance at 31st March 2022	16	510.105.062	8.975.012	864.152.522	992.737.580	(46.122.664)	16.252.012	3.674.997	2.349.774.521

The separate financial statements were approved by the Board of Directors on 13th May 2022 and signed on its behalf by:

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Mihaela Moleavin
Finance Director

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE 3 MONTHS' PERIOD ENDED ON 31ST MARCH 2022
(all amounts are presented in Lei, unless otherwise stated)

<i>In LEI</i>	Note	Share capital	Reserves from the revaluation of property, plant and equipment	Reserves from the revaluation of FVTOCI financial assets	Retained earnings	Treasury shares	Equity-based payments to employees, directors and administrators	Other equity elements	Total
Balance at 31st December 2020	16	514.402.388	8.527.896	591.817.817	871.860.684	(9.595.338)	18.457.300	3.564.379	1.999.035.126
Comprehensive income									
<i>Profit of the financial period ended on 31st March 2021</i>		-	-	-	19.297.283	-	-	-	19.297.283
<i>Other comprehensive income</i>									
Increases/(Decreases) of revaluation reserve on property, plant and equipment, net of deferred tax		-	6.166	-	-	-	-	-	6.166
Revaluation at fair value of FVTOCI equity instruments, net of deferred tax		-	-	98.925.539	-	-	-	-	98.925.539
Revaluation at fair value of FVTOCI bonds		-	-	58.715	-	-	-	-	58.715
Net gain, transferred to retained earnings, for the sale of FVTOCI equity instruments	11 d)	-	-	(12.201.247)	12.201.247	-	-	-	-
Total comprehensive income of the period		-	6.166	86.783.007	31.498.530	-	-	-	118.287.703
Transactions with shareholders directly recognized in equity									
Acquisition of treasury shares		-	-	-	-	(17.868.558)	-	(229.949)	(18.098.507)
Total transactions with shareholders directly recognized in equity		-	-	-	-	(17.868.558)		(229.949)	(18.098.507)
Balance at 31st March 2021	16	514.402.388	8.534.062	678.600.824	903.359.214	(27.463.896)	18.457.300	3.334.430	2.099.224.322

The separate financial statements were approved by the Board of Directors on 13th May 2022 and signed on its behalf by:

Claudiu Doros
CEO

Mihaela Moleavin
Finance Director

The attached notes are integral part of the financial statements.

CONDENSED SEPARATE STATEMENT OF CASH FLOWS
FOR THE 3 MONTHS' PERIOD ENDED ON 31st MARCH 2022
(all amounts are presented in Lei, unless otherwise stated)

<i>In LEI</i>	Note	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
Operating activities			
Net profit/(net loss) of the period		(35.003)	19.297.283
Adjustments:			
Loss / (Loss reversal) from financial assets impairment		(2.330.902)	77.027
Loss/(Loss reversal) from non-financial assets impairment		(671)	-
(Net gain) / Net loss of financial assets at fair value through profit or loss	6	10.334.511	(27.356.362)
Set-up / (reversal) of provisions for risks and charges		(52.200)	1.800
Gross dividend income	5	(13.802.044)	(880.833)
Interest income		(1.553.826)	(766.966)
Interest expenses from lease liabilities contract		23.641	9.386
Corporate tax		603.758	2.875.258
Other adjustments		330.350	281.876
Modifications of assets and liabilities corresponding to operating activities			
Payments for acquisition of financial assets at fair value through profit or loss		(5.000.000)	(10.014.667)
Proceeds from sales of financial assets at fair value through profit or loss		-	21.991.476
Payments for the acquisition of financial assets at fair value through other comprehensive income		(72.495.598)	(11.696.231)
Proceeds from sales of financial assets at fair value through other comprehensive income		18.325.071	52.764.421
Proceeds from bonds		2.940	2.940
Changes in other assets		1.595.196	6.390.059
Changes in other liabilities		1.291.867	(503.875)
Proceeds from dividends		10.844	880.833
Proceeds from interests		766.559	363.573
Income tax paid		-	(3.696.663)
Net cash resulted from operating activities		(61.985.507)	50.020.335
Investment activities			
Payments for acquisitions of property, plant and equipment		(306.424)	(15.753)
Payments for acquisition of intangible assets		-	(29.490)
Proceeds from sale of intangible assets and property investments		2.321	-
Net cash used in investment activities		(304.103)	(45.243)
Financing activities			
Paid dividends		(244.346)	(233.764)
Lease payments		(144.648)	(100.287)
Payments of lease liability interest		(23.641)	(9.386)
Acquisition of treasury shares		(5.013.164)	(18.098.507)
Net cash used in financing activities		(5.425.799)	(18.441.944)
Net increase/(decrease) of cash and cash equivalents		(67.715.409)	31.533.148
Cash and cash equivalents on 1 st January		157.633.721	85.331.836
Cash and cash equivalents on 31st March		89.918.312	116.864.984

The attached notes are integral part of the financial statements.

CONDENSED SEPARATE STATEMENT OF CASH FLOWS
FOR THE 3 MONTHS' PERIOD ENDED ON 31st MARCH 2022
(all amounts are presented in Lei, unless otherwise stated)

<i>in LEI</i>	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
Cash at hand	2.606	5.891
Current bank accounts	255.710	193.156
Bank deposits with initial maturity within 3 months (principal)	89.659.996	116.665.937
Cash and cash equivalents	<u>89.918.312</u>	<u>116.864.984</u>

The separate financial statements were approved by the Board of Directors on 13th May 2022 and were signed on its behalf by:

Claudiu Doros
CEO

Mihaela Moleavin
Finance Director

1. REPORTING ENTITY

EVERGENT Investments SA (“the Company”), is setup as a Romanian private-law legal entity, organized as a joint-stock company, classified according to applicable regulations as AIS-type Alternative Investment Fund, alternative investment fund category intended for retail investors - AIFRI, with a diversified investment policy, closed, self-managed.

The Company is authorized by the Financial Supervision Authority (FSA) as alternative investment fund manager by *Permit no. 20/23.01.2018* and as an Alternative Investment Fund intended for retail investors (AIFRI), by *Permit no. 101/25.06.2021*..

The headquarters of the Company is located in Street Pictor Aman, no. 94C, Bacau municipality, Bacau county, Romania.

According to the Articles of Incorporation, the Company’s main business activity consists in:

- administration of the portfolio;
- risk management;
- other auxiliary activities related to collective administration activities permitted by the legislation in force.

The company is self-managed as a one-tier company.

The shares issued by Evergent Investments SA are listed at the Bucharest Stock Exchange (“BVB”), the primary market, Premium category, with indicative EVER, since 29 March 2021 (the Company’s share were previously traded using indicative “SIF2”, according to BVB resolution on 01.11.2011).

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

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

2. BASIS OF PREPARATION

(a) Statement of Compliance

The interim condensed separate financial statements for the three months' period ended on 31st March 2022, have been prepared in accordance with IAS 34 "Interim Financial Reporting" applying the provisions of Norm 39/2015 for the approval of Accounting Regulations in accordance with International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by FSA in the field of Financial Instruments and Investments (Rule 39/2015).

According to Rule 39/2015, the International Financial Reporting Standards, hereinafter referred to as IFRS, represent the standards adopted in accordance with the procedure foreseen by Regulation (CE) no. 1606/2002 of the European Parliament and Council of 19 July 2002 regarding the application of international accounting standards, with the subsequent amendments and additions.

These interim condensed separate financial statements should be read together with the annual financial statements for the financial year ended on 31st December 2021, available on the Company's website: www.evergent.ro. These interim financial statements can also be viewed on the site starting on 13th May 2022.

These interim financial statements do not include all information required by a full set of financial statements, but the selected explanatory notes are included to explain events and transactions that are significant for the understanding of the Company's financial position and performance modification in comparison to the latest annual financial statements published.

The Company has not prepared the interim consolidated financial statements of EVERGENT Investments group on 31st March 2022.

The Company's accounting records are held in Lei (national currency symbol: "RON").

(b) Functional and Presentation Currency

The Company's management consider that the functional currency, as defined by IAS 21 "The Effects of Changes in Foreign Exchange Rates", is the Romanian currency ("Leu" or "RON"). The separate financial statements are presented in RON, rounded to the closest RON, a currency that the management of the Company has selected as presentation currency.

(c) Basis of Measurement

The interim separate condensed financial statements have been prepared based on fair value convention for financial assets at fair value through profit or loss and financial assets measured at fair value through other comprehensive income.

Other financial assets and liabilities are stated at amortized cost, and non-financial assets and liabilities are presented at historic cost, fair value or revaluated amount.

2. BASIS OF PREPARATION (continued)

(d) Use of Estimates and Judgements

The preparation of the interim separate condensed financial statements in accordance with IFRS requires the use of management estimates, judgments in determining and applying the Company's accounting policies and assumptions that affect the amounts recognised in the financial statements, as well as the following year reported value of the assets, liabilities, revenues and expenses. Estimates and assumptions associated with these are based on historical experience and other factors deemed reasonable in light of the given circumstances, and the result of this considerations represents the basis for the judgements used when establishing the accounting value of the assets and liabilities for which no other valuation sources are available. The results obtained may differ from the value of the estimates.

Estimates and underlying assumptions are periodically reviewed. The revisions of accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period in which the estimate is revised and future periods if the revision affects both current period and following periods.

The information and reasoning concerning the ascertainment and application of judgement in determining and applying accounting policies and determining accounting estimates, with the highest degree of uncertainty regarding the estimates, which have a significant impact on the amounts recognized in these annual financial statements, are the following:

- Determining the fair value of financial instruments (see explanatory notes 11 (c))
- fair value hierarchy and unobservable inputs used in the evaluation (Level3) (see explanatory notes 11 (c))
- Classification of financial instruments (see explanatory note 4)
- Adjustments for expected credit losses of assets carried at amortized cost

(e) The impact of the Russian-Ukrainian conflict and other tendencies on international level, on the Company's financial position and performance

On 24th February 2022, Russia started military operations against Ukraine. This action was preceded by a gathering of troops at Ukrainian border and diplomatic recognition by Russia – on 21st February 2022, of Donetsk Folks' Republic and Folk's Republic of Lugansk.

EVERGENT Investments does not have direct exposures in Russia or the Ukraine.

This event has had and will continue to have a negative impact on many economic sectors, given Russia's important role in the energy raw materials market in Europe.

Following this event, in the first quarter of 2022, quotations on Bucharest Stock Exchange showed decreases and high volatility.

2. BASIS OF PREPARATION (continued)

(e) The impact of the Russian-Ukrainian conflict and other tendencies on international level, on the Company's financial position and performance (continued)

In addition, against the backdrop of inflationary pressures due mainly to the rising commodity prices on global level, the National Bank of Romania has been operating, since September 2021 successive increases of monetary policy interest (accentuated by the start of the military conflict in Ukraine) reaching 3% per annum, at the beginning of April 2022. The resulting general interest rate increase had a negative effect on BVB share prices.

As a result of these international events and trends, the Company registered a decrease of its financial position and performance, mainly due to changes in fair value, in the sense of a decrease of investments in shares and fund units in the portfolio (see explanatory notes 6 and 11 a) and b)).

Given this context, it is expected that, in the near future, at least on the short-term on a 3-6 months' time horizon, there will be a high volatility of quotations on Bucharest Stock Exchange, the market on which the Company's portfolio is mainly exposed. On the authorization date of these interim financial statements, the management of the Company is unable to estimate with accuracy the impact, as these events are still on-going.

Based on existing data, EVERGENT Investments analysed the possible evolutions of the domestic and international economic environment as a result of this event, ad-hoc crisis simulations were performed according to risk procedures, concluding that the performance of EVERGENT Investments may be affected, but in the short term or and no difficulties are estimated in meeting the Company's commitments, and business continuity is not affected.

EVERGENT Investments closely monitors this conflict, as well as other events and tendencies on global level, their impact and measures taken on international level on the national economic environment, where most of the Company's assets are exposed.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in these interim condensed financial statements are consistent with those in the annual financial statements of the Company for the financial year ended on 31st December 2021 and were applied consistently for all periods presented in these condensed financial statements.

4. FINANCIAL ASSETS AND LIABILITIES

The table below summarizes the book values and fair values of the Company's financial assets and liabilities on 31st March 2022:

<i>In LEI</i>	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Amortized cost	Total book value	Fair value
Cash and current accounts	-	-	258.314	258.314	258.314
Bank deposits with initial maturity within 3 months	-	-	89.795.581	89.795.581	89.795.581
Financial assets at fair value through profit or loss	375.880.846	-	-	375.880.846	375.880.846
Financial assets at fair value through other comprehensive income	-	1.970.969.267	-	1.970.969.267	1.970.969.267
Bonds at fair value through other comprehensive income	-	4.024.825	-	4.024.825	4.024.825
Bonds at amortized cost	-	-	34.881.265	34.881.265	34.881.265
Other financial assets at amortized cost	-	-	19.207.589	19.207.589	19.207.589
Total financial assets	375.880.846	1.974.994.092	144.142.749	2.495.017.687	2.495.017.687
Lease liabilities	-	-	3.314.451	3.314.451	3.314.451
Dividends payable	-	-	33.792.396	33.792.396	33.792.396
Financial assets at amortized cost	-	-	3.574.549	3.574.549	3.574.549
Total financial liabilities	-	-	40.681.396	40.681.396	40.681.396

For financial assets and liabilities at amortized cost, the Company has analysed fair value on 31st March 2022 and concluded that there are not significant differences between fair value and amortized cost.

4. FINANCIAL ASSETS AND LIABILITIES (continued)

The table below summarizes the book values and fair values of the Company's financial assets and liabilities at 31 December 2021:

<i>In LEI</i>	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Amortized cost	Total book value	Fair value
Cash and current accounts	-	-	267.380	267.380	267.380
Bank deposits with initial maturity within 3 months	-	-	157.466.639	157.466.639	157.466.639
Financial assets at fair value through profit or loss	381.215.357	-	-	381.215.357	381.215.357
Financial assets at fair value through other comprehensive income	-	1.952.286.731	-	1.952.286.731	1.952.286.731
Bonds at fair value through other comprehensive income	-	3.982.215	-	3.982.215	3.982.215
Bonds at amortized cost	-	-	34.171.645	34.171.645	34.171.645
Other financial assets at amortized cost	-	-	5.361.399	5.361.399	5.361.399
Total financial assets	381.215.357	1.956.268.946	197.267.063	2.534.751.366	2.534.751.366
Lease liabilities	-	-	3.511.637	3.511.637	3.511.637
Dividends payable	-	-	34.036.742	34.036.742	34.036.742
Financial liabilities at amortized cost	-	-	1.833.601	1.833.601	1.833.601
Total financial liabilities	-	-	39.381.980	39.381.980	39.381.980

The attached notes are integral part of the financial statements.

5. GROSS DIVIDEND INCOME

<i>In LEI</i>	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
BRD – Groupe Societe Generale	13.790.629	-
Other dividends	11.415	880.833
Total	<u>13.802.044</u>	<u>880.833</u>

Dividend revenue is registered at gross value. Dividend tax rates for the period concluded on 31st March 2022 were 5% and 0% (3 months' period ended on 31st March 2021: 5% and 0%). Dividend tax exemption is applied in case the Company's holding percentage was more than 10% of the share capital of the company that distributed the dividends, for an uninterrupted period of at least one year before distribution.

In the period ended on 31st March 2022, the value of gross dividends distributed by the companies for which holdings were classified as financial assets at fair value through other comprehensive income was 13.802.044 lei (3 months' period ended on 31st March 2021: 0 lei).

6. NET GAIN / (NET LOSS) ON ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>In LEI</i>	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
Net gain / (net loss) from the revaluation of financial assets measured at fair value through profit or loss	(10.334.511)	26.498.472
Net gain / (net loss) from the sale of financial assets at fair value through profit or loss	-	857.890
Total	<u>(10.334.511)</u>	<u>27.356.362</u>

Unrealized net loss in the first quarter of 2022, in amount of (10.334.511) lei (3 months' period ended on 31st March 2021: unrealized net profit of 26.498.472 lei) represents the difference from the revaluation at fair value of fund units and shares held at fair value through profit or loss.

In the first quarter of 2022, unrealized net loss was mainly generated by the changes in fair value, that is a decrease, of investments in fund units following the negative impact of the Russian –Ukrainian military conflict on international and national financial markets, including on the quotations of financial instruments on Bucharest Stock Exchange.

In the first quarter of 2021, unrealized net gain was mainly generated by the increase of fair value of fund unit investments, and realized net gain comes from the sale of fund units.

7. EXPENSES WITH WAGES, REMUNERATIONS AND OTHER SIMILAR EXPENSES

Expenses with wages, remunerations, contributions and other similar expenses include expenses with the salaries, allowances, contributions and other benefits, as well as corresponding contributions of the employees, members of the Board of Directors and Management Committee.

<i>In LEI</i>	3 months' period ended on 31st March 2022		3 months' period ended on 31st March 2021	
	No. of beneficiari es	Value	No. of beneficiari es	Value
<i>Fixed remunerations</i>				
Board of Directors	5	1.427.517	5	2.124.417
Management Committee	2	841.875	2	870.249
Employees	42	1.833.370	37	1.674.420
Total fixed remunerations		<u>4.102.762</u>		<u>4.669.086</u>
<i>Variable remuneration Board Of Directors and Management Committee</i>				
Bonuses for the current year	5	87.849	5	-
Total		<u>87.849</u>		<u>-</u>
<i>Employees</i>				
Bonuses for the current year	42	76.402	38	71.710
Total		<u>76.402</u>		<u>71.710</u>
Total variable remunerations		<u>164.251</u>		<u>71.710</u>
Expenses with social contributions and similar		93.965		103.488
Net expenses/income from provisions for untaken leaves		<u>(12.848)</u>		<u>-</u>
Total wages, allowances, contributions and similar expenses		<u>4.348.130</u>		<u>4.844.284</u>

The remunerations due to the officers are approved by the General Meeting of Shareholders and Board of Directors, through the Management Contracts.

The average number of employees for the period concluded on 31st March 2022 was 40 (3 months' period ended on 31st March 2021: 37).

8. OTHER OPERATING EXPENSES

<i>In LEI</i>	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
Commission and fee expenses	914.810	864.904
Expenses with outsourced services	646.026	540.817
Expenses with protocol, advertising and publicity	80.571	151.237
Expenses with the amortization of tangible and intangible assets	179.822	140.969
Expenses with the depreciation of right-of-use assets from lease contracts	146.287	111.475
Expenses with sponsorship and patronage	32.000	20.000
Other operating expenses	708.867	350.591
Total	2.708.383	2.179.993

Expenses with commissions and fees include mainly the commission calculated based on the net asset owed to FSA, commissions for equity transactions on the regulated market, commissions owed to the depository bank, for register services of the Central Depository owed by the Company, as well as legal assistance fee and other fees for consultancy.

Expenses with outsourced services are represented mainly by the cost of portfolio monitoring services, insurance, assets evaluation services and services for the management of property owned by the Company.

Other operating expenses include expenses with travel, post and telecommunication, expenses with maintenance and repairs, utilities, fuel, inventory objects and materials, other taxes and other expenses.

In the first quarter of 2022, were 7.810 lei (3 months' period ended on 31st March 2021: 0 lei).

9. INCOME TAX

<i>In LEI</i>	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
Current profit tax		
Current income tax (16%)	-	2.882.058
Dividend tax (5%)	690.102	-
	690.102	2.882.058
Deferred income tax		
Investment property and property, plant and equipment	(5.647)	(4.970)
Liabilities related to cash benefit plan and other benefits	(14.180)	(1.542)
Provisions for risks and charges	8.352	(288)
Tax loss	(74.869)	-
	(86.344)	(6.800)
Total	603.758	2.875.258

The reconciliation of profit before tax with income tax expense in the profit or loss account:

<i>In LEI</i>	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
Profit before tax	568.755	22.172.541
Tax in accordance with the statutory taxation rate of 16% (2020: 16%)	91.001	3.547.607
Effect on income tax of:		
Non-deductible expenses	2.439.377	32.942
Non-taxable income	(2.612.145)	(10.190)
Registration/(reversal) of temporary differences	(86.344)	(6.800)
Other elements	6.898	(688.301)
Effect of tax loss in the current period	74.869	-
Dividend tax (5%)	690.102	-
Income tax	603.758	2.875.258

The effective rate of income tax rate in the first quarter of 2022 is 106% (3 months' period ended on 31st March 2021: 13%).

9. INCOME TAX (continued)

The main non-taxable income from the income tax point of view is represented by dividend income (taxed through deduction at source), and income from the differences following the measurement of financial assets at fair value through profit or loss (holdings over 10%), and non-deductible expenses include expenses with the benefit plan, expenses from the revaluation of financial assets at fair value through profit or loss (holdings over 10%) as well as expenses proportionally assigned to non-taxable income.

In determining the tax result, non-deductible expenses, management and administration expenses, as well as other expenses are taken into account in proportion to the share of non-taxable income in the total income recorded by the Company.

10. BANK DEPOSITS WITH INITIAL MATURITY UNDER 3 MONTHS

<i>In LEI</i>	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
Term deposits with initial maturity within 3 months	89.659.996	157.366.340
Attached receivables	141.118	109.388
Total bank deposits – gross value	89.801.114	157.475.728
Expected credit loss	(5.533)	(9.089)
Total bank deposits	89.795.581	157.466.639

The bank deposits are constantly at the Company's disposal and are not restricted. All Company's bank deposits are classified as Stage 1.

11. FINANCIAL ASSETS

a) *Financial assets at fair value through profit or loss*

<i>In LEI</i>	31st March 2022	31st December 2021
Fund units	307.883.890	313.914.450
Shares	67.996.956	67.300.907
Total	375.880.846	381.215.357

<i>In LEI</i>	31st March 2022	31st March 2021
1st January	381.215.357	364.462.371
Purchases	5.000.000	10.014.667
Sales	-	(21.991.476)
Changes in fair value	(10.334.511)	26.498.472
Gain from FVTPL sale	-	857.889
31st March	375.880.846	379.841.923

b) *Financial assets at fair value through other comprehensive income*

<i>In LEI</i>	31st March 2022	31st December 2021
Shares measured at fair value	1.970.969.267	1.952.286.731
Total	1.970.969.267	1.952.286.731

On 31st March 2022 and 31st December 2021 the category of shares measured at fair value through other comprehensive income mainly includes shares held in Banca Transilvania, SNGN Romgaz, Aerostar, BRD - Groupe Société Générale, OMV – Petrom, Professional Imo Partners.

The Company has used its irrevocable option to designate such equity instruments at fair value through other comprehensive income, as these financial assets are held both for dividend collection and for gains on sale and are not held for trading.

11. FINANCIAL ASSETS (continued)

b) Financial assets at fair value through other comprehensive income (continued)

The movement of financial assets at fair value through other comprehensive income in the period ended on 31st March 2022 namely 31st March 2021 is presented in the following table:

<i>In LEI</i>	31st March 2022	31st March 2021
1st January	<u>1.952.286.731</u>	<u>1.643.409.645</u>
Purchases	72.495.598	11.696.231
Sales	(18.325.071)	(52.764.421)
Changes in fair value	(35.487.991)	118.826.628
31st March	<u>1.970.969.267</u>	<u>1.721.168.083</u>

In the first 3 months of 2022, shares classified at fair value through other comprehensive income registered a decrease, due to the negative effect that the Russian-Ukrainian military conflict had it on financial markets (including on Bucharest Stock Exchange), and also following the increase of interest caused by the monetary policy interest increase by Romania's national Bank, due to sharp inflationist pressures, starting in the second half of 2021.

For information regarding the net gains from the sale of shares carried at fair value through other comprehensive income, see Explanatory Note 11 d).

11. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy

The table below analyzes the financial instruments at fair value depending on the valuation method. Fair value levels depending on the inputs in the valuation model have been defined as follows:

- Level 1: quoted prices (not adjusted) on active markets for identical assets or liabilities;
- Level 2: inputs other than the quoted prices included in level 1 that are observable for assets or liabilities either directly (e.g. prices) or indirectly (e.g. price derivatives);
- Level 3: inputs for assets or liabilities that are not based on observable inputs from the market (unobservable inputs).

31st March 2022

<i>In LEI</i>	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	317.565.406	-	58.315.440	375.880.846
Financial assets measured at fair value through other comprehensive income	1.710.636.807	-	260.332.460	1.970.969.267
Bonds at fair value through other comprehensive income	4.024.825	-		4.024.825
Total	<u>2.032.227.038</u>	<u>-</u>	<u>318.647.900</u>	<u>2.350.874.938</u>

31st December 2021

<i>In LEI</i>	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	322.794.978	-	58.420.379	381.215.357
Financial assets measured at fair value through other comprehensive income	1.691.978.374	-	260.308.357	1.952.286.731
Bonds at fair value through other comprehensive income	3.982.215	-		3.982.215
Total	<u>2.018.755.567</u>	<u>-</u>	<u>318.728.736</u>	<u>2.337.484.303</u>

EXPLANATORY NOTES TO THE CONDENSED SEPARATE FINANCIAL
STATEMENTS FOR THE 3 MONTHS' PERIOD ENDED ON 31ST MARCH 2022
(All amounts are presented in Lei, unless otherwise stated)

11. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Financial assets	Fair value on 31 st March 2022	Valuation technique	Unobservable inputs, value intervals	Relationship between unobservable inputs and fair value
Listed minority interest without active market	2.427.859	Market approach, comparable companies method	Invested capital/ revenues multiple: 0,8 Invested capital/EBITDA : 7,4 Equity /book value: 0,8 Discount for lack of marketability: 16,3%	The lower the EV/Rev multiple, the lower the fair value. The lower the EV/EBITDA multiple, the lower the fair value. In the balance, the book value is identified through equity. The lower the price/book value ratio, the lower the fair value. The lower the lack of marketability discount, the higher the fair value.
Not listed minority interest	5.359.891	Market approach, comparable companies method	Invested capital/turnover multiple: 0,6 Equity / book value multiple: 1,2 Discount for lack of marketability: 13%	The lower the EV/Sales multiple, the lower the fair value In the balance, the book value is identified through equity. The lower the price/book value ratio, the lower the fair value. . The lower the lack of marketability discount, the higher the fair value.
Not listed minority interest with control right	46.542.439	Income-based approach – discounted cash- flow method	Weighted average cost of capital: 9,9% Discount for lack of marketability: 18,9%. Constant long-term income growth rate: 2,5%	The lower the weighted average cost of capital, the higher the fair value. The lower the lack of marketability discount, the higher the fair value. The higher the long-term revenue increase rate, the higher the fair value.
Not listed minority interest	434.574	Income-based approach – discounted cash- flow method	Weighted average cost of capital: 12,4% Constant long-term income growth rate: 2,5% Discount for lack of control: 15,3% Discount for lack of marketability: 16,3%	The lower the weighted average cost of capital, the higher the fair value. The higher the long-term revenue increase rate, the higher the fair value. The lower the lack of control discount, the higher the fair value. The lower the lack of marketability discount, the higher the fair value.

The attached notes are integral part of the financial statements.

EXPLANATORY NOTES TO THE CONDENSED SEPARATE FINANCIAL
STATEMENTS FOR THE 3 MONTHS' PERIOD ENDED ON 31ST MARCH 2022
(All amounts are presented in Lei, unless otherwise stated)

11. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Financial assets	Fair value on 31 st March 2022	Valuation technique	Unobservable inputs, value intervals	Relationship between unobservable inputs and fair value
Not listed minority interest with control right	111.701.204	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 1,0 Discount for lack of marketability: 9,6%	In the balance sheet, the book value is identified through equity. The lower the resulted ratio, the lower the fair value. The lower the lack of marketability discount, the higher the fair value.
Listed control right holdings, without active market	9.777.490	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 1,1	In the balance sheet, the book value is identified through equity. The lower the resulted ratio, the lower the fair value.
Listed minority holdings without active market	79.467.137	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 1,5 Discount for lack of control: 18,4% Discount for lack of marketability: 9,6%	In the balance sheet, the book value is identified through equity. The lower the resulted ratio, the lower the fair value. The lower the lack of control discount, the higher the fair value. The lower the lack of marketability discount, the higher the fair value.
Not listed minority interest	62.937.306	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 1,0 Discount for lack of control: 23,4% Discount for lack of marketability: 11,8%	In the balance sheet, the book value is identified through equity. The lower the resulted ratio, the lower the fair value. The lower the lack of control discount, the higher the fair value. The lower the lack of marketability discount, the higher the fair value.
Total	318.647.900			

The attached notes are integral part of the financial statements.

EXPLANATORY NOTES TO THE CONDENSED SEPARATE FINANCIAL
STATEMENTS FOR THE 3 MONTHS' PERIOD ENDED ON 31ST MARCH 2022
(All amounts are presented in Lei, unless otherwise stated)

11. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Financial assets	Fair value on 31 st December 2021	Valuation technique	Unobservable inputs, value intervals	Relationship between unobservable inputs and fair value
Listed minority holdings, without active market	2.403.249	Market approach, comparable companies method	Invested capital/turnover multiple: 0,8 Discount for lack of marketability: 16,3%	The lower the EV/Sales multiple, the lower the fair value. The lower the lack of liquidity discount, the higher the fair value.
Not listed minority interest	5.360.398	Market approach, comparable companies method	Invested capital/turnover multiple: 0,6 Invested capital/EBITDA multiple: 6,2 Equity value/ book value multiple: 1,2 Discount for lack of marketability: 14,6%	The lower the EV/Sales multiple, the lower the fair value. The lower the EV/EBITDA multiple, the lower the fair value. In the balance, the book value is identified through equity. The lower the price/book value ratio, the lower the fair value. The lower the lack of liquidity discount, the higher the fair value.
Not listed control right interest	46.542.439	Income-based approach –discounted cash-flow method	Weighted average cost of capital: 9,9% Discount for lack of control: 18,9%. Constant long-term income growth rate: 2,5%	The lower the weighted average cost of capital, the higher the fair value. The lower the lack of liquidity discount, the higher the fair value. The higher the long-term revenue increase rate, the higher the fair value.
Not listed minority interest	434.574	Income-based approach –discounted cash-flow method	Weighted average cost of capital: 12,4% Constant long-term income growth rate: 2,5% Discount for lack of control: 15,3% Discount for lack of marketability: 16,3%	The lower the weighted average cost of capital, the higher the fair value.. The higher the long-term revenue increase rate, the higher the fair value. The lower the lack of control discount, the higher the fair value. The lower the lack of marketability discount, the higher the fair value.

The attached notes are integral part of the financial statements.

11. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Financial assets	Fair value on 31 st December 2021	Valuation technique	Unobservable inputs, value intervals	Relationship between unobservable inputs and fair value
Not listed, control right interest	111.701.204	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 1,0 Discount for lack of marketability: 9,6%	In the balance, the book value is identified through equity. The lower the resulted ratio, the lower the fair value. The lower the lack of marketability discount, the higher the fair value.
Listed interest with control right without active market	9.777.490	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 1,1	In the balance, the book value is identified through equity. The lower the resulted ratio, the lower the fair value.
Listed minority interest, without active market	79.467.137	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity, by reference to their book value: 1,5 Discount for lack of control: 18,4% Discount for lack of marketability: 9,6%	In the balance, the book value is identified through equity. The lower the resulted ratio, the lower the fair value. The lower the lack of control discount, the higher the fair value. The lower the lack of marketability discount, the higher the fair value.
Not listed minority interest	63.042.245	Asset-based approach - asset accumulation method or adjusted net asset method	Market value of equity, by reference to their book value: 0,8 Discount for lack of control: 23,4% Discount for lack of marketability: 11,8%	In the balance, the book value is identified through equity. The lower the resulted ratio, the lower the fair value. The lower the lack of control discount, the higher the fair value. The lower the lack of marketability discount, the higher the fair value.
Total	318.728.736			

The attached notes are integral part of the financial statements.

11. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Sensitivity Analysis

Although the Company considers that fair value estimates are adequate, the use of other methods and assumptions could lead to different values of the fair value. For the fair values recognized following the use of a significant number of unobservable inputs (Level 3), the modification of one or more assumptions would influence the Company's profit or loss and other comprehensive income on 31st March 2022 as follows:

Modified assumption (Lei)	Impact on profit or loss (before tax)	Impact on other comprehensive income (before tax)
WACC increase by 50 bps	-	(8.969.095)
WACC decrease by 50 bps		10.186.558
Increase of the perpetuity growth rate by 25 bps	-	2.465.253
Decrease of the perpetuity growth rate by 25 bps	-	(2.269.110)
Increase of (EBITDA, CA, P/E) multiples by 10%	205.068	670.050
Decrease of (EBITDA, CA, P/E) multiples by 10%	(205.068)	(670.050)
Increase in land sale price per sqm by 10%	5.513.610	2.941.384
Decrease in land sale price per sqm by 10%	(5.513.610)	(2.941.384)
Sale price increase for apartments on sqm by 10%	-	7.256.236
Sale price decrease for apartments on sqm by 10%	-	(7.256.236)
	83.411	192.539
Rent increase on sqm by 10%		
Rent decrease on sqm by 10%	(83.411)	(192.539)
Increase in rent per sqm by 10%	(218.264)	(477.568)
	242.516	531.598
Decrease in rent per sqm by 10%		
Increase of DLOM by 10%	(427.762)	(3.391.811)
Decrease DLOM by 10%	427.762	3.391.811

The main unobservable inputs refer to the relevant multiples of the total invested capital and multiples of equity in ordinary shares.

Revenues/Turnover multiple: is an instruments used to evaluate companies based on a market comparison with similar listed companies. Evaluating a company based on its

11. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Sensitivity Analysis (continued)

turnover is particularly useful when the profit value is influenced by elements not related to the usual course of business. Turnover is the indicator from the income statement which is the hardest vulnerable to accounting policies, which recommends it as multiple.

EBITDA multiple: represents the most relevant multiple used when pricing the investments and it is calculated using information from comparable listed public companies (similar geographic location, industry size, target market and other factors that valuers consider as relevant). The trading multiples for the comparable companies are determined by dividing the enterprise value of the a company by its EBITDA and by further discounting, due to possible lack of marketability and other differences between the comparable peer group and assessed company.

Price/book value: often expressed simply as "price-to-book", this multiple measures a company's market price based on its book value (net assets). It reflects how many times the book value per share investors are ready to pay for a share. The Price / Book value ratio multiple varies significantly based on the industry.

A company that requires more assets (e.g. a manufacturing company with factory space and machinery) will generally post a significantly lower price-to-book than a company whose earnings result from rendering services (e.g. a consulting firm).

Weighted average cost of capital: represents the calculation of a company's cost of capital in nominal terms (including inflation), based on the "Capital Asset Pricing Model". All capital sources – shares, bonds and any other long-term debts - are included in the weighted average cost of capital calculation.

Discount for lack of control: represents the discount applied to reflect the absence of the power of control and it is used within the discounted cash flow method, in order to determine the value of a minority interest in the equity of the valued company

Discount for lack of marketability: represents the discount applied to the comparable market multiples, in order to reflect the liquidity differences between the reviewed company from the portfolio and its comparable peer group. Valuers estimate the discount for lack of marketability based on their professional judgement after considering market liquidity conditions and company-specific factors.

11. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Sensitivity Analysis (continued)

In case of equity instruments in holdings, the evaluation model was determined by summing the market value of assets and liabilities, namely their book values adjusted further to the subsequent valuations where the income-based approach was used.

Level 3 fair value changes

<i>In LEI</i>	31st March 2022	31st March 2021
Balance on 1st January	<u>318.728.736</u>	<u>288.693.176</u>
Total gain / (loss) recognized in profit or loss	(104.939)	15.611
Total gain / (loss) recognized in other comprehensive income	24.103	(1.008.711)
Acquisitions / capital investment	-	14.667
Balance on 31st March	<u>318.647.900</u>	<u>287.714.743</u>

On 31st March 2022 and 31st December 2021, the Company classified as Level 1 securities measured on the basis of the BSE closing prices, on the last day of trading. Fund units evaluated based on the unit value of their net asset certified by the fund's depository are included in this level.

The investments classified in Level 3, representing 16% of the Company's share portfolio on 31st March 2022 (31st December 2021: 16%), have been evaluated by independent external or internal values, based on the financial information provided by the monitoring departments, using measurement techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs, with the management's supervision and review, which makes sure that all inputs underlying the valuation reports are accurate and adequate.

11. FINANCIAL ASSETS (continued)

d) Reserve from the revaluation at fair value of financial assets measured at fair value through other comprehensive income, net of deferred tax

	31st March 2022	31st March 2021
On 1st January	903.246.143	591.817.817
Gross gain/(loss) from the revaluation of financial assets measured at fair value through other comprehensive income	(35.484.954)	118.896.527
Deferred tax corresponding to the gain/loss from revaluation of financial assets measured at fair value through other comprehensive income	7.361.936	(19.912.273)
Net gain/(loss) from the revaluation of financial assets measured at fair value through other comprehensive income	(28.123.018)	98.984.254
Net gain transferred to retained earnings as a result of the sale of financial assets measured at fair value through other comprehensive income	(10.970.603)	(12.201.247)
On 31st March	864.152.522	678.600.824

In the first quarter of 2022, net gain obtained of 10.970.603 lei, registered in the first quarter of 2022 was mainly obtained from the sale of Banca Transilvania shares.

e) Bonds

<i>In LEI</i>	31st March 2022	31st December 2021
Corporate bonds	35.062.933	34.350.933
Municipal bonds	56.215	59.032
Total bonds at amortized cost – gross value	35.119.148	34.409.965
Expected credit loss	(237.883)	(238.320)
Total bonds at amortized cost	34.881.265	34.171.645
Corporate bonds	4.024.825	3.982.215
Total bonds at fair value through other comprehensive income	4.024.825	3.982.215

On 31st March 2022 and 31st December 2021, the category of bonds at amortised cost included the bonds issued by EVER IMO, Bacău Town hall and Străulești Lac Alfa.

On 31st March 2022 and 31st December 2021, the category of bonds at fair value through other comprehensive income included bonds issued by Autonom Service SA, which are held by the Company in a business model whose objective is to keep assets both to collect contractual cash flows and to sell. Autonom Service bonds are listed on the Bucharest Stock Exchange. All Company bonds are classified as Stage 1.

12. OTHER FINANCIAL ASSETS AT AMORTISED COST

<i>In LEI</i>	31st March 2022	31st December 2021
Dividends to be collected	13.101.098	-
Sundry debtors	54.819.767	56.353.603
Trade receivables	105.669	140.438
Collateral (guarantees)	19.627	19.627
Advances to suppliers	114.107	129.949
Total other financial assets – gross value	68.160.268	56.643.617
Less expected credit loss corresponding to other financial assets	(48.952.679)	(51.282.218)
Total other financial assets	<u>19.207.589</u>	<u>5.361.399</u>

Receivables from sundry debtors mainly include amounts arising from final court decisions in amount of 48.949.608 lei (31st December 2021: 51.214.709 lei).

At 31st March 2022, Other financial assets at amortised cost are divided into performing assets in amount of 19.187.962 lei (31.12.2021: 5.341.772 lei) and impaired receivables in amount of 48.952.679 lei (31.12.2021: 51.282.218 lei), of which sundry debtors: 48.949.608 lei (31.12.2021: 51.279.147 lei).

Adjustment movements for expected credit loss for other assets at amortized cost can be analysed as follows:

<i>In LEI</i>	31st March 2022	31st March 2021
On 1st January	<u>(51.282.218)</u>	<u>(55.188.562)</u>
Charge	(11.268)	(3.012)
Reversal	2.340.807	70
On 31st December	<u>(48.952.679)</u>	<u>(55.191.504)</u>

13. DIVIDENDS PAYABLE

<i>In LEI</i>	31st March 2022	31st December 2021
Dividends payable for 2012	641	641
Dividends payable for 2013	985	985
Dividends payable for 2014	162.381	162.380
Dividends payable for 2015	167.010	167.010
Dividends payable for 2016	162.414	162.414
Dividends payable for 2017	203.816	203.816
Dividends payable for 2018	7.296.114	7.321.525
Dividends payable for 2019	14.730.091	14.814.224
Dividends payable for 2020	11.068.944	11.203.747
Total dividends payable	<u>33.792.396</u>	<u>34.036.742</u>

Dividends payable, not collected within 3 years from the date of their release, are prescribed according to the law and registered to equity, with the exception of amounts garnished/ frozen/ withheld according to the law (e.g. if shareholders are subject to enforcement procedures).

14. OTHER LIABILITIES

<i>In LEI</i>	31st March 2022	31st December 2021
Taxes and levies	795.093	1.332.985
Liabilities related to employees' cash benefits plan	1.627.725	1.526.256
Liabilities related to salaries and other salary rights	492.397	493.201
Other liabilities	45.694	57.548
Total	<u>2.960.909</u>	<u>3.409.990</u>

Liabilities regarding the cash benefits plan represent the amounts that are to be offered to employees as profit-sharing and bonuses, in cash, in accordance with the Collective Employment Contract.

Liabilities regarding salaries and other salary rights represent the amounts that are to be paid, representing salaries, allowances for vacations not taken, medical leaves and other rights according to the provisions of the Collective Employment Contract.

Taxes represent current liabilities that have been paid by the Company on time.

15. DEFERRED TAX LIABILITIES

Deferred income tax liabilities on 31st March 2022 are generated by the elements detailed in the following table:

<i>In LEI</i>	<u>Assets</u>	<u>Liabilities</u>	<u>Net</u>
Financial assets at fair value through other comprehensive income	736.727.276	-	736.727.276
Tangible assets	4.133.789	-	4.133.789
Investment property	3.281.202	-	3.281.202
Provisions for litigations	-	(1.697.543)	(1.697.543)
Liabilities related to profit sharing and other benefits	-	(18.246.877)	(18.246.877)
Total	<u>744.142.267</u>	<u>(19.944.420)</u>	<u>724.197.847</u>
Net temporary differences, 16% rate			724.197.847
Deferred income tax liabilities			<u>115.871.656</u>

Deferred tax liabilities on 31st December 2021 are generated by the elements presented in the table below:

<i>In LEI</i>	<u>Assets</u>	<u>Liabilities</u>	<u>Net</u>
Financial assets at fair value through other comprehensive income	795.777.726	-	795.777.726
Tangible assets	4.178.638	-	4.178.638
Investment property	3.316.495	-	3.316.495
Provisions for litigations	-	(1.749.743)	(1.749.743)
Liabilities related to profit sharing in cash and other benefits	-	(18.158.251)	(18.158.251)
Total	<u>803.272.859</u>	<u>(19.907.994)</u>	<u>783.364.865</u>
Net temporary differences, 16% rate			783.364.865
Deferred income tax liabilities			<u>125.338.378</u>

Deferred income tax directly recorded through the decrease of equity is 118.708.217 lei at 31st March 2022 (31st December 2021: 128.163.465 lei), being generated by financial assets measured at fair value through other comprehensive income for which the Company's interest is under 10%, for a period of time under one year and property, plant and equipment.

16. CAPITAL AND RESERVES

a) Share Capital

The Company's shareholding structure on 31st March 2022, namely 31st December 2021 is presented in the tables below:

31st March 2022	No. of shareholders	No. of shares	Nominal value (Lei)	(%)
Individuals	5.745.414	369.747.189	36.974.719	38%
Companies	166	611.465.862	61.146.586	62%
Total	5.745.580	981.213.051	98.121.305	100%

31st December 2021	No. of shareholders	No. of shares	Nominal value (Lei)	(%)
Individuals	5.745.988	368.458.146	36.845.815	38%
Companies	168	612.754.905	61.275.490	62%
Total	5.746.156	981.213.051	98.121.305	100%

All shares are ordinary and have been subscribed and paid in full 31st March 2022 and 31st December 2021.

All shares have the same voting right and a nominal value of 0,1 lei/share. The number of shares authorized for issue is equal to that of issued shares.

Thus, the share capital on 31st March 2022 had a nominal value of 98.121.305 lei (31st December 2021: 98.121.305 lei).

On 31st March 2022, the 411.983.757 lei difference between the book value of the share capital of 510.105.062 lei and its nominal value, is the inflation difference generated by the application of IAS 29, Financial reporting in hyperinflationary economies" up to 1 January 2004.

(b) Reserves from the revaluation of assets measured at fair value through other comprehensive income

This reserve includes the accumulated net fair value modifications of financial assets measured at fair value through other comprehensive income from the date of their classification in this category until the date of derecognition.

Reserves from the revaluation of financial assets measured at fair value through other comprehensive elements are registered at value net of deferred tax. The value of the deferred income tax recognized directly through the decrease of equity is presented in explanatory note 11 d).

16. CAPITAL AND RESERVES

(c) Legal Reserves

According to legal requirements, the Company sets up legal reserves of 5% of the registered profit in accordance with statutory accounting regulations applicable, up to 20% of the share capital. The value of the legal reserve on 31st March 2022 is 20.763.584 lei (31st December 2021: 20.763.584 lei).

Legal reserves cannot be distributed to shareholders and are included in retained earnings.

(d) Treasury Shares

The total number of treasury shares held by the Company on 31st March 2022 is 27.843.988 shares representing 2,84% of share capital (31.12.2021: 23.649.507 shares, representing 2,41% of share capital) in total 46.122.664 lei (31.12.2021: 41.119.507 lei).

The evolution of the number of shares (and their value) in the first quarter of 2022 namely 2021 is the following:

Own shares	Balance on 1 st January 2022	Purchases during the period	Balance on 31 st March 2022
Buy-back program approved by EGMS on 20 th January 2022	-	4.194.481	4.194.481
Buy-back program approved by EGMS on 29 th April 2021	19.459.459	-	19.459.459
Buy-back program approved by EGMS on 27 th April 2020	4.190.048	-	4.190.048
Total number of shares	23.649.507	4.194.481	27.843.988
Total share value (Lei)	41.119.507	5.003.157	46.122.664

Own shares	Balance on 1 st January 2021	Acquisitions during the period	Balance on 31 st March 2021
Buy-back program approved by EGMS on 18 th April 2020	3.416.855	11.810.154	15.227.009
Buy-back program approved by EGMS on 18 th April 2019	4.000.000	-	4.000.000
Buy-back program approved by EGMS on 25.04.2016	1.081.034	-	1.081.034
Total no of shares	8.497.889	11.810.154	20.308.043
Total shares value (Lei)	9.595.338	17.868.558	27.463.896

16. CAPITAL AND RESERVES (*continued*)

(d) Treasury Shares (*continued*)

In EGMS on 20.01.2022 we approved the running of a treasury shares buy-back program (“Program 6”) abiding by legal provisions applicable and with the following main characteristics:

- a) Program purpose: the Company shall buy-back shares for the purpose of decreasing the share capital, through share annulment.
- b) maximum number of shares that can be bought-back: max. 23.100.000 shares (max. 2,402% of share capital that will result following the decrease.
- c) minimum price per share: the minimum acquisition price shall be the market price on BVB at the time the purchase is made.
- d) Maximum price per share: 2,2 lei.
- e) Program duration: maximum 18 months from the date the resolution is published in Romania’s Official Journal, Part IV.
- f) The payment of bought-back shares shall be made from the distributable profit of available resources of the Company, entered on the latest annual approved financial statement, with the exception of legal reserves registered on 2020 financial statements, in accordance with the provisions of art. 103 Index 1 Companies’ Law no. 31/1990 .
- g) the acquisition of shares shall be through market operations, for the purpose of acquiring a maximum number of 23.100.000 shares, in order to reduce the share capital through share annulment.

16. CAPITAL AND RESERVES (*continued*)

(e) *Equity-based payments to employees, directors and administrators*

Equity-based payments to employees, directors and administrators represent the value of benefits regarding the benefit plan of managers, directors and employees through SOP programs, the part offered in shares. The following SOP programs are outstanding on 31st March 2022, namely 31st December 2021:

<i>In LEI</i>	31st March 2022	31st December 2021
SOP 2020	5.398.224	5.398.224
SOP 2021	10.853.788	10.853.788
Total	16.252.012	16.252.012

Options granted in 2021 that are exercisable at the end of the reporting period, correspond to shares related to SOP 2020, in the amount of 5.398.224 lei (number of 3.842.152 shares) and will be assigned in the second quarter of 2022, for a price of 1,4050 lei/share (closing price on 28th April 2021).

There were no expired or lost options during 2021 or in the first 3 months of 2022.

The shares related to SOP 2021 are worth 10,853,788 lei and will be assigned in 2023 at a market price provided in the SOP 2021 program, program approved by the Board of Directors in April 2022.

17. EARNINGS PER SHARE

The calculation of the basic earnings per share was made based on the profit attributable to ordinary shareholders and weighted average number of outstanding ordinary shares (without bought-back shares):

In LEI	Note	31 st March 2022	31 st March 2021
Net profit/(Net loss) attributable to Company's Shareholders		(35.003)	19.297.283
<i>Weighted average number of outstanding ordinary shares</i>		956.089.760	978.380.986
Basic earnings per share (net profit per share)		0,0000	0,0197
Net profit/(Net loss) attributable to Company's Shareholders		(35.003)	19.297.283
gain registered in retained earnings attributable to shareholders (from the sale of financial assets at fair value through other comprehensive income)		10.970.603	12.201.247
<i>Weighted average number of outstanding ordinary shares</i>		956.089.760	978.380.986
Result per share (including earnings from the sale of FVTOCI financial assets)		0,0114	0,0322

Diluted earnings per share are equal to the basic earnings per share since the Company has not registered potential ordinary shares.

The result per share are calculated based on net profit, which includes, in addition to net profit, the gain on the sale of FVTOCI financial assets.

The company also presents in the interim, condensed financial statements, together with the basic and diluted earnings per share, the result per share (including the gain from the sale of FVTOCI financial assets), because along with the net profit, the gain from the sale of FVTOCI financial assets is considered an indicator of the Company's performance and is a potential source for dividend distribution to the Company's shareholders

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

In the normal course of business, the Company has identified the following related parties:

List of subsidiaries and interest percentage:

	31 st March 2022	31 st December 2021
Agrointens SA	99,99%	99,99%
Casa SA	99,60%	99,60%
Mecanica Ceahlău SA	73,30%	73,30%
Regal SA	93,02%	93,02%
EVER IMO SA	99,99%	99,99%
Everland SA	99,99%	99,99%
A3 Snagov SRL	99,99%	99,99%

Subsidiary A3 Snagov SRL, established in June 2021, is indirectly owned by the Company, through Everland SA (former Agroland Capital SA), which owns 100% of its shares.

In the first quarter of 2022, the Company participated to the share capital increase of subsidiary Agrointens SA by cash contribution, in the amount of 4.845.000 lei.

In 2021, Company took part in the capital increases of its subsidiaries:

- Agrointens SA, by cash contribution, in the amount of 1.750.000 lei.
- EVERLAND SA, by cash contribution, in the amount of 6.287.500 lei
- EVER IMO SA, by cash contribution, in the amount of 8.000.000 lei

Associates of the Company

The Company holds an investment in an associated entity on 31st March 2022 and 31st December 2021, Străulești Lac Alfa S.A., with 50% ownership.

In the first quarter of 2022 and 2021 there were no sales of subsidiaries.

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

At the end of the reporting period, the following balances correspond to transactions with related parties:

<i>In LEI</i>	31st March 2022	31st December 2021
AGROINTENS SA		
Other financial assets at amortized cost	4.845.000	-
CASA SA		
Other financial assets at amortized cost	-	12.540
Financial liabilities	89.022	89.022
EVER IMO SA		
Corporate bonds at amortized cost	17.984.400	17.606.400
Right-of-use assets for qualifying assets in leases	2.603.506	2.670.838
Other financial assets at amortised cost	109.068	109.040
Other assets	9.300	9.301
Lease liabilities	2.601.756	2.662.393
Financial liabilities	-	618.977
STRAULESTI LAC ALFA		
Corporate bonds at amortized cost	17.078.533	16.744.533

In the reporting period the following transactions were carried out within the group, representing mainly dividends, bond interest, rents and delivery of management and archiving services.

<i>In LEI</i>	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
EVERLAND SA		
Other operating income	401	395
CASA SA		
Other operating income	99.712	78.922
Other operating income	212.052	210.798
EVER IMO SA		
Interest income	378.000	-
Dividend income	-	-
Other operating income	1.241	-
Other operating expenses	109.756	-
Interest expenses with lease liabilities	16.403	-
STRAULESTI LAC ALFA		
Interest income	334.000	334.000

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Key Management Staff

On 31st March 2022 and 31st December 2021 the members of the Board of Directors were Mr. Liviu Claudiu Doros (President of the Board of Directors and CEO), Mr. Cătălin Jianu Dan Iancu (Vice-president of the Board of Directors and Deputy CEO), Mr. Costel Ceocea (Non-Executive Director), Mr. Horia Ciorcilă (Non-Executive Director) and Mr. Octavian Claudiu Radu (Non-Executive Director).

The key management staff includes the members of the Board of Directors and Management Committee of the Company.

The remunerations for the three months' period of 2022 and 2021 are presented in the table below:

	3 months' period ended on 31st March 2022	3 months' period ended on 31st March 2021
Board of Directors	1.473.272	2.124.417
Management Committee	883.969	870.249
Total, of which:	2.357.241	2.994.666
<i>Share-based payment</i>	-	-

Detailed information regarding the compensation and benefits offered to the members of the Board of Directors and Management Committee are presented in explanatory note 7.

The Company does not offer post-employment benefits or benefits for the termination of the employment contract to its key personnel.

19. SUBSEQUENT EVENTS

Resolutions of the Ordinary General Meeting of Shareholders (OGMS) and Extraordinary General Meeting of Shareholders (EGMS) on 29th April 2022

The main resolutions of OGMS on 29th April 2022 were the following:

- Approval of the consolidated financial statements for financial year ended on 31st December 2021, prepared in accordance with Accounting Regulations according to the International Financial Reporting Standards (IFRS) applicable to entities authorized, regulated and supervised by FSA, approved by FSA Rule no. 39/ 2015 (including in the format according to Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format), accompanied by the Report of Independent Auditor and Annual Report of the Board of Directors, related to the consolidated financial statements.
- Approval of the separate financial statements for the financial year ended on 31st December 2021, prepared in accordance with Accounting Regulations compliant with the International Financial Reporting Standards (IFRS) applicable to entities authorized, regulated and supervised by FSA, approved by FSA Rule no. 39/2015 (including in the format according to Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format), accompanied by the Report of Independent Auditor, Annual Report of the Board of Directors related to the separate financial statements and Remuneration Report of EVERGENT Investments for financial year 2021.
- Approval of dividend distribution from the net result of the financial year ended on 31st December 2021, comprised of the net profit and net gain reflected in retained earnings from the sale of equity instruments classified at fair value through other comprehensive income (FVTOCI), and gross dividend of 0.065 lei/share. The total amount of dividends payable to shareholders shall be determined based on the number of shares that grant the right to collect dividends on the registration date (without treasury shares bought-back by the Company, held on the registration date), of maximum 62.263.501 lei is comprised of:
 - 46.388.634 lei net profit obtained in 2021 financial year, so that the entire 2021 profit is distributed to dividends;
 - maximum 15.874.867 lei net gain reflected in retained earnings in financial year 2021 from the sale of equity instruments classified at fair value through other comprehensive income (FVTOCI).

19. SUBSEQUENT EVENTS (continued)

The costs related to the payment shall be borne from the net dividend value. Dividend payment is made through Central Depository and payment agent Banca Transilvania. Approval of the date of 18th May 2022 as registration date (ex-date 17th May 2022) and date of 10th June 2021 as dividend payment date.

- Approval of 2022 Activity Program in agreement with “EVERGENT Investments’ Investment Strategy and Policy and 2022 Budget.
- Approval of the mandate extension of financial auditor Deloitte Audit SRL, headquartered in Bucharest, 1st Sector, The Mark Building, Calea Griviței no. 84-98 and 100-102, 9th floor, registered in the Trade Registry under no. J40/6775/1995, sole registration no. RO7756924, and extension of the contract duration for another 2 years, namely from 01.01.2023 to 31.12.2024.
- Approval of the expiry of dividends corresponding to 2018 financial year, set through the resolution of the ordinary general meeting of shareholders on 18.04.2019, not collected by 30th July 2022 and their registration in accordance with applicable regulations.

The main resolutions of EGMS on 29th April 2022 were the following:

- Approval of a buy-back program for treasury shares – “Program 7” abiding by the applicable legal provisions, and with the following main characteristics:
 - a) Program purpose: The company shall buy-back shares in order to reduce its share capital, through share annulment, as well as in order to run “stock option plan” programs.
 - b) The number of shares that can be bought-back: maximum 28.025.000 shares (2,856% of the registered share capital), of which maximum 19.625.000 shares (2,000% of the registered share capital) through public purchase offer, in order to reduce the share capital by cancelling the shares and maximum 8.400.000 shares through market operations (0,856% of the registered capital) in order to be distributed to the employees, directors and managers of the Company, within some “stock option plan” programs.
 - c) Minimum price per share: the minimum purchase price shall be the BSE market price at the time the purchase is made.
 - d) Maximum price per share: 2,2 lei.

19. SUBSEQUENT EVENTS (continued)

e) Program duration: maximum 18 months from the date the resolution is published in Romania's Official Journal, Part IV.

f) The payment of bought-back shares shall be made from the distributable profit or Company's available resources, rentered in the last approved annual financial statement 2021, in accordance with the provisions of art. 103 index 1 Companies' Law no. 31/1990.

The separate financial statements were approved by the Board of Directors on 13th May 2022 and signed on its behalf by:

Claudiu Doros
President CEO

Mihaela Moleavin
Finance Director