

EVERGENT INVESTMENTS SA

**CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE THREE MONTHS' PERIOD ENDED ON
31st MARCH 2023**

Prepared in accordance with IAS 34 Interim Financial Reporting and with the application of Financial Supervision 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 2023
(All amounts are presented in LEI, unless otherwise stated)

<i>In LEI</i>	<i>Note</i>	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Revenue			
Gross dividend revenue	5	-	13,802,044
Interest revenue		2,059,675	1,553,826
Other operating revenue		259,068	243,777
Net gain /(net loss) from financial assets at fair value through profit or loss	6	2,306,746	(10,334,511)
Expenses			
(Loss)/Loss reversal on financial assets		(18,160)	2,330,902
Loss reversal on non-financial assets impairment		-	671
Reversal of provisions for risks and expenses		-	52,200
Expenses with wages, remunerations and other similar expenses	7	(4,961,949)	(4,348,130)
Other operating expenses	8	(3,585,762)	(2,708,383)
Operating profit /(loss)		(3,940,382)	592,396
Financing expenses	9	(654,745)	(23,641)
Profit /(Loss) before tax		(4,595,127)	568,755
Income tax	10	(5,394)	(603,758)
Net loss of the financial period		(4,600,521)	(35,003)
Other comprehensive income			
Increase from revaluation of property, plant and equipment, net of deferred tax		9,284	7,176
Net loss from the revaluation of equity instruments at fair value through other comprehensive income (FVTOCI)	12 d)	(4,514,249)	(28,125,569)
Other elements of comprehensive income – elements that will not be reclassified in profit or loss		(4,504,965)	(28,118,393)
Net gain /(loss) from revaluation of FVTOCI bonds	12 d)	(170,161)	2,551
Other comprehensive income – elements that will be reclassified in profit or loss		(170,161)	2,551
Other comprehensive income elements - Total		(4,675,126)	(28,115,842)
Total comprehensive income of the period		(9,275,647)	(28,150,845)
Basic and diluted earnings per share (net profit)/(net loss) per share)	19	(0.0050)	(0.0000)
Basic and diluted earnings per share (including gain from the sale of FVTOCI financial assets)		0.0026	0.0114

The separate financial statements were approved by the Board of Directors on 15th May 2023 and signed on its behalf by:

Claudiu Doros
CEO and President of the Board

Mihaela Moleavin
Finance Director

CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
ON 31st MARCH 2023
(All amounts are presented in Lei, unless otherwise stated)

<i>In LEI</i>	<i>Note</i>	31st March 2023	31st December 2022
Assets			
Cash and current accounts		794,618	788,781
Bank deposits with initial maturity within 3 months	11 a)	69,761,221	104,971,764
Bank deposits with initial maturity of more than 3 months	11 b)	10,149,890	-
Financial assets measured at fair value through profit or loss	12 a)	315,218,826	333,619,756
Financial assets measured at fair value through other comprehensive income	12 b)	1,984,438,098	1,875,688,529
Bonds at fair value through other comprehensive income	12 e)	3,828,895	3,982,047
Bonds at amortized cost	12 e)	17,903,623	17,550,535
Other financial assets at amortized cost	13	1,146,892	9,869,910
Other assets		470,790	497,055
Investment property		4,284,448	4,284,448
Plant, property and equipment		9,117,871	9,282,127
Right-of-use assets		3,161,523	3,474,536
Intangible assets		438,516	412,375
Total assets		<u>2,420,715,211</u>	<u>2,364,421,863</u>
Liabilities			
Loans	14	95,309,709	-
Lease liabilities		3,158,205	3,456,939
Dividends payable	15	42,321,351	42,633,808
Current tax liabilities		507,263	5,370,896
Financial liabilities at amortized cost	16 a)	8,444,934	2,871,103
Other liabilities	16 b)	3,463,029	4,154,999
Provisions for risks and expenses		1,632,553	1,632,553
Deferred tax liabilities	17	88,549,860	89,669,402
Total liabilities		<u>243,386,904</u>	<u>149,789,700</u>
Equity			
Share capital	18	499,988,637	499,988,637
Retained earnings		1,020,839,095	1,018,427,444
Reserves from the revaluation of property, plant and equipment		9,784,078	9,774,793
Reserves from the revaluation of financial assets at fair value through other comprehensive income	12 d)	688,194,855	699,891,438
Treasury shares	18 d)	(66,662,480)	(38,991,230)
Equity-based payments to employees, directors and administrators	18 e)	20,765,780	20,765,780
Other items of equity		4,418,342	4,775,301
Total equity		<u>2,177,328,307</u>	<u>2,214,632,163</u>
Total liabilities and equity		<u>2,420,715,211</u>	<u>2,364,421,863</u>

The separate financial statements were approved by the Board of Directors on 15th May 2023 and signed on its behalf by:

Claudiu Doroş
CEO and President of the Board

Mihaela Moleavin
Finance Director

CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE 3 MONTHS' PERIOD ENDED ON 31st MARCH 2023

(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 2022	18	499,988,637	9,774,793	699,891,438	1,018,427,444	(38,991,230)	20,765,780	4,775,301	2,214,632,163
Comprehensive income									
Net loss of the period ended on 31st March 2023		-	-	-	(4,600,521)	-	-	-	(4,600,521)
Other comprehensive income elements									
Increase of revaluation reserve on property plant and equipment, net of deferred tax		-	9,285	-	-	-	-	-	9,285
Revaluation at fair value of FVTOCI equity instruments, net of deferred tax		-	-	(4,514,250)	-	-	-	-	(4,514,250)
Revaluation at fair value of FVTOCI bonds		-	-	(170,161)	-	-	-	-	(170,161)
Net gain, transferred to retained earnings for the sale of FVTOCI equity instruments	12 d)	-	-	(7,012,172)	7,012,172	-	-	-	-
Total comprehensive income of the period		-	9,285	(11,696,583)	2,411,651	-	-	-	(9,275,647)
Transactions with shareholders directly recognized in equity									
Acquisition of treasury shares		-	-	-	-	(27,671,250)	-	(356,959)	(28,028,209)
Total transactions with shareholders, directly recognized in equity		-	-	-	-	(27,671,250)	-	(356,959)	(28,028,209)
Balance at 31st March 2023	18	499,988,637	9,784,078	688,194,855	1,020,839,095	(66,662,480)	20,765,780	4,418,342	2,177,328,307

The individual financial statements were approved by the Board of Directors on 15th May 2023 and signed on its behalf by:

Claudiu Doros
CEO and President of the Board

Mihaela Moleavin
Finance Director

The attached notes are integral part of the financial statements.

CONDENSED SEPARATE STATEMENT OF CASH FLOW
FOR THE 3 MONTHS' PERIOD ENDED ON 31st MARCH 2023
(All amounts are presented in Lei, unless otherwise stated)



<i>În 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 2021	18	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									
Net loss of the period ended on 31st March 2022		-	-	-	(35,003)	-	-	-	(35,003)
Other comprehensive income elements									
Increase of reserve from the revaluation of 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	12 d)	-	-	(10,970,603)	10,970,603	-	-	-	-
Total comprehensive income of the financial year		-	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	18	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 15th May 2023 and signed on its behalf by:

Claudiu Doros

CEO and president of the Board

Mihaela Moleavin

Finance Director

The attached notes are integral part of the financial statements.

CONDENSED SEPARATE STATEMENT OF CASH FLOW
FOR THE 3 MONTHS' PERIOD ENDED ON 31st March 2023
(All amounts are presented in Lei, unless otherwise stated)

<i>In LEI</i>	Note	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Operating activities			
Net profit/(net loss) for the period		(4,600,521)	(35,003)
Adjustments:			
Loss / (loss reversal) from financial assets impairment		18,160	(2,330,902)
Loss reversal from non-financial assets impairment		-	(671)
(Net gain) / Net loss of financial assets at fair value through profit or loss	6	(2,306,746)	10,334,511
Reversal of provisions for risks and expenses		-	(52,200)
Gross dividend income	5	-	(13,802,044)
Interest income		(2,059,675)	(1,553,826)
Financing expenses		654,745	23,641
Corporate tax		5,394	603,758
Other adjustments		1,190,965	330,350
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)
Proceeds from sales of financial assets at fair value through profit or loss		20,707,676	-
Payments for acquisition of financial assets at fair value through other comprehensive income		(155,986,965)	(72,495,598)
Proceeds from sales of financial assets at fair value through other comprehensive income		42,148,257	18,325,071
Proceeds from bonds		2,940	2,940
Set-up of deposits with initial maturity over 3 months		(10,000,000)	-
Changes in other assets		8,747,419	1,595,196
Changes in other liabilities		4,945,240	1,291,867
Proceeds from dividends		-	10,844
Proceeds from interest		1,574,152	766,559
Paid profit tax		(5,370,896)	-
Net cash used in operating activities		(100,329,855)	(61,985,507)
Investment activities			
Payments for acquisition of property, plant and equipment		(39,212)	(306,424)
Payments for acquisition of intangible assets		(45,821)	-
Proceeds from the sale of property, plant and equipment and investment property		-	2,321
Net cash used in investment activities		(85,033)	(304,103)
Financing activities			
Paid dividends		(312,457)	(244,346)
Lease payments		(117,080)	(144,648)
Proceeds from loans		94,121,516	-
Interest paid on loans		(342,459)	-
Interest paid on leases		(25,294)	(23,641)
Acquisition of treasury shares		(28,028,209)	(5,013,164)
Net cash resulted from/(used in) financing activities		65,296,017	(5,425,799)
Net decrease of cash and cash equivalents		(35,118,871)	(67,715,409)
Cash and cash equivalents at 1 st January		105,541,921	157,633,721
Cash and cash equivalents at 31st March		70,423,050	89,918,312

The attached notes are integral part of the financial statements.

CONDENSED SEPARATE STATEMENT OF CASH FLOW
FOR THE 3 MONTHS' PERIOD ENDED ON 31st March 2023
(All amounts are presented in Lei, unless otherwise stated)

In LEI

	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Cash at hand	1,197	2,606
Current bank accounts	793,424	255,710
Bank deposits with initial maturity within 3 months	69,628,429	89,659,996
Cash and cash equivalents	<u>70,423,050</u>	<u>89,918,312</u>

The individual financial statements were approved by the Board of Directors on 15th May 2023 and signed on its behalf by:

Claudiu Doros
CEO and President of the Board

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 Supervisory Authority (FSA) as alternative investments fund manager by Permit no. 20/23.01.2018 and as 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 in a one-tier company.

The shares issued by EVERGENT Investments SA are listed at Bucharest Stock Exchange (“BVB”), the primary market, Premium category, with indicative EVER , since 29th 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 FSA.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The interim condensed separate financial statements for the three months' period ended on 31st March 2023 have been prepared in accordance with IAS 34 “Interim Financial Reporting”, applying the provisions of Rule 39/2015 for the approval of Accounting Regulations in accordance with the 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 according to the procedure foreseen by (CE) no. 1606/2002 of the European Parliament and Council on 19th July 2002 regarding the 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 2022, available on the Company's internet page: www.evergent.ro. These interim financial statements are also available here, starting on 15th May 2023.

These interim financial statements do not include all information required by a full set of financial statement set, 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 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 2023.

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

(b) Functional and Presentation Currency

The Company's management considers 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 individual 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 condensed separate financial statements have been prepared on the 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 have been 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 condensed separate financial statements in accordance with IFRS requires the use of management estimates, judgments and assumptions that affect the ascertainment and application of the Company's accounting policies and the reported value of assets, liabilities, revenue and expenses in the financial statements. Estimates and assumptions associated with these are based on historical experience and other factors deemed reasonable in light of the given circumstances. The result of these considerations represents the basis for the judgments used when establishing the accounting value of assets and liabilities for which no other valuation sources are available. The results obtained may differ from the value of the estimates.

Judgments 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 the current and following periods.

The information and judgements concerning the ascertainment and application of accounting policies with the highest degree of uncertainty regarding the estimates, which have a significant impact on the amounts recognized in these condensed interim separate financial statements, are the following:

- determining the fair value of financial instruments (see explanatory note 11 ©)
- fair value hierarchy and unobservable inputs used in the evaluation (Level 3) (see explanatory note 11 (c))
- classification of financial instruments (see explanatory note 4)
- adjustments for expected credit losses carried at amortized cost

(e) Impact of the Russian - Ukrainian military conflict and other global trends on the financial position and performance of the Company

In the context of the continuing Russian-Ukrainian military conflict with all its consequences, in the first quarter of 2023 the Bucharest Stock Exchange recorded high volatility and relatively low liquidity, but continued the upward trend from the last part of prior year.

Inflationist pressures are still high, Romania's National Bank maintaining a monetary policy interest of 7% per year, an increase operated at the start of January 2023.

Domestically, additional risks come from the delay in reforms and the absorption of European funds, especially through the National Recovery and Resilience Plan (NRRP) and the risk of default on loans contracted by the non-governmental sector.

2. BASIS OF PREPARATION (continued)

(e) Impact of the Russian - Ukrainian military conflict and other global trends on the financial position and performance of the Company(continued)

The prolongation of the war in Ukraine and the extension of the associated sanctions generate uncertainties and risks regarding the prospects of theeconomic activity,the medium-term evolution of inflation, with an impact on the evolution of financial instruments quotations, including on the Bucharest Stock Exchange, where a high volatility is expected in the future, at least in the short term, on a 3-6 months horizon.

In this context, the Company' management considers that the profitability of the Company may be affected, but on the short or average term, and no difficulties are expected in meeting the Company's commitments, while business continuity is not affected.

The management closely monitors the evolution of this conflict and other events and trends at the global level and their impact and the measures taken at the international level, on the economic environment at the national level, the market where the Company's assets are exposed.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied for these condensed interim separate financial statements are consistent with those in the Company's annual financial statements for the financial year ended on 31st December 2022 and they have been applied consistently for all periods presented in these simplified 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 at 31st March 2023:

<i>In LEI</i>	Financial assets at fair value through profit or loss, on initial recognition	Financial assets at fair value through other comprehensive income	Amortized cost	Total carrying value	Fair value
Cash and current accounts	-	-	794,618	794,618	794,618
Bank deposits with initial maturity within 3 months	-	-	69,761,221	69,761,221	69,761,221
Bank deposits with initial maturity of more than 3 months	-	-	10,149,890	10,149,890	10,149,890
Financial assets at fair value through profit or loss	315,218,826	-	-	315,218,826	315,218,826
Financial assets at fair value through other comprehensive income	-	1,984,438,098	-	1,984,438,098	1,984,438,098
Bonds at fair value through other comprehensive income	-	3,828,895	-	3,828,895	3,828,895
Bonds at amortized cost	-	-	17,903,623	17,903,623	17,903,623
Other financial assets at amortized cost	-	-	1,146,892	1,146,892	1,146,892
Total financial assets	315,218,826	1,988,266,993	99,756,244	2,403,242,063	2,403,242,063
Lease liabilities	-	-	3,158,205	3,158,205	3,158,205
Dividends payable	-	-	42,321,351	42,321,351	42,321,351
Financial liabilities at amortized cost	-	-	8,444,934	8,444,934	8,444,934
Total financial liabilities	-	-	53,924,490	53,924,490	53,924,490

For financial assets and liabilities at amortized cost, the Company has analysed the fair value at 31st March 2023 and concluded that there are no 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 31st December 2022:

<i>In LEI</i>	Financial assets at fair value through profit or loss, on initial recognition	Financial assets at fair value through other comprehensive income	Amortized cost	Total carrying value	Fair value
Cash and current accounts	-	-	788,781	788,781	788,781
Bank deposits with initial maturity within 3 months	-	-	104,971,764	104,971,764	89,795,581
Bank deposits with initial maturity of more than 3 months	-	-	-	-	-
Financial assets at fair value through profit or loss	333,619,756	-	-	333,619,756	333,619,756
Financial assets at fair value through other comprehensive income	-	1,875,688,529	-	1,875,688,529	1,875,688,529
Bonds at fair value through other comprehensive income	-	3,982,047	-	3,982,047	3,982,047
Bonds at amortized cost	-	-	17,550,535	17,550,535	17,550,535
Other financial assets at amortized cost	-	-	9,869,910	9,869,910	9,869,910
Total financial assets	333,619,756	1,879,670,576	133,180,990	2,346,471,322	2,346,471,322
Lease liabilities	-	-	3,456,939	3,456,939	3,456,939
Dividends payable	-	-	42,633,808	42,633,808	42,633,808
Financial liabilities at amortized cost	-	-	2,871,103	2,871,103	2,871,103
Total financial liabilities	-	-	48,961,850	48,961,850	48,961,850

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 2023	3 months' period ended on 31st March 2022
BRD – Groupe Societe Generale	-	13,790,629
Fondul Proprietatea	-	11,415
Total	-	13,802,044

In 2023, the Company will register dividend income starting with the second quarter after the approval of the financial statements of companies in its portfolio. In the first quarter of 2022, the value of gross dividends distributed to companies for which holdings were classified as financial assets at fair value through other comprehensive income was 13,802,044 lei.

Dividend income is recorded at gross value. The taxation rates for dividends corresponding to the period ended on 31st March 2023 are 8% and 0% (3 months' period ended on 31st March 2022: 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 on year before distribution.

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

<i>În LEI</i>	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Net gain /(net loss) from the revaluation of financial assets measured at fair value through profit or loss	2,245,111	(10,334,511)
Net gain from the sale of financial assets at fair value through profit or loss	61,635	-
Total	2,306,746	(10,334,511)

The unrealized net gain in the first quarter of 2023, of 2,245,111 lei (3 months' period ended on 31st March 2022: unrealized net loss of 10,334,511 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 2023, unrealized net gain was mainly generated by the increase of fair value of fund units investments, and net gain obtained comes from the sale of fund units.

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

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.

7. EXPENSES WITH SALARIES, REMUNERATIONS AND OTHER SIMILAR EXPENSES

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

<i>In LEI</i>	3 months' period ended on 31st March 2023		3 months' period ended on 31st March 2022	
	No. of beneficiaries	Value	No. of beneficiaries	Value
<i>Fixed remunerations</i>				
Board of Directors	5	1,589,043	5	1,427,517
Management Committee	2	937,128	2	841,875
Employees	45	2,230,083	42	1,833,370
Total fixed remunerations		<u>4,756,254</u>		<u>4,102,762</u>
<i>Variable remunerations</i>				
Board of Directors and Management Committee	5	-	5	87,849
Bonuses for the running year		-		-
Total		<u>-</u>		<u>87,849</u>
Employees	45	101,875	42	76,402
Bonuses for the running year		-		-
Total		<u>101,875</u>		<u>76,402</u>
Total variable remunerations		<u>101,875</u>		<u>164,251</u>
Expenses with social contributions and similar		<u>103,820</u>		<u>93,965</u>
Expenses /net income from provisions corresponding to untaken holiday		<u>-</u>		<u>(12,848)</u>
Total wages, allowances, contributions and similar expenses		<u>4,961,949</u>		<u>4,348,130</u>

The remunerations of the directors and executive managers have been approved by the General Meeting of Shareholders by the Articles of Association, management contracts and the Remuneration Policy of the Company's officers..

7. EXPENSES WITH SALARIES, REMUNERATIONS AND OTHER SIMILAR EXPENSES (continued)

The average number of employees for the 3 months' period ended on 31st March 2023 was 44 (3 months' period ended on 31st March 2022: 40).

8. OTHER OPERATING EXPENSES

<i>In LEI</i>	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Commission and fee expenses	901,307	914,810
Expenses with outsourced services	702,489	646,026
Expenses with promotion and protocol	152,180	80,571
Expenses with the amortization of tangible and intangible assets	223,148	179,822
Expenses with the depreciation of rights-of-use assets from lease contracts	135,613	146,287
Expenses with sponsorships and patronage	188,277	32,000
Expenses with exchange rate differences	902,221	4,052
Other operating expenses	380,527	704,815
Total	<u>3,585,762</u>	<u>2,708,383</u>

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

The increase in expenses related to currency rate differences in the first 3 months' of 2023, compared to the similar period of the previous year, is mainly due to currency rate differences, of 901,200 lei, related to the credit facility contracted in January 2023 from Banca Comercială Română in foreign currency ("EUR").

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

In the first quarter of 2023, expenses related to short-term lease were 11,973 9 lei (in the 3 months' period ended on 31st March 2022: 7,810 lei).

9. FINANCING EXPENSES

<i>In LEI</i>	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Loan interest expenses	629,451	-
Lease interest expenses	25,294	23,641
Total	654,745	23,641

10. INCOME TAX

<i>In LEI</i>	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Current income tax		
Current income tax (16%)	-	-
Dividend tax (5%)	-	690,102
	-	690,102
Deferred income tax		
Investment property and property, plant and equipment	(5,886)	(5,647)
Liabilities related to cash benefit plan and other benefits	10,369	(14,180)
Provisions for risks and expenses and other liabilities	-	8,352
Tax loss	-	(74,869)
Other elements	911	-
	5,394	(86,344)
Income tax (through profit or loss)	5,394	603,758

10. INCOME TAX (continued)

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

<i>In LEI</i>	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Profit before tax	(4,595,127)	568,755
Tax in accordance with the statutory taxation rate of 16% (2022: 16%)	(735,220)	91,001
Effect on income tax of:		
Non-deductible expenses	57,801	2,439,377
Non-taxable income	(27,653)	(2,612,145)
Registration/(reversal) of temporary differences	5,393	(86,344)
Other elements	1,212,336	2,093,034
Effect of tax loss impact on the current period	-	74,869
Dividend tax (5%)	-	690,102
Profit tax, of which:	512,657	2,689,894
• Income tax expense (through profit or loss)	5,394	603,758
• Income tax through retained earnings corresponding to the sale of FVTOCI financial assets	507,263	2,086,136

In the first quarter of 2023, the actual income tax rate (calculated based on expenses reflected through profit or loss), is 0% (3 months' period ended on 31st March 2022: 106%), since in the first quarter of 2023 there has been no dividend income registered.

The main non-taxable income is represented by dividend revenue (taxable through withholding) and income from differences following the revaluation of financial assets at fair value through profit or loss (holdings over 10%), while non-deductible expenses include expenses from the differences of the revaluation of financial assets through profit or loss (holdings over 10%), as well as expenses proportionally assigned to non-taxable revenue.

On ascertaining tax result as non-deductible expenses the management and administration expenses, as well as other common expenses are taken into account proportionally to the weight of non-taxable income in the total income registered by the Company.

The main component of the Other elements category are elements similar to revenue that mainly include net gain reflected in retained earnings reported corresponding to the sale of equity instruments classified at fair value through other comprehensive income (FVTOCI).

11 a) BANK DEPOSITS WITH INITIAL MATURITY WITHIN 3 MONTHS

<i>In LEI</i>	31st March 2023	31st December 2022
Term deposits with initial maturity within 3 months	69,628,429	104,753,137
Attached receivables	136,745	224,697
Total bank deposits – gross value	69,765,174	104,977,834
Expected credit loss	(3,953)	(6,070)
Total bank deposits	69,761,221	104,971,764

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 a) BANK DEPOSITS WITH INITIAL MATURITY OF MORE THAN 3 MONTHS

<i>In LEI</i>	31st March 2023	31st December 2022
Bank deposits with initial maturity of more than 3 months	10,000,000	-
Attached receivables	152,083	-
Total bank deposits – gross value	10,152,083	-
Expected credit loss	(2,193)	-
Total bank deposits	10,149,890	-

On 31st March 2023, this category includes the collateral deposit at Banca Comercială Română, representing the guarantee for the credit facility contracted from this bank (see explanatory note 14 Loans). The collateral deposit is classified in Stage 1.

12. FINANCIAL ASSETS

a) Financial assets at fair value through profit or loss

<i>In LEI</i>	31st March 2023	31st December 2022
Fund units	242,836,930	265,105,760
Shares	72,381,896	68,513,996
Total	315,218,826	333,619,756

<i>In LEI</i>	31st March 2023	31st March 2022
1st January	333,619,756	381,215,357
Acquisitions	-	5,000,000
Sales	(20,707,676)	-
Fair value modification	2,245,111	(10,334,511)
Gain from FVTPL sale	61,635	-
31st March	315,218,826	375,880,846

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

<i>In LEI</i>	31st March 2023	31st December 2022
Shares measured at fair value	1,984,438,098	1,875,688,529
Total	1,984,438,098	1,875,688,529

On 31st March 2023 and 31st December 2022, the category of shares measured at fair value through other comprehensive income included mainly shares held in Banca Transilvania, SNGN Romgaz, Aerostar, BRD - Groupe Société Générale, OMV – Petrom, Professional Imo Partners and Străulesti Lac Alfa.

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 from their sale and are not held for trading.

12. FINANCIAL ASSETS (continued)

b) Financial assets assigned 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 2023, namely on 31st March 2022 is presented in the following table:

In LEI

	31st March 2023	31st March 2022
1st January	<u>1,875,688,530</u>	<u>1,952,286,731</u>
Acquisitions	155,986,965	72,495,598
Sales	(42,148,257)	(18,325,071)
Fair value modification	(5,089,140)	(35,487,991)
31st March	<u>1,984,438,098</u>	<u>1,970,969,267</u>

In the first 3 months of 2023, the category of Shares measured at fair value through other comprehensive income registered an increase, following the running of the approved investment programs.

In the first 3 months of 2022, shares measured at fair value through other comprehensive income registered a drop, following the negative impact of the Russian - Ukrainian war has had on financial markets (including on Bucharest Stock Exchange), and following interest increase caused by the increase of monetary policy interest by Romania's National Bank on the background of sharp inflationist pressures, starting on the second half of 2021.

For information on the net gain from the sale of shares measured at fair value through other comprehensive income, see explanatory note 12 d).

On 31st March 2023, a number of 8,044,831 shares to Banca Transilvania held by the Company are mortgaged to BCR, as a guarantee for the credit facility contracted from this bank (see Note 14 Loans).

12. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy

The below table analyses 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 shares and bonds and unit value of net asset (unadjusted) in case of fund units (that meet the definition of Level 1 inputs);
- 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 market (unobservable inputs).

31st March 2023

<i>In LEI</i>	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	259,274,613	-	55,944,213	315,218,826
Financial assets measured at fair value through other comprehensive income	1,674,752,392	-	309,685,706	1,984,438,098
Bonds at fair value through other comprehensive income	3,828,895	-	-	3,828,895
Total	<u>1,937,855,900</u>	<u>-</u>	<u>365,629,919</u>	<u>2,303,485,819</u>

31st December 2022

<i>In LEI</i>	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	277,399,197	-	56,220,559	333,619,756
Financial assets measured at fair value through other comprehensive income	1,578,423,906	-	297,264,623	1,875,688,529
Bonds at fair value through other comprehensive income	3,982,047	-	-	3,982,047
Total	<u>1,859,805,150</u>	<u>-</u>	<u>353,485,182</u>	<u>2,213,290,332</u>

12. 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
Unlisted minority interest with control right	54,177,041	Income-based approach –discounted cash-flow method	Weighted average cost of capital: 11.8% Constant long-term income growth rate: 3% Discount for lack of marketability: 17.9%	The lower the weighted average cost of capital, the higher the fair value. The higher the long-term income growth rate, the higher the fair value. The lower the lack of marketability discount, the higher the fair value.
Listed interest with right of control	22,901,596	Income-based approach –discounted cash-flow method	Weighted average cost of capital: 12.4% Constant long-term income growth rate: 3.5% Discount for lack of marketability: 16%	The lower the weighted average cost of capital, the higher the fair value. The higher the long-term income growth rate, the higher the fair value. The lower the lack of marketability discount, the higher the fair value.
Unlisted minority interest	6,522,389	Income-based approach –discounted cash-flow method	Weighted average cost of capital: 14.6% Constant long-term income growth rate: 3% Lack of control discount: 19.5% Discount for lack of marketability: 19.4%	The lower the weighted average cost of capital, the higher the fair value. The higher the long-term income growth 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.
Listed minority interest, without active market	1,996,752	Market approach, comparable companies method	Invested capital/ turnover multiple : 0.66 Invested capital /EBITDA multiple: 5.41 Discount for lack of marketability: 16%	The lower the EV/Sales multiple, the lower the fair value. The lower the EV/EBITDA multiple, the lower 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)

12. 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
Unlisted minority interest	4,778,247	Market approach, comparable companies method	Invested capital/turnover multiple: 0.5 Equity / book value multiple: 1.0 Discount for lack of marketability: 13.7%	The lower the EV/Rev 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.
Unlisted interest with control right	139,712,415	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 0.9 Discount for lack of marketability: 12.2.%	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 minority interest, without active market (investment type/ holding / start-up)	72,035,757	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 1.3 Discount for lack of control: 13.2% Discount for lack of marketability: 11.4%	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.
Unlisted minority interest(investment/ holding / start-up)	63,505,722	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 0.7 Discount for lack of marketability: 5.7%	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.
Total	365,629,919			

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)

12. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Financial assets	Fair value on 31 st December 2022	Valuation technique	Unobservable inputs, value intervals	Relationship between unobservable inputs and fair value
Listed minority holdings, without active market	2,020,876	Market approach, comparable companies method	<p>Invested capital/turnover multiple: 0.6 Market value of equity by reference to their book value: 0.9 Invested capital/EBITDA multiple: 5.4 Discount for lack of marketability: 16%</p>	<p>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 EV/EBITDA multiple, the lower the fair value. The lower the lack of marketability discount, the higher the fair value.</p>
Unlisted minority interest	4,778,247	Market approach, comparable companies method	<p>Invested capital/ turnover multiple: 0.5 Market value of equity by reference to their book value: 0.99 Discount for lack of marketability: 13.7%</p>	<p>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.</p>
Unlisted minority interest with control right	54,177,041	Income-based approach –discounted cash-flow method	<p>Weighted average cost of capital: 11.8% Discount for lack of marketability: 17.9%. Constant long-term income growth rate: 3%</p>	<p>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.</p>
Unlisted minority interest	6,522,389	Income-based approach –discounted cash-flow method	<p>Weighted average cost of capital: 14.6% Constant long-term income growth rate: 3% Discount for lack of control: 19.5% Discount for lack of marketability: 19.4%</p>	<p>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.</p>

The attached notes are integral part of the financial statements.

12. FINANCIAL ASSETS (continued)

c) Fair Value Hierarchy (continued)

Financial assets	Fair value on 31 st December 2022	Valuation technique	Unobservable inputs, value intervals	Relationship between unobservable inputs and fair value
Not listed control right interest	127,266,998	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 0.9 Discount for lack of marketability: 12.2%	In the balance, the book value is identified through equity. The lower this ratio, the lower the fair value. The lower the lack of marketability discount, the higher the fair value.
Listed interest with control right	22,901,596	Income-based approach –discounted cash-flow method	Weighted average cost of capital: 12.4% Constant long-term income growth rate: 3.5% Discount for lack of marketability: 16%	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 marketability discount, the higher the fair value.
Listed minority interest, without active market (investment type/ holding / start-up)	72,035,757	Asset-based approach - asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 1.3 Discount for lack of control: 13.2% Discount for lack of marketability: 11.4%%	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.
Unlisted minority interest(investment/ holding / start-up)	63,782,278	Asset-based approach-asset accumulation method or adjusted net asset method	Market value of equity by reference to their book value: 0.7 Discount for lack of marketability: 5.7%	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.
Total	353,485,182			

12. 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 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 elements at 31st March 2023, as follows:

Modified assumption (Lei)	Impact on profit or loss (before tax)	Impact on other comprehensive income (before tax)
WACC increase by 50 bps	-	(8,950,247)
WACC decrease by 50 bps		10,008,148
Increase of the perpetuity growth rate by 25 bps	-	335,291
Decrease of the perpetuity growth rate by 25 bps	-	(318,067)
Increase of (EBITDA, CA, P/E) multiples by 10%	108,609	656,426
Decrease of (EBITDA, CA, P/E) multiples by 10%	(108,609)	(656,426)
Increase of land sale price per sqm by 10%	6,001,789	3,389,785
Decrease of land sale price per sqm by 10%	(6,001,789)	(3,389,785)
Increase of apartment sale price per sqm by 10%	-	5,154,130
Decrease of apartment sale price per sqm by 10%	-	(5,154,131)
	64,561	206,667
Increase of rent per sqm by 10%		
Decrease of rent per sqm by 10%	(64,561)	(206,667)
Increase of rent capitalization rate by 50 bps	(175,653)	(520,085)
Decrease of rent capitalization rate by 50 bps	195,170	579,438
Increase of DLOM by 10%	(712,822)	(4,356,882)
Increase of DLOM by 10%	712,822	4,356,882

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

Income/turnover multiple: is an instrument used to evaluate companies based on a market comparison with similar listed companies. Evaluating a company based on its

12. 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 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 the valuers consider as relevant). The trading multiples for the comparable companies are determined by dividing the enterprise value of the company by its EBITDA indicator and by further discounting, due to possible lack of marketability and other differences between the comparable peer group and specific 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.

A company that requires more assets (e.g. 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 company).

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 the weighted average cost of capital calculation.

Discount for lack of control: represents the discount applied to reflect the absence of 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 valuated company.

Discount for lack of marketability (DLOM): represents the discount applied to the comparable market multiples, in order to reflect the liquidity differences between the revaluedl 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.

12. 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 2023	31st March 2022
Balance on 1st January	<u>353,485,182</u>	<u>318,728,736</u>
Total gain/(loss) recognized in profit or loss	(276,346)	(104,939)
Total gain/(loss) recognized in other comprehensive income	(2,761,226)	24,103
Acquisitions / participation to capital increases	15,300,000	-
Sales	(117,691)	-
Balance on 31st March	<u>365,629,919</u>	<u>318,647,900</u>

At 31st March 2023 and 31st December 2022, the Company classified as Level 1 securities measured on the basis of 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.

Investments classified in Level 3, representing 18% of the Company's share portfolio at 31st March 2023 (31st December 2022: 18%), have been measured by independent external or internal valuers, 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.

12. FINANCIAL ASSETS (continued)

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

	31st March 2023	31st December 2022
At 1st January	<u>699,891,438</u>	<u>903,246,143</u>
Gross loss from the revaluation of financial assets measured at fair value through other comprehensive income	(5,292,798)	(35,484,954)
Deferred tax corresponding to the gain/loss from revaluation of financial assets measured at fair value through other comprehensive income	<u>608,387</u>	<u>7,361,936</u>
Net gain/(loss) from the revaluation of financial assets measured at fair value through other comprehensive income	<u>(4,684,411)</u>	<u>(28,123,018)</u>
Net gain transferred to retained earnings as a result of the sale of financial assets measured at fair value through other comprehensive income	<u>(7,012,172)</u>	<u>(10,970,603)</u>
At 31st March	<u>688,194,855</u>	<u>864,152,522</u>

In the first quarter of 2023, the net gain of 7,012,172 lei was mainly achieved from the sale of shares in ROMGAZ SA.

In the first quarter of 2022, the net gain of 10,970,603 lei was mainly achieved from the sale of shares in Banca Transilvania.

e) Bonds at amortized cost

<i>In LEI</i>	31st March 2023	31st December 2022
Corporate bonds	17,984,400	17,606,400
Municipal bonds	<u>44,695</u>	<u>47,694</u>
Total bonds at amortized cost – gross value	<u>18,029,095</u>	<u>17,654,094</u>
Expected credit loss	<u>(125,472)</u>	<u>(103,559)</u>
Total bonds at amortized cost	<u>17,903,623</u>	<u>17,550,535</u>
Corporate bonds	<u>3,828,895</u>	<u>3,982,047</u>
Total bonds at fair value through other comprehensive income	<u>3,828,895</u>	<u>3,982,047</u>

At 31st March 2023 and 31st December 2022, the category of bonds at amortized cost included the bonds issued by EVER IMO S.A. and Bacău City Hall.

At 31st March 2023 and 31st December 2022, the category of bonds at fair value through other comprehensive income included the 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 bonds of the Company are classified as Stage 1.

13. OTHER FINANCIAL ASSETS AT AMORTISED COST

<i>In LEI</i>	31st March 2023	31st December 2022
Sundry debtors	49,741,367	50,030,246
Trade receivables	102,599	106,088
Collateral (guarantees)	19,662	19,662
Advances to suppliers	200,257	129,043
Amount representing the guarantee for the public buy-back of treasury shares offer	-	8,500,000
Total other financial assets – gross value	50,063,885	58,785,039
Less expected credit loss corresponding to other financial assets	(48,916,993)	(48,915,129)
Total other financial assets	<u>1,146,892</u>	<u>9,869,910</u>

Receivables from sundry debtors mainly include amounts arising from final court decisions in amount of 48,864,617 lei (31st December 2022: 48,862,753 lei).

The amount representing the guarantee for the public buy-back of treasury shares , in balance at 31st December 2022, was set at the intermediary according to the provisions of FSA Regulation no. 5/2018 regarding issuers of financial instruments and market operations, article 57 point 1, letter d).

At 31st March 2023, Other financial assets at amortized cost are divided into performing assets in amount of 1,146,892 lei (31.12.2022: 9,869,910 lei) and impaired receivables in amount of 48,916,993 lei (31.12.2022: 48,915,128 lei), representing sundry debtors.

The movement of expected credit loss adjustments for other financial assets at amortized cost can be analysed as follows:

<i>In LEI</i>	31st March 2023	31st March 2022
At 1st January	<u>(48,915,129)</u>	<u>(51,282,218)</u>
Setup	(1,864)	(11,268)
Reversal	-	2,340,807
At 31st March	<u>(48,916,993)</u>	<u>(48,952,679)</u>

14. LOANS

<i>In LEI</i>	31st March 2023	31st December 2022
Short-term liabilities	95,309,709	-
Short-term bank loans	95,309,709	-
Total loans	95,309,709	-

Reconciliation of opening and closing loan balances is presented in the below table:

<i>In LEI</i>	31st March 2023	31st March 2022
1st January	-	-
Proceeds from loans	94,121,516	-
Attached interest on 31 st March 2023	286,992	-
Loan revaluation differences	901,201	-
31st March	95,309,709	-

In January 2023, EVERGENT Investments contracted from Banca Comercială Română (BCR) a revolving-type credit facility, as overdraft, for a 12 months' period (maturity date: 17th January 2024), with a maximum value of 19,200,000 euro, variable interest, in order to capitalize on market opportunities in the new investment context.

At 31st March 2023, EVERGENT Investments had the following guarantees in favour of BCR:

- Mortgage over the accounts opened by the Company with BCR;
- Mortgage on the collateral deposit of 10,000,000 lei opened at BCR;
- Mortgage on a number of 8,044,831 shares held by the Company at Banca Transilvania.

15. DIVIDENDS PAYABLE

<i>In LEI</i>	31st March 2023	31st December 2022
Dividends payable for 2012	641	641
Dividends payable for 2013	985	985
Dividends payable for 2014	162,380	162,380
Dividends payable for 2015	167,010	167,010
Dividends payable for 2016	162,414	162,414
Dividends payable for 2017	196,240	196,240
Dividends payable for 2018	117,720	117,720
Dividends payable for 2019	14,388,313	14,444,573
Dividends payable for 2020	10,610,047	10,673,557
Dividends payable for 2021	16,515,601	16,708,288
Total dividends payable	<u>42,321,351</u>	<u>42,633,808</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 according to the law (e.g. if amounts owed to shareholders are subject to enforcement procedures).

16. a) FINANCIAL LIABILITIES AT AMORTIZED COST

<i>In LEI</i>	31st March 2023	31st December 2022
Suppliers and accrued expenses	1,062,911	1,478,303
Payments to be made to companies in the portfolio	5,710,000	1,365,000
Other financial liabilities	1,672,023	27,800
Total	<u>8,444,934</u>	<u>2,871,103</u>

16. b) OTHER LIABILITIES

<i>In LEI</i>	31st March 2023	31st December 2022
Taxes and levies	737,865	1,678,622
Liabilities related to employee's cash benefits plan	1,673,963	1,877,247
Liabilities related to salaries and other salary rights	796,156	586,572
Other liabilities	255,045	12,558
Total	<u>3,463,029</u>	<u>4,154,999</u>

16. b) OTHER LIABILITIES (continued)

At 31st March 2023, liabilities related to cash benefits plan represent the amounts that are to be offered as profit-sharing and bonuses, in cash, to the employees, in accordance with the Collective Employment Contract.

Liabilities related to salaries and other salary rights represents the amounts that are to be paid, representing salaries, allowances for vacations not taken, medical leaves and other rights.

Taxes and levies represent current liabilities, including current income tax payables, which have been paid by the Company on time.

17. DEFERRED TAX LIABILITIES

Deferred income tax liabilities at 31st March 2023 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	570,061,632	-	570,061,632
Tangible assets	4,867,710	-	4,867,710
Investment property	3,175,797	-	3,175,797
Provisions for litigations	-	(1,632,553)	(1,632,553)
Liabilities related to profit sharing and other benefits	-	(23,035,963)	(23,035,963)
Total	<u>578,105,139</u>	<u>(24,668,516)</u>	<u>553,436,623</u>
Net temporary differences - 16% rate			553,436,623
Deferred income tax liabilities			<u>88,549,860</u>

Deferred tax liabilities at 31st December 2022 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	577,028,760	-	577,028,760
Tangible assets	4,925,739	-	4,925,739
Investment property	3,212,586	-	3,212,586
Provisions for litigations	-	(1,632,553)	(1,632,553)
Liabilities related to profit sharing in cash and other benefits	-	(23,100,768)	(23,100,768)
Total	<u>585,167,085</u>	<u>(24,733,321)</u>	<u>560,433,764</u>
Net temporary differences - 16% rate			560,433,764
Deferred income tax liabilities			<u>89,669,402</u>

17. DEFERRED TAX LIABILITIES (continued)

Deferred income tax directly recorded through the decrease of equity is 92,132,554 lei at 31st March 2023 (31st December 2022: 93,257,490), being mainly generated by financial assets measured at fair value through other comprehensive income for which the Company's interest is under 10% for a period less than one year and property, plant and equipment..

18. CAPITAL AND RESERVES

a) Share Capital

The Company's shareholding structure at 31st March 2023 and 31st December 2022 is presented in the table below:

31st March 2023	No. of shareholders	No. of shares	Nominal value (Lei)	(%)
Individuals	5,742,327	364,464,884	36,446,488	38%
Companies	150	597,288,708	59,728,871	62%
Total	5,742,477	961,753,592	96,175,359	100%

31st December 2022	No. of shareholders	No. of shares	Nominal value (Lei)	(%)
Individuals	5,743,143	368,245,711	36,824,571	38%
Companies	155	593,507,881	59,350,788	62%
Total	5,743,298	961,753,592	96,175,359	100%

All shares are ordinary and have been subscribed and paid in full at 31st March 2023, and 31st December 2022.

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 at 31st March 2022 had a nominal value of 96,175,359 lei (31st December 2022: 96,175,359 lei).

At 31st March 2023, the difference 403,813,278 lei between the book value of share capital of 499,988,637 lei and its nominal value, is the inflation difference generated by the application of IAS 29 "Financial reporting in hyperinflationary economies" up to 1st January 2004.

18. CAPITAL AND RESERVES (continued)

(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 12 d).

(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 at 31st March 2023 is 20,763,584 lei (31st December 2022: 20,763,584 lei).

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

18. CAPITAL AND RESERVES

(d) Treasury Shares

The total number of treasury shares held by the Company at 31st March 2023 is 51,472,896 shares, representing 5.35% of the share capital (31.12.2022: 31,847,896 shares, representing 3.31% of share capital) in total 66,662,480 lei (31.12.2022: 38,991,230 lei).

The evolution of the number of shares (and their value) in the first quarter of 2023 and 2022 is the following:

Treasury shares	Balance on January 1 st 2023	Acquisitions during the period	Balance on 31 st March 2023
Buy-back program approved by EGMS on 28 th April 2022	8,400,000	19,625,000	28,025,000
Buy-back program approved by EGMS on 20 th January 2022	23,100,000	-	23,100,000
Buy-back program approved by EGMS on 27 th April 2020	347,896	-	347,896
Total no. of shares	31,847,896	19,625,000	51,472,896
Total share value (Lei)	38,991,230	27,671,250	66,662,480
Treasury shares	Balance on 1st January 2022	Acquisitions during the period	Balance on 31st March 2022
Buy-back program approved by EGMS on 18 th April 2020	-	4,194,481	4,194,481
Buy-back program approved by EGMS on 18 th April 2019	19,459,459	-	19,459,459
Buy-back program approved by EGMS on 25.04.2016	4,190,048	-	4,190,048
Total no. of shares	23,649,507	4,194,481	27,843,988
Total share value (Lei)	41,119,507	5,003,157	46,122,664

18. CAPITAL AND RESERVES (continued)

(d) Treasury Shares (continued)

In the buy-back program approved on 28th April 2022, the Company started in December 2022 and completed in January 2023 the public treasury shares buy-back program, with the following main characteristics:

- Number of treasury shares bought-back within the offer: 19,625,000, representing 2.0405% of the share capital
- Purchase price: 1.41 lei per share
- Running period: 22nd December 2022 – 6th January 2023
- Offer broker: BT Capital Partners SA

The purpose of the program is the reduction of the share capital through the cancelling of shares, in accordance with EGMS resolution no. 2 on 28th April 2022.

(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 at 31st March 2023 and 31st December 2022:

<i>In LEI</i>	31st March 2023	31st December 2022
SOP 2021	10,850,388	10,850,388
SOP 2022	9,915,392	9,915,392
Total	20,765,780	20,765,780

Options granted in 2022 that may be exercised at the end of the reporting period, related to SOP 2021 shares, which are in the amount of 10,850,388 lei (a number of 8,930,361 shares) and will be allocated in the second quarter of 2023 for 1.2150 lei/share (closing price on 27th April 2022).

There were no options that expired or were lost in 2022 or in the first 3 months of 2023.

Shares corresponding to SOP 2022 are the equivalent of 9,915,392 lei and will be allocated in 2024 for a market price provided in SOP 2022, approved by the Board of Directors in April 2023.

19. 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 2023	31 st March 2022
Net profit/(net loss) attributable to the Company's Shareholders		(4,600,521)	(35,003)
<i>Weighted average number of outstanding ordinary shares</i>		<i>912,243,196</i>	<i>956,089,760</i>
Basic earnings per share (net profit/(net loss) per share)		(0.0050)	(0.0000)
Net profit/(net loss) assignable to Company's shareholders		(4,600,521)	(35,003)
Net gain registered in retained earnings attributable to shareholders (from the sale of financial assets at fair value through other comprehensive income)		7,012,172	10,970,603
<i>Average weighed number of outstanding ordinary shares</i>		<i>912,243,196</i>	<i>956,089,760</i>
Basic earnings per share (including earnings from the sale of FVTOCI assets)		0.0026	0.0114

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

Basic and diluted earnings per share are calculated based on net income, which includes, in addition to net profit or net loss, the gain on the sale of FVTOCI financial assets reflected in retained earnings.

The company also presents in the condensed separate 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.

20. 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 2023	31 st December 2022
Agrointens SA	99.99%	99.99%
Casa SA	99.60%	99.60%
Mecanica Ceahlău SA	73.30%	73.30%
Regal SA	93.89%	93.02%
EVER IMO SA	99.99%	99.99%
Everland SA	99.99%	99.99%
EVER AGRIBIO SA	99.99%	99.99%
VISIONALFA Investments SA	99.99%	99.99%
A3 Snagov SRL	99.99%	99.99%

In the first quarter of 2023, the Company took part in capital increase of subsidiary Casa SA by a cash contribution of 15,300,000 lei, of which actually paid in as at 31st March 2023: 9,590,000 lei and also paid the amount of 1,365,000 lei from the share capital increase of subsidiary EVER AGRIBIO SA.

In the first quarter of 2022, the Company took part in capital increase of subsidiary Agrointens SA by a cash contribution of 4,845,000 lei.

In the first quarters of 2023 and 2022 there have been no acquisitions, sales or set-ups of new subsidiaries.

Associates of the Company

The Company holds an investment in an associated entity at 31st March 2023 and 31st December 2022, Străulești Lac Alfa S.A., with 50% ownership.

20. 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 2023	31st December 2022
CASA SA		
Other financial assets at amortized cost	-	2,546
Financial liabilities – payments to be made for share capital increase	5,710,000	-
Financial liabilities – other liabilities	105,650	98,148
EVER IMO SA		
Corporate bonds at amortized cost	17,984,400	17,606,400
Other financial assets at amortized cost	108,861	108,976
Other assets	10,083	10,110
Lease liabilities	2,360,778	2,421,297
Financial liabilities	3,011	12,361
EVER AGRIBIO SA		
Financial liabilities – payments to be made for share capital increase	-	1,365,000

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 2023	3 months' period ended on 31st March 2022
EVERLAND SA		
Other operating income	399	401
CASA SA		
Other operating income	144,741	99,712
Other operating expenses	253,971	212,052
EVER IMO SA		
Interest income	378,000	378,000
Dividend income	-	-
Other operating income	-	1,241
Other operating expenses	40,043	27,886
Lease liabilities	14,852	16,403
STRAULESTI LAC ALFA		
Interest income	-	334,000

20. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Key Management Staff

At 31st March 2023 and 31st December 2022, the members of the Board of Directors are 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).

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 2023 and 2022, are presented in the table below:

	3 months' period ended on 31st March 2023	3 months' period ended on 31st March 2022
Board of Directors	1,589,043	1,473,272
Management Committee	937,128	883,969
Total, of which:	2,526,171	2,357,241
<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.

21. SUBSEQUENT EVENTS

Resolutions of the Ordinary General Meetings (OGMS) and Extraordinary General Meetings (EGMS) on 27th April 2023

The main resolutions of shareholders within OGMS on 27th April 2023 have been the following:

- Approval of the consolidated financial statements for financial year ended at 31st December 2022, 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 compliant with the provisions of Commission Delegated Regulation (EU) with regard to the regulatory technical standards on the specification

21. SUBSEQUENT EVENTS (continued)

of a single electronic reporting format), accompanied by the Report of the Independent auditor and Annual Report of the Board of Directors related to the consolidated financial statements for financial year 2022.

- Approval of the Separate Financial Statements for the financial year ended at 31st December 2022, prepared in accordance with Accounting Regulations compliant with the International Financial Reporting Standards (IFRS) applied to entities authorized, regulated and supervised by FSA, approved by FSA Rule no. 39/2015 (including in the format compliant with the provisions of Commission Delegated Regulation (EU) with regard to the regulatory technical standards on the specification of a single electronic reporting format), accompanied by the Report of the Independent Auditor, Annual Report of the Board of Directors corresponding to the separate financial statements and Remuneration Report of EVERGENT Investments for financial year 2022.
- Approval of the dividend distribution from the net result of financial year ended at 31st December 2022, comprised of net profit and net gain reflected in retained earnings from the sale of financial assets (equity instruments) classified at fair value through other comprehensive income (FVTOCI). Approval of gross dividend of 0.09 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 registration date (excluding the own treasury shares bought-back and held by the Company on the registration date), up to a maximum of 82,712,573 lei.

Dividend distribution shall be made from the Company's net profit and the difference up to the total net profit value, shall be transferred to „Other reserves”.

Payment related costs are borne from the net dividend value. Dividend payment is made through Central Depository and payment agent Banca Transilvania. Approval of the date of 9th June 2023 as registration date (ex-date 8th June 2023), and the date of 28th June 2023 as dividend payment date.

- Approval of 2023 Activity Program in accordance with „EVERGENT Investments Strategy and Policy” and 2023.
- Approval for the prescription of the dividends for financial year 2019 established by the Ordinary General Meeting of Shareholders Resolution no. 4 April 27, 2020, not collected until 11th June 2023 and their registration according to the applicable regulations.
- Approval of the date of 9th June 2023 as registration date (ex-date 8th June 2023) of shareholders affected by the effects of resolutions adopted in the Ordinary General Meeting of Shareholders.

21. SUBSEQUENT EVENTS (continued)

The main resolutions of EGMS on 27th April 2023 were the following:

- Approval of Programs 8 and 9 for the Buy-back of treasury shares, abiding by applicable legal provisions and meeting the same main characteristics:
 - a) Purpose of the programs: The Company shall buy-back shares in order to run the “stock option plan” – type programs (Program 8), and to reduce the share capital through share annulment (Program 9).
 - b) The number of shares that can be bought-back: (i) maximum 9,200,000 shares through market operations (0.956% of registered share capital) for distribution to employees, managers and directors of the Company, through “stock option plan” type programs (Program 8) and (ii) maximum 10,000,000 shares (1.039% of registered share capital) through public purchase offering, for the purpose of lowering the share capital through share annulment (Program 9).
 - c) Minimum price per share: the minimum purchase price shall be the BVB market price at the time the purchase is made.
 - d) Maximum price per share: 2 lei.
 - e) Duration of each program: maximum 18 months from the date the resolution is registered in the Trade Register.
 - f) The payment of bought-back shares will be made from the distributable profit or available resources of the company, registered on the latest annual, approved financial statement, with the exception of legal reserves registered in 2022 financial statements, in accordance with the provisions of art. 1031 Companies’ Law no. 31/1990.

The potential sale of the stake in the REGAL S.A. subsidiary

In April 2023, EVERGENT Investments resumed the process of selling of the stake held in the subsidiary Regal S.A, representing 1,116,258 shares (93.89% of the subsidiary’s share capital), through a Dutch auction, held on the 15th May 2023.

The individual financial statements were approved by the Board of Directors on 15th May 2023 and signed on its behalf by:

Claudiu Doros
CEO and President of the Board

Mihaela Moleavin
Finance Director